

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

February 3, 2020

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 February, 2020, 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. 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. Buddy Barnes, P.E., F.SAME, of ARCADIS US, Inc., on-call engineers for the Authority; Mr. Fred Bauhof, P.E. and Ms. Kate Hallaway, P.E., of Brown & Gay Engineers, 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; Ms. Katherine Mears, P.E., of RPS Klotz Associates, on-call engineers for the Authority; Mr. Dennis Sander, P.E., of Sander Engineering Corporation, 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., 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; and Ms. Robin S. Bobbitt, attorney, and Ms. Alison Miller, paralegal, 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 by Director Rendl 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 noted that no public comment cards had been received. Mr. Nick Fava of Bammel Utility District then addressed the Board and meeting attendees and stated that he has been a member of Bammel Utility District for 27 years and has been attending Authority meetings since the Authority was created. Mr. Fava further stated that there is over 100 years of experience in the room and that most people do not speak unless they are voicing complaints. Mr. Fava encouraged the meeting attendees to ask questions during meetings and take advantage of the expertise of the Authority. Director Rendl then expressed his appreciation to Mr. Fava for his positive comments.

Mr. Jerry Homan, General Manager of Harris County Freshwater Supply District No. 61 next addressed the Board and stated that he believes in what the Authority is doing and that the Authority has accomplished a tremendous amount of work.

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 reviewed the schedule for the Authority's elementary school assembly programs. Ms. Payne also reviewed Director Rendl's presentation schedule.

Ms. Payne then reported that she has received great responses regarding the Authority's most recent edition of the Waterlines publication. Ms. Payne stated that homeowners associations are requesting permission to reprint the articles and the Authority is happy to allow such reprinting and the linking of the publication to websites. Ms. Payne also reported that a new "Rising Cost of Water" brochure will be ready for distribution this month. Ms. Payne added that 12 new billing inserts on water conservation are now available for ordering through the Authority's website or contacting the Authority's office.

Director Rendl stated that he had recently attended a 5th grade assembly at Brill Elementary. Director Rendl recommended attending one of the Authority's elementary school assembly programs, especially anyone that is a sponsor of the program. Director Rendl further stated that he was amazed at the response from the students and seeing how much the students learn about water conservation from the programs.

GENERAL MANAGER'S REPORT

Mr. Schindewolf 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 18.5 million gallons per day ("MGD") of surface water during January. Mr. Berckenhoff added that the alternative water used in December was approximately 33.5%, compared to approximately 31.5% in November. Mr. Berckenhoff further explained that during December, approximately 78.4% 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; 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 also reported that the Authority currently has 21 active projects, with seven (7) in or near construction, eight (8) in final design and six (6) in the planning or preliminary engineering stage.

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

Concerning the Luce Bayou Project, Mr. Berckenhoff gave an update on the status of the following items: 1) the contractor has continued installation of station piping, pump support plates, electrical pull boxes, electrical conduits and transformers at the Capers Ridge Pump Station; 2) continued installation of pig retrieval facility piping and electrical duct bank installation on the dual 96-inch diameter pipelines, and continued flow distribution basin concrete placement; and 3) continued headwall construction on Canal Segment No. 1 at siphons located at station 72+00 and FM 2100. Mr. Berckenhoff noted that Canal Segment Nos. 2, 3, 4, and 5 are complete.

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

Mr. Berckenhoff then showed a brief drone video of the NEWPP construction site. A meeting attendee asked if the video will be put on the Authority's website. Mr. Berckenhoff stated that the video was courtesy of the Houston Waterworks Team ("HWT") and that he will check to see if it can be uploaded to the Authority's website. Director Pulliam stated that the video was excellent.

