SUNBELT FRESH WATER SUPPLY DISTRICT

MINUTES OF MEETING OF BOARD OF DIRECTORS

June 4, 2026

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 Thursday, June 4, 2026, 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:

Elizabeth Santiago	President
Ruben Salazar	Vice President
Reyes T. Garcia Jr.	Secretary
Sandra Jaramillo	Treasurer/Investment Officer
Lynda Powell	Assistant Secretary

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 and Claudia Garza of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Suzanne Villarreal of McCall Gibson Swedlund Barfoot Ellis PLLC ("Auditor"); and Elliot M. Barner 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.

Mr. Carlos Ruiz introduced himself to the Board and requested a payment plan for the water bill for his business. Mr. Ruiz explained that he received penalties for failing to have the grease trap for such business for the months of March and April 2026. Messrs. Wright and Barner explained the process for complying with grease trap requirements and the effect on wastewater collection systems for failing to comply with such requirements.

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

AUDITOR ENGAGEMENT FOR PREPARATION OF AUDIT FOR FISCAL YEAR ENDING ("FYE") JUNE 30, 2026

Ms. Villarreal presented a proposal for auditing of the financial statements for the FYE June 30, 2026, a copy of which is available upon request. A discussion ensued regarding such proposal.

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Upon a **motion** by Director Salazar, seconded by Director Garcia, after full discussion and with all Directors present voting aye, the Board confirmed the engagement of the Auditor to perform the District's audit for the FYE June 30, 2026.

MINUTES

The Board next considered the approval of the minutes of the Engineering and Operations meeting held on May 7, 2026.

Upon a **motion** by Director Salazar, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board approved the minutes of May 7, 2026 Engineering and Operations meeting, as presented.

OPERATOR'S REPORT

Mr. Wright presented the Operator's Report, a copy of which is available upon request, and reviewed the operation of the District's water and wastewater facilities, including all necessary maintenance and repairs that were performed over the last billing cycle.

Mr. Wright next reported the amount of revenue collected by the District during the most recent billing cycle, which was $1,123,830.15.

Mr. Wright reported that 51 bacteriological samples were collected within the District; testing of such samples confirms that the District is in compliance with its approved Site Sampling Plan.

Fairgreen/High Meadows Service Area ("Fairgreen/High Meadows")

Mr. Wright reported on the status of water capacity, production, and ultrasonic leak detection in Fairgreen/High Meadows. Mr. Wright stated that the total pumpage for the month of May was 17,957,000 gallons.

Mr. Wright next reported that 76 door tags were issued in Fairgreen, while 329 were issued in High Meadows and 24 accounts received cut-off notices during the month of May.

Mr. Wright presented four (4) delinquent accounts in Fairgreen in the amount of $156.19 and nine (9) delinquent accounts in High Meadows in the amount of $1,052.46 that MOC would recommend be written off due to the number of days such account has not been paid. A discussion ensued and it was the consensus of the Board to write off such account according to the recommendation of MOC and transfer such account to a collection agency.

Heather Glen Service Area ("Heather Glen")

Mr. Wright next presented to the Board the total pumpage for the month of May, which was 4,615,000 gallons for Heather Glen.

Mr. Wright presented three (3) delinquent accounts in the amount of $382.37 that MOC would recommend be written off due to the number of days such account has not been paid. A discussion ensued and it was the consensus of the Board to write off such account according to the recommendation of MOC and transfer such account to a collection agency.

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 162 accounts in Heather Glen received door tags and 21 accounts received cut-off notices.

Northline Terrace Service Area ("Northline")

Mr. Wright next presented to the Board the total pumpage for the month of May, which was 7,266,000 gallons for Northline.

Mr. Wright presented three (3) delinquent accounts totaling $695.88 that MOC recommended be written off due to the number of days such accounts have been delinquent. A discussion ensued and it was the consensus of the Board to write off such accounts according to the recommendation of MOC and transfer such accounts to a collection agency.

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 78 accounts in Northline received door tags and 17 accounts received cut-off notices during the month of May.

Oak Glen Service Area ("Oak Glen")

Mr. Wright next presented to the Board the total pumpage for the month of May, which was 1,013,000 gallons for Oak Glen.

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 38 accounts in Oak Glen received door tag notices during the month of May.

Oakwilde Service Area ("Oakwilde")

Mr. Wright next presented to the Board the total pumpage for the month of May, which was 12,972,000 gallons for Oakwilde.

