

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

November 8, 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 8th day of November, 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 Weppeler	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 Thornhill and Gorden, thus constituting a quorum.

Also attending the meeting were Bryan Thomas of Inframark Water Infrastructure Operations; Wayne Ahrens, Melinda Silva, and Chase Juhl of DEC; Troy Anthony of Project Surveillance, Inc.; Frank Turner of EEPB; Barbara Payne of Payne Communications & Associates; and Alia Vinson 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. Diane Weaver-Hat stated she is a resident of Chelford City Municipal Utility District and inquired regarding the Authority's Groundwater Reduction Plan Fees and Surface Water Fees. Director Hansen responded to Ms. Weaver-Hat's inquiry and reported that the Authority is holding a Show and Tell Workshop at the end of the meeting and encouraged Ms. Weaver-Hat and all persons present at the meeting to attend.

Mr. Bob Blumrick stated he is a director of Harris County Municipal Utility District No. 163 and provided comments regarding the passage of Proposition 6 on the

November 7, 2023 ballot, which was approved by Texas voters to create the Texas Water Fund to upgrade Texas' water infrastructure and fund new water supply projects.

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 October 11, 2023, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the October 11, 2023, regular Authority Board meeting, as submitted. The motion was seconded by Director Wheeler, 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

There was no discussion on this matter.

ENGINEERING MATTERS

Ms. Silva reviewed the engineer's report, a copy of which is attached.

Ms. Silva reported that for October, the Authority was 36.67% converted to surface water and for the 2023 calendar year, the Authority was 32.92% 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 working with the Harris-Galveston Subsidence District on renewal of the well permit and evaluating whether a permit amendment for groundwater for 2023 will be needed due to the increased pumpage during drought conditions.

Ms. Silva reported that Harris County Municipal Utility District No. 477 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 50, 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.

Ms. Silva recommended approval of: (1) Pay Estimate No. 9 in the amount of \$2,806,690.09 to Reytec for the Central Pump Station; (2) Pay Estimate No. 16 in the amount of \$5,157,832.31 to Harper Brothers Construction, LLC for SWSP Segments B1 and B2; (3) Pay Estimate No. 17 in the amount of \$9,679,193.81 to Jay Dee Contractors, Inc. for SWSP Segment B3; (4) Pay Estimate No. 34 in the amount of \$352,076.75 to S.J. Louis Construction of Texas Ltd. for SWSP Segment C1; (5) Pay Estimate No. 34 in the amount of \$1,311,916.16 to Harper Brothers Construction, LLC for SWSP Segment C2; and (6) Pay Estimate No. 6 in the amount of \$6,319,022.04 to Harper Brothers Construction, LLC for SWSP Segment A1/A2. Following review and discussion, Director Weppler 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 next Water Supply Contract Advisory Committee meeting is scheduled for December 1, 2023.

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 advertisement for bids for the RePump Station commenced on October 13, 2023, and opening of bids has been extended to November 30, 2023, due to a request from contractors.

Ms. Silva reviewed and recommended approval of the following: (1) Agreement for Professional Engineering Services with 5engineering, LLC for engineering design services for Contract 28 in the amount of \$856,930.87; (2) Addendum No. 1 to the Agreement for Professional Engineering Services with Carollo Engineers, Inc. to add SUE services for Contract 63 in the amount of \$42,525.45; (3) Addendum No. 1 to the Agreement for Professional Engineering Services with Huitt-Zollars, Inc. for SWSP Segment 3-A5 in the amount of \$24,480.00; (4) Amendment No. 13 to the Agreement with V&A Consulting Engineers, Inc. ("V&A") to increase the maximum payable amount to \$1,524,000.00; (5) Addendum No. 9 to the Master Services Agreement with Fugro USA Land, Inc. (f/k/a Fugro Consultants, Inc.) ("Fugro") to increase the maximum payable amount to \$4,638,500.00; (6) Addendum No. 7 to the Master Services Agreement with Integra Realty Resources - Houston to increase the maximum payable amount to \$1,110,000.00; and (7) Addendum No. 18 to the Master Services Agreement with Lupher, LLC to increase the maximum payable amount to \$3,900,000.00. Following review and discussion, Director Weppler moved to approve the above-described agreement and addenda. Director Wheeler seconded the motion, which carried by a vote of six for the motion, with Director Postle abstaining.

