

MINUTES
EMERALD FOREST UTILITY DISTRICT

September 11, 2025

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in regular session, open to the public, on the 11th day of September, 2025, 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:

DeWayne High	President
Bobby G. Dillard	Vice President
William B. Schmidt	Secretary
Donald F. Brooks	Asst. Vice President
Robert M. Kimball	Assistant Secretary

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

Also present at the meeting were Danae Dehoyos of Touchstone District Services ("Touchstone"); Luly Stripling of District Data Services, Inc. ("DDS"); Erik Spencer of Vogler & Spencer Engineering, Inc. ("VSE"); Greg Lentz and Jared Welsh of Masterson Advisors LLC ("Masterson"); Lonnie Lee of Regional Water Corporation ("RWC"); Debbie Arellano of Bob Leared Interests; Bear Oakley of Usource Energy ("USource"); Sergeant William Greer of the Harris County Sheriff's Office via teleconference; and Jessica Richardson of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Oakley introduced himself to the Board. He discussed the services provided by USource and inquired about the District's current electricity contract terms

APPROVE MINUTES

The Board considered approving the minutes of the August 14, 2025, regular meeting. After review and discussion, Director Schmidt moved to approve the minutes of the August 14, 2025, regular meeting. Director Dillard seconded the motion, which passed unanimously.

WEBSITE AND COMMUNICATION MATTERS

Ms. Dehoyos presented and reviewed the website and communication report, a copy of which is attached.

Ms. Dehoyos next presented for Board consideration a draft article regarding property tax matters. Following review and discussion, the Board directed Ms. Dehoyos to publish the article on the District's website in October, after the District has levied its 2025 tax rate.

GARBAGE COLLECTION MATTERS

There was no discussion regarding garbage collection matters.

SECURITY MATTERS, INCLUDING APPROVE INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES WITH HARRIS COUNTY

The Board reviewed the monthly activity report from Harris County Sheriff's Office, a copy of which is attached.

Director Dillard updated the Board on conversations he had with Sergeant William Greer regarding the District contract with Harris County Sheriff's Office and the Board concurred to hold a special meeting on September 23, 2025, to further discuss the matter.

DISCUSS 2025 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Welsh presented and reviewed the District's 2025 tax rate analysis, a copy of which is attached. He discussed the District's 2025 certified value as determined by the Harris County Appraisal District and reviewed the District's rollback tax rate calculation. Mr. Welsh stated that Masterson recommends that the Board levy a tax rate of \$0.365 per \$100 of assessed valuation to provide for the District's debt service requirements. The Board then discussed the District's operation and maintenance tax rate.

Following review and discussion, Director Dillard moved to (1) set the public hearing date for October 9, 2025 at 2:00 p.m.; and (2) authorize the tax assessor/collector to publish notice of the District's meeting on October 9, 2025 at 2:00 p.m., to set the proposed 2025 total tax rate of \$0.615 per \$100 of assessed valuation, with \$0.365 allocated for debt service and \$0.25 allocated for operations and maintenance. Schmidt seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano presented the monthly tax report, including the delinquent tax roll, a copy of which is attached. She stated that 98.74% of the District's 2024 taxes were collected as of July 31, 2025. After review and discussion, Director Schmidt moved to approve the tax report and payment of the tax bills. Director Dillard seconded the motion, which passed unanimously.

The Board next reviewed the delinquent tax report provided by Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue Brandon"), a copy of which is attached, and reviewed a list of delinquent accounts eligible for water termination letters. After discussion, Director Schmidt moved to authorize Perdue Brandon to send letters to the District's delinquent taxpayers providing notice that the Board will consider terminating service to the delinquent taxpayers with water and sewer accounts if their respective taxes are not paid by the next regular meeting. Director Dillard seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR THE FISCAL YEAR END SEPTEMBER 30, 2025

The Board considered authorizing the District's auditor to prepare the District's audit report for the fiscal year ending September 30, 2025. The Board reviewed a letter from McCall Gibson Swedlund Barfoot Ellis PLLC ("McCall Gibson"), stating the approximate cost for preparation of the audit report is between \$15,500 and \$18,000, plus expenses. After discussion, Director Schmidt moved to authorize McCall to prepare the District's audit report for the fiscal year ending September 30, 2025. Director Dillard seconded the motion, which passed unanimously. A copy of the letter from McCall Gibson is attached.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Stripling presented and reviewed the bookkeeper's report, including the District's investments and the budget comparison, and submitted the bills for payment. In response to a question from the Board, Ms. Stripling stated that DDS has not yet invoiced Carbo Haul at this time. After review and discussion, Director Dillard moved to approve the bookkeeper's report and payment of the bills. Director Schmidt seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

ADOPT BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2026

Ms. Stripling presented and reviewed the draft budget for the fiscal year ending September 30, 2026, a copy of which is attached to the bookkeeper's report. The Board requested revisions to the property tax revenue, sludge disposal expense, and the Linnfield Detention Pond expense line items. After review and discussion, Director Schmidt moved to adopt the budget for the fiscal year ending September 30, 2026, with the noted revisions. Director Dillard seconded the motion, which passed by unanimous vote.

DETENTION POND MAINTENANCE MATTERS

The Board discussed the maintenance of the Schroeder Oaks detention pond by the Harris County Flood Control District ("HCFCD"). Mr. Spencer stated that HCFCD

has not begun maintenance of the detention pond.

OPERATION OF DISTRICT FACILITIES

Mr. Lee presented the operations report from RWC, a copy of which is attached. He reported on routine maintenance and repair items in the District, including hurricane preparedness and generator maintenance. He stated that water accountability for the prior billing cycle was 90.2%.

