

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 489

Minutes of Special Meeting of Board of Directors

February 29, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 489 (the "District") met in special session, open to the public, on February 29, 2024, 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:

Anthony T. McBride, President
Christian Carroll, Vice President
Trace Salazar, Secretary
Arlene Harper-Veith, Assistant Secretary
Madison Barrington, Assistant Secretary

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

Also present were Barbara Nussa of Republic Services, Inc. ("Republic"); Sam Goodspeed, member of the Board of Directors of Harris County Municipal Utility District No. 419 ("No. 419") and President of the Board of Trustees of the Bridgeland Water Agency (the "Agency"); and Joseph M. Schwartz and Peyton Ellis of Schwartz, Page & Harding, L.L.P. ("SPH").

In the absence of the President, the Vice President called the meeting to order and declared it open for such business as might regularly come before it.

PUBLIC COMMENTS

The Board considered public comments, and recognized Mr. Goodspeed. Mr. Goodspeed noted that he had no comments for the Board at this time.

CONTRACT AMENDMENT WITH REPUBLIC SERVICES, INC.

The Board considered the approval of an amendment to the District's Exclusive Residential Refuse Service Contract with Republic. In connection therewith, Ms. Nussa presented to and reviewed with the Board a proposed Seventh Amendment to Exclusive Residential Refuse Service Contract (the "Seventh Amendment"), a copy of which is attached hereto as **Exhibit A**. Ms. Nussa advised that the Seventh Amendment provides for additional heavy trash collection and recycling collection services on Wednesday of every week, beginning April 1, 2024, and a five-year extension of the District's current contract term. Mr. Schwartz noted that the current rate for residential trash service will increase by \$1.98 per home/month (from \$16.92 per home/month to \$18.90 per home/month), and the current rate for recycling service will increase by \$2.72 per home/month (from \$4.81 per home/month to \$7.53 per home/month), resulting in a total rate increase of \$4.70 per home/month for both services. Following discussion, Director Carroll moved that the Seventh Amendment be approved, subject to final review and approval by SPH, and the

President be authorized to execute same on behalf of the Board and the District. Director Salazar seconded the motion, which carried unanimously.

AMENDMENT OF THE DISTRICT'S RATE ORDER

The Board next considered amending the District's Rate Order to provide for the adjustment of rates associated with (i) the implementation of additional heavy trash and recycling collection services in accordance with the Seventh Amendment, and (ii) the annual API increase imposed by Inframark, LLC ("Inframark"). In connection therewith, Mr. Schwartz reviewed the proposed rate adjustments with the Board, including an increase in the monthly rate for residential sanitary sewer service from \$58.59 to \$63.29 to accommodate the additional heavy trash and recycling collection services provided in the Seventh Amendment, and the various rate adjustments proposed by Inframark in accordance with the 2024 API Rate Schedule. A copy of the 2024 API Rate Schedule is attached hereto as **Exhibit B**. Following review and discussion, Director Carroll moved that the District's Rate Order be amended to incorporate the proposed rate adjustments, as discussed. Director Salazar seconded said motion, which unanimously carried. A copy of the District's Rate Order thus amended is attached hereto as **Exhibit C**.

EVENT FOR CANDIDATES OF DIRECTORS ELECTION

The Board next considered the holding of an event for the candidates of the District's upcoming Directors Election (the "Election"). In connection therewith, the Board expressed its desire to provide an opportunity for the District's residents to get to know the Election candidates prior to the Election. Mr. Schwartz then presented and discussed Ethics Advisory Opinion No. 343 (the "Opinion") of the Texas Ethics Commission ("TEC"), a copy of which is attached hereto as **Exhibit D**, wherein the TEC describes its interpretation of the application of Section 255.003, Texas Election Code, which prohibits a person from spending or authorizing the spending of political subdivision funds for political advertising. Following discussion of the various issues raised in the Opinion, the Board concurred that the event be tentatively scheduled for April 3, 2024, subject to the availability of the Election candidates to attend the event on such date. Mr. Goodspeed advised the Board that he would contact each Election candidate to notify them of the event and invite them to participate in same, and noted that he would also confirm the candidates' availability to attend on the proposed event date.

MATTERS FOR FUTURE AGENDAS

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

ADJOURNMENT

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




Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A –** Seventh Amendment to Exclusive Residential Refuse Service Contract
- Exhibit B –** 2024 API Rate Schedule
- Exhibit C –** Rate Order
- Exhibit D –** Ethics Advisory Opinion No. 343

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