Ms. Silva reviewed and recommended approval of the following work authorizations: (1) Supplement No. 2 to Work Authorization No. 3 to Integra Realty Resources - Houston to increase the maximum payable mount to \$11,350.00; (2) Supplement No. 20 to Work Authorization No. 4 to Fugro to increase the maximum payable amount to \$3,991,144.00; (3) Supplement No. 2 to Work Authorization No. 5 to

Fugro to increase the maximum payable amount to \$33,500.00; and (4) Work Authorization No. 38 to V&A in the amount of \$35,289.00. Following review and discussion, Director Wheeler moved to approve the above-described work authorizations and supplements to work authorizations. Director Struzick seconded the motion, which passed unanimously.

ENVIRONMENTAL PERMITTING, COMPLIANCE, MITIGATION AND RELATED AGREEMENTS

There was no discussion on this matter.

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.

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. He then requested that the Board approve a payment to reimburse Harris County Municipal Utility District No. 500 ("HC MUD 500") pursuant to the Water Trunkline Financing Agreement between the Authority and HC MUD 500 for Contract 32. Following review and discussion, Director Struzick moved to approve the bookkeeper's report and the disbursements reflected in the bookkeeper's report, including payment to HC MUD 500 in the amount of \$328,332.48. Director Wheeler seconded the motion, which carried by a vote of five for the motion, with Directors Weppler and Postle abstaining.

AUTHORIZE CASH REDEMPTION OF SERIES 2014 WATER SYSTEM REVENUE REFUNDING BONDS, APPROVE NOTICE OF CASH REDEMPTION OF BONDS, APPROVE TRANSFER TO DEBT SERVICE RESERVE FUND, AND ENGAGE COMPANY TO CONDUCT ARBITRAGE REBATE STUDY, IF NECESSARY

The Board discussed authorizing the cash redemption of the Authority's Series 2014 Water System Revenue Refunding Bonds ("Series 2014 Bonds"), transfer to the debt service reserve fund, and approving notice of cash redemption of Bonds. Following discussion, Director Wheeler moved that the Board authorize the cash redemption, transfer to the debt service reserve fund, and approve notice of cash redemption of the Bonds. Director Postle seconded the motion, which passed unanimously.

Ms. Vinson stated that OmniCap Group, LLC will need to prepare a final Arbitrage Rebate/Yield Restriction Analysis of the Authority's Series 2014 Bonds. Upon a motion made by Director Wheeler and seconded by Director Postle, the Board voted unanimously to authorize OmniCap Group, LLC to prepare the final Arbitrage Rebate/Yield Restriction Analysis of the Authority's Series 2014 Bonds.

APPROVE AMENDMENT TO LETTER OF CREDIT WITH CENTRAL BANK

Ms. Vinson stated that certain CenterPoint Energy easements require a letter of credit, and that the Authority has satisfied those obligations with a Letter of Credit from Central Bank. She explained that the current Letter of Credit from Central Bank will need to be amended to extend the term for another year. Following discussion, Director Janneck made a motion to approve the Letter of Credit amendment with Central Bank, authorize execution of the related documents, and direct that the documents be filed appropriately and retained in the Authority's official records. Director Struzick 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.

RESOLUTION ADOPTING LATE PENALTIES WAIVER POLICY

Ms. Vinson reviewed a Resolution Adopting Late Penalties Waiver Policy. Following review and discussion, Director Weppler moved to adopt the Resolution Adopting Late Penalties Waiver Policy and direct that it be filed appropriately and retained in the District's official records. Director Janneck seconded the motion, which passed unanimously.

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 Harris County Municipal Utility District No. 183 requested a one-time waiver of late fees in the amount of \$2,642.42, due to a payment being received after the due date. Following discussion, Director Wheeler made a motion to approve a one-time waiver of late fees for Harris County Municipal Utility District No. 183 in the amount of \$2,642.42. Director Janneck seconded the motion, which carried by a vote of six for the motion, with Director Weppler abstaining.

Mr. Thomas discussed drought conditions and groundwater usage in the Authority and reported that conversion percentages are improving, and the Authority is receiving its full capacity from the City of Houston. Discussion ensued. Following discussion, Director Struzick moved to rescind implementation of Stage 1 of the Authority's Drought Contingency Plan effective November 8, 2023, and authorize ABHR to send a notice reflecting this action to districts, cities, and well owners within the Authority's Groundwater Reduction Plan. Director Wheeler seconded the motion, which passed unanimously.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTIONS 551.072 AND 551.071 TEXAS GOVERNMENT CODE

The Board did not convene in executive session.

SPOTLIGHT ON THE AUTHORITY: SHOW AND TELL WORKSHOP

The Board attended the Authority's Show and Tell Workshop.

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


Secretary Board of Directors

(SEAL)



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