

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
February 10, 2020

The Board of Directors of Harris County Municipal Utility District No. 401 met at Staybridge Suites, 10011 Farm to Market Road 2920, Harris County, Texas 77385, on February 10, 2020, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Blair Fesler, President
Mark Atchison, Vice-President
Santee Wright, Secretary
Raul Solis, Assistant Vice President/Secretary
Jordan Thomas, Assistant Vice President/Secretary

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

Also present were Jeff Vogler of Van De Wiele and Vogler, Inc. (“VDWV”); Debbie Shelton of Masterson Advisors LLC (“Masterson”); Mark Merrell of McFarland PLLC; and Kara Richardson of Marks Richardson PC (“MRPC”).

The President called the meeting to order.

RECEIVE AND ACT UPON BIDS

As the first order of business, Ms. Shelton reported that, pursuant to the Notice of Sale published by the District, public bids for the sale of the District's proposed \$1,030,000 Unlimited Tax Bonds, Series 2020 (the “Bonds”) were received by Masterson on behalf of the District. She stated that eight (8) bids were received and reviewed the attached bid tabulation with the Board. Ms. Shelton advised the Board that the apparent low bid was submitted by Robert W. Baird & Co., Inc. at a net effective interest rate of 2.158975%. She advised that accuracy of the bids had been confirmed and recommended that the Board award the sale of the Bonds to Robert W. Baird & Co., Inc. Ms. Shelton further advised that the District received an investment grade rating of A2 from Moody's Investor Service and an insurance commitment from Assured Guaranty Municipal Corp. (“AGM”) After discussion, Director Atchison moved to accept the low bid of Robert Baird & Co., Inc. for the purchase of the Bonds at a net effective interest rate of 2.158975% with insurance provided by AGM. Director Thomas seconded the motion, which passed unanimously.

Ms. Shelton next reported that, pursuant to the Notice of Sale published by the District, public bids for the sale of the District's proposed \$3,360,000 Unlimited Tax Park Bonds, Series 2020A (the “Park Bonds”) were received by Masterson on behalf of the District. She stated that eight (8) bids were received and reviewed the attached bid tabulation with the Board. Ms. Shelton advised the Board that the apparent low bid was submitted by Robert W. Baird & Co., Inc. at a net effective interest rate of 2.501860%. She advised that accuracy of the bids had been confirmed and recommended that the Board award the sale of the Park Bonds to Robert W. Baird & Co., Inc. Ms. Shelton further advised that the District received an investment grade rating of Baa1 from Moody's Investor Service and an insurance commitment from Build America Mutual Assurance Company (“BAM”). After discussion, Director Atchison moved to accept the low bid of Robert Baird &

Co., Inc. for the purchase of the Bonds at a net effective interest rate of 2.5501860% with insurance provided by AGM. Director Thomas seconded the motion, which passed unanimously.

The Board next considered adoption of Orders authorizing the issuance, sale and delivery of the District's Series 2020 Unlimited Tax Bonds and Series 2020A Unlimited Tax Park Bonds. Ms. Richardson reviewed the terms and provisions of the Bond Orders with the Board. The Bond Orders were considered by the Board, and Director Atchison moved that the Bond Orders be passed and adopted by the Board and District. Director Thomas seconded the motion, which passed unanimously.

The Board next considered authorizing the completion and distribution of a Final Official Statement to be prepared by Masterson in connection with the District's Bonds and Park Bonds. After review and discussion, Director Atchison moved to authorize the completion and distribution of a Final Official Statement. Director Thomas seconded the motion, which passed unanimously.

The Board next considered approval of Paying Agent/Registrar Agreements by and between the District and Regions Bank relative to the Bonds and Park Bonds. Ms. Richardson reviewed the provisions of the Agreements. After discussion, Director Atchison moved to approve the Paying Agent/Registrar Agreement. Director Thomas seconded the motion, which passed unanimously.

As the next order of business, the Board considered acting upon any other matters required in connection with the Bonds. Ms. Richardson presented and reviewed the General Certificate, the Signature and No-Litigation Certificate with Letter of Instruction to the Attorney General, and the initial bonds relative to the sale of the Bonds and Park Bonds. After further discussion, Director Atchison moved to authorize the District's officers to execute the documents, and to authorize MRPC to handle all matters relative to the bond sale, including submission of transcripts of proceedings to the Attorney General of the State of Texas. Director Thomas seconded the motion, which passed unanimously.

Ms. Shelton exited the meeting at this time.

EXECUTIVE SESSION

The Board next recessed into Executive Session at 7:07 p.m. to discuss real property matters pursuant to §551.072, Texas Government Code and pending or contemplated litigation or a settlement offer pursuant to §551.071, Texas Government Code. The Board returned from executive session at 8:00 p.m.

RECONVENE IN OPEN SESSION

The Board next deferred taking action relative to real property matters pursuant to §551.072, Texas Government Code and contemplated litigation or a settlement offer pursuant to §551.071, Texas Government Code.

ITEMS FOR FUTURE AGENDAS

The Board next considered items for future agendas.

ADJOURN

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

DocuSigned by:

Sandee Wright

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Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS
February 10, 2020

- A. Bid Tabulation for Series 2020 Bonds
- B. Bid Tabulation for Series 2020A Bonds