

MINUTES OF MEETING OF BOARD OF DIRECTORS
November 12, 2024

THE STATE OF TEXAS
COUNTY OF HARRIS
NORTH GREEN MUNICIPAL UTILITY DISTRICT

The Board of Directors (the “Board”) of North Green Municipal Utility District (the “District”) convened in regular session on September 10, 2024 at 11:30 a.m. at the offices of Arete Real Estate & Development Company, 340 N Sam Houston Parkway E, Suite 140, Houston, Texas 77060, pursuant to Section 551.127, Texas Gov’t Code. A roll call was taken of the persons present:

Joe Fogarty, President
James Shipman, Vice President
Howard C. Chapman, Secretary
John Cole, Assistant Secretary
Frank Tanner, Assistant Secretary

Persons Attending. All members of the Board were present, thus constituting a quorum. Also attending all or parts of the meeting were Ms. Madeline Lopez of Norton Rose Fulbright US LLP (“NRF”), Paralegal for the District; Mr. Josh Rowe of Water District Management Company, Inc. (“WDMC”), Operator for the District; Ms. Cathi Wilbanks of Equi-Tax, Inc., Tax Assessor and Collector for the District; Mr. Jimmy Thornton of Storm Maintenance and Monitoring, Inc., Maintenance for the District; and Mr. Jon Durnell of McCall Gibson Swedlund and Barfoot, PLLC (“MGSB”), Auditor for the District.

Pursuant to Section 551.054, Texas Gov’t Code, notice of the meeting was posted as required by law. A certificate of such posting is attached hereto as *Exhibit A*.

Call to Order. The President called the meeting to order. He then proceeded with the meeting business.

- 1. Public Comments.** There were no public comments.
- 2. Approve Minutes.** Consideration was given to the approval of the minutes of the regular meeting of September 10, 2024, a copy of which was previously distributed to the Board. Upon motion by Director Chapman, seconded by Director Cole, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of September 10, 2024, as presented.
- 3. Security Report.** The Board reviewed the Security Report for October 2024, a copy of which is attached hereto as *Exhibit B*.
- 4. Engage auditor for fiscal year ending December 31, 2024.** Mr. Durnell presented to and reviewed with the Board the Auditor’s Engagement Letter, a copy of which is attached hereto as *Exhibit C*. She reported that the District has engaged McCall Gibson Swedlund

Barfoot PLLC for fiscal years ending 2024 and 2025. He stated the costs related to the 2024 audit will range between \$13,000 and \$14,500. Upon motion by Director Chapman, seconded by Director Cole, after full discussion and the question being put to the Board, the Board voted unanimously to engage MGSB to prepare the District's audit for fiscal year ending December 31, 2024.

5. Tax Assessor and Collector's Report. The President recognized Ms. Wilbanks, who presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of October 2024, a copy of which is attached hereto as *Exhibit D*.

Ms. Wilbanks presented one check for the Board's review and approval.

Upon motion by Director Tanner, seconded by Director Chapman, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report, and approve payment of the checks in the amounts, for the purposes, and to the persons listed therein.

6. Revenue Management Services Report. There was no report presented.

7. Approve Quarterly Investment Report, Bookkeeper's Report, and Payment of Bills. Ms. Wilbanks presented to and reviewed with the Board the Bookkeeper's Report and the Quarterly Investment Report, the Profit & Loss Budget vs. Actual, and the 2024 Energy Usage Report, copies of which are attached hereto as *Exhibit E*.

Ms. Wilbanks presented 27 checks for Board approval. She also presented 11 future checks.

Ms. Wilbanks then reviewed with the Board the Investment Report and the budget for fiscal year ending 2024. Discussion ensued.

Ms. Wilbanks reported on the 2024 Fiscal Year Groundwater Pumpage Usage Report and Energy Usage Report.

Ms. Wilbanks presented the proposed final draft budget for fiscal year ending 2025. She noted increases to water and sewer revenues, decreasing maintenance and repairs to \$200,000, increasing engineering fees to \$30,000, and she discussed possibly adding capital expenditures line item for \$200,000. Discussion ensued. It was the consensus of the Board to decrease telephone expense to \$2,000. Discussion ensued regarding allocating \$135,000 for capital projects, and possibly increasing water and sewer rates in the future.

Upon motion by Director Chapman, seconded by Director Cole, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report and Investment Report, and authorize payment of the checks listed in the Bookkeeper's Report, each in the amounts, to the persons, and for the purposes described therein, and approve the proposed budget for fiscal year ending December 31, 2025, as amended.

8. Adopt budget for fiscal year ending December 31, 2025. This item was approved under the Bookkeeper's Report.

9. Mowing Report. The President recognized Mr. Thornton, who presented to and reviewed with the Board the Mowing Report, a copy of which is attached hereto as *Exhibit F*. He reviewed the photos from the report and services completed. Mr. Thornton discussed fertilizing near small detention pond, and he requested payment of about \$6,500 for fertilization of 30 acres. He stated he will present request to the Board at the next meeting for consideration.

10. Engineer's Report and take any necessary action. The President reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit G*. There were no action items.

11. Operations Report. Mr. Rowe presented to and reviewed with the Board the Operations Report dated November 12, 2024, a copy of which is attached hereto as *Exhibit H*. Mr. Rowe stated the District's water usage accountability was 84.50% for the month of October 2024. He also stated that all bacteriological samples came back negative. Mr. Rowe reported that the District was cited during the TCEQ inspection of service pumps 1 and 2 for leaks. He noted pump 1 was pulled and he reviewed the NTS quote for \$33,680, plus freight. He stated the pump was shipped to a repair center in Dallas and WDM is waiting for completion of second evaluation. Mr. Rowe presented the Electrical Field Services quotes for replacement of sight glass on wells at Water Plant Nos. 1 and 2, and the oil change at Water Plant No. 1.

Mr. Rowe reviewed activity related to the District's wastewater treatment plant. He stated WDM is working on filing insurance claim from Hurricane Beryl. Mr. Rowe reviewed the NTS repair quote for on-site lift station Mr. Rowe stated he will coordinate with Director Fogarty to schedule inspection of lift pumps. He further discussed setting up bypass pumping.

Mr. Rowe discussed found partial blockage by Chisholm Trail apartments and jetting schedule. Mr. Rowe discussed sending out flyers regarding not flushing wipes.

Mr. Rowe proceeded to review Worldwide Power Products, LLC rental quote for generator for six months. Discussion ensued. The Board agreed to table this item until they have more information on purchasing generators for water plant and sewer plant.

Mr. Rowe reported 4 accounts are on the cut-off list for October 2024.

Mr. Rowe presented Arbor at Wayforest request to waive late fee of \$938.05. He noted that they are not usually late. The Board agreed to waive the late fee.

Upon motion by Director Tanner, seconded by Director Cole, after full discussion and the question being put to the Board, the Board voted unanimously to: (1) approve the Operations Report and terminate the delinquent accounts in accordance with the District's rate order; (2) approve the Electrical Field Services quotes to replace sight glass on well and change oil at Water Plant No. 1 and replace both sight glasses on well motor at Water Plant No. 2.; and (3) approve waiving late fee of \$938.05 for Arbor at Wayforest.

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

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The above and foregoing minutes were passed and approved by the Board of Directors on January 14, 2025.

President, Board of Directors

ATTEST:

Secretary, Board of Directors