

CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY

Minutes of Meeting of Board of Directors
November 5, 2025

The Board of Directors of Central Harris County Regional Water Authority met in regular session, open to the public on November 5, 2025, in accordance with the duly posted notice of meeting. The roll was called of the duly constituted members of said Board of Directors, as follows:

Margaret L. Cox, President
Julian F. Boddy, Vice President
David Granadino, Secretary
Judge Caston, III, Assistant Secretary
Ashley Thompson, Assistant Secretary

all of whom were present, except Director Granadino, thus constituting a quorum.

Also attending the meeting were: Marcel Khouw and John Hale of IDS Engineering Group, Inc. ("IDS"), engineer for the Authority; Tina Tran of Forvis Mazars, LLP ("Forvis"), bookkeeper for the Authority; Jared Martin of Municipal Operations and Consulting, Inc. ("MOC"), operator for the Authority; Chase Widener of Quiddity Engineering, LLC, representing Harris County Municipal Utility District No. 200 ("No. 200"), Harris County Municipal Utility District No. 205 ("No. 205"), and Rankin Road West Municipal Utility District ("Rankin Road"); Marcus Jones and Bridget Smith of Harris County Municipal Utility District No. 399 ("No. 399"); Roosevelt Johnson of Harris County Municipal Utility District No. 150 ("No. 150"); and Abraham I. Rubinsky and Cullen Richardson of Schwartz, Page & Harding, L.L.P. ("SPH"), attorneys for the Authority.

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

COMMENTS FROM THE PUBLIC

Mr. Rubinsky noted that the first item on the agenda was to open the meeting for public comments. There were no comments received from the public in attendance at the meeting at this time.

APPROVAL OF MINUTES

The Board next deferred approval of the minutes of its meeting held October 1, 2025.

STATUS OF THE AUTHORITY'S PROPOSED SALE OF \$8,000,000 CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY REVENUE BONDS, SERIES 2025 (THE "SERIES 2025 BONDS")

Mr. Rubinsky next discussed various actions to be taken in connection with the issuance of the Authority's Series 2025 Bonds, including the documentation to be presented for the Board's approval at tonight's meeting in connection therewith. Mr. Rubinsky advised the Board that, subject to its approval of such documentation, the Texas Water Development Board ("TWDB") will purchase the Authority's Series 2025 Bonds at a net effective interest rate of 3.863346%. Mr. Rubinsky further advised the Board that, according to John Howell, the Authority's Financial Advisor, the TWDB has calculated savings to the Authority over the life of the Bonds of approximately \$1,900,000 over a conventional financing, although Mr. Howell believes the savings may not be quite that high.

BOND RESOLUTION

Mr. Rubinsky next presented to and reviewed in detail with the Board the Resolution Authorizing the Issuance of the Series 2025 Bonds attached hereto as **Exhibit A**. After discussion, Director Boddy moved to approve the Resolution Authorizing the Issuance of the Series 2025 Bonds and authorized the President to execute the Bond Resolution and the Assistant Secretary to attest same on behalf of the Board and the Authority. Director Caston seconded said motion, which unanimously carried.

PRIVATE PLACEMENT MEMORANDUM

Mr. Rubinsky next presented to and reviewed with the Board a Private Placement Memorandum relating to the Series 2025 Bonds. After discussion, Director Boddy moved to approve the Private Placement Memorandum. Director Caston seconded said motion, which unanimously carried.

PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered approval and execution of a Paying Agent/Registrar Agreement by and between the Authority and Zions Bancorporation, National Association ("Zions"), in connection with the Series 2025 Bonds. After discussion, Director Boddy moved to approve the Paying Agent/Registrar Agreement by and between the Authority and Zions and authorize the President to execute the Agreement on behalf of the Board and the Authority. Director Caston seconded said motion, which unanimously carried.

ESCROW AGREEMENT

The Board next considered approval and execution of an Escrow Agreement by and between the Authority and Zions. After discussion, Director Boddy moved to approve the Escrow Agreement by and between the Authority and Zions and authorize the President to execute the Escrow Agreement on behalf of the Board and the Authority. Director Caston seconded said motion, which unanimously carried.

