MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

August 3, 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; Ms. Cynthia Plunkett, Finance Director for the Authority; Ms. Amber Batson, P.E. of Carollo Engineers, Inc., Engineers for the Authority; Mr. Raj Singh, P.E., the Authority's Engineering Manager; Ms. Kassandra Medina, Administrative Assistant for the Authority; Mr. Zachary A. Petrov, Attorney, and Mrs. Teresa Menacho, 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, the Board President, called the meeting to order.

Director Barker led the attendees in prayer.

Director Ramsey 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. He extended an invitation to all Board members to participate in the facility tour. Mr. Harman stated that he agreed with Mr. Homan's comments.

MESSAGE FROM PRESIDENT AND BOARD MEMBERS

Director Fessler thanked Mr. Homan for an invitation to tour the facilities of Harris County Fresh Water Supply District #61

Director Rowell thanked Mr. Homan for the invitation. She then addressed the Board and members of the public, reporting that she had recently attended meetings of the Harris-Galveston Subsidence District and Groundwater Management Area 14. She stated that discussions at those meetings included the Fort Bend Subsidence District's amendment to its groundwater conversion deadlines and expressed her interest in exploring whether similar extensions could be pursued with the Harris-Galveston Subsidence District.

Director Barker asked about the security of the Authority's facilities due to the recent hacking incidents of utilities around the country.

MINUTES FROM JULY 6, 2026, REGULAR BOARD MEETING

Director Rowell moved to approve the minutes of the July 6, 2026, regular Board meeting, 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, and with all Directors present voting in favor, the motion passed.

ANNUAL REVIEW OF INVESTMENTS AND INVESTMENT POLICY

Mrs. Plunkett introduced Messrs. Nordin and Brewer of PTMA, the Authority's Investment Advisors. Mr. Nordin addressed the Board, providing an overview of the current economic climate, followed by a presentation on the Authority's financial standing and overall economic and investment position.

ORDER REGARDING ANNUAL REVIEW OF INVESTMENT POLICY AND LIST OF BROKERS

Mrs. Plunkett explained that the Authority is required to review its Investment Policy annually and reaffirm the list of approved brokers. She advised the Board that after reviewing the Authority's current policy, no changes to the policy or the list of approved brokers were needed, and recommended approval of the order. Director Rowell moved to approve the Investment Policy and reaffirm the list of approved brokers, and with all Directors present voting in favor, the motion passed.

GENERAL MANAGER'S REPORT

A. Status of Water Supply and Conversion. Ms. Batson presented an update on the Authority's surface water conversion progress for the current permit year, including charts illustrating conversion trends over time. She reported that preliminary numbers for July 2026 for surface water deliveries showed 43 million gallons per day on average. Preliminary number on the month of June for conversion was 44%, which was a record number.

B. Interlocal Agreement with Harris-Galveston Subsidence District (HGSD). Mr. Chang recounted that the Authority is projected to fall short of its required groundwater conversion requirement. He reminded the Board that it had previously authorized him to purchase Groundwater Conservation Credits on the Authority's behalf from entities willing to sell them at discounted prices. However, he advised that only limited quantities of credits were available and that some of the asking prices were unreasonably high.

Mr. Chang further reported that the Authority was not able to receive surface water and earn Groundwater Conservation Credits due to the delay of the Northeast Water Purification Plant Expansion Project ("Project"). He stated that the lawsuit had been settled in principle and that a Memorandum of Understanding had been executed. As a result, the Authority is expected to receive funds and can use the money to purchase Groundwater Conservation Credits that could have been earned if the Project was not delayed.

Mr. Chang also explained that HGSD requires an Interlocal Agreement that would enable the Authority to participate in the Water Conservation Program offered by HGSD to earn Groundwater Conservation Credits.

Director Fessler moved to authorize Mr. Chang to negotiate and execute an Interlocal Agreement with HGSD for participation in HGSD's Groundwater Conservation Program, and with all Directors present voting in favor, the motion passed.

C. NEWPP Capacity Lease Agreement with the City of Houston. Mr. Chang explained that in connection with the Northeast Water Purification Plant Expansion Project ("Project"), each stakeholder acquired a pro-rata share of the plant's treatment capacity. He stated that the City of Houston has determined that it could use more capacity than its capacity reservation but is unwilling to pay a surcharge on any water taken beyond its reserved capacity. The agreement between the participants of the Project permits any participant with unused capacity to lease that capacity to another partner. He advised the Board that discussions with the City of Houston regarding a potential capacity lease are ongoing and requested authorization to negotiate and execute a lease agreement if mutually acceptable terms are reached.

Mr. Chang stated the agreement would include provisions preserving the Authority's right to first use of the leased capacity.

Director Rowell moved to authorize Mr. Chang to negotiate and execute a lease agreement with the City of Houston, and with all Directors present voting in favor, the motion passed.

D. Financing Agreement with Texas Water Development Board (TWDB). Mrs. Plunkett reminded the Board that the Authority is scheduled to close on a $265 million State Water Implementation Revenue Fund for Texas (SWIRFT) bond financing with the Texas Water Development Board (TWDB) on December 10, 2026. She explained that, in preparation for the closing, the Authority was required to enter into a Financing Agreement with the TWDB.

Director Rowell moved to authorize the Authority to enter into the Financing Agreement with the Texas Water Development Board in connection with the $265 million SWIRFT bond financing, and with Directors Rowell, Barker, Fessler, and Graham voting in favor and Director Ramsey voting against, the motion passed.

E. Water Usage Summary Update. Staff indicated that there was no update from what was reported in the last Board meeting.

CONSTRUCTION/ENGINEERING UPDATES

A. Project 31E. Mr. Singh reported that Project 31E achieved substantial completion on March 31, 2026, and that E.P. Brady, Ltd. had fulfilled all contractual closeout requirements. Accordingly, he recommended that the Authority grant final acceptance of the project and authorize the final contract payment in the amount of $223,618.30, subject to the Texas Water Development Board acceptance and approval of release of funds.

Director Rowell moved to authorize final acceptance of the work and to approve the final contract payment in the amount $223,618.30, contingent upon the Texas Water Development Board's acceptance and approval to release the funds, and with all Directors present voting in favor, the motion passed.

SUPPLEMENTAL ELECTION AGENDA

Mr. Petrov explained that the Authority was required to call the Directors Election single-member Voting Districts 1, 2, and 3 to be held on November 3, 2026. He further advised that the Authority intends to contract with Harris County to administer the election and that Harris County would provide an Election Services Agreement. Mr. Petrov requested that the Board authorize Mr. Chang to execute the agreement on the Authority's behalf.

Director Rowell moved to adopt the Order Calling the November 3, 2026, Directors Election for single-member Voting Districts No. 1, 2, and 3 and to authorize Mr. Chang to execute the forthcoming Election Services Agreement with Harris County for said elections, and with all Directors present voting in favor, the motion passed.

FUTURE AGENDA ITEMS

Security was discussed briefly, but the Board decided that no items needed to be added to the agenda.

NEXT REGULAR MEETING

The Board will tentatively hold its next regular Board meeting on September 14, 2026, due to the Labor Day Holiday on the first Monday of the month.

ADJOURNMENT

With no additional matters to discuss, Director Ramsey moved to adjourn, and with all Directors present voting in favor, the motion passed. The meeting was adjourned at 7:08 p.m.

PASSED, APPROVED AND ADOPTED on the 14th day of September, 2026.

Secretary, Board of Directors

(AUTHORITY SEAL)