

MINUTES

NORTH FORT BEND WATER AUTHORITY

June 25, 2025

The Board of Directors (the "Board") of the North Fort Bend Water Authority (the "Authority") met in regular session, open to the public, on the 25th day of June, 2025, at HUB 510, 10419 W. Hidden Lake Lane, Suite B, Richmond, Texas, and the roll was called of the members of the Board:

Peter Houghton	President
Robert Patton	Vice President
Dana Hollingsworth	Secretary
Robert Darden	Assistant Vice President
Donald Abrahamson II	Assistant Secretary
Michael Rusk	Assistant Secretary
Craig Lewis	Assistant Secretary

and all of the above were present in person, thus constituting a quorum.

Also present in person for all or part of the meeting were Matt Froehlich, Julia Frankovich, Larry Goldberg; Whitney Milberger, and Miriam Valdez of BGE, Inc. ("BGE"); Taylor Watson and Stephanie Bahn of Municipal Accounts & Consulting, L.P.; Dale Clayton of Inframark, LLC; Christina Miller, Audrey Briscoe, and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR"); and persons listed on the attached attendance sheets.

COMMENTS FROM THE PUBLIC

Members of the public were provided with the opportunity to make comments. There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of its regular meeting held on May 28, 2025. After review and discussion, Director Hollingsworth moved to approve the minutes as written. Director Abrahamson seconded the motion, which passed unanimously.

OPERATION OF AUTHORITY FACILITIES

Mr. Clayton presented the operator's report and reported on the operations of the Authority's facilities, including inspections, maintenance, repairs, joint facility expenses, and water accountability. A copy of the operator's report is attached.

Following review and discussion, Director Abrahamson moved to approve the operator's report as presented. Director Hollingsworth seconded the motion, which passed unanimously.

PUBLIC COMMUNICATION, WATER CONSERVATION, AND REUSE MATTERS

Ms. Milberger reviewed a Communication, Conservation, and Reuse Report (the "CCR Report"), a copy of which is attached. Ms. Milberger reported on the Authority's previous and planned participation in constituent and other events, including conferences. Ms. Milberger stated that updates have been made to the Communications Dashboard attached to the CCR Report.

Ms. Milberger reported that 100 irrigation system evaluations were completed through the Authority's W.I.S.E. Guys Irrigation System Evaluation Program during May 2025. She reported that Irrigation System Evaluation Cost Sharing Agreements with Fort Bend County Municipal Utility District Nos. 182 and 188 are ready for the Board's execution.

Ms. Milberger reported that information regarding the Authority's Homeowners Association Irrigation Management Pilot Program is posted on the Authority's website.

Ms. Milberger reviewed updates made to the Reuse System and Credit Summary Charts, copies of which are attached to the CCR Report.

Ms. Milberger discussed implementation of the Authority's Water Provider Conservation Program ("WPC Program"). She recommended approval of first quarter rebate payments to the successful participants in the 2024 WPC Program that earned a reduced 2025 water rate in a total amount of \$187,728.11.

Ms. Milberger reported that she is evaluating alternative venues for the Board's monthly meetings due to the impending sale of the current monthly meeting location.

Following review and discussion, Director Abrahamson moved to approve the CCR Report as presented, including approval of: (1) Irrigation System Evaluation Cost Sharing Agreements with Fort Bend County Municipal Utility District Nos. 182 and 188; and (2) first quarter rebate payments to the successful participants in the 2024 WPC Program that earned a reduced 2025 water rate in a total amount of \$187,728.11. Director Hollingsworth seconded the motion, which passed unanimously.

CONTRACTS

The Board concurred to defer this item.

FINANCIAL AND BOOKKEEPING MATTERS AND CONDUCT HEARING

Mr. Watson presented the bookkeeper's report, including receipts, a list of checks presented for payment, fund and wire transfers, a supplemental cash flow report, account balances, current period and year-to-date actual versus budget comparisons, and a schedule of debt service payments. A copy of the bookkeeper's report is attached. Mr. Watson additionally reviewed a chart tracking the amounts expended by the Authority related to the City of Fulshear's rate challenge.

Mr. Watson reported that the Authority's Finance and Policy Committee recommended approval of a 12-month payment plan requested by Fort Bend County Municipal Utility District No. 146 ("FB 146") for approximately \$340,000.00 of outstanding reuse water usage fees. He explained that FB 146 inadvertently delayed reporting that the reuse system was online and the Authority's November 2023 invoice was misplaced during FB 146's change in operating companies in mid-2024. In response to Board inquiry, Ms. Miller stated that the Board has previously implemented payment plans for justifiable reasons.

Following review and discussion, Director Abrahamson moved to approve: (1) the bookkeeper's report as presented, including the checks presented for payment; and (2) FB 146's request for a 12-month payment plan for outstanding reuse water usage fees. Director Hollingsworth seconded the motion, which passed unanimously.