ATTORNEY GENERAL FEES

The Board next considered authorizing the District's Bookkeeper to wire funds for payment of the Attorney General's fees in connection with the review of the transcript of proceedings relative to the issuance of the Series 2025 Bonds. Mr. Rubinsky advised that the fee for said review is \$8,000.00. After discussion on the matter, Director Boddy moved that the District's Bookkeeper be authorized to wire funds in the amount of \$8,000.00 to the State Comptroller of Public Accounts for payment of said fee. Director Caston seconded said motion, which unanimously carried.

REVIEW, APPROVE AND AUTHORIZE THE FILING OF THE INTERNAL REVENUE SERVICE FORM 8038-G RELATIVE TO THE SERIES 2025 BONDS

The Board next considered review, approval and execution of Form 8038-G relative to the Series 2025 Bonds. Mr. Rubinsky explained the purpose of Form 8038-G and the filing requirements applicable to same. After discussion and review, Director Boddy moved that the Form 8038-G be approved and that the President be authorized to execute same on behalf of the Board and the Authority. Director Caston seconded said motion, which unanimously carried.

OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2025 BONDS

As the next order of business, the Board considered acting upon any other matters relative to the Series 2025 Bonds. Mr. Rubinsky presented to and reviewed with the Board the General Certificate, Signature Identification and No-Litigation Certificate with Letter of Instruction to the Attorney General, and the Initial Bonds relative to the sale of such Series 2025 Bonds. After further discussion concerning said matters, upon motion made by Director Boddy, seconded by Director Caston and unanimously carried, the Board approved such documents and authorized SPH to handle all matters relative to the sale and closing of the Series 2025 Bonds.

There was next discussion regarding the approval of certain documents to be utilized at the closing relative to the issuance of the Authority's Series 2025 Bonds. Mr. Rubinsky reviewed the subject documents with the Board. After discussion on the matter, Director Boddy moved that: (i) the closing documents be approved and that the President be authorized to execute and the Assistant Secretary to attest same on behalf of the Board and the Authority; (ii) SPH be authorized to approve closing on the sale of the Series 2025 Bonds, which is scheduled for December 10, 2025, at 10:00 a.m.; and (iii) upon closing, the proceeds of the Series 2025 Bonds be disbursed in accordance with The GMS Group, L.L.C.'s Closing Memorandum. Director Caston seconded said motion, which unanimously carried.

Mr. Rubinsky additionally presented and reviewed correspondence from SPH, as Bond Counsel for the issuance of the Series 2025 Bonds, to the Board regarding certain provisions of the federal tax law and regulations of the Internal Revenue Service pertaining to the expenditure and investment of proceeds of the Series 2025 Bonds. A copy of said correspondence is attached hereto as **Exhibit B**. Mr. Rubinsky advised the Board that certain periodic reviews and reports would be required to monitor compliance with the requirements set forth therein and that arbitrage

rebate or yield reduction payments could be required to be made based on said review and reports. Mr. Rubinsky also advised the Board that the Authority's Bookkeeper will monitor investment rates and debt service and reserve fund balances. Mr. Rubinsky advised the Board, however, that compliance with the requirements is the responsibility ultimately of the Board. In connection with same, Mr. Rubinsky reminded the Board that the Authority previously engaged Municipal Risk Management Group, L.L.C. to evaluate such compliance and to assist the Authority and its Bookkeeper with any calculations and reporting requirements.

BOOKKEEPER'S REPORT

Ms. Tran presented the Bookkeeper's Report dated November 5, 2025, a copy of which is attached hereto as **Exhibit C**, including Cash Flows for the Authority's various funds for the period commencing October 1, 2025, through November 5, 2025, the disbursements presented for payment from the Authority's accounts, a Summary of Investments, a Debt Service Schedule, a Budget Comparison for the month of September 2025 and the first nine months of the Authority's fiscal year ending December 31, 2025, and a Summary of Pumpage Fees and Surface Water Fees paid by Member Districts through September 30, 2025. After discussion, it was moved by Director Boddy that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment from the Authority's various accounts, plus (i) a wire transfer of funds to V&S Construction in the amount of \$1,841,655.20 for Pay Application No. 5 in connection with Bid Package 1 of the 2025 Internal Distribution System, and (ii) additional check no. 6509 issued to Amegy Bank in the amount of \$2,200.00 for paying agent/registrar and escrow agent fees, and check no. 6510 issued to Director Boddy in the amount of \$138.52 for a per diem for November 3, 2025. Director Caston seconded said motion, which unanimously carried.

