

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205

MINUTES OF MEETING OF BOARD OF DIRECTORS

January 21, 2026

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 January 21, 2026, 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 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"); Greg Lentz of Masterson Advisors, LLC ("Masterson"); James Parker of Pape-Dawson Consulting Engineers, LLC ("Pape-Dawson"); Dana Hollingsworth of Municipal District Services ("MDS"); Vinoth Sankarapani, Stefani Lamza, and Jomy George, residents of the District; and Howard Cohen, Jennifer Spears and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH"). Lorenzo Rivera of TPHTL HBL, LLC ("TPHTL"), attended via telephone conference.

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

Bill Cole and Girish Khetan, residents of the District, and Cameron Miller of Quiddity, entered the meeting later as noted below.

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 December 17, 2025. After review and discussion of the minutes presented,

Director Sinner moved that such minutes be approved, as written. Director Balagia seconded said motion, which carried unanimously.

Mr. Cole, Mr. Khetan, and Mr. Miller entered the meeting at this time.

BOOKKEEPING REPORT

Mr. Ontowiryo presented to and reviewed with the Board the Bookkeeping Report dated January 21, 2026, a copy of which is attached hereto as **Exhibit A**, including the Quarterly Investment Inventory Report for the period ending November 30, 2025. Following review and discussion, Director Balagia moved that (i) the Bookkeeping Report be approved and that payment be authorized for the checks presented therein, and (ii) the Quarterly Investment Inventory Report be approved and the Investment Officer be authorized to execute same on behalf of the Board and the District. Director Sinner seconded the motion, which unanimously carried.

TAX ASSESSOR - COLLECTOR REPORT

Ms. Goin presented the Tax Assessor - Collector Report dated December 31, 2025, a copy of which is attached hereto as **Exhibit B**. 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 Sinner seconded the motion, which unanimously carried.

DELINQUENT TAX REPORT

Mr. Cohen presented to and reviewed with the Board the Delinquent Tax Report, dated January 21, 2026, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's delinquent tax collection attorneys, a copy of the report is attached hereto as **Exhibit C**. Mr. Cohen noted that no Board action was necessary in connection with any of the accounts reflected in the report.

Ms. Spears exited the meeting at this time.

SUBMISSION OF DISTRICT INFORMATION TO TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Mr. Cohen next reminded the Board that, pursuant to Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion on the Special Purpose District Public Information Database. Mr. Cohen then recommended that the Board authorize the District auditor, McGrath & Co., PLLC ("McGrath"), to prepare and submit the required information to the Comptroller. Following discussion, Director Balagia moved, seconded by Director Sinner and unanimously carried, that McGrath be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board next considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit D**. Mr. Cohen advised that the Board is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, 60 days after the date the taxes become delinquent, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on personal property taxes that remain delinquent as of said 60th day, as more fully described in said Resolution. After discussion, it was moved by Director Sinner, seconded by Director Balagia and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes be adopted by the Board.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR 2026

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 2026, 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 2026, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. Mr. Lentz discussed the exemptions with the Board and presented and reviewed an analysis prepared by Masterson, a copy of which is attached hereto as **Exhibit E**. After discussion of the matter, Director Sinner moved that the District (a) not grant the residential homestead exemption, and (b) grant an exemption in the amount of \$10,000 from ad valorem taxes levied by the District during the calendar year 2026 for persons under a disability or sixty-five years of age or older, and that the Board adopt the Resolution Concerning Exemptions from Taxation, a copy of which is attached hereto as **Exhibit F**. Director Balagia seconded said motion, which carried unanimously.

DEVELOPER'S REPORT

Mr. Rivera provided the Board with an update concerning development of the District.

AMENDMENTS TO UTILITY DEVELOPMENT AGREEMENTS WITH TPHTL HBL, LLC

The Board next considered approval of an Amendment to each of the three Utility Development Agreements between the District and TPHTL (collectively, the "Amendments") to reflect the annexation of approximately 65 acres of land by the District to be developed by TPHTL. Copies of the Amendments are attached hereto as **Exhibit G**. Mr. Cohen reviewed and discussed the proposed Amendments with the Board. Following discussion, Director Sinner moved that the Board (i) approve the Amendments and authorize the President to execute same on behalf of the Board and the District, and (ii) authorize SPH to accept and acknowledge the associated Texas

Ethics Commission ("TEC") 1295 Forms. Director Balagia seconded the motion, which unanimously carried.

