

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

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

March 3, 2025

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 419 (the "District") met in special session, open to the public, on March 3, 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 and Will Gutowsky 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"); Paulina Baker and Steve Sams of Howard Hughes Holdings, Inc., on behalf of Bridgeland Development, LP (the "Developer"); Greg Lentz of Masterson Advisors LLC ("Masterson"); Brian Krueger of Forvis Mazars, LLP ("Forvis Mazars"); Jennifer Hicks and Caleb Borson of Accurate Meter & Supply ("Accurate"); Bobby Reynolds and 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"). Ms. Nussa entered later in the meeting, as noted herein.

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. Ms. Hicks and Mr. Borson introduced themselves to the Board and discussed a smart meter system provided by Accurate. In connection therewith, Mr. Borson discussed with the Board smart meter and leak indicators, including leak alerts. He next noted that he will investigate the cause of some indicators inaccurately reporting leaks. Following discussion, the Board concurred that no action was necessary at this time.

Ms. Hicks and Mr. Borson exited the meeting at this time.

## **APPROVAL OF MINUTES**

The Board considered the approval of the draft minutes of its meeting held on February 10, 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.

## **VETERAN'S MEMORIAL**

The Board next considered the status of the proposed construction of the Veteran's Memorial Park by Harris County Water Control and Improvement District No. 157 ("No. 157"). In connection therewith, Ms. Burkhalter presented to and reviewed with the Board a presentation for same, a copy of which is attached hereto as **Exhibit A**. Mr. Reynolds next introduced himself to the Board and discussed the importance of the Veteran's Memorial Park to the community. Ms. Burkhalter next noted that the Veteran's Memorial Park is still in need of donations. Following discussion, the Board concurred to defer discussion of same until after the Bookkeeper's Report.

Ms. Nussa entered the meeting at this time.

## **BOOKKEEPER'S REPORT**

Mr. LaConti presented to and reviewed with the Board the Bookkeeper's Report dated March 3, 2025, a copy of which is attached hereto as **Exhibit B**, including the disbursements presented for approval and the cash flow forecast for the District's operating account. He next discussed with the Board the options for District cost participation in the Veteran's Memorial Park. In connection therewith, he noted that the District's existing funds would be sufficient for same. Following discussion, it was moved by Director Goodspeed, seconded by Director Woodall and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment.

## **VETERAN'S MEMORIAL CONTINUED**

The Board continued to discuss cost participation of the Veteran's Memorial Park. Following a lengthy discussion, Director Goodspeed moved that the District commit to donate \$250,000 to the Veteran's Memorial Park, subject to No. 157's continued cooperation with the District on future projects. Director Fabian seconded said motion, and with Directors Goodspeed, Fabian, Woodall and Vallianos voting "aye", and Thomas abstaining, the motion carried.

Mr. Reynolds exited the meeting at this time.

## **AMENDMENT OF OPERATING BUDGET FOR FISCAL YEAR ENDING MAY 31, 2025**

Mr. LaConti presented to and reviewed with the Board an Amendment of Operating Budget for Fiscal Year Ending May 31, 2025 (the "Amendment"), a copy of which is included in **Exhibit B**. Mr. Page reported that SPH received an invoice from Bridgeland Council and advised that an agenda item for same will be added to next month's agenda. In connection therewith, the Board

concurred that BGE provide a map to the Board identifying which landscaping areas are paid by Lakeland Village Homeowner's Association ("HOA") and Bridgeland Council. After discussion, it was moved by Director Goodspeed, seconded by Director Woodall, and unanimously carried that the Amendment be approved, as presented.

### **UNCLAIMED PROPERTY REPORT**

The Board next considered authorizing the District's consultants to research their records for unclaimed property and authorizing the District's Bookkeeper and Tax Assessor-Collector to prepare Unclaimed Property Reports as of March 1, 2025. Following discussion, Director Goodspeed moved that the District's consultants be authorized to research the District's records for unclaimed property and that the District's Bookkeeper and Tax Assessor-Collector be authorized to prepare Unclaimed Property Reports as of March 1, 2025. Director Fabian seconded said motion, which unanimously carried.

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

The Board deferred consideration of the Tax Assessor-Collector's Report after noting that no representative was present.

### **DELINQUENT TAX COLLECTIONS REPORT**

Mr. Page noted that no Delinquent Tax Report was received nor is due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P, delinquent tax collections attorney for the District.

### **OPERATOR'S REPORT**

Ms. Johnson presented to and reviewed with the Board an Operations and Maintenance Report for the month of February 2025, a copy of which is attached hereto as **Exhibit C**. After discussion, it was moved by Director Woodall, seconded by Director Thomas and unanimously carried that (i) the Operations and Maintenance Report for the month of February 2025, be approved, as presented, and (ii) Inframark be authorized to proceed with enforcement of the District's Rate Order, including the forwarding of two (2) delinquent accounts totaling \$367.27, to collections, as reflected in the Operations and Maintenance Report.

