

MINUTES  
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

February 13, 2019

The Board of Directors (the "Board") of the West Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, on the 13th day of February, 2019, at the Fry Road Municipal Utility District Administration Building, 20111 Saums Road, Katy, Texas 77449, inside the boundaries of the Authority, and the roll was called of the members of the Board:

Bruce Parker	President
Larry Weppler	Vice President
Douglas (Cam) Postle	Secretary
Gary Struzick	Assistant Vice President
Eric Hansen	Assistant Secretary
Mark Janneck	Director
Michael Thornhill	Director
Michael Owens	Director
Dennis Gorden	Director

and all of the above were present, except Director Hansen, thus constituting a quorum.

Also present at the meeting were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Wayne Ahrens and Melinda Silva of Dannenbaum Engineering Corporation ("DEC"); Erin Garcia of Myrtle Cruz, Inc.; Alia Vinson, Sanjay Bapat and Linda Sotirake of Allen Boone Humphries Robinson LLP ("ABHR"). Also present at the meeting were those persons included on the attached list.

MINUTES OF PREVIOUS MEETING

The Board reviewed the minutes of the January 9, 2019, meeting. Following discussion, Director Struzick moved to approve the minutes of the January 9, 2019, minutes as submitted. The motion was seconded by Director Gorden and passed by unanimous vote.

QUESTIONS, FEEDBACK FROM THE PUBLIC

Director Parker requested that any questions or comments be presented during the "questions, feedback from the public" agenda item. A member of the public inquired about an item on the Operator's Report and Ms. Vinson stated that it would be discussed under Item 21 of the agenda.

## CUSTOMER APPEALS

No appeals were presented.

## TOWNHALL MEETINGS, WEBSITE, WATER CONSERVATION PROGRAM AND TRAILERS, ATTENDANCE AT CONFERENCES AND MEMBERSHIP IN ORGANIZATIONS, NEWSLETTERS AND MAILOUTS

Mr. Ahrens reported that Ms. Payne stated that the waterworks newsletter has been mailed to residents in the Authority. He also reported that Ms. Payne is working on a series of new water conservation brochures.

Ms. Vinson then discussed the Texas Water Conference to be held April 2-5, 2019 in Houston Texas. Following discussion, Director Gorden moved to authorize any interested board members to attend the Texas Water Conference. Director Struzick seconded the motion, which carried unanimously.

## ENGINEERING MATTERS

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

Ms. Silva reviewed with the Board a monthly pumpage report. She pointed out that the pumpage for 2018 through December is approximately 98.7% of the previous year at this date. Ms. Silva reported that approximately 16.05 million gallons per day ("MGD") of surface water was purchased from the City of Houston (the "City") during January, 2019.

Ms. Silva reported that the contractor outreach meeting was held on January 31, 2019. She stated that the request for qualifications for construction of the Surface Water Supply Project water line projects was discussed.

## REQUESTS FOR SURFACE WATER CONVERSION

There was no discussion on this matter.

## REIMBURSEMENTS TO UTILITY DISTRICTS

The Board considered authorizing reimbursement to Westlake Municipal Utility District ("Westlake") in the amount of \$6,098.40 for the Texas Commission on Environmental Quality's required flushing of their water well no. 2. Following discussion, Director Weppler moved to approve payment of the reimbursement. Director Gorden seconded the motion, which carried unanimously.

JOINT WATER LINE PROJECTS

Ms. Silva reported on an upcoming Joint Facilities Committee meeting.

GROUNDWATER REDUCTION PLAN ("GRP"); AGREEMENT REGARDING CREDITS FOR ALTERNATIVE WATER SUPPLY USE

There was no discussion on this matter.

