

## MINUTES

### NORTH FORT BEND WATER AUTHORITY

October 22, 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 22<sup>nd</sup> day of October, 2025, at the Creekside Event Center, 21555 Lakemont Bend Lane, 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 except Director Darden, thus constituting a quorum.

Also present in person for all or part of the meeting were Terrell Palmer of Post Oak Municipal Advisors, LLC; Matt Froehlich, Julia Frankovich, Ian Pietz, 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 ("Inframark"); 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

There were no public comments.

#### APPROVE MINUTES

The Board considered approving the minutes of its regular meeting held on September 24, 2025. After review and discussion, Director Abrahamson moved to approve the minutes as written. Director Hollingsworth seconded the motion, which passed unanimously.

#### FINANCING PLAN MATTERS, INCLUDING AUTHORITY'S \$36,735,000 WATER SYSTEM REVENUE BONDS, SERIES 2025 ("SERIES 2025 BONDS")

Mr. Palmer reviewed a summary of the Authority's outstanding Water System

Revenue Bonds. He discussed the Authority's plan of finance and the savings achieved by issuing bonds pursuant to Financing Agreements with the Texas Water Development Board for funding from the State Water Implementation Revenue Fund for Texas.

Ms. Miller reviewed the documents, procedures, and fees related to issuing the Authority's Series 2025 Bonds. She explained that there will be various documents related to the delivery of the Series 2025 Bonds requiring execution by the Directors prior to the scheduled closing date of November 21, 2025.

Ms. Miller presented and reviewed a Certificate Regarding Provision of Financial Advice certifying that ABHR has not provided financial advice to the Board concerning the issuance of the Series 2025 Bonds and that the Board has relied on Post Oak Municipal Advisors, LLC for financial advice.

Ms. Miller reviewed an engagement letter with McGrath & Co., PLLC for performance of the required pledged revenue analysis.

Following review and discussion regarding the Series 2025 Bonds, Director Abrahamson moved to: (1) adopt a Resolution Authorizing the Issuance, Sale, and Delivery of the North Fort Bend Water Authority Water System Revenue Bonds, Series 2025; Approving the Form and Substance and Authorizing the Execution of a Twenty-third Supplemental Indenture of Trust Relating to Such Bonds; Authorizing and Ratifying Other Actions of the Authority; Making Certain Findings and Containing Other Provisions Related to the Subject; (2) authorize the Board to sign all documents relating to the bond sale and authorize the attorney and financial advisor to take all necessary actions in connection with the issuance of the Authority's Series 2025 Bonds; (3) authorize execution of a Certificate Regarding Provision of Financial Advice; (4) authorize execution of an engagement letter with McGrath & Co., PLLC for performance of a pledged revenue analysis; and (5) approve payment to the Attorney General for review of the bond issue transcript. Director Hollingsworth seconded the motion, which passed unanimously.

#### PUBLIC COMMUNICATION, WATER CONSERVATION, AND REUSE MATTERS,

Ms. Milberger welcomed the meeting attendees to the new meeting location and solicited comments regarding the location to be taken after the meeting.

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 104 irrigation system evaluations were completed through the Authority's W.I.S.E. Guys Irrigation System Evaluation Program during September 2025.

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 reported that Hines, Inc. has acquired Masuen Consulting, LLC ("Masuen"). She stated that Authority's Communication, Conservation, and Reuse Committee recommended approval of a transition letter outlining that there will be no changes in the Authority's contract with Masuen.

Ms. Milberger reported that the Authority received the Outstanding Public Engagement Award from the Irrigation Association. She stated that the award recognizes city, county, or utility water providers with programs focused on engaging and educating residential and/or commercial end users on smart and efficient technologies, best practices, and programs related to outdoor water conservation.

Ms. Milberger discussed implementation of the Authority's Water Provider Conservation Program.

