

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 416

Minutes of Meeting of Board of Directors
October 14, 2021

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 416 (“District”) met at 2727 Allen Parkway, Suite 1100, Houston, Texas 77019, in accordance with the duly posted notice of the meeting, with a quorum of directors present as follows:

Mr. Christopher C. Hughes, President
Mr. Richard Godwin, Vice President
Mr. William L. Shappley, III, Secretary
Mr. Thomas A. Cook, Director

and the following directors absent:

Mr. Reed Tinsley, Assistant Secretary

Also present were; Mr. J.T. Gaden and Mr. Robert Atkinson of EHRA; Ms. Debbie Tomer of F. Matuska, Inc.; Mr. Josh Rambo of McCall Gibson Swedlund Barfoot; Mr. Jerry Hlozek and Mr. Mike Crahan of Caldwell Companies, by Microsoft Teams; and Mr. J. Davis Bonham, Jr. of Smith, Murdaugh, Little & Bonham, L.L.P;

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board opened the meeting for public comment. Hearing none, the President continued with the agenda.

2. The Board considered the minutes of the meeting held September 7, 2021. Upon motion duly made, seconded, and unanimously carried, the Board approved the minutes as presented.

3. No action was necessary with respect to the District’s security matters.

4. The Board recognized Ms. Debbie Tomer who presented the bookkeeper’s report, a copy of which is attached. Upon motion duly made, seconded, and unanimously carried, the Board approved the bookkeeper’s report and authorized payment of the checks listed thereon.

5. The Board considered the Order Appointing Investment Officer. Ms. Tomer informed the Board that F. Matuska Inc. has been purchased by Texas Utility Bookkeeping and Brendan Doran, the president of the company, will need to be appointed as the District’s investment officer as Fran Matuska plans to retire in the near future. Upon motion duly made, seconded and unanimously carried, the Board approved the Order as presented.

6. The Board then recognized Mr. Josh Rambo who presented the audit report for the fiscal year ended June 30, 2021. The Board reviewed the report, including the management discussion and analysis, and also reviewed a management letter prepared by the

auditor. After discussion, upon unanimous vote, the Board approved the audit report and authorized the attorney to file the report with the required audit filing affidavit as required by law.

7. The Board then considered the Resolution Affirming Review of Investment Policy, Strategies, and Objectives. The District's auditor and attorney informed the Board that the policy has been reviewed and that no changes are necessary at this time. Upon motion duly made, seconded, and unanimously carried, the Board approved the Resolution as presented.

8. The Board then considered the District's continuing disclosure obligations. Upon motion duly made, seconded, and unanimously carried, the Board authorized the attorney to file the District's continuing disclosure.

9. The Board then reviewed a tax assessor-collector's report. The 2021 taxes are 0% collected. Upon motion duly made, seconded, and unanimously carried, the Board approved the report as presented.

10. The Board then confirmed the publication of notice of the District's intent to hold a public hearing and set the 2021 tax rate at this meeting. Accordingly, the Board opened a public hearing on the District's proposed 2021 tax rate. It appeared that the Harris County Appraisal District had heretofore prepared and certified to the District's tax assessor-collector the final 2021 appraisal roll of the District. The Board then discussed the tax rate. The public hearing was then closed.

11. The Board then considered the Order Setting Tax Rate, Approving Tax Roll, and Levying Debt Service and Maintenance and Operation Tax for the Year 2021. It was moved, seconded and unanimously carried that there be passed and adopted the attached Order accepting the final appraisal roll and setting a maintenance and operations rate of \$0.1775 per \$100 in taxable valuation and a debt service tax rate of \$0.4725 per \$100 in taxable valuation.

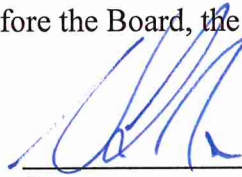
12. The Board then considered the Amendment to Statement of Directors. Upon duly made, seconded, and unanimously carried, the Board approved the amendment to statement of directors reflected the 2021 tax rate as presented.

