

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

February 9, 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 9th day of February, 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; 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 offered any members of the public attending the meeting 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 January 12, 2022, regular and the February 4, 2022, special Authority Board meetings. Following review and discussion, Director Owens moved to approve the minutes of the January 12, 2022, regular and the February 4, 2022, special Authority Board meetings, as submitted. The motion was seconded by Director Thornhill, 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 the 2022 edition of the "Partners in Progress" newsletter is being prepared.

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 2022 through January is approximately 105.59% of the previous year at this date and that the average usage for 2022 is projected to be 64.37 MGD.

Ms. Silva reported that for January, the Authority was 39.74% converted to surface water and that for the 2022 calendar year, the Authority was 39.74% converted to surface water.

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 36, Contract 50, Contract 32, SWSP Segment B3, SWSP Segments C1 and C2, and SWSP Segments 3-A1, 3-A2, and 3-A3.

Ms. Silva reported that bids for the SWSP Segment B3 (Long Tunnel) were received on February 2, 2022. She stated that the WHCRWA awarded the construction contract for SWSP Segment B3 to Jay Dee Contractors, the low bidder, subject to authorization from the Texas Water Development Board.

Ms. Silva reported that representatives from DEC and BGE (representing the North Fort Bend Water Authority) reviewed the eight statements of qualifications ("SOQ") received from potential contractors for the for the Central Pump Station and RePump Station (the "Pump Stations"). She stated that all eight contractors were recommended for approval and DEC and the Pump Stations' design engineers recommended that the Board approve the following contractors as pre-qualified: (1) Harper Brothers; (2) Garney Companies; (3) Reytec Construction; (4) Flintco Industrial Inc.; (5) Wharton Smith Inc.; (6) PLW Waterworks, LLC; (7) McCarthy Building Companies, Inc.; and (8) Oscar Renda Contracting, Inc. Director Weppler seconded the motion, which passed unanimously.

Ms. Silva recommended approval of Change Order No. 2 to the contract for construction of SWSP Segment C1 with S.J. Louis Construction of Texas, Ltd. ("SJ Louis"), in the amount of \$112,270.87 to add a chain link fence to protect livestock and for waterline profile changes related to air valve details and to address the addition of 1 day to the contract duration. The Board determined that Change Order No. 2 is beneficial to the Authority. After review and discussion, Director Weppler moved to approve Change Order No. 2 to the contract for construction of SWSP Segment C1 with SJ Louis, based upon the Board's finding that the Change Order is beneficial to the

Authority and the engineer's recommendation. Director Thornhill seconded the motion, which passed unanimously.

Ms. Silva recommended approval of: (1) Pay Estimate No. 17 in the amount of \$137,506.59 to Persons Services Corp., for Contract 36; (2) Pay Estimate No. 2 in the amount of \$13,267.80 to Persons Services Corp., for Contract 50; (3) Pay Estimate No. 13 in the amount of \$550,348.64 to SJ Louis for SWSP Segment C1; (4) Pay Estimate No. 13 in the amount of \$514,741.94 to Harper Brothers Construction, LLC for SWSP Segment C2; (5) Pay Estimate No. 2 in the amount of \$262,692.00 to R Construction Company for SWSP Segment 3-A1; (6) Pay Estimate No. 6 in the amount of \$95,254.87 to E.P. Brady, Ltd., for SWSP Segment 3-A2; and (7) Pay Estimate No. 4 in the amount of \$678,554.92 to Main Lane Industries, Ltd., for SWSP Segment 3-A3. Following review and discussion, Director Weppler made a motion to approve the above-described pay estimates, as recommended. Director Gorden 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 is under review.

Ms. Silva then reported that the design engineer, AECOM, received comments from the City on the final project design plans for SWSP Segment A and that the plans have been submitted to Harris County for approval.

Ms. Silva also reported that bids for SWSP Segments B1 and B2 were received today and are under review.

