

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

January 7, 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 session at 5:00 p.m. on Tuesday, January 7, 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 Justin Edwards of A&S Engineers, Inc. ("Engineer" or "A&S"); Lonnie Wright of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); LaDonna Smith and Mary Jane Mendoza, employees of the District; and Meredith King, 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.

There being no public comments, the President directed the Board to proceed with the agenda.

APPROVE MINUTES OF PRIOR MEETING

The President next directed the Board to consider the approval of the minutes of the regular meeting held on December 5, 2024. It was the consensus of the Board that approval of the minutes be postponed until the next regular meeting.

OPERATOR'S REPORT

Mr. Wright next 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. Wright reported that Water Plant No. 2 in the Fairgreen-High Meadows Service Area ("High Meadows") is still offline and awaiting installation of the two (2) pumps that are being repaired.

Next, Mr. Wright reported that the installation of the West Gulf Bank taps within the Northline Service Area ("Northline") has been completed. Mr. Wright further stated that three (3) triple long taps and 13 short taps were installed.

Mr. Wright then reported that Water Plant No. 2 in the Oakwilde Service Area ("Oakwilde") is currently offline for rehabilitation. Mr. Wright further reported that the Oakwilde Wastewater Treatment Plant ("WWTP") experienced a power outage on December 30, 2024, due to connecting wires from a CenterPoint Energy ("CenterPoint") pole to the WWTP system being damaged. Mr. Wright also reported that a generator was affected by the power outage. Mr. Wright stated that Wastewater Transport Services ("WWTS") was used to transport loads from Oakwilde to the High Meadows WWTP. Mr. Wright stated that the generator is being inspected. Mr. Wright then reported that S.T.P. Services ("STP") has replaced the damaged wires and CenterPoint has made the necessary reconnections. Mr. Wright further reported that an insurance claim has been filed.

Mr. Wright reported that the new control room at the Oak Glen Service Area ("Oak Glen") is fully operational. Mr. Wright stated that the old pumps are being maintained in order to be used as backup during emergencies.

Mr. Wright reported that the Well at the Water Plant in the Woodland Oaks Service Area ("Woodland Oaks") will be pumping an average of 200,000 gallons per day on Monday, Wednesday and Friday and will then be pumping automatically on Tuesday and Thursday to minimize the amount of City of Houston (the "City") water being used.

WATER METER REPLACEMENT PROJECT

Regarding the Water Meter Replacement Project, Mr. Wright reported that MOC continues to replace meters within certain areas of the District and that records regarding such replacements have been provided to Ms. Smith. Mr. Wright further reported that MOC received 150 meters and have replaced 23 so far. Mr. Wright stated that the meter replacements are expected to be completed by the next Board meeting.

Mr. Wright discussed with the Board the Perfluoroalkyl and Polyfluoroalkyl Substances ("PFAS") Sampling Schedule. Mr. Wright stated that sampling must be completed by April 26, 2027 and that each service area of the District must be sampled. Mr. Wright recommended that the District begin the PFAS sampling in April of 2026.

Upon a **motion** by Director Santiago, seconded by Director Jaramillo, after full discussion and with all Directors present voting aye, the Board: 1) approved the Operator's Report, as

presented; and 2) authorized MOC to begin sampling for PFAS in April of 2026, as Mr. Wright recommended.

Mr. Wright stated that a proposal for leak detection will be presented at the January 16, 2025 Board meeting.

Mr. Wright also stated that MOC does not recommend any changes to the Water Conservation Plan/Drought Contingency Plan at this time.

ENGINEER'S REPORT

Mr. Edwards next presented to the Board the Engineer's Report, a copy of which is available upon request.

Fairgreen-High Meadows Service Area

Regarding the proposed Marquita Water Treatment Plant Distribution Line Improvement Project, Mr. Edwards reminded the Board that Harris County (the "County"), on behalf of the East Aldine District (the "EAD"), is extending Bethany Lane near EAD's Town Centre, which impacted the alignment of such distribution line. Mr. Edwards then reminded the Board that it had previously awarded a project to ISJ Underground Utilities, LLC ("ISJ Underground") in the amount of \$228,892.00 that includes construction of connection point nos. one (1) and three (3). Mr. Edwards reported that the Notice to Proceed date was for July 15, 2024. Further, Mr. Edwards stated that construction activities are complete and the final inspection will be scheduled for this month. Mr. Edwards then presented Pay Application No. 3 in the amount of \$6,424.08. Mr. Edwards further reported that A&S has reviewed and recommends payment, noting that the amount reflects ten percent (10%) of retainage withheld.

