

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205

MINUTES OF MEETING OF BOARD OF DIRECTORS

August 20, 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 August 20, 2025, in accordance with the duly posted Notice of Public Meeting. Members of the public were also permitted to attend the meeting by telephone conference. 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 Directors Frey and Neuneker, thus constituting a quorum.

Also present were Lorenzo Rivera of TPHTL HBL, LLC ("TPHTL"); Ravi Patel and Toto Ontowiryo 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"); Rick Garza of TexaClean Services, LLC ("TexaClean"); Julie Peak of Masterson Advisors, LLC ("Masterson"); Greg McGrath of McGrath & Co. PLLC ("McGrath"); Bill Cole, resident of the District; and Diana Miller and Jennifer Spears of Schwartz, Page & Harding, L.L.P. ("SPH").

The meeting was called to order and declared opened for business as might properly come before the Board.

PUBLIC COMMENTS

The Board opened the meeting for public comments. Mr. Cole addressed the Board and reported on the progress of several maintenance items he had raised with TPHTL. He thanked the Board for their continued support. He also encouraged the Board to be mindful of the taxpayers in the District during their discussions of the 2025 tax rate.

APPROVAL OF MINUTES

The Board considered approval of the draft minutes of the meeting of the Board of Directors held on July 16, 2025. After review and discussion of the minutes presented, Director Balagia moved that such minutes be approved, as written. Director Sinner seconded said motion, which was unanimously carried.

BOOKKEEPING REPORT

Mr. Patel presented to and reviewed with the Board the Bookkeeping Report dated August 20, 2025, a copy of which is attached hereto as **Exhibit A**. Mr. Patel also presented for the Board's consideration a proposed operating budget for the fiscal year ending August 31, 2026, a copy of which is attached hereto as **Exhibit B**. Following review and discussion, Director Sinner moved that (i) the Bookkeeping Report be approved and that payment be authorized for the checks presented, being check nos. 1353 through 1363 with the exception of check nos. 1353 and 1355 which were voided, and (ii) the proposed budget for the fiscal year ending August 31, 2026, be approved, as presented. Director Balagia seconded the motion, which unanimously carried.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Goin presented the Tax Assessor/Collector Report dated July 31, 2025, a copy of which is attached hereto as **Exhibit C**. 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 Balagia seconded the motion, which unanimously carried.

FINANCIAL ADVISOR REPORT AND PROPOSED 2025 TAX RATE

Ms. Miller noted that the Financial Advisor's Report will be discussed under the Road Bond agenda item. She reported that the District has not yet received the certified appraisal roll for the 2025 tax year from Montgomery Central Appraisal District and recommended that the Board defer consideration of the proposed 2025 tax rate until its next meeting. The Board concurred to defer the proposed 2025 tax rate.

ENGAGEMENT OF AUDITOR

The Board considered the engagement of an auditor to prepare the District's audit report for the fiscal year ending August 31, 2025. Mr. McGrath presented to and reviewed with the Board a proposal from McGrath, a copy of which is attached hereto as **Exhibit D**. He advised that McGrath's estimated fee for the preparation of said audit is between \$15,000 and \$17,000. Ms. Miller reported to the Board that McGrath has filed a Texas Ethics Commission ("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 for preparation of the District's audit report for fiscal year ending August 31, 2025, from McGrath be approved, and the President be authorized to execute same on behalf of the District, and (ii) McGrath's TEC Form 1295 be accepted, and SPH be authorized to acknowledge the District's receipt of same with the TEC. Director Balagia seconded the motion, which unanimously carried.

MATTERS RELATED TO THE ISSUANCE OF THE DISTRICT'S \$1,850,000 UNLIMITED TAX ROADS BONDS, SERIES 2025 (THE "ROAD BONDS"):

APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE

Ms. Peak presented to and reviewed with the Board a proposed form of Official Notice of Sale and Preliminary Official Statement in connection with the Road Bonds, copies of which are attached hereto as **Exhibit E**. Following discussion, Director Sinner moved that, subject to SPH's final review, such offering materials be approved, completed and distributed in anticipation of the sale of the Road Bonds on September 17, 2025, and that such Preliminary Official Statement be deemed to be final for all purposes with the exception of any additional materials or information relating to subsequent material events, offering prices, interest rates, selling compensation, identity of the underwriters, aggregate principal amounts and other similar information, terms and provisions to be specified in the competitive bidding process. Director Balagia seconded the motion, which unanimously carried.

AUTHORIZE DISTRICT'S FINANCIAL ADVISOR TO ADVERTISE FOR THE SALE OF THE ROAD BONDS

The Board considered authorizing Masterson to advertise for the sale of the Road Bonds. Following discussion, Director Sinner moved that the Board authorize Masterson to advertise for the sale of the Road Bonds, with bids to be received by Masterson on behalf of the Board on September 17, 2025 in accordance with the Notice of Sale. Director Balagia seconded said motion, which unanimously carried.

