

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

January 11, 2023

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 11th day of January, 2023, 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 Weppler	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 except Directors Janneck and Wheeler, thus constituting a quorum.

Also attending the meeting were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Wayne Ahrens, Melinda Silva, 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 present at the meeting were those persons included on the attached list.

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 December 14, 2022, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the December 14, 2022, regular Authority Board meeting, as submitted. The motion was seconded by Director Cannon, 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 reported that the Authority has begun preparations for upcoming outreach efforts. He encouraged meeting attendees to sign up to receive Authority email updates and emergency alerts via the Authority 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 2022 through December is approximately 119.201% of the previous year at this date and that the average usage for 2022 is projected to be 74.11 MGD.

Ms. Silva reported that for December, the Authority was 33.65% converted to surface water and that for the 2022 calendar year, the Authority was 34.67% converted to surface water.

Ms. Silva then reported that the population and water demand projections are being updated based on new data from the U.S. Census Bureau.

Ms. Silva also reported that letters regarding surface water conversion were sent to municipal utility districts being connected to CIP water lines to meet the 2025 conversion.

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 50, Contract 32, Surface Water Supply Project ("SWSP") Segments B1 and B2, SWSP Segment B3, SWSP Segments C1 and C2, and SWSP Segments 3-A1, 3-A2, and 3-A3.

Regarding Contract 50, Ms. Silva reported that two crews are working from the north and south ends and work continues on the meter station.

Regarding Contract 32, Ms. Silva reported that DEC is coordinating with Harris County Municipal Utility District No. 500 regarding startup.

Ms. Silva recommended approval of: (1) Pay Estimate No. 13 in the amount of \$236,194.68 to Persons Services Corp. for Contract 50; (2) Pay Estimate No. 6 in the amount of \$1,539,941.61 to Harper Brothers Construction, LLC for SWSP Segments B1 and B2; (3) Pay Estimate No. 7 in the amount of \$826,241.04 to Jay Dee Contractors, Inc. for SWSP Segment B3; (4) Pay Estimate No. 24 in the amount of \$73,952.73 to S.J. Louis Construction of Texas Ltd. for SWSP Segment C1; (5) Pay Estimate No. 24 in the amount of \$208,253.28 to Harper Brothers Construction, LLC for SWSP Segment C2; (6) Pay Estimate No. 13 in the amount of \$115,900.00 to R Construction Company for SWSP Segment 3-A1; (7) Pay Estimate No. 16 in the amount of \$721,653.01 to E.P. Brady, Ltd. for SWSP Segment 3-A2; and (8) Pay Estimate No. 15 in the amount of \$160,219.98 to Main Lane Industries, Ltd. for SWSP Segment 3-A3. Following review and discussion, Director Struzick made a motion to approve the above-described pay estimates, as recommended. Director Weppeler 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 Water Supply Contract Advisory Committee meeting was held yesterday.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS, WEBSITE, ACCOUNTING/BOOKKEEPING AND SOFTWARE, RATE ANALYSIS, 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 EHRA is working on 95% design plans for the re-alignment of the Kinder Morgan 7 sub-segment.

Ms. Silva then reported that Freese & Nichols, the design engineer for the RePump Station, submitted 100% design plans to all agencies for final approvals and various issues are being worked through.

Ms. Silva also reported that the contract documents and bonds for construction of SWSP Segments A1 and A2 are being worked on and approval to award the contract to Harper Brothers Construction, LLC has been received from the Texas Water Development Board.

Ms. Silva reported that design plans for SWSP Segment 3-B1 and SWSP Segment 3-A5 are being finalized based on feedback received from the United States Army Corps of Engineers related to 408 permit clarification.

Ms. Silva then reported that Halff, the design engineer for SWSP Kinder Morgan Segment 1, completed a field survey and submittal of 100% design plans for the project are expected to be received on February 17, 2023.

Ms. Silva also reported that 30% design plans for Contract 63 have been reviewed and comments were returned to Carollo, the design engineer for the project, this week.

Ms. Silva reported that the kickoff meeting with LAN, the design engineer for Contract 64, was held in December and the survey work for the project is being scheduled.

Ms. Silva then reported that 60% design plan submittal from Vogler & Spencer, the design engineer for Contract 27, is due this month.

Ms. Silva reported that fieldwork by Huitt-Zollars, the design engineer for Contract 26, is underway.

Ms. Silva also reported that submittal of 30% design plans from Sander Engineering, the design engineer for Contract 25, is delayed and additional surveys for the project are being worked on.

