

CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY

Minutes of Meeting of Board of Directors October 1, 2025

The Board of Directors of Central Harris County Regional Water Authority met in regular session, open to the public on October 1, 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

all of whom were present, 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; John Howell of The GMS Group, L.L.C. ("GMS"), financial advisor for the Authority; Marcus Jones, Bridget Smith, and Ashley Thompson of Harris County Municipal Utility District No. 399 ("No. 399"); Roosevelt Johnson and Oliver Agard of Harris County Municipal Utility District No. 150 ("No. 150"); Linda Watkins of Fallbrook Utility District ("Fallbrook"); Robert Blackshear of Rankin Road West Municipal Utility District; 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. Mr. Rubinsky then read a note received from Deborah Gower, wife of former Director Tom Gower, thanking the Board for the flowers that were sent to her after the passing of Director Gower.

APPROVAL OF MINUTES

The Board next considered approval of the minutes of its meetings held August 6, 2025, and September 3, 2025. After discussion regarding the minutes, Director Granadino moved that the minutes of both meetings held August 6, 2025, and September 3, 2025, be approved as presented. Director Boddy seconded said motion, which unanimously carried.

STATUS OF SPECIAL DIRECTOR APPOINTMENT PROCESS AND ADOPTION OF ORDER DECLARING UNOPPOSED NOMINEE ELECTED TO BOARD OF DIRECTORS

Mr. Rubinsky next discussed with the Board the status of the special appointment process in connection with the vacancy on the Board for the office of Director for Director Precinct No. 3 as a result of the passing of Director Gower. He advised that SPH had received one (1) nominating Resolution from No. 399 prior to the September 10, 2025 deadline nominating Ashley Thompson for the Director Precinct No. 3 position and that, in accordance with the authorization granted in the Authority's creation legislation, the Board is authorized to declare unopposed candidates to be elected. After discussion, Director Boddy moved that Ashley Thompson be declared unopposed with respect to the Director Precinct No. 3 position, and that the Order Declaring Unopposed Nominee Elected to Board of Directors attached hereto as **Exhibit A** be adopted by the Board declaring Ashley Thompson appointed to the position for which she was nominated for a term expiring on May 15, 2026, and that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the Authority. Director Caston seconded said motion, which carried unanimously.

ACCEPTANCE OF OFFICIAL BOND, STATEMENT OF ELECTED OFFICER, AFFIDAVIT OF CURRENT DIRECTOR, AND OATH OF OFFICE FOR ELECTED DIRECTOR

In connection with her election as a Director of the Authority, Ashley Thompson presented her Statement of Elected Officer and Affidavit of Current Director and took her Oath of Office. Ms. Thompson also presented her Official Bond to the Board and the Board found said Bond to be in proper form. After discussion on the matter, it was moved by Director Caston, seconded by Director Granadino and unanimously carried, that the Board approve said Bond, accept said Statement of Elected Officer, Affidavit of Current Director, and Oath of Office and declare Ashley Thompson to be a duly elected and qualified Director of the Authority.

ELECTION NOT TO DISCLOSE CERTAIN INFORMATION

Mr. Rubinsky advised the Board that, pursuant to Section 552.024 of the Texas Government Code, Directors are permitted to elect to withhold public access to certain information in the custody of the Authority relating to home addresses, home telephone numbers, social security numbers and information regarding family members. Following discussion, Director Thompson executed an Election Not to Disclose Certain Information presented for such purpose.

DIRECTOR TRAINING REQUIREMENTS

Mr. Rubinsky discussed with the Board the training requirements for public officials in Texas in connection with the election of Ashley Thompson as a Director of the Authority. He advised that public officials, including Directors of the Authority, must complete separate training courses regarding the Texas Open Meetings Act and the Texas Public Information Act. Mr. Rubinsky reported that Director Thompson has previously completed the training courses in

connection with her service as a Director of No. 399, and that SPH will request copies of her training certificates from the attorney for No. 399 for the Authority's files.

CONFLICTS DISCLOSURE REPORTING REQUIREMENTS

Mr. Rubinsky next discussed with the Board the conflicts disclosure statement reporting requirements for officers of certain local governmental entities, including water authority directors, pursuant to Chapter 176 of the Local Government Code. Mr. Rubinsky advised the Board that Director Thompson had been presented with a Memorandum and Questionnaire prepared by SPH summarizing the conflicts disclosure requirements, and that Director Thompson has completed the conflicts disclosure Questionnaire.

