

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

April 2, 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, April 2, 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:

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

All Board members were present, except Director Jaramillo, 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"); Elliot M. Barner and Nicholas L. Roberts, attorneys, 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.

MINUTES

The President next directed the Board to consider the approval of the minutes of March 5, 2026 Engineering and Operations 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 March 5, 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 reviewed the amount of revenue collected by the District over the last billing cycle, which was \$925,647.21 for the month of February.

Mr. Wright then reported that the City of Houston ("City") has issued its annual notice of increase in water rates that are charged to wholesale water providers. Mr. Wright explained that such rates increased from \$4.57 per 1,000 gallons to \$4.73 per 1,000 gallons on April 1, 2026

Mr. Wright reported that 19 bacteriological samples from throughout the District were collected and examined recently and that the District is compliance with its approved Site Sampling Plan.

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

Mr. Wright next reported on the status of water capacity, production, and ultrasonic leak detection in Fairgreen/High Meadows. Mr. Wright stated that the total amount of gallons billed to customers for the month of February was 15,649,000 gallons.

Mr. Wright then explained that STP Services ("STP") has replaced the recently stolen Generator Main Line Breaker, which is a critical safety device previously stolen from the Fairgreen Water Plant. Mr. Wright reminded the Board no police report has been filed at this time. A discussion ensued about the filing of a report.

Mr. Wright went on to present the Delinquent Accounts List, a copy of which is attached to his report, and reported that there are nine (9) accounts that he recommended for the termination of water service. Mr. Wright recommended that the Board adopt a process for removing such accounts on a monthly basis; such accounts being 90 days or more delinquent.

Mr. Wright then reported that Capewood Apartments, a multi-family residential development located in High Meadows/Fairgreen, is delinquent in payment to the District. Mr. Wright explained that MOC has communicated with Capewood's management team and recommended that the Board offer a payment plan to Capewood not to exceed six (6) months and also contingent upon Capewood making its future water bills on time. A discussion ensued.

Mr. Wright then explained that STP installed a motor that is necessary to perform repairs to the Headworks at the High Meadows Wastewater Treatment Plant ("WWTP").

Heather Glen Service Area ("Heather Glen")

Mr. Wright next presented to the Board the total pumpage for the month of February, which was 4,646,000 gallons, for Heather Glen. Mr. Wright reported that a total of six (6) bacteriological samples were collected from Heather Glen and that all samples were good.

Mr. Wright updated the Board regarding the status of the customer billing transition from I3 Verticals, LLC, formally AVR ("I3V") to MOC's billing system, Starnik Systems Inc. ("Starnik") in Heather Glen and confirmed that Heather Glen has been transitioned to, and was live in, Starnik.

Mr. Wright then presented a paid invoice to evidence that STP supplied and installed an E10 element on blower No. 2, including realignment of blower and motor, re-tapping broken belts and phase monitor at Heather Glen Water Plant.

Mr. Wright presented the delinquent account list for Heather Glen, a copy of which is attached to his report, and reported that 70 accounts totaling \$14,423.49 were delinquent. Mr. Wright requested Board approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency.

Northline Terrace Service Area ("Northline")

Mr. Wright next presented to the Board the total billed gallons for the month of February, which was 4,907,000 gallons, for Northline. Mr. Wright reported that a total of five (5) bacteriological samples were collected for Northline and that all samples were good.

Mr. Wright updated the Board regarding the status of the customer billing transition from I3V to Starnik in Northline. Mr. Wright discussed the current issues related to the transition and the process of resolving said issues. Director Powell inquired about the discrepancies found in the Operator's Report related to the customer data outputs of each billing system. Mr. Barner stated that MOC is working on resolving the discrepancies and implementing procedures to avoid similar issues moving forward with Starnik.

Mr. Wright then presented a paid invoice evidencing the repair and inspection of the lift pump alternator at the Northline WWTP, specifically for services related to replacing the pump alternator, and repairing the control wiring, wire pumps, floats, and lights.

Mr. Wright next reported that D&D Electric Solutions ("D&D Electrics") inspected Lift Pump No. 3 at Northline WWTP, determining the pump was burned out and provided a quote for approval in the amount of \$5,780.00 to repair and install a new pump and bring back into service.

Mr. Wright next reported that certain meters in Northline are under registering and requested approval to repair or replace such meters.

Mr. Wright presented the delinquent account list for Northline, a copy of which is attached to his report, and reported that 68 accounts totaling \$15,343.66 were delinquent. Mr. Wright requested Board approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency.

Oak Glen Service Area ("Oak Glen")

Mr. Wright next presented to the Board the total pumpage of water for the month of February, which was 988,000 gallons, for Oak Glen. Mr. Wright reported that a total of four (4) bacteriological samples were collected for Oak Glen and that all samples were good.

