

**MINUTES OF MEETING OF THE BOARD OF DIRECTORS
NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 1**

November 11, 2021

THE STATE OF TEXAS §

COUNTY OF HARRIS §

NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the "Board") of Northgate Crossing Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on November 11, 2021, at the Storm Water Pump Station, 710 Creek Knoll, Spring, Harris County, Texas and the roll was called of the members of the Board, to-wit:

Jason Williams	President
Shane Holman	Vice President
Jim Helfrich	Secretary
Vacant	Assistant Secretary/Assistant Vice President
Kenny Boeckelman	Assistant Secretary

All members of the Board were present except Director Boeckelman, thus constituting a quorum.

Also attending the meeting were Lieutenant Brent Ballard with Harris County Precinct 4 Constables Office; Angela Helfrich, residents of the District; Brian Desilets representing the Northwood Pines Homeowners Association ("HOA"); Jeremy Roach with Apollo IT Consulting, LLC ("Apollo"); Bill Blich with Blich Associates, Inc. ("BAI") and Bob Leared Interests ("BLI"), Financial Advisor and Tax Assessor/Collector, respectively to the District; Michael Murr with Murr Incorporated, landscape architect for the District; Chris Linn with Myrtle Cruz, Inc. ("MCI"), Bookkeeper for the District; Juan Montano with Inframark, Operator for the District, Robert Atkinson and Ben Mellado with Edminster Henshaw Russ & Associates ("EH"), Engineer for the District; and Maria Salinas Parker and Michael R. Willis of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorneys for the District.

CALL MEETING TO ORDER

The meeting was called to order and the following business was transacted.

HEAR FROM THE PUBLIC

The Board noted that there were no members of the public present at the meeting who wished to address the Board at this time.

PUBLIC HEARING ON PROPOSED 2021 TAX RATE

The Board opened the meeting to a public hearing on the proposed 2021 tax rate, asking members of the public if they wished to comment on the proposed tax rate. Noting there were no comments, the public hearing was adjourned.

ORDER SETTING TAX RATE AND LEVYING TAX FOR 2021

Consideration was next given to a proposed Order Setting Tax Rate and Levying Tax for 2021. Having conducted the public hearing as required by law and publishing notice thereof, the Board deemed it appropriate to proceed with setting the 2021 tax rate.

Upon motion duly made and seconded, the Board voted unanimously to (1) set and levy a debt service tax of \$0.430 per \$100 assessed valuation and a maintenance and operation tax of \$0.539 per \$100 assessed valuation, for a total tax rate of \$0.969 per \$100 assessed valuation; and (2) adopt the Order Setting Tax Rate for 2020, a copy of which is on file in the Official Records of the District.

AMENDED NOTICE TO SELLERS AND PURCHASERS

Consideration was given to the proposed Amended Notice to Sellers and Purchasers, which Notice sets forth the 2021 tax rate.

Upon motion duly made and seconded, the Board voted unanimously to approve the Amended Notice to Sellers and Purchasers, a copy of which is on file in the Official Records of the District.

PEACE OFFICER'S REPORT/ADDITIONAL DEPUTY

The Board received the Peace Officer's Report, a copy of which is on file in the official records of the District.

Upon motion duly made and seconded, the Board voted unanimously to approve the Peace Officer's Report.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board next reviewed the Tax Assessor/Collector's Report, a copy of which is attached hereto. The Board noted that the District has collected 99.715% of its 2020 taxes.

Upon motion duly made and seconded, the Board voted unanimously to (i) approve the Tax Assessor/Collector's Report, and (ii) authorize payment of the invoices presented for payment from the District's Tax Account.

BOOKKEEPER'S REPORT/BUDGET

The Board then reviewed the Bookkeeper's Report and Investment Report. Copies of such reports are attached hereto.

The Board reviewed the balances in each of the District's accounts and noted investments in each account. The Board also reviewed the activity in each account. The Board reviewed the invoices and the checks prepared in payment thereof.

A draft budget for fiscal year ending December 31, 2022 was presented for Board review. The Board deferred action on this matter.

Upon motion duly made and seconded, the Board voted unanimously to approve (i) the Bookkeeper's Report, (ii) the bills submitted for payment, and (iii) the Investment Report.

ATTORNEY'S REPORT

The Board recognized Ms. Parker, who presented the Attorney's Report.

Upon motion duly made and seconded, the Board voted unanimously to approve the Attorney's Report.

Approval of Minutes

Proposed minutes of the meeting of the Board held October 14, 2021, previously distributed to the Board, were presented for consideration and approval.

Upon motion duly made and seconded, the Board voted unanimously to approve the minutes of October 14, 2021, as presented.

Amend Rate Order

No action was taken on amending the Rate Order.

Interlocal Agreement with Northgate Crossing MUD No. 2

No action was taken on an Interlocal Agreement with Northgate Crossing MUD No. 2 ("NG2").

Legislative Update

There was no legislative update.

