

MINUTES OF MEETING OF THE  
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

November 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 4<sup>th</sup> day of November, 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, except Director Fessler, 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; State Representative Valoree Swanson, representing State House District 150; Messrs. Stephen Berkenhoff, P.E., Michael Baugher, P.E. and Doug Haude, P.E., of AECOM Technical Services, Inc., Program Managers for the Authority; Mr. Buddy Barnes, P.E., FASME, 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; Ms. Giti Zarinkelk, P.E., and Mr. Michael Bagstad, P.E., of Zarinkelk Engineering Services, Inc., on-call engineers for the Authority; Ms. Katherine Mears, P.E., and Mr. David Huang, of RPS Klotz Associates, 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. Charles Shumate, P.E., of Lockwood Andrews and Newnam, Inc. ("LAN"); Mr. Lance McLeod, P.E., and Ms. Connie Curtis, of Kimley-Horn and Associates Inc., on-call engineers for the Authority; Mr. Chris Campbell, P.E., of Binkley & Barfield, on-call engineers for the Authority; Mr. Carlton McDevitt of Inframark, LLC ("Inframark"), operator for the Authority; Mr. John Howell of The GMS Group, co-financial advisor to the Authority; Mr. Daniel Akeroyd on behalf of Representative Valoree Swanson, Texas House District 150; and Ms. Robin S. Bobbitt, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Radcliffe Bobbitt"), 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 greeted the meeting attendees. Director Rendl then recognized Mr. Evans who announced that the Authority had been awarded the Texas Water Conservation Association Risk Management Fund's Outstanding Safety Record in Liability for 2019.

## 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 encouraged the Board members to attend one of the Authority's upcoming November educational assemblies. Ms. Payne went on to report that the next issue of *Waterlines* is due to be mailed in early January 2020 and if anyone wants extra copies of the publication, to please let her know in advance. Ms. Payne added that over 220,000 copies of *Waterlines* will be sent out to residents within the Authority. Ms. Payne next reported that the Annual Old Fashion Christmas Market to be held at Wunderlich Farms will take place on December 7, 2019 and that the Authority has again been invited to participate in the event.

## GENERAL MANAGER'S REPORT

Mr. Chang next reviewed the General Manager's Report, a copy of which is included behind Tab 2 of the meeting packet and is attached hereto. Mr. Chang then recognized Mr. Evans who announced that the Authority, in partnership with the San Jacinto River Authority ("SJRA"), Montgomery County and the Harris County Flood Control District is participating in the new "Know Your Watershed" campaign which is an interactive web platform developed and maintained by SJRA in partnership with various local entities. Mr. Evans went on to explain that the website consists of two (2) major components, including an "Address Viewer" and a "Story Map" to help educate residents about the watershed in which they live. Mr. Evans added that SJRA will issue a press release on Wednesday, November 6<sup>th</sup>, announcing the Authority's partnership with SJRA. In response to a question from Director Pulliam, Mr. Evans confirmed that the Authority's website will be linked to the new SJRA website.

Mr. Chang then stated that the Coastal Water Authority has given the Authority permission for the edited version of the drone video taken of the Luce Bayou Project to be uploaded onto the Authority's website.

## 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 26.7 million gallons per day ("MGD") of surface water

during October. Mr. Berckenhoff added that the alternative water used in September was approximately 30.4%, compared to approximately 28.6% in August. Mr. Berckenhoff further explained that during September, approximately 69.7% 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) continued oversight of engineering, acquisition and construction related activities; 2) assisted in a variety of activities involving the City of Houston (the "City"); 3) assisted in implementing and performing tasks regarding its aggregate water well permit (the "Permit"); 4) provided oversight, on behalf of the Authority, of Inframark activities and its contract to operate the Authority's system; and 5) monitored, tabulated and analyzed amounts of water used by PWSs covered by the Authority's aggregate water well Permit and where necessary and practical, in consort with Inframark, 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 complete and the true-up process for the project is underway with Harris County (the "County"); 2) Project 28B through Project 28F are in the acquisition process with advertising for bids to begin soon; 3) Projects 25 and 28G are currently scheduled to advertise for bid in the late summer and fall of 2020 and projected to be in service by no later than June of 2022; and 4) Project 24 – SH249 Regional Pump Station is scheduled to be advertised for bid in the summer of 2020 and scheduled to be in service by no later than June 2022. Mr. Berckenhoff then gave a brief overview of the status of Projects 31, 6C-1, 6C-2, 7D-1 and 25E, all of which are in the planning/routing stage.

