

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

April 1, 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 1st day of April, 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. 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. 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. John Lacy, 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. Fred Bauhof, P.E., of Brown & Gay Engineers, Inc., on-call engineers for the Authority; Mr. Alex Kuzovkov, 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 ("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.

PRESIDENT'S MESSAGE

Director Rendl first reported that Mr. Jimmie Schindewolf will not be in attendance at tonight's meeting. Director Rendl then welcomed Mr. Gary Struzick, Assistant Vice President of the West Harris County Regional Water Authority, to tonight's meeting.

BOARD MEMBER COMMENTS

Director Pulliam then reported that Jersey Village recently installed electronic water meters, and that his February water bill was three (3) times more than his typical bill before the electronic meter was installed. Director Pulliam stated that he checked for water leaks in his house and found no leaks, but he found two (2) toilets with issues which he is now in the process of repairing.

PUBLIC COMMENTS

Director Rendl next stated that no public comment cards had been received.

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 Wunderlich Farms Spring Festival will be held on April 6th from 10:00 a.m. until 3:00 p.m., and that the updated mobile teaching lab will be at the event. Ms. Payne stated that the updated mobile teaching lab promotes protecting water quality.

Ms. Payne next reported on the upcoming elementary school assemblies. Mr. Nick Fava of Bammel Utility District then stated that everyone should consider sponsoring an elementary school assembly because it is very beneficial program. Director Rendl then encouraged the meeting attendees to attend a school assembly to witness the learning opportunities experienced by the students. Director Rendl then thanked the utility districts that sponsor the assembly programs.

GENERAL MANAGER'S REPORT

Mr. Chang then called upon 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 attached hereto.

PROGRAM MANAGER'S REPORT

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 21.7 million gallons per day of surface water during March. Mr. Berckenhoff added that the alternative water used in February was approximately 34.6%, as compared to approximately 34.3% in January. Mr. Berckenhoff further explained that during February, approximately 81.0% 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 of Houston (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; 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; and 6) submitted the Authority's 2018 Annual Pumpage Report to the Harris-Galveston Subsidence District.

Mr. Berckenhoff further reported on the Authority's current construction-related activities as follows: 1) Project 28A is complete and awaiting a true-up and contract close-out with Harris County (the "County"); 2) Project 28B is at 100% final design, 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; 7) Project 25 has completed the 30% preliminary design with approximately 13 parcels to be acquired; and 8) Project 28G requires right-of-way coordination with the City. Director Sigler then asked where the water will come from to test the pumps at the Authority's new SH 249 pump station once it is constructed. Mr. Berckenhoff stated that the water to test the pumps will come from the Northeast Water Purification Plant, and that the pumps will also be factory tested.

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

Concerning the Luce Bayou Project, Mr. Berckenhoff reported the following items: 1) the contract is currently addressing the punch list items and final cleanup of the Luce Bayou Canal Maintenance Facility; 2) the contractor for the Capers Ridge Pump Station continued sediment removal from the pump station and completed concrete pours for the walkway across Pump Bays 1-4 and forms/rebar for Pump Bays 5-7; 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 and siphon headwalls at CR 6243, and continued construction at water level gate 2 for Canal Segment No. 2; 6) completed all canal construction and installation of trash racks at Texaco Road Siphon, 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 A, 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. Director Rendl then asked if the water level in Lake Houston will be kept constant once the Luce Bayou Project is completed. Mr. Berckenhoff stated Lake Houston is a water supply reservoir and the

water surface elevations will fluctuate seasonally, however, once the Luce Bayou Interbasin Transfer Project comes on-line, the water level in Lake Houston will be able to be kept at a more constant level with less fluctuation.

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") are currently negotiating the terms, conditions and price of the Balance of Plant ("BOP") Guaranteed Maximum Price ("GMP") proposal. Mr. Berckenhoff noted that further refinement of the supporting documentation, including the GMP schedule, must be completed. Mr. Berckenhoff went on to report 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 Issued for Construction Foundation Design Documents to the PATC. Mr. Berckenhoff also reported that PATC has conditionally approved the HWT's proposed EWP 6 Baseline Schedule and Schedule of Values. Mr. Berckenhoff went on to report that the HWT continues to progress on procurement of various BOP packages. 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 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 March 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 March 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 February 28, 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 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

OVERVIEW OF UPDATED DROUGHT CONTINGENCY PLAN AND ADOPT RESOLUTION ADOPTING UPDATED 2019 DROUGHT CONTINGENCY PLAN (THE "RESOLUTION")

Mr. Chang then called on Mr. Evans to provide an update on the Authority's Drought Contingency Plan ("DCP"), a copy of which is included behind Tab 6 of the meeting packet and is attached hereto. Mr. Evans reminded the Board that the Authority is required to file an updated DCP with the Texas Commission on Environmental Quality (the "TCEQ") by May 1, 2019. Mr. Evans explained that the Authority has been advised that the City will not be making any changes to their DCP and, therefore, it has been determined that no changes to the Authority's DCP are necessary at this time. Mr. Evans then stated that the DCP will be filed with the TCEQ, the Texas Water Development Board and Region H. 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. Upon motion by Director Graham, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to approve the DCP and adopt the Resolution.

AUTHORIZE GENERAL MANAGER AND CONSULTANTS TO NEGOTIATE, FINALIZE AND EXECUTE AN INTERLOCAL AGREEMENT BY AND BETWEEN THE AUTHORITY AND THE COUNTY REGARDING RELOCATION OF THE AUTHORITY'S 16-INCH WATERLINE IN CONNECTION WITH THE COUNTY'S TELGE ROAD SEGMENT 2 PROJECT

Mr. Chang next called on Mr. Berckenhoff to give an overview of the proposed Interlocal Agreement between the Authority and the County. Mr. Berckenhoff explained that, several years ago, Project 6B3 of the Authority included construction of a 16-inch (16") PVC waterline that runs parallel and east of Telge Road in a north to south fashion. Mr. Berckenhoff stated that Precinct 4 wants to expand Telge Road and will need to relocate the Authority's existing waterline at the County's expense. Director Fessler asked if the County will be paying the Authority for the easement that the Authority originally paid for. Mr. Berckenhoff stated that the details of the Interlocal Agreement are still being negotiated. Director Rendl asked if the relocation can be accomplished with minimal disruption to the delivery of surface water to Authority customers. Mr. Berckenhoff stated that there is currently one (1) customer being served by the existing waterline and that the intent is to leave the current line in place until the new line construction is completed. 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 authorize the General Manager and consultants to negotiate, finalize and execute the Interlocal Agreement by and between the Authority and the County in connection with the County's Telge Road Segment 2 project.

AWARD CONTRACT FOR ON CALL SYSTEM REPAIR, CONTRACT 2, AND AUTHORIZE EXECUTION OF CONTRACT FOR SAME

Mr. Berckenhoff then reported that the On Call System Repair, Contract 1 between the Authority and Huff & Mitchell, Inc. has reached the end of the contracted term. Mr. Berckenhoff went on to explain that three (3) bids were received for the On Call System Repair, Contract 2, the bid tabulation for which is included behind Tab 7 of the meeting packet and attached hereto. Mr. Berckenhoff then recommended award of the contract to BRH-Garver Construction, L.P. ("BRH-Garver"), in an amount not to exceed \$1,436,200. 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 award the contract for On Call System Repair, Contract 2 to BRH-Garver.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, May 6, 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 6th day of May, 2019.




Secretary, Board of Directors