

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

August 21, 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, August 21, 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: 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 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.

RENEWAL OF DISTRICT'S INSURANCE

The Board next considered renewing the District's insurance and reviewed a renewal proposal from McDonald & Wessendorff Insurance, a copy of which is attached hereto as Exhibit "B." Following review and discussion and based on a motion by Director Johnston and seconded by Director Barton, the Board voted unanimously to accept the renewal proposal and renew the District's insurance with McDonald & Wessendorff Insurance.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who reviewed the TAC's Report and a list of delinquent tax accounts, copies of which are attached hereto as Exhibit "C." As of July 31, 2023, 94.9% 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 Barton, the Board voted unanimously to approve the TAC's Report and the action items therein.

BOOKKEEPER'S REPORT

The Board recognized Ms. Ferguson, 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 "D."

Following review and discussion and based on a motion by Director Tallas, which was seconded by Director Johnston, 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 meeting held on July 17, 2023, previously distributed to the Board. Upon a motion made by Director Tallas and seconded by Director Johnston, the Board voted unanimously to approve said minutes subject to revisions.

Adopt Amended and Restated Investment Policy

Consideration was then given to adopting an Amended and Restated Investment Policy. Ms. Kilgore reminded the Board that the Public Funds Investment Act requires the Board to adopt a written investment policy concerning the investment of its funds and funds under its control and to amend the same whenever the legislature makes changes. Upon a motion duly made by Director Tallas and seconded by Director Johnston, the Board voted unanimously to adopt an Amended and Restated Investment Policy, a copy of which is attached hereto as Exhibit "E".

OPERATOR'S REPORT

The Board recognized Mr. Wilhite, who presented the Operator's Report, a copy of which is attached hereto as Exhibit "F." Mr. Wilhite reported as follows:

- The District has a total of 91 connections;
- The combined billed consumption for the month was 21,995,351 gallons of water;
- There were no cut-offs; and
- Attached to the Operator's Report is a list of charges over \$500.

Mr. Wilhite stated that NFBWA has issued Stage 1 – Voluntary Drought Contingency Plan. After further discussion, the Board declined to issue notice for the District.

After discussion, upon a motion brought by Director Popper, seconded by Director Johnston, the Board voted unanimously to approve the Operator's Report.

FINANCIAL ADVISOR'S REPORT

The Board deferred action.

ENGINEER'S REPORT

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

- WWTP MCC & Blower Replacement
 - Mr. Lay presented for the Board's approval Pay Estimate No. 7 in the amount of \$204,869.70 to Sustanite Support Services, LLC and Change Order No. 1 in the amount of \$20,262.00 to Sustanite Support Services, LLC, and recommended approval of same.
- Lift Station No. 1 Improvements
 - Mr. Lay noted that the pre-construction meeting with McDonald Municipal and Industrial was held on August 3, 2023 and the Notice to Proceed was issued.
- Lead and Copper Rule Revisions (LCRR) Compliance
 - Quiddity plans to meet with the District Operator to discuss the field verification task.
- Bond Application Report No. 3
 - Mr. Lay reported Bond Application Report No. 3 was submitted to the TCEQ on July 14, 2023.
- Sanitary Sewer Trunkline A and B Manhole Rehabilitation Project
 - A copy of the manhole rehabilitation recommendations received from JNS and evaluated by Quiddity are attached as part of the Engineer's Report.

- A request for Funds Letter for NW21's share of the Design and Bid Phase Services in the amount of \$26,396.00 was received.
- Water Well No. 3 Proposal (NW 22 Project)
 - JNS continues to work on the alignment of the water well supply line with local agencies.


After further discussion, upon a motion brought by Director Tallas, seconded by Director Johnston 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 12:50 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 1:14 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 18th day of September, 2023.


Secretary, Board of Directors

(Seal)

