

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

March 6, 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 Thursday, March 6, 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, except for Directors Jaramillo and Salazar, 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; Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"); and Mr. Juan Carlos Ramirez, a member of the public.

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 further public comments, the President directed the Board to proceed with the agenda.

APPROVE MINUTES OF PRIOR MEETING

The Board then tabled approval of the minutes of the regular meeting held on February 6, 2025, until the entire Board has the opportunity to review a draft of such minutes.

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 the submersible well was offline at Water Plant No. 1 in the Fairgreen-High Meadows Service Area ("High Meadows").

Mr. Wright then reported that the well motor at Water Plant No. 2 in High Meadows was leaking oil and that C&C Water Services, LLC will be making the repair. Mr. Wright further reported that the repair should be covered under the warranty.

Mr. Wright next reported that at the Wastewater Treatment Plant ("WWTP") in the Oakwilde Service Area ("Oakwilde") the pump was pulled for repairs.

Mr. Wright reported that Blower Pump No. 1 at the WWTP in the Woodland Oaks Service Area ("Woodland Oaks") is not working. Mr. Wright further reported that Lift Pump No. 3 was pulled and no rags were found, but it's still tripping the breaker.

Mr. Wright then reported that Booster Pump No. 1 at the Woodland Oaks Water Plant was pulled and that Booster Pump No. 2 will be pulled next after Booster Pump No. 1 is put back. Mr. Wright further stated that Booster Pump No. 3 is leaking and MOC is waiting on a spillage container for the liquid ammonia sulfate tanks.

Next, Mr. Wright reported that the seal on the gearbox on the barscreen at the WWTP in the Heather Glen Service Area ("Heather Glen") is broken and that it is leaking oil. Mr. Wright further stated that the Non-Potable Pump No. 1 has been fixed.

Mr. Wright then reported that MOC is still waiting on an alternator at the Water Plant in Heather Glen and that it is currently only running on two (2) pumps.

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 noted that MOC has replaced 58 meters in the last month.

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, 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 reported regarding the proposed Marquita Water Treatment Plant Distribution Line Improvement Project, that the Board had selected ISJ Underground Utilities, LLC ("ISJ Underground") for this project with a contract amount of \$228,892.00, which Mr. Edwards stated the Notice to Proceed date was July 15, 2024. Mr. Edwards further stated that construction activities are complete and A&S is pressing ISJ Underground to close out such project.

Regarding the Surface Water Transmission Line Project, Mr. Edwards reported no change to the scope of this project to extend the existing 12-inch (12") City of Houston ("City") water transmission line down JFK Boulevard, to supply water to the Marquita Water Plant. Mr. Edwards further stated that A&S has provided RAB with an updated cost estimate to be used in an amendment to the existing interlocal agreement between the District and East Aldine District ("EAD").

Regarding the Marquita Water Plant Improvements, Mr. Edwards reported no change to the scope of work for the new 10,000-gallon Hydropneumatic tank with the associated piping and electrical/control modifications. Mr. Edwards stated that A&S provided RAB with an updated cost estimate to be used in an amendment to the existing interlocal agreement with the District and EAD.

Regarding the Elevated Storage Tank Variance Request submitted to the Texas Commission on Environmental Quality ("TCEQ"), Mr. Edwards reported A&S is awaiting approval or comments.

Regarding East Aldine Estates Single-Family Residential Subdivision Project, Mr. Edwards reported construction on the water, sanitary sewer, drainage and lift station is nearing completion. Mr. Edwards further stated A&S is attending periodic construction meetings held by Harris County (the "County"). Mr. Edwards stated A&S is working on obtaining testing results of the piping that was installed.

Mr. Edwards further stated A&S is anticipating getting all annexation documents to RAB by next week. Mr. Edwards reminded the Board that the 12-inch (12") water line was installed in the south right of way of Connorvale Road but not connected. Mr. Edwards explained that connection of the water line is included in the project.

Regarding the service request to an existing manufactured home park at 2730 Ladin Drive, just northwest of the boundaries of High Meadows, Mr. Edwards stated that service was requested in the amount of 38 equivalent single-family connections ("ESFC") for the existing portion and expansion of such park. Mr. Edwards reported that the Applicant is waiting on the County's approval of the plans. Additionally, Mr. Edwards stated that all annexation documents were provided to RAB for submittal to the City.

Regarding the service request for 3940 Aldine Mail Route Road, Mr. Edwards reported there is no change regarding the service request for two (2) warehouse buildings totaling approximately 11,260 square feet in the amount of two (2) ESFCs. Mr. Edwards stated A&S is waiting on the County and Fire Marshall to approve the plans before issuing the No Objection Letter.

Regarding the service request for residential development of 15 ESFCs for 11955 Gloger Street, Mr. Edwards reported the final feasibility study was provided to the Applicant. Mr. Edwards further stated that RAB sent a letter to such Applicant regarding the process of annexation. Mr. Edwards further stated A&S will proceed with preparation of the annexation documents upon receipt of the deposit and documents.