Mr. Wright updated the Board regarding the status of the customer billing transition from I3V to Starnik in Oak Glen and confirmed that Oak Glen has been transitioned to, and was live in, Starnik.

Mr. Wright then reported to the Board that a water line offset was completed by Reytec on March 31, 2026. Mr. Wright further reported that the service to Oak Glen was interrupted for approximately three (3) hours and noted that door tags were issued prior to said interruption.

Oakwilde Service Area ("Oakwilde")

Mr. Wright next presented to the Board the total gallons billed for the month of February, which was 12,963,000 gallons, for Oakwilde and that all samples collected were good. Mr. Wright reported that a total of five (5) bacteriological samples were collected for Oakwilde and that all samples were good.

Mr. Wright next updated the Board regarding the West Harris County Regional Water Authority ("WHCRWA") Water Line Extension Project wherein during excavation, Harper Brothers Construction ("Harper Brothers") ruptured the District's adjacent pressurized 12-inch (12") water main that caused service interruptions for 29 homes on three (3) different dates with each occurrence, requiring additional repairs. Mr. Wright reported that MOC received a request from Harper Brothers for the District to justify the invoiced amount of \$24,000.00 for water loss due to the water line break. A discussion ensued.

Mr. Wright updated the Board regarding the status of the customer billing transition from I3V to Starnik in Oakwilde and confirmed that Oakwilde has been transitioned to, and was live in, Starnik.

Mr. Wright then presented a paid invoice with evidence that STP supplied and installed a rebuilt helio sleeve at the Oakwilde WWTP.

Mr. Wright next requested Board's approval to repair/replace a three-inch (3") meter and two-inch (2") meter located in Oakwilde. Mr. Wright reported that MOC estimates the repair/replacement of such meters would cost approximately \$5,625.00.

Mr. Wright presented the delinquent account list for Oakwilde, a copy of which is attached to his report, and reported that 135 accounts totaling \$40,230.57 were delinquent. Mr. Wright requested Board approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency.

North Houston Heights Service Area ("North Heights")

Mr. Wright next presented to the Board the total gallons billed for the month of February, which was 12,963,000 gallons, for North Heights.

Mr. Wright updated the Board regarding the status of the customer billing transition from I3V to Starnik in North Heights and confirmed that North Heights has been transitioned to, and was live in, Starnik.

Mr. Wright presented the delinquent account list for North Heights, a copy of which is attached to his report, and reported that 18 accounts totaling \$3,122.04 were delinquent. Mr. Wright requested Board approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency.

Woodland Oaks Service Area ("Woodland Oaks")

Mr. Wright next presented to the Board the total pumpage of water for the month of February, which was 7,734,000 gallons, for Woodland Oaks. Mr. Wright reported that a total of six (6) bacteriological samples were collected for the Woodland Oaks and that all samples were good.

Mr. Wright updated the Board regarding the status of the customer billing transition from I3V to Starnik in Woodland Oaks and confirmed that Woodland Oaks has been transitioned to, and was live in, Starnik.

Mr. Wright then presented a paid invoice to evidence services provided by STP, which included the removal of the variable frequency drives from Lift Pump No. 1 and Lift Pump No. 2, the repair and reset of the pump's controller, and the removal and replacement of wires from Lift Pump No. 3.

Mr. Wright then reported to the Board that Water Utility Services Inc ("Water Utility") delivered the Hach AS90 refrigerator sampler to be replaced at Woodland Oaks WWTP. Mr. Wright presented to the Board an invoice for the replacement refrigerator sampler in the amount of \$9,500.00 and requested the Board's authorization to pay such invoice.

Mr. Wright presented the delinquent account list for Woodland Oaks, a copy of which is attached to his report, and reported that 52 accounts totaling \$11,843.88 were delinquent. Mr. Wright requested Board approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency.

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

Mr. Wright updated the Board regarding the status of the customer billing transition from I3V to Starnik in ME & MF and confirmed that ME & MF has been transitioned to, and was live in, Starnik. Mr. Wright next updated the Board regarding the payment of the billing services relating to the ME & MF transition, which MOC paid due to Starnik's ACH requirements for payment.

Upon a **motion** by Director Santiago, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board approved the Operator's Report, including: 1) approval of D&D Electrics' proposal in the amount of \$5,780.00; 2) authorization to pay the invoice for the replacement of the Woodland Oaks WWTP refrigerator sampler in the amount of \$9,500.00; 3) approval to repair or replace certain meters in the Northline and Oakwilde service areas; and 4) approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency for the Fairgreen, High Meadows, Northline, Oakwilde, Oak Glen, Woodland Oaks, and Heather Glen service areas, 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 in EAD. The scope of work is a new 10,000-gallon hydropneumatic tank with the 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.

