

MINUTES
NORTH FORT BEND WATER AUTHORITY

August 5, 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 5th day of August, 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 Gay and Spell, thus constituting a quorum.

Also present for all or part of the meeting were Vinny Minchillo and Natalie Salhanick of Glass House Strategy, LLC ("GHS"); John D. Mischkot of JQ Engineering; Renae Ely of Coats Rose PC; Dave Scholler, Charles Shumate, Lindsay Kovar, and Shayna Chapman of Brown & Gay Engineers, Inc.; Pam E. Lightbody of AVANTA Services; Dale Clayton of Severn Trent Services, Inc.; and Christina Miller and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

STATE WATER IMPLEMENTATION REVENUE FUND FOR TEXAS ("SWIRFT")

Ms. Miller updated the Board on the procedures for issuing the Authority's Series 2015 Bonds, including entering into a Financing Agreement with the Texas Water Development Board ("TWDB") for financial assistance from SWIRFT. She reviewed a proposed schedule of October 14, 2015, for the sale date and November 19, 2015, for the closing date for the bonds. Discussion ensued regarding a proposed line of credit for the Authority.

WATER CONSERVATION, REUSE, AND PUBLIC COMMUNICATION MATTERS

Ms. Kovar discussed the Authority's proposed alternate water supply credit agreement with Fort Bend County Municipal Utility District No. 146 ("FB 146"). She reviewed and recommended approval of a proposal from DCS Engineering, LLC for preliminary engineering services for the Authority for the preliminary design of FB 146's proposed reclaimed water facilities in the amount of \$6,950.00. Following review

and discussion, Director Hebert moved to authorize execution of the proposal. Director Patton seconded the motion, which was approved by unanimous vote.

Ms. Kovar discussed correspondence from Fort Bend County Municipal Utility District No. 50 requesting the Board's consideration of including operations and maintenance costs in the Authority's alternative water credit included in its Over-Conversion Credit Policy. Discussion ensued.

Ms. Kovar discussed an Interlocal Agreement with the Fort Bend Subsidence District for the Authority's sponsorship of students for the Learning to be Water Wise Program. Following discussion, Director Darden moved to authorize execution of the agreement to provide for sponsorship of students in eligible area schools in an amount not to exceed \$125,000.00. Director Fay seconded the motion, which was approved by unanimous vote.

Ms. Kovar and the Board discussed recommendations for implementing proposed water conservation programs through development of a toolbox program containing water conservation initiatives and an incentivized rate to be made available to participants located within the Authority. Ms. Kovar stated that the program is anticipated to begin on January 1, 2016. She stated that invitations for meetings scheduled in October, 2015 to introduce the program will be sent to all of the municipal utility districts and homeowners associations located within the Authority at the end of August, 2015. Following discussion, the Board requested that Director Patton draft a cover letter regarding the water conservation toolbox program on behalf of the Board for distribution with the invitations. Following additional discussion, the Board directed ABHR to obtain a proposal for the performance of a rate analysis by Economists.com to assist with determining an appropriate incentive rate for the program. The Board additionally authorized GHS to develop proposed names for the program.

Ms. Kovar discussed a proposal from GHS for redesigning two inside walls and one outside side panel of the Authority's water conservation mobile teaching lab in the amount of \$5,000.00. Following discussion, Director Patton moved to approve the proposal from GHS. Director Hebert seconded the motion, which was approved by unanimous vote.

NOTICE OF PRELIMINARY 2016 FEES

Ms. Miller reminded the Board that a notice of the Authority's proposed Groundwater Reduction Plan Fee and Surface Water Fee for the next calendar year has been previously distributed prior to the end of August to assist municipal utility districts located within the Authority with developing their budgets for the next fiscal year. She stated that the schedule has been delayed by the finalization of the schedules for the City of Houston Northeast Water Purification Plant Expansion project and the Authority's application for financing from the TWDB.

CONVENE IN EXECUTIVE SESSION

The Board convened in executive session at 7:04 p.m., pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with attorney.

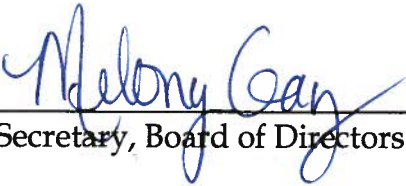
RECONVENE IN OPEN SESSION

At 7:29 p.m., the Board reconvened in open session. No action was taken.

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

(SEAL)




Secretary, Board of Directors