

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 419

Minutes of Meeting of Board of Directors
December 11, 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 December 11, 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

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

Also present were Ryan Derong of BGE, Inc. ("BGE"); Dona Washington of Wheeler & Associates, Inc. ("Wheeler"); Mackenzie Osborne of Inframark, LLC ("Inframark"); Jordan Weyand of Municipal Accounts & Consulting, L.P. ("MA&C"); Barbara Nussa of Republic Services, Inc. ("Republic"); Steve Sams of The Howard Hughes Corporation on behalf of Bridgeland Development, LP (the "Developer"); Richard Lowstetter, resident of the District and Treasurer of the Lakeland Village Homeowners' Association ("Lakeland Village HOA"); and Mitchell G. Page and Peyton Ellis 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. Lowstetter. Mr. Lowstetter noted that he had no comments for the Board at this time.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of its meetings held on October 5, 2023, and November 13, 2023. Following discussion, Director Goodspeed moved that the minutes of the October 5, 2023, and November 13, 2023, meetings be approved, as written. Director Fabian seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Mr. Weyand presented to and reviewed with the Board the Bookkeeper's Report dated December 11, 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. Following discussion, it was moved by Director Thomas, seconded by Director Goodspeed and unanimously carried, that (i) the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, with the addition of three (3) checks for fees of office owed to Directors Thomas, Goodspeed and Woodall, for attendance at the October 5, 2023, special Board meeting.

TAX ASSESSOR COLLECTOR REPORT

Ms. Washington presented to and reviewed with the Board the Tax Assessor Collector Monthly Report for the month of November 2023, a copy of which is attached hereto as **Exhibit B**, including the disbursements presented for approval. After discussion, it was moved by Director Goodspeed, seconded by Director Fabian and unanimously carried, that the Tax Assessor Collector Monthly Report be approved, as presented, and the disbursements listed therein be approved for payment.

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. Osborne presented to and reviewed with the Board an Operations and Maintenance Report for the month of November 2023, a copy of which is attached hereto as **Exhibit C**, and 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. Ms. Osborne additionally reported on the status of the District's Air Scouring Program, and noted that the second phase of said Program is scheduled for completion on December 14, 2023.

Ms. Osborne next presented and discussed with the Board a proposal for the repair or replacement of Lift Pump No. 2 at Lift Station No. 5, a copy of which is included in the Operations and Maintenance Report, and noted that Inframark is recommending the replacement of said Lift Pump No. 2 at this time.

Following discussion, Director Goodspeed moved that the Operations and Maintenance Report and the action items listed therein be approved, including: (i) the forwarding of one (1) delinquent account in the amount of \$101.88 to collections; and (ii) the replacement of Lift Pump No. 2 at Lift Station No. 5 in the amount of \$26,136.00. Director Thomas seconded said motion, which unanimously carried.

Mr. Page advised the Board of recent complaints by a resident of Harris County Municipal Utility District No. 489 ("No. 489") regarding the Stage 2 requirement of No. 489's Drought Contingency Plan ("DCP"), which limits the use of water for irrigation purposes to between the hours of 8:00 p.m. to 6:00 a.m. He then presented to the Board

the District's current DCP and noted that, should No. 489 choose to amend its DCP to address such complaints, the Board may want to consider amending the District's DCP accordingly to ensure uniformity in the DCPs across all Bridgeland districts. He further noted that no action was necessary by the Board regarding such matter at this time.

ENGINEER'S REPORT

Mr. Derong presented the Engineer's Report dated December 11, 2023, a copy of which is attached hereto as **Exhibit D**.

Mr. Derong reminded the Board that it previously took action to accept quotes from Jay's Iron Works ("Jay's") for repair of Bridge Nos. 1 and 7 in the amounts of \$4,500.00, each. In connection therewith, Mr. Derong advised the Board that Jay's has requested a fifty-percent (50%) down payment for such work, as the total cost for the repair of both bridges exceeds \$5,000.00. Following discussion, it was moved by Director Goodspeed, seconded by Director Fabian and unanimously carried, that the Board approve the fifty-percent (50%) down payment in the amount of \$4,500.00 to Jay's, as requested.

Mr. Derong next presented to and reviewed with the Board a proposal prepared by Pardalis Industrial Enterprises, Inc. ("Pardalis") for rehabilitation of the bridge railings located at Donnell Lake Drive #3 in the amount of \$3,550.00. A copy of said proposal is included in **Exhibit D**. Following discussion, Director Goodspeed moved to accept such proposal in the amount of \$3,550.00. Director Fabian seconded the motion, which unanimously carried.

GARBAGE AND RECYCLING COLLECTION SERVICES

Ms. Nussa provided a collections update to the Board. In connection therewith, she advised the Board that Republic is in the process of preparing the 2024 collections calendar, and that the completed calendar will be mailed to the District's residents unless otherwise instructed by the Board. Following discussion, the Board concurred that Republic proceed with the distribution of the final 2024 collections calendar by mailing same to the District's residents.

The Board concurred to defer consideration of an amendment to the District's service contract with Republic until next month's meeting.

