

**MINUTES OF REGULAR MEETING  
OF  
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY**

April 12, 2006

The Board of Directors of the West Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, on April 12, 2006, at 15300 Falmouth, Houston, Texas, inside the boundaries of the Authority, and the roll was called of the duly appointed members of the Authority to wit:

Dan Sallee	President
George L. Rush, Jr.	Vice President
Douglas (Cam) Postle	Secretary
Stacey L. Burnett	Assistant Vice President
Art Garden	Assistant Secretary
Larry Weppler	Director
Bruce Parker	Director
Karla Cannon	Director
Johnny Nelson	Director

and all of the above were present except Directors Postle and Nelson, thus constituting a quorum.

Also present at the meeting were: Erin Garcia of Myrtle Cruz, Inc.; Chris Wilson of ECO Resources, Inc. ("ECO"); Wayne Ahrens of Dannenbaum Engineering Corporation; and Alex Garcia and Linda Sotirake of Allen Boone Humphries Robinson LLP ("ABHR"). Also present at the meeting are those persons included on the attached list.

**MINUTES OF PREVIOUS MEETING**

The Board reviewed the minutes of the March 8, 2006, meeting. Following discussion, Director Rush moved that the minutes of the March 8, 2006, meeting be approved as submitted. This motion was seconded by Director Parker and passed by unanimous vote.

**RECEIVE QUESTIONS AND FEEDBACK FROM THE PUBLIC**

The Authority received no comments from the public.

**RECEIVE CUSTOMER APPEALS REGARDING PAYMENT, SERVICE, OR OTHER MATTERS**

There were no customer appeals regarding payment, service, or other matters.

## **BOOKKEEPER'S REPORT**

Ms. Garcia then presented the bookkeeper's report, the investment report, budget comparison, and submitted the bills for the Authority's review. She then presented check no. 2863 in the amount of \$607.50 payable to Karla Cannon for director expenses. Following discussion, Director Burnett moved that the Board approve the bookkeeper's report and the checks presented for payment. Director Garden seconded the motion, which carried by a vote of six for the motion with Director Weppler abstaining. The bookkeeper's report is attached as an exhibit to these minutes.

## **DISCUSS WEBSITE**

Ms. Payne reported that the Authority received approximately 62,000 hits for the month.

Ms. Payne reported that she met with the City of Houston (the "City") regarding the Houston Water Festival. She stated that the City requested use of the conversation trailer for the event. Ms. Payne stated that the cost to sponsor the program would be \$1,550. Following discussion, Director Burnett moved that the Board authorize sponsoring the water conservation program. Director Cannon seconded the motion, which carried unanimously.

Ms. Payne reported that she is working on a powerpoint presentation for the upcoming Region H meeting.

## **ENGINEER'S REPORT**

Mr. Ahrens presented an engineer's report, a copy of which is attached, and reviewed it with the Board.

Mr. Ahrens reviewed with the Board a monthly pumpage report. He pointed out that the pumpage is approximately 96% of that at this time last year.

Mr. Ahrens reported that the Texas Commission on Environmental Quality is still reviewing the draft monitoring plan.

Mr. Ahrens stated that he had nothing new to report regarding the Harris-Galveston Subsidence District ("HGSD"). He reported that a meeting is scheduled for April 18, 2006, to discuss early conversion credits.

Mr. Ahrens reviewed a letter from Pate Engineers, Inc. regarding the Authority's acquisition of an easement in Harris County Municipal Utility District No. 276.

Mr. Ahrens stated that the Annual Water Reuse Research Conference is scheduled for May 15-16, 2006, in Phoenix. Following discussion, Director Rush moved

that the Board authorize any interested Board members to attend the conference. Director Cannon seconded the motion, which carried unanimously.

Mr. Ahrens reviewed a letter from the City regarding the pumpage rates from the Jersey Village well field.

Mr. Ahrens reported that draft vulnerability assessments have been completed and submitted to the design committee.

Mr. Ahrens reported that a meeting was held on March 22, 2006, with the operators, directors and engineers of the districts that have converted or will convert to surface water in the near future.

