HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238
Minutes of Meeting of Board of Directors
August 25, 2026

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:

Ronald Julun	-	President
Gary Nelson	-	Vice President
Randy Love	-	Assistant Vice President
Patricia Richardson	-	Secretary
C.L. "Steve" Crane	-	Assistant Secretary

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

Also present were Creston Minter and Jamie Reib of H2O Innovation (the "District's Operator"); Lynnette Tujague of Municipal Financial Management (the "District's Bookkeeper"); Taylor Reed of Vogler & Spencer Engineering, Inc. (the "District's Engineer"); Jonathan Roach*, Ray Arce, and Jewel Wheeler of Roach & Associates, PLLC (the "District's Attorney"); Scott Gray of Champions Hydro-Lawn, Inc. (the "District's Landscaping Consultant"); and Isabel Mata of Wheeler & Associates, Inc. (the "District's Tax Assessor").

PUBLIC COMMENTS

There were no public comments.

MINUTES OF PRIOR BOARD MEETINGS

The Board considered approval of the minutes of the regular meeting held on July 28, 2026. After no discussion, Director Nelson moved to approve the minutes as presented. Director Love seconded the motion, which passed unanimously.

REVIEW OF POSSIBLE SERIES 2026 BOND ISSUE AND RELATED MATTERS

The Board expressed its desire to continue holding off on selling bonds at this time.

ENGAGE AUDITOR TO PREPARE AUDIT REPORT FOR FYE AUGUST 31, 2026

Mr. Arce reviewed the District's evergreen contract with McCall Gibson Swedlund Barfoot ("MGSB"), noting they are providing the same services for a slight increase in cost. Following discussion, the Board directed the District's attorney to solicit proposals from other qualified auditors for the District's FYE August 31, 2026, audit.

TAX ASSESSOR/COLLECTOR'S REPORT

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

Next, Ms. Mata reported that Harris Central Appraisal District now allows ACH payments in lieu of paper checks and noted this option for the Board's consideration. The Board took no action at this time.

DELINQUENT TAX ATTORNEY REPORT

Mr. Roach presented the delinquent tax attorney's report, noting several accounts eligible for termination due to non-payment. Director Nelson motioned to authorize termination of utility service for the accounts identified in the report. Director Julun seconded the motion, which passed unanimously.

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.

ADOPT OPERATING BUDGET FOR FISCAL YEAR ENDING AUGUST 31, 2027

Ms. Tujague reviewed the Operating Budget for Fiscal Year Ending ("FYE") August 31, 2027, attached hereto as **Exhibit "C"**. After discussion, Director Nelson made a motion, seconded by Director Julun, to approve the FYE August 31, 2027, Operating Budget as presented. The motion passed unanimously.

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

Mr. Reed reported that the Canterbury project may be delayed due to financing uncertainty.

ENGINEER'S REPORT

Mr. Reed presented the Engineer's Report, attached as **Exhibit "D"**, and provided updates on the following: (1) GIS updates; (2) permits, noting the Wastewater Treatment Facility permit expires in April 2027 and requires notarization and execution authorization; (3) Water Plant No. 1 recoating, noting design is underway; (4) Surface Water Connection, noting construction is substantially complete and recommending approval of Pay Application No. 2 and Final in the amount of $35,750.00; and (5) the Capital Improvements Plan.

Next, Mr. Reed and the Board briefly discussed pH levels, noting an isolated occurrence that was likely due to an external disturbance, with levels returning to normal the following day and no expected regulatory concern from the Texas Commission on Environmental Quality.

Following discussion, Director Nelson motioned to approve: (1) the Engineer's Report; (2) execution and notarization of the Wastewater Treatment Facility permit documents; and (3) Pay Application No. 2 and Final in the amount of $35,750.00. Director Love seconded the motion, which passed unanimously.

STATUS OF MAINTENANCE BY CHAMPIONS

Mr. Gray presented the Detention and Drainage Facilities Report, attached as **Exhibit "E,"** and noted that everything looks great overall, with no new issues to report, and that the District has not experienced any recent trespassing activity.

Mr. Gray further reported that debris located behind the fence near 19519 Brook Village Road has not been removed. Following discussion, the Board authorized Mr. Gray to proceed with removal of the debris, with costs to be billed to the property owner, not to exceed $500.

