

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

April 17, 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, April 17, 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 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 and Brenda Herrera 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 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 March 31, 2023, 89% 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."

Ms. Cole also presented a draft budget for fiscal year end 2024. The Board requested various updates to the proposed budget.

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

AUDITOR'S REPORT

The Board recognized Ms. Kilgore, who presented an overview of the terms of the District's evergreen audit engagement letter on behalf of McCall Gibson Swedlund Barfoot PLLC ("McCall"). Upon a motion made by Director Popper and seconded by Director Johnston, the Board voted unanimously to authorize McCall to prepare the District's audit for fiscal year ending May 31, 2023.

ATTORNEY'S REPORT

Minutes

The Board recognized Ms. Kilgore, who presented minutes of the meeting held on March 20, 2023, previously distributed to the Board. Upon a motion made by Director Tallas and seconded by Director Barton, the Board voted unanimously to approve said minutes 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 88 connections;
- The combined billed consumption for the month was 12,029,166 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 Johnston, seconded by Director Barton, the Board voted unanimously to approve the Operator's Report and the action items therein.

FINANCIAL ADVISOR'S REPORT

The Board recognized Mr. Blich, who presented a General Fund Projected Reserves Analysis to the Board to assist in analyzing the District's need to issue bonds in the future. A copy of the analysis is attached hereto as Exhibit "E."

No action was taken under the Financial Advisor's Report.

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 has reviewed and approved the plans for the Starbucks development and copy of the plan approval letter is included in the Engineer's Report.
- Capacity Request – 14411 Sylvanfield Dr.
 - Quiddity has provided comments on the civil site and interior plumbing and is awaiting revised plans.
- 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 presented Pay Estimate No. 3 in the amount of \$32,940 to Board for review and approval.
- Renewal Application for TDPES WWTP Discharge Permit Renewal
 - Mr. Lay stated Quiddity expects the TCEQ to issue the final permit soon.
- Lift Station No. 1 Improvements
 - Mr. Lay noted the project's design is being finalized and requested the Board's authorization to advertise and bid the project.
 - Ms. Kilgore presented for the Board's review and approval a Resolution Declaring Intent to Reimburse Expenses by the District for the Lift Station No. 1 project, a copy of which is attached hereto as Exhibit "G."
- Water Well No. 2 Induction Survey and Rework

- Mr. Lay presented Change Order No. 1 in the amount of \$1,400 for the previously authorized work, including the additional camera surveys, jetting accumulated debris from the well, capping of the well, and credit for salvaging the pumping equipment.
- Mr. Lay presented Pay Estimate No. 1 in the amount of \$41,580 to the Board for review and approval.
- Lead and Copper Rule Revisions (LCRR) Compliance
 - Quiddity is gathering the District's water service line records and compiling information into a service line inventory.
- Bond Application Report No. 3
 - Mr. Lay presented for the Board's review a revised Summary of Cost for Bond Application Report No. 3.
 - Mr. Lay noted that Quiddity is in the process of drafting the Bond Application Report.
- Water Well No. 1 Performance Testing
 - The semi-annual GM services pump testing for Water Well No. 1 indicates the well is performing as intended.
- Water Well No. 3 Proposal (NW 22 Project)
 - Mr. Lay presented a draft letter to Fountainhead MUD to notifying Fountainhead MUD that the District and NW22 plan to proceed with the Water Well No. 3 project. Fountainhead MUD's prorata share of the preliminary engineering funds is \$15,937.20.
 - Mr. Lay reviewed with the Board preliminary site plan for the proposed water well on the Northland Christian School Tract and an email from the school with various requests related to the acquisition. The Board requested Mr. Lay review the requests to determine the ultimate cost of the acquisition.
 - Ms. Kilgore presented for the Board's review and approval a Resolution Declaring Intent to Reimburse Expenses by the District for the Water Well No. 3 project, a copy of which is attached hereto as Exhibit "H."

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

[execution page follows]

PASSED, APPROVED and ADOPTED this 15th day of May, 2023.



Secretary, Board of Directors

(Seal)