### **DISCUSS STATUS OF CONSTRUCTION CONTRACT FOR CENTRAL CONTROL SYSTEM**

Mr. Ahrens updated the Board on the status of the construction of the central control and monitoring system. He stated that Prime Controls has been working on resolving issues with the SCADA system and making the modifications to the control panels at the plant sites as the contractors install the panels. Mr. Ahrens explained that the remaining work cannot be completed until each plant is converted.

### **DISCUSS REQUESTS FOR SURFACE WATER AVAILABILITY**

Mr. Garcia stated that no requests were received.

### **DISCUSS PURCHASE OF HGSD CONVERSION CREDITS**

Mr. Ahrens reported that 358 kits have been purchased.

### **DISCUSS STATUS OF WATER LINE PROJECT TO COPPERFIELD AREA DISTRICTS**

Mr. Ahrens reported that Contracts 1, 2, and 4 are substantially complete and delivering water or able to deliver water when the districts are able to receive the water.

Mr. Ahrens reported that Contracts 7B, 8, and 9 are in the process of obtaining agency signatures. He stated that Contract 7A is on hold pending acquisition of certain easements and Contract 12A is on schedule. Mr. Ahrens then reported that Contract 9 would be advertised for bids on April 14, 2006, Contract 8 would be advertised for bids on April 28, 2006, and Contract 7B would be advertised for bids on May 12, 2006.

Mr. Ahrens reported that the contractor for Contracts 3 and 6 was terminated on January 18, 2006, and that the surety received bids for completion of the projects. Mr. Garcia then reviewed with the Board the Tender Agreements. Following discussion, Director Burnett moved that the Board approve the Tender Agreements, subject to final

review by the District's attorney and the design committee. Director Cannon seconded the motion, which carried unanimously.

### **DISCUSS STATUS OF WATER LINE PROJECT TO HORSEPEN BAYOU MUNICIPAL UTILITY DISTRICT**

Mr. Ahrens updated the Board on the status of the water line project to Horsepen Bayou Municipal Utility District. He recommended approval of Pay Estimate No. 15 and Final in the amount of 97,215.84 submitted by Texas Sterling. Mr. Ahrens then recommended that the Board accept the project. Director Weppler moved that the Board approve Pay Estimate No. 15 and Final in the amount of \$97,215.84, and based upon Mr. Ahren's recommendation, accept the project, subject to approval by the Authority's engineer and the design committee. Director Parker seconded the motion, which carried unanimously.

### **APPROVE SERVICE CONTRACT WITH ONE CALL SYSTEMS**

Mr. Garcia reviewed with the Board the Service Contract with One Call Systems (the "Agreement"). Following discussion, Director Parker moved that the Board approve the Agreement. Director Burnett seconded the motion, which carried unanimously.

### **DISCUSS WATER SUPPLY CONTRACT WITH CITY OF HOUSTON**

Mr. Ahrens reported that the quarterly Advisory Committee meeting was held on March 30, 2006. Mr. Garcia reported that the City approved the Authority's request for reservation of 10 million gallons per day of additional water capacity.

### **DISCUSS APPROVING ENGINEERING SERVICES CONTRACTS**

Mr. Ahrens reviewed with the Board addendums from Weisser Engineering Co. for additional easement surveys in the amount of \$100,000.00, Lockwood, Andrews & Newnam, Inc. for utility investigation in the amount of \$1,936.00, and Huitt-Zollars, Inc. for addition of the facilities to serve Harris County Municipal Utility District No. 250 in the amount of \$25,120.00. Following discussion, Director Rush moved that the Board approve the addendums from Weisser Engineering Co. for additional easement surveys in the amount of \$100,000.00, Lockwood, Andrews & Newnam, Inc. for utility investigation in the amount of \$1,936.00, and Huitt-Zollars, Inc. for addition of the facilities to serve Harris County Municipal Utility District No. 250 in the amount of \$25,120.00. Director Burnett seconded the motion, which carried unanimously.

Mr. Ahrens discussed the contract with V&A Consulting Engineers, Inc. ("V&A") for Cathodic Protection System Maintenance in the amount of \$52,414.00 and a revised rate schedule for DEC's contract. Following review and discussion, Director

Wepler moved that the Board approve the V&A contract and the revised DEC rate schedule. Director Cannon seconded the motion, which carried unanimously.

