

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors

August 14, 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, August 14, 2024, at which a quorum of Directors was present, as follows:

A. Richard Wilson, President .
Marie Godard, Vice President
Deddrick Wilmer, Secretary
Ronda Shepherd, Assistant Secretary
Richard Ford, Director

and the following absent:

None.

Also present were Ms. Pat Hall; Ms. Angela Cunningham; Mr. Brian Breeding; Mr. Jerry Homan; Ms. Pam McGee; Mr. Patrick Newton; Mr. Jorge Diaz; Mr. Scott Gray; Ms. Leslie Cook; Ms. Wendy Ramirez; 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 comments were offered.

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

3. Jorge Diaz presented the bookkeeper’s monthly report and reviewed the checks reflected thereon. He discussed activity in each District account and updated the Board on various matters, including receipt of sales tax revenues. Mr. Diaz presented a comparison of actual versus budgeted general operating revenues and expenditures during the first four months of the fiscal year ending March 31, 2025. Finally, Mr. Diaz reviewed the monthly investment report. Thereafter, upon motion by Director Wilmer, seconded by Director Ford, the Board voted unanimously to approve the bookkeeper’s report as presented and authorized release of all disbursements listed thereon.

4. Wendy Ramirez presented the audit report for the District's fiscal year ended March 31, 2024. After review, upon motion duly made, seconded, and unanimously carried, the Board approved the audit and authorized its distribution to the appropriate parties. Further, the Board authorized submission of the finalized audit for continuing disclosure purposes by the September 30 filing deadline.

5. Ms. Parks presented the attached Resolution Affirming Review of Investment Policy, Strategies, and Objectives and list of broker/dealers. Upon motion duly made, seconded, and unanimously carried, the Board approved the Resolution indicating the Board’s review of the policy, with no changes deemed necessary.

6. The Board reviewed an annual arbitrage analysis report prepared by Municipal Risk Management Group, LLC. The report covered all series of outstanding District

bonds and indicated no action is necessary at this time.

7. The Board discussed reimbursement of expenses to directors for attendance at AWBD conferences and while undertaking other District business. Ms. Parks reviewed provisions in the District's Code of Ethics on the topic. Mr. Homan stated that the Board could adopt a detailed policy or set of guidelines on the subject and he described items to consider addressing. The Board indicated an interest and agreed to review and discuss such a policy at its next meeting.

8. Pat Hall presented the tax assessor-collector's regular monthly report. Through July 31, the 2023 taxes were 95.4% collected. Ms. Hall presented a list of delinquent personal property accounts recommended for placement on the uncollectible tax roll. Upon review of the list, the Board unanimously authorized the action subject only to review by the delinquent tax collection attorneys, which Ms. Parks stated would be completed promptly. Ms. Hall then noted that proposed disbursements from the tax account amounted to \$15,426.04 and reviewed the remainder of the report. Ms. Hall next reviewed a monthly report concerning taxes levied in the District's Defined Area, noting that the 2023 taxes remained 100% collected. Proposed disbursements from the Defined Area tax account amounted to \$500.00. Ms. Hall reported that 2024 certified values within the District and the Defined Area are expected from the Harris Central Appraisal District in time for consideration at the Board's September meeting. 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.

9. Brian Breeding presented the operator's report, indicating water accountability for the month was 102%, with 15,346,000 gallons purchased by customers. 757 bills were prepared during the month, including 7 refunds.

Mr. Breeding discussed operating activity within the District. He reported that the operators will complete the next round of lead and copper tap sample monitoring by collecting the required number of samples by September 30, 2024 and then reporting them to the Texas Commission on Environmental Quality. Mr. Breeding then described work performed within the District during the month.

Following Mr. Breeding's presentation, Mr. Homan addressed the Board to discuss surface water conversion. He noted it will likely be late 2025 before the North Harris County Regional Water Authority will deliver surface water to HCFWSD No. 61. Before surface water is provided within the District, the Board should consider holding town hall meetings to provide information to District customers about surface water conversion and educate them on the subject. Mr. Homan also reported on the recent meeting of the NHCRWA board. Mr. Homan then described the Town Hall meeting held July 31 with Precinct 3 Commissioner Tom Ramsey and representatives of several Harris County departments. The Town Hall also included a panel discussion on public facility corporations and the Houston Housing Authority regarding multi-family properties obtaining exemptions from property taxes. After further discussion of operating matters, the Board voted unanimously to approve the report as presented.

