

MINUTES  
NORTH FORT BEND WATER AUTHORITY

November 17, 2022

The Board of Directors (the "Board") of the North Fort Bend Water Authority (the "Authority") met in regular session, open to the public, on the 17<sup>th</sup> day of November, 2022, at the offices of BGE, Inc. ("BGE"), 10777 Westheimer, 1st Floor, Lubbock Conference Room, Houston, Texas, and the roll was called of the members of the Board:

|                      |                          |
|----------------------|--------------------------|
| Peter Houghton       | President                |
| Robert Patton        | Vice President           |
| Dana Hollingsworth   | Secretary                |
| Robert Darden        | Assistant Vice President |
| Bruce Fay            | Assistant Secretary      |
| Donald Abrahamson II | Assistant Secretary      |
| Michael Rusk         | Assistant Secretary      |

and all of the above were present in person except Director Darden, who attended via videoconference, and Directors Houghton and Hollingsworth, thus constituting a quorum.

Also present in person for all or part of the meeting were Matt Froehlich, Whitney Milberger, Miriam Valdez, Kyle Jones, and Quy Huynh of BGE; Taylor Watson and Stephanie Bahn of Municipal Accounts & Consulting, L.P.; Dale Clayton of Inframark, LLC ("Inframark"); Jeff Masek of AECOM; Lawrence D. Goldberg of Woolpert Inc.; Charles M. Shumate of Lockwood, Andrews & Newnam, Inc.; Christina Miller, Aaron Carpenter, and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR"); and John Pertgen and Carl Peters of Kingsbridge Municipal Utility District.

In order to provide additional public access, the Authority established Zoom teleconference and videoconference options for the Authority's consultants and members of the public to listen to the meeting and to address the Board. On the teleconference or videoconference for all or a portion of the meeting were Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; Ian Pietz of BGE; Mark Van Dyck of Big Oaks Municipal Utility District; Betty Stewart of Fort Bend County Municipal Utility District No. 2; Linda Yorlano of Fort Bend County Municipal Utility District No. 30; Craig Lewis of Fort Bend County Municipal Utility District No. 50; Randy Carter of Fort Bend County Municipal Utility District No. 142; David Johnson; and additional members of the public.

## COMMENTS FROM THE PUBLIC

Director Patton offered any members of the public attending the meeting in-person or by teleconference or videoconference the opportunity to make public comments. There were no public comments.

## APPROVE MINUTES

The Board considered approving the minutes of its regular meeting held on October 26, 2022. After review and discussion, Director Abrahamson moved to approve the minutes as written. Director Fay seconded the motion, which passed unanimously.

## PUBLIC COMMUNICATION MATTERS, WATER CONSERVATION, AND REUSE MATTERS, AND WATER CONSERVATION PROGRAMS

Ms. Milberger reviewed a Memorandum Regarding Water Conservation and Reuse Matters (the "Memorandum"), a copy of which is attached.

Ms. Milberger reported that the Authority is sponsoring the Katy Turkey Dash on Thanksgiving Day, November 24, 2022.

Ms. Milberger reported that the dedicated telephone number for public inquiries related to Authority matters is (832) 975-1578.

Ms. Milberger reported that 146 irrigation system evaluations were completed through the Authority's W.I.S.E. Guys Irrigation System Evaluation Program during October 2022.

Ms. Milberger reviewed updates made to the Reuse Systems Summary Chart, a copy of which is attached to the Memorandum.

Ms. Milberger discussed implementation of the Authority's 2022 Water Provider Conservation Program. She reported that the next virtual meeting for water providers is scheduled at 12:00 p.m. on Wednesday, November 30, 2022, and registration information may be found on the [www.nfbwa.com/providers](http://www.nfbwa.com/providers) webpage.

No action was taken by the Board.