Mr. Edwards updated the Board regarding the Elevated Storage Tank Variance request to the Texas Commission on Environmental Quality ("TCEQ"). Mr. Edwards reported that A&S has addressed and submitted additional comments to TCEQ and are awaiting approval from TCEQ.

Mr. Edwards reminded the Board there were no current updates regarding the service request for 3940 Aldine Mail Route Road and recommended that such service request be removed from the agenda.

Mr. Edwards then updated the Board regarding the service request for the proposed residential development of 30 single-family homes located on Gloger Street. Mr. Edwards reported that A&S has received revised plans and drawings for such service request, which reflected that the development will only require connections for 28 single-family homes. Mr. Edwards further stated that A&S awaits final approved drawings from the County.

Mr. Edwards next updated the Board regarding the service request for the Maya Lagoon Improvements ("Maya Lagoon Park") located at 2026 Connorvale Road for eight (8) ESFCs. Mr. Edwards noted that the applicant has provided the necessary deposit and application and has been notified that in order to receive service from the District, the property owner will have to abandon the onsite water well and sanitary septic system. Mr. Edwards reported that A&S submitted to RAB for review the approved Feasibility Study, in which Mr. Barner stated RAB had no additional comments.

Mr. Edwards next reported no change to a service request for one (1) ESFC for an auto repair shop located at 4538 Lauder Road. Mr. Edwards stated A&S recently received construction plans and are currently under review.

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 Blvd., which will require six (6) ESFCs. Mr. Edwards reminded the Board A&S provided 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 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 Road and east of Fern Meadow Lane. Mr. Edwards

noted that the applicant has provided the necessary deposit and application and A&S will prepare a feasibility study for RAB review prior to the May 7, 2026 Board meeting.

Northline Terrace Service Area

Mr. Edwards reminded the Board that the construction is complete regarding the West Gulf Bank Road Widening Project and A&S is waiting on the recorded drawings and final project accounting.

Oak Glen Service Area

Mr. Edwards updated the Board regarding Oak Glen Water Line Replacement, Phase 2 Project ("Phase 2") to replace approximately 7,670 linear feet of water lines. Mr. Edwards reported that A&S has received nine (9) bids, with McKinney Construction, Inc. ("McKinney") submitting the lowest bid amount of \$865,298.75. Mr. Edwards further stated that A&S has not worked directly with McKinney but received multiple positive references and recommended McKinney be awarded the Phase 2 project. Mr. Edwards further recommended that upon Harris County Housing and Community Development (the "HCHCD") approval, the Board approve the execution of the construction contract, subject to RAB review of bonds and insurance, and issue the Notice to Proceed, subject to execution of the contract manual. 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. 13 in the amount of \$950,414.78 and that the amount reflects a ten percent (10%) retainage withheld.

Mr. Edwards next updated the Board regarding the construction plans for the Seven Mile Road Water Plant Improvements Project, which includes the ground storage tank, booster pump addition, new electrical service and upgrades to the existing electrical components as well as site modifications.

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 is being annexed into the District upon request of the property owner. Mr. Edward noted that the City has requested an additional item, which A&S has requested from applicant.

Mr. Edwards reported that Sweeping Corporation of America, LLC ("Sweeping Corp.") was awarded the Oakwilde Smoke Testing Project, which included smoke testing of Oakwilde, and the wastewater collection systems of both MF/ME and the North Heights neighborhoods. Mr. Edwards reported Sweeping Corp has completed such project and A&S will coordinate with contractor to review remaining reports and data.

Mr. Edwards then reminded the Board that there is no change regarding 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. Mr. Barner stated that any customer that has not signed up and paid their deposit for such wastewater services will inevitably have to pay certain fees related to the connection of such customer's property to the wastewater services.

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

Heather Glen Service Area

Mr. Edwards updated the Board regarding the Houston Food Bank's revised service request for multiple buildings totaling 432,350 square feet and a revised capacity of 117 ESFCs. Mr. Barner informed the Board that RAB has had preliminary discussions with the project manager for Houston Food Bank regarding the Letter of Intent and the related annexation process. Mr. Edwards reminded the Board that upon receipt of the necessary deposit, A&S will prepare the annexation documents for RAB review.

Mr. Edwards next reported to the Board regarding the Heather Glen Water Line Replacement funding project through House Bill 500/Senate Bill 1 which the District was allocated \$11,942,000 in funding for construction, contingencies and engineering. Mr. Edwards stated that A&S submitted the requisite application and resolution to the Texas Water Development Board ("TWDB") to obtain such funds and TWDB is expected to approve funding for the Heather Glen Water Line Replacement funding project at its April 16, 2026 Board meeting.

