

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

May 5, 2025

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in public session at 6:00 p.m. at the Authority's office located at 3648 Cypress Creek Parkway, Suite 110, Houston, Texas, a public meeting place within the boundaries of the Authority; whereupon, the roll was called of the duly constituted officers and members of the Board, to-wit:

Melissa Rowell	President
Kelly P. Fessler	Vice President
Ron Graham	Secretary
David Barker	Treasurer
Mark Ramsey	Director

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Mr. Jun Chang, P.E., D.WRE, General Manager for the Authority; Mr. Mark Evans, Director of Planning and Governmental Affairs for the Authority; Mr. Raj Singh, P.E., Engineering Manager for the Authority; Ms. Cynthia Plunkett, Finance Director for the Authority; Mr. Clayton Rogers of Pattillo, Brown & Hill, L.L.P.; Mr. Paul Walker and Ms. Amber Batson of Carollo Engineers, Inc., Program Manager for the Authority; Ms. Kassandra Medina, Administrative Assistant for the Authority; Mr. Carlton McDevitt and Mr. Jerie Jones of Inframark; Mr. Andrew P. Johnson, III, Attorney and Ms. Monica Alvarado, Paralegal, of Johnson Petrov LLP, General Counsel for the Authority. Other members of the public and consultants to the Authority were also present at the meeting. Copies of the public sign-in sheets are attached hereto.

WHEREUPON, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law.

CALL TO ORDER

Director Rowell, Board President, called the meeting to order, and Mr. Nicholas Fava led the attendees in the Pledges of Allegiance to the United States and Texas flags.

PUBLIC COMMENT

Mr. Jerry Homan addressed the Board.

Mr. Ron Chapman addressed the Board.

MESSAGE FROM PRESIDENT AND BOARD MEMBERS

Director Rowell welcomed everyone, including those online, and advised everyone that she attended the HGSD annual groundwater report public hearing that took place on April 29th, and that the record will be open until May 7th for public comments. She then reminded everyone of the upcoming

AWBD Annual Conference in June.

MINUTES OF THE APRIL 7, 2025 REGULAR BOARD MEETING

Upon motion by Director Fessler, after full discussion and with all Directors present voting in favor, the Board approved the minutes of the April 7, 2025 regular Board meeting.

FINANCE DIRECTOR'S REPORT, INCLUDING MONTHLY FINANCIAL REPORT AND PAYMENT OF BILLS

Mrs. Plunkett reviewed with the Board the Authority's Financial Report and the checks being presented for payment. She then requested the Board grant an exception to pay a late invoice from General Counsel.

Director Ramsey moved to approve the Financial Report and the checks being presented for payment and grant the requested exception. Director Fessler stated that the exception, if granted, should be a one-time occurrence. Director Rowell suggested an amendment to the motion, proposing that the Board vote on the matter separately.

After full discussion and with Directors Ramsey, Fessler, Graham, and Barker voting in favor, and Director Rowell voting nay, the Board (i) approved the Financial Report and the checks being presented for payment, and (ii) granted the exception.

REVIEW AND APPROVE AUDIT REPORT FOR THE FISCAL YEAR ENDING DECEMBER 31, 2024; AND AUTHORIZE FILING OF SAME

Ms. Plunkett introduced Mr. Rogers to the Board who then presented the draft Audit Report. Mr. Rogers confirmed that the report will feature a clean opinion, indicating that no irregularities were discovered during the audit process.

Upon motion by Director Fessler, after full discussion and with all Directors present voting in favor, the Board approved the Audit Report and authorized filing of same as required by law.

GENERAL MANAGER'S REPORT

- A. Status of Water Supply and Conversion. Ms. Batson provided an update on the progress of converting to surface water within the current permit year and presented charts illustrating the conversion over time.
- B. Status of the selection committee's recommendation for Rate Consultant and Financial Advisor. Mr. Chang advised the Board that he posted two (2) RFPs, one for a Rate Consultant and one for a Financial Advisor, and that he received three (3) submittals for each. He stated that the selection committee recommends Raftelis Financial Consultants to serve as the Authority's Rate Consultant.

Upon motion by Director Fessler, after full discussion and with Directors Fessler, Rowell, Graham, and Ramsey voting in favor, and Director Barker voting nay, the Board (i) approved the selection of Raftelis Financial Consultants to serve as the Authority's Rate Consultant,

and (ii) authorized Mr. Chang to negotiate the scope and costs and bring a proposed contract back to the committee for vetting and then to the Board for final approval.

Mr. Chang then stated that the selection committee recommends The GMS Group, LLC ("GMS") to serve as the Authority's financial advisor. Director Rowell stated that she respects the majority decision but does not support the recommendation.

Upon motion by Director Barker, after full discussion and with Directors Barker, Fessler, Graham, and Ramsey voting in favor, and Director Rowell voting nay, the Board approved the selection of and contract with GMS to serve as the Authority's financial advisor.

- C. Approval of Amendment to the Rate Order regarding GRP Participation Fee and other miscellaneous revisions. Mr. Chang advised the Board of his recommended revisions to the Rate Order.

Director Graham moved to approve the recommended revisions and authorize Mr. Chang to have an attorney of his choice review the General Counsel's memorandum regarding the GRP Participation Fee. Director Barker moved to amend Director Graham's motion, to approve the recommended language and have the General Counsel argue his own points in front of the Board.

Director Fessler stated that he wants additional time to review the General Counsel's memorandum, and Director Graham withdrew his motion.

Upon motion by Director Rowell, after full discussion and with Directors Rowell, Fessler, Graham, and Barker voting in favor, and Director Ramsey voting nay, the Board postponed this matter until July.

Mr. Chang then requested the Board's approval for the addition of Section 5.031 to the Rate Order.

Upon motion by Director Fessler, after full discussion and with Directors Fessler, Rowell, Graham, and Barker voting in favor, and Director Ramsey abstaining, the Board approved the addition of Section 5.031 to the Rate Order.

- D. Implementation Plans for Internal Controls Audit Recommendations. Mr. Chang presented a summary of the follow-up actions as recommended in the Internal Controls Audit report.

OPERATIONS STATUS REPORT

Mr. McDevitt updated the Board on various operations in the region. He then informed the Board of his retirement in June.

REPORT FROM DIRECTOR OF PLANNING AND GOVERNMENTAL AFFAIRS

Mr. Evans discussed the current legislative session and advised the Board that there are 28 days remaining in the session. He then advised the Board that HB 1532 passed the House and has been sent to the Senate but has not been referred to a committee. He also discussed the Authority's efforts in support of HB 3818 which has been referred to the House Natural Resources Committee but has not

been set for a hearing.

CONSTRUCTION/ENGINEERING UPDATE

A. Update on NEWPP Expansion Project. Mr. Singh provided an update regarding the NEWPP.

FUTURE AGENDA ITEMS

Director Rowell requested that an item to review the performance of the General Counsel be added to a future agenda.

NEXT REGULAR MEETING

Director Rowell advised that the next regular meeting will take place on June 2, 2025.

ADJOURNMENT

With no objection, Director Rowell adjourned the meeting at 7:45 p.m.

[EXECUTION PAGE FOLLOWS]

PASSED, APPROVED AND ADOPTED on the 7th day of July, 2025.

Ron Bullock
Secretary, Board of Directors