FINANCIAL ADVISOR'S REPORT

The Board next considered the Financial Advisor's Report. Mr. Rubinsky advised the Board that there was nothing new to report regarding the resolution of the outstanding issues related to the City of Houston's ("COH") FY 2019, FY 2020, FY 2021, FY 2022, FY 2023, and FY 2024 True Up Reports relative to operation and maintenance costs of the Northeast Water Purification Plant ("NEWPP") for each of said fiscal years.

ENGINEER'S REPORT

Mr. Khouw presented to and reviewed with the Board a written Engineer's Report dated November 5, 2025, a copy of which is attached hereto as **Exhibit D**, and updated the Board on the status of various matters of interest to the Authority.

Mr. Khouw reported to the Board regarding the ground water usage, surface water usage, and total water usage, as well as the status of compliance with the Harris-Galveston Subsidence District ("HGSD") permit requirements, as detailed in the Engineer's Report. Mr. Khouw noted that surface water usage through September 2025 was 388.925 MG, which equaled 64.72% of total water usage in the Authority through such date.

Mr. Khouw next advised the Board that IDS will be updating the Authority's Groundwater Reduction Plan ("GRP") to include North Forest Municipal Utility District's ("North Forest") water demand requirements once the proposed GRP Participation Agreement between the Authority and North Forest has been executed. In that regard, Mr. Rubinsky then presented to and discussed with the Board a revised Petition for Annexation and GRP Participation Agreement between the Authority and North Forest (the "Agreement"). Mr. Rubinsky advised that, pursuant to the Agreement, North Forest formally petitions the Authority for annexation into its boundaries pursuant to Texas Special Districts Local Laws Code, Section 8815.006, to be effective immediately upon execution of an agreement between North Forest and the COH terminating the City of Houston Water Supply and Groundwater Reduction Plan Wholesale Agreement for Area 3 of the Harris-Galveston Subsidence District between said parties, and to be added to the Authority's GRP, effective June 1, 2026, the beginning date of the Authority's next aggregate water well permit to be issued by the Subsidence District. Mr. Rubinsky then reviewed various pertinent terms and conditions set forth in the Agreement. After discussion on the matter, it was moved by Director Caston, seconded by Director Boddy and unanimously carried, that: (i) the Board find that the annexation of all property within North Forest and the addition of North Forest to the Authority and its GRP, pursuant to the terms and conditions of the Agreement, is feasible, practical and to the advantage of the Authority, and that the Authority's system and other improvements are or will be sufficient to serve North Forest, as required by the GRP, without harming the territory already in the Authority or the Authority's Member Districts; (ii) the GRP Participation Agreement between the Authority and North Forest be approved; and (iii) the President be authorized to execute same on behalf of the Board and the Authority, subject to North Forest's approval of SPH's minor comments to the Agreement, with the GRP Participation Agreement to be effective as of the date North Forest's GRP Agreement with the COH is terminated.

With respect to the request received from the HGSD for an update regarding the implementation of the Authority's GRP, Mr. Khouw advised that he and Mr. Rubinsky will now attend the HGSD's meeting scheduled for December 10, 2025, to provide an update regarding the implementation of the Authority's GRP.

Mr. Khouw advised the Board that a request has been submitted to the TWDB for the release of the interest earnings derived from the investment of the proceeds from the Authority's Series 2015, 2016 and 2017 Bonds.

Mr. Khouw next advised the Board that IDS will complete the Historically Underutilized Business (HUB) Project Participation Forms required by the TWDB in connection with projects financed through the State Water Implementation Fund for Texas for State Fiscal Years 2024 and 2025 and file same with the TWDB prior to November 7th the deadline.

