

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

### Minutes of Meeting of Board of Directors

August 9, 2023

A meeting of the Board of Directors (“Board”) of Harris County Municipal Utility District No. 248 (“District”) was held at 13205 Cypress North Houston Road, Cypress, Texas on August 9, 2023 at which a quorum of Directors was present, as follows:

A. Richard Wilson, President  
Marie Godard, Vice President  
Long Nguyen, Secretary  
Dedrick Wilmer, Director  
Richard Ford, Director

and the following absent:

None.

Also present were Mr. Jerry Homan; Mr. Sam Mesa; Ms. Pam Magee; Ms. Pat Hall; Ms. Angela Cunningham; Mr. Patrick Newton; Mr. Scott Gray; Mr. Bob Ideus; Mr. Jorge Diaz; Ms. Leslie Cook; Mr. Dan Muniza; Ms. Tanhia Bejko; Ms. Rhonda Shepherd; and Ms. Melissa J. Parks, attorney for the District.

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

1. The Board opened the floor for public comment. No public comment was presented.

2. The Board unanimously approved the minutes of its meeting held July 12, 2023 as corrected to reflect Director Wilmer’s having been designated as Secretary Pro Tempore.

3. Bob Ideus presented the bookkeeper’s monthly report. He reviewed the report with the Board, including a budget comparison reflecting activity during the first four months of the fiscal year ending March 31, 2024. The Board asked Mr. Ideus to report on progress with transition of bookkeeping services to McLennan & Associates. Mr. Ideus answered the question and also noted that the District’s books had recently been transmitted to the auditor for the March 31, 2023 audit. He understands the auditors will not be able to complete the audit by the Texas Commission on Environmental Quality’s filing deadline but will complete it in time for submission of the required continuing disclosure filing. After further discussion of the bookkeeper’s report, upon motion duly made, seconded, and unanimously carried, the Board approved the report as presented and authorized release of the checks listed thereon.

4. Jerry Homan presented the operator’s report indicating 727 bills were prepared during the month, including the eight refunds, and that water accountability for the month was 102%, with 14,798,000 gallons purchased by customers. Mr. Homan discussed the status Harris County FWSD No. 61’s wells given recent hot and dry weather conditions and then reported on work done in the District by the operators during the month. The operators continue to monitor for trucks appearing to illegally obtain water from District fire hydrants. Three taps were completed during the month. Mr. Homan described a recent event held by Commissioner Tom Ramsey to discuss various issues within Harris County Precinct 3, including attention to homeless encampments. Mr. Homan also reported on the most recent meeting of the North Harris County Regional Water Authority, noting that the Authority’s board had again tabled action on financing projects necessary to meet the next surface water conversion deadline. The

Authority has obtained easements and completed design of its Project 31D water line segment for transmission of surface water to FWSD No. 61 and the District, but it has not yet arranged funding for the project. After further discussion of operating matters, the Board approved the report as presented.

5. Scott Gray presented the detention pond operations report. The new screen should be installed at The Reserve at 290 Commons pond in the next few weeks. No unusual conditions were noted at the District's ponds upon Champions Hydro-Lawn's most recent inspection, but signs of drought are visible.

6. The Board considered the attached Order Appointing an Investment Officer. The Order had been prepared to appoint Jorge Diaz of McLennan & Associates to that position. The Board also discussed appointment of a director as a second investment officer, but after discussion, declined to do so. Thereafter, upon motion by Director Godard, seconded by Director Ford, the Board voted unanimously to adopt the attached Order appointing Mr. Diaz as the investment officer.

7. Pat Hall presented the tax assessor-collector's monthly report indicating that 2022 taxes were 97.8% collected through July 31. Ms. Hall briefly discussed the District's preliminary 2023 taxable value, noting it is approximately 17% higher than last year. Ms. Hall noted her office is monitoring taxable valuation activity of the Harris Central Appraisal District for several large accounts, including Duke Realty which challenged its value for 2022 and is not yet certified for 2023, as well as Tesla. As confirmed at a previous meeting, in 2011 the Board adopted a resolution for taxation of tangible personal property in transit which would otherwise be exempt under the Texas Tax Code, and to that end, Ms. Hall and Ms. Parks will monitor Tesla's valuation and the categories under which HCAD characterizes Tesla's properties so that the District can take action as and if necessary. After further discussion of the tax assessor-collector's report, upon motion duly made, seconded, and unanimously carried, the Board approved the report as presented and authorized release of the checks drawn on the tax fund.

8. Mr. Newton presented the monthly engineer's report. A pre-startup inspection of the traffic signal constructed by CityLynx was held last week and the County's punch list was provided to the contractor. It was Mr. Newton's understanding that the signal may be energized this week. Harris County's inspection for acceptance of storm sewers and roads is scheduled for August 18 for the water, sewer, drainage, and paving facilities constructed by R Construction Civil in the Weiser Business Park. As discussed last month, Mr. Newton reported that he has contacted Forvis, LLP about preparation of a reimbursement audit for the north water line loops project. Forvis has indicated it will prepare the audit and present it in September along with the District's annual audit. Next Mr. Newton reported that Harris County FWSD No. 61 has begun advertising for the planned sanitary sewer and manhole rehabilitation projects. Bids will be presented on August 23, and Mr. Newton will report to the Board next month about award of the contract and District payment of its pro rata share going forward.

