

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 419

### Minutes of Meeting of Board of Directors July 10, 2023

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 July 10, 2023, 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  
Andrea Brazzale-Anderson, Assistant Secretary

and all of said persons were present, except Directors Brazzale-Anderson and Woodall, thus constituting a quorum.

Also present were Ryan Derong of BGE, Inc. ("BGE"); Miguel Medina of Municipal Accounts & Consulting, L.P. ("MA&C"); Stephanie Dorrough of Wheeler & Associates, Inc. ("Wheeler"); Mackenzie Osborne of Inframark, LLC ("Inframark"); Barbara Nussa of Republic Services, Inc. ("Republic"); Ronda Trow of The Howard Hughes Corporation on behalf of Bridgeland Development, LP (the "Developer"); Braxton Goodspeed, son of Director Goodspeed; and Kate Henderson, Kendall Dicke, and Shelby Yllana 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 noted that there were no members of the public present.

#### **APPROVAL OF MINUTES**

The Board reviewed the draft minutes of its meeting held on June 12, 2023. After discussion, Director Goodspeed moved that the minutes of the June 12, 2023 meeting be approved, as written. Director Fabian seconded said motion, which unanimously carried.

#### **ELECTRONIC FUNDS TRANSFERS FOR DIRECTOR PER DIEMS**

The Board deferred consideration of a Client Services Agreement with HR&P Company for direct deposit of Director per diems and reimbursable expenses. It was noted that MA&C is

not recommending participation at this time due to high program initiation costs, and recommends considering same in the first quarter of 2024, when such costs should decrease.

### **BOOKKEEPER'S REPORT**

Mr. Medina presented to and reviewed with the Board the Bookkeeper's Report dated June 12, 2023 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. After discussion, Director Goodspeed moved that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, except check nos. 7733 and 7735, which were voided. Director Fabian seconded the motion, which carried unanimously.

### **ADOPTION OF RESOLUTION AUTHORIZING INCREASE IN FEES OF OFFICE**

The Board considered adoption of a Resolution Authorizing an Increase in the Fees of Office. Ms. Henderson advised the Board that House Bill 2815, passed by the 88<sup>th</sup> Texas Legislature, amends Section 49.060 of the Texas Water Code to allow for an increase in director fees of office up to the amount of the per diem set by the Texas Ethics Commission for member of the legislature. Following discussion, Director Goodspeed moved that the Resolution Authorizing Increase in Fees of Office, attached hereto as **Exhibit B**, be approved, and that the President and Secretary be authorized to execute same on behalf of the Board and District. Director Fabian seconded the motion, which unanimously carried.

### **ADOPTION OF ORDER ADOPTING A CODE OF ETHICS, FEES AND EXPENSE POLICY, POLICY RELATING TO CONSULTING SERVICES, UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS, POLICY RELATING TO ADOPTION OF ANNUAL OPERATING BUDGET, AND CREATING AN AUDIT COMMITTEE ("CODE OF ETHICS")**

Ms. Henderson presented to the Board a proposed Code of Ethics, a copy of which is attached hereto as **Exhibit C**, and advised that that the language relative to the Fees and Expense Policy has been updated to provide that, with Board approval, directors may claim fees of office for virtual attendance or watching recorded sessions of conferences, but limited in number to the actual number of days of the conference during which live presentations were made. Following discussion, Director Goodspeed moved that the Code of Ethics be approved, that the District's prior adopted code of ethics be revoked, and that the President and Secretary be authorized to execute the Code of Ethics on behalf of the Board and District. Director Fabian seconded the motion, which unanimously carried.

### **TAX ASSESSOR COLLECTOR REPORT**

Ms. Dorough presented to and reviewed with the Board the Tax Assessor Collector Monthly Report for the month of June 2023, a copy of which is attached hereto as **Exhibit D**, including the disbursements presented for approval. After discussion, Director Goodspeed moved that the Tax Assessor Collector Monthly Report be approved, as presented, and the disbursements

listed therein be approved for payment. Director Fabian seconded the motion, which carried unanimously.

