

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

**June 20, 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 regular session, open to the public, at 6330 West Loop South, Suite 150, Bellaire, Texas 77401, on Monday, June 20, 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, except Director Johnston, 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 Quiddity Engineering (“Quiddity”), 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”); 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 noted that there were no members of the public wishing to address the Board.

## **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 May 31, 2022, 96.3% of the 2021 tax levy has been collected.

Following a discussion of the report and the status of collection of delinquent taxes, upon a motion made by Director Popper, seconded by Director Tallas, the Board voted unanimously to approve the TAC's Report and the action items therein.

## **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."

Following review and discussion and based on a motion by Director Barton, which was seconded by Director Tallas, the Board voted unanimously to approve the Bookkeeper's Report and invoices submitted for payment.

## **ATTORNEY'S REPORT**

### Minutes

The Board recognized Mr. Cannon, who presented minutes of the meeting held on May 16, 2022, previously distributed to the Board. Upon a motion made by Director Tallas and seconded by Director Barton, the Board voted unanimously to approve the minutes of the meeting of May 16, 2022, as presented.

## **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 87 connections;
- The combined billed consumption for the month was 27,962,363 gallons of water;
- There were no cut-offs; and
- Attached to the Operator's Report is a list of charges over \$500.

Mr. Wilhite presented for the Board's review and approval a Second Addendum to the Operator Services Contract (the "Addendum"), a copy of which is included herein as Exhibit "E." The Addendum reflects: i) the name change of the Operator from Hays Utility South Corporation to H2O Innovation Operation and Maintenance, LLC; ii) updated rates and fees; and iii) verifications required by recent legislative updates.

Mr. Wilhite noted the water and sewer rate analysis agenda item will be discussed under the Engineer's Report.

After discussion, upon a motion brought by Director Tallas, seconded by Director Barton, the Board voted unanimously to: (i) approve the Operator's Report and the action items therein; and (ii) approve the Addendum.

## **ENGINEER'S REPORT**

The Board recognized Mr. Lay of Quiddity, who presented the Engineer's Report attached hereto as Exhibit "F."

- 10.78-Acre Torrey Chase Multifamily Development
  - Mr. Lay updated the Board that the tax-exempt tap fee has been paid in full by the developer and there no additional outstanding items for the development to receive water and sewer service.
- Starbucks at FM 1960 Road and Veterans Memorial Drive
  - Quiddity has received and provided comments on the civil site and interior plumbing from the second review submittal to the developer's engineer. A copy of the plan review letter is included in the Engineer's Report.
  - Quiddity is waiting for the revised plans and will update the Board when received.
- WWTP MCC & Blower Replacement
  - Mr. Lay noted Coats|Rose is in the process of reviewing the draft construction contract with Sustanite Support Services, LLC (the "Contract"). Mr. Lay requested the Board approve execution of the Contract.
  - The construction phase will be approximately 45 months, from July 2022 to January 2024.
- Renewal Application for TDPES WWTP Discharge Permit Renewal
  - Quiddity is preparing the TDPES permit renewal package for the District, NW22 and NW23, and plans to submit the package in September.
- 2021 Sanitary Sewer Rehabilitation
  - The contractor has completed the preliminary cleaning and televising and expects to install the cured-in-place pipe liner ("CIPP") later this month.
  - Mr. Lay presented Pay Estimate No. 1 in the amount of \$14,158.35 and Change Order No. 1 in the amount of \$3,800 for raising a buried manhole and recommended payment of same.
  - Mr. Lay also presented a letter received from the contractor noting recent price increases for polyester resin and felt used to install the CIPP. The contractor requested a change order in the amount of \$3,891 to cover the costs of the unexpected price increases. The Board agreed to pay one-half of the requested change order.
- Lift Station No. 1 Inspection
  - Mr. Lay presented a preliminary cost estimate for the Lift Station No. 1 rehabilitation project for \$395,000.

- The Board requested Mr. Lay work with the owner of the commercial strip center to acquire the necessary construction easements to complete the project.
- Annual Water Plant Inspection
  - Quiddity is planning to conduct a site visit to review the water plant inspection report on June 28<sup>th</sup>.
  - The Board requested Coats|Rose to prepare an agenda so the Board of Directors can attend.
- Water Well No. 2 Induction Survey & Rework
  - Quiddity is preparing the 90% draft bid package and plans to provide copies for the Water Plant Committee to review soon.
  - Mr. Lay noted he expects to advertise for bids on the project in August 2022.
- Water and Sewer Rate Analysis
  - Mr. Lay presented for the Board's review and approval a proposal to conduct a water and sewer rate analysis at a cost of \$10,000.

After further discussion, upon a motion brought by Director Tallas, seconded by Director Popper, 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.

*[execution page follows]*

PASSED, APPROVED and ADOPTED this 18<sup>th</sup> day of July, 2022.

  
Secretary, Board of Directors

(Seal)

