

MINUTES  
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

April 14, 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 14th day of April, 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, 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 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).

PUBLIC COMMENT

Director Hansen offered any members of the public attending the meeting by video or telephone the opportunity to make public comment.

Mr. Tom Russell stated he is a director of Harris County Municipal Utility District No. 172 and inquired regarding whether municipal utility districts located

within the Authority's boundaries ("Retail Water Providers") should expect the Authority to be unable to provide water to Retail Water Providers in the future, because the Authority receives surface water supply from the City of Houston (the "City"). Director Hansen provided an update on the Authority's water supplies from the City, including the Northeast Water Purification Plant Expansion Project, but noted that all Retail Water Providers should have a back-up water source (either through wells or interconnects) in the event the City water supply is cut off.

There being no additional 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 March 10, 2021, Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the March 10, 2021, meeting, as revised. The motion was seconded by Director Owens. 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 the Authority will continue conducting its Board meetings via teleconference and videoconference for the foreseeable future and that the Authority is monitoring the ability to give attendees the option to attend Authority meetings in person.

#### 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 provided an update on the Water Is Life mobile lab and stated that the remodeling of the mobile lab is 90% complete.

Ms. Payne stated that preparation of the Spring/Summer edition of the "Partners in Progress" newsletter has begun and suggestions for content to be included in the newsletter should be directed to her.

## 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 92.76% 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 reported that for March, the Authority was 37.70% converted to surface water and that for the 2021 calendar year, the Authority was 32.87% converted to surface water.

Ms. Silva also reported that a representative from DEC attended the Coastal Water Authority virtual meeting. She noted that the Caper's Ridge Pump Station pumps of the Luce Bayou project were started up on April 12, 2021.

## 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

The Board considered authorizing issuance of a \$195,040,000 cash call for Surface Water Supply Project ("SWSP") Segments B1/B2, for which the costs will be split 55.1% to the Authority and 44.9% to North Fort Bend Water Authority ("NFBWA"). She noted that in accordance with the Joint Facilities Agreement, 70% of the cash call will be due 90 days after receipt of the cash call and the remainder will be due one year after that date.

The Board the considered authorizing issuance of a \$82,468,000 cash call for SWSP Segment B3 of which the costs will be split 55.1% to the Authority and 44.9% to NFBWA. She noted that in accordance with the Joint Facilities Agreement, 70% of the cash call will be due 90 days after receipt of the cash call and the remainder will be due one year after that date.

The Board then considered authorizing issuance of a letter reminding each of the Authority and NFBWA that the remaining 30% of the cash call for SWSP Segment C is due on May 26, 2021.

Following discussion, Director Wepler moved to authorize the issuance of cash calls for SWSP Segments B1/B2 and B3 and the issuance of a reminder letter related to the remaining 30% of the cash call due for SWSP Segment C. Director Thornhill seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

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, SWSP Segment 3-A4, SWSP Segment A Casing Project, SWSP Segments C1 and C2, and SWSP Segment 3-A2.

Ms. Silva reported that construction for Contract 35 is complete and recommended acceptance of the project and notifying the Texas Water Development Board ("TWDB"). She noted that the final pay estimate for Contract 35 cannot be released to the contractor until the Authority receives approval from the TWDB. Following review and discussion, Director Wepler made a motion to accept the project for Contract 35, as recommended, and authorize payment of the final pay estimate and release of retainage, subject to approval of the project by the TWDB. Director Struzick seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

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

Regarding Contract 37, Ms. Silva reported that start-up of Harris County Municipal Utility District No. 157's Water Plant No. 1 and Harris County Municipal Utility District No. 165's Water Plant No. 1 has commenced.

Ms. Silva reported that construction for SWSP Segment 3-A4 is complete and recommended acceptance of the project and notifying the TWDB. She noted that the final pay estimate for SWSP Segment 3-A4 cannot be released to the contractor until the

Authority receives approval from the TWDB. Following review and discussion, Director Wepler made a motion to accept the project for SWSP Segment 3-A4, as recommended, and authorize payment of the final pay estimate and release of retainage, subject to approval of the project by the TWDB. Director Struzick seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

