

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

June 11, 2026

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 11th day of June, 2026, 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 Don Bennett, a member of the public; Matthew Bronstein of BHW Capital ("BHW"); Kathryn Foss and Robert Griffin of Municipal Financial Services; Perry Miller of the Champions Erosion Control Division of Ethoscapes ("Ethoscapes"); Kevin Gilligan of BGE, Inc. ("BGE"); Jarryd Mayfield of Si Environmental, LLC ("Si"); Danae Dehoyos of Touchstone District Services ("Touchstone"); Loren Morales of Rathmann & Associates, L.P. ("Rathmann"); and Adisa Harrington and Hope Palmer of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the regular meeting of May 14, 2026. After review and discussion, Director Thornburg moved to approve the minutes, as presented. Director Allen 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 wishing to address the Board at this time, Ms. Harrington closed the public comments portion of the meeting.

WEBSITE MATTERS

Ms. Dehoyos distributed and reviewed the communications report regarding the District's website, a copy of which is attached. She reported the photography of the

District's walking trails is complete and will be posted on the District's website by next week.

SERIES 2026 UNLIMITED TAX BONDS

Mr. Morales discussed the issuance of the District's \$10,475,000 Unlimited Tax Bonds, Series 2026 (the "Bonds"). He presented and reviewed the bids received for the sale of the District's Bonds. A summary of the bids received is attached. Mr. Morales stated that the low bid submitted by SAMCO Capital Markets ("SAMCO") with a net effective interest rate of 4.647600% was reviewed and all numbers checked, and everything was found to be correct and consistent with the conditions in the Notice of Sale. Mr. Morales recommended that the District accept the bid of SAMCO, as submitted.

After review and discussion, Director Magee moved to award the sale of the Bonds to SAMCO with a a net effective interest rate of 4.647600%. Director Allen seconded the motion, which passed unanimously.

The Board next considered adopting a Resolution Authorizing the Issuance of the District's Bonds ("Resolution").

The Board next considered execution of the Paying Agent/Registrar Agreement with Bank of New York Mellon Trust Company, N.A. ("BNY").

The Board next considered approving the Official Statement. Mr. Morales explained that the Preliminary Official Statement would be revised to reflect the terms of this sale, including the purchaser, interest rates, and debt service requirements.

Ms. Harrington presented and reviewed the Certificate Regarding Provision of Financial Advice certifying that ABHR has not provided financial advice to the Board concerning the issuance of the Bonds and that the Board has relied on the municipal advisor, Rathmann, for financial advice.

Ms. Harrington next explained that there will be various documents related to delivery of the Bonds requiring execution by the directors prior to closing. She requested that the Board authorize the Board of Directors to execute documents necessary in connection with the transaction and authorize the District's attorney and financial advisor to take all necessary action to deliver the Bonds to the purchaser.

The Board considered approval of a payment to the Attorney General in the amount of \$9,500.00 for review of the Bonds.

Ms. Harrington presented an Amendment to Information Form reflecting the Bonds and stated that the Amendment will be filed with the Texas Commission on

Environmental Quality ("TCEQ") and recorded in the Official Public Records of Harris County.

After review and discussion, Director Magee moved to: (1) adopt the Resolution for the Bonds; (2) approve the Paying Agent/Registrar Agreement with BNY; (3) approve the Official Statement; (4) authorize execution of the Certificate Regarding Provision of Financial Advice; (5) authorize execution of documents related to the sale and delivery of the Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the Bonds; (6) approve payment to Attorney General in the amount of \$9,500.00; (7) approve the Amendment to the Information Form and direct that it be filed with the TCEQ and the official property records of Harris County; and (8) direct that all documents be filed appropriately and retained in the District's official records. Director Thornburg seconded the motion, which passed unanimously.

ENGINEERING REPORT

Mr. Gilligan presented and reviewed the engineer's report, a copy of which is attached.

