

MINUTES
NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

November 4, 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 4th day of November, 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 Directors Gaylord and Jaehne, thus constituting a quorum.

Also attending the meeting in person or by teleconference were Aaron Alford of Woodmere Development Company Ltd.; Loren Morales of Rathmann & Associates, L.P.; 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 October 7, 2024, regular meeting. After review and discussion, Director Crocker moved to approve the minutes of the October 7, 2024, regular meeting. Director Nunez 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. She then reviewed an amended

budget to reflect the recently approved tax rate. Following review and discussion, Director Moffatt moved to (1) approve the bookkeeper's report, including payment of the bills, as discussed; and (2) amend the budget, as presented. Director Crocker seconded the motion, which passed unanimously.

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

Mr. Pagan stated the District's audit, which contains updated financial and operating data, needs to be filed in accordance with the continuing disclosure provisions contained in the district's bond resolutions. He stated that the District also is required to file certain financial and operating data with the Electronic Municipal Market Access System ("EMMA"). Following review and discussion, Director Crocker moved to authorize filing of the District's audit to comply with the continuing disclosure provisions contained in the bond resolutions, through EMMA. Director Nunez seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES OF CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Pagan stated that no changes are required at this time.

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 Nunez 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 \$597.03. Following review and discussion, Director Nunez moved to approve the operator's report; Director Crocker seconded 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 Nunez 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

Mr. Williams reviewed a proposal for emergency messaging to residents of the District. He stated that the initial set up fee is \$50.00 and then \$0.10 per email and/or text message sent out. Following review and discussion, Director Crocker moved to approve the proposal for emergency messaging, as discussed. Director Nunez 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.

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 Lift Station. Mr. Hajduk recommended that the Board award the contract to the lowest qualified bidder, Peltier Brothers Construction, LLC ("PBC"), in the amount of \$1,381,891.00. The Board concurred that, in its judgment, PBC 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 updated the Board on the architect work to serve Sheldon Ridge Park and recommended approval of Pay Estimate No. 5 in the amount of \$609,694.97 and Pay Estimate No. 6 in the amount of \$268,472.06 payable to WCI Services, Inc. ("WCI Services"). He then recommended approval of Change Order No. 5 in the amount of \$5,275.20 and Change Order No. 6 in the amount of \$1,650.00 as increases to the contract with WCI Services. The Board determined that the change orders are beneficial to the District.

Mr. Hajduk then updated the Board on a potential water interconnect agreement with Harris County Municipal Utility District No. 285 and stated that their attorney will contact Mr. Pagan.

After review and discussion and based on the engineer's recommendation, Director Crocker moved to (1) approve the engineer's report; and (2) award the contract for Sheldon Ridge Lift Station to PBC in the amount of \$1,381,891.00, subject to receipt of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor; (2) approve of Pay Estimate No. 5 in the amount of \$609,694.97 and Pay Estimate No. 6 in the amount of \$268,472.06 for the architect work to serve Sheldon Ridge Park; and (3) approve Change Order No. 5 in the amount of \$5,275.20 and Change Order No. 6 in the amount of \$1,650.00 as increases to the contract with WCI Services for the architect work to serve Sheldon Ridge Park based upon the Board's finding that the change orders are beneficial to the District. Director Moffatt seconded the motion, which passed unanimously.

BOND APPLICATION NO. 14

Mr. Hajduk updated the Board on bond application no. 14. Mr. Pagan then presented and reviewed a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds ("Resolution") for bond issue number fourteen in the amount of \$9,120,000. After review and discussion, Director Crocker moved to approve the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Moffatt seconded the motion, which passed unanimously.

ISSUANCE OF BOND ANTICIPATION NOTE ("BAN"), INCLUDING ENGAGEMENT OF THE PLACEMENT AGENT; AND AUTHORIZE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

Mr. Pagan discussed the upcoming schedule for the issuance of a BAN. The Board then considered authorizing McGrath to prepare the Developer Reimbursement Report for the BAN. After review and discussion, Director Crocker moved to (1) schedule a special meeting on December 9, 2024 to issue the BAN; and (2) authorize McGrath to prepare the Developer Reimbursement Report for the BAN. Director Moffatt seconded the motion, which passed unanimously.

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.

GARBAGE AND RECYCLING MATTERS

Ms. Nussa updated the Board on garbage and recycling matters in the District. She then reviewed a three-year extension agreement 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 agreement with Republic Services, as presented. Director Nunez seconded the motion, which passed unanimously.

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.

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.



Ellen Crocker

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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