

MINUTES  
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

March 10, 2021

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 10th day of March, 2021, 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 except Director Thornhill, 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. (“DEC”); Erin Garcia of Myrtle Cruz, Inc.; and Alia Vinson, Sanjay Bapat, 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.

Mr. Bapat reviewed certain recommended protocols for conducting the Authority’s meeting via teleconference and videoconference. 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](http://www.districtdirectory.org/agendapackets/whcrwa).

OPERATION OF AUTHORITY FACILITIES, BILLINGS, AUTOMATIC METER READING, REQUESTS FOR REIMBURSEMENT, REPAIRS, INSPECTIONS, MAINTENANCE, CATHODIC PROTECTION, RIGHT OF WAY MAINTENANCE, AND WATER SUPPLY ISSUES, APPROVAL OF CONTRACTS FOR RELATED WORK, CHANGE ORDERS, WORK AUTHORIZATIONS, AMENDMENTS TO AND ASSIGNMENTS OF CONTRACTS, AND TERMINATIONS, WINTER STORM RECOVERY MATTERS AND RESOLUTION ADOPTING POLICY AND PROCEDURES FOR FEBRUARY 2021 FREEZE EVENT FEE ADJUSTMENT CREDITS

Director Hansen discussed the Winter Storm Uri freeze event (the “Freeze Event”) that impacted water providers, including municipal utility districts located within the Authority’s boundaries (“Retail Water Providers”), and their customers. He provided an overview of Authority actions during the Freeze Event and expressed appreciation, on behalf of the Authority, to Authority consultants for the excellent service provided to the Authority during the Freeze Event.

PUBLIC COMMENT

Director Hansen offered any members of the public attending the meeting by video or 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 MEETINGS

The Board reviewed the minutes of the February 10, 2021, Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the February 10, 2021, meeting, as submitted. The motion was seconded by Director Janneck. 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 stated that Governor Greg Abbott’s Executive Order lifting the mask mandate in Texas does not affect the Governor’s directive suspending certain open-meeting requirements. He noted that the Authority will continue conducting its Board meetings via teleconference and videoconference for the foreseeable future.

OPERATION OF AUTHORITY FACILITIES, BILLINGS, AUTOMATIC METER READING, REQUESTS FOR REIMBURSEMENT, REPAIRS, INSPECTIONS, MAINTENANCE, CATHODIC PROTECTION, RIGHT OF WAY MAINTENANCE, AND WATER SUPPLY ISSUES, APPROVAL OF CONTRACTS FOR RELATED WORK, CHANGE ORDERS, WORK AUTHORIZATIONS, AMENDMENTS TO AND ASSIGNMENTS OF CONTRACTS, AND TERMINATIONS, WINTER STORM RECOVERY MATTERS AND RESOLUTION ADOPTING POLICY AND PROCEDURES FOR FEBRUARY 2021 FREEZE EVENT FEE ADJUSTMENT CREDITS (CONTINUED)

Mr. Thomas provided an update on Authority operations during the Freeze Event. He reported that the Authority stopped receiving surface water supply from the City of Houston (the "City") on the morning of February 16, 2021, and described the Authority's inability to provide water to Retail Water Providers as a result. Mr. Thomas reported on notices of these emergency conditions that were sent to Retail Water Provider operators and requests to Retail Water Providers to utilize their own water sources. He stated that on February 19, 2021, the City restored the Authority's water supply, but the City did not rescind their boil Water Notice until February 21, 2021. Mr. Thomas noted that the boil water notice issued by the Authority to wholesale surface water customers due to water pressure issues during the Freeze Event was rescinded on February 22, 2021, and the Authority was able to resume normal operations.

Mr. Thomas reviewed the operator's report, a copy of which is attached.

Mr. Thomas reported that due to the Freeze Event, the Authority is extending the deadline for December 2020 invoices (normally due on February 15, 2021) to March 15, 2021.

Ms. Vinson reviewed a Resolution Adopting Policy and Procedures for February 2021 Freeze Event Fee Adjustment Credits (the "Resolution"). She stated that the policy provides credits to Retail Water Providers for certain Authority fees tied to the total amount of leak adjustments related to the Freeze Event granted by such Retail Water Providers to their customers. Ms. Vinson stated that the policy additionally requires the Retail Water Providers to submit certifications of amounts forgiven to customers in accordance with their Freeze Event leak adjustment policies to the Authority by July 1, 2021. Following review and discussion, Director Struzick moved to adopt the Resolution and direct that it be filed appropriately and retained in the Authority's official records. Director Gorden seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors present voting "yea."

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 brochures and billing inserts regarding irrigation and water conservation that can be ordered online through the Authority's website.

Ms. Payne then discussed Authority social media initiatives that feature the Water My Yard program mascot, Irry Gator.

Ms. Payne also discussed the Water U virtual classroom and reported that the irrigation and the yard and garden Water U lessons are being updated. She noted that links to Water U lessons can be posted to district websites.

