

MINUTES OF THE MEETING OF THE  
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

November 13, 2023

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in special session, open to the public, at 6:00 p.m. 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:

Melissa Rowell	President
Kelly P. Fessler	Vice President
Ron Graham	Secretary
David Barker	Treasurer
Mark Ramsey	Director

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; Mr. Doug Haude, P.E., Construction Manager for the Authority; Ms. Cynthia Plunkett, Finance Director for the Authority; Ms. Kassandra Medina, Administrative Assistant of the Authority; Mr. Mike Baugher and Mr. Paul Vining of AECOM Technical Services, Inc., Program Manager for the Authority; Mr. Carlton McDevitt of Inframark, LLC, Operator for the Authority; Mr. John Howell of The GMS Group, L.L.C., co-financial advisor to the Authority; and Mr. Andrew P. Johnson, III, attorney, of Johnson Petrov LLP, general 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.

CALL TO ORDER

Director Rowell, Board President, called the meeting to order.

MESSAGE FROM PRESIDENT AND BOARD MEMBERS

There were no messages.

BUDGET WORKSHOP, INCLUDING REVIEW AND DISCUSSION OF THE PROPOSED BUDGET FOR THE FISCAL YEAR ENDING DECEMBER 31, 2024 (THE "2024 BUDGET"), AND REVIEW AND DISCUSSION OF THE PROPOSED 2024-2028 CAPITAL IMPROVEMENT PLAN (THE "2024-2028 CIP")

Mr. Chang presented the proposed 2024 Budget, emphasizing its aim to establish a financially responsible plan that adequately supports the efficient operation and maintenance of the Authority's Surface Water and Distribution System (the "System").

Ms. Plunkett provided a detailed overview of the proposed 2024 Budget, including the Operating Budget Planning Report and its various revenue and expense components. A copy of the 2024 Budget Workshop packet is attached hereto.

Mr. Baugher reviewed the 2024 Operation and Maintenance ("O&M") budget, highlighting the key infrastructure projects outlined within it. The development of the 2024 O&M budget prioritized increased water purchases from the City of Houston at higher rates. Mr. Chang and Mr. Baugher addressed questions raised by the Board regarding the proposed 2024 O&M budget.

Subsequently, Ms. Plunkett reviewed the Operating Expenses section of the proposed 2024 Budget and fielded questions from the Board.

Mr. Chang then elaborated on the 2024-2028 Capital Improvement Plan ("CIP"). He clarified that the CIP's value is based on present value calculations, which are likely to increase in future years. Mr. Vining provided a comprehensive review of the proposed 2024-2028 CIP, as outlined in the attached PowerPoint presentation.

Mr. Chang stated that the 2024 Budget and 2024-2028 CIP will be considered for adoption and approval at the December 4, 2023 regular Board meeting.

NEXT MEETING DATE

Director Rowell confirmed that the regular Board meeting will be held on Monday, December 4, 2023.

ADJOURNMENT

With no additional matters to discuss, the meeting was adjourned at 7:20 p.m.

[EXECUTION PAGE FOLLOWS]

PASSED, APPROVED AND ADOPTED on 4<sup>M</sup> day of DEC, 2023.

  
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Secretary, Board of Directors

