

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

July 9, 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 9th day of July, 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; Perry Miller of the Champions Erosion Control Division of Ethoscapes ("Ethoscapes"); Kevin Gilligan of BGE, Inc. ("BGE"); Jarryd Mayfield of Si Environmental, LLC ("Si"); Jenna Craig of Touchstone District Services ("Touchstone"); Tam Trinh of Municipal Accounts & Consulting, L.P. ("MAC"); Megan Boyance of Assessments of the Southwest, Inc. ("ASW"); and Adisa Harrington and Carnell Emanuel of Allen Boone Humphries Robinson LP ("ABHR").

MINUTES

The Board considered approving the minutes of the regular meetings of June 5, 2026, and June 11, 2026. After review and discussion, Director Thornburg 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, Ms. Harrington closed the public comments portion of the meeting.

SERIES 2026 UNLIMITED TAX BONDS

Ms. Harrington stated the District's \$10,475,000 Unlimited Tax Bonds, Series 2026 are scheduled to close on July 14, 2026.

CONFERENCE MATTERS

Ms. Harrington reviewed a memorandum prepared by ABHR regarding the Association of Water Board Directors ("AWBD") communications strategy called "There's More to MUDs than Meets the Eye." A copy of the memorandum is attached.

The Board then discussed attendance at the AWBD summer conference. Ms. Trinh stated she has confirmed that all expense reports from directors who attended the conference are in compliance with the District's Travel Reimbursement Guidelines (the "Guidelines"). After discussion, Director Magee moved to approve reimbursement of all eligible expenses for Directors who attended the AWBD summer conference and to authorize attendance of any interested Directors at the AWBD winter conference. Director Thornburg seconded the motion, which passed unanimously.

The Board discussed attendance at the American Waterworks Association ("AWWA") conference. Ms. Trinh stated she has confirmed that all expense reports from directors who attended the conference are in compliance with the Guidelines. After discussion, Director Magee moved to approve reimbursement of all eligible expenses for Directors who attended AWWA and to authorize attendance of any interested Directors at the next AWWA conference. Director Thornburg seconded the motion, which passed unanimously.

The Board then discussed the District's Guidelines in connection with the upcoming Water Environment Federation's Annual Technical Exhibition and Conference ("WEFTEC"), which will be held September 26, 2026, through September 30, 2026, in New Orleans, Louisiana. Discussion ensued regarding specific expenses eligible and ineligible for the conference. Following discussion, Director Magee moved to authorize a director advance of up to \$3,000.00 and reimbursement of up to seven per diems, six hotel nights, and reasonable meals for each director attending the WEFTEC conference. Director Thornburg seconded the motion, which passed unanimously.

The Board then discussed the District's Guidelines in connection with the upcoming Water Expo conference, which will be held August 12, 2026, through August 13, 2026, in Fort Lauderdale, Florida and discussion ensued regarding specific expenses eligible and ineligible for the conference. Following discussion, Director Magee moved to authorize a director advance of up to \$2,500.00 and reimbursement of up to four per diems, three hotel nights, and reasonable meals for each director attending the Water Expo conference. Director Thornburg seconded the motion, which passed unanimously.

Director Newsom arrived at the meeting.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Trinh presented and reviewed the bookkeeper's report, a copy of which is attached, including the quarterly investment report, summary of investments, and bills for payment from the District's accounts, and responded to questions from the Board.

Ms. Harrington reviewed a Depository Pledge Agreement with NewFirst National Bank that she stated is necessary in connection with the Certificates of Deposit Account Registry System ("CDARS").

Discussion ensued regarding plan review deposits owed to the District, including amounts owed by Alliance Apartments. Following discussion, the Board directed Si to notify Alliance Apartments that its water meter will be pulled if it does not pay the amounts owed within seven business days.

Following review and discussion, Director Allen moved to: (1) approve the bookkeeper's report, summary of investments, and payment of the bills; and (2) in connection with CDARS, approve the Depository Pledge Agreement with NewFirst National Bank. Director Magee seconded the motion, which passed unanimously.

Director Magee left the meeting.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Boyance presented and reviewed the tax assessor/collector's report. She stated that 98.41% of the 2025 property taxes were collected as of June 30, 2026. Following review and discussion, Director Allen moved to approve the tax assessor/collector's report and the delinquent tax report. Director Thornburg seconded the motion, which passed unanimously. Copies of the tax assessor/collector's report and the delinquent tax report are attached.

WEBSITE MATTERS

Ms. Craig 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.

Director Magee rejoined the meeting.

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. He reviewed and recommended approval of Pay Estimate No. 17 and Final in the amount of \$419,867.50, payable to C4 Partners, LLC ("C4"). Mr. Gilligan also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities.

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. 8 in the amount of \$89,100.00, payable to Schier Construction Co., Inc. ("SCC").

Mr. Gilligan updated the Board regarding rehabilitation of the existing ground storage tank at Water Plant No. 2. The Board reviewed a quote in the amount of \$17,560.00 to paint the ground storage tank. Following discussion, the Board directed Mr. Gilligan to coordinate with Directors Thornburg and Magee regarding paint color options before the next meeting.

Mr. Gilligan then discussed maintenance of a tract of land west of Pine Forest Baptist Church containing a District drainage swale. He requested that Ethoscapes present a proposal at the next meeting for monthly maintenance of the tract.

Mr. Gilligan updated the Board regarding the following projects, neither of which had any items for the Board's approval: (1) wastewater treatment plant expansion, phase 2; and (2) generators for the District's lift stations.

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

Mr. Gilligan reported on a utility commitment request for three equivalent single-family connections to serve a washateria and retail building proposed to be constructed along Will Clayton Parkway. Following discussion, the Board deferred consideration of this matter.

Ms. Harrington updated the Board on the status and terms of the Letter Agreement between the District and Clayton at Tour 18, L.P. ("Clayton") related to the construction of a portion of sidewalk near Hunters Terrace Drive.

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 Atascocita Road Warehouses, the medical office building and retail, and Humble Indoor Sports Club.

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 HCFCF. He stated that the District received reimbursement in the amount of \$36,998.22.

Following review and discussion, and based on the engineer's recommendation, Director Allen moved to: (1) approve the engineer's report; (2) approve Pay Estimate No. 17 and Final from C4 for construction of the Wastewater Treatment Plant expansion project and accept the facilities; (3) approve Pay Estimate No. 8 from SCC for construction of the new ground storage tank for Water Plant No. 2; and (4) approve the letter agreement with Clayton. Director Thornburg seconded the motion, which passed unanimously.

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 100.42% for June, 2026. 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 Magee seconded the motion, which passed unanimously.

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 updated the Board on the removal of offensive graffiti on the outfall structure at the Atascocita Trace detention pond.

ACTION ITEM LIST

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

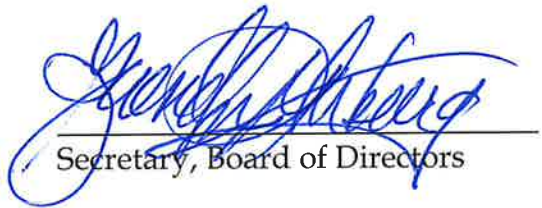
ADDITIONAL REPORTS

There were no additional reports from directors or consultants.

The Board noted that the next meeting regarding financial matters and operational matters will be held as a consolidated meeting on August 7, 2026, at 12:00 p.m.

There being no further business to come 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

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