

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors

November 13, 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, November 13, 2024, at which a quorum of Directors was present, as follows:

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

and the following absent:

None.

Also present were Mr. Jorge Diaz; Ms. Pat Hall; Ms. Angela Cunningham; Mr. Brian Breeding; Mr. Jerry Homan; Mr. Scott Gray; Mr. Patrick Newton; Ms. Pam McGee; 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 minutes of its meeting held October 9, 2024. Upon unanimous vote, the Board approved the minutes as presented.

3. Jorge Diaz presented the bookkeeper’s monthly report. He reviewed the checks reflected thereon and discussed activity during the month in each District account. Upon review of the accounts, the Directors commented on bank service charges and asked if they could be avoided or reduced. Mr. Diaz stated he would look into this and report back to the Board. Mr. Diaz next presented a comparison of actual versus budgeted general operating revenues and expenditures during the first seven 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. Pat Hall presented the tax assessor-collector’s regular monthly report. Through October 31, the 2023 taxes were 95.3% collected. Ms. Hall reported that 2024 taxes had been billed and a minimal amount received by month-end. Taxable value of property in the District certified to date for 2024 is \$843,924,901, with approximately \$9,000,000 remaining uncertified. Ms. Hall reviewed proposed disbursements from the tax account and noted the

account balance remaining upon their release. She noted a large refund to KPH Consolidation Inc. which was payable due to a reduction in property value by the Harris Central Appraisal District. Ms. Hall next reviewed a monthly report concerning taxes levied in the District's Defined Area. The 2024 tax statements have been mailed, but no payments yet received. She reviewed proposed disbursements and the balance remaining on hand in the Defined Area tax account upon their release.

The Board discussed a delinquent tax report provided prior to the meeting by Ms. Parks. All of the accounts of Texas Central Railroad had recently been paid in full. Ms. Parks reported that her office had sent demand letters to Texas Central in July and again in October, and just prior to the payment, was preparing to intervene in a tax collection suit brought against the company by Cypress Fairbanks ISD. The company is represented by attorneys in the case, and Ms. Parks contacted them and requested contact information for company principals. She will share any information received so the District can communicate with Texas Central about issue with the occupants of its homes in the District. Director Godard then provided notes and other information about delinquent taxpayers for use by the attorneys in collecting delinquent accounts. After further discussion of tax matters, upon motion by Director Wilson, seconded by Director Wilmer, the Board voted unanimously to approve both monthly reports as presented and authorized release of the disbursements listed thereon.

5. Brian Breeding presented the operator's report, indicating water accountability for the month was 95%, with 13,618,000 gallons purchased by customers. 756 bills were prepared during the month, including six refunds.

Mr. Breeding discussed operating activity within the District, including addressing a malfunction of the White Oak Falls master meter. He also reported that the operators had located, cleaned, and serviced water distribution valves and boxes throughout the District. Mr. Homan and Mr. Breeding reported that the operators will be implementing an electronic portal for District customers to use to access information about their water and sewer accounts. The electronic/automated meters previously installed by the District provide data which customers will be able to access through the portal. The program should be implemented in early 2025, with written notice provided to customers before roll-out.

Jerry Homan addressed the Board and noted that the operators had updated the District's tax rate and water rate information on the internet as required by law. He also discussed matters related to the North Harris County Regional Water Authority (NHCRWA), including the results of its recent director election and topics addressed at the most recent meetings of its board. He has emailed Authority Director Melissa Rowe and asked to arrange a meeting with her and constituents of her Authority precinct so that the constituents can express their positions on issues including the Authority's rates and its contract with its general manager. Mr. Homan and the District's Board members discussed ongoing issues and difficulties in the Authority board's conduct of the entity's business. After further discussion of operating matters, the Board voted unanimously to approve the report as presented.

6. Patrick Newton reviewed the monthly engineer's report. Harris County still has not scheduled a final inspection of paving in the Weiser Business Park development, and

Mr. Newton will continue communicating with the County in this regard. The engineers continue with design of the lift station rehabilitation projects, as well as for the facilities necessary to serve the 290/Huffmeister/Hempstead Road triangle tract. Additional surveying was required on the north side of the triangle tract where the water line loop will be constructed. Mr. Newton anticipates that the plans for the triangle tract utilities will have been submitted to the City of Houston and Harris County for review before the Board's next meeting. The engineers can provide an updated cost estimate on these facilities after submission of the plans. Jerry Homan mentioned he had noticed recent cleanup of the tract, most likely by Steve Quance/Drake Enterprises, LLC.

The engineers are working with contractors to obtain pricing for work on the outfall from the White Oak Falls pond. The deteriorated 48-inch pipe is made of metal, and it was noted that any new or rehabilitated pipe would not be metal. The engineers are considering two alternatives: trenchless rehabilitation-in-place, and removal/replacement. Scott Gray stated that Champions Hydro-Lawn had provided pricing to the engineers and supports the District's checking with other contractors. After further discussion of engineering matters, the Board unanimously approved Mr. Newton's report.

7. Scott Gray presented the monthly detention and drainage facilities report. He reviewed the report and stated that the District's ponds remain in great shape. There is debris on the trash screens due to recent rains, and Champions Hydro-Lawn will soon remove it. Mr. Gray reported that Tesla vehicles are still parked at the Reserve at 290 Commons pond. He will soon visit the Tesla store manager to bring this to his attention and have him move the vehicles. After discussion, the Board accepted the detention pond report.

8. The Board considered amending the District's Code of Ethics to address in more detail the reimbursement of expenses to directors for travel on District business. Ms. Parks presented and reviewed proposed revisions to the District's Order Establishing Code of Ethics, Policies, and Procedures for District Financial Affairs and Management. After discussion, upon motion by Director Godard, seconded by Director Ford, the Board voted unanimously to adopt the attached Order.

9. The Board reviewed proposals for renewal of the District's insurance coverage, as current policies will expire in mid-December. After discussion, upon motion by Director Godard, seconded by Director Wilmer, the Board approved the insurance proposal as presented.

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

Secretary