

MINUTES

NORTH FORT BEND WATER AUTHORITY

March 26, 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 26th day of March, 2025, at HUB 510, 10419 W. Hidden Lake Lane, Suite B, Richmond, Texas, and the roll was called of the members of the Board:

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|----------------------|--------------------------|
| 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 except Director Hollingsworth, thus constituting a quorum.

Also present in person for all or part of the meeting were Matt Froehlich, 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; and persons listed on the attached attendance sheets.

COMMENTS FROM THE PUBLIC

Members of the public were provided with the opportunity to make comments. Ms. Miller reported that copies of correspondence and Texas Public Information Act requests received from Luther Jack Moller, Director of Fort Bend County Municipal Utility District No. 124, were previously distributed to the Board.

In response to Steve Talecki's inquiry, Mr. Watson stated that he will contact him regarding two decommissioned wells in Cinco Ranch.

APPROVE MINUTES

The Board considered approving the minutes of its regular meeting held on February 26, 2025, and special meeting held on March 12, 2025. After review and discussion, Director Abrahamson moved to approve the minutes as written. Director Darden seconded the motion, which passed unanimously, except for Director

Houghton who was not present.

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. She stated that updates have been made to the Communications Dashboard attached to the CCR Report.

Director Patton reported on topics discussed during the 2025 Water Reuse Symposium, including Per- and Polyfluoroalkyl Substances ("PFAS") regulations and the trend for microscale water reuse. He recommended that the Authority's CCR Committee evaluate whether microscale water reuse should be implemented in the Authority.

Ms. Milberger reported that non-exempt retail water providers are required to submit annual reports documenting implementation of their annual water conservation plan to the Authority by May 1, 2025.

Ms. Milberger recommended deferring approval of Mighty Citizen's Care Package Plus pending review.

Ms. Milberger noted that Mighty Citizen's second 2025 invoice for 300 hours in the amount of \$67,500.00 was included in the bookkeeper's report.

Ms. Milberger reported that 58 irrigation system evaluations were completed through the Authority's W.I.S.E. Guys Irrigation System Evaluation Program during February 2025.

Ms. Milberger updated the Board on the status of the Authority's Homeowners Association ("HOA") Irrigation Management Pilot Program. She reported that the reports are complete for the three evaluations performed to date. Ms. Milberger stated that information regarding the program is posted on the Authority's website. In response to Leon Bridges' inquiry, Ms. Milberger stated that she will follow up with him on recommendations included in Masuen Consulting's report for the Grand Meadows HOA located in Fort Bend County Municipal Utility District No. 50.

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

Ms. Milberger reported that the Authority's CCR Committee recommended that the Board authorize fourth quarter rebate payments to the participants in the 2023 Water Provider Conservation Program ("WPC Program") that earned the required points necessary to receive a reduced 2024 water rate in the total amount of \$301,471.77.

Ms. Milberger discussed implementation of the Authority's WPC Program. She reported that the 2024 WPC Program is finalized. Ms. Milberger reported that there are three new participants in the 2025 WPC Program.

Following review and discussion, Director Abrahamson moved to approve the CCR Report, including approval of fourth quarter rebate payments to the participants in the 2023 WPC Program that earned the required points necessary to receive a reduced 2024 water rate in the total amount of \$301,471.77. Director Lewis seconded the motion, which passed unanimously.

ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

Ms. Miller reported that the Texas Commission on Environmental Quality's (the "TCEQ") rules require that the Authority review its water conservation plan and submit an annual report on implementation of the water conservation plan prior to May 1, 2025. She reported that the Authority's CCR Committee recommends that the Board authorize submission of the annual report to the TCEQ as required. Following discussion, Director Darden moved to authorize submission of the Authority's annual report on implementation of the water conservation plan to the TCEQ. Director Abrahamson seconded the motion, which passed unanimously.

CONTRACTS

Ms. Miller reviewed a Service Agreement with Municipal Information Services for performing population study services in the amount of \$67,525.00. Following review and discussion, Director Abrahamson moved to approve the Service Agreement as presented. Director Darden seconded the motion, which passed unanimously.