Bond Election/Adopt Order Canvassing Bond Election

Consideration was next given to a proposed Order Canvassing Bond Election. The Board noted that the bond proposition for authorized bonds of \$ 36,000,000 passed by a vote of 38 for and 22 against.

Upon motion duly made and seconded, the Board voted unanimously to adopt the Order Canvassing Bond Election, a copy of which is on file in the official records of the District.

ENGINEER'S REPORT

The Board recognized Mr. Atkinson, who presented the Engineer's Report, a copy of which is on file in the official records of the District.

Levee Inspection

The levee was inspected on September 29, 2021. There were minor deficiencies noted which will be handled by Inframark. The drainage channel from the Hardy Toll Road to the detention basin has some erosion and sink holes. Spring Creek will continue to be monitored, and if any erosion is present, it will be immediately reported to HCFCD.

Water Plant 3 / Wastewater Plant Expansion

EHRA had a meeting with the Engineer for NG2 regarding the wastewater plant expansion and Water Plant 3. New wastewater plant utilization was calculated utilizing the plant rerating value of 200 GPD/ESFC. The District has an adequate supply of wastewater capacity for the existing development. It has been determined that the District lease requirements have dropped to 50,000 GPD from NG2. A cost estimate and analysis of the wastewater treatment plant expansion will be prepared by the Engineer for NG2. NG2 will lease wastewater

capacity to the District as necessary until the construction of the wastewater treatment plant expansion is completed.

The NG2 Engineer will prepare a cost estimate for Water Plant 3. This water plant project will include another interconnection across the Hardy Toll Road between the Districts. The additional interconnect will provide additional redundancy for District interconnect and supply purposes.

Levee Analysis and Certification

EHRA continues to work with Freese and Nichols in preparation of the Levee Analysis Report. A meeting was held on June 17, 2021 to discuss the scope of the analysis. Harris County Flood Control District has provided the 100-year Base Flood Elevations as well as the hydrology model. It was determined additional topographic survey information is necessary.

Northwood Pines Park

EHRA is processing the topographical data for use in preparing the plans for the parking lot adjacent to the splash pad.

Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report.

OPERATIONS REPORT/TERMINATION OF SERVICE

The Board next recognized Mr. Montano, who submitted to and reviewed with the Board the Operations Report, a copy of which is on file in the official records of the District.

Mr. Montano also presented a report on the Storm Station, which report is attached to the Operations Report.

Mr. Montano reported as noted below.

- The billed to pumped ratio was 100.30%.
- There are 413 active connections in the District.
- There was one account finalized with a balance under \$25, and one account finalized with a balance greater than \$25.
- There were no excursions at the wastewater treatment plant.
- Texas Hot Tap ("THT") has repaired the multiple sinkholes on the Levee.
- The siren project is complete.

Upon motion duly made and seconded, the Board voted unanimously to (1) approve the Operation's Report, and (2) turn over the accounts finalized with a balance in excess of twenty-five dollars, if any, for collection.

Termination of Water Service

Consideration was then given to the termination of water service to the accounts listed on the Termination List. The Board noted that there were no customers present at the meeting who wished to address the Board regarding their water bills or to protest termination of water service.

Upon motion duly made and seconded, the Board voted unanimously to proceed with the service terminations, and if a customer contacts Inframark concerning inability to pay, Inframark is authorized to offer a sixty (60) day installment plan and in extreme cases a ninety (90) day installment plan.

IT REPORT/WEBSITE/AGREEMENT COMMUNICATION SYSTEM

The Board recognized Mr. Roach, who presented the IT/Website Report.

Upon motion duly made and seconded, the Board voted unanimously to approve the IT/Website Report, a copy of which is on file in the official records of the District.

LANDCAPE ARCHITECT REPORT/ PARK RANGERS LEVEE MAINTENANCE REPORT

The Board recognized Mr. Murr, who presented the Landscape Architect's report, a copy of which is on file in the official records of the District. Mr. Murr reported as follows.

Splashpad

Kraftsman Commercial Playgrounds & Waterpark (“Kraftsman”) submitted a timeline to complete Phase 1 in 14.5 weeks. This project is in progress, and substantially complete. Site restoration will occur by month’s end.

Painting of the conduit on the bridge and repair/replacement of the pergola will start next week.

Mr. Murr discussed with the Board his communication with Texas Parks and Wildlife on stocking fish in the detention pond. No action was taken on this item.

Mr. Murr will reach out to Mr. Conti regarding placement of a bench on Northgate Crossing Boulevard.

Clean out of the north channel was discussed.

Upon motion duly made and seconded, the Board voted unanimously to approve (1) the Landscape Architects Report, and (2) cleaning out the north channel.

AUDIT FISCAL YEAR DECEMBER 31, 2021

Engagement of an auditor to perform the audit for fiscal year ending December 31, 2021 was deferred.

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THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

PASSED, APPROVED and ADOPTED this December 15, 2021.



Secretary, Board of Directors