## FINANCIAL STATEMENTS FOR FISCAL YEAR END DECEMBER 31, 2022

Ms. Miller reminded the Board of the procedures for: (1) preparation of the Authority's financial statements, annual audit, and Single Audit; and (2) review of the Authority's audited financial statements. She stated that the Authority's Finance and Policy Committee recommended authorizing McGrath & Co., PLLC ("McGrath") to prepare the Authority's fiscal year end December 31, 2022, financial statements and

annual audit for \$50,000.00, and the Single Audit for \$10,000.00. Ms. Miller reported that the Authority's Finance and Policy Committee additionally recommended approving an engagement letter with McCall Gibson Swedlund Barfoot PLLC ("MGSB") for review of the Authority's audited financial statements and supporting documentation for fiscal year end December 31, 2022, in an amount not to exceed \$12,000.00. Following review and discussion, Director Fay moved to authorize: (1) McGrath to prepare the Authority's financial statements, annual audit, and the Single Audit for fiscal year end December 31, 2022; and (2) execution of the engagement letter with MGSB for review of the Authority's audited financial statements and supporting documentation for fiscal year end December 31, 2022. Director Abrahamson seconded the motion, which passed unanimously.

### CONTRACTS

Ms. Miller reviewed a supplemental engagement letter with ABHR for legislative services for the 2023 Texas legislative session in the amount of \$85,000.00. Following review and discussion, Director Fay moved to authorize execution of the supplemental engagement letter with ABHR in the amount of \$85,000.00. Director Abrahamson seconded the motion, which passed unanimously.

Ms. Miller reported that the Authority's Communication, Conservation, and Reuse Committee recommended approval of Vepo LLC's ("Vepo") requested proposed amendments to the Authority's Amended and Restated W.I.S.E. Guys Irrigation System Evaluation Agreement to: (1) increase the total evaluation fee from \$85.00 to \$100.00; (2) allow Vepo a 60-day termination notice; and (3) cap evaluations at 200 per month. She stated that ABHR is finalizing the amended and restated agreement to present for Board approval.

### FINANCIAL AND BOOKKEEPING MATTERS, AND CONDUCT HEARING REGARDING ANY DELINQUENT FEES AND RULE VIOLATIONS

Mr. Watson presented the bookkeeper's report, including receipts, a list of checks presented for payment, fund and wire transfers, a supplemental cash flow report, account balances, a current period and year-to-date actual versus budget comparison, and a schedule of debt service payments. A copy of the bookkeeper's report is attached.

Mr. Watson reviewed a draft budget for the fiscal year ending December 31, 2023 and responded to Board members' questions. He stated that an updated draft budget will be additionally reviewed during the December meeting of the Authority's Finance and Policy Committee.

Following review and discussion, Director Fay moved to approve the bookkeeper's report. Director Abrahamson seconded the motion, which passed unanimously.

## ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the Authority's Investment Policy. Ms. Miller stated that there were no recommended changes to the policy. After review and discussion, Director Fay moved to adopt a Resolution Regarding Annual Review of Investment Policy. Director Abrahamson seconded the motion, which passed unanimously.

## AUTHORIZED DEPOSITORY INSTITUTIONS AND QUALIFIED BROKER/DEALERS

Ms. Miller reported that the Authority's Finance and Policy Committee recommended that the Board approve the bookkeeper's updated list of authorized depository institutions and qualified broker dealers, which includes all banks where the Authority maintains deposits and investments. After review and discussion, Director Fay moved to adopt a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker Dealers with Whom the Authority May Engage in Investment Transactions. Director Abrahamson seconded the motion, which passed unanimously.

## OPERATION OF AUTHORITY FACILITIES

Mr. Clayton presented the operator's report and reported on the operations of the Authority's facilities, including inspections, maintenance, repairs, joint facility expenses, and water accountability, and responded to questions. A copy of the operator's report is attached. Mr. Clayton explained that the 101.51% water accountability was due to meter reading timing differences between Inframark and the City of Houston ("COH").

Mr. Clayton reminded the Board that delivery of a replacement for an inoperable 36-inch butterfly valve on Main Segment 8 was estimated to take 10 weeks and cost \$77,210.98. He reported that the Authority's Capital Planning and Design Committee ("CPD Committee") recommended approval of a quote from Edustrial Solutions to temporarily open the line until delivery of the replacement valve was received in the amount of \$47,911.01. He stated that delivery of the gaskets needed to temporarily open the line is estimated at approximately one to two weeks.

Mr. Clayton reported that the Authority's CPD Committee recommended approval of recommended repairs for 89 valves pursuant to an annual survey of the Authority's 318 main line valves in the total amount of \$150,500.00.

