

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

July 8, 2020

The Board of Directors (the "Board") of the West Harris County Regional Water Authority (the "Authority") met in regular session by teleconference and videoconference, with access by video or telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's directive suspending certain open-meeting requirements due to the COVID-19 public health emergency, dated March 16, 2020, on the 8th day of July, 2020, and the roll was called of the members of the Board being present by video and/or telephone:

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
John "Jay" Wheeler	Director

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

Also attending the meeting were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Barbara Payne of Payne Communications & Associates; Wayne Ahrens and Melinda Silva of Dannenbaum Engineering Corp.; Erin Garcia of Myrtle Cruz, Inc.; and Alia Vinson, Teshia Judkins, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR"). Also attending the meeting were members of the public present via video and/or telephone.

Ms. Judkins reviewed certain recommended protocols for conducting the Authority's meeting via teleconference and videoconference. She 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

Director Hansen offered any members of the public attending the meeting by telephone the opportunity to make public comment. No members of the public requested to make public comment.

MINUTES OF PREVIOUS MEETING

The Board reviewed the minutes of the June 10, 2020, Authority Board meeting. Following discussion, Director Owens moved to approve the minutes of the June 10, 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 the Authority Board meetings will continue to be conducted via teleconference and videoconference during the pendency of the COVID-19 epidemic, so long as Governor Abbott’s directive suspending certain provisions of the Texas Open Meetings Act, allowing meetings to be held via teleconference and videoconference, remains in place.

CUSTOMER APPEALS

No customer appeals were presented.

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

Ms. Payne discussed the Texas A&M AgriLife Extension Water My Yard program.

Ms. Payne reported that the Waterworks newsletter has been distributed to residents and the Partners in Progress newsletter has been distributed to municipal utility districts and operators.

Ms. Payne discussed Irry Gator, the new Water My Yard mascot. She also reported that “No Wipes in the Pipes” yard signs and a poster on irrigation tips can be ordered by interested residents.

Director Hansen reported that the Authority will be presenting at the virtual Association of Water Board Directors summer conference.

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 June is approximately 106.8% of the previous year at this date. Ms. Silva also reported that approximately 24.32 million gallons per day ("MGD") of surface water was purchased from the City of Houston (the "City") during June, 2020.

Ms. Silva reported that a representative from Dannenbaum Engineering Corporation attended the Coastal Water Authority virtual meeting.

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

There was no discussion on this matter.

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 Surface Water Supply Project ("SWSP") Segment A clearing contract, Contract 38, Contract 37, Contract 35, the Contract for Segment 3-A4, and the Segment A casing project.

Ms. Silva recommended approval of Pay Estimate No. 11 in the amount of \$37,165.86 to Hawkins Lease Service, Inc., for the SWSP Segment A clearing contract, Pay Estimate No. 8 in the amount of \$865,081.35 to Main Lane Industries, Ltd., for Contract 38, Pay Estimate No. 6 in the amount of \$602,554.68 to Main Lane Industries, Ltd., for Contract 35, Pay Estimate No. 5 in the amount of \$1,291,162.82 to Garney Companies, Inc., for SWSP Segment S3-A4, Pay Estimate No. 2 in the amount of \$213,156.00 to Persons Services, Corp., for Contract 37, and Pay Estimate No. 1 in the amount of \$523,713.60 to Garney Companies, Inc. ("Garney"), for the Segment A casing package. Following review and discussion, Director Weppler made a motion to approve the above-mentioned pay estimates, as recommended. Director Struzick 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

There was no discussion on this matter.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS AND CRISIS MANAGEMENT, AUDIO/VISUAL TECHNOLOGY, WEBSITE, BOOKKEEPING AND ACCOUNTING, 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 recommended approval of Change Order No. 1 to Contract 36 with Persons Services, Corp., to add environmental notes as directed by the Texas Water Development Board ("TWDB"). The Board determined that Change Order No. 1 is beneficial to the Authority. After review and discussion, Director Struzick moved to approve Change Order No. 1 to Contract 36 with Persons Services, Corp., to add environmental notes as directed by the TWDB, based upon the Board's finding that the Change Order is beneficial to the Authority and the engineer's recommendation. Director Postle seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

Ms. Silva then reported that IDS Engineering Group, Inc., the engineer for Contract 50, is waiting on the City's comments to the 100% design submittal.

