

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

May 15, 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, May 15, 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: Garry Smith and Lott Johnson of Northwest Harris County Municipal Utility District No. 22; Jon Strange of JNS Consulting Engineers, Inc. (“JNS”); Bill Blich of Blich Associates, Inc., Financial Advisor for the District; Howard Wilhite and Brenda Herrera of H2O Innovation Operation and Maintenance, LLC (“H2O”), Operator for the District (“Operator”); 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 Ferguson 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 April 30, 2023, 92% 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 Popper, seconded by Director Johnston, 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 reviewed with the Board a draft budget for fiscal year end 2024.

Following review and discussion and based on a motion by Director Popper, which was seconded by Director Johnston, the Board voted unanimously to approve 1) the Bookkeeper's Report and the invoices submitted for payment; and 2) the budget for fiscal year end 2024.

ATTORNEY'S REPORT

Minutes

The Board recognized Mr. Cannon, who presented minutes of the meeting held on April 17, 2023, previously distributed to the Board. Upon a motion made by Director Barton and seconded by Director Tallas, 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 87 connections;
- The combined billed consumption for the month was 14,590,249 gallons of water;
- There were no cut-offs; and
- Attached to the Operator's Report is a list of charges over \$500.

Mr. Wilhite next reviewed the Consumer Confidence Report (the "CCR") which outlines the District's drinking water quality for the 2022 year. A copy of the CCR is

included in the Operator's report and a link to the CCR will be printed on the customers' water bills.

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, including the CCR.

FINANCIAL ADVISOR'S REPORT

The Board recognized Mr. Blich who gave a general update on the status of the District's Series 2023 Utility Bond Issuance.

ENGINEER'S REPORT

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

- Warehouse/Office Building at 14411 Syvanfield Drive
 - Quiddity has reviewed and approved the plans for the commercial shell building development and a copy of the plan approval letter is included in the Engineer's Report.
- Coffee/Sandwich Shop within Existing Office Building at 4201 FM 1960 Road West
 - The owner of the building is proposing to include a small coffee/sandwich shop on the first floor of the building. The current building does not have a grease interceptor installed. The developer has requested a variance to the District's rate order to install a hydromechanical grease trap.
 - Mr. Lay recommended approving the variance for the installation of the hydromechanical grease trap subject to a one year review period to monitor the amount of grease discharged and the requirement that it be installed outside the building for easy operator access.
- WWTP Improvements and Upgrades
 - Mr. Lay reported R&B Group, Inc. has one remaining punch list item which has still not been completed.
 - Mr. Lay recommended letting the contractor know that the District plans to have the H2O complete the punch list item and will back bill the contractor for the work if it is not completed in a timely manner.
- WWTP MCC & Blower Replacement
 - Mr. Lay presented Pay Estimate No. 4 in the amount of \$30,600 to Board for review and approval and recommended payment of same.
- Renewal Application for TDPEs WWTP Discharge Permit Renewal
 - Mr. Lay reported the final permit was issued by the TCEQ on April 18, 2023, and the permit will expire on April 18, 2028.
- Lift Station No. 1 Improvements
 - Mr. Lay reported that the project is currently advertising and Quiddity anticipates holding the bid opening on May 23, 2023.

- A copy of the final construction cost for the project is included in the Engineer's Report.
- Water Well No. 2 Induction Survey and Rework
 - Mr. Lay presented Pay Estimate No. 2 and Final in the amount of \$17,020 to the Board for review and approval and recommended payment of same.
- 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
 - Quiddity has completed a draft of the Bond Application Report for the District's Series 2023 Utility Bonds and has requested comments from the District's financial advisor and legal counsel.
- Sanitary Sewer Trunkline A and B Cleaning and Televising (NW 22 Project)
 - Quiddity received a letter from JNS Engineering regarding manhole repairs performed by H2O totaling \$642.84.
 - The District's share of the cost is \$487.31. Quiddity has reviewed the invoice and recommends payment of same.
- Water Well No. 3 Proposal (NW 22 Project)
 - JNS is currently evaluating sites for the water well.


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

Subsequently, the President of the Board called a closed session to order at 12:49 p.m. under Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease or value of real property. The closed session adjourned at 1:18 p.m. No action was taken.

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

[execution page follows]

PASSED, APPROVED and ADOPTED this 19th day of June, 2023.


Secretary, Board of Directors

(Seal)

