

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

April 8, 2020

The Board of Directors (the "Board") of the West Harris County Regional Water Authority (the "Authority") met in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's directive suspending certain provisions of the Texas Open Meetings Act dated March 16, 2020, on the 8th day of April, 2020, and the roll was called of the members of the Board being present by telephone:

Eric Hansen	President
Larry Wepler	Vice President
Douglas (Cam) Postle	Secretary
Gary Struzick	Assistant Vice President
Michael Thornhill	Assistant Secretary
Mark Janneck	Director
Michael Owens	Director
Dennis Gorden	Director
John "Jay" Wheeler	Director

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

Also attending the teleconference were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Wayne Ahrens and Melinda Silva of Dannenbaum Engineering Corp.; Erin Garcia of Myrtle Cruz, Inc.; Alia Vinson, Sanjay Bapat, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR"). Also attending the teleconference were members of the public who dialed in via the teleconference number posted in the duly posted notice of the meeting.

Mr. Bapat reviewed certain recommended protocols for conducting the Authority's meeting via teleconference. He announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at www.districtdirectory.org/agendapackets/whcrwa.

PUBLIC COMMENT

Mr. Bapat offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Hansen moved to the next agenda item.

MINUTES OF PREVIOUS MEETING

The Board reviewed the minutes of the March 11, 2020, meeting. Following discussion, Director Gorden moved to approve the minutes of March 11, 2020, meeting, as submitted. The motion was seconded by Director Wheeler. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

UPDATE ON COVID-19 EPIDEMIC EMERGENCY AND CONSIDER OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC

Director Hansen reported that in response to Governor Abbott's disaster declaration dated March 13, 2020, authorizing political subdivisions of the State of Texas to use all available resources to facilitate and expedite the use and deployment of District resources to enhance preparedness and response to the novel coronavirus (COVID-19), the Authority has declared an emergency within the Authority for the duration of this declared disaster and for the limited purposes authorized by Governor Abbott. He stated that a notice regarding the impact of COVID-19 on drinking water has been posted to the Authority's website.

CUSTOMER APPEALS

No appeals were presented.

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

There was no discussion on this matter.

ENGINEERING MATTERS

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

Ms. Silva reviewed with the Board a monthly pumpage report. She pointed out that the pumpage for 2020 through March is approximately 110.7% of the previous year at this date. Ms. Silva reported that approximately 21.47 million gallons per day ("MGD") of surface water was purchased from the City of Houston during March, 2020.

REQUESTS FOR SURFACE WATER CONVERSION

There was no discussion on this matter.

WATER TRUNKLINE FINANCING AGREEMENTS AND 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, SUBSIDENCE DISTRICT AND GROUNDWATER REDUCTION REGULATIONS, WELL PERMITS, PURCHASE AND SALE OF CONSERVATION/GROUNDWATER CREDITS, AUTHORITY REQUIREMENTS FOR CONVERSION TO SURFACE WATER AND CHLORAMINES DISINFECTION AND AGREEMENTS REGARDING CREDITS FOR ALTERNATIVE WATER SUPPLY USE

Ms. Silva reported that DEC submitted the annual permit reconciliation process report to the Harris-Galveston Subsidence District.

Ms. Silva then reported that Sun Lake Improvement District is a new district in Precinct 4.

Ms. Silva also reported that Memorial Municipal Utility District has received a permit to drill a new well.

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

Ms. Silva reported on the status of the automated meter reading system, the Surface Water Supply Project Segment A clearing contract, Contract 38, Contract 35, the Contract for Segment 3-A4, and the analyzer replacement package for Pump Station No. 1.

Ms. Silva recommended approval of Pay Estimate No. 15 in the amount of \$86,509.85 to Accurate Utility Supply, LLC for the automated meter reading system, Pay Estimate No. 10 in the amount of \$31,500 to Hawkins Lease Services, Inc. for the Surface Water Supply Project Segment A clearing contract, approval of Pay Estimate No. 5 in the amount of \$720,723.60 to Main Lane Industries, Ltd., for Contract 38, Pay Estimate No. 3 in the amount of \$825,309.00 to Main Lane Industries, Ltd., for Contract 35, and Pay Estimate No. 2 in the amount of \$255,661.20 to Garney Companies for Contract S3-

A4. Following review and discussion, Director Struzick made a motion to approve the above-mentioned pay estimates, as recommended. Director Wepler seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting “yea.”

