

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

August 8, 2025

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 278 (the "District") met in regular session, open to the public, on the 8th day of August, 2025, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Eugene Newsom	President
Tommie Ruth Allen	Vice President
Gwen Thornburg	Secretary
Shantai Magee	Assistant Vice President
Vacant	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also attending the meeting were: Avni Patel of Forvis Mazars, LLP ("Forvis"); Jessica Preston of Municipal Accounts & Consulting, L.P.; Brittini Silva of Assessments of the Southwest, Inc. ("ASW"); and Adisa Harrington and Kim Cannon of Allen Boone Humphries Robinson LP ("ABHR").

MINUTES

The Board considered approving the minutes of the regular meeting of July 10, 2025. After review and discussion, Director Allen moved to approve the minutes, as presented. Director Magee seconded the motion, which passed unanimously.

PUBLIC COMMENTS

Ms. Harrington offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public present to address the Board at this time, Ms. Harrington closed the public comments portion of the meeting.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END AUGUST 31, 2025

Ms. Patel requested the Board authorize Forvis to prepare the District's audit for the fiscal year ending August 31, 2025, for a total estimated fee of \$29,800.00, which includes an audit specific to the sewage treatment plant and administrative fees. She also presented the proposed annual contract with Forvis. Following discussion, Director Allen moved to engage Forvis and authorize execution of the annual contract with Forvis

to prepare the audit. Director Thornburg seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Preston presented and reviewed the bookkeeper's report, a copy of which is attached, including the summary of investments and bills for payment from the District's accounts. Ms. Preston also requested approval of check nos. 16988 and 16989, each in the amount of \$2,500.00, payable to Director Magee and Director Newsom for director advances for upcoming expenses related to attending the Water Expo Conference.

The Board considered giving contributions to homeowners associations ("HOA") within the District that are holding events for National Night Out. The Board reviewed a request from Blackstone Creek HOA for a contribution towards its event, a copy of which is attached.

The Board then discussed applying some of the surplus funds in the general account towards the anticipated bond issuance. Ms. Harrington stated she will review the matter with the District's engineer.

Ms. Harrington updated the Board on electricity procurement matters, noting that Public Power Pool has negotiated a 3-year contract with Champions Energy Services, LLC, at 6.037 cents per kWh, starting on January 1, 2026.

Following review and discussion, Director Magee moved to: (1) approve the bookkeeper's report, the summary of investments, and payment of the bills, including check nos. 16988 and 16989; and (2) approve the contribution to the Blackstone Creek HOA in the amount of \$500.00 and direct Ms. Palmer to email the other HOAs to offer a District contribution of up to \$500.00 towards the cost of their respective National Night Out events. Director Allen seconded the motion, which passed unanimously.

DISCUSS AMERICAN WATERWORKS ASSOCIATION CONFERENCE

There was no additional discussion on this matter.

BUDGET FOR FISCAL YEAR ENDING AUGUST 31, 2026

Ms. Preston presented and reviewed the draft budget for the fiscal year ending August 31, 2026. After discussion, Director Magee moved to adopt the budget for fiscal year end August 31, 2026, as presented. Director Allen seconded the motion, which carried by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Silva presented and reviewed the tax assessor/collector's report, including the delinquent tax report. She stated that 98.76% of the 2024 property taxes were collected as of July 31, 2025. Following review and discussion, Director Magee moved to approve the tax assessor/collector's report and the delinquent tax report. Director Allen seconded the motion, which passed unanimously. A copy of the tax assessor/collector's report, including the delinquent tax report, is attached.

REVIEW ARBITRAGE REBATE REPORT FOR SERIES 2020 REFUNDING BONDS

Ms. Harrington reviewed the Interim Arbitrage Rebate Report for the Unlimited Tax Refunding Bonds, Series 2020. She stated the report will be filed in the District's official records and no action is needed by the Board.

AUTHORIZE DELINQUENT TAX ATTORNEY TO MAIL NOTICE OF PUBLIC HEARING FOR TERMINATION OF WATER AND SEWER SERVICE FOR DELINQUENT ACCOUNTS

The Board considered authorizing Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue") to mail notice of a public hearing for termination of water and sewer service to those residents with delinquent property taxes in accordance with Water Code §49.212. A list of delinquent accounts proposed by Perdue for termination is included in the tax report. Following review and discussion, Director Magee moved to authorize Perdue to mail notice of the public hearing scheduled for September 5, 2025, to the property owners on the list provided by Perdue. Director Allen seconded the motion, which passed unanimously.

UPDATE ON ANNUAL LETTER AGREEMENTS FOR FLOCK SAFETY

Ms. Cannon presented an annual letter agreement with Timber Forest Homeowners Association in the amount of \$30,000.00 for the 2025 reimbursement of Flock Safety license plate reader expenses for the Board's execution. Following review and discussion, Director Newsom moved to approve the annual letter agreement. Director Allen seconded the motion, which passed unanimously.

ATTORNEY REPORT, INCLUDING REPORT REGARDING LEGISLATIVE MATTERS

Ms. Harrington discussed the new cybersecurity and artificial intelligence training requirements for directors.

ADDITIONAL REPORTS FROM DIRECTORS AND CONSULTANTS AND DISCUSS
FUTURE AGENDA ITEMS, INCLUDING NATIONAL NIGHT OUT

There was no additional discussion regarding National Night Out, and there were no additional reports from directors or consultants.

The Board concurred to hold its next meeting regarding financial matters on September 5, 2025.

There being no further business brought before the Board, and based on a motion made by Director Newsom, seconded by Director Magee, and voted unanimously by the Board, the meeting was adjourned.


Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

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