

MINUTES
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

November 13, 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 13th day of November, 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 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 Director 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 Gannett Fleming; Frank Turner of EEPB; 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. 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 October 9, 2024, regular Authority Board meeting. Following review and discussion, Director Struzick moved to approve the minutes of the October 9, 2024, regular Authority Board meeting, as submitted. The motion was seconded by Director Thornhill, which passed unanimously.

ENGINEERING MATTERS

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

Ms. Silva reported that for October, the Authority was 28.60% converted to surface water and for the 2024 calendar year, the Authority was 34.04% converted to surface water.

JOINT WATER LINE PROJECTS

Ms. Silva reported that the Authority received bids for Surface Water Supply Project ("SWSP") Kinder Morgan Segment 2 and recommended that the Board award the contract to MC2 Civil, LLC ("MC2"), the low bidder, in the amount of \$11,948,366.00, subject to approval by the Texas Water Development Board ("TWDB") and the North Fort Bend Water Authority ("NFBWA"). The Board concurred that, in its judgment, MC2 was a responsible bidder who would be most advantageous to the Authority and would result in the best and most economical completion of the project. The Board then considered authorizing issuance of a cash call for SWSP Kinder Morgan Segment 2 of which the Authority's share will be \$1,688,865.18 and NFBWA's share will be \$10,976,402.78. Following review and discussion, Director Weppler moved to award SWSP Kinder Morgan Segment 2 to MC2 in the amount of \$11,948,366.00, based on the engineer's recommendation, subject to approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor, and subject to approval by the TWDB and NFBWA; and (2) authorize the issuance of the cash call for SWSP Kinder Morgan Segment 2. Director Cannon seconded the motion, which passed unanimously.

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: (1) Pay Estimate No. 21 in the amount of \$3,607,144.20 to Reytec Construction Resources, Inc. for the Central Pump Station; (2) Pay Estimate No. 28 in the amount of \$7,618,513.13 to Harper Brothers Construction, LLC for SWSP Segments B1 and B2; (3) Pay Estimate No. 29 in the amount of \$2,709,836.88 to Jay Dee Contractors, Inc. for SWSP Segment B3; (4) Pay Estimate No. 46 in the amount of \$3,408.04 to S.J. Louis Construction, Inc. for SWSP Segment C1; (5) Pay Estimate No. 18 in the amount of \$8,079,210.22 to Harper Brothers Construction, LLC for SWSP Segment A1/ A2; and (6) Pay Estimate No. 4 in the amount of \$2,116,102.48 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 Janneck seconded the motion, which passed unanimously.

Ms. Silva reviewed a Facilities Extension Agreement with CenterPoint Energy, for the installation of power supply for the I-10 Meter Station construction in the

amount of \$37,656.00. Following review and discussion, Director Struzick moved to approve the Facilities Extension Agreement with CenterPoint Energy and the related payment in the amount of \$37,656.00. Director Postle seconded the motion, which passed unanimously.

Ms. Silva reported regarding the Authority obtaining a Railroad Protective Liability insurance policy (the "Policy") pursuant to the Pipeline Crossing Agreement with Union Pacific Railroad Company required for the construction of SWSP Segment A1/A2 from Travelers in the amount of \$5,496.00. Following discussion, Director Struzick moved to approve payment of the invoice from Travelers for the Policy in the amount of \$5,496.00. Director Postle seconded the motion, which passed unanimously.

CONTRACTS FOR SERVICES FOR ENGINEERING, ENGINEERING DESIGN, GEOTECHNICAL, ABSTRACTING, SURVEYING, LEGAL, RIGHT-OF-WAY ACQUISITION, COMMUNICATIONS, WEBSITE, CYBERSECURITY, ACCOUNTING/BOOKKEEPING AND SOFTWARE, INVESTMENT ADVISORY SERVICES, 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 reviewed and recommended approval of the following: (1) Addendum No. 7 to the Master Services Agreement with Title Houston Holdings Ltd., dba Abstract Services of Houston to increase the maximum amount payable to \$350,000.00; (2) Addendum No. 3 to the Master Services Agreement with Baseline Corporation, Inc. to increase the maximum amount payable to \$400,000.00; (3) Addendum No. 7 to the Agreement for Professional Engineering Services with Freese and Nichols, Inc. for additional design services for the RePump Station in the amount of \$170,893.00; (4) Amendment No. 1 to the Master Services Agreement with Mbroh Engineering, Inc. to increase the maximum amount payable to \$200,000.00; (5) Addendum No. 19 to the Master Services Agreement with Lupher, LLC to increase the maximum amount payable to \$4,080,000.00; and (6) Addendum No. 7 to the Master Services Agreement with Quiddity Engineering, LLC to increase the maximum amount payable to \$950,000.00. Following review and discussion, Director Struzick moved to approve the above-described addenda. Director Wheeler seconded the motion, which carried by a vote of six for the motion, with Directors Postle and Wepler abstaining.

Ms. Silva then reviewed and recommended approval of the following work authorizations: (1) Work Authorization No. 172 to Lupher, LLC for an easement survey for Kinder Morgan Segment 7 in the maximum amount of \$114,500.00; and (2) Supplement No. 1 to Work Authorization No. 2 to Mbroh Engineering, Inc. to increase the maximum amount payable to \$139,750.00. Following review and discussion, Director Wheeler moved to approve the above-described work authorization and

supplement to work authorization. Director Thornhill seconded the motion, which carried by a vote of seven for the motion, with Director Postle abstaining.

Ms. Vinson reviewed an Agreement for Investment Advisory Services with Hilltop Securities Asset Management, LLC. Following review and discussion, Director Wheeler made a motion to approve the Agreement for Investment Advisory Services. Director Postle seconded the motion, which passed unanimously.

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 54 ROUTE, AND AUTHORIZING THE INITIATION OF CONDEMNATION PROCEEDINGS TO ACQUIRE SUCH PROPERTIES AND PROPERTY INTERESTS

Director Thornhill 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 route established for Contract 54, 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 Postle seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

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 Thornhill seconded the motion, which carried by a vote of seven for the motion, with Director Postle abstaining.

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 Wheeler 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 Postle 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, AND TERMINATIONS

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

Mr. Thomas reported that Harris County Municipal Utility District No. 71 requested a one-time waiver of late fees in the amounts of \$4,026.15, due to payment being received after the due date.

Mr. Thomas then reported that pursuant to the Water Delivery Agreement between the Authority and Harris County Municipal Utility District No. 102 ("MUD 102"), MUD 102 receives an operating expense credit from the Authority (the "Credit") for pumping water to Harris County Municipal Utility District No. 250 through their system and noted that the Credit is adjusted every two years based on the Consumer Price Index for United States Average electricity rates per KWH. He requested approval of the Credit to MUD 102 for the current period.

Following discussion, Director Struzick made a motion to (1) approve a one-time waiver of late fees for Harris County Municipal Utility District No. 71 in the amount of \$4,026.15; and (2) approve the Credit to MUD 102. Director Cannon seconded the motion, which passed unanimously.

CONVENE IN EXECUTIVE SESSION TO CONSULT WITH ATTORNEY PURSUANT TO SECTION 551.071 AND 551.072, 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.

M. Hill
Asst. Secretary, Board of Directors

(SEAL)



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