

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF WALLER §

EAST WALLER COUNTY MANAGEMENT DISTRICT §

The Board of Directors (the "Board" or the "Board of Directors") of EAST WALLER COUNTY MANAGEMENT DISTRICT (also sometimes referred to herein as the "District") met in special session, accessible to the public, at R.G. Miller, 1080 Eldridge Pkway, Suite 600, Houston, Texas 77077 on September 6, 2024 at 12:35 p.m., and the roll was called of the members of the Board to-wit:

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| Lisa Cooper | Chairman |
| Rochelle Barrow | Vice-Chairman |
| Kevin Vader | Secretary |
| Monette Stephens | Assistant Secretary |
| Stephen McGrath | Assistant Secretary |

All members of the Board were present at the commencement of the meeting except Director Cooper, and Director McGrath. All directors present at the time a vote was taken voted on all items that came before the Board. Also present were Chrishone Peterson of RG Miller Engineering, engineers for the District; and Sophia Filfil, representing the owner and developer of lands within the District, Prabha Cinclair, Cinclair Law, PLLC, attorney representing the Developer and Ameen Rafeeq. In addition, Matt McPhail, attorney and Vicki Hahn, paralegal, of Winstead PC ("Winstead") general counsel and bond counsel for the District, and Jeff Goebel attended via conference call.

1. Public Comment: Mr. McPhail called for public comment. Hearing none, the Public Comment session was closed and the Board proceeded to the next item of business.

2. Meeting Minutes: The Board reviewed the Minutes from the May 23, 2024 Board Meeting. Following a motion by Director Vader, seconded by Director Barrow and unanimously carried, said Minutes were approved as written.

3. Wholesale Water Agreement: Mr. McPhail introduced Mr. Goebel to the Directors. Mr. Goebel explained that he has been in the water business for 30 years. He presented a Wholesale Agreement for Water and Wastewater between Rayyan Water L.P. ("Rayyan") and 622 Sofi Lakes, L.P. ("Sofi Lakes") to provide water and wastewater services to the District. He explained that Rayyan as the wholesale provider would finance the construction of water and wastewater plants to provide service to the District. Ms. Cinclair then explained that the District would need to grant easements to Rayyan to allow the provider to dig the wells and construct the water and wastewater

treatment plant. The Board discussed Article 5 of the agreement in detail. Mr. Goebel pointed out that in accordance with Article 5, Section 5(b), a final payment of \$10,250,000 is due from the District to Rayyan and Sofi Lakes on the 10th anniversary of the effective date of the Wholesale Water Agreement. Next, Mr. Goebel reviewed Article 6 of the Wholesale Water Agreement and explained how the charges for wholesale water service and sewer service were determined. He mentioned that \$12.00 per 1,000 gallons of water may seem high but there is no base fee. When you compare this amount to providers who charge a base fee and then an additional amount per 1,000 gallons of water, the rates are comparable. Mr. McPhail noted that if more land is added to the District, this Wholesale Water Agreement would need to be amended. Mr. Goebel then discussed the timing of construction. Mr. McPhail stated that the obligation to provide water will shift from Rayyan and Sofi Lakes to the District when the ownership of the water is transferred to the District who will be the retail provider. Mr. McPhail explained that the District has discussed various ways to finance water and wastewater construction services and noted that finding a solution for water and wastewater is required prior to seeking financing for the District. He emphasized that this is a significant agreement for the Board to consider and that the Wholesale Water Agreement is a departure from other options considered in the past. Ms. Filfil then mentioned that originally, she had proposed to lease a water and wastewater plant from AUC but they were very expensive and getting the funding for AUC would not have been easy. She did not want the District to have a large financial liability for the water and wastewater plant.

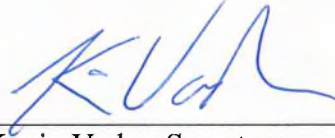
Upon motion by Director Vader, seconded by Director Barrow and unanimously carried, the Board approved the Wholesale Water Agreement with Rayyan and Sofi Lakes and authorized the District's attorney to continue to negotiate and finalize the remaining terms of the agreement. In addition, the Board approved signature on the final Wholesale Water Agreement subject to the District Attorney's acceptance of the final terms.

4. Developer Report: No update was given.
5. Engineering Services Agreement: This item was tabled.
6. Engineer's Report: Mr. Peterson reviewed the Engineering Report.

Upon motion by Director Vader, seconded by Director Barrow and unanimously carried, the Board accepted the Engineering Report.

7. Calendaring: The next Board meeting will be scheduled when there is a need.
8. Adjournment: There being no further business to conduct, upon motion by Director Vader, seconded by Director Barrow and unanimously carried, the Board adjourned until further call.

APPROVED AND ADOPTED this 24th day of September, 2024.



Kevin Vader, Secretary
Board of Directors
East Waller County Management District

(DISTRICT SEAL)

