

MINUTES
HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT NO. 5

August 29, 2024

The Board of Directors (the "Board") of Harris-Waller Counties Municipal Utility District No. 5 (the "District") met in regular session, open to the public, on the 29th day of August, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board being present:

Richard Jenks	President
Chelsea Taylor	Vice President
Olga M. Strong	Secretary
Wes Simon	Assistant Vice President
Cindy Morrow	Assistant Secretary

and all of the above were present except Director Morrow, thus constituting a quorum.

Also attending the meeting were Andrew Dunn and Alfred Segundo of On-Site Protection LLC; Shamar O'Bryant of Land Tejas Development Company; Stephen Eustis of Robert W. Baird & Co. Incorporated; Patty Rodriguez of Bob Leared Interests; Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Lori Buckner of Municipal District Services, LLC ("MDS"); Tracey Scott of Myrtle Cruz, Inc. ("Myrtle Cruz"); David Daughtry of Kimley-Horn & Associates, Inc.; Stephanie Lee of KGA DeForest Landscape Architecture ("KGA"); James Jones, a resident of the District; and Jessica Holoubek, Brooke Milbauer, and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Jones addressed the Board and discussed the increase in his MUD taxes. Mr. Eustis explained that the initial tax bill would have been based on the value for just for the land and subsequent tax bills are based on the value of the land plus improvements, all as determined by Harris Central Appraisal District.

APPROVE MINUTES

The Board considered approving the minutes of the July 18, 2024, regular meeting. After review and discussion, Director Taylor moved to approve the meeting minutes, as presented. Director Jenks seconded the motion, which passed by unanimous vote.

SECURITY SERVICES

Mr. Dunn reviewed the security patrol report, a copy of which is attached.

FINANCIAL AND BOOKKEEPING MATTERS; AMEND BUDGET FOR FISCAL YEAR
END APRIL 30, 2025

Ms. Scott presented and reviewed the bookkeeper's report, and the District's bills, budget comparison, and investment report, a copy of which is attached.

After review and discussion, Director Simon moved to approve the bookkeeper's report and the checks presented for payment. Director Taylor seconded the motion, which passed unanimously.

Discussion regarding amending the budget for fiscal year end April 30, 2025, was deferred until the next Board meeting.

ASSOCIATION OF WATER BOARD DIRECTORS

The Board discussed the summer Association of Water Board Directors Conference. After discussion, Director Strong moved to approve reimbursement of eligible summer conference expenses submitted by those Directors who attended the conference, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines and authorize attendance at the winter conference by interested Directors. Director Taylor seconded the motion, which passed unanimously.

TAX ASSESSOR/COLLECTOR MATTERS

Ms. Rodriguez presented and reviewed the tax assessor/collector's report, a copy of which is attached. She reported the 2024 certified value for Harris and Waller Counties is \$478,265,704.

After review and discussion, Director Simon moved to approve the tax assessor/collector's report and payment of the tax bills. Director Strong seconded the motion, which passed unanimously.

DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE
NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

This agenda item was deferred until the next Board meeting.

OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER
AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE
TERMINATION OF SERVICE

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

Ms. Buckner then presented a list of delinquent customers to the Directors and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Ms. Buckner requested authorization to write off four uncollectable accounts totaling \$1,489.42 and send them to a collection agency.

After review and discussion, Director Taylor moved to (1) approve the operator's report; (2) 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; and (3) authorize MDS to write off four uncollectable accounts totaling \$1,489.42 and send them to a collection agency. Director Strong seconded the motion, which passed unanimously.

ENGINEERING MATTERS; DEEDS, EASEMENTS, ENCROACHMENT AGREEMENTS, WAIVERS OF SPECIAL APPRAISAL, AND PLAT MATTERS

Mr. Bozoarth presented and reviewed the engineer's report, a copy of which is attached. He discussed an overview of engineering matters in the District.

SERIES 2024 UNLIMITED TAX BONDS

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S \$3,700,000 UNLIMITED TAX BONDS, SERIES 2024

Mr. Eustis stated that the Board received four bids for the District's \$3,700,000 Unlimited Tax Bonds, Series 2024 (the "Series 2024 Bonds"). He reviewed the bid results, a copy of which is attached. Mr. Eustis stated that good faith checks were submitted by all of the bidders as required. The Board considered awarding the sale of the Series 2024 Bonds. Mr. Eustis stated he verified the accuracy of the bids and recommended that the Board accept the bid with the lowest net effective interest rate of 4.289980%, submitted by SAMCO Capital Markets - Dallas, TX ("SAMCO"). A copy of the accepted bid from SAMCO is attached.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$3,700,000 UNLIMITED TAX BONDS, SERIES 2024

The Board considered adopting a Resolution Authorizing the Issuance of the Series 2024 Bonds (the "Bond Resolution").

