

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569

Minutes of the Meeting of Board of Directors September 9, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 569 (the "District") met in regular session, open to the public, on September 9, 2024, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted members of the Board, as follows:

Jason Schultz, President
Nicholas Luton, Vice President
Blakely Norris, Secretary
David Jezierski, Assistant Secretary
Julia Pecina, Assistant Secretary

all of whom were present with the exception of Directors Luton and Jezierski, thus constituting a quorum.

Also present were: Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Jennifer Abad of Municipal Accounts & Consulting, L.P. ("MA&C"); Dana Hollingsworth and Mia Hargrove of Municipal District Services, LLC ("MDS"); Patty Rodriguez of BLICO, Inc., dba Bob Leared Interests ("BLICO"); David Wood of Robert W. Baird & Co., Inc. ("Baird"); Damon Vela of Kudela & Weinheimer ("K&W"); Wendy Ramirez of Forvis Mazars, LLP ("Forvis"); and Christina Cole and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

There were no comments from members of the public.

MINUTES

The Board considered the minutes of its meeting held on August 12, 2024. After discussion regarding the minutes previously forwarded for review, it was moved by Director Norris, seconded by Director Pecina and unanimously carried, that said minutes be approved, as written.

REVIEW AND APPROVAL OF AUDIT REPORT FOR FISCAL YEAR ENDED MAY 31, 2024

The Board considered the review and approval of the District's audit report for the fiscal year ended May 31, 2024. In connection therewith, Ms. Ramirez presented a draft of the audit report prepared by Forvis, a copy of which is attached hereto as **Exhibit A**, and reviewed said

report in detail with the Board. She also presented and reviewed with the Board a draft Management Letter prepared by Forvis, concerning the Board's internal controls over financial reporting (the "Management Letter"), a copy of which is attached hereto as part of **Exhibit A**. Ms. Ramirez advised the Board that the Management Letter is being submitted in connection with the requirements of Statement on Auditing Standards No. 115 and includes a response prepared by SPH on the District's behalf ("Management's Response"). After discussion concerning the audit presented, Director Norris moved that (i) the audit report for the fiscal year ended May 31, 2024, be approved, subject to incorporation of any final comments from the District's consultants and the Board, (ii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, (iii) such audit report and Annual Filing Affidavit be filed with the appropriate governmental authorities, and (iv) the Management's Response previously prepared by SPH be approved by the Board and included by Forvis as part of the final Management Letter. Director Pecina seconded said motion, which unanimously carried.

AUDIT RELATIVE TO PAYMENT OF PROCEEDS OF THE DISTRICT'S \$3,375,000 UNLIMITED TAX BONDS, SERIES 2024 (THE "BONDS")

Ms. Ramirez presented to and reviewed with the Board an Independent Accountant's Report on Applying Agreed-upon Procedures on Amounts Reimbursable to Astro Sunterra, L.P. (the "Series 2024 Bonds Reimbursement Audit") prepared by Forvis, a copy of which Series 2024 Bonds Reimbursement Audit is attached hereto as **Exhibit B**, in connection with the use of \$892,655.81 from the proceeds of the Bonds to reimburse Astro Sunterra, L.P. After discussion, Director Norris moved that the Series 2024 Bonds Reimbursement Audit be approved and the payment to Astro Sunterra, L.P. as reflected in said report, be approved, subject to the District's receipt of a Receipt and Indemnity executed by Astro Sunterra, L.P. in the form required by the District and approved by SPH. Director Pecina seconded said motion, which unanimously carried.

INTERNAL REVENUE SERVICE FORM 8038-G RELATIVE TO THE BONDS

The Board considered the execution and filing of an Internal Revenue Service reporting form 8038-G relative to the Bonds. Ms. Cole reviewed the form with the Board. After discussion, Director Norris moved that said reporting form be approved, that the President be authorized to execute same on behalf of the Board and District, and that it be filed with the Internal Revenue Service as required. Director Pecina seconded said motion, which carried unanimously.

CORRESPONDENCE FROM BOND COUNSEL

Ms. Cole presented and reviewed correspondence from SPH as Bond Counsel for the issuance of the Bonds, addressed to the Board regarding certain provisions of the federal tax law and regulations of the Internal Revenue Service pertaining to the expenditure and investment of proceeds of the Bonds, a copy of which is attached hereto as **Exhibit C**. Ms. Cole advised the Board that certain periodic reviews and reports are required to monitor compliance with the requirements set forth therein and that arbitrage rebate or yield reduction payments could be required to be made based on said review and reports. Ms. Cole also advised the Board that the District's bookkeepers would monitor investment rates and that the District's financial advisor would review the debt service fund balance and coverage in connection with the annual tax rate recommendation. Ms. Cole advised the Board, however, that compliance with the requirements is

the responsibility ultimately of the Board.

OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE BONDS

The Board considered the approval of various documents to be executed by the District in connection with the closing of the sale of the District's Bonds. In that regard, Ms. Cole presented and reviewed various closing documents with the Board, including the No-Litigation Certificate, the Certificate of Official Statement, the District's Receipt, and the Federal Tax Certificate, and advised that the closing is scheduled for Wednesday, September 11, 2024, at 10:00 a.m., Houston, Texas time. After further discussion of the closing documents, it was moved by Director Norris, seconded by Director Pecina, and unanimously carried that the above-referenced documents be approved by the Board, that the President and Secretary be authorized to execute same on behalf of the Board and District, and that SPH be authorized to deliver same, as appropriate, upon the closing of the Bonds.

APPROVE AMENDMENT TO DISTRICT INFORMATION FORM

Ms. Cole presented and discussed with the Board an Amendment to the District Information Form ("DIF") relative to the issuance of the Bonds. After discussion regarding the amendment to the DIF, Director Norris moved that the Amendment to the DIF be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Pecina seconded said motion, which carried unanimously.

REVIEW AND ACT UPON BIDS FOR THE PURCHASE OF THE DISTRICT'S \$8,855,000 UNLIMITED TAX ROAD BONDS, SERIES 2024 (THE "ROAD BONDS")

As the next order of business, it was announced that, pursuant to notice published as required by law (the "Notice"), public bids for the sale of the Road Bonds were received at the time, place and manner required by the Notice. Mr. Wood announced that three (3) bids had been received and presented same to the Board. He also presented a bid recommendation and Bid Confirmation summary prepared by Baird. Copies of such documents are attached hereto as **Exhibit D**. He then advised that he had confirmed the accuracy of all bids and that the low bid was submitted by SAMCO Capital Markets, Inc. ("SAMCO") at a net effective interest rate of 4.270864%. Mr. Wood further noted that the Road Bonds will be insured by Build America Mutual Assurance Company and that the underwriter of the Road Bonds will pay the premium for such insurance. After a discussion of the bids received, Director Norris moved that the Board accept the low bid of SAMCO for the purchase of the Road Bonds at a net effective interest rate of 4.270864%. Director Pecina seconded said motion, which unanimously carried.

ORDER AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE ROAD BONDS

The Board considered adoption of an Order Authorizing Issuance of the Road Bonds (the "Bond Order"); a copy of the Bond Order is attached hereto as **Exhibit E**. In connection therewith, Ms. Cole presented a copy of the Bond Order and reviewed various provisions of same with the Board. After discussion, it was duly moved by Director Norris, seconded by Director Pecina and unanimously carried, that the Bond Order be passed and adopted, subject to final completion of same, that the President or Vice President be authorized to execute the Bond Order, and that the Secretary or Assistant Secretary attest such execution on behalf of the Board and the District.

FINAL OFFICIAL STATEMENT

The Board considered approval and distribution of the Final Official Statement, relative to the Road Bonds, to be completed by the District's Financial Advisor. After discussion on the matter, Director Norris moved that Baird be authorized to complete the Final Official Statement and that the same be adopted as final by the Board and the District, subject to the final review and approval of the District's consultants, and that distribution of same by Baird be authorized. Director Pecina seconded said motion, which unanimously carried.

PAYING AGENT/REGISTRAR AGREEMENT

The Board considered and reviewed the proposed Paying Agent/Registrar Agreement by and between the District and The Bank of New York Mellon Trust Company, N.A. ("BONY") relative to the Road Bonds, a copy of which is attached as **Exhibit F**. Ms. Cole reviewed various provisions of said Agreement with the Board. After discussion, Director Norris moved that (i) the Agreement with BONY be approved by the Board and the District, and (ii) the President or Vice President be authorized to execute the Agreement on behalf of the Board and the District. Director Pecina seconded said motion, which unanimously carried.

OTHER MATTERS CONCERNING THE ROAD BONDS

As the next order of business, the Board considered acting upon any other matters relative to the sale of the Road Bonds, including authorizing the execution of various documents by the President or Vice President and Secretary or Assistant Secretary in connection therewith. Ms. Cole presented to and reviewed with the Board the General Certificate, Signature and No-Litigation Certificate, the letter of instruction to the Attorney General, the Initial Bonds, and other documents relating to the sale of and closing on the Road Bonds. After further discussion of the matter, Director Norris moved that the President or Vice President and Secretary or Assistant Secretary be authorized to execute said documents and that SPH be authorized to handle all matters in connection with the sale of the Road Bonds and filing of a transcript with the Attorney General of the State of Texas. Director Pecina seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Rodriguez presented to and reviewed with the Board a written Tax Assessor-Collector Report ("TAC Report") for the period ended August 31, 2024, including the disbursements presented therein for payment from the District's tax account, a copy of which TAC Report is attached hereto as **Exhibit G**. After discussion, on motion made by Director Norris, seconded by Director Pecina and unanimously carried, the Board approved the TAC Report and authorized the payments listed therein.

FINANCIAL ADVISOR'S RECOMMENDATION CONCERNING THE DISTRICT'S PROPOSED 2024 TAX RATE

The Board next considered the Financial Advisor's recommendation concerning the District's proposed 2024 tax rate. In connection therewith, Mr. Wood presented to and reviewed with the Board the recommendation for the District's proposed 2024 maintenance and contract tax rates, a copy of the recommendation is attached hereto as **Exhibit H**. Mr. Wood advised that Baird is recommending a proposed debt service tax rate of \$0.25 per \$100 of assessed valuation, a

maintenance tax rate of \$0.72 per \$100 of assessed valuation, and a contract tax rate of \$0.53 per \$100 of assessed valuation, for a total tax rate of \$1.50.

There next followed a discussion concerning the requirements for notice of the District's intention to adopt a 2024 tax rate. Ms. Cole advised that, pursuant to §49.236 of the Texas Water Code, as amended, the District is required to provide a notice containing certain tax-related information in connection with each meeting at which the adoption of a tax rate will be considered. Ms. Cole further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. She advised that the District must provide the notice by either (1) publishing it at least once in a newspaper having general circulation in the District at least seven days before the date of the meeting at which the tax rate will be adopted, or (2) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least 10 days before the date of the meeting.

After discussion on the matter, Director Norris moved that (i) the Board declare its intention to levy a proposed 2024 debt service tax rate of \$0.25 per \$100 of assessed valuation, a 2024 maintenance tax rate of \$0.72 per \$100 of assessed valuation, and a proposed contract tax rate of \$0.53 per \$100 of assessed valuation, for a total tax rate of \$1.50 per \$100 of assessed valuation, and (ii) the District's tax assessor-collector be authorized to publish, in the *Houston Chronicle* in the section directed to the zip code(s) in which the District is located, notice of the District's intention to adopt a 2024 tax rate at its next meeting in the form and at the time required by law. Director Pecina seconded said motion, which unanimously carried.

OPERATOR'S REPORT

Ms. Hollingsworth presented to and reviewed with the Board the Operations Report dated September 9, 2024, a copy of which is attached hereto as **Exhibit I**. She advised the Board that there is one (1) delinquent account totaling \$132.13, which MDS has been unable to collect. She advised that MDS recommends the account be turned over to collections for further collection efforts. Following discussion, Director Norris moved that MDS be authorized to turn over the subject account to collections for further collection efforts, as discussed and as reflected in the Operations Report. Director Pecina seconded said motion, which unanimously carried.

ENGINEERING REPORT

Mr. Bozoarth presented to and reviewed with the Board an Engineering Report dated September 6, 2024, a copy of which is attached hereto as **Exhibit J**, relative to the status of various engineering and construction projects within the District. Mr. Bozoarth next presented a revised Schedule of Hourly Rates (the "Schedule") for the Professional Services Agreement between Quiddity and the District. He noted that the Schedule is subject to annual revision in January of each year, but that Quiddity has not revised the Schedule since 2022. Mr. Bozoarth requested that the Schedule be revised effective October 1, 2024, and the Board concurred. A copy of the Schedule is attached hereto as part of **Exhibit J**. Upon review, Director Norris moved that the Engineering Report and all actions noted therein be approved as recommended by Quiddity. Director Pecina seconded the motion, which unanimously carried.

SILT SOLUTIONS, INC.

The Board next considered a report from Silt Solutions, Inc. ("SSI") in connection with storm water pollution and prevention services. Ms. Cole advised that SSI provided a report for the period August 12, 2024 – September 2, 2024, a copy of which is attached hereto as **Exhibit K**.

LANDSCAPE ARCHITECT REPORT(S)

Ms. Cole next presented to and reviewed with the Board a monthly report prepared and provided by KGA DeForest Design, LLC ("KGA") regarding the status of construction of the Sunterra Recreation Center Facility, a copy of which is attached hereto as **Exhibit L**. Following discussion, Director Norris moved that KGA's report and all actions noted therein be approved as recommended by KGA. Director Pecina seconded said motion, which unanimously carried.

Mr. Vela presented to and reviewed with the Board a monthly report prepared by K&W regarding the status of various recreational projects, a copy of which is attached hereto as **Exhibit M**. Following discussion, Director Norris moved that K&W's report and all actions noted therein be approved as recommended by K&W. Director Pecina seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Abad presented to and reviewed with the Board the Bookkeeper's Report, dated September 9, 2024, attached hereto as **Exhibit N**, including the disbursements presented for payment, as prepared by MA&C. After discussion, it was moved by Director Norris that the Bookkeeper's Report be approved, and that the disbursements identified in the Bookkeeper's Report be authorized for payment. Director Pecina seconded said motion, which unanimously carried.

DEVELOPER'S REPORT

It was noted that a developer representative was not present at the meeting.

SECURITY PATROL REPORT

Ms. Cole presented to and reviewed with the Board the Security Patrol Report prepared by On-Site Services, LLC for the month of August 2024, a copy of which is attached hereto as **Exhibit O**.

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Ms. Cole advised the Board that she had nothing further to discuss with the Board of a legal nature which was not covered under a specific agenda item.

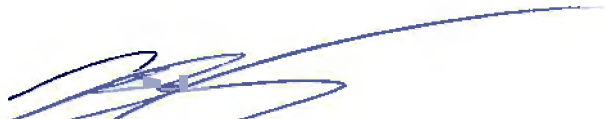
FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. No items were requested to be added to future agendas other than those items discussed hereinabove.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Norris, seconded by Director Pecina, and unanimously carried, the meeting was adjourned.

(SEAL)


Secretary

LIST OF ATTACHMENTS

- EXHIBIT A Draft 2024 Audit Report
- EXHIBIT B Draft Series 2024 Bonds Reimbursement Audit
- EXHIBIT C Correspondence provided by Schwartz, Page & Harding, L.L.P.
- EXHIBIT D Bid Recommendation and Bid Confirmation Summary
- EXHIBIT E Order Authorizing Issuance of the Road Bonds
- EXHIBIT F Paying Agent/Registrar Agreement by and between the District and The Bank of New York Mellon Trust Company, N.A.
- EXHIBIT G Tax Assessor-Collector's Report
- EXHIBIT H 2024 Tax Rate Recommendation
- EXHIBIT I Operations Report
- EXHIBIT J Engineering Report
- EXHIBIT K Report provided by Silt Solutions, Inc.
- EXHIBIT L KGA Report
- EXHIBIT M Kudela & Weinheimer Report
- EXHIBIT N Bookkeeper's Report
- EXHIBIT O Security Patrol Report

Exhibit A

Harris County Municipal Utility District No. 569 Harris County, Texas

Independent Auditor's Report and Financial Statements

May 31, 2024

Harris County Municipal Utility District No. 569
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May 31, 2024

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Independent Auditor's Report

Board of Directors
Harris County Municipal Utility District No. 569
Harris County, Texas

Opinions

We have audited the financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 569 (the District), as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of May 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance

and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules required by the Texas Commission on Environmental Quality listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the

responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Houston, Texas
_____, 2024

Draft 9/3/24

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements, and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets, liabilities, and deferred inflows and outflows of resources of the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's assets, liabilities, and deferred inflows and outflows of resources is labeled as net position and this difference is similar to the total stockholders' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current year.

Although the statement of activities looks different from a commercial enterprise's statement of income, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as change in net position, essentially the same thing.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the general fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental Funds

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water, sewer and drainage systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's assets, liabilities, and deferred inflows and outflows of resources is labeled the fund balance and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in the notes to financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position, as reported in the governmental activities column in the statement of activities.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data found in the government-wide and fund financial statements.

Financial Analysis of the District as a Whole

The District's overall financial position and activities for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

Summary of Net Position

	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 1,694,138	\$ 149,489
Capital assets	10,860,040	6,469,642
Total assets	<u>\$ 12,554,178</u>	<u>\$ 6,619,131</u>
Long-term liabilities	\$ 27,688,608	\$ 10,693,765
Other liabilities	850,594	127,733
Total liabilities	<u>28,539,202</u>	<u>10,821,498</u>
Net position:		
Net investment in capital assets	(830,524)	(4,017,123)
Restricted	93	-
Unrestricted	<u>(15,154,593)</u>	<u>(185,244)</u>
Total net position	<u>\$ (15,985,024)</u>	<u>\$ (4,202,367)</u>

Harris County Municipal Utility District No. 569
Management's Discussion and Analysis
May 31, 2024

(Continued)

The total net position of the District decreased by \$11,782,657 or about 280%. The majority of the decrease in net position is related to the conveyance of capital assets to another governmental entity for maintenance. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

At May 31, 2024, the net investment in capital assets was \$(830,524). This amount was negative because not all expenditures from long-term debt were for the acquisition of capital assets. Within Harris County, the county government assumes the maintenance and other incidents of ownership of most storm sewer facilities, as well as road facilities constructed by the District. Accordingly, these assets are not recorded in the financial statements of the District.

Summary of Changes in Net Position

	2024	2023
Revenues:		
Property taxes	\$ 989,694	\$ 68,947
Charges for services	510,122	26,198
Other revenues	1,478,130	154,319
Total revenues	2,977,946	249,464
Expenses:		
Services	1,949,390	317,707
Conveyance of capital assets	11,685,086	3,870,086
Depreciation	234,875	147,037
Contractual obligation	388,401	14,334
Debt service	502,851	-
Total expenses	14,760,603	4,349,164
Change in net position	(11,782,657)	(4,099,700)
Net position, beginning of year	(4,202,367)	(102,667)
Net position, end of year	\$ (15,985,024)	\$ (4,202,367)

Financial Analysis of the District's Funds

The District's combined fund balances as of the end of the fiscal year ended May 31, 2024, were \$942,705, an increase of \$920,949 from the prior year.

The general fund's fund balance increased by \$547,523, primarily due to property taxes and services revenues as well as tap connections and inspections fees revenues exceeding service operations and debt service expenditures.

The debt service fund's fund balance increased by \$372,918, primarily due to property tax revenues and proceeds received from the sale of bonds as well as an interfund transfer from the general fund exceeding debt service interest and contractual obligation expenditures.

The capital projects fund's fund balance increased by \$508, primarily due to proceeds received from the sale of bonds and bond anticipation notes exceeding capital outlay expenditures, debt issuance costs and repayment of developer advances.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to water service revenues being less than anticipated and property tax revenues, tap connection and inspection fees revenues and related expenditures, repairs and maintenance expenditures and debt issuance costs being greater than anticipated. In addition, interfund transfers out were not budgeted. The fund balance as of May 31, 2024, was expected to be \$796,556 and the actual end-of-year fund balance was \$569,279.

Capital Assets and Related Debt

Capital Assets

Capital assets held by the District as the end of the current and previous fiscal years are summarized below:

	<u>Capital Assets (Net of Accumulated Depreciation)</u>	
	<u>2024</u>	<u>2023</u>
Land and improvements	\$ 672,572	\$ -
Water facilities	2,780,774	1,303,316
Wastewater facilities	4,207,315	2,306,164
Drainage facilities	3,199,379	2,860,162
Total capital assets	<u>\$ 10,860,040</u>	<u>\$ 6,469,642</u>

During the current year, additions to capital assets were as follows:

Water and sanitary sewer facilities to serve Sunterra, Sections 33, 35, 36, 38 and 42	\$ 3,539,293
Drainage facilities to serve Sunterra, Section 42	413,408
11.84 acre right of way to serve Sunterra, Sections 37, 39 and 41	672,572
Total additions to capital assets	<u>\$ 4,625,273</u>

Debt

The changes in the debt position of the District during the fiscal year ended May 31, 2024, are summarized as follows.

Long-term debt payable, beginning of year	\$ 10,693,765
Increases in long-term debt	20,285,281
Decreases in long-term debt	(3,290,438)
Long-term debt payable, end of year	<u>\$ 27,688,608</u>

At May 31, 2024, the District had \$241,500,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District, \$156,580,000 of unlimited tax bonds authorized, but unissued, for the purpose of constructing roads and \$64,600,000 of unlimited tax bonds authorized, but unissued, for the purposes of constructing park and recreational facilities.

The developer within the District has constructed water, sewer, drainage, and road facilities on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues subject to the approval of the Commission, if required. As of May 31, 2024, a liability for developer-constructed capital assets of \$21,607,320 was recorded in the government-wide financial statements.

The District's bonds are not rated.

Other Relevant Factors

Relationship to the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston (the City), the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City without the District's consent. If the District is annexed, the City must assume the District's assets and obligations (including the bond indebtedness) and abolish the District within 90 days.

Contingencies

The developer of the District is constructing facilities on behalf of the District within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds from future bond sales, to the extent approved by the Commission, as applicable. The District's engineer has stated that current construction amounts are approximately \$18,207,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

Economic Dependency

The District's developer owns the majority of the taxable property in the District. The District's ability to meet its obligations is dependent on the developer's ability to pay future property taxes.

Since inception, the developer has advanced \$128,750 to the District for operations. The District does not have sufficient funds nor anticipated revenues sufficient to liquidate these advances during the forthcoming fiscal year. These advances have been recorded as liabilities in the government-wide financial statements.

Subsequent Events

On August 12, 2024, the District awarded the sale of its Unlimited Tax Bonds, Series 2024 in the amount of \$3,375,000 at a net effective interest rate of approximately 4.471%. The bonds were sold to redeem the Series 2023 bond anticipation note and reimburse the developer for previously completed utility construction projects within the District.

On September 9, 2024, the District awarded the sale of its Unlimited Tax Road Bonds, Series 2024 in the amount of \$8,855,000 at a net effective interest rate of approximately ____%. The bonds were sold to reimburse the developer for previously completed paving construction projects within the District.

Harris County Municipal Utility District No. 569
Statement of Net Position and Governmental Funds Balance Sheet
May 31, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	\$ 173,622	\$ 19,863	\$ 508	\$ 193,993	\$ -	\$ 193,993
Short-term investments	937,270	375,696	-	1,312,966	-	1,312,966
Receivables:						
Property taxes receivable	3,282	2,188	-	5,470	-	5,470
Service accounts receivable	179,189	-	-	179,189	-	179,189
Interfund receivable	22,641	-	-	22,641	(22,641)	-
Prepaid expenditures	2,520	-	-	2,520	-	2,520
Capital assets (net of accumulated depreciation):						
Land and improvements	-	-	-	-	672,572	672,572
Infrastructure	-	-	-	-	10,187,468	10,187,468
Total assets	<u>\$ 1,318,524</u>	<u>\$ 397,747</u>	<u>\$ 508</u>	<u>\$ 1,716,779</u>	<u>\$ 10,837,399</u>	<u>\$ 12,554,178</u>

Harris County Municipal Utility District No. 569
Statement of Net Position and Governmental Funds Balance Sheet
May 31, 2023

(Continued)

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Liabilities						
Accounts payable	\$ 331,192	\$ -	\$ -	\$ 331,192	\$ -	\$ 331,192
Accrued interest payable	-	-	-	-	104,631	104,631
Customer deposits	321,231	-	-	321,231	-	321,231
Unearned tap connection fees	93,540	-	-	93,540	-	93,540
Interfund payable	-	22,641	-	22,641	(22,641)	-
Long-term liabilities, due after one year	-	-	-	-	27,688,608	27,688,608
Total liabilities	745,963	22,641	-	768,604	27,770,598	28,539,202
Deferred Inflows of Resources						
Deferred property tax revenues	3,282	2,188	-	5,470	(5,470)	-
Fund Balances/Net Position						
Fund balances:						
Nonspendable, prepaid expenditures	2,520	-	-	2,520	(2,520)	-
Restricted:						
Unlimited tax bonds	-	50,503	-	50,503	(50,503)	-
Unlimited tax road bonds	-	322,415	-	322,415	(322,415)	-
Water, sewer and drainage	-	-	508	508	(508)	-
Unassigned	566,759	-	-	566,759	(566,759)	-
Total fund balances	569,279	372,918	508	942,705	(942,705)	-
Total liabilities, deferred inflows of resources and fund balances	\$ 1,318,524	\$ 397,747	\$ 508	\$ 1,716,779		
Net position:						
Net investment in capital assets					(830,524)	(830,524)
Restricted for capital projects					93	93
Unrestricted					(15,154,593)	(15,154,593)
Total net position					\$ (15,985,024)	\$ (15,985,024)

Harris County Municipal Utility District No. 569
Statement of Activities and Governmental Funds Revenues,
Expenditures and Changes in Fund Balances
Year Ended May 31, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Property taxes	\$ 601,720	\$ 382,504	\$ -	\$ 984,224	\$ 5,470	\$ 989,694
Water service	275,422	-	-	275,422	-	275,422
Sewer service	174,700	-	-	174,700	-	174,700
Security service	60,000	-	-	60,000	-	60,000
Penalty and interest	18,329	12,030	-	30,359	-	30,359
Tap connection and inspection fees	1,413,436	-	-	1,413,436	-	1,413,436
Investment income	23,523	10,694	118	34,335	-	34,335
Total revenues	2,567,130	405,228	118	2,972,476	5,470	2,977,946
Expenditures/Expenses						
Service operations:						
Purchased services	557,386	-	-	557,386	-	557,386
Professional fees	166,362	-	-	166,362	41,591	207,953
Contracted services	134,993	15,275	-	150,268	-	150,268
Repairs and maintenance	551,856	-	-	551,856	-	551,856
Other expenditures	46,584	4,527	25	51,136	-	51,136
Tap connections	430,791	-	-	430,791	-	430,791
Capital outlay	-	-	5,231,395	5,231,395	(5,231,395)	-
Conveyance of capital assets	-	-	-	-	11,685,086	11,685,086
Depreciation	-	-	-	-	234,875	234,875
Debt service:						
Interest and fees	-	52,172	-	52,172	107,769	159,941
Debt issuance costs	69,450	-	273,460	342,910	-	342,910
Contractual obligation	19,695	368,706	-	388,401	-	388,401
Total expenditures/expenses	1,977,117	440,680	5,504,880	7,922,677	6,837,926	14,760,603
Excess (Deficiency) of Revenues Over Expenditures	590,013	(35,452)	(5,504,762)	(4,950,201)	(6,832,456)	
Other Financing Sources (Uses)						
Interfund transfers in (out)	(42,490)	42,490	-	-	-	-
Repayment of developer advances	-	-	(78,250)	(78,250)	78,250	-
General obligation bonds issued	-	365,880	4,154,120	4,520,000	(4,520,000)	-
Discount on debt issued	-	-	(135,600)	(135,600)	135,600	-
Bond anticipation note issued	-	-	1,565,000	1,565,000	(1,565,000)	-
Total other financing sources (uses)	(42,490)	408,370	5,505,270	5,871,150	(5,871,150)	-
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	547,523	372,918	508	920,949	(920,949)	
Change in Net Position					(11,782,657)	(11,782,657)
Fund Balances/Net Position						
Beginning of year	21,756	-	-	21,756	-	(4,202,367)
End of year	\$ 569,279	\$ 372,918	\$ 508	\$ 942,705	\$ -	\$ (15,985,024)

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Harris County Municipal Utility District No. 569 (the District), was created by House Bill No. 2671 (the Bill) of the 86th Session of the Texas Legislature of the State of Texas, effective June 10, 2019, in accordance with the provisions of Article III, Section 52, and Article XVI, Section 59, of the Texas Constitution. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and Article XVI, Section 59 of the Constitution of the State of Texas and is subject to the continuing supervision of the Texas Commission on Environmental Quality (the Commission). The principal functions of the District are to finance, construct, own and operate waterworks, wastewater, drainage, park, road and other facilities and to provide such facilities and services to the customers of the District.

The District is governed by a Board of Directors (the Board) consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments, as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the voting majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

Government-wide and Fund Financial Statements

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, wastewater, drainage and other related services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

The District presents the following major governmental funds:

General Fund – The general fund is the primary operating fund of the District which accounts for all financial resources not accounted for in another fund. Revenues are derived primarily from property taxes, charges for services and interest income.

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

Debt Service Fund – The debt service fund is used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest related costs, as well as the financial resources being accumulated for future debt service.

Capital Projects Fund – The capital projects fund is used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

Fund Balances – Governmental Funds

The fund balances for the District's governmental funds can be displayed in up to five components:

Nonspendable – Amounts that are not in a spendable form or are required to be maintained intact.

Restricted – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed – Amounts that can be used only for the specific purposes determined by resolution of the Board. Commitments may be changed or lifted only by issuance of a resolution by the District's Board.

Assigned – Amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned – The residual classification for the general fund and includes all amounts not contained in the other classifications.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as liabilities.

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental fund revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental fund to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period.

Interfund Transactions

Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay the amount and if there is the ability to repay the advance on a timely basis. Transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Pension Costs

The District does not participate in a pension plan and, therefore, has no pension costs.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Investments and Investment Income

Investments in certificates of deposit, U.S. Government and agency securities, and certain pooled funds, which have a remaining maturity of one year or less at the date of purchase, are recorded at amortized cost. All other investments are carried at fair value. Fair value is determined using quoted market values.

Investment income includes dividends and interest income and the net change for the period in the fair value of investments carried at fair value. Investment income is credited to the fund in which the investment is recorded.

Property Taxes

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of the District based upon the aggregate appraisal value. Taxes are due and payable October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended May 31, 2024, include collections during the current period or within 60 days of year-end related to the 2023 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended May 31, 2024, the 2023 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of \$5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Harris County assumes the maintenance and other incidents of ownership of most storm sewer facilities, as well as road facilities constructed by the District. Accordingly, these assets are not recorded in the financial statements of the District.

Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45
Drainage facilities	10-45
Park and recreational facilities	10-30

Debt Issuance Costs

Debt issuance costs, other than prepaid insurance, do not meet the definition of an asset or deferred outflows of resources since the costs are not applicable to a future period and, therefore, are recognized as an expense/expenditure in the period incurred.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are recognized as a component of long-term liabilities and amortized over the life of the related debt using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

Net Position/Fund Balances

Fund balances and net position are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, generally, it is the District's policy to use restricted resources first.

Reconciliation of Government-wide and Fund Financial Statements

Amounts reported for net position of governmental activities in the statement of net position and fund balances in the governmental funds balance sheet are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements.	\$ 10,860,040
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	5,470
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.	(104,631)
Long-term debt obligations are not due and payable in the current period and are not reported in the fund financial statements.	<u>(27,688,608)</u>
Adjustment to fund balances to arrive at net position.	<u>\$ (16,927,729)</u>

Amounts reported for change in net position of governmental activities in the statement of activities are different from changes in fund balances in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balances.	\$ 920,949
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense or conveyed to another governmental entity for ownership and maintenance. This is the amount by which conveyed capital assets, depreciation expense and noncapitalized costs exceeded capital outlay expenditures in the current year.	(6,730,157)
Governmental funds report developer advances as other financing sources or uses as amounts are received or paid. However, for government-wide financial statements, these amounts are recorded as an increase or decrease in due to developer.	78,250

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. \$ 135,600

Governmental funds report proceeds from sales of bonds and bond anticipation notes because they provide current financial resources to governmental funds. Principal payments on debt are recorded as expenditures. None of these transactions, however, have any effect on net position. (6,085,000)

Revenues that do not provide current financial resources are not reported as revenues for the funds but are reported as revenues in the statement of activities. 5,470

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (107,769)

Change in net position of governmental activities. \$ (11,782,657)

Note 2. Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

At May 31, 2024, none of the District's bank balances were exposed to custodial credit risk.

Investments

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the State of Texas or the United States or their agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than "A," certificates of deposit of financial institutions domiciled in Texas, and certain bankers' acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

The District's investment policy may be more restrictive than the Public Funds Investment Act.

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

The District invests in Texas CLASS, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Trustees, elected by the participants, has oversight of Texas CLASS. The District's investments may be redeemed at any time. Texas CLASS attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques and limits its investments in any issuer to the top two ratings issued by nationally recognized statistical rating organizations. The District's investments in Texas CLASS are reported at net asset value.

At May 31, 2024, the District had the following investments and maturities:

Type	Fair Value	Maturities in Years			
		Less than 1	1-5	6-10	More Than 10
Texas CLASS	\$ 1,312,966	\$ 1,312,966	\$ -	\$ -	\$ -

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy does not allow investments in certain mortgage-backed securities, collateralized mortgage obligations with a final maturity date in excess of 10 years and interest rate indexed collateralized mortgage obligations. The external investment pool is presented as an investment with a maturity of less than one year because it is redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At May 31, 2024, the District's investments in Texas CLASS were rated "AAAm" by Standard & Poor's.

Summary of Carrying Values

The carrying values of deposits and investments shown previously are included in the balance sheet and statement of net position captions at May 31, 2024, as follows:

Carrying value:	
Deposits	\$ 193,993
Investments	<u>1,312,966</u>
Total	<u>\$ 1,506,959</u>

Investment Income

Investment income of \$34,335 for the year ended May 31, 2024, consisted of interest income.

Fair Value Measurements

The District has the following recurring fair value measurements as of May 31, 2024:

- Pooled investments of \$1,312,966 are valued at fair value per share of the pool's underlying portfolio.

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

Note 3. Capital Assets

A summary of changes in capital assets for the year ended May 31, 2024, is presented as follows:

Governmental Activities	Balances, Beginning of Year	Additions	Balances, End of Year
Capital assets, non-depreciable:			
Land and improvements	\$ -	\$ 672,572	\$ 672,572
Capital assets, depreciable:			
Water production and distribution facilities	1,332,937	1,541,330	2,874,267
Wastewater collection and treatment facilities	2,358,577	1,997,963	4,356,540
Drainage facilities	2,925,165	413,408	3,338,573
Total capital assets, depreciable	6,616,679	3,952,701	10,569,380
Less accumulated depreciation:			
Water production and distribution facilities	(29,621)	(63,872)	(93,493)
Wastewater collection and treatment facilities	(52,413)	(96,812)	(149,225)
Drainage facilities	(65,003)	(74,191)	(139,194)
Total accumulated depreciation	(147,037)	(234,875)	(381,912)
Total governmental activities, net	\$ 6,469,642	\$ 4,390,398	\$ 10,860,040

Note 4. Long-term Liabilities

Changes in long-term liabilities for year ended May 31, 2024, were as follows:

Governmental Activities	Balances, Beginning of Year	Increases	Decreases	Balances, End of Year	Amounts Due in One Year
Bonds payable:					
General obligation bonds	\$ -	\$ 4,520,000	\$ -	\$ 4,520,000	\$ -
Less discounts on bonds	-	135,600	3,138	132,462	-
	-	4,384,400	(3,138)	4,387,538	-
Bond anticipation notes	-	1,565,000	-	1,565,000	-
Due to developer	10,486,765	14,335,881	3,215,326	21,607,320	-
Due to developer - advances	207,000	-	78,250	128,750	-
Total governmental activities long-term liabilities	\$ 10,693,765	\$ 20,285,281	\$ 3,290,438	\$ 27,688,608	\$ -

Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

General Obligation Bonds

	Road Series 2023
Amount outstanding, May 31, 2024	\$4,520,000
Interest rates	5.00% to 5.60%
Maturity dates, serially beginning/ending	September 1, 2025/2051
Interest payment dates	March 1/September 1
Callable date*	September 1, 2030

*Or any date thereafter; callable at par plus accrued interest to the date of redemption.

Annual Debt Service Requirements

The following schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at May 31, 2024:

Year	Principal	Interest	Total
2025	\$ -	\$ 243,920	\$ 243,920
2026	75,000	242,045	317,045
2027	80,000	238,170	318,170
2028	85,000	234,045	319,045
2029	90,000	229,670	319,670
2030-2034	530,000	1,073,850	1,603,850
2035-2039	695,000	919,580	1,614,580
2040-2044	905,000	706,965	1,611,965
2045-2049	1,185,000	418,460	1,603,460
2049-2052	875,000	75,460	950,460
Total	\$ 4,520,000	\$ 4,382,165	\$ 8,902,165

The bonds are payable from the proceeds of an ad valorem tax levied upon all property within the District subject to taxation without limitation as to rate or amount.

Bonds voted:

Water, sanitary sewer and drainage facilities	\$ 241,500,000
Park and recreational facilities	64,600,000
Road facilities	161,100,000

Refunding bonds voted:

Water, sanitary sewer and drainage facilities	241,500,000
Park and recreational facilities	64,600,000
Road facilities	161,100,000

Bonds sold:

Road facilities	4,520,000
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Harris County Municipal Utility District No. 569
Notes to Financial Statements
May 31, 2024

Due to Developer

The developer within the District has constructed water, sewer, drainage, and road facilities on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues subject to the approval of the Commission, if required. As of May 31, 2024, a liability for developer-constructed capital assets of \$21,607,320 was recorded in the government-wide financial statements.

Bond Anticipation Note

On December 18, 2023, the District issued its Series 2023 Bond Anticipation Note in the amount of \$1,565,000. The note is dated December 18, 2023, bears interest at the rate of 6.17% and matures December 16, 2024, unless called for early redemption. The note is a special limited obligation of the District and is payable solely from proceeds from the sale of bonds and, therefore, has been excluded from the current portion of long-term liabilities. Subsequent to year-end, the District issued its Unlimited Tax Bonds, Series 2024 and will use a portion of the proceeds to redeem the note prior to its maturity.

Note 5. Significant Bond Order and Commission Requirements

- A. The Road Bond Order requires that the District levy and collect an ad valorem road debt service tax sufficient to pay interest and principal on road bonds when due. During the year ended May 31, 2024, the District did not levy an ad valorem road debt service tax for the 2023 tax year. The interest requirements to be paid from the available resources are \$243,920 of which:
- B. In accordance with the Road Series 2023 Bond Order, a portion of the bond proceeds were deposited into the debt service fund and reserved for the payment of bond interest during the construction period. This bond interest reserve is reduced as the interest is paid.

Bond interest reserve, beginning of year	\$ -
Additions--Interest appropriated from Road Series 2023 bond proceeds	365,880
Deductions--Appropriation from bond interest paid: Road Series 2023	<u>52,172</u>
Bond interest reserve, end of year	<u>\$ 313,708</u>

Note 6. Maintenance Taxes

At an election held November 2, 2021, voters authorized a maintenance tax not to exceed \$1.50 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended May 31, 2024, the District levied an ad valorem maintenance tax at the rate of \$0.9000 per \$100 of assessed valuation, which resulted in a tax levy of \$577,038 on the taxable valuation of \$64,115,239 for the 2023 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

Note 7. Contract Taxes

At an election held November 2, 2021, voters authorized a contract tax on all property within the District subject to taxation. During the year ended May 31, 2024, the District levied an ad valorem contract tax at the rate of \$0.6000 per \$100 of assessed valuation, which resulted in a tax levy of \$384,692 on the taxable valuation of \$64,115,239 for the 2023 tax year. The contract tax is used to pay for the District's pro rata share of principal and interest on Harris-Waller Counties Municipal Utility District No. 4's (the Master District) contract revenue bonds as described in Note 8.

Note 8. Financing and Operation of Regional Facilities

On August 10, 2021, the District entered into a Contract for Financing, Operation and Maintenance of Regional Facilities (the Contract) with the Master District, whereby the Master District agrees to provide, or cause to be provided, the regional water, wastewater, drainage and road facilities necessary to serve all participating districts located within the Master District's service area.

The Contract authorizes the establishment of an operating and maintenance reserve by the Master District equivalent to three months' operating and maintenance expenses, as set forth in the Master District's annual budget. Prior to commencement of services, the Master District shall bill the District to provide the initial funding required to establish the reserve. The Master District shall adjust the reserve as needed, not less than annually.

The Master District is charging each participating district a monthly fee for Master District operating and maintenance expenses based on the unit cost per connection multiplied by the number of equivalent single-family connections reserved to the District. The term of the Contract is 40 years. For the year ended May 31, 2024, the District incurred \$557,386 in fees related to the Contract.

The Master District is authorized to issue contract revenue bonds for the purpose of acquiring and constructing regional water, wastewater, drainage and road facilities needed to provide services to all participating districts in the Master District's service area. The District shall contribute annually to the payment of debt service requirements based on its pro rata share of the total certified assessed valuation of all participating districts. For the year ended May 31, 2024, the District incurred \$388,401 in contractual obligations related to Master District contract revenue bonds.

Note 9. Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts since the inception of the District.

Note 10. Economic Dependency

The District's developer owns the majority of the taxable property in the District. The District's ability to meet its obligations is dependent on the developer's ability to pay future property taxes.

Since inception, the developer has advanced \$128,750 to the District for operations. The District does not have sufficient funds nor anticipated revenues sufficient to liquidate these advances during the forthcoming fiscal year. These advances have been recorded as liabilities in the government-wide financial statements.

Note 11. Contingencies

The developer of the District is constructing facilities on behalf of the District within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds from future bond sales, to the extent approved by the Commission, as applicable. The District's engineer has stated that current construction amounts are approximately \$18,207,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

Note 12. Subsequent Events

On August 12, 2024, the District awarded the sale of its Unlimited Tax Bonds, Series 2024 in the amount of \$3,375,000 at a net effective interest rate of approximately 4.471%. The bonds were sold to redeem the Series 2023 bond anticipation note and reimburse the developer for previously completed utility construction projects within the District.

On September 9, 2024, the District awarded the sale of its Unlimited Tax Road Bonds, Series 2024 in the amount of \$8,855,000 at a net effective interest rate of approximately ____%. The bonds were sold to reimburse the developer for previously completed paving construction projects within the District.

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Required Supplementary Information

Harris County Municipal Utility District No. 569
Budgetary Comparison Schedule – General Fund
Year Ended May 31, 2024

	Original Budget	Final Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ 555,800	\$ 559,000	\$ 601,720	\$ 42,720
Water service	123,120	400,800	275,422	(125,378)
Sewer service	102,600	190,000	174,700	(15,300)
Security service	60,000	60,000	60,000	-
Penalty and interest	1,600	18,000	18,329	329
Tap connection and inspection fees	314,350	1,212,300	1,413,436	201,136
Investment income	-	19,200	23,523	4,323
Total revenues	1,157,470	2,459,300	2,567,130	107,830
Expenditures				
Service operations:				
Purchased services	398,416	538,000	557,386	(19,386)
Professional fees	137,500	150,000	166,362	(16,362)
Contracted services	194,280	138,000	134,993	3,007
Repairs and maintenance	99,453	430,000	551,856	(121,856)
Other expenditures	30,560	49,100	46,584	2,516
Tap connections	99,000	356,000	430,791	(74,791)
Debt service:				
Debt issuance costs	-	3,700	69,450	(65,750)
Contractual obligation	-	19,700	19,695	5
Total expenditures	959,209	1,684,500	1,977,117	(292,617)
Excess of Revenues Over Expenditures	198,261	774,800	590,013	(184,787)
Other Financing Uses				
Interfund transfers out	-	-	(42,490)	(42,490)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	198,261	774,800	547,523	(227,277)
Fund Balance, Beginning of Year	21,756	21,756	21,756	-
Fund Balance, End of Year	\$ 220,017	\$ 796,556	\$ 569,279	\$ (227,277)

Harris County Municipal Utility District No. 569
Notes to Required Supplementary Information
May 31, 2024

Budgets and Budgetary Accounting

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was amended during fiscal 2024.

The District prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedule - General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Draft 9/3/24

Supplementary Information

Harris County Municipal Utility District No. 569
Other Schedules Included Within This Report
May 31, 2024

(Schedules included are checked or explanatory notes provided for omitted schedules.)

- [X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 12-23
- [X] Schedule of Services and Rates
- [X] Schedule of General Fund Expenditures
- [X] Schedule of Temporary Investments
- [X] Analysis of Taxes Levied and Receivable
- [X] Schedule of Long-term Debt Service Requirements by Years
- [X] Changes in Long-term Bonded Debt
- [X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund
- [X] Board Members, Key Personnel and Consultants

Harris County Municipal Utility District No. 569
Schedule of Services and Rates
Year Ended May 31, 2024

1. Services to be provided by the District:

☒ Retail Water	☐ Wholesale Water	☒ Drainage
☒ Retail Wastewater	☐ Wholesale Wastewater	☐ Irrigation
☒ Parks/Recreation	☐ Fire Protection	☒ Security
☒ Solid Waste/Garbage	☐ Flood Control	☒ Roads
☒ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)		
☐ Other _____		

2. Retail service providers:

a. Retail rates for a 5/8" meter (or equivalent):

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water:	\$ 57.00	10,000	N	\$ 4.30	10,001 to No Limit
Wastewater:	\$ 47.50	0	Y		

Does the District employ winter averaging for wastewater usage?

