

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

September 14, 2023

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 September 14, 2023, at 23523 Northgate Crossing Boulevard, Spring, Texas 77373, 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 Willaims and Boeckelman, thus constituting a quorum.

Also attending the meeting were Jeff Conti, (via Zoom) with Northgate Crossing MUD No. 2; Steve Fitzgerald with Gauge Engineering; Patti Mace and Angela Helfrich, residents of the District; Lieutenant Ballard with Harris County Precinct 4 Constables Office; Jeremy Roach with Apollo IT Consulting, LLC ("Apollo"); Chris Linn with Myrtle Cruz, Inc. ("MCI"), Bookkeeper for the District; 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; Fred Richardson with Inframark, Operator for the District; Ben Mellado (via Zoom) with Edminster Henshaw Russ & Associates ("EH"), Engineer for the District; and Maria Salinas Parker (via Zoom) 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.

PEACE OFFICER'S REPORT/CONTRACT APPROVAL

The Board recognized Officer Ballard, who presented 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 in file in the official records of the District.

The Board noted that 99.670 % of the 2022 taxes have been collected.

Mr. Blich reminded the Board that a large commercial account was incorrectly included on the District's tax rolls. Accordingly, the District's roll will be supplemented to remove the account, and the District will owe a refund to the taxpayer of approximately \$330,000.

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.

FINANCIAL ADVISOR'S REPORT

There was no Financial Advisor's Report.

BOOKKEEPER'S REPORT

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.

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

DISCUSS 2023 TAX LEVY/CALL PUBLIC HEARING/FINANCIAL ADVISOR'S REPORT

The Board recognized Mr. Blich, who reviewed with the Board a Tax Rate Analysis in connection with the 2023 tax levy, a copy of which is on file in the official records of the District. The Board noted that the District is a developing district as defined in Senate Bill 2.

Upon motion duly made and seconded, the Board voted unanimously to (1) propose a 2023 debt service tax rate of \$0.360 and a maintenance and operation tax of \$0.514 for a total tax rate of \$0.874; (2) call a public hearing for Thursday, October 12, 2023 on the proposed 2023 tax rate; (3) authorize the Tax Assessor/Collector to publish notice of the public hearing and proposed tax rate as required by law, and (4) designate that District as a "Developing District."

ATTORNEY'S REPORT

The Board recognized Ms. Parker and Mr. Willis, 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

The proposed minutes of the meeting of the Board held August 10, 2023, 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 August 10, 2023, as presented.

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 September 2, 2023. The sink hole near the Storm Station has been repaired. The following items were noted:

1. The monument with exposed electrical wiring was repaired.
2. The wood pole blocking the sluice gate has been removed.
3. A public records request was made for the area around the transformer by the detention basin.
4. Erosion by the detention basin was treated with sod.

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 has estimated a cost to design and construct 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. The project will be done in two (2) phases. The District will need to use surplus construction funds for its share of the cost.

Northwood Pines Park

EHRA has received final approval from Harris County Engineering for the parking lot adjacent to the splash pad. This project is on hold pending the Levee modifications.

Water Reuse Project

EHRA has completed the topographic survey in the area proposed for the water reuse project. EHRA has started designing the line for the Water Reuse Project. EHRA has received from Northgate Crossing MUD

No. 2 the initial layouts. The sizing of the lines is being determined. The water will be used to irrigate the levee and esplanades.

Storm Station Building

EHRA has completed a survey of the area around the building at the Storm Station and is working on a preliminary design.

Levee Analysis and Certification

Raising of the Levee is complete.

Capital Improvement Plan ("CIP")

A five-year CIP was presented. A copy of the CIP is on the official records of the District.

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

Mr. Richardson reported as noted below.

- The billed to pumped ratio was 85.18%.
- There are 413 active connections in the District.
- There were no accounts finalized with a balance under \$25, and no accounts finalized with a balance greater than \$25.
- There were no excursions at the wastewater treatment plant.

Upon motion duly made and seconded, the Board voted unanimously to (1) approve the Operation's Report, (2) to write off the delinquent uncollectable accounts with a balance under \$25, and (3) turn over the delinquent uncollectable accounts finalized with a balance of more than 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 authorize termination of service to the accounts listed on Termination List.
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 noted below.

1. No issues to report. The splash pad will close at the end of October.
2. The medians are declining in areas because of weather extremes.
3. A large amount of fish in the lake died due to what is believed to be "lake overturn," and the extreme heat combined with a lack of oxygen. The lake was cleaned, and the dead fish were removed.
4. The Storm station signage was presented.
5. Preliminary drawings and discussion on the playground proposed in 2024 was presented.
6. The Maintenance Map has been updated to show the areas which the District maintains and the areas the Northwood Pines HOA maintains.
7. The Northwood Pines HOA will erect signs at the end of Creek Knoll Boulevard stating "No Dumping").
8. Raising of the Levee is complete. The project went well, and there was no need to I,plement "sandbag" stabilization. Turf is doing well and is rooted. The area is taking a lot of water. Minor cleanup will be finished up on cul-de-sacs.
9. The 10% retained (7,363.20 & 3,575.20) for Texas Ground Works will be presented at the next meeting.

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

IT REPORT/WEBSITE/AGREEMENT COMMUNICATION SYSTEM

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

INCLEMENT WEATHER POLICY/ANNUAL STORM STATION

Mr. Fitzgerald reviewed with the Board historical information relating to the Levee.

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

PASSED, APPROVED and ADOPTED this October 12, 2023


Secretary, Board of Directors