

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238

Minutes of Meeting of Board of Directors

September 23, 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 and Cody Wright, of H2O Innovation (the “District’s Operator”); Lynnette Tujague of Municipal Financial Management; Taylor Reed of Vogler & Spencer Engineering, Inc. (the “District’s Engineer”); Jonathan Roach, Ray Arce, Jewel Wheeler, and Jessica Gentry, who entered later in the meeting, 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.; John Howell & Alyssa Peruchini of The GMS Group, LLC. (the “District’s Financial Advisor”), and Bill Maguire, a resident of the District.

PUBLIC COMMENTS

Mr. Maguire noted that at 18723 Evergreen Falls Dr., the fire hydrants were initially installed incorrectly and later fixed; however, the surrounding concrete was never repaired. He advised that the resident for whom he is house-sitting has requested that the matter be addressed. The District’s Operator stated that he will investigate the issue and report back to the Board.

MINUTES OF PRIOR BOARD MEETINGS

The Board considered approval of the regular meeting minutes of August 26, 2025. After no discussion, Director Nelson motioned to approve the minutes, subject to incorporating the revisions 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; 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 Julun seconded the motion, which passed unanimously.

DELINQUENT TAX ATTORNEY REPORT

Mr. Roach presented the Delinquent Tax Attorney's Report; attached as Exhibit "B". He reviewed several delinquent accounts and recommended termination of water services to the properties listed therein. After a brief discussion, Director Nelson motioned to authorize termination of water services for the delinquent accounts as presented. Director Love seconded the motion, which passed unanimously.

RECEIVE FINANCIAL ADVISOR'S TAX RATE RECOMMENDATION

Ms. Peruchini presented and reviewed his 2025 Tax Rate Recommendation, recommending a \$0.23 tax rate for debt service ("DS") and a \$0.16 tax rate for maintenance and operations ("M&O"), totaling \$0.39. Upon further discussion and a motion by Director Nelson, seconded by Director Love, the Board voted unanimously to authorize the tax assessor to publish notice of a proposed tax rate of \$0.39 per \$100 of assessed valuation (comprised of \$0.23 for DS and \$0.16 for M&O).

BOOKKEEPER'S REPORT

Ms. Tujague presented the Bookkeeper's Report, including payment of invoices contained therein; a copy of the report is attached hereto as Exhibit "C". 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.

Ms. Peruchini exited the meeting during this report.

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

Mr. Reed reported that there were no updates on the Canterbury Development.

ENGINEER'S REPORT

Mr. Reed presented the Engineer's Report, attached as Exhibit "D", and provided updates on the following: (1) Radium Treatment-Ion Exchange Water Plant No. 1 and No. 2; (2) Capital Improvement Plan; and (3) Barkers Ridge Section 1-5 Sanitary Sewer Clean &TV, presenting Change Order No. 2 for a reduction of \$22,053.94, making the total amount of \$104,938.03 payable to Pipe View, LLC. After no further discussion, Director Nelson motioned to approve: (1) the Engineer's Report; and (2) Change Order No. 2. This motion was seconded by Director Julun, and passed unanimously.

REVIEW OF POSSIBLE SERIES 2025 BOND ISSUE AND RELATED MATTERS

Mr. Reed noted that he will be working with the District's Financial Advisor on the Bond Application Report ("BAR"). Mr. Howell then briefly discussed interest rate decreases in the current market.

Mr. Howell exited the meeting following the discussion.

STATUS OF MAINTENANCE BY CHAMPIONS

Mr. Gray presented the Detention and Drainage Facilities Report, attached as **Exhibit “E”**, noting no new updates on the various detention ponds and channels. He then presented photos of the damaged fence at the walking trail, which was damaged when an ATV crashed into it. After a lengthy discussion, the Board concurred for the District’s Landscaping consultant to straighten the damaged poles and patch the hole in the fence.

OPERATIONS AND MAINTENANCE REPORT

Mr. Minter presented the Operations and Maintenance Report; attached as **Exhibit “F”**, 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 no new appeals this month; and (6) Lead & Copper Rules Revisions.

TECHNOLOGY AND WEBSITE UPDATES

The Board ensued into a lengthy discussion with Ms. Gentry regarding the District’s website layout, design, and compliance items. Ms. Gentry advised that she would make the recommended changes and present the full website at the next Board meeting.

DIRECTOR’S REPORTS

Director Julun provided an update on the most recent West Harris County Regional Water Authority meeting, including engineering updates and map revisions.

ATTORNEY’S REPORT

Mr. Roach noted that his office will be relocating on November 1st, so next month the Board will need to approve an Order Establishing an Additional Meeting Place.

Ms. Mata, Ms. Tujague, and Messrs. Wright & Maguire exited the 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 entered into executive session at 2:22 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 2:42 p.m.

ADDITIONAL PENDING BUSINESS AND SCHEDULE FOR UPCOMING BOARD MEETINGS

The Board concurred to reconvene for their next scheduled Board meeting on October 28, 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.

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Approved this 28th day of October 2025.

/s/Steve Crane
Secretary, Board of Directors



LIST OF EXHIBITS

- Exhibit A – Tax Assessor/Collector’s Report
- Exhibit B – Delinquent Tax Attorney/Collector’s Report
- Exhibit C – Bookkeeper’s Report
- Exhibit D – Engineer’s Report
- Exhibit E – Detention and Drainage Facilities Report
- Exhibit F – Operations and Maintenance Report