REGULATORY MATTERS: SUBSIDENCE DISTRICT REGULATIONS AND PERMITTING, AND AUTHORITY'S GROUNDWATER REDUCTION PLAN ("GRP")

Mr. Froehlich presented the engineer's report, a copy of which is attached.

Mr. Froehlich reported that the results for the tests performed to date for Per- and Polyfluoroalkyl Substances ("PFAS") per the U.S. Environmental Protection Agency's ("EPA") PFAS National Primary Drinking Water Regulation were below the published EPA Maximum Contaminant Levels. He stated that the Authority will continue to conduct monthly PFAS testing.

Mr. Froehlich reported that the Authority's Over-Conversion Credit Certificate for the 2023-2024 permit term has not yet been received from the Fort Bend Subsidence District ("FBSD"). He reported on FBSD's Joint Regulatory Plan Workshop held earlier in the day. Mr. Froehlich additionally reported that the Authority's permit renewal application was submitted to the Harris-Galveston Subsidence District for the 2024-2025 permit year.

Mr. Froehlich reported on matters related to the Authority's GRP, including the monthly amounts of surface water delivered, groundwater pumped, and reclaimed water utilized by the Authority.

Mr. Froehlich reported that a conditional approval letter was issued for a new well permit for Fort Bend County Municipal Utility District No. 237C after receipt of a signed Joinder Agreement to the Groundwater Reduction Plan Participation Agreement between the Authority and The George Foundation.

Mr. Froehlich recommended approval of Progress Payment No. 3 submitted by Fort Bend County Municipal Utility District No. 37 for its chloramine conversion project in the amount of \$14,615.50.

Mr. Froehlich reported that an acknowledgment letter for the annexation of a 7.2401-acre commercial tract was provided to Fort Bend County Municipal Utility District No. 229.

Mr. Froehlich reported that BGE is adjusting the Authority's transmission system model to evaluate options and parameters for potentially serving the Oxbow Tracts.

Mr. Froehlich reported that BGE is reviewing and potentially updating the Authority's Emergency Response Plan for submission to the EPA by September 30, 2025, to comply with the America's Water Infrastructure Act of 2018.

ENGINEERING MATTERS: DESIGN, CONSTRUCTION, PROJECTS, AND STUDIES

Mr. Froehlich reported on the status of the design and the construction of water lines for the Authority's 2027 surface water supply system, including for Main Segments 11A, 13B, 13C Phase 1, 13D, 16B, 17A, 17B, 17C, 18A, 18B, and 19, and the surface water connection lines for Fort Bend County Municipal Utility District No. 255 and Fort Bend County Fresh Water Supply District No. 2. Mr. Froehlich reported that Letters of No Objection with Gulf South Pipeline for Main Segments 17A and 18A, were ready for execution.

Mr. Froehlich recommended approval and payment of Pay Estimate No. 1 and Final submitted by GLAMCO in the amount of \$1,100.00 for installing vegetation around the Authority's vent pipe and bollards located behind 5207 Colonial Park Lane in Main Segment 11A.

Mr. Froehlich reported that construction of Fort Bend County Municipal Utility District No. 132's water plant to serve the Lamar Consolidated Independent School District ("LCISD") campuses located at the southeast corner of FM 723 and Bellaire Blvd. is nearing completion. He stated that BGE was contacted by LCISD's engineer to discuss options for constructing a temporary surface water connection line due to the outstanding acquisition of an easement for the permanent connection line.

Mr. Froehlich reported that completion of work on the 2027 System Environmental Determination Form and Cultural Resources Study is on hold pending access to property located at the southwest corner of FM 1093 and FM 359. He stated

that Main Segments 13C and 13D are being removed from the scope of work so that submissions for the remainder of the system can be made to the Texas Water Development Board for review and approval.

Mr. Froehlich reported on the status of transient analysis and design services for the cathodic protection systems for the Authority's 2027 surface water supply system. He reported that BGE is preparing proposals to incorporate the detailed designs of Main Segments 16B and 17B for Board review. Mr. Froehlich additionally reported that BGE is preparing a proposal for developing a bid package for replacing the missing, damaged, and disconnected cathodic protection test stations throughout the system.

Mr. Froehlich reported that BGE is finalizing the Authority's 10-year Asset Maintenance Plan.

Mr. Froehlich reported that MIS' population study report is anticipated to be completed in September 2025.

REGIONAL PLANNING MATTERS: JOINT PROJECTS AND WATER SUPPLY

Mr. Froehlich reported that two bids were received for construction of the Bellaire Pump Station (the "BPS") Phase II Improvements Project on June 9, 2025. He recommended that the Board award the contract to MC2 Civil, LLC ("MC2") in the amount of \$16,270,100.00, contingent on concurrency by the West Harris County Regional Water Authority ("WHCRWA"). The Board concurred that, in its judgment, MC2 was a responsible bidder who would be most advantageous to the Authority and would result in the best and most economical completion of the project.