Northline Terrace Service Area

Mr. Edwards reported that the notice to proceed date for the West Gulf Bank Road Widening Project was June 23, 2023, and that construction is ongoing. Mr. Edwards further reported that the new relocated water line has been installed between Sweetwater Lane and Rockcliffe Drive and is currently in service. Mr. Edwards further reported all service lines and water meters have been transferred to the new water line.

Oak Glen Service Area ("Oak Glen")

Mr. Edwards reported that construction is complete on the County's Oak Glen Drainage Improvement Project, including all modifications to the Oak Glen water distribution system.

Mr. Edwards further reported that there is an Interlocal Agreement in place for funding of the relocation/adjustments. Mr. Edwards stated that two (2) projects (Oak Glen West Drainage Improvements and Oak Glen East Drainage Improvements) are included under one (1) agreement.

Mr. Edwards next reported regarding the Harris County Housing and Community Development's (the "HCHCD") Community Development Block Grant ("CDBG") 2024 plan year, that A&S received eight (8) bids on February 13, 2025. Mr. Edwards further reported that Capital Underground Utilities, LLC ("Capital") submitted the lowest bid in the amount of \$589,441.60. Mr. Edwards stated A&S has not worked with Capital, and that the provided references were not favorable. Mr. Edwards then stated A&S have successfully worked with Ram Rod Utilities, LLC ("Ram Rod"), who submitted the second (2nd) lowest bid in the amount of \$631,631.00. A&S recommends that Ram Rod be awarded the contract. Mr. Edwards explained that this amount is under the CDBG amount awarded.

Mr. Edwards then reported that A&S submitted a CDBG application for Oak Glen Water Line Replacement, Phase 2 in the amount of \$795,000.00 and awaits comments/approval. Mr. Edwards stated the scope of the proposed project is to replace all remaining water lines after Phase 1 is complete, approximately 7,670 LF of water lines. Mr. Edwards reported that the estimated project total is \$1,066,020.00 (including engineering, technical services, and construction). Mr. Edwards reminded the Board that as with past applications, the District is required to contribute 25% towards the overall project cost, or \$271,020.00. Mr. Edwards then stated the application is currently under review.

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. ("R.P.") was selected and awarded the project in the amount of \$11,979,250.00. Mr. Edwards stated that the Notice to Proceed date is February 24, 2025, and that A&S is reviewing submittals as R.P. submits them.

Mr. Edwards next updated the Board regarding 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 reported that construction plans have been approved by all agencies and that A&S is finalizing the contract manual and coordinating with the Texas Water Development Board ("TWDB") regarding approval to bid the project.

Mr. Edwards reported that C3 Constructors, LLC was selected and awarded the Hurlingham Water Plant Improvement Project in the amount of \$435,000.00. Mr. Edwards stated that the pre-construction meeting was held April 9, 2024, and that construction continues. Mr. Edwards further stated that booster pumps and piping are installed and coating for the hydropneumatics tank and piping is scheduled for next week. Mr. Edwards stated the conduits for the new tank are installed.

Mr. Edwards then recommended payment of Pay Application No. 4 in the amount of \$57,600.00 to C3 Constructors, LLC. Mr. Edwards further stated that the amount reflects a ten percent (10%) retainage withheld.

Mr. Edwards then updated the Board regarding a service request for 11709 Aldine Westfield Road. Mr. Edwards stated that RAB submitted annexation documents to the City, and A&S will assist with any revisions necessary.

Mr. Edwards next updated the Board on the status of the Oakwilde Smoke Testing Project, which will include smoke testing of the Oakwilde Service Area, including the wastewater collection Systems of both Mary Frances/Mary Eleanor and the North Houston Heights neighborhoods. Mr. Edwards stated that plans and specs were provided to TWDB for review. Mr. Edwards further stated that if TWDB approves advertisement and the taking of bids by the beginning of next week, A&S will endeavor to bring bids to the April Board Meeting.

Mr. Edwards then updated the Board that there is no change regarding the service request for 11730 Aldine Westfield Road, which consists of renovating a 7,945 foot building to serve as a banquet hall (no food service proposed), in the amount of two (2) ESFCs. Mr. Edwards reported that A&S is awaiting plans for review.

Mr. Edwards then updated the Board regarding Westfield Estates Wastewater Collection and Lift Station. Mr. Edwards stated that the County awarded the project to C.E. Barker and noted that construction has begun. Mr. Edwards reported that A&S will attend periodic construction progress meetings being conducted by the County. Additionally, Mr. Edwards stated that A&S will continue to work with the County and their consultants regarding sanitary sewer installation and future residential signup.

Heather Glen Service Area

Mr. Edwards next updated the Board that the Houston Food Bank has revised its service request, for multiple buildings totaling 432,350 square feet, for a revised capacity of 116 ESFCs. Mr. Edwards informed the Board that A&S has provided the final feasibility study to the Applicant. Mr. Edwards stated that according to the Applicant, the first set of civil plans will be submitted to review agencies, including the District, by the end of the month.

