

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

June 14, 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 14th day of June, 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 Cannon and Thornhill, thus constituting a quorum.

Also attending the meeting were Bryan Thomas of Inframark Water Infrastructure Operations ("Inframark"); Wayne Ahrens and Melinda Silva of DEC; Troy Anthony of Project Surveillance, Inc.; Frank Turner of EEPB; Barbara Payne of Payne Communications & Associates; 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 Hansen offered any members of the public attending the meeting the opportunity to make public comment.

Ms. Ada Terell introduced herself to the Board and stated she is a resident of the Oakwood Forest subdivision. She stated she was provided notice of an Authority project being routed through her neighborhood and that 11 mature trees will have to be removed as a result. Ms. Terell requested that the Authority re-route the project alignment to minimize its effect on the Oakwood Forest subdivision. Mr. Anthony provided an update on construction of Surface Water Supply Project ("SWSP") Segment B1 and stated construction is underway. He stated that a considerable amount of effort by the SWSP Segment B1 design engineer went into choosing the route least disruptive to the Oakwood Forest subdivision within a pipeline easement. Director Hansen stated

that use of the unused pipeline easement prevents disruption to homes and transportation along the SWSP Segment B1 route and noted that Ms. Terell's request will be discussed at the next Authority Design Committee meeting.

There being no additional 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 10, 2023, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the May 10, 2023, regular Authority Board meeting, as submitted. The motion was seconded by Director Janneck, 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

Ms. Payne reported that the Authority obtained an exhibit booth at the 2023 Association of Water Board Directors summer conference, which will feature the Water My Yard program mascot, Irry Gator.

Ms. Payne also reported that the Water is Life Trailer mobile teaching lab recently participated in a Harris County Municipal Utility District No. 71 event and a mobile teaching lab request form can be found on the Authority's website.

Ms. Payne then reported that a new Authority website will be launched next week.

Mr. Payne reported that the animated series of water conservation messaging featuring Irry Gator has earned two international awards.

Ms. Payne also reported that billing inserts and coloring books can be ordered online through the Authority's website at no cost to the municipal utility districts.

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 May is approximately 97.602% of the previous year at this date and that the average usage for 2023 to date is 59.14 MGD.

Ms. Silva reported that for May, the Authority was 37.48% converted to surface water and for the 2023 calendar year, the Authority was 37.79% 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.

Mr. Thomas provided an update on the emergency preparedness workshop held on May 24, 2023.

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 Harris County Municipal Utility District No. 188, Harris County Municipal Utility District No. 570C, and Harris County Improvement District No. 13 each have a new well.

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 recommended approval of Change Order No. 5 to the contract for construction of SWSP Segment C2 with Harper Brothers Construction, LLC in the

amount of \$35,000.00 and for a 45-day time extension to shift an 84-inch water line due to identification of an existing AC water line along the 84-inch water line alignment and for additional Combination Air Valve Assembly. The Board determined that Change Order No. 5 is beneficial to the Authority. Following review and discussion, Director Wepler made a motion to approve Change Order No. 5 to the contract for construction of SWSP Segment C2 with Harper Brothers Construction, LLC, subject to approval from the Texas Water Development Board, based upon the Board's finding that the Change Order is beneficial to the Authority and the engineer's recommendation. Director Struzick seconded the motion, which passed unanimously.

Ms. Silva reported on the status of construction for Contract 50, Contract 32, 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 soon.

Regarding Contract 32, Ms. Silva reported that Harris County Municipal Utility District No. 500 is receiving surface water from the Authority, and the final walkthrough and punch list items are pending.

