

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205

MINUTES OF MEETING OF BOARD OF DIRECTORS

February 19, 2025

The Board of Directors (the "Board") of Montgomery County Water Control and Improvement District No. 205 (the "District") met in regular session, open to the public, on February 19, 2025, at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Erica Sinner, President
Alene Frey, Vice President
Chad P. Collins, Secretary
Dana Neuneker, Assistant Secretary
Elaine Balagia, Assistant Secretary

and all of said persons were present, except for Director Balagia. thus, constituting a quorum. Director Balagia entered the late in the meeting as noted below.

Also present were Lorenzo Rivera of TPHTL HBL, LLC ("TPHTL"); Ravi Patel of Municipal Accounts & Consulting, L.P. ("MAC"); Robin Goin of BLICO Inc. ("BLICO"); Martin Murdock of Quiddity Engineering, LLC ("Quiddity"); Robert Garcia of Champions Hydro-Lawn, Inc. ("Champions"); Joe Forester of TexaClean Services, LLC ("TexaClean"); Julie Peak and Greg Lentz of Masterson Advisors LLC ("Masterson"); Bill Cole, resident of the District; and Howard Cohen and Jennifer Spears of Schwartz, Page & Harding, L.L.P. ("SPH").

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

PUBLIC COMMENTS

The Board opened the meeting for public comments. Mr. Cole introduced himself and informed the Board that he was just observing the meeting and had no public comment at this time.

APPROVAL OF MINUTES

As the first order of business, the Board considered approval of the draft minutes of the meeting of the Board of Directors held on January 15, 2025. After review and discussion of the minutes presented, Director Sinner moved that such minutes be approved, as written. Director Neuneker seconded said motion, which unanimously carried.

BOOKKEEPING REPORT AND QUARTERLY INVESTMENT REPORT

Mr. Patel then presented to and reviewed with the Board the Bookkeeping Report, a copy of which is attached hereto as **Exhibit A**. Following review and discussion, Director Sinner moved that the (i) Bookkeeping Report be approved and that payment be authorized on the checks

presented, being check nos. 1290 through 1290. Director Neuneker seconded the motion, which unanimously carried

Ms. Balagia entered the meeting during the Bookkeeper's Report.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Goin presented the Tax Assessor/Collector Report dated January 31, 2025, a copy of which is attached hereto as **Exhibit B**. Following review and discussion, Director Sinner moved that the Tax Assessor/Collector Report be approved and that payment be authorized on the checks presented. Director Neuneker seconded the motion, which unanimously carried.

Mr. Cohen next advised the Board that the Montgomery Central Appraisal District ("MCAD:") was holding an election to elect a new Director for the Conservation and Reclamation Districts Candidate Position but the District does not qualify to vote in this election. Mr. Cohen advised that in the future the District would be able to vote in this type of election.

Ms. Goin next informed the Board that she has received correspondence from Montgomery Central Appraisal District ("MCAD") indicating they have agreed to send out clerical error notices to affected taxpayers which should reopen the protest period for affected taxpayers. Mr. Cohen thanked her for her update and stated that the District will monitor the situation and relay information from MCAD as the District receives information.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR 2024

Mr. Cohen outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution and Section 11.13 of the Tax Code, as amended. He advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2025, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2025, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. Ms. Peak discussed the exemptions with the Board. After discussion of the matter, Director Sinner moved that the District (i) not grant the residential homestead exemption, and (ii) not grant an exemption for persons under a disability or sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2025, and that the Board adopt the Resolution Concerning Exemptions from Taxation, a copy of which is attached hereto as **Exhibit C**. Director Neuneker seconded said motion, which carried unanimously.

ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2025 TAX YEAR

Mr. Cohen next reminded the Board that pursuant to the Texas Property Tax Reform and Transparency Act of 2019, the District is required to determine whether or not the District will be

considered a Developed District under Texas Water Code Section 49.23602 for the current tax year. Mr. Cohen then reviewed with the Board a worksheet completed by Quiddity to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2025 Tax Year ("Resolution"), determining that the District shall not be considered a Developed District. Following discussion, upon motion made by Director Sinner, seconded by Director Neuneker, and unanimously carried, the Resolution attached hereto as **Exhibit D** was adopted by the Board.

DESIGNATING LOCATION IN DISTRICT FOR POSTING NOTICE OF MEETINGS

The Board considered the designation of a new location in the District for posting notices of its meetings. Following discussion, upon motion made by Director Sinner, seconded by Director Neuneker, and unanimously carried, that the location for posting notices of meetings be at 31490 Townsend Boulevard, Spring, Texas 77386, and that the Resolution Designating Location in District for Posting Notices of Meetings attached hereto as **Exhibit E** was adopted by the Board.

FINANCIAL ADVISOR REPORT

Ms. Peak noted that she has nothing new to report at this time.

DEVELOPER'S REPORT

Mr. Rivera reported to the Board that both Phase 1 and Phase 2 of development are complete with an aggregate of 594 lots. Mr. Rivera further went on to report to the Board that development of Phase 3 has begun, which is expected to have approximately 269 lots. Mr. Rivera further reported that Section 30 is expected to be delivered in April 2025, with Section 33 to follow in May of 2025, Sections 31 through 32 in August 2025 and Section 29 to follow in November of 2029. Conroe Independent School District is starting construction on their Ninth Grade and Junior High campus and it is estimated that construction will begin in Fall of 2026, and be ready for students in Spring of 2029. Recreational Center No. 2 is in design and construction is scheduled for September of 2025, along with Antler Run Park, which will begin construction in March and April of 2025. Mr. Rivera also reported to the Board that the land exchange between TriStar and Toll Brothers has been closed.