Ms. Johnson next presented to and reviewed with the Board a confidentiality delinquent report, a copy of which is included in **Exhibit C**. In connection therewith, she noted that Inframark received several water quality complains in February and that Inframark will flush the system in those areas and monitor same. Ms. Johnson next presented to and discussed with the Board a customer request for an extension of time to pay the first invoice from the District, a copy of which is included in **Exhibit C**. After discussion, it was moved by Director Goodspeed, seconded by Director Woodall and unanimously carried that Inframark be authorized to communicate to the customer that the District will consider setting up a payment plan after receipt of payment of the first invoice, otherwise service will be terminated in March.

Director Goodspeed reported that he received a customer request that the District reimburse a bench test fee in the amount of \$50 for a leak at the customer's residence. Following discussion, it was moved by Director Goodspeed, seconded by Director Woodall and unanimously carried, that Inframark credit the customer the bench test fee in the amount of \$50.

#### **SUBMISSION OF CRITICAL LOAD STATUS INFORMATION TO ELECTRICITY PROVIDERS**

Mr. Page reported that Section 13.1396 of the Texas Water Code, requires that a District must annually submit to each electric distribution utility and each retail electric utility provider a list of its facilities which may qualify for critical load status and various emergency contact information for a determination that the facilities qualify for critical load status. After discussion on the matter, Director Goodspeed moved that the District's Engineer and/or Operator be authorized to make such annual filings on behalf of the District. Director Woodall seconded the motion, which carried unanimously.

#### **WATER CONSERVATION PLAN**

The Board deferred consideration of the District's Water Conservation Plan and any amendments thereto at this time.

#### **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 she had nothing to report at this time. 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 March 3, 2025, a copy of which is attached hereto as **Exhibit D**. Following discussion, the Board concurred that no action was necessary at this time regarding same.

#### **ENGAGEMENT OF AUDITOR FOR PROPOSED ISSUANCE OF UNLIMITED TAX ROAD BONDS, SERIES 2025 ("SERIES 2025 ROAD BONDS")**

The Board considered the engagement of an auditing firm for preparation of an reimbursement audit report in connection with the payment of funds to the Developer out of the proceeds of the District's Series 2025 Road Bonds. Mr. Krueger presented to and reviewed with the Board an engagement letter prepared by Forvis Mazars for preparation of such reimbursement audit report, a copy of which is attached hereto as **Exhibit E**. Following discussion, Director Goodspeed moved that (i) Forvis Mazars be engaged to conduct a reimbursement audit report in connection with the reimbursement of funds to the Developer out of the proceeds of the District's Series 2025 Road Bonds, (ii) the President be authorized to execute same on behalf of the Board and District, (iii) the District accept the Texas Ethics Commission ("TEC") Form 1295 submitted

by Forvis Mazars in connection therewith, and (iv) SPH be authorized to acknowledge the District's receipt of same with the TEC, as required. Director Fabian seconded said motion, which carried unanimously.

### **PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE**

Mr. Lentz then presented to and reviewed with the Board drafts of the proposed Official Notice of Sale and Preliminary Official Statement in connection with the Series 2025 Road Bonds, copies of which are attached hereto as **Exhibit F**. Mr. Lentz advised that the sale of the Bonds is scheduled for the next regular Board meeting on April 14, 2025. The Board members present indicated their availability to attend the bond sale meeting. After discussion, Director Vallianos moved that such offering documents be approved, completed and distributed in anticipation of the sale of the Bonds, and that such Official Notices of Sale and Preliminary Official Statement be deemed to be final for all purposes, with the exception of any additional materials or information relating to subsequent material events, offering prices, interest rates, selling compensation, identity of the underwriters, aggregate principal amounts and other similar information, terms and provisions to be specified in the competitive bidding process, all subject to the findings of the audit report being prepared by Forvis Mazars. Director Fabian seconded said motion, which carried unanimously.

### **ADVERTISE FOR SALE**

The Board considered authorizing Masterson to advertise for the sale of the Series 2025 Road Bonds. After discussion on the matter, Director Vallianos moved that the Board authorize Masterson to advertise for the sale of Bonds in accordance with the Official Notices of Sale. Director Fabian seconded said motion, which unanimously carried.

### **DESIGNATION OF PAYING AGENT/REGISTRAR**

The Board next considered the designation of a Paying Agent/Registrar in connection with the Series 2025 Road Bonds. Following discussion, Director Vallianos moved that the Bank of New York Mellon Trust Company, N.A. be named Paying Agent/Registrar for the Series 2025 Road Bonds. Director Fabian seconded said motion, which carried unanimously.

### **ATTORNEY GENERAL'S FEE**

After further discussion concerning the sale and issuance of the Series 2025 Road Bonds, Director Vallianos moved that MA&C be authorized to issue a wire transfer of funds to the Attorney General of Texas for payment of its review fees in connection with the Transcript of Proceedings to be submitted by SPH in connection with the sale of the Series 2025 Road Bonds. Director Fabian seconded the motion, which carried unanimously.

### **QUARTERLY REGIONAL WATER AND WASTEWATER SYSTEM CAPACITY AND EXPANSION PLANNING UPDATE**

The Board considered a Quarterly Regional Water and Wastewater System Capacity and

Expansion Planning update. In connection therewith, Mr. Gutowsky presented to and reviewed with the Board a handout regarding same, a copy of which is attached hereto as **Exhibit G**. Following discussion, the Board concurred that no action was necessary at this time.

