

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

July 3, 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 3rd day of July, 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, 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. Stephen Berckenhoff, P.E., Dan Edwards, P.E. and Doug Haude, P.E., of AECOM Technical Services, Inc. ("AECOM"), Program Manager for the Authority; Mr. Tony Sarman, P.E., of AEI Engineering, Inc, on-call engineers for the Authority; Mr. Wendell L. "Buddy" Barnes, P.E., of ARCADIS US, Inc., on-call engineers for the Authority; Mr. Tobin Synatschk, P.E., of Jones Carter, 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. Dennis Sander, P.E., of Sander Engineering Corporation, on-call engineers for the Authority; Mr. Charles Shumate, P.E., of Lockwood Andrews & Newnam, Inc.; Mr. Carlton McDevitt of Severn Trent Environmental Services, Inc. ("STES"), operator for the Authority; and Ms. Robin S. Bobbitt, attorney, 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.

PRESIDENT'S MESSAGE

Director Rendl first requested a moment of silence in remembrance of Mr. Marvin Fesler, a longtime Board member of Reid Road Municipal Utility District No. 1, who passed away on June 23, 2017.

BOARD MEMBER COMMENTS

Director Pulliam then stated that a great job was done on the Capital Improvement Plan presentation to the Board members by the Authority staff and AECOM several weeks ago. Director Pulliam noted that great information was provided and all of his questions were answered.

PUBLIC COMMENTS

Director Rendl 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 Director Rendl will be giving a presentation at an upcoming AARP meeting on September 19th. Ms. Payne also reported that Director Rendl will be appearing in a video produced by the City of Houston ("the City").

Ms. Payne next reported that a digital edition of the Waterlines publication is currently in the works, and will be distributed in late July. Director Sigler asked if there was a cost difference between the printed edition and the digital edition of Waterlines. Ms. Payne explained that there is a cost savings by preparing Waterlines in a digital format instead of printing and mailing paper copies, and that the digital edition will also be two (2) to three (3) times longer than the printed edition.

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").

UPDATE ON STATUS OF APPLICATION TO TEXAS WATER DEVELOPMENT BOARD ("THE TWDB") FOR FINANCIAL ASSISTANCE

Mr. Evans reported that the Authority's full application for Financial Assistance has been submitted to the TWDB for review and consideration. Mr. Evans further reported that the TWDB will be meeting on Friday, July 20, 2017 to consider and determine which applications will be approved to receive funding for 2017. Director Graham asked if any project costs are exceeding the estimated costs. Mr. Evans stated that to his knowledge current project costs are not exceeding the projected cost estimates.

UPDATE ON STATUS OF PHASE I PROFESSIONAL SERVICES FOR THE AUTHORITY'S GEOGRAPHIC INFORMATION SYSTEM ("GIS")

Mr. Evans reminded the Board that an agreement with Mr. Lanclos to update the Authority's GIS system has previously been approved by the Board in January, and that Mr. Lanclos is in attendance at today's meeting to provide an update to the Board. Mr. Lanclos then explained that there were four (4) goals for updating the Authority's GIS system: 1) to have a modern and current system; 2) to have useful and organized data; 3) to create an application for more user friendly data; and 4) to keep data updated in order to be utilized by field staff in real time. Mr. Lanclos next reviewed the new GIS system and the different features of such system. Mr. Lanclos explained that there is a new online feature for the public called "Find My Provider" which allows members of the public to find out who provides their water service. Director Rendl asked if the "Find My Provider" feature allows users to see if they are using surface water. Mr. Lanclos stated that the system does not currently allow the user to see if they are using surface water, but that he would make a note of possibly implementing that feature in the future. Director Pulliam asked if utility district board members could be listed on the "Find My Provider" feature. Mr. Lanclos stated that it could be done if that's what the Authority wanted to do. Mr. Lanclos went on to report that he is currently working on a mobile application that would allow the submission of work requests and give the user the ability to request updates through the mobile application. Mr. Lanclos also stated that he will be providing training on the new GIS system to Authority staff in the near future.

PROGRAM MANAGER'S REPORT

In the absence of Mr. Rolen, Mr. Berckenhoff 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. Berckenhoff first reported that the Spears Road Regional Pump Station delivered a daily average rate of approximately 31 million gallons per day of surface water during June. Mr. Berckenhoff added that the alternative water used in May was approximately 33.5%, as compared to 33.2% in April. Mr. Berckenhoff further explained that during May, approximately 74.4% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was alternative water.

