

MINUTES OF MEETING OF
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 70,
OF HARRIS COUNTY, TEXAS
September 25, 2025

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 70, of Harris County, Texas (the "District") met in regular session on September 25, 2025, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Stephanie Peters, President
Ron Sanches, Vice President
Rudolph Lange, Secretary
Rachel Knight, Assistant Secretary
Ronald Garcia, Assistant Secretary

All of said persons were present, except Director Knight, thus constituting a quorum. Director Knight entered the meeting after it had been called to order, as noted herein.

Also present at the meeting were: Sherri Greenwood of Forvis Mazars, LLP ("Forvis"); Chase Eastland of Masterson Advisors, LLC ("Masterson"); Rachel Broom of Cobb Fendley & Associates, Inc. ("CobbFendley"); Yaneth Cooper of Municipal Accounts & Consulting, L.P. ("MAC"); Ryan Vaughn of Municipal Operations & Consulting, Inc. ("MOC"); Brenda McLaughlin of Bob Leared Interests ("BLI"); Sam Cocke and Andrew Faubion of Double Oak Erosion ("DOE"); and Spencer Creed of Schwartz, Page & Harding, L.L.P. ("SPH").

The meeting was then called to order and declared open for such business as might regularly come before it.

JOINT PLANT COMMITTEE (THE "COMMITTEE") MEETING MINUTES

The Joint Sewage Treatment Plant ("JSTP") Committee portion of the minutes of the District's August 28, 2025, Board meeting was considered. No revisions were requested.

ENGINEERING REPORT

It was determined to schedule the annual plant tour for Friday, October 17, 2025, at 9:00 a.m. at the JSTP.

Ms. Broom next presented a written Engineering Report for the Joint Sewage Treatment Plant Committee Meeting ("JSTP Engineering Report"), a copy of which report is attached hereto as **Exhibit A**. Ms. Broom next presented a draft Capital Improvement Project (the "CIP") plan.

OPERATIONS REPORT

Mr. Vaughn presented and reviewed the Joint Plant Operations Report for the month of August 2025, a copy of which report is attached hereto as **Exhibit B** and discussed same with the Board.

Mr. Vaughn next requested that the Board approve the inclusion of a contract amendment with MOC on the October agenda. He noted that MOC would like to add a consumer price index adjustment provision into the contract. After discussion, the Board agreed to place this item on the next agenda.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Committee a written JSTP Bookkeeper's Report dated September 25, 2025, a copy of which is attached hereto as **Exhibit C**. After discussion on the matter, it was moved by Director Peters that said report be approved and the checks identified in the JSTP Bookkeeper's Report be approved for payment. Director Lange seconded said motion, which unanimously carried.

ADOPTION OF BUDGET FOR FYE SEPTEMBER 30, 2025

The Board considered the adoption of an operating budget for the JSTP for the District's fiscal year ending September 30, 2026. Ms. Cooper presented to and reviewed with the Board a proposed operating budget, a copy of which is attached to the JSTP Bookkeeper's Report and reviewed same with the Board. After further discussion, Director Peters moved that the operating budget for the JSTP for the fiscal year ending September 30, 2026, be adopted by the Board. Director Lange seconded said motion, which unanimously carried.

ENGAGEMENT OF AUDITOR

The Board considered the engagement of an auditor to prepare the District's general and JSTP audit reports for the fiscal year ending September 30, 2025. In connection therewith, Ms. Greenwood presented to and reviewed with the Board a proposal prepared by Forvis, a copy of which is attached hereto as **Exhibit D**. She then advised that Forvis' fees for said audits are estimated to be \$3,000 for the JSTP audit, and \$22,900 for the general audit, plus an administrative fee of approximately \$1,100 to cover items such as report production, copies, postage and delivery charges, and technology related costs. Ms. Greenwood additionally advised that Forvis has filed a Texas Ethics Commission ("TEC") Form 1295 with the TEC and has provided the District with an original of said form. After discussion on the matter, Director Peters moved that: (i) Forvis be engaged to conduct an audit of the District's financial statements and prepare the District's audit reports for the fiscal year ending September 30, 2025, in accordance with the terms of the proposal presented, (ii) the District accept Forvis' TEC Form 1295 relative to the preparation of such audit, and (iii) SPH be authorized to acknowledge the District's receipt of same with the TEC. Director Garcia seconded said motion, which unanimously carried.

