SUNBELT FRESH WATER SUPPLY DISTRICT

MINUTES OF MEETING OF BOARD OF DIRECTORS

May 7, 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, May 7, 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, 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"); and 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 Board next considered the approval of the minutes of the Engineering and Operations meeting held on April 2, 2026. It was the consensus of the Board to postpone this item until the May 21, 2026 Board meeting.

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 $850,586.28.

Regarding the Water Meter Replacement Project, Mr. Wright reported that 200 meters were replaced within the District during the months of March and April 2026.

Mr. Wright reported that 51 bacteriological samples were collected within the District; testing of such samples confirms that the District is 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 March was 20,104,000 gallons.

Mr. Wright next reported that 48 door tags were issued in Fairgreen and 232 were issued in High Meadows during the month of April.

Mr. Wright then updated the Board on the missing account audit for Fairgreen, stating that 373 accounts were serviced and charged, but not recorded.

Mr. Wright next updated the Board regarding the status of the refrigerator sample for the Wastewater Treatment Plant ("WWTP"), stating it is no longer functioning properly and requires replacement of same. Mr. Wright informed the Board that MOC solicited three (3) proposals regarding the installation of such replacement refrigerator sampler and recommended awarding the project to Water Utility Services in the amount of $13,500.00, as the lowest qualified bidder.

Mr. Wright reminded the Board that the America's Water Infrastructure Act of 2018 ("AWIA") requires water districts serving more than 3,300 customers to develop a Risk and Resilience Assessment ("RRA") study that is due every five (5) years. Mr. Wright reported that MOC completed such RRA for Fairgreen/High Meadows and recommended a proposal for approval in the amount of $22,500.00 for the cost and steps required to submit the necessary certificate of completion to the RRA and U.S. Environmental Protection Agency ("EPA") prior to the deadline of June 30, 2026.

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 29 accounts in Fairgreen and 117 in High Meadows received door tags on May 5, 2026, with a cut-off date of May 12, 2026, pending Board approval.

Heather Glen Service Area ("Heather Glen")

Mr. Wright next presented to the Board the total pumpage for the month of April, which was 4,787,000 gallons for Heather Glen.

Mr. Wright next updated the Board on the missing account audit for Heather Glen, stating that 977 accounts were serviced and charged, but not recorded, including all the vacant and occupied accounts. Mr. Wright informed the Board that door tags were placed on the property to require the owners to set up an account for water service with the District.

Mr. Wright presented one (1) delinquent account in the amount of $603.83 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 stated that uncollectable accounts will be presented at the next Board meeting.

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 68 accounts in Heather Glen received door tags on May 12, 2026, with a cut-off date of May 19, 2026, pending Board approval.

Northline Terrace Service Area ("Northline")

Mr. Wright next presented to the Board the total pumpage for the month of April, which was 7,470,000 gallons for Northline.

Mr. Wright then updated the Board on the status of the insurance claim made for the repairs to the Northline Terrace Water Plant Water Well No. 1 ("Well No. 1") and explained that MOC is coordinating with the Bookkeeper to evidence the loss of revenue and negotiate reimbursement of certain expenses related to the loss of revenue that resulted from purchasing water from the City of Houston (the "City") while Well No. 1was being repaired.

Mr. Wright next reported that D&D Electric Solutions ("D&D Electric") inspected Lift Pump No. 2 at Northline WWTP, determining the pump required repair and provided a quote for approval in the amount of $8,610.00 to repair the pump, power cable replacement, new bearings and seals, install pump back, test and bring back into service.

Mr. Wright presented two (2) delinquent accounts totaling $108.97 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 stated that uncollectable accounts will be presented at the next Board meeting.

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 44 accounts in Northline received door tags on May 8, 2026, with a cut-off date of May 12, 2026, pending Board approval.

Oak Glen Service Area ("Oak Glen")

Mr. Wright next presented to the Board the total pumpage for the month of April, which was 1,069,000 gallons for Oak Glen.

