

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 249

Minutes of Meeting of Board of Directors

March 12, 2026

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 249 (the "District") met at the Board's regular meeting place on March 12, 2026, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Ralph V. Palermo, President
Willie Hodge, Vice President
Norman Adamek, Secretary
Michael Guillory, Assistant Secretary
Juan (Johnny) Gonzalez, Jr., Assistant Secretary

and all of said persons were present, except Director Gonzalez, thus constituting a quorum.

Also present were: Carol Morrison of Municipal Accounts & Consulting, L.P. ("MAC"); Odett Newman of Bob Leared Interests, Inc. ("BLI"); Jacob Floyd of Langford Engineering, Inc. ("Langford"); Marie Newsom of Storm Water Solutions, LP ("SWS"); Mario Garcia of Municipal Operations & Consulting, Inc. ("MOC"); Brandon West of Touchstone District Services ("Touchstone"); Cindy Adamek, a resident of the District; Sergeant Albert Ashworth and Sergeant Ernest McNabb of Harris County Sheriff's Office ("HCSO"); Christie Leighton of Best Trash ("BT"); and Cole Trolinger of Schwartz, Page & Harding, L.L.P. ("SPH"). Michael Murr of Murr, Inc. ("MI") and Timothy B. Hardin of Langford entered the meeting after it was called to order, as noted below.

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. There being no public comments presented, the Board continued to the next item of business.

MINUTES

The Board next reviewed the draft minutes of its meeting held on February 12, 2026. After discussion of the draft minutes presented, Director Guillory moved that said minutes be approved, as written. Director Adamek seconded the motion, which carried unanimously.

ANNUAL RATE INCREASE FOR SOLID WASTE AND RECYCLING COLLECTION SERVICES

Ms. Leighton presented and advised the Board that, effective April 1, 2026, BT will be increasing its monthly fee an additional \$.40 for garbage and recycling collection services to \$24.78 per residence, in accordance with the Service Agreement with the District. After discussion, Director Adamek moved that the District's Rate Order be amended to reflect the fee increase for garbage collection, disposal and recycling services, increasing the District's monthly residential sanitary sewer fee from \$33.15 to \$34.77, effective April 1, 2026, as previously agreed, and that any and all rate orders heretofore adopted by the Board be revoked as of such date. Director Guillory seconded the motion, which carried unanimously.

Ms. Leighton exited the meeting at this time.

DISTRICT SECURITY

The Board next considered the report regarding District security matters. Sergeant Ashworth presented the HCSO security patrol report for February 2026, a copy of which report is attached hereto as **Exhibit A**. Sergeant Ashworth also reported that on April 4, 2026, the District will move to HCSO District 1 and introduce Sergeant McNabb as the Sergeant for that district. Sergeant Ashworth next reported that on October 1, 2026, the HCSO will have a rate increase of 8.8%, an approximate \$7,600 increase per deputy.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Newman next presented to and reviewed with the Board the Tax Assessor-Collector's Report for the month of February 2026, a copy of which report is attached hereto as **Exhibit B**. After discussion, Director Guillory moved that the Tax Assessor-Collector's Report be approved, and the disbursements identified therein be approved for payment from the District's tax account. Director Adamek seconded said motion, which unanimously carried.

DELINQUENT TAX REPORT

Mr. Trolinger next presented to and reviewed with the Board the Delinquent Tax Report, dated March 12, 2026, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon"), the District's delinquent tax collection attorneys; a copy of the report is attached hereto as **Exhibit C**. He noted that no Board action was required at this time in connection with the accounts listed in the report.

UNCLAIMED PROPERTY REPORT

The Board considered authorizing the preparation of Unclaimed Property Reports as of March 1, 2026. After discussion on the matter, Director Guillory moved that the District's consultants be authorized to research the District's accounts to determine whether the District has unclaimed property and the District's Bookkeeper and/or Tax Assessor/Collector be authorized to

prepare such report for the Board's approval. Director Adamek seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Morrison next presented to and reviewed with the Board the Bookkeeper's Report, dated March 12, 2026, a copy of which report is attached hereto as **Exhibit D**. After discussion, it was moved by Director Guillory, seconded by Director Adamek and unanimously carried, that the Bookkeeper's Report be approved and that the disbursements identified therein be authorized for payment, except for check number 10722 made payable to Director Gonzalez.

