

MINUTES OF MEETING OF BOARD OF DIRECTORS
September 10, 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, except Director Shipman and Director Tanner, 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; Ms. Lynda Fuqua and Ms. Chasity Mazzuca of FdR Consulting, LLC (“FdR”), Engineers for the District; Ms. Barbara Nussa of Republic Services; Mr. Glenn Woodson of Storm Maintenance and Monitoring, Inc., Maintenance for the District; Mr. Ryan Fortner of Revenue Management Services (“RMS”); and Mr. John Hill of Brown & Brown Insurance.

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 July 23, 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 July 23, 2024, as presented.
- 3. Security Report.** The Board reviewed the Security Report for August 2024, a copy of which is attached hereto as *Exhibit B*. Director Chapman discussed reaching out to HOA regarding National Night Out.

4. Renew District Insurance. Mr. Hill presented to and reviewed with the Board the 2024-2025 Brown & Brown Insurance renewal proposal, a copy of which is attached hereto as *Exhibit C*. Mr. Hill reviewed the Annual Cost Summary and Comparison, and he noted the increase in property and equipment breakdown. He discussed change in cyber liability. Discussion ensued.

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 2024-2025 Brown & Brown Insurance renewal proposal, excluding cyber liability.

5. Discuss Cyber Liability and Data Breach Response Interlocal Agreement and take any necessary action. This item was discussed during Renew District Insurance.

6. Approve Resolution Authorizing Indemnification of Directors. Ms. Lopez presented to and reviewed with the Board the Resolution Authorizing Indemnification of Directors, a copy of which is attached hereto as *Exhibit D*. She noted that this item is discussed annually in conjunction with renewal of the District's insurance policies, and stated that to the extent that Directors are acting in good faith in carrying out their duties, the District will indemnify the Directors for losses in connection with law suits and damages that are not covered by the District's insurance.

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 Resolution Authorizing Indemnification of Directors.

7. 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 August 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 Chapman, seconded by Director Cole, 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.

8. Revenue Management Services Report. Mr. Fortner presented to and reviewed with the Board the Revenue Management Services ("RMS") Sales and Use Tax Reports for June 2024 Q2 and August 2024 Q3, a copies of which are attached hereto as *Exhibit E*. He discussed RMS preparing for the City of Houston's annual business list. He noted there are a few businesses RMS will be turning over to the State.

He reported the District has received, thus far for 2024, \$24,214.73 in sales tax revenue.

Upon motion by Director Cole, seconded by Director Fogarty, after full discussion and the question being put to the Board, the Board voted unanimously to approve the RMS Reports.

9. 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 F*.

Ms. Wilbanks presented 39 checks for Board approval. She also presented 15 future checks.

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

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

Ms. Wilbanks presented the proposed draft budget no. 2 for fiscal year ending 2025.

Discussion ensued regarding budget for fiscal year ending 2024. Further discussion ensued regarding maintenance and repairs.

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.

10. Mowing Report. The President recognized Mr. Woodson, who presented to and reviewed with the Board the Mowing Report, a copy of which is attached hereto as *Exhibit G*. He reviewed the photos from the report and services completed.

Discussion ensued regarding maintaining any growth at the District’s water plant.

11. Engineer’s Report and take any necessary action. The President recognized Ms. Fuqua, who presented to and reviewed with the Board the Engineer’s Report, a copy of which is attached hereto as *Exhibit H*.

Ms. Fuqua reported that the flyers, regarding disposing of grease and not flushing wipes, were sent to the operator to distribute to the apartments.

Ms. Fuqua reported on the interconnect application with City of Houston, stating this is approved, connected, tested, and registered.

Ms. Fuqua reported that FdR is working on the draft Water Supply Contract with Harris County Utility District No. 16 (“UD 16”).

Ms. Fuqua discussed North Harris County Regional Water Authority Project 23B, which a 66-inch water transmission line along West Hardy Rd. She reviewed map with the Board, and discussed possibly changing GRPs.

Ms. Mazzuca reported on the water plant conversion, as required by City of Houston.

Ms. Mazzuca reviewed the well reports and water distribution summaries for July through August 2024.

Discussion ensued regarding accountability and tracking water usage.

Director Fogarty discussed undeveloped tract in the District and possibly facilitating permitting.

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 Engineer's Report.

12. Operations Report. Mr. Rowe presented to and reviewed with the Board the Operations Report dated September 10, 2024, a copy of which is attached hereto as *Exhibit I*. Mr. Rowe stated the District's water usage accountability was 82.63% for the month of August 2024, which is due to an 8-inch apartment meter being stuck. He presented the Southern Flowmeter, Inc. quote for \$1,840 to repair the 8-inch apartment meter. 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, the JDC quote for \$27,112, plus freight, and Pierce Pump quote for \$15,068.55. Director Fogarty will review the quotes further to compare.

Extensive discussion ensued regarding renting standby generator for future. Mr. Rowe recommended a back-up generator for the wastewater treatment plant and water plant.

Mr. Rowe reviewed activity related to the District's wastewater treatment plant. He reported on the non-potable system.

Discussion ensued regarding rainfall charts and water usage.

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: (1) approve the Operations Report and terminate the delinquent account in accordance with the District's rate order; and (2) approve the Southern Flowmeter, Inc. quote for \$1,840 to repair the 8-inch apartment meter.

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 November 12, 2024.

President, Board of Directors

ATTEST:

Secretary, Board of Directors