

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors

April 9, 2025

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, April 9, 2025, 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. Angela Cunningham; Mr. Brian Breeding; Mr. Jerry Homan; Ms. Pam McGee; Mr. Patrick Newton; Mr. Scott Gray; Mr. Steve Quance; Mr. Brett Snyder; 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. Mr. Quance and Mr. Snyder indicated they were present to discuss matters related to provision of service to the 290/Huffmeister/Hempstead Road triangle tract. No other comments were offered.

2. The Board reviewed the minutes of its meeting held March 12, 2025. Upon unanimous vote, the Board approved the minutes as presented.

3. Jorge Diaz presented the bookkeeper's monthly report, reviewing the checks reflected thereon and activity in each District account. Mr. Diaz presented a comparison of actual versus budgeted general operating revenues and expenditures throughout the fiscal year ended March 31, 2025. Actual revenues for the year were slightly higher than budgeted, as were actual expenditures. Nevertheless, there were excess revenues of \$1,123,618 at fiscal year-end, which was slightly less than the projected amount of excess revenues. Mr. Diaz also reviewed the monthly investment report. Finally, regarding other bookkeeping matters, the Board considered a Third Party Custodian Agreement with Zions Bancorporation (Amegy Bank) and The Bank of New York Mellon Trust, N.A. (BNYM). It was noted that the checking accounts for the District's capital projects fund for the Defined Area and its debt service fund are at Amegy Bank, and so this agreement will affect those accounts. The agreement is necessary because Amegy will transition custodial services for its public funds accounts and the safekeeping of the collateral held for such accounts from a Federal Home Loan Bank to BNYM. After discussion, upon motion by Director Ford, seconded by Director Godard, the Board voted unanimously to approve the bookkeeper's report as presented and authorized release of all disbursements listed thereon. The Board also unanimously approved the Third-Party Custodian Agreement and authorized its execution by the proper District officers.

4. Angela Cunningham presented the tax assessor-collector's monthly reports. Through March 31, the District's taxes were 94.7% collected, and the 2024 taxes in the Defined Area were 99.8 % collected. The attorneys can begin collection efforts on delinquent personal property accounts, as the additional 20% penalty for those accounts became effective April 1. Ms. Cunningham presented proposed disbursements from the tax account and the

Defined Area tax account and noted the remaining account balances upon release. The Board also reviewed the 2024 certified taxable valuations in the District and in the Defined Area through Harris Central Appraisal District's issuance of supplemental roll 7 and correction roll 7. After further discussion of tax matters, upon motion by Director Godard, seconded by Director Ford, 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, which indicated water accountability for the month at 102%, with 11,200,000 gallons purchased by customers. 757 bills were prepared during the month, including five refunds.

Mr. Breeding reported on replacement of a small pump at the Weiser lift station at an approximate cost of \$8,000. The No. 2 pump at this lift station has been pulled for evaluation. The operators have thoroughly cleaned this lift station and are monitoring it. Mr. Breeding next reported that the Texas Commission on Environmental Quality completed a water compliance inspection on March 24 and found no issues. Mr. Breeding then discussed account delinquencies, noting that this month the disconnection date will fall on April 16, which is close to Good Friday and Easter. For that reason, the operators suggested delaying disconnections for one week, and the Board unanimously agreed. Mr. Breeding next addressed the annual Consumer Confidence Report (CCR) and noted that the chemical analyses for water supplied by Harris County Fresh Water Supply District No. 61 had been provided to the District for inclusion in its CCR. The operators intend to bring the draft CCR to next month's meeting for Board review and approval prior to distribution to District customers. Mr. Breeding next reported that approximately 60 customers have signed up for the District's Water Smart program, and so far, the program is operating as expected. After further discussion of operating matters, upon unanimous vote, the Board approved the report as presented.

6. The Board discussed matters related to the North Harris County Regional Water Authority. Jerry Homan reported that he asked the Authority for firm dates by which FWSD 61 and the District can expect to receive surface water. The earliest dates are during the fourth quarter of 2025 or the first quarter of 2026. Mr. Homan suggested scheduling the District's town hall meetings on the subject once the date is firmed up. Mr. Homan next reported on the most recent meeting of the Authority's board, noting it still had not adopted the new GRP participation fee that properties/entities outside of the Authority's boundaries would be required to pay to become part of the Authority's groundwater reduction plan. Also at its meeting, the Authority did not adjust its pumpage fee or surface water rate. The District's Board expects these rates will eventually be increased, given the two reductions instituted over the past year. Finally, there was brief discussion regarding legislation filed to extend by five years the Harris Galveston Subsidence District's current 2035 mandate by which groundwater usage must be reduced by 80%.

7. Patrick Newton presented the monthly engineer's report and reviewed it with the Board. He reported that the project for rehabilitation of the Huffmeister and White Oak Falls lift stations had been re-bid as authorized by the Board last month, and he intends to bring a recommendation of contract award to the Board's May meeting.

