

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

June 8, 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 8th day of June, 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
Karla Cannon	Director
Dennis Gorden	Director
John "Jay" Wheeler	Director

and all of the above were present, thus constituting a quorum.

Also attending the meeting either in person or by teleconference were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Melinda Silva, Wayne Ahrens, Chase Juhl, and Nancy Collins of DEC; Troy Anthony of Project Surveillance, Inc.; Frank Turner of EEPB; Fred Junkin of Phelps Dunbar LLP; and Alia Vinson, 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.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072 TEXAS GOVERNMENT CODE

The Board convened in executive session at 5:00 p.m. pursuant to Section 551.072, Texas Government Code to deliberate regarding the acquisition of real property interests with their special counsel Mr. Junkin. The Board determined that the presence of Mr. Ahrens, Ms. Silva, and Ms. Collins in this executive session was necessary in order for the Board to obtain the necessary legal advice from its attorney, and the Board concurred to have them present. Present at the closed meeting were all Directors, Mr. Junkin, Mr. Ahrens, Ms. Silva, Ms. Collins, Ms. Vinson, Mr. Bapat, and Ms. Panozzo.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 6:01 p.m., the Board reconvened in open session. The Board took no action related to the executive session in open session.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened in executive session at 6:03 p.m. pursuant to Section 551.071, Texas Government Code. Present at the closed meeting were all Directors, Ms. Vinson, Mr. Bapat, and Ms. Panozzo.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 6:20 p.m., the Board reconvened in open session. The Board took no action related to the executive session in open session.

PUBLIC COMMENT

Director Hansen reported that Karla Cannon was appointed to the Authority Board, effective May 16, 2022, and he welcomed Director Cannon to the Board.

Director Hansen then 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 May 11, 2022, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the May 11, 2022, regular Authority Board meeting, as submitted. The motion was seconded by Director Janneck, which passed unanimously.

CUSTOMER APPEALS

No customer appeals were presented.

DIRECTOR MATTERS

REORGANIZE THE BOARD AND ELECT OFFICERS

The Board took no action on this matter.

AUTHORIZE EXECUTION AND FILING OF REGISTRATION FORM

The Board next considered approving a Registration Form revised to reflect the appointments of the Board members, including the appointment of Director Cannon, re-appointment of Directors Wheeler, Thornhill, Wepler, and Gorden, and their respective terms.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING

Ms. Vinson reviewed a Memorandum from ABHR regarding the Open Meetings Act and Public Information Act Training Requirements, a copy of which is attached. She stated the Texas Legislature requires each elected or appointed public official to complete a course of training regarding the responsibilities of the governmental body and its members under the Texas Open Meetings Act, Chapter 551, Government Code.

CONFLICT OF INTEREST DISCLOSURE REQUIRED UNDER CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE, INCLUDING REVIEW OF DISCLOSURE FORMS ADOPTED BY THE TEXAS ETHICS COMMISSION AND LIST OF LOCAL GOVERNMENT OFFICERS

Ms. Vinson reviewed a Memorandum from ABHR regarding conflict of interest disclosure required under Chapter 176 of the Texas Local Government Code and disclosure forms adopted by the Texas Ethics Commission, a copy of which is attached. She also reviewed the List of Local Government Officers required under Chapter 176 of the Texas Local Government Code.

After review, Director Struzick moved to: (1) authorize the execution and filing of the Registration Form with the Texas Commission on Environmental Quality; and (2) approve and authorize execution of the list of Local Government Officers and direct that the list be filed appropriately and retained in the District's official records. The motion was seconded by Director Thornhill and carried by unanimous vote.

TOWNHALL MEETINGS AND WORKSHOPS, WEBSITE, SOCIAL MEDIA, WATER CONSERVATION PROGRAM AND TRAILERS, ATTENDANCE AT CONFERENCES AND MEMBERSHIP IN ORGANIZATIONS, NEWSLETTERS AND MAILOUTS

Director Hansen reported that the Authority obtained an exhibit booth at the 2022 Association of Water Board Directors summer conference and information regarding ongoing and future Authority and Surface Water Supply Project ("SWSP") construction projects will be presented at the booth.

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 May is approximately 107.21% 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 May, the Authority was 33.80% converted to surface water and that for the 2022 calendar year, the Authority was 38.78% 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 on the proposed creation of Harris County Municipal Utility District No. 586 to be located within the boundaries of the Authority.

Ms. Silva then reported that Harris County Municipal Utility District No. 539 and Harris County Municipal Utility District No. 559 each have a new well and Harris County Municipal Utility District No. 418 has two new wells.