Mr. Wright presented 12 delinquent accounts totaling $884.58 that MOC recommended be written off due to the number of days such accounts have been delinquent. A discussion ensued and it was the consensus of the Board to write off such accounts according to the recommendation of MOC and transfer such accounts to a collection agency.

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 353 accounts in Oakwilde received door tags and 57 accounts received cut-off notices during the month of May.

North Houston Heights Service Area ("North Heights")

Mr. Wright next presented to the Board the total gallons billed for the month of May, which was 1,075,000 gallons for North Heights.

Mr. Wright presented two (2) delinquent accounts totaling $170.71 that MOC recommended be written off due to the number of days such accounts have been delinquent. A discussion ensued and it was the consensus of the Board to write off such accounts according to the recommendation of MOC and transfer such accounts to a collection agency.

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 43 accounts in North Heights received door tags and seven (7) accounts received cut-off notices during the month of May.

Woodland Oaks Service Area ("Woodland Oaks")

Mr. Wright next presented to the Board the total pumpage for the month of May, which was 10,722,000 gallons for Woodland Oaks.

Mr. Wright presented one (1) delinquent account in the amount of $156.65 that MOC recommended be written off due to the number of days such accounts have been delinquent. A discussion ensued and it was the consensus of the Board to write off such accounts according to the recommendation of MOC and transfer such accounts to a collection agency.

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 277 accounts in Woodland Oaks received door tags and 27 accounts received cut-off notices during the month of May.

Mary Elen and Mary Fran Service Area ("ME & MF")

Mr. Wright went on to present the pre-cut off list of delinquent accounts, a copy of which is attached to his report, and reported that 38 accounts in ME & MF received door tag notices during the month of May.

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, as presented.

ENGINEER'S REPORT

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

Fairgreen/High Meadows Service Area

Mr. Edwards updated the Board regarding the Surface Water Transmission Line Project to extend the existing 12-inch (12") City water transmission line down JFK Boulevard and to supply water to the Marquita Water Plant. Mr. Edwards reported that A&S provided RAB with an updated cost estimation to be used in an amendment to the existing Interlocal Agreement between the District and East Aldine District ("EAD").

Mr. Edwards updated the Board regarding the Marquita Water Plant Improvements, which the scope of work is a new 10,000-gallon hydropneumatic tank with associated piping and electrical/control modifications. Mr. Edwards reminded the Board that A&S provided RAB with an updated cost estimate to be used in an amendment to the existing Interlocal Agreement between the District and EAD.

Regarding the status of the variance request to the requirement for elevated storage tanks previously submitted to the Texas Commission on Environmental Quality ("TCEQ"), Mr. Edwards reported that A&S has addressed the TCEQ's additional comments and is waiting on the approval of such request.

Mr. Edwards then updated the Board regarding the service request for the proposed residential development of single-family homes located on Gloger Street. Mr. Edwards explained that A&S has received revised plans and drawings for such request, which reflected that the development will be divided into phases. Mr. Edwards stated Phase I will now require 13 equivalent single-family connections ("ESFCs"); therefore, the letter of intent should now be for the same. Mr. Edwards noted that the developer's plans require the approval of Harris County (the "County"). Mr. Barner informed the Board that the letter of intent to annex has been sent to the developer and RAB is coordinating with A&S regarding the proposed water line easement. Mr. Edwards requested approval of the water line easement, subject to RAB's approval and property owners' execution of same.

Mr. Edwards next updated the Board regarding the service request for Maya Lagoon Park, located at 2026 Connorvale Road. Mr. Edwards noted that A&S has informed the property owner that in order to receive service from the District, the private water well must be plugged and the septic system must be decommissioned and disposed of as per TCEQ regulations. Mr. Edwards noted that the applicant has reviewed the feasibility study and requested to proceed with annexation proceedings. Mr. Edwards will coordinate with RAB to have a revised letter of intent sent to the property owner.

Mr. Edwards then reported there were no updates regarding the service request for a gas station, convenience store and strip center development located at 13114 JFK Boulevard, which will require six (6) ESFCs. Mr. Edwards reminded the Board that A&S provided a Utility Commitment Letter previously approved by the Board and is now waiting on plans from the developer to review.

Mr. Edwards then updated the Board on the status of the water and wastewater service request for a restroom facility within a food truck park containing an eating and play area to be south of a strip center located at 3708 Aldine Mail Route and east of Fern Meadow Lane. Mr. Edwards noted that A&S has provided the feasibility study to the applicant.

