

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489

Minutes of Meeting of Board of Directors

March 17, 2025

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 March 17, 2025, 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
Christian Carroll, Vice President
Trace Salazar, Secretary
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"); Trevor Smith of Municipal Accounts & Consulting, LP ("Municipal Accounts"); Todd Burrer of Inframark, L.L.C. ("Inframark"); Will Gutowsky and Kristen Turkal of BGE, Inc. ("BGE"); Barbara Nussa of Republic Services, Inc. ("Republic"); Greg Lentz of Masterson Advisors LLC ("Masterson"); Paulina Baker of Howard Hughes Holdings, Inc., on behalf of Bridgeland Development, LP (the "Developer"); Emilio Rodriguez, Steven Bosser and Kay Burkhalter of The Bridgeland Community Supports Veterans, Inc. ("Bridgeland Veterans"); Louis Evans, board member of Parkland Village Homeowners' Association ("HOA"); Bill Cook, President of the Board of Directors of Harris County Water Control and Improvement District No. 159; Jerry Eaton, resident of the District; 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. Cook. Mr. Cook advised that he had no comments for the Board at this time. Mr. Eaton introduced himself to the Board and reported of various issues in the District relating to operations services and taxes. Following discussion, the Board thanked Mr. Eaton for his comments and continued to regular business.

APPROVAL OF MINUTES

The Board considered the approval of the minutes of its meeting held on February 17, 2025. Following discussion, Director Carroll moved that the minutes of the February 17, 2025, meeting be approved, as presented. Director McBride seconded said motion, which unanimously carried.

VETERAN'S MEMORIAL PARK

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, Mr. Rodriguez introduced himself and Mr. Bosser to the Board. Mr. Bosser next made a presentation to the Board regarding the design concept for the Veteran's Memorial Park to be located off Creekside Crossing near the amenity lake, a copy of which presentation is attached hereto as **Exhibit A**. Mr. Bosser then noted the monetary commitments that will be made to the project by the Bridgeland Veterans, Harris County Municipal Utility District No. 419, and No. 157. He then requested the Board's consideration of a monetary contribution of \$150,000. Following discussion, the Board concurred to defer discussion of cost participation at this time.

BOOKKEEPER'S REPORT; AMENDMENT OF OPERATING BUDGET FOR FISCAL YEAR ENDING MAY 31, 2025

Mr. Smith presented to and reviewed with the Board the Bookkeeper's Report dated March 17, 2025, a copy of which is attached hereto as **Exhibit B**. Mr. Smith next presented to and reviewed with the Board an amendment of the operating budget for Fiscal Year Ending May 31, 2025, a copy of which is included in **Exhibit B**. In connection therewith, Mr. Smith requested to defer consideration of same until next month's meeting to receive additional input from consultants. Following discussion, it was moved by Director Carroll, seconded by Director McBride and unanimously carried, that the Bookkeeper's Report be approved, as presented, the disbursements listed therein be approved for payment, and the amendment of the operating budget for Fiscal Year Ending May 31, 2025, be deferred until next month's meeting.

RENEWAL OF INSURANCE COVERAGES

The Board next considered the renewal of the District's various insurance coverages expiring on March 31, 2025. In that regard, Mr. Page reminded the Board that it authorized SPH to solicit competitive bids from the District's current insurance provider, Arthur J. Gallagher Co. ("Gallagher"), as well as from McDonald & Wessendorff Insurance ("McDonald"). The Board then discussed the proposal received from Gallagher, a copy of which is attached hereto as **Exhibit C**. Mr. Page reported that no proposal was received from McDonald. After discussion, Director Carroll moved that the proposal from Gallagher be accepted, and that the President be authorized to execute same on behalf of the Board and the District. Director McBride seconded the motion, which carried unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

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 Sections 11.13, 11.184 and 11.142 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 2025, 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 2025, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. Mr. Lentz then presented to and reviewed with the Board a 2025 Exemption Analysis prepared by Masterson, a copy of which is attached hereto as **Exhibit D**. After further discussion of the matter, the Board concurred that Municipal Accounts provide a copy of the amendment of the operating budget for Fiscal Year Ending May 31, 2025, to Masterson and that consideration of same be deferred until next month's meeting.

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 of February 2025, a copy of which is attached hereto as **Exhibit E**. Following discussion, Director Carroll moved that the Tax Assessor-Collector's Report be approved, as presented, and the disbursements listed therein be approved for payment. Director McBride seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of a Delinquent Tax 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.

