

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 419**

### **Minutes of Meeting of Board of Directors**

April 14, 2025

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 419 (the "District") met in regular session, open to the public, on April 14, 2025, at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas 77056, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board, as follows:

Robert G. Thomas, President  
Carissa Fabian, Vice President  
Samuel Goodspeed, Secretary  
Doug Woodall, Assistant Secretary  
Dennis Vallianos, Assistant Secretary

and all of said persons were present, thus constituting a quorum.

Also present were Ryan Derong of BGE, Inc. ("BGE"); Mackenzie Johnson and Todd Burrer of Inframark, LLC ("Inframark"); Charlie LaConti of Municipal Accounts & Consulting, L.P. ("MA&C"); Barbara Nussa of Republic Services, Inc. ("Republic"); Greg Lentz of Masterson Advisors LLC ("Masterson"); Brian Krueger of Forvis Mazars, LLP ("Forvis Mazars"); Dona Washington of Wheeler & Associates, Inc. ("Wheeler"); Ben Midgette, a Bridgeland resident; Christian Carroll, Vice President of Harris County Municipal Utility District No. 489 ("No. 489"); Kay Burkhalter of The Bridgeland Community Supports Veterans, Inc. ("TBCSVI"); and Mitchell G. Page and Sabrina Ernst of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before it.

### **PUBLIC COMMENTS**

The Board considered public comments, and recognized Mr. Midgette. Mr. Midgette advised that he had no comments for the Board at this time. Mr. Carroll introduced himself and discussed with the Board the joint funding of the purchase of joint land between the District and No. 489. In connection therewith, he suggested that the District consider options to allow No. 489 to defer payment and otherwise modify No. 489's obligations so that No. 489 can maintain adequate operating reserves. Following discussion, the Board concurred to discuss this matter further later in the meeting.

### **VETERAN'S MEMORIAL**

The Board next considered the status of the proposed construction of the Veteran's Memorial Park (the "Park") by Harris County Water Control and Improvement District No. 157

("No. 157") and cost participation by other Bridgeland water districts. In connection therewith, Ms. Burkhalter reported on the status of funding of the Park. Following discussion, the Board concurred to release a check in the amount of \$250,000, as previously approved, after No. 157 has received bids for construction of the Park.

### **APPROVAL OF MINUTES**

The Board considered the approval of the draft minutes of its meeting held on March 3, 2025. Following review and discussion of the draft minutes presented, it was moved by Director Goodspeed, seconded by Director Woodall and unanimously carried, that such minutes be approved, as written.

### **BOOKKEEPER'S REPORT**

Mr. LaConti presented to and reviewed with the Board the Bookkeeper's Report dated April 14, 2025, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for approval and the cash flow forecast for the District's operating account. Following discussion, it was moved by Director Goodspeed, seconded by Director Fabian and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, including check no. 8500, which Mr. LaConti noted is issued as a replacement check.

### **APPROVAL OF OPERATING BUDGET FOR THE DISTRICT'S FISCAL YEAR ENDING MAY 31, 2026; JOINT WATER PLANT AND JOINT SEWER PLANT BUDGETS FOR HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 418 ("NO. 418")**

Mr. LaConti next presented the proposed budget for the District's fiscal year ending May 31, 2026 for the Board's review and comment. He additionally presented the proposed joint water plant and joint sewer plant budgets prepared by No. 418, as required by the Contract for Financing, Operation and Maintenance of Master Water and Sanitary Sewer Facilities by and between the District, No. 418, and Harris County Municipal Utility District Nos. 489, 490, 491, 492 and 493 (the "Master Facilities Contract"). Copies of the proposed budgets are included in the Bookkeeper's Report. Mr. LaConti advised that he will add a line item for the Park contribution in the amount of \$250,000 to the District's proposed operating budget. The Board next discussed the process of handling complaints for water received from No. 418. In connection therewith, Ms. Johnson advised that the water meets state and federal drinking water standards and that Inframark will continue to flush the system and recommend air scouring as necessary to respond to taste, odor and aesthetic complaints. Following discussion, the Board concurred to defer taking action with respect to the proposed budgets until next month's meeting to allow the Board and the District's consultants enough time to review and provide any comments to same prior to Board approval.