WAIVER AGREEMENT

Mr. Cohen next presented and reviewed with the Board a Waiver Agreement by and between the District and TPHTL, a copy of which is attached hereto as **Exhibit H**, concerning the approximately 65 acres of land annexed by the District at its November 2025 meeting . After discussion on the matter, Director Sinner moved that the Board approve and accept the Waiver Agreement between the District and TPHTL, subject to execution of same by the developer, and that the President be authorized to execute same on behalf of the Board and the District. Director Balagia seconded said motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Miller presented an Engineer's Report prepared by Quiddity dated January 21, 2026, a copy of which is attached hereto as **Exhibit I**. The Board noted that no action was required regarding same.

AMENDED AND RESTATED ENGINEERING SERVICES AGREEMENT BETWEEN THE DISTRICT AND PAPE-DAWSON CONSULTING ENGINEERS, LLC

Mr. Parker next presented an Amended and Restated Engineering Services Agreement (the "Agreement") between the District and Pape-Dawson, a copy of which is attached hereto as **Exhibit J**. Following discussion, Director Sinner moved that the Board (i) approve the Agreement and that the President be authorized to execute same on behalf of the Board and the District, and (ii) authorize SPH to accept and acknowledge the associated TEC 1295 Form. Director Balagia seconded the motion, which unanimously carried.

STATUS OF DISTRICT'S PROPOSED \$5,125,000 UNLIMITED TAX BONDS, SERIES 2026

The Board next considered the status of the District's proposed \$5,125,000 Unlimited Tax Bonds, Series 2026, including approval of a Summary of Costs, authorizing preparation of a Bond Application Report ("BAR"), approval of an Order Authorizing Application to the Texas Commission on Environmental Quality ("TCEQ") for Approval of Project and Bonds ("Order"), and ratification of the adoption of a Resolution Requesting Appraisal of Property ("Resolution"). Mr. Murdock reviewed a proposal for preparation of the BAR by Quiddity and a proposed Summary of Costs, copies of which are attached hereto as **Exhibit K** . After discussion, Director Sinner moved that the Board (i) approve the Summary of Costs for the BAR in connection with the proposed issuance of the District's Series 2026 Bonds and for use of surplus funds and interest earned on construction funds, (ii) approve the Quiddity proposal for preparation of Bond Application Report No. 2, and (iii) approve and ratify the Board's prior adoption of the Resolution. Director Balagia seconded the motion, which unanimously carried. The Board deferred adoption of the Order until the February meeting.

CHAMPIONS HYDRO-LAWN REPORT

Mr. Garcia presented a Detention and Drainage Facilities Report for January 2026, a copy of which is attached hereto as **Exhibit L**. The Board noted that no action was required regarding same.

TEXACLEAN REPORT

Mr. Garza next presented a maintenance report for the Outfall Channel, Phase Two and Phase Three dated January 16, 2026 ("TexaClean Report"), a copy of which is attached hereto as **Exhibit M**. The Board noted that no action was required regarding same.

BERG OLIVER MAINTENANCE REPORT

Mr. Cohen noted that no representative of Berg Oliver was present, and no report was provided this month.

OFF CINCO REPORT

Mr. Cohen advised that Off Cinco has indicated that a preview of the District's website will be available for review prior to the February meeting.

SOLICITATION OF INSURANCE PROPOSAL(S)

The Board next considered authorizing solicitation of proposals for renewal of the District's insurance coverages. Mr. Cohen advised the Board that the District's current coverage is through McDonald Wessendorff ("McDonald"), and will expire on March 31, 2026. After discussion, the Board concurred to solicit a renewal proposal from McDonald for the Board's consideration at the next meeting.