### **REVIEW BIDS AND AWARD CONTRACT FOR CONTRACT 10**

The Board reviewed a bid tabulation for Contract 10. Mr. Ahrens recommended that the Board accept the low bid in the amount of \$5,601,790 submitted by Triple B Services, L.L.P. The Board concurred that award of a contract to Triple B Services, L.L.P. will be most advantageous to the Authority and will result in the best and most economical completion of the Authority's facilities. After discussion, Director Parker moved that the Board accept the low bid in the amount of \$5,601,790 submitted by Triple B Services, L.L.P. for Contract 10, and that the Board award a contract to said contractor, subject to review of the payment and performance bonds by the District's attorney. Director Rush seconded the motion, which carried by unanimous vote.

### **OPERATOR'S REPORT**

Mr. Wilson reported on Authority water delivery matters.

### **UPDATE ON STATUS OF GROUNDWATER REDUCTION PLAN**

Mr. Ahrens reported that there are five new wells and that the revised list has been forwarded to the Harris-Galveston Subsidence District.

### **ACCEPT REALTY INTERESTS IN CONNECTION WITH WATER LINE PROJECTS**

The Board discussed acquisition of water line easements from Harris County Municipal Utility District No. 70, Land Tejas Development Northpointe, LLC, 5.1 Highway Six, L.P., Cypress-Fairbanks Independent School District, N & D Corp. and water line and water meter easements from Jackrabbit Road Public Utility District. Following discussion, Director Rush moved that the Board authorize acceptance of the easements. Director Garden seconded the motion, which carried unanimously.

### **ADOPT RESOLUTIONS AUTHORIZING CONDEMNATION**

The Board considered adopting Resolutions Authorizing Condemnation for water line easements. Following discussion, Director Rush moved that the Board adopt the Resolutions. Director Cannon seconded the motion, which carried unanimously. The Resolutions, thus adopted, are attached to and shall be considered part of these minutes.

### **RECEIVE UPDATE REGARDING REAL ESTATE, DESIGN, FINANCE, AND COMMUNICATIONS COMMITTEES**

Mr. Garcia reported that the finance committee and design committee have been meeting.

**RECEIVE UPDATE ON OPERATOR ADVISORY COUNCIL MEETINGS**

Mr. Garcia reported that the operator advisory council has not yet met.

**DISCUSS ALTERNATING MEETING PLACES**

The Board discussed alternating meeting places between 15300 Falmouth and ABHR or DEC. Discussion ensued regarding alternating meeting places. Director Rush moved that the Board authorize alternating meeting places. Director Garden seconded the motion, which failed by a vote of 3 for the motion and 4 against the motion, with Directors Burnett, Rush and Garden voting for the motion and Directors Weppeler, Sallee, Cannon and Parker voting against the motion.

**DISCUSS REGION H WATER PLANNING GROUP**

Mr. Ahrens reported that Region H has requested that the Authority make a presentation on May 3, 2006.

**ADOPT RESOLUTION AUTHORIZING CAPITAL ADVANCE AND REIMBURSEMENT PROCEDURE**

Mr. Garcia reviewed with the Board the Resolution Authorizing Capital Advance and Reimbursement Procedure ("Resolution"). Mr. Garcia explained that the notices would be sent to the districts/municipalities and the districts/municipalities would have until July 12, 2006, to declare if they desired to participate in financing the capital costs set forth in the Resolution. He further explained that the districts/municipalities would have until June 1, 2007, to provide the funds. He stated that the share of capital costs for each district/municipality would be based on the 2005 water usage information provided in the district/municipality reporting forms. Following discussion, Director Burnett moved that the Board approve the Resolution. Director Parker seconded the motion, which carried unanimously. The Resolution, thus adopted, is attached to and shall be considered part of these minutes.

**ATTORNEY'S REPORT**

Mr. Garcia stated that he had nothing additional to report.

There being no further matters to come before the Authority, the meeting was adjourned.

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Secretary, Board of Directors

(SEAL)



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