

SUNBELT FRESH WATER SUPPLY DISTRICT
MINUTES OF MEETING OF BOARD OF DIRECTORS

September 18, 2025

The Board of Directors (individually referred to as "Directors," collectively, the "Board") of Sunbelt Fresh Water Supply District (the "District") met in a regular Bookkeeping and Management Session, at 5:00 p.m. on Thursday, September 18, 2025, at 410 West Gulf Bank Road, Houston, Texas, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Nathan Wade	President
Sandra Jaramillo	Vice President
Elizabeth Santiago	Secretary
Lynda Powell	Assistant Secretary
Ruben Salazar	Director

All Board members were present, thus constituting a quorum. Also attending were LaDonna Smith and Mary Jane Mendoza, employees of the District; Barbara Nussa of Republic Services of Houston ("Republic"); Susan Hill of Governmental Financial Reporting, LLC ("Bookkeeper"); Greg Dubiel and Mario Garcia of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Justin Edwards of A&S Engineers, Inc. ("Engineer" or "A&S"); and Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB").

The President, after finding that the notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order at 5:00 p.m. and declared it open for such business as may regularly come before it.

PUBLIC COMMENT

The President then opened the meeting to public comment.

As no public comments were offered, the President directed the Board to proceed with the agenda.

SOLID WASTE COLLECTION REPORT

Ms. Nussa presented Republic's Solid Waste Collection Report, including updating the Board on the document shredding schedule.

MINUTES

The President next directed the Board to consider the approval of the minutes of July 3, 2025, and August 7, 2025, Engineering-Operations meetings and August 21, 2025, Bookkeeping

and Management meeting. It was the consensus of the Board to table the minutes of August 21, 2025, until the next Bookkeeping and Management meeting.

Upon a **motion** by Director Santiago, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board approved the minutes of July 3, 2025, and August 7, 2025, Engineering-Operations meetings, with corrections.

Mr. Barner entered the meeting at this time.

BOOKKEEPER'S REPORT

Ms. Hill then presented the Bookkeeper's Report, a copy of which is available upon request.

Ms. Hill reviewed with the Board the District's current bills and financial statements and responded to questions from the Board.

Upon a **motion** by Director Powell, seconded by Director Jaramillo, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report, including: payment of current bills, as presented.

FINANCIAL ADVISOR'S REPORT

Mr. Barner reminded the Board that pursuant to the District's 2021 bond election, the District has authority to impose a tax including Defined Area No. 1 ("Defined Area"). Mr. Barner reported that he is coordinating with the District's Engineer and Financial Advisor regarding determining the appropriate tax rate for the District. Mr. Barner further explained that within the Defined Area, buildings have been constructed that created taxable value for the District. The Board then discussed the proposed 2025 tax rate, the calculation of the operations and maintenance tax rate, authorizing publication of recommended \$0.46 per \$100 tax rate, conducting a public hearing at the District's regular meeting on Thursday, October 16, 2025, and setting the District's 2025 tax rate of \$0.46 per \$100 of assessed valuation at such meeting. Mr. Barner reminded the Board that if it publishes a proposed tax rate of \$0.46 per \$100 of assessed valuation, the published rate is the maximum rate that may be set.

Upon a **motion** by Director Jaramillo, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board authorized: 1) publication of the proposed \$0.46 tax rate per \$100 assessed valuation for 2025; and 2) scheduling a public hearing to set rate and levy tax for 2025 at the regular meeting of Thursday, October 16, 2025, at 5:00 p.m.

ANNUAL REVIEW OF INVESTMENT POLICY, AMEND AS NECESSARY

Mr. Barner then explained that the Texas Public Funds Investment Act, as amended, requires the Board to review the District's Investment Policy on an annual basis. Mr. Barner presented an Order Reviewing Investment Policy and Investment Strategies for the Board's consideration and adoption and stated that he had no recommended changes to the District's Investment Policy.

Upon a **motion** by Director Wade, seconded by Director Jaramillo, after full discussion and with all Directors present voting aye, the Board approved the Order Reviewing Investment Policy and Investment Strategies, as presented.

OPERATOR'S REPORT

Mr. Dubiel presented the Operator's Report to the Board, a copy of which is available upon request, and reviewed with the Board the general operations, maintenance and repairs that occurred within the District, including water and wastewater operations and water accountability for the District's service areas.

Mr. Dubiel reported that two (2) service line repairs have been completed in the Woodland Oaks Service Area.