Mr. Froehlich reported that BGE is reviewing a quote for recommended minor structural and aesthetic repairs to the BPS.

Mr. Froehlich reported that Great Barrier Roof, LLC's installation of a new thermoplastic polyolefin roof on the BPS is complete and final inspections are being scheduled.

Mr. Froehlich reported on the status of design, permitting, construction, and property acquisition, as appropriate, for the Authority's joint Surface Water Supply Project with WHCRWA, including Segments A1 and A2, combined Segments B1 and B2, Segments B3, C1, and C2, the Kinder Morgan subsegments, the Segment 3 subsegments, the Repump Station, the Central Pump Station, and the three meter stations. Copies of a chart and summaries of the status of design/construction are included in the attached engineer's report.

Mr. Froehlich reported that seven bids for a contract for construction of Kinder Morgan Segment KM1 were received on June 3, 2025, and the low bidder was Harper Brothers Construction LLC ("HBC") in the amount of \$10,390,070.32. He stated that the

design consultant for the project and the Joint Facilities Committee recommended awarding the contract to HBC. Mr. Froehlich recommended that the Authority's Board approve WHCRWA proceeding with award of the construction contract to HBC in accordance with the terms of the Amended and Restated Joint Facilities Agreement.

Mr. Froehlich reported that seven bids for a contract for construction of Kinder Morgan Segment KM3 were received on June 5, 2025, and the low bidder was E.P. Brady, Ltd. ("EPB") in the amount of \$10,116,531.57. He stated that the design consultant for the project and the Joint Facilities Committee recommended awarding the contract to EPB. Mr. Froehlich recommended that the Authority's Board approve WHCRWA proceeding with award of the construction contract to EPB in accordance with the terms of the Amended and Restated Joint Facilities Agreement.

Mr. Froehlich reported that BGE is reviewing and will provide comments to the draft Agreed-Upon Procedures for Operations and Maintenance Costs for Fiscal Year 2024 for the East Water Purification Plant ("EWPP").

Ms. Miller reported that the Authority's consultants are reviewing City of Houston's ("COH") proposed Fiscal Year 2026 Budget and O&M Preliminary Rate for the EWPP in the amount of \$1.114. She stated that a meeting with COH to discuss some of the line items costs has been requested by the Authority.

Mr. Froehlich updated the Board on COH's Northeast Water Purification Plant Expansion Project per its Design-Build Agreement with the Houston Waterworks Team. Status summaries for Phases 1, 2A, and 2, and the Balance of Plant are included in the attached engineer's report.

Mr. Froehlich reported that BGE met with the engineer of the Region H Water Planning Group to discuss the planning group's 2026 Initially Prepared Water Plan.

Following review and discussion, Director Abrahamson moved to approve the engineer's report as presented, including:

- (1) approve Progress Payment No. 3 submitted by Fort Bend County Municipal Utility District No. 37 for its chloramine conversion project in the amount of \$14,615.50;
- (2) approve Pay Estimate No. 1 and Final submitted by GLAMCO for vegetation planting in Main Segment 11A in the amount of \$1,100.00;
- (3) award the contract for construction of the BPS Phase II Improvements Project to MC2 in the amount of \$16,270,100.00, based upon Mr. Froehlich's recommendation and subject to approval of WHCRWA and the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor;

- (4) approve WHCRWA proceeding with award of the construction contract for Kinder Morgan Segment KM1 to HBC in the amount of \$10,390,070.32; and
- (5) approve WHCRWA proceeding with award of the construction contract for Kinder Morgan Segment KM3 to EPB in the amount of \$10,116,531.57.

Director Hollingsworth seconded the motion, which passed unanimously.

FINANCING PLAN MATTERS

Ms. Miller discussed the proposed schedule for issuing bonds in the fall in the approximate amount of \$37,000,000.00 to finance construction of the Authority's internal water distribution lines. She stated the bonds would be issued through the Texas Water Development Board for funding from the State Water Implementation Revenue Fund for Texas.

REALTY INTEREST ACQUISITION

Ms. Miller reviewed one Water Line Easement for Parcel 13D.02A and a side letter agreement for the easement, as listed on the attached Realty Interests Chart. Following review and discussion, Director Hollingsworth moved to approve the easement and side letter agreement. Director Abrahamson seconded the motion, which passed unanimously.

MEETING PLANNING AND SCHEDULING MATTERS

The Board concurred to meet on Wednesday, July 23, 2025, at HUB 510.

Ms. Miller reported on ABHR's implementation of a text messaging system for quorum calls.

CONVENE EXECUTIVE SESSION

The Board did not convene in executive session.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

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