Ms. Silva reported that the 100% design plans for the RePump Station submitted by the design engineer, Freese & Nichols, are under review.

Ms. Silva then reported that the design engineer, AECOM, is finalizing the bid documents for the Central Pump Station.

Ms. Silva also reported that the design engineer for Segment 3-A5 and Segment 3-B1 is revising the projects' design plans based on comments related to 408 permit clarification from the United States Army Corps of Engineers ("USACE").

Ms. Silva provided an update regarding meters at the Northeast Meter Station and reported that the design package for installation of a butterfly valve immediately upstream of the meter station is in final QA/QC.

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

Director Postle joined the meeting via videoconference in accordance with Section 551.127 of the Texas Government Code. Ms. Vinson announced that the meeting was now being recorded, due to Director Postle's participation by videoconference.

The Board then considered approving the following work authorizations: (1) Work Authorization No. 182 to Rapid Research, Inc., in the amount of \$525.00; (2) Work Authorization No. 183 to Rapid Research, Inc., in the amount of \$250.00; (3) Work Authorization No. 109 to Abstract Services of Houston in the amount of \$2,200.00; (4) Work Authorization No. 110 to Abstract Services of Houston in the amount of \$4,500.00; (5) Work Authorization No. 158 to Lupher, LLC in the amount of \$6,700.00; and (6) Work Authorization No. 5 to Arch Aerial LLC in the amount of \$50,000.00. Following review and discussion, Director Wheeler moved to approve the above-described work authorizations. Director Struzick seconded the motion, which passed unanimously.

Ms. Vinson reviewed a legal conflicts waiver regarding representation of the Authority and Harris County Municipal Utility District No. 165 ("HC MUD 165") regarding the preparation and review of an encroachment agreement. Following review and discussion, Director Janneck moved to approve the legal conflicts waiver regarding the preparation and review of an encroachment agreement with HC MUD 165. Director Wheeler seconded the motion, which passed unanimously.

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. Juhl presented the attached SWSP Monthly Construction Status Report dated January 27, 2022.

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

Ms. Silva reported that the SWSP Nationwide Permit ("NWP") is being updated from NWP 12 to NWP 58 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. Director Postle reported that he approved the acquisition of easements from Harris County Flood Control District for several parcels for SWSP Segment B today.

ENCROACHMENTS OF EASEMENTS OR OTHER REALTY INTERESTS, INCLUDING ACCEPT, CONVEY, AMEND, OR RELEASE ENCROACHMENT AGREEMENTS

There was no discussion on this matter.

AUTHORIZE PREPARATION OF GROUNDWATER PUMPAGE REPORT DUE TO HARRIS-GALVESTON SUBSIDENCE DISTRICT ("HGSD") UNDER SECTION 6.2(B) OF SUBSIDENCE DISTRICT RULES

The Board considered authorizing preparation of the annual groundwater pumpage report due to HGSD under Section 6.2(b) of Subsidence District Rules. Following discussion, Director Thornhill moved to authorize DEC to prepare the groundwater pumpage report due to HGSD under Section 6.2(b) of Subsidence District Rules. Director Struzick seconded the motion, which carried unanimously.

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 Owens seconded the motion, which the motion carried by a vote of eight for the motion, with Director 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.

ARBITRAGE REBATE REPORT FOR THE SERIES 2016A BONDS

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

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

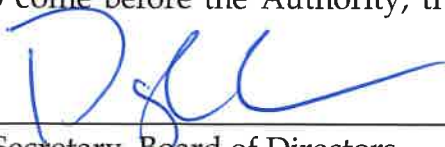
The Board did not convene in executive session.

Director Hansen reported that tonight's meeting was the last hybrid in-person/videoconference Authority Board meeting and that all future Authority Board meetings will be held in an in-person format only at the Fry Road Municipal Utility District Administration Building, 20111 Saums Road, Katy, Texas 77449.

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

(SEAL)




Secretary, Board of Directors

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