

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248**

### **Minutes of Meeting of Board of Directors**

**June 11, 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, June 11, 2025, 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 Mr. Derek Davenport; Ms. Angela Cunningham; Mr. Brian Breeding; Ms. Pam McGee; Mr. Sam Meza; Mr. Patrick Newton; Mr. Scott Gray; Mr. Dan Muniza; Ms. Tanhia Bejko; Ms. Leslie Cook; 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 draft minutes of its meeting held May 14, 2025. Upon motion by Director Wilmer, seconded by Director Ford, the Board unanimously approved the minutes as presented.

3. The Board considered a development report and was addressed by Mr. Muniza and Ms. Bejko, who described activity within Weiser Business Park. They described leases in Phases 1 and 2 and reported that construction of buildings 5 and 6/Phase 3 is 60% complete. Mr. Muniza reported most tenants in the existing buildings are distribution and service vendors, and some leased space in the third building is used for manufacturing.

Mr. Muniza addressed Trammell Crow’s intention to install a left turn lane and median opening on Fallbrook to provide access to the undeveloped portion of the developer’s property at the intersection of Fallbrook and Huffmeister. Before today’s meeting, Mr. Muniza had provided an exhibit of the proposed improvements, which he now reviewed with the Board. In addition, Patrick Newton had prepared an exhibit showing the proposed left turn lane and median opening. Mr. Muniza described the proposed work and noted that upon Harris County’s review of a traffic impact analysis, the County had authorized opening the median, although the permit has not yet been issued. Mr. Muniza stated that the proposed turn lane and median opening will be public improvements eligible for funding with road bond proceeds. To that end, the developers request reimbursement from the District for this work from surplus capital projects funds available from the District’s Series 2023 Defined Area Road Bonds. Mr. Muniza estimated construction costs at \$140,000 and requested reimbursement of 100% of construction and engineering costs up to the amount of surplus Defined Area capital projects funds, currently, \$187,649.51. Mr. Muniza clarified that an existing driveway and a proposed shared access driveway depicted on his exhibit are not public and are not the subject of this reimbursement request. The Board discussed this request and asked the attorney and financial advisor for what

other purposes these surplus funds could be used. Both consultants indicated that such funds could be used for projects similar to those funded with bond proceeds; that is, for roads and improvements, including storm drainage, in aid of those roads to serve the Defined Area. The surplus funds are not needed to maintain the roads, as any repairs or maintenance required prior to their acceptance into Harris County's maintenance system must be performed by the developer. It was then mentioned that the roads originally constructed to serve the business park have not yet been approved by Harris County, but they are within the approval process. Mr. Newton stated that the proposed new project would not be affected by this, as it would be built under a separate permit. After further discussion, upon motion by Director Wilmer, seconded by Director Ford, the Board voted unanimously to reimburse the developer for the public left turn lane and median opening as requested, limited to an amount no more than the Defined Area surplus capital projects funds available to the District.

4. Derek Davenport presented the bookkeeper's monthly report, reviewing the checks reflected thereon and activity in each District account. Mr. Davenport presented a comparison of actual versus budgeted general operating revenues and expenditures for the first two months of the fiscal year ending March 31, 2026. He also reviewed the monthly investment report. After further discussion, upon motion by Director Godard, seconded by Director Wilmer, the Board unanimously approved the bookkeeper's report as presented and authorized release of all disbursements listed thereon.

5. Ms. Parks noted that the District's investment officer is required by law to annually disclose any personal business relationships with individuals or entities offering to engage in investment transactions with the District. Ms. Parks confirmed that investment officer Jorge Diaz had submitted the annual disclosure, and it showed no such relationships.

6. The Board considered the District's annual review of director conflict disclosures. All directors present submitted current conflict disclosure questionnaires for the District's records. It was noted that no conflicts were disclosed, and everything appeared to be in order.

7. Angela Cunningham presented the tax assessor-collector's monthly reports. Through May 31, the District's taxes were 95.7% collected, and the 2024 taxes in the Defined Area were 96.8% collected. Ms. Cunningham reported that the Defined Area collection rate was lower than it was last month because the Harris Central Appraisal District had added supplemental 2024 taxable value within the Defined Area. Ms. Cunningham then presented proposed disbursements from the tax account and the Defined Area tax account and noted the remaining account balances upon release. Finally, she reported the preliminary 2025 taxable value of property in the District is \$917,246,742, and for the Defined Area, it is \$149,931,459. After further discussion of tax matters, upon motion by Director Ford, seconded by Director Shepherd, the Board voted unanimously to approve both monthly reports as presented and authorized release of the disbursements listed thereon.