Yes ☒ No ☐

Total charges per 10,000 gallons usage (including fees):	Water	\$ 57.00	Wastewater	\$ 47.50
--	-------	----------	------------	----------

b. Water and wastewater retail connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC*</u>
Unmetered	-	-	x1.0	-
≤ 3/4"	590	586	x1.0	586
1"	1	1	x2.5	3
1 1/2"	-	-	x5.0	-
2"	13	13	x8.0	104
3"	1	1	x15.0	15
4"	-	-	x25.0	-
6"	-	-	x50.0	-
8"	-	-	x80.0	-
10"	1	1	x115.0	115
Total water	606	602		823
Total wastewater	593	589	x1.0	589

3. Total water consumption (in thousands) during the fiscal year:

Gallons pumped into the system:	24,107,000
Gallons billed to customers:	24,107,000
Water accountability ratio (gallons billed/gallons pumped):	100.00%

*"ESFC" means equivalent single-family connections

Harris County Municipal Utility District No. 569
Schedule of General Fund Expenditures
Year Ended May 31, 2024

Personnel (including benefits)		\$	-
Professional Fees			
Auditing	\$	15,000	
Legal		113,057	
Engineering		38,305	
Financial advisor		-	166,362
Purchased Services for Resale			
Bulk water and wastewater service purchases			557,386
Regional Water Fee			-
Contracted Services			
Bookkeeping		38,272	
General manager		-	
Appraisal district		-	
Tax collector		-	
Security		55,936	
Other contracted services		25,696	119,904
Utilities			-
Repairs and Maintenance			551,856
Administrative Expenditures			
Directors' fees		10,545	
Office supplies		9,363	
Insurance		3,020	
Other administrative expenditures		23,656	46,584
Capital Outlay			
Capitalized assets		-	
Expenditures not capitalized		-	-
Tap Connection Expenditures			430,791
Solid Waste Disposal			15,089
Fire Fighting			-
Parks and Recreation			-
Other			89,145
Total expenditures		\$	<u>1,977,117</u>

Harris County Municipal Utility District No. 569
Analysis of Taxes Levied and Receivable
Year Ended May 31, 2024

	Maintenance Taxes	Contract Taxes
Receivable, Beginning of Year	\$ -	\$ -
Additions and corrections to prior years' taxes	27,964	-
Adjusted receivable, beginning of year	27,964	-
 2023 Original Tax Levy	 470,747	 313,831
Additions and corrections	106,291	70,861
Adjusted tax levy	577,038	384,692
Total to be accounted for	605,002	384,692
Tax collections: Current year	(573,756)	(382,504)
Prior years	(27,964)	-
Receivable, end of year	\$ 3,282	\$ 2,188
 Receivable, by Years		
2023	\$ 3,282	\$ 2,188

Harris County Municipal Utility District No. 569
Analysis of Taxes Levied and Receivable
Year Ended May 31, 2024

(Continued)

	2023	2022
Property Valuations		
Land	\$ 66,221,914	\$ 8,597,470
Improvements	338,689	-
Personal property	19,500	-
Exemptions	(2,464,864)	(4,000,992)
Total property valuations	<u>\$ 64,115,239</u>	<u>\$ 4,596,478</u>
Tax Rates per \$100 Valuation		
Contract tax rates	\$ 0.6000	\$ -
Maintenance tax rates*	<u>0.9000</u>	<u>1.5000</u>
Total tax rates per \$100 valuation	<u>\$ 1.5000</u>	<u>\$ 1.5000</u>
Tax Levy	<u>\$ 961,730</u>	<u>\$ 68,947</u>
Percent of Taxes Collected to Taxes Levied**	<u>99%</u>	<u>100%</u>

*Maximum tax rate approved by voters: \$1.50 on November 2, 2021

**Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

Harris County Municipal Utility District No. 569
Schedule of Long-Term Debt Service Requirements by Years
May 31, 2024

Due During Fiscal Years Ending May 31	Road Series 2023		
	Principal Due September 1	Interest Due September 1, March 1	Total
2025	\$ -	\$ 243,920	\$ 243,920
2026	75,000	242,045	317,045
2027	80,000	238,170	318,170
2028	85,000	234,045	319,045
2029	90,000	229,670	319,670
2030	95,000	225,045	320,045
2031	100,000	220,170	320,170
2032	105,000	215,045	320,045
2033	110,000	209,670	319,670
2034	120,000	203,920	323,920
2035	125,000	197,733	322,733
2036	130,000	191,230	321,230
2037	140,000	184,345	324,345
2038	145,000	177,077	322,077
2039	155,000	169,195	324,195
2040	165,000	160,555	325,555
2041	170,000	151,510	321,510
2042	180,000	142,060	322,060
2043	190,000	131,880	321,880
2044	200,000	120,960	320,960
2045	210,000	109,480	319,480
2046	225,000	97,300	322,300
2047	235,000	84,420	319,420
2048	250,000	70,840	320,840
2049	265,000	56,420	321,420
2050	275,000	41,300	316,300
2051	290,000	25,480	315,480
2052	310,000	8,680	318,680
Totals	\$ 4,520,000	\$ 4,382,165	\$ 8,902,165

Harris County Municipal Utility District No. 569
Changes in Long-Term Bonded Debt
Year Ended May 31, 2024

	Bond Issue			
	Road Series 2023			
Interest rates	5.00% to 5.60%			
Dates interest payable	September 1/ March 1			
Maturity dates	September 1, 2025/2051			
Bonds outstanding, beginning of the current	\$ -			
Bonds sold during the current year	4,520,000			
Retirements, principal	-			
Bonds outstanding, end of current year	\$ 4,520,000			
Interest paid during the current year	\$ 52,172			
Paying agent's name and address:				
	Series 2023 - The Bank of New York Mellon Trust Company, N.A., Dallas, Texas			
Bond authority:	Tax Bonds	Recreational Bonds	Road Bonds	Refunding Bonds
Amount authorized by voters	\$ 241,500,000	\$ 64,600,000	\$ 161,100,000	\$ 467,200,000
Amount issued	\$ -	\$ -	\$ 4,520,000	\$ -
Remaining to be issued	\$ 241,500,000	\$ 64,600,000	\$ 156,580,000	\$ 467,200,000
Debt service fund cash and temporary investment balances as of May 31, 2024:	\$ 395,559			
Average annual debt service payment (principal and interest) for remaining term of all debt:	\$ 317,934			

Harris County Municipal Utility District No. 569
Comparative Schedule of Revenues and Expenditures – General Fund
Two Years Ended May 31, 2024 and 2023, and Period From Inception
(June 10, 2019) to May 31, 2022

	Amounts		
	2024	2023	2022
General Fund			
Revenues			
Property taxes	\$ 601,720	\$ 68,947	\$ -
Water service	275,422	13,647	-
Sewer service	174,700	12,551	-
Security service	60,000	10,000	-
Penalty and interest	18,329	454	-
Tap connection and inspection fees	1,413,436	143,865	-
Investment income	23,523	-	-
Total revenues	<u>2,567,130</u>	<u>249,464</u>	<u>-</u>
Expenditures			
Service operations:			
Purchased services	557,386	18,785	-
Professional fees	166,362	136,581	66,833
Contracted services	134,993	41,073	6,802
Repairs and maintenance	551,856	49,019	-
Other expenditures	46,584	28,779	29,032
Tap connections	430,791	43,470	-
Debt service:			
Debt issuance costs	69,450	-	-
Contractual obligation	19,695	14,334	-
Total expenditures	<u>1,977,117</u>	<u>332,041</u>	<u>102,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>590,013</u>	<u>(82,577)</u>	<u>(102,667)</u>
Other Financing Sources (Uses)			
Interfund transfers out	(42,490)	-	-
Developer advances received	-	132,000	75,000
Total other financing sources (uses)	<u>(42,490)</u>	<u>132,000</u>	<u>75,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>547,523</u>	<u>49,423</u>	<u>(27,667)</u>
Fund Balance (Deficit), Beginning of Year	<u>21,756</u>	<u>(27,667)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u>\$ 569,279</u>	<u>\$ 21,756</u>	<u>\$ (27,667)</u>
Total Active Retail Water Connections	<u>602</u>	<u>112</u>	<u>0</u>
Total Active Retail Wastewater Connections	<u>589</u>	<u>111</u>	<u>0</u>

Percent of Fund Total Revenues		
2024	2023	2022
23.5 %	27.6 %	* %
10.7	5.5	*
6.8	5.0	*
2.3	4.0	*
0.7	0.2	*
55.1	57.7	*
0.9	-	*
100.0	100.0	*
21.7	7.5	*
6.5	54.8	*
5.2	16.5	*
21.5	19.7	*
1.8	11.5	*
16.8	17.4	*
2.7	-	*
0.8	5.7	*
77.0	133.1	*
23.0 %	(33.1) %	* %

Harris County Municipal Utility District No. 569
Schedule of Revenues and Expenditures – Debt Service Fund
Year Ended May 31, 2024

	<u>Amounts</u>	<u>Percent of Fund Total Revenues</u>
Debt Service Fund		
Revenues		
Property taxes	\$ 382,504	94.4 %
Penalty and interest	12,030	3.0
Investment income	<u>10,694</u>	<u>2.6 %</u>
Total revenues	<u>405,228</u>	<u>100.0</u>
Expenditures		
Current:		
Contracted services	15,275	3.8
Other expenditures	4,527	1.1
Debt service:		
Interest and fees	52,172	12.9
Contractual obligation	<u>368,706</u>	<u>91.0</u>
Total expenditures	<u>440,680</u>	<u>108.8</u>
Deficiency of Revenues Over Expenditures	<u>(35,452)</u>	<u>(8.8) %</u>
Other Financing Sources		
Interfund transfers in	42,490	
General obligation bonds issued	<u>365,880</u>	
Total other financing sources	<u>408,370</u>	
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	372,918	
Fund Balance, Beginning of Year	<u>-</u>	
Fund Balance, End of Year	<u>\$ 372,918</u>	

Harris County Municipal Utility District No. 569
Board Members, Key Personnel and Consultants
Year Ended May 31, 2024

Complete District mailing address:	Harris County Municipal Utility District No. 569 c/o Schwartz, Page & Harding, L.L.P. 1300 Post Oak Boulevard, Suite 2400 Houston, Texas 77056
District business telephone number:	713.623.4531
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	May 15, 2024
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

<u>Board Members</u>	<u>Term of Office Elected & Expires</u>	<u>Fees*</u>	<u>Expense Reimbursements</u>	<u>Title at Year-end</u>
Jason Schultz	Elected 05/22- 05/26	\$ 2,360	\$ 480	President
Nicholas Luton	Elected 05/24- 05/28	2,581	145	Vice President
Blakely Norris	Elected 05/24- 05/28	1,918	44	Secretary
David Jezierski	Elected 05/22- 05/26	1,768	29	Assistant Secretary
Julia Pecina	Elected 05/24- 05/28	1,918	-	Assistant Secretary

*Fees are the amounts actually paid to a director during the District's fiscal year.

**Harris County Municipal Utility District No. 569
Board Members, Key Personnel and Consultants
Year Ended May 31, 2024**

(Continued)

<u>Consultants</u>	<u>Date Hired</u>	<u>Fees and Expense Reimbursements</u>	<u>Title</u>
Bob Leared Interests	08/08/22	\$ 16,326	Tax Assessor/ Collector
FORVIS, LLP	06/13/22	31,026	Auditor
Harris Central Appraisal District	Legislative Action	4,770	Appraiser
Municipal Accounts & Consulting, L.P.	08/03/21	47,420	Bookkeeper
Municipal District Services, L.L.C.	04/11/22	874,971	Operator
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	10/10/22	-	Delinquent Tax Attorney
Quiddity Engineering, LLC	08/03/21	123,555	Engineer
Robert W. Baird & Co. Incorporated	08/03/21	108,595	Financial Advisor
Schwartz, Page & Harding, L.L.P.	08/03/21	125,638 145,046	Bond Counsel General Counsel
<u>Investment Officers</u>			
Mark Burton and Ghia Lewis	11/15/21	N/A	Bookkeepers

Representation of:
Harris County Municipal Utility District No. 569
Harris County, Texas

Provided to:
Forvis Mazars, LLP
Certified Public Accountants
2700 Post Oak Boulevard, Suite 1500
Houston, TX 77056

The undersigned ("We") are providing this letter in connection with Forvis Mazars' audit of our financial statements as of and for the year ended May 31, 2024.

Our representations are current and effective as of the date of Forvis Mazars' report: September 9, 2024.

Our engagement with Forvis Mazars is based on our contract for services dated: May 13, 2024.

Our Responsibility & Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to Forvis Mazars' report in conformity with accounting principles generally accepted in the United States of America and in accordance with the reporting requirements of the Texas Commission on Environmental Quality (TCEQ).

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

Confirmation of Matters Specific to the Subject Matter of Forvis Mazars' Report

We confirm, to the best of our knowledge and belief, the following:

Broad Matters

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and in accordance with the reporting requirements of the Texas Commission on Environmental Quality (TCEQ).
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
 - b. Internal control to prevent and detect fraud.
3. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.

- b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons serving the entity from whom you determined it necessary to obtain audit evidence.
 - d. All minutes of meetings of the Board of Directors held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the Board of Directors, if applicable, and maintained as part of our records.
 - e. All significant contracts.
4. We have responded fully and truthfully to all your inquiries.

Misappropriation, Misstatements, & Fraud

5. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
- a. Misappropriation of assets.
 - b. Misrepresented or misstated assets, liabilities, deferred inflows of resources or net position.
6. We have no knowledge of fraud or suspected fraud affecting the entity involving:
- a. Directors or consultants (including prior consultants) who have significant roles in internal control over financial reporting, or
 - b. Others when the fraud could have a material effect on the financial statements.
7. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.

Related Parties

8. We have disclosed to you the identity of all of the entity's related parties and all the related-party relationships of which we are aware. The entity has not entered into any new agreements with a related party or modified terms related to an existing related-party transaction during the year under audit, or as of the date of this letter. Further, we do not have any existing or ongoing agreements with related parties that are still in effect as of the date of this letter.

Litigation, Laws, Rulings & Regulations

9. We are not aware of any pending or threatened litigation or claims whose effects should be considered when preparing the financial statements. We have not sought or received attorney's services related to pending or threatened litigation or claims during or subsequent to the audit period. Also, we are not aware of any litigation or claims, pending or threatened, for which legal counsel should be sought.
10. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
11. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

Nonattest Services

12. You have provided nonattest services, including the following, during the period of this engagement:
- Preparing a draft of the financial statements and related notes and supplementary information
 - Maintenance of depreciation schedules
13. With respect to these services:
- a. The Board is qualified to and is accountable for overseeing the nonattest services.
 - b. We have established and monitored the performance of the nonattest services to ensure they meet our objectives.
 - c. We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
 - d. We have evaluated the adequacy of the services performed and any findings that resulted.
 - e. We have established and maintained internal controls, including monitoring ongoing activities.
 - f. When we receive final deliverables from you, we will store those deliverables in information systems controlled by us. We have taken responsibility for maintaining internal control over these deliverables.

Financial Statements & Reports

14. We have reviewed and approved a draft of the financial statements and related notes referred to above, which you prepared in connection with your audit of our financial statements. We acknowledge that we are responsible for the fair presentation of the financial statements and related notes.
15. We acknowledge that submission of audit reports and any related materials to regulators or oversight agencies, including the TCEQ, is our responsibility.
16. We do not issue an annual report, nor do we have plans to issue an annual report at this time.

Transactions, Records, & Adjustments

17. All transactions have been recorded in the accounting records and are reflected in the financial statements.
18. We have everything we need to keep our books and records.
19. We have disclosed any significant unusual transactions the entity has entered into during the period, including the nature, terms, and business purpose of those transactions.

Governmental Accounting & Disclosure Matters

20. Based on information provided by our consultants, with regard to deposit and investment activities:
- a. All deposit and investment transactions have been made in accordance with legal and contractual requirements.
 - b. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.

- c. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
21. The supplementary information required by the Governmental Accounting Standards Board (GASB) consisting of management's discussion and analysis and budgetary comparison schedule, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions, and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.

Accounting & Disclosure

22. Except as reflected in the financial statements, there are no:
- a. Plans or intentions that may materially affect carrying values or classifications of assets, liabilities, deferred inflows of resources or net position.
 - b. Material transactions omitted or improperly recorded in the financial records.
 - c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - d. Events occurring subsequent to the balance sheet date through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
 - e. Agreements to purchase assets previously sold.
 - f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements.
 - g. Guarantees, whether written or oral, under which the entity is contingently liable.
 - h. Known or anticipated asset retirement obligations.
23. Except as disclosed in the financial statements, the entity has:
- a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.
 - b. Complied with all aspects of contractual agreements, for which noncompliance would materially affect the financial statements.

Revenue, Accounts Receivable, & Inventory

24. Adequate provisions and allowances have been accrued for any material losses from uncollectible receivables.

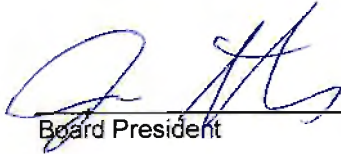
Estimates

25. We have identified all accounting estimates that could be material to the financial statements and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in making the accounting estimates, including those measured at fair value reported in the financial statements.

26. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that would make the entity vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

Fair Value

27. With respect to the fair value measurements of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto:
- a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated course of action.
 - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances for financial statement measurement and disclosure purposes and have been consistently applied.
 - c. The significant assumptions appropriately reflect market participant assumptions.
 - d. The disclosures related to fair values are complete, adequate, and in conformity with accounting principles generally accepted in the United States of America.
 - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.



Board President

Representation of:

Harris County Municipal Utility District No. 569
Harris County, Texas

Provided to:

Forvis Mazars, LLP
Certified Public Accountants
2700 Post Oak Boulevard, Suite 1500
Houston, Texas 77056

The undersigned, Harris County Municipal Utility District No. 569 ("District"), previously provided a representation letter in connection with FORVIS, LLP's audit of our financial statements as of and for the year ended May 31, 2023.

Our representations are current and effective as of the date of the Official Statement relative to the District's Unlimited Tax Road Bonds, Series 2024: September 9, 2024.

Our engagement with Forvis Mazars is based on our contract for services dated: May 13, 2024.

No information has come to our attention that would cause us to believe that any of those representations should be modified.

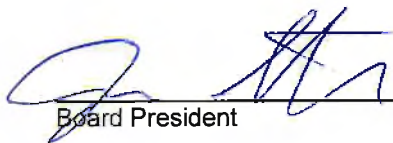
To the best of our knowledge and belief, no events have occurred subsequent to May 31, 2023, and through the effective date of this representation that would require adjustment to or disclosure in the aforementioned financial statements.

We have provided you with all minutes of board of directors' meetings held through the effective date of this representation.

We have provided you with all communications received from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices subsequent to May 31, 2023, and through the effective date of this representation.

In addition, we represent to you the following:

1. We are not aware of any material adverse changes that have occurred with respect to our organization since the date of our previous representation letter.
2. We have complied with all applicable disclosure requirements of SEC Rule 15c2-12 and applicable state laws.



Board President

Forvis Mazars Internal Control Communication

Harris County Municipal Utility District No. 569

Communication Regarding Internal Control Related Matters Identified in an Audit

Required Communications Regarding Internal Control (AU-C 265)

Consideration of Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of Harris County Municipal Utility District No. 569 (the District) as of and for the year ended May 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control).

This consideration served as a basis for designing audit procedures that are appropriate in the circumstance for the purpose of expressing our opinions on the financial statements.

However, this consideration was **not** for the purpose of expressing an opinion on the effectiveness of the District's internal control.

Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

Categorizing Deficiencies by Severity

Deficiency

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.



Significant Deficiency

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material misstatements of the District's financial statements will not be prevented or detected and corrected on a timely basis.



The Board's Management Role & Responsibility for Controls

The District's management consists of an elected Board of Directors (Board). Day-to-day operations are performed by private entities (Consultants) under contract with the District. The Board supervises the performance of the Consultants; however, although Consultants can be part of the District's system of internal control, the Consultants are not members of management. Per auditing standards, management is responsible for design and implementation of the District's system of internal controls.

**forvis
mazars**

Identified Deficiencies

We identified certain deficiencies in internal control that we consider to be material weaknesses.

Material Weaknesses

- Per auditing standards, one of the primary controls within the system of internal controls is related to the preparation of the financial statements. Management of the District is responsible for either preparing the financial statements or having the knowledge to determine whether the financial statements have been properly prepared and are free from potential misstatement. The absence of this expertise within management, or a Consultant of the District hired to perform this service, is considered by auditing standards to be a material weakness in internal control over financial reporting.
- During the course of performing an audit, it is not unusual for the auditor to prepare various journal entries to correct and present the financial statements on the government-wide basis of accounting. Additionally, we noted adjustments to various accounts, such as fund balances, interfund transfers, unearned tap connection fees and tap connection and inspection fees revenues, which were necessary in order for the fund financial statements to be in conformity with generally accepted accounting principles. The inability of management, or a Consultant of the District hired to perform this service, to detect these necessary adjustments is considered by auditing standards to be a material weakness in internal control over financial reporting.
- Finally, management, or a Consultant of the District, does not prepare the capital asset and depreciation register or post adjustments related to the presentation of the capital assets in the government-wide financial statements. As management is not preparing or reviewing and does not have the expertise to prevent, detect, and correct related significant potential misstatements, this is considered by auditing standards to be a material weakness in internal control over financial reporting.

The material weaknesses noted above, if not corrected, could result in a material misstatement or omission of a required disclosure in the financial statements.

Management's Response

The District responds that the auditor's Management Letter, and the material weaknesses identified therein, are prepared in response to Statement on Auditing Standards No. 115 (SAS 115) and are not prompted by any other circumstances identified during the course of the audit and disclosed to the District's Board.

As you know, the Board has, since the inception of the District, engaged the auditor to perform the District's audit and to prepare the financial statements and capital asset and depreciation schedules upon which the audit is based. It is our understanding that this is the usual and customary practice for smaller special districts in Texas, as it is more cost effective to engage Consultants to perform such services than to employ persons (who would constitute district management) to perform same. It is also the Board's understanding that, under the requirements of SAS 115, the engagement of the auditor to perform these services resulted in the Management Letter because (1) the Board members are not able to prevent, detect, and correct a misstatement in the preparation of the District's financial statements or its capital asset and depreciation schedules or to make adjustments to same, and (2) the Board has not implemented controls to prevent, detect, and correct a misstatement in the preparation of the District's financial statements or capital asset and depreciation schedules, such as the hiring of an employee or the engagement of another Consultant to prepare the District's financial statements or capital asset and depreciation schedules.

With respect to items (1) and (2) identified above, the Board responds that its members are appointed or elected in accordance with the requirements set forth in the Texas Water Code, and that such members do not necessarily have the ability to prevent, detect, and correct a misstatement in the preparation of the District's financial statements or its capital asset and depreciation schedules or to make adjustments to same.

Further, the Board responds that it is a small government unit and that it engages the auditor based upon the auditor's professional qualifications, and in light of such qualifications, does not feel that the addition at this time of an employee or the engagement of a Consultant to prepare the District's financial statements and capital asset and depreciation schedules (as a form of control) would be cost effective. Additionally, the Board adds that the District does not have any employees, but rather engages Consultants who possess industry knowledge and expertise to provide financial services, including its

bookkeeper, auditor, and financial advisor, as well as Consultants that provide legal, engineering, and operation and maintenance services. In particular, the District's bookkeeper presents periodic financial information (unaudited) to the Board for review, which information generally reflects income, disbursements, adjustments, and the status of investments relative to the District's various accounts.

Management's written response to the material weaknesses identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Distribution Restriction

This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties:

- The Board of Directors
- Texas Commission on Environmental Quality

Draft 03/12/24

Forvis Mazars Report to the Board of Directors

Harris County Municipal Utility District No. 569
Results of the 2024 Financial Statement Audit, Including Required Communications

Required Communications Regarding Our Audit Strategy & Approach (AU-C 260)

The following matters are required communications we must make to you, including these responsibilities:

Overview & Responsibilities

Matter	Discussion
Scope of Our Audit	This report covers audit results related to your financial statements and supplementary information: - As of and for the year ended May 31, 2024 - Conducted in accordance with our contract dated May 13, 2024
Our Responsibilities	Forvis Mazars is responsible for forming and expressing opinions about whether the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).
Audit Scope & Inherent Limitations to Reasonable Assurance	An audit performed in accordance with auditing standards generally accepted in the United States of America (GAAS) is designed to obtain reasonable, rather than absolute, assurance about the financial statements. The scope of our audit tests was established in relation to the opinion unit being audited and did not include a detailed audit of all transactions.
Extent of Our Communication	In addition to areas of interest and noting prior communications made during other phases of the engagement, this report includes communications required in accordance with GAAS that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, including audit approach, results, and internal control. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.
Independence	The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.
Your Responsibilities	Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.
Distribution Restriction	This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties: The Board of Directors

Qualitative Aspects of Significant Accounting Policies & Practices

The following matters are detailed in the following pages and included in our assessment:

Significant Accounting Policies

Significant accounting policies are described in Note 1 of the audited financial statements. We call your attention to the following topics:

- The fund financial statements are reported using the current financial resources focus and the modified accrual basis of accounting
- The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting

Unusual Policies or Methods

- No matters are reportable

Alternative Accounting Treatments

- No matters are reportable

Management Judgments & Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. Significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates include:

- Amounts due to developer

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Subsequent events
- Contingent liability for developer construction
- Economic dependency

Our Judgment About the Quality of the District's Accounting Principles

- No matters are reportable

Adjustments Identified by Audit

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.

A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Proposed & Recorded Adjustments

Auditor-proposed and management-recorded entries include the following:

- Fund balances
- Interfund transfers

- Unearned tap connection fees and tap connection and inspection fees revenues
- Capital assets and depreciation expense
- Accrued liabilities
- Long-term liabilities
- Conveyance of capital assets

Uncorrected Misstatements

- No uncorrected misstatements

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter
- Communication Regarding Internal Control Related Matters Identified in an Audit

Exhibit B

Harris County Municipal Utility District No. 569

**Independent Accountant's Report on Applying
Agreed-upon Procedures on Amounts Reimbursable
to Developer**

September 9, 2024

Independent Accountant's Report on Applying Agreed-upon Procedures

Board of Directors
Harris County Municipal Utility District No. 569
Harris County, Texas

We have performed the procedures enumerated below, with respect to the statements submitted by Astro Sunterra, LP (the developer) for costs paid or incurred on behalf of Harris County Municipal Utility District No. 569 (the District). The District is responsible for amounts reimbursable to the developer.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting in verifying the amounts reimbursable from the proceeds of the District's \$3,375,000 Unlimited Tax Bonds, Series 2024. This report may not be suitable for any other purpose. The procedures performed may not address all of the items of interest to a user of this report and may not meet the needs of all users of this report, and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures were as follows:

- (A) We vouched copies of checks, invoices and other relevant documents supporting amounts requested for reimbursement by the developer.
- (B) We recalculated interest due to be paid to the developer in accordance with Rule 30 TAC, Section 293.50, of the Texas Commission on Environmental Quality (the Commission). Interest was calculated from the dates of payment through five years after payment on construction contracts and related costs or December 18, 2023, for items reimbursed from the District's bond anticipation note proceeds, and September 11, 2024, for items reimbursed from bond proceeds.
- (C) The net effective rate used in computing interest on amounts paid from this bond issue was obtained from the Official Bid Form dated August 12, 2024.
- (D) The Commission Order issued June 4, 2024, and the Interoffice Memorandum dated May 31, 2024, were read to determine that funds had been provided in the bond issue for the amounts requested and whether any funds were to be escrowed until released by written order of the Commission.
- (E) Estimates of costs remaining to be incurred were obtained through discussion with the District's other consultants.

The results of our procedures are presented in the accompanying schedules. Schedules A through A-1 detail amounts reimbursable to the developer from bond proceeds. Schedule B presents a comparison of actual costs with costs as approved by the Commission.

Board of Directors
Harris County Municipal Utility District No. 569

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, as required by Rule 30 TAC, Section 293.70, of the Commission "Audit of Payments to Developers." We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the statements submitted by the developer for costs paid or incurred on behalf of the District. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified parties listed and is not intended to be, and should not be, used by anyone other than these specified parties.

Houston, Texas
September 9, 2024

Harris County Municipal Utility District No. 569
Recapitulation of Amounts Reimbursable to Developer
Schedule A
September 9, 2024

<u>Payee</u>	<u>Astro Sunterra, LP</u>	
	<u>Amounts</u> <u>Reimbursable</u>	<u>Interest</u>
Gonzalez Construction Enterprise, Inc.	\$ 618,771.18	\$ 130,618.44
Zonda Advisory	5,460.00	338.08
Schwartz, Page & Harding, LLP	52,086.07	7,046.15
Harris County Municipal Utility District No. 569	66,164.00	12,171.89
Total reimbursable amounts	<u>\$ 742,481.25</u>	<u>\$ 150,174.56</u>
Total amounts reimbursable to developer		<u><u>\$ 892,655.81</u></u>

Harris County Municipal Utility District No. 569
Recapitulation of Amounts Reimbursable to Developer
Schedule A-1
September 9, 2024

	% Complete Date Complete	Amounts Reimbursable	
Gonzalez Construction Enterprise, Inc.			
Construction of water, sewer and drainage facilities to serve Sunterra, Sections 37 and 41	100% 02/23	\$ 2,104,663.87	
Less amount to be paid in the future		<u>(42,093.28)</u>	
		2,062,570.59	
Less amount previously reimbursed		<u>(1,443,799.41)</u>	\$ 618,771.18
Interest accrued at 4.470576%			130,618.44
Zonda Advisory			
District's share of fees related to:			
Market study			5,460.00
Interest accrued at 4.470576%			338.08
Schwartz, Page & Harding, LLP			
District's share of creation costs			52,086.07
Interest accrued at 4.470576%			7,046.15
Harris County Municipal Utility District No. 569			
Developer advances received between November 2021 and December 2022		144,414.00	
Less amount previously reimbursed		<u>(78,250.00)</u>	66,164.00
Interest accrued at 4.470576%			<u>12,171.89</u>
Total amounts reimbursable to developer			<u>\$ 892,655.81</u>

Harris County Municipal Utility District No. 569
Comparison of Actual Costs With Cost Summary as Approved
by the Texas Commission on Environmental Quality
Schedule B
September 9, 2024

	Amounts Reimbursable to Developer	Amounts Paid Previously by District
Construction Costs		
Developer contribution items:		
Sunterra, Sections 37 and 41	\$ 618,771	\$ 1,443,800
Nonconstruction Costs		
Legal fees	-	-
Financial Advisor fees	-	-
Capitalized interest	-	-
Developer interest	138,003	-
Bond anticipation note Interest	-	-
Bond discount	-	-
Creation costs	52,086	-
Operating costs	78,336	78,250
Bond issuance costs	-	-
Bond anticipation note issuance costs	-	-
Bond application report costs	-	-
Market study	5,460	-
Attorney General fee	-	-
Commission bond issuance fee	-	-
Total nonconstruction costs	273,885	78,250
Total bond issue	\$ 892,656	\$ 1,522,050

Total Amounts Paid	Projected Amounts	Actual and Estimated	Commission Order and Interoffice Memorandum Total	Variance- Actual Over (Under)
<u>\$ 2,062,571</u>	<u>\$ -</u>	<u>\$ 2,062,571</u>	<u>\$ 2,062,571</u>	<u>\$ -</u>
-	94,375	94,375	94,375	-
-	67,500	67,500	67,500	-
-	231,488	231,488	329,063	(97,575)
138,003	-	138,003	199,117	(61,114)
-	70,705	70,705	86,075	(15,370)
-	100,716	100,716	101,250	(534)
52,086	50,000	102,086	102,086	-
156,586	-	156,586	163,687	(7,101)
-	43,053	43,053	43,053	-
-	42,950	42,950	42,950	-
-	66,000	66,000	66,000	-
5,460	-	5,460	5,460	-
-	3,375	3,375	3,375	-
-	8,438	8,438	8,438	-
<u>352,135</u>	<u>778,600</u>	<u>1,130,735</u>	<u>1,312,429</u>	<u>(181,694)</u>
<u>\$ 2,414,706</u>	<u>\$ 778,600</u>	<u>\$ 3,193,306</u>	<u>\$ 3,375,000</u>	<u>\$ (181,694)</u>

Exhibit C



September 9, 2024

Board of Directors
Harris County Municipal Utility District No. 569
1300 Post Oak Boulevard, Suite 2400
Houston, Texas 77056

Re: Harris County Municipal Utility District No. 569
Unlimited Tax Bonds, Series 2024

Dear Directors:

As you know, the District will issue the captioned bonds (the "Bonds") in order to provide for the acquisition and construction of the project described in the Official Statement distributed in connection with the Bonds. As a result of that issuance, the federal income tax laws impose certain restrictions on the investment and expenditure of amounts to be used for the project or to be deposited to the interest and sinking fund (the "Bond Fund") for the Bonds. The purpose of this letter is to set forth, in somewhat less technical language, those provisions of the tax law which require the timely use of the Bond proceeds and that investment of these amounts be at a yield which is not higher than the yield on the Bonds. Periodically, in order to evidence compliance with federal law, the District will be advised to perform arbitrage compliance audits and, if necessary, will be required to make yield reduction and/or arbitrage rebate payments to the Internal Revenue Service, in order to maintain compliance with the restrictions set forth below.

Generally, the federal tax laws provide that, unless excepted, amounts to be used for the project or to be deposited to the Bond Fund must be invested in obligations the combined yield on which does not exceed the yield on the Bonds. For this purpose, please refer to line 21(e) of the I.R.S. Form 8038-G included in the transcript of proceedings for the yield. Importantly, for purposes of administrative convenience, the Bonds have been structured in such a way as to avoid, for the most part, this restriction on investment yield. As such, for analytical purposes only, we have segregated the Bond Fund into three separate accounts. This does not require that you segregate monies deposited to the Bond Fund into those accounts, but you should keep in mind the limitations imposed on each of those hypothetical accounts. They also contain certain covenants relating to expenditures of proceeds designed to alert you to unintentional failures to comply with the laws affecting expenditures of proceeds and dispositions of property.

First, the sale and investment proceeds to be used for the project may be invested for up to three years without regard to yield. (Such amounts, however, may be subject to rebate.) Thereafter, they must be invested at or below the Bond yield. Importantly, expenditure of these proceeds must be accounted in your books and records. Allocations of these expenditures must

occur within 18 months of the later of the date paid or the date the project is completed. The foregoing notwithstanding, the allocation should not occur later than 60 days after the earlier of (1) five years after the delivery date of the Bonds or (2) the date the Bonds are retired unless you obtain an opinion of bond counsel or tax counsel that the tax-exempt status of the Bonds will not be adversely affected.

Second, the Bond Fund is made up of taxes which are levied annually for the payment of current debt service on all the District's outstanding bonds. Any taxes deposited to the Bond Fund which are to be used for the payment of current debt service on the Bonds, or any other outstanding bonds, are not subject to yield restriction. By definition, current debt service refers only to debt service to be paid within one year of the date of receipt of the taxes. For the most part, this would be debt service in the current fiscal year. These amounts deposited to the account for current debt service may be invested without regard to any constraint imposed by the federal income tax laws.

Third, the Bond Fund contains an amount of taxes, which although not expended for debt service within the current year, are necessary to ensure that amounts will be sufficient to pay debt service in the event that taxes are insufficient during that period. This amount, commonly referred to as "coverage," represents a reserve account against periodic fluctuations in the receipt of tax revenues. The Internal Revenue Code permits amounts which are held in reserve for the payment of debt service, in such instances, to be invested without regard to yield restriction if such amounts do not exceed the lesser of (1) 10 percent of the outstanding principal amount of all outstanding bonds, (2) maximum annual debt service on all outstanding bonds, or (3) 125 percent of average annual debt service on all outstanding bonds.

Fourth, a portion of the Bond Fund is permitted to be invested without regard to yield restriction as a "minor portion." The "minor portion" exception is available for de minimis amounts of taxes deposited to the Bond Fund. The maximum amount that may be invested as part of this account may not exceed the lesser of five percent of the principal amount of the Bonds or \$100,000.

Accordingly, you should review the current balance in the Bond Fund in order to determine if such balance exceeds the aggregate amount of these three accounts. Additionally, in the future it is important that you be aware of these accounts as additional amounts are deposited to the Bond Fund. The amounts which are subject to yield restriction would only be the amounts which are in excess of the sum of (1) the current debt service account, (2) the reserve account, and (3) the "minor portion" account. Moreover, to the extent that additional bonds are issued by the District, whether for new money projects or for refunding, these amounts will change in their proportion.

Finally, you should note that the Bond Order contains a covenant that limits the ability of the District to sell or otherwise dispose of Bond-financed property for compensation. With respect to the property financed by the Bonds, or in cases in which an issuer elects to apply new private activity bond regulations, such sale or disposition causes the creation of a class of

proceeds referred to as "disposition proceeds." Disposition proceeds, like sale proceeds and investment earnings, are tax-restricted funds. Failure to appropriately account, invest or expend such disposition proceeds would adversely affect the tax-exempt status of the Bonds. In the event that you anticipate selling property, even in the ordinary course, please contact us.

Obviously, this letter only presents a fundamental discussion of the yield restriction rules as applied to amounts deposited to the Bond Fund. Moreover, this letter does not address the rebate consequences with respect to the Bond Fund. If you have certain concerns with respect to the matters discussed in this letter or wish to ask additional questions with regard to certain limitations imposed, please feel free to contact our firm.

Very truly yours,

SCHWARTZ, PAGE & HARDING, L.L.P.

By: Christina Cole
Christina Cole

cc: Jennifer Abad
Municipal Accounts & Consulting, L.P.

Exhibit D

Harris County Municipal Utility District No. 569

Bid Results

**\$8,855,000 Unlimited Tax Road Bonds, Series 2024
Non-Rated (Underlying Rating) / 'AA' (BAM Insured)**

September 9, 2024

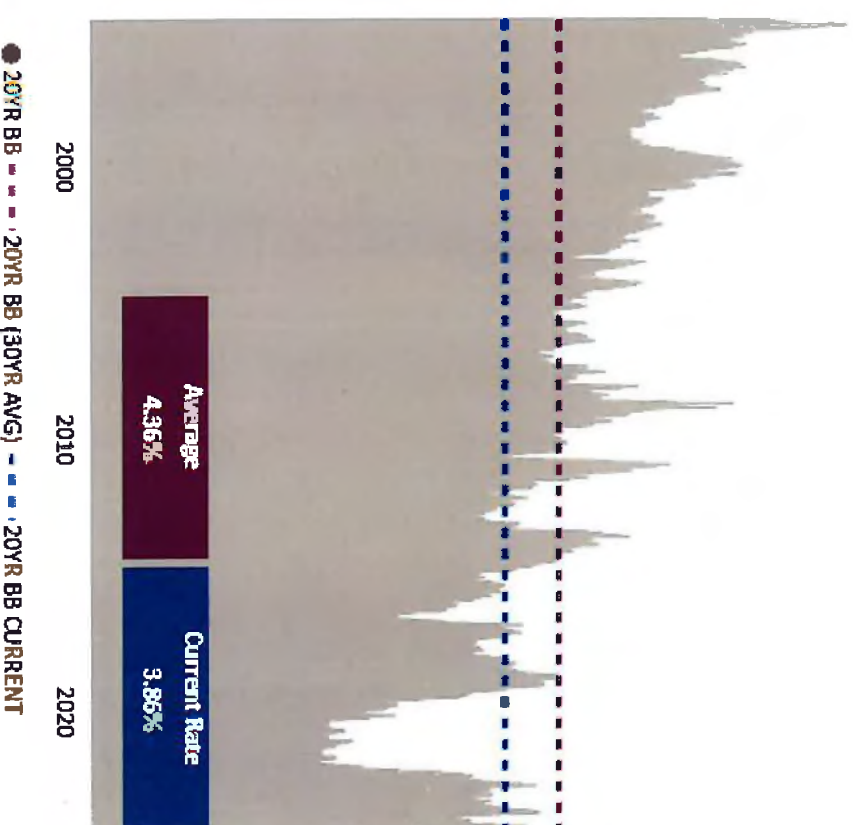
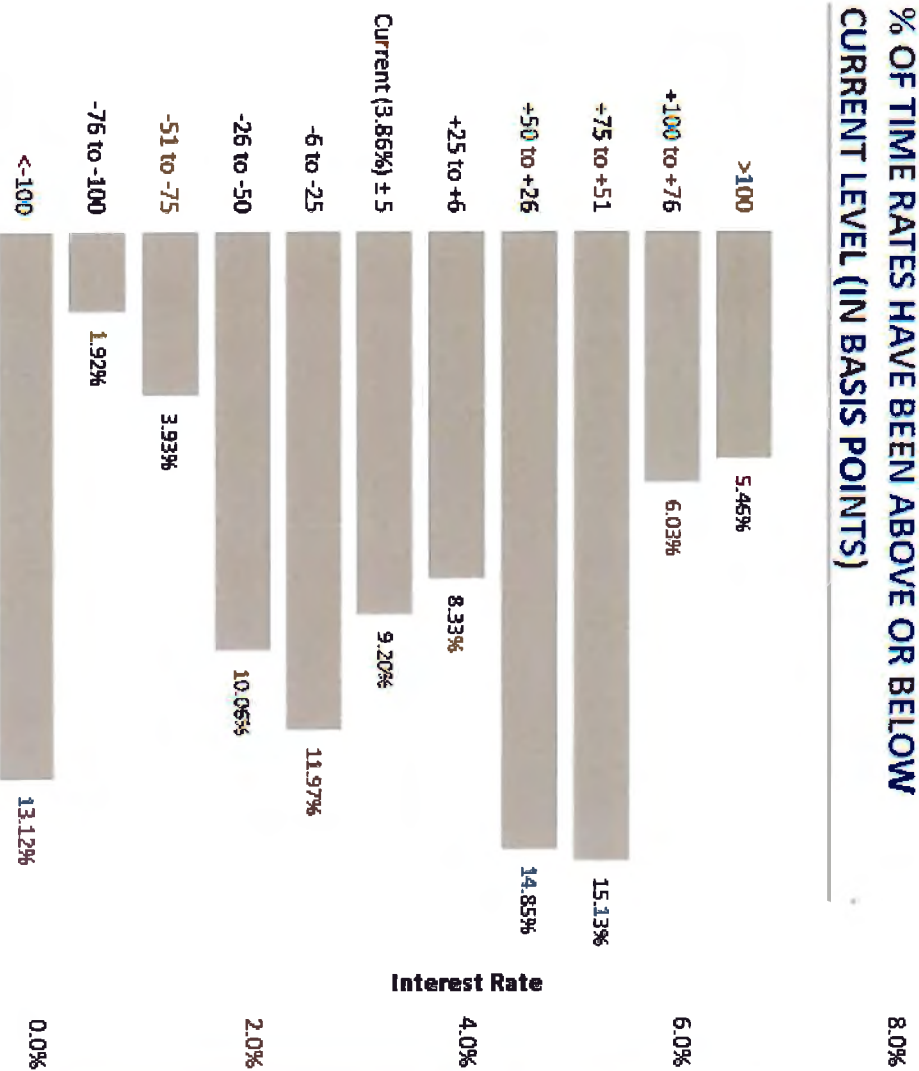
BAIRD

Bond Buyer General Obligation Bond Index - 30 Years

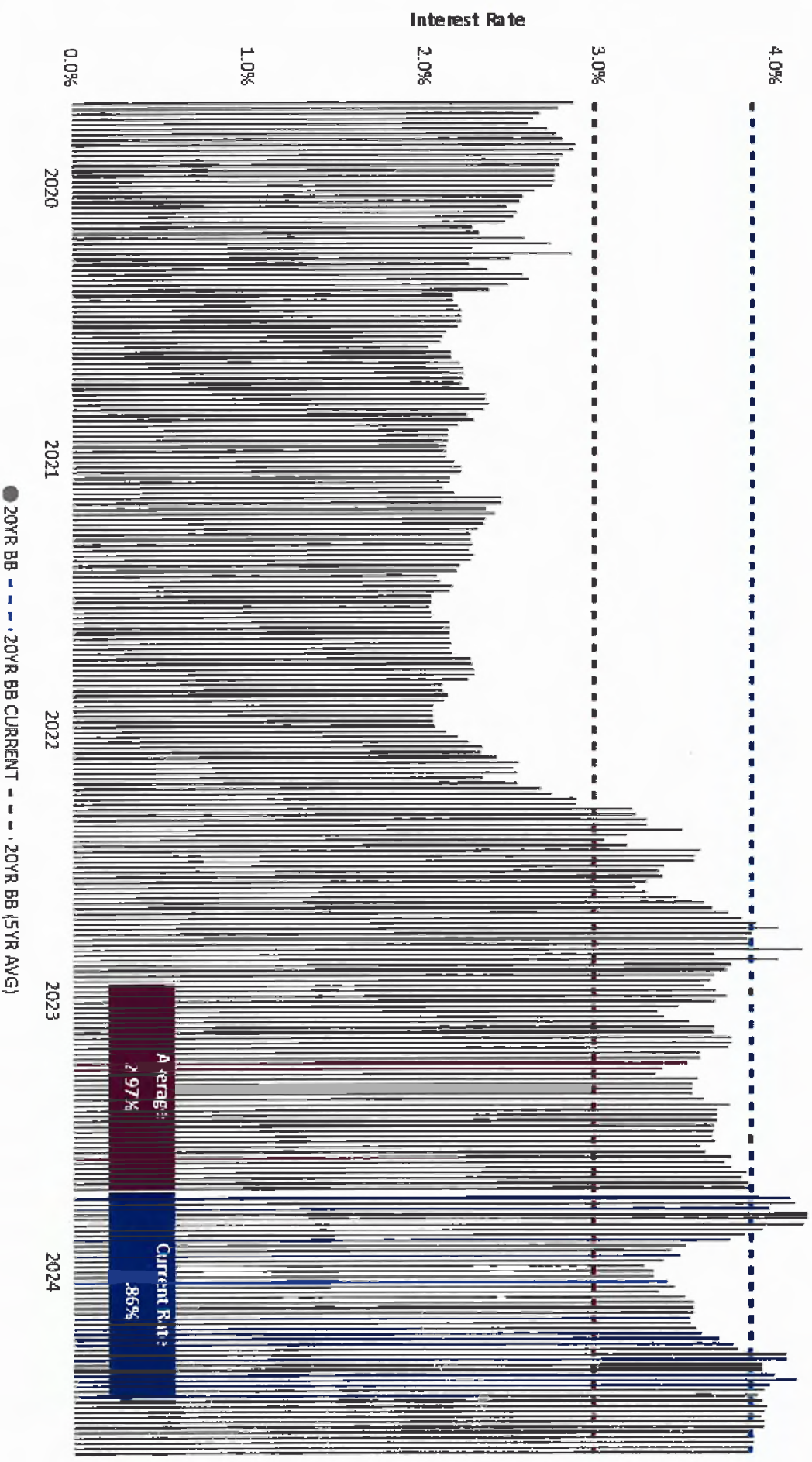
What is the Bond Buyer 20-Bond Index?

General Obligation Bonds maturing in 20 years are used in compiling these indexes. The 20-bond index has an average rating equivalent to Moody's Aa2 and S&P's AA.

% OF TIME RATES HAVE BEEN ABOVE OR BELOW CURRENT LEVEL (IN BASIS POINTS)



Bond Buyer General Obligation Bond Index - 5 Years



Summary of Bid Results

BAIRD

Bids Comparison Harris County Municipal Utility District No. 569 \$8,855,000 Unlimited Tax Road Bonds, Series 2024

SAMCO Capital Markets - Dallas, TX			Northland Securities, Inc. - Minneapolis, MN			RBC Capital Markets - Dallas, TX		
Maturity	Amount	Coupon	Maturity	Amount	Coupon	Maturity	Amount	Coupon
9/1/2026	180	6.125%	9/1/2026	180	6.500%	9/1/2026	180	6.500%
9/1/2027	190	6.500%	9/1/2027	190	6.500%	9/1/2027	190	6.500%
9/1/2028	195	6.500%	9/1/2028	195	6.500%	9/1/2028	195	6.500%
9/1/2029	205	6.250%	9/1/2029	205	6.500%	9/1/2029	205	6.500%
9/1/2030	215	6.000%	9/1/2030	215	6.500%	9/1/2030	215	6.500%
9/1/2031	225	4.000%	9/1/2031	225	4.000%	9/1/2031	225	5.500%
9/1/2032	235	4.000%	9/1/2032	235	4.000%	9/1/2032	235	4.000%
9/1/2033	250	4.000%	9/1/2033	250	4.000%	9/1/2033	250	4.000%
9/1/2034	260	4.000%	9/1/2034	260	4.000%	9/1/2034	260	4.000%
9/1/2035	275	4.000%	9/1/2035	275	4.000%	9/1/2035	275	4.000%
9/1/2036	285	4.000%	9/1/2036	285	4.000%	9/1/2036	285	4.000%
9/1/2037	300	4.000%	9/1/2037	300	4.000%	9/1/2037		
9/1/2038	315	4.000%	9/1/2038	315	4.000%	9/1/2038	615	4.000%
9/1/2039	330	4.000%	9/1/2039	330	4.000%	9/1/2039	330	4.000%
9/1/2040	345	4.000%	9/1/2040	345	4.000%	9/1/2040	345	4.000%
9/1/2041			9/1/2041	360	4.000%	9/1/2041	360	4.000%
9/1/2042	735	4.000%	9/1/2042	375	4.000%	9/1/2042	375	4.000%
9/1/2043	395	4.000%	9/1/2043	395	4.000%	9/1/2043	395	4.000%
9/1/2044	415	4.000%	9/1/2044	415	4.125%	9/1/2044	415	4.125%
9/1/2045	435	4.000%	9/1/2045	435	4.125%	9/1/2045	435	4.125%
9/1/2046	455	4.000%	9/1/2046	455	4.125%	9/1/2046	455	4.125%
9/1/2047	475	4.000%	9/1/2047	475	4.125%	9/1/2047	475	4.125%
9/1/2048	500	4.000%	9/1/2048	500	4.125%	9/1/2048	500	4.125%
9/1/2049	520	4.125%	9/1/2049	520	4.125%	9/1/2049		
9/1/2050	545	4.125%	9/1/2050	545	4.250%	9/1/2050		
9/1/2051	575	4.125%	9/1/2051	575	4.250%	9/1/2051	1,640	4.250%
NIC:	4.270864%		NIC:	4.343672%		NIC:	4.370430%	

Prior Competitively Bid Bond Sales for the District

	<u>Initial Purchaser</u>	<u>Insurer</u>
Series 2023 Road: 5.66100% NIC	The GMS Group	N/A
Series 2024 Utility: 4.25780% NIC	SAMCO	BAM

Bid Confirmation

BAIRD

Closing Date: October 16, 2024

Paying Agent: Bank of New York

Bond Discount Allowed: 3.00%

Call Date: September 1, 2030

Bank-Qualified: No

Winning Bidder

Bond Discount Taken: 2.997334%

NIC: 4.270864%

Good Faith: ✓

Standing Letter Requirement: ✓

Exhibit E

CERTIFICATE FOR
ORDER AUTHORIZING THE ISSUANCE OF
\$8,855,000
UNLIMITED TAX ROAD BONDS
SERIES 2024

I, the undersigned officer of the Board of Directors (the "Board") of Harris County Municipal Utility District No. 569 (the "District"), hereby certify as follows:

1. The Board convened on September 9, 2024, at a regular meeting place thereof, in a regular session (the "Meeting") and the roll was called of the duly constituted officers and members of the Board, to-wit:

Jason Schultz, President
Nicholas Luton, Vice President
Blakely Norris, Secretary
David Jezierski, Assistant Secretary
Julia Pecina, Assistant Secretary

All members of the Board were present, except for the following absentees: Nicholas Luton and David Jezierski, thus constituting a quorum.