Mr. Hardin entered the meeting during the above discussion.

STORM WATER MANAGEMENT PROGRAM REPORT

Ms. Newsom presented to and reviewed with the Board a Storm Water Management Program Report in connection with the District's detention and drainage facilities for March 2026, prepared by SWS; a copy of said report is attached hereto as **Exhibit E**.

ENGINEERING REPORT

Mr. Floyd next presented to and reviewed with the Board the Engineering Report, dated March 12, 2026, a copy of which report is attached hereto as **Exhibit F**, relative to the status of various projects within the District.

In connection with the permanent generator project for the Wastewater Treatment Plant, Mr. Floyd presented to and reviewed with the Board Pay Estimate No.1 in the amount of \$10,800.00 and Pay Estimate No. 2 in the amount of \$76,500.00 from McDonald Municipal and Industrial ("MMI"), copies of which are included with **Exhibit E**, and recommended that the Board approve same. After discussion on the matter, it was moved by Director Palermo, seconded by Director Guillory and unanimously carried, that the Board approve (i) the payment of Pay Estimate No. 1 and (ii) the payment of Pay Estimate No. 2, as recommended by Langford.

Mr. Floyd next presented to and reviewed with the Board the rate study and analysis proposal from the rate analyst with regard to the water and sewer rate structure, a copy of which is attached as **Exhibit G**.

Next, Mr. Hardin introduced himself to the Board and gave an update regarding the Cypress Oaks Pond (the "Pond"). Mr. Hardin reported that it has been authorized for design. Once the design for the Pond is complete, a grant will be pursued to fund the project and once that is obtained, construction will commence.

Mr. Murr entered the meeting during the above discussion.

SUBMISSION OF CRITICAL LOAD STATUS INFORMATION TO ELECTRICITY PROVIDERS

Mr. Trolinger reported that Section 13.1396 of the Texas Water Code, requires that a District must annually submit to each electric distribution utility and each retail electric utility provider a list of its facilities which may qualify for critical load status and various emergency contact information for a determination that the facilities qualify for critical load status. After discussion on the matter, Director Adamek moved that the District's Engineer and/or Operator be authorized to make such annual filings on behalf of the District. Director Guillory seconded the motion, which carried unanimously.

OPERATOR'S REPORT

The Board next considered the Operator's Report. Mr. Garcia presented to and reviewed in detail with the Board a written Operator's Report prepared by MOC, dated as of February 2026; a copy of the report is attached hereto as **Exhibit H**. Mr. Garcia requested that the Board consider authorizing MOC to write-off thirty-three (33) delinquent accounts listed in the Operator's Report, in the total amount of \$5,466.47, and refer such accounts to the District's collection agency. Following discussion, it was moved by Director Guillory, seconded by Director Adamek and unanimously carried, that MOC be authorized to transfer said delinquent accounts to the District's collection agency.

WATER LOSS AUDIT

The Board considered the approval of the 2025 Water Loss Audit (the "Audit"). In connection therewith, Mr. Garcia informed the Board that MOC is in the process of completing the Audit. Mr. Trolinger then requested that the Board consider approving said Audit, and authorizing MOC to file same with the Texas Water Development Board by the May 1, 2026, deadline. After discussion, Director Guillory moved that the Board approve said Audit and authorize MOC to file same with the Texas Water Development Board. Director Adamek seconded the motion, which carried unanimously.

APPROVE PREVAILING WAGE RATES FOR CONSTRUCTION PROJECTS

Mr. Trolinger presented to the Board for review and approval a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as **Exhibit I**. He reviewed various provisions of the Resolution with the Board. Mr. Trolinger advised the Board that the District previously adopted the wage rates for Harris County, and noted that Langford is recommending that the District adopt the Department of Labor's updated wage rates for Harris County effective January 1, 2026 and discussed same in detail with the Board. After discussion and consideration of the survey and the proposed Resolution, Director Palermo moved that the Board adopt the Resolution with Exhibit "A" to same reflecting the wage rates for the Department of Labor for Harris County, and that the President and the Secretary be authorized to execute and attest same on behalf of the Board and the District. Director Guillory seconded said motion, which unanimously carried.