Woodland Oaks Service Area

Mr. Edwards next reported on the service request from D.R. Horton for an out-of-District property located adjacent to the Urban Logistics Park project. Mr. Edwards stated that A&S and RAB are working to secure the necessary easements required to both protect the District and to

obtain plan approvals from review agencies. Mr. Edwards further stated that once these are executed A&S can resubmit plans to the County and the City for approval.

Mr. Edwards further stated that annexation documents were provided to the City by RAB and A&S will assist with any revisions necessary.

Mr. Edwards next reminded the Board that regarding the extension of the off-site water and sewer line installation to serve the D.R. Horton development, the Board awarded the contract to ISJ Underground in the amount of \$360,143.05. Mr. Edwards stated the Notice of Award will not be issued until the developer provides the necessary deposit. Mr. Edwards further stated that the developer indicated they would provide the deposit when the construction plans are approved. Mr. Edwards reported that ISJ Underground agreed to hold their bid prices until June 1, 2025.

Miscellaneous Service Requests

Mr. Edward next updated the Board regarding Keith-Wiess Park, Phase I service request for a proposed park, trails, and pavilion located south of East Aldine Town Center. Mr. Edwards reported that A&S provided the Utility Commitment Letter to the Applicant and is awaiting plans for review.

West Harris County Regional Water Authority ("WHCROWA") Water Line Extension

Mr. Edwards informed the Board that there is no new information relating to the WHCROWA project. Mr. Edwards stated that construction is underway on an approximately 36-mile long, multiple-segment, eight-foot (8') diameter water transmission line through the County, including portions of the District. Mr. Edwards further informed the Board that the route of Segment A (AECOM) includes parts of Oakwilde (south of Hopper Road along Shady Lane, west of Halls Bayou). Mr. Edwards reported that A&S will relocate a portion of the water distribution system and reserve room for a future wastewater collection system.

Mr. Edwards further reported that the route of Segment B (Black & Veatch) 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.

Water Line Rehabilitation Within District

Mr. Edwards next informed the Board that no new information regarding the preliminary water line rehab/replacement cost estimate were provided to staff personnel of Texas State Representative Armando Walle. Mr. Edwards stated that the service areas included Oakwilde, High Meadows-Fairgreen, Woodland Oaks, Oak Glen, Northline Terrace, and Heather Glen.

EAD Application for Castlewood Wastewater Collection System

Mr. Edwards reported that the EAD prepared and submitted a TWDB application to secure funds to install a sanitary sewer system in the Castlewood Subdivision, just west of High Meadows. Mr. Edwards stated that similar to the arrangement in place with Aqua Utilities, Inc. in the Mary Eleanor/Mary Frances Subdivision, the District would add sewer-only accounts to its system.

Mr. Edwards additionally stated that future wastewater collection system and lift station would be conveyed to the District for operation and maintenance.

Other Items

Mr. Edwards reported the City provided a Final Design Concept Report regarding the widening of Aldine Westfield Road between Greens Road and Little York Road. Mr. Edwards stated the project also includes the installation of a 30-inch (30") water main to connect the City's water distribution system between those two (2) points.

Mr. Edwards reported that there was no new information regarding the potential projects to provide water and sewer service in the Aldine & Airline Areas. Mr. Edwards stated a study was prepared to review the feasibility of providing water and wastewater treatment service to multiple areas that are adjacent to or near the Northline Terrace, Oak Glen, High Meadows/Fairgreen, and Oakwilde Service Areas.

Upon a **motion** by Director Santiago, 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) subject to HCHCD approval: (i) approve award to Ram Rod in the amount of \$631,631.00; (ii) issue Notice of Award; (iii) approve execution of the Construction Contract, subject to Attorney review of bonds and insurance and receipt of a Form 1295 Certificate of Interested Parties from Ram Rod; and (iv) authorize issuing the Notice to Proceed subject to execution of the contract manual; and 3) approve payment of C3 Constructors, LLC's Pay Application No. 4 in the amount of \$57,600.00.

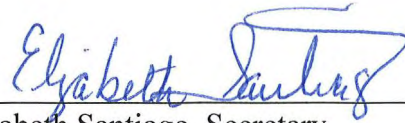
Attorney's Report

Messrs. Barner and Howell update the Board on the status of preparing for a bond sale for Defined Area No. 1. An extensive discussion ensued. Mr. Barner noted that at this time, the only action item needing to be addressed was for the Board to approve the preliminary official statement and notice of sale of bonds.

Upon a **motion** by Director Santiago, seconded by Director Powell, after full discussion and with all Directors present voting aye, the Board authorized issuance of the Official Statement and the notice of sale of the bonds.

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

PASSED AND APPROVED this 3rd day of April, 2025.



Elizabeth Santiago, Secretary
Sunbelt Fresh Water Supply District