

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 418
Minutes of Meeting of Board of Directors

June 23, 2026

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 418 (the "District") met in regular session, open to the public, on June 23, 2026, at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board of Directors, as follows:

Colby McClary	President
Chris Gilbert	Vice President
Bettina Parr	Secretary
Cathy Cobb	Assistant Secretary
Noe Escobar	Assistant Secretary

and all of said persons were present, with the exception of Director Gilbert, thus constituting a quorum.

Also present were Miguel Medina of Municipal Accounts & Consulting, L.P. ("MA&C"); Will Gutowsky of BGE, Inc. ("BGE"); Johnnie Thompson of Wheeler & Associates, Inc. ("Wheeler"); Lindsey DeLong and Mark Landreneau of Inframark, LLC ("Inframark"); Dan Kolkhorst and Brian Gates of Howard Hughes Holdings, Inc., on behalf of Bridgeland Development, LP ("Developer"); Jenna Craig of Touchstone District Services, LLC ("Touchstone"); Rebecca Marcucci and Chris Davy of Municipal District Services, LLC ("MDS"); Greg Lentz of Masterson Advisors LLC ("Masterson"); and Joseph Schwartz, Cullen Richardson and Peyton McKelvey of Schwartz, Page & Harding, L.L.P. ("SPH"). Dana Hollingsworth of MDS later entered the meeting, as noted herein.

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board opened the meeting for public comment. There being no such comments presented, the Board proceeded to the next item of business.

APPROVAL OF MINUTES

The Board considered approval of the draft minutes of its meeting held on May 26, 2026. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that the minutes of the May 26, 2026, meeting be approved, as presented.

BOOKKEEPER'S REPORT

Mr. Medina presented to and reviewed with the Board the Bookkeeper's Report dated June

23, 2026, including disbursements presented for payment, a copy of which is attached hereto as **Exhibit A**. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment.

Ms. Hollingsworth entered the meeting at this time.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Thompson presented to and reviewed with the Board the Tax Assessor Collector Monthly Report as of May 31, 2026, a copy of which is attached hereto as **Exhibit B**. Following discussion, Director Parr moved that the Tax Assessor Collector Monthly Report be approved, as presented, and the disbursements listed therein be approved for payment. Director Cobb seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of a Delinquent Tax Report, as it was noted that none was received nor is due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., delinquent tax attorneys for the District.

OPERATOR'S REPORT

Ms. Marcucci presented to and reviewed with the Board the Operations Report dated June 23, 2026, a copy of which is attached hereto as **Exhibit C**, and reported on the status of repairs and replacements made to the District's facilities.

Ms. Marcucci next presented to and reviewed with the Board a proposal for MDS to conduct a survey of the District's valves, a copy of which is included in the Operations Report. Following discussion, the Board concurred to defer taking action with respect to such proposal at this time and requested that MDS contact Inframark to determine the date of the District's last valve survey. The Board noted that it would reconsider the matter at next month's meeting.

Ms. Marcucci next presented to and reviewed with the Board a proposal prepared by Soileau Technical Solutions for the repair or replacement of the damaged lift pump at the District's Lift Station No. 2, a copy of which is included in the Operations Report. Ms. Marcucci advised that MDS is recommending the replacement of said lift pump at this time, and noted the total cost for such work in the amount of \$166,440.00.

Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that the Operations Report and the action items listed therein be approved and authorized, as appropriate, including the proposal for the replacement of the lift pump at the District's Lift Station No. 2 in the amount of \$166,440.00.

In connection with the preparation and filing of the District's 2025 Water Loss Audit (the "Audit") with the Texas Water Development Board ("TWDB"), Ms. Marcucci advised that MDS will be proceeding with the preparation and filing of the Audit with the TWDB. It was noted that

no action was required by the Board at this time in connection with this matter.

CRITICAL LOAD STATUS

Mr. Schwartz next advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District, and (b) immediately upon any change in the information to the above entities, as well as to the office of emergency management of Harris County, the Public Utility Commission of Texas, and the division of emergency management of the governor. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that MDS be authorized to provide the updated information to the appropriate authorities on behalf of the District. Ms. Marcucci advised that she would provide the annual update and, if required, any changes to the information to the appropriate entities.

