

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

June 9, 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 9th day of June, 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 Directors Postle and Gorden, 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.

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 May 12, 2021, regular Authority Board meeting and the May 6, 2021, special Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the May 12, 2021, regular Authority Board meeting and the May 6, 2021, special Authority Board meeting, as submitted. 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 researching meeting places 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 reported that the remodeling of the Water Is Life mobile lab is complete and the mobile lab is available for use at community events at no charge to municipal utility districts.

Ms. Payne also reported that preparation of the Spring/Summer edition of the "Partners in Progress" newsletter is nearly complete and much of the content included in the newsletter focuses on outdoor water use efficiency.

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

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 pumpage for 2021 through May is approximately 88.22% 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 May, the Authority was 39.21% converted to surface water and that for the 2021 calendar year, the Authority was 35.33% converted to surface water.

Ms. Silva then reported that a representative from DEC attended the Coastal Water Authority meeting. She noted that a ribbon cutting ceremony for the Luce Bayou Interbasin Transfer Project is being held next week.

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

Ms. Silva discussed the Harris-Galveston Subsidence District (“HGSD”) Regulatory Plan Review Stakeholder virtual meeting held on June 8, 2021, and noted that a recording of the meeting has been posted to the HGSD website.

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 36, Contract 37, Surface Water Supply Project (“SWSP”) Segment A Casing Project, SWSP Segments C1 and C2, and SWSP Segments 3-A1, 3-A2, and 3-A3.

Ms. Silva informed the Board that the contractor for Contract 36 is installing the 12-inch waterlines through neighborhoods, and she anticipates that the pipe installation will be complete very soon.

Regarding Contract 37, Ms. Silva reported that the final walk-through for the project will occur in June 2021.

Ms. Silva informed the Board that the installation of the first 400 linear feet of casing for the SWSP Segment A Casing Project is complete and installation of the second 400-foot portion has commenced.

Ms. Silva reported that pipe installation for SWSP Segment C1 has commenced near Westfield Village.

Ms. Silva then reported that pipe installation for SWSP Segment C2 has commenced at Cape Hatteras Drive.

Ms. Silva also reported that a Notice to Proceed was issued and a project kickoff meeting was held on June 7, 2021, for SWSP Segment 3-A2.

Ms. Silva reported that contract documents for SWSP Segment 3-A1 are being executed.

Ms. Silva also reported that contract documents are being prepared for SWSP Segment 3-A3.

Ms. Silva recommended approval of: (1) Pay Estimate No. 9 in the amount of \$232,762.96 to Persons Services Corp., for Contract 36; (2) Pay Estimate No. 5 in the amount of \$147,102.57 to S.J. Louis Construction, Inc. for SWSP Segment C1; (3) Pay Estimate No. 5 in the amount of \$443,246.86 to Harper Brothers Construction, LLC for SWSP Segment C2; and (4) Pay Estimate No. 4 in the amount of \$128,398.52 to Garney Companies, Inc., for the SWSP Segment A Casing Project. Following review and discussion, Director Weppler made a motion to approve the above-mentioned pay estimates, as recommended. Director Wheeler 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

Ms. Silva reported that a meeting of the City of Houston Water Supply Contract Advisory Committee is scheduled for June 29, 2021.

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 and DEC is assessing the appropriate time to advertise for bids for construction of the project.

Ms. Silva then reported that design plans being prepared by EHRA for the SWSP Kinder Morgan 7 Segment are progressing.

Ms. Silva also reported that EHRA, the design engineer for Contract 32, is finalizing the project manual and that plans have been submitted to agencies for review.

Ms. Silva reported that AECOM, the design engineer for SWSP Segment A, is addressing the comments on the 90% design plans.

Ms. Silva then reported that Black & Veatch, the design engineer for SWSP Segment B, is addressing Harris County comments on Segment B1/B2 and Segment B3 (Long Tunnel) drawings.

Ms. Silva also reported that Freese & Nichols, the design engineer for the RePump Station, 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 reported that AECOM, the design 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 SWSP Segment A valve stations and providing construction phase services for SWSP Segment C.

