

MINUTES
HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 51

June 10, 2026

The Board of Directors (the "Board") of Harris County Fresh Water Supply District No. 51 (the "District") met in regular session, open to the public, on the 10th day of June, 2026, at 367 Queenstown Road, Houston, Texas, 77015 inside the boundaries of the District, and the roll was called of the members of the Board:

Jerry Dominy	President
Michael Bilnoski	Vice President
Les LeBleu	Secretary
David Gray	Assistant Secretary
Cary Stephens	Assistant Vice President

and all of the above were present, except Director Bilnoski thus constituting a quorum.

Also present at the meeting either in person or via videoconference was: an unidentified individual; Rita Rodriguez, President of the North Channel Water Authority; Billy Allen, an employee of the District; Terri Quebodeaux, General Manager of the District; Jose Sanchez, an employee of the District; Odett Champion of Bob Leared Interests; Marcel Khouw of IDS Engineering Group ("IDS"); Derek Davenport of McLennan & Associates, L.P; Bear Oakley and Josh Stone of Nextera Advisors; and Andrew B. Vaughan of Allen Boone Humphries Robinson LLP ("ABHR").

Also present by teleconference was Director Bilnoski, who did not deliberate with the Board.

PUBLIC COMMENTS

The Board opened the meeting for public comments. There being no additional members of the public wishing to address the Board, the Board closed the public comments portion of the meeting.

APPROVE MINUTES

The Board reviewed the minutes of the May 13, 2026, meeting. After review and discussion, Director Stephens moved to approve the minutes, as presented. Director LeBleu seconded the motion, which passed unanimously.

PRESENTATION FROM NEXTERA ADVISORS FOR ELECTRIC CONTRACT RENEWAL

Mr. Oakley stated the District's electricity contract will expire soon, and he presented and reviewed a summary of options for new electricity providers, terms, and rates, a copy of which is attached. Following review and discussion, Director Stephens moved to defer action regarding the new electricity contract until the next meeting. Director LeBleu seconded the motion, which passed unanimously.

REPORT REGARDING NORTH CHANNEL WATER AUTHORITY (THE "AUTHORITY")

Ms. Rodriguez reviewed a report regarding the Authority, a copy of which is attached.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Quebodeaux stated the District's insurance policies will expire on July 1, 2026, and she reviewed a renewal proposal from Arthur J. Gallagher Insurance ("Gallagher") with an annual premium of \$106,176.00. Following review and discussion, Director Gray moved to approve the renewal proposal from Gallagher. Director LeBleu seconded the motion, which passed unanimously.

Ms. Quebodeaux informed the Board that in the past the General Manager chose the insurance broker and signed the policy on behalf of the Board. She inquired if the Board would like to continue with this process. Following discussion, Director Stephens requested this topic be added to the agenda in January 2027 for further discussion. Director LeBleu seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Davenport reviewed the bookkeeper's report, including a summary of investments, a copy of which is attached, and submitted the bills for the Board's review. After review and discussion, Director LeBleu moved to approve the bookkeeper's report, the checks presented for payment, and the summary of investments. Director Stephens seconded the motion, which passed unanimously.

ADOPT BUDGET FOR FISCAL YEAR END JUNE 30, 2027

Mr. Davenport reviewed the proposed budget for the fiscal year end June 30, 2027. Following review and discussion, Director LeBleu moved to adopt the budget, as presented. Director Stephens seconded the motion, which passed unanimously.

ENGAGE AUDITOR FOR AUDIT FOR FISCAL YEAR END JUNE 30, 2026

The Board reviewed an engagement continuance letter from McCall Gibson Swedlund Barfoot Ellis PLLC ("McCall") to conduct the District's audit for the fiscal year end June 30, 2026. Following review and discussion, Director Stephens moved to engage McCall to conduct the audit. Director LeBleu seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Champion presented and reviewed a report on tax assessment and collection matters, a copy of which is attached. She stated that 95.4% of the 2025 taxes have been collected as of May 31, 2026.

Ms. Champion also reviewed the list of eligible uncollectible tax accounts, a copy of which is attached, which she noted includes 53 accounts totaling \$14,198.65.

Following review and discussion, Director LeBleu moved to approve the tax report and to authorize the 53 accounts on the eligible uncollectible tax list to be written off. Director Stephens seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Khouw presented and reviewed the engineer's report, a copy of which is attached.

Mr. Khouw updated the Board regarding construction of the waterline replacement project. He stated there were no items for the Board's approval.

Mr. Khouw updated the Board regarding construction of the Regional Wastewater Treatment Plant ("RWTP") Generator Addition. He presented an engineering proposal for construction phase services in the amount of \$107,467.00.

Mr. Khouw then updated the Board regarding the RWTP Headworks and the Supplemental Environmental Project ("SEP"). He stated IDS and the District's operator are coordinating the inspection of the RWTP. He also reported on an air header failure at the RWTP digester, which he is investigating.

Mr. Khouw reported on the sanitary sewer system investigation.

Mr. Khouw updated the Board on IDS's preparation of the five-year update of the Risk and Resilience Assessment that is due on June 30, 2026.

Following review and discussion, Director Stephens moved to: (1) approve the engineering report; and (2) approve the engineering proposal in the amount of \$107,467.00 for construction phase services for construction of the Regional Wastewater Treatment Plant ("RWTP") Generator Addition. Director LeBleu seconded the motion, which passed unanimously.

RESOLUTION REGARDING INTENT TO REIMBURSE

Mr. Vaughan reviewed with the Board a Resolution Regarding Intent to Reimburse in which the Board acknowledges that it will pay for its pro rata share of the installation of a generator at the RWTP in the amount of \$957,642.00 using operating funds that it anticipates reimbursing the operating account using surplus bond funds. Following review and discussion, Director Stephens moved to approve the Resolution Regarding Intent to Reimburse. Director Gray seconded the motion, which passed unanimously.

OPERATING MATTERS

Ms. Quebodeaux stated that she would cover this topic during her General Managers report.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

There was no discussion regarding this matter.

CONSUMER CONFIDENCE REPORT

Ms. Quebodeaux then reviewed a draft of the Consumer Confidence Report ("CCR") regarding the quality of the District's water and stated that it will be filed with the Texas Commission on Environmental Quality and distributed to District residents via a web link on the utility bill by July 1, 2026. A copy of the CCR is attached.

After review and discussion, Director LeBleu moved to approve the CCR and distribute to the District's residents. Director Gray seconded the motion, which passed unanimously.

DROUGHT CONTINGENCY PLAN

The Board reviewed an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject (the "Drought Contingency Plan") which they noted states the Board adopts the current Drought Contingency Plan of the North Channel Water Authority. After review and discussion, Director Gray moved to adopt the Drought Contingency Plan. Director LeBleu seconded the motion, which passed unanimously.

REPORT FROM GENERAL MANAGER

Ms. Quebodeaux reviewed the General Manager's report of the District, a copy of which is attached.

Ms. Quebodeaux stated the District needs to purchase two new work trucks.

Ms. Quebodeaux then gave a preview of the District's new website that was created and will be administered by Off Cinco. She requested the Board's approval to launch the website. Following discussion, the Board concurred to defer the launch of the new website and requested it be reviewed again at the next meeting.

Following review and discussion, Director Gray moved to: (1) approve the General Manager's report; and (2) approve the purchase of two new work trucks. Director LeBleu seconded the motion, which passed unanimously.

MEETING PLANNING MATTERS

The Board concurred its next meeting will be held on July 8, 2026.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.


Secretary, Board of Directors

(SEAL)



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