

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

March 6, 2017

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 6:00 p.m. on Monday, the 6th day of March, 2017, at the Authority's office located at 3648 Cypress Creek Parkway, Suite 110, 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
Ron Graham	Assistant Secretary
Jim Pulliam	Treasurer/Investment Officer

All members of the Board were present, except Director Pulliam, thus constituting a quorum. Also attending the meeting were: Mr. Jun Chang, P.E., D.WRE, Deputy General Manager for the Authority; Mr. Mark Evans, Director of Planning and Governmental Affairs for the Authority; Ms. Cynthia Plunkett, Financial Assistant for the Authority; Ms. Krystal Boggs, Administrative Assistant for the Authority; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Messrs. Tom Rolen, P.E., Stephen Berckenhoff, P.E., and Doug Haude, P.E., of AECOM Technical Services, Inc., Program Manager for the Authority; Mr. Brian Cunningham of Project Surveillance, Inc., a subcontractor to AECOM and project representative on several Authority projects; Mr. Tony Sarman, P.E., of AEI Engineering, Inc, on-call engineers for the Authority; Mr. W. John Seifert, P.E., of LGB-Guyton Associates, on-call engineers for the Authority; Messrs. Wendell L. "Buddy" Barnes, P.E., and Harrison Steed, P.E., of ARCADIS US, Inc., on-call engineers for the Authority; Mr. Wayne Ahrens, P.E., of Dannenbaum Engineering Corporation, on-call engineers for the Authority; Messrs. Tobin Synatschk, P.E., and David Warner, P.E., of Jones Carter, Inc., on-call engineers for the Authority; Mr. Mike Reedy, P.E., of Freese and Nichols, Inc., on-call engineers for the Authority; Ms. Giti Zarinkelk, P.E., and Mr. Michael Bagstad, P.E., of Zarinkelk Engineering Services, Inc., on call engineers for the Authority; Mr. Dustin O'Neal, P.E., of Costello, Inc., on-call engineers for the Authority; Mr. Carlton McDevitt of Severn Trent Environmental Services, Inc. ("STES"), operator for the Authority; and Mr. Jonathan D. Polley, attorney, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC, 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.

PUBLIC COMMENTS

In the absence of Mr. Schindewolf, Mr. Chang noted that there were no public comment cards.

REPORTS

STATUS OF ACTIVITIES BY COMMUNICATIONS / PUBLIC INFORMATION COORDINATOR

A copy of Ms. Payne's PowerPoint presentation is attached as an exhibit to these minutes.

Ms. Payne first reported that the Texas Water Development Board (the "TWDB") is holding a Regional Financial Assistance Workshop (the "Workshop") on Tuesday, April 11th at 9:00 a.m., at the Houston-Galveston Area Council offices. Ms. Payne further reported that the Workshop will be an overview of the TWDB and the various types of financing that are available from such agency.

Ms. Payne next reported that Bammel Elementary School is holding its second (2nd) grade assembly program on Friday, March 10th and that a meeting was held with Cy-Fair Independent School District to schedule assemblies and classroom programs.

Ms. Payne then reported that Mr. Evans recently filmed a video regarding the Authority's water reuse program, and the video is currently on the homepage of the Authority's website. Director Rendl then reported that he had recently attended the Association of Water Board Directors – Texas Mid Winter Conference as well as a Texas Water Conservation Association meeting, and noted that water reuse projects were a popular topic at both meetings. Director Rendl added that any utility districts that are interested in possibly implementing a water reuse project should contact Mr. Evans for more information.

Ms. Payne then noted that new videos are being added to the Authority's website on a frequent basis, and any utility district is welcome to link to the videos on their own district websites.

GENERAL MANAGER'S REPORT

Mr. Chang then called on Mr. Evans to give an update regarding the Authority's participation in the 2017 State Water Implementation Fund for Texas ("SWIFT"). Mr. Evans reported that the Authority's Abridged Application was submitted to the TWDB on February 1st, and that the TWDB received 22 total applications for the 2017 funding cycle.

PROGRAM MANAGER'S REPORT

Mr. Rolan then reviewed the Program Manager's Report with the Board, a copy of which is included behind Tab 3 of the meeting packet and is attached hereto.

