

MINUTES  
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

March 9, 2022

The Board of Directors (the "Board") of the West Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, on the 9th day of March, 2022, at the Fry Road Municipal Utility District Administration Building, 20111 Saums Road, Katy, Texas 77449, inside the boundaries of the Authority, and the roll was called of the members of the Board:

Eric Hansen	President
Larry Wepler	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 Hansen, Thornhill, and Owens, thus constituting a quorum.

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

PUBLIC COMMENT

Director Wepler 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 Wepler moved to the next agenda item.

MINUTES OF PREVIOUS MEETINGS

The Board reviewed the minutes of the February 9, 2022, regular and the February 11, 2022, special Authority Board meetings. Following review and discussion, Director Struzick moved to approve the minutes of the February 9, 2022, regular and the February 11, 2022, special Authority Board meetings, as submitted. The motion was seconded by Director Gorden, which passed unanimously.

## DISCUSS DIRECTOR APPOINTMENT PROCESS AND ADOPT ORDER DECLARING DIRECTORS ELECTED AND CANCELING DIRECTOR APPOINTMENT PROCESS

Mr. Bapat discussed the director appointment process for 2022 and stated that the Authority received candidate nominations for Director Precincts 1, 2, 4, 5, and 9. He stated that Larry Wepler, John "Jay" Wheeler, Mike Thornhill, and Dennis Gorden were each nominated for re-appointment, Karla Cannon was nominated for appointment, and no nominations were received for any other candidates by the deadline established by the Texas Legislature in the Authority's enabling legislation. Mr. Bapat noted that Mike Owens did not seek a nomination for re-appointment. Mr. Bapat then reviewed an Order Declaring Directors Elected and Canceling Director Appointment Process (the "Order") for Director Precincts 1, 2, 4, 5, and 9, appointing Larry Wepler, John "Jay" Wheeler, Mike Thornhill, Karla Cannon and Dennis Gorden directors of the Authority to serve terms commencing on May 16, 2022. Following review and discussion, Director Struzick moved to adopt the Order and direct that it be filed appropriately and retained in the Authority's official records. Director Janneck seconded the motion, 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 Wepler stated that the 2022 edition of the "Partners in Progress" newsletter has been posted on the Authority's website and sent out through an email blast.

## 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 February is approximately 90.15% of the previous year at this date and that the average usage for 2022 is projected to be 60.88 MGD.

Ms. Silva reported that for February, the Authority was 37.73% converted to surface water and that for the 2022 calendar year, the Authority was 38.79% 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

Ms. Silva reported that DEC is preparing the annual groundwater pumpage report due to Harris-Galveston Subsidence District by the end of the month.

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 B1 and B2; 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 on CenterPoint to provide power for a rectifier.

Regarding Contract 50, Ms. Silva reported that the contractor is working on tunnels along Fry Road and Morton Road and preparing to bore across Morton Road into the plant.

Regarding Contract 32, Ms. Silva stated that submittals for the project are ongoing.

Ms. Silva reported that DEC is waiting for the contractor for Segment B3 to submit insurance documents for the contract and that documents are being prepared for execution for the Segments B1 and B2 contract.

Ms. Silva recommended approval of: (1) Pay Estimate No. 3 in the amount of \$307,094.40 to Persons Services Corp., for Contract 50; (2) Pay Estimate No. 14 in the

amount of \$2,098,666.05 to S.J. Louis Construction of Texas, Ltd. for SWSP Segment C1; (3) Pay Estimate No. 14 in the amount of \$650,740.33 to Harper Brothers Construction, LLC for SWSP Segment C2; (4) Pay Estimate No. 3 in the amount of \$382,121.94 to R Construction Company for SWSP Segment 3-A1; (5) Pay Estimate No. 7 in the amount of \$62,885.75 to E.P. Brady, Ltd., for SWSP Segment 3-A2; and (6) Pay Estimate No. 5 in the amount of \$1,446,151.20 to Main Lane Industries, Ltd., for SWSP Segment 3-A3. Following review and discussion, Director Wheeler made a motion to approve the above-described pay estimates, as recommended. Director Janneck 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 a proposal submitted by EHRA to change the Kinder Morgan sub-segment 7 design plans due to the change in alignment is under review.

