

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

September 11, 2024

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 September, 2024, 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 Postle and Thornhill, thus constituting a quorum.

Also attending the meeting were Bryan Thomas of Inframark Water Infrastructure Operations; Wayne Ahrens, Melinda Silva, and Chase Juhl of Gannett Fleming; Frank Turner of EEPB; and Alia Vinson, Sandra Staine, 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. 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 August 14, 2024, regular Authority Board meeting. Following review and discussion, Director Janneck moved to approve the minutes of the August 14, 2024, regular Authority Board meeting, as submitted. The motion was seconded by Director Struzick, 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 Struzick reported that the Authority will hold a “show and tell” style event at the end of the November 13, 2024 Authority Board meeting.

ENGINEERING MATTERS

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

Ms. Silva reported that for July, the Authority was 27.29% converted to surface water and for the 2024 calendar year, the Authority was 34.40% 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 Gannett Fleming is working on the Authority’s new groundwater well permit application for the Harris-Galveston Subsidence District (“HGSD”) and has followed up with HGSD regarding the issuance of Over Conversion Credits the Authority has earned.

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 Surface Water Supply Project ("SWSP") Segments B1 and B2, SWSP Segment B3, SWSP Segments C1 and C2, SWSP Segments 3-A1 and 3-A3, SWSP Segments A1/A2, the SWSP Central Pump Station, and the SWSP RePump Station.

Ms. Silva recommended approval of: (1) Pay Estimate No. 19 in the amount of \$1,517,625.63 to Reytec Construction Resources, Inc. ("Reytec") for the Central Pump Station; (2) Pay Estimate No. 26 in the amount of \$9,086,748.52 to Harper Brothers Construction, LLC for SWSP Segments B1 and B2; (3) Pay Estimate No. 27 in the amount of \$2,165,803.41 to Jay Dee Contractors, Inc. for SWSP Segment B3; (4) Pay Estimate No. 44 in the amount of \$109,253.43 to S.J. Louis Construction, Inc. for SWSP Segment C1; (5) Pay Estimate No. 16 in the amount of \$5,350,160.01 to Harper Brothers Construction, LLC for SWSP Segment A1/A2; and (6) Pay Estimate No. 2 in the amount of \$598,179.54 to PLW Waterworks, LLC for the SWSP RePump Station. 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.

Ms. Silva recommended approval of Change Order No. 3 to the contract for construction of the SWSP Central Pump Station with Reytec, in the amount of \$612,610.44 and the addition of 30 days to the contract duration for changes related to a new CenterPoint required dedicated access road and required modifications to the switchgear building vault. The Board determined that Change Order No. 3 is beneficial to the Authority. After review and discussion, Director Weppler moved to approve Change Order No. 3 to the contract for construction of the SWSP Central Pump Station with Reytec, subject to approval by the Texas Water Development Board and based upon the Board's finding that the Change Order is beneficial to the Authority and the engineer's recommendation. Director Gorden 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 October 11, 2024, and noted that the meeting of Water Supply Contract Advisory Committee that was scheduled for September 6, 2024, was cancelled.

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 hydraulic modeling to size control valves for the Bellaire Meter Station is being performed.

Ms. Silva then reported that sealed design plans for the I-10 Meter Station were submitted for approval to utility companies, Harris County, and Harris County Flood Control District on May 31, 2024, and questions are being addressed.

Ms. Silva also reported that final updates and resubmittals of the design plans for SWSP Kinder Morgan Segment 1 are being worked on.

Ms. Silva reported that the project manual for Kinder Morgan Segment 2 is being finalized in preparation for advertising and authorization is needed from the Texas Water Development Board to advertise for bids for the project.

Ms. Silva also reported that comments were returned on the design plans for SWSP Kinder Morgan Segment 3 and resubmittal of the 95% design plans was requested.

Ms. Silva reported that a pre-bid meeting for Kinder Morgan Segment 4 was held on September 3, 2024, and opening of bids for the project is scheduled for September 16, 2024.

Ms. Silva then reported that the 95% design plans for SWSP Kinder Morgan Segment 5 are being reviewed.

Regarding Segment 3-A5, Ms. Silva reported that CenterPoint is installing additional infrastructure in the corridor and Gannett Fleming is coordinating with CenterPoint to understand the impacts, if any, on Segment 3-A5 design.

Ms. Silva then reported that comments on the 95% design plans for SWSP Segment 3-B1 were returned to BGE on August 30, 2024.

Ms. Silva also reported that portions of the 95% design plans for the SWSP Kinder Morgan 7 sub-segment were received from EHRA, the design engineer for the project.

Ms. Silva reported that comments on the 60% design plans for Contract 51 were returned to Sander Engineering, the design engineer for the project.

Ms. Silva then reported that Arcadis, the design engineer for Contract 52, is working towards submittal of 90% design plans.

Ms. Silva also reported that a meeting is being scheduled with IDS Engineering Group, Inc. to review comments on the design plans Contract 53.

Ms. Silva reported that the design proposal for Contract 54 from InduSri is being postponed.

Regarding Contract 55, Ms. Silva reported that DEC received future water plant site locations from the engineers for three municipal utility districts and the project alignment needs to be assessed.

Ms. Silva then reported that Gannett Fleming is waiting on a meeting with the Harris County Flood Control District regarding obtaining approval of the final design plans for Contract 64.

Ms. Silva also reported that the project manual for Contract 65 is being finalized in preparation for advertising and authorization is needed from the Texas Water Development Board to advertise for bids for the project.

Ms. Silva reported that Sander Engineering, the design engineer for Contract 25, is working on the 90% 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 5Engineering, the design engineer for Contract 28, submitted 30% design plans.

Ms. Silva then reported that a proposal meeting with Kuo, the design engineer for Contract 29, was postponed.

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

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.

CONSTRUCTION UPDATES

Mr. Juhl presented the attached SWSP Monthly Construction Status Report dated September 5, 2024.

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 Cannon seconded the motion, which passed unanimously.

RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY; REVIEW, REVISE AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE AUTHORITY MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board conducted an annual review of the Authority's Investment Policy. The Board concurred that no changes were necessary to the current policy. Ms. Vinson reviewed a Resolution Regarding Annual Review of Investment Policy with the Board.

The Board considered a Resolution Establishing Authorized Depository Institutions and List of Broker/Dealers with Whom the District May Engage in Investment Transactions. Ms. Vinson explained that the bookkeeper has updated the list of authorized depository institutions and Hilltop Securities Asset Management has updated the list of qualified broker/dealers with whom the Authority may engage in investment transactions.

Following review and discussion, Director Struzick made a motion to (1) adopt the Resolution Regarding Annual Review of Investment Policy; and (2) adopt the Resolution Establishing the Authorized Depository Institutions and Adopting a List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. 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.

DISCUSS RATE ORDER AND AUTHORIZE DISTRIBUTING RELATED NOTICE

The Board considered authorizing distribution of a notice (the "Notice") stating that there will be no increase to the current Groundwater Reduction Plan Fee and Surface Water Fee for January 1, 2025. Following review and discussion, Director Janneck moved to authorize distribution of the Notice. Director Wheeler 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.

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.

M. Thomas
Asst. Secretary, Board of Directors

(SEAL)



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