

MINUTES
HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT NO. 5

September 19, 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 19th day of September, 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 Taylor, thus constituting a quorum.

Also attending the meeting were Greg McGrath of McGrath & Co., PLLC ("McGrath"); Stephen Eustis of Robert W. Baird & Co. Incorporated; Patty Rodriguez of Bob Leared Interests; Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Dana Hollingsworth of Municipal District Services, LLC ("MDS"); Tracey Scott of Myrtle Cruz, Inc. ("Myrtle Cruz"); and Jessica Holoubek and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending the meeting by teleconference was Lacy Hamilton of KGA/DeForest Design, LLC ("KGA").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the August 29, 2024, regular meeting. After review and discussion, Director Jenks moved to approve the meeting minutes, as presented. Director Strong seconded the motion, which passed by unanimous vote.

SECURITY SERVICES

The Board reviewed the security patrol report, a copy of which is attached.

DEVELOPER REIMBURSEMENT REPORTS FOR UNLIMITED TAX BONDS, SERIES 2024, UNLIMITED TAX ROAD BONDS, SERIES 2024, AND UNLIMITED TAX PARK BONDS, SERIES 2024

Mr. McGrath presented and reviewed developer reimbursement reports for reimbursable amounts due to District developers from the District's Series 2024, Unlimited Tax Bond issue, Series 2024, Unlimited Tax Road Bond issue, and Series 2024, Unlimited Tax Park Bond issue. After review and discussion, Director Strong moved to approve the developer reimbursement reports. Director Jenks seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS; AUTHORIZE DISBURSEMENT OF BOND PROCEEDS; 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 Strong moved to (1) approve the bookkeeper's report and the checks presented for payment; and (2) authorize disbursement of the bond proceeds as provided in the developer reimbursement reports. Director Morrow 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.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Ms. Holoubek reviewed the District's annual report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA").

Following review and discussion, Director Morrow moved to approve the annual report, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolutions through EMMA, and direct that the report be filed appropriately and retained in the District's official records. Director Strong seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District’s procedures for continuing disclosure compliance. Ms. Holoubek stated that no changes are required at this time.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Holoubek reported on the District’s compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

TAX ASSESSOR/COLLECTOR MATTERS

Ms. Rodriguez presented and reviewed the tax assessor/collector’s report, a copy of which is attached.

After review and discussion, Director Strong moved to approve the tax assessor/collector’s report and payment of the tax bills. Director Morrow 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

The Board considered the District’s 2024 tax rate. Mr. Eustis presented a tax rate analysis of the recommended District tax rate, a copy of which is attached. Discussion ensued and the Board determined to publish notice of the 2024 tax rate at \$1.50 per \$100 of assessed valuation, with \$0.39 allocated to utility debt service, \$0.335 allocated to maintenance and operations, \$0.22 allocated to road debt service, and a contract tax rate of \$0.555 per \$100 of assessed valuation. The Board then discussed the two-step process for setting the District’s tax rate.

Following review and discussion, Director Morrow moved to (1) set a public hearing date to adopt the tax rate on October 17, 2024; and (2) authorize the tax assessor/collector to publish notice of the tax hearing on October 17, 2024, to set the proposed 2024 total tax rate of \$1.50 per \$100 of assessed valuation. Director Simon seconded the motion, which passed unanimously.

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

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

Ms. Hollingsworth 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. Hollingsworth requested authorization to write off 7 uncollectable accounts totaling \$2,474.32 and send them to a collection agency.

After review and discussion, Director Morrow 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 7 uncollectable accounts totaling \$2,474.32 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.

Mr. Bozoarth presented and reviewed a revised schedule of reimbursable expenses for the agreement between the District and Quiddity.

Following review and discussion, Director Morrow moved to (1) approve the engineer's report and (2) approve the revised schedule of fees for the agreement between the District and Quiddity. Director Simon seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITIES MATTERS

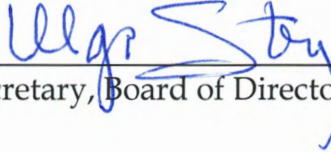
Ms. Hamilton reviewed KGA's landscaping report, a copy of which is attached.

Following review and discussion, Director Strong moved to approve KGA's report. Director Morrow seconded the motion, which passed unanimously.

DEVELOPER'S REPORT

There was no discussion on this agenda item.

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


Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Security patrol report	1
Bookkeeper's report.....	2
Tax assessor/collector's report	3
Tax rate analysis	3
Operator's report.....	3
Engineer's report.....	4
KGA's landscaping report	4