Mr. Dubiel reported that two (2) service line repairs have been completed in the High Meadows Service Area. Mr. Dubiel further reported to the Board that a police report was filed regarding copper lines and the ATS stolen during a break-in at Water Plant No. 1 ("WP1"), with damages estimated between \$8,000-\$10,000. Mr. Dubiel stated that WP1 is still operational and has scheduled STP Services ("STP") to install new wiring to the generator, which is currently not operational.

Mr. Dubiel reported that STP has rebuilt the 25HP lift pump at the High Meadows Wastewater Treatment Plant ("WWTP").

Mr. Dubiel reported that one (1) service line repair has been completed in the Fairgreen Service Area.

Mr. Dubiel reported that four (4) service line repairs were completed in the Heather Glen Service Area. Mr. Dubiel further reported that Booster Pump No. 3 at the Heather Glen Water Plant was pulled and sealed.

Mr. Dubiel reported that two (2) service line repairs have been completed at the Northline Service Area. Mr. Dubiel further reported that STP installed the new air compressor at the Water Plant.

Mr. Dubiel updated the Board regarding the Northline Terrace Water Well No. 1. Mr. Dubiel reminded the Board that in June 2025, GM Services ("GM") inspected the Northline Water Plant, reported presence of brass in the water at Water Well No. 1, and presented a proposal from C&C Water Services ("C&C") in the amount of \$10,650.00 to pull the well pump and perform an inspection. Mr. Dubiel stated that since June 2025 pump conditions have decreased and recommended approval of C&C's proposal to remove well pump and perform an inspection.

Mr. Dubiel discussed an amendment to the Professional Services Agreement with the District. It was the consensus of the Board to table until the next meeting.

Mr. Dubiel updated the Board on the fire hydrant inspections and testing performed. A discussion ensued.

Upon a **motion** by Director Powell, seconded by Director Salazar, after full discussion and with all Directors present voting aye, the Board approved the Operator's Report, including C&C's proposal in the amount of \$10,650.00 to pull the well pump and perform an inspection.

OFFICE REPORT

Ms. Mendoza presented the Monthly Revenue and Water Accountability Report, a copy of which is available upon request.

Ms. Smith reviewed the Door Tag Report and Returned Check Report for August 2025.

Ms. Smith presented the Meter Reread Report and updated the Board on the number of re-reads for the previous billing cycle.

Ms. Smith updated the Board regarding van repairs, answered questions from the Board, and was requested to get quotes for such repairs.

Ms. Smith next updated the Board that the District's credit card hand-held devices are currently in service, which provide real-time payments to the District.

Upon a **motion** by Director Jaramillo, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board approved the Office Report, as presented.

DISTRICT WEBSITE

Ms. Smith updated the Board regarding the District's website and social media services.

The Board presented for review the Touchstone District Services ("Touchstone") Consulting Agreement ("Consulting Agreement") for website services, social media services and a text/email alert system. It was the consensus of the Board to accept the Consulting Agreement with Touchstone, subject to RAB's review of such agreement.

Upon a **motion** by Director Jaramillo, seconded by Director Salazar, after full discussion and with four (4) Directors present voting aye, and Director Wade voting nay, the Board authorized the engagement of Touchstone for website services, social media services and a text/email alert system.

Mr. Barner next discussed Off Cinco's ("Off Cinco") Service Agreement (the "Agreement") and the recent yearly review of such Agreement. A discussion ensued and it was the consensus of the Board to terminate the Agreement and requested RAB to prepare a termination letter to Off Cinco.

Upon a **motion** by Director Salazar, seconded by Director Jaramillo after full discussion and with four (4) Directors present voting aye, and Director Wade voting nay, the Board authorized the termination of the Off Cinco Agreement.

PERSONNEL COMMITTEE REPORT

Director Jaramillo and Ms. Smith updated the Board on the reviews for the annual performance evaluations of the District's office supervisors. Ms. Smith stated that she completed her annual review of the District's office staff and requested the Board hold a special meeting to review such evaluations. It was the consensus of the Board to hold a special meeting on October 7, 2025, at 10:00 a.m. to discuss such evaluations.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at 7:30 p.m.

7:07 p.m.

PASSED AND APPROVED this 16th day of October 2025.



(DISTRICT SEAL)

Elizabeth Santiago
Elizabeth Santiago, Secretary
Sunbelt Fresh Water Supply District