REORGANIZATION OF THE BOARD AND ELECTION OF OFFICERS

The Board considered its reorganization and the election of officers of the Board and the Authority. After discussion, Director Boddy moved that Director Thompson be nominated for and elected to the position of Assistant Secretary. Director Granadino seconded said motion, and with no other nominations, the motion unanimously carried. It was then determined that all remaining Directors would continue to serve on the Board in their current respective positions.

DISTRICT (AUTHORITY) REGISTRATION FORM

The Board next considered approving a District (Authority) Registration Form required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Rubinsky advised that, with the Board's approval, SPH will complete the District (Authority) Registration Form to reflect the election of and mailing address for Director Thompson and file the form with the TCEQ within thirty (30) days. After further discussion of the matter, Director Granadino moved that the Board authorize SPH to complete the District (Authority) Registration Form as discussed and file same with the TCEQ. Director Caston seconded said motion, which unanimously carried.

LOCAL GOVERNMENT OFFICERS LIST

Mr. Rubinsky advised the Board that the Authority is required to maintain a list of Local Government Officers, which includes the members of the Board and the Authority's Investment Officers in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Caston moved that SPH be authorized to update the Authority's list of local government officers as required by law. Director Boddy seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Tran presented the Bookkeeper's Report dated October 1, 2025, a copy of which is attached hereto as **Exhibit B**, including Cash Flows for the Authority's various funds for the period commencing September 3, 2025, through October 1, 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 August 2025 and the first eight 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 August 31, 2025. After discussion, it was moved by Director Granadino that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment from the Authority's various accounts (with the exception of check no. 6462 approved last month which was voided and re-issued as check no. 6483 today), plus additional check no. 6465 issued to Ninyo & Moore in the amount of \$5,895.00. Director Boddy seconded said motion, which unanimously carried.

Mr. Rubinsky next addressed the Board concerning the efforts of SPH, IDS, and Forvis to obtain the release from escrow by the Texas Water Development Board ("TWDB") of the interest earnings derived from the investment of the proceeds from the Authority's Series 2015, 2016 and 2017 Bonds. Mr. Rubinsky advised the Board that SPH is also working with Municipal Risk Management Group, L.L.C. and Arbitrage Compliance Specialists, Inc. to determine the estimated arbitrage rebate or yield reduction payments that may be due to the Internal Revenue Service in connection with the Series 2015, 2016 and 2017 Bonds in order to ensure that sufficient funds are retained and available for said payment upon the applicable due dates.

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.

Mr. Howell next addressed the Board concerning the status of the sale of the Authority's Bonds to the Texas Water Development Board ("TWDB"). In that regard, he presented for the Board's review a preliminary Debt Service Schedule for the Series 2025 Bonds, a copy of which is attached hereto as **Exhibit C**. He noted that the interest rates will be final tomorrow and are expected to be better than those presented today. Mr. Rubinsky advised the Board that the sale of the Series 2025 Bonds will occur on November 5, 2025, with the closing to occur on or about December 10, 2025.

Mr. Howell next discussed the Authority's Long Term Financial Plan. In that regard, he presented to and reviewed with the Board two (2) spreadsheets, copies of which are attached hereto as **Exhibit D**, including (i) 2025 Projected Annual Cash Flow Analysis and Available Reserves Analysis with 2025 TWDB State Water Implementation Revenue Fund for Texas ("SWIRFT") Bonds, and (ii) Projected Debt Service with \$8,000,000 TWDB SWIRFT Bond Financing with TWDB's September Rates. Mr. Howell advised the Board that he does not anticipate there will be a need to increase the Authority's Surface Water Fee or Groundwater Reduction Plan Pumpage Fee for the foreseeable future.

ENGINEER'S REPORT

Mr. Khouw presented to and reviewed with the Board a written Engineer's Report dated October 1, 2025, a copy of which is attached hereto as **Exhibit E**, 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 Mr. Martin will provide the Board with updated numbers in his Operator's Report.

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. Mr. Rubinsky then discussed the terms of the proposed GRP Participation Agreement. After discussion on the matter, it was moved by Director Caston, seconded by Director Granadino and unanimously carried, that the GRP Participation Agreement between the Authority and North Forest be approved and that the President be authorized to execute same on behalf of the Board and the Authority, subject to the receipt of final comments from North Forest and the approval of same by SPH, with the GRP Participation Agreement to be effective as of the date North Forest's GRP Participation Agreement with the COH is terminated, which is anticipated to occur on or about January 1, 2026.