PAYING AGENT/REGISTRAR AGREEMENT

The Board then considered approving a Paying Agent/Registrar Agreement between the District and BOKF, NA, Dallas, Texas.

OFFICIAL STATEMENT

Mr. Eustis stated that the Preliminary Official Statement will be updated to reflect the terms of the bond sale.

CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Holoubek presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice stating that the Board has relied on its financial advisor, Robert W. Baird, for financial advice concerning the issuance of the Bonds.

AUTHORIZE THE BOARD OF DIRECTORS TO SIGN ALL DOCUMENTS RELATING TO THE BOND SALE AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BONDS TO THE PURCHASER

Ms. Holoubek stated that it will be necessary for the President and Secretary of the Board to sign certain documents relating to the sale of the Series 2024 Bonds, and for the attorney to submit a transcript of the bond proceedings to the Attorney General of Texas. She added that the financial advisor also will take necessary action in connection with the delivery of the bonds to the purchaser.

PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

Ms. Holoubek stated the District will need to submit a payment to the Texas Attorney General related to bond issue transcript review in the amount of \$3,700 for the Series 2024 Bonds.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Holoubek also stated that the Texas Water Code requires the District to file an Amendment to the Information Form with Harris and Waller Counties and the Texas Commission on Environmental Quality ("TCEQ") in order to reflect the bonds issued by the District. She then reviewed the Amendment to the Information Form with the Board.

After review and discussion, Director Strong moved to (1) award the sale of the Series 2024 Bonds to SAMCO, whose bid contained the lowest net effective interest rate

of 4.289980%; (2) adopt the Bond Resolution and direct that it be filed appropriately and retained in the District's official records; (3) approve the Paying Agent/Registrar Agreement between the District and BOKF, NA, Dallas, Texas, and direct that it be filed appropriately and retained in the District's official records; (4) approve the Official Statement for the Series 2024 Bonds; (5) approve the Certificate Regarding Provision of Financial Advice related to the Series 2024 Bonds and direct that it be filed appropriately and retained in the District's official records; (6) authorize the President and Secretary 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 Texas Attorney General in the amount of \$3,700; and (8) authorize execution of the Amendment to Information Form and direct that it be filed appropriately and retained in the District's official records. Director Jenks seconded the motion, which passed by unanimous vote.

SERIES 2024 UNLIMITED TAX PARK BONDS

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S 9,300,000 UNLIMITED TAX PARK BONDS, SERIES 2024

Mr. Eustis stated that the Board received five bids for the District's \$9,300,000 Unlimited Tax Park Bonds, Series 2024 (the "Series 2024 Park Bonds"). He reviewed the bid results, a copy of which is attached. Mr. Eustis stated that good faith checks were submitted by all of the bidders as required. The Board considered awarding the sale of the Series 2024 Park Bonds. Mr. Eustis stated he verified the accuracy of the bids and recommended that the Board accept the bid with the lowest net effective interest rate of 4.256798%, submitted by UMB Bank, N.A. - Dallas, TX ("UMB"). A copy of the accepted bid from UMB is attached.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$9,300,000 UNLIMITED TAX PARK BONDS, SERIES 2024

The Board considered adopting a Resolution Authorizing the Issuance of the Series 2024 Park Bonds (the "Park Bond Resolution").

PAYING AGENT/REGISTRAR AGREEMENT

The Board then considered approving a Paying Agent/Registrar Agreement between the District and BOKF, NA, Dallas, Texas.

OFFICIAL STATEMENT

Mr. Eustis stated that the Preliminary Official Statement will be updated to reflect the terms of the bond sale.

CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Holoubek presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice stating that the Board has relied on its financial advisor, Robert W. Baird, for financial advice concerning the issuance of the Bonds.

AUTHORIZE THE BOARD OF DIRECTORS TO SIGN ALL DOCUMENTS RELATING TO THE BOND SALE AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BONDS TO THE PURCHASER

Ms. Holoubek stated that it will be necessary for the President and Secretary of the Board to sign certain documents relating to the sale of the Series 2024 Park Bonds, and for the attorney to submit a transcript of the bond proceedings to the Attorney General of Texas. She added that the financial advisor also will take necessary action in connection with the delivery of the bonds to the purchaser.

PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

Ms. Holoubek stated the District will need to submit a payment to the Texas Attorney General related to bond issue transcript review in the amount of \$9,300 for the Series 2024 Park Bonds.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Holoubek also stated that the Texas Water Code requires the District to file an Amendment to the Information Form with Harris and Waller Counties and the TCEQ in order to reflect the bonds issued by the District. She then reviewed the Amendment to the Information Form with the Board.

After review and discussion, Director Strong moved to (1) award the sale of the Series 2024 Park Bonds to UMB, whose bid contained the lowest net effective interest rate of 4.256798%; (2) adopt the Park Bond Resolution and direct that it be filed appropriately and retained in the District's official records; (3) approve the Paying Agent/Registrar Agreement between the District and BOKF, NA, Dallas, Texas, and direct that it be filed appropriately and retained in the District's official records; (4) approve the Official Statement for the Series 2024 Park Bonds; (5) approve the Certificate Regarding Provision of Financial Advice related to the Series 2024 Park Bonds and direct that it be filed appropriately and retained in the District's official records; (6) authorize the President and Secretary 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 Texas Attorney General

in the amount of \$9,300; and (8) authorize execution of the Amendment to Information Form and direct that it be filed appropriately and retained in the District's official records. Director Jenks seconded the motion, which passed by unanimous vote.

SERIES 2024 UNLIMITED TAX ROAD BONDS

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S \$10,035,000 UNLIMITED TAX ROAD BONDS, SERIES 2024

Mr. Eustis stated that the Board received five bids for the District's \$10,035,000 Unlimited Tax Road Bonds, Series 2024 (the "Series 2024 Road Bonds"). He reviewed the bid results, a copy of which is attached. Mr. Eustis stated that good faith checks were submitted by all of the bidders as required. The Board considered awarding the sale of the Series 2024 Road Bonds. Mr. Eustis stated he verified the accuracy of the bids and recommended that the Board accept the bid with the lowest net effective interest rate of 4.246272%, submitted by Raymond James & Associates, Inc. - St. Petersburg, FL ("Raymond James"). A copy of the accepted bid from Raymond James is attached.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$10,035,000 UNLIMITED TAX ROAD BONDS, SERIES 2024

The Board considered adopting a Resolution Authorizing the Issuance of the Series 2024 Road Bonds (the "Road Bond Resolution").

PAYING AGENT/REGISTRAR AGREEMENT

The Board then considered approving a Paying Agent/Registrar Agreement between the District and BOKF, NA, Dallas, Texas.

OFFICIAL STATEMENT

Mr. Eustis stated that the Preliminary Official Statement will be updated to reflect the terms of the bond sale.

CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Holoubek presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice stating that the Board has relied on its financial advisor, Robert W. Baird, for financial advice concerning the issuance of the Bonds.

AUTHORIZE THE BOARD OF DIRECTORS TO SIGN ALL DOCUMENTS RELATING TO THE BOND SALE AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BONDS TO THE PURCHASER

Ms. Holoubek stated that it will be necessary for the President and Secretary of the Board to sign certain documents relating to the sale of the Series 2024 Road Bonds, and for the attorney to submit a transcript of the bond proceedings to the Attorney General of Texas. She added that the financial advisor also will take necessary action in connection with the delivery of the bonds to the purchaser.

PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

Ms. Holoubek stated the District will need to submit a payment to the Texas Attorney General related to bond issue transcript review in the amount of \$9,500 for the Series 2024 Road Bonds.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Holoubek also stated that the Texas Water Code requires the District to file an Amendment to the Information Form with Harris and Waller Counties and the TCEQ in order to reflect the bonds issued by the District. She then reviewed the Amendment to the Information Form with the Board.

After review and discussion, Director Strong moved to (1) award the sale of the Series 2024 Road Bonds to Raymond James, whose bid contained the lowest net effective interest rate of 4.246272%; (2) adopt the Road Bond Resolution and direct that it be filed appropriately and retained in the District's official records; (3) approve the Paying Agent/Registrar Agreement between the District and BOKF, NA, Dallas, Texas, and direct that it be filed appropriately and retained in the District's official records; (4) approve the Official Statement for the Series 2024 Road Bonds; (5) approve the Certificate Regarding Provision of Financial Advice related to the Series 2024 Road Bonds and direct that it be filed appropriately and retained in the District's official records; (6) authorize the President and Secretary 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 Texas Attorney General in the amount of \$9,500; and (8) authorize execution of the Amendment to Information Form and direct that it be filed appropriately and retained in the District's official records. Director Jenks seconded the motion, which passed by unanimous vote.

