

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

February 6, 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 6th day of February, 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, except Director Newsom, thus constituting a quorum.

Also attending the meeting were: Joseph Ho-Shing of Harris County; Cory Burton of Municipal Accounts & Consulting, L.P.; Brittany Keeswood and Danielle Harleston of Assessments of the Southwest, Inc. ("ASW"); and Adisa Harrington and Hope Palmer of Allen Boone Humphries Robinson LP ("ABHR").

MINUTES

The Board considered approving the minutes of the regular meeting of January 8, 2026. 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.

2026 DIRECTORS ELECTION

Ms. Harrington discussed procedures related to the 2026 Directors Election and reviewed an Order Calling Directors Election. She noted that the Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County. Following review and discussion, Director Allen moved to: (1) adopt the Order Calling Directors Election and direct that the Order be filed

appropriately and retained in the District's official records; and (2) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Magee seconded the motion, which passed unanimously.

CONFERENCE MATTERS

The Board discussed the Association of Water Board Directors ("AWBD") winter conference and considered authorizing attendance at the AWBD summer conference.

The Board then discussed expenses for the upcoming Texas Water Conference being held in San Antonio, Texas on April 27-30, 2026.

Following discussion, Director Magee moved to: (1) approve reimbursement of all eligible expenses for Directors who attended the AWBD winter conference, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines, and authorize attendance of any interested Directors at the AWBD summer conference; and (2) authorize up to five days of per diem, four nights of lodging, and reasonable meals, as well as an advance of up to \$3,000.00, for any Director attending the Texas Water Conference. Director Allen seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Burton 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. Mr. Burton inquired if the Board would like to begin receiving their Director fees by automatic deposit. He also reported on a recently discovered fraudulent check, noting the matter has been resolved. Discussion ensued. Following review and discussion, Director Thornburg moved to approve the bookkeeper's report, summary of investments, and payment of the bills. Director Allen seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Harrington stated the District's insurance policies with Arthur Gallagher will expire on March 31, 2026. She stated she expects to have a proposal to present to the Board at the next meeting.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Keeswood presented and reviewed the tax assessor/collector's report, including the delinquent tax report. She stated that 84.02% of the 2025 property taxes were collected as of January 31, 2026.

Ms. Keeswood then reviewed a delinquent tax report from Perdue Brandon Fielder Collins & Mott LLP, a copy of which is included in the tax report.

Ms. Harrington then presented a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value requesting that the Harris Central Appraisal District provide an estimate of value for the District as of February 1, 2026.

Following review and discussion, Director Magee moved to approve the tax assessor/collector's report, the delinquent tax reports, and the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value. Director Thornburg seconded the motion, which passed unanimously. A copy of the tax assessor/collector's report, including the delinquent tax report, is attached.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Harrington discussed the District's tax rate exemptions, and the Board considered adopting a Resolution Concerning Exemption from Taxation. She stated the District currently offers a \$70,000 exemption for individuals who are disabled or 65 years of age or older and a 10% general homestead exemption. Following discussion, the Board tabled action on the Resolution and requested the District's financial advisor provide a tax exemption analysis at the meeting scheduled for March 6, 2026.

RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Ms. Harrington discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

The Board reviewed an analysis prepared by the District's engineer to assist the Board with determining the District's development status, a copy of which is attached.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2026 tax year.

Following review and discussion, Director Allen moved to adopt a Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developing District for the 2026 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Thornburg seconded the motion, which passed unanimously.

CAPITAL FEE PAYMENT LETTER FOR RALPH HAWKINS OUT-OF-DISTRICT ACCOUNT

Ms. Keeswood presented the annual capital fee payment letter for the Ralph Hawkins out-of-district account, stating the annual capital fee is \$2,487.94. A copy of the letter is attached. Following review and discussion, Director Allen moved to authorize the operator to include the capital fee in the next utility billing to the Ralph Hawkins account. Director Magee seconded the motion, which passed unanimously.

ATTORNEY'S REPORT, INCLUDING CONTINUING DISCLOSURE MATTERS

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Harrington stated that no changes are required at this time.

Ms. Harrington then reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") system in compliance with SEC Rule 15c12-12. Following review and discussion, Director Thornburg moved to approve the Annual Report, subject to finalization, authorize the attorney to submit the District's updated financial and operating data to EMMA in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the Report be filed appropriately and retained in the District's official records. Director Magee seconded the motion, which passed unanimously.

ADDITIONAL REPORTS FROM DIRECTORS AND CONSULTANTS

The Board discussed a letter from Canterbury Development regarding a proposed apartment development that will be called Oasis Atascocita, stating that the development entity, Oasis Atascocita, LP, has made a request to the Texas Department of Housing and Community Affairs for a 9% housing credit. A copy of the letter is attached. Discussion ensued, and the Board requested the District's engineer contact the developer to provide them with the District's development procedures, including the requirement for a Utility Commitment Letter.

The Board noted that its next meeting regarding financial matters will be held on March 6, 2026, at 12:00 p.m.

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



Secretary, Board of Directors

(SEAL)



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