DESIGNATION OF PAYING AGENT/REGISTRAR IN CONNECTION WITH THE ROAD BONDS

The Board considered the designation of a Paying Agent/Registrar in connection with the Road Bonds. Ms. Miller noted that The Bank of New York Mellon Trust Company, N.A. has submitted a proposal relative to paying agent/registrar services for said bond issue. After discussion on the matter, Director Sinner moved that the Board accept the proposal received from The Bank of New York Mellon Trust Company, N.A. for paying agent/registrar services and that The Bank of New York Mellon Trust Company, N.A. be designated as Paying Agent/Registrar in connection with the Road Bonds. Director Balagia seconded the motion, which unanimously carried.

AUTHORIZE BOOKKEEPER TO ISSUE WIRE FOR ATTORNEY GENERAL'S FEES

The Board considered authorizing the District's bookkeeper to prepare a wire transfer for payment of the Attorney General's fees in connection with the review of the transcript of proceedings relative to the Road Bonds. After discussion on the matter, Director Sinner moved that the District's bookkeepers be authorized to issue a wire payable to the Attorney General of Texas in connection with the review of the transcript of proceedings relative to the Road Bonds. Director Balagia seconded said motion, which unanimously carried.

APPROVAL OF PRELIMINARY AUDIT RELATIVE TO THE PAYMENT OF PROCEEDS OF THE DISTRICT'S ROAD BONDS

The Board considered the approval of a preliminary audit report prepared by McGrath in connection with the issuance of the Road Bonds and the disbursement of the proceeds thereof. Mr. McGrath reviewed with the Board the draft preliminary audit report, a copy of which is attached hereto as **Exhibit F**. After review and discussion, it was moved by Director Sinner, seconded by Director Balagia and unanimously carried, that (i) the preliminary audit report prepared by McGrath be approved and (ii) the offering documents for the Road Bonds reflect the project costs included therein.

REQUESTS FOR ANNEXATION AND EXCLUSION OF LAND

Ms. Miller advised the Board that SPH is awaiting the consent resolutions from the City of Conroe (the "City") regarding the District's annexation of the 29.236 acres and 32.36 acres of land, respectively. Ms. Miller advised that the land substitution will be completed following receipt of the City's Consent Ordinance to the annexation of additional land.

The Board concurred to defer on the remaining annexation and exclusion agenda items until next month.

DEVELOPER'S REPORT

Mr. Rivera reported to the Board that all sections within Phase One and Phase Two have been completed and the development of Phase Three has begun.

ENGINEER'S REPORT

Mr. Murdock presented an Engineer's Report prepared by Quiddity dated August 20, 2025, a copy of which is attached hereto as **Exhibit G**. He recommended that the Board defer acceptance of the conveyance of utility facilities listed in the Engineer's Report until next month. The Board concurred to defer action at this time. No action needed.

CHAMPIONS HYDRO-LAWN REPORT

Mr. Garcia presented a Detention and Drainage Facilities Report dated August 2025, a copy of which is attached hereto as **Exhibit H**. Mr. Garcia presented a proposal in connection with drainage and desilting work for the Woodson's Reserve Main Diversion Channel. Mr. Garcia further presented a proposed Annual Maintenance Budget for 2025-2026, a copy of which is included with **Exhibit H**. Ms. Miller reported to the Board that Champions has filed a TEC Form 1295 and provided the District with a copy of same. Following discussion, Director Sinner moved to (i) defer on the proposal for the drainage and desilting work for the Woodson's Reserve Main Diversion Channel, and (ii) approve the Annual Maintenance Budget for 2025-2026, accept Champion's TEC Form 1295, and authorize SPH to acknowledge the District's receipt of same with the TEC. Director Balagia seconded said motion, which unanimously carried.

TEXACLEAN REPORT

Mr. Garza next presented a maintenance report for the Drainage Ditch, Phase Two dated August 19, 2025 ("TexaClean Report"), a copy of which is attached hereto as **Exhibit I**. The Board took no action regarding same.

BERG OLIVER MAINTENANCE REPORT

Ms. Miller noted that no representative of Berg Oliver was present and no report was provided.

ATTORNEY'S REPORT

Ms. Miller noted that she had nothing of a legal nature to report that was not covered under another agenda item.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Sinner, seconded by Director Balagia, 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 August 20, 2025

- Exhibit A Bookkeeping Report dated August 20, 2025
- Exhibit B Operating Budget for Fiscal Year Ending August 31, 2026
- Exhibit C Tax Assessor/Collector's Report
- Exhibit D Proposal from McGrath & Co., PLLC
- Exhibit E Official Notice of Sale and Preliminary Official Statement
- Exhibit F Developer Reimbursement Audit
- Exhibit H Champions Hydro-Lawn Detention and Drainage Facilities Report
- Exhibit I TexaClean Report