JOINT SEWAGE TREATMENT PLANT ATTORNEY REPORT

Mr. Creed reminded the Board that the November 27, 2025, Board meeting was rescheduled to November 20, 2025, and the December Board meeting was rescheduled from December 25, 2025, to December 18, 2025, due to the holidays.

DISTRICT MEETING

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

COMMENTS FROM THE PUBLIC

The Board deferred consideration of comments from the public, as no comments were offered.

MINUTES

The Board considered approving the minutes of the District's August 28, 2025, Board meeting. After discussion, Director Lange moved that the August 28, 2025, Board meeting minutes be approved as written. Director Garcia seconded said motion, which unanimously carried.

FINANCIAL ADVISOR'S 2025 TAX RATE RECOMMENDATION

There followed a discussion concerning the requirements for notice of the District's intention to adopt a 2025 tax rate. Mr. Creed advised that, pursuant to the Texas Water Code, the District is required to provide a notice containing certain tax-related information in connection with each meeting at which the adoption of a tax rate will be considered. Mr. Creed further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. He advised that the District must provide the notice by either (1) publishing it at least once in a newspaper having general circulation in the District at least seven days before the date of the meeting at which the tax rate will be adopted, or (2) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least 10 days before the date of the meeting.

Ms. Eastland next presented to and reviewed with the Board a 2025 Debt Service Tax Rate Recommendation prepared by Masterson for the District, a copy of which is attached hereto as **Exhibit E**. She advised that Masterson is initially recommending a proposed 2025 debt service tax rate of \$0.21 per \$100 of assessed valuation and a proposed 2025 maintenance tax rate of \$0.25 per \$100 of assessed valuation. After an extended discussion and consideration of the near-term funding needs of the District, the Board concurred to publish its notice based on a 2025 debt service tax rate of \$0.24 and a maintenance tax rate of \$0.25. Director Peters moved that the Board indicate its intention to set a total tax rate of \$0.49 per \$100 of assessed valuation and that the District's tax assessor-collector be authorized to publish notice of the District's intention to adopt a 2025 tax rate at its next meeting in the form and at the time required by law in the *Houston Business Journal*. Director Lange seconded said motion which unanimously carried.

Director Knight entered the meeting during the discussion of the financial advisor's 2025 tax rate recommendation.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board a written Bookkeeper's Report dated September 25, 2025, a copy of which is attached hereto as **Exhibit F**. After discussion, it was moved by Director Garcia that the Bookkeeper's Report be approved and the checks identified therein be approved for payment. Director Sanches seconded said motion, which unanimously carried.

ADOPTION OF BUDGET FOR FYE SEPTEMBER 30, 2026

Ms. Cooper presented to and reviewed with the Board a proposed operating budget for the District's fiscal year ending September 30, 2026 (the "2026 Budget"), a copy of which is attached to the Bookkeeper's Report and discussed same with the Board. After discussion, Director Garcia moved that the budget for the District's fiscal year ending September 30, 2026, be adopted by the Board and District, as discussed. Director Sanches seconded said motion, which unanimously carried. The approved 2026 Budget is attached hereto as **Exhibit G**.

RATIFY PRIOR APPROVAL OF POSITIVE PAY PROGRAM

The Board considered the ratification of its prior action regarding the approval of the Positive Pay Program to be administered by MAC. After discussion, Director Garcia moved that the Board's prior action regarding the acceptance of the Positive Pay Program to be administered by MAC be ratified and approved in all respects. Director Sanches seconded said motion, which carried unanimously.

ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy"), and the adoption of a resolution in connection therewith. Mr. Creed presented to and reviewed with the Board a memorandum prepared by SPH summarizing the proposed changes to the Investment Policy, a copy of which is attached hereto as **Exhibit H**. He presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Resolution"). After discussion on the matter, Director Peters moved that the revised Investment Policy and Resolution attached hereto as **Exhibit I** be adopted to reflect the proposed changes as noted therein, and that the President and Secretary be authorized to execute same. Director Lange seconded said motion, which unanimously carried.

QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH THE DISTRICT

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Creed advised that, pursuant to the Public Funds Investment Act, the Board is required to review such list at least annually. He presented to and reviewed with the Board the Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, together with a comparison of the broker list submitted and the broker list previously adopted by the Board; the Resolution and comparison are attached hereto as **Exhibit J**. Mr. Creed further noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are placed. After discussion, Director Peters moved that: (i) the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the Board and the District, and (ii) that the President and Secretary be authorized to execute same. Director Garcia seconded said motion, which unanimously carried.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. McLaughlin presented and reviewed the Tax Assessor/Collector's Report for August 31, 2025, including the disbursements presented for payment as listed therein, a copy of which report is attached hereto as **Exhibit K**. After discussion, Director Garcia moved that said report be approved and that the disbursements identified in the report be approved for payment from the tax account. Director Sanches seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

The Board deferred action with respect to the review of a Delinquent Tax Report from the District's Delinquent Tax Collections Attorneys, Perdue, Brandon, Fielder, Collins & Mott, L.L.P., as a report was not received this month.

OPERATIONS REPORT

Mr. Vaughn presented to and reviewed with the Board a written Operations Report dated August 2025, a copy of which report is attached hereto as **Exhibit L**.

Mr. Vaughn next presented a Cut-Off List and noted that the delinquent accounts identified in the Delinquent List will be terminated if payment is not timely received, as per the District's Rate Order. A copy of the Cut-Off List is attached to the Operations Report. He then presented to and reviewed with the Board the list of delinquent utility accounts for the prior month. He requested authorization to transfer one (1) account to the uncollectable roll in the amount of \$137.29, since all collection efforts to date had been unsuccessful. After discussion on the matter, Director Peters moved that MOC be authorized to move one (1) account to the uncollectible roll in the amount of \$137.29. Director Sanches seconded said motion, which unanimously carried.

Mr. Vaughn reported on the status of one delinquent account that missed her last payment in July 2025. He noted that the customer did make a payment on September 18, 2025, and currently has a delinquent account balance of \$125.00. Mr. Vaughn noted that the customer was told on September 18th that she had one week to pay the account in full and avoid water service termination.

Mr. Vaughn next reported receipt of notice from Allstate Insurance regarding its filing of a subrogation demand in the amount of \$11,182.48, on behalf of its customer who sustained damage when their sewer backed up on December 16, 2024. Mr. Vaughn noted that MOC televised the line at the same time and removed some accumulated grease. The Board then discussed the matter and whether to pursue the subrogation claim with the District's insurance provider Mid-Continent. After discussion, Director Peters moved to (i) authorize MOC to notify the District's insurance carrier of the claim; and (ii) inspect the line for additional grease buildup.

Director Lange noted he will be sending Mr. Vaughn the location of a few manholes that need to be inspected.

ENGINEERING REPORT

Ms. Broom presented to and reviewed with the Board a written Engineering Report for the District, a copy of which report is attached hereto as **Exhibit M**. Ms. Broom reported that Accurate Meter & Supply ("Accurate") and Beacon ("Beacon") agreed to hold their proposal prices in the amount of \$937,180.00, contrary to the proposal attached to the Engineering Report.

