

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238**

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

**November 26, 2024**

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 238 (the “District”) met in regular session, open to the public, in accordance with the duly posted notice of meeting and the Texas Open Meetings Act. The roll, consisting of the duly constituted officers and members of said Board, was called as follows:

|                     |   |                     |
|---------------------|---|---------------------|
| Randy Love          | - | President           |
| Gary Nelson         | - | Vice President      |
| C.L. “Steve” Crane  | - | Secretary           |
| Ronald Julun        | - | Assistant Secretary |
| Patricia Richardson | - | Director            |

All of the said persons were present, thus constituting a quorum.

Also present were Creston Minter of H2O Innovation (the “District’s Operator”); Lynnette Tujague of District Data Services, Inc. (the “District’s Bookkeeper”); Taylor Reed of Vogler & Spencer Engineering, Inc. (the “District’s Engineer”); Jonathan Roach, Ray Arce, Jewel Wheeler, and Jessica Gentry of Roach & Associates, PLLC (the “District’s Attorney”); Scott Gray of Champions Hydro-Lawn, Inc. (the “District’s Landscaping Consultant”); Isabel Mata of Wheeler & Associates, Inc. (the “District’s Tax Assessor”); and Mark Eyring, CPA, PLLC (the “District’s Auditor”).

### **PUBLIC COMMENTS**

There were no public comments.

### **MINUTES OF PRIOR BOARD MEETINGS**

The Board considered the regular meeting minutes of October 22, 2024. After no discussion, Director Crane motioned to approve the minutes. Director Julun seconded the motion, which passed unanimously.

### **INTERLOCAL AGREEMENT AND RELATED MATTERS FOR PLACES 4 PEOPLE TRAIL/ SIDEWALK OPTIONS**

Mr. Julun presented a Certificate of Recognition thanking the District for its partnership with the Mayde Creek Sidewalk project, allowing sidewalks and trails to be built around the Mayde Creek school complex. Next, Mr. Julun provided a brief update on the status of the sidewalk project, noting they are just waiting for work to begin.

## **FILING OF AUDIT FOR FISCAL YEAR ENDED AUGUST 31, 2024**

Mr. Eyring presented and reviewed the draft audit report for the August 31, 2024 Fiscal Year End ("FYE"). After no questions, Director Nelson motioned to approve and authorize the filing of the FYE audit report, subject to final review and incorporation of any comments from the Board and District consultants. Director Crane seconded the motion, which passed unanimously.

## **TAX ASSESSOR/COLLECTOR'S REPORT**

Ms. Mata presented the Tax Assessor/Collector's Report; a copy is attached as Exhibit "A". After no further discussion, Director Nelson motioned to approve the Tax Assessor/Collector's Report, including payment of checks presented therein. Director Julun seconded the motion, which passed unanimously.

## **DELINQUENT TAX ATTORNEY REPORT**

Mr. Roach noted that there are no updates regarding this report.

## **BOOKKEEPER'S REPORT**

Ms. Tujague presented the Bookkeeper's Report, including payment of invoices contained therein; a copy of which report is attached hereto as Exhibit "B". After no further discussion, Director Nelson motioned to approve the Bookkeeper's Report, including the payment of invoices. The motion was seconded by Director Julun and passed unanimously.

## **DEVELOPMENT REPORTS INCLUDING UTILITY CAPACITY AND/OR FINANCING AGREEMENT REQUESTS, SITE/FACILITY CONVEYANCES, OPTIONS FOR POSSIBLE ANNEXATION, AND RELATED MATTERS**

Mr. Reed noted that the Canterbury Development project has not broken ground yet.

## **ENGINEER'S REPORT**

Mr. Reed presented the Engineer's Report, a copy is attached as Exhibit "C", and provided updates on the following: (1) Radium Treatment-Ion Exchange Water Plant No. 1 and No. 2; (2) Capital Improvement Plan; (3) Sanitary Sewer Clean & TV Plan; (4) Wastewater Treatment Facility Fence Replacement; (5) Emergency Response Plan; and (6) Barkers Ridge Section 1-5 Sanitary Sewer C&TV.

Next, Mr. Reed discussed the timelines of development projects within the District. After no further discussion, the Board concurred to approve the Engineer's Report.

## **STATUS OF MAINTENANCE BY CHAMPIONS**

Mr. Gray presented and reviewed the Detention and Drainage Facilities Report, a copy is attached as Exhibit "D", noting updates on the various detention ponds and channels. He then

reported that trespassers had entered the restricted areas by cutting open a fence. After a lengthy discussion, Director Love motioned to approve the District's Landscaping Consultant's repair of the fence and posting of a 'No Trespassing' sign. This motion was seconded by Director Julun and passed unanimously.