Ms. Silva then reviewed and recommended approval of the following: (1) Agreement for Professional Services with Kimley-Horn and Associates, Inc. ("Kimley-Horn") for Contract 65 in the amount of \$682,934.10; and (2) Tenth Amendment to the contract with DEC to adjust the billing rate schedule. Following review and discussion, Director Thornhill moved to approve the Agreement for Professional Services with Kimley-Horn for Contract 65 and the Tenth Amendment to the contract with DEC. Director Struzick seconded the motion, which passed unanimously.

Ms. Silva reviewed and recommended approval of an amendment to the contract with AECOM for construction phase services for the Central Pump Station in an amount not to exceed \$1,900,000, subject to final review by the Authority President. Following review and discussion, Director Thornhill moved to approve the above-described amendment to the contract with AECOM, subject to final review by the Authority President. Director Struzick seconded the motion, which passed by a vote of six for the motion, with Director Postle abstaining.

The Board then considered approving the following work authorizations: (1) Work Authorization Nos. 32, 33, and 34 to V&A for cathodic protection design in the amounts of \$35,863.00, \$35,287.00, and \$35,287.00, respectively; (2) Work Authorization No. 11 to V&A for construction phase services for Central Pump Station in the amount not to exceed \$34,698.00; (3) Work Authorization No. 12 to V&A for construction phase services for Segments A1 and A2 in the amount not to exceed \$34,164.00; (4) Work Authorization No. 20 to Kuo & Associates, Inc. in the amount of \$8,340.00 to perform topographic surveying for the Bellaire Pump Station; (5) Work Authorization No. 17 to Crouch Environmental Services, Inc., d/b/a Hollaway Environmental + Communications Services, Inc., for environmental services for CIP waterline evaluations in the amount of \$19,800.00; (6) Work Authorization No. 165 to Lupher in the amount of \$3,800.00; and (7) Work Authorization No. 26 to Quiddity in the amount of \$8,769.00. Following review and discussion, Director Cannon moved to approve the above-described work authorizations and supplement to work authorization. Director Gorden seconded the motion, which carried by a vote of five for the motion, with Directors Wepler and Postle abstaining.

The Board considered approving the First Amendment to Bookkeeping Services Agreement between the Authority and EEPB to replace Exhibit B: Compensation for Services. Following review and discussion, Director Struzick moved to approve the First Amendment to Bookkeeping Services Agreement between the Authority and EEPB and direct that it be filed appropriately and retained in the Authority's official records. Director Cannon seconded the motion, which passed unanimously.

The Board then considered approving an engagement letter with Willdan Financial Services to update the Authority rate study. Following review and discussion, Director Struzick moved to approve the engagement letter with Willdan Financial Services and direct that it be filed appropriately and retained in the Authority's official records. Director Thornhill seconded the motion, which passed unanimously.

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

Ms. Silva provided a report on the update to the SWSP East-West 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.

AUTHORIZE PREPARATION OF REPORT DUE TO SUBSIDENCE DISTRICT UNDER SECTION 6.2(B) OF SUBSIDENCE DISTRICT RULES

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

CONSTRUCTION UPDATES

Mr. Anthony presented the attached SWSP Monthly Construction Status Report dated January 9, 2023.

RESOLUTION DESIGNATING AND AUTHORIZING SENIOR EXECUTIVE-LEVEL REPRESENTATIVE PURSUANT TO CERTAIN SURFACE WATER SUPPLY PROJECT CONSTRUCTION CONTRACTS

Ms. Vinson reviewed a Resolution Designating and Authorizing Senior Executive-Level Representative Pursuant to Certain SWSP Construction Contracts, which designates Director Weppler to serve as the senior executive-level representative and Director Hansen to serve as the alternate senior executive-level representative pursuant to certain SWSP construction contracts. Following review and discussion, Director Struzick moved to adopt the Resolution Designating and Authorizing Senior Executive-Level Representative Pursuant to Certain SWSP Construction Contracts and direct that it be filed appropriately and retained in the Authority's official records. Director Gorden seconded the motion, which passed unanimously.

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 Thornhill 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 five for the motion, with Directors Weppler and Postle abstaining.

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.

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 (Continued)

In response to an inquiry by Director Postle, Ms. Vinson reported that ABHR has filed the Authority's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas.

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, TERMINATIONS, AND DROUGHT
CONTINGENCY PLAN MATTERS

Mr. Thomas reviewed the operator's report, a copy of which is attached. He provided an update on the Boil Water Notice issued by the City due to a power outage at the EWPP and reported on preventative measures which kept the Authority in compliance during the City's issuance of its Boil Water Notice.

Discussion ensued regarding the recent winter weather event. Mr. Thomas discussed the preventative measures taken by the Authority in anticipation of the winter weather event.

CONVENE IN 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)



Secretary, Board of Directors

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