

CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY

Minutes of Meeting of Board of Directors
April 1, 2026

The Board of Directors of Central Harris County Regional Water Authority met in regular session, open to the public on April 1, 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, except Directors Boddy and 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"); Kelvin Smith and Robert Blackshear of Rankin Road; Marcus Jones and Bridget Smith of Harris County Municipal Utility District No. 399 ("No. 399"); Larry Allen and Rosalind Caesar, residents of Harris County Municipal Utility District No. 304 ("No. 304"); Linda Watkins and Gilbert Miranda of Fallbrook Utility District ("Fallbrook"); 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. Richardson noted that the first item on the agenda was to open the meeting for public comments. The Board recognized Mr. Allen, who expressed his concern regarding the Authority's increases in its GRP Fee, Importation Fee and Surface Water Fee, effective as of January 1, 2025, and June 1, 2025. Mr. Richardson reported that the increases were based upon the recommendations of the Authority's Financial Advisor, Mr. John Howell of The GMS Group, L.L.C. Mr. Richardson stated that he would email Mr. Allen copies of the correspondence sent to each of the Member Districts by the Authority explaining the need for the rate increases.

The Board next recognized Ms. Caesar, who stated that the Authority needs to update its website to remove old newspaper articles that were posted on the website. Ms. Caesar stated that she was unable to open some the articles because she does not have an online subscription to the *Houston Chronicle*. Ms. Caesar also requested that the Authority hold its meetings within the boundaries of the Authority or consider conducting virtual meetings that would be available to the

residents of the Member Districts. Ms. Caesar also stated that she has an additional comment that she will withhold since the Director for Director Precinct No. 2 was not present at tonight's meeting.

APPROVAL OF MINUTES

The Board next deferred consideration of the approval of the minutes of its meeting held March 4, 2026.

BOOKKEEPER'S REPORT

Ms. Tran presented the Bookkeeper's Report dated April 1, 2026, a copy of which is attached hereto as **Exhibit A**, including Cash Flows for the Authority's various funds for the period commencing March 4, 2026, through April 1, 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 February 2026 and the second month of the Authority's fiscal year ending December 31, 2026, and a Summary of Pumpage Fees and Surface Water Fees paid by Member Districts through February 28, 2026. Ms. Tran next addressed the Board regarding check no. 6584 from the General Operating Fund in the amount of \$92,166.06 that was sent to the U.S. Treasury after the February 4, 2026, meeting for payment of a yield reduction payment due to the Internal Revenue Service ("IRS") in connection with the Authority's Series 2020 Bonds as a replacement for check no. 6559, which was lost in transit by Federal Express. Ms. Tran advised the Board that the U.S. Treasury has acknowledged receipt of the replacement check and that it does not appear that the IRS will impose any penalties or interest as a result of the late payment. After discussion, it was moved by Director Thompson that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment from the Authority's various accounts. Director Caston seconded said motion, which unanimously carried.

REVIEW AND APPROVAL OF AUDIT FOR FISCAL YEAR ENDED DECEMBER 31, 2024

The Board deferred consideration of the review and approval of the Authority's Annual Audit Report for the fiscal year ended December 31, 2025, until next month's meeting.

STATUS OF PREPARATION AND FILING OF ANNUAL CONTINUING DISCLOSURE REPORT

Mr. Richardson next advised the Board that McCall, Parkhurst & Horton L.L.P., the Authority's Continuing Disclosure Counsel, will prepare the Authority's annual Continuing Disclosure Report when the Audit for the Authority's fiscal year ended December 31, 2025, has been completed and released by the Authority's auditor, McCall Gibson Swedlund Barfoot Ellis PLLC.