## REGIONAL WATER PROJECTS

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

Concerning the Luce Bayou Project, Mr. Berckenhoff reported the status of the following items: 1) contractor completed concrete pour of the south roof deck, continued H-Pile installation at the control building and backfill and compaction around the Capers Ridge Pump Station and began installation of roof trusses and decking at the electrical building; 2) continued construction of the Air Vac Vaults and ARV manholes and continued assembly of piping and valves for installation in ARV manholes; 3) continued headwall construction at siphons located at Stations 95+50 and 72+00 and Scott Road for Canal Segment No. 1; 4) Canal Segments Nos. 2 and 3 projects are both complete; and 5) contractor is working on punch list items for Canal Segment Nos. 4 and 5.

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

Mr. Berckenhoff next reported, in connection with the NEWPP Expansion Project, site work for the administration building is complete and that trailer set-up and power installation is complete. Mr. Berckenhoff further reported that: 1) construction of the South Plant temporary power main feed is complete; 2) construction of Early Work Package ("EWP") 1 Site Development is nearing

completion and includes grading, yard piping and site work and work to complete punch list items is ongoing; 3) construction of EWP 2 Filter Building and Transfer Pump Station is proceeding ahead of schedule and pump cans have been installed; 4) construction of EWP 4 Raw Water Pipeline work continues with welding and grouting of the raw water pipeline; 5) construction of EWP 6 North Plant Foundation and Intake Pump Station bridge and platform piling continues on schedule and installation of station pump cans has begun; 6) the Houston Waterworks Team continues to progress procurement of various BOP packages; and 7) the Project Advisor/Technical Consultant continues to provide construction oversight services on behalf of the City and authorities.

#### NORTHEAST TRANSMISSION LINE (THE "NETL") PROJECT UPDATE

Mr. Berckenhoff next 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 that one (1) section of the 108-inch (108") line and the 54-inch (54") interconnect line are in the hydrostatic testing phase. Mr. Berckenhoff further noted that construction of the 120-inch (120") section of line is ongoing. Mr. Berckenhoff further noted that construction of three (3) additional sections of the 108-inch (108") line is now underway. Mr. Berckenhoff went on to report that real estate acquisitions are proceeding on several additional sections of the NETL, a pre-proposal meeting for a 108-inch (108") section of the line was held on October 22<sup>nd</sup> and that design is progressing on the remaining four (4) sections of the 108-inch (108") line and the 66-inch (66") interconnect line.

A brief drone video of the ongoing construction of the NETL prepared by LAN was then reviewed with the Board.

#### 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 October 7, 2019 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 October 7, 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

Mr. Chang 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 September 30, 2019, a copy of which is included behind Tab 5 of the meeting packet and is attached hereto.

Upon motion by Director Pulliam, 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.

GENERAL MANAGER'S ACTION ITEM

AUTHORIZE GENERAL MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE AN AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES FOR ON-CALL ENGINEERING SERVICES WITH LAN (THE "AGREEMENT")

Mr. Chang then presented to the Board the Agreement regarding on-call engineering services with LAN.

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 and authorize execution of the Agreement.

AUTHORIZE GENERAL MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE THE HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 383 (HC 383") ALTERNATIVE WATER USE INCENTIVE AGREEMENT (THE "INCENTIVE AGREEMENT")

Mr. Chang next called on Mr. Evans who explained that the proposed project will be a Type 1 treatment project and that water will be delivered to the Gleannloch Pines Golf Course ("Gleannloch Pines") storage lake and primarily be used for irrigating the golf course. Mr. Evans added that the August 2019 water usage by Gleannloch Pines was approximately 17 million gallons. Director Rendl then recognized the HC 383 Board members present at the meeting. Mr. Rendl added that using potable water on golf courses should not be done and that he is happy to see the Incentive Agreement come forward.

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 and authorize execution of the Incentive Agreement, a copy of which is attached hereto. Mr. Evans noted that this is the ninth (9<sup>th</sup>) Incentive Agreement approved by the Authority.

CONFIRM UPCOMING MEETING DATE

Director Rendl next informed the meeting attendees that the Authority's budget planning meeting will be held on Monday, November 18th at 6:00 p.m. and a public meeting regarding the Authority's new rates will be held on Monday, December 2, 2019, at 6:00 p.m., with the regular meeting immediately following that at 6:15 p.m., at the Authority's office.

Director Rendl then briefly recognized Representative Valoree Swanson.

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 December, 2019.

*Lenny A. Sigb*

Secretary, Board of Directors

(AUTHORITY SEAL)