UNCLAIMED PROPERTY REPORT

The Board considered authorizing the preparation of Unclaimed Property Reports as of March 1, 2025. After discussion on the matter, Director Carroll moved that the District's consultants be authorized to research the District's accounts to determine whether the District has unclaimed property and the District's Bookkeeper and/or Tax Assessor/Collector be authorized to prepare such report for the Board's approval. Director McBride seconded said motion, which unanimously carried.

VETERAN'S MEMORIAL CONTINUED

The Board continued to discuss cost participation in the Veteran's Memorial Park project. The Board noted its desire to contribute to the project, but that it is also considering tax exemptions and other financial matters. Following discussion, the Board concurred to defer consideration of same to the next month's meeting to allow for a review of the matter alongside other financial discussions.

OPERATOR'S REPORT

Mr. Burrer 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 F**.

Mr. Burrer next presented and reviewed with the Board two (2) proposals for a Godwin portable back-up system (the "portable Godwin"), copies of which are included in **Exhibit F**. In connection therewith, he recommended that the Board approve the portable Godwin listed under item no. 2 in the amount of \$72,595.00. Following discussion, Director Carroll moved that the Operations and Maintenance Report be approved and that the action items therein be approved, including (i) that Inframark be authorized to forward one (1) delinquent account in the total amount of \$373.79 to collections, and (ii) the proposal for the portable Godwin listed under item no. 2 in the amount of \$72,595.00 be approved, as recommended by Inframark. Director McBride seconded said motion, which carried unanimously.

Mr. Page next discussed with the Board the manhole survey that was approved at last month's meeting. In connection therewith, he noted that a manhole requiring adjustment is located in the flower bed of a resident. Mr. Page and Mr. Gutowsky discussed removing the manhole from service. Following discussion, Director Carroll moved to (i) remove the manhole from service and seal the top of the manhole with concrete, and (ii) authorize SPH to prepare an encroachment agreement for landscaping. Director McBride seconded said motion, which carried unanimously.

ANNUAL REVIEW OF THE DISTRICT'S IDENTITY THEFT PREVENTION PROGRAM

The Board considered review of the District's Identity Theft Prevention Program (the "Program"). In connection therewith, Mr. Burrer 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. Mr. Burrer 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.

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 document shred event is scheduled for May 17, 2025, at 9:00 a.m. No action was required by the Board in connection with garbage and recycling collections at this time.

Director Carroll next presented to and reviewed with the Board a handout regarding a one-year analysis of opened internal and external requests, a copy of which is attached hereto as **Exhibit G**. Following discussion, the Board concurred that the Bridgeland Water Agency prepare such analysis for all other participating municipal utility districts.

STATUS OF REVIEW OF WATER CONSERVATION PLAN AND DROUGHT CONTINGENCY PLAN

The Board considered the status of the review of the District's Water Conservation Plan ("WCP") and Drought Contingency Plan ("DCP"). In connection therewith, Mr. Page advised the Board that the required five-year review of the District's DCP has been completed, but that the

WCP is still under review by the District's consultants. Following discussion, the Board concurred to defer consideration of the District's updated DCP at this time.

ENGINEER'S REPORT

Ms. Turkal presented to and reviewed with the Board the Engineer's Report dated March 17, 2025, a copy of which is attached hereto as **Exhibit H**, including the pay estimates and change orders listed therein. She updated the Board in connection with the installation of signalization at intersection of Tuckerton Road and Cooper Breaks Crossing. In connection therewith, Ms. Turkal reported that BGE will address comments for same, advertise, and bid the project in April.

Ms. Turkal next reported that a resident inquired regarding the timeline of completion of a sidewalk along Mason Road between Tuckerton Road and Bridge Creek Terrace Drive. In connection therewith, Ms. Turkal reported that BGE will provide an update for same at next month's meeting. Following discussion it was moved by Director Carroll, seconded by Director McBride and unanimously carried, that the Engineer's Report and the action items listed therein be approved, as recommended by BGE, as presented.

PROPOSED UNLIMITED TAX BONDS, SERIES 2025 (THE "BONDS") AND UNLIMITED TAX PARK BONDS, SERIES 2025A (THE "PARK BONDS")

The Board considered the proposed issuance of the District's Bonds and Park Bonds. In connection therewith, Ms. Turkal presented to and reviewed with the Board the Preliminary Summaries of Costs for the Bonds and Park Bonds, copies of which are attached hereto as **Exhibit I**.