WHEREUPON, among other business, an

ORDER AUTHORIZING THE ISSUANCE OF
\$8,855,000
UNLIMITED TAX ROAD BONDS
SERIES 2024

(the "Order") was introduced for the consideration of the Board. It was then duly moved and seconded that the Order be adopted; and, after full discussion, such motion, carrying with it the adoption of the Order, prevailed, and carried unanimously.

2. A true, full, and correct copy of the Order adopted at the meeting is attached to and follows this Certificate; such Order has been duly recorded in the Board's minutes of such meeting; the persons named in the above and foregoing paragraph are the duly chosen and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the Meeting and that the Order would be introduced and considered for adoption at the Meeting, and each of such officers and members consented, in advance, to the holding of the Meeting for such purposes; the Meeting was open to the public as required by law; and public notice of the time, place, and subject of the Meeting was given as required by Chapter 551, Texas Government Code, as amended, and Section 49.063, Texas Water Code, as amended.

SIGNED AND SEALED this the 9th day of September, 2024.



740802



Secretary
Board of Directors

ORDER AUTHORIZING THE ISSUANCE OF
\$8,855,000 UNLIMITED TAX ROAD BONDS, SERIES 2024

BE IT ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY
MUNICIPAL UTILITY DISTRICT NO. 569:

ARTICLE ONE

STATUTORY AUTHORITY, RECITALS AND FINDINGS

SECTION 1.01: AUTHORITY FOR THE DISTRICT. Harris County Municipal Utility District No. 569 (the "District"), was organized, created and established as a conservation and reclamation district by an act of the 86th Texas Legislature, effective June 10, 2019, codified as Chapter 8057, Texas Special District Local Laws Code (the "Act") pursuant to the provisions of Article III, Section 52, and Article XVI, Section 59, of the Texas Constitution, and operates pursuant to Chapter 49 and Chapter 54, V.T.C.A. Water Code, as amended (the "Water Code") and the Act.

SECTION 1.02: PURPOSES OF THE DISTRICT. The District was created and operates by and pursuant to the Water Code and the Act for the following purposes:

- (a) the control, storage, preservation and distribution of its storm water and floodwater, the water of its rivers and streams for irrigation, power, and all other useful purposes;
- (b) the reclamation and irrigation of its arid, semiarid, and other land needing irrigation;
- (c) the reclamation and drainage of its overflowed land and other land needing drainage;
- (d) the conservation and development of its forests, water, and hydroelectric power;
- (e) the navigation of its inland and coastal water;
- (f) the control, abatement, and change of any shortage or harmful excess of water;
- (g) the protection, preservation and restoration of the purity and sanitary condition of water within the state; and
- (h) the preservation of all natural resources of the state.

SECTION 1.03: POWERS OF THE DISTRICT. The District is authorized by the Water Code and the Act to:

- (a) purchase, construct, acquire, own, operate, maintain, repair, improve, or extend inside and outside its boundaries any and all land, works, improvements, facilities, plants, equipment and appliances necessary to accomplish the purposes of its creation, including all works, improvements, facilities, plants, equipment and appliances incident, helpful, or necessary to:
 - (i) supply water for municipal uses, domestic uses, power and commercial purposes and all other beneficial uses or controls;
 - (ii) collect, transport, process, dispose of and control all domestic, industrial, or communal wastes whether in fluid, solid, or composite state;
 - (iii) gather, conduct, divert, and control local storm water or other local harmful excesses of water in the District;
 - (iv) irrigate the land in the District;
 - (v) alter land elevation in the District where it is needed;
 - (vi) navigate coastal and inland waters of the District;
- (b) finance, develop and maintain recreational facilities for the people of the District, if and as allowed by applicable law; and
- (c) design, acquire, construct, finance and issue bonds for roads, under the authority of Article III, Section 52, Texas Constitution, Chapter 54 of the Water Code, as amended, and the Act.

SECTION 1.04: AUTHORITY OF THIS ORDER. The District is authorized by the Act, and Article III, Section 52, of the Texas Constitution, to design, acquire, construct, finance, issue bonds for, and convey to this state, a county, or a municipality for operation and maintenance, a road or any improvement thereto, which meets the criteria of a county in whose jurisdiction the proposed road project is located or the criteria of a municipality in whose corporate limits or extraterritorial jurisdiction the proposed road project is located, if the municipality or county that will operate and maintain the road has approved the plans and specifications of the road project or if the Texas Transportation Commission has approved the plans and specifications of the road project, if the state is to operate and maintain the road, and to provide for the payment of the principal of and interest on such bonds by the levy and collection annually of a sufficient tax upon all taxable property within the District. Said bonds are authorized by the Act, the Water Code and by V.T.C.A. Government Code, §1201.001 *et seq.*, as amended, to be issued in various series or issues, with or without interest coupons, in any denomination, payable at such time or times, in such amount or amounts or installments, at such

place or places, in such form, under such terms, conditions, and details, in such manner, redeemable prior to maturity at any time or times, bearing no interest, or bearing interest at any rate or rates (either fixed, variable, floating, adjustable, or otherwise), all as determined by the Board of Directors of the District, and the Board of Directors finds that issuance of said bonds in multiple series or issues over an extended period of time is in the best interests of the District in order to ensure the continuing and orderly development of the District on terms and conditions which are feasible and practical.

SECTION 1.05: FINDINGS. It is hereby found, determined and declared that:

- (a) the matters and facts set out in this Article One are true and correct;
- (b) the creation of the District was confirmed at an election held within and for the District on November 2, 2021;
- (c) at an election held within and for the District on November 2, 2021, the District was authorized to issue bonds in the maximum aggregate principal amount of \$241,500,000 for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving, or extending a waterworks system, a sanitary sewer system and a drainage and storm sewer system, including, but not limited to, all additions to such systems and all land, improvements, facilities, plants, equipment, appliances, interests in property and regional, regulatory or joint use participation rights or contract rights needed therefor, and administrative facilities needed in connection therewith, and to provide for the payment of the principal of and interest on such bonds by the levy and collection annually of a sufficient tax upon all taxable property within the District;
- (d) at an election held within and for the District on November 2, 2021, the District was authorized to issue bonds in the maximum aggregate principal amount of \$64,600,000 for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving, or extending recreational facilities, including, but not limited to, all additions to such facilities and all land, improvements, facilities, equipment, appliances, interests in property and contract rights needed therefor, and administrative facilities needed in connection therewith, and to provide for the payment of the principal of and interest on such bonds by the levy and collection annually of a sufficient tax upon all taxable property within the District;
- (e) at an election held within and for the District on November 2, 2021, the District was authorized to issue bonds in the maximum aggregate principal amount of \$161,100,000 for the purpose or purposes of designing, acquiring, constructing, financing, improving, operating, and maintaining macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads, including, but not limited to, all additions to such facilities, and all land, improvements, facilities, equipment, appliances, interests in property and contract

rights needed therefor, and administrative facilities needed in connection therewith, and to provide for the payment of the principal of and interest on such bonds by the levy and collection annually of a sufficient tax upon all taxable property within the District;

- (f) at an election held within and for the District on November 2, 2021, the District was authorized to issue refunding bonds in the maximum aggregate principal amount of (i) \$241,500,000 to provide for the refunding by any lawful means of all or any portion of the Bonds (hereinafter defined), Additional Bonds (hereinafter defined) or refunding bonds payable in whole or in part from taxes and issued for the purposes described in subsection (c) of this Section, (ii) \$64,600,000 to provide for the refunding by any lawful means of all or any portion of Additional Bonds or refunding bonds payable in whole or in part from taxes and issued for the purposes described in subsection (d) of this Section, and (iii) \$161,000,000 to provide for the refunding by any lawful means of all or any portion of Additional Bonds or refunding bonds payable in whole or in part from taxes and issued for the purposes described in subsection (e) of this Section;
- (g) the elections described in paragraphs (b), (c), (d), (e) and (f) hereof were called and held under and in strict conformity with the Constitution and laws of the State of Texas and of the United States of America, and the Board of Directors of the District has heretofore officially declared the results of said elections and declared that the District was legally created and authorized to issue the bonds described in paragraphs (c), (d), (e), and (f) above;
- (h) pursuant to the authority of the election held November 2, 2021, as described in paragraph (e) above, the District has heretofore issued its \$4,520,000 Unlimited Tax Road Bonds, Series 2023, dated as of December 1, 2023 (the "Series 2023 Road Bonds") to finance the acquisition and construction of road facilities to serve land within the District and, as of the date hereof, there remains outstanding and unpaid \$4,520,000 in aggregate principal amount of the Series 2023 Road Bonds (the "Outstanding Bonds");
- (i) in addition to the Outstanding Bonds, and pursuant to the authority of the election held November 2, 2021, as described in paragraph (c) above, the District anticipates the issuance of its \$3,375,000 Unlimited Tax Bonds, Series 2024, dated as of September 1, 2024, which is scheduled to close on or about September 11, 2024 (the "Series 2024 Bonds") to finance the acquisition and/or construction of water, sanitary sewer and storm drainage facilities to serve land within the District;
- (j) the \$8,855,000 bonds authorized by this Order should be issued pursuant to the authority of the election held on November 2, 2021, as described in paragraph (e) above for the acquisition and/or construction of road facilities to serve land within

the District and land acquisition related to same, and to pay certain other costs and expenses relating to the issuance of the Bonds;

- (k) the District has been authorized to levy taxes in payment of the Bonds, and the taxes to be levied and collected will be sufficient to pay the principal of the Bonds herein authorized as it becomes due and the interest thereon as it accrues and becomes payable; and
- (l) the Board of Directors reserves the right to issue the remaining \$238,125,000 unissued bonds which were authorized at the election held on November 2, 2021, as described in paragraph (c) hereof (assuming the issuance of the Series 2024 Bonds), the remaining \$64,600,000 unissued bonds which were authorized at the election described in paragraph (d) hereof, the remaining \$147,725,000 unissued bonds which were authorized at the election described in paragraph (e) hereof (assuming issuance of the Bonds), and the remaining \$241,500,000, \$64,600,000, and \$161,100,000 unissued bonds which were authorized at the election described in paragraph (f) hereof, in one or more series, at a future date or dates when, in the judgment of the Board of Directors, such amounts are required for authorized purposes.

(End of Article One)

ARTICLE TWO

DEFINITIONS AND INTERPRETATIONS

SECTION 2.01: DEFINITIONS. The following definitions, together with any supplemental definitions contained herein or in any exhibit hereto, shall apply with equal force herein and in any amendment or supplement hereto, and the scope and meaning of terms used in Exhibit "A", Exhibit "B" and Exhibit "C" hereto, whether or not defined therein, shall be determined by reference to this Article.

Act.

The term "Act" is defined in Section 1.01 hereof.

Additional Bonds.

The term "Additional Bonds" shall mean any additional bonds, including bonds payable in whole or in part from taxes, revenue bonds, contract revenue bonds, special project revenue bonds, refunding bonds and other bonds which the Board of Directors expressly reserves the right to issue in Article Nine of this Order.

Authorized Investments.

The term "Authorized Investments" shall mean all instruments which are authorized under the District's policies for investment of funds of the District adopted by the Board of Directors of the District from time to time, but in any event, all such instruments shall be authorized under the laws of the State of Texas for investment of funds of municipal utility districts.

Board of Directors.

The term "Board of Directors" shall mean the governing body of the District, as now or hereafter constituted.

Bond Counsel.

The term "Bond Counsel" shall mean the law firm of Schwartz, Page & Harding, L.L.P., Houston, Texas.

Bond Fund.

The term "Bond Fund" shall mean the District's debt service fund created and established and confirmed pursuant to the Prior Bond Orders.

Bond Fund Road Bond Account.

The term "Bond Fund Road Bond Account" shall mean the special account created and established pursuant to the Prior Bond Orders.

Bonds.

The term "Bond" or "Bonds" shall mean any Bond or Bonds, as the case may be, of the issue of \$8,855,000 Unlimited Tax Road Bonds, Series 2024, initially dated as of October 1, 2024, and authorized, issued and delivered pursuant to this Order.

Business Day.

The term "Business Day" or "Business Days" shall mean any calendar day or days which fall on Monday through Friday, but shall not include any such day which is designated as an official state or national holiday or a day on which financial institutions where the Paying Agent is located are authorized or required by state or national law or by executive order to close.

Construction Fund.

The term "Construction Fund" shall mean the District's construction fund created and established pursuant to the Prior Bond Orders.

Delivery Date.

The term "Delivery Date" shall mean, with respect to any one or more of the Bonds, the date of delivery of such Bond(s) to the Initial Purchaser thereof, as printed, stamped, or typed on the Initial Bonds.

DTC.

The term "DTC" means the Depository Trust Company of New York, New York, or any successor securities depository.

DTC Participant.

The term "DTC Participant" means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC holds securities to facilitate the clearance and settlement of securities transactions among such DTC Participants.

District.

The term "District" is defined in Article One hereof and shall mean and include any successors and assigns of the District and, where appropriate, shall refer to the Board of Directors of the District.

Fiscal Year.

The term "Fiscal Year" shall mean the annual period from June 1 through May 31, or such other period as may hereafter be established by resolution of the Board of Directors of the District.

Holder.

The term "Holder" or "Holders" shall mean, when used with respect to any Bond, the Person or Persons in whose name such Bond is registered on the Register.

Initial Bonds.

The term "Initial Bond" or "Initial Bonds" shall mean any one or more of the Bonds authorized, issued and initially delivered hereunder upon which the manually executed certificate of registration of the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized deputy, substantially in the form prescribed in Section 5.03 hereof, has been placed.

Initial Date.

The term "Initial Date" shall mean October 1, 2024.

Initial Purchaser.

The term "Initial Purchaser" shall mean the Person or Persons to whom the Bonds are to be sold and delivered, as provided in Section 13.01 hereof.

Interest Payment Date.

The term "Interest Payment Date" shall mean the date on which interest on any then outstanding Bond is due and payable, as provided in Section 3.04 hereof.

Letter of Representation.

The term "Letter of Representation" shall mean the Blanket Issuer Letter of Representations between the District and DTC, as same may be amended or supplemented from time to time.

Maturity Date.

The term "Maturity Date" shall mean any date on which the principal of any then outstanding Bond is due and payable, as provided in Section 3.03 hereof.

Net Proceeds.

Except as said term is otherwise specifically defined for purposes of Section 8.01 hereof, the term "Net Proceeds" shall mean all proceeds received by the District from the sale of the Bonds, except those proceeds deposited into the Bond Fund Road Bond Account pursuant to the provisions of Section 7.04 hereof.

Order.

The term "Order" shall mean this Order and all amendments or supplements hereto.

Outstanding Bonds.

The term "Outstanding Bonds" is defined in Section 1.05 hereof.

Paying Agent.

The term "Paying Agent" shall mean the Person selected and maintained from time to time by the District for the purpose of making payment on behalf of the District of the principal of and the interest on the Bonds, as provided in Section 12.06 of this Order.

Person.

Except as said term is otherwise specifically defined for purposes of Section 8.01 hereof, the term "Person" shall mean any individual, corporation, partnership, firm, joint venture, association, joint stock company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

Predecessor Bonds.

The term "Predecessor Bonds" shall mean, with respect to any particular Bond, every previous Bond evidencing all or a portion of the same obligation as that evidenced by such particular Bond, and, for the purposes of this definition, any Bond registered and delivered pursuant to Section 3.10 hereof shall be deemed to evidence the same debt as the mutilated, lost, destroyed or stolen Bond in lieu of which such Bond was delivered.

Prior Bond Orders.

The term "Prior Bond Orders" shall mean the orders of the Board of Directors of the District authorizing the issuance of the Series 2023 Road Bonds and Series 2024 Bonds, and amendments and supplements thereto, if any.

Record Date.

The term "Record Date" shall mean, with respect to an Interest Payment Date of March 1, the preceding February 15, and with respect to an Interest Payment Date of September 1, the preceding August 15, whether or not such dates are Business Days.

Redemption Date.

The term "Redemption Date" shall mean, when used with respect to any Bond to be redeemed prior to its Maturity Date, the date fixed for redemption of such Bond pursuant to the terms of this Order.

Register.

The term "Register" shall mean the registry books maintained on behalf of the District by a Registrar designated by the District for such purpose in which are maintained the names and addresses of Holders and the principal amounts of the Bonds registered in the name of each Holder.

Registrar.

The term "Registrar" shall mean the trust or banking corporation or association designated and acting in such capacity from time to time, as provided in Section 12.05 of this Order.

Road Bonds.

The term "Road Bond" shall mean the Bonds and any Outstanding Bonds and Additional Bonds issued for the purposes of designing, acquiring, constructing, financing, improving, operating and maintaining the Road System, and any related refunding bonds, whether hereunder or hereafter issued, sold and delivered by the District.

Road Construction Fund Account.

The term "Road Construction Fund Account" shall mean the special account created and established pursuant to the Prior Bond Orders.

Road System.

The term "Road System" shall mean a system of road facilities, or facilities in aid thereof, to serve the District, including but not limited to, all additions to such facilities, and all land, improvements, facilities, equipment, appliances, interest in property and contract rights needed therefor, and administrative facilities needed in connection therewith, now owned or hereafter purchased, constructed or otherwise acquired, and all extensions and replacements thereof and improvements thereto whensoever made.

Serial Bonds.

The term "Serial Bond" or "Serial Bonds" shall mean any one or more as the case may be of the Bonds issued hereunder as serial bonds, which have Maturity Dates in the years 2026 through 2040, and 2043 through 2051, both inclusive, and which are not subject to mandatory redemption pursuant to Section 4.01 hereof.

Series 2023 Road Bonds; Series 2024 Bonds.

The terms "Series 2023 Road Bonds", and "Series 2024 Bonds" are defined in Section 1.05 hereof.

Term Bonds.

The term "Term Bond" or "Term Bonds" shall mean one or more, as the case may be, of the Bonds issued hereunder as term bonds which have a Maturity Date in the year 2042, and which are subject to mandatory redemption pursuant to Section 4.01 hereof.

Water Code.

The term "Water Code" is defined in Article One hereof.

SECTION 2.02: INTERPRETATIONS; TIME OF PERFORMANCE. The titles and headings of the articles and sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the taxes levied in payment thereof. Unless a time period specified for performance of any action under this Order is specified to be a Business Day or Business Days, such performance time period means the number of calendar days for such performance to be accomplished.

(End of Article Two)

\$215,000	2030	6.000%
\$225,000	2031	4.000%
\$235,000	2032	4.000%
\$250,000	2033	4.000%
\$260,000	2034	4.000%
\$275,000	2035	4.000%
\$285,000	2036	4.000%
\$300,000	2037	4.000%
\$315,000	2038	4.000%
\$330,000	2039	4.000%
\$345,000	2040	4.000%
\$395,000	2043	4.000%
\$415,000	2044	4.000%
\$435,000	2045	4.000%
\$455,000	2046	4.000%
\$475,000	2047	4.000%
\$500,000	2048	4.000%
\$520,000	2049	4.125%
\$545,000	2050	4.125%
\$575,000	2051	4.125%

- (b) Bonds in the aggregate principal amount of \$735,000 shall be issued as a Term Bond, shall bear interest from the later of the Delivery Date, or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate or rates set forth in the following schedule, and shall mature and become payable, subject to mandatory and optional redemption in accordance with the provisions of Article Four hereof, on September 1 in the year and in the principal amounts set forth in the schedule below:

<u>Principal Amount</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
\$735,000	2042	4.000%

SECTION 3.04: DATES AND MANNER OF PAYMENT OF INTEREST.

Interest on the Bonds shall be payable semiannually on March 1 and September 1 of each year, commencing on March 1, 2025, until payment of the principal thereof has been made or duly provided for. The amount of interest on the Bonds payable on each Interest Payment Date, Maturity Date or Redemption Date shall be computed on the basis of a 360-day year of twelve 30-day months. Not later than ten (10) days before each Interest Payment Date, Maturity Date or Redemption Date, the Paying Agent shall compute the amount of interest to be due and payable on such date and shall send to the District notice of the amount so computed to be due and payable on such date.

The payments of interest on the Bonds shall be payable, at the option of the District, by check mailed by the Paying Agent to the Holder, at the address shown on the Register, or by

ARTICLE THREE

AUTHORIZATION, DESCRIPTION AND EXECUTION OF BONDS

SECTION 3.01: AMOUNT, NAME, PURPOSE AND AUTHORIZATION. The Bonds of the District, to be known and designated as "Harris County Municipal Utility District No. 569 Unlimited Tax Road Bonds, Series 2024", shall be issued in the aggregate principal amount of Eight Million Eight Hundred Fifty Five Thousand Dollars (\$8,855,000) for the purpose or purposes of designing, acquiring, constructing, financing, improving, operating, and maintaining macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads, including, but not limited to, all additions to such facilities and all land, improvements, facilities, equipment, appliances, interests in property and contract rights needed therefor, and administrative facilities needed in connection therewith, all under and in strict conformity with the Constitution and laws of the State of Texas, including, particularly, Section 52 of Article III of the Constitution of Texas and the Water Code.

SECTION 3.02: FORM, INITIAL DATE, DELIVERY DATE, NUMBERS AND DENOMINATIONS. The Initial Bonds shall be issued and delivered in fully registered form, without interest coupons, and shall be dated as of the Initial Date. Each Initial Bond submitted for approval, registration and delivery in accordance with Section 3.07 hereof shall be numbered "IR-", followed by the last two digits of the year of the Maturity Date of such Initial Bond, and shall be completed with the Delivery Date. Each Bond registered and delivered subsequent to the Initial Bonds shall be dated as of the Initial Date and shall include thereon the Delivery Date. Each such Bond shall be numbered consecutively, in succession, beginning with the numeral "1", which shall be preceded by the prefix "R", and shall be in denominations of \$5,000, or any integral multiple thereof.

SECTION 3.03: INTEREST RATES AND MATURITY DATES. The Bonds shall include both Serial Bonds and Term Bonds, as provided below.

- (a) Bonds in the aggregate principal amount of \$8,120,000 shall be issued as Serial Bonds, shall bear interest from the later of the Delivery Date, or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate or rates set forth in the following schedule, and shall mature and become payable, subject to prior redemption in accordance with the provisions of Article Four hereof, on September 1 in each of the years and in the principal amounts set forth in the schedule below:

<u>Principal Amount</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
\$180,000	2026	6.125%
\$190,000	2027	6.500%
\$195,000	2028	6.500%
\$205,000	2029	6.250%

such other customary banking arrangements as may be acceptable to the Paying Agent and the Holder, at the risk and expense of such Holder. The interest so payable on any Interest Payment Date will be paid to the Person in whose name each Bond (or one or more Predecessor Bonds evidencing the same obligation) is registered at the close of business on the Record Date for such Interest Payment Date. Each Bond delivered pursuant to the terms of this Order upon transfer or in exchange for or in lieu of any Predecessor Bond shall carry all the rights to interest, both accrued and unpaid, and to accrue, which were carried by such Predecessor Bond, and each such Bond shall bear or accrue interest as specified herein so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

SECTION 3.05: MEDIUM AND PLACE OF PAYMENT AT MATURITY OR REDEMPTION. The principal of the Bonds payable at any Maturity Date or Redemption Date, shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which on such dates of payment is legal tender for the payment of debts due the United States of America, upon the presentation and surrender of such Bonds, as they become due or at their earlier Redemption Date, at the designated office of the Paying Agent.

SECTION 3.06: EXECUTION. The Bonds shall be signed on behalf of the District by the President or Vice President and Secretary or Assistant Secretary of the Board of Directors of the District, and the District's seal shall be placed or impressed thereon. Such signatures may be manually executed or placed in facsimile on the Bonds, and the District's seal may be manually impressed or printed or otherwise mechanically reproduced in facsimile on the Bonds. In case any official of the District who shall have signed any of the Bonds, either manually or by facsimile signature, shall cease to be such officer before the Bonds so signed shall have been authenticated and delivered by the Registrar, or disposed of by the District, such Bonds, nevertheless, may be authenticated and delivered or disposed of as though the Person who signed such Bonds had not ceased to be such officer of the District, and any Bond may be signed on behalf of the District by such Person as, at the actual time of execution of such Bond, shall be a proper officer of the District, although at the date of such Bond or of the adoption of this Order, such Person was not such officer. Minor typographical and other minor errors in the text of any Bond or minor defects in the seal or facsimile signature on any Bond shall not affect the validity or enforceability of such Bond, if same has been duly authenticated by the Registrar or registered by the Comptroller of Public Accounts of the State of Texas, as required herein.

SECTION 3.07: APPROVAL, REGISTRATION AND DELIVERY. The Initial Bonds shall consist of one Bond for each year of maturity specified in Section 3.03 hereof, representing the entire principal amount of the Bonds scheduled to mature in each of such years of maturity, and shall be made payable to the Initial Purchaser, or its designee. The President or Vice President and Secretary or Assistant Secretary of the Board of Directors of the District and representatives of the District's Bond Counsel are each hereby authorized and directed to submit the Initial Bonds and a transcript of the proceedings relating to the issuance of the Bonds to the Attorney General of Texas for approval and, following said approval, to submit the Initial Bonds to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Initial Bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's registration certificate prescribed

herein to be printed and endorsed on each Initial Bond. After the Initial Bonds have been registered and signed by the Comptroller, they shall be delivered to the Registrar, completed with the Delivery Date and registered on the Register in the name of Cede & Co., as nominee of DTC, and thereafter shall be delivered to the Initial Purchaser or its designee, but only upon receipt of the full purchase price therefor.

At any time after delivery of the Initial Bonds, the Holder may, subject to the requirements of and in accordance with the procedures prescribed in Section 3.09 hereof, surrender any Bonds to the Registrar for transfer or exchange, accompanied by instructions specifying the name(s) and address(es) of the Person(s) to whom such Bonds are to be transferred and the principal amount(s) of the Bond(s) to be authenticated and delivered in exchange therefor, and the Registrar shall thereupon, within not more than three (3) Business Days, authenticate and register Bonds conforming to such instructions and the provisions of this Order.

No Initial Bond shall be entitled to any right or benefit under this Order, or be valid or obligatory for any purpose, unless there appears on such Initial Bond a certificate of registration substantially in the form provided in Section 5.03 hereof, duly executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized deputy, by manual signature; nor shall any Bond authenticated and delivered subsequent to the Initial Bonds be so entitled or be valid or obligatory, unless there appears on such Bond a Certificate of Registrar substantially in the form provided in Section 5.02 hereof, duly executed by an authorized officer or employee of the Registrar, by manual signature. Such Certificate of Registrar upon any Bond authenticated and delivered subsequent to the Initial Bonds shall be conclusive evidence that such Bond has been so certified or registered and delivered.

SECTION 3.08: OWNERSHIP OF BONDS. The District, the Paying Agent, the Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and interest thereon and for all other purposes, whether or not such Bond is overdue, and neither the District, the Paying Agent, nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the Person deemed to be the owner of any Bond in accordance with this Section 3.08 shall be valid and effective for all purposes and shall discharge the liability of the District, the Paying Agent and the Registrar to the extent of the sums paid.

SECTION 3.09: REGISTRATION, TRANSFER AND EXCHANGE. So long as any Bonds remain outstanding, the Registrar shall keep and maintain at its designated office a Register in which, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration, transfer and exchange of Bonds in accordance with the terms of this Order.

Each Bond shall be transferable only upon the presentation and surrender thereof at the office designated by the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative. Within three (3)

Business Days following due presentation for registration of the transfer of any Bond, the District shall cause to be executed and the Registrar shall authenticate in the name of the transferee or transferees one or more exchange Bonds in a like aggregate principal amount and a like interest rate and shall deliver or mail same to the transferee or transferees by United States mail, first class, postage prepaid.

All Serial Bonds shall be exchangeable upon the presentation and surrender thereof at the office designated by the Registrar for a Serial Bond or Serial Bonds having the same maturity and interest rate, in any authorized denomination, and in an aggregate principal amount equal to the unpaid principal amount of the Serial Bond or Serial Bonds presented for exchange. Within three (3) Business Days following due presentation for exchange of any Serial Bond, the District shall cause to be executed and the Registrar shall authenticate, register and deliver or send to the Holder, by United States mail, first class, postage prepaid, exchange Serial Bonds in accordance with the provisions of this Section 3.09. Except as provided in Section 3.12 hereof, a Term Bond is not exchangeable so long as it is registered in the name of Cede & Co., as nominee of DTC.

Each Bond transferred or exchanged and duly authenticated and delivered in accordance with this Section 3.09 shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered. No service charge shall be made for any transfer or exchange referred to above, but the District or the Registrar may require the Holder of any Bond to pay a sum sufficient to pay any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond.

The Registrar shall not be required to transfer or exchange any Bond on any date subsequent to a Record Date and prior to the next succeeding Interest Payment Date, or during any period beginning fifteen (15) calendar days prior to, and ending on the date of the mailing of, notice of redemption of Bonds prior to maturity, nor shall the Registrar be required to transfer or exchange any Bond selected for redemption in whole or in part when such Redemption Date is scheduled to occur within thirty (30) calendar days.

SECTION 3.10: REPLACEMENT BONDS. Upon the presentation and surrender to the Registrar of a mutilated Bond, the District shall cause to be executed, and the Registrar shall authenticate, register and deliver in exchange therefor, a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding. In the event that any Bond is lost, apparently destroyed or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas, and in the absence of actual notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall cause to be executed, and the Registrar shall authenticate, register and deliver, a replacement Bond of like tenor, interest, and principal amount bearing a number not contemporaneously outstanding, provided that the Holder thereof shall have:

- (a) furnished to the Registrar and the District satisfactory evidence of the ownership and the circumstances of the loss, destruction or theft of such Bond;

- (b) furnished such security or indemnity as may be required by the Registrar, the District and the Paying Agent to save the District, the Registrar and the Paying Agent harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees and expenses of the Registrar, the District and Paying Agent and any tax or other governmental charge that may be imposed; and
- (d) met any other reasonable requirements of the District, the Registrar and the Paying Agent.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District, the Registrar and the Paying Agent shall be entitled to recover upon such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District, the Registrar and the Paying Agent in connection therewith.

In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent, with the concurrence of the Registrar, in their discretion, may pay such Bond, in lieu of issuance of a replacement Bond.

Each replacement Bond delivered in accordance with this Section 3.10 shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

SECTION 3.11: BOOK-ENTRY ONLY SYSTEM. Notwithstanding the foregoing, the Initial Bonds and all subsequent Bonds shall be registered in the name of Cede & Co., as nominee of DTC, except as provided in Section 3.12 hereof.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District, the Paying Agent and the Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. In particular, and not by way of limiting the foregoing, the District, the Paying Agent and the Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than a Holder, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than a Holder, as shown in the Register, any amount with respect to the principal of or the premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, the District, the Paying Agent and the Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered on the Register as the absolute owner of such Bond for the purpose of payment of the principal of and the premium, if any, and interest on such Bond; for

the purpose of giving notices of redemption and other matters with respect to such Bond; for the purpose of registering transfers with respect to such Bond; and for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the Holders, as shown on the Register and as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the payment of the principal of and the premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Except as provided in Section 3.12 hereof, no Person, other than a Holder, as shown on the Register, shall be issued an exchange Bond pursuant to this Order. Upon delivery by DTC to the Paying Agent and the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Order with respect to interest payments to the Holders as of the close of business on a Record Date, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

Notwithstanding any other provision of this Order to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and the premium, if any, and interest on such Bond, and all notices with respect to such Bond, shall be made and given, respectively, in the manner provided in the Letter of Representation. If fewer than all of the Bonds of the same maturity are to be redeemed, the particular Bonds, or portions thereof, to be redeemed in whole or in part from within each such maturity shall be selected by DTC from the Bonds, or portions thereof, which have not previously been called for redemption in accordance with the procedures of DTC notwithstanding any other provision of this Order to the contrary.

SECTION 3.12: SUCCESSOR SECURITIES DEPOSITORY: TRANSFER OUTSIDE BOOK-ENTRY ONLY SYSTEM. In the event that the District, in its sole discretion, determines that the beneficial owners of the Bonds should be able to obtain exchange Bonds, the District shall notify DTC and the DTC Participants, as identified by DTC, of the availability through the Registrar of exchange Bonds and cause the registration and transfer of one or more exchange Bonds to the DTC Participants having Bonds credited to their DTC accounts, as identified by DTC, but only upon presentation of surrender of the Bonds to be exchanged, upon receipt of proper proof of the ownership interests of the DTC Participants, and integral multiples of \$5,000 in principal amount; provided, however, that in such event, each Term Bond shall be exchangeable only for one or more Serial Bonds bearing the same rate of interest and corresponding in aggregate principal amounts and Maturity Dates to the unpaid mandatory redemption amounts and Redemption Dates applicable to such Term Bond pursuant to Section 4.01 hereof, with the particular Maturity Date applicable to any such exchange Serial Bond to be determined by the Registrar by lot or other customary method. In the event DTC discontinues the services described herein, the District shall appoint a successor securities depository qualified to act as such under Section 17 (a) of the Securities and Exchange Act of 1934, as amended; notify DTC and the DTC Participants, as identified by DTC, of the appointment of such successor securities depository; and cause the registration and transfer of one or more exchange Bonds to such successor securities depository. In either such event, the Bonds shall no longer be restricted to being registered on the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in

whatever name or names Holders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

SECTION 3.13: CANCELLATION. All Bonds paid or redeemed in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are executed, authenticated, registered and delivered in accordance with Section 3.09 or Section 3.10 of this Order, shall be cancelled upon the making of proper records regarding such payment, redemption, exchange or replacement and shall be treated in accordance with the document retention policies of the Paying Agent and the records retention schedules of the District. The Paying Agent and Registrar shall periodically furnish the District with certificates of cancellation of such Bonds, upon written request therefor.

(End of Article Three)

ARTICLE FOUR

REDEMPTION OF BONDS BEFORE MATURITY

SECTION 4.01: A. MANDATORY REDEMPTION OF TERM BONDS. The Term Bond with a Maturity Date of September 1, 2042, shall be redeemed, at a price equal to the principal amount thereof, plus accrued interest to the Redemption Date, on September 1 in each of the years and in the principal amounts set forth in the following schedule, with the particular portions of such Term Bond to be redeemed to be selected by the Registrar or DTC, as applicable, from the portions of the Term Bond which have not previously been redeemed by the District, by lot or other customary method:

<u>Year of Redemption</u>	<u>Principal Amount</u>
2041	\$360,000
2042 (Maturity)	\$375,000

Notwithstanding the foregoing, to the extent that the Term Bond of a particular maturity have been previously redeemed in part through the exercise of the District's reserved right of optional redemption, as provided below, each of the aforesaid scheduled mandatory redemption payments for the Term Bonds of such maturity shall be reduced in each such instance of prior redemption, as specified in the District's notice to the Paying Agent as provided below.

B. OPTIONAL REDEMPTION OF BONDS. The District reserves the right, at its option, to redeem the Bonds maturing on or after September 1, 2031, prior to their scheduled maturities, in whole or, from time to time, in part, on September 1, 2030, or on any date thereafter, at a price equal to the principal amount thereof to be redeemed plus accrued interest on said principal amount thereof called for redemption to the Redemption Date. The District shall, at least forty-five (45) calendar days prior to the Redemption Date (unless a shorter notice shall be satisfactory to the Registrar and Paying Agent), notify the Registrar and Paying Agent of such Redemption Date and of the principal amount of the Bonds of each maturity to be redeemed. If less than all of the Serial Bonds of the same maturity are to be redeemed, the particular Serial Bonds to be redeemed in whole or in part from within each such maturity shall be selected by the Registrar or DTC, as applicable, from the Serial Bonds which have not previously been called for redemption, by lot or other customary method; provided, however, that in the event that a Serial Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Serial Bond may be redeemed, but only in a principal amount equal to \$5,000 or an integral multiple thereof. The Registrar shall promptly notify the District and the Paying Agent, if different than the Registrar, in writing, of the Serial Bonds selected for redemption and, in the case of any Serial Bond selected for partial redemption, of the principal amount thereof to be redeemed. If less than all of the outstanding principal amount of a Term Bond is to be redeemed, the District shall notify the Paying Agent at least forty-five (45) calendar days prior to the Redemption Date of the reductions in the remaining mandatory redemption amounts to result from such optional redemption.

For purposes of this Order, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal amount of such Bond which has been or is to be redeemed. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with Section 3.09 of this Order, shall authenticate, register and deliver an exchange Bond or Bonds of like interest rate and in aggregate principal amount equal to the unredeemed portion of the Bond so surrendered; provided, however, that the foregoing shall not apply to Bonds registered as set forth in Section 3.11 of this Order.

SECTION 4.02: NOTICE OF REDEMPTION. Notice of the selection of any Bonds for redemption pursuant to Section 4.01 above is hereby directed to be given by the Registrar, without any further instruction or notice from the District, at least thirty (30) calendar days prior to the Redemption Date. Notice shall be given by first class United States mail, postage prepaid, to the Holder of each Bond to be redeemed in whole or in part at the address shown on the Register on the date which is forty-five (45) calendar days prior to the Redemption Date. Such notice shall state the Redemption Date, the redemption price, the principal amounts of the Bonds to be redeemed and, if less than all of the then outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemptions within a maturity, the respective principal amounts) of the Bonds to be redeemed, the amount of accrued interest payable on the Redemption Date and the place at which the Bonds are to be surrendered for payment. Any notice mailed as provided in this Section 4.02 shall be conclusively presumed to have been duly given, whether or not the Holder actually receives such notice. Except as otherwise provided in Section 11.03 of this Order, no other notice of the reserved right of redemption shall be given unless otherwise required by law.

By the Redemption Date, due provision shall be made with the Paying Agent for the payment of the principal of the Bonds to be redeemed, plus accrued interest thereon to the Redemption Date. When Bonds have been called for redemption, in whole or in part, as provided above, and due provision has been made to redeem same, such Bonds or portions thereof, shall no longer be regarded as outstanding, except for the purpose of receiving payment from the funds provided for redemption, and the right of the Holders to collect interest which would otherwise accrue after the Redemption Date upon the principal of such Bonds or the portions thereof so called for redemption shall be terminated.

(End of Article Four)

ARTICLE FIVE

FORM OF BONDS AND INSURANCE

SECTION 5.01: FORM OF BONDS. The Bonds authorized by this Order, including the registration certificate of the Comptroller of Public Accounts of the State of Texas or Registrar, as applicable, and form of assignment shall be in substantially the forms specified in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof for all purposes, with such omissions, insertions and variations as may be necessary or desirable and consistent with the terms of this Order.

SECTION 5.02: CERTIFICATE OF REGISTRAR. The form of Certificate of Registrar specified in Exhibit "B" attached hereto shall be printed on or attached to each of the Bonds authenticated, registered and delivered subsequent to the Initial Bonds.

SECTION 5.03: REGISTRATION OF BONDS BY STATE COMPTROLLER AND CERTIFICATE. The Initial Bonds shall be registered by the Comptroller of Public Accounts of the State of Texas, as provided by law. In lieu of the Certificate of Registrar specified in Section 5.02 hereof, the registration certificate of the Comptroller of Public Accounts of the State of Texas shall be printed or typed on or attached to each of the Initial Bonds and shall be in substantially the form specified in Exhibit "A" attached hereto.

SECTION 5.04: FORM OF ASSIGNMENT. The form of Assignment specified in Exhibit "A" and Exhibit "B" attached hereto shall be printed at the back of or attached to each of the Bonds.

SECTION 5.05: CUSIP REGISTRATION. The officers and representatives of the District may secure the printing of identification numbers on the Bonds through the CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association.

SECTION 5.06: LEGAL OPINION. The approving opinion of the District's Bond Counsel may be printed on the Bonds over the certification of the Secretary or Assistant Secretary of the Board of Directors, which may be executed in facsimile or, with respect to Bonds registered in the name of Cede & Co., as nominee of DTC, in accordance with Section 3.11 of this Order, an original of said opinion may be delivered to the Initial Purchaser.

SECTION 5.07: BOOK-ENTRY ONLY BONDS. Notwithstanding anything in this Article Five to the contrary, exchange bonds in the form specified in Exhibit "B" attached hereto shall not be issued except as set forth in Section 3.12 of this Order.

SECTION 5.08: BOND INSURANCE PROCEEDINGS. The officers and representatives of the District are hereby authorized and directed (i) to make application for and to execute, attest and deliver any and all certificates, agreements or other instruments necessary

to secure a municipal bond insurance policy with respect to the Bonds, and (ii) to provide for the printing of a statement or legend relating to such insurance on the Bonds, all as may be deemed necessary by said officers and representatives.

(End of Article Five)

ARTICLE SIX

SECURITY FOR THE BONDS

SECTION 6.01: **SECURITY FOR THE BONDS.** The Bonds are secured by and payable from the proceeds of an annual ad valorem tax, levied without legal limitation as to rate or amount, upon all taxable property within the District, and such taxes, as collected and received, are hereby pledged to the payment of the principal of and the interest, payment expenses and redemption price on the Bonds and the Outstanding Bonds.

SECTION 6.02: **LEVY OF TAX.** To pay the interest on the Bonds, and to create a sinking fund for the payment of the principal thereof when due, and to pay the expenses of assessing and collecting such taxes and making payments in respect of the Bonds, there is hereby levied, and there shall be assessed and collected in due time, an annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District for each year while any of the Bonds are outstanding. All of the proceeds of such collections, except costs incurred in connection therewith, shall be paid into the Bond Fund Road Bond Account, as established pursuant to Article Seven of this Order and the aforementioned tax and such payments into the Bond Fund Road Bond Account shall continue until the Bonds and the interest thereon, together with all expenses incurred in making payments in respect of the Bonds and all amounts due to the United States of America pursuant to Section 8.01(g) hereof, have been fully paid and discharged, and such proceeds shall be used for such purposes and no other. While said Bonds, or any of them, are outstanding and unpaid, an ad valorem tax, each year at a rate from year to year as will be ample and sufficient to provide funds to pay the current interest on said Bonds and to provide the necessary sinking fund to pay the principal and accrued interest on the Bonds when due, with full allowance being made for delinquencies and costs of collection, shall be levied, assessed and collected, as follows:

- (a) After receipt of the certified roll of taxable property in each year, and at such time as required by then applicable law, the Board of Directors shall consider the taxable property in the District and determine the actual rate per \$100 valuation of taxable property which is to be levied in that year and shall levy such tax against all taxable property in the District.
- (b) In determining the actual rate to be levied in each year, the Board of Directors shall consider, among other matters:
 - (1) the amount which should be levied for the payment of the principal of or the interest, payment expenses and redemption price on each series of bonds or notes of the District payable in whole or in part from taxes, including, but not limited to, the Bonds, the Outstanding Bonds and any Additional Bonds; and

- (2) the percentage of anticipated tax collections and the costs of assessing and collecting such taxes.
- (c) In determining the amount of taxes which should be levied each year, the Board of Directors may also consider whether proceeds from the sale of bonds of the District have been capitalized or placed in escrow to pay interest during construction and whether the Board of Directors reasonably expects to have investment earnings from the Bond Fund or the Bond Fund Road Bond Account, as applicable or excess arbitrage profits payable to the United States of America, or revenues or receipts available from other sources which are legally available to pay the principal of or the interest, payment expenses or redemption price on the Bonds, the Outstanding Bonds or any Additional Bonds or notes payable in whole or in part from taxes.

In addition to the tax levied pursuant to this Section 6.02, the District may also levy from time to time taxes for maintenance and operation purposes, for contract obligations payable from taxes, and for any other purpose or purposes authorized by law.

SECTION 6.03: PERFECTION OF PLEDGE. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of taxes by the District under Section 6.01 of this Order, and such pledge is, therefore, valid, effective and perfected. If, at any time while all or any portion of the Bonds are outstanding and unpaid, Texas law is amended in a manner that such pledge is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Holders the perfection of the security interest in and to such pledge, the District covenants and agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and to enable a filing to perfect the security interest in such pledge to occur.

(End of Article Six)

ARTICLE SEVEN

APPLICATION OF BOND PROCEEDS; FLOW OF FUNDS AND INVESTMENTS

SECTION 7.01: **BOND PROCEEDS.** Proceeds from the sale of the Bonds will be disbursed in accordance with this Article Seven.

SECTION 7.02: **CREATION OF FUNDS AND ACCOUNTS.** Notwithstanding any part or provision hereof to the contrary, the creation and confirmation of the District's Bond Fund and Construction Fund (including the Bond Fund Road Bond Account and Road Construction Fund Account) pursuant to the provisions of the Prior Bond Orders are hereby confirmed. Each fund shall be kept separate and apart from all other funds of the District. The Bond Fund Road Bond Account, to the extent permitted by law, shall constitute a trust fund for the benefit of the Holders of the Road Bonds payable in whole or in part from taxes, and shall be applied only to pay interest and principal on such Road Bonds, and the fees and expenses of any Paying Agent or Registrar in respect of same, and to defray the expenses, if any, of assessing and collecting taxes levied for payment of the interest on and principal of the such Road Bonds, to pay any tax anticipation notes issued together with interest thereon, as such tax anticipation notes shall become due, and to pay to the United States of America any excess arbitrage profits in respect of such Road Bonds which may hereafter come due.

SECTION 7.03: **SECURITY OF ACCOUNTS.** Any cash balance in any fund of the District, to the extent not insured by the Bank Insurance Fund managed and maintained by the Federal Deposit Insurance Corporation, or a successor insurance fund, shall be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of districts such as the District, having an aggregate market value, exclusive of accrued interest, at all times at least equal to the uninsured cash balance in the fund to which such securities are pledged or such higher amount as required by the District's policies for investment of funds of the District.

SECTION 7.04: **DEPOSITS TO AND WITHDRAWALS FROM BOND FUNDROAD BOND ACCOUNT.** The District shall deposit or cause to be deposited into the Bond Fund Road Bond Account the aggregate of the following at the times specified:

- (a) As soon as practicable after the Initial Bonds are sold and delivered, out of the proceeds of the sale of the Bonds, a sum equal to the lesser of \$420,613 or the initial twelve (12) months of interest on the Bonds; and
- (b) As collected, the proceeds from collection of the ad valorem tax levied pursuant to Section 6.02 hereof, less the costs of collection thereof.

Not later than five (5) calendar days prior to any Maturity Date, Redemption Date and/or Interest Payment Date on the Bonds, the Board of Directors shall cause moneys to be deposited into the Bond Fund Road Bond Account in an amount not less than that which is sufficient to pay the principal of the Bonds which matures and becomes payable on such date, the interest which

accrues and becomes payable on such date, and the fees and expenses of the Paying Agent and the Registrar for handling and making such payments on the Bonds on such date, and not later than two (2) Business Days prior to such payment dates shall cause such amounts to be wire transferred to the Paying Agent.

SECTION 7.05: CONSTRUCTION FUND. The District shall deposit or cause to be deposited into the Road Construction Fund Account the Net Proceeds of the Bonds, less any portion of the Net Proceeds that has been utilized by the Paying Agent, pursuant to written instructions of the District, for expenses incident to the issuance of the Bonds. Moneys on deposit in the Road Construction Fund Account shall be used solely for the payment of the expenses incident to the issuance of the Bonds, including financial advisory, legal and engineering fees and expenses, and administration, organization and printing expenses of the District, and the costs of purchasing, constructing, acquiring, owning, operating, repairing, improving or extending the Road System.

SECTION 7.06: SURPLUS CONSTRUCTION FUNDS. After completion of the Road System for which the Bonds are issued and the payment of all lawful obligations associated therewith, at the option of the Board, and, if required, with the consent of any regulatory authority having jurisdiction, the proceeds of the Bonds remaining in the Road Construction Fund Account, together with investment earnings thereon, may be used to pay the costs of constructing additional road facilities which will become part of the Road System and/or for any other lawful purpose for which the Bonds and the Outstanding Bonds were authorized, if such use, in the opinion of Bond Counsel, does not adversely affect the status of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any moneys remaining in the Road Construction Fund Account after completion of the entire Road System shall be deposited into the Bond Fund Road Bond Account.

