

**MINUTES OF MEETING
OF THE BOARD OF DIRECTORS**

August 16, 2021

STATE OF TEXAS §

COUNTY OF HARRIS §

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 21 §

The Board of Directors (the "Board") of **Northwest Harris County Municipal Utility District No. 21** (the "District") met in regular session, open to the public, at 6330 West Loop South, Suite 150, Bellaire, Texas 77401, on Monday, August 16, 2021, and via telephone conference call authorized by the suspension of certain provisions of Chapter 551, Texas Government Code, whereupon roll was called of the members of the Board, to-wit:

| | | |
|----------------|---|---------------------|
| Rand R. Wall | - | President |
| Bill Tallas | - | Vice President |
| Bruce Popper | - | Secretary |
| Andy Johnston | - | Assistant Secretary |
| Matthew Barton | - | Assistant Secretary |

All members of the Board were present thus constituting a quorum.

Also present at the meeting were Jon Strange of JNS Consulting Engineers, Inc. ("JNS"); Howard Wilhite of H2O Innovation Operation and Maintenance, LLC ("H2O"), Operator for the District ("Operator"); Bradley Jenkins and Wesley Lay of Jones & Carter, Inc. ("J&C"), Engineer for the District ("Engineer"); Lina Loaiza of Bob Leared Interests ("BLI"), the District's Tax Assessor/Collector ("TAC"); Christina Cole of Myrtle Cruz, Inc. ("MCI"), the District's Bookkeeper ("Bookkeeper"); John Cannon and Laken Jenkins Kilgore of Coats|Rose, P.C. ("Coats|Rose"), the District's legal counsel.

Whereupon, the meeting was called to order in accordance with notice posted pursuant to Texas law, and the following action was conducted. A copy of the posted agenda notice is attached hereto as Exhibit "A."

HEAR FROM PUBLIC

The Board noted that there were no members of the public wishing to address the Board.

FINANCIAL ADVISOR'S REPORT

The Board deferred action.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board reviewed the TAC's Report and a list of delinquent tax accounts, copies of which are attached hereto as Exhibit "B." As of July 31, 2021, 93.6% of the 2020 tax levy has been collected.

Ms. Loaiza advised the District's current bank is no longer doing business with municipal accounts and recommended the District transfer its accounts to Allegiance Bank. Ms. Loaiza requested the Board's approval of the Depository Pledge Agreement ("DPA") with Allegiance Bank.

Following a discussion of the report and the status of collection of delinquent taxes, upon a motion made by Director Johnston, seconded by Director Popper, the Board voted unanimously to approve the TAC's Report and the action items therein, including approval of the DPA and transfer of the District's tax account to Allegiance Bank.

BOOKKEEPER'S REPORT

The Board recognized Ms. Cole, who submitted to and reviewed with the Board the Bookkeeper's Report, including invoices for payment, a copy of which is attached hereto as Exhibit "C."

Ms. Cole advised the District's current bank is no longer doing business with municipal accounts and recommended the District transfer its accounts to Central Bank. Ms. Cole requested the Board's approval of the Depository Pledge Agreement ("DPA") with Central Bank.

Following review and discussion and based on a motion by Director Tallas, which was seconded by Director Johnston, the Board voted unanimously to approve 1) the Bookkeeper's Report and invoices submitted for payment; and 2) the DPA and transfer of the District's accounts to Central Bank.

ATTORNEY'S REPORT

Minutes

The Board recognized Mr. Cannon, who presented minutes of the meeting held on July 19, 2021 previously distributed to the Board. Upon a motion made by Director Johnston and seconded by Director Tallas, the Board voted unanimously to approve the minutes of the meeting of July 19, 2021, as presented.

Annual Review of Investment Policy

Consideration was then given to a Resolution Evidencing Review of Investment Policy and Investment Strategies (the "Resolution"). Ms. Kilgore reminded the Board that the Public Funds Investment Act requires the Board to review the District's Investment Policy annually. Ms. Kilgore recommended that no changes be made to the Investment Policy at this time other than to update the list of Authorized Brokers for the District. Upon motion made by Director Tallas, seconded by Director Popper, the Board by unanimous vote agreed not to make any changes to the District's Investment Policy at this time other than to update the list of Authorized Brokers for the District and to adopt the Resolution.

OPERATOR'S REPORT

The Board recognized Mr. Wilhite, who presented the Operator's Report, a copy of which is attached hereto as Exhibit "D." Mr. Wilhite reported as follows:

- The District has a total of 86 connections;
- The combined billed consumption for the month was 14,497,340 gallons of water;
- There were no cut-offs; and
- Attached to the Operator's Report is a list of charges over \$500.

Mr. Wilhite requested authorization from the Board to move certain accounts to uncollectable status.

After discussion, upon a motion brought by Director Tallas, seconded by Director Johnston, the Board voted unanimously to approve the Operator's Report as presented and authorized certain accounts to be moved to uncollectable status.

ENGINEER'S REPORT

The Board recognized Mr. Jenkins of Jones & Carter ("J&C"), who presented the Engineer's Report attached hereto as Exhibit "E."

- 10.78-Acre Torrey Chase Multifamily Development
 - J&C has reviewed the plans and submitted comments for the development. The development is proposing to install property fencing and pavement within the storm and sanitary sewer easements located on the southwest corner of the development tract.
 - The developer closes on the development tract, they plan to request an encroachment agreement from the District.
- WWTP MCC & Blower Replacement
 - J&C has received approvals from the City of Houston and has resubmitted to Harris County for final approval.
 - J&C plans to advertise the project once all approvals are received.

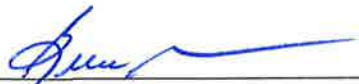
- 2021 Multi-Sector General Permit
 - The TCEQ requires all wastewater treatment plants with a permitted flow of 1.0 MGD or greater to file for coverage under the multi-sector general permit.
 - J&C has provided a scope memo detailing the scope of work and fee in the amount of \$17,000 to obtain TCEQ approval of the multi-sector general permit and requests authorization to proceed with preparation.
- 2021 Sanitary Sewer Cleaning and Televising:
 - The contractor has completed the cleaning and televising of the District's sanitary sewer system.
 - J&C presented for the Board's review and approval Pay Estimate No. 3 and Final in the amount of \$3,793.13 and recommended payment of same.
- AWIA Risk Assessment and Emergency Response Plan
 - J&C began the preparation of the Emergency Response Plan this month.
- Capital Improvement Plan Updates
 - J&C has completed the initial draft of the District's CIP, a copy of which is included in the Engineer's Report.

After further discussion, upon a motion brought by Director Tallas, seconded by Director Johnston, the Board voted unanimously to approve the Engineer's Report and the action items therein.

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

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PASSED, APPROVED and ADOPTED this 20th day of September, 2021.


Secretary, Board of Directors

(Seal)