8. The Board discussed prevention of monetary losses due to wire fraud or other cyber related events, and funds recovery after such a loss. As noted last month in connection with two recent incidents where water districts lost funds via wire fraud issues and business email compromise, Ms. Parks confirmed the District does carry cyber liability insurance, as do the District's bookkeeper and tax assessor-collector. In addition, HC FWSD No. 61 has such insurance in place. If District funds were lost due to a cyber-related event, the

District would first look to the insurance policies of such consultants for recovery. The issue, however, is whether such policies provide adequate coverage, given the potentially large amounts of any such losses. The bookkeeper and tax assessor-collector will provide their certificates of insurance coverage to the District for review. The cyber liability policy of No. 61 has an aggregate limit of \$2,000,000, while specific coverage for electronic fraud (telephone hacking and funds transfer fraud) is \$100,000 with no aggregate limit, and for cyber deception, the coverage limit is \$250,000, with a \$250,000 aggregate limit. All present agreed that the matter is best addressed by preventing the occurrence of such losses in the first place.

9. Brian Breeding presented the operator's report, which indicated water accountability for the month at 101%, with 13,430,000 gallons purchased by District customers. 760 bills were prepared during the month, including nine refunds.

There were no issues to report regarding the pumps at the Weiser lift station, as both pumps have now been replaced. Mr. Breeding reported that the operators continue to monitor water connections at the unoccupied homes owned by Texas Central Railroad, as requested by the railroad's official representative. Mr. Breeding next reported that the operators visited two properties within the so-called triangle tract in an attempt to contact the owners. One property is being used for storage, and the other is overgrown with vegetation. The operators were not able to communicate with these owners; likewise, Ms. Parks reported not yet receiving any response from the letter mailed to each landowner. The Board agreed to further address this matter during the engineer's report. Finally, Mr. Breeding reported that the District's 2024 Consumer Confidence Report had been made available to all customers, and confirmation of same had been provided to the Texas Commission on Environmental Quality prior to the July 1 reporting deadline. After further discussion of operating matters, upon motion by Director Wilmer, seconded by Director Ford, the Board unanimously approved the report as presented.

10. Ms. Parks noted that emergency operations and critical load information had been compiled again this year regarding District facilities for submission to CenterPoint Energy and emergency operations agencies. This annual submission registers the District's critical water and wastewater infrastructure with these entities, so that the facilities are on record as those to be given priority for restoration of electric service after a loss of power due to a hurricane or other disaster. Mr. Breeding noted that the District has generators at its lift stations, and No. 61 has generators at its water and sewer plants.

11. The Board briefly discussed matters related to the North Harris County Regional Water Authority. Mr. Breeding reported no major actions were taken at the Authority's most recent meeting. He reported that Carlton McDevitt of Inframark, the Authority's operator, is retiring soon.

12. Scott Gray presented the monthly detention and drainage facilities maintenance report. He reported no problems and stated that the storm water quality features at all ponds are working as designed. All ponds are in good condition, especially considering that it is summertime. Mr. Gray reviewed the report with the Board, noting the photographs were taken right after the ponds were mowed. Director Godard mentioned a report from a neighbor who had seen a black SUV-type vehicle with its lights off emerge from the White Oak Springs pond. To that end, the director asked Mr. Gray to have his crews check the area for a path or any other obvious signs of use. After further discussion of the monthly report, the Board unanimously approved it.

13. Mr. Newton presented the monthly engineer's report and reviewed it with the Board. The engineer's request for a final inspection of the roads in Weiser Business Park remains pending at Harris County. Mr. Newton next reported that the contracts for rehabilitation of the Huffmeister and White Oak Falls lift stations are ready for execution. He also presented change order No. 1 for \$74,000 to remove and replace piping in the wet wells at both lift stations. Mr. Newton stated that this work was described in the bid package, but not clearly; but, even with this change order, the bid of McDonald Electric was still the lowest of the four bids received for the work. Mr. Newton recommended Board approval of the change order, and after discussion, the Board gave its unanimous approval.

Mr. Newton addressed provision of service to the 290/Huffmeister/Hempstead Road triangle tract. Given the information reported earlier by Mr. Breeding concerning passive landowners, the engineers are considering relocation of District utilities across these tracts instead into the right-of-way adjacent to them. This would eliminate the need to obtain easements from these landowners. The risk in making this change is that if the road is later widened, the District's lines would need to be relocated at the District's expense. The Board discussed this alternative and the risk, with several present doubting the likelihood of removal or widening of the road. Mr. Newton mentioned the District could instead consider engaging a specialist to acquire the necessary easements, but he does not recommend going that route. After discussion, the Board agreed, and voted unanimously to authorize the engineers to pursue relocation of District lines from over these tracts to within the right-of-way. Finally, Mr. Newton reported that the engineers are working on documentation concerning the District's emergency water interconnect with WHCMUDs No. 14 and No. 15 for submission to the TCEQ to obtain its formal approval of the interconnect. After further discussion, the Board unanimously approved the engineer's monthly report.

14. The Board discussed pending business. Director Wilmer praised recent graduates from Cy Falls and Cy Fair high schools as well as college graduates, with particular congratulations to Lauryann Cousin.

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

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Secretary