Mr. Creed then presented to and reviewed with the Board: (i) a memorandum regarding the Beacon AMA Managed Solution Master Agreement between the District and Badger (the "Memorandum"); and (ii) a proposed Beacon AMA Managed Solution Master Agreement (the "Beacon Agreement"), copies of which are attached hereto as **Exhibit N**; (iii) a Services Agreement between Accurate Utility Supply, LLC and the District (the "Service Agreement"), a copy of which is attached hereto as **Exhibit O**; and (iv) a Resolution Authorizing Application to the Texas Commission on Environmental Quality ("TCEQ") Requesting Approval for Use of Surplus Funds And Interest Earned on Construction Funds (the "Resolution"), a copy of which is attached hereto as **Exhibit P**. After discussion, Director Lange moved to Approve the Beacon Agreement, the Services Agreement, and the Resolution. Director Sanches seconded the motion, which unanimously carried. Mr. Creed noted that SPH will work with CobbFendley to complete and submit the TCEQ application.

Ms. Broom then presented to and reviewed with the Board a copy of the draft FYE Capital Improvement Plan. A copy of the draft FYE CIP is attached to the Engineer's Report.

Ms. Greenwood exited the meeting at this time.

UTILITY COMMITMENTS AND SERVICE REQUESTS

Mr. Creed reported that SPH is awaiting the Church's comments to the draft Water Supply and Sanitary Sewer Services Agreement between the District and the Church. There was no action

by the Board on this matter at this time.

DRAINAGE FACILITY MAINTENANCE REPORT

Mr. Cocke Introduced Mr. Faubion, who will be the District's contract representative going forward. Mr. Faubion then presented to and reviewed with the Board the September 25, 2025 Maintenance Report, a copy of which is attached hereto as **Exhibit Q**.

GFL ENVIRONMENTAL STATUS REPORT

Mr. Creed presented to the Board GFL Environmental's Service Report for the month of July 2025, and call log. Copies of the report and call log are attached hereto as **Exhibit R**.

DISTRICT WEBSITE

Mr. Creed presented the Off Cinco Analytics Report to the Board for consideration, a copy of the report being attached hereto as **Exhibit S**.

EXECUTIVE SESSION

The Board determined it would not be necessary to enter into Closed Session pursuant to Texas Government Code Sections 551.071 and/or 551.076.

COMMUNICATIONS WITH HOMEOWNER'S ASSOCIATIONS ("HOA")

The Board deferred consideration of any communications with the HOA.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Creed advised the Board that he had nothing additional to discuss with the Board of a legal nature which was not covered under specific agenda items.

The Board then considered the ratification of its prior action regarding the approval of the adoption of a Resolution to Nominate a Candidate to fill a vacancy on the Harris Central Appraisal District Board of Directors. After discussion, Director Peters moved that the Board's prior action regarding the acceptance of the Positive Pay Program to be administered by MAC be ratified and approved in all respects. Director Lange seconded said motion, which carried unanimously.

FUTURE AGENDA MATTERS

The Board then considered items for placement on a future agenda. No specific agenda items, other than routine and ongoing matters and matters noted earlier in the meeting were requested.

ADJOURNMENT

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


Secretary



LIST OF ATTACHMENTS TO MINUTES

Exhibit A	Joint Plant Committee - Engineering Report
Exhibit B	Joint Plant Committee - Operations Report
Exhibit C	Joint Plant Committee - Bookkeeper's Report
Exhibit D	Audit Engagement Letter
Exhibit E	2025 Debt Service Tax Rate Recommendation
Exhibit F	Bookkeeper's Report
Exhibit G	Approved Fiscal Year Ending 2026 Operating Budget
Exhibit H	Memorandum – Debt Service Funds; CDARS; Annual Review of Investment Policy
Exhibit I	Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer
Exhibit J	Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District
Exhibit K	Tax Assessor/Collector's Report
Exhibit L	Operations Report
Exhibit M	Engineering Report
Exhibit N	Memorandum - Beacon AMA Managed Solution Master Agreement
Exhibit O	Services Agreement
Exhibit P	Resolution Authorizing Application to the Texas Commission on Environmental Quality Requesting Approval for Use of Surplus Funds and Interest Earned on Construction Funds
Exhibit Q	Double Oak Erosion Maintenance Report
Exhibit R	GFL Environmental Service Report and Call Log
Exhibit S	Off Cinco Analytics Report