Following review and discussion, Director Abrahamson moved to approve the operator's report, including approval of: (1) the quote submitted by Edustrial Solutions to temporarily open Main Segment 8 until delivery of the replacement valve was received in the amount of \$47,911.01; and (2) the recommended repairs for 89 valves pursuant to the annual survey of the Authority's 318 main line valves in the total

amount of \$150,500.00. Director Fay seconded the motion, which passed unanimously.

Ms. Miller reported that COH withdrew implementation of its Drought Contingency Plan due to climate and weather conditions. Following discussion, Director Fay moved to withdraw implementation of Stage I of the Authority's Drought Contingency Plan and authorize distribution of a notice of the withdrawal. Director Abrahamson seconded the motion, which was approved by unanimous vote.

REGULATORY MATTERS: SUBSIDENCE DISTRICT REGULATIONS AND PERMITTING, AND AUTHORITY'S GROUNDWATER REDUCTION PLAN ("GRP")

Mr. Froehlich presented the engineer's report, a copy of which is attached.

Mr. Froehlich reported that the Fort Bend Subsidence District ("FBSD") approved an amendment to the Authority's Aggregate Well Permit for the October 2021 through September 2022 permit term. He recommended approving payment of the fee for the amendment in the amount of \$20,000.00.

Mr. Froehlich reported that the Authority's renewed annual well permits for the October 2022 through September 2023 permit term have been received from FBSD and the Harris-Galveston Subsidence District.

Mr. Froehlich reported that Inframark completed the annual meter reading audit of constituents' reported surface water use and BGE is reviewing the results to provide to FBSD.

Mr. Froehlich reported that BGE is preparing the Authority's Over-Conversion Credit Application for submission to FBSD.

Mr. Froehlich reported on matters related to the Authority's GRP, including the monthly amounts of surface water delivered and reclaimed water utilized by the Authority.

Mr. Froehlich reminded the Board of a proposed well for Fort Bend County Municipal Utility District No. 222 that is located in FBSD Regulatory Area B and will be providing water to users located within Regulatory Area A. He reported that BGE is coordinating a meeting with the City of Fulshear and FBSD regarding proposed tracking and water usage reporting matters related to permitting the well.

Mr. Froehlich recommended approval of Fort Bend County Municipal Utility District No. 50's ("FB 50") request for reimbursement for construction of a surface water line connection and meter/flow control station at FB 50's water plant no. 2 in the amount of \$287,010.00. He recommended acceptance of the new facilities and authorization to add the facilities to the Authority's insurance policy.

Mr. Froehlich reported that BGE issued a letter of acknowledgement of Harris-

Fort Bend Counties Municipal Utility District No. 1's proposed annexation of 1.816 acres.

Mr. Froehlich reported that a letter was sent to Fort Bend County Municipal Utility District No. 190 ("FB 190") as notification of the Board's denial of FB 190's request for an adjustment to the Authority's Water Supply Commitment letter agreement with FB 190 to add a peak demand provision.

#### ENGINEERING MATTERS: DESIGN, CONSTRUCTION, PROJECTS, AND STUDIES

Mr. Froehlich reported on the status of property acquisition matters and stated that preparation of metes and bounds descriptions is focused on the Authority's Main Segment 13. A chart summarizing the status of property acquisition matters is attached to the engineer's report.

Mr. Froehlich reported on the status of construction of the reclaimed water distribution system for the Authority's joint reclaimed water system project with Grand Lakes Municipal Utility District Nos. 1, 2, and 4 (collectively, "Grand Lakes"). He stated that the contractor is addressing punchlist items and the final pay estimate is anticipated for the December regular meeting of the Board.

Mr. Froehlich reported on the status of construction of the Grand Lakes Reuse Irrigation System Retrofit Project. He recommended approval of Pay Estimate No. 5 and Final submitted by Glamco for the project in the amount of \$220,599.42. He stated that the final contract amount was \$794,310.02, which was \$51,255.63 less than the original amount of the contract.

Mr. Froehlich reported on the status of construction of the reclaimed water distribution system for the Authority's joint reclaimed water system project with Fort Bend County Municipal Utility District Nos. 146 and 194. He stated that a final inspection is being scheduled.

