

MINUTES  
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

November 1, 2021

The Board of Directors (the "Board") of Northeast Harris County Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 1<sup>st</sup> day of November, 2021, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Jim Moffatt	President
Keith Jaehne	Vice President
Tonya Nunez	Asst. Vice President
Ellen Crocker	Secretary
Ted Gaylord	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were: Barbara Nussa of Republic Services, Inc. ("Republic"); R. Craig Rathmann of Rathmann & Associates, LP; Aaron Alford of Woodmere Development Company, Ltd; Jorge Diaz of McLennan & Associates, L.P.; Patty Rodriguez of Bob Leared Interests, Inc.; Mike Williams of Municipal Operations & Consulting, Inc.; Jason Hajduk of IDS Engineering Group; and Greer Pagan and Arlene Catalan of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

The Board offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, the Board moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the October 4, 2021, regular meeting. After review and discussion, Director Crocker moved to approve the minutes of the October 4, 2021, regular meeting. Director Gaylord seconded the motion, which passed by unanimous vote.

GARBAGE COLLECTION MATTERS

Ms. Nussa stated per the District's garbage collection services contract, the Consumer Price Index ("CPI") rate for garbage collection services will increase from

\$14.90 per home to \$15.42 per home. She noted that the 3.53% CPI rate increase is effective December 1, 2020.

ISSUANCE OF BOND ANTICIPATION NOTE ("BAN"), INCLUDING: ADOPT RESOLUTION AUTHORIZING THE ISSUANCE AND EXECUTION OF BAN SERIES 2021; AUTHORIZE THE BOARD OF DIRECTORS TO SIGN ALL DOCUMENTS RELATING TO THE BAN AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BAN TO THE PURCHASE; ACCEPT AND EXECUTE PURCHASERS' INVESTMENT AND BID LETTER; EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE; AND DEVELOPER REIMBURSEMENT REPORT AND DEVELOPER RECEIPT AND AUTHORIZE DISBURSEMENT OF BAN PROCEEDS

Mr. Rathmann updated the Board regarding the District's upcoming BAN sale.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Mr. Pagan stated the District's audit, which contains updated financial and operating data, needs to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Electronic Municipal Market Access System ("EMMA"). Following review and discussion, Director Moffatt moved to authorize filing of the District's audit to comply with the continuing disclosure provisions contained in the bond resolutions, through EMMA. Director Jaehne seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES OF CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Pagan stated that no changes are required at this time.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2016 BONDS

Mr. Pagan reviewed the District's Arbitrage Rebate Report for the Series 2016 Bonds ("Report"). The Board directed that the Report be filed appropriately and retained in the District's official records.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Diaz presented and reviewed the bookkeeper's report, a copy of which is attached, and presented the District's bills for payment. After review and discussion, Director Crocker moved to approve the bookkeeper's report, including payment of the

bills, as presented. Director Nunez seconded the motion, which passed by unanimous vote.

#### TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Rodriguez presented and reviewed the tax assessor/collector's report with the Board, a copy of which is attached.

The Board reviewed a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value from the Harris County Central Appraisal District as of October 1, 2021.

Following review and discussion, Director Gaylord moved to: (1) approve the tax assessor/collector's report and the payment of the bills contained in the tax assessor/collector's report; and (2) ratify the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value from the Harris County Central Appraisal District as of October 1, 2021. Director Moffatt seconded the motion, which passed by unanimous vote.

#### OPERATION OF DISTRICT FACILITIES

Mr. Mike Williams presented and reviewed the operator's report, a copy of which is attached.

Mr. Williams presented and recommended turning one delinquent accounts to the District's collection agency totaling \$17.75.

Following review and discussion, upon a motion made by Director Jaehne and seconded by Director Crocker, the Board voted unanimously to: (1) approve the operator's report; and (2) authorize the operator to turn the one recommended delinquent account over for collections.

Discussion ensued regarding the impact of Harris County Municipal Utility District No. 421 receipt of a notice regarding the City of Houston water plant expansion. Mr. Hajduk reported that IDS will look in the matter and the impact on the District.

#### TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Mr. Williams reviewed the termination list reflecting delinquent water and sewer accounts, a copy of which is attached to the operator's report. Mr. Williams reported the customers on the termination list were mailed written notice prior to today's meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment. The Board then conducted a hearing on the termination of utility service to other

customers. Following review and discussion, Director Jaehne moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Crocker and passed by unanimous vote.

## ENGINEERING MATTERS

Mr. Hajduk presented and reviewed the engineer's report, a copy of which is attached, and reviewed the status of construction projects in the District.

Mr. Hajduk updated the Board on the construction of the water, sewer and drainage facilities to serve Sheldon Ridge, Section 11.

Mr. Hajduk updated the Board on the construction of Sheldon Ridge Section 12, 13, and Phase III Detention clearing and grubbing.

Mr. Hajduk updated the Board on the construction of Sheldon Ridge, Phase II Detention.

Mr. Hajduk gave an update on the Sheldon Road Municipal Utility District water plant and wastewater plant capacity project.

Mr. Hajduk updated the Board regarding the construction of the Edgewood Village, Section 8 water, sewer and drainage and reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$62,015.94, payable to Principal Services, Ltd.

Mr. Hajduk reported that advertisement for bids for the construction of the Edgewood Village, Section 9 water, sewer and drainage is pending developer authorization.

Mr. Hajduk updated the Board regarding the construction of the Edgewood Village Phase III Detention and reviewed and recommended approval of Pay Estimate No. 7 in the amount of \$26,326.31, payable to Paskey Inc.

Mr. Hajduk updated the Board regarding the construction of the Wastewater Treatment Plant Expansion and reviewed and recommended approval of Pay Estimate No. 7 in the amount of \$54,841.50 and Pay Estimate No. 6 in the amount of \$85,690.49, payable to T&C Construction.

Mr. Hajduk stated that Bond Application No. 11 has been submitted to the Texas Commission on Environmental Quality.

Mr. Hajduk reported on the Boomerang project and said construction is nearly complete.

Mr. Hajduk reported on the findings of the Stormwater Solution's monthly inspection report. He stated IDS is working with Double Oak to determine the scope and cost for repairs.

After review and discussion, Director Gaylord moved to: (1) approve the engineer's report; (2) to approve Pay Estimate No. 2 in the amount of \$62,015.94; (3) approve Pay Estimate No. 7 in the amount of \$26,326.31; (4) approve Pay Estimate No. 7 in the amount of \$54,841.50; and (5) approve Pay Estimate No. 8 in the amount of \$85,690.49. Director Crocker seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR USE OF SURPLUS FUNDS

There was no report on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Alford updated the Board regarding development in the District.

LANDSCAPING AND PARK MATTERS

Mr. Alford updated the Board regarding landscaping and park matters.

There being no further business to conduct, the meeting was adjourned.



*Ellen Crocker*  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report .....	3
Operator's report.....	3
Engineer's report.....	4