

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

March 4, 2019

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 4th day of March, 2019, 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. Jimmie Schindewolf, P.E., General Manager for the Authority; 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. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Messrs. Stephen Berckenhoff, P.E., Michael Baugher, 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. Dennis Sander, P.E., of Sander Engineering Corporation, on-call engineers for the Authority; Mr. Michael Bagstad, P.E., of Zarinkelk Engineering Services, 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. Rafael Ortega, P.E., of Aurora Technical Services, LLC, on-call engineers for the Authority; Mr. Dustin O'Neal, P.E., of Costello, Inc., on-call engineers for the Authority; Mr. Mike Reedy, P.E., of Freese and Nichols, Inc., on-call engineers for the Authority; Mr. David Warner, P.E., of Jones|Carter, Inc., on-call engineers for the Authority; Mr. Alex Kuzovkov, P.E. and Ms. Katherine Ostroff, P.E., of RPS Group Plc., on-call engineers for the Authority; Mr. Charles Shumate, P.E., of Lockwood Andrews and Newnam, Inc.; Mr. Carlton McDevitt of Inframark, LLC (formerly, Severn Trent Environmental Services) ("Inframark"), operator for the Authority; and Ms. Robin S. Bobbitt, 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

Director Rendl first noted that one (1) public comment card was received at tonight's meeting, a copy of which is attached hereto.

Mr. Ron Chapman, a member of the Board of Directors of Harris County Municipal Utility District No. 222, then addressed the Board and asked if the Authority could clarify how many million gallons per day ("MGD") the new Northeast Water Purification Plant (the "NEWPP") will be able to produce. Mr. Chang explained that the NEWPP is designed to produce 320 MGD of reliable capacity and that it is designed to treat up to 426 MGD. Mr. Chang further explained that the first phase of the NEWPP will produce 80 MGD and the second phase will produce the remaining 240 MGD of capacity upon completion of construction. Director Rendl then stated that there will be four (4) trains at the new NEWPP, and if one (1) train goes down, then the NEWPP will still be able to produce 320 MGD of surface water capacity.

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 presentations on March 28th at the Academy for Lifelong Learning, March 28th for the Spring Democratic Party and May 14th for Harris County Municipal Utility District No. 43.

Ms. Payne then reported that there are 12 new billing inserts available at no cost for utility districts to utilize for their customers. Ms. Payne noted that the billing inserts can be ordered on the Authority's website.

Ms. Payne next reported on the upcoming elementary school assemblies. Director Rendl added that the elementary school assemblies are a worthwhile experience and encouraged utility district directors to contact Ms. Payne about attending one of the assemblies.

GENERAL MANAGER'S REPORT

Mr. Schindewolf then called upon Mr. Evans to give an update regarding the Authority's Drought Contingency Plan (the "DCP").

REPORT ON UPDATING OF THE AUTHORITY'S DCP

Mr. Evans reported that the Authority is required to file an updated DCP with the Texas Commission on Environmental Quality by May 1, 2019. Mr. Evans stated that the City of Houston (the "City") will not be making any changes to their DCP, and that the Authority will also not be making any changes to the Authority's current DCP that was prepared and filed in 2013. Mr. Evans also stated that the DCP will be placed in a prominent place on the homepage of the Authority's website for the public's review. Mr. Evans noted that Board approval of the DCP will be requested at the April Board meeting.

PROGRAM MANAGER'S REPORT

Mr. Schindewolf next asked Mr. Berckenhoff to present the Program Manager's Report to 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 18.5 MGD of surface water during February. Mr. Berckenhoff added that the alternative water used in January was approximately 34.3%, as compared to approximately 34.3% in December. Mr. Berckenhoff further explained that during January, approximately 80.2% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was alternative water.

MAJOR ACTIVITIES

Mr. Berckenhoff went on to report that during the prior month, AECOM had performed other activities for the Authority as follows: 1) implemented and performed tasks regarding the Authority's aggregate water well permit (the "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 Inframark'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 Permit and, where necessary and practical, in consort with Inframark and the respective PWS operators, took appropriate actions to optimize the use of surface water.

Mr. Berckenhoff further reported on the Authority's current construction-related activities as follows: 1) Project 28A is under construction and working towards substantial completion; 2) Project 28B is at 100% final design and coordinating of submittals to the Texas Water Development Board is in process, with approximately 14 parcels currently in the acquisition process; 3) Project 28C is in final design and 95% plans are in review, with approximately 29 parcels currently in the acquisition process; 4) Project 28D is in final design at 95% completion with approximately 24 parcels to be acquired; 5) Project 28E is in final design at 95% completion with approximately 30 parcels to be acquired; 6) Project 28F is in final design at 95% completion with plans in review, with approximately 24 parcels to be acquired; and 7) Project 25 has completed the 30% preliminary design with approximately 13 parcels to be acquired. In response to a question, Mr. Berckenhoff stated that the SH 249 Regional Pump Station will have an initial capacity of 42 MGD, with an ultimate capacity of 59 MGD. Mr. Berckenhoff noted that the capacity of such pump station is subject to change in the final engineering stage.