SECTION 7.07: INVESTMENTS; EARNINGS. Moneys deposited into the Bond Fund, the Bond Fund Road Bond Account, the Construction Fund, and the Road Construction Fund Account, and any other fund or funds which the District may lawfully create may be invested or reinvested from time to time, but only in Authorized Investments. Except to the extent otherwise required to maintain compliance with the covenants set forth in Section 8.01 hereof, all investments and any profits realized from or interest accruing on such investments shall belong to the fund from which the moneys for such investment were taken; provided, however that in the discretion of the Board of Directors, and, if required, with the consent of any regulatory authority having jurisdiction, the profits realized from and interest accruing on investments made from any fund may be transferred to the appropriate account within the Bond Fund. If any moneys are so invested, the District shall have the right to have sold in the open market a sufficient amount of such investments to meet its obligations in the event any fund does not have sufficient uninvested moneys on hand to meet the obligations payable out of such fund. After such sale, the moneys resulting therefrom shall belong to the fund from which such investments were initially taken. The District shall not be responsible to the Holders for any loss arising out of the sale of any investments.

(End of Article Seven)

ARTICLE EIGHT

TAX EXEMPTION

SECTION 8.01: TAX EXEMPTION. For purposes of this Section 8.01, the term "Net Proceeds" means the proceeds derived from the sale of the Bonds, plus interest earnings thereon, less any amounts deposited in a reasonably required reserve or replacement fund; the term "Person" includes any individual, corporation, partnership, unincorporated association or any other entity capable of carrying on a trade or business; and the term "trade or business" means, with respect to any natural person, any activity regularly carried on for profit and, with respect to Persons other than natural persons, means any activity other than an activity carried on by a governmental unit.

The District covenants that it shall make such use of the Net Proceeds of the Bonds, regulate investments thereof and take such other and further actions as may be required by Sections 103 and 141-150 of the Internal Revenue Code of 1986 (the "Code"), and all applicable temporary, proposed and final regulations and procedures promulgated thereunder or promulgated under the Internal Revenue Code of 1954, to the extent applicable to the Code (the "Regulations"), necessary to assure that interest on the Bonds is excludable from gross income for federal income tax purposes. Without limiting the generality of the foregoing, the District hereby covenants as follows:

(a) The District has not permitted and will not permit more than ten percent (10%) of the Net Proceeds of the Bonds to be used in the trade or business of any Person (other than use as a member of the general public) other than a governmental unit ("private-use proceeds").

(b) The District has not permitted and will not permit more than five percent (5%) of the Net Proceeds of the Bonds to be used in the trade or business of any Person, other than a governmental unit, if such use is unrelated to the governmental purpose of the Bonds; and further, the amount of private-use proceeds of the Bonds in excess of five percent (5%) of the Net Proceeds of the Bonds ("excess private-use proceeds") will not exceed the proceeds of the Bonds expended for the governmental purpose of the Bonds to which such excess private-use proceeds relate.

(c) The principal of and interest on the Bonds will be paid from ad valorem tax collections, together with investment profits and interest earnings thereon.

(d) The District has not permitted and will not permit an amount exceeding the lesser of (i) \$5,000,000 or (ii) five percent (5%) of the Net Proceeds of the Bonds to be used directly or indirectly to finance loans to Persons other than governmental units.

(e) The District will not use the proceeds of the Bonds in a manner that would cause the Bonds or any portion thereof to be an "arbitrage bond" within the meaning of

Section 148 of the Code or otherwise in any manner which would cause the Bonds to violate the provisions of Section 149(d) of the Code. The District will monitor the yield on the investment of the proceeds of the Bonds and moneys pledged to the payment of the Bonds, other than amounts not subject to yield restriction because of their deposit in a reasonably required reserve or replacement fund or a bona fide debt service fund, and will restrict the yield on such investments to the extent required by the Code or the Regulations. Without limiting the generality of the foregoing, the District will take appropriate steps to restrict the yield on (i) all Net Proceeds of the Bonds on hand on a date that is three (3) years from the date of delivery of the Bonds and on all amounts within the Bond Fund not disbursed within thirteen (13) months of the date of deposit therein (using a last-in, first out accounting conversion) and (ii) all investment earnings on hand on a date that is three (3) years from the date of delivery of the Bonds or one (1) year from the date such investment proceeds are received, whichever is later, to a yield which is not materially higher than the yield on the Bonds (in both cases calculated in accordance with the Code and the Regulations).

(f) The District will not cause the Bonds to be treated as "federally guaranteed" obligations within the meaning of Section 149(b) of the Code (as same may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to "federally guaranteed" obligations described in Section 149(b) of the Code).

(g) To the extent, if applicable, required by the Code or Regulations, the District will take all necessary steps to comply with the requirement that "excess arbitrage profits" earned on the investment of the gross proceeds of the Bonds, if any, be rebated to the United States of America, and specifically, the District will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate such "excess arbitrage profits" separately from records of amounts on deposit in the funds and accounts of the District which are allocable to other bond issues of the District or moneys which do not represent gross proceeds of any bonds of the District, (ii) calculate, not less often than required by applicable federal law and the Regulations, the amount of "excess arbitrage profits", if any, earned from the investment of the gross proceeds of the Bonds and (iii) pay, not less often than required by applicable federal law and the Regulations, all amounts required to be rebated to the United States of America; and the District will not indirectly pay any amount otherwise payable to the United States of America pursuant to the foregoing requirements to any Person other than the United States of America by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(h) The District will timely file a statement with the United States of America setting forth the information required pursuant to Section 149(e) of the Code.

(i) This Order is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

For purposes of the foregoing (a), (b) and (e), the District understands that the term "Net Proceeds" includes "disposition proceeds" as defined in the Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the District that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the United States Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the District will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the District agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code. In furtherance of such intention, the District hereby authorizes and directs the President or Vice President of the Board to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the District, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. Furthermore, all officers, employees and agents of the District are authorized and directed to provide certifications of facts, estimates and circumstances which are material to the reasonable expectations of the District as of the date the Initial Bonds are delivered and paid for, and any such certifications may be relied upon by Bond Counsel, by the Holders of the Bonds, and by any Person interested in the exclusion of interest on the Bonds from gross income for federal income tax purposes. Moreover, the District covenants that it shall make such use of the proceeds of the Bonds, regulate investments of proceeds thereof, and take such other and further actions as may be required to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

SECTION 8.02: BONDS NOT QUALIFIED TAX-EXEMPT OBLIGATIONS.

The District has not designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code due to the fact that the reasonably anticipated amount of tax-exempt obligations which will be issued by the District during the calendar year 2024, including the Bonds, will exceed \$10,000,000.

For purposes of this Section 8.02, the term "tax-exempt obligation" does not include "specified private activity bonds" within the meaning of Section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of Section 145 of the Code. In addition, for purposes of this Section 8.02, the District includes all governmental units of which the District is a "subordinate entity" and governmental units which are "subordinate entities" of the District, within the meaning of Section 265(b)(3)(E) of the Code.

SECTION 8.03: ALLOCATION OF, AND LIMITATION ON, EXPENDITURES.

The District covenants to account for the expenditure of the proceeds of the sale of the Bonds and investment earnings to be used for the purposes for which the Bonds are issued on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the facilities to be constructed and/or purchased with the proceeds of the Bonds are completed. The foregoing notwithstanding, the District shall make such allocation in any event by the date 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. For purposes of determining compliance with this covenant the District and its officers, agents and representatives may rely upon an opinion of nationally recognized bond counsel or tax counsel to the effect that the proposed actions or omissions of the District will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

SECTION 8.04: DISPOSITION OF FACILITIES. The District covenants that the property constituting the facilities to be constructed and/or purchased with the proceeds of the Bonds will not be sold or otherwise disposed of in a transaction resulting in the receipt by the District of cash or other compensation unless the District obtains an opinion of nationally recognized bond counsel or tax counsel to the effect that the proposed actions of the District will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. For purposes of the foregoing, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation.

(End of Article Eight)

ARTICLE NINE

ADDITIONAL BONDS AND REFUNDING BONDS

SECTION 9.01: ADDITIONAL BONDS. The District expressly reserves the right to issue, in one or more installments, Additional Bonds for authorized purposes, including, without limitation:

- (a) the remaining unissued bonds which were authorized at the election described in Sections 1.05 (c), (d) and (e) of this Order; and
- (b) such other bonds as the District may hereafter be authorized to issue from time to time.

SECTION 9.02: REFUNDING BONDS. The District further reserves the right to issue refunding bonds including, without limitation, the refunding bonds which were authorized at the election described in Section 1.05 (f) of this Order, in any manner permitted by law to refund the Bonds, the Outstanding Bonds, and any Additional Bonds, at or prior to their respective Maturity Dates or on any Redemption Dates.

(End of Article Nine)

ARTICLE TEN

DEFAULT PROVISIONS

SECTION 10.01: REMEDIES IN EVENT OF DEFAULT. In addition to any other rights and remedies provided by the laws of the State of Texas, the District covenants and agrees that in the event of default in the payment of the principal of or interest on any of the Bonds when due, or, in the event the District fails to make the payments required to be made into the Bond Fund Road Bond Account, or defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Order, the Holders shall be entitled to seek a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations or conditions prescribed in this Order. Any delay or omission in the exercise of any right or power accruing upon any default shall not impair any such right or power or be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

SECTION 10.02: ORDER IS CONTRACT. In consideration of the purchase and acceptance of the Bonds by the Holders, the provisions of this Order shall be deemed to be and shall constitute a contract between the District and such Holders, and the covenants and agreements herein set forth to be performed on behalf of the District shall be for the equal benefit, protection and security of each of such Holders. Each of the Bonds, regardless of the time or times of their issue, authentication, registration, delivery or maturity, shall be of equal rank, without preference, priority or distinction of any Bond over any other, except as expressly provided herein.

(End of Article Ten)

ARTICLE ELEVEN

CONTINUING DISCLOSURE

SECTION 11.01: DEFINITIONS. As used in this Article, the following terms have the meanings ascribed to them below:

The term "MSRB" means the Municipal Securities Rulemaking Board.

The term "obligated person" has the meaning assigned to such term in the Rule.

The term "Offering" has the meaning assigned to such term in the Rule.

The term "Rule" means SEC Rule 15c2-12 and any regulations promulgated thereunder, all as amended from time to time.

The term "SEC" means the United States Securities and Exchange Commission.

SECTION 11.02: ANNUAL REPORTS. The District shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, within six (6) months after the end of each Fiscal Year ending in or after 2024, financial information and operating data with respect to the District of the general type included in the District's final Official Statement prepared and distributed in connection with the Bonds, being the information described in Exhibit "C" attached hereto. Any financial statements to be so provided shall be (i) prepared in accordance with the accounting principles described in Exhibit "C" hereto, or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulations, and (ii) audited, if the District commissions an audit of such statements and such audit is completed within the period during which they must be provided hereunder. If any such audit is not completed within such period, then the District shall provide such audited financial statements for the applicable Fiscal Year to the MSRB when and if such audit report becomes available.

If the District changes its Fiscal Year, the District will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section 11.02. The financial information and operating data to be provided pursuant to this Section 11.02 may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet website or filed with the SEC. The District shall notify the MSRB, in a timely manner, of any failure of the District to provide financial information or operating data in accordance with this Section 11.02 by the time required herein. All documents provided to the MSRB pursuant to this Section 11.02 shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 11.03: EVENT NOTICES. The District shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material within the meaning of the federal securities laws;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
- (g) Modifications to the rights of the Holders of the Bonds, if material within the meaning of the federal securities laws;
- (h) Calls for redemption of the Bonds, if material within the meaning of the federal securities laws, and tender offers;
- (i) Defeasances of the Bonds;
- (j) Release, substitution or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the District;
- (m) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws;

- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws;
- (o) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

As used in clauses (o) and (p) above, the term "Financial Obligation" means: (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii) however, the term Financial Obligation shall not include Municipal Securities as to which a final official statement has been provided to the MSRB consistent with the Rule; the term "Municipal Securities" means securities which are direct obligations of, or obligations guaranteed as to principal or interest by, a state or any political subdivision thereof, or any agency or instrumentality of a state or any political subdivision thereof, or any municipal corporate instrumentality of one or more states and any other Municipal Securities described by Section 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time. The Board of Directors intends the words used in clauses (o) and (p) above and in the definition of Financial Obligation to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

SECTION 11.04: LIMITATIONS, DISCLAIMERS AND AMENDMENTS.

(a) The District shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the District remains an "obligated person" with respect to the Bonds, within the meaning of the Rule, except that the District in any event will give notice of any call for redemption of the Bonds or defeasance of the Bonds, in whole or in substantial part, made in accordance with this Order or applicable law that causes such Bonds to no longer be outstanding.

(b) The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing herein, expressed or implied, shall be deemed to confer any benefit or any legal or equitable right, remedy or claim hereunder upon any other Person. The District undertakes to provide only the financial information, operating data financial statements and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District's financial results, conditions or prospects of the District, nor does the District undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or to sell Bonds at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE HOLDER OR BENEFICIAL OWNERS OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR IN TORT, FOR DAMAGES RESULTING, IN WHOLE OR IN PART, FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY, IN CONTRACT OR IN TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH, SHALL BE LIMITED TO AN ACTION BY THE HOLDER FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(d) No default by the District in observing or performing its obligations under this Article shall constitute a breach of or default under this Order for purposes of any other provision of this Order.

(e) Nothing in this Article is intended or shall act to disclaim, waive or otherwise limit the duties of the District under applicable federal and state securities laws.

(f) Should the Rule be amended to obligate the District to make filings with or provide notices to entities other than the MSRB, the District hereby agrees to undertake such obligations with respect to the Bonds in accordance with the Rule as amended.

(g) Except as provided hereinafter, the provisions of this Article may be amended by the District from time to time, in its discretion, to adapt to changed circumstances that arise from a change in law, the identity, nature, status or type of operations of the District, or other circumstances, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell the Bonds in a primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the outstanding Bonds consent to such amendment, or (B) a Person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If this Article is so amended, the District shall include with any amended financial information or operating data next provided in accordance with this Article an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. Notwithstanding the foregoing, the District may also repeal or amend the provisions of this Article if the SEC amends or repeals the applicable provisions of the Rule or if any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but, in either case, only if and to the extent that any such amendment or repeal by the District would not prevent an underwriter from lawfully purchasing or selling the Bonds in the primary offering of the Bonds.

(End of Article Eleven)

ARTICLE TWELVE

MISCELLANEOUS PROVISIONS

SECTION 12.01: PAYMENT OF BONDS AND PERFORMANCE OF OBLIGATIONS. The District covenants to pay promptly the principal of and the interest on the Bonds as the same become due and payable, whether at maturity or by prior redemption, in accordance with the terms of the Bonds and this Order, and to keep and perform faithfully all of its covenants, undertakings and agreements contained in this Order, the Initial Bonds or in any Bond executed, authenticated, registered and delivered hereunder.

SECTION 12.02: DISTRICT'S SUCCESSORS AND ASSIGNS. Whenever in this Order the District is named and referred to, such naming or reference shall be deemed to include the District's successors and assigns, and all covenants and agreements in this Order by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of the District's successors and assigns, whether or not so expressed.

SECTION 12.03: NO RECOURSE AGAINST DISTRICT OFFICERS. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Order against any officer of the District or any Person executing the Bonds.

SECTION 12.04: PAYING AGENT MAY OWN BONDS. The Paying Agent, in its individual or any other capacity, may become the owner or pledgee of the Bonds with the same rights it would have if it were not Paying Agent.

SECTION 12.05: REGISTRAR. The initial Registrar in respect of the Bonds shall be The Bank of New York Mellon Trust Company, N.A., with its principal corporate trust office and its principal payment office in Dallas, Texas. The District will maintain at least one Registrar in the State of Texas, where the Bonds may be surrendered for registration of transfer and/or for exchange or replacement for other Bonds, and for the purpose of maintaining the Register on behalf of the District. The Registrar shall at all times be a duly qualified and competent trust or banking corporation or association organized and doing business under the laws of the United States of America, or of any State thereof, with a combined capital and surplus of at least \$25,000,000, which is subject to supervision of or examination by federal or State banking authorities, and which is a transfer agent duly registered with the United States Securities and Exchange Commission. The District, by order, resolution or other appropriate action, reserves the right and authority to change any Registrar or to appoint additional Registrars, and upon any such change or appointment, the District covenants and agrees to promptly cause written notice thereof, specifying the name and address of such changed or additional Registrar, to be sent to each Holder of the Bonds by United States mail, first class, postage prepaid.

SECTION 12.06: PAYING AGENT. The initial Paying Agent in respect of the Bonds shall be The Bank of New York Mellon Trust Company, N.A., with its principal corporate

trust office and its principal payment office in Dallas, Texas. To the extent practicable, the District will maintain in the State of Texas, at least one (1) duly qualified and competent trust or banking corporation or association organized and doing business under the laws of the United States of America, or of any State thereof, where the Bonds may be presented or surrendered for payment of principal. The District, by order, resolution or other appropriate action, reserves the right and authority to change any Paying Agent or to appoint additional Paying Agents, and upon any such change or appointment, the District covenants and agrees to promptly cause written notice thereof, specifying the name and address of such changed or additional Paying Agent, to be sent to each Holder of the Bonds by United States mail, first class, postage prepaid.

SECTION 12.07: DISCHARGE BY DEPOSIT. The District may discharge its obligation to the Holders to pay the principal of and the interest on the Bonds and may defease the Bonds in accordance with the provisions of then applicable law, including, without limitation, V.T.C.A. Government Code §1207.001 *et seq.*, as amended.

SECTION 12.08: LEGAL HOLIDAYS. In any case when any Interest Payment Date, Maturity Date or Redemption Date for any Bond is not a Business Day, then payment by the Paying Agent of such principal, interest or redemption price need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the scheduled Interest Payment Date, Maturity Date or Redemption Date, and no further interest shall accrue beyond such scheduled date.

SECTION 12.09: ESCHEAT LAWS. Notwithstanding any part or provision of the Bonds or this Order to the contrary, the powers, rights, duties, functions and responsibilities of the District, the Paying Agent, the Registrar, the Initial Purchaser, and the Holders shall at all times conform and be subject to the requirements, limitations, procedures and provisions of Title 6, Texas Property Code, as now and hereafter amended, and in case of any conflict or inconsistency therewith now existing or hereafter created, the provisions of such laws shall prevail and control, and the provisions of this Order and the Bonds shall be deemed to be supplemented or amended to conform thereto.

SECTION 12.10: BENEFITS OF ORDER. Nothing in this Order or in the Bonds, expressed or implied, shall give or be construed to give any Person, other than the District; the Paying Agent; the Registrar; if applicable, the municipal bond insurance company; and the Holders, any legal or equitable right or claim under or in respect of this Order, or under any covenant, condition or provision herein contained, and all the covenants, conditions and provisions contained in this Order or in the Bonds shall be for the sole benefit of the District, the Paying Agent; the Registrar; if applicable, the municipal bond insurance company; and the Holders.

SECTION 12.11: SEVERABILITY CLAUSE. If any word, phrase, clause, sentence, paragraph, section or other part of this Order, or the application thereof to any Person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Order and the application of such word, phrase, clause,

sentence, paragraph, section or other part of this Order to any other Persons or circumstances shall not be affected thereby.

SECTION 12.12: ACCOUNTING. The District will keep proper records and accounts regarding the levy and collection of taxes, which records and accounts will be made available to any Holder on reasonable request. Each year while any of the Bonds are outstanding, the District shall have an audit of its books and accounts performed by a certified public accountant or firm of certified public accountants, based on its Fiscal Year, and copies of such audits will be made available to any Holder upon request and upon payment by such Holder of the reasonable costs to the District of providing same.

SECTION 12.13: NOTICE. Except as otherwise expressly provided herein, any notice, authorization, request or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when deposited in the United States mail, first class postage prepaid, and addressed to the Person to be notified and, with respect to notice to any Holder shall be addressed to the latest address shown on the Register.

SECTION 12.14: FURTHER PROCEEDINGS. The President, Vice President, Secretary and any Assistant Secretary of the Board of Directors and other appropriate officials of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Order, including, without limitation, the execution of this Order and other documentation required in connection herewith and with the issuance of the Bonds. Further, the District's Bond Counsel and financial advisor shall be authorized to prepare written instructions to the Paying Agent, on behalf of the District, for the disbursement and/or deposit of Net Proceeds to pay expenses incident to the issuance of the Bonds.

SECTION 12.15: AMENDMENT OF ORDER. The District may, without the consent of or notice to any Holder of the Bonds, amend, change or modify this Order as may be required (a) by the provisions hereof (including, without limitation, Article Eleven hereof); (b) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein; or (c) in connection with any other change which is not to the prejudice of the Holders of the Bonds. Except for such amendments, changes or modifications, the District shall not amend, change or modify this Order in any manner without the consent of the Holders of all the Bonds then outstanding in any manner, which would (a) extend the time or times of payment of the principal of and interest on the Bonds, or reduce the principal amount thereof or the rate or interest thereon or in any way modify the terms or sources of payment of the principal of or interest on the Bonds; (b) create any lien ranking prior to the lien of the Bonds; (c) give preference of any Bond over any other Bonds; or (d) extend any waiver of default to subsequent defaults.

SECTION 12.16: ISSUANCE OF BONDS UNDER CERTAIN TERMS AND CONDITIONS. The Bonds shall be issued upon and subject to the further terms and conditions contained in the Prior Bond Orders, which shall apply with equal force to the Bonds as if set forth fully herein; provided, however, that where the provisions of the Prior Bond Orders are

inconsistent or in conflict with the terms and provisions of this Order, the terms and provisions of this Order shall govern.

(End of Article Twelve)

ARTICLE THIRTEEN

SALE OF BONDS

SECTION 13.01: SALE OF BONDS. Sale of the Bonds is hereby awarded to SAMCO Capital Markets, Inc. (the "Initial Purchaser"), for the sum of \$8,589,586.10, subject to the issuance of an approving opinion as to legality of the Initial Bonds of the Attorney General of Texas and of Bond Counsel for the District. It is hereby found and declared that the bid of the Initial Purchaser produces the lowest net effective interest rate to the District and is the best obtained for the Bonds pursuant to and after taking sealed, competitive public bids therefor, as required by law, and that the net effective interest rate resulting from said bid is 4.270864% which is less than the maximum of 5.88% permitted by the District's Official Notice of Sale. It is hereby further found and declared that the terms of the sale of the Bonds are in the District's best interests.

SECTION 13.02: NOTICE OF SALE. It is hereby affirmatively found and declared that notice of the time and place of this sale and the details concerning the sale of the Bonds was given by publishing an appropriate notice of sale:

- (a) at least one (1) time not less than ten (10) days before the date of sale in a newspaper of general circulation in the county in which the District is located; and
- (b) at least one (1) time in a recognized financial publication of general circulation in the State of Texas, as approved by the Attorney General of Texas.

(End of Article Thirteen)

ARTICLE FOURTEEN

OPEN MEETING AND EFFECTIVE DATE

SECTION 14.01: OPEN MEETING. The Board of Directors officially finds, determines and declares that this Order was reviewed, considered and adopted at a meeting of the Board of Directors beginning at 1:00 p.m., Houston, Texas time on September 9, 2024, and that a sufficient written notice of the date, hour, place and subject of this meeting was posted at the District's administrative office and at a place readily accessible and convenient to the public within the District and was timely furnished to the County Clerk of Harris County, Texas, for posting on a bulletin board located at a place convenient to the public in the Harris County Courthouse and on said clerk's or said county's Internet website, for the time prescribed by law preceding this meeting, as required by Chapter 551, Texas Government Code, as amended, and Section 49.063 of the Texas Water Code, as amended, and that this meeting has been open to the public, as required by law, at all times during which this Order and the subject matter hereof has been discussed, considered and acted upon. The Board of Directors further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 14.02: EFFECTIVE DATE OF ORDER. This Order shall take effect and be in full force and effect upon and after its passage.

PASSED AND ADOPTED the 9th day of September, 2024.

/s/ Jason Schultz

President, Board of Directors
Harris County Municipal Utility District No.
569

ATTEST:

/s/ Blakely Norris

Secretary, Board of Directors
Harris County Municipal Utility
District No. 569

(SEAL)

(End of Article Fourteen)

EXHIBIT "A"

(FORM OF INITIAL BOND)

REGISTERED
NUMBER
IR-

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF HARRIS

REGISTERED
AMOUNT
\$_____

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569
UNLIMITED TAX ROAD BOND
SERIES 2024

Interest Rate:	Maturity Date:	Initial Date:	Delivery Date:	CUSIP NO.:
_____%	September 1, __	October 1, 2024	____, 2024	_____

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569, a conservation and reclamation district, a body politic and corporate and a governmental agency and political subdivision created under the Constitution and laws of the State of Texas, situated in Harris County, Texas (the "District"), FOR VALUE RECEIVED hereby acknowledges itself indebted to and PROMISES TO PAY TO

CEDE & CO.

or registered assigns, on the due date specified above, the principal sum of

_____ DOLLARS

(or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption), and to pay interest thereon from the later of the Delivery Date specified above or the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months. Interest hereon is payable semiannually on March 1 and September 1 (individually, an "Interest Payment Date") of each year, commencing on March 1, 2025, until the maturity or redemption date of this Bond, as provided in the order of the Board of Directors of the District duly adopted on September 9, 2024 (the "Bond Order"), authorizing the issuance of this Bond, to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a business day) of the calendar month next preceding such Interest Payment Date (the "Record Date"). Principal of this Bond due at maturity or upon prior redemption is payable in any coin or currency of the United States of America which, on

the date of payment, is legal tender for the payment of debts due the United States of America, upon presentation and surrender of this Bond at the designated office of the agency selected by the District for such purpose (the "Paying Agent"). Except at maturity, interest on, or mandatory redemption payments, if any, in respect of, this Bond are payable by mailing of a check of the Paying Agent for such interest payable to, or upon written order of, the registered owner hereof at the address shown on the registry books maintained on behalf of the District by a trust or banking corporation or association selected by the District for such purpose (the "Registrar"), or by such other customary banking arrangements as may be acceptable to the Paying Agent and the registered owner hereof, at the risk and expense of the registered owner hereof. The initial Registrar and Paying Agent shall be The Bank of New York Mellon Trust Company, N.A., having its principal corporate trust office and its principal payment office in Dallas, Texas.

THIS BOND IS ONE OF AN AUTHORIZED ISSUE OF BONDS, aggregating Eight Million Eight Hundred Fifty Five Thousand and No/100 Dollars (\$8,855,000.00) (the "Bonds"), issued for the purpose or purposes of designing, acquiring, constructing, financing, improving, operating, and maintaining macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads, including, but not limited to, all additions thereto and all land, improvements, facilities, equipment, appliances, interests in property and contract rights needed therefor, and administrative facilities needed in connection therewith, by authority of an election held within and for the District on November 2, 2021, and pursuant to the Bond Order and under and in strict conformity with the Constitution and laws of the State of Texas.

THE TRANSFER OF THIS BOND may be accomplished by due execution of the provisions for assignment hereon and is registerable at the designated office of the Registrar by the registered owner hereof, or by his or her duly authorized representative, but only in the manner and subject to the limitations provided in the Bond Order, and only upon surrender of this Bond. Upon any such registration of transfer, one or more exchange Bonds, in authorized denominations, for a like interest rate and aggregate principal amount, shall be authenticated by the Registrar and registered and delivered or sent by United States mail, first class, postage prepaid, to the transferee in exchange therefor. This Bond, with or without others of like form and series, may in like manner be exchanged for one or more registered bonds of other authorized denominations at the same interest rate and in the same aggregate principal amount. No service charge shall be made for any such transfer or exchange, but the District and/or the Registrar may impose a charge sufficient to defray any tax or governmental charge in connection therewith.

THE BONDS ISSUED AS TERM BONDS and scheduled to mature on September 1, 2042, are subject to mandatory redemption, prior to said scheduled Maturity Dates, and shall be redeemed, by lot or by other customary method, on September 1 in each of the years and in the principal amounts set forth in the following table (subject to reductions of such principal amounts attributable to prior optional redemptions of such Term Bond by the District, as provided in the Bond Order), plus accrued interest on said principal amounts:

<u>Year of Redemption</u>	<u>Principal Amount</u>
2041	\$360,000
2042 (Maturity)	\$375,000

THE DISTRICT RESERVES THE RIGHT, AT ITS OPTION, TO REDEEM the Bonds of this issue maturing on or after September 1, 2031, in whole or, from time to time, in part, prior to their scheduled maturities, on September 1, 2030, or on any date thereafter, at a price equal to the principal amount thereof to be redeemed, plus accrued interest on said principal amount to be redeemed to the date fixed for redemption. In the event that a Serial Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Serial Bond may be redeemed, but only in a principal amount equal to \$5,000, or an integral multiple thereof, and only upon the delivery of one or more exchange Serial Bonds of the same interest rate and in aggregate principal amount equal to the unredeemed portion of the Serial Bond so redeemed in part. If less than all of the outstanding principal amount of a Term Bond is to be redeemed, the District may determine and notify the Paying Agent of the reduction in the remaining mandatory redemption amount(s) of such Term Bond as result from such optional redemption.

NOTICE OF REDEMPTION will be given by mailing same to the registered owners of the Bonds to be redeemed, in whole or in part, at least thirty (30) days prior to the date fixed for redemption. By the date fixed for redemption, due provision will have been made with the Paying Agent for payment of the principal amount of the Bonds so called for redemption, plus accrued interest thereon to the date fixed for redemption. When Bonds have been called for redemption, in whole or in part, and due provision has been made to redeem same, such Bonds, or the portions thereof so called for redemption, shall no longer be regarded as outstanding, except for the purpose of receiving payment from the funds provided for redemption, and the rights of the owners to collect interest which would otherwise accrue after the redemption date on the principal of the Bonds, or the portions thereof so called for redemption, will be terminated.

NEITHER THE DISTRICT NOR THE REGISTRAR SHALL BE REQUIRED to transfer or exchange any Bond on any date subsequent to a Record Date and prior to the next succeeding Interest Payment Date, or during any period beginning fifteen (15) calendar days prior to, and ending on the date of, the mailing of any notice of redemption prior to maturity; nor shall the District or the Registrar be required to transfer or exchange any Bond so selected for redemption, in whole or in part, when such redemption is scheduled to occur within thirty (30) calendar days thereafter.

PRIOR TO DUE PRESENTATION OF THIS BOND FOR REGISTRATION OF TRANSFER, the District, the Paying Agent and the Registrar may deem and treat the registered owner hereof as the absolute owner of this Bond (whether or not this Bond shall be overdue and notwithstanding any notation of ownership or other writing hereon) for the purpose of receiving payment hereof, or on account hereof, and interest due hereon, and for all other purposes, and

neither the District, the Paying Agent nor the Registrar shall be bound or affected by any notice to the contrary.

THE BONDS ARE NOT DESIGNATED AS "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b) of the Internal Revenue Code of 1986 in effect on the date of the issuance of the Bonds as the District reasonably expects to issue more than \$10,000,000 of tax-exempt obligations (including the Bonds) in the calendar year 2024.

THIS BOND, AND THE OTHER BONDS OF THE SERIES OF WHICH IT IS A PART, are payable from the proceeds of an ad valorem tax levied without legal limitation as to rate or amount upon all taxable property within the District. Reference is hereby made to the Bond Order for a complete description of: the terms, covenants and provisions pursuant to which this Bond and said series of Bonds are secured and made payable; the respective rights thereunder of the registered owners of the Bonds and of the District, the Paying Agent and the Registrar; the terms upon which the Bonds are, and are to be, registered and delivered; and any capitalized terms not otherwise defined herein. By acceptance of this Bond, the owner hereof expressly assents to all of the provisions of the Bond Order.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that the issuance of this Bond, and the series of Bonds of which it is a part, is duly authorized by law; that all acts, conditions, and things required to exist and to be done precedent to and in the issuance of this Bond and said series of Bonds to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that due provision has been made for the payment of the interest on and the principal of this Bond and the series of Bonds of which it is a part by the levy of a direct, annual ad valorem tax upon all taxable property within the District sufficient for said purposes; and that the issuance of this Bond and said series of Bonds does not exceed any constitutional or statutory limitation.

UNLESS AND UNTIL A CERTIFICATE OF REGISTRATION of the Comptroller of Public Accounts of the State of Texas has been manually executed hereon by such Comptroller (or a duly authorized deputy), as provided in the Bond Order, this Bond shall not be entitled to the benefit and security of the Bond Order nor be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569 has caused this Bond to be executed by the manual or facsimile signatures of the President and Secretary of its Board of Directors and its official seal to be impressed or placed in facsimile hereon.

HARRIS COUNTY MUNICIPAL
UTILITY DISTRICT NO. 569

By: _____
President, Board of Directors

ATTEST:

By: _____
Secretary, Board of Directors

(SEAL)

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to The Bank of New York Mellon Trust Company, N.A., Houston, Texas, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents to the subrogation and all other rights of BAM as more fully set forth in the Policy.

OFFICE OF THE COMPTROLLER

REGISTER NO. _____

THE STATE OF TEXAS

I HEREBY CERTIFY that there is on file and of record in my office an opinion of the Attorney General of the State of Texas to the effect that this Bond has been examined by said Attorney General as required by law, that said Attorney General finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and it is a valid and binding obligation of Harris County Municipal Utility District No. 569 and said Bond has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE at Austin, Texas,

_____.

Comptroller of Public Accounts
of the State of Texas

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto (print or typewrite name, address and zip code of transferee):

(Social Security or other identifying number):

the within Bond and does hereby irrevocably constitute and appoint _____ as attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

The signature of the Registered Owner appearing on this Assignment is hereby verified as true and genuine and is guaranteed by:

(Bank, Trust Company, or
Brokerage Firm)

By: _____
(Authorized Representative)

Registered Owner

NOTICE: The signature on this Assignment must correspond in every particular with the name of the Registered Owner as it appears on the face of the within Bond.

EXHIBIT "B"

(FORM OF EXCHANGE BOND)

REGISTERED
NUMBER
R-

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF HARRIS

REGISTERED
AMOUNT
\$ _____

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569
UNLIMITED TAX ROAD BOND
SERIES 2024

Interest Rate:	Maturity Date:	Initial Date:	Delivery Date:	CUSIP NO.:
_____ %	September 1, ____	October 1, 2024	_____	_____

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569, a conservation and reclamation district, a body politic and corporate and a governmental agency and political subdivision created under the Constitution and laws of the State of Texas, situated in Harris County, Texas (herein the "District"), FOR VALUE RECEIVED hereby acknowledges itself indebted to and PROMISES TO PAY TO

or registered assigns, on the due date specified above, the principal sum of

_____ DOLLARS

(or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption), and to pay interest thereon from the later of the Delivery Date specified above or the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months. Interest hereon is payable semiannually on March 1 and September 1 (individually, an "Interest Payment Date") of each year, commencing on March 1, 2025, until the maturity or redemption date of this Bond, as provided in the order of the Board of Directors of the District duly adopted on September 9, 2024 (the "Bond Order"), authorizing the issuance of this Bond, to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a business day) of the calendar month next preceding

such Interest Payment Date (the "Record Date"). Principal of this Bond due at maturity or upon prior redemption is payable in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon presentation and surrender of this Bond at the designated office of the agency selected by the District for such purpose (the "Paying Agent"). Except at maturity, interest on, or mandatory redemption payments, if any, in respect of, this Bond are payable by mailing of a check of the Paying Agent for such interest payable to, or upon written order of, the registered owner hereof at the address shown on the registry books maintained on behalf of the District by a trust or banking corporation or association selected by the District for such purpose (the "Registrar"), or by such other customary banking arrangements as may be acceptable to the Paying Agent and the registered owner hereof, at the risk and expense of the registered owner hereof. The initial Registrar and Paying Agent shall be The Bank of New York Mellon Trust Company, N.A., having its principal corporate trust office and its principal payment office in Dallas, Texas.

THIS BOND IS ONE OF AN AUTHORIZED ISSUE OF BONDS, aggregating Eight Million Eight Hundred Fifty Five Thousand and No/100 Dollars (\$8,855,000.00) (the "Bonds"), issued for the purpose or purposes of designing, acquiring, constructing, financing, improving, operating, and maintaining macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads, including, but not limited to, all additions thereto and all land, improvements, facilities, equipment, appliances, interests in property and contract rights needed therefor, and administrative facilities needed in connection therewith, by authority of an election held within and for the District on November 2, 2021, and pursuant to the Bond Order and under and in strict conformity with the Constitution and laws of the State of Texas.

THE TRANSFER OF THIS BOND may be accomplished by due execution of the provisions for assignment hereon and is registerable at the designated office of the Registrar by the registered owner hereof, or by his or her duly authorized representative, but only in the manner and subject to the limitations provided in the Bond Order, and only upon surrender of this Bond. Upon any such registration of transfer, one or more exchange Bonds, in authorized denominations, for a like interest rate and aggregate principal amount, shall be authenticated by the Registrar and registered and delivered or sent by United States mail, first class, postage prepaid, to the transferee in exchange therefor. This Bond, with or without others of like form and series, may in like manner be exchanged for one or more registered bonds of other authorized denominations at the same interest rate and in the same aggregate principal amount. No service charge shall be made for any such transfer or exchange, but the District and/or the Registrar may impose a charge sufficient to defray any tax or governmental charge in connection therewith.

THE BONDS ISSUED AS TERM BONDS and scheduled to mature on September 1, 2042, are subject to mandatory redemption, prior to said scheduled Maturity Dates, and shall be redeemed, by lot or by other customary method, on September 1 in each of the years and in the principal amounts set forth in the following table (subject to reductions of such principal amounts attributable to prior optional redemptions of such Term Bond by the District, as provided in the Bond Order), plus accrued interest on said principal amounts:

<u>Year of Redemption</u>	<u>Principal Amount</u>
2041	\$360,000
2042 (Maturity)	\$375,000

THE DISTRICT RESERVES THE RIGHT, AT ITS OPTION, TO REDEEM the Bonds of this issue maturing on or after September 1, 2031, in whole or, from time to time, in part, prior to their scheduled maturities, on September 1, 2030, or on any date thereafter, at a price equal to the principal amount thereof to be redeemed, plus accrued interest on said principal amount to be redeemed to the date fixed for redemption. In the event that a Serial Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Serial Bond may be redeemed, but only in a principal amount equal to \$5,000, or an integral multiple thereof, and only upon the delivery of one or more exchange Serial Bonds of the same interest rate and in aggregate principal amount equal to the unredeemed portion of the Serial Bond so redeemed in part. If less than all of the outstanding principal amount of a Term Bond is to be redeemed, the District may determine and notify the Paying Agent of the reduction in the remaining mandatory redemption amount(s) of such Term Bond as result from such optional redemption.

NOTICE OF REDEMPTION will be given by mailing same to the registered owners of the Bonds to be redeemed, in whole or in part, at least thirty (30) days prior to the date fixed for redemption. By the date fixed for redemption, due provision will have been made with the Paying Agent for payment of the principal amount of the Bonds so called for redemption, plus accrued interest thereon to the date fixed for redemption. When Bonds have been called for redemption, in whole or in part, and due provision has been made to redeem same, such Bonds, or the portions thereof so called for redemption, shall no longer be regarded as outstanding, except for the purpose of receiving payment from the funds provided for redemption, and the rights of the owners to collect interest which would otherwise accrue after the redemption date on the principal of the Bonds, or the portions thereof so called for redemption, will be terminated.

NEITHER THE DISTRICT NOR THE REGISTRAR SHALL BE REQUIRED to transfer or exchange any Bond on any date subsequent to a Record Date and prior to the next succeeding Interest Payment Date, or during any period beginning fifteen (15) calendar days prior to, and ending on the date of, the mailing of any notice of redemption prior to maturity; nor shall the District or the Registrar be required to transfer or exchange any Bond so selected for redemption, in whole or in part, when such redemption is scheduled to occur within thirty (30) calendar days thereafter.

PRIOR TO DUE PRESENTATION OF THIS BOND FOR REGISTRATION OF TRANSFER, the District, the Paying Agent and the Registrar may deem and treat the registered owner hereof as the absolute owner of this Bond (whether or not this Bond shall be overdue and notwithstanding any notation of ownership or other writing hereon) for the purpose of receiving payment hereof, or on account hereof, and interest due hereon, and for all other purposes, and

neither the District, the Paying Agent nor the Registrar shall be bound or affected by any notice to the contrary.

THE BONDS ARE NOT DESIGNATED AS "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b) of the Internal Revenue Code of 1986 in effect on the date of the issuance of the Bonds as the District reasonably expects to issue more than \$10,000,000 of tax-exempt obligations (including the Bonds) in the calendar year 2024.

THIS BOND, AND THE OTHER BONDS OF THE SERIES OF WHICH IT IS A PART, are payable from the proceeds of an ad valorem tax levied without legal limitation as to rate or amount upon all taxable property within the District. Reference is hereby made to the Bond Order for a complete description of: the terms, covenants and provisions pursuant to which this Bond and said series of Bonds are secured and made payable; the respective rights thereunder of the registered owners of the Bonds and of the District, the Paying Agent and the Registrar; the terms upon which the Bonds are, and are to be, registered and delivered; and any capitalized terms not otherwise defined herein. By acceptance of this Bond, the owner hereof expressly assents to all of the provisions of the Bond Order.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that the issuance of this Bond, and the series of Bonds of which it is a part, is duly authorized by law; that all acts, conditions, and things required to exist and to be done precedent to and in the issuance of this Bond and said series of Bonds to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that due provision has been made for the payment of the interest on and the principal of this Bond and the series of Bonds of which it is a part by the levy of a direct, annual ad valorem tax upon all taxable property within the District sufficient for said purposes; and that the issuance of this Bond and said series of Bonds does not exceed any constitutional or statutory limitation.

UNLESS AND UNTIL A CERTIFICATE OF REGISTRATION of the Registrar has been manually executed by an authorized representative of the Registrar, as provided in the Bond Order, this Bond shall not be entitled to the benefit and security of the Bond Order nor be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569 has caused this Bond to be executed by the manual or facsimile signatures of the President and Secretary of its Board of Directors and its official seal to be impressed or placed in facsimile hereon.

HARRIS COUNTY MUNICIPAL
UTILITY DISTRICT NO. 569

By: _____
President, Board of Directors

ATTEST:

By: _____
Secretary, Board of Directors

(SEAL)

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to The Bank of New York Mellon Trust Company, N.A., Houston, Texas, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents to the subrogation and all other rights of BAM as more fully set forth in the Policy.

CERTIFICATE OF REGISTRAR

This is to certify that this Bond is one of the Bonds issued under the provisions of the within-mentioned Bond Order, and it is hereby further certified that this Bond has been authorized and delivered in conversion and exchange for, or in replacement of, a Bond, Bonds or portions thereof (or one or more prior conversion, exchange or replacement Bonds) originally issued by Harris County Municipal Utility District No. 569, approved by the Attorney General of Texas, and initially registered by the Comptroller of Public Accounts of the State of Texas.

_____, Registrar

Dated: _____

By: _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto (print or typewrite name, address and zip code of transferee): _____

(Social Security or other identifying number): _____ the within Bond and does hereby irrevocably constitute and appoint _____ as attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

The signature of the Registered Owner appearing on this Assignment is hereby verified as true and genuine and is guaranteed by:

Registered Owner

NOTICE: The signature on this Assignment must correspond in every particular with the name of the Registered Owner as it appears on the face of the within Bond.

(Bank, Trust Company, or
Brokerage Firm)

By: _____
(Authorized Representative)

[The legal opinion of Bond Counsel shall also be attached to the Exchange Bonds.]

EXHIBIT "C"

CONTINUING DISCLOSURE

The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in the Official Statement under the sections entitled: "DISTRICT DEBT" (except under the subheading "Estimated Direct and Overlapping Debt Statement"), "TAX DATA", and in "APPENDIX A".

Any financial statements of the District will be prepared in accordance with generally accepted accounting principles for local government units as prescribed by the Governmental Accounting Standards Board or such other accounting principles as the District may be required to employ from time to time pursuant to State law or regulation.

Exhibit F

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (this "Agreement") is entered into as of September 9, 2024, by and between Harris County Municipal Utility District No. 569 (the "Issuer"), with its principal offices located in Harris County, Texas, and The Bank of New York Mellon Trust Company, N.A., a national banking association, duly organized and existing under the laws of the United States (the "Bank").

RECITALS

Pursuant to an order adopted by the Board of Directors of the Issuer on September 9, 2024 (the "Order"), the Issuer has duly authorized and provided for the issuance of its bonds, entitled Harris County Municipal Utility District No. 569 Unlimited Tax Road Bonds, Series 2024 (the "Bonds"), in the aggregate principal amount of \$8,855,000, to be issued as fully registered bonds, without interest coupons.

The Issuer and the Bank wish to provide the terms under which the Bank will act as Paying Agent to pay the principal of, the redemption premium, if any, and interest on the Bonds, in accordance with the terms thereof, and under which the Bank will act as Registrar for the Bonds to assure the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 149(a) of the Code.

The Issuer and the Bank have duly authorized the execution and delivery of this Agreement, and all things necessary to make this Agreement a valid agreement of the parties, in accordance with its terms, have been done.

AGREEMENT

For and in consideration of the mutual agreements and undertakings herein and the payments to be made hereunder, the parties contract and agree as follows:

ARTICLE ONE

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointments.

The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Bonds, to receive the purchase price of the Bonds, from the underwriter of the Bonds and to transfer funds relating to the closing and initial delivery of the Bonds, and to pay to the Holders (as hereinafter defined), in accordance with the terms and provisions of this Agreement and the Order, the principal of and the redemption premium, if any, and interest on the Bonds.

The Issuer hereby appoints the Bank as Registrar with respect to the Bonds.

The Bank hereby accepts its appointment and agrees to act as Paying Agent and Registrar.

Section 1.02. Compensation.

As compensation for the Bank's services as Paying Agent and Registrar, the Issuer hereby agrees to pay the Bank the fees set forth in the Bank's fee schedule attached as Exhibit "A" hereto. The Bank reserves the right to amend the fee schedule at any time; provided, however, that the Bank shall have furnished the Issuer with a written copy of such amended fee schedule at least 75 days prior to the date that the new fees are to become effective.

Except as otherwise expressly provided herein, the Issuer agrees to reimburse the Paying Agent upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Paying Agent in accordance with any provisions of this Agreement (including expenses, disbursements and advances of its counsel), to the extent not covered by the compensation terms established in Exhibit "A" hereto, unless any such expense, disbursement, or advance is attributable to the negligence or willful misconduct of the Paying Agent.

ARTICLE TWO

DEFINITIONS

Section 2.01. Definitions. Unless the context clearly requires otherwise, the following terms shall have the meanings assigned to them in the Order, but in case of any conflict or ambiguity between the Order and this Agreement, the terms and provisions of the Order shall prevail and control:

"Bond" or "Bonds".

"Code".

"Delivery Date".

"District".

"DTC".

"Holder" or "Holders".

"Initial Bonds".

"Order".

"Person".

"Register".

Section 2.02. Supplemental Definitions.

The following terms used in this Agreement shall have the meanings assigned to them herein:

"Agreement" means this Paying Agent/Registrar Agreement, including all exhibits, amendments and supplements hereto.

"Bank" means The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States.

"Financial Advisor" means Robert W. Baird & Co., Inc., Houston, Texas, acting in the capacity of the Issuer's financial advisor with respect to the Bonds.

"Issuer" means District, as such term is defined in the Order.

"Paying Agent" shall have the meaning assigned to such term in the Order and refers to the Bank when it is performing the function and acting in the capacity of paying agent pursuant to this Agreement.

"Registrar" shall have the meaning assigned to such term in the Order and refers to the Bank when it is performing the function and acting in the capacity of Registrar pursuant to this Agreement.

ARTICLE THREE

DUTIES OF THE BANK

Section 3.01. Initial Delivery of Bonds.

The Bonds will be initially registered and delivered to the Person designated by the Issuer in the Order. At the time of such registration and delivery, Bank shall complete the Initial Bonds with the Delivery Date. If such Person delivers a written request to the Bank not later than 5 business days prior to the Delivery Date, the Bank will, on the Delivery Date, exchange the Initial Bonds for Bonds of authorized denominations, registered in accordance with the instructions in such request and the Order.