### **TAX ASSESSOR-COLLECTOR REPORT**

Ms. Washington presented to and reviewed with the Board the Tax Assessor Collector Monthly Report for the month of March 2025, a copy of which is attached hereto as **Exhibit B**,

including the disbursements presented for approval. Following discussion, it was moved by Director Fabian, seconded by Director Goodspeed and unanimously carried, that the Tax Assessor Collector Monthly Report be approved, as presented, and the disbursements listed therein be approved for payment.

### **RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES**

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Page advised the Board that it is authorized pursuant to Section 33.07 of the Texas Tax Code, as amended, to impose, under certain conditions on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on taxes that remain delinquent as of July 1 of the year in which they became delinquent. He noted that the additional penalty to be imposed by this Resolution will not apply to delinquent personal property taxes which have incurred an additional penalty pursuant to that certain Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, which was passed and approved by the District on January 13, 2025. After further discussion, it was moved by Director Goodspeed, seconded by Director Fabian, and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, a copy of which is attached hereto as **Exhibit C**, be adopted by the District, and that Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") be authorized to proceed with the collection of the District's 2024 delinquent real property tax accounts on July 1, 2025, subject to proper notice having been given as provided in said Resolution, including the filing of lawsuits as necessary.

### **DELINQUENT TAX COLLECTIONS REPORT**

Mr. Page noted that no Delinquent Tax Report was received nor is due at this time from Perdue, delinquent tax collections attorney for the District.

### **RECEIVE AND ACT UPON BIDS FOR THE PURCHASE OF THE DISTRICT'S \$2,955,000 UNLIMITED TAX ROAD BONDS, SERIES 2025 (THE "ROAD BONDS")**

Mr. Lentz addressed the Board regarding the sale of the District's Road Bonds. In that regard, Mr. Lentz announced that seven (7) bids had been received and that the low bid was submitted by The Baker Group, LP ("Baker Group") at a net effective interest rate of 4.283196%. A copy of the Bid Results and accompanying Pricing Book is attached hereto as **Exhibit D**. Mr. Lentz advised that the bid had been verified, the required good faith check received, and that he recommends acceptance of Baker Group's bid. Director Goodspeed moved that the Board accept Baker Group's bid for the purchase of all of the Road Bonds at a net effective interest rate of 4.283196%, and Baker Group's Texas Ethics Commission ("TEC") Form 1295 be accepted and acknowledged. Director Fabian seconded said motion, which unanimously carried.

Ms. Burkhalter exited the meeting at this time.

**APPROVAL OF AGREED-UPON PROCEDURES REPORT RELATIVE TO THE PAYMENT OF PROCEEDS OF THE DISTRICT'S ROAD BONDS**

The Board considered the draft agreed-upon procedures report ("Reimbursement Report") prepared by Forvis Mazars in connection with the issuance of the District's Road Bonds. In connection therewith, Mr. Krueger reviewed with the Board the Reimbursement Report for the Road Bonds, a copy of which is attached hereto as **Exhibit E**. Mr. Krueger noted the Reimbursement Report would be updated to reflect the interest rate on the Road Bonds and presented for final approval by the Board at the meeting scheduled for May 12, 2025. After review and discussion, it was moved by Director Goodspeed, seconded by Director Fabian and unanimously carried, that the Reimbursement Report be approved, and that Forvis Mazars be authorized to update same as discussed.

**ADOPTION OF ORDER AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF THE ROAD BONDS**

The Board then considered additional matters related to the sale, issuance and delivery of the Road Bonds. In connection therewith, Mr. Page presented an Order authorizing the sale, issuance and delivery of the Road Bonds ("Bond Order"), and reviewed various provisions of the Bond Order with the Board. After further discussion, it was duly moved by Director Goodspeed, seconded by Director Fabian and unanimously carried that the Bond Order, substantially in the form attached as **Exhibit F**, be passed and adopted, subject to completion of same by SPH, and that the President be authorized to execute the Bond Order and the Secretary to attest same on behalf of the Board and the District.