Ms. Payne reported that the remodeling of the Water Is Life mobile lab is almost complete.

ENGINEERING MATTERS

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

Ms. Silva reviewed the monthly pumpage report. She pointed out that the pumpage for 2021 through February is approximately 120.2% of the previous year at this date and that the average usage for 2021 is projected to be 64.37 MGD compared to 66.53 MGD used in the financial projections. Ms. Silva then reported that from October 2020 through December 2020, one of the City's meters stopped reading and that the reported water usage for those months are readings from the Authority's meters.

Ms. Silva reported that for February, the Authority was 22.88% converted to surface water and that for the 2021 calendar year, the Authority was 30.37% converted to surface water.

Ms. Silva also reported that a representative from DEC 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.

## 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, PRE-QUALIFICATION OF CONTRACTS, APPROVE CHANGE ORDERS AND PAY ESTIMATES, ACCEPT PROJECTS, AND AUTHORIZE ANY NECESSARY TERMINATION

Ms. Silva reported on the status of construction for Contract 35, Contract 36, Contract 37, Surface Water Supply Project ("SWSP") Segment 3-A4, SWSP Segment A Casing Project, and SWSP Segments C1 and C2.

Regarding Contract 35, Ms. Silva reported that Harris County Municipal Utility District No. 165's ("HC MUD 165") Water Plant Nos. 2, 3, and 4 are now receiving surface water and the contractor is preparing for the final walkthrough.

Ms. Silva informed the Board that the contractor for Contract 36 is installing the 12-inch waterlines.

Regarding Contract 37, Ms. Silva reported that coordination with Harris County Municipal Utility District No. 157 to receive surface water for Water Plant Nos. 2 and 3 is ongoing and she anticipates that HC MUD 165's Water Plant No. 1 will start to receive surface water soon. She noted that several valves damaged due to the Freeze Event need to be replaced.

Ms. Silva then reported that the contractor for SWSP Segment 3-A4 is working on punch-list items for the final walkthrough. She noted that the retainage cannot be released to the contractor until the Authority receives approval from the Texas Water Development Board ("TWDB").

Ms. Silva informed the Board that the contractor for the SWSP Segment A Casing Project is preparing to mobilize in late March 2021 or early April 2021. She noted that the casing delivery date has been moved out to late March 2021.

Ms. Silva reported that the contractors for SWSP Segments C1 and C2 continue to work on baseline schedules and making submittals.

Ms. Silva reported that the Authority received 12 bids for SWSP Segment 3-A2. She stated that the Authority's design engineer, Kimley-Horn and Associates, Inc., recommended that the Board award the contract to E.P. Brady, Ltd. ("EP Brady"), the low bidder, in the amount of \$9,906,189.98. Ms. Silva noted that the Authority received approval of the contract from the TWDB. The Board concurred that, in its judgment, EP Brady 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 Wepler moved to award SWSP Segment 3-A2 to EP Brady in the amount of \$9,906,189.98, 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 Janneck seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors present voting "yea."

Ms. Silva recommended approval of: (1) Pay Estimate No. 6 in the amount of \$349,399.80 to Persons Services Corp., for Contract 36; (2) Pay Estimate No. 13 in the amount of \$44,723.62 to Garney Companies, Inc., for SWSP Segment 3-A4; (3) Pay Estimate No. 2 in the amount of \$462,375.00 to S.J. Louis Construction, Inc. for SWSP Segment C1; and (4) Pay Estimate No. 2 in the amount of \$743,040.00 to Harper Brothers Construction, LLC for SWSP Segment C2. Following review and discussion, Director Owens 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 present 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

Ms. Silva reported that 90% design plans for SWSP Segment A were submitted to the City and that design plans for Contract 32 are also being submitted to the City.

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 reported that necessary easements for Contract 50 are being acquired.

Ms. Silva then reported that 60% design plans submitted by EHRA for the Kinder Morgan 7 Segment are under review.

Ms. Silva also reported that comments were returned to EHRA on the latest design submittal for Contract 32 and that EHRA is focusing on finalizing the project manual and bid preparation.

Ms. Silva reported that 90% design plans for SWSP Segment A were submitted by AECOM on February 5, 2021.

Ms. Silva then reported on a meeting with Harris County Flood Control District regarding SWSP Segment B. She stated issues related to the Inwood Forest Detention project and the Hollister Detention Basin are being resolved, which will allow the project to move forward with agency approval.

Ms. Silva also reported that submittals for pre-qualifications for contractors for SWSP Segment B3 (the "Long Tunnel") are still under review.

Ms. Silva reported that Freese & Nichols, the engineer for the RePump Station, resubmitted the drainage impact analysis to Harris County Flood Control District and is waiting on approval.