Section 3.02. Transfer of Proceeds of Sale of Bonds.

The net proceeds of the sale of the Bonds shall be deposited with the Paying Agent via wire transfer of immediately available funds. The Paying Agent shall disburse (or deposit into accounts) such funds as directed in writing by the Issuer. Such funds shall not be invested. Any funds remaining on deposit with the Paying Agent thirty (30) days after the issuance of the Bonds shall be paid over to the Issuer.

Section 3.03. Duties of Paying Agent.

The Bank is authorized to receive the purchase price of the Bonds from the underwriter of the Bonds and to transfer said funds relating to the closing and initial delivery of the Bonds in the manner disclosed in the closing memorandum as prepared by the Financial Advisor or other agent. The Bank may act on an electronic mail transmission of the closing memorandum acknowledged by the Issuer or the Financial Advisor as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

As Paying Agent, the Bank shall, but only to the extent that adequate funds have been provided to it for such purposes by or on behalf of the Issuer, pay on behalf of the Issuer the principal of, the redemption premium, if any, and interest on each Bond in accordance with the provisions of the Order.

Section 3.04. Duties of Registrar.

As Registrar, the Bank shall provide for the proper registration of the Bonds, the exchange, replacement and registration of transfers of the Bonds, and notice of redemption or discharge by deposit of the Bonds in accordance with the provisions of the Order.

Section 3.05. Unauthenticated Bonds.

The Issuer shall provide an inventory of unauthenticated Bonds, as needed, to facilitate transfers. The Bank covenants that it will maintain any such unauthenticated Bonds provided by the Issuer in safekeeping with not less than the same degree of care it uses for maintaining debt securities of other government entities or corporations for which it serves as registrar, or for its own bonds.

Section 3.06. Reports and Records.

The Bank will provide the Issuer reports upon request describing in reasonable detail all transactions pertaining to the Bonds and the Register. The Issuer may also inspect and make copies of the information in the Register at any time that the Bank is customarily open for business so long as reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the content of the Register to any Person, other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a subpoena or court order or as otherwise required by law. Upon receipt of any such subpoena, court order or lawful request for disclosure, the Bank will notify the Issuer immediately so that the Issuer will have the opportunity to, but shall not be required to, contest the subpoena, court order or request.

The Bank agrees that all records of the Issuer held by the Bank will be maintained according to the provisions of the Public Information Act, Ch. 552, Texas Government Code, and the Local Government Records Act, Ch. 201-205, Texas Local Government Code, each as amended.

Section 3.07. Cancelled Bonds.

All Bonds surrendered to the Bank for payment, redemption, transfer, exchange, or replacement shall be promptly cancelled by it. Bonds surrendered to the Issuer shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The Issuer may at any time deliver to the Bank for cancellation any Bonds previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Bank. All cancelled Bonds held by the Bank shall be destroyed upon the making of proper records, and evidence of such destruction shall be furnished to the Issuer upon request; provided, however, that if applicable laws or regulations prohibit the Bank from destroying the cancelled Bonds, the Bank shall return the cancelled Bonds to the Issuer.

Section 3.08. Standards.

The Bank undertakes to perform the duties set forth herein and in the Order and agrees to use reasonable care in the performance thereof. Except as otherwise expressly provided herein or in the Order, the Bank hereby agrees to use the funds transferred to it only for payment of the principal of and the redemption premium, if any, and interest on the Bonds, as the same shall become due.

Section 3.09. Reliance and Performance.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable to the Issuer for actions taken under this Agreement so long as it acts in good faith and exercises due diligence, reasonableness and care, as prescribed by law, with regard to its duties hereunder.

(c) This Agreement is not intended to require the Bank to expend its own funds for performance of any of its duties hereunder.

(d) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys.

Section 3.10. Money Held by Bank.

(a) Money held by the Bank hereunder shall not be deemed a banking deposit but shall be held for payment to the Holders of the Bonds as set forth in the Order.

(b) The Bank shall be under no obligation to pay interest on any money received by it hereunder.

(c) All money transferred to the Bank hereunder shall be secured in the manner and to the fullest extent required by applicable law for the security of funds of the Issuer.

(d) Except to the extent otherwise provided in the Order, any money transferred to the Bank for the payment of the principal of, the redemption premium, if any, or interest on any Bond which remains unclaimed for three (3) years after the date such amounts have become due and payable shall be reported and disposed of by the Bank in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent that such provisions are applicable to such amounts.

Section 3.11. DTC Compliance.

In order for the Bonds to become and remain DTC eligible, the Bank shall, subject to the Issuer's obligations below, abide by the requirements stated in the *DTC Operational Arrangements* memorandum dated as of January, 2009, as such requirements may be amended from time to time. Among other matters, the *Operational Arrangements* require the Bank to provide on the payment date (i) any principal and interest payments to DTC in same-day funds by 2:50 p.m., eastern time, along with supporting CUSIP details in automated form, (ii) payment details for interest payments by noon, eastern time, and (iii) redemption and corporate action payments and details by 2:50 p.m. eastern time. In order for the Bank to meet such requirements, the Issuer shall remit by 1:00 p.m., eastern time, on all payment dates funds for all principal and interest payments due to the Bank, or at such earlier time as may reasonably be required by the Bank to ensure that DTC will receive payment in same-day funds by 2:50 p.m., eastern time, on such payment dates.

Section 3.12. Damages.

Anything in this Agreement to the contrary notwithstanding, and to the extent permitted by law, in no event shall the Paying Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Paying Agent has been advised of such loss or damage and regardless of the form of action, but nothing herein shall relieve the Paying Agent from liability for actual and direct damages.

Section 3.13. Indemnification.

The Issuer agrees to and shall, to the full extent permitted by law, indemnify, defend and hold harmless the Paying Agent, together with its officers, directors, agents and employees, from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs and attorney's fees, incurred without negligence or willful misconduct on the part of the Paying Agent, arising out of or in connection with the administration or performance of its duties and obligations or the exercise or performance of any of its powers hereunder.

ARTICLE FOUR

MISCELLANEOUS PROVISIONS

Section 4.01. Recitals of Issuer.

The recitals contained in the Order and the Bonds shall be taken as the statements of Issuer, and the Bank assumes no responsibility for their correctness.

Section 4.02. May Own Bonds.

The Bank, in its individual or any other capacity, may become the owner or pledgee of Bonds, with the same rights it would have if it were not the Paying Agent and Registrar for the Bonds.

Section 4.03. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 4.04. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 4.05. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank respectively, at the addresses shown herein, or such other address as may have been given by one party to the other by 15 days' written notice.

Section 4.06. Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 4.07. Successors and Assigns.

All covenants and agreements herein of the Issuer and the Bank shall bind their successors and assigns, whether so expressed or not. Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank hereunder without the execution or filing of any document or any further act on the part of either of the parties hereto; provided, however, written notice of such merger, conversion or consolidation shall promptly be given to the Issuer.

Section 4.08. Severability.

If any provision of this Agreement shall be invalid or unenforceable, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

Section 4.09. Benefits of Agreement.

Nothing herein, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 4.10. Order Governs Conflicts.

This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent and Registrar in respect of the Bonds, and if any conflict arises between this Agreement and the Order, the Order shall govern.

Section 4.11. Term and Termination.

This Agreement shall be effective from and after its date for so long as any of the Bonds remain outstanding, but may be terminated for any reason by the Issuer or the Bank at any time upon sixty (60) days' written notice; provided, however, that no such termination shall be effective until one or more successors have been appointed and have accepted the duties of the Bank hereunder. **If the 60-day notice period expires and no successor has been appointed, the Bank, at the expense of the Issuer to the extent permitted by law, has the right to petition a court of competent jurisdiction in the State of Texas to appoint a successor under the Agreement.** In the event of early termination of this Agreement, regardless of the circumstances, the Bank shall deliver to the Issuer, or its designee, all funds, Bonds and all books and records pertaining to the Bank's role as Paying Agent and Registrar with respect to the Bonds, including, but not limited to, the Register.

Section 4.12. Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of Texas.

Section 4.13. Anti-Boycott and Anti-Discrimination Provisions: Compliance with Laws Prohibiting Contracts with Certain Companies Engaged in Business With Iran, Sudan or Foreign Terrorist Organizations.

Bank hereby verifies that: (1) neither Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott Israel, (2) neither Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott energy companies, and (3) neither Bank, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (a) has or will have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, or (b) will discriminate against a firearm entity or firearm trade association.

Additionally, Bank represents and certifies that, at the time of execution of this Agreement neither the Bank, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code.

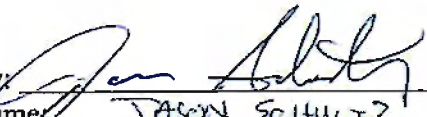
The terms (1) "boycotts Israel" and "boycott Israel" as used herein have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended, (2) "boycotts energy companies" and "boycott energy companies" as used herein have the meanings assigned to the term "boycott energy company" in Sections 809.001 and 2276.001 of the Texas Government Code, each as amended, and (3) "discriminates against a firearm entity or firearm trade association" as used herein has the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001(3) of the Texas Government Code, as amended. As used herein, the term "affiliate" shall mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rules 405, 17 C.F.R. § 230.405, and exists to make a profit.

Liability for breach of any of the foregoing representations, verifications, and certifications during the term of this Agreement shall survive termination of this Agreement until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provisions hereof, notwithstanding anything herein to the contrary.

[SIGNATURES COMMENCE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in several copies, each of equal dignity, as of the day and year first above written.

HARRIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 569

By: 
Name: JASON SCHWARTZ
Title: PRESIDENT

Address: c/o Schwartz, Page & Harding, L.L.P.
1300 Post Oak Boulevard, Suite 2400
Houston, Texas 77056

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.

By: [Signature]
Name: MALE A. GORDON
Title: CEO President

Address: The Bank of New York Mellon Trust
Company, N.A.
500 Ross Street, Suite 625
Pittsburgh, PA 15262

TEXAS ETHICS COMMISSION FORM 1295 COMPLIANCE

UNDER SECTION 2252.908, TEXAS GOVERNMENT CODE, AS AMENDED, A GOVERNMENTAL ENTITY MAY NOT ENTER INTO CERTAIN CONTRACTS WITH A BUSINESS ENTITY UNLESS THE BUSINESS ENTITY SUBMITS A DISCLOSURE OF INTERESTED PARTIES FORM (A "FORM 1295") TO THE GOVERNMENTAL ENTITY AT THE TIME THE BUSINESS ENTITY SUBMITS THE SIGNED CONTRACT TO THE GOVERNMENTAL ENTITY. BY EXECUTION OF THIS AGREEMENT ABOVE AND BELOW, THE BANK REPRESENTS AND WARRANTS TO THE ISSUER THAT IT (CHECK THE APPROPRIATE BOX):

- ☒ IS A PUBLICLY TRADED BUSINESS ENTITY, OR A WHOLLY OWNED SUBSIDIARY OF A PUBLICLY TRADED BUSINESS ENTITY, AND A FORM 1295 IS NOT REQUIRED TO BE SUBMITTED TO THE ISSUER PURSUANT TO SECTION 2252.908(C)(4), TEXAS GOVERNMENT CODE, AS AMENDED; OR
- ☐ SUBMITTED THE ATTACHED AND FOLLOWING FORM 1295 TO THE ISSUER ON _____, 2024, WHICH IS THE TIME THE BANK SUBMITTED THE SIGNED AGREEMENT TO THE ISSUER.

[Signature]
REPRESENTATIVE OF BUSINESS ENTITY

Exhibit A

Harris County Municipal Utility District No. 569

Unlimited Tax Road Bonds, Series 2024

September 05 2024

Fee Schedule for the following:

- Paying Agent
- Registrar

Presented By:

BNY Mellon Corporate Trust

CORPORATE TRUST



Fee Schedule

Subject to the Terms and Conditions below, upon appointment of **The Bank of New York Mellon Trust Company, N.A.** ("BNYM" or "us" or "affiliates" or "subsidiaries") in the roles as outlined within this Fee Schedule (this "Fee Schedule"), **Harris County Municipal Utility District No. 569** ("you") shall be responsible for the payment of the fees, expenses and charges as set forth herein and shall remain responsible notwithstanding that an affiliated or sponsored legal entity executes the transaction documents.

General Fees

Acceptance Fee

Waived

The Transaction Acceptance Fee is payable at the time of the execution of the governing documents in connection with the closing of the transaction which is the subject of this Agreement (the "Transaction"), and compensates BNYM for the following: review of all supporting documents, initial establishment of the required accounts and Know Your Customer checks.

Annual Fee—Paying Agent

\$750

An annual charge covering the normal paying agent duties related to account administration and bondholder services. Our pricing is based on the assumption that the bonds are DTC-eligible/book-entry only. If the bonds are certificated or physical, an additional fee per year will be added to the Annual Paying Agent Administrative fee. This fee is payable annually, in advance.

Additional Fees

Extraordinary Services / Miscellaneous Fees

The charges for performing extraordinary or other services not contemplated at the time of the execution of the Transaction Documents or not specifically covered elsewhere in this schedule will be commensurate with the service to be provided and may be charged in BNY Mellon's sole discretion. If it is contemplated that BNY Mellon hold/and or value collateral, additional acceptance, administration and counsel review fees will be applicable to the agreement governing such services. If the bonds are converted to certificated form, additional annual fees will be charged for any applicable tender agent and/or registrar/paying agent services. Additional information will be provided at such time. If all outstanding bonds of a series are defeased or redeemed, or BNY Mellon is removed as paying agent prior to the maturity of the bonds, a termination fee may be assessed at that time.

Miscellaneous fees and expenses may include, but are not necessarily limited to supplemental agreements, tender processing, the preparation and distribution of sinking fund redemption notices, optional redemptions, failed remarketing processing, preparation of special or interim reports, UCC filing fees, auditor confirmation fees, wire transfer fees, Letter of Credit drawdown fees, transaction fees to settle third-party trades, and reconciliation fees to balance trust account balances to third-party investment provider statements. Counsel, accountants, special agents and others will be charged at the actual amount of fees and expenses billed. FDIC or other governmental charges will be passed along as incurred.

You agree to reimburse BNYM for extraordinary expenses incurred by it in connection with the Transaction to the extent permitted by law.

Unless specifically listed in this Fee Schedule, the fees, expenses and disbursements of BNYM legal counsel are not included in the charges listed above.

Out-of-Pocket Expenses

Fees quoted in this Fee Schedule are solely for the provision of the services listed in this Fee Schedule, and any Out-of-Pocket Expenses are payable in addition to the fees quoted in this Fee Schedule. Reimbursement will be required for any Out-of-Pocket Expenses and will be charged to you at the actual cost to BNYM plus any applicable taxes.

PRIVATE AND CONFIDENTIAL

The information contained within this Fee Schedule is the proprietary information of BNY and is confidential. Except as otherwise provided by law, this document, either in whole or in part, must not be reproduced or disclosed to others or used for purposes other than that for which it has been supplied without the prior written permission of BNY. You shall not use BNY's name or trademarks without its prior written permission.

Advance Fees

BNYM requires that you agree to the fees quoted in this Fee Schedule prior to the commencement of any work or the provision of any services by BNYM in relation to the Transaction. In the event that BNYM provides any services to you prior to your agreement to the fees quoted herein, the commencement of such work or the provision of such services shall not be deemed to constitute a waiver of the fees listed in this Fee Schedule. BNYM reserves the right to cease providing services until such time as you agree to the fees quoted herein. BNYM reserves the right to request that any and all fees due and payable pursuant to this Fee Schedule and related in any way to the Transaction are paid in advance (either in whole or in part) prior to the provision of any services.

Negative Interest Rates – Charges

With respect to any funds invested or deposited by BNYM in connection with the Transaction, if: (i) any recognized overnight benchmark rate or any official overnight interest rate set by a central bank or other monetary authority is negative or zero; or (ii) any market counterparty or other institution applies a negative interest rate or any related charge to any account or balance of BNYM or any account or balance opened for You by BNYM, BNYM may apply a charge to any of Your accounts or balances. BNYM will give You prompt written notice of the application of any such charges. You acknowledge and agree that the application of such a charge by BNYM may cause the effective interest rate applicable to Your account or balance to be negative, notwithstanding that one or more of the rates set by third parties specified in clauses (i) and (ii) above may be positive.

Investment of Proceeds

In the event that BNY Mellon holds proceeds from the Transaction and the Transaction Documents allows for the investment of such proceeds, please reach out to your BNY Mellon Relationship Manager concerning your investment options.

Terms and Conditions

General

BNYM's final acceptance of its appointment pursuant to the Transaction Documents is subject to the full review and approval of all related documentation, financials and standard Know Your Customer procedures.

You agree that BNYM shall have no obligation to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties as paying agent or registrar in connection with the Transaction, or in the exercise of any of its rights or powers in connection therewith, if it shall have reasonable grounds for believing that repayment of such funds is not assured to it.

Please note the fees quoted in this Fee Schedule are based upon the information available at the present time. Further quotes may be provided once the structure of the deal has been finalized. Annual Fees cover a period of one year and any portion thereof and are not subject to pro-rata. Fees may be subject to adjustment during the life of the engagement.

OFAC Sanctions

You covenant and represent that neither You nor any of Your affiliates, subsidiaries, directors or officers are the target or subject of any sanctions enforced by the US Government, (including, the Office of Foreign Assets Control of the US Department of the Treasury ("OFAC")), the United Nations Security Council, the European Union, HM Treasury, or other relevant sanctions authority (collectively "Sanctions"). You covenant and represent that neither You nor any of Your affiliates, subsidiaries, directors or officers will use any payments made pursuant to the Transaction: (i) to fund or facilitate any activities of or business with any person who, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business with any country or territory that is the target or subject of Sanctions, or (iii) in any other manner that will result in a violation of Sanctions by any person.

Acceptance/Revocation of Offer

You may agree to the fees quoted herein by (i) executing this Fee Schedule and returning it to us, (ii) closing the Transaction, or (iii) instructing us or continuing to instruct us after receipt of this Fee Schedule. Upon the earlier to occur of (i), (ii) and (iii), the fees quoted herein shall be deemed accepted by you. If you agree to the fees

PRIVATE AND CONFIDENTIAL

The information contained within this Fee Schedule is the proprietary information of BNY and is confidential. Except as otherwise provided by law, this document, either in whole or in part, must not be reproduced or disclosed to others or used for purposes other than that for which it has been supplied without the prior written permission of BNY. You shall not use BNY's name or trademarks without its prior written permission.

quoted herein, the terms of this Fee Schedule shall supersede any prior fees quoted with respect to the Transaction. BNYM may revoke the terms of this Fee Schedule if the Transaction does not close within three months from the date of this Fee Schedule. Should the Transaction fail to close for any reason, a termination fee equal to BNYM's Acceptance Fee, any external counsel fees, expenses and disbursements and all out-of-pocket expenses will apply.

Confidential Information

Except as otherwise provided by law, all information provided to you by BNYM must remain confidential and may not be intentionally disclosed, reproduced, copied, published, or displayed in any form to any third party without BNYM's prior written approval, except as required by law, regulation or court order; provided that you will provide BNYM with prompt notice of such disclosure unless prohibited by law.

Miscellaneous

You shall be responsible for filing any applicable information returns with the U.S. Department of Treasury, Internal Revenue Service in connection with payments made by BNYM to vendors who have not performed services for BNYM's benefit in connection with the Transaction or other undertakings contemplated by this Fee Schedule.

The Bank of New York Mellon Corporation is a global financial organization that operates in and provides services and products to clients through its affiliates and subsidiaries located in multiple jurisdictions (the "BNY Mellon Group"). The BNY Mellon Group may (i) centralise in one or more affiliates and subsidiaries certain activities (the "Centralised Functions"), including audit, accounting, administration, risk management, legal, compliance, sales, product communication, relationship management, and the compilation and analysis of information and data regarding You (which, for purposes of this provision, includes the name and business contact information for Your employees and representatives) and the accounts established pursuant to the Transaction Documents ("Your Information") and (ii) use third party service providers to store, maintain and process Your Information ("Outsourced Functions"). Notwithstanding anything to the contrary contained elsewhere in this Fee Schedule or the Transaction Documents and solely in connection with the Centralised Functions and/or Outsourced Functions, You consent to the disclosure of, and authorise BNY Mellon to disclose, your Information to (i) other members of the BNY Mellon Group (and their respective officers, directors and employees) and to (ii) third-party service providers (but solely in connection with Outsourced Functions) who are required to maintain the confidentiality of your Information. In addition, the BNY Mellon Group may aggregate your Information with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, provided that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies your information with you specifically. You represent that you are authorised to consent to the foregoing and that the disclosure of your Information in connection with the Centralised Functions and/or Outsourced Functions does not violate any relevant data protection legislation. You also consent to the disclosure of your information to governmental and regulatory authorities in jurisdictions where the BNY Mellon Group operates and otherwise as required by law.

Privacy Notice

Your personal information is collected and will be used by the BNY Mellon Group. The particular BNY Mellon Group legal entity which owns the relationship associated with this Transaction will be deemed a data controller for your personal information. Your personal information will be used in connection with the preparation of internal distribution lists, the distribution of materials for the purposes of hearing more about BNYM's services and events, and compliance with legal requirements pertaining to individual and organizational identification (including Know Your Client requirements). This includes information required for onboarding of new clients, updating of information on existing client relationships, and information relating to associated parties with respect to any transaction with BNYM, where applicable. Your personal information will be shared within the BNY Mellon Group as well as with third parties, including BNY Mellon Group's third-party service providers, where necessary for the aforementioned purposes. The BNYM Group will transfer or store your personal information in countries other than the country of administration of the Transaction, including those outside Europe and the European Economic Area, under the protection of appropriate safeguards. For more information about how we collect, use, and share personal information and your legal rights see the BNY Mellon Group's full privacy notice (the "Privacy Notice") at <https://www.bnymellon.com/us/en/data-privacy.html> or contact your BNYM Relationship Manager.

PRIVATE AND CONFIDENTIAL

The information contained within this Fee Schedule is the proprietary information of BNY and is confidential. Except as otherwise provided by law, this document, either in whole or in part, must not be reproduced or disclosed to others or used for purposes other than that for which it has been supplied without the prior written permission of BNY. You shall not use BNY's name or trademarks without its prior written permission.

Customer Notice Required By the USA Patriot Act

To help the U.S. government fight the funding of terrorism and money laundering activities, US Federal law requires all financial institutions to obtain, verify and record information that identifies each person (whether an individual or organization) for which a relationship is established. When you establish a relationship with BNYM, we will ask you to provide certain information (and documents) that will help us to identify you. We will ask for your organization's name, physical address, tax identification or other government registration number and other information that will help us identify you. We may also ask for a Certificate of Incorporation or similar document or other pertinent identifying documentation for your type of organization.

Governing Law and Third Party Rights

This Fee Schedule (and any non-contractual obligations arising out of this Fee Schedule) shall be governed by and construed in accordance with the law of the state (the "State") governing the primary Transaction document (for example, the trust indenture). The Parties agree to submit to the jurisdiction of the courts of the State.

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The information contained within this Fee Schedule is the proprietary information of BNY and is confidential. Except as otherwise provided by law, this document, either in whole or in part, must not be reproduced or disclosed to others or used for purposes other than that for which it has been supplied without the prior written permission of BNY. You shall not use BNY's name or trademarks without its prior written permission.

Exhibit G

TAX COLLECTOR'S OATH

Harris Co. MUD #569 }

STATE OF TEXAS

COUNTY OF Harris }

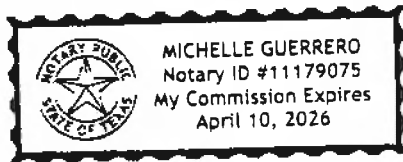
BRENDA MCLAUGHLIN, BEING duly sworn, states that she is the Tax Collector for the above named taxing unit and that the foregoing contains a true and correct report, accounting for all taxes collected on behalf of said taxing unit during the month therein stated.

Brenda McLaughlin
BRENDA MCLAUGHLIN

SWORN TO AND SUBSCRIBED BEFORE ME, this 14th day of
September, 2024.

Michelle Guerrero
NOTARY PUBLIC, STATE OF TEXAS

(SEAL)



Submitted to Taxing Unit's Governing Body on _____.

HARRIS COUNTY M.U.D. #569
TAX ASSESSOR/COLLECTOR'S REPORT

8/31/2024

Taxes Receivable: 8/31/2023	\$	27,963.74	
Reserve for Uncollectables	(	.00)	
Adjustments		<u>.00</u>	\$ <u>27,963.74</u>

Original 2023 Tax Levy	\$	784,578.62	
Adjustments		<u>177,080.64</u>	<u>961,659.26</u>

Total Taxes Receivable

\$ 989,623.00

Prior Years Taxes Collected \$ 27,963.74

2023 Taxes Collected (99.6%) 958,238.35 986,202.09

Taxes Receivable at: 8/31/2024

\$ 3,420.91

2023 Receivables:

Maintenance 2,052.55

Contract 1,368.36

bob leared interests

11111 Katy Freeway, Suite 725
Houston, Texas 77079-2197

Phone: (713) 932-9011
Fax: (713) 932-1150

HARRIS COUNTY M.U.D. #569

	Month of 8/2024	Fiscal to Date 6/01/2024 - 8/31/2024
Beginning Cash Balance	\$ 13,120.86	19,863.09
Receipts:		
Current & Prior Years Taxes	2,034.95	1,978.22
Penalty & Interest	389.32	389.32
Additional Collection Penalty	487.66	487.66
Tax Certificates		30.00
Refund - due to adjustments	14.05	70.78
TOTAL RECEIPTS	\$ 2,925.98	2,955.98
Disbursements:		
CAD Quarterly Assessment		2,131.00
CAD Cost, Estimate of value	699.29	699.29
Transfer to General Fund		730.35
Tax Assessor/Collector Fee	1,048.00	3,144.00
Transfer to Contract Fund		486.90
Postage/Deliveries		319.02
Supplies	106.16	125.76
Tax Certificates		30.00
Additional Services - BLI		360.00
Records Maintenance		30.00
Copies		338.26
Mileage Expense	13.05	26.45
Envelopes - May Del Stmts		2.70
Positive Pay		75.00
SB2 Webpage	25.00	165.00
TOTAL DISBURSEMENTS	(\$ 1,891.50)	(8,663.73)
CASH BALANCE AT: 8/31/2024	\$ 14,155.34	14,155.34

HARRIS COUNTY M.U.D. #569

Disbursements for month of September, 2024

Check #	Payee	Description	Amount
			\$ 791.29
	W/T Contract Fund	9/9/24 Transfer to Contract Fund	1,186.93
	W/T General Fund	9/9/24 Transfer to General Fund	2,243.00
1043	HCAD	CAD Quarterly Assessment	1,193.33
1044	Bob Leared	Tax Assessor/Collector Fee	
			\$ 5,414.55
TOTAL DISBURSEMENTS			\$ 8,740.79
Remaining Cash Balance			
Stellar Bank			

HARRIS COUNTY M.U.D. #569

HISTORICAL COLLECTIONS DATA

Year	Collections Month Of 8/2024	Adjustments To Collections 8/2024	Total Tax Collections at 8/31/2024	Total Taxes Receivable at 8/31/2024	Collection Percentage
2023	2,049.00	14.05-	958,238.35	3,420.91	99.644
2022			96,910.94		100.000
(Percentage of collections same period last year				71.145)	

HARRIS COUNTY M.U.D. #569

HISTORICAL TAX DATA

Year	Taxable Value	SR/CR	Tax Rate	Adjustments	Reserve for Uncollectibles	Adjusted Levy
2023	64,110,520	12 / 12	1.500000	177,080.64		961,659.26
2022	4,596,478	05 / 05	1.500000	96,910.94		96,910.94

HARRIS COUNTY M.U.D. #569

TAX RATE COMPONENTS

Year	Maintenance Rate	Maintenance Levy	Contract Rate	Contract Levy
2023	.900000	576,995.56		
2022	1.500000	96,910.94	.600000	384,663.70

HARRIS COUNTY M.U.D. #569

Notes:

2022	Agriculture Deferment	32,051.15
2023	Agriculture Deferment	31,980.51
Total --->		64,031.66

\$ 14.05 - REPORTED AS TAXES COLLECTED ON PRIOR REPORTS. TRANSFERRED TO
REFUNDS DUE TO ADJ# 12-2023 TAXES, VARIOUS ACCOUNTS. REFUNDS
ON HOLD PENDING REQUEST FROM PROPERTY OWNERS.

HARRIS COUNTY M.U.D. #569

Tax Exemptions:	2023	2022	2021
Homestead	.00000	.00000	.00000
Over 65	0	0	0
Disabled	0	0	0

Last Bond Premium Paid:

Payee	Date of Check	Amount
McDonald & Wessendorff	2/07/2024	50.00
3/31/24-3/31/25		

Adjustment Summary:	2023	
10/2023	/ CORR 002	137,714.09
11/2023	/ CORR 003	38,220.08
4/2024	/ CORR 008	21.45-
5/2024	/ CORR 009	1,238.70
7/2024	/ CORR 011	56.73-
8/2024	/ CORR 012	14.05-
TOTAL		177,080.64

HARRIS COUNTY M.U.D. #569
Homestead Payment Plans

<u>Account no.</u>	<u>Tax Year</u>	<u>Last Payment Amount</u>	<u>Last Payment Date</u>	<u>Balance Due</u>
*Total	Count 0			
(I) - BLI Contract				(A) - Delinquent Attorney Contract

Standard Payment Plans

<u>Account no.</u>	<u>Tax Year</u>	<u>Last Payment Amount</u>	<u>Last Payment Date</u>	<u>Balance Due</u>
*Total	Count 0			

Exhibit H

September 9, 2024

President and Board of Directors
Harris County Municipal Utility District No. 569
Harris County, Texas

Re: Levy of 2024 Tax Rate

Dear Board Members:

The Harris County Appraisal District has recently certified the 2024 value for your district at \$71,166,299 and an additional \$67,885,120 remains uncertified. The uncertified value is the Appraisal District's estimated minimum amount of value that will be ultimately certified by the Harris County Appraisal District. For the 2024 tax year, we anticipate the District will be classified as a Developing District for the purposes of determining the voter-approval tax rate and tax election tax rate. Last year, the District's value was certified at \$64,110,520 and the Board of Directors levied a total tax rate of \$1.50 per \$100 of assessed valuation. The tax rate was composed of a maintenance tax rate of \$0.60 per \$100 of assessed valuation and a contract tax rate of \$0.90 per \$100 of assessed valuation. For illustration purposes, we have enclosed the cash flow analysis based upon our 2024 recommended debt service tax rate. This analysis is based upon the following assumptions:

- 1) A 2024 net taxable value of \$139,051,419 (an increase of approximately 116.89%);
- 2) 98% tax collections;
- 3) No growth beyond an estimate of value as of May 1, 2024 of \$229,979,430;
- 4) Debt Service Fund balance of \$325,351 as of August 12, 2024;
- 5) Interest earnings of 2.00% on surplus funds; and
- 6) Adequate ending debt service coverage balances.

Based on this analysis, we are recommending the Board of Directors consider levying a 2024 total tax rate of \$1.50 per \$100 of assessed valuation composed of a maintenance tax rate of \$0.72 per \$100 of assessed valuation, a debt service tax rate of \$0.25 per \$100 of assessed valuation and a contract tax rate of \$0.53 per \$100 of assessed valuation.

Sincerely,
Robert W. Baird & Co. Incorporated

A handwritten signature in black ink, appearing to read "S M Eustis", with a long horizontal flourish extending to the right.

Stephen M. Eustis
Managing Director

Enclosure(s)

Harris County Municipal Utility District No. 569

2024 Debt Service Tax Rate Analysis

Pending \$8,855,000 Unlimited Tax Road Bonds, Series 2024 - 4.270864% NIC

Includes 12 Months of Capitalized Interest

No growth beyond an estimate of value as of May 1, 2024 of \$229,979,430

Year Ending 12/31	Beginning Fund Balance as of 08/12/2024	Fund Interest Earnings @ 2.0000%	Capitalized Interest	Other Income	Prior Year AV	AV Growth Percentage	Tax Rate / \$100 of AV	Tax Collections @ 98.00%	Total Funds Available	Current Debt Service	Pending Debt Service Series 2024	Total Debt Service	Ending Balance	Debt Service Coverage %
2024	325,351	2,507	378,613	-	64,110,520	-	-	-	706,470	121,960	-	121,960	584,510	89.896%
2025	584,510	11,690	-	-	139,051,419	116.893%	0.250000	340,676	936,876	318,920	331,286	650,206	286,670	32.621%
2026	286,670	5,733	-	-	229,979,430	65.392%	0.390000	878,981	1,171,385	320,170	558,613	878,783	292,602	33.297%
2027	292,602	5,852	-	-	229,979,430	-	0.390000	878,981	1,177,436	321,170	557,588	878,758	298,678	34.246%
2028	298,678	5,974	-	-	229,979,430	-	0.390000	878,981	1,183,633	321,920	550,238	872,158	311,476	35.803%
2029	311,476	6,230	-	-	229,979,430	-	0.390000	878,981	1,196,687	322,420	547,563	869,983	326,704	37.664%
2030	326,704	6,534	-	-	229,979,430	-	0.390000	878,981	1,212,220	322,670	544,750	867,420	344,800	39.883%
2031	344,800	6,896	-	-	229,979,430	-	0.390000	878,981	1,230,677	322,670	541,850	864,520	366,157	42.317%
2032	366,157	7,323	-	-	229,979,430	-	0.390000	878,981	1,252,462	322,420	542,850	865,270	387,192	44.252%
2033	387,192	7,744	-	-	229,979,430	-	0.390000	878,981	1,273,917	326,920	548,450	875,370	398,547	45.581%
2034	398,547	7,971	-	-	229,979,430	-	0.390000	878,981	1,285,499	325,920	548,450	874,370	411,129	46.847%
2035	411,129	8,223	-	-	229,979,430	-	0.390000	878,981	1,298,333	324,545	553,050	877,595	420,738	47.813%
2036	420,738	8,415	-	-	229,979,430	-	0.390000	878,981	1,308,134	327,915	552,050	879,965	428,169	48.577%
2037	428,169	8,563	-	-	229,979,430	-	0.390000	878,981	1,315,714	325,775	555,650	881,425	434,289	48.960%
2038	434,289	8,686	-	-	229,979,430	-	0.390000	878,981	1,321,936	328,380	558,650	887,030	434,926	49.810%
2039	434,926	8,699	-	-	229,979,430	-	0.390000	878,981	1,322,606	330,010	561,050	891,060	431,546	48.516%
2040	431,546	8,631	-	-	229,979,430	-	0.390000	878,981	1,319,158	326,100	562,850	888,950	430,208	48.205%
2041	430,208	8,604	-	-	229,979,430	-	0.390000	878,981	1,317,794	326,920	564,050	890,970	426,824	47.858%
2042	426,824	8,536	-	-	229,979,430	-	0.390000	878,981	1,314,342	327,200	564,650	891,850	422,492	47.142%
2043	422,492	8,450	-	-	229,979,430	-	0.390000	878,981	1,309,923	326,560	563,650	892,210	413,713	46.008%
2044	413,713	8,274	-	-	229,979,430	-	0.390000	878,981	1,306,969	325,360	573,850	899,210	401,759	44.352%
2045	401,759	8,035	-	-	229,979,430	-	0.390000	878,981	1,288,775	328,600	577,250	905,850	382,925	42.272%
2046	382,925	7,659	-	-	229,979,430	-	0.390000	878,981	1,269,565	326,000	579,850	905,850	363,715	39.991%
2047	363,715	7,274	-	-	229,979,430	-	0.390000	878,981	1,249,971	327,840	581,650	909,490	340,481	37.151%
2048	340,481	6,810	-	-	229,979,430	-	0.390000	878,981	1,226,272	328,840	587,650	916,490	309,782	33.980%
2049	309,782	6,196	-	-	229,979,430	-	0.390000	878,981	1,194,959	324,000	587,650	911,650	283,309	30.969%
2050	283,309	5,666	-	-	229,979,430	-	0.390000	878,981	1,167,956	323,600	591,200	914,800	253,156	27.356%
2051	253,156	5,063	-	-	229,979,430	-	0.390000	878,981	1,137,201	327,360	598,719	926,079	211,122	-
Totals		206,237	378,613	-				23,194,192		8,902,165	14,991,105	23,893,270		
								Average Tax Rate:						
								0.384815						

Harris County Municipal Utility District No. 569

2024 Utility Debt Service Tax Rate Analysis

Pending \$3,375,000 Unlimited Tax Bonds, Series 2024

No growth beyond an estimate of value as of May 1, 2024 of \$229,979,430

Year Ending 12/31	Beginning Fund Balance as of 08/12/2024	Fund Interest Earnings @ 2.000%	Capitalized Interest	Other Income	Prior Year AV	AV Growth Percentage	Tax Rate / \$100 of AV	Tax Collections @ 98.00%	Total Funds Available	Current Debt Service	Pending Debt Service Series 2024	Total Debt Service	Ending Balance	Debt Service Coverage %
2024	-	-	231,488	-	64,110,520	-	-	-	231,488	-	-	-	231,488	154.286%
2025	231,488	4,630	-	-	139,051,419	116.893%	-	-	236,117	150,038	150,038	306,155	86,079	41.122%
2026	86,079	1,722	-	-	229,979,430	65.392%	0.100000	225,380	313,180	209,325	209,325	522,505	103,855	50.477%
2027	103,855	2,077	-	-	229,979,430	-	0.100000	225,380	313,312	205,750	205,750	519,062	125,562	60.607%
2028	125,562	2,511	-	-	229,979,430	-	0.100000	225,380	353,454	207,175	207,175	560,629	146,279	70.233%
2029	146,279	2,926	-	-	229,979,430	-	0.100000	225,380	374,584	208,275	208,275	582,859	166,309	79.555%
2030	166,309	3,326	-	-	229,979,430	-	0.100000	225,380	395,015	209,050	209,050	604,065	185,965	88.766%
2031	185,965	3,719	-	-	229,979,430	-	0.100000	225,380	415,064	209,500	209,500	624,564	205,564	100.459%
2032	205,564	4,111	-	-	229,979,430	-	0.100000	225,380	435,055	204,625	204,625	639,680	230,430	112.542%
2033	230,430	4,609	-	-	229,979,430	-	0.100000	225,380	460,419	204,750	204,750	665,169	255,669	124.991%
2034	255,669	5,113	-	-	229,979,430	-	0.100000	225,380	486,162	204,550	204,550	690,712	281,612	134.249%
2035	281,612	5,632	-	-	229,979,430	-	0.100000	225,380	512,624	209,769	209,769	722,393	302,855	144.613%
2036	302,855	6,057	-	-	229,979,430	-	0.100000	225,380	534,292	209,425	209,425	743,717	324,867	154.386%
2037	324,867	6,497	-	-	229,979,430	-	0.100000	225,380	556,744	210,425	210,425	767,169	346,319	160.166%
2038	346,319	6,926	-	-	229,979,430	-	0.100000	225,380	578,626	216,225	216,225	794,851	362,401	167.294%
2039	362,401	7,248	-	-	229,979,430	-	0.100000	225,380	595,028	216,625	216,625	811,653	378,403	170.586%
2040	378,403	7,568	-	-	229,979,430	-	0.100000	225,380	611,351	221,825	221,825	833,176	389,526	175.759%
2041	389,526	7,791	-	-	229,979,430	-	0.100000	225,380	622,697	221,625	221,625	844,322	401,072	177.289%
2042	401,072	8,021	-	-	229,979,430	-	0.100000	225,380	634,473	226,225	226,225	860,698	408,248	177.172%
2043	408,248	8,165	-	-	229,979,430	-	0.100000	225,380	641,793	230,425	230,425	872,218	411,368	175.629%
2044	411,368	8,227	-	-	229,979,430	-	0.100000	225,380	644,975	234,225	234,225	879,200	410,750	172.856%
2045	410,750	8,215	-	-	229,979,430	-	0.100000	225,380	644,345	237,625	237,625	881,970	406,720	169.180%
2046	406,720	8,134	-	-	229,979,430	-	0.100000	225,380	640,234	240,406	240,406	880,640	399,828	161.367%
2047	399,828	7,997	-	-	229,979,430	-	0.100000	225,380	633,204	247,775	247,775	880,979	385,429	154.465%
2048	385,429	7,709	-	-	229,979,430	-	0.100000	225,380	618,518	249,525	249,525	868,043	368,993	144.363%
2049	368,993	7,380	-	-	229,979,430	-	0.100000	225,380	601,752	255,600	255,600	857,352	346,152	132.606%
2050	346,152	6,923	-	-	229,979,430	-	0.100000	225,380	578,455	261,038	261,038	839,493	317,418	119.403%
2051	317,418	6,348	-	-	229,979,430	-	0.100000	225,380	549,146	265,838	265,838	815,084	283,308	-
Totals		165,249	231,488	-				6,085,256		5,967,638	5,967,638			
								0.096429						
								Average Tax Rate:						

Maintenance Tax Rate Information

Maintenance taxes are levied at the discretion of the Board of Directors of the District. Should the Board determine that a maintenance tax is necessary, we estimate the following:

2023 M&O Tax Rate	\$	0.60000	@ a 98.00% collections rate generates \$376,970.
Proposed 2024 M&O Tax Rate	\$	0.72000	@ a 98.00% collections rate generates \$981,147.
Parity M&O Tax Rate	\$	0.27660	@ a 98.00% collections rate generates \$376,924.
M&O Tax Rate to Balance Budget	\$	0.22500	@ a 98.00% collections rate generates \$306,608.
Maximum Authorized M&O Tax Rate	\$	1.50000	
Value of One Penny	\$	13,627	@ a 98.00% collections rate.

Last Year's Average Homestead Value	\$	-
Last Year's Average Tax Bill	\$	-
This Year's Average Homestead Value	\$	334,248
This Year's Proposed Average Tax Bill	\$	5,014
Percentage Change		
Value of One Penny on This Year's Average Tax Bill	\$	33

Proposed 2024 Total Tax Rate	\$	1.50000
Parity Tax Rate	\$	-
Type of District		Developing District
Tax Election Tax Rate	\$	-
M&O Tax Rate in Voter-Approval Tax Rate	\$	- @ a 98.00% collections rate generates \$0.

Harris County Municipal Utility District No. 569

Tax Rate Recommendation

2024 Contract Tax Rate Calculations

Contract Tax Rate:	\$	0.5300
WS&D Debt Service Tax Rate:		-
Road Debt Service Tax Rate:		0.2500
M&O Tax Rate:		0.7200
Recommended 2024 Tax Rate:	\$	1.5000

CONTRACT TAX PAYMENT CALCULATION

Debt Service Requirements of Regional District Bonds Due in Calendar Year 2025	\$	5,367,124.74
District AV as Percentage of Total AV in Service Area of Regional District for Tax Year 2024		14.26%
District Pro Rata Share of Debt Service Requirements of Regional District Bonds		765,130.72
Adjustment to Prior Tax Years Contract Tax Payment		7,953.46
Adjusted Contract Tax Payment Due	\$	773,084.18

SOURCES OF CONTRACT TAX FUNDS

Contract Tax Fund balance as of August 12, 2024:	\$	54,256.00
--	----	-----------

2024 Contract Tax Collections:

Certified A.V.:	\$	71,166,299	X	\$	0.5300	@ 98.00%	\$	369,637.76	
Uncertified A.V.:		67,885,120	X	\$	0.5300	@ 98.00%	\$	352,595.31	\$ 722,233.07
	\$	139,051,419							\$ 776,489.07

Difference: \$ 3,404.89

Harris-Waller Counties Municipal Utility District No. 4

Master District Contract Tax Allocation for 2024 Tax Year and Debt Service Due 2025 Calendar Year

Participating District	2024 Tax Year Total Gross Assessed Value (a)	Share of Service Area 2024 Total Gross Assessed Value (b)	Share of Contract Tax Debt Service Due in 2025	Adjustment to Prior Year Contract Tax Payments	Adjusted Contract Tax Payment Due in 2025
Harris-Waller Counties Municipal Utility District No. 4	\$ 2,446,879	0.25%	\$ 13,463.96	\$ 98.07	\$ 13,562.03
Harris-Waller Counties Municipal Utility District No. 5	478,265,704	49.03%	2,631,658.03	(7,036.64)	2,624,621.39
Waller County Municipal Utility District No. 37	250,728,087	25.71%	1,379,631.82	(1,639.66)	1,377,992.16
Harris County Municipal Utility District No. 569	139,051,419	14.26%	765,130.72	7,953.46	773,084.18
Waller County Municipal Utility District No. 35	104,905,041	10.76%	577,240.21	624.77	577,864.98
SERVICE AREA	\$ 975,397,130	100.00%	\$ 5,367,124.74	\$ (0.00)	\$ 5,367,124.74

(a) Value does not exclude any optional exemptions granted by participants.

(b) Each participant's share is calculated on a pro rata basis by dividing the gross assessed value of a participant by the gross assessed value within the service area.

	WSD Debt	Road Debt	All Debt
Harris Waller Counties Municipal Utility District No. 4	6,672.64	6,889.39	13,562.03
Harris Waller Counties Municipal Utility District No. 5	1,291,337.31	1,333,284.08	2,624,621.39
Waller County Municipal Utility District No. 37	677,984.53	700,007.63	1,377,992.16
Harris County Municipal Utility District No. 569	380,364.36	392,719.81	773,084.18
Waller County Municipal Utility District No. 35	284,314.76	293,550.22	577,864.98
Total	2,640,673.61	2,726,451.13	5,367,124.74

BAIRD

Exhibit I

Harris County MUD #569

OPERATIONS REPORT

September 9, 2024

submitted by



I. Billing and Collections

Connections	8/24/2024
Residential:	401
Builder:	205
Commercial:	0
Irrigation:	13
Temporary:	3
Rec Center:	2
Vacant:	1
MultiFamily:	1
Total Connections:	626

Billed Usage (in 1.0 MG)	
Residential:	2.932
Builder:	1.345
Commercial:	0.046
Irrigation:	2.967
Temporary:	0
Rec Center:	0.448
Vacant:	0
Accountability Only:	0
Finals/Transfers:	0.24
Total Billed Usage:	7.978

Billing as of	8/24/2024
Penalty:	\$1,248.07
Water:	\$61,166.50
Sewer:	\$28,262.81
Deposit:	\$9,650.00
Backflow Annual Fee:	\$0.00
Back Charge:	\$11,133.15
Inspection Fee:	\$601.00
Rental Meter Fee:	\$450.00
Transfer Fee:	\$1,400.00
Arrears:	\$41,531.10
Credits:	(\$10,069.45)
Net Receivable:	\$145,373.18

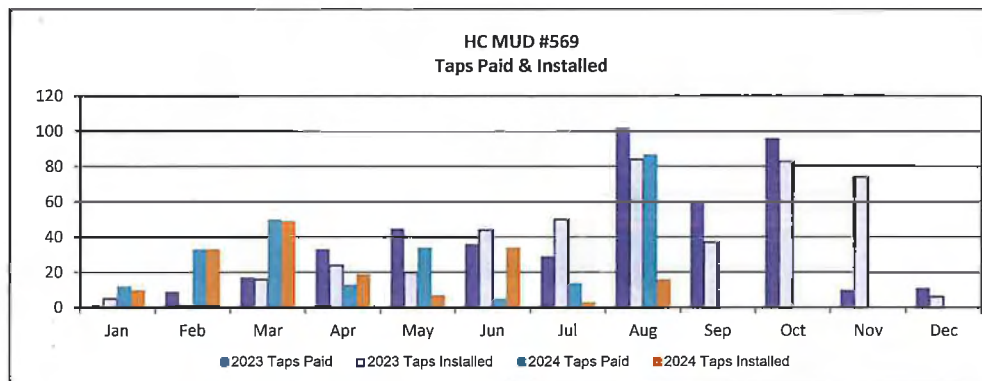
Collections as of	8/30/2024
Penalty:	\$2,252.95
Water:	\$60,590.80
Sewer:	\$32,056.51
Deposit:	\$19,320.65
Backflow Annual Fee:	\$0.00
Back Charge:	\$8,376.89
Inspection Fee:	\$855.00
Rental Meter Fee:	\$915.00
Returned Pmt Fee:	\$0.00
Reconnect Fee:	\$533.30
Delinquent Letter Fee:	\$1,763.74
Transfer Fee:	\$1,915.43
Deposits Applied:	\$8,200.00
Total Collections:	\$136,780.27

Customer Aged Receivables

30 Day:	\$21,489.50
60 Day:	\$10,571.36
90 Day:	\$18,818.02
Overpayments:	(\$8,099.71)
Total Receivables:	\$42,779.17

II. Tap Activity

- Taps installed in the month of August: 16
- Total taps installed to date: 615



III. Repairs & Maintenance Over \$1,000

Repairs & Maintenance during the month included:

- Sanitary sewer line repaired at 27310 Blue Pool Dr.

