

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205

MINUTES OF MEETING OF BOARD OF DIRECTORS

September 17, 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 September 17, 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 Sinner and Neuneker, thus constituting a quorum.

Also present were Wunmi Onile-Ere of TPHTL HBL, LLC ("TPHTL"); 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"); and Diana Miller, Chanel Holmes 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. No comments from the public were presented.

APPROVAL OF MINUTES

The Board considered approval of the draft minutes of the meeting of the Board of Directors held on August 20, 2025. After review and discussion of the minutes presented, Director Balagia moved that such minutes be approved, as written. Director Collins seconded said motion, which carried unanimously.

BOOKKEEPING REPORT

Mr. Ontowiryo presented to and reviewed with the Board the Bookkeeping Report dated September 17, 2025, a copy of which is attached hereto as **Exhibit A**. Following review and

discussion, Director Balagia moved that the Bookkeeping Report be approved and that payment be authorized for the checks presented, being check nos. 1363 through 1371, with the exception of check nos. 1365 and 1367, which were voided. Director Collins seconded the motion, which unanimously carried.

ADOPT LIST OF QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH THE DISTRICT

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Ms. Miller presented and reviewed with the Board a Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, together with a comparison of the list submitted to the list previously adopted by the Board, copies of which are attached hereto as **Exhibit B**. Ms. Miller further noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, Director Balagia moved that: (i) the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the Board and the District, as discussed, and (ii) that the Vice President and Secretary be authorized to execute same. Director Collins seconded said motion, which unanimously carried.

INVESTMENT POLICY

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution in connection therewith. Ms. Miller presented to and reviewed with the Board a memorandum prepared by SPH summarizing the proposed changes to the Investment Policy, a copy of which is attached hereto as **Exhibit C**. She also presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"). After discussion on the matter, Director Balagia moved that the revised Investment Policy and Resolution attached hereto as **Exhibit D** be adopted to reflect the proposed changes as noted therein, that the Vice President and Secretary be authorized to execute same, and that the District's Investment Officer be authorized to purchase certificates of deposit for the District through IntraFi's Certificate of Deposit Account Registry Service. Director Collins seconded said motion, which unanimously carried.

TAX ASSESSOR/COLLECTOR REPORT

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

FINANCIAL ADVISOR REPORT AND PROPOSED 2025 TAX RATE

Ms. Peak noted that the District has not yet received an accurate 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 discussion of the proposed 2025 tax rate.

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

Ms. Miller advised the Board that the previously approved Summary of Costs prepared by Quiddity has been revised to increase the par amount of the Road Bonds to \$1,850,000. A copy of the revised Summary of Costs is attached hereto as **Exhibit F**. After discussion of the matter, Director Balagia moved that the Board approve the revised Summary of Costs relative to the Road Bonds, subject to final review and comment by SPH and Masterson. Director Collins seconded said motion, which carried unanimously.

RECEIVE BIDS FOR PURCHASE OF THE DISTRICT'S ROAD BONDS

As the next order of business, it was announced that, pursuant to notice published as required by law, public bids for the sale of the District's Road Bonds were to be received at this time and place. Ms. Peak announced that five (5) bids for the Road Bonds had been received electronically, and presented the Pricing Book attached hereto as **Exhibit G**. Ms. Peak reported that (i) the lowest qualified bid for the Road Bonds was submitted by Robert W. Baird & Co., Inc. ("R.W. Baird"), at a net effective interest rate of 4.732389%. After a discussion of the bids received, Director Balagia moved that the Board accept the bid of R.W. Baird & Co., Inc., for the purchase of the Road Bonds, and that the accompanying TEC Form 1295 be accepted and acknowledged. Director Collins seconded said motion, which unanimously carried.

BOND ORDER

Ms. Miller presented to the Board the Order authorizing the issuance, sale and delivery the Road Bonds. She reviewed various provisions of the Order with the Board, a copy of which is attached hereto as **Exhibit H**. After further discussion, it was duly moved by Director Balagia, seconded by Director Collins and unanimously carried that the Order presented be passed and adopted and that the Vice President be authorized to execute the Order and the Secretary to attest same on behalf of the Board and District.

DISTRIBUTION OF FINAL OFFICIAL STATEMENT

As the next order of business, the Board discussed preparation of the Final Official Statement in connection with the Road Bonds. After further discussion of the matter, Director Balagia moved that Masterson be authorized to complete the Final Official Statement, dated as of the date hereof, and that said Final Official Statement be adopted by the Board and District. Director Collins seconded said motion, which carried unanimously.