Mrs. King stated that RAB will begin preparation of the Amendment to the Interlocal Agreement between the District and the EAD for the Surface Water Transmission Line project.

Mr. Edwards reported that A&S is finalizing preparation of the water model and completing the Engineering Report necessary to submit an elevated storage tank variance request to the Texas Commission on Environmental Quality ("TCEQ").

Mr. Edwards then reported on the request for service to an existing manufactured home park at 2730 Ladin Drive, just northwest of the boundaries of High Meadows. Mr. Edwards reported that service is being requested in the amount of 38 equivalent single-family connections ("ESFC"), which was reduced from the original request of 41 ESFCs. Mr. Edwards further reported that RAB sent a letter with further instructions regarding deposit and documentation requirements. Mr. Edwards stated that the Applicant did provide a deposit in the amount of \$10,000 and that A&S is preparing annexation documents for this development.

Mrs. King reported that RAB is currently preparing the Letter of Intent for 11955 Gloger Street.

Northline Terrace Service Area

Mr. Edwards reported that construction is ongoing on the West Gulf Bank Road Widening Project and added that A&S is monitoring the relocation of the District's water and wastewater lines. Mr. Edwards further reported that MOC is coordinating with the contractor to transition the elementary school's water service line to the new line.

Oak Glen Service Area ("Oak Glen")

Mr. Edwards then reported that construction continues on the County's Oak Glen Drainage Improvement Project; however, all modifications to the Oak Glen water distribution system are complete. Mr. Edwards reminded the Board that the District's total cost for such project is \$282,027.00. Mr. Edwards reported that a final walk-through for the storm sewer improvements occurred on December 5, 2024. Mr. Edwards stated that he had not yet received an invoice from the County for this project.

Regarding the Harris County Housing and Community Development's (the "HCHCD") funding for the Community Development Block Grant ("CDBG") 2024 plan year, Mr. Edwards reported that A&S has been in coordination with the HCHCD regarding additional documents that are required in the project manual.

Oakwilde Service Area

Mr. Edwards updated the Board regarding the WWTP and Lift Station Project. Mr. Edwards reminded the Board that R.P. Constructors, Inc. was selected and awarded the project in the amount of \$11,979,250.00. Further, Mr. Edwards stated that bonds and insurance were approved by RAB. Mr. Edwards further stated that a complete contract manual was sent to the Texas Water Development Board ("TWDB") and they approved an issuance of the Notice to Proceed. Mr. Edwards stated that they are planning on scheduling the pre-construction meeting in the next couple of weeks.

Mr. Edwards next updated the Board regarding the Seven Mile Road Water Plant Improvements Project, which includes construction of a water well, a new ground storage tank, booster pumps, new electrical service, and upgrades to the existing components as well as site modifications. Mr. Edwards reported that the City approved the A&S construction plans. Mr. Edwards further reported the plans are back with the County waiting for approval. Mr. Edwards then reported that the TWDB approved the Engineering Feasibility Report and the Environmental Clearance for such project.

Regarding the Oakwilde Hurlingham Water Plant Improvement Project, which includes construction of a new hydropneumatic tank ("HPT"), Mr. Edwards reported that A&S awarded the project to C3 Constructors, LLC ("C3 Constructors") in the amount of \$435,000.00. Mr. Edwards reported that construction is ongoing and the HPTs foundation has been installed. Mr. Edwards further reported that A&S was working with MOC to locate a gate valve on the Water Plant site which would allow connection to the water distribution system without disrupting water service.

Mr. Edwards then updated the Board regarding the application for service for a proposed 0.9052-acre development to be located at 11709 Aldine Westfield Road, outside the boundaries of the District. Mr. Edwards reported that A&S and RAB are preparing the documents necessary for annexation.

Mr. Edwards next updated the Board on the status of the Oakwilde Smoke Testing Project, which will include smoke testing of the District's Wastewater Collection Systems within Oakwilde, the Mary Frances/Mary Eleanor neighborhood, and the North Houston Heights neighborhood. Mr. Edwards stated that they are preparing bid documents and plan to have bids to present to the Board at the February 6, 2025 Board meeting.

Mr. Edwards then updated the Board regarding the application for service for a proposed 7,945 foot building that would serve as a banquet hall located at 11730 Aldine Westfield Rd. in the amount of two (2) ESFCs. Mr. Edwards noted that the application reflects that it would not service food. Mr. Edwards reported that A&S is awaiting plans from the Applicant for review.