CITY OF HOUSTON WATER SUPPLY CONTRACT AND SUPPLEMENTS THERETO, INCLUDING AMENDMENTS THERETO, CHARGES FOR OPERATION AND MAINTENANCE EXPENSES, AND CASH CALLS, NORTHEAST WATER PLANT (“NEWPP”) EXPANSION, LUCE BAYOU, AND NORTHEAST TRANSMISSION LINE

Director Hansen reported on the status of the NEWPP Expansion Project and stated that the project is considered a critical infrastructure project by the City of Houston during the declared disaster and is moving forward.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS AND CRISIS MANAGEMENT, WEBSITE, OPERATING SERVICES, 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 the Authority received bids for Contract 36. She stated that the Authority’s design engineer, RPS Consultants, recommended that the Board award the contract to Persons Services Corp. (“Persons”), in the amount of \$5,154,400.00.—The Board concurred that, in its judgment, Persons was a responsible bidder who would be most advantageous to the Authority and would result in the best and most economical completion of the project. Following review and discussion, Director Wheeler moved to award Contract 36 to Persons in the amount of \$5,154,400.00, based on the engineer’s recommendation and subject to approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor and approval of the contract from the Texas Water Development Board. Director Wepler seconded the motion. A roll call of the Board was taken and the motion carried by a vote of eight for the motion with Director Postle abstaining.

Ms. Silva reported a preconstruction meeting for Contract 37 was held March 25, 2020.

Ms. Silva then reported that IDS Engineering Group, Inc., the engineer for Contract 50, is working on City of Houston signatures.

Ms. Silva reported that EHRA, the engineer for Kinder Morgan 7, submitted 60% design plans.

Ms. Silva also reported that EHRA, the engineer for Contract 32, submitted 60% design plans.

Ms. Silva reported that the Authority received bids for the Segment A casing project. She stated that the Authority's design engineer, AECOM Technical Services, Inc., recommended that the Board award the contract to Garney Construction ("Garney") in the amount of \$1,596,856.35. The Board concurred that, in its judgment, Garney was a responsible bidder who would be most advantageous to the Authority and would result in the best and most economical completion of the project. Following review and discussion, Director Wheeler moved to award the Segment A casing project to Garney in the amount of \$1,596,856.35, based on the engineer's recommendation and subject to approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Weppler seconded the motion. A roll call of the Board was taken and the motion carried by a vote of eight for the motion with Director Postle abstaining.

Ms. Silva reported that AECOM Technical Services, Inc., is working on submittal of 90% design plans the remainder of the Segment A project.

Ms. Silva also reported that Black & Veatch, the engineer of the Surface Water Supply Project, submitted plans to Harris County for Segments B1/B2 and B3 and is working on submittal of 100% design plans. She noted a variance for Segments B1/B2 and a Slope Stability Analysis Report has been submitted to Harris County Flood Control District.

Ms. Silva then reported that Freese & Nichols, the engineer for the Segment C of the Surface Water Supply Project, is working to schedule an appointment to obtain new CenterPoint Energy signatures.

Ms. Silva also reported that Freese & Nichols, the engineer on the RePump Station, is evaluating options to meet the new floodplain criteria.

Ms. Silva reported that AECOM Technical Services, Inc., the engineer on the Central Pump Station, received comments on 100% 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 working on Segment B valve stations. She also reported that Segment C and the Central Pump Station have been completed.

Ms. Silva also reported that Halff Associates, Inc., the engineer for Kinder Morgan 1, submitted 90% design plans.

Ms. Silva reported that IDS Engineering Group, Inc., the engineer for Kinder Morgan 2, submitted 90% design plans.

Ms. Silva then reported that Garver, the engineer for Kinder Morgan 3, received comments on the 90% design plans and is working on submittal of 100% design plans.

Ms. Silva also reported that Lockwood, Andrews & Newnam, Inc., the engineer for Kinder Morgan 4, submitted design plans to the agencies and is working on submittal of 100% design plans.

Ms. Silva reported that Jones & Carter, Inc., the engineer for Kinder Morgan 5, received comments on 90% design and is working on submittal of 100% design plans.

Ms. Silva also reported that Black & Veatch Corporation, the engineer for Kinder Morgan 6, is working on submittal of 90% design plans.

Ms. Silva then reported that Binkley & Barfield, Inc., the engineer for Segment 3-A1, received comments on 90% design plans and is working on submittal of 100% design plans.

Ms. Silva reported that Kimley-Horn & Associates, Inc., the engineer for Segment 3-A2, received comments on submittal of 90% design plans.

Ms. Silva also reported that Freese & Nichols, Inc., the engineer for Segment 3-A3, is working on submittal of 100% design plans.

Ms. Silva reported that Huitt-Zollars, Inc., the engineer for Segment 3-A5, received comments on 90% design plans and is working on submittal of 100% design plans.

Ms. Silva also reported that BGE, Inc., the engineer for Segment 3-B1, is working on submittal of 90% design plans. She stated that DEC is preparing the variance package for right-of-way alignment along the Harris County Flood Control District channel.