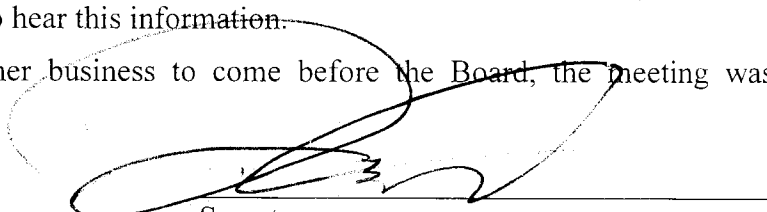
Mr. Newton addressed provision of District service to the 290/Huffmeister/Hempstead Road triangle tract located within the District. Since the last meeting, the engineers have met with City of Houston engineers to go over the project and the City's comments. Mr. Newton understands that the City is generally receptive to the project, especially given its similarity to the District's provision of service to the Molto tract. Mr. Newton then discussed the necessity of platting and acquiring easements prior to provision of District service to the tract.

Mr. Newton, Mr. Homan, and Ms. Parks described a path forward for approaching landowners within the triangle tract about easements and platting, to inform them that both are required for the District to provide service. They suggested that the District pay the landowners' platting costs in exchange for granting the necessary easements to the District at no cost. They also suggested that the Board agree not to impose a District tap fee, as these landowners are already receiving service from the District pursuant to a temporary agreement with FWSD No. 61. The landowners will also be required to join a property owners association, to be created by the largest landowner (Steve Quance/Drake Enterprises), to operate the lift station to be constructed to provide the service. The engineer, operator, and attorney reviewed anticipated costs in the event the District would have to pay to acquire the easements, noting they are roughly equal to the costs of platting currently unplatted tracts. The Board discussed the suggested path forward and agreed it appeared reasonable. The Board agreed this approach seems to be in the best interest of the landowners, as it will allow the District to provide them with permanent utility service with the least amount of hassle. The engineer, operator, and attorney suggested summarizing this information in a letter to the landowners and specifying a reasonable length of time by which the landowners should respond. After further discussion, upon motion by Director Godard, seconded by Director Wilmer, a majority of the Board, with Director Ford abstaining due to a conflict of interest as an affected landowner, voted in favor of proceeding in this manner and authorized preparation of a letter to landowners summarizing the process. Mr. Newton presented an additional topic related to this matter: specifically, the need for an engineering change order due to design of a looped water line and the additional coordination with agencies reviewing plans for construction of the project. After discussion, upon motion by Director Godard, seconded by Director Wilmer, the Board voted unanimously to approve the \$20,000 change order. After further discussion of engineering matters, the Board voted unanimously to approve the report.

8. Scott Gray presented the monthly detention and drainage facilities maintenance report. He reported that storm water quality features at all ponds are working as designed. He also reported that the ponds are in good condition, and there were no issues with Teslas being parked on the Reserve at 290 pond. The Board then discussed possible trespassers at the White Oak Springs pond, and Mr. Gray noted that he had observed that some tree limbs had been cut. Director Godard noted that the White Oak Springs homeowners association had cut back the limbs to reduce areas behind which trespassers could hide. After further discussion of Mr. Gray's report, the Board voted unanimously to accept it.

9. The Board discussed pending business. Ms. Parks and Mr. Homan described the District's having been contacted by a company contracting with Texas Central Railroad concerning issues with the railroad's properties within the District. Mr. Homan and Ms. Parks described their confirmation that this contractor is legitimate, as well as their interactions with the contractor and its instructions from the railroad to evict persons currently illegitimately occupying its properties. To that end, and as appropriate under Texas law and in connection with provision of utility service to these properties, the District continues communicating with this contractor. The Board was pleased to hear this information.

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


Secretary

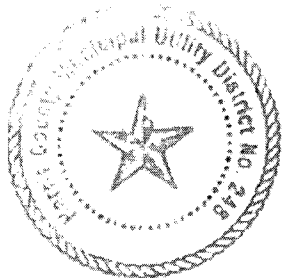
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248
NOTICE OF PUBLIC MEETING

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, April 9, 2025.**

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

1. Public comments
2. Minutes of meeting held March 12, 2025
3. Bookkeeper's report; review of checks and invoices; payment of bills; investment of District funds; Third Party Custodian Agreement with Zions Bancorporation and The Bank of New York Mellon Trust Company, N.A.
4. Tax assessor-collector's reports for District and Defined Area; invoices and checks; status of delinquent taxes; authorize appropriate actions for collection of delinquent accounts
5. Operator's report; repair and maintenance of District water, sewer, and drainage facilities; customer appeals and account adjustments; termination of service for open delinquent accounts; authorize writing off closed uncollectable accounts; annual Consumer Confidence Report
6. Matters related to the North Harris County Regional Water Authority
7. Engineer's report; project design; approve advertisement for bids, award of construction contracts, pay estimates, and change orders; utility commitments; capital improvements plan; status of design of facilities, and contract with landowner, for water and sewer service to 290/Huffmeister/Hempstead Road triangle tract
8. Detention pond operator report; authorize repairs and maintenance
9. Pending business, including lease/rental issues at properties of Texas Central Railroad & Infrastructure, Inc.



A handwritten signature in black ink, appearing to read "Melissa J. Parks".

Melissa J. Parks
Attorney for the District