

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

February 19, 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 Bookkeeping and Management Session, at 5:00 p.m. on Thursday, February 19, 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 Mary Jane Mendoza, employees of the District; Barbara Nussa of Republic Services of Houston ("Republic"); Susan Hill of Governmental Financial Reporting, LLC ("GFR") and Demitra Berry of McLennan & Associates ("McLennan") ("Bookkeeper"); Lonnie Wright, Greg Dubiel, Kathy Sagredo, and Claudia Garza of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Justin Waggoner of Touchstone District Services ("Touchstone"); and Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"), and members of the public listed on the attendance rooster attached hereto.

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

PUBLIC COMMENT

The President then opened the meeting to public comment.

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

SOLID WASTE COLLECTION REPORT

Ms. Nussa presented Republic's Solid Waste Collection Report, including information regarding the annual shredding event. Ms. Nussa reminded the Board of Republic's annual rate increase and a brief discussion ensued regarding whether or not the fee for such services paid by the District's customers should be increased. It was the consensus of the Board that such fee did not need to be increased by the District as a result of the rate increase by Republic.

MINUTES

The President next directed the Board to consider the approval of the minutes of January 15, 2026 Bookkeeping and Management meeting and January 22, 2026 special Bookkeeping and Management meeting. A discussion ensued.

Upon a **motion** by Director Santiago, seconded by Director Jaramillo, after full discussion and with all Directors present voting aye, the Board approved the minutes of January 15, 2026 Bookkeeping and Management meeting and January 22, 2026 special Bookkeeping and Management meeting, with corrections.

BOOKKEEPER'S REPORT

Ms. Hill introduced Ms. Berry to the Board and stated that McLennan bought GFR, with the surviving entity being McLennan. A brief discussion ensued.

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

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

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

OPERATOR'S REPORT

Mr. Wright introduced Ms. Sagredo to the Board, who explained her role as manager of services for MOC and provided an update on transition of billing services from the District's former office staff.

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

Mr. Dubiel next stated that MOC files for reimbursement, on behalf of the District, any property damage claims to the Texas Municipal League's Intergovernmental Risk Pool ("TML"). A discussion ensued regarding how such reimbursements are processed through TML.

Mr. Wright further stated that MOC, upon completion of their review of District costs, will coordinate with TML regarding payment from the well failure in Northline, including the additional costs for receiving emergency surface water from the City of Houston.

Mr. Dubiel reported that one (1) service line repair had been completed in the High Meadows Service Area ("High Meadows").

Mr. Dubiel reported regarding the Northline Terrace Service Area that one (1) service line repair had been completed. Mr. Dubiel stated that C&C Water Services ("C&C") was completing the installation of the pump at the Water Plant and start-up is scheduled for next week.

In response to a question from Director Wade, Mr. Barner confirmed that RAB is contacting the West Harris County Regional Water Authority ("WHCRWA") about water line damage caused by a contractor performing construction on WHCRWA's surface water line. Mr. Barner reminded the Board that letters were sent requesting payment from such contractor and such letters have been met with no response, even after the contractor guaranteed MOC that the damages would be paid.

Mr. Dubiel reported to the Board that 252 customers have registered for the new Westfield Estates sanitary sewer service.

Mr. Wright next updated the Board on the overall transition to MOC and challenges regarding transition billing software from I3 Verticals, formerly Ad Valorem Records. Mr. Wright then requested the Board recommend their preference on processing delinquent accounts and terminations during the software transition to the MOC billing system, including grace periods for customers setting up automatic payments again as a result of such transition.

Mr. Wright and the Board next discussed declaring certain District property as surplus. In response to questions from the Board, Mr. Barner reminded the Board of the process for declaring District-owned property surplus.

Mr. Wright then explained changes to the Operator's Report, which will include items formerly presented by District Staff under the Office Report, as well as categorizing all operations services by each service area.

Mr. Wright next inquired if the Board wants to include the Return Check Report in the Operator's Report. A brief discussion ensued.

Mr. Wright next reported to the Board MOC's review of alerts sent out by Touchstone and MOC's response to service issues.