Ms. Silva then reported that AECOM, the engineer for the Central Pump Station, received approval on the air break variance from the Texas Commission on Environmental Quality and is working on approval from Harris County related to the Stormwater Quality Plan.

Ms. Silva also reported that Mbroh Engineering, Inc., the engineer for the wide area network, fiber optic, and incidental electrical design services, is waiting on Segment A plan progress to continue work on the Segment A valve stations.

Ms. Silva reported that bids for construction of the SWSP Segment 3-A1 project are due March 18, 2021.

Ms. Silva provided an update on design and schedule matters concerning the remainder of SWSP Kinder Morgan and Segment 3 segments and stated Segment 3-A3 is the next project being scheduled for advertising.

The Board then considered approving the following: (1) Amendment No. 9 to the contract with Black & Veatch to modify the expiration date and to increase the contract to address HCFCD required design modifications for SWSP Segment B in the amount of \$96,991; and (2) Amendment No. 5 to the contract with AECOM to modify the expiration date and increase the contract due to scope growth related to the Stormwater Quality Management Plan for the Central Pump Station in the amount of \$72,734.00. Following review and discussion, Director Wheeler moved to approve the above-described amendments. Director Janneck seconded the motion. A roll call of the Board was taken and the motion carried by a vote of seven for the motion with Director Wepler abstaining.

The Board then considered the following work authorizations: (1) Supplement No. 19 to Work Authorization No. 4 to Fugro USA Land to increase the maximum payable amount under this work authorization to \$3,983,144.00; (2) Work Authorization No. 143 to Luper, LLC in the amount of \$66,600.00; and (3) Work Authorization No. 165 to Rapid Research, Inc., in the amount of \$2,600.00. Following review and discussion, Director Wheeler moved to approve the above-described work authorizations. Director Owens seconded the motion. A roll call of the Board was taken and the motion carried by a vote of seven for the motion with Director Postle abstaining.

Ms. Vinson reviewed a legal conflicts waiver regarding representation of the Authority and Harris County Municipal Utility District No. 71 ("HC MUD 71") regarding the preparation and review of easements for water facilities involving HC MUD 71.

Ms. Vinson then reviewed a contract with Yooz for an invoice tracker software subscription applicable to the Authority's transition to the Sage Intacct accounting software

Ms. Vinson also reviewed a proposal from Whitley Penn in an amount not to exceed \$23,745.00 to continue tracking Authority expenditures for projects utilizing TWDB funding through March 2021 and assistance related to the transition to the Authority's new accounting systems.

Following review and discussion, Director Wheeler moved to: (1) approve the legal conflicts waiver regarding the preparation and review of easements for water facilities involving HC MUD 71; (2) approve the contract with Yooz and direct that it be filed appropriately and retained in the Authority's official records; and (3) approve the proposal from Whitley Penn in an amount not to exceed \$23,745.00 and direct that the



proposal be filed appropriately and retained in the Authority's official records. Director Struzick seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors present voting "yea."

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

Ms. Silva provided an update on the cultural survey conducted for the additional property being acquired for the RePump Station site and stated that no artifacts were found on the property and the report was submitted to the Historical Commission.

REALTY INTEREST ACQUISITION AND CONVEYANCE, INCLUDING ACCEPT, CONVEY, AMEND, APPROVE OR RELEASE EASEMENTS, EASEMENT AGREEMENTS, ASSIGNMENTS OF EASEMENTS, DEEDS, PLATS, RIGHT OF ENTRY AGREEMENTS, RELOCATION AGREEMENTS, APPROVE PURCHASE AND SALE AGREEMENTS, APPROVE INTERLOCAL AGREEMENTS WITH HARRIS COUNTY AND HARRIS COUNTY FLOOD CONTROL DISTRICT AND PIPELINE LICENSE AGREEMENT WITH BNSF RAILROAD

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 attached engineer's report.

Ms. Vinson reviewed a Pipeline License with BNSF Railway Company ("BNSF") and stated the Pipeline License is required for BNSF to permit SWSP Segment B1 to cross BNSF property. She noted that the following three payments are associated with the Pipeline License: (1) payment in the amount of \$3,700.00 for a contract fee; (2) payment in the amount of \$1,266.00 for the annual Railroad Protective Liability Insurance fee; and (3) payment in the amount of \$7,400.00 for a license fee. Following review and discussion, Director Wheeler moved to approve the Pipeline License with BNSF and the above-described related payments. Director Struzick seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

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 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. 1321 payable to DEC in the amount of \$30,524.30 and check no. 1322 payable to BNSF in the amount of \$7,400.00 which were not listed in the report. Following review and discussion, Director Wheeler moved to approve the bookkeeper's report and the disbursements reflected in the bookkeeper's report, and check nos. 1321 and 1322. Director Owens seconded the motion. A roll call of the Board was taken and the motion carried by a vote of six for the motion, with Directors Wepler 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.

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 C. Postle\_\_\_\_\_  
Secretary, Board of Directors



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