IV. Action Items

Consider and approve:

- Review write off list and authorize submittal to collections agency.
- Review confidential customer report of delinquent accounts scheduled for termination, pursuant to the Rules and Regulations of the District's Rate Order.

Sunterra as of 08/29/2024						
BUILDER	HC569 Total	HWC4 Total	HWC5 Total	WC35 Total	WC37 Total	Grand Total
		1				1
ADAMS HOMES LONE STAR LLC			54			54
ANGLIA HOMES,LP	3		1		47	51
ASHTON WOODS	33		45		125	203
BEAZER HOMES C/O RADIUSPOINT DEPT 1	111					111
BRIGHTLAND HOMES	38		85	57	29	209
CASTLEROCK COMMUNITIES	3		42		49	94
CHESMAR HOMES	1		88		41	130
COLINA HOMES			79		8	87
DAVIDSON HOMES LLC	1				88	89
DL MEACHAM CONSTRUCTION			1			1
DR HORTON	47		26	238	129	440
EHT OF TEXAS, LP			70			70
EVERGREEN LIFESTYLES MANAGEMENT/ SU			2		6	8
GBFR SUNTERRA LP	1					1
HAMILTON THOMAS HOMES			24			24
HIGHLAND HOMES			135			135
HISTORY MAKER HOMES	1		106		44	151
KA GREAT MINDS WEST LLC		1				1
KATY 1093 LTD			1			1
KATY INDEPENDENCE SCHOOL DISTRICT					1	1
KB HOMES	1		1	44	127	173
LENNAR HOMES	279		112	84	106	581
LGI HOMES GROUP LLC	1				40	41
LONG LAKE, LTD	41				79	120
MILLIS DEVELOPMENT & CONSTRUCTION	1					1
NUWAY HOMES TEXAS LP	69		156	1	23	249
ONM LIVING			114			114
PERRY HOMES			75			75
PULTE HOMES, LP			298			298
SHAHYAN KAROWADIYA		2				2
SHEA HOMES HOUSTON LLC			76			76
STARLIGHT HOMES-HOUSTON	61					61
SUNTERRA POA	4		7		4	15
SUNTERRA POA C/O PMG HOUSTON			24	2	8	34
SUNTERRA POA INC	6			4	1	11
TRICOAST HOMES	1				22	23
TRIPLE C LANDSCAPES			3			3
WESTIN HOMES	2		32	23	52	109
Grand Total	705	4	1657	453	1029	3848



Municipal District Services
406 W. Grand Parkway S.,
Katy, TX 77494
Phone: 281-290-6500

Statement #: 19075

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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
BASIC SERVICE		
19075-1 (1696150)	\$ 5,323.70	
TOTAL BASIC SERVICE		\$ 5,323.70
WATER DISTRIBUTION		
19075-2 (1657657)	\$ 87.69	
19075-3 (1667903)	\$ 32.76	
19075-4 (1667913)	\$ 32.76	
19075-5 (1667918)	\$ 32.76	
19075-6 (1667920)	\$ 32.76	
19075-7 (1667927)	\$ 32.76	
19075-8 (1667932)	\$ 32.76	
19075-9 (1667945)	\$ 43.85	
19075-10 (1668024)	\$ 43.85	
19075-11 (1668061)	\$ 32.76	
19075-12 (1668820)	\$ 204.06	
19075-13 (1670017)	\$ 32.76	
19075-14 (1670152)	\$ 556.77	
19075-15 (1670908)	\$ 65.50	
19075-16 (1671538)	\$ 150.00	
19075-17 (1671542)	\$ 150.00	
19075-18 (1672288)	\$ 65.50	
19075-19 (1672591)	\$ 32.76	
19075-20 (1673515)	\$ 65.50	
19075-21 (1675299)	\$ 98.26	
19075-22 (1676576)	\$ 1,650.00	
19075-23 (1676951)	\$ 52.82	
19075-24 (1676952)	\$ 52.82	
19075-25 (1676953)	\$ 52.82	
19075-26 (1676954)	\$ 52.82	
19075-27 (1676955)	\$ 52.82	
19075-28 (1676956)	\$ 52.82	
19075-29 (1676957)	\$ 52.82	
19075-30 (1676958)	\$ 52.82	
19075-31 (1676959)	\$ 52.82	
19075-32 (1676960)	\$ 52.82	



Municipal District Services
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Phone: 281-290-6500

Statement #: 19075

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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
WATER DISTRIBUTION		
19075-33 (1676970)	\$ 32.76	
19075-34 (1677004)	\$ 32.76	
19075-35 (1677480)	\$ 43.85	
19075-36 (1678228)	\$ 32.76	
19075-37 (1678444)	\$ 32.76	
TOTAL WATER DISTRIBUTION		\$ 4,178.91
WASTEWATER COLLECTION		
19075-38 (1630173)	\$ 132.61	
19075-39 (1657910)	\$ 7,743.91	
TOTAL WASTEWATER COLLECTION		\$ 7,876.52
BACKCHARGE DAMAGES		
19075-40 (1623481)	\$ 152.14	
19075-41 (1623504)	\$ 152.14	
19075-42 (1630147)	\$ 304.26	
19075-43 (1639020)	\$ 562.70	
19075-44 (1639025)	\$ 765.43	
19075-45 (1639096)	\$ 152.14	
19075-46 (1639105)	\$ 451.26	
19075-47 (1639107)	\$ 304.26	
19075-48 (1641214)	\$ 99.85	
19075-49 (1656743)	\$ 1,345.13	
19075-50 (1670802)	\$ 32.76	
19075-51 (1671350)	\$ 65.50	
19075-52 (1672005)	\$ 76.61	
19075-53 (1673202)	\$ 97.70	
19075-54 (1676293)	\$ 32.76	
19075-55 (1676298)	\$ 130.46	
TOTAL BACKCHARGE DAMAGES		\$ 4,725.10



Municipal District Services
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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
BACKCHARGE INSPECTIONS		
19075-56 (1671027)	\$ 120.00	
19075-57 (1673451)	\$ 52.82	
19075-58 (1673452)	\$ 52.82	
TOTAL BACKCHARGE INSPECTIONS		\$ 225.64
TAPS AND METERS		
19075-59 (1662038)	\$ 715.00	
19075-60 (1664888)	\$ 715.00	
19075-61 (1664893)	\$ 715.00	
19075-62 (1664895)	\$ 715.00	
19075-63 (1668968)	\$ 615.00	
19075-64 (1668969)	\$ 615.00	
19075-65 (1668970)	\$ 615.00	
19075-66 (1668981)	\$ 715.00	
19075-67 (1668983)	\$ 715.00	
19075-68 (1668985)	\$ 715.00	
19075-69 (1670170)	\$ 715.00	
19075-70 (1670173)	\$ 715.00	
19075-71 (1670335)	\$ 715.00	
TOTAL TAPS AND METERS		\$ 8,995.00
PRE-CONSTRUCTION INSPECTION		
19075-72 (1662039)	\$ 52.82	
19075-73 (1662047)	\$ 52.82	
19075-74 (1664889)	\$ 52.82	
19075-75 (1664894)	\$ 52.82	
19075-76 (1664896)	\$ 52.82	
19075-77 (1668972)	\$ 52.82	
19075-78 (1668973)	\$ 52.82	
19075-79 (1668974)	\$ 52.82	
19075-80 (1668982)	\$ 52.82	
19075-81 (1668984)	\$ 52.82	
19075-82 (1668986)	\$ 52.82	
19075-83 (1670171)	\$ 52.82	



Municipal District Services
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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
PRE-CONSTRUCTION INSPECTION		
19075-84 (1670174)	\$ 52.82	
19075-85 (1670336)	\$ 52.82	
19075-86 (1672780)	\$ 52.82	
19075-87 (1672782)	\$ 52.82	
19075-88 (1672785)	\$ 52.82	
19075-89 (1672788)	\$ 52.82	
19075-90 (1672791)	\$ 52.82	
19075-91 (1672793)	\$ 52.82	
19075-92 (1672796)	\$ 52.82	
19075-93 (1672798)	\$ 52.82	
19075-94 (1672800)	\$ 52.82	
19075-95 (1672802)	\$ 52.82	
19075-96 (1672806)	\$ 52.82	
19075-97 (1672811)	\$ 52.82	
19075-98 (1672814)	\$ 52.82	
19075-99 (1672817)	\$ 52.82	
19075-100 (1672821)	\$ 52.82	
19075-101 (1672827)	\$ 52.82	
19075-102 (1672829)	\$ 52.82	
19075-103 (1672831)	\$ 52.82	
19075-104 (1672833)	\$ 52.82	
19075-105 (1672835)	\$ 52.82	
19075-106 (1672838)	\$ 52.82	
19075-107 (1672842)	\$ 52.82	
19075-108 (1672844)	\$ 52.82	
19075-109 (1672846)	\$ 52.82	
19075-110 (1672848)	\$ 52.82	
19075-111 (1672856)	\$ 52.82	
19075-112 (1672859)	\$ 52.82	
19075-113 (1672861)	\$ 52.82	
19075-114 (1672863)	\$ 52.82	
19075-115 (1672866)	\$ 52.82	
19075-116 (1672896)	\$ 52.82	
19075-117 (1672898)	\$ 52.82	
19075-118 (1672902)	\$ 52.82	



Municipal District Services
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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
PRE-CONSTRUCTION INSPECTION		
19075-119 (1672934)	\$ 52.82	
19075-120 (1672937)	\$ 52.82	
19075-121 (1672941)	\$ 52.82	
19075-122 (1675233)	\$ 52.82	
19075-123 (1675236)	\$ 52.82	
19075-124 (1675245)	\$ 52.82	
19075-125 (1675250)	\$ 52.82	
19075-126 (1675284)	\$ 52.82	
19075-127 (1675287)	\$ 52.82	
19075-128 (1675291)	\$ 52.82	
19075-129 (1675297)	\$ 52.82	
19075-130 (1675302)	\$ 52.82	
19075-131 (1675641)	\$ 52.82	
19075-132 (1675644)	\$ 52.82	
19075-133 (1675646)	\$ 52.82	
19075-134 (1675648)	\$ 52.82	
19075-135 (1675652)	\$ 52.82	
19075-136 (1675654)	\$ 52.82	
19075-137 (1675657)	\$ 52.82	
19075-138 (1675666)	\$ 52.82	
19075-139 (1675668)	\$ 52.82	
TOTAL PRE-CONSTRUCTION INSPECTION		\$ 3,591.76
CUSTOMER SERVICE INSPECTION-RE		
19075-140 (1670062)	\$ 68.67	
19075-141 (1670068)	\$ 68.67	
19075-142 (1670077)	\$ 68.67	
19075-143 (1670102)	\$ 68.67	
19075-144 (1670109)	\$ 68.67	
19075-145 (1670112)	\$ 68.67	
19075-146 (1670118)	\$ 68.67	
19075-147 (1670121)	\$ 68.67	
19075-148 (1670123)	\$ 68.67	
19075-149 (1670125)	\$ 68.67	
19075-150 (1670126)	\$ 68.67	



Municipal District Services
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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
CUSTOMER SERVICE INSPECTION-RE		
19075-151 (1670136)	\$ 68.67	
19075-152 (1671029)	\$ 68.67	
19075-153 (1671032)	\$ 68.67	
19075-154 (1671468)	\$ 68.67	
19075-155 (1671478)	\$ 68.67	
19075-156 (1671479)	\$ 68.67	
19075-157 (1672772)	\$ 68.67	
19075-158 (1672775)	\$ 68.67	
19075-159 (1672966)	\$ 68.67	
19075-160 (1673770)	\$ 68.67	
19075-161 (1674204)	\$ 68.67	
19075-162 (1674269)	\$ 68.67	
19075-163 (1676363)	\$ 68.67	
19075-164 (1676671)	\$ 68.67	
19075-165 (1678290)	\$ 68.67	
TOTAL CUSTOMER SERVICE INSPECTION-RE		\$ 1,785.42
INSPECTION SERVICES		
19075-166 (1668056)	\$ 47.55	
19075-167 (1668902)	\$ 47.55	
19075-168 (1668903)	\$ 47.55	
19075-169 (1668947)	\$ 47.55	
19075-170 (1669077)	\$ 47.55	
19075-171 (1669154)	\$ 47.55	
19075-172 (1669173)	\$ 47.55	
TOTAL INSPECTION SERVICES		\$ 332.85



Municipal District Services
406 W. Grand Parkway S.,
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Statement #: 19075

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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
SEWER INSPECTION		
19075-173 (1671095)	\$ 52.82	
19075-174 (1671096)	\$ 52.82	
19075-175 (1671097)	\$ 52.82	
19075-176 (1671098)	\$ 52.82	
19075-177 (1673438)	\$ 52.82	
19075-178 (1673440)	\$ 52.82	
19075-179 (1673441)	\$ 52.82	
19075-180 (1673442)	\$ 52.82	
19075-181 (1674009)	\$ 52.82	
19075-182 (1674866)	\$ 52.82	
19075-183 (1674867)	\$ 52.82	
19075-184 (1674868)	\$ 52.82	
19075-185 (1674869)	\$ 52.82	
19075-186 (1674870)	\$ 52.82	
19075-187 (1676653)	\$ 52.82	
19075-188 (1678620)	\$ 52.82	
19075-189 (1678621)	\$ 52.82	
19075-190 (1678622)	\$ 52.82	
19075-191 (1678623)	\$ 52.82	
19075-192 (1678624)	\$ 52.82	
19075-193 (1678625)	\$ 52.82	
19075-194 (1678626)	\$ 52.82	
19075-195 (1678631)	\$ 52.82	
19075-196 (1681000)	\$ 52.82	
19075-197 (1681001)	\$ 52.82	
19075-198 (1681002)	\$ 52.82	
19075-199 (1682016)	\$ 52.82	
19075-200 (1682018)	\$ 52.82	
TOTAL SEWER INSPECTION		\$ 1,478.96



Municipal District Services
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Statement #: 19075

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Statement

Month: AUGUST 2024
Client: HARRIS COUNTY MUD #569
Statement Date: 08/31/24

Description	Amount	Sub-Total Amount
BUILDER FINAL INSPECTION		
19075-201 (1662484)	\$ 52.82	
19075-202 (1662486)	\$ 52.82	
19075-203 (1668250)	\$ 52.82	
19075-204 (1669524)	\$ 52.82	
19075-205 (1670064)	\$ 52.82	
19075-206 (1670071)	\$ 52.82	
19075-207 (1670078)	\$ 52.82	
19075-208 (1670105)	\$ 52.82	
19075-209 (1670111)	\$ 52.82	
19075-210 (1670115)	\$ 52.82	
19075-211 (1670119)	\$ 52.82	
19075-212 (1670120)	\$ 52.82	
19075-213 (1670122)	\$ 52.82	
19075-214 (1670124)	\$ 52.82	
19075-215 (1670127)	\$ 52.82	
19075-216 (1670137)	\$ 52.82	
19075-217 (1671030)	\$ 52.82	
19075-218 (1671033)	\$ 52.82	
19075-219 (1671469)	\$ 52.82	
19075-220 (1671481)	\$ 52.82	
19075-221 (1671482)	\$ 52.82	
19075-222 (1672774)	\$ 52.82	
19075-223 (1672776)	\$ 52.82	
19075-224 (1672967)	\$ 52.82	
19075-225 (1673771)	\$ 52.82	
19075-226 (1674205)	\$ 52.82	
19075-227 (1674271)	\$ 52.82	
19075-228 (1676364)	\$ 52.82	
19075-229 (1676672)	\$ 52.82	
19075-230 (1678292)	\$ 52.82	
		\$ 1,584.60
TOTAL BUILDER FINAL INSPECTION		
Total This Statement:		\$ 40,098.46

**Harris County
Municipal Utility District No. 569**

CONFIDENTIAL REPORT

September 9, 2024

submitted by
Municipal District Services, LLC



COLLECTION ACCOUNTS DETAIL LISTING

17 HARRIS COUNTY MUD 569

Account	Name/Mailing Addr	Phone	Service	Address	CO-Signer	TDL / Soc. Sec	Conn. Date	Last PD Dte	Last Pmt	Final Dte	Balance	Sec. Dep	Day	Deql
							02/29/24			05/22/24	132.13	.00	120	Days

132.13

Totals 1

DELINQUENT LETTER ACCOUNTS LISTING - DUE 09/09/2024

District: 17

HARRIS COUNTY MUD 569

Select Status... Arrears Only

Account Number	Original Amt.	Arrears Amt.	Total Current	Total Balance	Letter Due	Deposit	# Times Delq. + Rent/Own	Total Due Less Deposit (exposure)
017-02108-00	\$ 2,925.31	\$ 2,925.31	\$ 1,349.50	\$ 4,285.81	\$ 4,285.81	\$ -	2 Owner	\$ (4,285.81)
017-02109-00	\$ 3,067.90	\$ 3,067.90	\$ 261.50	\$ 3,340.40	\$ 3,340.40	\$ -	2 Owner	\$ (3,340.40)
017-00346-00	\$ 1,311.81	\$ 1,311.81	\$ 237.80	\$ 1,560.61	\$ 1,560.61	\$ 250.00	5 Owner	\$ (1,310.61)
017-01260-00	\$ 582.40	\$ 582.40	\$ 689.30	\$ 1,282.70	\$ 1,282.70	\$ 250.00	1 Owner	\$ (1,032.70)
017-00020-00	\$ 477.36	\$ 477.36	\$ 104.50	\$ 592.86	\$ 592.86	\$ 250.00	2 Owner	\$ (342.86)
017-01492-02	\$ 493.62	\$ 493.62	\$ 104.50	\$ 609.12	\$ 609.12	\$ 350.00	1 Renter	\$ (259.12)
017-01844-02	\$ 478.29	\$ 478.29	\$ 104.50	\$ 593.79	\$ 593.79	\$ 350.00	1 Renter	\$ (243.79)
017-01754-02	\$ 462.97	\$ 462.97	\$ 113.10	\$ 587.07	\$ 587.07	\$ 350.00	1 Renter	\$ (237.07)
017-00406-01	\$ 370.63	\$ 370.63	\$ 104.50	\$ 486.13	\$ 486.13	\$ 250.00	1 Owner	\$ (236.13)
017-00044-01	\$ 339.98	\$ 339.98	\$ 108.80	\$ 459.78	\$ 459.78	\$ 250.00	1 Owner	\$ (209.78)
017-00632-02	\$ 413.16	\$ 413.16	\$ 104.50	\$ 528.66	\$ 528.66	\$ 350.00	1 Renter	\$ (178.66)
017-02042-01	\$ 405.12	\$ 405.12	\$ 104.50	\$ 520.62	\$ 520.62	\$ 350.00	1 Renter	\$ (170.62)
017-00828-00	\$ 131.87	\$ 131.87	\$ 246.40	\$ 389.27	\$ 389.27	\$ 250.00	2 Owner	\$ (139.27)
017-00474-00	\$ 240.90	\$ 240.90	\$ 104.50	\$ 356.40	\$ 356.40	\$ 250.00	3 Owner	\$ (106.40)
017-01914-01	\$ 163.58	\$ 163.58	\$ 147.50	\$ 322.08	\$ 322.08	\$ 250.00	2 Owner	\$ (72.08)
017-00452-00	\$ 114.95	\$ 114.95	\$ 170.00	\$ 295.95	\$ 295.95	\$ 250.00	1 Owner	\$ (45.95)
017-00460-01	\$ 138.60	\$ 138.60	\$ 126.00	\$ 275.60	\$ 275.60	\$ 250.00	2 Owner	\$ (25.60)
017-00024-01	\$ 114.95	\$ 114.95	\$ 143.20	\$ 269.15	\$ 269.15	\$ 250.00	2 Owner	\$ (19.15)
017-00556-01	\$ 147.85	\$ 147.85	\$ 104.50	\$ 263.35	\$ 263.35	\$ 250.00	4 Owner	\$ (13.35)
017-00610-01	\$ 129.14	\$ 129.14	\$ 113.10	\$ 253.24	\$ 253.24	\$ 250.00	1 Owner	\$ (3.24)
017-00602-01	\$ 119.68	\$ 119.68	\$ 113.10	\$ 243.78	\$ 243.78	\$ 250.00	1 Owner	\$ 6.22
017-00660-01	\$ 127.84	\$ 127.84	\$ 104.50	\$ 243.34	\$ 243.34	\$ 250.00	2 Owner	\$ 6.66
017-01886-01	\$ 125.95	\$ 125.95	\$ 104.50	\$ 241.45	\$ 241.45	\$ 250.00	2 Owner	\$ 8.55
017-02078-01	\$ 125.90	\$ 125.90	\$ 104.50	\$ 241.40	\$ 241.40	\$ 250.00	4 Owner	\$ 8.60
017-00116-00	\$ 125.40	\$ 125.40	\$ 104.50	\$ 240.90	\$ 240.90	\$ 250.00	1 Owner	\$ 9.10
017-00126-00	\$ 125.40	\$ 125.40	\$ 104.50	\$ 240.90	\$ 240.90	\$ 250.00	1 Owner	\$ 9.10
017-00320-01	\$ 124.41	\$ 124.41	\$ 104.50	\$ 239.91	\$ 239.91	\$ 250.00	2 Owner	\$ 10.09
017-00052-01	\$ 114.95	\$ 114.95	\$ 108.80	\$ 234.75	\$ 234.75	\$ 250.00	2 Owner	\$ 15.25
017-00062-01	\$ 114.95	\$ 114.95	\$ 108.80	\$ 234.75	\$ 234.75	\$ 250.00	2 Owner	\$ 15.25
017-01552-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-00454-00	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-00050-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	2 Owner	\$ 19.55
017-00910-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	2 Owner	\$ 19.55
017-00420-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-01602-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-00548-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-00112-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	2 Owner	\$ 19.55
017-02082-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-00520-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-01896-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	2 Owner	\$ 19.55
017-01014-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 250.00	1 Owner	\$ 19.55
017-01926-01	\$ 114.38	\$ 114.38	\$ 104.50	\$ 229.88	\$ 229.88	\$ 250.00	4 Owner	\$ 20.12
017-02074-01	\$ 98.58	\$ 98.58	\$ 104.50	\$ 214.08	\$ 214.08	\$ 250.00	1 Owner	\$ 35.92
017-01078-00	\$ 93.50	\$ 93.50	\$ 104.50	\$ 209.00	\$ 209.00	\$ 250.00	1 Owner	\$ 41.00
017-01884-02	\$ 147.79	\$ 147.79	\$ 138.90	\$ 297.69	\$ 297.69	\$ 350.00	2 Renter	\$ 52.31
017-01848-01	\$ 70.45	\$ 70.45	\$ 104.50	\$ 185.95	\$ 185.95	\$ 250.00	3 Owner	\$ 64.05
017-00054-01	\$ 133.87	\$ 133.87	\$ 138.90	\$ 283.77	\$ 283.77	\$ 350.00	2 Renter	\$ 66.23
017-00376-01	\$ 60.00	\$ 60.00	\$ 104.50	\$ 175.50	\$ 175.50	\$ 250.00	3 Owner	\$ 74.50
017-01910-02	\$ 158.28	\$ 158.28	\$ 104.50	\$ 273.78	\$ 273.78	\$ 350.00	4 Renter	\$ 76.22
017-01224-02	\$ 137.83	\$ 137.83	\$ 121.70	\$ 270.53	\$ 270.53	\$ 350.00	4 Renter	\$ 79.47
017-01692-00	\$ 47.19	\$ 47.19	\$ 104.50	\$ 162.69	\$ 162.69	\$ 250.00	5 Owner	\$ 87.31
017-00532-02	\$ 136.60	\$ 136.60	\$ 104.50	\$ 252.10	\$ 252.10	\$ 350.00	2 Renter	\$ 97.90
017-01830-02	\$ 136.43	\$ 136.43	\$ 104.50	\$ 251.93	\$ 251.93	\$ 350.00	4 Renter	\$ 98.07
017-01838-02	\$ 133.87	\$ 133.87	\$ 104.50	\$ 249.37	\$ 249.37	\$ 350.00	1 Renter	\$ 100.63
017-00616-02	\$ 123.62	\$ 123.62	\$ 108.80	\$ 243.42	\$ 243.42	\$ 350.00	2 Renter	\$ 106.58
017-01916-02	\$ 114.95	\$ 114.95	\$ 117.40	\$ 243.35	\$ 243.35	\$ 350.00	1 Renter	\$ 106.65
017-01842-01	\$ 118.34	\$ 118.34	\$ 104.50	\$ 233.84	\$ 233.84	\$ 350.00	5 Renter	\$ 116.16
017-00080-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 350.00	3 Renter	\$ 119.55
017-01898-02	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 350.00	2 Renter	\$ 119.55
017-02048-01	\$ 114.95	\$ 114.95	\$ 104.50	\$ 230.45	\$ 230.45	\$ 350.00	2 Renter	\$ 119.55
017-01892-01	\$ 114.30	\$ 114.30	\$ 104.50	\$ 229.80	\$ 229.80	\$ 350.00	3 Renter	\$ 120.20
017-00818-01	\$ 101.73	\$ 101.73	\$ 104.50	\$ 217.23	\$ 217.23	\$ 350.00	1 Renter	\$ 132.77
017-00608-02	\$ 88.49	\$ 88.49	\$ 104.50	\$ 203.99	\$ 203.99	\$ 350.00	3 Renter	\$ 146.01
017-00102-01	\$ 82.00	\$ 82.00	\$ 104.50	\$ 197.50	\$ 197.50	\$ 350.00	2 Renter	\$ 152.50
017-20273-00	\$ 165.00	\$ 165.00	\$ 1,444.30	\$ 1,620.30	\$ 1,620.30	\$ 2,500.00	1 Owner	\$ 879.70
	\$ 17,716.32	\$ 17,716.32	\$ 10,704.90	\$ 29,136.22	\$ 29,136.22	\$ 20,200.00		\$ (8,936.22)

Items Count:

65

Exhibit J



2322 W. Grand Parkway N, Suite 150
Katy, Texas 77449
Tel: 713.777.5337
www.quiddity.com

September 6, 2024

Board of Directors
Harris County Municipal Utility District No. 569
Schwartz, Page & Harding, L.L.P.
1300 Post Oak Boulevard, Suite 2500
Houston, Texas 77056

Re: Engineering Report
Board Meeting of September 9, 2024

Dear Directors:

This report summarizes our activities during the past month:

9a. Authorizing the design, advertisement for bids and/or award of the construction contracts or concurrence in the award of a contract for the construction of water, sanitary sewer, drainage, and/or paving facilities within the District, and authorize acceptance of a Texas Ethics Commission ("TEC") Form 1295, including:

a) **Nothing to report.**

9b. Status of construction contracts, including the approval of any pay estimates, change orders and/or acceptance of facilities for operation and maintenance purposes, and authorize acceptance of TEC Form 1295:

a) Sunterra Section 45 WS&D Facilities:

WS&D Original Contract Amount – \$1,131,062.76

WS&D Revised Contract Amount - \$1,200,674.18

WS&D Contractor: Gonzalez Construction

Pay Estimate No. 3: \$78,490.57

Change Order No. 3: \$2,000.00

i. Contractor is substantially complete and awaiting Harris County inspections.

ii. We did not receive a pay estimate this month.

Action Item: None

b) Sunterra Section 45 Paving Facilities:

Paving Original Contract Amount – \$1,121,906.63

Paving Revised Contract Amount - \$1,119,435.32

Paving Contractor: Durwood Greene Construction Co.

Pay Estimate No. 4: \$35,179.06

Change Order No. 1: -\$2,471.31

i. Contractor is substantially complete and awaiting Harris County inspections.

ii. We did not receive a pay estimate this month.

Action Item: None



QUIDDITY

c) Sunterra Section 51 WS&D Facilities:

WS&D Original Contract Amount – \$445,198.00

Pay Estimate No. 2: \$39,825.00

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: TexaSite, LLC

- i. Contractor is complete. Awaiting acceptance by Harris County.

Action Item: None

d) Sunterra Section 51 Paving Facilities:

Paving Original Contract Amount – \$617,003.50

Pay Estimate No. 3: \$42,219.92

Paving Revised Contract Amount - \$

Change Order No. 1: \$

Paving Contractor: A&M Contractors, Inc.

- i. Contractor is complete. Awaiting acceptance by Harris County.

Action Item: None

e) Sunterra Section 52 WS&D Facilities:

WS&D Original Contract Amount – \$447,164.00

Pay Estimate No. 1: \$377,743.50

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: TexaSite, LLC

- i. Contractor is complete. Awaiting acceptance by Harris County.

Action Item: None

f) Sunterra Section 52 Paving Facilities:

Paving Original Contract Amount – \$684,481.00

Pay Estimate No. 5: \$47,464.08

Paving Revised Contract Amount - \$

Change Order No. 1: -\$91,179.98

Paving Contractor: A&M Contractors, Inc.

- i. Contractor is complete. Awaiting acceptance by Harris County.

Action Item: None

g) Sunterra Section 57 WS&D Facilities:

WS&D Original Contract Amount – \$1,203,342.86

Pay Estimate No. 3: \$985.50

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: Gonzalez Construction Enterprises, Inc.

- i. Contractor is complete. Awaiting inspection by Harris County.
ii. We received Pay Estimate No. 4 in the amount of \$80,149.41 for the Board's approval.

Action Item: Approval of Pay Estimate No. 4

h) Sunterra Section 57 Paving Facilities:

Paving Original Contract Amount – \$659,000.00

Pay Estimate No. 3: \$66,282.17

Paving Revised Contract Amount - \$636,887.15

Change Order No. 1: -\$22,112.85

Paving Contractor: Daco Paving, Inc.

- i. Contractor is complete. Awaiting inspection by Harris County.
ii. We received Pay Estimate No. 4 in the amount of \$20,537.83 for the Board's approval.

Action Item: Approval of Pay Estimate No. 4



i) Sunterra Section 58 WS&D Facilities:

WS&D Original Contract Amount – \$1,198,609.76

Pay Estimate No. 3: \$47,892.35

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: Principal Services, Ltd.

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

j) Sunterra Section 58 Paving Facilities:

Paving Original Contract Amount – \$1,002,000.00

Pay Estimate No. 4: \$42,853.93

Paving Revised Contract Amount - \$963,404.07

Change Order No. 1: \$-38,595.93

Paving Contractor: Daco Paving, Inc.

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

k) Sunterra Section 59 WS&D Facilities:

WS&D Original Contract Amount – \$829,584.45

Pay Estimate No. 2: \$40,549.80

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: Principal Services, Ltd.

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

l) Sunterra Section 59 Paving Facilities:

Paving Original Contract Amount - \$750,247.98

Pay Estimate No. 3: \$4,725.00

Paving Revised Contract Amount - \$727,739.13

Change Order No. 1: \$-22,508.85

Paving Contractor: De Crosta Construction, LLC

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

m) Sunterra Section 60 WS&D Facilities:

WS&D Original Contract Amount – \$845,482.90

Pay Estimate No. 3: \$81,947.31

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: Blazey Construction Services, LLC

- i. Contractor is complete. Awaiting inspection by Harris County.
ii. We received Pay Estimate No. 4 in the amount of \$7,187.70 for the Board's approval.

Action Item: Approval of Pay Estimate No. 4

n) Sunterra Section 60 Paving Facilities:

Paving Original Contract Amount - \$647,165.69

Pay Estimate No. 4: \$18,921.49

Paving Revised Contract Amount - \$

Change Order No. 1: \$

Paving Contractor: Allgood Construction Company, LLC

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None



QUIDDITY

o) Sunterra Section 61 WS&D Facilities:

WS&D Original Contract Amount – \$728,270.20

Pay Estimate No. 3: \$51,402.96

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: A&M Contractors, Inc

- i. Contractor is complete with second stage utilities and testing.

Action Item: None

p) Sunterra Section 61 Paving Facilities:

Paving Original Contract Amount – \$531,374.98

Pay Estimate No. 4: \$2,620.95

Paving Revised Contract Amount - \$

Change Order No. 1: \$

Paving Contractor: Allgood Construction Company, LLC

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

q) Sunterra Section 62 WS&D Facilities:

WS&D Original Contract Amount – \$1,624,000.00

Pay Estimate No. 3: \$134,797.59

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: Fellers & Clark, LP

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

r) Sunterra Section 62 Paving Facilities:

Paving Original Contract Amount – \$1,402,468.41

Pay Estimate No. 2: \$1,187,548.81

Paving Revised Contract Amount - \$

Change Order No. 1: \$

Paving Contractor: De Crosta Construction, LLC

- i. Contractor is complete. Awaiting inspection by Harris County.

Action Item: None

s) Sunterra Section 63 & 64 WS&D Facilities:

WS&D Original Contract Amount – \$1,282,675.20

Pay Estimate No. 1: \$1,036,822.50

WS&D Revised Contract Amount - \$

Change Order No. 1: \$

WS&D Contractor: Texasite, LLC

- i. Contractor is complete with first stage utilities.

Action Item: None

t) Sunterra Section 63 & 64 Paving Facilities:

Paving Original Contract Amount – \$1,116,708.03

Pay Estimate No. 2: \$36,304.70

Paving Revised Contract Amount - \$1,060,273.32

Change Order No. 1: -\$56,434.71

Paving Contractor: Allgood Construction Company, Inc.

- i. Contractor is cutting and stabilizing streets.
- ii. We received Pay Estimate No. 3 in the amount of \$353,502.09 for the Board's approval.

Action Item: Approval of Pay Estimate No. 3



9c. Acceptance of site and/or easement conveyances for facilities constructed or to be constructed for the District:

a) **None**

9d. Review and approval of Stormwater Quality Management Plans related to construction Contracts.

a) **None at this time.**

9e. Status of acceptance by Harris County of Streets for maintenance; authorize any action required in connection therewith.

a) **Sunterra Sec 35:** 1-year inspection has been scheduled for 9.12.24.

b) **Sunterra Sec 37:** 1-year inspection has been scheduled for 9.12.24.

c) **Sunterra Sec 39:** 1-year punchlist has been addressed and reinspection scheduled for 10.10.24. The proposal for \$6,000.00 for the repairs was approved in April 2024.

d) **Sunterra Sec 43:** 1-year inspection has been requested from Harris County.

e) **Sunterra Sec 44:** 1-year inspection has been requested from Harris County.

9f. Review and/or consider rate increase for Engineering services by Quiddity.

a) **Quiddity has reviewed our rate schedule for engineering and surveying services and have proposed an increase from the 2022 rates. Attached are the updated rates being proposed.**

9f. Status of the Summary of Costs for Series 2025 WS&D Bonds and BAN.

a) **2025 WS&D Bond w/ BAN:** We have begun preparing the draft Summary of Cost and bond report. We are awaiting final bond values to complete the full draft.

Should you have any questions or need any additional information, please call.

Sincerely,

Blair M. Bozoarh, PE

Enclosures

cc/enc: Ms. Christina Cole– Schwart, Page & Harding, L.L.P.

BMB/

K:\17166\17166-0900-00 HCMUD No. 569 General Consultation- 2021\Meeting Files\Status Reports\2024\09 - September\HARRIS COUNTY MUD NO. 569 ENGINEERING REPORT.docx



SCHEDULE OF HOURLY RATES
Effective August 2024 - Subject to Revision

ENGINEERING PERSONNEL

Graduate Engineer I	\$130
Graduate Engineer II	\$155
Professional Engineer I	\$185
Professional Engineer II	\$210
Professional Engineer III	\$240
Professional Engineer IV	\$270
Professional Engineer V	\$290
Professional Engineer VI	\$310

ELECTRICAL ENGINEERING PERSONNEL

Electrical Graduate Engineer I	\$140
Electrical Graduate Engineer II	\$165
Electrical Professional Engineer I	\$200
Electrical Professional Engineer II	\$225
Electrical Professional Engineer III	\$255
Electrical Professional Engineer IV	\$285
Electrical Professional Engineer V	\$305

STRUCTURAL ENGINEERING PERSONNEL

Structural Graduate Engineer I	\$135
Structural Graduate Engineer II	\$160
Structural Professional Engineer I	\$190
Structural Professional Engineer II	\$215
Structural Professional Engineer III	\$245
Structural Professional Engineer IV	\$275
Structural Professional Engineer V	\$295

CONSTRUCTION PERSONNEL

Construction Manager I	\$135
Construction Manager II	\$155
Construction Manager III	\$180
Construction Manager IV	\$200
Construction Manager V	\$240
Field Project Representative I	\$ 85
Field Project Representative II	\$105
Field Project Representative III	\$125
Specialist Field Project Representative I	\$140
Specialist Field Project Representative II	\$150
Senior Specialist Field Project Representative	\$165

SPECIALIST

Specialist I	\$125
Specialist II	\$155
Specialist III	\$190
Specialist IV	\$225
Specialist V	\$260

PLANNING PERSONNEL

Planner I	\$110
Planner II	\$150
Planner III	\$190
Planner IV	\$265

DESIGNER/DRAFTING PERSONNEL

CAD Operator I	\$ 85
CAD Operator II	\$105
CAD Operator III	\$125
Designer I	\$140
Designer II	\$155
Designer III	\$175
GIS I	\$100
GIS II	\$135
GIS III	\$165
GIS IV	\$225

SURVEYING PERSONNEL

1-Person Field Crew	\$155
2-Person Field Crew	\$205
3-Person Field Crew	\$250
4-Person Field Crew	\$285
Scanner Equipment	\$110
Survey Technician I	\$105
Survey Technician II	\$115
Project Surveyor I	\$115
Project Surveyor II	\$135
Project Surveyor III	\$155
Project Surveyor IV	\$190
Chief of Survey Crews	\$160
Certified Photogrammetrist	\$190
Remote Pilot I	\$110
Remote Pilot II	\$140
Remote Pilot III	\$180
Visual Observer	\$105
LiDAR Tech	\$115
Aerial Tech	\$100
Registered Professional Land Surveyor	\$215
Survey Manager	\$250

OFFICE PERSONNEL

Engineer's Assistant I	\$ 80
Engineer's Assistant II	\$ 90
Engineer's Assistant III	\$100
Admin I	\$ 80
Admin II	\$100
Admin III	\$130
Project Admin/Accountant	\$140



SCHEDULE OF REIMBURSABLE EXPENSES

Effective August 2024 - Subject to Revision

1. Reproduction performed in office

<u>Size</u>	<u>Black & White</u>	<u>Color</u>
8½ x 11 (single-sided)	\$0.05/page	\$ 0.50/page
8½ x 11 (double-sided)	\$0.15/page	\$ 1.00/page
8½ x 14	\$0.15/page	\$ 0.75/page
11 x 17	\$0.20/page	\$ 1.00/page
<u>Large Document Prints/Plots</u>	<u>Black & White</u>	<u>Color</u>
Bond	\$0.20/sq ft	\$ 1.00/sq ft
Photographic Bond	\$4.00/sq ft	\$ 5.00/sq ft
Mylar (4 mil)	\$2.00/sq ft	\$ 8.00/sq ft

Aerial Backgrounds

All sizes \$5.50/sheet (plus above sq. ft. cost)

2. Transportation (mileage): Standard IRS mileage rate in effect
3. Subcontracts and all other outside expenses and fees: Cost, plus 10% service charge
4. Deliveries, abstracting services, outside reproduction costs, and other reimbursable expenses charged at cost, plus 10%
5. GIS hosting will be charged at \$500/month.
6. Surveying Expenses
 - a. Crew Rates: Includes time charged portal to portal and the first 120 miles of transportation and standard survey equipment
 - b. Special Rental Equipment: Cost, plus 10%
 - c. Stakes: Cost, plus 10% service charge when an excessive number of wooden stakes or any special stakes are required
 - d. Iron Rods and Pipes: Cost, plus 10%
 - e. All-Terrain Vehicle (ATV): \$175/day
 - f. Overnight Stays: \$200/night
 - g. Overtime Rates: Jobs requiring work on weekends or holidays billed at 1.5 times the standard rate
 - h. Sales Tax: To be paid on boundary-related services.
 - i. Abstracting services, and other reimbursable expenses charged at cost, plus 10%

EXHIBIT K



Turn-Key Stormwater Management

Harris County MUD 569

Inspection Date	Section #	Total Inspected	Total Out of Compliance	Builders Out of Compliance per Section
8/12/2024	33	0	0	Open Lots
8/19/2024	33	0	0	Open Lots
8/26/2024	33	0	0	Open Lots
9/2/2024	33	0	0	Open Lots
8/12/2024	35	6	3	Nuway (1) Ashton/Starlight (2)
8/19/2024	35	6	3	Nuway (3)
8/26/2024	35	7	4	Nuway (3) Ashton/Starlight (1)
9/2/2024	35	7	3	Nuway (3)
8/12/2024	36	8	8	Gehan (8)
8/19/2024	36	9	5	Gehan (4) Ashton Woods (1)
8/26/2024	36	12	5	Gehan (4) Ashton Woods (1)
9/2/2024	36	12	5	Gehan (4) Ashton Woods (1)
8/12/2024	38	12	6	Long Lake (6)
8/19/2024	38	11	2	Long Lake (2)
8/26/2024	38	14	0	
9/2/2024	38	9	1	Long Lake (1)
8/12/2024	39	7	1	Lennar (1)
8/19/2024	39	3	0	
8/26/2024	39	2	0	
9/2/2024	39	0	0	open lots
8/12/2024	40	4	1	CastleRock (1)
8/19/2024	40	4	1	CastleRock (1)
8/26/2024	40	3	1	CastleRock (1)
9/2/2024	40	2	0	
8/12/2024	42	11	8	Beazer (8)
8/19/2024	42	11	2	Beazer (2)
8/26/2024	42	10	3	Beazer (3)
9/2/2024	42	10	5	Beazer (5)
8/12/2024	43	8	4	Beazer (4)
8/19/2024	43	8	3	Beazer (3)
8/26/2024	43	8	4	Beazer (4)
9/2/2024	43	5	1	Beazer (1)
8/12/2024	44	7	3	Beazer (3)
8/19/2024	44	5	2	Beazer (2)
8/26/2024	44	5	0	
9/2/2024	44	5	0	



Turn-Key Stormwater Management

Harris County MUD 569

Inspection Date	Section #	Total Inspected	Total Out of Compliance	Builders Out of Compliance per Section
8/12/2024	45	0	0	Open Lots
8/19/2024	45	0	0	Open Lots
8/26/2024	45	0	0	Open Lots
9/2/2024	45	0	0	Open Lots
8/12/2024	51	0	0	Open Lots
8/19/2024	51	0	0	Open Lots
8/26/2024	51	0	0	Open Lots
9/2/2024	51	0	0	Open Lots
8/12/2024	52	0	0	Open Lots
8/19/2024	52	0	0	Open Lots
8/26/2024	52	0	0	Open Lots
9/2/2024	52	0	0	Open Lots

SWPPP Inspections

Harris County MUD 569

Sunterra Subdivision
Inspection Photo's
September 2024 MUD Meeting

Colin Walton, QCIS
Silt Solutions Inc.
8906 Cresting Ridge Dr
Richmond, TX 77406
colin@siltsolutionsinc.com
713-295-0274 cell

 **SILT**
SOLUTIONS, INC. Turn-Key Stormwater Management

Sec 35 Blk 2 Lot 13



Sec 35 Blk 2 Lot 19



Sec 36 Blk 1 Lot 11



Sec 38 Blk 1 Lot 15



Sec 38 Blk 1 Lot 16



Sec 40 Blk 3 Lot 19



Sec 42 Blk 1 Lot 20



Sec 43 Blk 2 Lot 24



Sec 43 Blk 2 Lot 25



Sec 44 Blk 5 Lot 6



Sec 44 Blk 5 Lot 9



Sec 46 Blk 3 Lot 1



Sec 46 Blk 3 Lot 2



Sec 48 Blk 3 Lot 15



Sec 48 Blk 3 Lot 16



Sec 50 Blk 1 Lot 16



Sec 50 Blk 1 Lot 17



Sec 53 Blk 4 Lot 21



EXHIBIT L



Harris County Municipal Utility District No. 569

Landscape Architect Report

September 09, 2024 @ 1:00 pm

11. Landscape Architect Report, including:

b. Status of construction contracts, including the approval of any pay estimates and/or change orders and authorize acceptance of TEC Form 1295; and

i. Sunterra Recreation Center Facility; (KGADD# 299-22-180) LH

Contractor: Millis

Notice to Proceed: 05/22/23

Original Contract Amount: \$8,013,337.95

Contract Days: (360)

Substantial Completion: 07/03/24*

Maintenance Period: (4) months

Previous Pay Applications Approved

Pay Application #1	\$332,330.66	Pay Application #7	\$580,860.04
Pay Application #2	\$373,630.36	Pay Application #8	\$634,533.29
Pay Application #3	\$791,340.87	Pay Application #9	\$556,798.72
Pay Application #4	\$496,345.07	Pay Application #10	\$633,207.29
Pay Application #5	\$646,532.90	Pay Application #11	\$386,688.82
Pay Application #6	\$539,745.37	Pay Application #12	\$850,852.49
Pay Application #13	\$615,179.86	Pay Application #15	\$414,653.69
Pay Application #14	\$ 25,720.71		

Previous Change Orders Approved

Change Order #1	\$78,812.16 (Civil work scope changes, addt'l sidewalk)
Change Order #2	\$23,162.69 (Electrical changes)
Change Order #3	\$19,771.96 (additional 2" HDPE conduit for data sleeves)
Change Order #4	\$26,705.61 (water meter upsize from 2" to 3")
Change Order #5	\$10,328.18 (electrical modification to upgrade the Tap Box)
Change Order #6	\$18,735.07 (Additional Conduit)
Change Order #7	\$6,764.79 (fire lane concrete thickened)
Change Order #8	\$42,815.45 (added canopy & roof for water slide structure)
Change Order #9	\$3,319.49 (bore for electrical at relocated entry monument)
Change Order #10	\$54,562.17 (sod at dog park, add wax myrtles)
Change Order #11	\$29,753.21 (sod, Wax Myrtles, tubular steel fence, gates)

Current Pay Applications Recommended for Board Approval

Pay Application #16 \$13,016.86

Current Change Orders Recommended for Board Approval

None

Job Status

- Project is in Maintenance Period.

APPLICATION AND CERTIFICATION FOR PAYMENT

TO OWNER: HARRIS COUNTY MUD NO 569
Astro Sunterra LP

PROJECT:

Sunterra Recreation Center Facility
Katy, TX 77493

16

Distribution to:

MDC Job No.: 2312
KGADD #:

8/5/2024

☒ OWNER
☒ ARCHITECT
☒ CONTRACTOR

FROM CONTRACTOR: Millis Development & Construction, LLC
931 Pheasant Valley Drive, Suite 200
Missouri City, TX 77489

KGA-DeForest Design, LLC
24275 Katy Freeway, Suite 300
Katy, Texas 77494

8/5/2024

CONTRACT FOR: New Construction

CONTRACT DATE: March 13, 2023

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$ 8,013,337.95
2. Net Change by Change Orders	\$ 314,730.78
3. CONTRACT SUM TO DATE (LINE 1 + 2)	\$ 8,328,068.73
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 8,306,775.80

5. RETAINAGE:	
a. 5 % of Completed Work (Column D + E on G703)	\$ 415,338.79
b. 5 % of Stored Material (Column F on G703)	\$
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$ 415,338.79

6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$ 7,891,437.01
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7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from Prior Certificate)	\$ 7,878,420.15
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8. CURRENT PAYMENT DUE	\$ 13,016.86
------------------------	--------------

9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 Less Line 6)	\$ 436,631.72
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CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$ 284,977.57	\$
Total approved this Month	\$ 29,753.21	\$
TOTALS	\$ 314,730.78	\$
NET CHANGES by Change Order	\$	\$ 314,730.78

CONTRACTOR: Millis Development & Construction, LLC.

