

MINUTES OF MEETING OF THE  
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY  
April 4, 2011

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, at 7:00 p.m. on Monday, the 4<sup>th</sup> day of April, 2011, at the Authority's office located at 3648 FM 1960 West, Houston, Texas, a public meeting place within the boundaries of the Authority; whereupon, the roll was called of the duly constituted officers and members of the Board, to-wit:

Alan J. Rendl	President
Kelly P. Fessler	Vice President
Lenox A. Sigler	Secretary
James D. Pulliam	Treasurer/Investment Officer
Ron Graham	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Ms. Marcie Fessler, wife of Director Fessler; Mr. Jimmie Schindewolf, P.E., General Manager for the Authority; Mr. Showri Nandagiri, P.E., Engineering Coordinator for the Authority; Mr. Paul Nelson, Planning and GIS Coordinator for the Authority; Ms. Cynthia Plunkett, Financial Assistant for the Authority; Ms. Lisa Randecker, Executive Assistant for the Authority; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Messrs. Tom Rolan, P.E., Stephen Berckenhoff, P.E. and Douglas Schmidt, P.E. of AECOM Technical Services, Inc. ("AECOM"), Program Manager for the Authority; Mr. Wendell L. "Buddy" Barnes, P.E. of Montgomery & Barnes, Inc., on-call engineers for the Authority; Mr. Vernon Webb, P.E. of Jacobs Engineering Group, Inc., on-call engineers for the Authority; Mr. Wayne Ahrens, P.E. of Dannenbaum Engineering Corporation, on-call engineers for the Authority; Mr. Larry Barfield, P.E. of Binkley & Barfield, Inc., on-call engineers for the Authority; Mr. John Peyton, P.E. of CLR, Inc., on-call engineers for the Authority; Mr. Tom Matkin, P.E. of AEI Engineering, Inc., on-call engineers for the Authority; Mr. Ralph Cox, P.E. of Klotz Associates, Inc., on-call engineers for the Authority; Ms. Melinda Silva, P.E. of Brown & Gay Engineers, Inc., on-call engineers for the Authority; Mr. Trent Slovak, P.E. of Malcolm Pirnie, Inc., special water quality consultant for the Authority; Mr. W. John Seifert, Jr., P.E. of LBG-Guyton Associates, on-call engineers for the Authority; Mr. Tobin Synatschk, P.E. of Jones & Carter, Inc., on-call engineers for the Authority; Mr. Ravi Yanamandala, P.E. of Geotest Engineering, Inc., material testing engineers for the Authority; Mr. Carlton McDevitt of Severn Trent Environmental Services, Inc. ("STES"), operator for the Authority; and Ms. Robin S. Bobbitt, attorney, and Ms. Brooke T. Dold, paralegal, of Johnson Radcliffe Petrov & Bobbitt PLLC ("Johnson Radcliffe"), general counsel and co-bond counsel for the Authority. Numerous members of the public and other consultants to the Authority were also present at the meeting. Copies of the sign-in sheets for those in attendance at the meeting are attached hereto.

WHEREUPON, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. The posted notices of the meeting are attached hereto.

## REPORTS

### STATUS OF ACTIVITIES BY COMMUNICATIONS/PUBLIC INFORMATION COORDINATOR

A copy of Ms. Payne's PowerPoint presentation for the meeting is attached hereto.

Ms. Payne first reported that Director Rendl will give a presentation at the Spring Klein Chamber of Commerce luncheon on Tuesday, April 5, 2011. Ms. Payne further reported that Ms. Heather Kfoury, a reporter for The Houston Chronicle, recently interviewed Director Rendl concerning the Authority's 2010 Surface Water Conversion Program.

Ms. Payne then reported that Northampton Elementary School had recently hosted a fourth (4<sup>th</sup>) grade Frontier Assembly on March 21<sup>st</sup>.

Ms. Payne next reported that Klein Intermediate School hosted a seventh (7<sup>th</sup>) grade Wind and Water Assembly on March 21<sup>st</sup> and April 1<sup>st</sup>. Ms. Payne noted that over 400 students attended the assemblies.

Ms. Payne next reviewed the list of upcoming assemblies, including: the YMCA for a home school group on April 7<sup>th</sup>; Krahn Elementary School on April 11<sup>th</sup> for second (2<sup>nd</sup>) graders; Benfer Elementary School on April 12<sup>th</sup> for second (2<sup>nd</sup>) graders; Northampton Elementary School on April 15<sup>th</sup> for second (2<sup>nd</sup>) graders; and the Cypress Creek YMCA Kids Day on April 16<sup>th</sup>. Ms. Payne reported that the Authority is a titled sponsor of the Cypress Creek YMCA Kids Day.

Ms. Payne next announced that April 27, 2011 will be Texas Water Day at the State Capitol in Austin from 9:00 a.m. to 3:00 p.m. Ms. Payne stated that information regarding the event can be found at [www.TexasWater.org](http://www.TexasWater.org).

### GENERAL MANAGER'S REPORT

Mr. Schindewolf next reviewed the General Manager's Report with the Board, a copy of which is attached hereto.