Mr. Wright next discussed with the Board the proposal presented at the January 15, 2026 Board meeting with D&D Electric Solutions ("D&D") in the amount of \$8,650.00 to install LED catwalk lights equipped with photocells to improve lighting throughout the Oakwilde Wastewater Treatment Plant ("WWTP"). A discussion ensued.

Mr. Wright next presented to the Board MOC's report on the Stuck Meter Inventory. A discussion ensued and it was the consensus of the Board to replace all stuck meters.

Upon a **motion** by Director Powell, seconded by Director Jaramillo, after full discussion and with all Directors present voting aye, the Board approved the Operator's Report, including replacement of all stuck meters, as presented.

AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH MOC

Mr. Dubiel then presented for the Board's review and approval of an amended Professional Services Agreement (the "Amended Agreement"). A discussion ensued.

Upon a **motion** by Director Salazar, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board approved the Amended Agreement with MOC, as presented.

OFFICE REPORT

Mr. Wagoner updated the Board on various items, including sign-ups for alerts, the upcoming shredding events, and alert to new billing system.

DIRECTOR'S REPORT

Mr. Barner reminded the Board that this agenda item is on the agenda to provide any Directors that wish to update the Board on items or issues they have encountered since the last meeting.

ATTENDANCE AT ASSOCIATION OF WATER BOARD DIRECTORS – TEXAS ("AWBD") SPRING SEMINAR, 2026 SUMMER CONFERENCE, AND DIRECTOR WORKSHOPS

Mr. Barner reminded the Board that it needs to authorize the Directors' attendance at the AWBD Spring Seminar, with a date not provided yet, the 2026 Summer Conference in Grapevine, Texas from June 18, 2026, through June 20, 2026, and at various Director Workshops held by the AWBD.

Upon a **motion** by Director Jaramillo, seconded by Director Santiago after full discussion and with all Directors present voting aye, the Board authorized the Directors' attendance at the AWBD Spring Seminar, 2026 Summer Conference, and Director Workshops, on behalf of the District.

AMENDED POLICY PROHIBITING THE USE OF CERTAIN SOCIAL MEDIA APPLICATIONS ON DISTRICT EQUIPMENT

Mr. Barner reminded the Board that they adopted a policy related to the prohibition of the use of certain social media applications on devices owned or leased by the District (the "Policy on the Prohibition of Certain Software Applications on Devices Owned or Leased by the District"). Mr. Barner went on to explain that additional technologies and applications had recently been

prohibited by proclamation of Governor Abbott; therefore, such policy needed to be amended to include such technologies and applications.

Upon a **motion** made by Director Jaramillo, seconded by Director Powell, after full discussion and all Directors present voting aye, the Board amended the Policy on the Prohibition of Certain Software Applications on Devices Owned or Leased by the District, as presented.

EXECUTIVE SESSION

Pursuant to Chapter 551 of the Texas Government Code, Subchapter D, of the Open Meetings Act, the President called the executive session to order at 6:57 p.m. to discuss personnel matters. Present for the executive session were the Board of Directors and Mr. Barner.

RECONVENED IN OPEN SESSION

As of 8:00 p.m., the President declared the Executive Session was ended and the public session was resumed.

ELECTION AGENDA

Mr. Barner updated the Board regarding the May 2, 2026 Directors Election ("Election"). In response to a question, Mr. Barner reviewed the election equipment lease agreement from the 2024 Directors Election and explained the need for same.

Mr. Barner then reviewed with the Board the Interlocal Agreement with Harris County Emergency Services District No. 11 for the lease of Election equipment and explained that while he had not yet been provided the exact amount of the lease, he recommended the Board authorize such lease in an amount not to exceed \$8,000.

Upon a **motion** by Director Wade, seconded by Director Santiago, after full discussion and with all Directors present voting aye, the Board approved an Equipment Lease, not to exceed \$8,000, as presented.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at 8:05 p.m.

PASSED AND APPROVED this 19th day of March 2026.



(DISTRICT SEAL)

Elizabeth Santiago

Elizabeth Santiago, Secretary
Sunbelt Fresh Water Supply District