Mr. Wright next updated the Board on the missing account audit for Oak Glen, stating that 241 accounts were serviced and charged, but not recorded, including all the vacant and occupied accounts. Mr. Wright informed the Board that door tags were placed on the properties to have the owners set up the account for water service with the District.

Mr. Wright presented eight (8) delinquent accounts totaling $2,398.12 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 accounts according to the recommendation of MOC and transfer such accounts to a collection agency. Mr. Wright stated that uncollectable accounts will be presented at the next Board meeting.

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 18 accounts in Oak Glen will receive door tags on May 21, 2026, with a cut-off date of May 27, 2026, pending Board approval.

Oakwilde Service Area ("Oakwilde")

Mr. Wright next presented to the Board the total pumpage for the month of March, which was 12,878,000 gallons for Oakwilde.

Mr. Wright reminded the Board that AWIA requires water districts serving more than 3,300 customers to develop an RRA. Mr. Wright reported that MOC completed such RRA for Oakwilde and recommended a proposal for approval, in the amount of $15,500.00, for the cost and steps required to submit the necessary certificate of completion to the RRA and EPA prior to the deadline of June 30, 2026.

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 358 accounts in Oakwilde will receive door tags on May 29, 2026, with a cut-off date of June 3, 2026, pending Board approval.

North Houston Heights Service Area ("North Heights")

Mr. Wright next presented to the Board the total gallons billed for the month of March, which was 1,087,000 gallons for North Heights.

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 35 accounts in North Heights will receive door tags on May 26, 2026, with a cut-off date of June 3, 2026, pending Board approval.

Woodland Oaks Service Area ("Woodland Oaks")

Mr. Wright next presented to the Board the total pumpage for the month of April, which was 9,629,000 gallons for Woodland Oaks.

Mr. Wright reminded the Board that AWIA requires water districts serving more than 3,300 customers to develop an RRA. Mr. Wright reported that MOC completed such RRA for Woodland Oaks and recommended a proposal for approval, in the amount of $15,500.00, for the cost and steps required to submit the necessary certificate of completion to the RRA and EPA prior to the deadline of June 30, 2026.

Mr. Wright then presented to the Board photos of a main line break that occurred on April 16, 2026, at Log Hollow Drive in Woodland Oaks. Mr. Wright reported that the main line break has been repaired as of April 16, 2026. .

Mr. Wright next reported that D&D Electric inspected Lift Pump No. 1 at Woodland Oaks WWTP and provided a quote for approval in the amount of $3,110.00 to repair the pump, cord replacement and new bearings and seals, install pump back, test and bring back into service.

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 129 accounts in Woodland Oaks received door tags on May 8, 2026, with a cut-off date of May 12, 2026, pending Board approval.

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

Mr. Wright presented six (6) delinquent accounts totaling $598.52 that MOC would recommend be written off due to the number of days such account has not been paid. A discussion ensued regarding the procedure for having Aqua Texas, Inc., the retail water service provider of ME & MF service area terminate these accounts for wastewater services. Mr. Wright stated that uncollectable accounts will be presented at the next Board meeting.

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 20 accounts in ME & MF will receive door tags on May 21, 2026, with a cut-off date of June 2, 2026, pending Board approval.

Drinking Water Quality Report

Mr. Wright next presented to the Board the District's 2025 Drinking Water Quality Report, formerly the Consumer Confidence Report ("CCR"), a copy of which is attached to the Operator's Report and requested the Board's approval of the same. Mr. Barner then explained the process of distributing the CCR to customers pursuant to the requirements of the EPA and the Texas Commission on Environmental Quality ("TCEQ"). Mr. Barner stated that a direct link to such CCR must be included in customers' water bills prior to July 1, 2026.