Ms. Silva reported that representatives from Black & Veatch and DEC reviewed the nine statements of qualifications ("SOQ") received from potential contractors for SWSP Segment B3 (Long Tunnel). She stated that seven contractors were recommended for approval and Black & Veatch and DEC recommends that the Board approve the following contractors as pre-qualified: (1) Granite Construction Company; (2) JAY-DEE Contractors, Inc.; (3) McNally Tunneling Corporation/Kiewit JV; (4) Michels Corporation; (5) SAK Construction, LLC; (6) Super Excavators, Inc.; and (7) Tirad Engineering & Contracting Co. – TMM JV. Following discussion, Director Owens moved to approve the following contractors to be pre-qualified to bid on construction of Segment B3 (Long Tunnel): (1) Granite Construction Company; (2) JAY-DEE Contractors, Inc.; (3) McNally Tunneling Corporation/Kiewit JV; (4) Michels Corporation; (5) SAK Construction, LLC; (6) Super Excavators, Inc.; and (7) Tirad Engineering & Contracting Co. – TMM JV. Director Thornhill seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

Ms. Silva informed the Board that the contractor for the SWSP Segment A Casing Project is taking delivery of casing and installation has commenced.

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 contract documents for construction of SWSP Segment 3-A2 are being prepared for execution.

Ms. Silva recommended approval of: (1) Pay Estimate No. 12 and Final in the amount of \$108,611.35 to Main Lane Industries, Ltd., for Contract 35, subject to TWDB approval; (2) Pay Estimate No. 7 in the amount of \$377,869.64 to Persons Services Corp., for Contract 36; (3) Pay Estimate No. 14 and Final in the amount of \$314,516.35 to Garney Companies, Inc. ("Garney"), for SWSP Segment 3-A4, subject to TWDB approval; (4) Pay Estimate No. 3 in the amount of \$941,175.00 to S.J. Louis Construction, Inc. for SWSP Segment C1; and (5) Pay Estimate No. 3 in the amount of \$328,500.00 to Harper Brothers Construction, LLC for SWSP Segment C2. Following review and discussion, Director Struzick made a motion to approve the above-mentioned pay estimates, as recommended. Director Gorden 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 the Authority has requested information from Houston Public Works ("HPW") detailing what occurred at HPW water treatment and transmission facilities during the Freeze Event.

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 design plans being prepared by EHRA for the Kinder Morgan 7 Segment are progressing.

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 the Authority Board elected to re-open submittals for pre-qualifications for contractors for SWSP Segments A1/A2 and B1/B2. She noted that opening of the second request for SOQs for Segments A1/A2 and B1/B2 is scheduled for April 15, 2021.

Ms. Silva then reported that design plans for SWSP Segment A prepared by AECOM were submitted to the City and Harris County for review.

Ms. Silva also reported that Black & Veatch, the design engineer for SWSP Segment B, is obtaining utility signatures for the Segment B1/B2 drawings and that the drawings were submitted to Harris County on March 24, 2021. She also reported that utility signatures have been obtained for SWSP Segment B3 (Long Tunnel) drawings and that the final drawings were be submitted to Harris County on April 13, 2021.

Ms. Silva reported that Freese & Nichols, the design engineer for the RePump Station, received approval the drainage impact analysis from the Harris County Flood Control District and that the design engineer is working on a separate drawing package

to address the required drainage system upgrades in the public right of way along W. Little York.

Ms. Silva then reported that AECOM, the engineer for the Central Pump Station, expects to receive approval from Harris County related to the Stormwater Quality Plan soon.

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

Ms. Silva reported ten bids were received for construction of SWSP Segment 3-A1 on March 18, 2021, and that the bids are under review.

Ms. Silva then reported that bids for construction of SWSP Segment 3-A3 are due April 22, 2021.

Ms. Silva provided an update on design of SWSP Segment 3-A5 and stated the design engineer is finalizing the drawings and the final drawing will be submitted to the City this week.

Ms. Silva provided an update on design of SWSP Segment 3-B1 and stated the design engineer is finalizing the drawings and the project manual and coordinating with property owners.

Ms. Silva provided an update on correspondence with the City regarding meters at the Northeast Meter Station. She noted that DEC has not received a response to questions regarding requirements that were submitted to the City.

Ms. Silva provided an update on design and schedule matters concerning the SWSP Kinder Morgan segments.

The Board then considered approving Addendum No. 9 to the Master Services Agreement with Crouch Environmental Services, Inc., for communication and outreach services to increase the work authorization from \$1,300,000 to \$1,500,000. Following review and discussion, Director Struzick moved to approve the above-described addendum. Director Weppler seconded the motion. A roll call of the Board was taken and the motion carried unanimously.

