

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

January 9, 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 9th day of January, 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 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

The Board considered approving the minutes of the regular meeting of December 12, 2024. After review and discussion, Director Magee 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 Touchstone's monthly communications report regarding the District's website, a copy of which is attached.

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.

Mr. Gilligan then updated the Board regarding construction of the walking trail around the Blackstone Creek detention pond. The Board requested that Ms. Dehoyos prepare an announcement about the walking trail for the website committee's review when Mr. Gilligan reports that the walking trail is complete.

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

Mr. Gilligan updated the Board regarding preparation of the bond application.

Mr. Gilligan updated the Board regarding the Atascocita Road Warehouses development. He stated the Consent to Encroachment for the area where the parking lot will overlap with the District's sanitary sewer and waterline easement is ready for Board approval and execution.

Mr. Gilligan then updated the Board regarding development of the proposed 288-unit multi-family residential community that will be called Prose Atascocita. He updated the Board regarding Alliance Residential's request for 138 equivalent single-family connections in the District's water and wastewater system ("ESFCs") for construction of Prose Atascocita. Mr. Gilligan recommended the issuance of a utility commitment letter ("UCL") for 138 ESFCs. He noted that the District has received the \$7,500.00 UCL deposit and that the Board agreed to require full shade lighting and determined not to require a tree buffer due to the layout of the tract.

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 discussed the status of the proposed annexation of the 21.7-acre tract to be developed as the Atascocita Business Park. There were no 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 the Consent to Encroachment for the Atascocita Road Warehouses; and (3) authorize execution of a UCL with Alliance Residential for the Prose Atascocita apartment project for 138 ESFCs, including a requirement for full shade lighting. Director Thornburg seconded the motion, which passed unanimously.

REPORT ON ELECTRICITY CONSUMPTION AND ENERGY EFFICIENCY MEASURES

Mr. Gilligan updated the Board regarding BGE's preparation of the report on electricity consumption and energy efficiency measures.

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 93.3% for December, 2024. He reviewed recently completed and pending maintenance and repairs.

Mr. Gilligan provided a quote from C4 Partners, LLC to demolish the trailer at the wastewater treatment plant in the amount of \$7,865.00, a copy of which is included in the engineer's report. The Board reviewed the previous quote they received from Richard's, which also included the cost of removing concrete and fencing. The Board requested Mr. Mayfield ask Richard's to proceed with the demolition of the trailer only for the quoted price of \$3,900.00, and not to remove the concrete or the fence.

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.

Director Newsom arrived at the meeting.

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; (2) approve the quote from Richard's for demolition of the trailer in the amount of \$3,900.00; and (3) 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.

MAINTENANCE OF DISTRICT FACILITIES

Mr. Miller presented and reviewed the report on maintenance of the District's facilities, a copy of which is attached. He stated he will prepare a proposal to add the Blackstone Creek walking trail to the District's maintenance plan.

Ms. Harrington presented letters to the households at 3247 Trinity Joe Ln. and 17230 Erin Oaks Ln. regarding unauthorized use of the detention facilities.

Following discussion, Director Thornburg moved to: (1) approve the maintenance report; and (2) authorize Director Newsom to execute the letters to the households at 3247 Trinity Joe Ln. and 17230 Erin Oaks Ln. Director Magee seconded the motion, which passed unanimously.

ADOPTION OF COVERED APPLICATIONS POLICY

Ms. Harrington discussed legislation enacted by the Texas Legislature that requires all governmental entities to adopt a policy prohibiting the use of certain social media applications and services on government-owned or -leased devices. She stated that a model policy was developed by the Texas Departments of Public Safety and Information Resources for use by governmental entities. Ms. Harrington reviewed the proposed Covered Applications Policy with the Board. After review and discussion, Director Allen moved to adopt a Resolution Adopting Covered Applications Policy and direct that the Resolution be filed appropriately and retained in the District's official records. 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

The Board noted its next Board meeting will be a combined financial and operations meeting on February 7, 2025, at 12:00 p.m.


Ms. Palmer reported on a call received from Mr. Toosy, a resident in the District, regarding a dispute among neighbors regarding street parking. Discussion ensued, and the Board concurred that the dispute is not a District matter.

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 Magee, seconded by Director Thornburg, and voted unanimously by the Board, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

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