

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489

Minutes of Meeting of Board of Directors

January 19, 2026

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 489 (the "District") met in regular session, open to the public, on January 19, 2026, at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board of Directors, as follows:

Anthony T. McBride, President
Arlene Harper-Veith, Assistant Secretary
Madison Barrington, Assistant Secretary

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

Also present were Wendy Maddox of B&A Municipal Services, Inc. ("B&A"); Christopher Section of Municipal Accounts & Consulting, LP ("MA&C"); Mackenzie Johnson of Inframark, LLC ("Inframark"); Will Gutowsky and Kristen Demary of BGE, Inc. ("BGE"); Barbara Nussa of Republic Services, Inc. ("Republic"); David Patterson of Assessments of the Southwest, Inc. ("ASW"); Greg Lentz of Masterson Advisors LLC ("Masterson"); Bill Cook, President of the Board of Directors of Harris County Water Control and Improvement District No. 159 ("WCID 159"); Matthew Conner, resident of the District; and Mitchell G. Page and Peyton McKelvey 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. Mr. Conner introduced himself to the Board and expressed an interest in filling one of the vacancies on the Board of Directors. The Board thanked Mr. Conner for his interest and noted that it would discuss the process for filling vacancies on the Board of Directors later in the meeting, under the agenda item for such topic.

APPROVAL OF MINUTES

The Board considered the approval of the minutes of its meeting held on December 15, 2025. Following discussion, Director McBride moved that the minutes of the meeting held on December 15, 2025, be approved, as presented. Director Barrington seconded said motion, which unanimously carried.

RESIGNATION OF DIRECTOR CARROLL

Mr. Page advised the Board that Director Carroll has submitted a letter of resignation from the Board of Directors, effective as of December 27, 2025, a copy of which is attached hereto as **Exhibit A**. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that Director Carroll's resignation from the Board of Directors be accepted.

REORGANIZATION OF THE BOARD OF DIRECTORS AND ELECTION OF OFFICERS

The Board next considered the reorganization of the Board and the election of officers. After discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that Director Barrington be elected Vice President of the Board, that Director Harper-Veith be elected Secretary of the Board, and that Director McBride continue in his office of President.

DISTRICT REGISTRATION FORM

The Board next considered the approval of a District Registration Form, as required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Page explained that, in accordance with the Texas Water Code, special districts are required to file names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty (30) days after an election or appointment. He advised that, with the Board's approval, SPH will complete the District Registration Form to reflect the resignation of Director Carroll and the reorganization of the Board, and file same with the TCEQ, as required. After further discussion on the matter, Director McBride moved that the Board authorize SPH to complete the District Registration Form and file same with the TCEQ, as discussed. Director Barrington seconded said motion, which unanimously carried.

PROCESS FOR FILLING VACANCIES ON THE BOARD OF DIRECTORS

The Board next discussed the process for filling vacancies on the Board of Directors and the consideration of potential candidates for such vacancies. In connection therewith, Mr. Page reported that three (3) District residents, including Mr. Conner, have expressed an interest in serving on the Board, and reminded the Board that there are currently two (2) vacant positions on the Board. He reviewed the general process for filling vacancies on the Board, and explained the options available to the Board for filling such vacancies in light of the District's upcoming Directors Election. Following discussion, the Board concurred that it would proceed with appointing Mr. Conner to fill the vacancy on the Board with the term ending May 6, 2028, at next month's meeting, and requested that SPH prepare the necessary documents to fill the vacancy accordingly. The Board noted that it would further consider the matter of filling the remaining vacancy on the Board over the coming months.

BOOKKEEPER'S REPORT

Mr. Section presented to and reviewed with the Board the Bookkeeper's Report dated January 19, 2026, a copy of which is attached hereto as **Exhibit B**. He additionally presented the Quarterly Investment Inventory Report for the period ending November 30, 2025, a copy of which is included in the Bookkeeper's Report. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that (i) the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, and (ii) the Quarterly Investment Inventory Report be approved, as presented, and the District's Investment Officers be authorized to execute same on behalf of the Board and the District.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Maddox presented to and reviewed with the Board the Tax Assessor-Collector's Report and Delinquent Tax Roll for the month ending December 31, 2025, copies of which are attached hereto as **Exhibit C**. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that the Tax Assessor-Collector's Report be approved, as presented, and the disbursements listed therein be approved for payment.

