

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

August 10, 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 August 10, 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:

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|------------------|---------------------|
| 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 Director Boeckelman, thus constituting a quorum.

Also attending the meeting were Steve Fitzgerald with Gauge Engineering; Patti Mace, resident 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 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.

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.

The Board then considered renewing the contract with Harris County for the three peace officers commencing October 1, 2023.

Upon motion duly made and seconded, the Board voted unanimously to approve renewing the contract with Harris County for the three peace officers commencing October 1, 2023.

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 99.582 % 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.

2023 TAX LEVY AND CALL PUBLIC HEARNG

The 2023 tax levy discussion was deferred.

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.

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 June 29, 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 June 29, 2023, as presented.

Legislative Update

There was no legislative update.

ANNUAL REVIEW OF INVESTMENT POLICY

At this time, the Board conducted its annual review of the Investment Policy.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Annual Review of Investment Policy, a copy of which Resolution is on file in the official District's records.

MAINTENANCE AGREEMENT WITH NORTHWOOD PINES HOMWOWNERS ASSOCIATION ("HOA")

Consideration was then given to a proposed Maintenance Agreement with the HOA.

Upon motion duly made and seconded, the Board voted unanimously to approve the Maintenance agreement with the HOA.

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 August 1, 2023. The sink hole near the Storm Station has been repaired. The following items were noted:

1. A monument with exposed electrical wiring was observed.
2. Wood pole was observed to be blocking sluice gate.
3. Transformer by the detention basin appeared to be open.
4. Erosion was observed by the detention basin.

Operator and Landscape Architect were notified of the items mentioned above. Levee will continue to be monitored on a monthly basis.

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 rerating 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. A proposal in the amount of \$8,800.00 was received from Neil Associates, Inc to perform the electrical design for enlarging the building at the Storm Pump Station.

Levee Analysis and Certification

Raising of the Levee is complete.

Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report, and the proposal from Neil associates, Inc. to perform the electrical design of the Storm Pump Station.

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 98.45%.
- There are 419 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.

Splash Pad

1. No issues

GENERAL MAINTENANCE

2. Medians declining in areas because of weathe rextremes. Did a check on hot spots and correcting areas.
3. Cleaned up intake of Storm Station at the Lake.
4. Cleaned up around storage container, and attended to all of Inframark's requests, sink holes and trash.
5. Tree Still down at Spring Creek.
6. Lake fountain resolution.
7. There was a pretty major fish kill due to what is believed to be "lake overturn" and the extreme heat combined with lack of oxygen. The lake was cleaned and the dead fish were.
8. Storm station signage was presented.
9. Preliminary drawings and discussion on the playground proposed in 2024 was presented.

LEVEE

10. Raising of the Levee is complete. The project went well, and there was no need to enact the "sandbag" Turf is doing well and is rooted. The area is taking a lot of water, however. Minor cleanup will be finished up on cul-de-sacs. Dirt Contractor is recommended payment by EHRA and we are recommending Pay Apps/Invoices 588 and 589 to Texas Groundworks for \$66,268.81 and \$32,176.80 respectively for the SWAPP, sod, and irrigation.
11. Retainage for the 10% retained (7,363.20 & 3,575.20) for TGW will be presented and requested at the September meeting.

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

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. He also reported that he will be issuing letters to commercial customers regarding the Emergency Action Plan.

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

PASSED, APPROVED and ADOPTED this

September 14, 2023


Secretary, Board of Directors