

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

January 10, 2022

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, at 6:00 p.m. on Monday, the 10th day of January, 2022, at the Authority's office located at 3648 Cypress Creek Parkway, Suite 110, Houston, Texas, a public meeting place within the boundaries of the Authority; whereupon, the roll was called of the duly constituted officers and members of the Board, to-wit:

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, General Manager for the Authority; Mr. Mark Evans, Director of Planning and Governmental Affairs for the Authority; Ms. Cynthia Plunkett, Finance Director for the Authority; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Mr. Philip Topek and Mr. Mike Baugher, of AECOM Technical Services, Inc., Program Manager for the Authority; Mr. Carlton McDevitt of Inframark, LLC ("Inframark"), operator for the Authority; Mr. Jon D. Polley, attorney, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), general counsel and co-bond counsel for the Authority. Other members of the public and consultants to the Authority were also present at the meeting. Copies of the public sign-in sheets are attached hereto.

WHEREUPON, the meeting was called to order 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.

PRESIDENT'S MESSAGE

Director Rendl first wished everyone a happy new year and encouraged everyone to stay healthy and safe.

STATUS OF ACTIVITIES BY COMMUNICATIONS/PUBLIC INFORMATION COORDINATOR

A copy of Ms. Payne's PowerPoint presentation is attached as an exhibit to these minutes.

Ms. Payne first reminded the Board and meeting attendees that the Authority's new "Water University North" online courses are now available on the Authority's website, and that articles, billing inserts and brochures are also available. Ms. Payne also reminded the Board that the "Water is Life" mobile teaching lab is now available for booking. Ms. Payne then reported

that the winter *Connections* newsletter is on the Authority's website now. Director Rendl encouraged everyone to visit the "Water University North" courses as well as the *Connections* newsletter, and that they both contain a great deal of helpful information for utility districts and their residents.

GENERAL MANAGER'S REPORT

Mr. Chang next called upon Mr. Topek to present the Program Manager's Report to the Board, a copy of which is included behind Tab 3 of the meeting packet and attached hereto.

PROGRAM MANAGER'S REPORT

UPDATE ON STATUS OF SURFACE WATER CONVERSION

Mr. Topek first reported that the Spears Road Regional Pump Station delivered a daily average rate of approximately 21.2 MGD of surface water during December. Mr. Topek added that the alternative water used in November was approximately 34.1%, compared to approximately 30.1% in October.

MAJOR ACTIVITIES

Mr. Topek went on to report that during the prior month, AECOM had performed other activities for the Authority as follows: 1) implemented and performed tasks regarding the Authority's aggregate water well permit (the "Permit"); 2) assisted the Authority in a variety of activities involving the City of Houston (the "City"); 3) continued oversight of engineering and acquisition related efforts; 4) provided oversight of Inframark's activities and its contract to operate the Authority's system; and 5) monitored, tabulated and analyzed amounts of water used by the PWSs covered by the Authority's Permit and, where necessary and practical, in consort with Inframark and the respective PWS operators, took appropriate actions to optimize the use of surface water. Mr. Topek also reported that the Authority currently has 11 active construction projects, with 21 projects in design, including two (2) routing studies.

NEWPP EXPANSION PROJECT UPDATE

Mr. Topek further reported on the status of the NEWPP Expansion Project, noting that construction of the Central Plant continues with concrete work and structural work at filter modules and masonry and electrical work at the Transfer Pump Station. Mr. Topek also reported that construction of the North Plant continues with ongoing structural, electrical and mechanical work for all structures. Mr. Topek added that installation of mechanical and electrical equipment at the pump station has been completed. Mr. Topek further reported that installation of doors, server racks and showers is ongoing at the administration and maintenance buildings. Mr. Topek next reported that construction of the South Plant is continuing with installation of shotcrete to wall panels at the ground storage tank and mechanical and electrical work at the dewatering building is ongoing. Mr. Topek further noted that the Project Advisor/Technical Consultant continues to provide construction oversight services on behalf of the City and the Authorities.