ASSIGNMENT OF AGREEMENT FOR SERVICES OF TAX ASSESSOR/COLLECTOR

The Board next considered its Agreement for Services of Tax Assessor/Collector with B&A. In connection therewith, Mr. Patterson announced that B&A has assigned its tax collection division to ASW, effective as of February 1, 2026. In connection therewith, Mr. Page presented discussed with the Board an Assignment of, Assumption of, and Amendment to Agreement for Services of Tax Assessor/Collector between B&A, ASW and the District (the "Assignment"), a copy of which is attached hereto as **Exhibit D**. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that (i) the Assignment be approved, as presented, (ii) the President be authorized to execute same on behalf of the Board and the District, and (iii) SPH be authorized to acknowledge the Texas Ethics Commission ("TEC") Forms 1295 submitted by B&A and ASW in connection therewith.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered granting exemptions from taxation for 2026. In connection therewith, Mr. Page outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Section 11.13 of the Tax Code, as amended. He advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2026, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2026, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. After further discussion of the matter, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that

(i) the District grant the residential homestead exemption of one half of one percent (but not less than \$5,000) of the market value of residential homestead improvements for calendar year 2026, (ii) the District grant an exemption for persons under a disability or sixty-five years of age or older in the amount of \$20,000 from ad valorem taxes levied by the District during the calendar year 2026, and (iii) the Resolution Concerning Exemptions from Taxation, attached hereto as **Exhibit E**, be approved and adopted by the Board and District.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of a Delinquent Tax Collections Report, as it was noted that no report was received nor is due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon"), delinquent tax attorneys for the District.

ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

Mr. Page advised the Board that it is authorized, pursuant to Section 33.11 of the Tax Code, to impose, under certain conditions, an additional penalty not to exceed 20% of the total taxes, penalty and interest due the District on personal property that become delinquent after February 1 of a year and that remain delinquent sixty (60) days after said date, to defray the costs of collection of said delinquent taxes, in accordance with Section 33.11 of the Tax Code, as amended. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that: (i) the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit F**, be adopted by the Board, and (ii) Perdue Brandon, the District's delinquent tax collections attorneys, be authorized to proceed with collection of the District's delinquent 2025 personal property tax accounts on April 1, 2026, including the filing of lawsuits, as necessary.

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Mr. Page informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that Forvis Mazars, LLP, the District's auditor, be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database.

OPERATOR'S REPORT

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

Ms. Johnson next presented to and reviewed with the Board a proposal for Inframark to conduct Phase II of the District's Sanitary Televising Program, a copy of which is included in the Operations and Maintenance Report. Ms. Johnson advised the Board of the total cost for such

work in the amount of \$81,044.40, and noted that such expense was previously accounted for in the District's operating budget.

Ms. Johnson next presented to and reviewed with the Board two (2) proposals for the painting of the District's fire hydrants, copies of which are included in the Operations and Maintenance Report. Ms. Johnson advised the Board that Inframark recommends the Board's approval of the proposal submitted by Edustrial Solutions for such work in the total amount of \$26,460.00

Following discussion, Director McBride moved that the Operations and Maintenance Report and the action items listed therein be approved, including: (i) the proposal for Phase II of the District's Sanitary Televising Program in the amount of \$81,044.40; and (ii) the proposal for the painting of the District's fire hydrants by Edustrial Solutions in the amount of \$26,460.00. Director Barrington seconded said motion, which unanimously carried.

Ms. Johnson next reviewed with the Board three (3) customer appeals of District charges, including: (i) a request for credit of the \$25.00 delinquent letter fee assessed in connection with the customer's final bill through the prior electronic payment system; (ii) a dispute of the \$15.29 service fee applied by Chase Bank to the customer's online payment made with a debit card; and (iii) a request for an adjustment to the customer's November 2025 and December 2025 water bills due to a faulty District meter. In connection therewith, Ms. Johnson advised the Board that Inframark has addressed the first two hereinabove discussed customer appeals, but requested further instruction from the Board regarding the third customer appeal. After review and discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that Inframark be authorized to adjust the customer's November 2025 and December 2025 water bills by 6,000 gallons, resulting in a total credit to the customer's account in the amount of \$70.34.

GARBAGE AND RECYCLING COLLECTION SERVICES

Ms. Nussa advised that she had nothing new to report to the Board in connection with the District's garbage and recycling collections at this time.

ENGINEER'S REPORT

Ms. Demary next presented to and reviewed with the Board the Engineer's Report dated January 19, 2026, a copy of which is attached hereto as **Exhibit H**, including the pay estimates listed therein. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that the Engineer's Report and the action items listed therein be approved and accepted, as appropriate.