By: Richard Baca
Project Manager

8/5/2024

State of Texas
County of: Fort Bend
Subscribed and sworn to before me on:
Notary Public:
My Commission expires:



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 13,016.86

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified).
ARCHITECT:

By: Lacy Jamison Date: 08/14/2024

29753.21 This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET													
AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing													
Contractor's signed Certification is attached													
In tabulations below, amounts are stated to the nearest dollar.													
Use Column 1 on Contracts where variable retainage for line items may apply													
PROJECT: Sunterra Recreation Center Facility													
Application No: 16													
Application Date: 8/5/2024													
ITEM NO.	DESCRIPTION OF WORK	Unit Type	Unit Qty	Unit Price	SCHEDULED	Previous Units	D FROM PREVIOUS APPLICATIONS	E THIS PERIOD	F MATERIALS PRESENTLY STORED	G TOTAL COMPLETED AND STORED TO DATE	PERCENT %	H BALANCE TO FINISH	I RETAINAGE 5%
General Conditions													
1	Maintenance	MO	4	\$ 6,263.66	\$ 25,054.64	1	\$ 6,263.66	1	\$ 6,263.66	\$ -	\$ 12,527.32	\$ 50%	\$ 626.37
2	Mobilization / Site Prep	LS	1	\$ 153,946.03	\$ 153,946.03	1	\$ 153,946.03		\$ -	\$ 153,946.03	100%	\$ -	\$ 7,697.30
3	Payment and Performance Bonds	LS	1	\$ 68,694.47	\$ 68,694.47	1	\$ 68,694.47		\$ -	\$ 68,694.47	100%	\$ -	\$ 3,434.72
4	Permits and Inspection	LS	1	\$ 12,659.45	\$ 12,659.45	1	\$ 12,659.45		\$ -	\$ 12,659.45	100%	\$ -	\$ 632.97
5	SWPPP Controls (Complete, Install, Maintenance, and Removal)	LS	1	\$ 17,494.30	\$ 17,494.30	1	\$ 17,494.30		\$ -	\$ 17,494.30	100%	\$ -	\$ 874.72
SUBTOTAL GENERAL CONDITIONS					\$ 277,848.89		\$ 259,057.91		\$ 6,263.66	\$ -	\$ 265,321.57	95%	\$ 13,285.08
Softscape(Outside Pool Fence)													
1	Live Oak - 65 Gal	EA	19	\$ 987.00	\$ 18,753.00	19	\$ 18,753.00		\$ -	\$ 18,753.00	100%	\$ -	\$ 937.65
2	Monterey Oak - 65 Gal	EA	19	\$ 980.67	\$ 18,632.73	19	\$ 18,632.73		\$ -	\$ 18,632.73	100%	\$ -	\$ 931.64
3	Mexican Sycamore - 65 Gal	EA	22	\$ 949.04	\$ 20,878.88	22	\$ 20,878.88		\$ -	\$ 20,878.88	100%	\$ -	\$ 1,043.94
4	Shumard Oak - 65 Gal	EA	13	\$ 980.67	\$ 12,748.71	13	\$ 12,748.71		\$ -	\$ 12,748.71	100%	\$ -	\$ 637.44
5	Loblolly Pine - 65 Gal	EA	46	\$ 980.67	\$ 45,110.82	46	\$ 45,110.82		\$ -	\$ 45,110.82	100%	\$ -	\$ 2,255.54
6	Bald Cypress - 65 Gal	EA	13	\$ 980.67	\$ 12,748.71	13	\$ 12,748.71		\$ -	\$ 12,748.71	100%	\$ -	\$ 637.44
7	Grape Myrtle 'Natchez' - 65 Gal	EA	36	\$ 949.04	\$ 34,165.44	36	\$ 34,165.44		\$ -	\$ 34,165.44	100%	\$ -	\$ 1,708.27
8	Nellie R Stevens Holly - 65 Gal	EA	15	\$ 1,050.27	\$ 15,754.05	15	\$ 15,754.05		\$ -	\$ 15,754.05	100%	\$ -	\$ 787.70
9	Saucer Magnolia - 45 Gal	EA	30	\$ 771.89	\$ 23,156.70	30	\$ 23,156.70		\$ -	\$ 23,156.70	100%	\$ -	\$ 1,157.84
10	Loropetalum - 5 Gal	EA	45	\$ 26.57	\$ 1,195.65	45	\$ 1,195.65		\$ -	\$ 1,195.65	100%	\$ -	\$ 59.78
11	Adagio Grass - 3 Gal	EA	264	\$ 26.57	\$ 5,420.28	204	\$ 5,420.28		\$ -	\$ 5,420.28	100%	\$ -	\$ 271.01
12	Cassia Grass - 3 Gal	EA	266	\$ 26.57	\$ 7,099.02	266	\$ 7,099.02		\$ -	\$ 7,099.02	100%	\$ -	\$ 379.85
13	Knockout Rose - 3 Gal	EA	32	\$ 41.76	\$ 1,336.32	32	\$ 1,336.32		\$ -	\$ 1,336.32	100%	\$ -	\$ 66.82
14	Red Drift Rose - 3 Gal	EA	268	\$ 41.78	\$ 11,191.68	268	\$ 11,191.68		\$ -	\$ 11,191.68	100%	\$ -	\$ 559.58
15	Sunshine Ligustrum - 3 Gal	EA	177	\$ 43.02	\$ 7,614.54	177	\$ 7,614.54		\$ -	\$ 7,614.54	100%	\$ -	\$ 380.73
16	Abelia - 3 Gal	EA	161	\$ 26.57	\$ 4,277.77	161	\$ 4,277.77		\$ -	\$ 4,277.77	100%	\$ -	\$ 212.56
17	Carissa Holly - 3 Gal	EA	160	\$ 26.57	\$ 4,251.20	160	\$ 4,251.20		\$ -	\$ 4,251.20	100%	\$ -	\$ 213.89
18	'New Gold' Lantana - 1 Gal	EA	629	\$ 13.92	\$ 8,755.68	629	\$ 8,755.68		\$ -	\$ 8,755.68	100%	\$ -	\$ 437.78
19	Var. Flax Lily - 1 Gal	EA	584	\$ 13.92	\$ 8,151.68	504	\$ 7,015.68		\$ -	\$ 7,015.68	100%	\$ -	\$ 350.78
20	Big Blue Linope - 1 Gal	EA	652	\$ 10.12	\$ 6,598.24	652	\$ 6,598.24		\$ -	\$ 6,598.24	100%	\$ -	\$ 328.91
21	Sandy Leaf Fig Ivy - 1 Gal	EA	56	\$ 15.18	\$ 850.08	56	\$ 850.08		\$ -	\$ 850.08	100%	\$ -	\$ 42.50
22	Seasonal Color - 4" Pot	SF	822	\$ 2.53	\$ 2,079.66	822	\$ 2,079.66		\$ -	\$ 2,079.66	100%	\$ -	\$ 103.98
23	Fine Grade and Hydromulch	SF	288,000	\$ 0.13	\$ 34,840.00	134,000	\$ 17,420.00		\$ -	\$ 17,420.00	50%	\$ 17,420.00	\$ 871.00
24	Overseeding (One Application)	SF	288,000	\$ 0.09	\$ 24,120.00		\$ -		\$ -	\$ -	0%	\$ 24,120.00	\$ -
25	Landscape Builders	TONS	22	\$ 440.35	\$ 9,687.70	22	\$ 9,687.70		\$ -	\$ 9,687.70	100%	\$ -	\$ 484.39
26	Bermuda Sod	SY	4,350	\$ 8.22	\$ 35,757.00	4350	\$ 35,757.00		\$ -	\$ 35,757.00	100%	\$ -	\$ 1,787.85
27	Irrigation System (Complete & Operable)	LS	1	\$ 289,597.31	\$ 289,597.31	1	\$ 289,597.31		\$ -	\$ 289,597.31	100%	\$ -	\$ 14,479.87
28	Water Meters and Tap Fees	LS	1	\$ 9,554.45	\$ 9,554.45	1	\$ 9,554.45		\$ -	\$ 9,554.45	100%	\$ -	\$ 477.72
SUBTOTAL SOFTSCAPE(OUTSIDE POOL FENCE)					\$ 673,691.30		\$ 632,151.30		\$ -	\$ 632,151.30	94%	\$ 41,540.00	\$ 31,607.57
Hardscape(Outside Pool Fence)													
1	Underground Drainage	LS	1	\$ 470,647.05	\$ 470,647.05	1	\$ 470,647.05		\$ -	\$ 470,647.05	100%	\$ -	\$ 23,532.35
2	Rough Grading	LS	1	\$ 124,319.11	\$ 124,319.11	1	\$ 124,319.11		\$ -	\$ 124,319.11	100%	\$ -	\$ 6,215.96
3	2" HDPE Sleeves (future camera locations)	LF	750	\$ 25.26	\$ 18,945.00	750	\$ 18,945.00		\$ -	\$ 18,945.00	100%	\$ -	\$ 947.25
4	Site Electrical Connection / Service (Operational)	LS	1	\$ 83,529.13	\$ 83,529.13	1	\$ 83,529.13		\$ -	\$ 83,529.13	100%	\$ -	\$ 4,176.46
5	Site Lighting and Electrical (Operational)	LS	1	\$ 191,098.56	\$ 191,098.56	1	\$ 191,098.56		\$ -	\$ 191,098.56	100%	\$ -	\$ 9,554.93
6	(Conduit, Fixtures, Third Party Inspection, etc.)	LS	1	\$ -	\$ -		\$ -		\$ -	\$ -	-	\$ -	\$ -
7	Sanitary Connection to Restroom Pavilion	LS	1	\$ 44,682.02	\$ 44,682.02	1	\$ 44,682.02		\$ -	\$ 44,682.02	100%	\$ -	\$ 2,234.10
8	Water Connection to Restroom Pavilion	LS	1	\$ 12,287.93	\$ 12,287.93	1	\$ 12,287.93		\$ -	\$ 12,287.93	100%	\$ -	\$ 614.40
9	ADA Parking Signage	LS	4	\$ 173.70	\$ 694.80	4	\$ 694.80		\$ -	\$ 694.80	100%	\$ -	\$ 34.74
10	Ramps at Parking Lot Driveway	EA	6	\$ 1,515.89	\$ 9,095.34	6	\$ 9,095.34		\$ -	\$ 9,095.34	100%	\$ -	\$ 454.77

AN DOCUMENT Q766 PROJECT: **SUNBELT NUCLEARON CARTRIDGE FACILITY**

Application No: 16

Application No: 18

Application Date: 8/5/2024

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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Page 3 of 9

CONTINUATION SHEET												
AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing												
Contractor's signed Certification is attached												
In tabulations below, amounts are stated to the nearest dollar.												
Use Column 1 on Contracts where variable retainage for line items may apply												
A	B		C		D	E	F	G	H	I		
ITEM NO.	DESCRIPTION OF WORK	Unit Qty	Unit Price	SCHEDULED	Previous Units	WORK COMPLETED FROM PREVIOUS APPLICATIONS	Current Quantity	THIS PERIOD	MATERIALS PRESENTLY STORED	TOTAL COMPLETED AND STORED TO DATE	PERCENT %	BALANCE TO FINISH
63	Dog Park Drinking Fountain	EA	2	\$ 5,324.51	\$ 10,649.02	2	\$	10,649.02	\$	\$ 10,649.02	100%	\$ 532.45
64	Dog Park Trash Receptacle	EA	2	\$ 2,235.80	\$ 4,471.60	2	\$	4,471.60	\$	\$ 4,471.60	100%	\$ 223.58
65	Dog Park Pet Waste Station	EA	2	\$ 566.72	\$ 1,113.44	2	\$	1,113.44	\$	\$ 1,113.44	100%	\$ 56.67
66	Dog Park Agility Equipment (small dog area)	LS	1	\$ 15,199.02	\$ 15,199.02	1	\$	15,199.02	\$	\$ 15,199.02	100%	\$ 759.95
67	Dog Park Agility Equipment (large dog area)	LS	1	\$ 14,549.39	\$ 14,549.39	1	\$	14,549.39	\$	\$ 14,549.39	100%	\$ 727.47
68	Dog Park Colored Concrete	SF	1426	\$ 14.59	\$ 20,805.34	1426	\$	20,805.34	\$	\$ 20,805.34	100%	\$ 1,040.27
69	Tennis Court Canilivered Shade Structure	EA	1	\$ 36,270.12	\$ 36,270.12	1	\$	36,270.12	\$	\$ 36,270.12	100%	\$ 1,813.51
70	Tennis Courts w/ Lighting - Turnkey	EA	1	\$ 324,857.83	\$ 324,857.83	1	\$	324,857.83	\$	\$ 324,857.83	100%	\$ 16,242.89
71	6" Tubular Steel Fence at Cul-de-sac	LF	150	\$ 101.44	\$ 15,216.00		\$		\$	\$ -	0%	\$ 15,216.00
72	6" Tubular Steel Double Gate at Cul-de-sac(including hardware)	LS	1	\$ 8,364.20	\$ 8,364.20		\$		\$	\$ -	0%	\$ 8,364.20
73	Trash Receptacle	EA	11	\$ 2,053.71	\$ 22,590.81	11	\$	22,590.81	\$	\$ 22,590.81	100%	\$ 1,129.54
74	Drinking Fountain	EA	1	\$ 5,324.51	\$ 5,324.51	1	\$	5,324.51	\$	\$ 5,324.51	100%	\$ 266.23
75	6' Bench (Model 506-60TX)	EA	10	\$ 2,451.57	\$ 24,515.70	10	\$	24,515.70	\$	\$ 24,515.70	100%	\$ 1,225.79
76	Concrete Bench Pad	SF		\$	\$		\$		\$	\$ -		\$ -
77	Ping Pong Table	EA	1	\$ 42,340.55	\$ 42,340.55	1	\$	42,340.55	\$	\$ 42,340.55	100%	\$ 2,117.03
78	Footcandle Table	EA	1	\$ 13,103.95	\$ 13,103.95	1	\$	13,103.95	\$	\$ 13,103.95	100%	\$ 655.20
79	Corneola Boards	EA	4	\$ 1,431.43	\$ 5,725.72	4	\$	5,725.72	\$	\$ 5,725.72	100%	\$ 286.29
80	Teardrop Swings (installed)	EA	4	\$ 8,588.31	\$ 34,345.24	3	\$	25,759.93	\$	\$ 25,759.93	75%	\$ 1,287.95
81	Grill w/ concrete pad	EA	2	\$ 627.97	\$ 1,255.94	2	\$	1,255.94	\$	\$ 1,255.94	100%	\$ 62.80
82	ADA Picnic Table (Model 286-42-30TX/5-2)	EA	4	\$ 3,591.35	\$ 14,365.40	4	\$	14,365.40	\$	\$ 14,365.40	100%	\$ 718.27
83	Picnic Table (Model 286-42-40TX)	EA	9	\$ 4,321.10	\$ 38,889.90	9	\$	38,889.90	\$	\$ 38,889.90	100%	\$ 1,944.50
84	Picnic Table (Model 288-60TX)	EA	6	\$ 5,032.48	\$ 30,194.76	6	\$	30,194.76	\$	\$ 30,194.76	100%	\$ 1,509.74
85	ADA Picnic Table (Model 288-60-2TX)	EA	1	\$ 5,244.69	\$ 5,244.69	1	\$	5,244.69	\$	\$ 5,244.69	100%	\$ 262.23
86	Bike Rack (Model 293-00S-2)	EA	4	\$ 526.94	\$ 2,107.76	4	\$	2,107.76	\$	\$ 2,107.76	100%	\$ 105.39
87	Misc. Site Work Allowance	LS	1	\$ 15,000.00	\$ 15,000.00	1	\$	15,000.00	\$	\$ 15,000.00	100%	\$ 750.00
SUBTOTAL HARDSCAPE(OUTSIDE POOL FENCE)				\$	\$ 3,523,730.87		\$	\$ 3,459,044.53	\$	\$ 3,459,044.53	98%	\$ 64,686.34
Pool/Lazy River Softscape												
1	Nellie R Stevens Holly - 65 Gal.	EA	13	\$ 1,202.12	\$ 15,627.56	13	\$	15,627.56	\$	\$ 15,627.56	100%	\$ 781.38
2	Loropetalum - 5 Gal.	EA	9	\$ 44.29	\$ 398.61	9	\$	398.61	\$	\$ 398.61	100%	\$ 19.93
3	Adagio Grass - 3 Gal.	EA	15	\$ 37.96	\$ 569.40	15	\$	569.40	\$	\$ 569.40	100%	\$ 28.47
4	Cassian Grass - 3 Gal.	EA	27	\$ 37.96	\$ 1,024.92	27	\$	1,024.92	\$	\$ 1,024.92	100%	\$ 51.25
5	Sunshine Ligustrum - 3 Gal.	EA	66	\$ 56.94	\$ 3,758.04	66	\$	3,758.04	\$	\$ 3,758.04	100%	\$ 187.90
6	Carissa Holly - 3 Gal.	EA	48	\$ 37.96	\$ 1,822.08	48	\$	1,822.08	\$	\$ 1,822.08	100%	\$ 91.10
7	Butterfly Iris - 1 Gal.	EA	115	\$ 22.78	\$ 2,619.70	115	\$	2,619.70	\$	\$ 2,619.70	100%	\$ 130.99
8	Var. Flax Lily - 1 Gal.	EA	100	\$ 22.78	\$ 2,278.00	100	\$	2,278.00	\$	\$ 2,278.00	100%	\$ 113.90
9	Landscape Boulders	TON	7	\$ 949.04	\$ 6,643.28	7	\$	6,643.28	\$	\$ 6,643.28	100%	\$ 332.16
10	Irrigation System (Complete & Operable)	LS	1	\$ 22,565.61	\$ 22,565.61	1	\$	22,565.61	\$	\$ 22,565.61	100%	\$ 1,128.28
SUBTOTAL POOL/LAZY RIVER SOFTSCAPE				\$	\$ 57,307.20		\$	\$ 57,307.20	\$	\$ 57,307.20	100%	\$ 2,865.36

CONTINUATION SHEET													
AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing													
Contractor's signed Certification is attached													
In tabulations below, amounts are stated to the nearest dollar.													
Use Column 1 on Contracts where variable retainage for line items may apply													
A	B	C	D	E	F	G	H	I					
ITEM NO.	DESCRIPTION OF WORK	Unit Type	Unit Qty	Unit Price	SCHEDULED	Previous Units	FROM PREVIOUS APPLICATIONS	WORK COMPLETED THIS PERIOD	MATERIALS PRESENTLY STORED	TOTAL COMPLETED AND STORED TO DATE	PERCENT %	BALANCE TO FINISH	RETAINAGE 5%
Pool/Lazy River Hardscape													
1	Site Lighting and Electrical (Operational)	LS	1	\$ 165,710.68	\$ 165,710.68	1	\$ 165,710.68	\$ -	\$ -	\$ 165,710.68	100%	\$ -	\$ 8,285.53
2	(Conduit, Fittings, Third Party Inspection, etc.)			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
3	Restroom Cube (including connections)	LS	1	\$ 165,703.91	\$ 165,703.91	1	\$ 165,703.91	\$ -	\$ -	\$ 165,703.91	100%	\$ -	\$ 8,285.20
4	Lazy River Equipment Enclosure Slab	LS	1	\$ 17,015.82	\$ 17,015.82	1	\$ 17,015.82	\$ -	\$ -	\$ 17,015.82	100%	\$ -	\$ 850.79
5	Lazy River Equipment Enclosure Walls (w/ community name)	LF	140	\$ 328.10	\$ 45,934.00	140	\$ 45,934.00	\$ -	\$ -	\$ 45,934.00	100%	\$ -	\$ 2,296.70
6	Lazy River Equipment Enclosure 8' Ht. Louvered Gates	EA	3	\$ 2,463.32	\$ 7,389.96	3	\$ 7,389.96	\$ -	\$ -	\$ 7,389.96	100%	\$ -	\$ 369.50
7	Lazy River Equipment Enclosure Shade Structures	LS	1	\$ 107,851.00	\$ 107,851.00	1	\$ 107,851.00	\$ -	\$ -	\$ 107,851.00	100%	\$ -	\$ 5,392.55
8	Electrical Connection to Lazy River Equipment Enclosure	LS	1	\$ 23,282.75	\$ 23,282.75	1	\$ 23,282.75	\$ -	\$ -	\$ 23,282.75	100%	\$ -	\$ 1,164.14
9	Water Connection to Lazy River Equipment Enclosure	LS	1	\$ 10,087.40	\$ 10,087.40	1	\$ 10,087.40	\$ -	\$ -	\$ 10,087.40	100%	\$ -	\$ 504.37
10	Storm Connection to Lazy River Equipment Enclosure	LS	1	\$ 2,526.47	\$ 2,526.47	1	\$ 2,526.47	\$ -	\$ -	\$ 2,526.47	100%	\$ -	\$ 126.32
11	911 Pool Phone	EA	1	\$ 1,515.88	\$ 1,515.88	1	\$ 1,515.88	\$ -	\$ -	\$ 1,515.88	100%	\$ -	\$ 75.79
12	8' Ht. Ameristar Fencing	LF	720	\$ 140.81	\$ 101,383.20	720	\$ 101,383.20	\$ -	\$ -	\$ 101,383.20	100%	\$ -	\$ 5,069.16
13	8' Ht. Ameristar Pedestrian Gate (including access control)	EA	2	\$ 5,568.36	\$ 11,136.72	2	\$ 11,136.72	\$ -	\$ -	\$ 11,136.72	100%	\$ -	\$ 556.84
14	Access Control Hardware Allowance	LS	1	\$ 6,500.00	\$ 6,500.00	1	\$ 6,500.00	\$ -	\$ -	\$ 6,500.00	100%	\$ -	\$ 325.00
15	Lazy River Pump Enclosure (including CMU walls & pin mounted lettering)	EA	5	\$ 1,894.66	\$ 9,474.30	5	\$ 9,474.30	\$ -	\$ -	\$ 9,474.30	100%	\$ -	\$ 473.72
16	Pool Shade Structure (15'x38' steelwork monoslope)	EA	1	\$ 49,026.66	\$ 49,026.66	1	\$ 49,026.66	\$ -	\$ -	\$ 49,026.66	100%	\$ -	\$ 2,451.33
17	Pool Shade Structure Column Cladding	EA	6	\$ 1,289.16	\$ 7,734.96	6	\$ 7,734.96	\$ -	\$ -	\$ 7,734.96	100%	\$ -	\$ 386.75
18	Lazy River Bridge	EA	1	\$ 28,376.13	\$ 28,376.13	1	\$ 28,376.13	\$ -	\$ -	\$ 28,376.13	100%	\$ -	\$ 1,418.81
19	Pool Decking	SF	18622	\$ 11.25	\$ 209,497.50	18622	\$ 209,497.50	\$ -	\$ -	\$ 209,497.50	100%	\$ -	\$ 10,474.88
20	Pool Tower Shower (complete and operable w/ drain and water supply) 565 SM ADA SHOWER	EA	1	\$ 7,620.26	\$ 7,620.26	1	\$ 7,620.26	\$ -	\$ -	\$ 7,620.26	100%	\$ -	\$ 381.01
21	Pool Inner Tube Corral	EA	3	\$ 1,016.38	\$ 3,049.14		\$ -	\$ -	\$ -	\$ -	0%	\$ 3,049.14	\$ -
22	Pool	LS	1	\$ 565,362.17	\$ 565,362.17	1.00	\$ 565,362.17	\$ -	\$ -	\$ 565,362.17	100%	\$ -	\$ 28,268.11
23	Lazy River	LS	1	\$ 768,573.84	\$ 768,573.84	1.00	\$ 768,573.84	\$ -	\$ -	\$ 768,573.84	100%	\$ -	\$ 38,428.69
24	Water Slide (complete and operable)	LS	1	\$ 183,073.57	\$ 183,073.57	1.00	\$ 183,073.57	\$ -	\$ -	\$ 183,073.57	100%	\$ -	\$ 9,153.68
25	Vortex Splash Equipment (in pool area complete and operable)	LS	1	\$ 125,314.01	\$ 125,314.01	1.00	\$ 125,314.01	\$ -	\$ -	\$ 125,314.01	100%	\$ -	\$ 6,265.70
26	3' Wide River Rock Band at Lazy River	LF	110	\$ 75.79	\$ 8,336.90	110.00	\$ 8,336.90	\$ -	\$ -	\$ 8,336.90	100%	\$ -	\$ 416.85
27	Triangle Fabric Shade Structures	LS	1	\$ 129,383.22	\$ 129,383.22	1.00	\$ 129,383.22	\$ -	\$ -	\$ 129,383.22	100%	\$ -	\$ 6,469.16
28	Synthetic Turf	SF		\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
29	Hammocks (installed w/ posts)	EA	4	\$ 3,795.21	\$ 15,180.84	4	\$ 15,180.84	\$ -	\$ -	\$ 15,180.84	100%	\$ -	\$ 759.04
30	Trash Receptacle	EA	4	\$ 2,340.26	\$ 9,361.04	4	\$ 9,361.04	\$ -	\$ -	\$ 9,361.04	100%	\$ -	\$ 468.05
SUBTOTAL POOL/LAZY RIVER HARDSCAPE					\$ 2,785,402.33		\$ 2,782,353.19	\$ -	\$ -	\$ 2,782,353.19	100%	\$ 3,049.14	\$ 139,117.66
Package 2 Restroom Pavilion													
1	Temporary Enclosures	LS	1	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
2	Final Clean	LS	1	\$ 1,392.25	\$ 1,392.25	1	\$ 1,392.25	\$ -	\$ -	\$ 1,392.25	100%	\$ -	\$ 69.61
3	Layout & Equipment	LS	1	\$ 1,768.53	\$ 1,768.53	1	\$ 1,768.53	\$ -	\$ -	\$ 1,768.53	100%	\$ -	\$ 88.43
4	Concrete Equipment	LS	1	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
5	Cast in Place Concrete	LS	1	\$ 74,076.71	\$ 74,076.71	1	\$ 74,076.71	\$ -	\$ -	\$ 74,076.71	100%	\$ -	\$ 3,703.84
6	Masonry	LS	1	\$ 499.56	\$ 499.56	1	\$ 499.56	\$ -	\$ -	\$ 499.56	100%	\$ -	\$ 24.98
7	Stone	LS	1	\$ 16,287.74	\$ 16,287.74	1	\$ 16,287.74	\$ -	\$ -	\$ 16,287.74	100%	\$ -	\$ 814.39
8	Steel Fabrication	LS	1	\$ 681.55	\$ 681.55	1	\$ 681.55	\$ -	\$ -	\$ 681.55	100%	\$ -	\$ 34.08
9	Steel Erection	LS	1	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
10	Misc. Metals	LS	1	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
11	Rough Carpentry	LS	1	\$ 179,700.30	\$ 179,700.30	1	\$ 179,700.30	\$ -	\$ -	\$ 179,700.30	100%	\$ -	\$ 8,985.02
12	Timber Framed Carpentry	LS	1	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -

Application No: 16
Application Date: 8/5/2024

Contractor's signed Certification is attached
In tabulations below, amounts are stated to the nearest dollar,
Use Column 1 on Contracts where variable retainage for line items may apply

A	B	C	D	E	F	G	H	I					
ITEM NO.	DESCRIPTION OF WORK	Unit Qty	Unit Price	SCHEDULED	Previous Units	WORK COMPLETED FROM PREVIOUS APPLICATIONS	Current Quantity	THIS PERIOD	MATERIALS PRESENTLY STORED	TOTAL COMPLETED AND STORED TO DATE	PERCENT %	BALANCE TO FINISH	RETAINAGE %
12	Fixed Ladder	LS 1	\$ 3,144.09	\$ 3,144.09	1	\$ 3,144.09		\$ -	\$ -	\$ 3,144.09	100%	\$ -	\$ 157.20
13	Building Insulation	LS 1	\$ 10,004.86	\$ 10,004.86	1	\$ 10,004.86		\$ -	\$ -	\$ 10,004.86	100%	\$ -	\$ 500.24
14	Metal Wall Panels	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
15	Standing Seam Metal Roofing & Accessories	LS 1	\$ 75,229.53	\$ 75,229.53	1	\$ 75,229.53		\$ -	\$ -	\$ 75,229.53	100%	\$ -	\$ 3,761.48
16	Wood Siding	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
17	Door / Hardware Installation	LS 1	\$ 12,439.61	\$ 12,439.61	1	\$ 12,439.61		\$ -	\$ -	\$ 12,439.61	100%	\$ -	\$ 621.98
18	Door Hardware	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
19	Sectional Doors	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
20	Stairfronts	LS 1	\$ 41,407.92	\$ 41,407.92	1	\$ 41,407.92		\$ -	\$ -	\$ 41,407.92	100%	\$ -	\$ 2,070.40
21	Glass and Glazing	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
22	Louvers and Vents	LS 1	\$ 1,030.41	\$ 1,030.41	1	\$ 1,030.41		\$ -	\$ -	\$ 1,030.41	100%	\$ -	\$ 51.52
23	Gypsum	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
24	Rubber Base	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
25	Ceramic Tile	LS 1	\$ 21,404.31	\$ 21,404.31	1	\$ 21,404.31		\$ -	\$ -	\$ 21,404.31	100%	\$ -	\$ 1,070.22
26	Flooring Preparation	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
27	Flooring Protection	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
28	Concrete Floor Sealer	LS 1	\$ 2,899.41	\$ 2,899.41	1	\$ 2,899.41		\$ -	\$ -	\$ 2,899.41	100%	\$ -	\$ 144.97
29	Aluminum Canopies	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
30	Painting	LS 1	\$ 68,790.93	\$ 68,790.93	1	\$ 68,790.93		\$ -	\$ -	\$ 68,790.93	100%	\$ -	\$ 3,439.55
31	Signage and Graphics	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
32	Teller Accessories	LS 1	\$ 25,821.86	\$ 25,821.86	1	\$ 25,821.86		\$ -	\$ -	\$ 25,821.86	100%	\$ -	\$ 1,291.09
33	Fire Extinguishers	LS 1	\$ 275.81	\$ 275.81	1	\$ 275.81		\$ -	\$ -	\$ 275.81	100%	\$ -	\$ 13.79
34	Plumbing	LS 1	\$ 81,352.57	\$ 81,352.57	1	\$ 81,352.57		\$ -	\$ -	\$ 81,352.57	100%	\$ -	\$ 4,067.63
35	HVAC	LS 1	\$ 54,887.73	\$ 54,887.73	1	\$ 54,887.73		\$ -	\$ -	\$ 54,887.73	100%	\$ -	\$ 2,744.39
36	Testing and Balancing	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
37	HVAC Filter Changes	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
38	Electrical	LS 1	\$ 29,598.95	\$ 29,598.95	1	\$ 29,598.95		\$ -	\$ -	\$ 29,598.95	100%	\$ -	\$ 1,479.95
39	Lighting	LS 1	\$ 78,301.03	\$ 78,301.03	1	\$ 78,301.03		\$ -	\$ -	\$ 78,301.03	100%	\$ -	\$ 3,915.05
40	Access Control	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
41	Fire Detection / Alarm	LS 1	\$ 14,871.57	\$ 14,871.57	1	\$ 14,871.57		\$ -	\$ -	\$ 14,871.57	100%	\$ -	\$ 743.58
42			\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
SUBTOTAL PACKAGE 2 RESTROOM PAVILION				\$ 795,867.23		\$ 795,867.23		\$ -	\$ -	\$ 795,867.23	100%	\$ -	\$ 39,793.36
GRAND TOTAL BASE BID				\$ 8,113,847.82		\$ 7,996,781.36		\$ -	\$ -	\$ 7,992,045.02		\$ 121,802.80	
Alternate Items													
A1	Alternate #1: Broom Finish Concrete in lieu of Sundek paving	SF 18453	\$ (4.79)	\$ (88,389.87)		\$ -		\$ -	\$ -	\$ -	0%	\$ (88,389.87)	\$ -
SUBTOTAL ALTERNATE ITEMS				\$ (88,389.87)		\$ -		\$ -	\$ -	\$ -	0%	\$ (88,389.87)	\$ -
A2	Alternate #2: Coordination w building / clubhouse contractor	LS 1	\$ -	\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
SUBTOTAL ALTERNATE #2: COORDINATION W BUILDING / CLUBHOUSE CONTRACTOR				\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
A3	Alternate #3: vs Light Fixtures	LS 1	\$ (12,120.00)	\$ (12,120.00)		\$ -		\$ -	\$ -	\$ -	0%	\$ (12,120.00)	\$ -
SUBTOTAL ALTERNATE #3: COORDINATION W BUILDING / CLUBHOUSE CONTRACTOR				\$ (12,120.00)		\$ -		\$ -	\$ -	\$ -	0%	\$ (12,120.00)	\$ -
001	Owner Change Order # 001	LS 1	\$ 78,812.16	\$ 78,812.16	1	\$ 78,812.16		\$ -	\$ -	\$ 78,812.16	100%	\$ -	\$ 3,940.61
SUBTOTAL OWNER CHANGE ORDER # 001				\$ 78,812.16		\$ 78,812.16		\$ -	\$ -	\$ 78,812.16	100%	\$ -	\$ 3,940.61

CONTINUATION SHEET														
AIA Document G703 APPLICATION AND CERTIFICATE FOR PAYMENT, containing														
Contractor's signed Certification is attached														
In tabulations below, amounts are stated to the nearest dollar.														
Use Column 1 on Contracts where variable retainage for line items may apply														
PROJECT: Sunterra Recreation Center Facility														
Application No: 16														
Application Date: 8/5/2024														
A	B	C	D	E	F	G	H	I	J	K	L	M		
ITEM NO.	DESCRIPTION OF WORK	Unit Type	Unit Qty	Unit Price	SCHEDULED	Previous Units	FROM PREVIOUS APPLICATIONS	Current Quantity	THIS PERIOD	MATERIALS PRESENTLY STORED	TOTAL COMPLETED AND STORED TO DATE	PERCENT %	BALANCE TO FINISH	RETAINAGE 5%
002	Owner Change Order # 002 - Electrical Changes IFC	LS	1	\$ 23,162.69	\$ 23,162.69	1	\$ 23,162.69	\$ 23,162.69	\$ 23,162.69	\$ 23,162.69	\$ 23,162.69	100%	\$ -	\$ 1,158.13
	SUBTOTAL OWNER CHANGE ORDER # 002 - ELECTRICAL CHANGES IFC				\$ 23,162.69		\$ 23,162.69		\$ -	\$ -	\$ 23,162.69	100%	\$ -	\$ 1,158.13
003	Owner Change Order # 003 - Data Sleeves	LS	1	\$ 19,771.96	\$ 19,771.96	1	\$ 19,771.96	\$ 19,771.96	\$ 19,771.96	\$ 19,771.96	\$ 19,771.96	100%	\$ -	\$ 988.60
	SUBTOTAL OWNER CHANGE ORDER # 003 - DATA SLEEVES				\$ 19,771.96		\$ 19,771.96		\$ -	\$ -	\$ 19,771.96	100%	\$ -	\$ 988.60
004	Owner Change Order # 004 - 3in WATER METER	LS	1	\$ 26,705.61	\$ 26,705.61	1	\$ 26,705.61	\$ 26,705.61	\$ 26,705.61	\$ 26,705.61	\$ 26,705.61	100%	\$ -	\$ 1,335.28
	SUBTOTAL OWNER CHANGE ORDER # 004 - 3IN WATER METER				\$ 26,705.61		\$ 26,705.61		\$ -	\$ -	\$ 26,705.61	100%	\$ -	\$ 1,335.28
005	Owner Change Order # 005 - ELECT BUS CT CAN	LS	1	\$ 10,328.18	\$ 10,328.18	1	\$ 10,328.18	\$ 10,328.18	\$ 10,328.18	\$ 10,328.18	\$ 10,328.18	100%	\$ -	\$ 516.41
	SUBTOTAL OWNER CHANGE ORDER # 005 - ELECT BUS CT CAN				\$ 10,328.18		\$ 10,328.18		\$ -	\$ -	\$ 10,328.18	100%	\$ -	\$ 516.41
006	Owner Change Order # 006 - ADDITIONAL SLEEVES	LS	1	\$ 18,735.07	\$ 18,735.07	1	\$ 18,735.07	\$ 18,735.07	\$ 18,735.07	\$ 18,735.07	\$ 18,735.07	100%	\$ -	\$ 936.75
	SUBTOTAL OWNER CHANGE ORDER # 006 - ADDITIONAL SLEEVES				\$ 18,735.07		\$ 18,735.07		\$ -	\$ -	\$ 18,735.07	100%	\$ -	\$ 936.75
007	Owner Change Order # 007 - MISC CHANGES	LS	1	\$ 6,764.79	\$ 6,764.79	1	\$ 6,764.79	\$ 6,764.79	\$ 6,764.79	\$ 6,764.79	\$ 6,764.79	100%	\$ -	\$ 338.24
	SUBTOTAL OWNER CHANGE ORDER # 007 - MISC CHANGES				\$ 6,764.79		\$ 6,764.79		\$ -	\$ -	\$ 6,764.79	100%	\$ -	\$ 338.24
008	Owner Change Order # 008 - CANOPY FOR WATER SLIDE	LS	1	\$ 42,815.45	\$ 42,815.45	1	\$ 42,815.45	\$ 42,815.45	\$ 42,815.45	\$ 42,815.45	\$ 42,815.45	100%	\$ -	\$ 2,140.77
	SUBTOTAL OWNER CHANGE ORDER # 008 - CANOPY FOR WATER SLIDE				\$ 42,815.45		\$ 42,815.45		\$ -	\$ -	\$ 42,815.45	100%	\$ -	\$ 2,140.77
009	Owner Change Order # 009 - MONUMENT RELOCATION	LS	1	\$ 3,319.49	\$ 3,319.49	1	\$ 3,319.49	\$ 3,319.49	\$ 3,319.49	\$ 3,319.49	\$ 3,319.49	100%	\$ -	\$ 165.97
	SUBTOTAL OWNER CHANGE ORDER # 009 - MONUMENT RELOCATION				\$ 3,319.49		\$ 3,319.49		\$ -	\$ -	\$ 3,319.49	100%	\$ -	\$ 165.97
010	Owner Change Order # 010 - SOD CHANGE, MID BLOCK CROSSING	LS	1	\$ 54,562.17	\$ 54,562.17	1	\$ 54,562.17	\$ 54,562.17	\$ 54,562.17	\$ 54,562.17	\$ 54,562.17	100%	\$ -	\$ 2,728.11
	SUBTOTAL OWNER CHANGE ORDER # 010 - SOD CHANGE, MID BLOCK CROSSING				\$ 54,562.17		\$ 54,562.17		\$ -	\$ -	\$ 54,562.17	100%	\$ -	\$ 2,728.11
011	Owner Change Order # 011 Louver Doors, gate enclosures, w/	LS	1	\$ 29,753.21	\$ 29,753.21	0.75	\$ 22,314.91	0.25	\$ 7,438.30	\$ 7,438.30	\$ 29,753.21	100%	\$ -	\$ 1,487.66
	SUBTOTAL OWNER CHANGE ORDER # 011 LOUVER DOORS, GATE ENCLOSURES, WAX MYRTLES, WATER				\$ 29,753.21		\$ 22,314.91		\$ 7,438.30	\$ -	\$ 29,753.21	100%	\$ -	\$ 1,487.66
Supplemental Pricing Items														
S1	Bore and Sleeve	LF	1	\$ 54.06	\$ 54.06		\$ -		\$ -	\$ -	\$ -	0%	\$ 54.06	\$ -
S2	Hand Watering (Bleed Valves)	DAY	1	\$ 840.94	\$ 840.94		\$ -		\$ -	\$ -	\$ -	0%	\$ 840.94	\$ -
S3	Truck Watering	DAY	1	\$ 2,522.80	\$ 2,522.80		\$ -		\$ -	\$ -	\$ -	0%	\$ 2,522.80	\$ -
S4	Generator	WEEK	1	\$ 1,705.63	\$ 1,705.63		\$ -		\$ -	\$ -	\$ -	0%	\$ 1,705.63	\$ -
S5	Clean Builder Debris	DAY	1	\$ 3,604.00	\$ 3,604.00		\$ -		\$ -	\$ -	\$ -	0%	\$ 3,604.00	\$ -
S6	Adjust Storm Sewer Manholes	EA	1	\$ 2,402.67	\$ 2,402.67		\$ -		\$ -	\$ -	\$ -	0%	\$ 2,402.67	\$ -
S7	Import and Place Soil	CY	100	\$ 54.54	\$ 5,454.00		\$ -		\$ -	\$ -	\$ -	0%	\$ 5,454.00	\$ -
S8	Haul and Dispose Soil	CY	100	\$ 96.11	\$ 9,611.00		\$ -		\$ -	\$ -	\$ -	0%	\$ 9,611.00	\$ -
S9	Silt Fence Removal	LF	1	\$ 361	\$ 361		\$ -		\$ -	\$ -	\$ -	0%	\$ 361	\$ -
S10	Sanitary Line Clean Out	EA	1	\$ 300.33	\$ 300.33		\$ -		\$ -	\$ -	\$ -	0%	\$ 300.33	\$ -
S11	New Sanitary Manhole	EA	1	\$ 4,805.33	\$ 4,805.33		\$ -		\$ -	\$ -	\$ -	0%	\$ 4,805.33	\$ -
S12	8" Sanitary PVC	LF	10	\$ 78.09	\$ 780.90		\$ -		\$ -	\$ -	\$ -	0%	\$ 780.90	\$ -
	SUBTOTAL SUPPLEMENTAL PRICING ITEMS				\$ 32,085.27		\$ -		\$ -	\$ -	\$ 32,085.27	0%	\$ -	\$ -

CONTINUATION SHEET									
AIA Document G703									
PROJECT: Sunlerra Recreation Center Facility									
Application No: 16									
Application Date: 8/5/2024									
Contractor's signed Certification is attached									
In tabulations below, amounts are stated to the nearest dollar.									
Use Column 1 on Contracts where variable retainage for line items may apply									
A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED Previous Units	D FROM PREVIOUS APPLICATIONS	E THIS PERIOD	F MATERIALS PRESENTLY STORED	G TOTAL COMPLETED AND STORED TO DATE	H BALANCE TO FINISH	I RETAINAGE 5%	
BID TOTALS:									
	SUBTOTAL GENERAL CONDITIONS	\$ 277,848.89	\$ 259,067.91	\$ 6,263.66	\$ -	\$ 265,321.57	\$ 12,527.32	\$ 13,266.08	
	SUBTOTAL SOFTSCAPE(OUTSIDE POOL FENCE)	\$ 673,691.30	\$ 632,151.30	\$ -	\$ -	\$ 632,151.30	\$ 41,540.00	\$ 31,607.57	
	SUBTOTAL HARDSCAPE(OUTSIDE POOL FENCE)	\$ 3,523,730.87	\$ 3,459,044.53	\$ -	\$ -	\$ 3,459,044.53	\$ 64,686.34	\$ 172,952.23	
	SUBTOTAL POOL/LAZY RIVER SOFTSCAPE	\$ 57,307.20	\$ 57,307.20	\$ -	\$ -	\$ 57,307.20	\$ -	\$ 2,865.36	
	SUBTOTAL SUBTOTAL POOL/LAZY RIVER HARDSCAPE	\$ 2,785,402.33	\$ 2,782,353.19	\$ -	\$ -	\$ 2,782,353.19	\$ 3,049.14	\$ 139,117.66	
	SUBTOTAL SUBTOTAL PACKAGE 2 RESTROOM PAVILION	\$ 795,867.23	\$ 795,867.23	\$ -	\$ -	\$ 795,867.23	\$ -	\$ 39,793.35	
	SUBTOTAL ALTERNATE ITEMS	\$ (100,509.87)	\$ -	\$ -	\$ -	\$ -	\$ (100,509.87)	\$ -	
	SUBTOTAL SUBTOTAL OWNER CHANGE ORDER # 001	\$ 78,812.16	\$ 78,812.16	\$ -	\$ -	\$ 78,812.16	\$ -	\$ 3,940.61	
	SUBTOTAL OWNER CHANGE ORDER # 002 - ELECTRICAL CHANGES IFC	\$ 23,162.69	\$ 23,162.69	\$ -	\$ -	\$ 23,162.69	\$ -	\$ 988.60	
	SUBTOTAL OWNER CHANGE ORDER # 003 - DATA SLEEVES	\$ 19,771.96	\$ 19,771.96	\$ -	\$ -	\$ 19,771.96	\$ -	\$ 1,158.13	
	SUBTOTAL OWNER CHANGE ORDER # 004 - 3IN WATER METER	\$ 26,705.61	\$ 26,705.61	\$ -	\$ -	\$ 26,705.61	\$ -	\$ 1,335.28	
	SUBTOTAL OWNER CHANGE ORDER # 005 - ELECT BUS CT CAN	\$ 10,328.18	\$ 10,328.18	\$ -	\$ -	\$ 10,328.18	\$ -	\$ 516.41	
	SUBTOTAL OWNER CHANGE ORDER # 006 - ADDITIONAL SLEEVES	\$ 18,735.07	\$ 18,735.07	\$ -	\$ -	\$ 18,735.07	\$ -	\$ 936.75	
	SUBTOTAL OWNER CHANGE ORDER # 007 - MISC CHANGES	\$ 6,764.79	\$ 6,764.79	\$ -	\$ -	\$ 6,764.79	\$ -	\$ 338.24	
	SUBTOTAL OWNER CHANGE ORDER # 008 - CANOPY FOR WATER SLIDE	\$ 42,815.45	\$ 42,815.45	\$ -	\$ -	\$ 42,815.45	\$ -	\$ 2,140.77	
	SUBTOTAL OWNER CHANGE ORDER # 009 - MONUMENT RELOCATION	\$ 3,319.49	\$ 3,319.49	\$ -	\$ -	\$ 3,319.49	\$ -	\$ 165.97	
	SUBTOTAL OWNER CHANGE ORDER # 010 - SOD CHANGE, MID BLOCK CROSSING	\$ 54,562.17	\$ 54,562.17	\$ -	\$ -	\$ 54,562.17	\$ -	\$ 2,726.11	
	SUBTOTAL OWNER CHANGE ORDER # 011 LOUVER DOORS, GATE ENCLOSURES, WAX MVR	\$ 29,753.21	\$ 29,753.21	\$ 7,438.30	\$ -	\$ 29,753.21	\$ -	\$ 1,487.66	
	GRAND TOTAL (Base Bid):	\$ 8,328,068.73	\$ 8,293,073.84	\$ 13,701.96	\$ -	\$ 8,306,775.80	\$ 21,292.93	\$ 415,338.79	
	SUBTOTAL SUBTOTAL SUPPLEMENTAL PRICING ITEMS	\$ 32,085.27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
							\$ 21,292.93	\$ -	

EXHIBIT M

Harris County Municipal Utility District No. 569Landscape Architect's Report
September 9, 2024

Landscape Architecture matters, including the following:

- A. Request permission to authorize design/documentation phase, as appropriate, for the following construction projects:
- i. **Sunterra Phase 7 Package 5 Sections 67 & 68 Landscape Improvements**
- B. Approve plans and specifications and authorize advertisement for bids for the following construction projects:
- i. **None.**
- C. Review bids and award contracts, as appropriate, for the following construction projects:
- i. **None.**
- D. Approve Pay Estimates, change orders, and/or final acceptance, as appropriate, for the following construction projects:
- Phase 6 Pkg 1: Section 42, 43 Landscape Improvements – Hardscape. Project was awarded 9/11/2023 to A Group Construction. MUD contract executed 9/11/23, NTP issued 11/17/23. The package scope is complete. **No Action.**
 - Phase 6 Pkg 1: Section 42, 43 Landscape Improvements - Softscape. Project was awarded 09/11/2023 to Strickscapes. MUD executed contract 10/9/23, NTP issued 11/17/23. **No Action.**

Item	Amount	Notes
<i>Original Contract</i>	\$ 484,484.36	<i>Comment(s)</i>
Pay Application #1	\$ 15,288.47	11/17/23
Change Order #1	\$ 33,387.15	2/19/24
Change Order #2	\$ 32,111.16	2/29/24
Pay Application #2	\$ 431,833.31	02/29/2024
Change Order #3	\$ 27,808.88	03/05/2024
Pay Application #3	\$ 37,990.75	03/29/2024
Change Order #4	\$ 16,358.51	03/19/2024
Pay Application #4	\$ 43,041.24	05/09/2024
Pay Application #5	\$ 3,290.60	06/05/2024
Pay Application #6	\$ 3,290.68	07/03/2024
Pay Application #7	\$ 59,415.01	07/24/2024
Current Contract Value	\$ 594,150.06	
Balance to Finish	\$ 0.00	07/24/2024

LANDSCAPE
ARCHITECTS

- **Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements – Hardscape.** Project was awarded 10/25/2023 to DL Meachum. MUD contract executed 12/15/2023, NTP issued 1/30/24. **Approve Pay Application #5.**

Item	Amount	Notes
<i>Original Contract</i>	\$ 355,826.75	<i>Comment(s)</i>
Change Order #1	\$ 1,832.00	2/16/24
Pay Application #1	\$ 247,430.83	2/28/24
Change Order #2	\$ 31,872.80	03/18/2024
Pay Application #2	\$ 42,809.64	03/25/2024
Pay Application #3	\$ 24,658.02	04/24/2024
Change Order #3	\$ 2,650.50	04/05/2024
Change Order #4	\$ 29,686.00	04/29/2024
Pay Application #4	\$ 16,069.35	04/27/2024
Change Order #4	\$ (16,163.00)	07/24/2024
Pay Application #5	\$ 7,449.30	08/20/2024
Current Contract Value	\$ 376,019.05	
Balance to Finish	\$ 53,764.91	

- **Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements - Softscape.** Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/18/2023, NTP issued 11/17/23. **Approve Pay Application #5.**

Item	Amount	Notes
<i>Original Contract</i>	\$ 961,108.33	<i>Comment(s)</i>
Pay Application #1	\$ 13,638.20	11/16/23
Pay Application #2	\$ 280,084.29	2/29/24
Pay Application #3	\$ 138,684.78	03/29/2024
Change Order #1	\$ 205,578.17	04/12/2024
Pay Application #4	\$ 309,107.46	05/09/2024
Pay Application #5	\$ 42,432.23	08/13/2024
Current Contract Value	\$ 1,166,686.50	
Balance to Finish	\$ 382,739.54	

LANDSCAPE ARCHITECTS

- **Phase 6 Pkg 3: Section 45 & 51-52 Landscape Improvements – Softscape & Hardscape.** Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/20/2023, NTP issued 11/17/23. **No Action.**

Item	Amount	Notes
Original Contract	\$ 1,371,638.33	Comment(s)
Pay Application #1	\$ 19,127.65	11/17/2023
Pay Application #2	\$ 90,869.69	
Pay Application #3	\$ 36,619.43	03/29/2024
Change Order #1	\$ 303,818.54	04/24/2024
Pay Application #4	\$ 694,096.28	05/09/2024
Pay Application #5	\$ 214,756.35	06/05/2024
Current Contract Value	\$ 1,675,456.87	
Balance to Finish	\$ 619,987.48	

Proposed Action Items:

- **Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements – Hardscape.** Project was awarded 10/25/2023 to DL Meachum. MUD contract executed 12/15/2023, NTP issued 1/30/24. **Approve Pay Application #5.**
- **Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements - Softscape.** Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/18/2023, NTP issued 11/17/23. **Approve Pay Application #5.**

Sincerely,



Kaitlynn Richter
Project Manager



Building the Exceptional.

