

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors

May 8, 2024

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 Wednesday, May 8, 2024, 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 Ms. Pat Hall; Mr. Jorge Diaz; Mr. Brian Breeding; Mr. Jerry Homan; Mr. Scott Gray; Mr. Patrick Newton; Ms. Leslie Cook; Mr. Steve Quance; Ms. Ronda 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 comments were offered.

2. The Board reviewed the minutes of its meeting held April 10, 2024. Upon unanimous vote, the Board approved the minutes as presented.

3. The Board President executed Certificates of Election indicating that A. Richard Wilson, Marie Godard, and Ronda Shepherd were declared duly elected, and the Board accepted the Certificates of Election as presented. These directors each executed a letter of qualification, statement of elected officer, and oath of office. They also completed conflict of interest disclosure statements and received a memorandum regarding completion of required Open Meetings and Public Information Act training. Directors Ford and Wilmer also completed annual conflict of interest disclosure statements. After discussion, upon unanimous vote, the Board accepted the letters of qualification, statements, and oaths of office of A. Richard Wilson, Marie Godard, and Ronda Shepherd for their new four-year terms on the Board.

4. The Board considered election of officers. As the office of Secretary was now vacant, after discussion, the Board voted unanimously to elect Director Wilmer as Secretary of the Board and District. Director Shepherd was nominated as Assistant Secretary, and thereafter, the Board unanimously elected Director Shepherd as Assistant Secretary of the Board and District. All other officers retained their current positions.

5. The Board then noted that today is former director Long Nguyen's final meeting as a director. In that regard, the Board presented Mr. Nguyen with a special Resolution of Appreciation for his excellent service on the Board.

6. Jorge Diaz presented the bookkeeper's monthly report. He reviewed the checks reflected thereon and activity in each District account. Mr. Diaz presented a comparison of actual versus budgeted general operating revenues and expenditures for the first month of the fiscal year ending March 31, 2025. He discussed receipt of sales tax revenues from the City of Houston and recommended the Board authorize receipt of such payments by direct deposit/ACH. Payments were presently being made by check and were not received on a regular basis. After discussion, the Board authorized acceptance of sales tax revenues by direct deposit. Mr. Diaz next reported on the District's account at Frost Bank. Upon further communication with the bank, the bookkeeper confirmed that even with issuance of a debit card for the account, the District's bookkeepers would not be able to access the accounts online. The account had originally been set up as a small business account, and Mr. Diaz recommended the Board authorize changing the account to a public funds account. This would make available internet banking and other features appropriate for a governmental entity account. After discussion, the Board authorized the bookkeeper to change the account type. After further review of the bookkeeper's report, including the monthly investment report, upon unanimous vote, the Board approved the report as presented and authorized release of all disbursements listed thereon.

7. Pat Hall presented the tax assessor-collector's regular monthly report. Through April 30, the 2023 taxes were 95% collected, and proposed disbursements from the tax account amounted to \$14,880.13. Ms. Hall next reviewed a monthly report concerning taxes levied in the District's Defined Area, noting that through April 30, the 2023 taxes are 100% collected. There was one proposed disbursement of \$500 from the Defined Area tax account. As requested last month, Ms. Hall confirmed that the apartment complex within the District had not received any tax exemption, including one via the Houston Housing Authority's low income housing program. After further discussion of tax matters, upon unanimous vote, the Board approved both monthly reports as presented and authorized release of the disbursements listed thereon.

8. Brian Breeding presented the operator's report, indicating water accountability for the month was 102%, with 12,832,000 gallons purchased by customers. 749 bills were prepared during the month, including six refunds.

Mr. Breeding discussed operating activity, noting that annual backflow preventer testing had been completed. The operator's new billing software is now activated and in use, although a small glitch had occurred affecting customers' ability to view their bills online. This is an issue with the credit card processing company and should be fixed any day now. More District customers are signing up to receive electronic bills. Mr. Homan addressed the Board and reported on the success of the Shrimp Boil Open House held April 25. He thanked the Board for being an event sponsor. The Sheriff's Department Appreciation Day event will be held May 16. Mr. Homan invited Board members to attend and also thanked the Board for making a contribution toward this event. Finally, Mr. Homan reported the District's facilities did not

experience difficulties during the recent heavy rain event. After further discussion of operating matters, the Board voted unanimously to approve the report as presented.

9. Mr. Breeding presented the draft 2023 Consumer Confidence Report (CCR) and reviewed it with the Board. Mr. Breeding noted that the 2023 report does not address the previously unregulated contaminant PFAS. The Board unanimously approved the document for distribution to District customers by the July 1 deadline. Mr. Breeding stated he expected that by this time next year, the District will be receiving surface water from the North Harris County Regional Water Authority. To that end, Mr. Homan reported that the City of Houston's Northeast Water Purification Plant is complete and producing water. Before the District converts to surface water, the District will provide the notifications required by law, and the Board can host informational town hall meetings along with Harris County FWSD No. 61 to educate residents, homeowners associations, and anyone else with interest on the subject.

