

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 439

July 13, 2023

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 13th day of July, 2023, 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
Jonathan Reichek	Vice President
Nancy Zimmerman	Secretary
Bonny Beasley	Asst. Vice Pres./ Asst. Secretary
Steven M. Burgess	Asst. Vice Pres./ Asst. Secretary

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

Also attending in person were Eve Blakemore of IDS Engineering Group ("IDS"); Derek Davenport of McLennan & Associates, L.P.; Odett Newman of Bob Leared Interests, Inc.; Hannah Brook and Ashley Ramos of Allen Boone Humphries Robinson LLP ("ABHR"); and Bryan Sheppard of Pape-Dawson Engineers, Inc. ("Pape-Dawson"), attending via teleconference.

PUBLIC COMMENTS

Director Reichek 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, Director Reichek moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the June 8, 2023, regular meeting. Following review and discussion, Director Burgess moved to approve the minutes of the June 8, 2023, regular meeting, as presented. Director Beasley seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Davenport 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 Burgess moved to approve the bookkeeper's report and payment of the bills. Director Zimmerman seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

AUTHORIZE ATTENDANCE AT ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE

The Board considered authorizing attendance at the upcoming AWBD winter conference in Dallas, Texas. After review and discussion, Director Burgess moved to authorize attendance at the AWBD winter conference. Director Zimmerman 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 June, including the checks presented for payment. She reported that the District's 2022 taxes were 98.9% collected as of June 30, 2023. A copy of the tax assessor/collector's report is attached. After review and discussion, Director Burgess moved to approve the tax report and payment of the bills from the tax account. Director Zimmerman seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 TAX YEAR

Ms. Brook discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a developing District for the 2023 tax year.

Following review and discussion, Director Zimmerman moved to adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a developing district for the 2023 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Beasley seconded the motion, which passed unanimously.

DETENTION POND MAINTENANCE

The Board reviewed an inspection report from Storm Water Solutions, LLC regarding the maintenance of District detention facilities, a copy of which is attached.

ENGINEER'S REPORT

Ms. Blakemore reviewed an engineering report from IDS, a copy of which is attached.

Ms. Blakemore reported on the construction of the Wayside Village West Phase I detention facilities and the Wayside Village Phase I Harris County Flood Control District Improvements. She then recommended final acceptance of the project, as recommended by Pape-Dawson.

Ms. Blakemore updated the Board regarding the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 4. She reviewed and recommended approval of Pay Estimate Nos. 6 and 7 (Final) in the amounts of \$75,621.57 and \$16,272.23, respectively, submitted by Principal Services, Ltd. ("Principal Services"), as recommended by Pape-Dawson. Ms. Blakemore then reviewed and recommended approval of Change Order No. 1 to the contract with Principal Services for the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 4 in the amount of \$0.00, which provided for an additional bid item to address the City of Houston's punch list items and to reduce existing bid item quantities. The Board determined that Change Order No. 1 is beneficial to the District.

Ms. Blakemore updated the Board regarding the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 5. She reviewed and recommended approval of the construction plans and specifications for the project, as recommended by Pape-Dawson, and requested Board authorization to advertise the project for bids.

Ms. Blakemore updated the Board regarding the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 10. She reviewed and recommended approval of the construction plans and specifications for the project, as recommended by Pape-Dawson, and requested Board authorization to advertise the project for bids.

Ms. Blakemore updated the Board regarding the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 13. She reviewed and recommended approval of the construction plans and specifications for the project, as recommended by Pape-Dawson, and requested Board authorization to advertise the project for bids.

Ms. Blakemore updated the Board regarding the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 14. She reviewed and recommended approval of the construction plans and specifications for the project, as recommended by Pape-Dawson, and requested Board authorization to advertise the project for bids.

Ms. Blakemore requested Board authorization to prepare bond application no. 2.

Following review and discussion, and based upon recommendation by the engineer, Director Burgess moved to (1) approve the engineer's report prepared by IDS; (2) approve final acceptance of the construction of the Wayside Village West Phase I detention facilities and the Wayside Village Phase I Harris County Flood Control District Improvements project, as recommended by Pape-Dawson; (3) approve Pay Estimate Nos. 6 and 7 (Final) in the amounts of \$75,621.57 and \$16,272.23, respectively, for the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 4, as recommended by Pape-Dawson; (4) approve Change Order No. 1 in the amount of \$0.00 to the contract with Principal Services for the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 4, 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 construction of water, sewer, and drainage facilities to serve Wayside Village, Section 5, project, as recommended by Pape-Dawson, and authorize Pape-Dawson to advertise the project for bids; (6) approve the construction plans and specifications for the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 10, project, as recommended by Pape-Dawson, and authorize Pape-Dawson to advertise the project for bids; (7) approve the construction plans and specifications for the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 13, project, as recommended by Pape-Dawson, and authorize Pape-Dawson to advertise the project for bids; (8) approve the construction plans and specifications for the construction of water, sewer, and drainage facilities to serve Wayside Village, Section 14, project, as recommended by Pape-Dawson, and authorize Pape-Dawson to advertise the project for bids; and (9) authorize IDS to prepare bond application no. 2. Director Beasley seconded the motion, which passed unanimously.

ACCEPT DEEDS AND EASEMENTS

No deeds or easements were submitted for Board approval.

DEVELOPMENT IN THE DISTRICT

There was no report on development within the District.

ATTORNEY'S REPORT

There was no additional attorney report.

REPORT REGARDING LEGISLATIVE MATTERS, INCLUDING AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM AND ADOPT RESOLUTION ESTABLISHING DIRECTOR FEES OF OFFICE AND DISTRICT REIMBURSEMENT POLICY

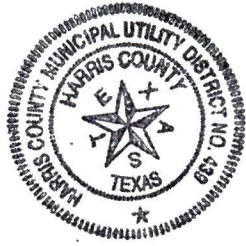
Ms. Brook reviewed a report prepared by ABHR on the recent legislative session concerning matters affecting utility districts.

Ms. Brook reported on legislation passed by the Texas Legislature to update the language for the Notice to Purchasers form that must be provided by persons proposing to sell or convey real property located in a water district. She stated water districts that are required to maintain a website or have access to a website under Section 26.18, Tax Code, are also now required to post their Notice to Purchasers on the applicable website. The Board then considered authorizing execution of an Amendment to Information Form reflecting the District's new form of Notice to Purchasers attached thereto. Ms. Brook explained that the District is required to file the Amendment to Information Form in the Official Public Records of Real Property of Harris County and with the Texas Commission on Environmental Quality ("TCEQ").

Ms. Brook stated that House Bill No. 2815, which became effective on June 18, 2023, sets the maximum water district director fees of office at the per diem amount set by the Texas Ethics Commission for members of the legislature. She noted that, pursuant to House Bill No. 2815, the current maximum amount for director fees of office is \$221.00, and going forward, the maximum amount automatically will be indexed for inflation. The Board then considered adopting a Resolution Establishing Director Fees of Office and District Reimbursement Policy to reflect that directors' fees of office shall be paid at the maximum rate allowed by law, noting that this would replace the previously adopted Resolution.

Following review and discussion, Director Burgess moved to (1) authorize execution of the Amendment to Information Form and to authorize filing with Harris County and the TCEQ; and (2) adopt a Resolution Establishing Director Fees of Office and District Reimbursement Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Zimmerman seconded the motion, which passed unanimously.

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



Nancy Zimmerman
Secretary, Board of Directors

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