Northline Terrace Service Area

Mr. Edwards reminded the Board that the primary improvements to the Northline Terrace Water Plant ("Northline WP"), which is being funded by the Texas Water Development Board ("TWDB") as approved during the May Board meeting. Mr. Edwards stated that, depending on the bids received, additional rehabilitation items may also be included, which A&S is coordinating with TWDB.

Additionally, Mr. Edwards informed the Board that A&S intends to apply for grant funding to drill a new well at Northline WP.

Mr. Edwards reminded the Board that the West Gulf Bank Road Widening Project is complete. Mr. Edwards then reported that A&S is still waiting for the recorded drawings related to such project and final project accounting. Mr. Edwards informed the Board that A&S has spoken to the contractor and completion of such project is expected by the end of July.

Mr. Edwards then reported that the County is expecting to make improvements to Sweetwater Lane, which is located between West Canino Road and West Mount Houston Road, to include, but is not limited to, road and bridge widening (the "Sweetwater Lane Widening Project"). Mr. Edwards stated that several existing water and sanitary sewer lines would need to be relocated due to the Sweetwater Lane Widening Project and A&S has reached out to the County to request a survey to determine the depth of affected sanitary sewer lines. A brief discussion ensued.

Oak Glen Service Area

Mr. Edwards updated the Board regarding the status of the Oak Glen Water Line Replacement, Phase II Project ("Phase II"), awarded to McKinney Construction. Mr. Edwards reminded the Board of the purpose of Phase II, which is to replace approximately 7,670 linear feet of water lines. Mr. Edwards informed the Board that approval from Harris County Housing and Community Development (the "HCHCD") and RAB's review of bonds and insurance, were confirmed and the Notice to Proceed is set for June 8, 2026. A discussion ensued.

Oakwilde Service Area

Mr. Edwards reminded the Board that R.P. Constructors, Inc. ("R.P.") was selected and awarded the Oakwilde WWTP and Lift Station Project. Mr. Edwards updated the Board regarding the continued installation of multiple concrete basins and other site work. Mr. Edwards then presented for consideration and approval R.P.'s Pay Application No. 15 in the amount of $163,127.53. Mr. Edwards confirmed that the stated amount reflects a ten percent (10%) retainage, which is being withheld.

Mr. Edwards next updated the Board regarding the construction plans for the Seven Mile Road Water Plant Improvements Project, which includes (i) the GST, (ii) booster pump addition, (iii) new electrical service, (iv) upgrades to the existing electrical components, and (v) other site modifications. Mr. Edwards informed the Board the electrical engineer reviewed the original plans and identified certain items that can be removed, which A&S is working to revise the bid documents.

Mr. Edwards then updated the Board regarding the application for service for a proposed 0.884-acre development located at 11709 Aldine Westfield Road, which will be annexed into the District upon request of the property owner. Mr. Edward informed the Board that all requested additional documentation related to the application for service has been provided to the City.

Mr. Edwards reported that Sweeping Corporation of America, LLC ("Sweeping Corp.") was awarded the Oakwilde Smoke Testing Project, which included smoke testing of Oakwilde, the MF/ME wastewater collection systems, and the North Heights neighborhoods. Mr. Edwards reported Sweeping Corp. has completed such project and A&S has determined that several sanitary sewer line segments were missed during the initial inspection and requested Sweeping Corp to remobilize and clean/televise the missed lines.

Mr. Edwards informed the Board that there is no change to the service request for 11730 Aldine Westfield Road. Mr. Edwards further explained that the commercial development, which consists of renovating a 7,945-foot building that will be used as a banquet hall, requires capacity in the amount of two (2) ESFCs. Mr. Edwards reported that A&S has not received plans for such development from the property owner.

Mr. Edwards reminded the Board that the County awarded the Westfield Estates Wastewater Collection and Lift Station Project to C.E. Barker, Ltd. and that construction is ongoing. Mr. Edwards reported that A&S is attending periodic construction progress meetings being conducted by the County. Mr. Edwards reminded the Board that A&S continues to work with the County and their consultants regarding the County's installation of a wastewater collection system in Westfield Estates, including unified efforts to assist in signing up customers to connect their property to the wastewater services.

Mr. Edwards explained that the temporary wastewater force main line was installed along the western boundary of the existing on-site lift station at the Oakwilde WWTP.