Upon a **motion** by Director Powell, seconded by Director Santiago, after full discussion and with all Directors present voting aye, the Board approved the Operator's Report, including: 1) awarding the replacement of the Fairgreen/High Meadows WWTP refrigerated sampler project to Water Utility Services; 2) authorization to for the replacement of the Fairgreen/High Meadows WWTP refrigerator sampler in the amount of $13,500.00; 3) MOC's proposal in the amount of $22,500.00 for the creation and submission of Fairgreen/High Meadows AWIA report to the RRA and EPA prior to the deadline of June 30, 2026; 4) D&D Electrics' proposal in the amount of $8,610.00; 5) MOC's proposal in the amount of $15,500.00 for the creation and submission of Oakwilde's AWIA report to the RRA and EPA prior to the deadline of June 30, 2026; 6) MOC's proposal in the amount of $15,500.00 for the creation and submission of Woodland Oaks AWIA report to the RRA and EPA prior to the deadline of June 30, 2026; 7) D&D Electrics' proposal in the amount of $3,110.00; 8) approval to remove the delinquent accounts from the Write-Off List and transfer such accounts to a collection agency for the Heather Glen, Northline, and Oak Glen service areas; and 9) approval to cut off service on the cut-off date for the Fairgreen/High Meadows, Heather Glen, Northline, Oak Glen, Oakwilde, North Heights, Woodland Oaks and ME & MF 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, 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 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. 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 upon approval of the feasibility study, he will coordinate with RAB to have a revised letter of intent sent to the property owner.

Mr. Edwards next updated the Board regarding the service request for one (1) ESFC for an auto repair shop located at 4538 Lauder Road. Mr. Edwards stated A&S recently prepared and distributed the No Objection Letter with the County approved construction plans to Operator to prepare the tap fee quote.

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 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 the applicant has provided the necessary deposit and application and A&S has prepared a feasibility study for approval, subject to RAB review.

Northline Terrace Service Area

Mr. Edwards presented to the Board the primary improvements to the Northline Terrace Water Plant ("Northline WP"), which is being funded by the Texas Water Development Board ("TWDB"). Mr. Edwards stated the such improvements, include (i) removing/replacing hydropneumatics tank ("HPT") no. 1 and ground storage tank ("GST") no. 1, (ii) blasting/coating GST no. 2, HPT no. 2 and the generator enclosure, and (iii) replacing booster pump gate valves. It was the consensus of the Board to authorize the job assignment proposal funded by the TWDB for the Northline WP improvement referenced in items (i) through (iii) above.

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 on the recorded drawings related to such project and final project accounting. Mr. Edwards informed the Board that he has requested an update from the County.

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"). 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 recommended that upon approval from Harris County Housing and Community Development (the "HCHCD"), the Board approve (i) execution of the construction contract, subject to RAB review of bonds and insurance, and (ii) issuance of 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. 14 in the amount of $1,217,573.90. 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 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 this project and A&S is reviewing the video, received from Sweeping Corp., of the wastewater collection systems.

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.

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 funding 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.

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 has prepared and distributed the tap fee quote to the applicant. 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 the 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 Pioneer has completed the project and installed the new pumps; A&S anticipates processing the final pay application and closing out the project at the June Board meeting.

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 is currently being reviewed internally. Mr. Edwards stated that upon completion of the review, A&S will provide the weblink for all interested parties.

Upon a **motion** by Director Salazar, seconded by Director Santiago, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including: 1) revision to the utility commitment for Phase I of the development located at 11955 Gloger Street for 13 ESFCs; 2) preparation of a Letter of Intent to Annex for Maya Lagoon Park; 3) the feasibility study for 3708 Aldine Mail Route, subject to RAB review; 4) approval of A&S' Job Assignment Proposal for the Northline WP Improvement project; and 5) R.P.'s Pay Application No. 14 in the amount of $1,217,573.90.

ATTORNEY'S REPORT

Mr. Barner then discussed with the Board results of the May 2, 2026 Directors Election and the special canvassing meeting that will be held on May 13, 2026. In response to a question regarding the required number of directors necessary to serve as canvassing officers, Mr. Barner reminded the Board that only two (2) directors are necessary for a quorum to be established at the canvassing meeting; but all directors may attend.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at 6:29 p.m.

PASSED AND APPROVED this 4th day of June 2026.

SUNBELT FRESH WATER SUPPLY DISTRICT
HARRIS COUNTY
TEXAS

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