

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489**

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

January 20, 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 January 20, 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, with the exception of Director McBride, 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"); Mackenzie Johnson of Inframark, L.L.C. ("Inframark"); Will Gutowsky and Kristen Turkal of BGE, Inc. ("BGE"); Barbara Nussa and Jaime Rodriguez of Republic Services, Inc. ("Republic"); Julie Peak of Masterson Advisors LLC ("Masterson"); Bill Cook, President of the Board of Directors of Harris County Water Control and Improvement District No. 159; Sam Goodspeed, Secretary of the Board of Directors of Harris County Municipal Utility District No. 419 and President of the Board of Trustees of the Bridgeland Water Agency (the "Agency"); Paxton Goodspeed, son of Mr. Goodspeed; and Mitchell G. Page, Cole Trolinger, and Peyton McKelvey of Schwartz, Page & Harding, L.L.P. ("SPH").

In the absence of the President, the Vice 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 Messrs. Cook and Goodspeed. Messrs. Cook and Goodspeed advised that they had no comments for the Board at this time.

### **APPROVAL OF MINUTES**

The Board considered the approval of the minutes of its meeting held on December 16, 2024. Following discussion, Director Carroll moved that the minutes of the December 16, 2024, meeting be approved, as presented. Director Salazar seconded said motion, which unanimously carried.

**BOOKKEEPER'S REPORT**

Mr. Smith presented to and reviewed with the Board the Bookkeeper's Report dated January 20, 2025, and the Quarterly Investment Report for the period ending November 30, 2024, copies of which are attached hereto as **Exhibit A**. Following discussion, it was moved by Director Carroll, seconded by Director Salazar and unanimously carried, that the Bookkeeper's Report and the Quarterly Investment Report be approved, as presented, and the disbursements listed therein be approved for payment, with the exception of the fee of office for today's meeting, payable to Director McBride, which was voided.

**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 Carroll, seconded by Director Salazar 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.

**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 December 2024, copies of which are attached hereto as **Exhibit B**. 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 Salazar 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.

**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 Carroll, seconded by Director Salazar and unanimously carried, that: (i) the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit C**, 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 2024 personal property tax accounts on April 1, 2025, including the filing of lawsuits, as necessary.

### **EXEMPTIONS FROM TAXATION**

The Board considered granting exemptions from taxation for 2025. 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 Texas 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. After further discussion on the matter, the Board concurred to defer action until next month's meeting and requested that Masterson consider the forward feasibility of the District offering a general homestead exemption.

### **OPERATOR'S REPORT**

Ms. Johnson presented to and reviewed with the Board an Operations and Maintenance Report for the month of December 2024, a copy of which is attached hereto as **Exhibit D**, 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. Johnson presented and reviewed with the Board two proposals for facility landscape maintenance services which would replace the District's current contract with I.M.S. Landscape Services, Inc. The two proposals from Growth Services Inc. ("GSI") and Texas Groundworks Management, Inc. are attached hereto as **Exhibit E**. 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 five (5) delinquent accounts in the total amount of \$1,164.13 to collections, and (ii) the approval of the landscape facility maintenance proposal with GSI. Director Salazar seconded said motion, which carried unanimously.

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

Ms. Nussa next provided the Board with a general update regarding the District's garbage and recycling collections, noting that service would be suspended on Tuesday, January 21, 2025, and possibly Wednesday, January 22, 2025, due to the winter storm. Additionally, Ms. Nussa introduced to the Board the new residential supervisor for the Bridgeland community, Mr. Rodriguez. No action was required by the Board in connection with garbage and recycling collections at this time.

## **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 January 20, 2025, a copy of which is attached hereto as **Exhibit F**, including the pay estimate listed therein. Following discussion it was moved by Director Carroll, seconded by Director Salazar and unanimously carried, that the Engineer's Report and the action items listed therein be approved, as recommended by BGE, as presented.

Ms. Nussa and Mr. Rodriguez exited the meeting at this time.