10. The Board discussed lease and rental issues with occupants of many of the homes in the District that are owned by Texas Central Railroad (TCR). The Board had briefly addressed this subject before, discussing, among other issues, uncertainty about the status of the occupants as well as instances of unauthorized water use. After seeing a recent Channel 2 news report about squatters in the area, the Board was interested in discussing actions the District might be able to take to address these issues. The Board believes conditions could improve if TCR would either manage these properties or tear them down. After discussion, the Board

agreed with suggestions of Ms. Parks and Mr. Homan that the District identify, contact, and meet with representatives of TCR. It was also noted that the Texas Attorney General provides a consumer tipline for lease fraud, via which affected homeowners or lessees could report suspected fraud. After further discussion, the Board authorized Mr. Homan and Ms. Parks to obtain contact information for TCR and arrange a meeting with the company's representatives.

11. Patrick Newton reviewed the monthly engineer's report. He discussed the sanitary sewer Phase 11 rehabilitation project of HCFWSD No. 61. Project pay estimates No. 1 and No. 2 have been submitted by contractor Cruz-Tec Inc., and contract administrator LAN has calculated the District's share of these estimates at \$313,692.72. This calculation constitutes the entire amount of the District's share of the project. Mr. Newton has reviewed the calculation and recommends District payment of its share. Upon unanimous vote, the Board authorized payment.

Mr. Newton discussed rehabilitation of the White Oak Falls and Huffmeister lift stations in accordance with the District's capital improvements plan. He presented LJA's proposal for engineering and construction phase services for this project, estimating construction costs of \$540,000 and proposing engineering services for a fee \$96,800. This results in a total project cost of \$636,800. After discussion, the Board approved the proposal. It also agreed to pay for the project either by using general funds, or by using surplus Capital Projects funds, whether upon a determination that such an expenditure of surplus funds meets TCEQ criteria, or by application to TCEQ requesting authorization for use of surplus funds.

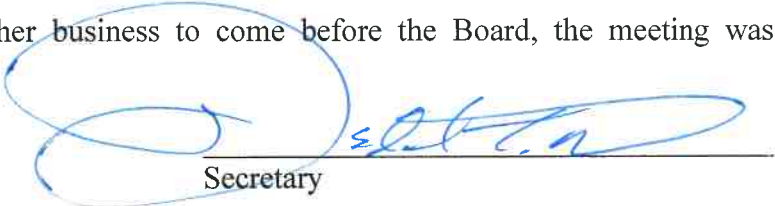
Finally, Mr. Newton reported the District is waiting on completion of a survey before proceeding further on design of water line, sanitary sewer, force main, and lift station facilities to be constructed to serve the 290/Huffmeister/Hempstead Road triangle tract. Ms. Parks plans to begin drafting a contract with Drake Plastics once communications with the City of Houston and design of the facilities are farther along. After further discussion, the Board unanimously approved the engineering report.

12. Scott Gray presented the monthly detention and drainage facilities report. Photographs in the report show the good condition of all ponds and abundant green grass. Mr. Gray reported on repair of a sinkhole in White Oak Falls pond No. 2, noting various communications with the pipeline company about its line in the vicinity of the pond and walkway.

13. Ms. Parks presented and reviewed with the Board a Ratification and Amendment of Easement and Right of Way Agreement requested by Gulf South Pipeline Company, LLC. As noted last month, the District had originally agreed to this easement and right of way in 2016, but execution of the documentation was never completed. Neither Mr. Newton nor Mr. Homan expressed any concerns with executing the requested easement and right of way agreement, and after discussion, upon unanimous vote, the Board approved the agreement and authorized its execution.

14. The Board discussed pending business. Director Godard noted she will not be able to attend the Board's meeting in November.

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



Secretary

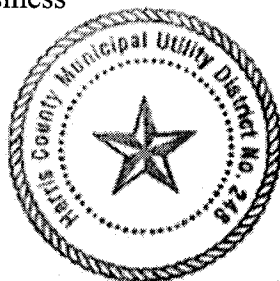
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

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 14, 2024.**

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

1. Public comments
2. Minutes of meeting held July 10, 2024
3. Bookkeeper's report; review of checks and invoices; payment of bills; investment of District funds
4. Audit report for fiscal year ended March 31, 2024; Resolution Affirming Review of Investment Policy, Strategies and Objectives and list of broker/dealers; Review of investments for compliance with Texas Gov't Code, Chapter 2256
5. Authorize annual continuing disclosure filing
6. Arbitrage Analysis Report
7. Director reimbursement for AWBD conference attendance; Review reimbursement procedures under District's Code of Ethic and authorize action as appropriate
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. Lease/rental issues with occupants of Texas Central Railroad-owned homes
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. Gulf South Pipeline Company request for Ratification & Amendment of Easement and Right of Way Agreement for 2016 TxDOT project expanding US Hwy. 290
14. Status of design of facilities and contract for water and sewer service to 290/Huffmeister/Hempstead Road triangle tract
15. Pending business



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

Melissa J. Parks
Attorney for the District