MATTERS RELATED TO MAY 2, 2026 DIRECTORS ELECTION

Mr. Cohen reported on issues related to the District's Directors Election (the "Election") to be held on May 2, 2026. In connection therewith, he presented to and discussed with the Board a memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit N**, regarding participation in the joint election with Montgomery County (the "County"). In connection therewith, Mr. Cohen advised that the County will administer the Election if the District participates in the County's joint election. Following discussion, it was moved by Director Sinner, seconded by Director Balagia and unanimously carried that SPH be authorized to notify the County of the District's intent to participate in the joint Election.

SUPPLEMENTAL AGENDA

The Board next considered calling the Election in accordance with the requirements of the Texas Water Code. In connection therewith, Mr. Cohen presented the Order Calling Directors Election (the "Order") attached hereto as **Exhibit O** calling the Election to be held on May 2, 2026.

It was noted that the terms of office of Directors Collins and Balagia expire in May of this year. In reviewing the Order with the Board, Mr. Cohen advised that the Order provides for the conduct of the Election by the County, jointly with elections of other political subdivision, using County election officials, voting equipment, and polling locations at a shared expense. He advised that, although the County will conduct the Election, the Texas Water Code and the Texas Election Code authorize the Board to designate an agent to perform certain duties in connection with the Election, and that the Order named Kris Eddlemon as such agent (the "Election Agent"). Mr. Cohen further advised the Board that notice of the Election must be given in accordance with the requirements of the Texas Election Code. He advised the Board that notice of the Election could be given by one or more of the following methods: (i) publishing the notice in a newspaper published in the territory of the District or of general circulation in the District at least ten (10) days before the election, but not more than thirty (30) days before the Election; (ii) posting the notice at a public place in each County election precinct that overlaps the District at least twenty-one (21) days before the Election; or (iii) mailing the notice to each registered voter in the District at least ten (10) days before the Election. Following discussion of the options, the Board concurred that notice of the Election be given by posting same at a public place in each County Election precinct that overlaps the District. After discussion on the matter, Director Sinner moved that said Order be passed and adopted, that the President or Vice President and Secretary or Assistant Secretary be authorized to execute the Order, and that the Election Agent be authorized and directed to make necessary arrangements for the Election in accordance with the Order. Director Balagia seconded said motion, which unanimously carried. Mr. Cohen advised the Board that if each candidate whose name is to appear on the ballot is unopposed as of 5:00 p.m. on February 20, 2026, the Board may thereafter cancel the Election in accordance with the Texas Election Code.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Cohen presented and reviewed with the Board an Annual Financial and Operating Report prepared by McCall, Parkhurst & Horton L.L.P. ("MPH"), the District's Disclosure Counsel, a copy of which is attached hereto as **Exhibit P**. After discussion, the Board concurred that MPH be authorized to file same with the appropriate repositories prior to the deadline.

FUTURE AGENDA ITEMS

The Board noted it had no items to be added to future agendas that were not already discussed.

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.



[Handwritten Signature]

Asst. Secretary, Board of Directors

List of Attachments to
Montgomery County Water Control and Improvement District No. 205
Minutes of Meeting of January 21, 2026

- Exhibit A Bookkeeping Report dated January 21, 2026
- Exhibit B Tax Assessor - Collector's Report
- Exhibit C Delinquent Tax Attorney's Report
- Exhibit D Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E Tax Exemption Analysis prepared by Masterson
- Exhibit F Resolution Concerning Tax Exemptions
- Exhibit G Amendments to Utility Development Agreements between the District and TPHTL
- Exhibit H Waiver Agreement
- Exhibit I Engineer's Report
- Exhibit J Amended and Restated Engineering Services Agreement (Pape-Dawson)
- Exhibit K Proposal provided by Quiddity; Summary of Costs
- Exhibit L Champions Hydro-Lawn Detention and Drainage Facilities Report
- Exhibit M TexaClean Report
- Exhibit N Memorandum prepared by Schwartz, Page & Harding, L.L.P.
- Exhibit O Order Calling Directors Election
- Exhibit P Annual Financial and Operating Report prepared by MPH