OPERATIONS AND MAINTENANCE REPORT

Mr. Minter presented the Operations and Maintenance Report, a copy of which is attached as **Exhibit "F"**, and reported on the following: (1) Wastewater treatment activities, including equipment repairs and routine maintenance; (2) Sanitary sewer system, including manhole and line repairs; (3) Lift stations, which are operating under normal conditions; (4) Water plants, including generator maintenance at Water Plant Nos. 1 and 2; (5) Water distribution system repairs; and (6) a Safety Moment regarding school zone safety.

Next, Mr. Minter presented several quotes for Board approval, including (1) valve survey proposals from the District's Operator for both a partial and full District evaluation; (2) a hydrant inspection proposal from Crown Hydrant; and (3) a proposal from Montgomery Door for six (6) roll-up doors at Water Plant No. 2.

Upon motion by Director Nelson, seconded by Director Julun, the Board voted unanimously to approve the Operator's Report, the valve survey for the full District by H20 Innovation, the Crown Hydrant fire hydrant inspection proposal, and the roll-up door proposal from Montgomery Door.

POSSIBLE RATE ORDER AMENDMENT(S)

After a brief discussion regarding voluntary fees, the Board requested this item be removed from upcoming agendas.

TECHNOLOGY AND WEBSITE UPDATES

Mr. Arce presented the communications report.

DIRECTOR'S REPORTS

Director Julun presented his report and provided updates on the most recent West Harris County Regional Water Authority ("WHCRWA") meeting. He then presented a gun violence report, noting that while there is crime in the surrounding area, there has been minimal activity within the District.

Director Julun then reported on the Texas Special Districts Coalition ("TSDC") summit, noting it was very informative, and encouraged the Board to stay up to date on developments in the upcoming legislative session. He also provided an update on the National Special Districts Association ("NSDA"), including efforts to gain broader national recognition for special districts.

Next, Director Richardson addressed the Board on behalf of the Lake Ridge Community Association, Inc. regarding three (3) outstanding fees totaling $75, attributed to returned payments during a transition between management companies. After discussion, the Board declined the request to waive the fees, noting that the matter should be addressed with the prior management company.

Director Richardson then reported that she attended a homeowners association meeting regarding a nearby assisted living facility and requested per diem compensation. Director Julun motioned to approve the per diem payment. This motion was seconded by Director Nelson and passed 3-0, with Director Richardson abstaining.

REVIEW DISTRICT POLICIES

Mr. Roach explained the statutory requirements for annually reviewing the District's Investment Policy, a copy of which is attached as **Exhibit "G"**, and corresponding list of approved banks and investment institutions ("Qualified Brokers List"), attached as **Exhibit "H"**, and advised that no changes were necessary. He also reviewed the District's Information Technology Policy ("IT Policy"), attached as **Exhibit "I"**, and Ethics Policy, attached as **Exhibit "J"**, and confirmed that no changes were necessary to either policy. Following discussion, the Board concurred to approve the annual reviews and adopt the Investment Policy, Qualified Brokers List, IT Policy, and Ethics Policy, together with the corresponding Orders/Resolutions, as necessary.

ATTORNEY'S REPORT

Mr. Roach noted he was attending the NSDA conference in California and discussed matters related to a Texas Senate seat, including efforts to identify a new Senate sponsor for special districts.

Ms. Tujague exited the Board meeting.

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 an executive session.

ADDITIONAL PENDING BUSINESS AND SCHEDULE FOR UPCOMING BOARD MEETINGS

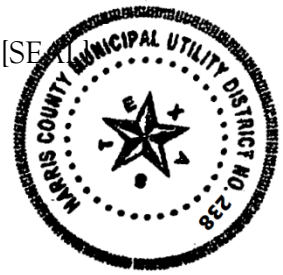
The Board concurred to reconvene for their next scheduled Board meeting on September 22, 2026. After no further discussion to come before the Board, Director Nelson motioned to adjourn the meeting. Director Love seconded the motion, which passed unanimously.

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Approved on this 22nd day of September, 2026.

/s/ Patricia Richardson
Secretary, Board of Directors

[SEAL]



LIST OF EXHIBITS

Exhibit A – Tax Assessor/Collector's Report
Exhibit B – Bookkeeper's Report
Exhibit C – Operating Budget for Fiscal Year Ending ("FYE") August 31, 2027
Exhibit D – Engineer's Report
Exhibit E – Detention and Drainage Facilities Report
Exhibit F – Operations and Maintenance Report
Exhibit G – Investment Policy
Exhibit H – Qualified Brokers List
Exhibit I – Information Technology Policy
Exhibit J – Ethics Policy