Woodland Oaks Service Area

Mr. Edwards next reported to the Board that the groundwater hydrologist continues working on design perimeters for the new well at Woodland Oaks Water Plant No. 1 and A&S has updated the costs for the required improvements outlined in the feasibility study provided to RAB.

Mr. Edwards reminded the Board regarding the Woodland Oaks Water Plant No. 2 upgrades, stating 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"), which the Board awarded the contract to ISJ Utilities, LLC ("ISJ Utilities"). Mr. Edwards reported that A&S is working with the developer and District staff regarding tap fees for new residential water meters.

Mr. Edwards next updated the Board regarding a service request for 23 ESFCs for a warehouse building with several smaller internal offices located at 8202 Breen Drive, on the north side of Breen Drive, just west of Herman Packaging ("Breen Road"). Mr. Edwards stated the No

Objection Letter was distributed to applicant and the Operator is preparing the tap fee quote. Mr. Edwards informed the Board that A&S has revised the annexation documents at the City's request and recommends approval of the water line and sanitary sewer easements, subject to RAB's review and execution by owner.

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 the Notice to Proceed date is February 16, 2026, and A&S is currently coordinating with Pioneer on installation of the new lift pumps.

Miscellaneous Service Requests

Mr. Edwards updated the Board regarding the status the water and wastewater service request from Aldine Independent School District Transportation Center ("Aldine ISD") located on 1617 Lauder Road. Mr. Edwards reported that A&S provided the application for service and deposit requirements.

Mr. Edwards next updated the Board regarding the water and wastewater service request for a multi-family development to be south of Ace Dental located at 3420 Aldine Mail Route Road and east of Fall Meadow Lane. Mr. Edwards reported that A&S provided applicant with the application for service and deposit requirements.

Water Line Rehabilitation Within District

Mr. Edwards reminded the Board that there is no change regarding the Texas State Representative Armando Walle's office \$12 million grant awarded to the District for water line replacement funds, under the TWDB budget, which is pending final approval by Governor Abbott. Mr. Edwards updated the Board that A&S has provided additional information regarding Heather Glen and is waiting for details regarding the distribution of these funds which will encompass all District service areas, except Woodland Oaks. A discussion ensued.

Evaluation of Facilities

Mr. Edwards reported to the Board that A&S is finalizing reports for each service area and will request a special Board meeting to review such reports.

Geographic Information System ("GIS") for District

Mr. Edwards updated the Board that A&S has completed the GIS for the District and is currently being reviewed internally. Mr. Edwards stated that upon completion of the review, A&S will provide the weblink for all interested parties.

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

Mr. Edwards updated the Board regarding the CDBG application for the 2026 Plan Year, which is for the Oakwilde Water Line Replacement, Phase 7 Project ("Phase 7"). Mr. Edwards reported that A&S has submitted the Phase 7 application to replace approximately 8,300 linear feet of water lines. Mr. Edwards further reminded the Board that the District is required to contribute 25% of the overall Phase 7 costs and confirmed that the grant was submitted in the amount of \$780,000. Mr. Edwards then reported that A&S has been addressing questions from HCHCD and submitted evidence of compliance with Phase I of the Endangered Species Act, as required.

Upon a **motion** by Director Powell, seconded by Director Santiago, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including: 1) subject to HCHCD approval, i) approval of McKinney's contract in the amount of \$865,298.75 and authority to issue a Notice of Award, ii) authorization to execute the Oak Glen Water Line Replacement, Phase 2 Project construction contract, subject to RAB review, and iii) authorization to issue the Notice to Proceed, subject to execution of the related contract manual; 2) authorization of the R.P.'s Pay Application No. 13 in the amount of \$950,414.78; and 3) approval of the water line and sanitary sewer easements for Breen Road, subject to RAB's review and execution by the owner, as presented.

ATTORNEY'S REPORT

Mr. Barner reminded the Board of the recent transition of bookkeeping services to McLennan & Associates ("Bookkeeper"), which acquired Governmental Financial Reporting, LLC, the District's previous bookkeeper.

Mr. Barner then discussed the transition of the District's payroll subscription, which was outsourced by the Bookkeeper to ADP, and the related payroll issues. Mr. Barner confirmed that the Bookkeeper has resolved the Board's payroll issues. A discussion ensued.


ELECTION AGENDA

Mr. Barner then reminded the Board that the Director's Election is scheduled to be held on Saturday, May 2, 2026 (the "Election"), with early voting period beginning on Monday, April 20, 2026, and ending Tuesday, April 28, 2026. Mr. Barner then discussed with the Board recent correspondence received from an Election candidate and their attempt to withdrawal from the Election. A discussion ensued.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at 6:56 p.m.

PASSED AND APPROVED this 21st day of May, 2026.




Elizabeth Santiago, Secretary
Sunbelt Fresh Water Supply District