2024

AUSTIN
4716 E. Lamar Chavez Street
Suite 214
Austin, TX 78740
512.351.4351

HOUSTON
5615 Northwest Drive
Suite 120
Houston, TX 77024
713.569.6567

SAN ANTONIO
4809 Broadway Street
San Antonio, TX 78209
214.345.3500

EXHIBIT N



**MUNICIPAL ACCOUNTS
& CONSULTING, L.P.**

Bookkeeper's Report | September 9, 2024

**Harris County Municipal
Utility District No. 569**



WEBSITE

www.municipalaccounts.com



ADDRESS

1281 Brittmoore Road
Houston, Texas 77043



CONTACT

Phone: 713.623.4539
Fax: 713.629.6859

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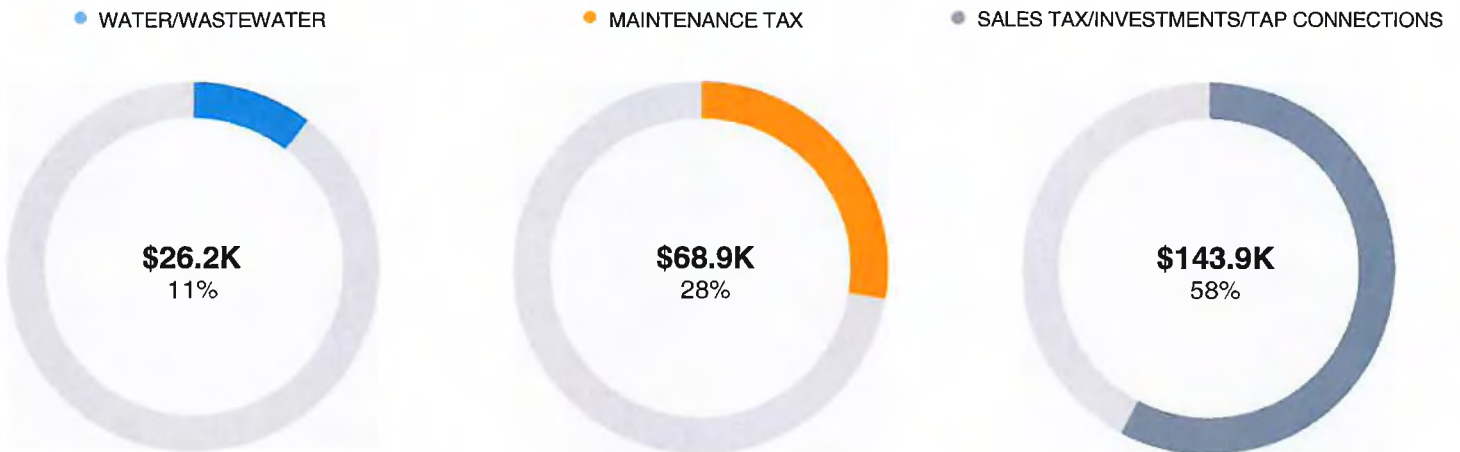
Harris County Municipal Utility District No. 569

BOOKKEEPER'S REPORT | 09/09/2024



Spotlight On Long Term Planning & Balancing Revenues

Most Districts have 2 major revenue streams that can fund District Operations. These are Water & Wastewater Revenues and M&O Property Tax Revenues. In addition, most Districts have multiple 'Other' Revenue streams that can contribute, but are usually not as significant, unless the 'Other' is extraordinary Sales Tax Revenue. For long term planning, ensuring your M&O Property Tax and Water & Wastewater revenues are covering at least 90% of your expenses is prudent. Investment revenues are unpredictable, Tap Connection revenue disappears as you are built out and Sales Tax can ebb and flow based on the economy. Fixed expenses need fixed revenues. Balancing these revenues to ensure you are covering all expenses as well as building proper reserves should be an ongoing exercise for your District.

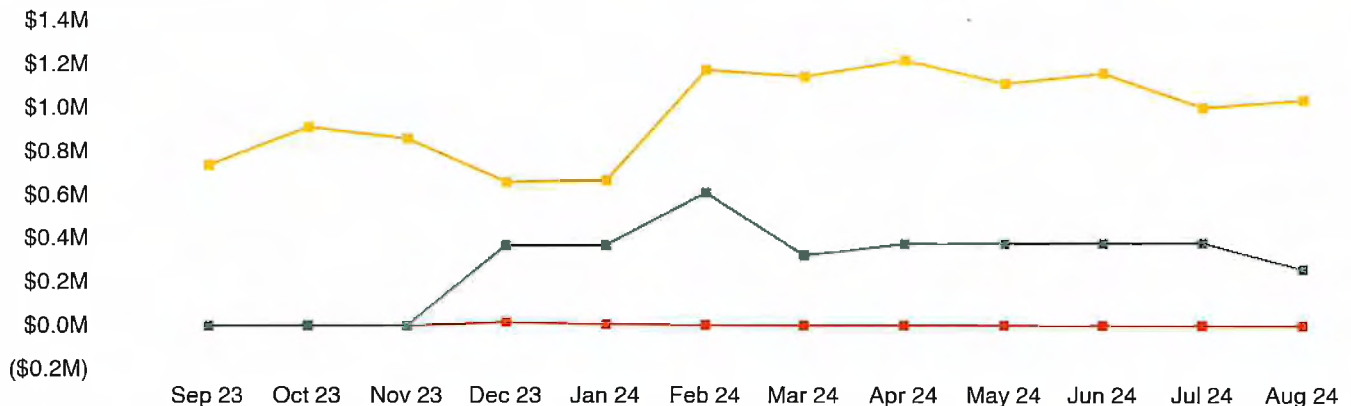


Account Balance | As of 09/09/2024

■ General Operating \$829,117 ■ Capital Projects \$70 ■ Debt Service \$259,361

Total For All Accounts: \$1,088,547

Account Balance By Month | September 2023 - August 2024



Monthly Financial Summary - General Operating Fund

Harris County MUD No. 569 - GOF



Account Balance Summary

Balance as of 08/13/2024 **\$755,320**

Receipts 545,577

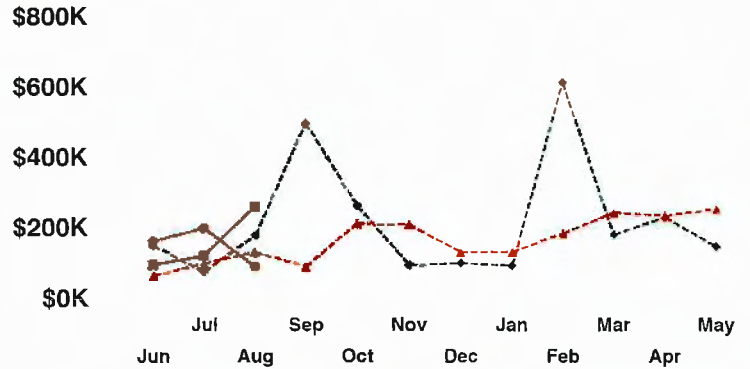
Disbursements (471,780)

Balance as of 09/09/2024 **\$829,117**

Overall Revenues & Expenditures

By Month (Year to Date)

—■— Current Year Revenues
 - - - - Prior Year Revenues
—■— Current Year Expenditures
 - - - - Prior Year Expenditures



August 2024

Revenues

Actual	Budget	Over/(Under)
\$265,259	\$169,884	\$95,375

Expenditures

Actual	Budget	Over/(Under)
\$94,769	\$205,892	(\$111,122)

June 2024 - August 2024 (Year to Date)

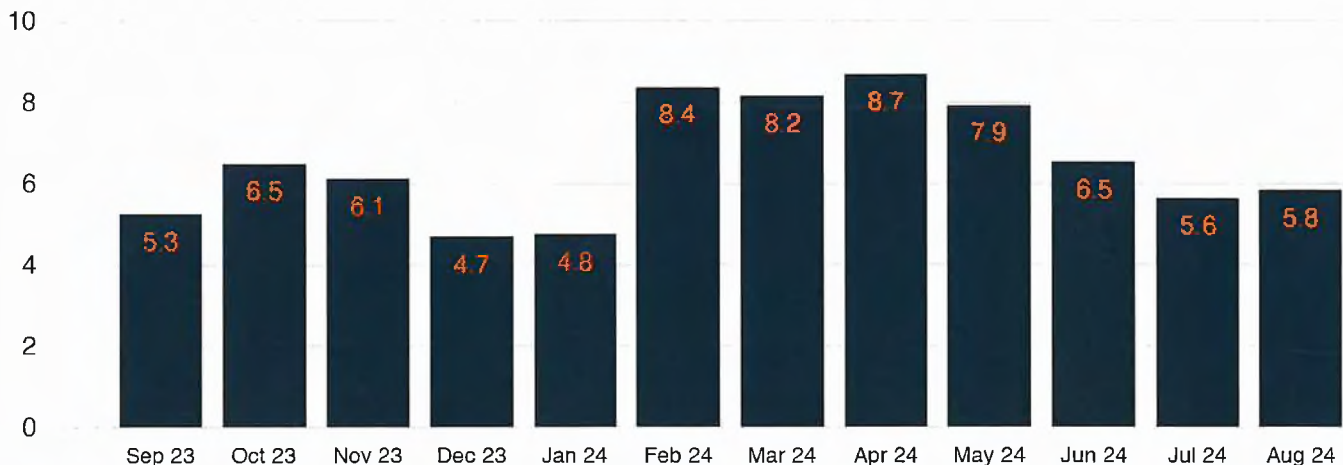
Revenues

Actual	Budget	Over/(Under)
\$490,091	\$509,652	(\$19,561)

Expenditures

Actual	Budget	Over/(Under)
\$464,985	\$595,805	(\$130,820)

Operating Fund Reserve Coverage Ratio (In Months)



Cash Flow Report - Checking Account

Harris County MUD No. 569 - GOF



Number	Name	Memo	Amount	Balance
Balance as of 08/13/2024				\$9,851.00
Receipts				
	Sunterra POA - Security Billing Payment		5,000.00	
	To void HR&P - Julia Pecina Fees of Office		204.10	
	Accounts Receivable		75,894.65	
	Transfer from Operator		189,790.57	
	Accounts Receivable		712.36	
	Interest Earned on Checking Account		40.99	
Total Receipts				\$271,642.67
Disbursements				
1324	De Crosta Construction	Customer Refund	(1,184.42)	
1325	Filza Salim	Customer Refund	(222.13)	
1326	Mukesh Bhatt	Customer Refund	(222.13)	
1327	Obinna Nwandu	Customer Refund	(115.45)	
1328	Sanjay Gupta	Customer Refund	(194.27)	
1329	Eurofins J3 Resources, Inc.	Laboratory Expense	(115.00)	
1330	Forvis Mazars	Auditing Fees	(14,400.00)	
1331	Harris-Waller Co. MUD 4	Purchase Water & Mowing	(92,521.36)	
1332	Municipal Accounts & Consulting, L.P.	Bookkeeping Fees	(2,820.60)	
1333	Municipal District Services, LLC	Maintenance & Repairs	(40,098.46)	
1334	On-Site Protection, LLC	Security Expense	(4,825.23)	
1335	Quiddity Engineering, LLC	Engineering Fees	(19,183.75)	
1336	Schwartz, Page & Harding, L.L.P.	Legal Fees	(18,349.42)	
1337	Silt Solutions, Inc	Storm Water Management Plan	(2,460.00)	
1338	Water Utility Services	Laboratory Expense	(92.00)	
1339	Best Trash	Garbage Expense	(9,433.92)	
HR&P	Blakely Norris.	Fees of Office - 08/12/2024	(204.10)	
HR&P	Jason Schultz.	Fees of Office - 08/12/2024	(248.32)	
HR&P	Julia Pecina.	Fees of Office - 07/22/2024 & 08/12/2024	(408.20)	
HR&P	HR&P	Payroll Administration Fee	(50.00)	
HR&P	United States Treasury	Payroll Tax	(101.40)	
Rtn Cks	Central Bank	Returned Customer Payments (2)	(292.34)	
Rtn Cks	Central Bank	Chargeback Fee	(917.23)	
Svc Chg	Central Bank	Service Charge	(25.00)	
Wire	Harris County MUD No. 569	Transfer to Money Market	(70,000.00)	
Total Disbursements				(\$278,484.73)
Balance as of 09/09/2024				\$3,008.94

Cash Flow Report - Operator Account

Harris County MUD No. 569 - GOF



Number	Name	Memo	Amount	Balance
Balance as of 08/13/2024				\$23,255.33
Receipts				
	Tap Connections (3)		7,410.00	
	Tap Connections (38)		89,610.00	
	Tap Connections (18)		44,460.00	
	Accounts Receivable		44,065.43	
	Tap Connections (6)		14,820.00	
	Accounts Receivable		247.82	
Total Receipts				\$200,613.25
Disbursements				
Rtn Cks	Central Bank	Returned Customer Checks (1)	(114.95)	
Rtn Cks	Central Bank	Chargeback Fee	(10.00)	
Svc Chg	Central Bank	Service Charge	(5.00)	
Sweep	Central Bank	Transfer to Checking	(189,790.57)	
Total Disbursements				(\$189,920.52)
Balance as of 09/09/2024				\$33,948.06

Actual vs. Budget Comparison

Harris County MUD No. 569 - GOF



			August 2024			June 2024 - August 2024			
			Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	Annual Budget
Revenues									
Water Revenue									
14101	Water- Customer Service Revenue		77,583	74,400	3,183	184,321	223,200	(38,879)	620,000
14108	Transfer Fees		1,768	1,108	659	5,328	3,325	2,003	13,300
Total Water Revenue			79,350	75,508	3,842	189,649	226,525	(36,876)	633,300
Wastewater Revenue									
14201	Wastewater-Customer Service Rev		33,862	26,334	7,528	86,154	79,002	7,152	376,200
14203	Wastewater Inspection Fees		22,230	11,792	10,438	27,702	35,375	(7,673)	141,500
Total Wastewater Revenue			56,092	38,126	17,967	113,856	114,377	(521)	517,700
Property Tax Revenue									
14301	Maintenance Tax Collections		0	0	0	730	0	730	559,000
Total Property Tax Revenue			0	0	0	730	0	730	559,000
Tap Connection Revenue									
14501	Tap Connections		117,820	43,750	74,070	147,493	131,250	16,243	525,000
14502	Inspection Fees		601	4,050	(3,449)	2,007	12,150	(10,143)	48,600
Total Tap Connection Revenue			118,421	47,800	70,621	149,500	143,400	6,100	573,600
Administrative Revenue									
14702	Penalties & Interest		3,034	1,525	1,509	9,673	4,575	5,098	18,300
Total Administrative Revenue			3,034	1,525	1,509	9,673	4,575	5,098	18,300
Interest Revenue									
14801	Interest Earned on Checking		41	92	(51)	148	275	(127)	1,100
14802	Interest Earned on Temp. Invest		3,321	1,833	1,488	11,126	5,500	5,626	22,000
Total Interest Revenue			3,362	1,925	1,437	11,274	5,775	5,499	23,100
Other Revenue									
15802	Sunterra POA Contribution		5,000	5,000	0	15,000	15,000	0	60,000
Total Other Revenue			5,000	5,000	0	15,000	15,000	0	60,000
Total Revenues			265,259	169,884	95,375	489,682	509,652	(19,970)	2,385,000

Expenditures

Water Service

16102 Operations - Water	857	483	373	2,497	1,450	1,047	5,800
16104 Purchase Water / JWP	0	54,660	(54,660)	67,045	163,980	(96,935)	455,500
16105 Maintenance & Repairs - Water	7,391	14,592	(7,201)	16,661	43,775	(27,114)	175,100
16108 Laboratory Expense - Water	115	0	115	299	0	299	0
16113 Transfer Expense	3,546	2,525	1,021	14,165	7,575	6,590	30,300
16117 TCEQ Regulatory Expense - Water	0	0	0	0	0	0	2,500

Actual vs. Budget Comparison

Harris County MUD No. 569 - GOF



	August 2024			June 2024 - August 2024			
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	Annual Budget
Expenditures							
Total Water Service	11,909	72,260	(60,351)	100,667	216,780	(116,113)	669,200
Wastewater Service							
16202 Operations - Wastewater	830	550	280	2,418	1,650	768	6,600
16203 Wastewater Inspection Expense	1,705	2,500	(795)	5,209	7,500	(2,291)	30,000
16204 Purchase Wastewater Service	0	37,958	(37,958)	67,045	113,875	(46,830)	455,500
16205 Maint & Repairs - Wastewater	7,877	10,650	(2,773)	14,426	31,950	(17,524)	127,800
16217 TCEQ Regulatory Exp-Wastewater	0	0	0	0	0	0	2,000
Total Wastewater Service	10,411	51,658	(41,247)	89,098	154,975	(65,877)	621,900
Garbage Service							
16301 Garbage Expense	9,434	4,533	4,901	25,094	13,600	11,494	54,400
Total Garbage Service	9,434	4,533	4,901	25,094	13,600	11,494	54,400
Storm Water Quality							
16401 SWQ Management	2,460	1,250	1,210	9,780	3,750	6,030	15,000
16403 Detention Pond Maintenance	0	15,000	(15,000)	37,428	45,000	(7,572)	180,000
Total Storm Water Quality	2,460	16,250	(13,790)	47,208	48,750	(1,542)	195,000
Tap Connection							
16501 Tap Connection Expense	9,199	21,875	(12,676)	91,973	65,625	26,348	262,500
16502 Inspection Expense	7,295	2,025	5,270	19,972	6,075	13,897	24,300
Total Tap Connection	16,494	23,900	(7,406)	111,945	71,700	40,245	286,800
Administrative Service							
16703 Legal Fees	15,703	8,333	7,369	29,704	25,000	4,704	100,000
16705 Auditing Fees	14,400	12,535	1,865	14,400	12,535	1,865	15,800
16706 Engineering Fees	2,809	2,917	(108)	11,076	8,750	2,326	35,000
16712 Bookkeeping Fees	2,539	4,730	(2,191)	11,047	14,190	(3,143)	43,000
16713 Legal Notices & Other Publ.	86	92	(5)	283	275	8	1,100
16714 Printing & Office Supplies	992	842	150	2,117	2,525	(408)	10,100
16716 Delivery Expense	74	158	(85)	74	475	(401)	1,900
16717 Postage	490	258	231	1,535	775	760	3,100
16718 Insurance & Surety Bond	0	0	0	2,520	3,200	(680)	3,200
16721 Meeting Expense	695	358	336	1,117	1,075	42	4,300
16722 Bank Service Charge	30	25	5	50	75	(25)	300
16723 Travel Expense	63	75	(12)	143	225	(82)	900
16724 Publication Expense (SB 622)	0	117	(117)	0	350	(350)	1,400
16728 Record Storage Fees	68	17	52	102	50	52	200
Total Administrative Service	37,948	30,457	7,491	74,168	69,500	4,668	220,300

Actual vs. Budget Comparison

Harris County MUD No. 569 - GOF



	August 2024			June 2024 - August 2024			
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	Annual Budget
Expenditures							
Security Service							
16801 Security Expense	4,825	5,000	(175)	13,513	15,000	(1,487)	60,000
Total Security Service	4,825	5,000	(175)	13,513	15,000	(1,487)	60,000
Payroll Expense							
17101 Payroll Expenses	663	1,108	(445)	2,431	3,325	(894)	13,300
17102 Payroll Administration	50	50	0	150	150	0	600
17103 Payroll Tax Expense	51	83	(33)	186	250	(64)	1,000
Total Payroll Expense	764	1,242	(478)	2,767	3,725	(958)	14,900
Other Expense							
17802 Miscellaneous Expense	525	592	(67)	525	1,775	(1,250)	7,100
Total Other Expense	525	592	(67)	525	1,775	(1,250)	7,100
Total Expenditures	94,769	205,892	(111,122)	464,985	595,805	(130,820)	2,129,600
Total Revenues (Expenditures)	170,490	(36,008)	206,498	24,697	(86,153)	110,850	255,400
Other Revenues							
Extra Ordinary Revenue							
15902 Transfer From Capital Projects	0	0	0	408	0	408	0
Total Extra Ordinary Revenue	0	0	0	408	0	408	0
Total Other Revenues	0	0	0	408	0	408	0
Total Other Revenues (Expenditures)	0	0	0	408	0	408	0
Excess Revenues (Expenditures)	170,490	(36,008)	206,498	25,105	(86,153)	111,258	255,400

Balance Sheet as of 08/31/2024

Harris County MUD No. 569 - GOF



Assets	
Bank	
11101 Cash in Bank	\$279,247
11102 Operator	33,948
Total Bank	<u>\$313,195</u>
Investments	
11201 Time Deposits	\$722,160
Total Investments	<u>\$722,160</u>
Receivables	
11301 Accounts Receivable	\$145,125
11303 Maintenance Tax Receivable	3,282
Total Receivables	<u>\$148,407</u>
Interfund Receivables	
11401 Due From Capital Projects	\$41,030
11403 Due From Tax Account	22,641
Total Interfund Receivables	<u>\$63,671</u>
Total Assets	<u>\$1,247,433</u>
Liabilities & Equity	
Liabilities	
Accounts Payable	
12101 Accounts Payable	\$204,300
Total Accounts Payable	<u>\$204,300</u>
Other Current Liabilities	
12202 Due to TCEQ	\$1,310
Total Other Current Liabilities	<u>\$1,310</u>
Deferrals	
12502 Deferred Inflows Property Taxes	\$3,282
Total Deferrals	<u>\$3,282</u>
Deposits	
12601 Customer Meter Deposits	\$350,617
Total Deposits	<u>\$350,617</u>
Total Liabilities	<u>\$559,509</u>
Equity	
Unassigned Fund Balance	
13101 Unassigned Fund Balance	\$662,819
Total Unassigned Fund Balance	<u>\$662,819</u>
Net Income	\$25,105
Total Equity	<u>\$687,924</u>
Total Liabilities & Equity	<u>\$1,247,433</u>

Monthly Financial Summary - Capital Projects Fund

Harris County MUD No. 569 - CPF



Account Balance Summary

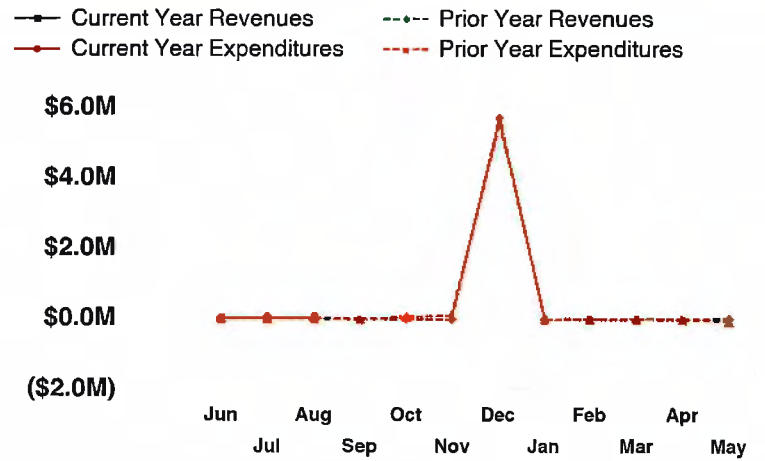
Balance as of 08/13/2024 **\$75**

Receipts 0 **\$6.0M**

Disbursements (5) **\$4.0M**

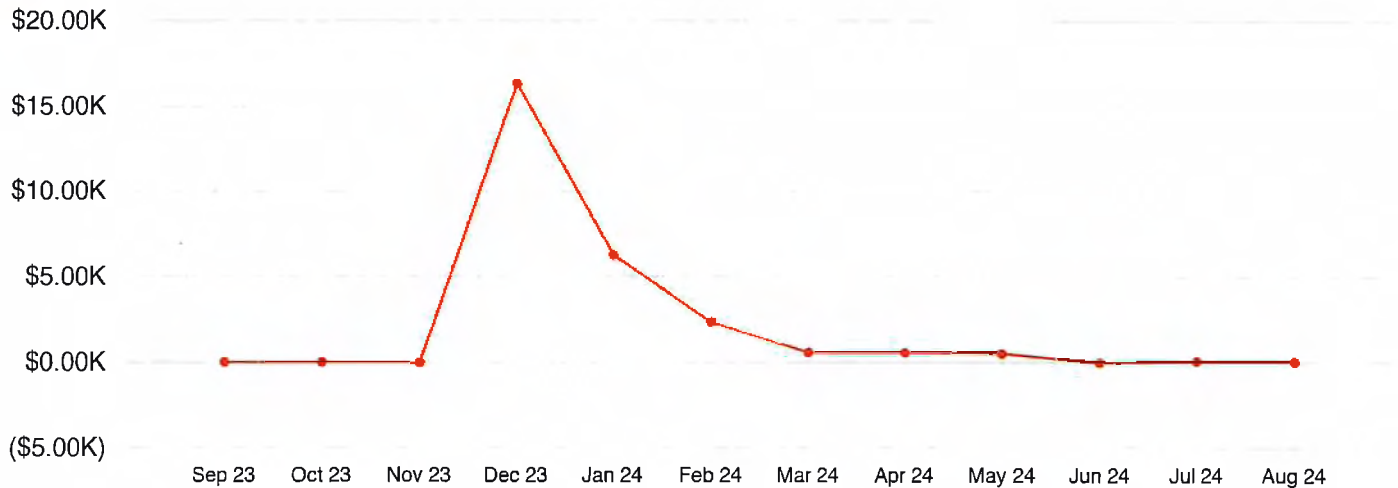
Balance as of 09/09/2024 **\$70**

Overall Revenues & Expenditures By Month (Year to Date)



Account Balance By Month | September 2023 - August 2024

— CAPITAL PROJECTS FUND



Cash Flow Report - Checking Account

Harris County MUD No. 569 - CPF



Number	Name	Memo	Amount	Balance
Balance as of 08/13/2024				\$75.00
Receipts				
	No Receipts Activity		0.00	
Total Receipts				\$0.00
Disbursements				
1010	VOID		0.00	
Fee	Central Bank	Service Charge	(5.00)	
Total Disbursements				(\$5.00)
Balance as of 09/09/2024				\$70.00

Harris County MUD No. 569 - CPF
Cash Flow Report - Bond Funding

As of September 11, 2024

Num	Name	Memo	Amount
21101 · Cash in Bank			
1011	Bob Leared Interests	Series 2024 Bond - Tax Assessor Fee	(2,500.00)
1012	Forvis Mazars	Series 2024 Bond - Audit Fees	(2,500.00)
1013	Houston Chronicle	Series 2024 Bond - Publication Expense	(3,740.00)
1014	Municipal Accounts & Consulting, L.P.	Series 2024 Bond - Bookkeeping Fee	(4,000.00)
Wire	Harris County MUD No. 569	Transfer from Money Market - S2024	12,740.00
Total 21101 · Cash in Bank			0.00
21201 · Time Deposits			
S2024	Harris County MUD No. 569 - CPF	Series 2024 Bond Proceeds	1,397,903.24
S2024	Harris County MUD No. 569 - CPF	Series 2024 Bond - Costs of Issuance	9,187.50
Wire	Schwartz Page & Harding LLP	Series 2024 Bond - Legal Fees	(94,890.20)
Wire	Schwartz Page & Harding LLP	Series 2024 Bond - Creation Fees	(50,000.00)
Wire	Harris County MUD No. 569	Transfer to Checking	(12,740.00)
Wire	Harris County MUD No. 569	Series 2024 Bond - Issue Costs Reimbursement	(69,375.00)
Wire	Texas Commission on Environmental Quality	Series 2024 Bond - TCEQ Fee	(8,437.50)
Wire	The Bank of New York	Series 2024 Bond - Paying Agent Fee	(750.00)
Wire	Astro Sunterra, L.P.	Series 2024 - Developer Reimbursement	(892,655.81)
S2024	Harris County MUD No. 569 - CPF	Series 2024 Bond - BAN Costs	1,635,705.51
S2024	Third Coast Bank	Series 2024 Bond - BAN Payoff S2023	(1,635,705.51)
Total 21201 · Time Deposits			278,242.23
TOTAL			278,242.23

District Debt Summary as of 09/09/2024

Harris County MUD No. 569 - DSF



		WATER, SEWER, DRAINAGE	PARK/ROAD/OTHER	REFUNDING
Total \$ Authorized		Authorized	Authorized	Authorized
\$467.20M		\$241.50M	\$225.70M	\$467.20M
Total \$ Issued		Issued	Issued	Issued
\$4.52M		N/A	\$4.52M	N/A
Yrs to Mat	Rating	\$ Available To Issue	\$ Available To Issue	\$ Available To Issue
26	N-R	\$241.50M	\$221.18M	\$467.20M

*Actual 'Outstanding' Refunding Bonds issued below may differ from the 'Issued' total above pursuant to Chapter 1207, Texas Government Code.

Outstanding Debt Breakdown

Series Issued	Original Bonds Issued	Maturity Date	Principal Outstanding
2023 - Road	\$4,520,000	2051	\$4,520,000
Total	\$4,520,000		\$4,520,000

District Debt Schedule

Harris County MUD No. 569 - DSF



Paying Agent	Series	Principal	Interest	Total
Bank of New York	2023 - Road	\$0.00	\$121,960.00	\$121,960.00
Total Due 03/01/2025		\$0.00	\$121,960.00	\$121,960.00

Paying Agent	Series	Principal	Interest	Total
Bank of New York	2023 - Road	\$75,000.00	\$121,960.00	\$196,960.00
Total Due 09/01/2025		\$75,000.00	\$121,960.00	\$196,960.00

Investment Profile as of 09/09/2024

Harris County MUD No. 569

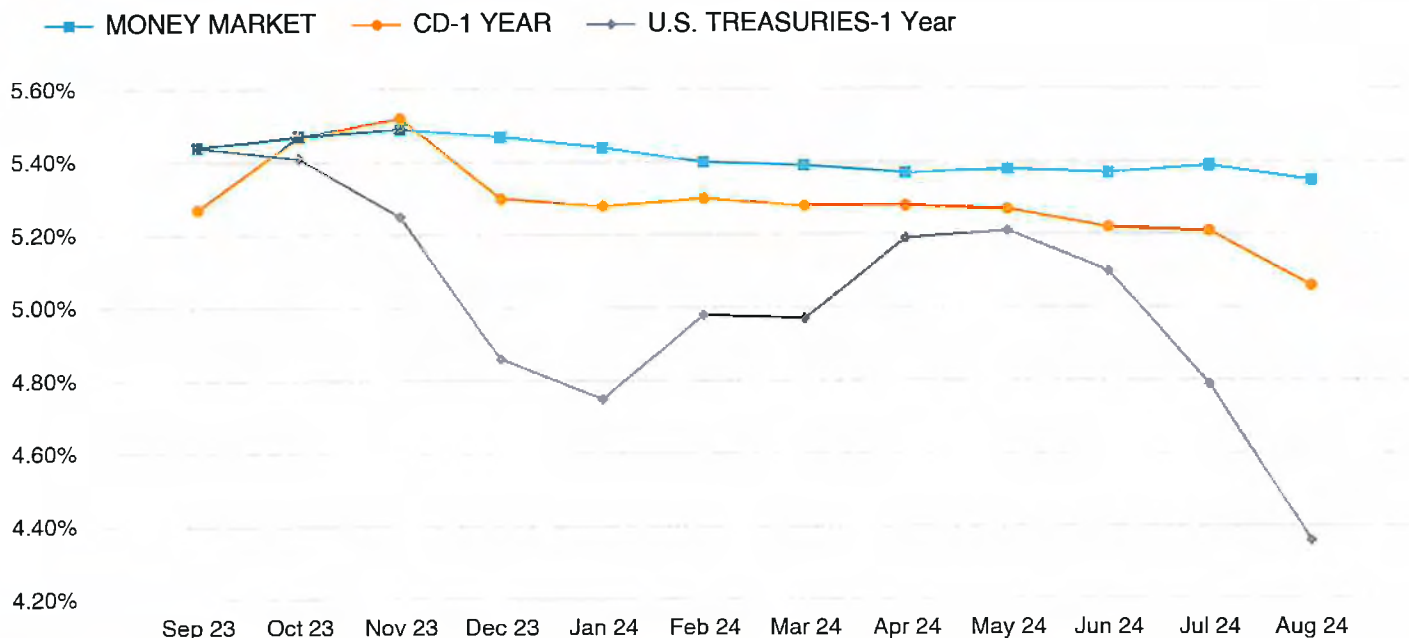


General Operating Fund	Capital Projects Fund	Debt Service Fund	Other Funds
Funds Available to Invest \$829,117	Funds Available to Invest \$70	Funds Available to Invest \$259,361	Funds Available to Invest N/A
Funds Invested \$792,160	Funds Invested \$0	Funds Invested \$259,361	Funds Invested N/A
Percent Invested 96%	Percent Invested 0%	Percent Invested 100%	Percent Invested N/A

Term	Money Market	Term	Certificate of Deposit	Term	U.S. Treasuries
On Demand	5.36%	180 Days	5.24%	180 Days	4.85%
		270 Days	5.00%	270 Days	4.85%
		1 Yr	5.04%	1 Yr	4.39%
		13 Mo	3.78%	13 Mo	N/A
		18 Mo	4.14%	18 Mo	4.39%
		2 Yr	1.87%	2 Yr	3.88%

*Rates are based on the most current quoted rates and are subject to change daily.

Investment Rates Over Time (By Month) | September 2023 - August 2024



Account Balance as of 09/09/2024

Harris County MUD No. 569 - Investment Detail



FUND: General Operating

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Money Market Funds					
TEXAS CLASS (XXXX0001)	08/22/2023		5.44%	792,159.55	
Checking Account(s)					
CENTRAL BANK - CHECKING (XXXX3660)			0.00%	3,008.94	Checking Account
CENTRAL BANK - CHECKING (XXXX8883)			0.00%	33,948.06	Operator
Totals for General Operating Fund				\$829,116.55	

FUND: Capital Projects

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Checking Account(s)					
CENTRAL BANK (XXXX2325)			0.00%	70.00	Cash In Bank
Totals for Capital Projects Fund				\$70.00	

FUND: Debt Service

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Money Market Funds					
TEXAS CLASS (XXXX0004)	11/09/2023		5.44%	54,506.13	Contract Tax
TEXAS CLASS (XXXX0006)	11/29/2023		5.44%	204,854.38	Road
Totals for Debt Service Fund				\$259,360.51	

Grand Total for Harris County MUD No. 569 : **\$1,088,547.06**

Capital Projects Fund Breakdown

HARRIS COUNTY MUD NO. 569

As of 9/09/2024

Net Proceeds for All Bond Issues

Receipts

Bond Proceeds - Series 2023 BAN	\$1,565,000.00
Interest Earnings - Series 2023 BAN	62.83

Disbursements

Disbursements - Series 2023 BAN	(1,564,992.83)
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Total Cash Balance	\$70.00
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Balances by Account

Central Bank - Checking XXXX325	\$70.00
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Total Cash Balance	\$70.00
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Balances by Bond Series

Bond Proceeds - Series 2023 BAN	\$70.00
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Total Cash Balance	\$70.00
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Remaining Costs/Surplus By Bond Series

Total Amount in Remaining Costs	\$0.00
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Surplus & Interest - Series 2023 BAN	\$70.00
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Total Surplus & Interest Balance	\$70.00
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Total Remaining Costs/Surplus	\$70.00
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EXHIBIT O



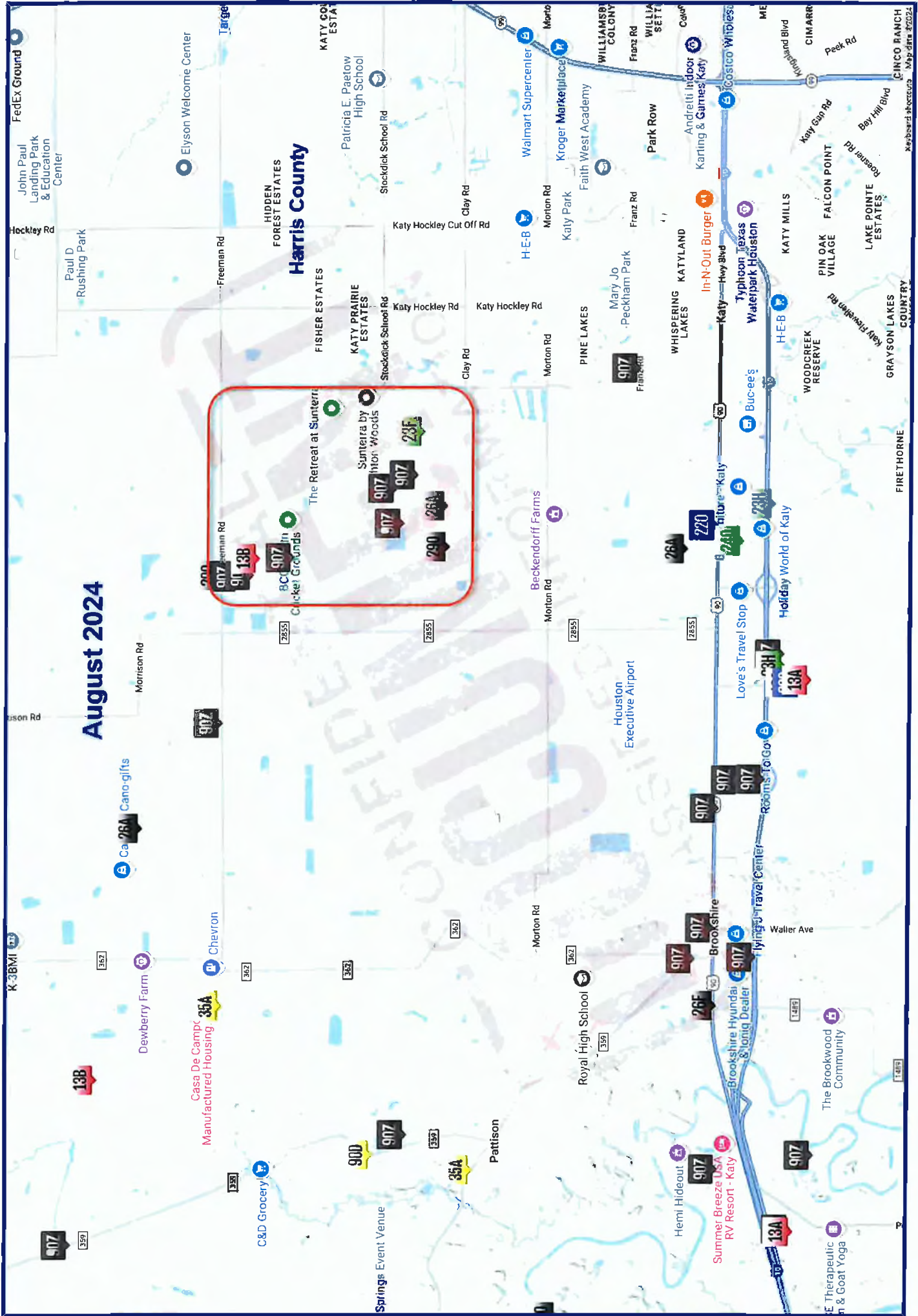
To: BOD – Harris-Waller Counties MUD 5 /
Waller County MUD 37 / Harris County MUD 569 / Waller County MUD 35

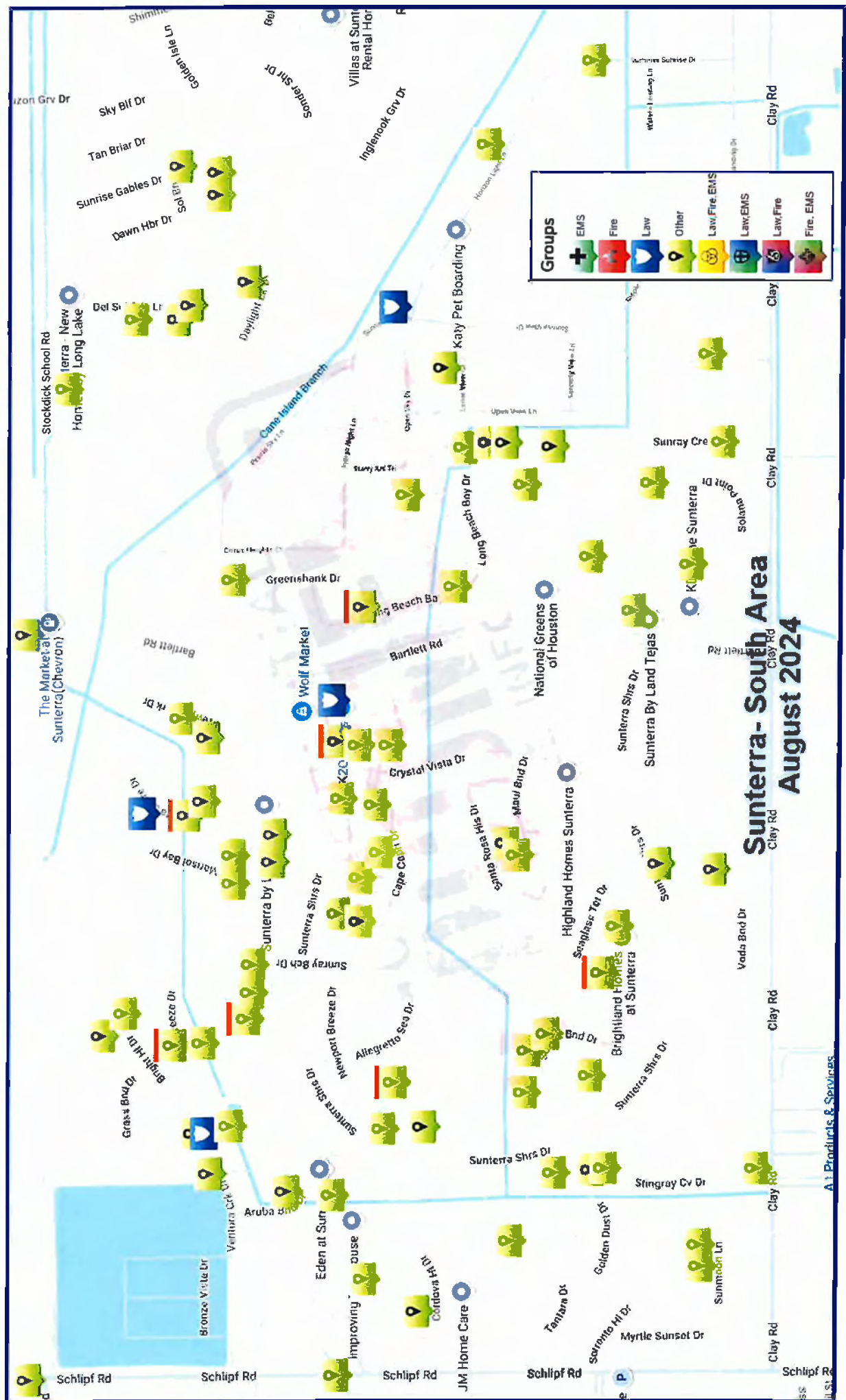
August 2024

- The rate of reported theft **dropped** for the month of August.
- A homicide occurred on the Harris County side 1 street south of the Sunterra Community Center. Both persons involved were fighting over building materials. The suspect was taken into custody (see photos). The Waller County Sheriff's Office received the call and responded (2 extra patrol units were on-duty). The case was turned over to the Harris County Sheriff's Office for investigation.
- Time of offenses has continued to occur during the late afternoon, evening and nighttime hours during the during of the week. Appliance theft has dropped off this month.
- Deputies are continuing to patrol the northern and eastern section more closely due to a request from builders complaining about increased material/ appliance theft. Additional Harris County Sheriff's patrol has been requested of the Clay road station commander.
- Additional patrol approved due to juvenile activity around the HOA clubhouse area. No new juvenile issues reported since the additional patrols began.

August 2024

Harris County





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GeoArea: 08/01/2024 - 08/31/2024

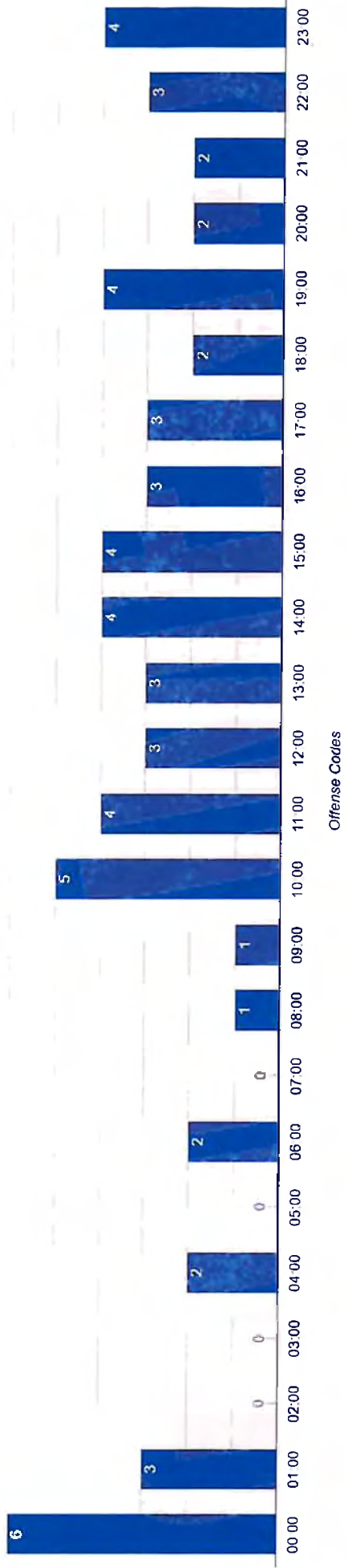
75
50
25
0

Incidents

SUNTERRA SUBDIVISION
Incidents: 71



All Offenses: 08/01/2024 - 08/31/2024



All Offenses: 08/01/2024 - 08/31/2024