Mr. Lee updated the Board on the status of the bacteriological testing and monitoring required by the TCEQ as part of the conditional approval for the water well exception request. He stated that there were no excursions found.

Mr. Lee presented and reviewed with the Board a written appeal from the customer at 9703 Pine Pass Drive requesting approval of a three-month payment plan for their unusually high bill due to a water line leak.

Mr. Lee then presented and reviewed with the Board a written appeal from the customer at 11522 Ridge Run Drive requesting approval of either a four-month or six-month payment plan for their unusually high bill due to a toilet leak.

After review and discussion, Director Dillard moved to: (1) approve the operator's report; (2) authorize a three-month payment plan for the customer at 9703 Pine Pass Drive; and (3) authorize a four-month payment plan for the customer at 11522 Ridge Run Drive. Director Schmidt seconded the motion, which passed unanimously.

Discuss ensued regarding a vacant home in the District at which a homicide was committed, and the Board concurred to authorize RWC to move forward with water termination procedures for the account.

HEARING REGARDING TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of water and sewer service to delinquent accounts. Mr. Lee stated that the residents on the list were delinquent in payment of their water and sewer bills and had been given written notification prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct the utility service bills and to show reason for nonpayment, all in accordance with the District's Rate Order. After discussion, Director Dillard moved that, because the customers on the list were neither present at the meeting nor had presented any written statement on the matter, water and sewer service for accounts totaling \$10 or more would be terminated the following week in accordance with the District's Rate Order, except (i) accounts in compliance with payment agreements, and (ii) commercial accounts, which are to be contacted first by RWC and then terminated the following Tuesday if payment has not been received, subject to confirmation that the date of the

Board meeting included in the delinquent notice was correct. Director Schmidt seconded the motion, which passed unanimously.

SECURITY MATTERS, INCLUDING APPROVE INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES WITH HARRIS COUNTY

The Board determined to re-open discussion of security matters.

Sergeant Greer updated regarding security patrol matters in District.

ENGINEERING MATTERS

Mr. Spencer reviewed the engineer's report, a copy of which is attached.

FEASIBILITY STUDIES, PLAN REVIEWS, AND SERVICE REQUESTS

Mr. Spencer updated the Board on the status of the pending plan reviews and service requests, as reflected in his report.

Mr. Spencer updated the Board on VSE's coordination with the three businesses on FM 1960 on connecting to the District's utility system.

Mr. Spencer reported that VSE is awaiting revised plans from Cy Fair Independent School District's proposed renovations.

Mr. Spencer reported that VSE is in the processes of preparing a cost estimate for a sanitary sewer extension to serve the proposed 21-acre tract to be purchased by Quick Trip. He reviewed with the Board the location and layout of the proposed extension. The Board noted no action should be taken until Quick Trip closes on the property.

WASTEWATER TREATMENT PLANT GENERATOR REPLACEMENT PROJECT

Mr. Spencer updated the Board on the status of design of the wastewater treatment plant generator replacement project, noting that plans have been submitted to the City of Houston and Harris County appropriately.

GREEN CREEK LIFT STATION GENERATOR REPLACEMENT PROJECT

Mr. Spencer updated the Board on the status of design of the Green Creek lift station generator replacement project, noting that plans have been submitted to the City of Houston and Harris County appropriately.

WATER PLANT NO. 3 GENERATOR REPLACEMENT PROJECT

Mr. Spencer updated the Board on the status of design of the water plant no. 3 generator replacement project, noting that plans have been submitted to the City of Houston and Harris County appropriately.

UPDATE REGARDING EXCEPTION REQUESTS FROM TCEQ AND COMPLIANCE WITH ENFORCEMENT ORDER

There was no discussion on this agenda item.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Mr. Spencer updated the Board on the following projects included in the District's five-year Capital Improvement Plan:

1. Sanitary sewer cleaning and televising of Turtle Lake Sections 1 & 2 and Turtle Hill Village;
2. Linnfield Detention Pond; and
3. Lift Station No. 2.

Mr. Spencer requested authorization for VSE to proceed with soliciting bids for the sanitary sewer cleaning and televising of Turtle Lake Sections 1 & 2 and Turtle Hill Village. Following discussion, Director Schmidt moved to authorize VSE to solicit bids for the project as requested. Director Dillard seconded the motion, which passed unanimously.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

ANNEXATION AGREEMENT

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

Mr. Spencer reported that VSE is reviewing the plans of Harris County for Cypress North Houston Road from Jones Road to Perry Road to determine if there will be any impact to the District.

ANNUAL REPORT TO BOND REVIEW BOARD

The Board reviewed a memorandum regarding the required submission of an annual report to the Bond Review Board containing certain information about the

District's voter-approved but unissued bonds, and noting that ABHR will work with the District's consultants to prepare and submit the annual report by the required deadline. A copy of the memorandum is attached.

ATTORNEY'S REPORT

There was no discussion regarding this matter.

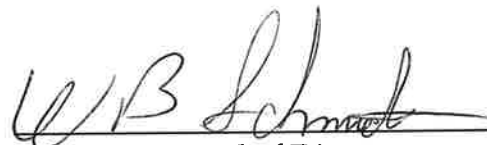
DISCUSS MEETING SCHEDULE

The Board discussed its meeting schedule and concurred to hold its next regular meeting on October 9, 2025, at 2:00 p.m., and confirmed its intent to hold a special meeting on September 23, 2025, at 3:00 p.m.

There being no further matters to come before the Board, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

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