

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

January 12, 2022

The Board of Directors (the "Board") of the West Harris County Regional Water Authority (the "Authority") met in regular session at the Fry Road Municipal Utility District Administration Building, 20111 Saums Road, Katy, Texas 77449, inside the boundaries of the Authority, with supplemental access provided for directors by videoconference in accordance with Section 551.127 of the Texas Government Code and for the public by videoconference and teleconference, on the 12th day of January, 2022, and the roll was called of the members of the Board:

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 Directors Hansen, Weppler, Struzick, Thornhill, Janneck, Owens, Gorden, and Wheeler attended in person at the meeting location, constituting a quorum of the Board of Directors. Director Postle attended via videoconference in accordance with Section 551.127 of the Texas Government Code.

Also attending the meeting were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Melinda Silva, Wayne Ahrens, and Chase Juhl of DEC; Troy Anthony of Project Surveillance, Inc.; Frank Turner of EEPB; and Alia Vinson, Sanjay Bapat, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR"). Also attending the meeting were those persons included on the attached list and members of the public present via video and/or telephone.

Mr. Bapat reviewed certain recommended protocols for conducting the Authority's meeting in person with supplemental access by videoconference.

PUBLIC COMMENT

Director Hansen reported that the Authority's February Board meeting will be an in-person/videoconference meeting.

Director Hansen then offered any members of the public attending the meeting the opportunity to make public comment.

Mr. Bob Blumrick stated he is a director of Harris County Municipal Utility District No. 163 and discussed recent articles about groundwater regulations in Groundwater Management Area 14.

Director Hansen stated that the Board is aware of and is monitoring groundwater regulations.

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 December 8, 2021, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the December 8, 2021, regular Authority Board meeting, as submitted. The motion was seconded by Director Gorden, which passed unanimously.

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

Director Hansen stated that Rising Cost of Water brochure can be ordered online through the Authority's website. He then stated that preparation of the Authority's newsletter is in progress.

ADOPT RESOLUTION ADOPTING RULES FOR 2022 APPOINTMENT PROCESS FOR DIRECTORS

Ms. Vinson reported that terms for five directors of the Authority Board for Precincts 1, 2, 4, 5, and 9 expire in May 2022, and she reviewed the terms of the Resolution Adopting Rules for 2022 Appointment Process for Directors ("Resolution"). Following discussion, Director Wepler moved to adopt the Resolution as presented. Director Wheeler seconded the motion, which carried unanimously.

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 December is approximately 94.57% of the previous year at this date and that the average usage for 2021 is projected to be 64.37 MGD.

Ms. Silva reported that for December, the Authority was 42.12% converted to surface water and that for the 2021 calendar year, the Authority was 37.57% converted to surface water. She noted that planning for the remaining 2025 CIP projects is underway.

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 reported that the Authority received certain Over-Conversion Credits from the Harris-Galveston Subsidence District and will be issuing letters to districts that earned credits for alternative water usage pursuant to their respective Agreements Regarding Credits for Alternative Water Supply Use.

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 50, SWSP Segments C1 and C2, and SWSP Segments 3-A1, 3-A2, and 3-A3.

Regarding Contract 36, Ms. Silva reported that the contractor is waiting to receive a rectifier and that the project is otherwise complete.

Regarding Contract 50, Ms. Silva reported that submittals by the contractor are ongoing.

Regarding Contract 32, Ms. Silva reported that authorization from the Texas Water Development Board to issue the notice to proceed for the project has been requested.

Ms. Silva recommended approval of: (1) Pay Estimate No. 16 in the amount of \$48,371.40 to Persons Services Corp., for Contract 36; (2) Pay Estimate No. 1 in the amount of \$90,900.00 to Persons Services Corp., for Contract 50; (3) Pay Estimate No. 12 in the amount of \$2,256,175.24 to S.J. Louis Construction, Inc.; (4) Pay Estimate No. 12 in the amount of \$365,791.09 to Harper Brothers Construction, LLC for SWSP Segment C2; (5) Pay Estimate No. 1 in the amount of \$550,181.70 to R Construction Company for SWSP Segment 3-A1; (6) Pay Estimate No. 5 in the amount of \$160,993.17 to E.P. Brady, Ltd., for SWSP Segment 3-A2; and (7) Pay Estimate No. 3 in the amount of \$1,720,441.44 to Main Lane Industries, Ltd., for SWSP Segment 3-A3. Following review and discussion, Director Weppler made a motion to approve the above-mentioned pay estimates, as recommended. Director Struzick seconded the motion, which passed unanimously.