Mr. Newton addressed the Huffmeister Road and Hempstead Road tracts within the District which together are referred to as the triangle tract. As authorized last month, the engineer has updated estimates of costs for utility facilities and easements necessary to provide service to the tract. He presented two options and reviewed them with the Board, noting costs had doubled since estimates were prepared in 2019. Mr. Homan provided historical information about provision of service to the tract. Construction of facilities to serve the tract as contemplated in 2019 was never undertaken because the proposed sale of land which had prompted the planning was never finalized. The Board reviewed information compiled by the District's tax

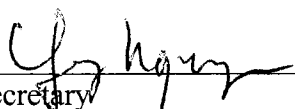
assessor-collector about annexation of the tract in two parcels and District taxes collected from owners of property in the tract as far back as 1993. The Board discussed anticipated development on the triangle tract by the various property owners. At the previous meeting Steve Quance of Drake Enterprises, LLC, owner of several properties within the triangle tract, had requested that the District fund the cost of facility extensions necessary to serve the tract. The Board discussed this request and various sources of funding, whether by the District, the landowners, or a combination of the two. After detailed discussion, the Board voted unanimously to authorize Jerry Homan and Patrick Newton to meet with Steve Quance to further discuss the matter and emphasize the Board's interests in the addition of taxable value by the landowners to support funding of the necessary utility facilities that meet all applicable engineering and governmental requirements.

9. The Board further addressed tax matters, including tax delinquencies. Ms. Parks presented a list of delinquent accounts to which the attorneys had sent letters providing notice of termination of water service if taxes are not paid by August 24. Upon review and discussion, the Board authorized such terminations after August 24 if the accounts remain unpaid.

10. Dan Muniza addressed the Board about District issuance of bonds to reimburse the developer for roads constructed for the Weiser Business Park development. For its internal evaluation about when to request such reimbursement, Trammell Crow needs information on the tax rate that the District would impose within the defined area to support the bonds. District financial advisor Leslie Cook addressed the Board and indicated she would perform such an evaluation but in order to do so would need the 2023 certified taxable value of property within the defined area as well as a current estimate of value. Using that information and the road engineering and construction costs, the financial advisor could prepare a summary of construction costs and soft costs, run a debt service cash flow, and calculate the tax rate necessary to support the bonds. After consideration of the matters discussed, Director Godard moved for adoption of the attached Resolution Requesting Preparation of Estimate of Total Appraised Value of Taxable Property within the Defined Area of the District, and Director Wilmer seconded the motion. Thereafter, upon unanimous vote, the Board adopted the Resolution.

11. The Board discussed pending business. Ms. Parks reported on the status of closing and funding conveyance of the Weiser detention pond to Harris County, noting she was in close contact with Harris County and its title company about the transaction. The attorneys have delivered the deed for conveyance of the pond to the title company to hold in escrow until the County deposits the purchase price. Regarding the status of conveyance to the District of a small Weiser BP Land tract north of Fallbrook Drive and finalization of an agreement for developer mowing and maintenance of such tract, Ms. Parks reported the developer has revised the covenants, conditions and restrictions of the business park so that they no longer burden this particular tract. Ms. Parks will work with Mr. Muniza to update the agreement as necessary and request Board action at the next meeting.

There being no further business to come before the Board, the meeting was adjourned.

  
Secretary

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

### NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested parties that the Board of Directors of the captioned District will hold a public meeting at 13205 Cypress North Houston Road, Cypress, Harris County, Texas. The meeting will be held at **11:30 a.m. on Wednesday, August 9, 2023**.

The subject of the meeting is to consider and act on the following:

1. Public comments
2. Minutes of meeting held July 12, 2023
3. Bookkeeper's report; review of checks and invoices; payment of bills; investment of District funds; depository pledge agreement with Amegy Bank
4. Order Appointing Investment Officer
5. Tax assessor-collector's report; invoices and checks; status of delinquent taxes; authorize termination of water service
6. Operator's report; repair and maintenance of District water, sewer, and drainage facilities; customer appeals and account adjustments; termination of service for delinquent accounts; authorize writing off uncollectable accounts
7. Detention pond operator report; authorize repair and maintenance
8. Engineer's report; project design, approve award of construction contracts; approve change orders, pay estimates, and advertisement for bids; utility commitments; advertisement for bids; capital improvements plan
9. Water and sewer service to 290/Huffmeister/Hempstead triangle tract
10. Authorize financial advisor to evaluate sale of bonds in 2023; Resolution Requesting Preparation of Estimate of Total Appraised Value of Taxable Property within the Defined Area of District
11. Status of agreement for mowing and maintenance of Weiser BP Land, LLC tract and conveyance of tract to District
12. Status of closing and funding conveyance of Weiser Detention Pond to Harris County under Joint Participation Interlocal Agreement; reimbursement of developer
13. Pending business



A handwritten signature in black ink that reads "Melissa J. Parks".

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Melissa J. Parks  
Attorney for the District