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 responded to Board inquiries regarding the balance of the Improvement Fund. Ms. Miller discussed the Authority's financing plan. Following review and discussion, Director Abrahamson moved to approve the bookkeeper's report and payment of the checks presented for payment. Director Rusk 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. Mr. Clayton reported that the motor for booster pump no. 1 is anticipated to be installed by the end of the month. He responded to Board inquiries regarding water testing results.

Mr. Clayton reported on the Authority's consultants' coordination with City of Houston ("COH") on COH's temporary decrease of water delivery to the Authority in the amount of 12 to 14 million gallons due to the shutdown of a 66-inch water line to establish a new connection with a 72-inch water line.

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

ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Ms. Miller reported that the TCEQ's rules require that the Authority complete an annual review of its Drought Contingency Plan by May 1, 2025. She said there were no recommended changes to the Authority's Drought Contingency Plan at this time.

ADOPT UPDATED CRISIS MANAGEMENT MEDIA RELATIONS PLAN

The Board reviewed an updated Crisis Management Media Relations Plan. Following review and discussion, Director Abrahamson moved to adopt the updated Crisis Management Media Relations Plan as presented. Director Darden seconded the motion, which passed unanimously.

ANNUAL FILING OF CRITICAL LOAD SPREADSHEET

The Board reviewed the Authority's critical load spreadsheet, which had been previously provided to the Authority's operator, engineer, and bookkeeper for review. Ms. Miller stated that the critical load information for the Authority's facilities is required to be reviewed at least annually and provided to certain entities, which include the Authority's electricity provider, the Public Utility Commission, and other governmental entities. After review and discussion, Director Abrahamson moved to approve the updated critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the Authority's official records. Director Lewis seconded the motion, which passed unanimously.

REGULATORY MATTERS

Ms. Miller responded to Mr. Moller's inquiries regarding procedures related to the Authority's anticipated reimbursement to Fort Bend County Municipal Utility District No. 124 for conversion to a chloramines disinfection system.

REVIEW EMERGENCY PREPAREDNESS PLAN

Ms. Miller reported that BGE is updating the Authority's Emergency Preparedness Plan. Following discussion, Director Abrahamson moved to authorize submission of the Authority's updated Emergency Preparedness Plan to the TCEQ. Director Darden seconded the motion, which passed unanimously.

REGULATORY MATTERS, CONTINUED: SUBSIDENCE DISTRICT REGULATIONS AND PERMITTING, AND AUTHORITY'S GROUNDWATER REDUCTION PLAN

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 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 application for the 2023-2024 permit term was approved by the Fort Bend Subsidence District and the Authority's Over-Conversion Credit Certificate is anticipated to be issued soon.

Mr. Froehlich reported that BGE issued conditional approval letters in response to two new well requests from Fort Bend County Municipal Utility District No. 275.

Mr. Froehlich reported that BGE has completed a review and update of the Authority's Risk and Resilience Assessment ("Assessment") to comply with the America's Water Infrastructure Act of 2018 (the "Act"). He requested authorization to submit certification of the completed Assessment to the EPA by March 31, 2025, pursuant to the Act.

ENGINEERING MATTERS: DESIGN, CONSTRUCTION, PROJECTS, AND STUDIES

Mr. Froehlich reported on the status of design and construction of water lines for the Authority's 2027 surface water supply system.

Mr. Froehlich reported that the Authority's Capital Planning and Design Committee ("CPD Committee") recommended approval of a proposal from BGE for transient analysis and design services for the cathodic protection systems for Main Segments 11A, 13B, 13C Phase 1, 18A, 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, in the amount of \$100,760.00.

Mr. Froehlich reported that the Authority's CPD Committee recommended approval of a proposal from BGE for evaluation of the 2025 quarterly rectifier and annual systemwide cathodic protection surveys in an amount not to exceed \$20,000.00.

REGIONAL PLANNING MATTERS: JOINT PROJECTS AND WATER SUPPLY

Mr. Froehlich reported on the status of agency review of the design plans for the Bellaire Pump Station (the "BPS") Phase II Improvements Project. He requested authorization to advertise for bids for construction of the project, pending approval of the plans by the COH's Building Code Enforcement team.