ELECTRONIC BILL PAY SERVICES FOR DISTRICT CUSTOMERS

In connection with the transition of the District's operations services from Inframark to MDS, Mr. Schwartz advised the Board that it will need to enter into certain new agreements for electronic bill payment services to be utilized by District customers. Mr. Schwartz then presented the following documents to the Board for its review and approval: (i) a Payment Services Agreement with First Billing Services, LLC ("PSA"); (ii) a Merchant Processing Agreement with Global Payments ("MPA"); (iii) an FBS Addendum to Merchant Processing Agreement with Heartland Payment Systems, LLC ("FBS Addendum"); (iv) an Addendum to Service Agreement between the District and MDS ("MDS Addendum"); and (v) various Electronic Lockbox Payment Service documents with Central Bank (collectively, the "ELB Agreement"). Copies of the aforementioned documents are attached hereto as **Exhibit D**. Further, Mr. Schwartz advised that any existing electronic payment program for customer bill payments and agreements with vendors related thereto will need to be terminated. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that (i) the PSA, MPA, FBS Addendum, MDS Addendum and ELB Agreement each be approved, subject to SPH's final review and approval, (ii) the President be authorized to execute same on behalf of the Board and the District, (iii) SPH be authorized to acknowledge the accompanying Texas Ethics Commission ("TEC") Forms 1295 submitted in connection therewith, and (iv) any existing electronic payment program for customer bill payments and agreements with vendors related thereto be terminated in accordance with the terms of such agreements.

ENGINEER'S REPORT

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated June 23, 2026, a copy of which is attached hereto as **Exhibit E**, including the pay estimates and deduct change order listed therein. In connection therewith, Mr. Gutowsky requested the Board's approval of a Consent to Encroachment and Indemnity Agreement between the District and Prologis, L.P. (the "Encroachment Agreement") for a planned sanitary sewer extension to serve Legacy Point. Mr. Schwartz then requested that the Board ratify its prior acceptance of off-plat Easements to

serve Pollinator Drive, Section 5, and the removal of certain existing Easements in Pollinator Drive, Section 5. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that the Engineer's Report and the action items listed therein be approved, including (i) the Enroachment Agreement with Prologis, L.P., and (ii) the ratification of the Board's prior acceptance of off-plat Easements to serve Pollinator Drive, Section 5, and the removal of certain existing Easements in Pollinator Drive, Section 5.

ADVANCE FUNDING AGREEMENT BETWEEN THE DISTRICT, THE TEXAS DEPARTMENT OF TRANSPORTATION ("TXDOT") AND THE GRAND PARKWAY TRANSPORTATION CORPORATION ("GPTC")

Mr. Schwartz next presented to and reviewed with the Board the proposed form of Advanced Funding Agreement for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match On-System (the "AFA") by and between the District, TxDOT and the GPTC, which provides for the construction of additional frontage roads along Grand Parkway between North Bridgeland Lake Parkway and Bridgeland Creek Parkway by TxDOT, and the design and funding of such work by the District. A copy of the proposed AFA is attached hereto as **Exhibit F**. Mr. Schwartz then presented to and reviewed with the Board a memorandum prepared by SPH outlining the various terms and conditions of the AFA, a copy of which is included in **Exhibit F**. Following review and discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that (i) the proposed AFA be approved as to substance, and the President be authorized to execute same, on behalf of the Board and the District, subject to final review and approval of same by SPH and all applicable parties, and (iii) the Resolution authorizing the execution of the AFA, a copy of which is included in **Exhibit F**, be approved, and the President and Secretary be authorized to execute same.

CAPITAL IMPROVEMENT PLAN

Mr. Gutowsky advised that he had nothing new to report to the Board in connection with the District's Capital Improvement Plan at this time.

STORM WATER POLLUTION PREVENTION AND STORM WATER QUALITY MANAGEMENT

Mr. Schwartz advised that he had nothing new to report to the Board with respect to this matter at this time.

PRELIMINARY AGREED-UPON PROCEDURES IN CONNECTION WITH THE DISTRICT'S PROPOSED \$13,150,000 UNLIMITED TAX ROAD BONDS, SERIES 2026 (THE "SERIES 2026 ROAD BONDS")

The Board next considered the approval of a preliminary agreed-upon procedures report ("AUP Report") in connection with the Series 2026 Road Bonds. In connection therewith, Mr. Schwartz advised the Board that the District's auditor, Forvis Mazars, LLP ("Forvis Mazars"), has requested that the Board defer its consideration of the preliminary AUP Report until next month's meeting, as Forvis Mazars has not yet received the information needed to complete the preliminary AUP Report. Following discussion, the Board concurred to defer its consideration of a preliminary

AUP Report for the District's Series 2026 Road Bonds until next month's meeting.

PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE FOR THE SERIES 2026 ROAD BONDS

Mr. Lentz next presented to and reviewed with the Board the proposed Official Notice of Sale and the Preliminary Official Statement in connection with the Series 2026 Road Bonds, copies of which are attached hereto as **Exhibit G**. Following review and discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that, subject to SPH's final review, such offering materials be approved, completed, and distributed in anticipation of the sale of the Series 2026 Road Bonds on July 28, 2026, 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.

AUTHORIZE DISTRICT'S FINANCIAL ADVISOR TO ADVERTISE FOR THE SALE OF THE SERIES 2026 ROAD BONDS

The Board next considered authorizing Masterson to advertise for the sale of the Series 2026 Road Bonds. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that Masterson be authorized to advertise for the sale of Series 2026 Road Bonds in accordance with the Official Notice of Sale.

DESIGNATION OF PAYING AGENT/REGISTRAR

The Board next considered the designation of a Paying Agent/Registrar in connection with the Series 2026 Road Bonds. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that The Bank of New York Mellon Trust Company, N.A. be designated as Paying Agent/Registrar in connection with the Series 2026 Road Bonds.

ATTORNEY GENERAL'S FEES

After further discussion regarding the sale and issuance of the Series 2026 Road Bonds, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that MA&C be authorized to issue a wire transfer of funds to the Attorney General of Texas for payment of the fees associated with the Attorney General's review of the Transcript of Proceedings to be submitted by SPH in connection with the sale of the Series 2026 Road Bonds.

ENGAGEMENT OF CONTINUING DISCLOSURE COUNSEL AND APPROVAL OF RESOLUTION APPROVING CONTINGENT FEE CONTRACT FOR LEGAL SERVICES

The Board next considered the engagement of McCall, Parkhurst & Horton L.L.P. ("MPH") as continuing disclosure counsel for the District. In connection therewith, Mr. Schwartz presented to and reviewed with the Board the Contingent Fee Legal Services Agreement prepared by MPH, a copy of which is attached hereto as **Exhibit H**. Mr. Schwartz also presented to and

reviewed with the Board the Resolution Approving Contingent Fee Contract for Legal Services, a copy of which is attached hereto as **Exhibit I**. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that: (i) the District engage MPH to serve as the District's continuing disclosure counsel; (ii) the Contingent Fee Legal Services Agreement be approved, and the President be authorized to execute same on behalf of the Board and the District; (iii) the receipt of MPH's TEC Form 1295 be acknowledged as required by state law; and (iv) the Resolution Approving Contingent Fee Contract for Legal Services be adopted by the District, and the President be authorized to execute and the Secretary to attest to same on behalf of the Board and the District.

AUTHORIZE USE OF BASEFUND PORTAL FOR CLOSING AND TRANSACTION WIRE FRAUD INSURANCE

Mr. Schwartz next discussed the use of the BaseFund portal for the closing of the Series 2026 Road Bonds. In connection therewith, Mr. Schwartz advised the Board that the BaseFund portal is a program used by the District's designated Paying Agent at closing on a bond issuance to securely collect wiring information and authorize the distribution of funds. He noted the program cost of \$750.00 per bond transaction. Mr. Schwartz further advised the Board that insurance can be purchased by the District for additional coverage during bond transactions and reviewed the various coverage levels based on the par amount of the bonds. Following discussion, Director Parr moved to authorize (i) the use of the BaseFund portal for the closing of the Series 2026 Road Bonds, and (ii) the purchase of additional wire-fraud insurance for the closing of the Series 2026 Road Bonds at the cost of \$2,500.00. Director Cobb seconded said motion, which unanimously carried.

RATIFY APPROVAL OF THIRD SUPPLEMENTAL AGREEMENT WITH HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 493 ("NO. 493")

Mr. Schwartz requested that the Board ratify its prior approval of the Third Supplemental Agreement with No. 493 for allocation of additional water and wastewater capacity in the Master Facilities. Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that the Board's action to approve the Third Supplemental Agreement with No. 493, be approved and ratified in all respects.