**APPROVAL AND DISTRIBUTION OF FINAL OFFICIAL STATEMENT RELATIVE TO THE ROAD BONDS**

Mr. Page discussed the completion of the Final Official Statement to be prepared by Masterson in connection with the Road Bonds. Director Goodspeed moved that Masterson be authorized to complete the Final Official Statement, dated as of the date of the meeting, and that the said Final Official Statement be adopted by the Board and the District. Director Fabian seconded said motion, which carried unanimously.

**APPROVAL AND EXECUTION OF PAYING AGENT/REGISTRAR AGREEMENT IN CONNECTION WITH THE ISSUANCE OF THE ROAD BONDS**

The Board next considered and reviewed the proposed Paying Agent/Registrar Agreement (the "Paying Agent Agreement") between the District and The Bank of New York Mellon Trust Company, N.A., relative to the Road Bonds, a copy of which is attached hereto as **Exhibit G**. Mr. Page reviewed the various provisions of the Paying Agent Agreement with the Board. After discussion, Director Goodspeed moved that the Paying Agent Agreement be approved and that the President be authorized to execute same on behalf of the Board. Director Fabian seconded said motion, which carried unanimously.

## **ACT UPON ANY OTHER MATTERS CONCERNING THE ROAD BONDS**

The Board considered acting upon any other matters relative to the Road Bonds. Mr. Page presented to and reviewed with the Board the General Certificate, Signature Identification and No-Litigation Certificate with Letter of Instruction to the Attorney General of Texas, an Overlapping Debt and No-Growth Tax Rate Certificate, and the initial bonds relative to the sale of the Road Bonds. Following discussion, Director Goodspeed moved that said documents be approved and that the Board authorize SPH to handle all matters relative to the sale of the Road Bonds and in obtaining approval of the Attorney General of Texas for issuance of the Road Bonds. Director Fabian seconded said motion, which unanimously carried.

## **OPERATOR'S REPORT**

Ms. Johnson presented to and reviewed with the Board an Operations and Maintenance Report for the month of March 2025, a copy of which is attached hereto as **Exhibit H**.

Ms. Johnson next presented to and reviewed with the Board a Confidentiality Delinquent Report, a copy of which is included in **Exhibit H**. Ms. Johnson discussed with the Board a customer request for an extension of time to pay an outstanding invoice from the District. In connection therewith, she reported that the customer paid the first invoice but that the customer's account is still delinquent. Ms. Johnson recommended that the District set up a payment plan with the customer. After discussion, it was moved by Director Goodspeed, seconded by Director Thomas and unanimously carried that (i) the Operations and Maintenance Report for the month of March 2025, be approved, as presented, (ii) Inframark be authorized to proceed with enforcement of the District's Rate Order, including the forwarding of three (3) delinquent accounts totaling \$1,308.65 to collections, as reflected in the Operations and Maintenance Report, and (iii) the Inframark be authorized to approve a six-month payment plan with the customer, as requested.

The Board considered review of the District's Identity Theft Prevention Program (the "Program"). In connection therewith, Ms. Johnson presented Inframark's annual report and advised the Board regarding the District's experience with identity theft during the prior year, current identity theft prevention methods, the types of accounts maintained by the District and the District's business arrangements with other entities. Ms. Johnson recommended that no changes be made to the District's Program. After discussion on the matter, the Board concurred that no changes were necessary to the Program at this time.

## **WATER CONSERVATION PLAN**

Mr. Page discussed with the Board the requirements of Title 30, Section 288.30 of the Texas Administrative Code for retail public water suppliers such as the District to adopt a Water Conservation Plan ("WCP"). He further advised that the District is required to file such WCP with the Texas Commission on Environmental Quality ("TCEQ"), Region H Water Planning Group ("Region H"), and West Harris County Regional Water Authority ("WHCRWA") within 90 days following adoption. Mr. Page reviewed with the Board the terms of the proposed update to the District's WCP. After discussion, Director Goodspeed moved that the District adopt the Resolution Regarding Review of Water Conservation Plan and WCP attached hereto as **Exhibit I**

and that SPH be authorized to file the Plan with the TCEQ, Region H, and WHCRWA. Director Fabian seconded such motion, which carried unanimously.