13. The Board recognized Mr. Jerry Holzek of Caldwell Companies who presented the developers report. Mr. Hlozek reviewed the status of ongoing projects in the District including the construction of detention, mitigation and amenity ponds in the District. The Board discussed the new contractor and the timing of construction completion. The Board noted the greatly reduced cost to the District if the ponds are able to be largely constructed through the sale of dirt by the current contractor at no cost to the developer or the District.

14. The Board then discussed the mowing of the District's drainage facilities. The Board expressed concern regarding the quality of work performed by All Star. Mr. Crahan agreed to set up a meeting in the near future with Directors Hughes and Godwin to review the scope of work and pricing. The Board agreed that the District should be invoiced directly for services to the District moving forward.

15. The Board then recognized Mr. J.T. Gaden who presented the engineer's report. Mr. Gaden reviewed the status of ongoing projects with the Board. The engineer requested Board authorization to begin design of the Willowcreek Ranch, Section 11 project. The engineer requested Board authorization to begin design of the Willowcreek Ranch, North Detention (Phase III) project. The Board directed the engineer to perform biannual inspection of all District drainage facilities to ensure that the facilities are in good working order and functioning properly. The Board discussed recent communications between the District's attorney and engineer and TxDot and directed the engineer to review plans for the portion of the grand parkway which include the drainage facilities that the District believes are restricting drainage in the District and the surrounding area. The Board then reviewed cost estimates and related information for construction of improvements in accordance with the District's park plan. The Board directed the engineer to proceed with the solicitation of bids for the construction of the Southwest Park improvements as presented. The Board discussed the manner in which the project will be paid for and noted potential increased costs associated with the construction of additional amenity lake improvements on the Graceview and Doughtie tracts as well as the District's limited park bond capacity. The Board agreed to discuss the matter further at the November meeting. Upon motion duly made, seconded, and unanimously carried, the Board approved the engineers' report as presented and authorized the action items contained therein.

There being no further business to come before the Board, the meeting was adjourned.



Secretary

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 416

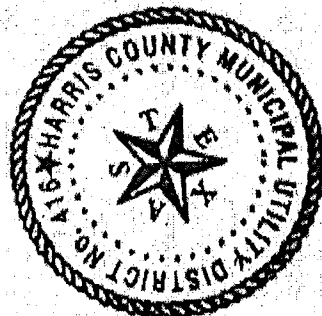
NOTICE OF PUBLIC MEETING

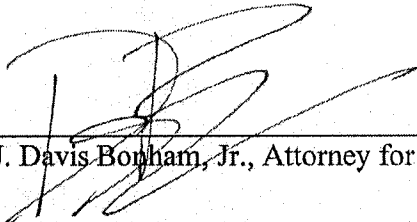
Notice is hereby given to all interested parties that the board of directors of Harris County Municipal Utility District No. 416 will hold a public meeting at **2727 Allen Parkway, Suite 1100, Houston, Texas 77019.**

The meeting will be held at **10:00 a.m. on Thursday, October 14, 2021.**

The items of business to be considered and transacted at said meeting are as follows:

1. Public comments
2. Minutes of Board of Directors Meeting(s)
3. Security Matters
4. Bookkeeper's Report; Checks and Invoices; Investment of District Funds; Review General Fund Budget; Depository Pledge Agreement(s)
5. Order Appointing Investment Officer
6. Audit Report
7. Resolution Affirming Review of Investment Policy, Strategies and Objectives
8. Authorize Continuing Disclosure Filing
9. Tax Assessor-Collector's Report; Invoices and Checks; Delinquent Tax Collections; Investment of District Funds; Tax Rate; Tax Exemptions
10. Public hearing on proposed 2021 tax rate
11. Order Adopting Appraisal Roll and Levying Debt Service Tax and Maintenance and Operation Tax for the Year 2021
12. Amendment of Statement of Directors
13. Developer's Report
14. Mowing of District Facilities
15. Engineer's Report; Design of Facilities; Advertisement for Bids; Construction Contract(s), Pay Estimate(s) and Change Order(s); Annexation of Land; Permit Matters; Proposal(s); Agreement(s) for Maintenance of Facilities; Application for Sale of Bonds; Utility Easements; Inspection of Drainage Facilities
16. Pending Business





J. Davis Bonham, Jr., Attorney for District