

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

August 5, 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 5th day of August, 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 Directors Nunez and Gaylord, thus constituting a quorum.

Also attending the meeting were Aaron Alford of Woodmere Development Company Ltd.; Barbara Nussa of Republic Services; Greg McGrath of McGrath & Co., LLC; David Beyer and Marie Newsome of Storm Water Solutions; Renee Butler of McLennan & Associates, L.P.; Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Mike Williams of Municipal Operations & Consulting, Inc. ("MOC"); Reagan Rucker of IDS Engineering Group ("IDS"); 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 July 1, 2024, regular meeting. After review and discussion, Director Jaehne moved to approve the minutes of the July 1, 2024, regular meeting. Director Crocker seconded the motion, which passed unanimously.

UNLIMITED TAX BONDS, SERIES 2024, INCLUDING APPROVE DEVELOPER REIMBURSEMENT REPORT FOR SERIES 2024 BONDS; AND AUTHORIZE DISBURSEMENT OF BOND PROCEEDS

Mr. McGrath presented a developer reimbursement report in connection with the Series 2024 Bonds, a copy of which is attached.

He then reviewed a developer reimbursement report in connection with the surplus funds applications, a copy of which is attached.

After review and discussion, Director Crocker moved to approve the developer reimbursement reports and authorize the disbursement of the bond proceeds and surplus funds in accordance with the reports. Director Gaylord 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 Moffatt moved to approve the bookkeeper's report, including payment of the bills, as discussed. Director Jaehne seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

There was no discussion on this item.

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 Jaehne seconded the motion, which passed unanimously.

DISCUSSION OF DEVELOPMENT STATUS FOR 2024 TAX YEAR

Mr. Pagan discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. He reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2024 tax year.

Following review and discussion, Director Jaehne moved adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developing District for the 2024 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Crocker 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 over two delinquent accounts to the District's collection agency in the total amount of \$475.10.

Mr. Williams stated that a new generator is required for the District's facilities to keep the facilities in compliance during weather events. He reviewed several proposals with the Board ranging in cost from \$55,000.00 to \$125,000.00. Discussion ensued regarding having a generator that would power the lift station and water plants simultaneously. Mr. Williams noted the largest generator would be able to run multiple facilities.

Following review and discussion, Director Jaehne moved to (1) approve the operator's report; and (2) approve the purchase of a new generator for an approximate cost of \$125,000.00. 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 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. Director Crocker seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Ms. Rucker updated the Board on Sheldon Ridge, Section 12 and recommended approval of Pay Estimate No. 4 in the amount \$42,275.00 payable to Principal Services, Ltd.

Ms. Rucker reviewed and recommended approval of an off-site sanitary sewer easement, an off-site storm sewer easement, and an off-site waterline easement.

After review and discussion, Director Jaehne moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 4 in the amount of \$42,275.00 for Sheldon Ridge, Section 12; and (3) approve the easements as recommended. Director Crocker seconded the motion, which passed unanimously.

BOND APPLICATION NO. 14

Mr. Pagan 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. The Board reviewed an Interlocal Agreement for Law Enforcement Services from Harris County. Discussion ensued regarding adding an additional officer to the contract. After review and discussion, Director Jaehne moved to authorize execution of the Interlocal Agreement for Law Enforcement Services between the District and Harris County, with an option to add an additional officer if approved by Harris County, and direct that it be filed appropriately and retained in the District's official records. Director Crocker seconded the motion, which passed unanimously.

Mr. Alford noted that the homeowners association is obtaining proposals for Flock Cameras in the District.

LANDSCAPING AND PARK MATTERS

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

MEETING DATES

The Board concurred to hold the next meeting on September 9, 2024.

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



Ellen Crocker

Secretary, Board of Directors

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