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, ACCOUNTING AND SOFTWARE, INVESTMENT ADVISORY SERVICES, 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 pre-bid package for the SWSP Kinder Morgan 7 Segment, which was submitted on December 31, 2021, is under review.

Ms. Silva then reported that the design engineer, AECOM, obtained utility plan approval signatures for SWSP Segment A and final project design plans have been submitted to the City of Houston and Harris County for approval.

Ms. Silva also reported that opening of bids for the SWSP Segments B1 and B2 has been moved to February 9, 2022, at the contractors' request.

Ms. Silva reported that opening of the bids for the SWSP Segment B3 (Long Tunnel) has been moved to February 2, 2022, at the contractors' request.

Ms. Silva then reported that a building workshop was held for the RePump Station and the design engineer, Freese & Nichols, is working on suggested modifications to the design plans. She noted that coordination regarding back-up generators for the Repump Station is ongoing.

Ms. Silva also reported that a building workshop was held for the Central Pump Station and the design engineer is working on suggested design modifications.

Ms. Silva reported that a pre-submittal meeting for the request for qualifications to pre-qualify contractors for the Central Pump Station and RePump Station was held on December 1, 2021, and opening of submittals has been moved to January 21, 2022, at the contractors' request.

Ms. Silva then 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. She noted a meeting, which was scheduled for January 11, 2022, to review responses to USACE's questions regarding the permit was postponed.

Ms. Silva provided an update regarding meters at the Northeast Meter Station and the design package for installation of a butterfly valve immediately upstream of the meter station.

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

The Board then considered approving Work Authorization Nos. 156 and 157 to Lupher, LLC in the amounts of \$3,150.00 and \$2,000.00, respectively. Following review and discussion, Director Owens moved to approve the above-described work authorizations. Director Wheeler seconded the motion, which carried by a vote of eight for the motion, with Director Postle abstaining.

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

Ms. Silva reported that the Authority will need to apply for a new Nationwide Permit ("NWP") for the SWSP due to changes to the USACE NWP Program.

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 FUNDING

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF BILLS, REVIEW OF INVESTMENTS, AND AUTHORITY FEES AND CHARGES

Mr. Turner reviewed the bookkeeper's report, a copy of which is attached, and the disbursements in the bookkeeper's report submitted for the Authority's review. Following review and discussion, Director Wheeler moved to approve the bookkeeper's report and the disbursements reflected in the bookkeeper's report. Director Struzick seconded the motion, which carried by a vote of eight for the motion with Director Postle abstaining in the vote.

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 (Continued)

Mr. Anthony presented the attached SWSP Monthly Construction Status Report dated January 10, 2021.

Director Hansen reported on a tour of the SWSP construction sites with Congresswoman Lizzie Fletcher. He commended Mr. Anthony, Mr. Juhl, and representatives from Hollaway Environmental + Communications Services, for their work preparing a tour and presentation for Congresswoman Fletcher.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Vinson reported on the Authority's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

ARBITRAGE REBATE REPORT FOR THE SERIES 2016 WATER SYSTEM JUNIOR LIEN REVENUE BONDS

Ms Vinson reviewed with the Board the arbitrage rebate report prepared by OmniCap Group LLC for the Series 2016 Water System Junior Lien Revenue Bonds. She noted that OmniCap Group LLC determined that there was no rebate or yield reduction payment due on the Series 2016 Water System Junior Lien Revenue Bonds.

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, CREDITS, OR WAIVERS, 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

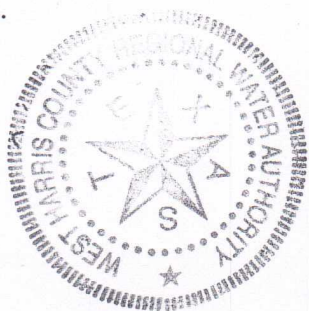
Mr. Thomas reviewed the operator's report, a copy of which is attached.


CONVENE EXECUTIVE SESSION TO CONSULT WITH ATTORNEY PURSUANT TO SECTION 551.071 TEXAS GOVERNMENT CODE

The Board did not convene in executive session.

There being no further matters to come before the Authority, the meeting was adjourned.

(SEAL)




Asst. Secretary, Board of Directors

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