### **ANNUAL REVIEW OF CONNECTION CHARGES**

Mr. Gutowsky next reported on BGE's review of the connection charges for the purchase of capacity in Master Facilities under the Master Facilities Contract among the District and Harris County Municipal Utility District Nos. 418, 489, 490, 491, 492 and 493. In connection therewith, Mr. Page presented to the Board a Resolution Regarding Review of Connection Charge Under Master Facilities Contract, a copy of which is attached hereto as **Exhibit H**. After discussion, Director Goodspeed moved that the connection charges be approved and the Resolution be adopted, as presented. Director Fabian seconded said motion, which unanimously carried.

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

Director Goodspeed provided the Board with a brief update on Agency matters. In connection therewith, he reported that the Agency will hold its monthly meeting on March 4, 2025, and that the Agency will consider transitioning its contract regarding license plate readers to the Agency to administer same.

### **WEBSITE UPDATES**

Mr. Page next presented to and reviewed with the Board a Monthly Communications Report dated March 3, 2025, as prepared by Touchstone District Services, LLC, a copy of which is attached hereto as **Exhibit I**. It was noted that no action was required of the Board in connection with the Monthly Communications Report at this time.

### **DEVELOPER'S REPORT**

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

### **RENEWAL OF DISTRICT INSURANCE COVERAGES**

In connection with the renewal of the District's insurance coverages for 2025-2026, Mr. Page presented to and reviewed with the Board a proposal from Arthur J. Gallagher & Co. ("Gallagher"), the District's current provider, a copy of which is attached hereto as **Exhibit K**. Following review and discussion, Director Fabian moved that the proposal from Gallagher be accepted, and that the President be authorized to execute the accepted proposal on behalf of the Board and the District. Director Woodall seconded said motion, which carried unanimously.

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

The Board noted that there was nothing to discuss with respect to Council matters at this

time.

### **LAKELAND VILLAGE HOMEOWNERS' ASSOCIATION**

The Board noted that it had nothing new to discuss with respect to the status of park and landscaping repairs/improvements to serve Lakeland Village at this time.

### **ATTORNEY'S REPORT**

The Board considered the attorney's report. In connection therewith, Mr. Page discussed invoicing Harris County Municipal Utility District No. 489 ("No. 489") for one-half of the costs incurred in connection with the District's acquisition of land for the District and No. 489. Following discussion, the Board concurred that SPH draft a contract for same to be provided to No. 489 for approval.

Ms. Nussa exited the meeting at this time.

### **DISCUSSION OF CUSTOMER SERVICE AND PERFORMANCE ISSUES RELATED TO DISTRICT OPERATIONS**

The Board discussed customer service and performance issues related to District operations. In connection therewith, Ms. Johnson presented to and reviewed with the Board a handout regarding Inframark's fees, a copy of which is attached hereto as **Exhibit L**. The Board next noted that the request for proposals that was approved at last month's meeting is due in April.

### **EXECUTIVE SESSION**

The President announced at 1:10 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. Gutowsky, Mr. Derong, Mr. Page and Ms. Ernst.

### **RECONVENE IN OPEN SESSION**

The Board reconvened in open session at 1:42 p.m. Ms. Johnson and Mr. Burrer re-entered the meeting at this time.

Director Goodspeed updated Ms. Johnson in connection with customer service and performance issues related to District operations. In connection therewith, the Board requested that Inframark: (i) provide detailed information on proposals that are presented to the Board for approval; (ii) increase transparency on side walk repairs; and (iii) increase communication and professionalism in connection with customer service requests. No action was necessary by the Board at this time.

**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 Fabian, seconded by Director Goodspeed and unanimously carried, the meeting was adjourned.



  
Secretary



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

**LIST OF ATTACHMENTS TO MINUTES**

**March 3, 2025**

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<b>Exhibit A –</b>	<b>Veteran's Memorial Presentation</b>
<b>Exhibit B –</b>	<b>Bookkeeper's Report</b>
<b>Exhibit C –</b>	<b>Operations and Maintenance Report</b>
<b>Exhibit D –</b>	<b>Engineer's Report</b>
<b>Exhibit E –</b>	<b>Engagement Letter for Reimbursement Audit</b>
<b>Exhibit F –</b>	<b>Official Notice of Sale and Preliminary Official Statement in connection with the Series 2025 Road Bonds</b>
<b>Exhibit G –</b>	<b>Bridgeland Water and Wastewater System Capacity and Expansion Planning Update</b>
<b>Exhibit H –</b>	<b>Resolution Regarding Review of Connection Charge under Master Facilities Contract</b>
<b>Exhibit I –</b>	<b>Monthly Communications Report by Touchstone District Services, LLC</b>
<b>Exhibit J –</b>	<b>Home Inventory Report through January 2025</b>
<b>Exhibit K –</b>	<b>Arthur J. Gallagher &amp; Co. Proposal of Insurance for 2025-2026</b>
<b>Exhibit L –</b>	<b>Handout prepared by Inframark</b>