

**MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY**

January 5, 2026

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., BC.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; Ms. Amber Batson, P.E., of Carollo Engineers, Inc., Program Manager for the Authority; Ms. Kassandra Medina, Administrative Assistant for the Authority; Mr. Jerie Jones of Inframark; Mr. Andrew P. Johnson, III, Attorney and Mrs. Mirna Croon, Paralegal, of Johnson Petrov LLP, General Counsel for the Authority; and other members of the public and consultants to the Authority. 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. Don Johnson of the Harris-Galveston Subsidence District ("HGSD") led the attendees in the Pledges of Allegiance to the United States and Texas flags.

PUBLIC COMMENT

Mr. Jerry Homan presented comments to the Board.

MESSAGE FROM PRESIDENT AND BOARD MEMBERS

Director Rowell presented a statement addressing matters related to anticipated election of officers and the HGSD conversion, including associated challenges. A copy of such statement is attached hereto as Exhibit "A".

MINUTES OF DECEMBER 1, 2025 BOARD MEETING

Director Graham moved to approve the minutes of the December 1, 2025 Board meeting, and with all Directors present voting in favor, the motion passed.

ADOPT THE PROPOSED BUDGET FOR FISCAL YEAR ENDING DECEMBER 31, 2026

Director Ramsey moved to approve the Budget for Fiscal Year Ending December 31, 2026, and with all Directors present voting in favor, the motion passed.

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

Mrs. Plunkett reviewed the Authority's Financial Report, including the checks being presented for payment.

Director Fessler moved to approve the Financial Report, including the checks being presented for payment, and with all Directors voting in favor, the motion passed.

GENERAL MANAGER'S REPORT

- A. Status of Water Supply and Conversion. Ms. Batson presented an update on surface water conversion progress during the current permit year, including charts illustrating conversion trends over time. Director Rowell expressed concerns that the Authority's pumpage fees are calculated based on estimated groundwater usage and paid upfront, with no refund provided for overestimates and additional payment required for underestimates. Ms. Batson noted a 10 percent increase in groundwater usage in November 2025, as compared to the previous November, and reported that the anticipated shortfall of approximately 6 billion gallons for the 2025-2026 permit cycle with HGSD must be pre-paid using accumulated Over-Conversion Credits, all remaining unexpired Series B credits, including utilizing , and the expired Series B credits at their extended lifespan/declined value per recent HGSD policy guidance.
- B. Tomball surface water conversion. Ms. Batson presented an overview of Tomball's historical and projected water demands. She noted that Tomball intends to expand its infrastructure to include five water plants, four of which would have a combined capacity equivalent to the four largest water plants currently operating within the Authority's system. Ms. Batson further reported that the HGSD requires an 80 percent conversion rate by 2035. She explained that if Tomball is not converted to surface water as planned for the 80% conversion, the Authority would likely only be able to achieve 76% conversion long-term (under average demand conditions). This would necessitate additional wells be converted to surface water in lieu of Tomball to achieve the 80% conversion. Ms. Batson estimated 40 additional wells would need to be converted by 2035 and a total of 100 additional wells converted by 2045 to compensate for Tomball being removed from the plan for the 80% conversion. No action was taken by the Board.

- C. Approval of Amendment to Rate Order Sections 5.03 and 5.031. Director Graham moved to approve the Rate Order Amendment, and with Directors Fessler, Graham, Barker, and Ramsey voting in favor, and with Director Rowell abstaining, the motion passed.
- D. Board's direction on responding to the correspondence from the HGSD. There was no action.

OPERATIONS STATUS REPORT

Mr. Jones updated the Board on various operations in the region.

REPORT FROM DIRECTOR OF PLANNING AND GOVERNMENTAL AFFAIRS

There were no matters to report.

ELECTION OF OFFICERS

Director Rowell nominated Director Ramsey to serve as President and with Directors Rowell, Fessler, Barker, and Ramsey voted in favor, and with Director Graham abstaining, the motion passed.

Director Rowell then nominated herself to serve as Vice President, and the motion passed by acclamation.

Director Graham nominated Director Fessler to serve as Secretary, and the motion passed by acclamation.

Director Rowell nominated Director Barker to serve as Treasurer, and the motion passed by acclamation.

Director Fessler nominated Director Graham to serve as Assistant Secretary, and the motion passed by acclamation.

CONSTRUCTION/ENGINEERING UPDATE

- A. Update on NEWPP Expansion Project. There were no additional matters to report.

FUTURE AGENDA ITEMS

There are no additional future items except those discussed earlier in the meeting.

NEXT REGULAR MEETING

The Board will hold its next regular Board meeting on February 2, 2026.

ADJOURNMENT

With no additional matters to discuss, the meeting was adjourned at 7:44 p.m.

PASSED, APPROVED AND ADOPTED on the 2nd day of February, 2026.


Secretary, Board of Directors

Exhibit A – Director Rowell's Statement



Exhibit "A"

Director Rowell's Statement

Jan 5, 2026 NHCRWA board meeting - Director Melissa Rowell comments

I've had the privilege of serving as President of the Board for the past two years, and I'm proud of the work we've accomplished during that time.

I remain fully committed to serving the ratepayers and advancing the mission of the Water Authority with transparency, accountability, fiscal responsibility, and sound decision-making. That commitment does not depend on a title.

I look forward to continuing this work alongside my fellow directors and supporting leadership that moves this board forward in the direction we were elected to pursue.

At our last meeting I raised the issue of potentially amending our Groundwater Reduction Plan. I still believe that conversation is important, but I also believe it deserves deliberate consideration rather than a rushed reaction.

The larger issue we're facing is not whether this board is committed to conversion—we are—but whether the Harris-Galveston Subsidence District's regulatory mandates reflect current realities on timelines, permitting, right-of-way acquisition, and project delays outside our control.

NHCRWA isn't the bottleneck. The system is.

HGSD's rules continue to assume timelines that no longer exist in the real world. Easements, interagency approvals, surface water delivery delays, and post-disaster impacts have fundamentally changed how long compliance actually takes.

When regulatory timelines don't match reality, the consequences don't land on agencies—they land on ratepayers. Through disincentive fees, rushed construction, early debt, or stopgap measures, those costs show up directly on household water bills.

I believe our role as a board is not just to comply with mandates, but to advocate for reasonable regulation. That means pushing HGSD to ease up on rigid requirements that ignore delays outside local control—and, if necessary, engaging legislators to modernize those rules.

We can stay committed to subsidence prevention and insist on fairness, realism, and ratepayer protection. Those goals are not in conflict.