HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238
Minutes of Meeting of Board of Directors
June **24, 2025**

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"); Roshell Arterburn of District Data Services, Inc. (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"); Isabel Mata of Wheeler & Associates, Inc. (the "District's Tax Assessor"); Linda Castro* of Off-Cinco (the District's IT Consultant") and Lynnette Tujague of Municipal Financial Management. [*REMOTE ATTENDEES]

PUBLIC COMMENTS

There were no public comments.

MINUTES OF PRIOR BOARD MEETINGS

The Board considered the regular meeting minutes of May 27, 2025. After a brief discussion, Director Nelson motioned to approve the mentioned set of minutes, subject to incorporating changes discussed. Director Love seconded the motion, which passed 4-1, with Director Crane abstaining.

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 and uncollectable roll presented therein. Director Love seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Ms. Arterburn presented the Bookkeeper's Report, including payment of invoices contained therein; a copy of which report is attached hereto as **Exhibit "B"**. After a brief discussion regarding District Data Services' resignation from the District, Director Nelson motioned to approve the Bookkeeper's Report, including the payment of invoices. This motion was seconded by Director Richardson and passed unanimously.

Ms. Tujague entered the meeting during this report.

DELINQUENT TAX ATTORNEY REPORT

Mr. Roach noted that there is nothing new to report.

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

Mr. Reed noted that there are no updates on the Canterbury Development.

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) Surface Water Connection; (4) Emergency Response Plan; and (5) Barkers Ridge Section 1-5 Sanitary Sewer Clean &TV.

Next, Mr. Reed discussed the Series 2025 Bond and presented a Summary of Costs for improvements within the District.

After no further discussion, Director Love motioned to approve: (1) the Engineer's Report; and (2) the District's Engineer to prepare an expedited bond application for $4,000,000. This motion was seconded by Director Nelson and passed unanimously.

STATUS OF MAINTENANCE BY CHAMPIONS

Mr. Gray presented and reviewed the Detention and Drainage Facilities Report, a copy is attached as **Exhibit "D"**, noting no new updates on the various detention ponds and channels. Mr. Gray reported that the recent rainfall has contributed to an exceptional summer season, noting that the grass appears especially lush and vibrant.

Next, the Board ensued in a lengthy discussion regarding the vandalized fence, signage near the walking trail, and unauthorized motor vehicle usage.

After further discussion, Director Nelson motioned to approve: (1) the District's Landscaping Consultant to replace the missing "No Trespassing" sign by the airport and add three signs stating "No unauthorized motor vehicles", with one sign to be placed at each of the three entrances to the pond/walking trail; and (2) the District's Attorney to prepare a letter to the resident regarding their use of a motor bike in restricted areas. 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, noting the District's Operator received one appeal this month; and (6) Lead & Copper Rules Revisions.

After a brief discussion, Director Richardson motioned to approve the Operations and Maintenance Report.

Next, Mr. Minter reported on an appeal submitted to the District's Operator, wherein a resident experienced an unusual increase in water usage over a three-day period, resulting in a bill that was $27 higher than her typical charges, and is requesting a refund of $27.

After a brief discussion, Director Richardson motioned to deny the previously discussed appeal. This motion was seconded by Director Nelson and passed 4-1 with Director Julun abstaining.

EMERGENCY INTERCONNECT AGREEMENTS AND ISSUES WITH NEIGHBORING DISTRICTS/WATER SYSTEMS

Mr. Roach noted that there are no new updates at this time.

TECHNOLOGY AND WEBSITE UPDATES

Ms. Castro presented Off-Cinco's yearly review and discussed their proposed new contract and pricing.

After a lengthy discussion regarding concerns with the services and pricing outlined in the proposed contract, the Board concurred to defer this discussion.

Ms. Castro exited the meeting.

DIRECTOR'S REPORTS

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

Director Julun then gave a brief review of the seminars he attended at the Association of Water Board Directors Summer Conference. Then, Director Julun discussed Constant Guardian, a cybersecurity product that works alongside the water operations systems.

ATTORNEY'S REPORT

Mr. Roach presented the Attorney's Report, including an update on 2025 legislative matters.

Next, Mr. Roach asked the Board to consider approval of the destruction of old copies of prior Board meeting notes as allowed by applicable law. He reminded the Board that the District's Attorney is retaining electronic copies of virtually all District records and that copies of all official meeting minutes are kept in perpetuity.

Then, Mr. Roach noted that the Board is required annually to file a form with the Secretary of State regarding the voting systems the District may have used during the year, and he asks for authorization for Ms. Wheeler to complete and file the form on behalf of the District as necessary.

After no further discussion, Director Nelson motioned to authorize the destruction of outdated meeting notes and the filing of the Voting System Annual Filing Form. This motion was seconded by Director Julun and passed unanimously.

ADDITIONAL PUBLIC COMMENTS

There were no additional public comments.

Ms. Tujague temporarily exited the meeting.

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

The Board entered into executive session at 2:46 p.m. with the District's Attorney.

RECONVENE IN OPEN SESSION, AND AUTHORIZE ANY ACTION RESULTING FROM EXECUTIVE SESSION

The Board reconvened in open session at 3 p.m.

Ms. Tujague re-entered the meeting.

Next, Ms. Tujague presented a proposal on behalf of Municipal Financial Management to assume the role of the bookkeeper for the District.

After a brief discussion, Director Nelson motioned to accept Municipal Financial Management as the bookkeeper for the District, subject to verification of insurance and bonds. This motion was seconded by Director Love and passed unanimously.

ADDITIONAL PENDING BUSINESS AND SCHEDULE FOR UPCOMING BOARD MEETINGS

The Board concurred to reconvene for their next scheduled Board meeting on July 22, 2025. After no further discussion to come before the Board, Director Nelson motioned to adjourn the meeting. Director Julun seconded the motion, which passed unanimously.

Approved this 22nd day of July 2025.

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

[SEAL]

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