

MINUTES
HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 51

August 12, 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 12th day of August, 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
Vacant	Secretary
David Gray	Assistant Secretary
Cary Stephens	Assistant Vice President

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

Also present at the meeting either in person or via videoconference was: an unidentified individual; Michael Miller and Lee Brown, members of the public; Bear Oakley of Nextera Advisors; Rita Rodriguez, President of the North Channel Water Authority (the "Authority"); Derek Davenport of McLennan & Associates, L.P; 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"); and Andrew B. Vaughan and Franky Wallace of Allen Boone Humphries Robinson LLP ("ABHR").

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 July 8, 2026, meeting. After review and discussion, Director Bilnoski moved to approve the minutes, as presented. Director Gray seconded the motion, which passed unanimously.

DIRECTOR MATTERS

ACCEPT RESIGNATION OF DIRECTOR LEBLEU

Mr. Vaughan stated that Director LeBleu has submitted his resignation

from the Board of Directors. A copy of the letter is attached.

Director Bilnoski expressed his appreciation to Director LeBleu, thanking him for his eight years of dedicated service on the Board.

The Board then discussed the vacant Director position and agreed to consider appointing a new Director at the next Board meeting.

REORGANIZE THE BOARD OF DIRECTORS AND DISTRICT REGISTRATION FORM

The Board considered reorganizing the Board of Directors. Following discussion, the Board concurred to retain their current positions.

Following review and discussion, Director Stephens moved to accept Director LeBleu resignation and direct that it be filed appropriately and retained in the District's official records; and authorize filing of the updated District Registration Form with the Texas Commission on Environmental Quality and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Gray 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. After review and discussion, Director Bilnoski moved to approve a contract with TXU Energy Retail Company LLC, subject to ABHR's final review, for a 24-month term beginning November 1, 2026, through October 31, 2028, and to authorize Ms. Quebodeaux to execute the contract. Director Gray seconded the motion, which passed by a vote of 3 to 0, with Director Stephens abstaining from voting.

REPORT REGARDING THE AUTHORITY

Ms. Rodriguez reviewed the July and August report regarding the Authority, copies of which are attached.

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. The Board inquired about details of the bookkeeper's report. Mr. Davenport and Mr. Vaughan answered questions from the Board. After review and discussion, Director Bilnoski moved to accept the bookkeeper's report and approve payment of the bills

listed in the report. Director Stephens seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") MATTERS

Ms. Quebodeaux discussed the AWBD membership with the Board. Following discussion, the Board concurred to become members of AWBD.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Mr. Vaughan discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. The Board deferred action on this matter until the next Board meeting.

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 96.561% of the 2025 taxes have been collected as of July 31, 2026. Following review and discussion, Director Bilnoski moved to approve the tax report. 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 Regional Wastewater Treatment Plant Generator Addition.

Mr. Khouw reported on the sanitary sewer system investigation.

Following review and discussion, Director Bilnoski moved to approve the engineering report. Director Stephens 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 reviewed a letter from a resident requesting reimbursement for water damage to their property. Ms. Quebodeaux discussed the matter and noted that the District was not notified of the leak at the time of the incident.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of utility service. Ms. Quebodeaux reported that the customers appearing on the termination list were given proper notice and an opportunity to explain, contest, or correct the utility service bills and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order.

AMEND RATE ORDER

Ms. Quebodeaux reviewed and recommended revisions to the District's Rate Order due to increase of water and sewer rates. The Board then discussed proposed changes to the District's Rate Order for increases to certain fees charged, as recommended by the operator.

DISTRICT WEBSITE

The Board discussed the District's new website that was created and will be administered by Off Cinco. Ms. Quebodeaux requested the Board's approval to launch the website.

Following review and discussion, Director Bilnoski moved to (1) authorize the District to proceed with the process for termination of utility service to the delinquent accounts pursuant to the provisions of the District's Rate Order and the Texas Water Code; (2) adopt an Amended Rate Order, as discussed; and (3) approve the launch of the District's website. Director Gray seconded the motion, which passed unanimously.

MEETING PLANNING MATTERS

The Board concurred its next meeting will be held on September 9, 2026.

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

(SEAL)




Secretary, Board of Directors

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