Director Carroll noted that two (2) businesses within the District, a daycare and a swim school, have been delayed in receiving power from CenterPoint, and have contacted the District to request an update. Following discussion, the Board requested that BGE inquire with the Developer regarding the status.

## **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 January 20, 2025, as prepared by Touchstone District Services, a copy of which is attached hereto as **Exhibit G**. Following discussion, the Board requested that SPH update the election dates on the District's website.

## **COVERED APPLICATIONS AND PROHIBITED TECHNOLOGY POLICY**

The Board considered the adoption of an Order Establishing Policy for Covered Applications and Prohibited Technology ("Technology Policy"), a copy of which is attached hereto as **Exhibit H**. Mr. Page advised that Senate Bill 1893, as passed during the 88<sup>th</sup> Regular Session, requires that all political subdivisions of the state, including the District, adopt a policy that prohibits the installation of certain social media applications, defined as "covered applications", on electronic devices owned or leased by the District. Mr. Page noted that the social media application TikTok and any other software owned by ByteDance Limited are considered covered applications and may not be installed or used on a District owned or leased device. Mr. Page further advised that the proposed Technology Policy mirrors the model policy created for governmental

entities created by the Texas Department of Information Resources ("DIR"), and will be updated as needed to comply with the recommendations of DIR. After discussion on the matter, Director Carroll moved that the Technology Policy be adopted, and that the President and Secretary be authorized to execute the same. Director Salazar seconded said motion, which unanimously carried.

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

Director Carroll provided the Board with a brief update on Agency matters. In connection therewith, Director Carroll reported to the Board that the laser speed guns purchased to serve the deputies of the Harris County Constable's Office when patrolling the Bridgeland community have been approved by the Commissioner's Court and are now in use.

Mr. Page next addressed the Board concerning the Agency's need for current District customer data for incorporation in the Agency's communications platforms, and requested that the Board authorize the annual release of such data from the District's customer database maintained by Inframark to the Agency for such purpose. Following discussion, it was moved by Director Carroll, seconded by Director Salazar and unanimously carried, that Inframark be authorized to release, on an annual basis until rescinded by the Board, the necessary data from the District's customer database to the Agency for incorporation in the Agency's communications platforms.

Ms. Johnson exited the meeting at this time.

### **DEVELOPER'S REPORT**

Mr. Page presented to and reviewed with the Board the home inventory report through December 2024, as prepared by the 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.

### **RENEWAL OF DISTRICT 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, 2025. 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, Director Carroll moved that SPH be authorized to solicit proposals from Gallagher, its current provider, and McDonald & Wessendorff Insurance for consideration at its next Board meeting.

### **TRACE AIR FLYOVER AS OF JANUARY 1, 2025**

Mr. Page next discussed the Trace Air flyover, which was completed on January 1, 2025. Mr. Page advised the Board that the final cost to the District for participation in the flyover was \$1,259.50. Following discussion, it was noted that no action was required by the Board in connection with this matter at this time.

**MATTERS RELATIVE TO BRIDGELAND COUNCIL, INC. ("COUNCIL")**

The Board noted that it had nothing new to discuss with respect to Council matters at this time, but noted that the annual invoice from Council for recreational contribution is expected to be presented at the March Board meeting.

**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.

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



  
Secretary

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489**

**LIST OF ATTACHMENTS TO MINUTES**

January 20, 2025

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- Exhibit A** – Bookkeeper's Report; Quarterly Investment Inventory Report
- Exhibit B** – Tax Assessor-Collector's Report
- Exhibit C** – Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit D** – Operations and Maintenance Report
- Exhibit E** – Proposals for Landscape Maintenance Services
- Exhibit F** – Engineer's Report
- Exhibit G** – Monthly Communications Report by Touchstone District Services, LLC
- Exhibit H** – Order Establishing Policy for Covered Applications and Prohibited Technology
- Exhibit I** – Home Inventory Report through December 2024