Ms. Silva recommended approval of: (1) Pay Estimate No. 4 in the amount of \$1,561,591.40 to Reytec Construction Resources, Inc. for the Central Pump Station; (2) Pay Estimate No. 18 in the amount of \$181,455.94 to Persons Services Corp. for Contract 50; (3) Pay Estimate No. 11 in the amount of \$3,465,307.13 to Harper Brothers Construction, LLC for SWSP Segments B1 and B2; (4) Pay Estimate No. 12 in the amount of \$4,005,627.87 to Jay Dee Contractors, Inc. for SWSP Segment B3; (5) Pay Estimate No. 29 in the amount of \$48,420.00 to S.J. Louis Construction of Texas Ltd. for SWSP Segment C1; (6) Pay Estimate No. 29 in the amount of \$696,301.08 to Harper Brothers Construction, LLC for SWSP Segment C2; (7) Pay Estimate No. 18 in the amount of \$139,984.88 to R Construction Company for SWSP Segment 3-A1; and (8) Pay Estimate No. 20 in the amount of \$239,232.83 to E.P. Brady, Ltd. for SWSP Segment 3-A2. 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 PURIFICATION PLANT ("NEWPP") EXPANSION, LUCE BAYOU, AND NORTHEAST TRANSMISSION LINE

Ms. Silva reported that the City of Houston provided a revised proposed East Water Purification Plant 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 90% design plans for Bellaire Meter Station are being worked on.

Ms. Silva also reported she expects that design plans for the I-10 Meter Station will reach 90% 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 has restarted.

Ms. Silva reported that a contract addendum to restart design of SWSP Kinder Morgan Segment 5 is being presented for approval at today's meeting.

Ms. Silva then reported that a contract addendum is also being presented for approval at today's meeting to restart design of Kinder Morgan Segment 6.

Ms. Silva also reported that design plans for SWSP Segment 3-A5 are on hold pending approval from the Harris County Flood Control District of the SWSP Segment 3-B1 design plans.

Ms. Silva reported that right-of-way issues are being resolved and comments are being reconciled 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 survey work for Contract 51 is underway.

Ms. Silva reported that survey work is also underway for Contract 52.

Ms. Silva reported that a design contract with IDS Engineering Group, Inc. for Contract 53 is being presented for approval at today's meeting.

Ms. Silva then reported that the design proposal for Contract 54 from InduSri is under review.

Ms. Silva also reported regarding Contract 55 and stated that DEC is coordinating with the municipal utility districts' engineers regarding the location of future water plant sites.

Ms. Silva reported that 90% design plans submitted by Carollo, the design engineer for Contract 63, are under review.

Ms. Silva then reported that 60% design plans submitted by Lockwood, Andrews, and Newman, Inc. ("LAN"), the design engineer for Contract 64, are under review.

Ms. Silva also reported that Kimley Horn, the design engineer for Contract 65, is working on the 60% design plans.

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

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

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

Ms. Silva reported that a pre-proposal meeting with 5 Engineering, the design engineer for Contract 28, is being scheduled.

Ms. Silva then reported that a pre-proposal meeting with Kuo, the design engineer for Contract 29 is being scheduled.

Ms. Silva reviewed and recommended approval of the following: (1) Agreement for Professional Services with IDS Engineering Group, Inc. for design of Contract 53 in the amount of \$1,067,945.00, including special services; (2) Addendum No. 6 to the Master Services Agreement with Quiddity to increase the maximum payable amount to \$850,000.00; (3) Addendum No. 2 to the Master Services Agreement with Hollaway Environmental + Communications Services, Inc. ("Hollaway") for Crisis Management Planning and Coordination Services to increase the maximum payable amount to \$470,000.00; (4) Addendum No. 10 to the Master Services Agreement with Hollaway for Professional Public Relation Services to increase the maximum payable amount to \$2,000,000.00; (5) Amendment No. 2 to the Agreement for Professional Services with LAN for Contract 64 to authorize a slope stability analysis in the amount of \$14,960.00; (6) Addendum No. 1 to the Agreement for Professional Services with Quiddity for Kinder Morgan Segment 5 in the maximum amount of \$65,550.00 to complete design; (7) Addendum No. 1 to the Agreement for Professional Services with Black & Veatch for Kinder Morgan Segment 6 in the maximum amount of \$118,724.00 to complete design; and (8) Addendum No. 4 to the Master Services Agreement with Arch Aerial, LLC to increase the maximum payable amount to \$240,000.00. Following review and discussion, Director Struzick moved to approve the above-described addenda and agreement. Director Wheeler seconded the motion, which carried by a vote of five for the motion, with Directors Wepler and Postle abstaining.

