

CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY

Minutes of Meeting of Board of Directors
January 7, 2026

The Board of Directors of Central Harris County Regional Water Authority met in regular session, open to the public on January 7, 2026, 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, 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"); Robert Blackshear and Kelvin Smith of Rankin Road; George Robinson of No. 200; 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"); Linda Watkins of Fallbrook Utility District ("Fallbrook"); and Abraham I. Rubinsky 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 considered approval of the minutes of its meeting held December 3, 2025. After discussion regarding the minutes, Director Boddy moved that the minutes of the meeting held December 3, 2025, be approved as presented. Director Granadino seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Tran presented the Bookkeeper's Report dated January 7, 2026, a copy of which is attached hereto as **Exhibit A**, including Cash Flows for the Authority's various funds for the period commencing December 3, 2025, through January 7, 2026, 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 November 2025 and the first eleven 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 November 30, 2025. A brief discussion ensued regarding the funding of the Authority's \$8,000,000 Revenue Bonds, Series 2025, which closed on December 10, 2025. After discussion, it was moved by Director Caston that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment from the Authority's various accounts. Director Granadino 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 next presented to and reviewed with the Board a written Engineer's Report dated January 7, 2026, a copy of which is attached hereto as **Exhibit B**, 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. He advised the Board that surface water usage through November 2025 was 576.948 MG, which equaled 64.48% of total water usage in the Authority through such date. Mr. Khouw noted that the total water usage was 889.785 MG, which is slightly higher than projected, but that the Authority is still meeting the HGSD's groundwater reduction requirements thus far for the current permit period.

Mr. Khouw advised the Board that he had no new activity upon which to report at this time regarding the addition of North Forest Municipal Utility District ("North Forest") to the Authority's Groundwater Reduction Plan ("GRP").

Mr. Khouw next reported that he and Mr. Rubinsky attended the HGSD's meeting held on December 10, 2025, to provide the Board of Directors, General Manager and Staff with an update regarding the status of implementation of the Authority's GRP, and that positive feedback was received from the HGSD in connection with said presentation.

Mr. Khouw next advised the Board that IDS will complete and submit the annual

Groundwater Reduction Plan Report to the HGSD by the March 15, 2026 due date.

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 advised the Board that SPH is working with the COH to complete the Interlocal Cost Sharing Agreement between the Authority and the COH relating to the COH's participation in the project.

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 Harris County Utility District No. 16 in the future. He noted that the NHCRWA is experiencing some delays with this particular line due to the need to acquire necessary easements from the Harris County Toll Road Authority for said project.

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 further reported that the contractor has completed the acceptance testing and requested that Phase 2 be declared substantially complete effective as of December 30, 2025, but that the COH is not likely to accept the project as substantially complete due to a number of significant items that still need to be completed by the Houston Waterworks Team.

Mr. Khouw next advised the Board that the COH has issued Consensus Item No. 49 for payment of certain legal costs out of the Management Reserve Funds related to the NEWPP Expansion Project, as further detailed in the Engineer's Report.

Mr. Khouw next advised the Board that Enchanted Rock Solutions, LLC's ("Enchanted Rock"), the provider of the auxiliary power system for the NEWPP, has requested a buy-out or a modification of the Electricity Reliability Service Agreement between the COH and Enchanted Rock (the "Agreement"). Mr. Khouw explained that pursuant to the Agreement, Enchanted Rock agreed to provide 30 megawatts of emergency generator capacity at no cost to serve Phase I of the NEWPP, but that the NEWPP is not using enough power to allow Enchanted Rock to recoup its investment. He reported that the COH is re-evaluating the long-term needs of the NEWPP, which are likely to be less than 30 megawatts. Mr. Khouw stated that the COH and the regional water authorities are evaluating alternatives with Enchanted Rock.

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. He further reported that the COH is working on the project true-up, which should be complete by the end of the first quarter of 2026.

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 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. He reported that V&S Construction has submitted Pay Application No. 7 in the amount of \$132,345.83 for work completed through December 19, 2025. Mr. Khouw recommended that Pay Application No. 7 be approved by the Board. After discussion, it was moved by Director Caston, seconded by Director Thompson and unanimously carried, that Pay Application No. 7 be approved by the Board, as recommended by the Authority's engineer. Mr. Khouw noted that IDS is working to finalize Bid Package 2 of the Project and anticipates requesting authorization to bid the project at the February 2026 Board meeting.

