

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

April 10, 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 10th day of April, 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 Directors Parker and 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 March 13, 2019, meeting. Following discussion, Director Postle moved to approve the minutes of the March 13, 2019, minutes as submitted. The motion was seconded by Director Owens and passed by unanimous vote.

QUESTIONS, FEEDBACK FROM THE PUBLIC

Director Weppler requested that any questions or comments be presented during the "questions, feedback from the public" agenda item.

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 took the mobile teaching lab to the Katy Independent School District Folk Life Festival on April 6, 2019.

Mr. Ahrens then reported that Ms. Payne stated that the mobile teaching lab that the Authority leases from the North Harris County Water Authority has been refurbished.

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 2019 through February is approximately 97.8% of the previous year at this date. Ms. Silva reported that approximately 18.84 million gallons per day ("MGD") of surface water was purchased from the City of Houston (the "City") during March, 2019.

REQUESTS FOR SURFACE WATER CONVERSION

There was no discussion on this matter.

WATER SUPPLY COMMITMENT LETTER AGREEMENTS

There was no discussion on this matter.

REIMBURSEMENTS TO UTILITY DISTRICTS

There was no discussion on this matter.

JOINT WATER LINE PROJECTS

There was no discussion on this matter.

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

There was no discussion on this matter.

HARRIS-GALVESTON SUBSIDENCE DISTRICT

There was no discussion on this matter.

AUTHORITY CONSTRUCTION PROJECTS AND CONTRACTS, INCLUDING PRE-QUALIFICATION OF CONTRACTORS, 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 Change Order No. 2 to the contract with Accurate Utility Supply, LLC for the automated meter reading system to increase the contract in the amount of \$43,354.70. The Board determined that Change Order No. 2 is beneficial to the Authority. After review and discussion, Director Struzick moved to approve Change Order No. 2 in the amount of \$43,354.70 as an increase to the contract with Accurate Utility Supply, LLC, based upon the Board's finding that the Change Order is beneficial to the Authority and the engineer's recommendation. Director Thornhill seconded the motion, which passed by unanimous vote.

Ms. Silva reported that the request for pre-qualification applications for contractors to bid on the Surface Water Supply Project Segments A, B, and C, was posted on CivCastusa.com on March 1, 2019, and noted that responses are due no later than April 12, 2019.

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

Ms. Silva and Ms. Vinson discussed Cash Call No. 8A received from the City of Houston in the amount of \$38,634.00 for additional legal services for the Northeast Water Purification Plant Expansion Project ("NEWPP"). Following discussion, Director Postle moved to authorize paying Cash Call No. 8A. Director Struzick seconded the motion, which carried unanimously.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS AND CRISIS MANAGEMENT, 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 reported that EHRA, the engineer for Contract 32, is expected to submit a draft design proposal on April 19, 2019.

Ms. Silva reported that KIT Professionals, Inc., the engineer for Contract 35, is working on agency signatures and submittal of 100% design plans.

Ms. Silva then reported that RPS Consultants, the engineer for Contract 36, is working on agency signatures and submittal of 100% design plans.

Ms. Silva then reported that Sander Engineering Corporation, the engineer for Contract 37, is working on agency signatures and submittal of 100% design plans.

Ms. Silva also reported that Jones & Carter, Inc., the engineer for Contract 38, has obtained City of Houston signatures and is working on submittal of 100% design plans.

Ms. Silva then reported that IDS Engineering Group, Inc., the engineer for Contract 50, is working on submittal of 90% design plans.

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

Ms. Silva reported that AECOM Technical Services, Inc., the engineer for Segment A of the Surface Water Supply Project, 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 submitted 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. She also reported that Mbroh Engineering, Inc. is coordinating with Freese and Nichols to complete Segment C design plans.

Ms. Silva also reported that Half Associates, Inc., the engineer for Kinder Morgan 1, submitted 30% design plans.

Ms. Silva reported that IDS Engineering Group, Inc., the engineer for Kinder Morgan 2, is working on submittal of 30% design plans.

Ms. Silva then reported that Garver, the engineer for Kinder Morgan 3, is working on submittal of 30% design plans.

Ms. Silva also reported that Lockwood, Andrews & Newnam, Inc., the engineer for Kinder Morgan 4, is working on submittal of 30% design plans.

Ms. Silva reported that Jones & Carter, Inc., the engineer for Kinder Morgan 5, is working on submittal of 30% design plans.

Ms. Silva also reported that Black & Veatch Corporation, the engineer for Kinder Morgan 6, is working on submittal of 30% design plans.

Ms. Silva then reported that Binkley & Barfield, Inc., the engineer for Segment 3 A1, is working on submittal of 30% design plans.

Ms. Silva reported that Kimley-Horn & Associates, Inc., the engineer for Segment 3 A2, is working on submittal of 30% design plans.

Ms. Silva also reported that Freese & Nichols, Inc., the engineer for Segment 3 A3, is working on submittal of 30% design plans.

Ms. Silva then reported that Costello, Inc., the engineer for Segment 3 A4, submitted 30% design plans.

Ms. Silva reported that Huitt-Zollars, Inc., the engineer for Segment 3 A5, is working on submittal of 30% design plans.

Ms. Silva also reported that BGE, Inc., the engineer for Segment 3 B1, is working on submittal of 30% design plans.

Ms. Silva then reported that EHRA, the engineer for Kinder Morgan Segment 7, is working on submittal of 10% design plans.

