

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

May 8, 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 8th day of May, 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:

Vacant	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, 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.; Barbara Payne of Payne Communications & Associates; 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.

Director Weppler reported that Director Bruce Parker passed away. He then suggested a moment of silence in memory of Bruce Parker and his years of service to the Authority.

MINUTES OF PREVIOUS MEETING

The Board reviewed the minutes of the April 10, 2019, meeting. Following discussion, Director Postle moved to approve the minutes of the April 10, 2019, meeting, as submitted. The motion was seconded by Director Struzick and passed by unanimous vote.

REORGANIZE THE BOARD OF DIRECTORS AND ELECT OFFICERS

The Board considered reorganizing the Board of Directors. Following discussion, Director Weppler moved to reorganize the Board as follows:

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

Director Owens seconded the motion, which passed by unanimous vote.

AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board next considered approving a District Registration Form for Board Members of Water Districts and Authorities in Texas. Ms. Vinson explained that the Registration Form would be filed with the Texas Commission on Environmental Quality to record the organization of the Board. After discussion, Director Weppler moved to authorize filing of the District Registration Form. Director Owens seconded the motion, which was approved by unanimous vote.

QUESTIONS, FEEDBACK FROM THE PUBLIC

In response to a question from Mr. Jay Singleton regarding the decreased percentage of surface water that Harris County Municipal Utility District No. 136 received last summer, Mr. Thomas stated the supply of surface water to the districts decreases during peak usage. Mr. Ahrens stated that as the Authority supplies more districts with surface water, the Authority will be required to further decrease the amount supplied during peak usage periods, until additional surface water supplies are available when the Northeast Water Purification Plant expansion is completed.

RESOLUTION ADOPTING RULES FOR APPOINTMENT PROCESS FOR PRECINCT 2 DIRECTOR

The Board considered a Resolution Adopting Rules for Appointment Process for Precinct 2 Director (“Resolution”). Following review and discussion, Director Weppler moved to adopt the Resolution. Director Janneck seconded the motion, which carried unanimously.

REVIEW AND APPROVE AUDIT REPORT FOR FISCAL YEAR END DECEMBER 31, 2018

Ms. Gibson reviewed a draft of the audit report for the fiscal year end December 31, 2018. Following review and discussion, Director Struzick moved to approve the

audit report for the fiscal year end December 31, 2018, subject to final review. Director Thornhill seconded the motion, which carried unanimously.

CUSTOMER APPEALS

Mr. Ridisi indicated that the Authority is in the process of acquiring a water line easement from him, and requested that the Authority relocate the water line. Ms. Vinson stated that the water line easement acquisition referenced is in condemnation proceedings and told Mr. Ridisi that his attorney would need to discuss this matter with the Authority's condemnation attorney.

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

Ms. Payne reported that she took the mobile teaching lab to the Katy Independent School District Folk Life Festival on April 6, 2019.

Ms. Payne then reported that she is working on the fall forum PowerPoint.

Ms. Payne reported that the mobile teaching lab that the Authority leases from the North Harris County Water Authority has been refurbished. She stated that "Miss Water Lady" will be traveling with the mobile teaching lab.

Ms. Payne also reported that donations from various entities covered the costs of the conservation materials for the fall and spring school semesters.

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 March is approximately 97.8% of the previous year at this date. Ms. Silva reported that approximately 22.17 million gallons per day ("MGD") of surface water was purchased from the City of Houston (the "City") during April, 2019.

Ms. Silva reported that a representative from DEC attended the Coastal Water Authority meeting today. She noted that the Caper's Ridge Pump Station site is flooded again.

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 Pay Estimate No. 10 in the amount of \$74,126.88 to Accurate Utility Supply, LLC, for the automated meter reading system and Pay Estimate No. 3 in the amount of \$52,744.77 to Hawkins Lease Service, Inc. for the Surface Water Supply Project Segment A clearing contract. Upon a motion made by Director Weppler and seconded by Director Struzick, 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

Director Hansen updated the Board on the status of the Northeast Water Purification Plant Expansion Project.

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, submitted a revised design proposal and DEC has provided comments.

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, is working on agency signatures and submittal of 100% design plans.

Ms. Silva then reported that IDS Engineering Group, Inc., the engineer for Contract 50, submitted 90% design plans. She stated that DEC will provide comments to IDS Engineering Group, Inc. by May 9, 2019.

Ms. Silva then reported that EHRA, the engineer for Kinder Morgan Segment 7, is working on submittal of 30% design plans.

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.

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, submitted 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 Halff Associates, Inc., the engineer for Kinder Morgan 1, submitted 30% design plans and is working on submittal of 60% 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, submitted 30% design plans.

Ms. Silva also reported that Lockwood, Andrews & Newnam, Inc., the engineer for Kinder Morgan 4, submitted 30% design plans and is working on submittal of 60% 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, submitted 30% design plans and is working on submittal of 60% design plans.

Ms. Silva then reported that Costello, Inc., the engineer for Segment 3 A4, submitted 30% design plans and is working on submittal of 60% design plans.