OPERATOR'S REPORT

Mr. Martin presented to and reviewed with the Board a written Operator's Report for the month of December 2025, a copy of which is attached hereto as **Exhibit C**. Mr. Martin advised the Board that the Authority's water accountability was at 98% last month due to a broken main near No. 150 on December 19, 2025. He reported that repair of the broken main was completed on December 23, 2025.

Mr. Martin next advised the Board that the NHCRWA lost power today at the Jimmie Schindewolf (fka Spears Road) Pump Station resulting in the suspension of the delivery of surface water to the Member Districts for a brief period. He reported that the Pump Station was back in service by 12:30 p.m. today. Mr. Martin stated that he had no action items for the Board's consideration this month.

GOVERNMENT AFFAIRS UPDATE

Mr. Rubinsky next presented to and reviewed with the Board a Government Affairs Update received from C.J. Tredway, dated January 7, 2026, a copy of which is attached hereto as **Exhibit D**. 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 briefly reported to the Board regarding the status of the lawsuit between the COH and Houston Waterworks Team. He noted that a trial is scheduled to begin on February 16, 2026.

Mr. Rubinsky next presented for the Board's review correspondence received from the District's Financial Advisor, The GMS Group, L.L.C., dated December 12, 2025, a copy of which is attached hereto as **Exhibit E**, regarding its Municipal Securities Rulemaking Board Rule G-10 Disclosures.

Mr. Rubinsky also advised the Board that a reception for Randy Macchi Director of COH Public Works, will be held on January 15, 2026. It was determined that Mr. Rubinsky, Mr. Khouw and Director Boddy would attend the reception on behalf of the Authority.

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.

AUTHORIZE SOLICITATION OF PROPOSALS FOR INSURANCE COVERAGES

The Board next discussed the solicitation of proposals for the Authority's insurance coverages for the term of April 1, 2026, through March 31, 2027. Mr. Rubinsky advised the Board that the Authority's current insurance coverages, through the Texas Municipal League's ("TML") Intergovernmental Risk Pool, will expire on March 31, 2026. After discussion on the matter, it was moved by Director Boddy, seconded by Director Granadino and unanimously carried, that SPH be authorized to solicit proposals on behalf of the Authority from TML only at this time.

AUTHORIZE PREPARATION AND SUBMISSION OF AUTHORITY INFORMATION TO TEXAS COMPTROLLER OF PUBLIC ACCOUNTS FOR INCLUSION IN THE SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Mr. Rubinsky next informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the Authority is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Following discussion, it was moved by Director Caston, seconded by Director Thompson and unanimously carried, that the Authority's auditor, McCall Gibson Swedlund Barfoot Ellis PLLC, be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database no later than April 1, 2026.

2026 DIRECTOR APPOINTMENT PROCESS AND CALCULATION OF VOTING PERCENTAGES

Mr. Rubinsky next addressed the Board regarding the appointment of Directors to the Board of Directors of the Authority in 2026. In that regard, he reported that the Memorandum outlining the appointment process presented at the last meeting was forwarded to each of the Authority's Member Districts after the last meeting. Mr. Rubinsky further advised the Board that IDS is currently working to determine each Member District's total 2025 water usage in order to calculate the number of votes each Member District may cast in connection with the Authority's 2026 Director appointment process and the weight of each Member District's vote for the respective positions to be appointed. Mr. Rubinsky reported that, thus far, SPH had received a formal Resolution from Harris County Municipal Utility District No. 33 nominating (i) Director Cox to continue to serve in the Director Precinct No.1 position, and (ii) Director Caston to continue

to serve in the At-Large (Position No. 2) position. Mr. Rubinsky stated that the nomination period ends at 5:00 p.m. on February 15, 2026.

CLOSED SESSION

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

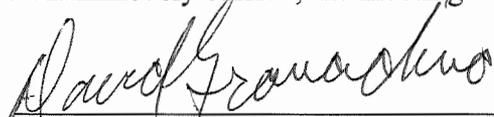
ITEMS TO BE PLACED ON NEXT AGENDA PERTINENT TO THE AUTHORITY

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, February 4, 2026, 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 Granadino, and unanimously carried, the meeting was adjourned.



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bookkeeper's Report
- Exhibit B Engineer's Report
- Exhibit C Operator's Report
- Exhibit D Government Affairs Update
- Exhibit E The GMS Group, LLC's MSRB Rule G-10 Annual Disclosures