

MINUTES
NORTH FORT BEND WATER AUTHORITY

October 13, 2021

The Board of Directors (the “Board”) of the North Fort Bend Water Authority (the “Authority”) met in special session, open to the public, on the 13th day of October, 2021, 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
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 Directors Fay, Abrahamson, and Hollingsworth, thus constituting a quorum.

Also present were Francine Stefan and Chris Parker of Post Oak Municipal Advisors, LLC; Kyle Jones, Whitney Milberger, and Tiffany Moore of BGE; and David Oliver, Christina Miller, Sandra Staine, and Justine M. Cherne of Allen Boone Humphries Robinson LLP (“ABHR”).

Due to the COVID-19 virus epidemic emergency and the high threat level warnings issued by various governments and agencies, the Authority established a Zoom teleconference and/or videoconference option for the Authority’s consultants and members of the public to listen to the meeting and to address the Board.

On the teleconference and/or videoconference for all or a portion of the meeting were Kerri Crellin of Cinco Southwest Municipal Utility District No. 4; Matt Froehlich of BGE; Aaron Carpenter of ABHR; Taylor Watson of Municipal Accounts & Consulting, L.P.; Dale Clayton of Inframark, LLC; and an additional member of the public, Heidi Steven.

AUTHORITY’S \$20,940,000 WATER SYSTEM JUNIOR LIEN REVENUE BONDS, SERIES 2021A (“SERIES 2021A BONDS”) AND \$13,035,000 WATER SYSTEM REVENUE BONDS, SERIES 2021B (“SERIES 2021B BONDS”)

Mr. Stefan reviewed a summary of true interest costs of 2.22% for both the Authority’s proposed Series 2021A Bonds and Series 2021B Bonds. She discussed the savings achieved by issuing bonds pursuant to Financing Agreements with the Texas Water Development Board for funding from the State Water Implementation Revenue

Fund for Texas.

Ms. Miller reviewed the documents and procedures related to issuing the Authority's Series 2021A Bonds and Series 2021B Bonds. She stated that the Authority is required to have pledged revenue analyses performed and recommended authorizing McGrath & Co., PLLC, to perform the required pledged revenue securities analyses consistent with their current engagement letter. She stated that the closing date for both the Authority's Series 2021A Bonds and the Series 2021B Bonds is scheduled for November 22, 2021.

Following review and discussion regarding the Series 2021A Bonds, Director Gay moved to: (1) adopt a Resolution Authorizing the Issuance, Sale, and Delivery of the North Fort Bend Water Authority Water System Junior Lien Revenue Bonds, Series 2021A; Approving the Form and Substance and Authorizing the Execution of an Eighteenth Supplemental Indenture of Trust Relating to Such Bonds; Authorizing and Ratifying Other Actions of the Authority; Making Certain Findings and Containing Other Provisions Related to the Subject; (2) authorize the Board of Directors to sign all documents relating to the bond sale and authorize the attorney and financial advisor to take all necessary action in connection with the issuance of the Authority's Series 2021A Bonds; (3) authorize execution of a Certificate Regarding Provision of Financial Advice; (4) authorize McGrath & Co., PLLC to perform a pledged revenue analysis; and (5) approve payment to the Attorney General for bond issue transcript review. Director Patton seconded the motion, which passed unanimously.

Following additional review and discussion regarding the Series 2021B Bonds, Director Gay moved to: (1) adopt a Resolution Authorizing the Issuance, Sale, and Delivery of the North Fort Bend Water Authority Water System Revenue Bonds, Series 2021B; Approving the Form and Substance and Authorizing the Execution of a Nineteenth Supplemental Indenture of Trust Relating to Such Bonds; Authorizing and Ratifying Other Actions of the Authority; Making Certain Findings and Containing Other Provisions Related to the Subject; (2) authorize the Board of Directors to sign all documents relating to the bond sale and authorize the attorney and financial advisor to take all necessary action in connection with the issuance of the Authority's Series 2021B Bonds; (3) authorize execution of a Certificate Regarding Provision of Financial Advice; (4) authorize McGrath & Co., PLLC to perform a pledged revenue analysis; and (5) approve payment to the Attorney General for bond issue transcript review. Director Patton seconded the motion, which passed unanimously.

PARTICIPATION AS AMICUS PARTY IN HIDALGO COUNTY WATER IMPROVEMENT DISTRICT NO. 3 V. HIDALGO COUNTY WATER IRRIGATION DISTRICT NO. 1

Mr. Oliver discussed a previously distributed letter from the West Harris County Regional Water Authority (the "WHCRWA") inviting the Authority, the Central Harris

County Regional Water Authority, and the North Harris County Regional Water Authority to join the WHCRWA in submitting an amicus brief in *Hidalgo County Water Improvement District No. 3 v. Hidalgo County Water Irrigation District No. 1*, currently pending in the Texas Supreme Court, to support and argue in favor of a policy that allows governmental entities to condemn property owned by other governmental entities as necessary to implement their projects, subject to the limitations recognized in the paramount public importance doctrine. Following review and discussion, Director Gay moved to participate in the amicus brief with a financial commitment in the approximate amount of \$8,000.00. Director Patton seconded the motion, which passed unanimously.

MEETING PLANNING AND SCHEDULING MATTERS

The Board concurred to hold a regular meeting at 6:00 p.m. on October 27, 2021, at the offices of BGE. Discussion ensued regarding the costs for engaging a consultant to manage public access to the Authority's meetings via teleconference and videoconference and the quality of that access. Following discussion, the Board concurred to continue with the current procedures for managing public access to the Authority's meetings via teleconference and videoconference. Additional discussion ensued regarding evaluating options for meeting locations.

Ms. Miller reminded the Board that the Authority's November and December regular Board meetings are normally held on Thursdays one week before the regular meeting dates due to the Thanksgiving and Christmas holidays. She stated that the November 24, 2021, and December 22, 2021, regular meetings are rescheduled to Thursday, November 18, 2021, and Thursday, December 16, 2021, respectively.

After discussion regarding proposed changes to the schedules for the Authority's committee meetings, the Board concurred to additionally discuss the schedules at the October 27, 2021, regular meeting.

CONVENE EXECUTIVE SESSION

The Board convened in executive session at 1:26 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 the Second Supplement to the Water Supply Contract with the City of Houston. The Board determined that the attendance in this executive session of Mr. Jones 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 2:07 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.

Secretary, Board of Directors

(SEAL)