Mr. Froehlich reported that the Authority's automated meter installation project is 42% complete. A chart summarizing the status of the project is attached to the engineer's report. Mr. Froehlich discussed coordination with ABHR on obtaining the necessary Right of Entry Agreements and distribution of notices of entry for the project.

Mr. Froehlich stated that bids were received for construction of the Authority's Main Segment 11A. He reported that RPS Infrastructure, Inc. recommended that the Board award the contract to Main Lane Industries, Ltd. ("MLI") in the amount of \$7,538,855.20. The Board concurred that, in its judgment, MLI was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Froehlich reported that the Texas Department of Transportation's ("TxDOT") project to widen FM 723 at Bellaire Boulevard is delayed to May 2023. He

stated that, as previously reported, BGE's design of the project to extend the steel casing on Main Segment 8B at FM 723 as required by TxDOT's project, is complete. He stated that the design plans have been resubmitted to Fort Bend County for updated approvals. Mr. Froehlich reported that TxDOT had additional revisions to the Standard Utility Agreement ("SUA") for reimbursement of the Authority's engineering and construction costs for the extension project after the Authority executed the document. He stated that BGE is coordinating with TxDOT to finalize the SUA.

Mr. Froehlich reported on the status of the design of water lines for the Authority's proposed 2025 surface water supply system (the "2025 System") by the following design consultants: (1) IDS Engineering Group for Main Segment 13B; (2) Quiddity Engineering, LLC for Phases 1 and 2 of Main Segment 13Ci and the surface water line connection for FB 229; (3) Binkley & Barfield, Inc. for Main Segments 13Cii and 13D; (4) BGE for Main Segment 18A; and (5) Carollo Engineers, Inc. for Main Segment 19. Mr. Froehlich stated that the design plans for Main Segment 13B are fully approved and a schedule for advertising the project for bids will be discussed with the Authority's CPD Committee. He stated that Notice to Proceed for the design of Main Segments 13Cii and 13D is pending access to property located at the southwest corner of FM 1093 and FM 359.

Mr. Froehlich reported on the status of the 2025 System surface water line connection for Fort Bend County Fresh Water Supply District No. 2's ("FWSD 2") water plant no. 2. He stated that issuance of the Notice to Proceed to the Authority's contractor, Reddico Construction Company, Inc., is on hold pending FWSD 2's advertisement for bids for construction of FWSD 2's water plant no. 1, which includes the Authority's surface water line connection to the water plant. Mr. Froehlich reported that the engineer for FWSD 2 plans to advertise for bids for construction of FWSD 2's water plant no. 1, upon final approval from the U.S. Department of Agriculture.

Mr. Froehlich stated that bids were received for construction of an offset of the Authority's existing water line around a proposed storm sewer required by Fort Bend County's planned improvements to Old Richmond Road. He recommended that the Board award the contract to JSS Construction, LLC ("JSS") in the amount of \$31,575.00. The Board concurred that, in its judgment, JSS was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Froehlich reported that BGE is reviewing a response from the attorney for Fort Bend County Municipal Utility District Nos. 34 and 35 regarding the proposed initial Summary of Terms related to the design, construction, and maintenance of an effluent reuse system for a proposed joint reclaimed water system project.

Mr. Froehlich recommended approval of a proposal from BGE to work with Ninyo & Moore and Terra Cognita, LLC to perform a geologic fault study for the 2025 System for a lump sum fee of \$118,300.00. He stated that the study will be conducted in

two phases, each taking about three months to complete.

Mr. Froehlich recommended replacing the Authority's 50 flush-to-grade test stations along Main Segments 1A and 1B with post-mounted test stations. He stated that proposals are being solicited for the project estimated to cost \$70,000.00.

Mr. Froehlich reported that BGE reviewed plans for a proposed commercial development to be located on West Bellfort Street near West Aliana Trace Drive. He reported that the plans include a proposed offset to the Authority's Main Segment 4B to provide clearance for a proposed drainage swale crossing. He requested authorization to coordinate with ABHR on drafting a letter agreement to provide for the developer's payment of the construction costs and the Authority's consultant fees associated with the proposed offset to send to the developer for review.

Mr. Froehlich reported that Inframark has identified several easement encroachments throughout the Authority's existing transmission system. He stated that the encroachments are fences that do not interfere with the operation of the system but may need to be removed for any future repairs. He requested authorization to coordinate with ABHR on drafting and sending notification letters to the property owners to remind them of the conditions of the easements.