PAYING AGENT/REGISTRAR AGREEMENT WITH THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

The Board next considered and reviewed a Paying Agent/Registrar Agreement ("Agreement") by and between the District and The Bank of New York Mellon Trust Company, N.A. ("BNY"), relative to the Road Bonds. Ms. Miller reviewed the various provisions of the Agreement with the Board and noted that BNY has indicated that it is a publicly traded business and, therefore, is not required to file a TEC Form 1295. After further discussion of the Agreement, Director Balagia moved that the Agreement be approved, and that the Vice President be authorized to execute the Agreement on behalf of the Board and District. Director Collins seconded said motion, which carried unanimously.

OTHER MATTERS CONCERNING THE BONDS

As the next order of business, the Board considered acting upon any other matters relative to the Road Bonds. Ms. Miller presented to and reviewed with the Board the General Certificate, Signature Identification and No-Litigation Certificate with Letter of Instruction to the Attorney General of Texas, and the initial bonds. Following discussion, Director Balagia moved that the above documentation be approved and that the Board authorize SPH to handle all matters relative to the sale of the Road Bonds and in obtaining approval of the Attorney General of Texas for issuance of the Road Bonds. Director Collins seconded said motion, which unanimously carried.

AUTHORIZE USE OF BASE FUND PORTAL FOR CLOSING, INCLUDING DISCUSSION REGARDING PURCHASE OF TRANSACTION WIRE-FRAUD INSURANCE

Ms. Peak next discussed the use of the BaseFund portal, a program used by the District's designated Paying Agent at bond closing to securely collect wiring information and authorize distribution funds. Ms. Peak then advised the Board of the program cost of \$500.00 per bond transaction. She additionally noted that insurance can be purchased by the District for coverage during bond transactions and advised of the various coverage levels based on the par amount of the bonds. After discussion on the matter, Director Balagia moved to authorize the use of the BaseFund portal and the purchase of additional wire-fraud insurance for the closing of the [Road] Bonds. Director Collins seconded said motion, which unanimously carried.

REQUESTS FOR ANNEXATION AND EXCLUSION OF LAND

Ms. Miller advised the Board that SPH is expecting consent resolutions from the City of Conroe (the "City") regarding the District's annexation of 29.236 acres and 32.36 acres of land, respectively, by the end of the month. Ms. Miller advised that the land substitution will be completed following receipt of the City's Consent Resolution to the annexation of additional land and recommended adding an agenda item to the October agenda to call an exclusion hearing in connection with same.

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

DEVELOPER'S REPORT

Ms. Onile-Ere reported to the Board that all sections within Phase One and Phase Two have been completed, the development of Phase Three has begun, and Phase Four is expected to begin development in February 2026.

ENGINEER'S REPORT

Mr. Murdock presented an Engineer's Report prepared by Quiddity dated September 17, 2025, a copy of which is attached hereto as **Exhibit I**. He recommended that the Board defer acceptance of the Quitclaim Conveyance of Utility Facilities listed in the Engineer's Report until next month. The Board concurred that no action on its part was necessary at this time.

TEXACLEAN REPORT

Mr. Garza next presented a maintenance report for the Drainage Ditch, Phase Two dated September 17, 2025 ("TexaClean Report"), a copy of which is attached hereto as **Exhibit J**. The Board took no action regarding same.

CHAMPIONS HYDRO-LAWN REPORT

Mr. Garcia presented a Detention and Drainage Facilities Report dated September 2025, a copy of which is attached hereto as **Exhibit K**. Mr. Garcia next requested the Board ratify its prior approval of the Annual Maintenance Schedule for 2025-2026, a copy of which is attached hereto as **Exhibit L**. 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 Balagia moved to ratify the approval of the Annual Maintenance Schedule for 2025-2026, accept Champion's TEC Form 1295, and authorize SPH to acknowledge the District's receipt of same with the TEC. Director Collins seconded said motion, which unanimously carried.

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 Frey, seconded by Director Collins, 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 September 17, 2025

- Exhibit A Bookkeeping Report dated September 17, 2025
- Exhibit B Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District and List of Financial Institutions, Brokers and Dealers
- Exhibit C SPH Memorandum – Debt Service Funds, CDARS, Annual Review of Investment Policy
- Exhibit D Resolution Regarding Review of Investment Policy and revised Investment Policy
- Exhibit E Tax Assessor/Collector's Report
- Exhibit F Revised Summary of Costs
- Exhibit G Pricing Book
- Exhibit H Bond Order – Series 2025 Road Bonds
- Exhibit I Engineer's Report
- Exhibit J TexaClean Report
- Exhibit K Champions Hydro-Lawn Detention and Drainage Facilities Report
- Exhibit L Champions Hydro-Lawn Annual Maintenance Schedule for 2025-2026