AUTHORITY CONSTRUCTION PROJECTS AND CONTRACTS, INCLUDING AWARD CONSTRUCTION CONTRACTS, AUTHORIZE NEGOTIATION OF CONSTRUCTION CONTRACTS, APPROVE CHANGE ORDERS AND PAY ESTIMATES, ACCEPT PROJECTS, AND AUTHORIZE ANY NECESSARY TERMINATION

Ms. Silva then reported on the status of the automated meter reading system and the Surface Water Supply Project Segment A clearing contract.

Ms. Silva recommended approval of Pay Estimate No. 8 in the amount of \$251,882.37 to Accurate Utility Supply, LLC, for the automated meter reading system and Pay Estimate No. 1 in the amount of \$26,959.50 to Hawkins Lease Service, Inc. for the Surface Water Supply Project Segment A clearing contract. Upon a motion made by Director Postle and seconded by Director Wepler, the Board voted unanimously to approve the above mentioned pay estimates, as recommended.

CITY WATER SUPPLY CONTRACT AND SUPPLEMENTS THERETO, INCLUDING AMENDMENTS THERETO, CHARGES FOR OPERATION AND MAINTENANCE EXPENSES, AND CASH CALL, NORTHEAST WATER PLANT EXPANSION, LUCE BAYOU, AND NORTHEAST TRANSMISSION LINE

There was no discussion on this matter.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS, AND APPRAISAL SERVICES, INCLUDING APPROVAL OF CONTRACTS FOR SERVICES, WORK AUTHORIZATIONS, CHANGE ORDERS, AMENDMENTS TO AND ASSIGNMENTS OF CONTRACTS, TERMINATIONS, AND LEGAL CONFLICTS WAIVER

Ms. Silva then reported that RPS Consultants, the engineer for Contract 36, received comments from the Texas Water Development Board ("TWDB") and is modifying the documents accordingly. She also reported that DEC submitted the variance request to the Harris County Flood Control District ("HCFCD") and that informal variance request approval has been received from the City.

Ms. Silva then reported that Sander Engineering Corporation, the engineer for Contract 37, received comments from the TWDB and is modifying the documents accordingly. She also reported that DEC submitted the variance request to the HCFCD and that informal variance request approval has been received from the City.

Ms. Silva also reported that Jones & Carter, Inc., the engineer for Contract 38, received comments from the TWDB and is modifying the documents accordingly. She also reported that informal variance request approval has been received from the City. She reported that DEC is coordinating with the HCFCD regarding the required detention basin project at Dinner Creek.

Ms. Silva then reported that IDS Engineering Group, Inc., the engineer for Contract 50, is prepared to proceed with alternative alignment and additional survey.

Ms. Silva also reported that KIT Professionals, Inc. is performing data analysis for the additional groundwater sampling sites.

Ms. Silva reported that AECOM Technical Services, Inc., the engineer for Segment A of the Surface Water Supply Project, is working to combine western, central, and eastern portions of design into one design package for 90% submittal. She also reported that AECOM is waiting on access, clearing and grubbing and geotechnical information for the eastern portion of their alignment.

Ms. Silva also reported that Black & Veatch, the engineer for Segment B of the Surface Water Supply Project, is working on submittal of 100% design plans west of I-45 and 60% drawings for the long tunnel east of I-45. She then reported that Black & Veatch is waiting on geotechnical information.

Ms. Silva then reported that Freese and Nichols, the engineer for Segment C of the Surface Water Supply Project, is working on submittal of 100% design plans.

Ms. Silva also reported that Freese and Nichols, the engineer on the RePump Station, is working on submittal of 90% design plans.

Ms. Silva reported that AECOM Technical Services, Inc., the engineer on the Central Pump Station, is working on submittal of 90% design plans.

Ms. Silva then reported that Mbroh Engineering, Inc., the engineer for the wide area network, fiber optic, and incidental electrical design services, is coordinating with water line and pump station consultants.

Director Parker reported that the Design Committee recommends that the Board authorize negotiating the engineering design services agreement for Contract 32 with EHRA, Inc. Following discussion, Director Owens moved to select EHRA, Inc., as the design engineer for Contract 32 and authorize negotiating an engineering design

services agreement for Contract 32 with EHRA, Inc. Director Struzick seconded the motion, which carried by a vote of seven for the motion with Director Postle abstaining.

