

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

May 10, 2006

The Board of Directors of the West Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, on May 10, 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 Director Nelson, thus constituting a quorum.

Also present at the meeting were: Erin Garcia of Myrtle Cruz, Inc.; Rick Van Dyke of ECO Resources, Inc. ("ECO"); Wayne Ahrens of Dannenbaum Engineering Corporation; and Jim Boone 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 April 12, 2006, meeting. Following discussion, Director Garden moved that the minutes of the April 12, 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. 2900 in the amount of \$3,780.00 payable to the Houston Business Journal for advertising, check no. 2901 in the amount of \$3,655.24 payable to Gorrola Reprographics, Inc. for bid sets of plans and check no. 2902 in the amount of \$303.75 payable to Karla Cannon for director expenses. Following discussion, Director Garden moved that the Board approve the bookkeeper's report and the checks presented for payment. Director Rush seconded the motion, which carried by a vote of six for the motion with Directors Weppler and Postle abstaining. The bookkeeper's report is attached as an exhibit to these minutes.

Ms. Garcia then requested approval of a wire transfer in the amount of \$30,209,828 to the City of Houston ("City") for the Treated Water Facilities payment for the 10 million gallons per day ("MGD") reservation and a wire transfer in the amount of \$3,164,446.88 to the City for the Untreated Water Facilities payment for 4.5 MGD of the Authority's initial 18.25 MGD amount. Following discussion, Director Parker moved that the Board approve the wire transfers. Director Cannon seconded the motion, which carried unanimously.

## **DISCUSS WEBSITE**

Ms. Payne reported that the Authority received approximately 77,000 hits for the month.

Ms. Payne reported that the Houston Water Festival is scheduled for tomorrow and that the conservation trailer and printed materials would be used for the event.

Ms. Payne also discussed the water conservation coloring book. Following discussion, Director Rush moved that the Board authorize expenditures related to purchasing the water conservation coloring book, subject to final review by the communications committee. Director Cannon seconded the motion, which carried unanimously.

Ms. Payne presented the Watermark Award from the American Water Works Association.

## **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 121% 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 reported that a meeting was held on April 18, 2006 with the Harris-Galveston Subsidence District ("HGSD") to discuss early conversion credits. He stated that formal requests for over conversion credits were submitted to the HGSD for Hearthstone Country Club and Harris County Municipal Utility District No. 179.

Mr. Ahrens stated that the Public Drinking Water Conference is scheduled for August 15-16, 2006, in Austin and the Texas Water Conservation Association Conference is scheduled for June 7-9, 2006, in Horseshoe Bay, Texas.

Mr. Ahrens reviewed an email from Ron Neighbors regarding small individual wells in neighborhoods.

Mr. Ahrens reported that the One Call Contract has been completed and that a response procedure is being developed.

Mr. Ahrens then reported that the water reuse study is in progress.

Mr. Ahrens reported that the development of the GIS database has been initiated.

Mr. Ahrens stated that revised population projections are being evaluated and new flow projections will be prepared.

Mr. Ahrens reported that requests for reimbursement from Horsepen Bayou Municipal Utility District and Harris County Municipal Utility District No. 179 have been received.

Mr. Ahrens stated that letters have been sent to all districts to be served by Contract 10 to remind them of the completion date for district facilities.

### **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.

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

Mr. Boone stated that no requests were received.

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

Mr. Ahrens reported that 517 kits for the schools have been purchased and 314 kits have been purchased from West Harris County Municipal Utility District No. 2.

## **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 Contract 8 was advertised for bids on May 5, 2006. 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 was advertised for bids on April 14, 2006 and bids were received on May 9, 2006 and Contract 7B would be advertised for bids on May 19, 2006.

Mr. Ahrens reported that the Tender Agreements for Contracts 3 and 6 have been finalized and that Notice to Proceed was given on May 8, 2006.

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

Mr. Ahrens reported that the water line project to Horsepen Bayou Municipal Utility District has been completed except for several minor issues, which should be completed by the end of May.

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

Mr. Boone stated that he had nothing new to report regarding the water supply contract with the City of Houston.

## **DISCUSS APPROVING ENGINEERING SERVICES CONTRACTS**

Mr. Ahrens discussed the contract with V&A Consulting Engineers, Inc. ("V&A") for Cathodic Protection System Maintenance for Contract 14A in the amount of \$31,455.00. Following review and discussion, Director Rush moved that the Board approve the V&A contract. Director Burnett seconded the motion, which carried unanimously.

## **OPERATOR'S REPORT**

Mr. Van Dyke presented copies of the operator's report and reviewed it with the Board, a copy of which is attached.

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

Mr. Ahrens stated that he had nothing new to report regarding the groundwater reduction plan.

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

The Board discussed acquisition of water line easements from Harris County Municipal Utility District No. 102, Cortinas, Kalra, Lowery, Festival Properties, The Paddock Joint Venture, the City of Houston and encroachment agreements from Gulf South and Williams Pipeline. Following discussion, Director Postle moved that the Board authorize acceptance of the easements and approve the encroachment agreements. Director Cannon seconded the motion, which carried unanimously.

## **ADOPT RESOLUTIONS AUTHORIZING CONDEMNATION**

The Board considered adopting Resolutions Authorizing Condemnation for water line easements. Following discussion, Director Garden moved that the Board adopt the Resolutions. Director Parker 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**

Director Burnett reported that the finance committee would be meeting on May 22, 2006.

## **RECEIVE UPDATE ON OPERATOR ADVISORY COUNCIL MEETINGS**

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

## **DISCUSS ANY DELINQUENT RATE PAYER(S)**

Mr. Ahrens reported that the 2005 pumpage numbers have been received from the HGSD and have been forwarded to the Authority's bookkeeper.

## **DISCUSS REGION H WATER PLANNING GROUP**

Mr. Ahrens reported that the Authority made a presentation on May 3, 2006, which provided background on the Authority and the status of the Authority and future projections.

**DISCUSS OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS**

Mr. Boone reviewed with the Board the memorandum regarding the Ethics-Open Meetings prepared by ABHR, a copy of which is attached. He pointed out that if a director was appointed to the Board after January 1, 2006, the director has 90 days to receive the training. Mr. Boone further pointed out that if a Board member took office prior to January 1, 2006, then they would have until December 31, 2006, to receive the training.

**ATTORNEY'S REPORT**

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

**OTHER MATTERS**

Director Sallee introduced Malcolm Beckendorff who would be replacing Director Nelson.

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

---

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
bookkeeper's report.....	2
engineer's report .....	2
operator's report.....	4
Resolutions Authorizing Condemnation .....	5
memorandum.....	6