SECURITY MATTERS

The Board considered law enforcement matters for the District. In connection therewith, Director Goodspeed reported on recent developments with Harris County regarding the funding of constable patrols. He advised that the Board of Trustees (the "Trustees") of the Bridgeland Water Agency (the "Agency") has taken action to prepare and forward letters to certain Harris County representatives, including Ted Heap, Tom Ramsey, Leslie Briones, and Lena Hidalgo, in support of the current 70/30 constable funding structure, and expressing gratitude and support for the current patrols in Bridgeland. No action was required by the Board in connection with this matter.

BRIDGELAND WATER AGENCY

Director Goodspeed provided the Board with a general update regarding the development of the Agency's smart device application by GOGov, Inc. He noted that he anticipates such application will be launched at the beginning of 2024.

WEBSITE UPDATES

Director Goodspeed reminded the Board that the Trustees previously selected Touchstone District Services ("Touchstone") to serve as the Agency's public relations and website provider. In that regard, Director Goodspeed suggested that the Board may want to consider engaging Touchstone to serve as the District's website provider, as doing so would ensure uniformity with the Agency's website. He noted that Touchstone has requested to attend next month's Board meeting to present a proposal for the District's website services, and inquired as to whether the Board would be amenable to same. Following discussion, the Board concurred to include an item on next month's meeting agenda for consideration of Touchstone's proposal for website services.

DEVELOPER'S REPORT

Mr. Sams provided a general update regarding the status of residential and commercial development within the District and the Bridgeland community. No action was required by the Board in connection with this matter.

BRIDGELAND COUNCIL, INC.

The Board noted that it had nothing new to discuss in regards to Bridgeland Council, Inc.

LAKELAND VILLAGE HOMEOWNERS' ASSOCIATION ("HOA")

The Board next discussed various matters relative to the Lakeland Village HOA's proposed park and landscaping repairs/improvements to serve Lakeland Village.

In connection with the proposed repair of House Hahl Trail, Mr. Page reminded the Board that the District has approximately \$5,425,000 in remaining recreational bond authorization to issue recreational bonds for such project. He advised that he has requested to receive the Harris County Commissioner's Court abandonment records relative to the various segments of the House Hahl Trail from BGE, and that he will begin verifying ownership of such segments upon receipt of the abandonment records.

RESIDENT COMMITTEE

Director Goodspeed advised the Board that a few of the District's residents have expressed an interest in creating recreational youth sports leagues to serve the Bridgeland

community. He then inquired as to whether the Board desired to participate in a resident committee to research and discuss the matter further. Following discussion, the Board determined that it would not be necessary for directors of the District to sponsor or participate in such a committee for the creation of recreational youth sports leagues, but that it may be able to assist in providing facilities necessary to accommodate youth sports in response to resident interest.

Ms. Washington exited the meeting at this time.

TRACE AIR FLYOVER

Mr. Page presented to and reviewed with the Board a proposal for an aerial flyover of the Bridgeland development for purposes of gathering data and photographs to assist in the Harris Central Appraisal District's assessment of land values as of January 1, 2024. A copy of such proposal is attached hereto as **Exhibit E**. In connection therewith, Mr. Page advised the Board that if all developing districts within the Bridgeland community participate in the flyover, the District's share of the costs for same would be approximately \$1,436.00. He then presented a proposed Letter Agreement among all of the anticipated participants for the Board's approval, a copy of which is included in **Exhibit E**. Following discussion, Director Goodspeed moved that (i) the proposal from Trace Air be approved, and (ii) the Letter Agreement be approved, as presented, and the President be authorized to execute same on behalf of the Board and the District. Director Woodall seconded said motion, which carried unanimously.

ATTORNEY'S REPORT

Mr. Page next presented the Board with a memorandum regarding certain DuPont and 3M Class Action Settlements (the "Settlements") relating to the presence of PFAS (per and polyfluoroalkyl substances) in drinking water. A copy of such memorandum is attached hereto as **Exhibit F**. Following discussion, the Board concurred to discuss the matter in Closed Session.

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.

CLOSED SESSION

The President noted that the Board would enter into Closed Session at 12:25 p.m. Those in attendance other than Directors Thomas, Fabian, Goodspeed and Woodall, Ms. Osborne, Mr. Page and Ms. Ellis, exited the meeting at this time.

Ms. Osborne exited the meeting during Closed Session at 12:58 p.m.

RECONVENE IN OPEN SESSION

The Board reconvened into Open Session at 1:16 p.m. Ms. Osborne and Mr. Derong re-entered the meeting at such time. Following discussion regarding a recent pressure surge incident that occurred within the District, it was moved by Director Fabian, seconded by Director Goodspeed and unanimously carried, that leak adjustments be granted to the residents impacted by the pressure surge for the residents' average monthly water usage, and that Inframark be authorized to purchase and install a FleetZoom at the furthest point from the District's Water Plant No. 1 to ensure the close monitoring of the District's system moving forward. The Board noted that leak adjustments should only be granted to those that submit requests within one (1) billing cycle of the incident.

SCHEDULE FOR FUTURE BOARD MEETINGS

The Board made note of its next meeting to be held in the offices of SPH on January 8, 2024, at 11:00 a.m.

ADJOURNMENT

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

Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – Bookkeeper's Report
- Exhibit B – Tax Assessor-Collector Monthly Report
- Exhibit C – Operations and Maintenance Report
- Exhibit D – Engineer's Report
- Exhibit E – Proposal for Trace Air Flyover and associated Letter Agreement
- Exhibit F – Memorandum Regarding the DuPont and 3M Class Action Settlements Engineer's Report