Ms. Silva reported that EHRA, the engineer for Kinder Morgan 7 and Contract 32, is working on submittal of 90% design plans.

Ms. Silva reported that AECOM, the engineer for Segment A of the SWSP, is working on submittal of 90% design plans.

Ms. Silva also reported that Black & Veatch, the engineer for Segment B of the SWSP, submitted the "pre-100%" plans to the City of Houston for Segments B1/B2 and B3. She stated the variances for Segments B1/B2 and B3 have been approved by Harris County Flood Control District.

Ms. Silva then reported advertising for the Segment C project of the SWSP began on June 12, 2020, and bids are due on July 23, 2020.

Ms. Silva also reported that Freese & Nichols, the engineer on the RePump Station, is working on comments from submittal of the 90% design plans and defining the potential property acquisition required to meet new floodplain criteria.

Ms. Silva reported that AECOM, the engineer on the Central Pump Station, submitted 100% design plans for agency review.

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 A valve stations.

Ms. Silva also reported that the design engineers for each of the Kinder Morgan Segments is waiting on the City's comments to complete their designs.

Ms. Silva reported that IDS Engineering Group, Inc., the engineer for Kinder Morgan 2, will need resolution with the City to achieve 100% design plans.

Ms. Silva then reported that the design engineers for each of the Segment 3 Segments is waiting on the City's comments to complete their designs.

The Board then considered approving the following: (1) Addendum No. 4 to the contract with Freese and Nichols, Inc., in the amount of \$40,000 to add a contract time extension to September 2020, for Segment C; and (2) Addendum No. 3 to the contract with Klotz Associates, dba RPS Consultants for Contract 36 to increase the basic design services fee in the amount of \$8,022.40. Following review and construction, Director Weppeler moved to approve the above-described addenda. Director Owens 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.

The Board then considered the following work authorizations: (1) Supplement No. 17 to Work Authorization No. 4 to Fugro USA Land, Inc., in the amount of \$26,526.00; (2) Supplement No. 3 to Work Authorization No. 69 to Rapid Research, Inc., to amend the termination date to December 31, 2020; (3) Work Authorization No. 154 to Rapid Research, Inc., in the amount of \$500.00; (4) Work Authorization No. 12 to

Edward B. Schulz & Co., LLC, dba Integra Realty Resources-Houston, in the amount of \$3,850.00; (5) Work Authorization No. 124 to Luper, LLC in the amount of \$22,800.00; (6) Work Authorization No. 123 to Luper, LLC in the amount of \$8,850.00; and (7) Work Authorization No. 2 to Terracon Consultants, Inc., in the amount of \$32,990.00. Following review and discussion, Director Wheeler moved to approve the above-described work authorizations and the supplements to work authorizations. Director Gorden 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.

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

Ms. Silva requested authorization from the Board to proceed with environmental services necessary for fee acquisition and TWDB environmental clearance related to additional property for the Repump Station. Following discussion, Director Weppler moved to authorize the Program Manager to proceed with environmental services necessary for fee acquisition and TWDB environmental clearance related to additional property for the Repump Station. Director Owens 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.

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 consenting to an encroachment by Bibb Industrial Properties, LLC along Clay Road for a sign. Following review and discussion, Director Weppler moved to approve a Consent to Encroachment for Bibb Industrial Properties, LLC and direct that it be filed appropriately and retained in the Authority's official records. Director Thornhill 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 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 nos. 1058, 11094, and 1865 payable to Dannenbaum in the amounts of \$606,539.90, \$101,487.30, and \$280,193.01, respectively. Ms. Garcia reviewed check no. 1057 payable to Garney Companies Inc., in the amount of \$1,291,162.82 and stated that check no. 1057 will replace check no. 1045 to Garney in the same amount, which was voided. Following review and discussion, Director Struzick moved to approve the bookkeeper's report, the above described checks, the disbursements reflected in the bookkeeper's report, and check nos. 1058, 11094, ,1865, and 1057. 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 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 reviewed the operator's report, a copy of which is attached.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS AND CRISIS MANAGEMENT, AUDIO/VISUAL TECHNOLOGY, WEBSITE, BOOKKEEPING AND ACCOUNTING, 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 (Continued)

The Board considered approving an engagement letter with EEPB to provide phase 1 accounting services. Following review and discussion, Director Postle moved to approve the engagement letter with EEPB and direct that it be filed appropriately and retained in the Authority's official records. Director Thornhill 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 Weppler voting against the motion.

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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