### **DELINQUENT TAX COLLECTIONS REPORT**

Ms. Henderson presented to the Board the delinquent tax collections report received from Perdue, Brandon, Fielder, Collins & Mott, LLP, delinquent tax attorneys for the District, a copy of which is attached hereto as **Exhibit E**. Ms. Henderson noted that no action was requested or required of the Board in connection with the report, whereupon the Board continued to the next item of business.

### **AMENDMENT TO DISTRICT INFORMATION FORM**

Ms. Henderson presented to the Board an Amendment to the District's Fourth Amended and Restated District Information Form and advised that the Amendment updates the Notice to Purchasers provided to purchasers of real property within the District in accordance with recent legislative amendments to Section 49.452, Texas Water Code. After discussion on the matter, Director Goodspeed moved that such Amendment be approved and that all Board members in attendance at the meeting be authorized to execute same on behalf of the Board and District. Director Fabian seconded said motion, which unanimously carried.

### **OPERATOR'S REPORT**

Ms. Osborne presented to and reviewed with the Board an Operations and Maintenance Report for the month of June 2023, a copy of which is attached hereto as **Exhibit F**. She reported on the status of repairs and replacements made to the water and wastewater facilities, facility inspections, and the issuance of new residential and commercial taps. After due discussion, Director Goodspeed moved that the Operator's Report and the actions therein be approved, as presented. Director Fabian seconded said motion, which unanimously carried.

Director Goodspeed then inquired about initiating automated payment reminders for residents. Ms. Osborne noted that Inframark and AVR do not currently provide payment reminders, but she would internally discuss same and report back to the Board at a future meeting with options.

Director Goodspeed next advised that Inframark has worked on the District's behalf reviewing and coordinating sponsorship opportunities to promote the District's purpose and messaging throughout the community. He noted that the funds allocated thusfar have been exhausted, and requested that the Board consider earmarking additional funds of \$5,000 to Inframark. After discussion, Director Goodspeed moved that (i) a committee comprised of Directors Goodspeed and Thomas be formed to work with Inframark on advertising opportunities, and (ii) an additional \$5,000 be allocated to Inframark to complete same. Director Fabian seconded said motion, which unanimously carried.

### **ENGINEER'S REPORT**

Mr. Derong presented the Engineer's Report dated July 10, 2023, a copy of which is attached hereto as **Exhibit G**. The Board noted that no action on its part was necessary on the Engineer's Report. A brief discussion ensued regarding the planned extensions of Mason Road and North Bridgeland Lake Parkway, to which Mr. Derong responded.

### **CONVERSION OF STREET LIGHTS**

The Board considered the conversion of existing street light bulbs to LED and entering into an agreement with CenterPoint Electric for same. Ms. Henderson then advised that the agreement will be forwarded by CenterPoint to Director Thomas for signature following the Board meeting.

### **USE OF SURPLUS CONSTRUCTION FUNDS**

The Board deferred consideration of use of surplus construction funds to reimburse the Developer for certain approved projects, such as the Bridgeland Creek Parkway Utility Extension. Ms. Henderson noted that action on this item will be deferred pending the Board's acceptance of the Conveyance and Bill of Sale of Facilities for the Utility Extension project.

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

Ms. Nussa provide a collections update to the Board. She additionally noted that she is researching a yard waste collection program with LivingWaste, and advised that Living Waste will require the use of brown craft bags to dispose of yard waste. The Board discussed same, and requested she in inquire about the use of a Toter-style trash can for resident ease. Ms. Nussa advised that she will inquire and report back to the Board.

Ms. Nussa then reported that the electronic waste recycling event will be held on October 14, 2023, at Oak Meadow Park in conjunction with the other Bridgeland districts. She inquired about the billing for the event and the Board discussed same, noting that the billing can be split amongst the districts as they deem appropriate. Ms. Nussa then advised that UWaste will provide additional materials to inform residents of the event, and the District and HOA can determine how to disseminate same to the residents. Director Goodspeed noted that he will hold a coordination meeting with representatives of the other utility districts in the near future.

### **SECURITY MATTERS**

The Board considered law enforcement matters for the District. Director Goodspeed noted that there are ongoing discussions with Sergeant Joe Duke of Precinct 5 Constable's Office and Director Christian Carroll of No. 489 to initiate a constable foot patrol to monitor the park and common areas in the District. After discussion, Director Goodspeed moved that an additional officer be engaged to patrol the parks and greenspaces in the District. Director Fabian seconded said motion, which unanimously carried.