The Board then considered approving the following: (1) a Master Service Agreement with Gratia Geomatics, LLC for surveying services in the amount of \$50,000; (2) Addendum No. 2 to the contract with Klotz Associates, dba RPS Consultants for Contract 36 to increase the basic design services fee in the amount of \$23,140.51; (3) Addendum No. 2 to the contract with Sander Engineering Corporation for Contract 37 to decrease the basic design services fee in the amount of \$18,948.83; (4) Addendum No. 8 to the Master Services Agreement with Crouch Environmental Services, Inc., for communication and outreach services to increase the work authorization from \$1,100,000 to \$1,300,000; and (5) Addendum No. 8 to the contract with Black & Veatch Corporation, in the amount of \$301,600.00 to address contract time extension for Segment B. Following review and construction, Director Struzick moved to approve the above-described agreement and addenda. Director Gorden seconded the motion. A

roll call of the Board was taken and the motion carried by a vote of seven for the motion with Directors Postle and Wepler abstaining.

The Board then considered the following work authorizations: (1) Work Authorization No. 11 to Crouch Environmental Services, Inc., in the amount of \$200,000; (2) Work Authorization No. 41 to Hawkins Lease Service, Inc. in the amount of \$365,258.00; (3) Work Authorization No. 6 to BGE, Inc., in the amount of \$5,500.00; (4) Work Authorization No. 18 to Jones & Carter, Inc., in the amount of \$23,934.00; (5) Work Authorization No. 17 to Jones & Carter, Inc., in the amount of \$2,523.00; (6) Work Authorization No. 119 to Lupher, LLC in the amount of \$7,400.00; (7) Work Authorization No. 118 to Lupher, LLC in the amount of \$12,300.00; (8) Work Authorization No. 19 to Texas American Title Company in the amount of \$6,050.00; (9) Work Authorization No. 149 to Rapid Research, Inc., in the amount of \$1,740.00; (10) Work Authorization No. 148 to Rapid Research, Inc., in the amount of \$100.00; and (11) Work Authorization No. 147 to Rapid Research, Inc., in the amount of \$100.00. Following review and discussion, Director Struzick moved to approve the above-described work authorizations. Director Gorden seconded the motion. A roll call of the Board was taken and the motion carried by a vote of seven for the motion with Directors Postle and Wepler 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.

Director Postle reported that the Harris County court system is experiencing delays due to COVID-19 and acquisition of easements necessary for Authority construction projects may be delayed.

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

There was no discussion on this matter.

ORDER ADOPTING ELECTRONIC SIGNATURE RULES FOR CONSTRUCTION CONTRACTS

The Board considered adopting an Order Adopting Electronic Signature Rules for Construction Contracts to set forth rules surrounding the receipt of electronic signatures on construction contracts. Following review and discussion, Director Owens moved to adopt an Order Adopting Electronic Signature Rules For Construction Contracts. Director Janneck seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

ORDER ADOPTING SECTION 49.2731 ELECTRONIC BIDDING RULES

The Board considered adopting an Order Adopting Section 49.2731 Electronic Bidding Rules to permit the receipt of bids under Section 49.273 of the Texas Water Code through electronic transmission. Following review and discussion, Director Owens moved to adopt an Order Adopting Section 49.2731 Electronic Bidding Rules. Director Janneck seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

TEXAS WATER DEVELOPMENT BOARD ("TWDB") FINANCING MATTERS

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 copy of which is attached, a budget comparison, and the disbursements in the bookkeeper's report submitted for the Authority's review. She then reviewed check no. 10994 in the amount of \$1,730.40 payable to the Authority collections account and reported that surface water payment is due to the City of Houston by May 10, 2020, and the Authority has not yet received an invoice. Following review and discussion, Director Janneck moved to approve the bookkeeper's report, the disbursements reflected in the bookkeeper's report, check no. 10994, and payment to the City of Houston, which is due May 10, 2020. Director Thornhill seconded the motion. A roll call of the Board was taken and the motion carried by a vote of seven for the motion with Directors Postle and Wepler 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 reviewed the operator's report, a copy of which is attached.

APPROVE ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN AND AUTHORIZE SUBMITTAL TO THE TWDB

The Board considered approving the annual report on implementation of the Authority's Water Conservation Plan. After discussion, Director Wepler moved to approve the annual report on implementation of the Authority's Water Conservation Plan, direct that the report be filed appropriately and retained in the Authority's official records, and authorize submission of the report to the TWDB, subject to final review by the Authority's president. Director Janneck seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

REVIEW DROUGHT CONTINGENCY PLAN

The Board reviewed the Authority's current Drought Contingency Plan ("DCP"). The Board concurred that no changes were necessary to the current DCP and took no further action.

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.

/s/Douglas (Cam) Postle
Secretary, Board of Directors



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