

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

January 8, 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 8<sup>th</sup> day of January, 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 Charles Le and Pok Kong of LeDuong Enterprise LLC ("LeDuong"); Sam Miskimins of Champions Hydro-Lawn, Inc. ("Champions"); Kevin Gilligan of BGE, Inc. ("BGE"); Jarryd Mayfield of Si Environmental, LLC ("Si"); Justin Waggoner of Touchstone District Services ("Touchstone"); Jessica Preston of Municipal Accounts & Consulting, L.P.; Cameron Brown of Assessments of the Southwest, Inc. ("ASW"); and Adisa Harrington and Hope Palmer of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the regular meetings of December 5, 2025, and December 11, 2025, and the minutes of the special meeting of December 9, 2025. After review and discussion, Director Magee moved to approve the minutes, as presented. Director Thornburg 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.

## 2026 ELECTION MATTERS

Ms. Harrington discussed procedures related to the 2026 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors during the 2026 Directors Election Period. She also reported on requirements to file a Notice of Deadline to File Applications for Place on the Ballot for the 2026 Directors Election.

Ms. Harrington stated the District qualifies for the exemption from use of electronic voting systems for the 2026 Directors Election and recommended the Board authorize ABHR to file a notice of exemption from use of electronic voting systems. She stated the Board should set the pay for the election officials in the event the District holds a 2026 Directors election and recommended they set the pay at \$20.00 per hour.

Following review and discussion, Director Allen moved to: (1) adopt a Resolution Designating an Agent of the Secretary of the Board during the 2025 Directors Election Period appointing Hope Palmer as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the Notice of Deadline to File Applications for a Place on the Ballot; (3) authorize ABHR to file a notice of exemption from the use of electronic voting system; and (4) set the pay for election officials at \$20.00 per hour. 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, bills for payment from the District's accounts, and quarterly investment report.

The Board then reviewed deposit balances for utility commitment letters, plan reviews, and annexations. Following discussion, the Board determined to take the following actions: (1) for 3440 Atascocita Road, request an additional deposit in the amount of \$2,000.00; (2) for Timber Forest Business Park, invoice the developer for the balance due in the amount of \$770.57; (3) for Alliance Apartments, request an additional deposit in the amount of \$12,500.00, which includes a balance due and the plan review fee; (4) for 12227 Will Clayton, request an additional deposit in the amount of \$5,000.00; and (5) for Sana's Kitchen, invoice the developer for the balance due in the amount of \$133.07.

Ms. Harrington stated there is no need for Board action regarding a Resolution Expressing Intent to Reimburse at this time.

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of Mark Burton and Ghia Lewis as the District's investment officers and from Jessica Preston as the District's bookkeeper. Ms. Harrington explained that the statements disclose any relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District, and the disclosure statements will be filed with the Texas Ethics Commission and the District.

Following review and discussion, Director Magee moved to: (1) approve the bookkeeper's report, summary of investments, and payment of the bills; (2) authorize the bookkeeper to send the invoices and deposit requests to the commercial developers, as discussed; and (3) accept the disclosure statements as presented and authorize they be appropriately filed. Director Allen seconded the motion, which passed unanimously.

### CONFERENCE MATTERS

Ms. Harrington inquired if any Directors plan to attend the upcoming Utility Management Conference sponsored by the American Water Works Association and the Water Environment Federation (the "Conference"). She stated the Conference will be held on March 24 through March 27, 2026, in Charlotte, North Carolina. Following discussion, Director Magee moved to authorize up to six days of per diem, five nights of lodging, and reasonable meals if submitted in accordance with the District's Guidelines, as well as an advance of up to \$3,500.00, for any Director attending the Conference. Director Allen seconded the motion, which passed unanimously.

### TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Brown presented and reviewed the tax assessor/collector's report, including the delinquent tax report. He stated that 14.17% of the 2025 property taxes were collected as of December 31, 2025. Following review and discussion, Director Thornburg 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.

