

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 439

October 14, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 439 (the "District") met in regular session, open to the public, on the 14<sup>th</sup> day of October, 2021, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, with access by telephone available to the public, and the roll was called of the members of the Board:

Adam Kramer	President
Vacant	Vice President
Jennifer Underwood	Secretary
Nancy Zimmerman	Asst. Vice Pres./ Asst. Secretary
Bonny Beasley	Asst. Vice Pres./ Asst. Secretary

and all of the above were present except Director Underwood, thus constituting a quorum.

Also attending in person or by telephone were Craig Rathmann of Rathmann & Associates, L.P. ("Rathmann & Associates"); Kevin Cole of Cove Matrix Development, Ltd. ("Cove Matrix"); Jason Hajduk of IDS Engineering Group ("IDS"); Bryan Sheppard of Pape-Dawson Engineers, Inc. ("Pape-Dawson"); Judy Osborn of McLennan & Associates, L.P.; Odett Newman of Bob Leared Interests, Inc. ("BLI"); and Hannah Brook and Ashley Ramos of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Ms. Brook offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Ms. Brook moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the September 20, 2021, regular meeting. Following review and discussion, Director Zimmerman moved to approve the minutes of the September 20, 2021, regular meeting, as presented. Director Beasley seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Osborn presented and reviewed the bookkeeper's report, including a list of checks presented for approval, and the District's budget comparison. After review and

discussion, Director Zimmerman moved to approve the bookkeeper's report and payment of the bills. Director Beasley seconded the motion, which passed unanimously.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Newman stated that notice was published of the public hearing to be held during today's meeting regarding adoption of the District's proposed 2021 total tax rate of \$0.80.

Ms. Brook opened the public hearing. There being no comments from the public, Ms. Brook closed the public hearing.

Ms. Brook presented an Order Levying Taxes reflecting the proposed 2021 tax rate.

After review and discussion, Director Zimmerman moved to: (1) adopt the Order Levying Taxes reflecting a total 2021 tax rate of \$0.80 per \$100 of assessed valuation, comprised of \$0.80 entirely attributable to operations and maintenance; and (2) direct that the Order be filed appropriately and retained in the District's official records. Director Beasley seconded the motion, which passed unanimously.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Newman presented and reviewed the tax assessor/collector's report for the month of September, including the checks presented for payment. She reported that the District's 2020 taxes are 98.721% collected through September 30, 2021. A copy of the tax assessor/collector's report is attached. After review and discussion, Director Zimmerman moved to approve the tax report and payment of the bills from the tax account. Director Beasley seconded the motion, which passed unanimously.

\$2,750,000 UNLIMITED TAX BONDS, SERIES 2021 (THE "BONDS")

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S BONDS

The Board considered review of the bids and award of the sale of the District's \$2,750,000 Unlimited Tax Bonds, Series 2021. Mr. Rathmann reviewed the bids that had been received:

- (1) RBC Capital Markets, with a net effective interest rate of 3.062548%;
- (2) GMS Group, L.L.C., with a net effective interest rate of 3.139139%;

- (3) HilltopSecurities, with a net effective interest rate of 3.160211%; and
- (4) FMSbonds, Inc., with a net effective interest rate of 2.085517%.

The Board next considered award of the sale of the Bonds. Mr. Rathmann stated that the low bid submitted by RBC Capital Markets, with a net effective interest rate of 3.062548%, had been reviewed and all numbers checked, and everything was found to be correct and in order. Mr. Rathmann recommended that the District accept the bid of RBC Capital Markets, as submitted. Director Zimmerman moved to award the sale of the Bonds to RBC Capital Markets, with a net effective interest rate of 3.062548%. Director Beasley seconded the motion, which passed unanimously.

#### RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S BONDS

The Board next considered adopting a Resolution Authorizing the Issuance of the District's Bonds ("Resolution"). Ms. Brook reviewed the proposed Resolution with the Board and explained that the document sets forth the terms and provisions of issuance and delivery of the Bonds, the payment of principal and interest over the life of the Bonds, and certain District covenants regarding the tax-exempt status of the Bonds.

#### PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered execution of the Paying Agent/Registrar Agreement with Bank of New York Mellon Trust Company, N.A. Ms. Brook stated that the Agreement sets forth the provisions by which the paying agent/registrar will handle registration, transfer, and payment of the District's Bonds.

#### OFFICIAL STATEMENT

The Board next considered approving the Official Statement. Ms. Brook explained that the Preliminary Official Statement would be revised to reflect the terms of this sale, including the purchaser, interest rates, and debt service requirements.

#### EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Brook presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate") stating that the Board has relied

solely on its financial advisor, Rathmann & Associates, for financial advice concerning the issuance of the Bonds.

#### EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S BONDS

Ms. Brook next explained that there will be various documents related to delivery of the Bonds requiring execution by the directors prior to closing. She requested that the Board authorize the President and Assistant Secretary to execute documents necessary in connection with the transaction and authorize the District's attorney and financial advisor to take all necessary action to deliver the Bonds to the purchaser.

#### PAYMENT TO ATTORNEY GENERAL

The Board considered approving payment to the Attorney General relating to bond issue transcript review.

#### EXECUTION OF AMENDMENT TO INFORMATION FORM

The Board considered approving and authorizing execution of an Amendment to Information Form, reflecting the current amount of bonds sold and the tax rate.

