

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

March 13, 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 13<sup>th</sup> day of March, 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 Martin Bronstein and Ralph Howard of BHW Capital; Chris Nunez and Maria Ramirez of Quiddity Engineering, LLC; Perry Miller of Champions Hydro-Lawn, Inc. (“Champions”); Kevin Gilligan of BGE, Inc. (“BGE”); Jarryd Mayfield of Si Environmental, LLC (“Si”); Danae Dehoyos of Touchstone District Services (“Touchstone”); and Adisa Harrington and Hope Palmer of Allen Boone Humphries Robinson LLP (“ABHR”).

MINUTES

There were no minutes for the Board’s review.

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 Touchstone’s monthly communications report regarding the District’s website, a copy of which is attached. She suggested various articles to post on the District’s website. Following discussion, the Board requested she post two articles about lawncare and stormwater runoff.

## 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. He reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$206,995.32, payable to C4 Partners, LLC.

Mr. Gilligan then updated the Board regarding construction of the walking trail around the Blackstone Creek detention pond. He reviewed and recommended approval of Pay Estimate No. 5 and Final in the amount of \$6,147.30, payable to Division III + Constructors, Inc.

Mr. Gilligan reviewed the design and requested the Board authorize him to advertise for bids for the new ground storage tank at water plant no. 2. He explained that the rehabilitation of the existing ground storage tank at water plant no. 2 will be started after the new ground storage tank is complete.

Mr. Gilligan updated the Board regarding design of the following projects, none of which required any action by the Board: (1) the wastewater treatment plant expansion, phase 2; and (2) generators for the District's lift stations.

Ms. Harrington discussed revisions to the Utility Commitment Letter ("UCL") requested by Alliance Residential for the Prose Atascocita apartment project. She requested the Board's authorization to coordinate with Director Newsom to review and finalize the changes to the UCL.

Mr. Bronstein requested the Board consider amending his UCL for Creekstone at Tour 18, LLC ("Creekstone") to extend the substantial commencement period deadline to allow additional time for development of the tract. He discussed delays in the delivery of the traffic light, which is causing delays to the Harris County permitting for occupancy of the apartments. Discussion ensued.

Mr. Gilligan reviewed the draft summary of costs for the bond application, a copy of which is included in the engineer's report.

Mr. Gilligan updated the Board regarding commercial development in the District, including the status of the following sites: the gym addition for River Pines Elementary School, Creekstone at Tour 18 LLC, Timber Forest Business Park, the Atascocita Apartment project, Providence Church Atascocita on Timber Forest Drive, the Alliance (Prose Atascocita) apartment project, the Waste Management campus, and the Atascocita Road Warehouses.

Mr. Gilligan reported on damage to a manhole on Atascocita Road caused by Waste Management when it was tying into the facility. He stated the liner of the manhole is damaged, causing infiltration. Mr. Gilligan stated he is gathering information and will provide a recommendation for repairs at the next meeting.

Mr. Gilligan reviewed a letter from the City of Houston Public Works, a copy of which is attached, regarding groundwater projections for the 2025 permit year. He stated he will respond to the City with the District's projections.

Mr. Gilligan discussed the status of the proposed annexation of the 21.7-acre tract to be developed as the Atascocita Business Park. There were no action items for Board's consideration.

Mr. Gilligan updated the Board regarding the proposed rehabilitation of the Williams Gully weirs, as well as 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 the channel is under construction and reported that he has no update to report regarding the anticipated refund to the District for the weirs project in the amount of \$23,754.33.

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. 4 for construction of the wastewater treatment plant expansion; (3) approve Pay Estimate No. 5 and Final for the walking trail around the Blackstone Creek detention pond; (4) approve the design plans and authorize the engineer to advertise for bids for the new ground storage tank at water plant no. 2; (5) authorize Director Newsom and Ms. Harrington to revise and finalize the UCL with Alliance Residential for the Prose Atascocita apartment project; and (6) amend the UCL with Creekstone to extend the substantial commencement period end date to November 10, 2025. Director Thornburg seconded the motion, which passed unanimously.

#### 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 96.28% for February, 2025. He reviewed recently completed and pending maintenance and repairs.

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.

#### ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

Ms. Harrington stated the annual report on implementation of the Water Conservation Plan ("WCP") will be completed by the District's Operator and submitted to the Texas Commission on Environmental Quality (the "TCEQ") by May 1, 2025. Mr. Mayfield requested the Board defer action regarding the annual report on the Water Conservation Plan.

#### ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Ms. Harrington stated that the TCEQ rules require the District to review its Drought Contingency Plan (the "DCP") on an annual basis. She stated the District's consultants are recommending no changes be made to the DCP. The Board concurred that no changes were necessary to the DCP at this time.

#### CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES

The Board reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. A copy of the critical load spreadsheet is attached. Ms. Harrington noted that the critical load information on the District's facilities is required to be reviewed at least annually and provided to certain entities, which include the District's electricity provider, the Public Utility Commission, and other governmental entities. After review and discussion, Director Thornburg moved to revise the critical load spreadsheet to add an updated address for wastewater treatment plant no. 1, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records. Director Allen seconded the motion, which passed unanimously.

## EMERGENCY PREPAREDNESS PLAN

Ms. Harrington stated the Board should review the District's Emergency Preparedness Plan ("EPP") on an annual basis and file any updates, if needed, with the TCEQ. She stated that the District's operator and engineer have reviewed the EPP and stated that no updates are needed at this time.

## WATER LOSS AUDIT

Mr. Mayfield requested the Board defer action regarding the Water Loss Audit.

## 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 requested the Board authorize Champions to repair and/or replace the bollards and cables at the entrance to the Blackstone Creek detention pond for a cost not to exceed \$1,000.00.

Mr. Miller then requested the Board authorize Champions to install four signs along the Blackstone Creek walking trail, which will include a QR Code linked to the District's parks rules, for a cost of \$2,000.00. Ms. Dehoyos stated she will confirm the QR Code is still current and will add the District's parks rules to the District's website.

Following discussion, Director Thornburg moved to: (1) approve the maintenance report; (2) authorize Champions to repair and/or replace the bollards and cables at the entrance to the Blackstone Creek detention pond; and (3) authorize Champions to install four signs along the Blackstone Creek walking trail. Director Magee 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 FROM DIRECTORS AND CONSULTANTS

Ms. Palmer stated the District received the annual adjustment to the garbage rate, which will be presented at the Board meeting on April 10, 2025.

The Board noted its next Board meeting on operating matters will be held on April 10, 2025, at 12:00 p.m.

There were no additional reports from directors or consultants.

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



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Monthly communications report.....	1
Engineer's report.....	2
letter from the City of Houston Public Works.....	3
Operator's report.....	3
Critical load spreadsheet.....	4
Maintenance report.....	5
Action item list .....	5