GENERAL CERTIFICATE IN CONNECTION WITH HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT NO. 4 ("MUD 4") BOND SALE

Ms. Holoubek explained that because MUD 4 relies on contract tax payments from the District as a participant, among other sources to fund bond payments, the District must provide a General Certificate each time MUD 4 sells contract revenue bonds. She then presented to the Board a General Certificate in connection with the MUD 4 bond sale. Following review and discussion, Director Taylor moved to

authorize execution of the General Certificate in connection with the MUD 4 bond sale. Director Strong seconded the motion, which passed unanimously.

RESOLUTION TO COMPLY WITH THE SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH MUD 4 BOND SALE

Ms. Holoubek stated that as previously discussed, because MUD 4 relies on contract tax payments from the District as a participant, among other sources to fund bond payments, the District must also provide current financial information on an annual basis. She then reviewed a Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12, whereby the District agrees to provide current financial information on an annual basis. Following review and discussion, Director Taylor moved to authorize execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12 in connection with the MUD 4 bond sale. Director Strong seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITIES MATTERS

Mr. Daughtry presented and reviewed Kimley-Horn's landscape architect report, a copy of which is attached.

Mr. Daughtry updated the Board on Section 21 Hardscape, Landscape and Irrigation. He reviewed and recommended approval of Pay Estimate Nos. 10 and 11 in the amounts of \$0.00 and \$62,415.80, respectively, submitted by Earth First. He also recommended approval of Change Order Nos. 3 and 4 to the contract with Earth First to decrease the contract in the amounts of -\$61,934.00 and -\$11,818.04, respectively. The Board determined that Change Order Nos. 3 and 4 are beneficial to the District.

Mr. Daughtry updated the Board on Section 34 Hardscape, Landscape and Irrigation. He recommended approval of Change Order No. 4 to the contract with All Star Landscaping to decrease the contract in the amount of -\$118,851.65. The Board determined that Change Order No. 4 is beneficial to the District.

Mr. Daughtry updated the Board on Phase 1-4 Playground Enhancements. He reviewed the plans and specifications and requested the Board authorize Kimley-Horn to advertise for bids for Phase 1-4 Playground Enhancements.

After review and discussion, and as recommended by the landscape architect, Director Taylor moved to (1) approve the landscape architect's report; (2) approve the Pay Estimates, as presented; (3) approve the Change Orders, as presented, based upon the Board's finding that the Change Orders are beneficial to the District and the District landscape architect's recommendation; and (4) approve the plans and specifications and authorize Kimley-Horn to advertise for bids for Phase 1-4 Playground Enhancements. Director Strong seconded the motion, which passed unanimously.

Ms. Lee reviewed KGA's landscaping report, a copy of which is attached.

Ms. Lee updated the Board on Sunterra Sol Club West Amenity Improvements. She reviewed and recommended approval of Pay Estimate Nos. 10 and 11 in the amounts of \$121,843.17 and \$205,159.32, respectively, submitted by DL Meacham. She also recommended approval of Change Order No. 10 to the contract with DL Meacham for an increase to the contract with DL Meacham in the amount of \$6,032.00. The Board determined that Change Order No. 10 is beneficial to the District.

Following review and discussion, Director Jenks moved to (1) approve KGA's report; (2) approve the Pay Estimates, as presented; and (3) approve the Change Order, as presented, based upon the Board's finding that the Change Order is beneficial to the District and KGA's recommendation. Director Simon seconded the motion, which passed unanimously.

DETENTION AND DRAINAGE FACILITIES

There was no discussion on this agenda item.

DEVELOPMENT FINANCING AGREEMENTS

The Board considered approving (1) a Development Financing Agreement between the District and Astro Sunterra, L.P. ("Astro Sunterra") for the design, construction, and financing of the water, sewer and drainage facilities, parks, and roads to serve land within the District owned by Astro Sunterra; (2) an Amended Development Financing Agreement between the District and Pulte Homes of Texas, L.P. ("Pulte Homes") for the design, construction, and financing of the water, sewer and drainage facilities, parks, and roads to serve land within the District owned by Pulte Homes; (3) an Amended Development Financing Agreement between the District and HMH Sunterra Land, LLC ("HMH") for the design, construction, and financing of the water, sewer and drainage facilities, parks, and roads to serve land within the District owned by HMH; and (4) an Amended Development Financing Agreement between the District and ONML Villas at Sunterra, LLC ("ONML") for the design, construction, and financing of the water, sewer and drainage facilities, parks, and roads to serve land within the District owned by ONML.

Following review and discussion, Director Taylor moved to approve and authorize execution of the Development Financing Agreements. Director Strong seconded the motion, which passed unanimously.

DEVELOPER'S REPORT

Mr. O'Bryant discussed development in the District.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.


Secretary, Board of Directors

(SEAL)



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