Mr. Khouw next addressed the Board concerning the status of discussions with the COH regarding the COH's request to tie-in to the Authority's 2025 Internal Distribution System to serve four (4) municipal utility districts located both north and south of Beltway 8 and in the vicinity of Veteran's Memorial Drive, which are participants in the COH's GRP, as further detailed in the Engineer's Report. In that regard, he advised the Board that IDS has reviewed the draft Interlocal Cost Sharing Agreement between the Authority and the COH relating to the COH's participation

in the project, and has provided comments to same to SPH. Mr. Khouw further reported that the COH's design consultant is working on the Point of Connection to the Authority's system and that the COH has provided preliminary plans, which IDS is in the process of reviewing.

Mr. Khouw next reported that IDS is continuing to coordinate with the North Harris County Regional Water Authority ("NHCRWA") regarding the Authority's participation in the NHCRWA's Hardy Road Line (Project 23) in order to serve No. 16 in the future. He noted that the NHCRWA is experiencing some delays with this particular line due to conflicts in the proposed route for the line.

Mr. Khouw next addressed the Board concerning the status of the NEWPP Expansion Project, as further detailed in the Engineer's Report. Mr. Khouw reported that, overall, the project is now approximately 98% complete. Mr. Khouw advised the Board that the Houston Waterworks Team ("HWT") has submitted an updated schedule to the COH, which indicates that they now anticipate achieving Phase 2 substantial completion on November 10, 2025 (106 days behind schedule). Mr. Khouw further advised the Board that the COH has issued Consensus Item No. 48 in connection with the approval for the use of previously allocated funds, including Management Reserve Funds and existing NEWPP Operation and Maintenance Funds, to continue the Project Advisor/Technical Consultant services in connection with the NEWPP Expansion Project through June 30, 2028. Mr. Khouw reported that Facility Management Committee (FMC) Consensus Item No. 2 has been received from the COH for Carollo to assist the COH operations and maintenance staff in operating the NEWPP Expansion. He noted that both Consensus Item No. 48 and FMC Consensus Item No. 2 have been approved by all regional water authorities.

Mr. Khouw next reported to the Board concerning the status of construction of Phase I of the Northeast Transmission Line ("NETL"). Mr. Khouw advised the Board that all of the thirteen (13) projects that make up Phase I of the NETL are complete and ready to receive water. He further reported that the COH is working on the project true-up.

Mr. Khouw next advised the Board that the NHCRWA is working on the final accounting of costs for Phase II of the NETL, including Projects 25C, 25D and 25E, the segments of the NHCRWA's 84-inch transmission line in which the Authority is participating, and that the NHCRWA will invoice the Authority for its share of the project costs once its accounting is complete.

Mr. Khouw next reported to the Board regarding the status of the Authority's 2025 Internal Distribution System, as further detailed in the Engineer's Report. Mr. Hale then reviewed the detailed status report for the construction of Bid Package 1 of the 2025 Internal Distribution System (the "Project") attached to the Engineer's Report. Mr. Hale reported that V&S Construction has submitted Pay Application No. 5 in the amount of \$1,841,655.20 for work completed through October 20, 2025. Mr. Hale recommended that Pay Application No. 5 be approved by the Board. After discussion, it was moved by Director Caston, seconded by Director Boddy and unanimously carried, that Pay Application No. 5 be approved by the Board, as recommended by the Authority's engineer. Mr. Khouw noted that IDS will finalize Bid Package 2 of the Project after the closing on the Series 2025 Bonds in December 2025.

OPERATOR'S REPORT

Mr. Martin presented to and reviewed with the Board a written Operator's Report for the month of October 2025, a copy of which is attached hereto as **Exhibit E**. Mr. Martin stated that he had no action items for the Board's consideration this month.