UPDATE ON STATUS OF SURFACE WATER CONVERSION

Mr. Rolan first reported that the Spears Road Regional Pump Station delivered a daily average rate of approximately 23.7 million gallons per day of surface water during February. Mr. Rolan added that the alternative water used in January was approximately 37.2%, as compared to 36.5% in December. Mr. Rolan further explained that during January, approximately 84.0% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was alternative water.

Mr. Rolan then reminded everyone that utility districts are still in the lower water usage period, and, therefore, it is very important that each district maximize their use of surface water as much as possible.

MAJOR ACTIVITIES

Concerning other activities, Mr. Rolan reported that during the prior month, AECOM had assisted the Authority in implementing and performing tasks regarding its aggregate water well permit; assisted the Authority in a variety of activities involving the City of Houston (the "City"); continued oversight of engineering and acquisition related efforts; provided oversight of STES's activities and its contract to operate the Authority's system; and monitored, tabulated and analyzed amounts of water used by the PWSs covered by the Authority's aggregate water well permit and, where necessary and practical, in consort with STES and the respective PWS operators, took appropriate actions to optimize the use of surface water.

LUCE BAYOU INTERBASIN TRANSFER PROJECT UPDATE

Concerning the Luce Bayou Interbasin Transfer Project, Mr. Rolan reported that: 1) the official groundbreaking ceremony was held on Friday, February 24th; 2) construction of the cofferdam sheet pile wall for the Capers Ridge Pump Station (the "Pump Station") site is ongoing and is scheduled for completion in April; 3) design of the maintenance facility is complete and will be advertised for construction bids in two (2) to four (4) months; 4) Notices to Proceed have been issued to the contractors that won the canal construction bids, and all contractors are mobilizing to start construction this month; 5) the force main (dual 96-inch lines) 90% design drawings have been submitted and are under review, with design having been completed in February; and 6) the near surface scraping required by the MOA with the Indian Tribes began on February 27th and will take about six (6) weeks to complete, while being observed by both an archaeological monitor and a member of the Coushatta Tribe.

THE NORTHEAST WATER PURIFICATION PLANT (THE "NEWPP") EXPANSION PROJECT UPDATE

Mr. Rolan next reported that the City has completed negotiation with the Design Builder on the fee for Component 2, which is primarily the engineering fee to design the NEWPP Expansion. Mr. Rolan further reported that the City is in the process of finalizing negotiations with its technical advisor for 2017. Mr. Rolan added that the Design Builder's Project Manager recently resigned, and his replacement has been selected and approved by the City.

NORTHEAST TRANSMISSION LINE (THE "NETL") PROJECT UPDATE

Mr. Rolan next reported that two (2) 108-inch (108") sections of the NETL and a 54-inch (54") interconnect line are in the bid advertisement phase. Mr. Rolan further informed the Board that acquisition of the necessary right-of-way easements is proceeding forward on several segments of the line and that design is progressing on six (6) additional sections of the NETL, including one (1) 120-inch (120") section, and five (5) 108" sections. Mr. Rolan also reported that negotiations are underway for the design of the final four (4) sections of the 108" line.

ATTORNEY'S REPORT

Mr. Polley stated that he had nothing further to report.

REGULAR AGENDA

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the February 6, 2017 regular meeting. Upon motion by Director Fessler, 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 February 6, 2017 regular meeting, as written.

FINANCIAL ASSISTANT'S REPORT, INCLUDING APPROVE PAYMENT OF BILLS, ISSUANCE OF CHECKS, REVIEW BUDGET COMPARISON, AND REPORT ON STATUS OF PAYMENTS OF QUARTERLY PUMPAGE FEES

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 month ended January 31, 2017, a copy of which is included behind Tab 5 of the meeting packet and is attached hereto. 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 Financial Report, the monthly investment report, and the checks being presented for payment.

CONFIRM UPCOMING MEETING DATE

Director Rendl then reminded the meeting attendees that the Authority's next regular meeting will be held on Monday, April 3, 2017, at 6:00 p.m. at the Authority's office.


PUBLIC COMMENTS

Mr. Chang then noted that there were no public comment cards.

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

PASSED, APPROVED AND ADOPTED this 3rd day of April, 2017.




Secretary, Board of Directors