

MINUTES

NORTH FORT BEND WATER AUTHORITY

May 5, 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 5th day of May, 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, thus constituting a quorum.

Also attending all or part of the teleconference and/or the videoconference were Colette Garcia of McGrath & Co., PLLC; Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; Matt Froehlich, Lindsay Kovar, Julia Frankovich, Ian Pietz, Kyle Jones, Whitney Milberger, and Tiffany Moore of BGE, Inc. (“BGE”); Taylor Watson of Municipal Accounts & Consulting, L.P.; Dale Clayton of Inframark, LLC (“Inframark”); David Oliver, Christina Miller, Sandra Staine, Aaron Carpenter, and Justine M. Cherne of Allen Boone Humphries Robinson LLP; Dara Sigloch of Fort Bend County Municipal Utility District No. 182; and David Johnson, a member of the public.

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

LARRY’S TOOLBOX WATER CONSERVATION PROGRAM (“LARRY’S TOOLBOX PROGRAM”) PLANNING WORKSHOP

Ms. Milberger conducted a Larry’s Toolbox Program planning workshop with the Board. She reviewed a summary of the initiatives and guidelines for participation in the 2016-2021 Larry’s Toolbox Programs. Ms. Milberger recommended modifying the Larry’s Toolbox Program to achieve the Authority’s goals of promoting community participation in water conservation initiatives within the Authority’s boundaries

through engagement of the directors and council members of the municipal utility districts and cities included in the Authority's Groundwater Reduction Plan.

Ms. Milberger reviewed the proposed structure and guidelines for a modified 2022 Larry's Toolbox Program, including three required core initiatives and the options of choosing three additional initiatives from a list of six initiatives or one large initiative from a list of three large initiatives. Discussion ensued. Following review and discussion, the Board requested that Ms. Milberger distribute the proposed modified 2022 Larry's Toolbox Program to them for additional review.

AUDIT FOR FISCAL YEAR END DECEMBER 31, 2020

Ms. Garcia reviewed the Authority's draft audit for fiscal year end December 31, 2020.

Mr. Ellis reported that a review of the Authority's financial statements found no concerns as indicated in the post audit agreed upon procedures report.

Following review and discussion, Director Gay moved to approve the audit for fiscal year end December 31, 2020, and direct that the audit be filed appropriately and retained in the Authority's official records, subject to final review and comment. Director Fay seconded the motion, which passed unanimously.

Ms. Garcia reported that the Authority's single audit report for fiscal year end December 31, 2020, for funding from the Clean Water State Revolving Fund is due September 1, 2021. She stated that she anticipates the report will be ready for presentation at the Authority's regular June meeting.

REGIONAL PLANNING MATTERS: JOINT PROJECTS AND WATER SUPPLY

Ms. Miller and Mr. Froehlich reviewed an invoice in the amount of \$336,489.93 prepared for the West Harris County Regional Water Authority's (the "WHCRWA") portion of the costs for the generator replacement project at the Bellaire Pump Station. Ms. Miller stated that, pursuant to the Joint Facilities Agreement between the Authority and the WHCRWA, the allocation of major rehabilitation costs is 67% for the Authority and 33% for the WHCRWA. She reported that the Authority's portion of the costs for the generator replacement project at the Bellaire Pump Station is \$683,176.52. Following review and discussion, Director Gay moved to authorize transmittal of the invoice to the WHCRWA as prepared. Director Abrahamson seconded the motion, which passed unanimously.

SYSTEM INSPECTION REPORT

Mr. Froehlich reported on BGE's review of CP&Y, Inc.'s draft report of the results of an inspection of the Authority's surface water supply system as required

every five years pursuant to the Authority's Indenture of Trust with Regions Bank, as Trustee for the Authority's Water System Revenue Bonds and Junior Lien Water System Revenue Bonds. He stated that BGE will coordinate with Inframark on inspecting the minor facility items identified in the report as needing attention and review with the Board any recommended repairs. Following discussion, Director Patton moved to authorize submission of the report to Regions Bank, subject to finalization. Director Fay seconded the motion, which passed unanimously.

CONVENE EXECUTIVE SESSION

The Board convened in executive session at 5:59 p.m., pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with its attorney regarding the Authority's legal rights and obligations under (1) the Second Supplement to the Water Supply Contract with the City of Houston; (2) Water Supply Letter Agreements with municipal utility districts located within the Authority; and (3) the Joint Facilities Agreement with the WHCRWA. Director Gay and Ms. Staine did not attend executive session. 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 6:56 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.

(SEAL)



/s/ Melony Gay
Secretary, Board of Directors