After review and discussion, Director Zimmerman moved to (1) adopt the Resolution; (2) approve the Paying Agent/Registrar Agreement with Bank of New York Mellon Trust Company, N.A.; (3) approve the Official Statement; (4) authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records; (5) authorize execution of documents related to the sale and delivery of the Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the Bonds; (6) approve the payment to the Attorney General relating to bond issue transcript review; and (7) approve and authorize execution and filing of an updated Amendment to Information Form. Director Beasley seconded the motion, which passed unanimously.

#### ENGINEER'S REPORT

Mr. Hajduk reviewed an engineering report from IDS Engineering Group ("IDS"), a copy of which is attached.

Mr. Hajduk reported on the construction of the Wayside Village East Phase I detention facilities. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$8,261.06, submitted by Paskey Incorporated ("Paskey"), as recommended by Pape-Dawson Engineer's, Inc.

Mr. Hajduk reported on the construction of the Wayside Village Phase I detention facilities and the Wayside Village Phase I Harris County Flood Control District Improvements. He reviewed and recommended approval of Pay Estimate No. 9 in the amount of \$314,827.86, submitted by Paskey, as recommended by Pape-Dawson, subject to TCEQ approval of Change Order #1. Mr. Hajduk then reviewed and recommended approval of Change Order No. 4 to the contract with Paskey for the construction of the Wayside Village Phase I detention facilities and the Wayside Village Phase I Harris County Flood Control District Improvements to increase the contract in the amount of \$46,894.00 for the addition of culverts under the pipeline, as required by the pipeline company. The Board determined that Change Order No. 4 is beneficial to the District.

Mr. Hajduk updated the Board regarding the status of the plans for the water, sewer, and drainage facilities to serve Wayside Village, Section 9, and Parker Road Phase 2 project. He stated Pape-Dawson is recommending approval of the construction plans and specifications and requests Board authorization to advertise the project for bids.

Mr. Hajduk updated the Board regarding the status of the plans for the Wayside Village, Section 12 water, sewer, and drainage facilities. He stated Pape-Dawson is recommending approval of the construction plans and specifications and requests Board authorization to advertise the project for bids.

Mr. Hajduk updated the Board regarding the City of Houston Storm Water Quality ("SWQ") permits for the Wayside Village detention basin and SWQ feature.

Following review and discussion, and based upon recommendation by the engineer, Director Zimmerman moved to (1) approve the engineer's report prepared by IDS; (2) approve Pay Estimate No. 5 in the amount of \$8,261.06 for the construction of the Wayside Village East Phase I detention facilities, as recommended by Pape-Dawson; (3) approve Pay Estimate No. 9 in the amount of \$314,827.86 for the construction of the Wayside Village Phase I detention facilities and the Wayside Village Phase I Harris County Flood Control District Improvements, as recommended by Pape-Dawson, subject to TCEQ approval of Change Order No. 1; (4) approve Change Order No. 4 86 for the construction of the Wayside Village Phase I detention facilities and the Wayside Village Phase I Harris County Flood Control District Improvements in the amount of \$46,894.00 as an increase to the contract with Paskey, based upon the Board's finding that the Change Order is beneficial to the District and Pape Dawson's recommendation; (5) approve the construction plans and specifications for the water, sewer, and drainage facilities to serve Wayside Village, Section 9, and Parker Road Phase 2 project, as recommended by Pape-Dawson; (6) authorize Pape-Dawson to advertise the water, sewer, and drainage facilities to serve Wayside Village, Section 9, and Parker Road Phase 2 project for bids; (7) approve the construction plans and specifications for the Wayside Village, Section 12 water, sewer, and drainage facilities, as recommended by

Pape-Dawson; and (8) authorize Pape-Dawson to advertise the Wayside Village, Section 12 water, sewer, and drainage facilities project for bids. Director Beasley seconded the motion, which passed unanimously.

#### ACCEPT DEEDS AND EASEMENTS

The Board reviewed a 0.013-acre Waterline Easement, 0.030-acre, 0.015-acre, 0.058-acre, and 0.112-acre Sanitary Sewer Easements, and 0.011-acre Storm Sewer Easement to be conveyed to the District from Rausch Coleman Homes Houston, LLC. The Board then reviewed a 0.142-acre Water Line Easement and 0.015-acre Sanitary Sewer Easement with Temporary Construction Easement to be conveyed to the District from CW-Wayside, LLC. Following review and discussion, Director Zimmerman moved to accept the easements, as discussed. Director Beasley seconded the motion, which passed unanimously.

#### DEVELOPMENT IN THE DISTRICT


Mr. Cole discussed the status of development in the District on the east side of North Wayside Drive. Ms. Brook then discussed a revision to the Partial Assignment of the Financing and Reimbursement Agreement for Water, Sewer, and Drainage Facilities between the District and Cove Matrix Development, Ltd. (the "Partial Assignment"), stating the amount of acreage has increased to approximately 103 acres. Following review and discussion, Director Zimmerman moved to authorize the updated acreage to be included in the Partial Assignment, as discussed. Director Beasley seconded the motion, which passed unanimously.

#### ATTORNEY'S REPORT

There was no additional attorney report.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



  
Secretary, Board of Directors

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