

MINUTES
NORTH FORT BEND WATER AUTHORITY

December 2, 2020

The Board of Directors (the “Board”) of the North Fort Bend Water Authority (the “Authority”) met in special session by teleconference and videoconference, with access by telephone and video available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott’s emergency disaster declaration dated March 13, 2020, on the 2nd day of December, 2020, and the roll was called of the members of the Board being present by either telephone or video:

Peter Houghton	President
Robert Patton	Vice President
Melony Gay	Secretary
Robert Darden	Assistant Vice President
Bruce Fay	Assistant Secretary
Donald Abrahamson, II	Assistant Secretary
Dana Hollingsworth	Assistant Secretary

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

Also attending all or part of the teleconference and/or the videoconference were Matt Froehlich, Lindsay Kovar, Julia Frankovich, Kyle Jones, Ian Pietz, and Melissa Fitzgerald of BGE, Inc. (“BGE”); Taylor Watson of Municipal Accounts & Consulting, L.P.; Dale Clayton of Inframark, LLC; Robynne Parkington of Mighty Citizen; David Oliver, Christina Miller, Sandra Staine, Aaron Carpenter, and Justine M. Cherne of Allen Boone Humphries Robinson LLP; Michael Abshire and Mark Van Dyck of Big Oaks Municipal Utility District; Matthew Bogнар of Cinco Municipal Utility District No. 3; Kerry Crellin and Michael Riel of Cinco Southwest Municipal Utility District No. 4; Lisa Dudley, Jessica Fateh, and Betty Stewart of Fort Bend County Municipal Utility District No. 2; Jeanette Spinks of Fort Bend County Municipal Utility District No. 119; Dara Sigloch of Fort Bend County Municipal Utility District No. 182; Chuck Matheson of Grand Lakes Municipal Utility District No. 4; and additional members of the public, including Javier Infante, David Johnson, Trish Ricklefsen, and Abate Wolde-Kirkos.

Mr. Oliver reviewed certain recommended protocols for conducting the Authority’s meeting via teleconference and videoconference. He stated that there were no consultant reports to be presented at the meeting and announced that the meeting was being recorded.

DISCUSS UPDATES TO THE 2025 SURFACE WATER CONVERSION SYSTEM, INCLUDING ROUTING ANALYSES, WATER LINE SIZING, AND DESIGN AND CONSTRUCTION SCHEDULING

Ms. Frankovich gave a presentation regarding 2025 System Phasing, outlining proposed routes, water line sizing, and phased design and construction schedules for the Authority's proposed 2025 surface water distribution system, and responded to Board members' questions and comments. The presentation included updates to alternative water use projections through 2070, revised water demand projections, the impact of water conservation on water demand projections, and potential future options for the Authority's surface water distribution system at ultimate development. Ms. Fitzgerald discussed the software and procedures used to develop the model for analyzing 2021, 2025, and ultimate water demand scenarios, and phased construction and pipe diameters for the proposed 2025 surface water distribution system. Ms. Frankovich reviewed recommended modifications to pipe diameters for eight main water line segments and estimated construction schedules for six recommended phases of construction for the proposed 2025 surface water distribution system. Discussion ensued.

CONSIDERATION OF THE USE OF EMINENT DOMAIN TO CONDEMN PROPERTY AND REQUEST BOARD APPROVAL OF AN AMENDED AND RESTATED RESOLUTION AUTHORIZING ACQUISITION OF REAL PROPERTY (MAIN SEGMENT 17) TO CONFIRM THE EXISTENCE OF A PUBLIC NECESSITY FOR THE AUTHORITY TO ACQUIRE CERTAIN PROPERTIES AND PROPERTY INTERESTS FOR THE 2025 SURFACE WATER CONVERSION AND AUTHORIZING THE INITIATION OF CONDEMNATION PROCEEDINGS TO ACQUIRE SUCH PROPERTIES AND PROPERTY INTERESTS

Mr. Oliver reminded the Board of the procedures for reviewing and approving routing studies and authorizing acquisition of real property.

Mr. Froehlich reviewed a map of current and proposed main water line segment routes and discussed proposed updates to the routing studies for Main Segments 13, 16 and 17. Following review and discussion regarding the updated route for Main Segment 17, Mr. Froehlich recommended approval of an Amended and Restated Routing Study for Main Segment 17.