### **GARBAGE AND RECYCLING COLLECTION SERVICES**

Ms. Nussa next provided the Board with a general update regarding the District's garbage and recycling collections. In connection therewith, she reported that the annual Bridgeland shredding event is scheduled for May 17, 2025. Directors Vallianos and Thomas volunteered to attend and assist with the event. It was noted that no action was required by the Board in connection with the District's garbage and recycling collections at this time.

### **ENGINEER'S REPORT**

Mr. Derong next presented to and reviewed with the Board the Engineer's Report dated April 14, 2025, a copy of which is attached hereto as **Exhibit J**. Director Goodspeed inquired whether the District could annex tracts into the boundaries of the District. Mr. Page advised of several potential issues with same due to the tracts being located outside of the service area under the Master Facilities Contract and that annexations require landowner consent and, under certain circumstances, an election. Following discussion, it was moved by Director Goodspeed, seconded by Director Vallianos and unanimously carried that the Engineer's Report be approved, as presented, and all action items listed therein be approved, as requested by BGE.

### **BRIDGELAND WATER AGENCY ("AGENCY")**

Director Goodspeed provided the Board with a brief update on Agency matters. In connection therewith, Mr. Page reported that the pool safety event was cancelled. He also reported that the Agency is developing a protocol for handling resident tickets submitted through the Go Gov application and/or the Agency website. Finally, Mr. Page noted the Agency was developing its budget for the next fiscal year and is considering increasing security patrols in response to growth in Bridgeland. The Board concurred that no action was necessary at this time.

### **WEBSITE UPDATES**

Mr. Page next presented to and reviewed with the Board a Monthly Communications Report dated April 14, 2025, as prepared by Touchstone District Services, LLC, a copy of which is attached hereto as **Exhibit K**. It was noted that no action was required of the Board in connection with the Monthly Communications Report at this time.

### **DEVELOPER'S REPORT**

Mr. Page presented to and reviewed with the Board the home inventory report through March 2025, as prepared by the Developer, a copy of which is attached hereto as **Exhibit L**. It was noted that no action was required by the Board in connection with such report.

## **BRIDGELAND COUNCIL, INC. ("COUNCIL")**

Mr. Page updated the Board with respect to Council matters. In connection therewith, he reported that SPH received the Council's annual invoice for recreational facilities maintenance in the amount of \$130,000. Following discussion, the Board approved the invoice and authorized MA&C to release the check previously approved under the Bookkeeper's Report to Council in payment of such invoice.

## **LAKELAND VILLAGE HOMEOWNERS' ASSOCIATION**

The Board considered the status of park and landscaping repairs/improvements to serve Lakeland Village. In connection therewith, Director Goodspeed recommended that the District consider making contribution to the Lakeland Village Homeowner's Association ("HOA") for maintenance of District recreational facilities, similar to the contributions made to Council. Mr. Page recommended that Inframark and BGE prepare a map depicting such District recreational facilities so that Lakeland Village HOA's cost to participate such maintenance can be estimated. Following discussion, the Board concurred that Inframark and BGE proceed as recommended.

## **ATTORNEY'S REPORT**

The Board considered the attorney's report. In connection therewith, Mr. Page reported that SPH received a letter from Region H regarding notice of a 2026 Region H Water Plan. He next updated the Board in connection with Trace Air Flyover and noted that the invoice for same was paid.

Mr. Page discussed the District's acquisition of land for the District and No. 489. In connection therewith, he presented to and reviewed with the Board a proposed Agreement between the District and No. 489. Director Goodspeed recommended that Director Goodspeed and Woodall coordinate with Mr. Carroll and/or other designated officials for No. 489 on the proposed Agreement and report back to the Board. Following discussion, the Board concurred to defer action of same.

## **RECESS**

The President announced that the meeting would be recessed at 12:34 p.m. All exited the meeting with the exception of the Board of Directors, Mr. Page, and Ms. Ernst.

## **RECONVENE**

The President reconvened the meeting at 12:41 p.m.

