

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

November 10, 2022

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 10, 2022, at the Storm Pump Station, 710 Creek Knoll, Spring Harris County Texas, a designated meeting place of the Board of Directors inside the boundaries of the District, and the roll was called of the members of the Board, to-wit:

Jason Williams	President
Shane Holman	Vice President
Jim Helfrich	Secretary
Paul Martinez	Assistant Secretary
Kenny Boeckelman	Assistant Secretary

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

Also attending the meeting were 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; Jeff Conti, with Northgate Crossing MUD No. 2 ("NG2"); Lieutenant Brent Ballard with Harris County Precinct 4 Constables Office; Juan Montano and Robert Lugo with Inframark, Operator for the District; Ben Mellado with Edminster Henshaw Russ & Associates ("EH"), Engineer for the District; and Maria Salinas Parker and Michael R. Willis (via ZOOM) 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.

PEACE OFFICER'S REPORT

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

records of the District.

In view of the number of incidents at the apartments and hotels, the Board agreed to issue a letter requesting that these facilities obtain private security.

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 99.807% of the 2021 taxes have been collected.

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, 2023 was presented. The Board deferred action on the budget.

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 September 8, 2022, and October 13, 2022, 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 September 8, 2022, and October 13, 2022, as presented.

Amend Rate Order

No action was taken on amending the Rate Order.

Amendment to Wastewater Lease Agreement, and Amendment to Joint Facilities Agreement

Consideration was then given to proposed amendments to the Wastewater Lease Agreement and Joint Facilities Agreement.

Upon motion duly made and seconded, the Board voted unanimously to approve the amendments to the Wastewater Lease Agreement and Joint Facilities Agreement, copies of which are on file in the official records of the District.

ENGINEER'S REPORT

The Board recognized Mr. Mellado, 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 November 4, 2022. No noticeable changes were observed. There is a tree which has fallen on the fence line, and a possible leak. The Board agreed that the tree should be removed and the water leak repaired. Mr. Murr will follow up on the tree removal and possible leak. Spring Creek will continue to be monitored, and if any erosion is present, it will immediately be reported to HCFCD.

Water Plant 3 / Wastewater Plant Expansion

EHRA is continuing to work with the Engineer for NG2 regarding the wastewater treatment plant expansion and Water Plant 3. New wastewater plant utilization was calculated utilizing the plant rating value of 200 GPD/ESFC. The District has an adequate supply of wastewater capacity for the existing development. 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, if necessary.

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

Freese and Nichols has provided the Levee Rectification Analysis-Preliminary Findings Report. Due to ongoing flood plain mapping adjustments by FEMA, updated flood plain maps will not be completed until 2023. EHRA recommended that the Board take no action on the low area of the Levee until revised maps are released. The Harris County Flood Control District has inquired as to a timeline for raising the street at the entrance to the Storm Station. EHRA has responded to Harris County Flood Control District regarding the levee recertification.

Northwood Pines Park

EHRA has received final approval from Harris County Engineering for the parking lot adjacent to the splash pad. The Board agreed to place this project on hold.

Water Reuse Project

EHRA has completed the topographic survey in the area proposed for the water reuse project. Design of the project is in progress. Construction is expected to begin in May, 2023.

Storm Station Building

EHRA has completed the survey of the area around the building at the Storm Station to determine the feasibility of enlarging the building. EHRA will be meeting with the manufacturer of the building next week to discuss options for enlargement.

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

Mr. Lugo reported as noted below.

- The billed to pumped ratio was 94.21%.
- There are 419 active connections in the District.
- There were accounts finalized with a balance under \$25, and two accounts finalized with a balance greater than \$25.
- There were no excursions at the wastewater treatment plant.
- Replacement of the level sensors, and fittings at the Storm Station is in progress.
- Lift pump repairs are in progress.
- The fittings at on motor 2 at the Storm Station will be replaced.
- Repairs to the hydraulic oil leaks are in progress.
- A Lock Box Agreement with Central Bank was presented to approval.

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

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 authorization termination of service to the accounts listed on the Termination List.

LANDSCAPE 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.

- the splash pad is closed and has been winterized.
- the intake channel to the lake will be cleaned,
- the water fountain has been replaced,

- street paver replacement is in progress,
- annual planting of rye grass on the medians will occur later this month pursuant to Board approval, and
- there is no need to plant rye grass on the levee.

Upon motion duly made and seconded, the Board voted unanimously to (1) approve the Landscape Architects Report, and (2) authorize the planting of the rye grass on the medians at a cost not to exceed \$1,000.

IT REPORT/WEBSITE/AGREEMENT COMMUNICATION SYSTEM

The Board recognized Mr. Roach, who presented the IT Report, a copy of which is on file in the official records of the District.

The upgrading of the service with Comcast is in progress.

Upon motion duly made and seconded, the Board voted unanimously to approve the IT Report.

TRASH INCREASE

No action was taken on the trash increase.

AUTHORIZE AUDITOR TO PROCEED WITH AUDIT


Consideration was next given to authorizing the auditor to proceed with the audit for fiscal year ending December 31, 2022.

Upon motion duly made and seconded, the Board voted unanimously to authorize the auditor to proceed with the audit for fiscal year ending December 31, 2022.

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

PASSED, APPROVED and ADOPTED this December 8, 2022.


Secretary, Board of Directors