

MINUTES OF MEETING OF BOARD OF DIRECTORS
September 11, 2025

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 136

The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 136 (the “*District*”) met in regular session, open to the public, at 4045 Deerfield Village Drive, Houston, Texas at 6:00 p.m. on September 11, 2025; whereupon the roll was called of the members of the Board, to wit:

Brent Phelps, President
Barry Greer, Vice President
Neil Polansky, Assistant Vice President
Adam Rodriguez, Secretary
Jody Shipman, Assistant Secretary

Persons Attending. All members of the Board were present, except Directors Polansky and Rodriguez, thus constituting a quorum. Also attending all or parts of the meeting were Mr. George Blitch of Blitch Associates, financial advisor for the District; Ms. Lisa Rickert of Artesian Financial Services (“Artesian”), bookkeeper for the District; Ms. Patty Rodriguez of Bob Leared Interests (“BLI”), tax assessor and collector for the District; Mr. Ken Farrar and Mr. Celestino Huezo of Best Trash; Mr. Ryan Vaughn and Mr. Keith Arrant of Municipal Operations & Consulting, Inc. (“MOC”), operators for the District; and Ms. Jane Maher of Norton Rose Fulbright US LLP (“NRF”), paralegal for the District.

Call to Order. The President called the meeting to order and, in accordance with notice posted pursuant to law, copies of Certificates of Posting of which are attached hereto as *Exhibit A*, the following business was transacted:

1. **Public comments.** There were no public comments.
2. **Discuss trash and recycling services.** The President recognized Mr. Farrar, who presented to and reviewed with the Board the Service Call Report, a copy of which is attached hereto as *Exhibit B*. He noted that the last entry on the report is a typo and is related to a different district. Discussion ensued regarding the recent issues. Discussion ensued regarding communication methods. Mr. Farrar stated that Best Trash is still working on the telecommunications system transition.
3. **Minutes.** Proposed minutes of the meetings of August 14, 2025, previously distributed to the Board, were considered for review and approval. Upon motion by Director Greer, seconded by Director Shipman, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the August 14, 2025, as presented.
4. **Review update on electrical contract.** The President stated that he had recent communications with the District’s electricity broker. He noted that the District’s current electrical contract goes to April 2028. He stated that the prices currently are almost double of the District’s current rate and that the Board can expect higher prices at the time of renewal.

5. **Consider financial advisor's tax rate recommendation for 2025 tax year.** The President recognized Mr. Blitch, who presented to and reviewed with the Board the 2025 Tax Rate Study, a copy of which is attached hereto as *Exhibit C*. Mr. Blitch stated that the District's 2025 taxable value is \$367,813,324. He reported that the District is considered a "developing" district pursuant to Senate Bill 2, thereby the District has an 8% maximum increase on the tax rate before triggering a mandatory roll back election. Discussion ensued regarding upcoming District maintenance.

Ms. Maher then presented to the Board the Order Designating Officer to Calculate and Publish Tax Rates and Taking Other Actions in Connection with the Levy of a Tax for 2025 (the "Order"), a copy of which is attached hereto as *Exhibit D*. Ms. Maher informed the Board that this order authorizes the BLI to publish the proposed tax rate and the date and time of the District's next meeting.

Upon motion by Director Green, seconded by Director Shipman, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Order and publish a tax rate of \$0.15500 for maintenance and operations.

Discussion ensued regarding the next meeting date. It was the consensus of the Board to meet October 9, 2025 at 6:00 p.m. Ms. Rodriguez stated that the tax rate publishing would be published in the Katy Rancher. It was also the consensus of the Board to include the tax rate publishing in the DVCA newsletter. Discussion ensued regarding budgeted income from the tax levy.

6. **Adopt Order Designating Officer to Calculate and Publish Tax Rates and Taking Other Actions in Connection with the Levy of a Tax for 2025.** This item was addressed under the previous item.

7. **Review Bookkeeper's Report, investment report and authorize payment of bills.** The President recognized Ms. Rickert, who presented the Bookkeeper's Report, a copy of which is attached hereto as *Exhibit E*. She reviewed the cash flow from August 15, 2025 to September 11, 2025.

Upon motion by Director Shipman, seconded by Director Greer, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, and to authorize payment of check nos. 12568 through 12583, and one ACH, from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

8. **Review Tax Assessor and Collectors Report and authorize payment of bills.** The President recognized Ms. Rodriguez, who presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as *Exhibit F*.

Ms. Rodriguez reported that 98.8% of 2024 taxes have been collected.

Upon motion by Director Shipman, seconded by Director Greer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report, to authorize payment of check nos. 1170 through 1173.

9. **Review Engineer's Report, Water Plant walk through, Jackrabbit Road Public Utility District ("Jackrabbit") matters, Out-of-District reviews, Asset Management Plan, and**

take appropriate action on engineer's recommendations. The President stated that he received an email from Mr. Wempe that stated he has not heard anything from Rolling Creek and an received an inquiry regarding capacity from a potential development. He noted that the Mr. Wempe responded that the District is not able to provide capacity at this time. Discussion ensued.

10. **Discuss emergency interconnect request with Rolling Creek Municipal Utility District ("Rolling Creek").** This item was addressed under the previous item.

11. **Discuss Jackrabbit Public Utility District ("Jackrabbit") matters and take appropriate action.** There was no report.

12. **Review Operations Report, authorize repairs, authorize termination of services to delinquent accounts.** The President recognized Mr. Vaughn, who reviewed with the Board the Operations Report, a copy of which is attached hereto as *Exhibit G*.

Mr. Vaughn reported the District currently has 1,079 connections.

Mr. Vaughn reported the accountability for last month is at 96%. Mr. Vaughn reported on various maintenance items. Discussion ensued. He discussed repairs caused by the fiberoptic installation. He noted that MOC sent invoices to Easy Fiber for payment.

Mr. Vaugh presented to and reviewed with the Board the Site Visit Report regarding the VFDs at the Water Plant from Electrical Field Services, Inc., a copy of which is attached hereto as *Exhibit H*. He stated that they reported a voltage issue, which CenterPoint has come out and corrected. He also stated that the VFD for pump no. 4 was not sending the right amount of voltage, which was also fixed. He reported that Electrical Field Services, Inc. recommends replacing the existing soft starts on booster pump no. 1 and booster pump no. 3 with properly programmed VFDs and replacing the existing PLC with a new unit and provide the updated programing for improved system control and protection. Discussion ensued. Mr. Arrant noted that MOC is creating a pump curve and requesting the design data. The President proposed continuing with the pump evaluation and testing before the Board decides on the proposed recommendations.

Mr. Arrant requested the Board's consideration to add an agenda item for the next meeting to consider a contract amendment for MOC.

Upon motion by Director Greer, seconded by Director Shipman, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Operations Report, and to authorize termination of service to delinquent accounts in accordance with terms of the District's Rate Order.

13. **Discuss fiberoptic installation and take any necessary action.** This item was addressed under previous item.

14. **Report on WHCRWA monthly meeting, and related service and construction issues.** There was no report.

15. **Discuss recycling event and take necessary action.** The President recognized Director Greer, who stated that everything is set for October 11, 2025.

16. **Discuss District website, and text message notification system and take any necessary action.** There was no report.

17. **Review Article for DVCA Newsletter.** The President stated that he will prepare the newsletter.

18. **Review agenda items for next meeting (October 9, 2025) and such other matters as may properly come before the board.** There were no further reports.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The above and foregoing minutes were passed and approved by the Board of Directors on October 9, 2025.

ATTEST:

President, Board of Directors

Secretary, Board of Directors