Mr. Gilligan updated the Board regarding construction of the Wastewater Treatment Plant expansion project and stated there were no items for the Board's approval.

Mr. Gilligan updated the Board regarding construction of the new ground storage tank for Water Plant No. 2. He presented and recommended approval of Pay Estimate No. 7 in the amount of \$10,350.00, payable to Schier Construction Co., Inc.

Mr. Gilligan updated the Board regarding the following projects, none of which had any items for the Board's approval: (1) rehabilitation of the existing ground storage tank and other facilities at Water Plant No. 2; (2) wastewater treatment plant expansion, phase 2; and (3) generators for the District's lift stations.

Mr. Gilligan stated there are no deeds or easements for the Board's consideration.

Mr. Bronstein made an updated presentation to the Board regarding BHW's request to construct a sidewalk near Hunters Terrace Drive to connect the Creekstone at Tour 18 apartments to the District's walking trail. A copy of the updated presentation is attached. He provided a video and photos of the sidewalk path staked out to demonstrate that no trees will be damaged or removed in connection with construction of the sidewalk. Ms. Harrington stated that, if the sidewalk is approved, the District will require either a Consent to Encroachment or a letter agreement with BHW.

Mr. Gilligan updated the Board regarding commercial development in the District, including the status of the following sites: Creekstone at Tour 18 LLC, Providence Church Atascocita on Timber Forest Drive ("Providence Church"), the Alliance (Prose Atascocita) apartment project, the Waste Management campus, the Atascocita Road Warehouses, the medical office building and retail, and Humble Indoor Sports Club. Mr. Gilligan stated that the Waste Management campus construction is complete and can be removed from the agenda.

Mr. Gilligan updated the Board regarding the maintenance of a portion of Williams Gully identified by Harris County Flood Control District ("HCFCD") as an "orphan channel," which was constructed by Trail of the Lakes Municipal Utility District but never accepted for maintenance by HCFCD. He stated that the District will be receiving reimbursement in the amount of \$36,998.22.

Mr. Gilligan inquired if the Board has any questions regarding the Risk and Resilience Assessment ("RRA"), and he requested the Board approve and authorize filing of the RRA certification.

Mr. Gilligan discussed the proposed park development being considered by Laurel Place Homeowners Association ("HOA") that would be constructed on a 2.8-acre tract near the intersection of Will Clayton Parkway and Atascocita Road. He reported on his research of the pipeline easements within the tract. He stated that two pipelines are active with petroleum-type products, and one pipeline easement has never had a pipeline constructed in it. Mr. Gilligan and Ms. Harrington both noted that constructing trails near or over a pipeline easement is common practice. Discussion ensued. Following discussion, the Board concurred to notify the HOA that they are not interested in partnering on the proposed park project at this time.

Following review and discussion, and based on the engineer's recommendation, Director Magee moved to: (1) approve the engineer's report; (2) approve Pay Estimate No. 7 for construction of the new ground storage tank for Water Plant No. 2; and (3) approve the RRA and authorize filing of the related certification with the TCEQ. Director Allen seconded the motion, which passed unanimously.

Director Newsom arrived at the meeting.

The Board reopened discussion regarding BHW's request to construct a sidewalk to connect the Creekstone at Tour 18 apartments to the District's walking trail. The Board discussed requesting a deposit from BHW for preparation of the letter agreement. Following review and discussion, Director Allen moved to authorize BHW to construct the sidewalk to connect to the District's walking trail, subject to receipt of a deposit from BHW in the amount of \$2,000.00 and BHW's execution of a letter agreement with the District. Director Newsom seconded the motion, which passed unanimously.

RESOLUTION EXPRESSING INTENT TO REIMBURSE

Ms. Harrington stated that this item is not necessary at this time.

UPDATE ON HARRIS COUNTY TOLL ROAD AUTHORITY SHARED USE PATH TRAIL PROGRAM

The Board did not receive an update regarding this matter.