CAPITAL IMPROVEMENT PLAN

Mr. Gutowsky advised the Board that he had nothing new to discuss with the Board in connection with the District's Capital Improvement Plan at this time.

UTILITY COMMITMENT LETTERS

Mr. Page advised that there were no new requests for commitments received.

WEBSITE UPDATES

The Board deferred consideration of a Communications Report, as it was noted that no report was received nor is due at this time from Touchstone District Services, LLC ("Touchstone"), website services provider for the District. Mr. Page noted that the next Communications Report will be presented in March 2026.

BRIDGELAND WATER AGENCY ("AGENCY")

The Board next considered the status of matters related to the Agency. In connection therewith, Mr. Page provided the Board with a brief update on Agency matters, including the status of the Agency's scheduling of the following community events: (i) the 2026 hazardous waste collection and electronics recycling event, which has been tentatively scheduled for October 24, 2026; (ii) the 2026 annual document shred event, which has been tentatively scheduled for March 28, 2026; and (iii) the 2026 barbecue and outreach event, which has been tentatively scheduled for March 20, 2026, and March 21, 2026. It was noted that no action was required by the Board in connection with this matter.

DEVELOPER'S REPORT

Mr. Page presented to and reviewed with the Board the home inventory report through December 2025, as prepared by Bridgeland Development, LP, the District's Developer, a copy of which is attached hereto as **Exhibit I**. It was noted that no action was required by the Board in connection with such report.

MATTERS RELATIVE TO BRIDGELAND COUNCIL, INC. ("COUNCIL") AND/OR PARKLAND VILLAGE HOMEOWNERS' ASSOCIATION ("HOA")

The Board noted that it had nothing new to discuss with respect to Council and/or HOA matters for the District at this time.

RENEWAL OF INSURANCE COVERAGES

Mr. Page reported to the Board that the District's current insurance coverage through Arthur J. Gallagher & Co. ("Gallagher"), will expire on March 31, 2026. He informed the Board of the other insurance companies available to the District that provide coverage to water districts, and inquired as to whether the Board desired to solicit proposals from such companies for review prior to the expiration of the District's current policies. Following discussion, the Board requested that SPH solicit a renewal proposal from Gallagher, its current provider, for consideration at next month's meeting.

TRACEAIR FLYOVER AS OF JANUARY 1, 2026

Mr. Page next discussed with the Board the District's participation in the annual aerial flyover of the Bridgeland development. Mr. Page reminded the Board that said flyover provides for the gathering of data and photographs to assist in, among other things, the evaluation of Harris Central Appraisal District's assessment of land values as of January 1, 2026. Following discussion, it was moved by Director McBride, seconded by Director Barrington and unanimously carried, that: (i) the District's participation in the cost for the TraceAir flyover as of January 1, 2026, be authorized; (iii) the District enter into a letter agreement, in a form prepared by SPH, to share the costs of the flyover with the other Bridgeland water districts; and (iv) the President be authorized to execute said letter agreement on behalf of the Board and the District. A copy of the letter agreement, thus approved, is attached hereto as **Exhibit J**.

REVIEW OF FIFTH YEAR ARBITRAGE REBATE REPORTS

Mr. Page next presented to and reviewed with the Board (i) the 5th Year Arbitrage Rebate Calculations for the District's \$15,400,000 Unlimited Tax Bonds, Series 2020, and (ii) the 5th Year Arbitrage Rebate Calculations for the District's \$7,420,000 Unlimited Tax Road Bonds, Series 2020, both as prepared by Arbitrage Compliance Specialists, Inc., copies of which are attached hereto as **Exhibit K**. He noted that no action was required by the Board in connection with such Reports, and no payments are due to the Internal Revenue Service at this time.

MATTERS RELATED TO MAY 2, 2026 DIRECTORS ELECTION

Mr. Page reported on issues related to the District's Directors Election (the "Election") to be held on May 2, 2026. In connection therewith, Mr. Page presented to and discussed with the Board a memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit L**. Mr. Page advised that Harris County will not offer joint election services to political subdivisions for the May 2, 2026 election, and therefore, the District will have to hold an independent election. He further discussed the challenges of administrating an independent election.