Mr. Berckenhoff went on to report that construction for the South Plant Ground Storage Tank Nos. 1 and 2 is underway, and that site preparation for the switchgear building and

dewatering building has been completed. Mr. Berckenhoff further reported that the Central Plant structural concrete work is continuing on schedule. Mr. Berckenhoff went on to report that construction of Early Work Package ("EWP") 2 Filter Building and Transfer Pump Station is proceeding ahead of schedule. Mr. Berckenhoff also reported that construction of EWP 4 pipe installation at tunnel has been completed. Mr. Berckenhoff further reported that construction of EWP 6 North Plant foundation and walls continues on schedule and the deck concrete work at the Intake Pump Station has been initiated. Mr. Berckenhoff added that the HWT continues to progress on the procurement of various BOP packages and that the Project Advisor/Technical Consultant continues to provide construction oversight services on behalf of the City and the 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 five (5) sections of the 108-inch (108") line. Mr. Berckenhoff further noted that construction of the 120-inch (120") section is complete and has passed hydrostatic and disinfection testing. Mr. Berckenhoff added that real estate acquisitions are proceeding on several additional sections of the NETL and that design is progressing on the remaining two (2) sections of the 108-inch (108") line. Mr. Berckenhoff next reported that a Notice of Intent to Award for a 108-inch (108") section of the line was issued on January 10th. Mr. Berckenhoff also reported that a Notice of Intent to Award for another 108-inch (108") section of the line was issued on January 27th. Mr. Berckenhoff then reported that proposals for an additional 108-inch (108") section of the line were received on January 9th and proposals for the 66-inch (66") interconnect line were received on January 16th.

Director Rendl then asked if Mr. Berckenhoff anticipates any problems with the City on the variance request related to the platting of the SH 249 Pump Station (Project 24C). Mr. Berckenhoff stated that the variance is a routine procedure and that he does not anticipate any issues. Mr. Berckenhoff further stated that there are currently two (2) right-of-way acquisition teams working on the acquisition of the large number of parcels that are required for the Authority projects and the NETL project that the Authority is partnering on with the City. Director Pulliam asked when the Authority will begin spending money on these projects. Mr. Berckenhoff responded that the Authority is already spending SWIFT monies on the NEWPP Expansion and the NETL Projects with the City and the Authority led transmission line projects (Project 25A-25D). Mr. Berckenhoff noted that Project 28 and the SH 249 Regional Pump Station are all major projects that will be initiated this year.

Mr. Homan then asked if the NEWPP will come online in phases. Mr. Berckenhoff responded that Phase I of the NEWPP Expansion Project is scheduled to be substantially complete in January 2023 and that the HWT is confident that such date is an obtainable goal. Director Rendl asked when the loop projects will come online. Mr. Berckenhoff stated that Project 28 will be going into construction later this summer and will be online next year and that Project 31 (2nd Loop Project) is in the preliminary engineering phase right now.

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 January 6, 2020 regular meeting. 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 approve the minutes of the January 6, 2020 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 December 31, 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 Sigler, 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 TO NEGOTIATE, FINALIZE AND EXECUTE INTERLOCAL COOPERATION AGREEMENT FOR WATERLINE CONSTRUCTION AND WATER SUPPLY BETWEEN THE AUTHORITY AND BAMMEL UTILITY DISTRICT ("BAMMEL UD") (THE "INTERLOCAL AGREEMENT")

Mr. Schindewolf then recognized Mr. Berckenhoff to summarize the Interlocal Agreement. Mr. Berckenhoff explained that the Authority currently provides treated surface water to Bammel UD's Water Plant No. 2 and a twelve-inch (12") transmission waterline connects Water Plant No. 2 to Water Plant No. 1. Mr. Berckenhoff reported that the Interlocal Agreement will allow the construction of a 1,000 foot waterline to deliver Authority surface water to Bammel UD's Water Plant No. 1 and will also convey an easement to the Authority for operations and maintenance of the waterline. Mr. Berckenhoff further noted that the Interlocal Agreement is also a cost sharing agreement between the Authority and Bammel UD. Mr. Berckenhoff stated that the underlying purpose of the Interlocal Agreement will allow the Authority to sell additional surface water and eliminates the need for Bammel UD to drill a new well. Director Pulliam then asked if this project would be considered part of the Authority's loop project. Mr. Berckenhoff stated that this project is not part of the loop projects.

Upon motion by Director Pulliam, seconded by Director Fessler, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of the Interlocal Agreement, a copy of which can be found in the Authority's files.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, March 2, 2020, 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 2nd day of March, 2020.



Ranjit Singh

Secretary, Board of Directors