The Board then considered approving the following work authorizations: (1) Work Authorization No. 3 to Hollaway for Crisis Management Planning and Coordination Services in the amount of \$200,000.00; (2) Work Authorization No. 19 to Hollaway for Professional Public Relation Services in the amount of \$200,000.00; (3) Work Authorization No. 200 to Rapid Research for Contract 34 in the amount of \$415.00; (4) Supplement No. 2 to Work Authorization No. 6 to Integra Realty Resources to increase the amount payable to \$140,000.00; (5) Work Authorization No. 167 to Lupher, LLC for Contract 65 in the amount of \$78,000.00; (6) Work Authorization No. 169 to Lupher, LLC in the amount of \$8,000.00; and (7) Supplement No. 1 to Work Authorization No. 9 to Baseline Corporation, Inc. to increase the maximum payable amount to \$67,300.00. Following review and discussion, Director Struzick moved to approve the above-described work authorizations and supplements to work authorization. Director Gorden seconded the motion, which carried by a vote of six for the motion, with Director Postle abstaining.

Mr. Bapat reviewed an agreement with Omnicap Group LLC to prepare arbitrage rebate reports on an annual basis for certain Authority bond issues and future bond issues for a fee of \$1,350.00 each per year. Following review and discussion, Director Wepler moved to approve the agreement with Omnicap Group LLC. Director Wheeler 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 and stated that the Authority received approval of the permit amendment from the United States Army Corps of Engineers.

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

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.

CONSIDERATION OF THE USE OF EMINENT DOMAIN TO CONDEMN PROPERTY AND REQUEST BOARD APPROVAL OF RESOLUTION AUTHORIZING ACQUISITION OF REAL PROPERTY INTERESTS TO CONFIRM THE EXISTENCE OF A PUBLIC NECESSITY FOR THE AUTHORITY TO ACQUIRE CERTAIN PROPERTIES AND PROPERTY INTERESTS ALONG THE CONTRACT 52 AND CONTRACT 53 ROUTES, AND AUTHORIZING THE INITIATION OF CONDEMNATION PROCEEDINGS TO ACQUIRE SUCH PROPERTIES AND PROPERTY INTERESTS

Director Janneck moved that the Board of Directors of the West Harris County Regional Water Authority, in a record vote applying to all units of property to be condemned, adopt a Resolution Authorizing Acquisition of Real Property Interests which authorizes the use of the power of eminent domain to acquire properties and property interests for the construction, installation, operation, and maintenance of

facilities and appurtenances thereto necessary and convenient for the transportation and delivery of water at the general location and along the general routes established for Contract 52 and Contract 53 as shown on Exhibit A to the Resolution, and delegates to the Authority's Chief Administrative Official for land and property acquisition the authority to supervise such acquisitions and, as necessary, to initiate condemnation proceedings to acquire such properties and property interests. Director Weppler seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

CONSTRUCTION UPDATES

Mr. Anthony presented the attached SWSP Monthly Construction Status Report dated June 5, 2023.

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 Weppler seconded the motion, which carried by a vote of six 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, TERMINATIONS, AND DROUGHT CONTINGENCY PLAN MATTERS

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

Mr. Thomas requested that the Board approve a proposal from Southern Flowmeter, Inc., a subcontractor of Inframark, for annual flowmeter testing of 67 surface water meters in the amount of \$16,550.00. Following discussion, Director Struzick made a motion to approve the proposal from Southern Flowmeter, Inc., as a

subcontractor of Inframark, in the total amount of \$16,550.00. Director Wheeler seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Mr. Bapat 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 Struzick moved to approve the annual report and authorize filing of same, subject to final review. Director Wheeler seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

Mr. Bapat discussed the Authority's procedures for continuing disclosure compliance. The Board concurred to make no changes to the procedures.

AMENDED AND RESTATED JOINT FACILITIES AGREEMENT WITH NORTH FORT BEND WATER AUTHORITY

Mr. Bapat reviewed an Amended and Restated Joint Facilities Agreement with North Fort Bend Water Authority. Following review and discussion, Director Wepler moved to approve the Amended and Restated Joint Facilities Agreement and direct that it be filed appropriately and retained in the Authority's official records. Director Gorden seconded the motion, which passed by a vote of six for the motion, with Director Postle abstaining.

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

LIST OF ATTACHMENTS TO MINUTES

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