

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

February 2, 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:

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

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, Operator for the Authority; Mr. John Howell of the GMS Group, Financial Advisor for the Authority; Ms. Angie Flores and Mr. Christopher Williams of Raftelis, Rate Consultants for the Authority; 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 Ramsey, Board President, called the meeting to order, and asked Mr. Chang to lead 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 Barker commented about demographics shift within City of Houston and Harris County. He mentioned the fact that schools are closing.

Director Rowell read a statement regarding Harris-Galveston Subsidence District (HGSD), see Exhibit A. In summary, she reported that she had attended the HGSD Board Meeting. Houston Public Works representatives acknowledged the amount of treated water lost due to leaky pipes, broken mains and poor maintenance. They continued to explain that they are battling this loss with new crews, tracking systems and finance to water loss performance. However, Director Rowell expressed concern due to the fact that the additional infrastructure cost caused by the loss is also felt negatively by residents outside of Houston and the need for proportional responsibility, as well as fairness and transparency.

Director Fessler commented about the HGSD regulations; would like proof from HGSD that what the Authority is doing is beneficial. He would like to see more studies from HGSD showing positive results. He continued stating the need-to-know what City of Tomball is experiencing. Additionally, he would like more information from the rate study, and believes the Authority needs to start charging the actual cost of providing water.

MINUTES FROM THE OCTOBER 27, 2025 SPECIAL BOARD MEETING AND JANUARY 5, 2026 REGULAR BOARD MEETINGS

Director Barker moved to approve the minutes of the October 27, 2025, and the January 5, 2026, Board meetings, 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 Rowell moved to approve the Financial Report, including the checks being presented for payment, and with all Directors voting in favor, the motion passed.

RESOLUTION APPROVING AND IMPLEMENTING THE 2026-2030 CAPITAL IMPROVEMENT PLAN ("RESOLUTION")

Director Rowell moved to approve the Resolution. Director Ramsey clarified that the approval would only be for calendar year 2026 of the CIP. With all Directors voting in favor, the motion passed.

TOMBALL ROUTE STUDY ACCELERATION DISCUSSION

Director Barker read to the attendees a letter from the City of Tomball regarding their Surface Water Conversion Delay Request dated January 30, 2026, a copy of which is attached hereto as Exhibit B.

Director Rowell moved to discuss and approve the Tomball Route Study. A discussion of same ensued. Director Rowell moved to approve the Route Study; and with Directors Fessler, Graham, and Rowell voting in favor and Directors Ramsey and Barker voting against, 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.
- B. Water Receiving Facilities near current main lines discussion. Director Barker discussed the option to identify and convert MUDs that have facilities near Authority's existing water lines

Mr. Chang stated that the Authority has already converted the larger facilities near the existing distribution system; however, there are additional water plants that could be connected in the future. Several have been identified as potential "Infill" projects for the planned 80% conversion. He noted that an engineering study would need to be done to determine which facilities are economically feasible to convert. Carollo was requested to come back in a future Board meeting to present an overview of how this would be accomplished (i.e. studies needed, how schedule would be accelerated, budget).

- C. Relocation of the Authority Office. The lease to the Authority's office expires in March 2026. Six possible sites identified north of the current location have been narrowed down to 2 sites. One site could be ready for moving in, within a few months. The other option involves building a facility just for the Authority, which would take approximately 6 to 8 months to finalize the land purchase, and then a year to a year and half to build. The owner of the second site offered a lower rent than the first site, which could potentially save the Authority approximately \$120,000 per year. Mr. Chang stated that he has not started any negotiation with either site owner yet.

The Board, by general consent, and hearing none opposed, authorized Mr. Chang to begin negotiations with the owner of the first site.

- D. Status of Assistant General Manager Search. Mr. Chang reported that he did reach out to several people with good qualifications but has not received much interest. Mr. Chang made a public call for anyone who believes that he or she is qualified for the job to contact him.

CONSTRUCTION/ENGINEERING UPDATES:

- A. Update on NEWPP Expansion project. Litigation timetable and possible settlement discussions with the City of Houston and/or contractor were reported by Mr. Chang.
- B. Status of Projects 39 and 40 and schedule Public Hearing(s) related to same. Ms. Batson discussed the process involved in selecting the best route and status of projects of 39 and 40. She outlined the requirements of the Texas Parks and Wildlife Code Chapter 26 related to any taking of the easements within the parks; and requested that public hearings be conducted before the March Board meeting.

It was discussed and initially agreed that the March 2nd meeting should start at 5:00 p.m. to have the Public Hearings regarding park impacts first via a special Board meeting and then have the Resolution of Findings and the Declaration of Public Necessity during the regular Board meeting.

Director Rowell proposed to schedule the Public Hearing regarding Park Impact on March 2, 2026, at 5:00 p.m. and the Board agreed.

RATE STUDY UPDATE BY RAFTELIS

Ms. Angie Flores of Raftelis presented scenarios related to financial metrics with Scenario 4 being the recommended scenario. No action was taken on this item.

AMENDMENT TO AUTHORITY RATE ORDER TO ESTABLISH NEW CLASSIFICATIONS FOR WATER AND ASSOCIATED RATES, INCLUDING CALLING A PUBLIC HEARING, IF NECESSARY

Director Barker stated that if a well user has the capability to take surface water, and they are still pumping groundwater, their groundwater rate should be higher to incentivize them to use surface water. Director Barker presented proposed language and a new rate category for the Rate Order and Pricing Policy.

Ms. Batson discussed reasons why a user might use groundwater instead of surface water.

Discussion ensued regarding timing of a Public Hearing for the rate order amendment due to also having a hearing on Project 39 and 40. It was agreed, by general consent with no objection heard, that the Public Hearing on Projects 39 and 40 be held at 6:00 p.m. instead of 5:00 p.m. as previously approved.

It was agreed to post the proposed rate order language on the website and schedule a public hearing related to the rate order in April 2026 to ask water users for input.

NHCRWA AWIA COMPLIANCE AND CYBER SECURITY ASSESSMENT

Ms. Batson reviewed the requirements and concluded the Authority is fully compliant with AWIA.

REPORT FROM DIRECTOR OF PLANNING AND GOVERNMENTAL AFFAIRS

There were no matters to report.

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 March 2, 2026, immediately following the special meeting for the Chapter 26 Public Hearings.

ADJOURNMENT

With no additional matters to discuss, the meeting was adjourned at 9:11 p.m.

[EXECUTION PAGE FOLLOWS]

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


Secretary, Board of Directors

Exhibit A – Director Rowell's Statement
Exhibit B – Letter from the City of Tomball