MAJOR ACTIVITIES

Concerning other activities, Mr. Berckenhoff reported that during the prior month, AECOM had assisted the Authority with the following items: 1) implementing and performing tasks regarding its aggregate water well permit; 2) assisted the Authority in a variety of activities involving the City; 3) continued oversight of engineering and acquisition related efforts; 4) provided oversight of STES's activities and its contract to operate the Authority's system; and 5) 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. Berckenhoff reported the following items: 1) the pre-qualified list of contractors has been established and the Invitation for Bid has been issued for the dual 96-inch transmission lines, with bids from pre-qualified firms due by July 14, 2017; 2) one (1) competitive sealed proposal for the Luce Bayou Project Maintenance Facility project has been received, which is currently being evaluated; 3) construction of the Capers Ridge pump station combi-wall is ongoing and installation of the H piles began the week of June 26, 2017; 4) construction of all five (5) canal segments is ongoing, including installation of the 96-inch inverted siphons; 5) Sam Houston Electric Coop ("SHEC") has completed design of their transmission line and substation and is currently receiving bids for equipment, materials and installation; and 6) SHEC plans to begin substation and transmission line construction in early August with completion by December 2017.

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

Mr. Berckenhoff next reported that Mr. Jeffrey Benjamin, the Project Director for the NEWPP Expansion, has resigned from the City as of June 30, 2017. Mr. Berckenhoff went on to report that the City has named Mr. Ravi Kaleyatodi as the Acting Project Director, while taking steps to begin a nationwide search for a new Project Director. Mr. Berckenhoff next reported that funding for support of Component 2B-Preliminary Services was approved by City Council on June 21, 2017. Mr. Berckenhoff further reported that the Houston Waterworks Team (the "HWT") had prepared the final version of the Technical portion of the amended Basis of Design Report ("BODR") and the Project Advisor/Technical Consultant had provided review comments on the BODR Addendum Cost Model and Schedule. Mr. Berckenhoff also reported that the City continues to work with the United States Army Corps of Engineers and the Texas Commission on Environmental Quality on the pending record of decision regarding the 404 permit for the NEWPP Expansion Project that will determine the amount of environmental mitigation credits that need to be purchased for the NEWPP Expansion project. Mr. Berckenhoff went on to report that the HWT received proposals from bidders for the Early Work Package ("EWP") 1 and EWP 3. Mr. Berckenhoff further reported that the HWT submitted the draft EWP 4 30% Design documents for review and the Project Management Team (including the City, Program Advisor/Technical Consultant, and the Authorities' representatives) had returned comments to the HWT for the EWP 4 30% Design package, the scope of which includes the raw water corridor intake pipe installation.

NORTHEAST TRANSMISSION LINE (THE "NETL") PROJECT UPDATE

Mr. Berckenhoff next reported that the advertise/bid phases are pending for two (2) 108-inch (108") sections of the NETL and the 54-inch (54") interconnect line. Mr. Berckenhoff further informed the Board that acquisition of the necessary right-of-way easements is proceeding forward on several segments of the NETL and that design is progressing on six (6) additional sections of the NETL, including one (1) 120-inch (120") section, and five (5) 108-inch

(108") sections of the line. Mr. Berckenhoff also reported that design of the final three (3) 108-inch (108") sections and a 66-inch (66") interconnect line of the NETL is awaiting City Council's approval of the design contract for such projects. Mr. Berckenhoff then reported that the 60% walk-throughs were conducted for several segments of the NETL.

ATTORNEY'S REPORT

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

REGULAR AGENDA

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the June 5, 2017 regular meeting. Upon motion by Director Pulliam, seconded by Director Sigler, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the June 5, 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 May 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 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.

GENERAL MANAGER'S ACTION ITEMS

AUTHORIZE GENERAL MANAGER AND CONSULTANTS TO NEGOTIATE, FINALIZE AND EXECUTE INTERLOCAL AGREEMENT BY AND BETWEEN THE AUTHORITY AND HARRIS COUNTY REGARDING EASEMENT ACQUISITION FOR THE AUTHORITY'S WATERLINE PROJECT (PROJECT 28C) AND RIGHT-OF-WAY ACQUISITION FOR HARRIS COUNTY'S MILLS ROAD WIDENING AND IMPROVEMENT PROJECT (THE "INTERLOCAL AGREEMENT")

Mr. Berckenhoff next explained that the Interlocal Agreement being submitted for Board approval is for a joint right-of-way acquisition project with Harris County, and that the Authority will be handling the project and will receive reimbursement from Harris County for its share of the costs. Director Rendl noted that this project is a positive example of the Authority working with Harris County. Upon motion by Director Fessler, seconded by Director Sigler, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the General Manager and consultants to negotiate, finalize and execute the Interlocal Agreement.

CONFIRM UPCOMING MEETING DATE

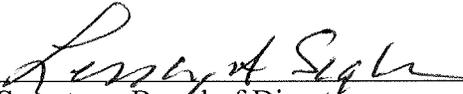
Director Rendl then reminded the meeting attendees that the Authority's next regular meeting will be held on Monday, August 7, 2017, at 6:00 p.m. at the Authority's office.

PUBLIC COMMENTS

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

PASSED, APPROVED AND ADOPTED this 7th day of August, 2017.




Secretary, Board of Directors