BRIDGELAND WATER AGENCY (THE "AGENCY")

The Board next considered the status of matters related to the Agency. In connection therewith, Mr. Schwartz provided the Board with a brief update on Agency matters, including the status of the Agency's scheduling of the 2026 hazardous waste collection and electronics recycling event, which has been tentatively scheduled for October 24, 2026. Following discussion, it was noted that no action was required by the Board in connection with Agency matters at this time.

WEBSITE UPDATES

Ms. Craig next presented to and reviewed with the Board a Monthly Communications Report dated June 23, 2026, as prepared by Touchstone, a copy of which is attached hereto as **Exhibit J**. Following review and discussion, it was noted that no action was required by the Board

in connection with the Monthly Communications Report.

DEVELOPER'S REPORT

Mr. Kolkhorst presented to and reviewed with the Board the home inventory report through May 2026, as prepared by the Developer, a copy of which is attached hereto as **Exhibit K**. Following discussion, it was noted that no action was required by the Board in connection with this matter.

ANNEXATIONS

The Board next considered the status of the Developer's request for the annexation of 82.90 acres adjacent to the boundary of the District. In connection therewith, Mr. Schwartz advised the Board that SPH is awaiting receipt of the West Harris County Regional Water Authority's consent letter. No action was required by the Board in connection with this matter at this time.

AUTHORIZE COMPLETION, EXECUTION AND FILING WITH THE SECRETARY OF STATE OF A VOTING SYSTEM ANNUAL FILING FORM

The Board considered authorizing the completion, execution and filing with the Secretary of State of a Voting System Annual Filing Form relative to District elections. Mr. Schwartz advised that, pursuant to the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Form with the Secretary of State's office. After discussion, Director Parr moved that SPH be authorized to complete the Voting System Annual Filing Form and file same with the Secretary of State's Office on behalf of the Board and the District. Director Cobb seconded said motion, which carried unanimously.

RECORDS DESTRUCTION REQUEST

Mr. Schwartz next advised the Board that the District's Records Retention Schedules adopted in connection with its Records Management Program require that certain records of the District be retained only for specific periods of time based on the type of record. As an example, he explained that notes taken during meetings which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. He next presented a request from the District's Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules. A copy of the subject request is attached hereto as **Exhibit L** (the "Request"). Following discussion, it was moved by Director Parr, seconded by Director Cobb and unanimously carried, that SPH be authorized to destroy the records described in the Request.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Schwartz advised the Board that the Sludge Management Agreements which were approved by the Board at last month's meeting, have been circulated to the appropriate parties for signature.

Mr. Schwartz then announced to the Board that he will be retiring at the end of 2026. In that regard, Mr. Schwartz advised the Board that, effective immediately, Mitchell G. Page of SPH will be taking over the District's legal representation.

MATTERS FOR PLACEMENT ON FUTURE AGENDAS

The Board considered items for placement on future agendas. No other specific agenda items other than routine and ongoing matters, or those discussed above, were requested.

ADJOURNMENT

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



Bettina Parr

Secretary

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 418

LIST OF ATTACHMENTS TO MINUTES

June 23, 2026

- | | |
|--------------------|---|
| Exhibit A – | Bookkeeper's Report |
| Exhibit B – | Tax Assessor-Collector Monthly Report |
| Exhibit C – | Operations Report |
| Exhibit D – | Electronic Bill Pay Contract Documents |
| Exhibit E – | Engineer's Report |
| Exhibit F – | Advanced Funding Agreement for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match On-System; Resolution Authorizing Execution of Advanced Funding Agreement for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match On-System; Memorandum regarding Advanced Funding Agreement with Harris County – SH 99 Frontage Road from North Bridgeland Lake Parkway to Bridgeland Creek Parkway |
| Exhibit G – | Official Notice of Sale and the Preliminary Official Statement |
| Exhibit H – | Contingent Fee Legal Services Agreement |
| Exhibit I – | Resolution Approving Contingent Fee Contract for Legal Services |
| Exhibit J – | Monthly Communications Report |
| Exhibit K – | Home Inventory Report through May 2026 |
| Exhibit L – | Records Destruction Request |