

MINUTES  
HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT NO. 5

July 29, 2025

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 July, 2025, 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:

Chelsea Taylor	President
Wes Simon	Vice President
Olga M. Strong	Secretary
Cailin Loyd	Assistant Vice President
Hannah Gay	Assistant Secretary

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

Also attending the meeting were Andrew Dunn and Alfred Segundo of On-Site Protection, LLC ("On-Site"); Mitchell Neupert 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").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the June 19, 2025, regular meeting. After review and discussion, Director Taylor moved to approve the meeting minutes, as presented. Director Loyd seconded the motion, which passed unanimously.

SECURITY SERVICES

Ms. Holoubek discussed security services in the District. Following discussion regarding hiring additional security patrol in Sunterra, the Board concurred for ABHR to obtain a proposal from the Waller County Sheriff's Office for adding additional security patrol in Sunterra.

## APPROVE AUDIT FOR FISCAL YEAR END APRIL 30, 2025

This agenda item was deferred until the next Board meeting.

## FINANCIAL AND BOOKKEEPING MATTERS

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 approve the bookkeeper's report and the checks presented for payment. Director Simon 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.

Ms. Rodriguez reported that the District's 2025 certified value from Harris County is approximately \$123,000,000. She added that she had not received the 2025 certified value from Waller County.

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

## ASSOCIATION OF WATER BOARD DIRECTORS

The Board discussed the summer Association of Water Board Directors ("AWBD") Conference. After discussion, Director Simon moved to approve reimbursement of eligible summer AWBD 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 AWBD conference by interested Directors. Director Taylor seconded the motion, which passed unanimously.

## ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2025 TAX YEAR

Ms. Holoubek discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49, Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She 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 2025 tax year.

Following review and discussion, Director Simon moved to adopt a Resolution Regarding Development Status for 2025 Tax Year establishing the District as a Developing District for the 2025 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 Taylor 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 requested authorization to write off four uncollectible accounts totaling \$1,716.67 and send them to the collection agency.

After review and discussion, Director Strong moved to (1) approve the operator's report; and (2) authorize MDS to write off four uncollectable accounts totaling \$1,716.67 and send them to a collection agency. Director Simon 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 updated the Board on paving facilities for Sunterra Sections 12 and 13. He reported that DL Elliot has stated the remaining items to be repaired do not fall under the warranty. Mr. Bozoarth reported that Quiddity solicited bids for the non-warranty items for paving facilities for Sunterra Sections 12 and 13 and received three proposals. He recommended that the Board award the contract to the low bidder, Allgood Construction Company ("Allgood Construction") in the amount of \$52,200.00. The Board concurred that, in its judgment, Allgood Construction 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. Bozoarth also requested authorization to request a proposal from Geotech Engineering and Testing for materials testing services.

Ms. Holoubek explained that because Harris-Waller Counties Municipal Utility District No. 4 ("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.

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 Simon moved to (1) approve the engineer's report; (2) award the construction contract, as recommended, based upon the District engineer's recommendation and receipt of the payment and performance bonds and certificates of insurance and endorsements, if any, provided by the contractor; (3) authorize Quiddity to request a proposal from Geotech Engineering and Testing for materials testing services, as discussed; (4) authorize execution of the General Certificate in connection with the MUD 4 bond sale; and (5) 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

There was no discussion on this agenda item.

#### REPORT REGARDING LEGISLATIVE MATTERS

Ms. Holoubek and reviewed a Capitol Report and updated the Board on legislative matters from the 89<sup>th</sup> Regular Texas Legislative Session.

#### REPORT ON DEVELOPMENT

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.

(SEAL)



  
Secretary, Board of Directors

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