

MINUTES
NORTH FORT BEND WATER AUTHORITY

October 14, 2015

The Board of Directors (the "Board") of the North Fort Bend Water Authority (the "Authority") met in special session, open to the public, on the 14th day of October, 2015, at the offices of Brown & Gay Engineers, Inc., 10777 Westheimer, 3rd Floor, Houston, Texas, outside the boundaries of the Authority, and the roll was called of the members of the Board:

Peter Houghton	President
Robert Patton	Vice President
Melony Gay	Secretary
David Spell	Assistant Secretary
Robert Darden	Assistant Vice President
Bruce Fay	Assistant Secretary
Pat Hebert	Assistant Secretary

and all of the above were present, except Directors Spell and Darden, thus constituting a quorum.

Also present for all or part of the meeting were Renae Ely of Coats Rose PC; Dave Scholler, Charles Shumate, Matthew Froehlich, and Shayna Chapman of Brown & Gay Engineers, Inc.; Pam E. Lightbody of AVANTA Services; Dale Clayton of Severn Trent Services, Inc.; and David Oliver, Christina Miller, and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

INTERLOCAL COST SHARING AGREEMENT

Mr. Oliver and Ms. Miller reviewed with the Board a Cost Sharing Agreement for Northeast Transmission Line - Segment 1 between the Authority and the City of Houston (the "COH"). Mr. Scholler discussed negotiations with the COH regarding including the construction of the Northeast Transmission Line - Segment 1 in the Northeast Water Purification Plant Expansion project. Following review and discussion, Director Hebert moved to authorize execution of the Cost Sharing Agreement for Northeast Transmission Line - Segment 1, subject to review and approval by Director Gay. Director Patton seconded the motion, which was approved by unanimous vote.

SERIES 2015 WATER SYSTEM JUNIOR LIEN REVENUE BONDS

Mr. Oliver reviewed the procedures for issuing the Authority's \$8,670,000 Water System Junior Lien Revenue Bonds, Series 2015 ("Series 2015 Bonds") to receive subsidized funding from the State Water Implementation Revenue Fund for Texas

through a private placement issuance with the Texas Water Development Board. He also reviewed a maturity and interest rate schedule for the bonds provided by Terrell Palmer of First Southwest Company, the Authority's Financial Advisor. He stated that the closing date for the Authority's Series 2015 Bonds is scheduled for November 19, 2015. Following review and discussion, Director Gay moved to: (1) adopt a Resolution Authorizing the Issuance, Sale, and Delivery of the North Fort Bend Water Authority Water System Junior Lien Revenue Bonds, Series 2015; Approving the Form and Substance and Authorizing the Execution of a Fourth Supplemental Indenture of Trust Relating to Such Bonds; Authorizing and Ratifying Other Actions of the Authority; Making Certain Findings and Containing Other Provisions Related to the Subject; (2) authorize the Board of Directors to sign all documents relating to the bond sale and authorize the attorney and financial advisor to take all necessary action in connection with the issuance of the Authority's Series 2015 Bonds; (3) authorize execution of a Certificate Regarding Provision of Financial Advice; and (4) approve issuing a check to the Attorney General relating to bond issue transcript review. Director Hebert seconded the motion, which was approved by unanimous vote.

REALTY INTEREST ACQUISITION

There was no discussion regarding realty interest acquisition matters.

ASSIGNMENT OF LEGAL COUNSEL

Mr. Oliver reminded the Board that the Authority and the West Harris County Regional Water Authority (the "WHCRWA") jointly engaged Tom R. Barber for legal services regarding design-build delivery method contract matters related to the COH's Northeast Water Purification Plant expansion project. He reported that Mr. Barber is leaving Coats Rose PC and joining Munsch, Hardt, Kopf & Harr, PC. ("MHKH"). Director Patton reported that the Finance and Policy Committee discussed Mr. Barber's change in law firms and recommends that the Board continue its joint engagement of Mr. Barber with the WHCRWA at his new firm. Following review and discussion, Director Gay moved to authorize: (1) execution of a letter notifying Coats Rose PC of the Authority's decision to terminate representation by Coats Rose PC and continue with Mr. Barber's joint representation of the Authority and the WHCRWA for legal services regarding design-build delivery method contract matters related to the COH's Northeast Water Purification Plant expansion project; and (2) execution of a joint engagement letter with MHKH and the WHCRWA for such legal services. Director Fay seconded the motion, which was approved by unanimous vote, except for Director Houghton who was not present for the vote.

WATER CONSERVATION, REUSE, AND PUBLIC COMMUNICATION MATTERS

Ms. Chapman reviewed with the Board a proposal from DonDulin.com, LP for the design of a website to administer the irrigation permit initiative included in the Larry's Toolbox water conservation program in the amount of \$8,250.00 and hosting

services for the website in the amount of \$85.00 per month. Following review and discussion, Director Fay moved to authorize execution of the proposal from DonDulin.com, LP as presented. Director Gay seconded the motion, which was approved by unanimous vote, except for Director Houghton who was not present for the discussion or the vote.

Ms. Miller and Ms. Chapman reported on a presentation of the Larry's Toolbox water conservation program made on October 13, 2015.

CONVENE IN EXECUTIVE SESSION

The Board convened in executive session at 1:08 p.m., pursuant to Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease, or value of real property.

RECONVENE IN OPEN SESSION

At 1:18 p.m., the Board reconvened in open session. Director Gay moved to authorize a settlement offer for Parcel Nos. 19.01 and 19.01A as discussed. Director Hebert seconded the motion, which was approved by unanimous vote, except for Director Houghton who was not present for the executive session or vote.

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

(SEAL)




Secretary, Board of Directors