

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

January 9, 2023

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 9th day of January, 2023, 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 the above were present except Directors Nunez and Gaylord, thus constituting a quorum.

Also attending either in person were: Renee Butler and Veronica Hernandez of McLennan & Associates, L.P.; Robin Goin of Bob Leared Interests, Inc.; Mike Williams and Ryan Vaughan of Municipal Operations & Consulting, Inc. ("MOC"); Jason Hajduk of IDS Engineering Group ("IDS"); JC Reno of Storm Water Solutions ("SWS"); 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 a public comment. There being no members of the public requesting to make a public comment, the Board moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the December 5, 2022, regular meeting. After review and discussion, Director Jaehne moved to approve the minutes of the December 5, 2022, regular meeting. Director Moffatt seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Butler presented and reviewed the bookkeeper's report, a copy of which is attached, and presented the District's bills for payment.

Ms. Butler presented and reviewed a draft amended budget for fiscal year end May 31, 2023.

Following review and discussion, Director Jaehne moved to: (1) approve the bookkeeper's report, including payment of the bills, as presented; and (2) approve the amended budget for the fiscal year ending May 31, 2023. Director Moffatt seconded the motion, which passed by unanimous vote.

ANNUAL DISCLOSURE STATEMENTS

Mr. Pagan stated that in accordance with the District's Investment Policy, the District's bookkeeper and the District's Investment Officer, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. He added that the disclosure statements will be filed with the Texas Ethics Commission. After review and discussion, Director Crocker moved to accept the disclosure statements from the District's bookkeeper and Investment Officer and direct that they be filed appropriately and retained in the District's official records. Director Jaehne seconded the motion, which passed by unanimous vote.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Pagan reported on the District's compliance activities during the prior calendar year related to bond financings. He stated that no corrective action is required at this time.

TAX ASSESSMENT AND COLLECTIONS MATTERS

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

Following review and discussion, Director Crocker moved to approve the tax assessor/collector's report and the payment of the bills contained in the tax assessor/collector's report. Director Jaehne seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

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

Mr. Williams presented and recommended turning four delinquent accounts to the District's collection agency totaling \$711.43.

Following review and discussion, upon a motion made by Director Crocker and seconded by Director Jaehne, the Board voted unanimously to: (1) approve the operator's

report; and (2) authorize the operator to turn the recommended delinquent accounts over for collections.

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 the reason why utility service should not be terminated for the reason of nonpayment. The Board then conducted a hearing on the termination of utility service to other customers. Following review and discussion, Director Crocker 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 Jaehne and passed by unanimous vote.

PUBLIC UTILITY COMMISSION RULES REGARDING EXTREME WEATHER EMERGENCIES, INCLUDING ISSUANCE OF ONE-TIME NOTICE TO CUSTOMERS AND ADOPT AMENDED RATE ORDER

Mr. Pagan discussed rules adopted by the Public Utility Commission of Texas ("PUC") to implement legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that are due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. Mr. Williams reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Mr. Pagan then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency. After review and discussion, Director Crocker moved to authorize the operator to send the one-time notice to District customers and to adopt the Amended Rate Order and direct that it be filed appropriately and retained in the District's official records. Director Jaehne seconded the motion, which 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 gave an update on the Sheldon Road Municipal Utility District ("SRMUD") wastewater plant and water plant capacity project (the "Project"). He reported that HDR, Inc. has been notified by the Texas Commission on Environmental Quality to await the draft permit issuance before proceeding with the buffer zone and

water well issues. He stated that the permit is under technical review. Mr. Hajduk stated that SRMUD is requesting that the District cover 50% of the additional engineering fees and construction costs. Additionally, he reported that the Hydrotank at the water plant is anticipated to be installed in February or March.

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

Mr. Hajduk reported that the advertisement for bids for the construction of the Edgewood Village, Section 10 water, sewer, and drainage is pending developer authorization.

Mr. Hajduk updated the Board on the status of the Boomerang project.

The Board considered approving the following easements:

- (1) 2.5414 Acres Detention Easement with BGM Land Investments, Ltd.;
- (2) 0.0346 Acre; 0.0191 Acre; 0.0513 Acre Temporary Sanitary Sewer Easement with BGM Land Investments, Ltd.;
- (3) 0.0872 Acre; 0.0137 Acre; 0.0062 Acre; 0.0052 Acre Temporary Storm Sewer Easement with BGM Land Investments, Ltd.;
- (4) 0.1945 Acre; 0.1936 Acre Temporary Water Line Easement with BGM Land Investments, Ltd.;
- (5) 0.2476 Acre; 0.0038 Acre Temporary Sanitary Sewer Easement with Woodmere Development Co., Ltd.;
- (6) 0.3128 Acre Temporary Storm Sewer Easement with Woodmere Development Co., Ltd.;
- (7) 0.3732 Acre; 0.0050 Acre Temporary Water Line Easement with Woodmere Development Co., Ltd.; and
- (8) 0.0368 Acre Storm Sewer Easement with the District, as grantor and grantee.

After review and discussion, Director Moffatt moved to: (1) approve the engineer's report; and (2) approve the Easement as listed above. Director Crocker seconded the motion, which passed by unanimous vote.

REPORT ON DETENTION MAINTENANCE

Mr. Reno presented and reviewed Stormwater Solution's ("SWS") monthly inspection report, a copy of which is attached.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Hajduk updated the Board on development in the District.

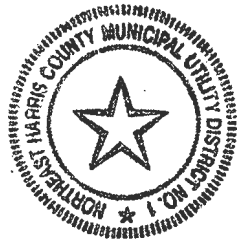
LANDSCAPING AND PARK MATTERS

There was no discussion on this agenda item.

DISCUSS MEETING SCHEDULE

The Board noted that the next regular meeting would be on February 6, 2023, subject to securing a quorum.

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



Ellen Crocker

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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