

MINUTES
NORTH FORT BEND WATER AUTHORITY

November 7, 2016

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 7th day of November, 2016, at the offices of BGE, Inc. ("BGE"), 10777 Westheimer, 3rd Floor, Lubbock Conference Room 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 Houghton and Fay, thus constituting a quorum.

Also present for all or part of the meeting were Anna Agnew of Cinco Municipal Utility District No. 7; Renae Ely of Coats Rose PC; Dan V. Jackson of Willdan Financial Services | Economists.com; Dave Scholler, Fred Bauhof, Lindsey Kovar, Matthew L. Froehlich, Shayna Chapman, and Janice Hayes of BGE; Pamela Logsdon and 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.

RATE STUDY PRESENTATION

Mr. Jackson gave a presentation entitled, "2016 Cost of Service Rate Study and Financial Forecast and reviewed recommended groundwater and surface water fees for the Authority through 2021. A copy of the presentation is attached. Mr. Jackson responded to questions from the Board and discussion ensued regarding the study.

BUDGET WORKSHOP FOR FISCAL YEAR END DECEMBER 31, 2017

The Board conducted a budget workshop for fiscal year ending December 31, 2017. Following discussion, the Board concurred to review the draft budget and conduct additional discussions on the budget during upcoming committee meetings.

REGIONAL PLANNING MATTERS

The Board discussed BGE's recommendation that the Authority construct a second pump station at the receiving point of the surface water supply plant to treat and re-pressurize the surface water to be received from the West Harris County Regional Water Authority (the "WHCRWA") via the Surface Water Supply Project. Mr. Scholler and Ms. Kovar responded to Board members' questions regarding BGE's recommendation and the options for receiving water from the WHCRWA if the pump station is not constructed. Following discussion, Director Gay moved to direct BGE to notify the WHCRWA that the Authority does not plan to construct a second pump station at this time and request that the WHCRWA provide the adequate amount of pressure and water quality necessary for the Authority to serve its constituents. Director Hebert seconded the motion, which was approved by unanimous vote. The Board concurred that the Authority's consultants should continue to move forward with the acquisition of property for the pump station and trimming facilities site.

EFFLUENT REUSE PROJECT

Ms. Miller reported on the status of the Authority's proposed Reclaimed Water Agreement with Fort Bend County Municipal Utility District Nos. 146 and 194. She stated that the Board of Directors for Fort Bend County Municipal Utility District No. 146 is anticipated to discuss the treatment of system operating costs and consider approval of the agreement at its November 9, 2016, Board of Directors meeting.

CONVENE IN EXECUTIVE SESSION

The Board did not convene in executive session.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
2016 Cost of Service Rate Study and Financial Forecast Presentation	1