RENEWAL OF DISTRICT INSURANCE POLICIES

The Board next considered the renewal of the District's various insurance coverages expire on March 31, 2026. In that regard, the Board discussed the proposal received from the District's current insurance provider Arthur J. Gallagher & Co. ("AJG"), a copy of which is attached hereto as **Exhibit J**. After discussion, Director Palermo moved that the proposal from AJG be accepted, and that the President be authorized to execute the accepted proposal on behalf of the Board and the District. Director Adamek seconded the motion, which carried unanimously.

COMMUNICATIONS REPORT

The Board next discussed District communications. Mr. West presented to and reviewed with the Board a Monthly Communications Report prepared by Touchstone, a copy of which report is attached hereto as **Exhibit K**. It was noted that no action was being requested of the Board at this time.

STATUS OF ARBITRAGE REPORTS

The Board next considered the status of Interim Calculation through November 23, 2025, and Interim Yield Restriction/Yield Reduction Report through November 23, 2025, in connection with \$2,475,000 Unlimited Tax Bonds, Series 2021A, being prepared by Arbitrage Compliance Specialists, Inc. ("ACS"). Mr. Trolinger informed the Board that said reports are still currently being prepared by ACS.

ATTORNEY'S REPORT

The Board next considered the attorneys' report. In connection therewith, Mr. Trolinger informed the Board that he had nothing more of a legal nature to report at this time.

SUPPLEMENTAL AGENDA

The Board considered cancellation of the Directors Election called for May 2, 2026. Mr. Trolinger advised that, in accordance with Subchapter C, Chapter 2 of the Texas Election Code, the District may cancel the Directors Election if each candidate whose name is to appear on the ballot and/or has registered as a write-in candidate is unopposed as of 5:00 p.m. on February 17, 2026. In such case, the Board may declare the unopposed candidates to be elected. In that regard, there was presented to the Board a certificate of the Secretary declaring all candidates unopposed. Mr. Trolinger then presented and reviewed the Order Declaring Candidates Elected, attached hereto as **Exhibit L**. After discussion, Director Guillory moved that the Order be adopted by the Board declaring Ralph Palermo and Norman Adamek elected Directors of the District, each to serve a term of four years or until a successor is duly elected or appointed, that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District, and that the Directors Election called for May 2, 2026, be cancelled. Director Hodges seconded said motion, which unanimously carried.

ISSUANCE OF UTILITY COMMITMENTS; ANNEXATION OF LAND INTO THE DISTRICT

The Board considered the issuance of utility commitments. In connection therewith, Mr. Trolinger updated the Board regarding the status of the annexation of the approximately 63-acre tract of land owned by Emergency Services District No. 7. No action was taken by the Board at this time.

LANDSCAPING WITHIN THE DISTRICT

The Board next discussed landscaping within the District. In connection therewith, Mr. Murr presented to and reviewed with the Board a Progress Report – Landscape Projects as of March 2026, a copy of which report is attached hereto as **Exhibit M**.

CLOSED SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 AND/OR SECTION 551.072


The Board deferred convening in closed session at this time.

FUTURE AGENDA ITEMS

The Board did not request any items be placed on future agendas, other than those already discussed and on-going items.

ADJOURN

There being no further business to come before the Board, upon motion duly made by Director Palermo, seconded by Director Adamek and carried unanimously, the meeting was adjourned.


Secretary



LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Security Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Delinquent Tax Report
- Exhibit D Bookkeeper's Report
- Exhibit E Detention and Drainage Facilities Report
- Exhibit F Engineering Report
- Exhibit G Rate Study and Analysis Proposal
- Exhibit H Operator's Report
- Exhibit I Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- Exhibit J Insurance Proposal from Arthur J. Gallagher & Co. for 2026 - 2027 Term
- Exhibit K Communications Report
- Exhibit L Order Declaring Candidates Elected
- Exhibit M Progress Report – Landscape Projects