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

Regarding Contract 36, Ms. Silva reported that proposals related to encroachment conditions are being solicited.

Regarding Contract 50, Ms. Silva reported the contractor is waiting on 36-inch pipe for Fry Road and that the crossing of Morton Road is almost complete.

Regarding Contract 32, Ms. Silva reported that installation of pipe is complete and work on the meter station has begun.

Ms. Silva recommended approval of: (1) Pay Estimate No. 1 in the amount of \$264,556.80 to D.L. Elliott Enterprises for Contract 32; (2) Pay Estimate No. 6 in the amount of \$258,251.85 to Persons Services Corp., for Contract 50; (3) Pay Estimate No. 17 in the amount of \$2,449,484.76 to S.J. Louis Construction of Texas Ltd. for SWSP Segment C1; (4) Pay Estimate No. 17 in the amount of \$2,273,968.09 to Harper Brothers Construction, LLC for SWSP Segment C2; (5) Pay Estimate No. 6 in the amount of \$1,533,926.32 to R Construction Company for SWSP Segment 3-A1; (6) Pay Estimate No. 9 in the amount of \$502,540.53 to E.P. Brady, Ltd. for SWSP Segment 3-A2; and (7) Pay Estimate No. 8 in the amount of \$1,810,565.81 to Main Lane Industries, Ltd., for SWSP Segment 3-A3. Following review and discussion, Director Wepler made a motion to approve the above-described 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

Ms. Silva reported that the next meeting of the Water Supply Contract Advisory Committee is scheduled for September, 2022.

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 next submittal of design plans for the Kinder Morgan sub-segment 7 is scheduled for June 30, 2022.

Ms. Silva then reported that AECOM, the design engineer for SWSP Segment A is finalizing design plans for final approvals and preparing the Project Manual for advertisement for bids for the project.

Ms. Silva reported that Freese & Nichols, the design engineer for the RePump Station is addressing additional comments on the 100% design plans from Harris County.

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

Ms. Silva also reported that the design engineer for Segment 3-A5 and Segment 3-B1 is waiting on a response from the United States Army Corps of Engineers related to 408 permit clarification.

Ms. Silva provided an update regarding meters at the Northeast Meter Station and reported that the final installation package for the butterfly valve was submitted to the City yesterday.

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

The Board considered approving Addendum No. 6 to the contract with McKim & Creed, Inc. to increase the contract amount to \$600,000.00. Following review and discussion, Director Gorden moved to approve Addendum No. 6 to the contract with McKim & Creed, Inc. Director Wheeler seconded the motion, which passed unanimously.

The Board then considered approving the following work authorizations: (1) Supplement No. 2 to Work Authorization No. 7 to Heidaker Land Services, Inc. to extend the termination date until project completion; (2) Work Authorization No. 20 to McKim & Creed, Inc., in the amount of \$32,038.00; and (3) Work Authorization No. 111 to Title Houston Holdings Ltd., dba Abstract Services of Houston in the amount of

\$4,500.00. Following review and discussion, Director Wheeler moved to approve the above-described work authorizations. Director Wepler seconded the motion, which passed unanimously.

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

Ms. Silva provided a report on the update to the SWSP Nationwide Permit ("NWP") from NWP 12 to NWP 58.

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.

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 and Mr. Juhl presented the attached SWSP Monthly Construction Status Report dated May 31, 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 Janneck seconded the motion, which carried by a vote of seven for the motion, with Directors Postle and Wepler abstaining.

Director Hansen noted that the level of detail in the Authority bookkeeper's report being provided to the public at Authority Board meetings changed due to security and safety practices.

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.

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 Thornhill moved to approve the annual report and authorize filing of same, subject to final review. Director Cannon seconded the motion, which passed unanimously.

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.

INTERLOCAL AGREEMENT REGARDING AUDIO/VIDEO SYSTEM MODIFICATIONS WITH FRY ROAD MUNICIPAL UTILITY DISTRICT ("FRY ROAD MUD")

Ms. Vinson reviewed an Interlocal Agreement Regarding Audio/Video System Modification with Fry Road MUD. Following review and discussion, Director Struzick moved to approve and authorize execution of the Interlocal Agreement Regarding Audio/Video System Modification subject to final approval by Director Struzick and

direct that such agreement be filed appropriately and retained in the Authority's official records. Director Wepler seconded the motion, which passed unanimously.

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 Struzick seconded the motion, which carried by a vote of eight for the motion with Director Thornhill abstaining.

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



Secretary, Board of Directors

(SEAL)



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