

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

February 20, 2023

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, February 20, 2023, 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: Bill Blich of Blich Associates, Inc., Financial Advisor for the District; Jon Strange of JNS Consulting Engineers, Inc. (“JNS”); Howard Wilhite of H2O Innovation Operation and Maintenance, LLC (“H2O”), Operator for the District (“Operator”); Wesley Lay and Bradley Jenkins 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 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 January 31, 2023, 66.12% of the 2022 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 Tallas, seconded by Director Popper, 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 the invoices submitted for payment.

ATTORNEY'S REPORT

Minutes

The Board recognized Mr. Cannon, who presented minutes of the meetings held on January 16th and January 30th, 2023, previously distributed to the Board. Upon a motion made by Director Barton and seconded by Director Popper, the Board voted unanimously to approve said minutes as presented.

Resolution Implementing 20% Penalty on Delinquent Taxes

Consideration was then given to a proposed Resolution Implementing 20% Penalty on 2022 Delinquent Taxes (the "Resolution"). Upon a motion by Director Barton, seconded by Director Popper, after full discussion, and the question being put to the Board, the Board voted unanimously to authorize a 20% penalty on 2022 taxes that are delinquent on July 1, 2023 and thereafter for real property and as provided by Texas Property Tax Code Section 33.11 for personal property, and to approve the Resolution evidencing the same.

Resolution Concerning 2023 Tax Exemptions

Next, consideration was given to a proposed Resolution Concerning Tax Exemptions for 2023 (the "Resolution"). Upon a motion by Director Barton, seconded by Director Tallas, after full discussion, and the question being put to the Board, the

Board voted unanimously to grant the following exemptions and adopt the Resolution evidencing same:

- 20% (minimum of \$5,000) of the appraised value of residence homesteads of individuals, as authorized by Section 11.13 of the Property Tax Code; and
- \$20,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, as authorized by Section 11.13 of the Property Tax Code.

Amended and Restated Legal Fee Agreement

Mr. Cannon presented for the Board's review and approval an Amended and Restated Legal Fee Agreement with Coats Rose, P.C. (the "Agreement") which updates the fee schedule of hourly firm rates and the contingency fee for the issuance of bonds.

After discussion, upon a motion by Director Barton, seconded by Director Tallas, the Board voted unanimously to approve the Agreement.

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 89 connections;
- The combined billed consumption for the month was 15,833,411 gallons of water;
- There were no cut-offs; and
- Attached to the Operator's Report is a list of charges over \$500.

After discussion, upon a motion brought by Director Popper, seconded by Director Barton, the Board voted unanimously to approve the Operator's Report and the action items therein.

ENGINEER'S REPORT

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

- Starbucks at FM 1960 Road and Veterans Memorial Drive
 - Quiddity is awaiting revised plans based on the plan review comments.
- Capacity Request
 - Mr. Lay presented to the Board a utility request for retail office space at 14411 Sylvanfield Drive.
 - Mr. Lay reported the District has sufficient water and sewer capacity to serve the development, and that a utility commitment be approved for

7,020 gallons per day average daily flow for water capacity, including irrigation, and 1,200 gpd average daily flow for sewer capacity.

- WWTP Improvements and Upgrades
 - Mr. Lay reported R&B Group, Inc. has one remaining punch list item to complete.
- WWTP MCC & Blower Replacement
 - Mr. Lay reported the contractor received the temporary electrical equipment and moved on-site last week. A copy of the current construction schedule is included in the Engineer's Report and the project is expected to be completed by January 29, 2024.
- Renewal Application for TD PES WWTP Discharge Permit Renewal
 - Mr. Lay stated Quiddity expects the TCEQ to issue the final permit soon.
- Lift Station No. 1 Improvements
 - Quiddity continues to work on the 90% design and is awaiting the structural recommendation to determine if the existing fence can be raised two feet to comply with current standards.
- Booster Pump Support Column Repair
 - Mr. Lay reported that the contractor plans to complete all the punch list items for the repair next week.
 - Mr. Lay recommended approval of an invoice to Topique Construction, LLC in the amount of \$16,789.15, subject to completion of the remaining punch list items.
- Water Well No. 2 Induction Survey and Rework
 - Mr. Lay presented for the Board's review and approval a change order to install a temporary cap on the water well at cost of \$2,150.00.
- Lead and Copper Rule Revisions (LCRR) Compliance
 - Quiddity plans to prepare a service line inventory proposal to comply with the LCRR requirements in the coming months.
- Bond Application Report No. 3
 - Mr. Lay presented for the Board's review a preliminary summary of cost for a future bond issue. A copy of the summary of cost is included in the Engineer's Report and is subject to revisions based on consultant comments.
- NW Harris County MUD 22
 - Mr. Lay presented for the Board's review and approval a Pay Request from NW22 in the amount of \$1,929.31 for the District's share of the trunkline manhole repairs.

After further discussion, upon a motion brought by Director Barton, 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.

PASSED, APPROVED and ADOPTED this 20th day of March, 2023.


Secretary, Board of Directors

(Seal)