The Board then considered approving a Master Services Agreement for migratory bird nest surveys for the North-South Second Source Surface Water Supply Project with Blanton & Associates, Addendum No. 2 to the contract with AECOM Technical Services, Inc. to provide engineering services in connection with the Central Pump Station, Addendum No. 3 to the contract with IDS Engineering Group, Inc. to provide engineering services for the proposed rerouted alignment, Addendum No. 7 to Black & Veatch Corp. to modify the scope of services to include addressing alignment adjustment at West Little York and Hollister detention pond rerouting, and Addendum No. 8 to the contract with JLL Valuation & Advisory Services, LLC to provide appraisal services. Following review and discussion, Director Struzick moved to approve the Master Services Agreement with Blanton & Associates, subject to final review, and the above-described addenda. Director Gorden seconded the motion, which carried by a vote of six for the motion with Directors Wepler and Postle abstaining.

The Board then considered the following work authorizations: (1) Work Authorization No. 2 to V&A Consulting Engineers, Inc. in the amount of \$20,290.00; (2) Work Authorization No. 3 to V&A Consulting Engineers, Inc. in the amount of \$20,290.00; (3) Work Authorization No. 4 to V&A Consulting Engineers, Inc. in the amount of \$20,290.00; (4) Work Authorization No. 5 to V&A Consulting Engineers, Inc. in the amount of \$20,290.00; (5) Work Authorization No. 6 to V&A Consulting Engineers, Inc. in the amount of \$20,290.00; (6) Work Authorization No. 7 to V&A Consulting Engineers, Inc. in the amount of \$20,290.00; (7) Work Authorization No. 8 to V&A Consulting Engineers, Inc. in the amount of \$152,901.00; (8) Work Authorization No. 11 to Kuo & Associates, Inc. in the amount of \$450.00; (9) Work Authorization No. 12 to Kuo & Associates, Inc. in the amount of \$12,230.00; (10) Work Authorization No. 77 to Weisser Engineering Company, Inc. in the amount of \$1,415.00; (11) Work Authorization No. 72 to Luper, LLC in the amount of \$6,620.00; (12) Work Authorization No. 84 to Luper, LLC in the amount of \$18,500.00; (13) Work Authorization No. 85 to Luper, LLC in the amount of \$6,300.00; (14) Work Authorization No. 18 to McKim & Creed, Inc. in the amount of \$21,231.00; (15) Work Authorization No. 101 to Abstract Services of Houston in the amount of \$9,000.00; (16) Work Authorization No. 119 to Rapid Research, Inc. in the amount of \$450.00; (17) Work Authorization No. 120 to Rapid Research, Inc. in the amount of \$50.00; (18) Work Authorization No. 121 to Rapid Research, Inc. in the amount of \$200.00; (19) Supplement No. 1 to Work Authorization No. 36 to JLL Valuation & Advisory Services, LLC to amend the maximum amount payable under Work Authorization No. 36 and the termination date from July 31, 2018, to December 31, 2019; (20) Work Authorization No. 57 to JLL Valuation & Advisory Services, LLC in the amount of \$18,000.00; (21) Work Authorization No. 58 to JLL Valuation & Advisory Services, LLC in the amount of \$21,000.00; (22) Work Authorization No. 59 to JLL Valuation & Advisory Services, LLC

in the amount of \$52,000.00; and (23) Work Authorization No. 1 to Blanton & Associates, Inc. in the amount of \$80,000.00, subject to final review. Following review and discussion, Director Wepler moved to approve the above-described work authorizations. Director Struzick seconded the motion, which carried by a vote of seven for the motion with Director Postle abstaining.

#### ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

There was no discussion on this matter.

