

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

October 7, 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 7th day of October, 2024, by teleconference and 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 in person or by teleconference were Darius Provost-Evans, a resident of the District; Captain Lovett, Lieutenant Waybright, Deputy Reyes, Sergeant Angstadt, and Sergeant Stensland of the Harris County Sheriff’s Office (“HCSO”); Aaron Alford of Woodmere Development Company Ltd.; Greg McGrath of McGrath & Co. PLLC (“McGrath”); Barbara Nussa of Republic Services; 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”); Jason Hajduk 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 September 9, 2024, regular meeting. After review and discussion, Director Gaylord moved to approve the minutes of the September 9, 2024, regular meeting. Director Jaehne seconded the motion, which passed unanimously.

SECURITY MATTERS

Sergeant Stensland introduced himself to the Board and discussed security matters in the District. Discussion ensued regarding the Deputies schedules for patrolling. Mr. Provost-Evens inquired regarding crime statistics in the District and discussion ensued.

APPROVE AUDIT FOR FISCAL YEAR END MAY 31, 2024

Mr. McGrath presented and reviewed the District's audit for the fiscal year ending May 31, 2024. After review and discussion, Director Gaylord moved to approve the audit for the fiscal year ending May 31, 2024, subject to attorney review, and direct that it be filed appropriately and retained in the District's official records. Director Crocker 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 Crocker moved to approve the bookkeeper's report, including payment of the bills, as discussed. Director Jaehne seconded the motion, which passed unanimously.

REVIEW ARBITRAGE REPORT FOR THE SERIES 2019 BONDS

Mr. Pagan reviewed an Arbitrage Rebate Report for the District's Series 2019 Bonds. He noted that the Report reflects no payments are due to the Internal Revenue Service and no action was needed by the Board.

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.

The Board considered approval of a Resolution Requesting Appraisal of Property and Certificate of Assessed Value from Harris Central Appraisal District as of October 1, 2024. The Board discussed authorizing BLI to request a Certificated of Assessed Value as of January 1 from Harris Central Appraisal District.

Following review and discussion, Director Gaylord moved to (1) approve the tax assessor/collector's report and the payment of the bills contained in the tax assessor/collector's report; (2) approve the Resolution Requesting Appraisal of Property and Certificate of Assessed Value from Harris Central Appraisal District as of October 1, 2024; and (3) authorize BLI to request a Certificate of Assessed Value as of January 1, 2024, from Harris Central Appraisal District. Director Crocker seconded the motion, which passed unanimously.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Mr. Pagan stated that notice was published of the public hearing to be held at the October 7, 2024, meeting regarding adoption of the District's 2024 tax rate. The Board opened the public hearing regarding the District's proposed tax rate of \$1.14 per \$100 of assessed valuation, with \$0.68 allocated for debt service, and \$0.46 allocated for operations and maintenance. There being no members of the public in attendance who wished to address the Board, the public hearing was closed.

The Board considered adopting an Order Levying Taxes reflecting the proposed 2024 tax rate. The Board then considered authorizing the execution of an Amendment to Information Form to reflect the 2024 tax rate.

Following review and discussion, Director Gaylord moved to (1) adopt the Order Levying Taxes, reflecting the adopted tax rate of \$1.14 per \$100 of assessed valuation, with \$0.68 allocated for debt service, and \$0.46 allocated for operations and maintenance; (2) authorize execution of the Amendment to Information Form and to authorize filing with Harris County and the Texas Commission on Environmental Quality; and (3) direct that the Order and Amendment to Information Form be filed appropriately and retained in the District's official records. 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 over one delinquent account to the District's collection agency in the total amount of \$297.52. Following review and discussion, Director Jaehne 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 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.

DISCUSS EMERGENCY MESSAGING SYSTEM, AND AUTHORIZE APPROPRIATE ACTION, IN NECESSARY

The Board concurred to table this item until the next meeting.

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 the Sheldon Road Municipal Utility District's design of the wastewater treatment plant and discussion ensued.

Mr. Hajduk stated that bids were received for Sheldon Ridge Section 13. Mr. Hajduk recommended that the Board award the contract to the lowest qualified bidder, Principal Services, Ltd. ("Principal"), in the amount of \$459,759.44. The Board concurred that, in its judgment, Principal 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 then updated the Board on a potential water interconnect agreement with Harris County Municipal Utility District No. 285. Discussion ensued regarding obtaining permits from Texas Department of Transportation.

After review and discussion and based on the engineer's recommendation, Director Gaylord moved to (1) approve the engineer's report; and (2) award the contract for Sheldon Ridge Section 13 to Principal in the amount of \$459,759.44, subject to 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.

BOND APPLICATION NO. 14

Mr. Hajduk updated the Board on bond application no. 14 and reviewed a summary of costs, a copy of which is attached to the engineer's report.

SURPLUS FUNDS

Mr. Hajduk updated the Board on potential surplus funds.

REPORT ON DETENTION MAINTENANCE

Ms. Newsome reviewed Stormwater Solution's monthly inspection report, a copy of which is attached. She reviewed a proposal for replacement of the outfall in Edgewood Village for a cost of \$73,500.00, a copy of which is attached to Stormwater Solution's report. Following review and discussion, Director Gaylord moved to approve the proposal to replace the outfall in Edgewood Village for a cost of \$73,500.00. Director Crocker seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING MATTERS

Ms. Nussa updated the Board on garbage and recycling matters in the District. She then reviewed a three-year extension proposal with Republic Services. Ms. Nussa noted that the new pricing will begin at \$18.75 per home per month and then will be subject to the annual Consumer Price Index for the subsequent years of the renewal. Following review and discussion, Director Crocker moved to approve the three-year extension proposal with Republic Services, as presented. Director Gaylord seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

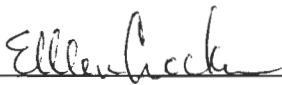
Mr. Alford updated the Board on development in the District.

LANDSCAPING AND PARK MATTERS

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

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




Secretary, Board of Directors

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