Mr. Oliver noted that value studies for the tracts of land included for right-of-way acquisition in the Amended and Restated Routing Study for Main Segment 17 were included on the Authority's document sharing site for Board review. Mr. Oliver reviewed an Amended and Restated Resolution Authorizing Acquisition of Real Property (Segment 17) (the "Resolution"). Following review and discussion, Director Gay moved that the Board of Directors of the Authority, in a record vote, (i) approve the Amended and Restated Routing Study for Main Segment 17 including the range of

values to be utilized for property acquisition negotiations; and (ii) adopt a Resolution authorizing the use of the power of eminent domain to acquire certain properties and other property interests at the general locations and along the general route, as shown on Exhibit A to the Resolution, for the construction, installation, operation, and maintenance of facilities, including related appurtenances, necessary and convenient for the transportation and delivery of water, and delegating to the Authority's President the authority to supervise such acquisitions and, as necessary, to initiate condemnation proceedings to acquire such properties and property interests, and that this first record vote applies to all units of property to be condemned. Director Hollingsworth seconded the motion, which was approved by unanimous vote, except for Director Patton, who was not present for the vote.

BELLAIRE PUMP STATION GENERATOR REPLACEMENT PROJECT, INCLUDING REVIEW BIDS AND AUTHORIZE ENTRY INTO AN ASSET PURCHASE LETTER AGREEMENT AND EXECUTION OF A BILL OF SALE AND ASSIGNMENT; AND PROPOSALS FOR WIRING MODIFICATIONS AND ANALYSIS OF POWER COORDINATION

Mr. Jones reported that three bids for the disposal of the existing generators at the Bellaire Pump Station as surplus property in a public sale were received on November 19, 2020. He stated that Worldwide Power Products, LLC ("WPP") is the high bidder in the amount of \$355,000.00, and recommended acceptance of the bid. He explained that the bid was lower than anticipated due to the extra staging and construction sequencing requirements for removal of the generators from the pump station. Mr. Oliver reported that the Joint Facilities Committee, including representatives from the West Harris County Regional Water Authority, concurred with BGE's recommendations related to acceptance of WPP's bid. The Board concurred that, in its judgment, WPP was a responsible bidder who would be most advantageous to the Authority and would result in the best and most economical completion of the project.

Mr. Jones recommended removal and replacement of the existing neutral cables for the three utility transformers to the generator systems to meet the size requirements for a grid synchronous system per the National Electrical Code and CenterPoint Energy. Mr. Jones stated that the current design standards for the project include the use of aluminum material for the cables. He recommended that all new cables be of copper material and discussed the cost differential between aluminum and copper cables. Mr. Jones reviewed and recommended approval of Change Order No. 1 to the Integrated Reliability On Call Master Service Agreement with Texas Microgrid, LLC to increase the contract in the amount of \$139,210.00, for removal and replacement of the existing neutral cables for the three utility transformers to the generator systems with copper cables. Mr. Oliver reported that the Joint Facilities Committee concurred with BGE's recommendations related to the removal and replacement of the neutral cables and the change order. The Board determined that Change Order No. 1 is beneficial to the Authority.

Mr. Jones requested approval of an engineering services proposal from BGE for performance of electrical coordination studies required every five years at the Bellaire Pump Station, utilizing its subconsultant, Baird Gilroy & Dixon, LLC, in the amount of \$27,500.00.

After review and discussion, Director Gay moved to authorize, based upon BGE's recommendations, (1) acceptance of the high bid from WPP for the disposal of the existing generators at the Bellaire Pump Station as surplus property in the amount of \$355,000.00, authorization of the execution of an Asset Purchase Letter Agreement, and upon receipt of the funds, execution of a Bill of Sale and Assignment; (2) approval of Change Order No. 1 in the amount of \$139,210.00, as an increase to the contract with the Integrated Reliability On Call Master Service Agreement with Texas Microgrid, LLC, based upon the Board's finding that the change order is beneficial to the Authority; and (3) approval of an engineering services proposal from BGE for performance of electrical coordination studies in the amount of \$27,500.00. Director Fay seconded the motion, which passed unanimously.

CONVENE EXECUTIVE SESSION

The Board did not convene in executive session.

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

(SEAL)



/s/ Melony Gay
Secretary, Board of Directors