#### REALTY INTEREST ACQUISITION AND CONVEYANCE, INCLUDING ACCEPT, CONVEY, AMEND, APPROVE, OR RELEASE EASEMENTS, EASEMENT AGREEMENTS, ASSIGNMENTS OF EASEMENTS, DEEDS, PLATS, RIGHT OF ENTRY AGREEMENTS, APPROVE PURCHASE AND SALE AGREEMENTS

Ms. Silva noted that the Chief Administrative Official, Director Postle, has been designated to approve easements and the list of approved easements is reflected on the engineer's report.

#### AUTHORIZE PREPARATION OF GROUNDWATER PUMPAGE REPORT DUE TO HGSD UNDER SECTION 6.2(B) OF SUBSIDENCE DISTRICT RULES

The Board considered authorizing preparation of the annual groundwater pumpage report due to the HGSD under Section 6.2(b) of Subsidence District Rules. Following discussion, Director Thornhill moved to authorize preparation of the groundwater pumpage report due to the HGSD under Section 6.2(b) of Subsidence District Rules. Director Owens seconded the motion, which carried unanimously.

#### ENCROACHMENTS OF EASEMENTS OR OTHER REALTY INTERESTS, INCLUDING ACCEPT, CONVEY, AMEND, OR RELEASE ENCROACHMENT AGREEMENTS

There was no discussion on this matter.

#### TEXAS WATER DEVELOPMENT BOARD FUNDING, INCLUDING APPLICATIONS AND FINANCING AGREEMENTS

There was no discussion on this matter.

#### FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF BILLS, REVIEW OF INVESTMENTS, AND AUTHORITY FEES AND CHARGES

Ms. Garcia reviewed the bookkeeper's report, a budget comparison, and the disbursements in the bookkeeper's report submitted for the Authority's review. She

then reviewed check no. 2057 in the amount of \$26,959.50 payable to Hawkins Lease Service, Inc., check no. 2058 in the amount of \$15,402.25 payable to Terracon, and check no. 10431 in the amount of \$331.97 payable to Badger Meter, which replaces voided check no. 10429. Following review and discussion, Director Owens moved to approve the bookkeeper's report, the disbursements reflected in the bookkeeper's report, and check nos. 2057, 2058, and 10431. Director Janneck seconded the motion, which carried by a vote of five for the motion with Directors Weppler, Thornhill, and Postle abstaining.

DELINQUENT AMOUNTS DUE THE AUTHORITY AND VIOLATIONS OF AUTHORITY RULES OR ORDERS; IMPOSE CIVIL PENALTIES AND APPROVE PAYMENT PLAN OR SETTLEMENT AGREEMENTS; CONDUCT HEARING REGARDING SAME

There was no discussion on this matter.

OPERATOR'S REPORT

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

Mr. Thomas requested that the Board authorize SGS to collect additional water quality samples at Pump Station No. 1 at an estimated cost of \$1,176.50. Following discussion, Director Struzick moved to authorize SGS to collect additional water quality samples at Pump Station No. 1. Director Gorden seconded the motion, which carried unanimously.

Mr. Thomas reported that the TCEQ sent a notice of violation in error for scheduled sampling that was conducted in November, 2018. He stated that Inframark re-sent the data and no further action is required.

INSURANCE PROPOSAL FOR CYBER LIABILITY COVERAGE

The Board reviewed the insurance proposal for cyber liability coverage from McDonald & Wessendorff. Following review and discussion, Director Postle moved to accept the short term coverage of the cyber liability coverage proposal from McDonald & Wessendorff. Director Struzick seconded the motion, which carried by a vote of seven for the motion, with Director Thornhill abstaining.

CONVENE EXECUTIVE SESSION TO DISCUSS THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY AND CONSULTATION WITH ATTORNEY REGARDING ANY PENDING OR CONTEMPLATED LITIGATION OR SETTLEMENT OFFERS

The Board did not convene in executive session.

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

(SEAL)

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Secretary, Board of Directors



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