#### REGIONAL PLANNING MATTERS: JOINT PROJECTS AND WATER SUPPLY

Mr. Jones reported that two new Electric Service Identifier numbers were requested by CenterPoint Energy and Enchanted Rock for the dual direction meters located at the Bellaire Pump Station.

Mr. Jones reported on an invoice received from Texas Microgrid, LLC for services during a grid outage in October 2022 in the amount of \$135.45.

Mr. Jones reported on the status of design, permitting, construction, and property acquisition, as appropriate, for the Authority's joint Surface Water Supply Project with the West Harris County Regional Water Authority (the "WHCRWA"), including Segments A, combined Segments B1 and B2, B3, C1, and C2, the Kinder Morgan subsegments, the Segment 3 subsegments, the Repump Station, the Central Pump Station, and the Northeast Meter Station. A copy of a chart listing the status of construction is included in the engineer's report. Mr. Jones reported that Notice to Proceed was issued for construction of the Central Pump Station on November 14, 2022.

Mr. Jones reported that the Authority's construction contract legal counsel, Munsch Hardt, provided a review of the dispute resolution process during the joint facilities meeting held on November 1, 2022.

Mr. Jones reported that the attorneys are memorializing the agreed upon terms related to the proposed Amended and Restated Joint Facilities Agreement with the WHCRWA.



Mr. Pietz updated the Board on COH's Northeast Water Purification Plant ("NEWPP") Expansion Project per its Design-Build Agreement with the Houston Waterworks Team and reviewed drone video footage of the project site. He reported that a Notice of Upcoming Cash Call No. 12 for projected expenses for the 2023 calendar year for the NEWPP Expansion Project was received in the total amount of \$191,997,160.00. He stated that the Authority's share of the cash call is due for payment to COH on February 1, 2023, in the amount of \$41,682,346.00.

Mr. Pietz reported on the status of construction and testing, as applicable, for the Influent Pump Station, North Plant, Central Plant, and the Balance of Plant. Mr. Pietz stated that Phase 1 of the project will provide 80 million gallons per day ("MGD") of capacity and is currently anticipated to be completed more than one month behind schedule in the summer of 2023. He reported that Phase 2 of the project will provide 320 MGD of capacity and is currently anticipated to be completed in the summer of 2025.

Mr. Froehlich reported that the Texas Water Development Board's (the "TWDB") approval of the Engineering Feasibility Report regarding the 2025 System required for funding is deferred pending completion of the required Environmental Determination Form and the Cultural Resources Study for the 2025 System.

Following review and discussion, Director Abrahamson moved to approve the engineer's report as presented, including:

- (1) approve paying FBSD's fee for an amendment to the Authority's Aggregate Well Permit for the October 2021 through September 2022 permit term in the amount of \$20,000.00;
- (2) approve reimbursement of FB 50 for construction of a surface water line connection and meter/flow control station at FB 50's water plant no. 2 in the amount of \$287,010.00;
- (3) approve Pay Estimate No. 5 and Final, submitted by Glamco for construction of the Authority's Grand Lakes Reuse Irrigation System Retrofit Project in the amount of \$220,599.42;
- (4) award the contract for construction of the Authority's Main Segment 11A to MLI in the amount of \$7,538,855.20, based upon the engineers' recommendations and subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor;
- (5) award the contract for construction of an offset of the Authority's existing water line around a proposed storm sewer required by Fort Bend County's planned improvements to Old Richmond Road to JSS in the amount of \$31,575.00, based upon the engineers' recommendations and subject to approval of the payment and performance bonds and review of the

certificate(s) of insurance and endorsements, if any, provided by the contractor;

- (6) approve and authorize execution of a proposal from BGE to work with Ninyo & Moore and Terra Cognita, LLC to perform a geologic fault study for the 2025 System for a lump sum fee of \$118,300.00;
- (7) authorize BGE to coordinate with ABHR on drafting a letter agreement to provide for the developer's payment of the construction costs and the Authority's consultant fees associated with a proposed offset to the Authority's Main Segment 4B to send to the developer for review;
- (8) authorize BGE to coordinate with ABHR on drafting and sending notification letters to the property owners with easement encroachments throughout the Authority's existing transmission system to remind them of the conditions of the easements; and
- (9) authorize submitting the Authority's Over-Conversion Credit Application to FBSD.

