

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

May 10, 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 10th day of May, 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 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 except Directors Hansen and Postle, 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.; Kevin Berry of EEPB; Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; and Sanjay Bapat and Cheryl Panozzo of Allen Boone Humphries Robinson LLP. 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 April 12, 2023, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the April 12, 2023, regular Authority Board meeting, as submitted. The motion was seconded by Director Thornhill, which passed unanimously.

AUDIT REPORT FOR FISCAL YEAR END DECEMBER 31, 2022

Mr. Ellis reviewed the audit report for the fiscal year end December 31, 2022. Following review and discussion, Director Struzick moved to approve the audit report for the fiscal year end December 31, 2022. Director Gorden 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 Weppler reported that the Authority will have an exhibit booth at the 2023 Association of Water Board Directors summer conference.

Ms. Silva reported that the emergency preparedness workshop will be held in person on May 24, 2023, at 11:30 a.m. at the Fry Road Municipal Utility District Administration Building.

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 2023 through April is approximately 101.227% of the previous year at this date and that the average usage for 2023 is projected to be 56.70 MGD.

Ms. Silva reported that for April, the Authority was 39.69% converted to surface water and for the 2023 calendar year, the Authority was 37.86% converted to surface water.

Ms. Silva provided an update on design and schedule matters concerning the remaining 2025 CIP projects.

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

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

Ms. Silva provided an update regarding preparation of an Amended and Restated Joint Facilities Agreement between the Authority and North Fort Bend Water Authority.

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, SWSP Segments 3-A1, 3-A2, and 3-A3, SWSP Segments A1/A2, and the SWSP Central Pump Station.

Regarding Contract 50, Ms. Silva reported she anticipates that surface water will be delivered in May 2023.

Regarding Contract 32, Ms. Silva reported that Harris County Municipal Utility District No. 500 started receiving surface water from the Authority last week.

Ms. Silva recommended approval of: (1) Pay Estimate No. 3 in the amount of \$1,173,444.30 to Reytec Construction Resources, Inc. for the Central Pump Station; (2) Pay Estimate No. 8 and Final to D.L. Elliott Enterprises in the amount of \$98,955.40 for Contract 32; (3) Pay Estimate No. 17 in the amount of \$102,144.60 to Persons Services Corp. for Contract 50; (4) Pay Estimate No. 10 in the amount of \$3,306,655.27 to Harper Brothers Construction, LLC for SWSP Segments B1 and B2; (5) Pay Estimate No. 11 in the amount of \$2,167,316.55 to Jay Dee Contractors, Inc. for SWSP Segment B3; (6) Pay Estimate No. 28 in the amount of \$47,619.00 to S.J. Louis Construction of Texas Ltd. for

SWSP Segment C1; (7) Pay Estimate No. 28 in the amount of \$880,068.28 to Harper Brothers Construction, LLC for SWSP Segment C2; (8) Pay Estimate No. 17 in the amount of \$114,000.00 to R Construction Company for SWSP Segment 3-A1; (9) Pay Estimate No. 19 in the amount of \$306,250.95 to E.P. Brady, Ltd. for SWSP Segment 3-A2; and (10) Pay Estimate No. 1 in the amount of 8,109,774.00 to Harper Brothers Construction, LLC for SWSP Segments A1/A2. Following review and discussion, Director Cannon made a motion to approve the above-described pay estimates, as recommended. Director Wheeler 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 DEC is preparing comments to the City of Houston regarding the preliminary O&M budget for fiscal year 2024.

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 issues related to Harris County fire code review of the 100% design plans for the RePump Station are being resolved and noted that City of Houston approval of the plans is pending.

Ms. Silva then reported that layout drawings of the Bellaire Meter Station are being worked on.

Ms. Silva also reported she expects that design plans for the I-10 Meter Station will reach 60% this week.

Ms. Silva reported that 90% design plans for the Northeast Meter Station are being worked on.

Ms. Silva then reported that Halff, the design engineer for SWSP Kinder Morgan Segment 1, is working on flow meter detail.

Ms. Silva also reported that the design work for SWSP Kinder Morgan Segments 2-4 will be restarting soon.

Ms. Silva reported that the proposal to restart design of SWSP Kinder Morgan Segments 5 is under review.

Ms. Silva then reported that a proposal to restart design of Kinder Morgan Segment 6 is under review and noted that the impact of new development on the tunnel crossing of I-10 is being evaluated.

Ms. Silva also reported that a proposal is being negotiated to complete design plans for SWSP Segment 3-A5.

Ms. Silva reported that encroachment and right-of-way issues are being evaluated for Segment 3-B1 design plans.

Ms. Silva then reported on coordination with EHRA, the design engineer for the Kinder Morgan 7 sub-segment, regarding extension of an easement to serve Harris County Municipal Utility District No. 5.