## **PRESENTATION OF PROPOSALS FOR OPERATIONS SERVICES, REVIEW OF PROPOSALS AND QUALIFICATIONS, AND AUTHORIZE ANY ACTION NECESSARY IN CONNECTION THEREWITH**

The Board considered qualifications for the District's operations services, and recognized

Lonnie Wright and John Taylor of Municipal Operations & Consulting, Inc. ("MOC") to present on behalf of MOC. Mr. Wright and Mr. Taylor introduced themselves to the Board, and delivered a presentation relative to the qualifications of MOC for the District's operations services. A copy of said presentation is attached hereto as **Exhibit M**. The Board asked various questions, to which Mr. Wright and Mr. Taylor responded. Following discussion, Mr. Wright and Mr. Taylor thanked the Board for its time and consideration, and exited the meeting.

Mr. Derong re-entered the meeting at this time.

At the invitation of the Board, Juan Alexander and Jeff Haley of Si Environmental, LLC ("Si Environmental") entered the meeting at this time. Mr. Haley and Mr. Alexander introduced themselves to the Board and delivered a presentation relative to the qualifications of Si Environmental for the District's operations services. A copy of said presentation is attached hereto as **Exhibit N**. The Board asked various questions, to which Mr. Haley and Mr. Alexander responded. Following discussion, Mr. Haley and Mr. Alexander thanked the Board for its time and consideration, and exited the meeting.

At the invitation of the Board, Ms. Johnson and Mr. Burrer, entered the meeting at this time. Ms. Johnson presented to and reviewed with the Board a Seventh Amendment to Professional Services Agreement, a copy of which is attached hereto as **Exhibit O**. In connection therewith, Ms. Johnson reported on various improvements by Inframark throughout 2024, including changes of responses to customer service requests. Mr. Burrer then reported on Inframark's proactive maintenance philosophy and its importance. Following discussion, Ms. Johnson and Mr. Burrer thanked the Board for its time and consideration, and exited the meeting.

### **EXECUTIVE SESSION**

The President announced at 1:54 p.m. that the Board would convene in closed session, as authorized by Texas Government Code Section 551.071. All exited the meeting at this time, with the exception of the Board, Mr. Derong, Mr. Page and Ms. Ernst.

### **RECONVENE IN OPEN SESSION**

The Board reconvened in open session at 2:23 p.m. Ms. Johnson re-entered the meeting at this time.

Mr. Page advised Ms. Johnson that the Board deferred approval of proposals. Following discussion, the Board concurred that it will schedule a special Board of Directors meeting in the District with MOC and Si Environmental to further discuss the presented proposals.

### **SCHEDULE FOR FUTURE BOARD MEETINGS; MATTERS FOR PLACEMENT ON FUTURE AGENDAS**

The Board considered items for placement on future agendas. No other specific agenda items other than routine and ongoing matters, or those discussed above, were requested.

**ADJOURNMENT**

There being no further business to come before the Board, on motion made by Director Thomas, seconded by Director Woodall and unanimously carried, the meeting was adjourned.

(SEAL)



Secretary

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 419**

**LIST OF ATTACHMENTS TO MINUTES**

April 14, 2025

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- Exhibit A** – Bookkeeper's Report
- Exhibit B** – Tax Assessor Collector's Report
- Exhibit C** – Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- Exhibit D** – Bid Results and Pricing Book of Series 2025 Road Bonds
- Exhibit E** – Agreed-Upon Procedures for Series 2025 Road Bonds
- Exhibit F** – Bond Order for Series 2025 Road Bonds
- Exhibit G** – Paying Agent/Registrar Agreement for Series 2025 Road Bonds
- Exhibit H** – Operations and Maintenance Report
- Exhibit I** – Resolution Regarding Review of Water Conservation Plan; Water Conservation Plan
- Exhibit J** – Engineer's Report
- Exhibit K** – Monthly Communications Report by Touchstone District Services, LLC
- Exhibit L** – Home Inventory Report through March 2025
- Exhibit M** – Presentation by Municipal Operations & Consulting, LLC
- Exhibit N** – Presentation by Si Environmental, LLC
- Exhibit O** – Seventh Amendment to Professional Services Agreement