Mr. Schindewolf briefly updated the Board on the status of House Bill 2418, the Authority's legislation sponsored by State Representative Bill Callegari. Mr. Schindewolf further reported that he, Mr. Nelson, Ms. Bobbitt and Mr. Jonathan D. Polley of Johnson Radcliffe are in constant communication with the Authority's Legislative Consultant, Mr. Steve Bresnen, concerning various legislative issues. Mr. Schindewolf noted that several bills pertaining to eminent domain, groundwater management regulations and water project funding have been filed and are being closely monitored.

### UPDATE ON THE 2010 WATER DISTRIBUTION AND TRANSMISSION SYSTEM (THE "SYSTEM")

Mr. Schindewolf next called on Mr. Rolan to review the status of the various projects and efforts underway to complete development of the System.

## PROGRAM MANAGER'S REPORT

Mr. Rolen then reviewed the Program Manager's Report, a copy of which is attached hereto.

Mr. Rolen reported that the contractors for Project 2, Construction Package Nos. 1 and 2 (the Spears Road Regional Pump Station), are working on the final punch list items for such project.

Mr. Rolen went on to report that the contractor for Project 5D (the Louetta Regional Water Plant) is working through startup issues concerning the facility's control system and two (2) of the booster pumps.

Mr. Rolen then reported that project finalization is ongoing for Project 6B-3, Project 7C-4, Contract 1 and Project 10B.

Concerning the status of the 2010 Surface Water Conversion Program, Mr. Rolen reported that the last Public Water System ("PWS") converted to surface water on March 30, 2011, bringing the total to 60 PWSs now online and receiving surface water from the Authority. Mr. Rolen stated that the Spears Road Regional Pump Station had delivered an average of approximately 28 million gallons per day of surface water to the 60 PWSs within the Authority during the reporting period.

Mr. Rolen next noted that the Authority's special water quality consultant, Malcolm Pirnie, Inc., is currently working on two (2) assignments concerning water quality issues.

Mr. Rolen then reported that, based on information for the period September through February, 2011, approximately 31.1% of the reported water used in the Authority was alternate water (i.e., surface water). Mr. Rolen added that, in order for the Authority to remain on target, 33.4% of the water used in the Authority should have been surface water. Mr. Rolen added that the Authority is approximately 322 million gallons behind in the use of alternate water (down from 517 million gallons reported at the March meeting).

Concerning other activities, Mr. Rolen reported that during the prior month, AECOM had continued oversight of engineering efforts; provided construction administration services and project representation on the remaining construction projects, as required; provided oversight of STES's operation of the Authority's system; continued to assist the Authority in coordination of the delivery of surface water to the PWSs in the 2010 service area; monitored, tabulated and analyzed water used by the PWSs covered by the Authority's aggregate water well permit; identified PWSs whose surface water usage is lower than anticipated, and assisted STES in notifying the PWSs' operators and engineers of low usage and, together with STES, when necessary, assisted the PWSs' operators and engineers to determine the possible cause of lower usage and assisted, when possible, to increase surface water usage; assisted the Authority in implementing and performing related tasks regarding its aggregate water well permit; assisted the Authority in the compilation and submission of the 2010 Annual Report to the Harris-Galveston Subsidence District; and evaluated submittals requesting Chloramination Credits.

Mr. Rolen next reported that the Authority will hold its second Operations Workshop for general managers and operators on Wednesday, April 27, 2011, at 2:00 p.m., in the Authority's Board room. Mr. Rolen stated that the purpose of the workshop is to discuss various operational issues and share information. Mr. Rolen stated that some of the topics to be discussed include: the status of complaints about aesthetic water issues; emergency communications; surface water use in PWSs with multiple water plants; and optimizing the use of surface water.

Concerning the Authority's 2010 Annual Report to the HGSD, Mr. Rolen stated that the Authority reported on approximately 470 water wells.

Director Rendl expressed thanks to the PWSs that are maximizing their usage of surface water, and encouraged any PWS that is not doing so to increase its surface water usage.

#### ATTORNEY'S REPORT

Ms. Bobbitt stated that she had nothing to report at this time.

#### REGULAR AGENDA

##### APPROVAL OF THE MINUTES

The Board next considered approval of the minutes of the regular meeting of March 7, 2011, previously distributed to the Board. Upon motion by Director Sigler, seconded by Director Graham, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of March 7, 2011, as written.

##### FINANCIAL ASSISTANT'S REPORT

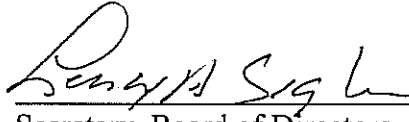
Director Rendl then recognized Ms. Plunkett, who reviewed the Authority's Financial Report with the Board, including the monthly investment report, the checks being presented for payment, and the budget comparison for the two (2) months ended February 28, 2011, a copy of which is attached hereto. Upon motion by Director Sigler, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Financial Report, the monthly investment report, and the checks being presented for payment.

##### CONFIRM UPCOMING MEETING DATE

Director Rendl then noted that the Board's next regular meeting will be on Monday, May 2, 2011, at 7:00 p.m. at the Authority office.

There being no further business to come before the Board, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 2<sup>nd</sup> day of May, 2011.

  
Secretary, Board of Directors

(AUTHORITY SEAL)

