

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

January 8, 2024

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 8th day of January, 2024, 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 Director Nunez, thus constituting a quorum.

Also attending the meeting were Barbara Nussa of Republic Services, Inc. (“Republic Services”); JC Reno of Storm Water Solutions; Renee Butler of McLennan & Associates, L.P.; Patty Rodriguez of Bob Leared Interests, Inc. (“BLI”); Mike Williams and Ryan Vaughan of Municipal Operations & Consulting, Inc. (“MOC”); Jason Hajduk of IDS Engineering Group; Aaron Alford of Woodmere Development Company Ltd.; and Greer Pagan and Kerri Houck 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 4, 2023, regular meeting. After review and discussion, Director Gaylord moved to approve the minutes of the December 4, 2023, regular meeting. Director Jaehne seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

Ms. Nussa updated the Board on garbage and recycling matters in the District and on a recent incident regarding a resident. Following discussion, the Board concurred to authorize ABHR to send a letter to the resident on behalf of the District discussing their behavior.

REVIEW ARBITRAGE REPORT FOR THE SERIES 2018 BONDS

Mr. Pagan reviewed an Arbitrage Rebate Report for the District's Series 2018 Bonds. He noted that the Report reflects no payments are due to the Internal Revenue Service and no action was needed by the Board.

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. Following review and discussion, Director Gaylord moved to approve the bookkeeper's report, including payment of the bills, as presented. Director Crocker seconded the motion, which passed unanimously.

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 Gaylord 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 Crocker seconded the motion, which passed unanimously.

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. Rodriguez 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 Gaylord seconded the motion, which passed unanimously.

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 Sheldon Ridge, Section 12 and recommended approval of Pay Estimate No. 1 in the amount of \$1,266,646.68 payable to Principal Services, Ltd.

Mr. Hajduk stated that bids were received for the civil site work to serve Sheldon Ridge Park. Mr. Hajduk recommended that the Board award the contract to Elite Construction and Engineer Services, LLC ("Elite Construction") in the amount of \$280,000.00. The Board concurred that, in its judgment, Elite Construction was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Hajduk stated that bids were received for the architect work to serve Sheldon Ridge Park. Mr. Hajduk recommended that the Board award the contract to WCI Services in the amount of \$2,022,933.19. The Board concurred that, in its judgment, WCI Services was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

After review and discussion, Director Gaylord moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 1 in the amount of \$1,266,646.68 for Sheldon Ridge, Section 12; (3) award the contract for the civil site work to serve Sheldon Ridge Park to Elite Construction in the amount of \$280,000.00, based upon the engineer's recommendation and receipt of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor; and (4) award the contract for the architect work to serve Sheldon Ridge Park to WCI Services in the amount of \$2,022,933.19.00, based upon the engineer's recommendation and receipt of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Jaehne seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Williams presented and reviewed the operator's report, a copy of which is attached. He presented and recommended turning three delinquent accounts totaling \$643.03 to the District's collection agency. Following review and discussion, Director Gaylord moved to approve the operator's report. Director Crocker the motion, which passed unanimously.

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 Gaylord 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. Director Crocker seconded the motion, which passed unanimously.

SURPLUS FUNDS

There was no discussion on this item.

REPORT ON DETENTION MAINTENANCE

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

Mr. Reno reviewed a proposal to repair a swale in the District for a cost of \$15,200.00, a copy of which is attached. After discussion, the Board to discuss this further at the next meeting.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

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

SECURITY MATTERS

Mr. Alford updated the Board on security matters in the District.

LANDSCAPING AND PARK MATTERS

There was no discussion on this agenda item.

2024 DIRECTORS ELECTION

Mr. Pagan discussed procedures related to the 2024 Directors Election. He reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period. Following review and discussion, Director Crocker moved to adopt a Resolution Designating an Agent of the Secretary of the Board During the 2024 Directors Election Period appointing Kerri Houck as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Gaylord seconded the motion, which passed unanimously.

Mr. Pagan reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2024 Directors Election. Following discussion, Director Crocker moved to authorize the Secretary's agent to post the notice as required. Director Gaylord seconded the motion, which passed unanimously.

Mr. Pagan stated that the District may contract with Harris County (the "County") to conduct the District's 2024 Directors Election. Following discussion, Director Crocker moved to contract with the County to administer the District's election. Director Gaylord seconded the motion, which passed unanimously.

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



Ellen Crocker
Secretary, Board of Directors

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