

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

May 9, 2007

The Board of Directors of the West Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, on May 9, 2007, 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
Malcolm Beckendorff	Director

and all of the above were present except Directors Rush and Weppler, 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 ("DEC"); 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 11, 2007, meeting. Following discussion, Director Beckendorff moved that the minutes of the April 11, 2007, meeting be approved as submitted. The motion was seconded by Director Parker and passed by unanimous vote.

**REVIEW AND APPROVE AUDIT REPORT FOR FISCAL YEAR ENDED
DECEMBER 31, 2006**

Ms. Gibson distributed and reviewed a draft of the audit report for the fiscal year ended December 31, 2006. Following discussion, Director Burnett moved that the Board approve the audit report for the fiscal year ended December 31, 2006 subject to final review. Director Beckendorff seconded the motion, which carried unanimously.

RECEIVE QUESTIONS AND FEEDBACK FROM THE PUBLIC

The Board received no questions from the public.

RECEIVE CUSTOMER APPEALS REGARDING PAYMENT, SERVICE, OR OTHER MATTERS

The Board did not receive any customer appeals.

BOOKKEEPER'S REPORT

Ms. Garcia then presented the bookkeeper's report, the investment report, a budget comparison, and submitted the bills for the Authority's review. She then presented check no. 3542 in the amount of \$11,081.40 payable to Kinder Morgan for inspection services and check no. 3543 in the amount of \$646.07 payable to Barbara Payne for promotional items regarding conservation for the Water Festival. Following discussion, Director Parker moved that the Board approve the bookkeeper's report and the checks presented for payment. Director Burnett seconded the motion, which carried by a vote of six for the motion with Director Postle abstaining. The bookkeeper's report is attached as an exhibit to these minutes.

DISCUSS WEBSITE

Ms. Payne reported that the mobile lab would be participating in the City of Houston (the "City") Water Festival this year. She stated that the City would be purchasing 1,000 copies of the water conservation book. Ms. Payne also stated that the Authority would be a sponsor of the Water Festival.

Ms. Payne then reported that Cypress-Fairbanks Independent School District has requested the mobile lab for six weeks in the fall and additional conservation books.

Ms. Payne reported that Carter & Burgess, Inc., and ECO Resources, Inc. have become sponsors for the conservation book. She then reported that the North Fort Bend Water Authority would provide the conservation books for the Katy Independent School District in the fall.

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 for 2007 through March is approximately 92.8% of that for last year at this date.

Mr. Ahrens then reported that the Authority received correspondence from TCB on behalf of Harris County Municipal Utility District No. 163 transmitting the revised calculations for the chloramines system per the TCEQ's request.

Mr. Ahrens then reported that correspondence was received from Terra Associates informing the Authority that Harris County Municipal Utility District No. 257 has received approval of the chloramine conversion project and will advertise for bids on May 10, 2007.

Mr. Ahrens reported that the Harris-Galveston Subsidence District is currently reviewing water usage back-up or support data from Harris County Municipal Utility District Nos. 162, 179, 188, 208, Horsepen Bayou Municipal Utility District, Spencer Road Public Utility District, and Hearthstone Country Club.

Mr. Ahrens reported that alternative alignments that could potentially be shared with the North Harris County Regional Water Authority and the North Fort Bend Water Authority are being entered into the Authority's water model.

Mr. Ahrens reported that DEC is updating the data into the Texas One Call System to include the Authority's transmission mains recently constructed.

Mr. Ahrens reported that DEC is conducting an investigation of the purchase of certain City surplus water facilities.

Mr. Ahrens reported that work is continuing to expand the GIS system by adding easement acquisitions, wells within the Authority, and encroachment projects.

Mr. Ahrens then reported that DEC is continuing coordination with the districts that would be receiving water by 2010.

DISCUSS REQUESTS FOR SURFACE WATER AVAILABILITY

The Board took no action on this matter.

APPROVE WATER SUPPLY AGREEMENT

The Board took no action on this matter.

DISCUSS PURCHASE OF HGSD CONVERSION CREDITS

Ms. Garcia reported that 615 kits have been purchased.