ENGINEER'S REPORT

Mr. Murdock presented an Engineer's Report prepared by Quiddity dated February 19, 2025 ("Quiddity Report"), a copy of which is attached hereto as **Exhibit F**. Mr. Murdock advised that there was no action being requested in connection with the Engineer's Report.

PREVAILING WAGE RATE RESOLUTION

The Board next considered adoption of a Resolution Adopting Wage Rate Scale for Construction Projects. In that regard, Mr. Cohen reported that Quiddity is recommending that the District adopt the revised United States Department of Labor ("DOL") wage rate scales for construction projects for Montgomery County, Texas, as permitted under Section 2258.022 of the

Government Code. Following discussion, Director Sinner moved that the new DOL wage rate scales for Montgomery County, Texas, be adopted as the prevailing wage rate scale for construction projects of the District, and that the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects attached hereto as **Exhibit G** be adopted by the Board. Director Neuneker seconded said motion, which unanimously carried.

CHAMPIONS HYDRO-LAWN REPORT (PHASE ONE OF THE DIVERSION CHANNEL)

Mr. Garcia presented a Detention and Drainage Facilities Report dated February 2025, a copy of which is attached hereto as **Exhibit H**. Mr. Garcia advised that there was no action being requested in connection with the Champions Hydro-Lawn Detention and Drainage Facilities Report.

TEXACLEAN REPORT (PHASES TWO AND THREE OF THE DIVERSION CHANNEL)

Mr. Neville presented an Outfall Channel, Phase Two for Woodson's Reserve, Phase One Maintenance Report dated February 19, 2025, a copy of which is attached hereto as **Exhibit I**. Mr. Neville noted that there was no action requested in connection with the TexaClean Maintenance Report.

DISCUSSION REGARDING LOCATION OF BOARD OF DIRECTORS MEETINGS, INCLUDING ALTERNATIVES FOR CALL-IN NUMBER AND THE TAKING OF ANY ACTION IN CONNECTION THEREWITH

Mr. Cohen discussed the location of the Directors' meeting and proposed offering a call-in phone number for those District residents who cannot attend in person to participate by phone. He also advised that although residents could participate by phone, Directors had to attend in person. After discussion, the Board concurred, and directed Mr. Cohen to add a call-in number option to all agendas for the Board of Directors' meeting moving forward.

RENEWAL OF DISTRICT INSURANCE POLICIES

The Board considered the renewal of the District's insurance policies, including those for General Liability and Directors and Officers Liability, as well as the Director Schedule Bond and the Public Employee Blanket Bond, which expire March 31, 2025. In that regard, the Board discussed the renewal proposal received from the District's current insurance broker, McDonald & Wessendorff Insurance ("M&W"). Mr. Cohen reported to the Board that M&W has filed a TEC Form 1295 with the TEC and has provided the District with a copy of said form. Following discussion, Director Sinner moved that (i) the proposal of M&W be accepted and that the President be authorized to execute same on behalf of the Board and the District, and (ii) the District accept M&W's TEC Form 1295 and authorize SPH to acknowledge the District's receipt of same with the TEC. Director Neuneker seconded said motion, which unanimously carried. A copy of the accepted proposal from M&W is attached hereto as **Exhibit J**.

ATTORNEY'S REPORT

Mr. Cohen then advised the Board that the District has received notice from its continuing disclosure counsel, McCall Parkhurst & Horton L.L.P., that the Annual Report Pursuant to SEC Rule 15c2-12, was timely filed. Mr. Cohen reported to the Board that the District had received a notice from the Texas Commission on Environmental Quality ("TCEQ") regarding a failure to file a document in connection with the MS4 permit, the District responded back to the TCEQ that the District was not in an ("Urbanized Area") under the rules and therefore did not need to file the requested document. After review the TCEQ concurred with the District's statement and withdrew their request. Mr. Cohen further advised the Board that due to the increase in interests from district residents in connection with the District, that all the agendas and approved minutes for the 2024 calendar year have been posted onto the Tax Assessor/Collector's website for the residents to access and that moving forward all agendas and approved minutes will be available to the public on that website.

ADJOURNMENT

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




Secretary, Board of Directors

List of Attachments to
Montgomery County Water Control and Improvement District No. 205
Minutes of Meeting of February 19, 2025

- Exhibit A Bookkeeping Report dated February 19, 2025
- Exhibit B Tax Assessor/Collector's Report
- Exhibit C Resolution Concerning Tax Exemptions
- Exhibit D Resolution Concerning Developed District Status for the 2025 Tax Year
- Exhibit E Resolution Designating Location in District for Posting Notices of Meetings
- Exhibit F Quiddity Engineering Report
- Exhibit G Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- Exhibit H Champions Hydro-Lawn Detention and Drainage Facilities Report
- Exhibit I TexaClean Maintenance Report
- Exhibit J Accepted Proposals for Renewal of Insurance