SUPPLEMENTAL AGENDA

The Board next considered calling the Election in accordance with the requirements of the Texas Water Code. In connection therewith, Mr. Page presented the Order Calling Directors Election (the "Order"), attached hereto as **Exhibit M**, calling the Election to be held on May 2, 2026. It was noted that the term of office of Director Harper-Veith, and the term of the vacant position created by former Director, Trace Salazar's, disqualification from service, both expire in May of this year. In reviewing the Order with the Board, Mr. Page advised that the Texas Water Code and the Texas Election Code authorize the Board to designate an agent to perform certain duties in connection with the Election, and that the Order named Peyton E. McKelvey as such agent (the "Election Agent"). Mr. Page further advised the Board that notice of the Election must be given in accordance with the requirements of the Texas Election Code. Mr. Page advised the Board that notice of the Election could be given by one or more of the following methods: (i) publishing the notice in a newspaper published in the territory of the District or of general circulation in the District at least ten (10) days before the election, but not more than thirty (30)

days before the election; (ii) posting the notice at a public place in each election precinct that overlaps the District at least twenty-one (21) days before the election; or (iii) mailing the notice to each registered voter in the District at least ten (10) days before the election. He further advised that, in addition to the above, notice must be posted on the District's website at least twenty-one (21) days before the election. Following discussion of the options, the Board concurred that notice of the Election be given by posting same at a public place in each election precinct that overlaps the District and on the District's website. After discussion on the matter, Director McBride moved that said Order be passed and adopted, that the President and Secretary be authorized to execute the Order, and that the Election Agent be authorized and directed to make necessary arrangements for the Election in accordance with the Order. Director Barrington seconded said motion, which unanimously carried. Mr. Page advised the Board that if each candidate whose name is to appear on the ballot is unopposed as of 5:00 p.m. on February 20, 2026, the Board may thereafter cancel the Election in accordance with the Texas Election Code.

The Board next considered the establishment of fees to be paid to officials for the Election. Mr. Page advised the Board that in accordance with the Texas Election Code, the rate of pay for judges and clerks shall be determined by the Board, but shall not be less than the federal minimum wage rate. After discussion on the matter, Director McBride moved that the judges and clerks for the Election, including early voting clerks, be paid \$10.00 per hour. Director Barrington seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Page presented to and reviewed with the Board a memorandum prepared by the West Harris County Regional Water Authority ("WHCRWA") regarding the 2026 appointment process for the WHCRWA Board of Directors, a copy of which is attached hereto as **Exhibit N**. Following discussion, it was noted that no action was taken by the Board in connection with this matter.

SCHEDULE OF FUTURE BOARD MEETINGS; POLICIES REGARDING RESCHEDULING OF MEETINGS FALLING ON A FEDERAL HOLIDAY

The Board next discussed the scheduling of future Board meetings, including those that fall on a federal holiday. In connection therewith, Director McBride expressed an interest in implementing a policy that provides for the automatic rescheduling of regular meeting dates that fall on a federal holiday. Following discussion, the Board concurred that any regular meeting date that falls on a federal holiday should be automatically rescheduled for the following Monday.

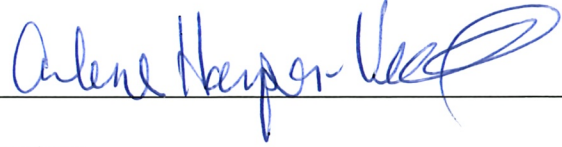
MATTERS FOR FUTURE AGENDAS

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

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director

McBride, seconded by Director Barrington and unanimously carried, the meeting was adjourned.



Secretary



HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489

LIST OF ATTACHMENTS TO MINUTES

January 19, 2026

- Exhibit A** – Resignation Letter of Director Carroll
- Exhibit B** – Bookkeeper's Report
- Exhibit C** – Tax Assessor-Collector's Report
- Exhibit D** – Assignment of, Assumption of, and Amendment to Agreement for Services of Tax Assessor/Collector
- Exhibit E** – Resolution Concerning Exemptions from Taxation
- Exhibit F** – Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit G** – Operations and Maintenance Report
- Exhibit H** – Engineer's Report
- Exhibit I** – Home Inventory Report through December 2025
- Exhibit J** – Letter Agreement for TraceAir Flyover as of January 1, 2026
- Exhibit K** – 5th Year Arbitrage Rebate Calculations for the District's \$15,400,000 Unlimited Tax Bonds, Series 2020; 5th Year Arbitrage Rebate Calculations for the District's \$7,420,000 Unlimited Tax Road Bonds, Series 2020
- Exhibit L** – Memorandum regarding Harris County Independent Elections
- Exhibit M** – Order Calling Directors Election
- Exhibit N** – WHCRWA Notice of 2026 Appointment Process for Authority Directors