Following review and discussion, Director Abrahamson moved to approve the CCR Report as presented, including approval of Hines, Inc.'s transition letter outlining that there will be no changes in the Authority's contract with Masuen. 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, a schedule of debt service payments, a chart tracking the amounts expended by the Authority related to the City of Fulshear's rate challenge, and a quarterly investment report. A copy of the bookkeeper's report is attached. Mr. Watson additionally reviewed charts tracking expenses against the deposit received for BGE's evaluation of serving the Oxbow tract and funds deposited in separate accounts by the Authority and the West Harris County Regional Water Authority (the "WHCRWA") for the Bellaire Pump Station (the "BPS") Phase II Improvements Project. Following review and

discussion, Director Abrahamson moved to approve the bookkeeper's report as presented, including the checks presented for payment. Director Hollingsworth 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, water accountability, and ongoing meter testing. A copy of the operator's report is attached. Mr. Clayton reported that the Authority's Capital Planning and Design Committee recommended performing the Authority's annual valve survey in the amount of \$11,100.00. Following review and discussion, Director Abrahamson moved to approve the operator's report, including performing the Authority's annual valve survey in the amount of \$11,100.00, as recommended. 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 of 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 has been conducting monthly PFAS testing for approximately one year. Mr. Froehlich reported that the Texas Commission on Environmental Quality confirmed that PFAS monitoring requirements are covered by the City of Houston's ("COH") testing and the Authority is not required to conduct additional PFAS testing. He stated that the Authority's Capital Planning and Design Committee recommended that the Authority continue testing for PFAS on a quarterly basis.

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 (the "FBSD").

Mr. Froehlich reported that the well permits for the 2025-2026 permit year were received from the FBSD and are being distributed to the well owners.

Mr. Froehlich reminded the Board that the FBSD held a public hearing regarding proposed amendments to the FBSD's Regulatory Plan on September 23, 2025, and ABHR provided comments to four findings included in the FBSD's preliminary summary report on behalf of the Authority. He reported that the FBSD's public comment period ends on October 24, 2025. Mr. Froehlich reminded the Board that a letter was sent to the parties to the Authority's GRP Participant Agreements to notify

them of the anticipated impacts of the proposed amendments to the FBSD's Regulatory Plan on the entities' continued compliance with the Regulatory Plan.

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 BGE issued a conditional approval letter in response to a new well request from Fort Bend County Municipal Utility District No. 210. He additionally reported that BGE issued a conditional approval letter for two new wells proposed in Fort Bend County Municipal Utility District No. 141 following receipt of the appropriate documentation.

Mr. Froehlich recommended payment of Fort Bend County Municipal Utility District No. 37's request for reimbursement of Progress Payment No. 5 for its chloramine conversion project in the amount of \$3,233.55, pending an executed receipt.

Mr. Froehlich reported that a technical memorandum summarizing BGE's analysis of the Authority's transmission system model and a letter from the Authority outlining its decision and inability to serve the Oxbow Tract were provided to the developer of the tract.

Mr. Froehlich reported that a certification of completion for the Authority's Emergency Response Plan was submitted to the EPA by September 24, 2025, to comply with the America's Water Infrastructure Act of 2018. He stated that the next review and certification are due in 2030.

Mr. Froehlich reported that BGE is negotiating with a consultant to provide a third party audit for the Authority's facilities.

Mr. Froehlich reported that BGE was contacted by a well owner interested in purchasing conversion credits from the Authority to meet the FBSD's groundwater reduction requirements. He recommended the Board approve a general policy of offering school kit credits for \$0.45 per 1,000 gallons and conversion credits for 90% of the then current FBSD Disincentive Fee per 1,000 gallons.

#### 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 Nos. 132 and 255 and Fort Bend County Fresh Water Supply District No. 2. Mr. Froehlich recommended approval of an Agreement for Professional Materials Engineering Laboratory Services with Aviles Engineering Corporation for the construction of Main

Segment 19 in the amount of \$230,971.50.

Mr. Froehlich reported on the status of BGE's preparation of a revised Environmental Determination Form and a Cultural Resources Study for the Authority's 2027 surface water supply system for submission to the appropriate agencies.

Mr. Froehlich reported on the status of transient analysis services and cathodic protection design services for Main Segments 16B and 17B.

Mr. Froehlich recommended approval of BGE's proposal to develop a bid package for replacing the missing, damaged, and disconnected test stations throughout the Authority's surface water distribution system in the amount of \$55,000.00.

Mr. Froehlich reported that BGE is reviewing Municipal Information System's population study report.

#### REGIONAL PLANNING MATTERS: JOINT PROJECTS AND WATER SUPPLY

Mr. Froehlich reported on the status of construction of the BPS Phase II Improvements Project. He stated that MC2 Civil, LLC plans to mobilize at the site on October 27, 2025.

Mr. Froehlich reported that minor structural and aesthetic repairs to the BPS were completed by Epoxy Design Systems, Inc. and the final pay estimate is pending.

Mr. Froehlich reported that Great Barrier Roof, LLC's installation of a new thermoplastic polyolefin roof on the BPS is complete and the final pay estimate remains pending.

