

NEWPORT MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
August 21, 2017

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16703 Golf Club Drive, Crosby, Texas, on August 21, 2017, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

R. Gary Hasse, President
Don Cox, Vice President
Margarette Chasteen, Secretary
Jim Hembree, Director

and the following absent:

David P. Guidry, Assistant Secretary.

Also present were David Kasper, Rich Harcrow, Cullen Francis, Josh McKethan, Delilah Arolfo, and Andrea Martin.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. David Kasper presented an engineer’s report, copy of which is attached. Mr. Kasper reported that construction contracts are ready to be executed on the next phase of development of Newport, Section 8 replat.

With regard to Newport Place (Rochester), Rochester is working on the design of the 11-acre subdivision Golf Club Drive across from the surface water treatment plant. Plans have been received from Gregg Katt and LJA Engineering for an 11 lot subdivision on County Club Drive.

With regard to 2016 bond issue projects, on behalf of the District operator, the engineer requested that CFG delay taking down Water Plant No. 1 until after October 1, 2017. The District will need to grant a contract extension to the contractor, and the contractor is agreeable to the requested delay. On the water meter replacement project, the base station has been installed and the installation of the phone service is expected on August 29, 2017. The contractor is scheduled to install the meters near the end of September. Meter installation is estimated to take four months. The engineer will be submitting plans to Harris County and the City of Houston for improvement to the water distribution system – Gum Gully in the next two weeks. ARKK has completed review of sanitary sewer inspection video data. Due to deterioration observed in certain line segments, it was recommended that the District televise the remainder of the 48” inches on Golf Club Drive, as well at the remainder of the 24” lines on South Diamondhead at a cost of \$21,164. The amount remaining in the bond issue to televise critical line segments is \$27,900. Upon unanimous vote, the Board authorized televising the lines at a cost of \$21,164.

ADP

The generator purchase is scheduled to be advertised on August 2, 2017, and awarded at the September meeting.

Upon unanimous vote, the Board approved the engineer's report as presented.

2. The Board next reviewed the operations and maintenance report, a copy of which is attached. Josh McKethan reported on operations of the water system in the District. Ground water permitted through February 28, 2018 was 206 million gallons, and remaining ground water as of July 26, 2017 was 107.507 million gallons. Total ground water produced was 17.621 million gallons, and total surface water was produced was 10.214 million gallons. Billed water was 24.188 million gallons with an accountability of 93%.

Josh McKethan reported on completed and pending work at the surface water treatment plant and water plants. Pending work at the surface water treatment plant includes rehabilitation of the ground storage tank, EFS to decommission the hydropneumatic tank, repair of the ground storage tank valve handle by CFG, replacement of the carbon pump, and camera upgrades by McCann. At Water Plant No. 1, the operator needs to complete rehabilitation of the hydropneumatic and ground storage tanks. At Water Plant No. 2, the operator needs to replace the two-inch air relief valve and the bad electrical component needs to be replaced.

Cullen Francis reported on the status of the wastewater system in the District. Total flow for the month amounted to 23.178 million gallons, with an average daily flow of 0.747 million gallons. There was 4.6" of rainfall for the month. There were no violations noted at the facility.

Cullen Francis next reported on work completed at the wastewater treatment plant and District lift stations.

Rich Harcrow reported on the District work. There were 10 water leaks and main line repairs, eight sewer back-ups and sewer line repairs, and 17 miscellaneous call outs. There were 25 regular taps and 27 sewer taps made during the month.

Upon unanimous vote, the Board approved the operator's report.

3. Rich Harcrow then presented a report on District parks, a copy of which is attached.

Upon unanimous vote, the Board approved the District parks report.

4. Andrea Martin presented a billing and collections report and a report on garbage collection, a copy of which is attached.

5. The Board next discussed the detention pond maintenance contract with Upstream Environmental. The Board previously discussed Upstream Environmental's position that they were unaware that they were supposed to mow the drainage ditch in Newport Court and would need to submit an estimate for the work to be performed. The operator confirmed that they had made the contractor aware of the ditch during the field inspection that was performed prior

to submission of their bid. Upon unanimous vote, the Board authorized the operator to release Upstream Environmental from their contract with the District due to unsatisfactory work.

There being no further business to come before the Board, the meeting was adjourned.


Secretary