

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

May 1, 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 1st day of May, 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: Barbara Nussa of Republic Services; Bear Oakley of Acclaim Energy; Renee Butler of McLennan & Associates, L.P.; Robin Goin of Bob Leared Interests, Inc. ("BLI"); Ryan Vaughan of Municipal Operations & Consulting, Inc. ("MOC"); Jason Hajduk of IDS Engineering Group; JC Reno of Storm Water Solutions; 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 April 3, 2023, regular meeting. After review and discussion, Director Crocker moved to approve the minutes of the April 3, 2023, regular meeting. Director Jaehne seconded the motion, which passed by unanimous vote.

REVIEW AND DISCUSS AGREEMENT WITH ACCLAIM ENERGY FOR ENERGY CONSULTING SERVICES AND APPROVE APPROPRIATE ACTION

Mr. Oakley presented and reviewed an Acclaim Energy Management Agreement with the Board. Following discussion, Director Jaehne moved to approve the Acclaim

Energy Management Agreement and direct that the Agreement be filed appropriately and retained in the District's records. Director Crocker seconded the motion, which passed unanimously.

APPROVE LETTER REQUESTING COPY OF FISCAL YEAR END AUDIT FOR SHELDON ROAD MUNICIPAL UTILITY DISTRICT ("SHELDON MUD")

Mr. Pagan stated per the District's agreement with Sheldon MUD, Sheldon MUD is required to send the District its audit each year. He then presented a letter requesting Sheldon MUD's audit for Board consideration. After review and discussion, Director Jaehne moved to approve the letter and direct that it be filed appropriately and retained in the District's official records. Director Crocker seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MAY 31, 2023

The Board reviewed an engagement letter with McGrath for conducting the District's fiscal year end audits, beginning with the audit for the fiscal year ending May 31, 2023. The estimated fee for preparing the District's audit for the fiscal year ending May 31, 2023, will be between \$15,000 to \$17,000. After review and discussion, Director Crocker moved to authorize McGrath to conduct the District's audit for the fiscal year ending May 31, 2023. Director Jaehne seconded the motion, which passed unanimously.

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 of the District's budget for the fiscal year ending May 31, 2024.

Following review and discussion, Director Crocker moved to: (1) approve the bookkeeper's report, including payment of the bills, as presented; and (2) approve the budget for the fiscal year ending May 31, 2024. Director Jaehne seconded the motion, which passed by unanimous vote.

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

Mr. Vaughan presented and recommended turning four delinquent account totaling \$527.37 to the District's collection agency.

Mr. Vaughan presented and reviewed the lead and copper rule revision and MOC's plan for implementation, a copy of the presentation is attached to the operations report.

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 over the one recommended delinquent account over for collections.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Mr. Vaughan reviewed the termination list reflecting delinquent water and sewer accounts, a copy of which is attached to the operator's report. Mr. Vaughan 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 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 gave an update on the Sheldon Road Municipal Utility District ("SRMUD") wastewater plant and water plant capacity project (the "Project").

Mr. Hajduk updated the Board regarding the construction of Edgewood Village, Section 9 water, sewer, and drainage.

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.

After review and discussion, Director Moffatt moved to approve the engineer's report. Director Crocker seconded the motion, which passed by unanimous vote.

UPDATE ON THE UNLIMITED TAX BONDS, SERIES 2023

There was no update on this.

REPORT ON DETENTION MAINTENANCE

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

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

CONSIDER AGREEMENT WITH HARRIS COUNTY FOR SECURITY SERVICE AND APPROVE APPROPRIATE ACTION

There was no discussion on this agenda item.

LANDSCAPING AND PARK MATTERS

There was no discussion on this agenda item.

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



Ellen Crocker

Secretary, Board of Directors

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