NORTHEAST TRANSMISSION LINE (THE "NETL") PROJECT UPDATE

Mr. Topek next reported that in connection with the NETL project, the contractors have continued with construction on five (5) sections of the 108-inch (108") line. Mr. Topek added that real estate acquisitions are proceeding on several additional sections of the NETL.

REGULAR AGENDA

APPROVAL OF MINUTES

The Board considered approval of the minutes of the December 6, 2021 regular meeting. Upon motion by Director Pulliam, seconded by Director Graham, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the December 6, 2021 regular meeting, as written.

FINANCE DIRECTOR'S REPORT, INCLUDING APPROVE PAYMENT OF BILLS, ISSUANCE OF CHECKS, REVIEW BUDGET COMPARISON, AND REPORT ON STATUS OF PAYMENTS OF QUARTERLY PUMPAGE FEES

Director Rendl then recognized Ms. Plunkett, who reviewed the Authority's Financial Report with the Board, including the monthly investment report, the checks being presented for payment, and the budget comparison for the month ended November 30, 2021, a copy of which is included behind Tab 5 of the meeting packet and attached hereto. Upon motion by Director Pulliam, seconded by Director Sigler, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Financial Report, the monthly investment report, and the checks being presented for payment.

GENERAL MANAGER'S ACTION ITEMS

ENGAGEMENT OF BICKERSTAFF HEATH DELGADO ACOSTA LLP ("BICKERSTAFF") FOR REDISTRICTING SERVICES

Mr. Polley stated that the Authority is obligated to examine the recently released data from the 2020 census to determine if redistricting of the Authority boundaries is necessary. Mr. Polley then stated that he has met with Mr. Chang, Mr. Evans and Bickerstaff regarding their in-house redistricting services. Mr. Polley recommended engaging Bickerstaff to examine the census data and provide a recommendation on redistricting to the Board and Authority staff.

Upon motion by Director Graham, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to engage Bickerstaff for redistricting services.

AUTHORIZE GENERAL MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE
ALTERNATIVE WATER USE INCENTIVE AGREEMENT WITH NORTHWEST HARRIS
COUNTY MUNICIPAL UTILITY DISTRICT ("NWHCMUD") NO. 19 AND TOUR 18
CAPITAL PARTNERS, L.P. ("TOUR 18") (THE "INCENTIVE AGREEMENT")

Mr. Evans reviewed the Incentive Agreement with the Board. Mr. Evans reported that NWHCMUD No. 19 plans to implement a type 1 reuse system to use reclaimed water from their wastewater treatment plant for irrigation purposes within the District and the golf club operated by Tour 18. Mr. Evans stated that the total capital cost for the project is \$2,038,750.00. Director Rendl stated that reuse projects are something that other utility districts can do to help conserve water and provide alternative water credits to the Authority.

Mr. Polley then reminded the Board that the Authority initially adopted its Water Conservation Reuse Incentive Program in 2009 and most recently amended the program to increase the incentive provided for construction of reuse programs. Mr. Polley stated that by entering into the Incentive Agreement, the Authority agrees to issue credits of up to 100% of the capital cost of the project and NWHCMUD No. 19 agrees to operate the reuse system for 20 years.

Upon motion by Director Pulliam, seconded by Director Graham, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the General Manager to negotiate, finalize and execute the Incentive Agreement, a copy of which is included in the Authority's files.

ELECTION OF OFFICERS

Director Fessler then nominated the following 2022 slate of officers for the Board's approval:

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

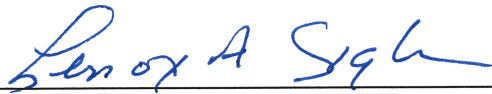
Upon motion by Director Fessler, seconded by Director Sigler, after full discussion and the question being put to the Board, the Board voted unanimously to approve the proposed slate of officers for 2022, as outlined above.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, February 7, 2022, at 6:00 p.m. at the Authority's office.

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

PASSED, APPROVED AND ADOPTED this 7th day of February, 2022.


Secretary, Board of Directors

(AUTHORITY SEAL)