Heather Glen Service Area

Next, Mr. Edwards reminded the Board that the Houston Food Bank ("Food Bank") requested service to an industrial warehouse-office building to be located on West Mount Houston Road, west of Ella Boulevard. Mr. Edwards informed the Board that A&S has received a revised Application for Service and the amount of service requested is 116 ESFCs for a building totaling 432,350 square feet. Mr. Edwards reported that A&S has provided the Feasibility Study to the applicant and is awaiting final plans for review.

Woodland Oaks Service Area

Mr. Edwards next reminded the Board that D.R. Horton submitted a request for service to a 47-acre tract of land located outside the boundaries of the District that is being developed into a 281-unit single-family home residential development. Mr. Edwards stated that A&S provided four (4) proposed water and sewer line easements to RAB for review. Mr. Edwards further stated that A&S received comments from the City and County regarding the off-site water and sewer line construction plans and are currently addressing those comments.

Miscellaneous Service Requests

Mr. Edwards reported that A&S received a service request for a proposed park, trails, and a pavilion located south of East Aldine Town Center. Mr. Edwards requested approval of an issuance of the Utility Commitment Letter upon its completion.

Mr. Edwards stated that the District currently provides service to a water/ice dispenser and permanent restroom facilities with a seating area for a food truck located at 10828 Aldine Westfield Road (situated at the corner of Aldine Westfield Road and Trenton). Mr. Edwards stated that the owner of the property requested that a separate account be established for both the water/ice dispenser and the food truck pavilion. Mr. Edwards stated that the property is currently being served by one (1) meter. Mr. Edwards also noted that the location has its own septic system.

Mr. Wright recommended keeping the (1) water meter for the water/ice dispenser and installing a separate water meter for the food truck pavilion. Mr. Edwards noted that a backflow preventer would need to be installed to protect the District's system and that it would need to have a passing inspection of its septic system.

West Harris County Regional Water Authority Water Line Extension

Mr. Edwards reminded the Board that construction is underway on an approximately 36-mile long, multiple-segment, eight-foot (8') diameter water transmission line, portions of which will be located within the District. Mr. Edwards further reminded the Board that the route of Segment A includes parts of Oakwilde. Mr. Edwards reported that a portion of the water distribution system will be relocated and reserved for a future wastewater collection system. Mr. Edwards further reported that the route of Segment B includes parts of Oakwilde, Northline Terrace, Heather Glen, and Woodland Oaks. Mr. Edwards noted that there will be less impact in these areas as tunneling will be primarily used during construction.

Oakwilde Service Area (Cont.)

Mr. Edwards stated that in regard to the Westfield Estates Wastewater Collection System and Lift Station project, the County had concerns with the District applying its multiplier to District customers connecting to the Westfield Estates Wastewater Collection System. Mr. Edwards reported that A&S met with the County and the County explained its concern that if customers are notified of the multiplier potentially being added to the bill it could cause those customers to not utilize the Westfield Estates Wastewater Collection System. Mr. Edwards stated that the County would like to attend the January 16, 2025 Board meeting to discuss the matter further with the Board.

Oak Glen Service Area (Cont.)

Mr. Edwards stated that A&S is putting together a CDBG application for the Oak Glen Phase 2 Water Line Replacement.

Water Line Rehabilitation Within District

Mr. Edwards reminded the Board that the preliminary Water Line Rehabilitation cost estimate for Oakwilde, High Meadows, Woodland Oaks, Oak Glen, Northline Terrace, and Heather Glen, was provided to staff personnel of Texas State Representative Armando Walle.

Fairgreen-High Meadows Service Area (Cont.)

Mr. Edwards stated that the EAD prepared a TWDB application for funding to install a sanitary sewer system in the Castlewood Subdivision. Mr. Edwards further stated that the District would be able to add sewer-only accounts and eventually take over ownership of the future sanitary sewer line, similar to the arrangement in place with the Mary Eleanor/Mary Francis subdivisions.

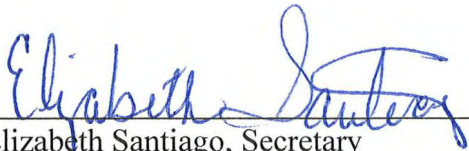
Upon a **motion** by Director Salazar, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board: 1) approved the Engineer's Report, as presented; 2) approved payment of ISJ Underground's Pay Application No. 3 in the amount of \$6,424.08; and 3) approved issuance of the Utility Commitment Letter, upon its completion, for the proposed park, trails and pavilion located south of East Aldine Town Center.

Attorney's Report

Mrs. King then discussed with the Board that the upcoming Association of Water Board Directors conference will be on January 24, 2025.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

PASSED AND APPROVED this 6th day of February, 2025.



Elizabeth Santiago, Secretary
Sunbelt Fresh Water Supply District