

MINUTES  
HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT NO. 5

February 19, 2026

The Board of Directors (the "Board") of Harris-Waller Counties Municipal Utility District No. 5 (the "District") met in regular session, open to the public, on the 19th day of February, 2026, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board being present:

Chelsea Taylor	President
Wes Simon	Vice President
Olga M. Strong	Secretary
Cailin Loyd	Assistant Vice President
Hannah Gay	Assistant Secretary

and all of the above were present except Director Loyd, thus constituting a quorum.

Also attending the meeting were Lacy Hamilton of KGA/DeForest Design, LLC ("KGA"); David Wood of Robert W. Baird & Co. Inc.; Shamar O'Bryant of Land Tejas Development Company; David Daughtry of Kimley-Horn & Associates, Inc. ("Kimley-Horn"); Patty Rodriguez of Bob Leared Interests; Lynn Kurtz of Myrtle Cruz Inc.; Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Dana Hollingsworth and Mia Hargrove of Municipal District Services, LLC ("MDS"); Sebastian Hernandez, a resident of the District; and Jessica Holoubek, Brooke Milbauer, and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the January 15, 2026, regular meeting. After review and discussion, Director Taylor moved to approve the meeting minutes, as presented. Director Simon seconded the motion, which passed unanimously.

SECURITY SERVICES

The Board reviewed the security patrol report, a copy of which is attached.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz presented and reviewed the bookkeeper's report, investment report, and the bills presented for payment from the District's accounts, including check no. 1913 payable to Director Taylor in the amount of \$457.98 for expenses and fees from the Association of Water Board Directors ("AWBD") winter conference.

After review and discussion, Director Taylor moved to approve the bookkeeper's report and the checks presented for payment, including check no. 1913. Director Strong seconded the motion, which passed by unanimous vote. A copy of the bookkeeper's report is attached.

## ASSOCIATION OF WATER BOARD DIRECTORS

The Board discussed the recent AWBD winter conference and the AWBD summer conference that will be held from June 18-20, 2026, in Grapevine.

Following review and discussion, Director Simon moved to approve all eligible expenses from the AWBD winter conference which the bookkeeper confirmed are in compliance with the travel reimbursement guidelines and authorize attendance of any interested Directors at the AWBD summer conference. Director Taylor seconded the motion, which passed unanimously.

## TAX ASSESSOR/COLLECTOR MATTERS

Ms. Rodriguez presented and reviewed the tax assessor/collector's report, a copy of which is attached.

After review and discussion, Director Taylor moved to approve the tax assessor/collector's report and payment of the tax bills. Director Strong seconded the motion, which passed unanimously.

## ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Ms. Milbauer discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49, Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2026 tax year.

Following review and discussion, Director Taylor moved to adopt a Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developing District for the 2026 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Gay seconded the motion, which passed unanimously.

#### RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Wood reviewed a Resolution Concerning Exemptions from Taxation. After review and discussion, Director Strong moved to adopt a Resolution Concerning Exemptions from Taxation, reflecting that the District rejects a general residential homestead exemption, and rejects any exemption for disabled persons and persons 65 years of age or older, and direct that the resolution be filed appropriately and retained in the District's official records. Director Simon seconded the motion, which passed unanimously.

#### OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE; AMEND RATE ORDER

Ms. Hargrove presented and reviewed the operator's report, a copy of which is attached.

Ms. Hargrove requested authorization to write off 5 uncollectible accounts totaling \$2,287.67 and send them to the collection agency.

Ms. Hargrove then presented a list of delinquent customers to the Directors and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Ms. Hollingsworth presented and reviewed MDS's schedule of rates and adjustments to tap connection fees.

Ms. Hollingsworth discussed a news story regarding reported sediment in the water in another Sunterra district, Harris County Municipal Utility District No. 569. She stated that the sediment is not due to a water quality problem, but rather is the result of hard water being flash heated by tankless water heaters installed by some homebuilders. She noted that the District's water supply contains naturally occurring minerals within acceptable parameters as regulated by the Texas Commission on Environmental Quality ("TCEQ"). She further noted that hard water issues can

typically be resolved by residents adding a water softener to their tankless water heaters.

The Board considered amending the Rate Order to increase the sewer rate for commercial, multifamily and tax-exempt customers to better estimate costs charged by the wholesale water treatment supplier, Quadvest.

After review and discussion, Director Simon moved to (1) approve the operator's report; (2) authorize MDS to write off 5 uncollectable accounts totaling \$2,287.67 and send them to a collection agency; (3) authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records; (4) approve MDS's annual CPI adjustments; and (5) adopt the Amended Rate Order, as discussed. Director Gay seconded the motion, which passed unanimously.

#### ENGINEERING MATTERS; DEEDS, EASEMENTS, ENCROACHMENT AGREEMENTS, WAIVERS OF SPECIAL APPRAISAL, AND PLAT MATTERS

Mr. Bozarth presented and reviewed the engineer's report, a copy of which is attached. He discussed an overview of engineering matters in the District.

Following review and discussion, Director Taylor moved to approve the engineer's report. Director Simon seconded the motion, which passed unanimously.

#### PARK AND RECREATIONAL FACILITIES MATTERS

Ms. Hamilton presented and reviewed KGA's landscape architect report, a copy of which is attached.

Ms. Hamilton updated the Board on Sunterra Corner Park Parking Lot Improvements. She requested the Board authorize KGA to design the project.

Following review and discussion, Director Gay moved to (1) approve KGA's report; and (2) authorize KGA to design the project, as discussed. Director Simon seconded the motion, which passed unanimously.

Mr. Daughtry presented and reviewed Kimley-Horn's landscape architect report, a copy of which is attached.

Mr. Daughtry updated the Board on South Bartlett Road Tree Planting and Lighting Improvements-Infrastructure Only. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$3,964.50, payable to Earthworks Landscape and Maintenance, LLC.

After review and discussion, and as recommended by the landscape architect, Director Gay moved to (1) approve the landscape architect's report; and (2) approve the Pay Estimate, as presented. Director Simon seconded the motion, which passed unanimously.

## 2026 DIRECTORS ELECTION

### ACCEPT CERTIFICATE DECLARING UNOPPOSED STATUS OF CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS

Ms. Milbauer discussed procedures related to the 2026 Directors Election. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received two candidate applications for the two director positions for the May 2, 2026, Directors Election.

### ADOPT ORDER CANCELLING ELECTION AND DECLARING UNOPPOSED CANDIDATES ELECTED TO OFFICE

Ms. Milbauer presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 2, 2026, Directors Election is cancelled and that the unopposed candidates, Hannah Gay and Wes Simon are declared elected to office to serve from the May 2, 2026, election until the May 4, 2030, Directors Election. She reviewed the posting requirements for the Order Cancelling.

### AUTHORIZE CANCELLATION OF COUNTY CONTRACT FOR ELECTION SERVICES

Ms. Milbauer discussed that the Board had approved entering into a contract with Waller County (the "County") to administer the District's 2026 Directors Election.

Following review and discussion, Director Taylor moved to (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records; (2) adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office, authorize the Secretary's agent to post the Order Cancelling, as required, and direct that the Order Cancelling be filed appropriately and retained in the District's official records; and (3) cancel the contract with the County for election services for the May 2, 2026, Directors Election. Director Gay seconded the motion, which passed unanimously.

REPORT ON DEVELOPMENT

Mr. O'Bryant reported on development in the District.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

  
Secretary Board of Directors

(SEAL)



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