

MINUTES

NORTH FORT BEND WATER AUTHORITY

March 3, 2021

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 3rd day of March, 2021, 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 except Director Hollingsworth, thus constituting a quorum.

Also attending all or part of the teleconference and/or the videoconference were Matt Froehlich, Julia Frankovich, Kyle Jones, Ian Pietz, Whitney Milberger, and Tiffany Moore of BGE, Inc. (“BGE”); Taylor Watson, Cynthia Colondres, and Pam Lightbody of Municipal Accounts & Consulting, L.P.; Dale Clayton and Elizabeth Reeves of Inframark, LLC; David Oliver, Christina Miller, Sandra Staine, Aaron Carpenter, and Justine M. Cherne of Allen Boone Humphries Robinson LLP (“ABHR”); Tina Felkai of the San Jacinto River Authority; Glenn Gesoff of Grand Lakes Community Association; Calvin Browne of Municipal District Services, LLC; Katherine Mears of RPS Infrastructure, Inc.; Debbie Anders of TLC Engineering, Inc.; Aaron Groff, Mayor of the City of Fulshear; Kent Pool, Councilmember of the City of Fulshear; Sharon Valiante, Public Works Director for the City of Fulshear; Lindsey Delong, Utilities Supervisor for the City of Fulshear; Daniel McGraw, Utilities Manager for the City of Fulshear; Michael Abshire and Mark Van Dyck of Big Oaks Municipal Utility District; Allison Low Bogner of Cinco Municipal Utility District No. 3; Kerry Crellin of Cinco Southwest Municipal Utility District No. 4; Lisa Dudley and Betty Stewart of Fort Bend County Municipal Utility District No. 2; Susan Ruske of Fort Bend County Municipal Utility District No. 35; Chuck Matheson of Grand Lakes Municipal Utility District No. 4; and additional members of the public, including Rudolph Ammer, David Johnson, Bryan Matthey, Manuel Morales, and Jeri Wilson.

Ms. Miller reviewed certain recommended protocols for conducting the Authority's meeting via teleconference and videoconference. She announced that the meeting was being recorded.

COMMENTS FROM THE PUBLIC

Ms. Miller offered any members of the public attending the meeting by telephone or videoconference the opportunity to make public comment. There were no public comments.

OPERATIONS, INCLUDING WINTER STORM RECOVERY MATTERS AND RESOLUTION ADOPTING POLICY AND PROCEDURES FOR FEBRUARY 2021 FREEZE EVENT FEE ADJUSTMENT CREDITS

Ms. Miller discussed the recent freeze event and its widespread impact on residents of retail water providers ("Retail Water Providers") including municipal utility districts and cities located within the Authority's boundaries due to burst and leaking pipes causing water damage and the threat of significantly higher water bills. She stated that ABHR has coordinated with the operating community and the Authority's financial advisor on a recommended policy to provide emergency relief from the Authority's fees attributable to leaks caused by the freeze event.

Ms. Miller reviewed a draft Resolution Adopting Policy and Procedures for February 2021 Freeze Event Fee Adjustment Credits (the "Resolution"). She stated that the policy provides waivers of the Authority's Groundwater Reduction Plan Fees in the amount of \$4.25 per thousand gallons in the form of account credits or checks to Retail Water Providers for the total amount of leak adjustments related to the freeze event granted by the Retail Water Providers to their customers. She stated that the policy requires the Retail Water Providers to waive their own retail water fees, penalties, interest, and fees of the Authority charged by the Retail Water Providers pursuant to the Retail Water Providers' written leak adjustment policies for the freeze event. She stated that the policy additionally requires the Retail Water Providers to submit certifications to the Authority by July 1, 2021, stating that the aggregate amount of leak adjustments made by the Retail Water Providers adheres to the Authority's policy and sufficient documentation was submitted by each customer to determine that the customer's internal facilities and piping have been repaired.