The Board then considered the following work authorizations: (1) Work Authorization No. 12 to Crouch Environmental Services, Inc., in the amount of \$200,000.00; (2) Work Authorization No. 144 to Luper, LLC in the amount of \$16,070.00; (3) Work Authorization No. 145 to Luper, LLC in the amount of \$2,730.00; (4) Work Authorization No. 21 to Jones & Carter, Inc. in the amount of \$1,236.00; (5) Work Authorization No. 22 to Jones & Carter, Inc. in the amount of \$786.00; (6)

Supplement No. 1 to Work Authorization No. 21 to amend the scope of surveying services; (7) Work Authorization No. 166 to Rapid Research, Inc., in the amount of \$550.00; (8) Supplement No. 4 to Work Authorization No. 69 to Rapid Research, Inc., to extend the termination date until project completion; (9) Supplement No. 2 to Work Authorization No. 17 to Texas American Title Company to extend the termination date until project completion; (10) Supplement No. 2 to Work Authorization No. 18 to Texas American Title Company to increase the maximum payable amount under this work authorization to \$14,000.00; (11) Supplement No. 3 to Work Authorization No. 101 to Abstract Services of Houston to extend the termination date until project completion; and (12) Supplement No. 1 to Work Authorization No. 105 to Abstract Services of Houston to extend the termination date until project completion. Following review and discussion, Director Wheeler moved to approve the above-described work authorizations. 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 Weppler and 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, RELOCATION 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 attached engineer's report.

#### 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)

Ms. Vinson reported EEPB and Kerr Consulting recommend the purchase of an additional Sage Intact software module (the "CRE Module") subscription for the new accounting software for the Authority in the amount of \$10,300.00 for year 1 to enable



proper accounting of change orders and retainage for Authority projects. Following discussion, Director Wheeler moved to authorize the purchase of the CRE Module subscription in the amount of \$10,300.00 for year 1. Director Thornhill seconded the motion. A roll call of the Board was taken and the motion carried unanimously.

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. 11393 payable to Director Wepler in the amount of \$1,976.40 and check no. 1359 payable to Garney in the amount of \$249.61, which were not listed in the report. Following review and discussion, Director Owens moved to approve the bookkeeper's report and the disbursements reflected in the bookkeeper's report, and check nos. 11393 and 1359. Director Wheeler 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 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.

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, AND WINTER STORM RECOVERY MATTERS

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

Mr. Thomas requested that the Board approve a proposal from Inframark to replace O-rings, gaskets, and grease on six Pump Station booster pump discharge valves in the amount of \$16,890.60.

Mr. Thomas discussed the Authority responses to frequently asked questions ("FAQ") regarding the Freeze Event, a copy of which is attached to the operator's report, and noted that the FAQ has been posted to the Authority's website.

Following review and discussion, Director Janneck moved to approve the proposal from Inframark to replace O-rings, gaskets, and grease on six Pump Station booster pump discharge valves in the amount of \$16,890.60. Director Weppler seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

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 Weppler 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 Struzick seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

RESOLUTION APPROVING ELECTRONIC PAYMENT SERVICES FOR AUTHORITY CUSTOMERS AND RELATED PAYMENT PROCESSING AGREEMENT, INCLUDING A T TECH SERVICE AGREEMENT, PACE MERCHANT APPLICATION, AND PACE MERCHANT CARD PROCESSING AGREEMENT

Ms. Vinson reviewed documents related to expanded payment options pursuant to the Authority's Amended Rate Order, including a Resolution Approving Electronic Payment Services for Authority Customers, a T Tech Service Agreement and a Pace Merchant Application and Card Processing Agreement. Following review and discussion, Director Wheeler moved to (1) adopt the Resolution Approving Electronic Payment Services for Authority Customers; (2) approve the Service Agreement with T Tech; and (3) approve the Merchant Application and Card Processing Agreement with Pace; and (4) direct that the above-described documents 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 voting "yea."

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 convened in executive session at 7:19 p.m. pursuant to Section 551.071, Texas Government Code to consult with attorney. Ms. Vinson requested the presence of Mr. Ahrens and Ms. Silva in this executive session in order for the Board to obtain the necessary legal advice from its attorney, and the Board concurred to have them present.

RE-CONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 7:59 p.m., the Board reconvened in open session. The Board took no action in open 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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