REVIEW OF ARBITRAGE ANALYSIS REPORT

Mr. Richardson next presented to and reviewed with the Board an Annual Maintenance Report prepared by Municipal Risk Management Group, L.L.C. ("MRMG") dated March 24, 2026, a copy of which is attached hereto as **Exhibit B**, in connection with the yield restriction and arbitrage rebate calculation analyses performed in connection with the Authority's outstanding bond issues. Mr. Richardson advised the Board that MRMG is recommending that the Authority engage Arbitrage Compliance Specialists, Inc. ("ACS") to prepare (i) a 10th Year Arbitrage Rebate Report for the \$9,270,000 Revenue Bonds, Series 2016 ("Series 2016 Bonds") at an estimated cost of \$3,425; (ii) a Yield Restriction/Yield Reduction Report for the Series 2016 Bonds for the five-year study period ending November 14, 2026, at an estimated cost of \$625; (iii) an Interim Arbitrage Rebate Report for the \$26,550,000 Revenue Bonds, Series 2017 ("Series 2017 Bonds") through November 15, 2026, at an estimated cost of \$2,800; (iv) an Interim Yield Restriction/Yield Reduction Report for the Series 2017 Bonds for the period November 15, 2025, through November 15, 2026, at an estimated cost of \$625; (v) an Interim Yield Restriction/Yield Reduction Report for the \$7,735,000 Revenue Bonds, Series 2018, for the period November 15, 2025, through November 15, 2026, at an estimated cost of \$625; (vi) an Interim Yield Restriction/Yield Reduction Report for the \$13,185,000 Revenue Bonds, Series 2019, for the period November 15, 2025, through November 15, 2026, at an estimated cost of \$625; and (vii) an Interim Yield Restriction/Yield Reduction Report for the \$3,560,000 Revenue Bonds, Series 2020, for the period November 19, 2023, through November 19, 2026, at an estimated cost of \$625. Mr. Richardson further advised the Board that, as reflected in the attached Annual Maintenance Report, no action is required at this time in connection with any of the Authority's other bond issues. After discussion on the matter, it was moved by Director Caston, seconded by Director Thompson and unanimously carried, that ACS be engaged by the Authority to prepare each of the Reports reflected above, as recommended in the attached report from MRMG.

FINANCIAL ADVISOR'S REPORT

The Board next considered the Financial Advisor's Report. Mr. Richardson 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, FY 2024, and FY 2025 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 April 1, 2026, a copy of which is attached hereto as **Exhibit C**, 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 February 2026 was 815.114 MG, which equaled 65.44% of total water usage in the Authority through such date.

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. Richardson advised the Board that the Petition for Annexation and GRP Participation Agreement between the Authority and North Forest will become 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 that North Forest will be added to the Authority's GRP, effective on or about June 1, 2026, the beginning date of the Authority's next aggregate water well permit to be issued by the HGSD. Mr. Richardson noted that North Forest and the COH are negotiating a Mutual Termination of North Forest's GRP Participation Agreement with the COH, effective June 1, 2026.

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 ("No. 16") in the future. He noted that the NHCRWA will prepare a Second Amendment to the Amended and Restated Joint Facilities Agreement with the Authority to memorialize the Authority's participation in the Hardy Road Line.

Mr. Khouw next advised the Board that the NHCRWA has requested the Authority's 2025 surface water invoices from the COH so that it can work on its Annual O&M Accounting for the Joint Facilities for the Fiscal Year. After discussion, Mr. Khouw advised that he intends to schedule a meeting with Jun Chang of the NHCRWA to discuss certain issues related to the COH's billing of surface water to the Authority during the subject time period.

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 99% complete. Mr. Khouw further reported that the contractor is working to address all outstanding issues and punch list items so that the project can be declared substantially complete.

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.

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. 10 in the amount of \$227,365.71 for work completed through March 20, 2026. Mr. Hale recommended that Pay Application No. 10 be approved by the Board. After discussion, it was moved by Director Caston, seconded by Director Thompson and unanimously carried, that Pay Application No. 10 be approved by the Board, as recommended by the Authority's engineer.

The Board next considered the approval of Consent to Encroachment and Indemnity Agreements between the Authority and (i) SREI IDV Veterans, LLC, and (ii) SREI IDV Veterans Bldg. 2 Owner, LLC (collectively, "IDV") in connection with construction of private 8-inch storm sewer and catch basins within the Authority's Easement Parcel Nos. 5-22 and 5-23. After discussion on the matter, it was moved by Director Thompson, seconded by Director Caston and unanimously carried that the Consent to Encroachment and Indemnity Agreements be approved and that the President be authorized to execute same on behalf of the Board and the Authority, subject to execution of same by IDV in the form required by the Authority.