APPROVAL OF SIXTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN MOC AND THE AUTHORITY

Mr. Martin next presented to and reviewed with the Board a proposed Sixth Amendment to Professional Services Agreement by and between MOC and the Authority (the "Sixth Amendment"), a copy of which is attached hereto as **Exhibit F**, providing for a nominal increase in MOC's rates, as reflected on Attachment "A" to the proposed Sixth Amendment. Mr. Martin advised the Board that the Sixth Amendment also provides for an annual automatic Consumer Price Index increase, not to exceed 10%. After discussion on the matter, it was moved by Director Boddy, seconded by Director Caston and unanimously carried, that the Sixth Amendment be approved, and that the President be authorized to execute same on behalf of the Board and the District, subject to final review and approval by SPH and the receipt of a Texas Ethics Commission Form 1295 from MOC.

GOVERNMENT AFFAIRS UPDATE

Mr. Rubinsky next presented to and reviewed with the Board a Government Affairs Update received from C.J. Tredway, dated November 5, 2025, a copy of which is attached hereto as **Exhibit G**. No action was taken by the Board in connection with said matter. Mr. Rubinsky also distributed an article published in *The Texas Tribune* on November 4, 2025, a copy of which is attached hereto as **Exhibit H**, regarding the passage of Proposition 4, which authorizes \$20 billion in State funding over the next 20 years to fix existing infrastructure, develop new water sources and support conservation efforts to help meet the State's increasing water needs.

ANNUAL EMINENT DOMAIN FILING

Mr. Rubinsky next advised the Board that, pursuant to §2206.154, Texas Government Code, all political subdivisions with the power of eminent domain, including the Authority, are required to file an annual eminent domain report by February 1 of each year with the Texas Comptroller of Public Accounts (the "Comptroller"). He requested the Board's authorization for SPH to prepare and file such annual report. After discussion, it was moved by Director Thompson, seconded by Director Caston and unanimously carried, that the Board authorize SPH to file the annual eminent domain report with the Comptroller on behalf of the Authority prior to February 1, 2026.

DESIGNATION OF A REPRESENTATIVE TO VOTE IN THE ASSOCIATION OF WATER BOARD DIRECTORS BYLAWS AMENDMENTS AND ELECTIONS

The Board next considered designating a representative to vote in the Association of Water Board Directors bylaws amendments and elections on behalf of the Board and the Authority. After

discussion on the matter, it was moved by Director Boddy, seconded by Director Caston and unanimously carried, that Director Thompson be so designated.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. Mr. Rubinsky reported to the Board regarding an Open Records Request received this past month and SPH's response to same on behalf of the Board and the Authority. No action was required of the Board in connection with this matter at this time.

DISCUSSION REGARDING STATUS OF AUTHORITY WEBSITE AND OTHER COMMUNICATIONS WITH MEMBER DISTRICTS

Mr. Rubinsky noted that there was no new activity to report in connection with the Authority's website or other communications with Member Districts.

CLOSED SESSION

At 8:02 p.m., the Board President announced that the Board would meet in Closed Session to consult with the Authority's attorney pursuant to matters authorized by Texas Government Code, Section 551.071 (consultation with Attorney regarding pending or contemplated litigation or matters protected by attorney-client privilege). At this time, all those present, with the exception of the Board, Mr. Khouw, Mr. Hale, Mr. Rubinsky, and Mr. Richardson, exited the meeting.

At 8:10 p.m., the Board President announced that the Board would reconvene in Open Session. No action was taken by the Board as a result of the discussions conducted in Closed Session.

ITEMS TO BE PLACED ON NEXT AGENDA PERTINENT TO THE AUTHORITY

The Board considered items for placement on future agendas. Except as may be reflected above, there were no additional agenda items requested other than routine, ongoing matters.

Mr. Rubinsky noted that the next regular meeting of the Board is scheduled for Wednesday, December 3, 2025, at 6:00 p.m., at the offices of IDS.

ADJOURN MEETING

There being no further business to come before the Board, on motion made by Director Caston, seconded by Director Thompson, and unanimously carried, the meeting was adjourned.

Ast. Judge Caston

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bond Resolution – Series 2025 Bonds
- Exhibit B Arbitrage Letter – Series 2025 Bonds
- Exhibit C Bookkeeper's Report
- Exhibit D Engineer's Report
- Exhibit E Operator's Report
- Exhibit F Sixth Amendment to Professional Services Agreement
- Exhibit G Government Affairs Update
- Exhibit H Article Published in *The Texas Tribune*