Mr. Lentz then discussed with the Board financials for the Bonds and Park Bonds. Following discussion, Director Carroll moved that (i) the Preliminary Summaries of Costs for the Bonds and Park Bonds be approved, subject to SPH review, and (ii) the Board adopt the Order Authorizing Application to the TCEQ for Approval of Project and Bonds and Use of Surplus Funds and Interest Earned on Construction Funds, in an amount not to exceed \$7,000,000.00 for the Bonds and \$3,500,000.00 for the Park Bonds, a copy of which is attached hereto as **Exhibit J**. Director McBride seconded said motion, which carried unanimously.

ANNUAL REVIEW OF CONNECTION CHARGES

Mr. Gutowsky next reported on BGE's review of the connection charges for the purchase of capacity in the Master Facilities under the Master Facilities Contract among the District and Harris County Municipal Utility District Nos. 418, 419, 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 K**. After discussion, Director Carroll moved that the connection charges be approved and the Resolution be adopted, as presented. Director McBride seconded said motion, which unanimously carried.

UTILITY COMMITMENT LETTERS

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

WEBSITE UPDATES

Mr. Page presented to and reviewed with the Board the Communications Report dated March 17, 2025, as prepared by Touchstone District Services ("Touchstone"), a copy of which is attached hereto as **Exhibit L**. Following discussion, Director Carroll moved that Touchstone provide quarterly reports going forward. Director McBride seconded said motion, which unanimously carried.

BRIDGELAND WATER AGENCY ("AGENCY")

Mr. Page provided the Board with a brief update on Agency matters. In connection therewith, he reported that Bridgeland's annual barbecue event is scheduled for March 22, 2025, and that the Agency intends to organize the event in future years as the current organizer wishes to retire from the event. Director Carroll next presented and reviewed with the Board a constable report and beat summary data sheet, a copy of which will be posted to the Agency's website.

Ms. Nussa, Mr. Cook, Ms. Burkhalter, Mr. Rodriguez, Mr. Bosser, Ms. Turkal, Ms. Baker, Ms. Maddox, and Mr. Smith exited the meeting at this time.

DEVELOPER'S REPORT

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

MATTERS RELATIVE TO 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 landscaping maintenance in the amount of \$130,000. Following discussion, the Board approved the invoice and authorized Municipal Accounts to issue a check for same.

MATTERS RELATIVE TO PARKLAND VILLAGE HOMEOWNERS' ASSOCIATION ("HOA")

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

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Mr. Page noted that he had nothing further of a legal nature to report that had not already been discussed.

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, Mr. Page presented to and reviewed with the Board a summary of operations issues compiled by Directors Barrington and McBride, a copy of which is attached hereto as **Exhibit N**. Following a lengthy discussion, Director Barrington moved that the summary of operations issues be forwarded to Inframark and that Inframark prepare a plan to address said issues. Director Carroll seconded said motion, which carried unanimously.

The Board next considered issuing a request for proposals for operations services. Following discussion, Director Carroll motioned to issue requests for proposals for operations services. The motion failed for lack of second.

EXECUTIVE SESSION

The President noted that the Board would not need to enter Executive Session.

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




Secretary

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489

LIST OF ATTACHMENTS TO MINUTES

March 17, 2025

Exhibit A –	Veteran's Memorial Park Presentation
Exhibit B –	Bookkeeper's Report
Exhibit C –	Accepted Insurance Proposal for 2025-2026 prepared by Arthur J. Gallagher
Exhibit D –	2025 Tax Rate/Homestead Analysis
Exhibit E –	Tax Assessor-Collector's Report
Exhibit F –	Operations and Maintenance Report
Exhibit G –	One-Year Analysis of Opened Internal & External Requests
Exhibit H –	Engineer's Report
Exhibit I –	Summary of Costs
Exhibit J –	Order Authorizing Application to the TCEQ for Approval of Project and Bonds and Use of Surplus Funds and Interest Earned on Construction Funds
Exhibit K	Resolution Regarding Review of Connection Charge under Master Facilities Contract
Exhibit L	Monthly Communications Report prepared by Touchstone District Services
Exhibit M	Home Inventory Report through February 2025
Exhibit N	Summary of Operations Issues