The Board then considered approving Addendum No. 5 to the contract with Jones & Carter, Inc. to provide professional surveying services. Following review and discussion, Director Owens moved to approve the above described addendum. Director Struzick seconded the motion, which carried by a vote of five for the motion with Directors Wepper and Postle abstaining.

The Board then considered approving Addendum No. 10 to the contract with Terracon Consultants, Inc. to provide professional environmental services. Following review and discussion, Director Postle moved to approve the above described addendum. Director Gorden seconded the motion, which carried unanimously.

The Board then considered approving an Addendum to the Master Services Agreement with Arch Aerial, LLC to modify the terms related to proprietary technology. Following review and discussion, Director Gorden moved to approve the above described addendum. Director Postle seconded the motion, which carried unanimously.

The Board then considered the following work authorizations: (1) Work Authorization No. 123 to Rapid Research, Inc. in the amount of \$550.00; (2) Work Authorization No. 124 to Rapid Research, Inc. in the amount of \$100.00; (3) Work Authorization No. 125 to Rapid Research, Inc. in the amount of \$100.00; (4) Work Authorization No. 86 to Luper, LLC in the amount of \$5,000.00; (5) Work Authorization No. 87 to Luper, LLC in the amount of \$6,550.00; (6) Work Authorization No. 88 to Luper, LLC in the amount of \$5,100.00; and (7) Work Authorization No. 60 to JLL Valuation & Advisory Services, LLC in the amount of \$7,500.00. Following review and discussion, Director Owens moved to approve the above-described work authorizations. Director Struzick seconded the motion, which carried by a vote of six 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, AND APPROVE INTERLOCAL AGREEMENTS WITH HARRIS COUNTY AND HARRIS COUNTY FLOOD CONTROL DISTRICT

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.

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. 2130 in the amount of \$62,499.00 payable to North Star Title Company and Samuel Johnson et ux Ella Johnson, check no. 2131 in the amount of \$15,247.00 payable to Richard Barbour and Julie Bohland, and check no. 10505 in the amount of \$17,600.00 payable to McCall Gibson Swedlund Barfoot PLLC. Ms. Garcia then pointed out the wire in the amount \$38,634.00 to the City for Cash Call No. 8A. Following review and discussion, Director Gorden moved to approve the bookkeeper's report, the disbursements reflected in the bookkeeper's report, and check nos. 2130, 2131, and 10505. Director Janneck seconded the motion, which carried by a vote of five for the motion with Directors Weppler 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.

APPROVE ENGAGEMENT LETTER WITH WILLDAN FINANCIAL SERVICES

The Board considered approving an engagement letter with Willdan Financial Services. Following review and discussion, Director Postle moved to approve the engagement letter with Willdan Financial Services. Director Owens seconded the motion, which carried unanimously.

APPROVE ENGAGEMENT LETTER WITH WHITLEY PENN LLP

The Board considered approving an engagement letter with Whitley Penn LLP, to provide supplemental accounting services. Following review and discussion,

Director Postle moved to approve the engagement letter with Whitley Penn LLP. Director Owens seconded the motion, which carried unanimously.

OPERATION OF AUTHORITY FACILITIES, BILLINGS, REPAIRS, INSPECTIONS, MAINTENANCE, CATHODIC PROTECTION, AUTOMATIC METER READING, RIGHT OF WAY MAINTENANCE, AND WATER SUPPLY ISSUES, INCLUDING APPROVAL OF CONTRACTS FOR SUCH WORK, CHANGE ORDERS, WORK AUTHORIZATIONS, AMENDMENTS TO AND ASSIGNMENTS OF CONTRACTS, AND TERMINATIONS

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 North Side Electric Motors, a subcontractor of Inframark, to repair booster pump no. 5, in an amount not to exceed \$24,000.00. Following discussion, Director Struzick moved to authorize North Side Electric Motors, a subcontractor of Inframark, to repair booster pump no. 5, in an amount not to exceed \$24,000.00. Director Postle seconded the motion, which carried unanimously.

ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Ms. Vinson stated that the Texas Commission on Environmental Quality rules require that the District review and adopt an Amended and Restated Drought Contingency Plan by May 1, 2019. She reviewed an Amended and Restated Drought Contingency Plan with the Board. After review and discussion, Director Janneck moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District's official records. Director Thornhill seconded the motion, which passed by unanimous vote.

REVIEW WATER CONSERVATION PLAN; APPROVE ANNUAL REPORT AND WATER CONSERVATION IMPLEMENTATION REPORT; ADOPT ORDER ADOPTING AMENDED AND RESTATED WATER CONSERVATION PLAN

The Board considered approving the Water Conservation Plan annual report and the Five-Year Implementation Report on the Water Conservation Plan. After review and discussion, Director Struzick moved to: (i) approve the Water Conservation Annual Report and Five-Year Implementation Report, direct that the reports be filed appropriately and retained in the District's official records, and authorize submission of the reports to the appropriate government agencies, subject to final review by the Authority's president or vice president; and (ii) adopt an Order

Adopting Amended and Restated Water Conservation Plan, direct that the Order be filed appropriately and retained in the District's official records, and authorize submission of the Amended and Restated Water Conservation Plan to the appropriate government agencies, subject to final review by the Authority's president or vice president. Director Janneck seconded the motion, which passed by unanimous vote.

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)

Secretary, Board of Directors

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