Director Goodspeed then noted that, in connection with the hiring of a parks officer, the Constable's Office will require the District to obtain bids for the purchase of all-terrain vehicle that will be gifted to the Constable's office for patrol use, and the Constable's office will assume

maintenance of the vehicle thereafter. The Board discussed the appropriate entity to obtain the bids and purchase the vehicle. It was requested that Director Goodspeed obtain additional requirements and specifications for the all-terrain vehicle from the Constable's office, and further discussion be held on whether the District, Bridgeland Council, or Bridgeland Water Agency, should assume responsibility for purchase and gifting of the vehicle.

Director Goodspeed advised that Flock Safety, Inc. has received Harris County approval and ten in-bound readers have been installed in the major entryways to the District, with two recently relocated readers awaiting new Harris County permit approval. The Board took no action regarding same.

### **BRIDGELAND EMERGENCY COMMUNICATIONS COMMITTEE**

The Board then considered the status of the Emergency Communications Committee. Director Goodspeed reported on the recent committee meeting held with Bridgeland Council regarding development of a 311 smart phone application, noting the Bridgeland committee members desire to create a separate smart phone application through the Bridgeland Water Agency ("BWA"). Director Goodspeed then expressed his support for dissolution of the Bridgeland communications committee in favor of the BWA. Ms. Henderson noted that the Emergency Communications committee should continue, as structured, to be used during emergency situations.

### **ADMINISTRATIVE AGENCY CREATION**

Ms. Henderson then noted that, in connection with the Board's prior approval of the Interlocal Agreement for creation of the BWA, the Board will need to consider the delegation of a Trustee to serve on the administrative agency Board of Trustees on behalf of the District, and two alternate Trustees to serve in the event the Trustee is unable to attend a meeting or other obligation of the agency. After due discussion, Director Fabian moved that (i) Director Goodspeed be designated as Trustee on behalf of the District, (ii) Director Fabian be designated as first alternate, and (iii) Director Thomas be designated as second alternate. Director Thomas seconded said motion, which unanimously carried.

### **WEBSITE UPDATES**

The Board noted that it had no updates to the District's website. Director Goodspeed noted that there is interest in creating a separate website for BWA, and hosting videos and other community related materials on the site. He additionally noted that a different vendor will be explored to host the BWA website.

### **DEVELOPER'S REPORT**

Ms. Trow presented to the Board the monthly home inventory report as prepared by the Developer, a copy of which report is attached hereto as **Exhibit H**. Director Goodspeed inquired if tax incentives could be offered to bring additional commercial development into Bridgeland, to which Ms. Trow responded that she was not aware of such incentives being utilized, but can discuss same with the Developer and report back at a future meeting.

## **ATTORNEY'S REPORT**

Ms. Henderson noted that she had no legal matters to report that had not already been discussed, other than the distribution of the 88<sup>th</sup> Texas Legislature Regular Session Summary prepared by SPH. She noted that if the Board has questions regarding same, to contact SPH for further discussion.

## **CLOSED SESSION**

The President noted that the Board would not need to enter into Closed Session. It was noted that the appraisal of property is still in process.

## **MATTERS FOR FUTURE AGENDAS**

The Board noted that it had no other matters for future agendas other than the items already discussed. Director Thomas reminded the Board that it previously discussed setting a special meeting in the District in September or October to handle the tax rate hearing and tax rate setting.

## **MISCELLANEOUS**

Director Goodspeed noted that a director of one of the other Bridgeland districts contacted him regarding their concerns over the start times and noise levels for the mowing and maintenance services within the greenspaces. The Board acknowledged the director's concerns, and concurred that mowing vendors shall be mindful of the time that services commence and end, and decibel levels for same.

## **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.

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Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – Bookkeeper's Report
- Exhibit B – Resolution Authorizing Increase In Fees of Office
- Exhibit C – Code of Ethics
- Exhibit D – Tax Assessor-Collector Report
- Exhibit E – Tax Assessor-Collector Report
- Exhibit F – Operator's Report
- Exhibit G – Engineer's Report
- Exhibit H – Inventory Report

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