

MINUTES OF MEETING OF BOARD OF DIRECTORS
March 12, 2026

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 March 12, 2026; 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 Director Rodriguez, thus constituting a quorum. Also attending all or parts of the meeting were Mr. Eric Toureilles of the Deerfield Village Community Association (“DVCA”); 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. Ryan Vaughan of Municipal Operations & Consulting, Inc. (“MOC”), operator 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. **Minutes.** Proposed minutes of the meetings of February 12, 2026, and February 18, 2026, 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 February 12, 2026 and February 18, 2026, as presented.
3. **Discuss trash and recycling services and take any appropriate action.** There was no report.
4. **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 B*.

Ms. Rodriguez reported that as of today, 95.2% of the 2025 taxes have been collected. Discussion ensued regarding the delinquent list.

Upon motion by Director Polansky, 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 and to authorize payment of check nos. 1192 through 1195.

5. **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 C*. She reviewed the cash flow from February 13, 2026 to March 12, 2026. Discussion ensued.

Upon motion by Director Polansky, seconded by Director Shipman, 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. 12671 through 12692, from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

6. **Adopt budget for fiscal year ending March 31, 2027.** The President recognized Ms. Rickert, who presented to and reviewed with the Board the proposed budget for the fiscal year ending March 31, 2027, a copy of which is attached hereto as *Exhibit D*. She noted that Artesian incorporated a 1% increase in revenue and 3% increase on expenditures and a 90% collection rate on the maintenance tax revenue.

Ms. Rickert reviewed the consultant budgets and noted that the line item for Artesian increased and that Artesian would like to request an agenda item for the next meeting for the Board's consideration of a contract amendment. She noted that the Garbage Collection line item would be revised to \$312,300. Discussion ensued regarding the Jackrabbit PUD Sewer Rehab line item. It was the consensus of the Board to increase the budgeted amount from \$100,000 to \$120,000. Discussion ensued regarding the line item for Travel Expense. It was the consensus of the Board to increase Travel Expense from \$2,500 to \$3,000. Discussion ensued regarding the line item for Conference Dues. It was the consensus of the Board to increase the Conference Dues from \$1,900 to \$3,000. Discussion ensued regarding the Printing & Office Supplies line item. It was the consensus of the Board to decrease the line item from \$4,000 to \$1,000. Discussion ensued regarding the line item for Regulatory Assessment Fee. Mr. Vaughan stated that he would see if there is a yearly registration fee for the Harris-Galveston Subsidence District. Discussion ensued regarding the line item for Capital Projects – Alarm at Water Plant. It was the consensus of the Board to rename the line item to Water Plant Security. Mr. Vaughan stated he would provide Artesian with the yearly fee associated with Water Plant Security.

Upon motion by Director Shipman, seconded by Director Polansky, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the budget for the fiscal year ending March 31, 2027, as revised. Ms. Rickert stated that she would send a revised copy to NRF for the District's records.

7. **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 reported that the District's engineer has not heard any developments regarding Mr. Houstoun's request of a possible de-annexation and annexation.

8. **Discuss emergency interconnect request with Rolling Creek Municipal Utility District ("Rolling Creek").** The President reported on the plant walk through held February 18, 2026. He stated that Mr. Deaton of Rolling Creek was present, who suggested that the District's attorneys prepare the interconnect agreement and that he agreed, noting that the cost would be

at Rolling Creek's expense. Ms. Maher noted that NRF would have a draft agreement available for review in the next couple of weeks.

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

10. **Review Operations Report, water smart resolution authorize repairs, authorize termination of services to delinquent accounts.** The President recognized Mr. Vaughan, who reviewed with the Board the Operations Report, a copy of which is attached hereto as *Exhibit E*.

Mr. Vaughan reported on various maintenance items. Mr. Vaughn reported the District currently has 1,079 connections.

Mr. Vaughan reported the accountability for last month is at 94%. Discussion ensued.

Mr. Vaughan reviewed a list of uncollectible and delinquent accounts. He stated that there is one uncollectible account in the amount of \$147.16.

Mr. Vaughan reported on the outstanding invoices for Ezee Fiber. He stated that MOC has not received payment from Ezee Fiber. He noted that amount outstanding is around \$40,000. Discussion ensued. It was the consensus of the Board to authorize NRF to prepare a letter to Ezee Fiber regarding reimbursement.

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, to authorize termination of service to delinquent accounts in accordance with terms of the District's Rate Order.

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

12. **Review Rate Order and take appropriate action.** The President recognized Ms. Maher, who reviewed the Rate Order, a copy of which is attached hereto as *Exhibit F*. She stated that the Rate Order is being reviewed to discuss the monthly sewer service rate for each single family residential connection to incorporate Best Trash's rate increase that was discussed at the last meeting. She noted that Best Trash's rate increased by \$1.15. Discussion ensued regarding increasing the monthly sewer service rate for each single family residential connection from \$43.50 to \$44.65 to account for the increase in costs for the trash service. Discussion ensued regarding the billing structure for water service rates for all customers located outside the boundaries of the District.

Upon motion by Director Greer, seconded by Director Polansky, after full discussion and the question being put to the Board, the Board voted unanimously to increase the monthly sewer service rate for each single family residential connection from \$43.50 to \$44.65 (the monthly sewer rate for residential connections includes sanitary sewer, trash collection, and recycling collection) and revise the billing structure for water service rates for all customers located outside the boundaries of the District to match the billing structure for water service rates for all residential and commercial customers, effective for the next billing cycle.

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

14. **Discuss recycling event and take necessary action.** The President recognized Director Greer, who stated that he contacted the vendor.

Mr. Toureilles joined the meeting at this time. The President recognized Mr. Toureilles. He reported on a sinkhole developing under a brick fence on Wilstone Dr. Discussion ensued. Mr. Vaughan stated that the District doesn't own facilities in that area and it is most likely a Harris County issue.

Mr. Toureilles discussed the trees at Vanbury Playground. He stated that the DVCA would like to plant 10 more trees and to extend the irrigation system. He noted that the trees will be donated by Trees of Houston and that the DVCA would like to request the Board's consideration to extend the irrigation system for those trees for approximately \$900. Mr. Toureilles stated that he will provide a detailed request letter to the Board. It was the consensus of the Board to include an agenda item for the next meeting.

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

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

17. **Review agenda items for next meeting (April 9, 2026) 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 April 9, 2026.

President, Board of Directors

ATTEST:

Secretary, Board of Directors