### WEBSITE MATTERS

Mr. Waggoner distributed and reviewed the communications report regarding the District's website, a copy of which is attached. He provided the Board members with the black shirts with the new District logo, and stated he will order the shirts in the remaining colors once they confirm the sizing is correct.

## 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. 14 in the amount of \$62,066.03, payable to C4 Partners, LLC ("C4").

Mr. Gilligan updated the Board regarding the following projects, none of which required any action by the Board: (1) the new ground storage tank at water plant no. 2; (2) rehabilitation of the existing ground storage tank at water plant no. 2; (3) wastewater treatment plant expansion, phase 2; and (4) the generators for the District's lift stations.

Mr. Gilligan updated the Board regarding preparation of the bond application and stated he is currently reviewing comments provided by the District's consultants.

Mr. Gilligan stated LeDuong is at today's meeting to discuss the potential annexation of a 1.9-acre tract on Will Clayton Parkway into the District, and he requested the discussion be deferred until Director Newsom arrives at the meeting.

Mr. Gilligan updated the Board regarding commercial development in the District, including the status of the following sites: Creekstone at Tour 18 LLC, the Atascocita Apartment project, Providence Church Atascocita on Timber Forest Drive, 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 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 the channel is complete and the final payment to the contractor is being processed.

Following review and discussion, and based on the engineer's recommendation, Director Thornburg moved to: (1) approve the engineer's report; and (2) approve Pay Estimate No. 14 for construction of the wastewater treatment plant expansion. Director Allen 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 92.73% for December, 2025. He reviewed recently completed and pending maintenance and repairs.

Mr. Mayfield stated Si's regulatory department has entered into a Participation Agreement with the Texas Commission on Environmental Quality regarding an Enforcement Diversion Program for the recent excursions of ammonia and E.coli levels at wastewater treatment plant no. 3.

Mr. Mayfield reported that Waste Management has not paid the invoice to reimburse the District for the manhole repair that resulted from damage caused by Waste Management. He stated he will include the repair cost in the tap fee when Waste Management requests a water meter.

Director Newsom arrived at the meeting.

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.

## ENGINEERING MATTERS, CONTINUED

Mr. Le addressed the Board regarding his potential request for annexation of an approximate 1.9-acre tract on Will Clayton Parkway that LeDuong intends to develop as retail and restaurant space with a private detention pond. Mr. Le discussed the project and answered questions from the Board. The Board discussed possible restrictions they

would include in the annexation agreement to limit the type of retail establishments that could lease space. Ms. Harrington discussed creating deed restrictions that all current and future tenants would be required to comply with. The Board reiterated that LeDuong would be required to submit a \$50,000.00 annexation deposit in order to proceed. Following discussion, the Board requested Mr. Gilligan obtain addresses of other projects completed by LeDuong and research the availability of sales tax revenue on the tract.

#### MAINTENANCE OF DISTRICT FACILITIES

Mr. Miskimins presented and reviewed the report on maintenance of the District's facilities, a copy of which is attached. He reported that the damage near the Villages of Tour 18 detention pond has been repaired by the developer of the Creekstone at Tour 18 apartments.

Ms. Harrington reported that ABHR sent a letter to the Humble Express Valero regarding maintenance of its private commercial detention pond which requested a response by February 7, 2026. She noted that there are no active accounts associated with All Star Kids and Avalon Memory Center so letters were not sent regarding their detention ponds. Following discussion, the Board concurred to take no action regarding the All Star Kids and Avalon Memory Center ponds at this time.

Following review and discussion, Director Thornburg moved to approve the maintenance report. Director Magee seconded the motion, which passed unanimously.

#### ATTORNEY'S REPORT, INCLUDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Harrington reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

#### 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 concurred to hold its next meeting regarding financial matters on February 6, 2026, and its next meeting on engineering and operations matters on February 12, 2026.

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



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