Director Fay seconded the motion, which passed unanimously.

#### PARTICIPATION AS AMICUS PARTY

Ms. Miller stated that there were no updates related to the Authority's participation as an amicus party in the (1) *San Jacinto River Authority v. City of Conroe and City of Magnolia*; and (2) *Hidalgo County Water Improvement District No. 3 v. Hidalgo County Water Irrigation District No. 1* matters.

#### FINANCING PLAN MATTERS

Ms. Miller reported on procedures related to the Authority's issuance of \$23,110,000 Water System Junior Lien Revenue Bonds, Series 2022 ("Series 2022 Bonds") through the TWDB's State Water Implementation Revenue Fund for Texas. She stated that the Series 2022 Bonds were sold on October 12, 2022 and are scheduled to close on November 21, 2022. Ms. Miller reviewed a representation letter to McGrath for performance of the required pledged revenue analysis. Following discussion, Director Abrahamson moved to authorize: (1) disbursement of bond proceeds upon closing; and (2) execution of the representation letter. Director Fay seconded the motion, which passed unanimously.

There was no update regarding amendments to the Authority's Loan Forgiveness Agreements with the TWDB for funding through the TWDB's Clean Water State Revolving Fund.

Ms. Miller discussed reporting requirements pursuant to the Authority's Note Purchase Agreement with JPMorgan Chase Bank, N.A. She reported that the Authority's Finance and Policy Committee recommended execution of a Certificate of

No Default for submission to JPMorgan Chase Bank, N.A. in conjunction with the Authority's submittal of certain required quarterly financial reports. Following review and discussion, Director Abrahamson moved to authorize execution of a Certificate of No Default for submission to JPMorgan Chase Bank, N.A. in conjunction with the Authority's submittal of certain required quarterly financial reports. Director Fay seconded the motion, which passed unanimously.

#### REALTY INTEREST ACQUISITION

Ms. Miller discussed two proposed Water Line and Meter Easements to be granted by Fort Bend County Municipal Utility District No. 50 ("FB 50") and one Water Line Easement to be granted by Fort Bend County Municipal Utility District No. 151 ("FB 151"). She reported that ABHR is counsel for FB 50 and FB 151 and discussed with the Board the Authority's option to retain independent counsel or to have ABHR represent it in connection with the preparation of the proposed Water Line and Meter Easements to be granted by FB 50 and Water Line Easement to be granted by FB 151. Following review and discussion, Director Fay moved to authorize execution of legal conflict waivers for ABHR's preparation of the documents. Director Abrahamson seconded the motion, which passed unanimously.

Ms. Miller reviewed two proposed Water Line and Meter Easements to be granted by FB 50 and one Water Line Easement to be granted by FB 151 for parcels located in Main Segments 7 and 15, as listed on the attached chart.

Ms. Miller reviewed two Right of Entry Agreements for the Authority's automated meter reader installation project. A copy of a chart listing the Right of Entry Agreements is attached.

Following review and discussion, Director Abrahamson moved to authorize execution of the two Water Line and Meter Easements and one Water Line Easement; and (2) the two Right of Entry Agreements, as presented. Director Fay seconded the motion, which passed unanimously.

#### MEETING PLANNING AND SCHEDULING MATTERS

Ms. Miller reminded the Board that the Authority's December regular Board meeting has been rescheduled to Wednesday, December 21, 2022, due to the Christmas holiday. Directors Fay and Rusk stated they are unavailable on that date.

#### CONVENE EXECUTIVE SESSION

The Board convened in executive session at 6:59 p.m., pursuant to Section 551.071, Texas Government Code, to seek the advice of its attorney regarding pending or contemplated litigation or to seek and receive legal advice by the District's attorney. The Board determined that the attendance in this executive session of Mr. Froehlich was necessary in order for the Board to obtain the necessary legal advice from its attorney,

and the Board requested his presence in the executive session.

RECONVENE IN OPEN SESSION

At 7:02 p.m., the Board reconvened in open session. No action was taken by the Board.

There being no further business to come before the Board, the meeting was adjourned.

  
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Asst. Secretary, Board of Directors

(SEAL)



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