

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

July 1, 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 1st day of July, 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 S-Rehnee Lawhorn, a resident of the District; Craig Rathmann and Loren Morales of Rathmann and Associates L.P.; Aaron Alford of Woodmere Development Company Ltd.; Barbara Nussa of Republic Services; David Beyer of Storm Water Solutions; Renee Butler of McLennan & Associates, L.P.; Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Ryan Vaughan and Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"); Jason Hajduk of IDS Engineering Group ("IDS"); and Greer Pagan and Kerri Houck of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

Ms. Lawhorn inquired regarding the recent water outage in the District.

OPERATION OF DISTRICT FACILITIES

Mr. Vaughan reported on the series of events that caused a water outage in the District due to necessary construction in Harris County Municipal Utility District No. 421, who provides water to Edgewood Village. Discussion ensued regarding improved communication to residents in the District. Mr. Pagan and Mr. Hajduk discussed possible interconnect options for water in Edgewood Village. The Board then discussed offering a credit to utility accounts in Edgewood Village that were affected by the recent water outage. Following review and discussion, Director Gaylord moved to authorize MOC to provide a \$25.00 credit on the next utility bill to all Edgewood Village utility bills that were affected by the recent water outage. Director Crocker seconded the motion, which passed unanimously.

MINUTES

The Board considered approving the minutes of the June 3, 2024, regular meeting. After review and discussion, Director Gaylord moved to approve the minutes of the June 3, 2024, regular meeting. 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. Following review and discussion, Director Gaylord moved to approve the bookkeeper's report, including payment of the bills, as discussed. Director Crocker seconded the motion, which passed unanimously.

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 Jaehne moved to approve the tax assessor/collector's report and the payment of the bills contained in the tax assessor/collector's report. Director Crocker seconded the motion, which passed unanimously.

DISCUSSION OF DEVELOPMENT STATUS FOR 2024 TAX YEAR

There was no discussion on this item.

OPERATION OF DISTRICT FACILITIES (CONT'D)

Mr. Vaughan presented and reviewed the operator's report, a copy of which is attached. He presented and recommended turning over one delinquent account to the District's collection agency in the total amount of \$35.58. 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. 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 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.

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. After review and discussion, Director Jaehne moved to approve the engineer's report. Director Gaylord seconded the motion, which passed unanimously.

BOND APPLICATION NO. 14

Mr. Hajduk updated the Board on bond application no. 14

REPORT ON DETENTION MAINTENANCE

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

GARBAGE AND RECYCLING MATTERS

Ms. Nussa updated the Board on garbage and recycling matters in the District.

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. Discussion ensued regarding adding an additional officer to the contract with Harris County and the Board concurred to discuss this further at the next meeting. Ms. Lawhorn inquired regarding Flock Cameras in the District and discussion ensued.

LANDSCAPING AND PARK MATTERS

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

UNLIMITED TAX BONDS, SERIES 2024

Mr. Rathmann presented and reviewed a bid sheet reflecting the bids received for the District's \$6,530,000 Unlimited Tax Bonds, Series 2024 Bonds (the "Series 2024 Bonds"), a copy of which is attached.

Mr. Rathmann distributed an update to Credit Analysis from Moody's Investors Service, a copy of which is attached. He reported Moody's Investors Service affirmed Baa2 as the District's rating.

The Board next considered awarding the sale of the District's Series 2024 Bonds. Mr. Rathmann stated he verified the accuracy of the bids and recommended that the Board accept the bid with the lowest net effective interest rate of 4.378956 submitted by Hilltop Securities ("Hilltop").

Mr. Pagan reviewed a Resolution Authorizing the Issuance of the District's Series 2024 Bonds.

Mr. Pagan then reviewed the Paying Agent/Registrar Agreement between the District and The Bank of New York Mellon Trust Company, N.A.

Mr. Pagan stated that the Preliminary Official Statement will be updated to include information regarding the bond sale.

Mr. Pagan presented and reviewed a Certificate Regarding Provision of Financial Advice.

Mr. Pagan stated that it will be necessary for the Board of Directors to sign certain documents relating to the sale of the District's Series 2024 Bonds, and for the attorney to submit a transcript of the bond proceedings to the Attorney General of Texas ("AG"). He added that the financial advisor also will take necessary action in connection with the delivery of the bonds to the purchaser.

The Board discussed approving payment to the AG for the \$6,530,000 Unlimited Tax Bonds, Series 2024 transcript review.

Mr. Pagan stated that the Texas Water Code requires the District to file an Amendment to the Information Form with Harris County and the Texas Commission on Environmental Quality in order to reflect the bonds issued by the District. He then reviewed the Amendment to the Information Form with the Board.

After review and discussion, Director Gaylord moved to (1) award the sale of the District's \$6,530,000 Unlimited Tax Bonds, Series 2024 to Hilltop, whose bid contained the lowest net effective interest rate; (2) adopt the Resolution Authorizing the Issuance of the District's \$6,530,000 Unlimited Tax Bonds, Series 2024, and direct that the Resolution be filed appropriately and retained in the District's official records; (3) approve the Paying Agent/Registrar Agreement between the District and The Bank of New York Mellon Trust Company, N.A. and direct that the Agreement be filed appropriately and retained in the District's official records; (4) approve the Official Statement for the \$6,530,000 Unlimited Tax Bonds, Series 2024 and direct that the Statement be filed appropriately and retained in the District's official records; (5) approve the Certificate

Regarding Provision of Financial Advice and direct that the Certificate be filed appropriately and retained in the District's official records; (6) authorize the Board of Directors to sign the documents relating to the bond sale and authorize the attorney and financial advisor to take all necessary action to deliver the bonds to the purchaser; (7) approve payment to the AG for the \$6,530,000 Unlimited Tax Bonds, Series 2024 transcript review; and (8) authorize execution of the Amendment to the Information Form and direct that the Amendment be filed appropriately and retained in the District's official records. Director Jaehne seconded the motion, which passed unanimously.

ENGINEERING MATTERS (CONT'D)

Mr. Hajduk updated the Board on development in Edgewood village and recommended approval of three Abandonments of Temporary Access Easements. Following review and discussion, Director Gaylord moved to approve the three abandonments, as recommended. Director Crocker 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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