OPERATION OF DISTRICT FACILITIES

Mr. Mayfield reviewed a report on operating matters in the District, a copy of which is attached. He noted that the water accountability was 96.63% for May, 2026. He reviewed recently completed and pending maintenance and repairs.

Mr. Mayfield stated there was one permit excursion during the last month at wastewater treatment plant no. 3.

Mr. Mayfield reported that Waste Management has paid the invoice for the damage caused to the manhole.

Mr. Mayfield reported that Si has repaired a sanitary sewer manhole in the backyard of the property at 4915 Falcon Forest Drive. He provided photographs of the repairs, a copy of which are attached.

Mr. Mayfield stated that Si is preparing a proposal for rehabilitation and painting of the fire hydrants in the District, as requested by the Board.

The Board noted that the apartment complex in the District contains numerous residents, Fresenius Kidney Care is a medical facility, the school in Humble Independent School District is a school, and All Star Kids Center is a daycare facility, and thus utility services should not be terminated for any delinquent payments by the account holders.

The Board then conducted a hearing on the termination of utility service to delinquent accounts. Mr. Mayfield reported that the persons on the termination list were mailed written notice prior to this meeting, in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment.

Following review and discussion, Director Allen moved to: (1) approve the operator's report; and (2) authorize termination of delinquent accounts in accordance with the District's Rate Order, with the exception of the apartment complex, Fresenius

Kidney Care, River Pines Elementary School, or All Star Kids Center, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Thornburg seconded the motion, which passed unanimously.

EVO REPORT AND 10-YEAR BUDGET FORECAST

Ms. Foss presented and reviewed the EVO report and the 10-year budget financial operating strategy, copies of which are attached. Discussion ensued and Ms. Foss answered questions from the Board. Following discussion, the Board concurred not to amend the District's Rate Order at this time.

MAINTENANCE OF DISTRICT FACILITIES

Mr. Miller presented and reviewed the report on maintenance of the District's facilities, a copy of which is attached.

Mr. Miller reported that the storm water quality feature at the Woodland Pines detention pond needs to be repaired, and he stated he will provide a proposal at the next meeting.

Mr. Miller then reported on offensive graffiti on the outfall structure at the Atascocita Trace detention pond, which he stated is scheduled to be removed. The Board noted that the photograph of the offensive graffiti is dated June 2, 2026. Director Newsom stated that offensive graffiti should always be removed immediately and directed Champions to remove the graffiti right away.

There were no action items that required Board approval.

AMENDED AND RESTATED MAINTENANCE AGREEMENT WITH CHAMPIONS

Ms. Harrington stated that ABHR is working with Ethoscapes to prepare a form of Amendment to the Maintenance Agreement for collection of a 3% fuel surcharge. Following discussion, Director Magee moved to approve the Amendment to the Maintenance Agreement, subject to finalization. Director Thornburg seconded the motion, which passed unanimously.

ACTION ITEM LIST

The Board reviewed and received updates on all items on the action item list, a copy of which is attached.

ADDITIONAL REPORTS

Ms. Harrington reviewed an email the District received regarding the proposed Magellan/ONEOK fuel terminal planned at 25510 Zube Rd in Hockley, Texas. A copy of the email is attached. Mr. Gilligan noted that the proposed fuel terminal would not be located near the District.

There were no additional reports from directors or consultants.

The Board noted that its next meeting regarding financial matters and operational matters will be held as a consolidated meeting on July 9, 2026, at 12:00 p.m.

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


Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Communications report	1
Summary of the bids.....	2
Engineer's report.....	3
Updated presentation by BHW regarding sidewalk request	3
Operator's report.....	5
Photographs of repairs to sanitary sewer manhole	5
EVO report and 10-year budget financial operating strategy	6
Maintenance report.....	6
Action item list	6
Email regarding proposed Magellan/ONEOK fuel terminal	7