Application to HCHCD for CDBG program for Plan Year 2026 for Oakwilde Water Line Replacement, Phase 7

Mr. Edwards updated the Board regarding the status of the CDBG application for the 2026 Plan Year, the purpose of which is to fund the Oakwilde Water Line Replacement, Phase 7 Project ("Phase 7"). Mr. Edwards reported that A&S has received approval from the TWDB for Phase 7, to replace approximately 8,000 linear feet of water lines, and has been awarded a conditional award of $772,277 in CDBG funds with a leverage amount of $262,840 for a total project cost of $1,035,117. Mr. Edwards stated that due to the tight deadline for Phase 7, A&S is requesting approval of the Job Assignment Proposal, as presented. A discussion ensued.

Heather Glen Service Area

Mr. Roberts updated the Board regarding the Houston Food Bank's annexation request for multiple buildings (totaling 432,350 square feet) and a revised capacity of 117 ESFCs. Mr. Roberts informed the Board that RAB has had preliminary discussions with the project manager for the Houston Food Bank regarding the letter of intent to annex and the related annexation process.

Mr. Edwards then updated the Board on the status of the Heather Glen Water Line Replacement Project, which was funded through House Bill 500/Senate Bill 1 in the amount of $11,942,000. Mr. Edwards stated that A&S submitted the requisite application and resolution to TWDB to obtain the allotted funds and received approval for such funds. Mr. Edwards informed the Board that A&S is coordinating with RAB, and the District's financial advisor, to proceed with the TWDB's closing process to receive such funds.

Woodland Oaks Service Area

Mr. Edwards then updated the Board on the status of the new well at Woodland Oaks Water Plant No. 1. Mr. Edwards stated that a groundwater hydrologist is working on the design perimeters for the new well. Mr. Edwards then noted that A&S has updated the feasibility study to reflect the revised costs required for the new well, which has been provided to RAB for review.

Regarding the status of the Woodland Oaks Water Plant No. 2 upgrades, Mr. Edwards reported that A&S is working with the engineer to include in the upgrades the installation of an additional booster pump.

Mr. Edwards updated the Board regarding the extension of the off-site water and sewer line installation to serve the Pinehaven Development ("Pinehaven"). Mr. Edwards reminded the Board that ISJ Utilities, LLC was awarded the contract to provide installation services to Pinehaven. Mr. Edwards reported that A&S is working with the developer and the Operator to calculate the tap fees for new residential water meters.

Hillwood Lift Station Upgrades

Mr. Edwards updated the Board regarding the Defined Area No. 1 Hillwood Lift Station Upgrades. Mr. Edwards reminded the Board that Pioneer Construction Services ("Pioneer") was awarded the project. Mr. Edwards stated that Pioneer has completed the project and installed the new pumps and placed into service. Mr. Edwards then presented for consideration and approval Pioneer's Pay Application No. 1 and Final in the amount of $69,238.64, which includes all close-out documentation and issuance of the Certificate of Completion.

Miscellaneous Service Requests

Mr. Edwards reported that there is no change to the status of the water and wastewater service request from Aldine Independent School District Transportation Center ("Aldine ISD") located on 1617 Lauder Road.

Mr. Edwards next explained to the Board that there is no change to the water and wastewater service request for a multi-family development located at 3420 Aldine Mail Route and east of Fall Meadow Lane.

Evaluation of Facilities

Mr. Edwards reported to the Board that A&S is finalizing reports for each service area and will distribute drafts of all reports for Board review.

Geographic Information System ("GIS") for District

Mr. Edwards updated the Board that A&S has completed the GIS for the District and provided the Operator the weblink for all interested parties.

Castledale Drive Sanitary Sewer Line Extension

Mr. Edwards informed the Board that Harris County Precinct No. 2 was conditionally awarded CDBG funding regarding the installation of a wastewater collection system along Fishel Street and Castledale Drive (approximately 1,800 linear feet), which the East Aldine District ("EAD") is funding the leverage portion. Mr. Edwards stated that EAD has requested A&S to prepare construction drawings for the installation of the wastewater collection system extension.

Upon a **motion** by Director Santiago, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including: 1) Gloger Street Phase I water line easement, subject to RAB's approval and property owners' execution; 2) R.P.'s Pay Application No. 15 in the amount of $163,127.53; 3) approval of A&S' Job Assignment Proposal for Oakwilde Water Line Replacement, Phase 7 Project; and 4) Pioneer's Pay Application No. 1 and Final in the amount of $69,238.64 and issuance of the Certificate of Completion.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at 7:48 p.m.

PASSED AND APPROVED this 16th day of July, 2026.

Reyes T. Garcia, Jr., Secretary
Sunbelt Fresh Water Supply District

(DISTRICT SEAL)