LUCE BAYOU INTERBASIN TRANSFER PROJECT (THE "LUCE BAYOU PROJECT") UPDATE

Concerning the Luce Bayou Project, Mr. Berckenhoff reported the following items: 1) construction punch list inspection of the Luce Bayou Canal Maintenance Facility building and systems was conducted, and the contractor is currently addressing the punch list items; 2) the contractor for the Capers Ridge Pump Station began dewatering and sediment removal in February and concrete work should resume in March; 3) the contractor continues construction of

the air relief valve vaults and manholes on the south 96-inch diameter pipeline, and they also continue welding the north and south 96-inch diameter pipeline; 4) completed construction of Canal Segment No. 1 and continued siphon construction at Scott Road; 5) completed all canal construction, continued construction at water level gate 2 for Canal Segment No. 2; 6) completed all canal construction and continued fence installation and final seeding for Canal Segment No. 3; 7) completed canal excavation, continued construction of water level gate 5 structure and Siphons B, C and D for Canal Segment No. 4; and 8) completed canal excavation and continued construction of headwalls at the FM 1008 siphon for Canal Segment No. 5.

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

Mr. Berckenhoff next reported that the Houston Waterworks Team (the "HWT") and the Project Advisor/Technical Consultant (the "PATC") recently conducted a series of review meetings to discuss the submitted Balance of Plant ("BOP") Guaranteed Maximum Price ("GMP") proposal. Mr. Berckenhoff went on to report that the HWT will submit the draft 90% BOP Design Documents to the PATC for review and comment on Thursday, March 7th. Mr. Berckenhoff further reported that the PATC returned comments to the HWT and the Issued for Construction Design Documents for the Intake Pump Station foundation and North Plant foundation. Mr. Berckenhoff also reported that construction of Early Work Package ("EWP") 1 Site Development continues and includes grading, yard piping and other site work. Mr. Berckenhoff then reported that construction of EWP 2 Filter Building and Transfer Pump Station structures has continued with concrete foundation pours for transfer pump station and filter building foundation. Mr. Berckenhoff next reported that construction of EWP 4 Raw Water Pipeline work continues, including tunnel excavation under West Lake Houston Parkway along with raw water pipeline installation. Mr. Berckenhoff further reported that the HWT submitted its proposed EWP 6 Baseline Schedule and Schedule of Values and the PATC has returned its comments on such documents. Mr. Berckenhoff went on to report that the HWT continues to progress on procurement of various BOP packages, including filter underdrain equipment, centrifuge equipment, vertical turbine pumps, ozone system equipment, adjustable speed drives and medium voltage switchgear. Mr. Berckenhoff added that the PATC continues to provide construction oversight services on behalf of the City and the Authorities.

NORTHEAST TRANSMISSION LINE (THE "NETL") PROJECT UPDATE

Mr. Berckenhoff further reported that in connection with the NETL project, the contractors have continued with construction on two (2) sections of the 108-inch (108") line and the 54-inch (54") interconnect line. Mr. Berckenhoff also noted that seven (7) bids were received on October 4th for the 120-inch (120") section of the line and a Notice of Intent to Award had been issued to the lowest responsible bidder, Main Lane Industries, Ltd., on November 30th. Mr. Berckenhoff went on to report that six (6) bids were received for another 108-inch (108") section of the line on October 25th, and a Notice of Intent to Award had been issued to the lowest responsible bidder, Harper Brothers Construction, on December 18th. Mr. Berckenhoff next reported that five (5) proposals were received for another 108-inch (108") section of the line and a Notice of Intent to Award had been issued to Harper Brothers Construction on January 8th. Mr. Berckenhoff then reported that four (4) proposals were received for another 108-inch (108") section of the line and a Notice of Intent to Award had been issued to Main Lane Industries, Ltd. on January 28th. Mr. Berckenhoff noted that he hopes that

Notices to Proceed will be issued for these four (4) sections of the NETL within the next 60 days. Mr. Berckenhoff added that real estate acquisitions are proceeding on several sections of the NETL, and that design is progressing on the remaining six (6) sections of the NETL, including five (5) 108-inch (108") sections and a 66-inch (66") interconnect line.

ATTORNEY'S REPORT

Ms. Bobbitt stated that she had nothing to report.

REGULAR AGENDA

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the February 4, 2019 regular meeting. Upon motion by Director Fessler, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the February 4, 2019 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, 2019, 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 informed the meeting attendees that the Authority's next regular meeting will be held on Monday, April 1, 2019, at 6:00 p.m. at the Authority's office.

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

PASSED, APPROVED AND ADOPTED this 1st day of April, 2019.




Secretary, Board of Directors