Mr. Khouw advised the Board that a request for annexation had been received from No. 399, as further detailed in the Engineer's Report. He noted that No. 399 is not requesting additional water capacity from the Authority in connection with the annexation and that, as a result, the annexation will not affect the Authority's GRP.

Mr. Khouw advised the Board that Harris County Utility District No. 16 ("No. 16") is evaluating its long term service plan and investigating options to increase resiliency to its system, including annexation to the Authority's surface water disinfection system.

With respect to the invitation received from the HGSD for attendance at either its October, November or December 2025 Board meetings in order to provide an update regarding the implementation of the Authority's GRP, Mr. Rubinsky advised that the HGSD has been notified that he and Mr. Khouw will attend the HGSD's meeting scheduled for November 12, 2025, to provide an update regarding the implementation of the Authority's GRP.

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, Mr. Rubinsky reported that a draft Interlocal Cost Sharing Agreement between the Authority and the COH relating to the COH's participation in the project has been received from the COH, and that SPH is in the process of reviewing same.

Mr. Khouw next reported to the Board that the NHCRWA is beginning the design of its Hardy Road Line (Project 23). He further reported that IDS is continuing to coordinate with the NHCRWA regarding the Authority's participation in the line in order to serve No. 16 in the future and the location of No. 16's take point on such 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 October 6, 2025 (70 days behind schedule). Mr. Khouw reported, however that HWT has submitted an updated change order requesting an additional 120 days to reach Phase 2 substantial completion and that the COH is currently evaluating such request. Mr. Khouw further advised the Board that the COH has issued Consensus Item No. 47 in connection with the approval for the use of previously allocated funds, including Management Reserve Funds, to continue the Project Advisor/Technical Consultant services in connection with the NEWPP Expansion Project, and noted that Consensus Item No. 47 has 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 construction of 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. 4 in the amount of \$1,606,025.18 for work completed through September 20, 2025. Mr. Hale recommended that Pay Application No. 4 be approved by the Board. After discussion, it was moved by Director Caston, seconded by Director Granadino and unanimously carried, that Pay Application No. 4 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 September 2025, a copy of which is attached hereto as **Exhibit F**. Mr. Martin stated that he had no action items for the Board's consideration this month.

Mr. Martin next requested that an item be added to the agenda for next month's meeting regarding the consideration of an amendment to the Professional Services Agreement between the District and MOC.

GOVERNMENT AFFAIRS UPDATE

Mr. Rubinsky next presented to and reviewed with the Board a Government Affairs Update received from C.J. Tredway, dated October 1, 2025, a copy of which is attached hereto as **Exhibit G**. No action was taken by the Board in connection with said matter.

ATTORNEY'S REPORT

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

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. However, Mr. Rubinsky distributed a Quarterly Analytics Report provided by The Texas Network ("TTN") for the period July 1, 2025, through September 30, 2025, a copy of which is attached hereto as **Exhibit H**. Mr. Rubinsky noted that SPH is working with TTN to update or correct certain information contained on the Authority's website.

CLOSED SESSION

Mr. Rubinsky advised the Board that it would not be necessary to meet in Closed Session.

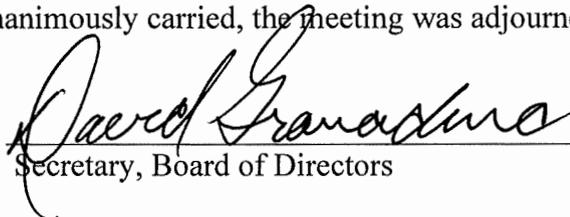
ITEMS TO BE PLACED ON NEXT AGENDA PERTINENT TO THE AUTHORITY

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, November 5, 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 Boddy, seconded by Director Caston, and unanimously carried, the meeting was adjourned.


Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Order Declaring Unopposed Nominee Elected to Board of Directors Board
- Exhibit B Bookkeeper's Report
- Exhibit C Preliminary Debt Service Schedule for Series 2025 Bonds
- Exhibit D Various Spreadsheets presented by John Howell
- Exhibit E Engineer's Report
- Exhibit F Operator's Report
- Exhibit G Government Affairs Update
- Exhibit H Texas Network Analytics Report