

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 432

Minutes of Meeting of Board of Directors

June 20, 2023

The Board of Directors ("Board") of Harris County Municipal Utility District No. 432 ("District") met at their regular meeting place on June 20, 2023, in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

Ken Suminski, President
Jeffrey Zarse, Vice President
Matthew Weber, Assistant Secretary

and the following absent:

Dianne D. Migl, Secretary

Also present were J. Ron Young of Young & Brooks, Pam Redden with McLennan & Associates, L.P., Lina Loaiza of Bob Leared Interests, Greg Dubiel of Municipal Operations & Consulting, Inc., Justin Wagner of R.G. Miller Engineers, Ltd., Stephanie Lee of KGA DeForest Design, LLC, Justin Jones of Woodmere Development Co., JC Reno of Storm Water Solutions, and David Wood of Robert W. Baird & Co. Incorporated.

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

The board approved the minutes of the Board meetings held on May 16, 2023.

Pam Redden reported as to bookkeeping matters in the District. The board unanimously approved the amended budget for 2024.

Lina Loaiza reported as to the status of tax collections in the District. The District is 99.2% collected for 2022.

Greg Dubiel reported as to operational matters in the District. There are 1,629 connections in the District.

Justin Wagner reported as to engineering matters in the District. The board considered and unanimously approved an interconnect agreement with Harris County MUD No. 449. The board acknowledged Pay Estimate No. 6 for \$90,336.18 and Pay Estimate No 2 for \$313,660.29 from Fellers & Clark, LP.

Stephanie Lee discussed the landscape architect report.

Justin Jones discussed the status of development in the District.

JC Reno discussed the Storm Water Solutions report.

It was announced that, pursuant to the notice published as required by law, public bids for the sale of the District's proposed \$14,470,000 Series 2023 bonds were to be received at this time and place. Upon motion duly made, seconded, and unanimously carried, the board approved publication of the notice of sale. There were presented the following bids at the net effective rates noted:

UMB Bank, N.A.	4.283123%
Raymond James & Associates, Inc.	4.315960%
SAMCO Capital Markets	4.334533%
HilltopSecurities	4.349944%

The bids were carefully considered. David Wood of Robert W. Baird & Co. Incorporated, the District's financial advisors, recommended that the bid of UMB Bank, N.A. should be accepted as it produces the lowest net effective interest rate of the District. Based upon this recommendation and advice, it was moved, seconded, and unanimously carried that the board and District accept the bid of UMB Bank, N.A. and adopt the attached Order Awarding Sale of the said Series 2023 bonds to same.

There was presented to the meeting the Bond Order attached hereto for the issuance of the District's \$14,470,000 Series 2023 bonds, which Bond Order adopted the terms of the low bid just accepted by the board. Said order was fully considered by the board, provision by provision. Thereupon, upon motion duly made, seconded and unanimously carried, said order was passed and adopted, and the President or Vice President, and Secretary or Assistant Secretary, were authorized to sign same on behalf of the District. The board next considered the selection of a paying agent/registrar to handle the closing and distribution of the District's funds and bonds in connection with the Series 2023 bonds. The board reviewed the Paying Agent/Registrar Agreement, and upon review of the Bank's fees in connection with same, a motion was made, seconded, and unanimously carried, that The Bank of New York Mellon Trust Company, N.A., be selected as the initial paying agent/registrar, and further that the President or Vice President and the Secretary or Assistant Secretary be authorized to sign same on behalf of the District.

The board was presented with the Initial Bond for execution. The board authorized its President or Vice President and the Secretary or Assistant Secretary to execute the Initial Bond in duplicate.

Upon motion duly made, seconded, and unanimously carried, the board approved an Escrow Agreement with Central Bank for the escrow of certain proceeds of the Series 2023 bonds as required by the TCEQ Order approving the bonds.

David Wood reviewed with the board changes to be made in the preliminary official statement to reflect the final terms of the proposed bond issue. Upon motion duly made, seconded, and unanimously carried, the board authorized its financial advisor to issue the final official statement, dated June 20, 2023, with the corrections deemed necessary to properly reflect the terms of the District's Series 2023 bonds.

Upon motion duly made, seconded, and unanimously carried, the board further authorized its officers to execute the numerous documents and letters presented to the board in connection with the issuance of the Series 2023 bonds and transcripts, and to execute any further documents required by the attorney general or by the bond insurer in connection with the approval and delivery of the Series 2023 bonds. The board authorized Robert W. Baird & Co. and Young & Brooks, in their respective capacities, to finalize matters concerning the issuance, delivery, and funding of the bonds upon approval of the Attorney General. Upon motion duly made, seconded, and unanimously carried, the board authorized the District officers and consultants to take all necessary actions for the timely issuance and delivery of the Series 2023 bonds.

The Board unanimously employed Mark C. Eyring, CPA, PLLC to perform the developer reimbursement audit for the Series 2023 Bond Issue.

The board unanimously approved all the Consultant's reports.

There was presented to the board a list of bills for the approval of payment, a copy of which is attached hereto. After discussion, upon motion duly made, seconded and unanimously carried, the board approved said bills and ordered checks to be issued on the appropriate accounts of the District in payment thereof.

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


Secretary, Board of Directors