

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

December 7, 2020

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in special session, open to the public, via Zoom at <https://zoom.us/join/94aQIqAJaksda> and/or telephone conference call at 346-248-7799, passcode 4403924, pursuant to the Texas Governor's suspension of certain Texas Open Meetings Act provisions due to COVID-19, at 6:00 p.m. on Monday, the 7th day of December, 2020; whereupon, the roll was called of the duly constituted officers and members of the Board, to-wit:

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| Alan J. Rendl | President |
| Kelly P. Fessler | Vice President |
| Lenox A. Sigler | Secretary |
| Ron Graham | Assistant Secretary |
| Jim Pulliam | Treasurer/Investment Officer |

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Mr. Jun Chang, P. E., D.WRE, Acting General Manager for the Authority; Mr. Mark Evans, Director of Planning and Governmental Affairs for the Authority; Ms. Cynthia Plunkett, Financial Assistant for the Authority; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Messrs. Stephen Berckenhoff, P.E., Mike Baugher, P.E., and Doug Haude, P.E., of AECOM Technical Services, Inc., Program Manager for the Authority; Mr. David Huang, P.E., and Ms. Katherine Mears, P.E.; of RPS Klotz Associates, on-call engineers for the Authority; Mr. Harrison Steed, P.E., of ARCADIS US, Inc., on-call engineers for the Authority; Ms. Melinda Silva, P.E., of Dannenbaum Engineering Corporation, on-call engineers for the Authority; Mr. Mike Bagstad, P.E., of Zarinkelk Engineering Services, Inc., on-call engineers for the Authority; Mr. Dennis Sander, P.E., of Sander Engineering Corporation, on-call engineers for the Authority; Mr. Rafael Ortega, P.E., of Aurora Technical Services, LLC, on-call engineers for the Authority; Ms. Kate Hallaway, P.E., of Brown & Gay Engineers, Inc., on-call engineers for the Authority; Mr. David Warner, P.E., of Jones|Carter, Inc., on-call engineers for the Authority; Mr. Marcel Khouw, P.E., of IDS Engineering Group, on-call engineers for the Authority; Mr. Carlton McDevitt of Inframark, LLC ("Inframark"), operator for the Authority; Mr. John Howell, of The GMS Group, L.L.C., co-financial advisor to the Authority; Ms. Robin S. Bobbitt, attorney, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("Radcliffe Bobbitt"), general counsel and co-bond counsel for the Authority. Numerous members of the public and other consultants to the Authority were also present at the meeting. The conference call meeting was recorded and made available to the public in accordance with the provisions of Texas Government Code Sections 551.125 and 551.127.

WHEREUPON, the meeting was called to order by Director Rendl and evidence was presented that public notice of the meeting had been given in compliance with the law. The posted notices of the meeting are attached hereto.

PUBLIC HEARING ON PROPOSED INCREASES IN AUTHORITY RATES AND FEES TO BE EFFECTIVE APRIL 1, 2021

Director Rendl first explained that this evening's public hearing is being held to review with the Board and members of the public the information regarding the proposed Updated Pricing Policy that will be presented at tonight's regular Board meeting for the Board's approval and adoption. A copy of the PowerPoint presentation for the public hearing is attached hereto.

Director Rendl then explained that a Budget Workshop meeting had been held on Monday, November 23, 2020, at which time the Authority's proposed budget for the fiscal year ending December 31, 2021 (the "2021 Budget") was reviewed, along with the proposed increase in the Authority's pumpage fee from \$4.25 per 1,000 gallons to \$4.60 per 1,000 gallons and the proposed increase in the Authority's surface water rate from \$4.70 per 1,000 gallons to \$5.05 per 1,000 gallons, with such rates to become effective on April 1, 2021. Director Rendl further explained that the Authority's proposed 2021-2022 Capital Improvement Plan (the "2021-2022 CIP") was also reviewed with the Board at the Budget Workshop meeting. Copies of the 2021 Budget and the 2021-2022 CIP are attached hereto.

Director Rendl then called on Mr. Howell, who reviewed the "Cost of Water" PowerPoint presentation and further explained the need for the pumpage and surface water rate increases. Mr. Howell stated that a rate adjustment is also necessary due to increases in the Authority's debt service payments. Mr. Howell also stated that he is comfortable that the Authority is keeping rates as low as possible for as long as possible, while not setting itself up for a larger increase in the future.

Director Rendl then noted that the proposed increases in the pumpage and surface water rates, the 2021 Budget and the 2021-2022 CIP will be presented to the Board for approval and adoption at tonight's regular meeting, beginning at 6:15 p.m.

QUESTIONS & ANSWERS

Director Rendl then asked for any questions from the audience.

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

PASSED, APPROVED AND ADOPTED this 4th day of January, 2021.

/s/ Lenox A. Sigler
Secretary, Board of Directors