Mr. Khouw next addressed the Board concerning the need for V&S Construction to adjust a manhole ring and cover and relocate a vent pipe as a result of a driveway being constructed by Gauge Real Estate Partners ("Gauge") over the Authority's transmission line, as further detailed in the Engineer's Report. Mr. Khouw advised the Board that Gauge has agreed to pay for the costs associated with this work.

Mr. Khouw next advised the Board that IDS has now completed Bid Package 2 of the Project and requested authorization to bid the project. After discussion, it was moved by Director Thompson, seconded by Director Caston and unanimously carried, that IDS be authorized to advertise for bids for Bid Package 2 on behalf of the Authority upon receipt of final approval from the Texas Water Development Board.

OPERATOR'S REPORT

Mr. Martin presented to and reviewed with the Board a written Operator's Report for the month of March 2026, a copy of which is attached hereto as **Exhibit D**. Mr. Martin advised the Board that he had no action items for the Board's consideration this month.

STATUS OF COMMUNICATIONS WITH HARRIS COUNTY UTILITY DISTRICT NO. 16 ("NO. 16") REGARDING STATUS OF REQUEST FOR EXEMPTION FROM PAYMENT OF WATER IMPORTATION FEES

Mr. Richardson next advised the Board that correspondence had been received from Jacquelyn Goodwin, attorney for No.16, dated March 31, 2026, requesting an exemption from the payment of water importation fees payable to the Authority for 34,101,600 gallons of water imported from Harris County Municipal Utility District No. 221 ("No. 221") from November 16, 2025 through February 20, 2026, due to the failure of No. 16's water well. Mr. Richardson reported that No. 16 began repaying No. 221 in-kind on March 11, 2026, and expects to complete payment by June 20, 2026. After discussion on the matter, Director Thompson moved that No. 16's request for an exemption from the payment of water importation fees be approved by the Board, subject

to No. 16's completion of the payment in-kind to No. 221 prior to the end of June 2026. Director Caston seconded said motion, which unanimously carried.

GOVERNMENT AFFAIRS UPDATE

Mr. Richardson next presented to and reviewed with the Board a Government Affairs Update received from C.J. Tredway, dated April 1, 2026, together with a Report from Lieutenant Governor Dan Patrick regarding the 2026 Texas Senate Committees, copies of which are attached hereto as **Exhibit E**. No action was taken by the Board in connection with said matters.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. Mr. Richardson briefly reported to the Board regarding a Texas Public Information Act request received from Quentin Smith of Vinson & Elkins, LLP requesting certified copies of the Authority's meeting minutes and attachments from November 1, 2023 through October 1, 2024. He advised the Board that Mr. Smith was directed to the Authority's website for copies of the meeting minutes, but that the remainder of his request was submitted to the Texas Attorney General for a ruling regarding the withholding of certain information.

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

Mr. Richardson noted that there was no new activity to report in connection with the Authority's website or other communications with Member Districts, but that a Quarterly Analytics Report had been provided by The Texas Network for the Board for the period January 1, 2026, through March 31, 2026, a copy of which is attached hereto as **Exhibit F**.

CLOSED SESSION

Mr. Richardson advised the Board that it would not be necessary to meet in Closed Session at this time.

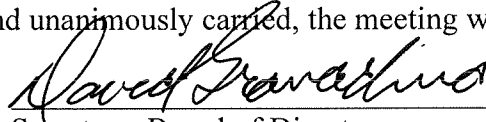
ITEMS TO BE PLACED ON NEXT AGENDA PERTINENT TO THE AUTHORITY

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. Richardson noted that the next regular meeting of the Board is scheduled for Wednesday, May 6, 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 Thompson, and unanimously carried, the meeting was adjourned.



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bookkeeper's Report
- Exhibit B Annual Maintenance Report from Municipal Risk Management Group, L.L.C.
- Exhibit C Engineer's Report
- Exhibit D Operator's Report
- Exhibit E Government Affairs Update and Report from Lieutenant Governor Dan Patrick
regarding 2026 Texas Senate Committees
- Exhibit F The Texas Network Analytics Report