Following review and discussion, Director Gay moved to adopt the Resolution as presented. Director Abrahamson seconded the motion. After additional discussion, the motion passed unanimously, except for Director Patton who was not present for the discussion or the vote.

In response to Mr. Matthey's questions, Ms. Miller stated that Mr. Matthey will need to contact his specific Retail Water Provider regarding its deadline for submitting

a request for a leak adjustment. She stated that the intent of the Authority's policy is to address fees for water loss through pipe leaks caused by the freeze event, as opposed to increased water usage attributable to dripping faucets during the freeze event.

ENGINEERING AND REGIONAL PLANNING MATTERS, INCLUDING ROUTING ANALYSES, RIGHT-OF-WAY ACQUISITION, JOINT PROJECTS, AND WATER SUPPLY

Mr. Froehlich shared his screen to identify updates made to the routing studies for Main Segments 13 and 16. Ms. Miller reported that the value studies for the tracts of land included for right-of-way acquisition for Main Segments 13 and 16 provided by PAS Property Acquisition Services, LLC, the Authority's property acquisition consultant, will be presented to the Board in Executive Session.

Ms. Miller reported that BGE is reviewing the quarterly cash call for general program management for the Authority's joint Surface Water Supply Project with the West Harris County Regional Water Authority in the amount of \$6,251,876.00, due April 11, 2021.

CONVENE EXECUTIVE SESSION

The Board convened in executive session at 5:40 p.m. to conduct a private consultation with its attorney regarding (i) the purchase, exchange, lease, or value of real property pursuant to Section 551.072, Texas Government Code; and (ii) the Authority's legal rights and obligations under the Joint Facilities Agreement with the West Harris County Regional Water Authority, pursuant to Section 551.071, Texas Government Code. The Board determined that the attendance in this executive session of Mr. Froehlich, Mr. Pietz, and Mr. Jones was necessary in order for the Board to obtain the necessary legal advice from its attorney, and the Board requested their presence in the executive session.

RECONVENE IN OPEN SESSION

At 6:15 p.m., the Board reconvened in open session.

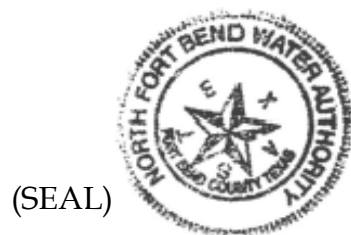
CONSIDERATION OF THE USE OF EMINENT DOMAIN TO CONDEMN PROPERTY AND REQUEST BOARD APPROVAL OF AMENDED AND RESTATED RESOLUTIONS AUTHORIZING ACQUISITION OF REAL PROPERTY (MAIN SEGMENTS 13 AND 16) TO CONFIRM THE EXISTENCE OF A PUBLIC NECESSITY FOR THE AUTHORITY TO ACQUIRE CERTAIN PROPERTIES AND PROPERTY INTERESTS FOR THE 2025 SURFACE WATER CONVERSION AND AUTHORIZING THE INITIATION OF CONDEMNATION PROCEEDINGS TO ACQUIRE SUCH PROPERTIES AND PROPERTY INTERESTS

The Board reviewed Amended and Restated Resolutions Authorizing Acquisition of Real Property for Main Segments 13 and 16 (collectively, the “Resolutions”). Director Abrahamson moved that the Board of Directors of the Authority, in a record vote, (i) approve the Amended and Restated Routing Studies for Main Segments 13 and 16, including the range of values to be utilized for property acquisition negotiations; and (ii) adopt the Resolutions 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 Resolutions, 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 Patton seconded the motion, which was approved by unanimous vote.

REALTY INTEREST ACQUISITION

Director Abrahamson moved to authorize appraisals and final offers for Parcels 16B.02, 17A.04, and 17A.08. Director Patton seconded the motion, which passed unanimously.

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



/s/ Melony Gay
Secretary, Board of Directors