Mr. Froehlich reported that Notice to Proceed was issued on March 3, 2025, to Great Barrier Roof, LLC, for the project to install a new thermoplastic polyolefin roof for the BPS.

Mr. Froehlich reported on the status of design, permitting, construction, and property acquisition, as appropriate, for the Authority's joint Surface Water Supply Project ("SWSP") with the West Harris County Regional Water Authority ("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 the Authority's CPD Committee recommended approval of continuing construction observation services with Thomas Bannon Construction Inspection Services, LLC for SWSP during 2025 in an amount not to exceed \$320,000.00.

Mr. Froehlich reported that two bids for a contract for construction of the I-10 Meter Station were received on March 25, 2025, and the low bidder was MC2 Civil, LLC ("MC2") in the amount of \$6,890,000.00. He recommended that the Authority's Board approve WHCRWA proceeding with award of the construction contract to MC2 in accordance with the terms of the Amended and Restated Joint Facilities Agreement.

Mr. Froehlich updated the Board on COH's Northeast Water Purification Plant Expansion Project ("NEWPP Expansion Project") per its Design-Build Agreement with the Houston Waterworks Team. Status summaries for the Influent Pump Station, North Plant, Central Plant, South Plant, and the Balance of Plant are included in the attached engineer's report. Mr. Froehlich recommended approving payment of COH's Cash Call No. 14A for the remaining budget of Management Reserve funds for the project due May 7, 2025, in the amount of \$5,516,326.20.

Mr. Froehlich reported that Consensus Item 45, Payment of Supplemental Houston Information Technology Services Costs, was approved by all Water Authorities participating in the NEWPP Expansion Project.

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

- (1) authorize BGE to submit certification of the completed Assessment to the

EPA by March 31, 2025;

- (2) approve BGE's proposal for transient analysis and design services for the cathodic protection systems for Main Segments 11A, 13B, 13C Phase 1, 18A, and 19, and the surface water connection lines for Fort Bend County M.U.D. No. 255 and Fort Bend County Fresh Water Supply District No. 2, in the amount of \$100,760.00;
- (3) approve BGE's proposal for evaluation of the 2025 quarterly rectifier and annual systemwide cathodic protection surveys in an amount not to exceed \$20,000.00;
- (4) approve the plans and specifications and authorize BGE to advertise for bids for construction of the BPS Phase II Improvements Project, pending approval of the plans by the COH Building Code Enforcement team;
- (5) approve continuing construction observation services with Thomas Bannon Construction Inspection Services, LLC for SWSP during 2025 in an amount not to exceed \$320,000.00;
- (6) approve WHCRWA proceeding with award of the construction contract for the SWSP I-10 Meter Station to MC2 in the amount of \$6,890,000.00; and
- (7) approve payment of COH's Cash Call No. 14A for the NEWPP Expansion Project due May 7, 2025, in the amount of \$5,516,326.20.

Director Darden seconded the motion, which passed unanimously.

FINANCING PLAN MATTERS

There were no additional updates on the Authority's financing plan matters.

REALTY INTEREST ACQUISITION

The Board concurred to defer this item.

LEGISLATIVE UPDATE

Ms. Miller reported on the status of certain proposed bills with potential impact to the Authority during the 89th Regular Session of the Texas Legislature and responded to inquiries from the Board and meeting attendees.

MEETING PLANNING AND SCHEDULING MATTERS

The Board concurred to meet on Wednesday, April 23, 2025.

CONVENE EXECUTIVE SESSION

The Board convened in executive session at 7:01 p.m., pursuant to Section

551.071, Texas Government Code, to seek the advice of its attorney regarding pending or contemplated litigation or to seek and receive legal advice by the Authority's attorney. The Board determined that the attendance in this executive session of Mr. Froehlich and Mr. Pietz was necessary in order for the Board to obtain the necessary legal advice from its attorneys, and the Board requested their presence in the executive session. Adam Richie and W. Garrett Hicks of Munsch Hardt Kopf & Harr, P.C. attended via videoconference.

RECONVENE IN OPEN SESSION

At 7:33 p.m., the Board reconvened in open session. No action was taken by the Board.

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

(SEAL)




Secretary, Board of Directors

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