Mr. Froehlich requested authorization for execution and submission of a renewal application for the Authority's Storm Water Quality Permit to COH prior to the November 21, 2025, expiration date.

Mr. Pietz reported on the status of design, permitting, construction, and property acquisition, as appropriate, for the Authority's joint Surface Water Supply Project with the 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. Pietz reported that COH solicited proposals for a Construction Manager at Risk and Statements of Qualifications for professional engineering services for the East Water Purification Plant Enhancement Project - Project 1 Expansion that were due September 25, 2025, and October 9, 2025, respectively. He stated that the Authority is

not a participant in the project.

Mr. Pietz 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. Pietz and Ms. Miller responded to Board inquiries regarding the Authority's option to purchase additional capacity in the Northeast Water Purification Plant pursuant to the Water Supply Contract with COH.

Ms. Miller responded to Board inquiry regarding the FBSD's disincentive fee of \$6.60 per thousand gallons of water.

Mr. Froehlich reported that the Region H Water Planning Group met on October 1, 2025.

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

- (1) Inframark's performance of quarterly testing for 29 PFAS substances in the Authority's water supply;
- (2) payment of Fort Bend County Municipal Utility District No. 37's request for reimbursement of Progress Payment No. 5 for its chloramine conversion project in the amount of \$3,233.55, pending an executed receipt;
- (3) adopting the general policy of offering school kit credits for \$0.45 per 1,000 gallons and conversion credits for 90% of the then current FBSD Disincentive Fee per 1,000 gallons;
- (4) approval of the Agreement for Professional Materials Engineering Laboratory Services with Aviles Engineering Corporation for the construction of Main Segment 19 in the amount of \$230,971.50;
- (5) approval of BGE's proposal to develop a bid package for replacing the missing, damaged, and disconnected test stations throughout the Authority's surface water distribution system in the amount of \$55,000.00; and
- (6) authorization for execution and submission of a renewal application for the Authority's Storm Water Quality Permit to COH prior to the November 21, 2025, expiration date.

Director Hollingsworth seconded the motion, which passed unanimously.

## ARBITRAGE REBATE REPORTS

Ms. Miller reviewed arbitrage rebate and yield restriction liability reports prepared by OmniCap Group, LLC for the Authority's Series 2016A and 2018A Bonds. She reported that the Authority is not required to remit payment to the Internal Revenue Service for the 2016A Bonds. She stated that a required payment in the anticipated amount of \$6,485.81 will be due to the Internal Revenue Service on or before October 22, 2028, for the Series 2018A Bonds.

## REALTY INTEREST ACQUISITION

Ms. Miller discussed a proposed Water Line Easement for Parcel 18.16 to be granted by Fort Bend County Municipal Utility District No. 124 ("FB 124"). She reported that ABHR is counsel for FB 124 and discussed with the Board the Authority's option to retain independent counsel or to have ABHR represent it in connection with the preparation of the proposed Water Line Easement to be granted by FB 124. Following review and discussion, Director Abrahamson moved to approve a legal conflict waiver for ABHR's preparation of a Water Line Easement for Parcel 18.16 to be granted by FB 124. Director Hollingsworth seconded the motion, which passed unanimously.

Ms. Miller recommended approval of one Water Line Easement for Parcel 18.16. Following review and discussion, Director Abrahamson moved to approve the Water Line Easement as presented. Director Hollingsworth seconded the motion, which passed unanimously.

## MEETING PLANNING AND SCHEDULING MATTERS

The Board concurred to reschedule its next regular meeting to Thursday, November 20, 2025, at the Creekside at Lakemont Park Facility. The Board additionally concurred to reschedule its December 2025 regular meeting to Thursday, December 18, 2025, due to the Christmas holiday.

## CONVENE EXECUTIVE SESSION

The Board convened in executive session at 6:51 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. Adam Richie of Maynard Nexsen PC joined the meeting via teleconference. 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.

RECONVENE IN OPEN SESSION

At 7:11 p.m., the Board reconvened in open session. Director Abrahamson moved to authorize Director Houghton, or alternately, Director Patton, to execute an engagement letter with Hicks Johnson PLLC for legal services related to COH's litigation with the Houston Waterworks Team regarding Northeast Water Purification Plant Expansion Project matters. Director Hollingsworth seconded the motion, which passed unanimously.

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

  
Secretary, Board of Directors

(SEAL)



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