

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

March 30, 2022

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 special session, open to the public, at 6330 West Loop South, Suite 150, Bellaire, Texas 77401, on Wednesday, March 30, 2022, 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 Pawan Kapoor of Torrey Chase Apartments, LP; Steve Hobbs of LJA Engineering, Inc.; Howard Wilhite of H2O Innovation Operation and Maintenance, LLC (“H2O”), Operator for the District (“Operator”); Bradley Jenkins and Wesley Lay of Quiddity Engineering (“Quiddity”), Engineer for the District (“Engineer”); and 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 recognized Mr. Kapoor and Mr. Hobbs who reviewed with the Board the proposed Torrey Chase Apartment Complex development. Mr. Kapoor confirmed the complex is a tax-exempt affordable housing development through the Houston Housing Authority.

Due to the tax-exempt status of the development, the District’s Rate Order provides that the tap fee shall be calculated as follows:

“The actual cost to the District, including the costs of all facilities necessary to provide the District services to such non-taxable entity where such facilities are financed or to be financed by tax supported bonds of the District.”

Mr. Kapoor requested the Board consider allowing the tap fee to be paid out over time.

The Board noted they would take the request into consideration and thanked Mr. Kapoor for his attendance.

TAX EXEMPT TAP FEE CALCULATION

The Board recognized Mr. Lay who presented for review and approval options for the tax-exempt tap fee calculation pursuant to the District’s Rate Order as described above. A copy of the options are attached hereto as Exhibit “B.”

After consideration, and upon a motion made by Director Barton, seconded by Director Popper, the Board voted unanimously to enter executive session at 12:52 pm under Section 551.071, Texas Government Code, to consult with their attorneys for legal advice.

The Board convened executive session and entered open session at 1:30 pm.

After further discussion, and upon a motion made by Director Johnston, seconded by Director Barton, the Board voted unanimously to charge a tax-exempt tap fee of \$462,000 up front, and \$60,000 annually pursuant to the terms of a Payment in Lieu of Taxes Agreement to be drafted by Coats|Rose.

Mr. Lay noted he would pass the proposed tap fee along to Mr. Kapoor for consideration.

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

[execution page follows]

PASSED, APPROVED and ADOPTED this 18th day of April, 2022.

Secretary, Board of Directors

(Seal)