Ms. Silva reported that Huitt-Zollars, Inc., the engineer for Segment 3 A5, submitted 30% design plans.

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

The Board then considered approving an agreement with Cherry Demolition Company to demolish a structure located at 5057 Highway 6 North and Addendum No. 3 to the contract with AECOM Technical Services, Inc. to provide professional engineering services in connection with the Central Pump Station. Following review and discussion, Director Weppler moved to approve an agreement with Cherry Demolition Company and Addendum No. 3 to the contract with AECOM Technical Services, Inc. Director Thornhill seconded the motion, which carried by a vote of seven for the motion, with Director Postle abstaining.

The Board then considered the following work authorizations: (1) Work Authorization No. 2 to AECOM Technical Services, Inc. in the amount of \$30,000.00; (2) Work Authorization No. 1 to Freese and Nichols, Inc. in an amount not to exceed \$30,000.00; (3) Supplement No. 1 to Work Authorization No. 27 to Terracon Consultants, Inc. to amend the termination date to October 31, 2019; (4) Supplement No. 1 to Work Authorization No. 28 to Terracon Consultants, Inc. to amend the termination date to October 31, 2019; (5) Work Authorization No. 14 to Jones & Carter, Inc. in the amount of \$89,996.00; (6) Work Authorization No. 12 to S & V Surveying, Inc. in the amount of \$2,681.00; (7) Work Authorization No. 89 to Lupher, LLC in the amount of \$6,200.00; (8) Work Authorization No. 90 to Lupher, LLC in the amount of \$11,000.00; (9) Work Authorization No. 91 to Lupher, LLC in the amount \$1,100.00; (10) Supplement No. 1 to Work Authorization No. 32 to Lupher, LLC to amend the termination date to December 31, 2019; (11) Work Authorization No. 61 to JLL Valuation & Advisory Services, LLC in the amount of \$4,000.00; (12) Work Authorization No. 126 to Rapid Research, Inc. in the amount of \$200.00; and (13) Work Authorization No. 1 to Arch Aerial LLC in the amount of \$3,788.75. Following review and discussion, Director Owens moved to approve the above-described work authorizations. Director Gorden seconded the motion, which carried by a vote of six for the motion, with Directors Weppler and Postle abstaining.

LEGAL CONFLICTS WAIVERS

Ms. Vinson reviewed a legal conflicts waiver regarding representation of the Authority and Horsepen Bayou Municipal Utility District regarding the preparation and review of an amendment to easement. Following review and discussion, Director Weppler moved to approve the legal conflicts waivers. Director Janneck seconded the motion, which carried unanimously.

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

The Board considered authorizing execution of encroachment agreements with (i) Houston Pipe Line Company for Contract 38, (ii) Transcontinental Gas Pipe Line Company, LLC for Segment C, and (iii) Williams Pipe Line Company for Segment C. Following discussion, Director Gorden moved to authorize delegating the Authority's President or Vice President to approve and execute the encroachment agreements with (i) Houston Pipe Line Company for Contract 38, (ii) Transcontinental Gas Pipe Line Company, LLC for Segment C, and (iii) Williams Pipe Line Company for Segment C, subject to final review. Director Postle seconded the motion, which carried unanimously.

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. 2171 in the amount of \$250.00 payable to Bruce K. Watkins, check no. 2172 in the amount of \$250.00 payable to Alice J. Rekeweg, check no. 2173 in the amount of \$18,000.00 payable to Diane Trautman, Harris County Clerk, check no. 2174 in the amount of \$40,000.00 payable to R. Ahuja Management, Inc., check no. 2175 in the amount of \$250.00 payable to Daniel D. Louie, and check no. 2176 in the amount of \$20,757.50 payable to Mbroh Engineering, Inc. Following review and discussion, Director Janneck moved to approve the bookkeeper's report, the disbursements reflected in the bookkeeper's report, and check nos. 2171, 2172, 2173, 2174, 2175 and

2176. Director Struzick seconded the motion, which carried by a vote of six 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.

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 reviewed a proposal from Inframark, to replace the 2-inch bleach fill line in the amount of \$4,950.24. Following discussion, Director Weppler moved to approve the proposal. Director Gorden seconded the motion, which carried unanimously.

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES

The Board considered the critical load spreadsheet for the Authority's facilities. Following review and discussion, and upon a motion made by Director Janneck and seconded by Director Thornhill, the Board voted unanimously to authorize filing of the critical load spreadsheet.

INSURANCE MATTERS, INCLUDING ADOPT RESOLUTION REGARDING WORKERS' COMPENSATION

The Board considered adopting a Resolution Regarding Workers' Compensation. Following review and discussion, Director Owens moved to adopt the Resolution Regarding Workers' Compensation. Director Janneck seconded the motion, which carried unanimously.

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

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
list of persons present at the May 8, 2019, meeting.....	1
engineer's report	3
bookkeeper's report	9
operator's report.....	9