Ms. Silva also reported that design kickoff meeting was held with Sander Engineering, the design engineer for Contract 51, on April 17, 2023, and noted that the survey work is underway.

Ms. Silva reported that a design proposal with Arcadis for Contract 52 is being presented for approval at today's meeting.

Ms. Silva then reported that Carollo, the design engineer for Contract 63, is working on the 90% design plans.

Ms. Silva also reported that Lockwood, Andrews, and Newman, Inc. ("LAN"), the design engineer for Contract 64, is working on the 60% design plans.

Ms. Silva reported that comments were returned to Kimley Horn, the design engineer for Contract 65, on the 30% design plans.

Ms. Silva then reported that Sander Engineering, the design engineer for Contract 25, is working on the 60% design plans.

Ms. Silva also reported that Huitt-Zollars, the design engineer for Contract 26, is working on the 60% design plans.

Ms. Silva reported that Vogler & Spencer, the design engineer for Contract 27, is working on the 90% design plans.

Ms. Silva then reviewed and recommended approval of the following: (1) Addendum No. 5 to the Master Services Agreement with Hawkins Lease Service, Inc. to replace Exhibit B; (2) Addendum No. 6 to the Master Services Agreement with Kuo &

Associates, Inc. to replace Exhibit B to increase the maximum payable amount to \$600,000.00; (3) Agreement for Professional Services with Arcadis U.S., Inc. for Contract 52 in the amount of \$571,805.00 for basic design and \$286,002.00 for special services; (4) Addendum No. 1 to the Agreement for Professional Services with IDS Engineering Group for Kinder Morgan Segment 2 in the amount of \$23,274.00 to complete design, \$6,352.00 for CAD updates, and \$5,500.00 for plan review reimbursable fees; (5) Addendum No. 2 to Agreement for Professional Services with Garver, LLC for Kinder Morgan Segment 3 in the amount of \$37,766.00 to complete design and plan review reimbursable fees; (6) Addendum No. 1 to Agreement for Professional Services with LAN for Kinder Morgan Segment 4 in the amount of \$34,380.00 to complete design and plan review reimbursable fees. Following review and discussion, Director Struzick moved to approve the above-described addenda and agreement. Director Wheeler seconded the motion, which passed unanimously.

The Board then considered approving the following work authorizations: (1) Work Authorization No. 45 to Hawkins Lease Service, Inc. in the amount of \$163,245.00; (2) Work Authorization No. 17 to Hollaway Environmental + Communications Services, Inc. ("Hollaway") in the amount of \$22,850.00 for environmental services for the SWSP East/West permit; (3) Work Authorization No. 18 to Hollaway in the amount of \$21,850.00 for environmental services for the SWSP Northeast Meter Station; (4) Supplement No. 1 to Work Authorization No. 22 to Texas American Title Company for Contract 63 to increase the maximum payable amount to \$9,200.00; and (5) Work Authorization No. 114 to Abstract Services of Houston in the amount of \$700.00. Following review and discussion, Director Gorden moved to approve the above-described work authorization and supplement to work authorization. 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.

Mr. Silva reported that a response from the United States Army Corps of Engineers regarding the application for jurisdictional determination for the Northeast Meter Station site to declassify the property as wetlands submitted on December 7, 2022, is still pending.

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, RESOLUTION ADOPTING ENCROACHMENT POLICY, AND RESOLUTION REGARDING ENCROACHMENT REVIEW COMMITTEE AUTHORIZATIONS AND DELEGATIONS

Ms. Silva stated that the Encroachment Review Committee has been authorized to approve and authorize execution of appropriate approval documents related to requests to encroach onto the Authority's property interests and the list of the approved documents is reflected on the attached engineer's report.

Director Struzick reported that the Authority adopted a new encroachment policy (the "Policy") in April 2023 and stated that the Policy has been posted to the Authority's website. Mr. Bapat noted that a notice regarding the Policy has been distributed to municipal utility district engineers and attorneys.

CONSTRUCTION UPDATES

Mr. Anthony presented the attached SWSP Monthly Construction Status Report dated May 3, 2023.

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

Mr. Berry 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 Struzick moved to approve the bookkeeper's report and the disbursements reflected in the bookkeeper's report. Director Wheeler seconded the motion, which passed unanimously.

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.

Mr. Thomas reported that a new flow meter is needed for the main line that provides water to the Pump Station buildings. He requested approval from the Board to purchase a 6-inch flow meter at a cost of \$6,045.90. Following review and discussion, Director Cannon moved to authorize Inframark to purchase the flow meter as discussed in the amount of \$6,045.90. Director Thornhill seconded the motion, which passed unanimously.

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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