DISCUSS STATUS OF WATER LINE PROJECT TO COPPERFIELD AREA DISTRICTS

Mr. Ahrens stated that Contract 7B (Huff & Mitchell) is working on the installation of the 36-inch pipe along the Harris County Flood Control District near

West Little York, Contract 8 (Bearden Contracting) is working on hydrostatic testing, disinfection, and restoration, Contract 9 (C.E. Barker, Ltd.) has completed disinfection and has clean surface water to Harris County Municipal Utility District No. 144, Contract 10 (Triple B Services, L.L.P.) has clean surface water to Harris County Municipal Utility District Nos. 173, 264, and 70, Contract 12A (D.L. Elliott Enterprises) is disinfecting the water lines and should have clean surface water to Barker-Cypress water plants nos. 2 and 3, Contract 14A (Huff & Mitchell) is installing the 24-inch water main along the Kinder Morgan easement at West Road, Contract 13A (Reliance Construction) will have clean surface water to Harris County Municipal Utility District No. 149 this week, and pump station no. 1 (T&C Construction) is working on the installation of underground power to the building foundations. He then recommended approval of Pay Estimate No. 10 in the amount of \$363,917.83 for Contract 8, Pay Estimate No. 3 in the amount of \$455,060.93 for Contract 13A, Pay Estimate No. 8 in the amount of \$129,138.75 for Contract 12A, Pay Estimate No. 10 in the amount of \$11,985.70 for Contract 9, Pay Estimate No. 7 in the amount of \$203,995.26 for Contract 7B, Pay Estimate No. 2 in the amount of \$193,790.00 for Contract 14A, and Pay Estimate No. 10 in the amount of \$692,550.00 for pump station no. 1. Upon a motion made by Director Parker and seconded by Director Burnett, the Board voted to approve the above mentioned pay estimates.

APPROVE REIMBURSEMENT TO DISTRICTS FOR SURFACE WATER CONVERSION COSTS

The Board took no action on this matter.

DISCUSS WATER SUPPLY CONTRACT WITH CITY OF HOUSTON

Mr. Ahrens reported that the City Advisory Committee meeting was held on April 30, 2007.

DISCUSS APPROVING ENGINEERING SERVICES CONTRACTS

Mr. Ahrens reported that Klotz Associates, Inc., the engineer for Contract 7A and 18, expects to submit 50% plans for review on April 13, 2007, Brown & Gay, the engineer for Contract 14B, submitted 75% plans for review on May 2, 2007, Edminster, Hinshaw, Russ and Associates, the engineer for Contract 15A, is expected to submit 50% plans by May 21, 2007 and Huitt-Zollars submitted plans for Contracts 13B, C, and D.

Mr. Ahrens reported that Notices to Proceed were issued for Contract 11 on May 3, 2007, Contract 12B on April 16, 2007, and Contract 17A on May 3, 2007.

Mr. Ahrens discussed the contract with V&A Consulting Engineers, Inc. ("V&A") for Cathodic Protection System Maintenance for Contract 11 in the amount of \$29,280.00 and Contract 17A in the amount of \$27,516.00. Following review and

discussion, Director Cannon moved that the Board approve the V&A contract. Director Parker seconded the motion, which carried unanimously.

DISCUSS CAPITAL IMPROVEMENTS PLAN

Mr. Ahrens then reported that the CIP is being updated to reflect the latest population and water demand projections.

DISCUSS AGREEMENT FOR MODIFICATIONS TO SCADA SYSTEM REGARDING CONNECTIONS TO WATER PLANTS

Mr. Ahrens recommended that the Board approve the Agreement with Prime Controls for modifications to the SCADA system. Following discussion, Director Parker moved that the Board approve the Agreement for modifications to the SCADA system, subject to final review by Director Sallee. Director Beckendorff 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 Langham Creek Utility District, Jerry Argovitz, Remington Municipal Utility District No. 1, Harris County Municipal Utility District No. 127, and Brenwood Park Civic Improvement Association, Inc. Following discussion, Director Postle moved that the Board authorize acceptance of the easements. Director Cannon seconded the motion, which carried unanimously.

ADOPT RESOLUTION AUTHORIZING CONDEMNATION

The Board took no action on this matter.

DISCUSS CAPITAL ADVANCE REIMBURSEMENT PROCEDURE

Mr. Boone reported that West Park Municipal Utility District would be participating in the cash call sent out by the Authority in December, 2006.

DISCUSS REGION H WATER PLANNING GROUP

Mr. Ahrens stated that he had nothing new to report.

ADOPT RESOLUTION ESTABLISHING COMMITTEES OF THE BOARD OF DIRECTORS

The Authority considered adopting a Resolution Establishing Committees of the Board of Directors. Mr. Boone pointed out that the Resolution establishes the directors who comprise the real estate, communications, design and finance committees. After discussion, Director Parker moved that the Authority adopt the Resolution Establishing Committees of the Board of Directors. The motion was seconded by Director Burnett and carried by unanimous vote. The Resolution, thus adopted, is attached to and shall be considered as part of these minutes.

ATTORNEY'S REPORT

Mr. Boone reviewed with the Board certain legislative bills

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

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

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