Ms. Silva then reported that the design engineer, AECOM, is preparing a response to City of Houston's comments on the final project design plans for SWSP Segment A. She stated that a response from HCFCFCD regarding a variance request is pending.

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. She requested authorization to advertise for bids for the project subject to receipt of all applicable regulatory approvals. Director Struzick stated that the Joint Facilities Committee concurs with the recommendation to advertise for bids for the project subject to receipt of all applicable regulatory approvals. Following discussion, Director Struzick moved to authorize advertisement for bids for

construction of the Central Pump Station subject to receipt of all applicable regulatory approvals. Director Janneck seconded the motion, which passed unanimously.

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

Ms. Silva provided an update regarding meters at the Northeast Meter Station and reported that work continues on the butterfly valve installation package.

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

The Board considered approving Addendum No. 3 to the contract with Arch Aerial LLC, to increase the contract amount to \$140,000.00 and Addendum No. 5 to the contract with McKim & Creed to increase the contract amount to \$550,000.00. Following review and discussion, Director Wheeler moved to approve the above-described addenda. Director Struzick seconded the motion, which passed unanimously.

The Board then considered approving the following work authorizations: (1) Supplement No. 2 to Work Authorization No. 8 to Secured Land Transfers LLC dba Texas American Title Company to increase the maximum payable amount under this work authorization from \$3,000.00 to \$5,000.00; (2) Work Authorization No. 22 to Secured Land Transfers LLC dba Texas American Title Company in the amount of \$6,600.00; (3) Work Authorization No. 185 to Rapid Research, Inc., in the amount of \$6,650.00; (4) Work Authorization No. 186 to Rapid Research, Inc., in the amount of \$350.00; (5) Work Authorization No. 187 to Rapid Research, Inc., in the amount of \$50.00; (6) Supplement No. 1 to Work Authorization No. 28 to V&A Consulting Engineers, Inc., to extend the termination date until services under Work Authorization No. 28 are complete; (7) Work Authorization No. 5 to Arch Aerial LLC in the amount of \$50,000.00; and (8) Work Authorization No. 19 to McKim & Creed in the amount of \$68,896.00. Following review and discussion, Director Gorden moved to approve the above-described work authorizations and supplements to work authorizations. Director Postle seconded the motion, which passed unanimously.

Mr. Bapat reviewed an engagement letter with McGinnis Lochridge, LLP ("McGinnis"). He then reviewed a letter to Norton Rose Fulbright US LLP ("Norton Rose") requesting that Norton Rose transfer certain files relating to the Authority to McGinnis. Following review and discussion, Director Postle made a motion to (1) authorize execution of the engagement letter with McGinnis; (2) authorize execution of the letter to Norton Rose; and (3) direct that the agreement and the letter be filed appropriately and retained in the Authority's official records. Director Struzick seconded the motion, which passed unanimously.

## 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 ("HCFCD"), 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.

## CONSTRUCTION UPDATES

Mr. Anthony presented the attached SWSP Monthly Construction Status Report dated February 25, 2022.

## 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 the motion carried by a vote of five 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.

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

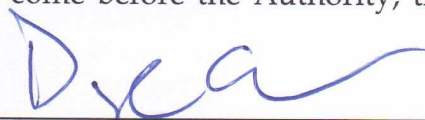
Mr. Thomas reviewed the operator's report, a copy of which is attached.

In response to an inquiry by Director Struzick, Mr. Thomas reported that Inframark will be coordinating an emergency preparedness workshop to take place during the Spring.

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.



Secretary, Board of Directors

(SEAL)



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