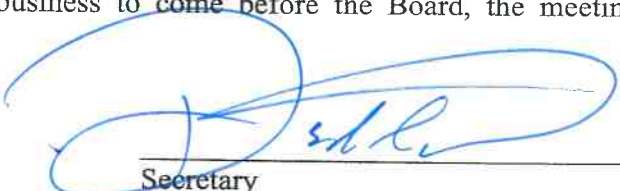
10. Patrick Newton reviewed the monthly engineer's report. The Weiser Business Park paving contractor is completing punchlist items before a Harris County record drawing reinspection is scheduled. Upon successful completion of the inspection, the paving will enter a warranty period before being transferred into the County's road maintenance system. Mr. Newton updated the Board on review of plans for Weiser's Phase III development. The engineers have recently issued a letter for Phase III indicating availability of utility capacity sufficient to serve 82 equivalent single-family connections. Mr. Newton next updated the Board on the sanitary sewer and manhole rehabilitation projects in HC FWSD No. 61. He then reported that the lead service line inventory required under the revised Environmental Protection Agency lead and copper rules had been completed and submitted to the Texas Commission on Environmental Quality. Replacement of outfall pipes in the White Oak Falls pond is under way, and, proposals for projects in the District's 10-year capital improvements plan (rehabilitation of White Oak Falls and Huffmeister Lift Stations) are anticipated to be provided this summer and possibly advertised for bids in the third quarter of 2024. After further discussion, the Board unanimously approved the engineer's report as presented.

11. Scott Gray presented the monthly detention pond operations report. He reviewed photographs showing conditions at all ponds and noted that with recent rain events, Champions Hydro-Lawn is staying busy keeping up with the regular maintenance schedule. As noted earlier by Mr. Newton, Mr. Gray confirmed that replacement of pipes in White Oak Falls pond was under way. He also noted the grass in the White Oak Springs pond is green and getting healthier after completion of the outfall pipe work in that area.

12. The Board discussed water, sewer, and lift station facilities necessary to serve the triangle tract comprised of several properties along Huffmeister Road and Hempstead Road. As requested by the Board last month, Leslie Cook had prepared an analysis which she now presented and reviewed. The analysis consisted of a spreadsheet with data about the taxable value of properties in the triangle tract; the estimated costs for design, engineering, and construction of the facilities; and varying estimates of taxable property values by way of which the District could recoup its costs of providing such facilities. Ms. Cook noted the current taxable value of property in the tract is slightly more than \$2.9 million. To date, the District has collected slightly more than \$150,000 in tax revenues from these properties. She then reviewed various

payback scenarios using conservative development assumptions. Under any of the scenarios, the District should recover its costs well before the end of the useful life of the facilities. Mr. Quance addressed the Board and noted that while there were no current plans to develop the property, he had looked at comparable developments on similar tracts. It was noted that if the District were to provide service to the tract as discussed today and at recent meetings, it would be necessary for the District to design the facilities and seek City of Houston plan approval. It would also be necessary to draft an agreement between the District and Mr. Quance's company to set out the terms and conditions for providing service as well as any District reimbursement of the landowner for the lift station site the landowner would donate. At this point, Director Godard left the meeting but indicated her support for proceeding with this project. The Board further discussed the matter and agreed that moving forward as proposed appeared reasonable. Thereafter, upon motion by Director Wilmer, seconded by Director Shepherd, with Directors Wilson, Wilmer and Shepherd voting in favor and Director Ford abstaining, the Board authorized the engineers to design the facilities necessary to provide District service to the tract and seek City of Houston approval of same.

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, May 8, 2024**.

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

1. Public comments
2. Minutes of meeting held April 10, 2024
3. Approve certificates of election of directors declared elected; approve qualifications of elected directors; discuss Public Information Act training; accept oaths and statements of elected officials
4. Election of officers; update compliance document/website for change in directors/officers/terms of office
5. Director conflict disclosures
6. Resolution of Appreciation
7. Bookkeeper's report; review of checks and invoices; payment of bills; investment of District funds; establishment of additional depository account or authorize terms for new type of depository account
8. Tax assessor-collector's reports; invoices and checks; status of delinquent taxes; authorize appropriate actions for collection of delinquent accounts
9. 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
10. Review and approve annual Consumer Confidence Report
11. Engineer's report; project design; approve award of construction contracts; approve change orders, pay estimates, and advertisement for bids; utility commitments; capital improvements plan
12. Detention pond operator report; authorize repairs and maintenance; rehabilitation of outfall pipes
13. Water and sewer service to 290/Huffmeister/Hempstead Road triangle tract; authorize appropriate action
14. Pending business




Melissa J. Parks
Attorney for the District