## **OPERATIONS AND MAINTENANCE REPORT**

Mr. Minter presented the Operations and Maintenance Report; a copy is attached as **Exhibit "E"**, which includes updates on the following topics: (1) Repair and maintenance of District facilities; (2) Report on the manhole inspection; (3) Options for sanitary sewer line cleaning and issues; (4) Status of maintenance cost-sharing; (5) Appeals of District charges and customer disconnects; (6) Lead & Copper Rules Revisions; (7) Storage of excess supplies at WWTP site; and (8) Storm damage assessment, repairs, and readiness.

Next, Mr. Minter briefly discussed the replacement of the well motor, noting that the insurance deductible for the replacement is \$7,500 and recommends payment by the District.

After no further discussion, Director Nelson motioned to approve the Operations Report and authorize payment of the insurance deductible for \$7,500. Director Love seconded the motion, which passed unanimously.

## **EMERGENCY INTERCONNECT AGREEMENTS AND ISSUES WITH NEIGHBORING DISTRICTS/WATER SYSTEMS**

A discussion ensued regarding the outstanding bill to Addicks Utility District ("Addicks UD") for their unauthorized use of the District's water via the interconnect. Next, Mr. Roach noted that he would immediately email Addicks UD's attorney requesting a response to the bill that was sent. Mr. Roach further noted that he expects an update by the next regular Board meeting.

## **REVIEW DISTRICT POLICIES**

Mr. Roach explained the statutory requirements for the District's Investment Policy review and the corresponding adoption of a list of approved banks and investment institutions with which the District may invest its funds ("Qualified Brokers List"). He then advised that it is recommended that the Board review the District's Ethics Policy. Finally, Mr. Roach reviewed the Policy Preventing Use of Technology and Covered Applications, noting the policy is a result of the Texas Governor passing an executive order, which the Texas Legislature confirmed and the Texas Department of Information Resources recently produced model guidelines for, which bans TikTok (and similar social media services determined as "threats" by future proclamation of the Governor) from government devices and systems.

After no further discussion, Director Love motioned for the District to adopt the appropriate Resolutions, as follows: (1) continue with the existing Investment Policy, identifying the named Investment Officers noted therein; (2) continue with the existing Ethics Policy; (3) approve the revised Qualified Brokers List; and (4) adopt the Policy Preventing Use of Prohibited Technology and Covered. Director Nelson seconded the motion, which passed unanimously.

## **TECHNOLOGY AND WEBSITE UPDATES**

Ms. Gentry presented drone footage of the District, and the Board expressed approval of the footage. Mr. Roach noted that the District's Attorney could work with Off-Cinco to add the footage to the District's website, to which the Board concurred.

## **DIRECTOR'S REPORTS**

Director Julun provided an update from the last West Harris County Regional Water Authority ("WHCRWA") meeting, including engineering highlights and map updates.

## **ATTORNEY'S REPORT**

Mr. Roach noted that the District's 2025 Master Calendar is available for their review and advised that this calendar keeps the District in compliance with deadlines.

Mr. Roach advised that government entities, including the District, which have eminent domain authority, are required to file with the State Comptroller an annual report by February 1 each year. After no further discussion, Director Nelson motioned, seconded by Director Love, to authorize the filing of the annual Eminent Domain Report by the District's Attorney.

## **ADDITIONAL PUBLIC COMMENTS**

There were no additional public comments.

## **EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, SECTIONS 551.071, 551.074, ET. SEQ.**

The Board did not enter into executive session.

## **ADDITIONAL PENDING BUSINESS AND SCHEDULE FOR UPCOMING BOARD MEETINGS**

The Board concurred to hold a special meeting for a facility tour on Tuesday, December 17, 2024, at 12:30 p.m. After no further discussion to come before the Board, Director Julun motioned to adjourn the meeting. This motion was seconded by Director Love and passed unanimously.

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Approved this 3<sup>rd</sup> day of January 2025.

/s/ Steve "C.L." Crane  
Secretary, Board of Directors



#### LIST OF EXHIBITS

- Exhibit A - Tax Assessor/Collector's Report
- Exhibit B - Bookkeeper's Report
- Exhibit C - Engineer's Report
- Exhibit D - Detention and Drainage Facilities Report
- Exhibit E - Operations and Maintenance Report