Ms. Silva provided an update on design of SWSP Segment 3-A5 and stated that the project manual was received and is under review.

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 reported that 408 permit clarification for Segment 3-A5 and Segment 3-B1 from the United States Army Corps of Engineers (“USACE”) is required for Harris County Flood Control District plan approval and stated the USACE acknowledged receipt of the permit review application.

Ms. Silva provided an update on correspondence with the City of Houston regarding meters at the Northeast Meter Station and the installation of a butterfly valve immediately upstream of the meter station.

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

The Board then considered approving the following: (1) Addendum No. 2 to the contract with Kimley-Horn and Associates, Inc., for SWSP Segment 3-A2 to decrease the basic design services fee by \$12,482.70 to \$825,617.30 based upon actual bids received for the project; (2) Addendum No. 1 to the contract with Binkley & Barfield, Inc., for SWSP Segment 3-A1 to decrease the basic design services fee by \$36,664.19 to \$774,182.81 based upon actual bids received for the project; and (3) Addendum No. 7 to the Master Services Agreement with Fugro to increase the work authorization amount from \$4,250,000 to \$4,500,000. Following review and discussion, Director Struzick moved to approve the above-described addenda. Director Thornhill 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) Supplement No. 1 to Work Authorization No. 26 to V&A to extend the termination date until services under Work Authorization No. 26 are complete; (2) Supplement No. 1 to Work Authorization No. 100 to Abstract Services of Houston to extend the work period until project completion; (3) Work Authorization No. 108 to Abstract Services of Houston in the amount of \$350.00; (4) Work Authorization No. 147 to Lupher, LLC in the amount of \$3,880.00; (5) Work Authorization No. 148 to Lupher, LLC in the amount of \$9,700.00; and (6) Work Authorization No. 20 to Texas American Title Company in the amount of \$100.00. Following review and discussion, Director Owens moved to approve the above-described work authorizations and supplements to work authorizations. Director Wheeler seconded the motion. A roll call of the Board was taken and the motion 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, RELOCATION AGREEMENTS, APPROVE PURCHASE AND SALE AGREEMENTS, APPROVE INTERLOCAL AGREEMENTS WITH HARRIS COUNTY AND HARRIS COUNTY FLOOD CONTROL DISTRICT, AND AGREEMENTS WITH UNION PACIFIC 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.

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. 11458 payable to Director Gorden in the amount of \$692.62, check no. 11459 payable to AT&T in the amount of \$53.05, check no. 11460 to the City of Houston in the amount of \$85.60, check no. 1437 payable to BGE, Inc., in the amount of \$475.31, and check no. 1082 payable to RPS in the amount of \$1,928.40, 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. 11458, 11459, 11460, 1437, and 1082. Director Janneck seconded the motion. A roll call of the Board was taken and the motion carried by a vote of six for the motion, with Director Thornhill 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.

APPROVE ANNUAL REPORT IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Ms. Vinson discussed the annual report to be filed in accordance with the Authority's continuing disclosure of information agreement pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission. After review and discussion, Director Struzick moved to approve the annual report and authorize filing of same, subject to final review. Director Owens seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

Ms. Vinson discussed the Authority's procedures for continuing disclosure compliance. The Board concurred to make no changes to the procedures.

INSURANCE COVERAGE, INCLUDING RENEWAL PROPOSAL

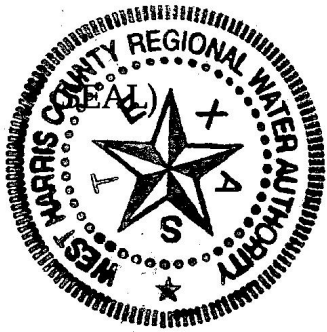
The Board reviewed an insurance renewal proposal from McDonald & Wessendorff Insurance. Following review and discussion, Director Wepler moved to accept the proposal for directors bond, public employee blanket crime, business travel, and cyber liability coverage from McDonald & Wessendorff Insurance. Director Wheeler seconded the motion. A roll call of the Board was taken and the motion carried by a vote of six for the motion with Director Thornhill abstaining.

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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