

MINUTES OF MEETING OF THE  
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

March 1, 2021

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, via Zoom at [https://zoom.us/meeting/register/tJUpe6rqjseTb2B5K2Q-80bt4mzW169-G4](https://zoom.us/join/zoom/register/tJUpe6rqjseTb2B5K2Q-80bt4mzW169-G4) and/or telephone conference call at 346-248-7799, passcode 4403924, pursuant to the Texas Governor's suspension of certain Texas Open Meetings Act provisions due to COVID-19, at 6:00 p.m. on Monday, the 1<sup>st</sup> day of March, 2021; 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, General Manager for the Authority; Mr. Jimmie Schindewolf, P.E., Senior Advisor to the General Manager for the Authority; Mr. Mark Evans, Director of Planning and Governmental Affairs for the Authority; Mr. Doug Haude, P.E., Construction Manager of the Authority; Ms. Cynthia Plunkett, Finance Director for the Authority; Mr. Travis Jones, Accountant for the Authority; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Messrs. Stephen Berckenhoff, P.E., and Mike Baugher, P.E., of AECOM Technical Services, Inc., Program Manager for the Authority; Mr. David Huang, P.E., and Ms. Katherine Mears, P.E.; of RPS Klotz Associates, on-call engineers for the Authority; Mr. Harrison Steed, P.E., of ARCADIS US, Inc., on-call engineers for the Authority; Ms. Melinda Silva, P.E., of Dannenbaum Engineering Corporation, on-call engineers for the Authority; Mr. Mike 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. Rafael Ortega, P.E., of Aurora Technical Services, LLC, on-call engineers for the Authority; Ms. Kate Hallaway, P.E., of Brown & Gay Engineers, Inc., on-call engineers for the Authority; Mr. David Warner, P.E., of Jones|Carter, Inc., on-call engineers for the Authority; Mr. Marcel Khouw, P.E., of IDS Engineering Group, on-call engineers for the Authority; Mr. Carlton McDevitt of Inframark, LLC ("Inframark"), operator for the Authority; Messrs. Chris M. DeBow and Cory Gebel of Public Trust Advisors, investment advisor to the Authority; Mr. Steve Bresnen of BresnenAssociates, legislative consultants to the Authority; Ms. Robin S. Bobbitt, attorney, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), 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. The conference call meeting was recorded and made available to the public in accordance with the provisions of Texas Government Code Sections 551.125 and 551.127.

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.

#### PRESIDENT'S MESSAGE

Director Rendl first reported that Ms. Lisa Sagstetter, Community Relations Coordinator for the Authority, lost her husband this week and offered his thoughts and prayers. Director Rendl then stated that he hopes everyone made it through Winter Storm Uri.

#### PUBLIC COMMENT

Mr. Jerry Homan, General Manager of Harris County Freshwater Supply District No. 61 then addressed the Board and stated that after Winter Storm Uri, many utility districts are expecting higher than average water bills. Mr. Homan went on to state that the Water Users Coalition is suggesting that the Authority consider using an average water usage amount for billing for the month of February. Director Rendl responded that the Authority will be considering such matter at a later time.

Mr. Doug Miller of HMW Special Utility District ("HMW") then thanked the Authority for considering HMW's comments to the Authority's Rate Order, which was recently amended. Mr. Miller noted that HMW is looking forward to working with the Authority to implement remote meter reading processes and procedures.

Mr. Gary Matocha of Louetta Road Municipal Utility District ("MUD") stated that Louetta Road MUD was caught off guard when the Authority shut off surface water during Winter Storm Uri and that there was very little communication from the Authority until Wednesday, February 17<sup>th</sup>. Director Rendl explained that all notifications regarding loss of surface water and/or boil water notices were provided immediately to operators by Inframark, and that it was up to the utility district operators to inform their respective utility districts.

#### 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 stated that the utility district operators were the unsung heroes during Winter Storm Uri and that they worked hard during the entire event.

Ms. Payne then reported that billing inserts regarding irrigation are available for ordering on the Authority's website. Director Rendl noted that there are many new billing inserts that are available for utility districts to provide to their customers.

#### GENERAL MANAGER'S REPORT

Mr. Chang 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 15.9 million gallons per day ("MGD") of surface water during February. Mr. Berckenhoff added that the alternative water used in January was approximately 32.3%, compared to approximately 33.5% in December. Mr. Berckenhoff further explained that during January, approximately 76.6% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was alternative water. Director Rendl asked how much surface water was not able to be supplied by the Authority to utility districts during Winter Storm Uri. Mr. Berckenhoff explained that during a normal February, the Authority would supply between 15 MGD to 20 MGD, and over the 4-5 day period of Winter Storm Uri, the Authority was only able to supply approximately 5 MGD of surface water due to the City of Houston (the "City") supply limitations and other operational difficulties.

### 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 26 active projects, with nine (9) in or near construction, 14 in final design and right-of-way acquisition, two (2) undergoing a routing study and one (1) project on hold.

### 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 completed installation of all above ground piping, forms and rebar for permanent pipe supports, continued installation and testing of electrical and control wiring and installed a pump motor at the Capers Ridge Pump Station; and 2) the contractor placed rebar and forms for concrete pavement around the pig retrieval facility. Mr. Berckenhoff also reported temporary dam removals began on February 15<sup>th</sup> and should be complete by the middle of March.

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

Mr. Berckenhoff further reported on the status of the NEWPP Expansion Project, noting that construction of the Central Plant continues with concrete work and piping at filter modules and masonry and wall placement at the Transfer Pump Station. Mr. Berckenhoff also reported that construction of the North Plant continues with ongoing formwork, rebar placement and

structural concrete for various structures. Mr. Berckenhoff added that installation of pump station structural steel and precast building panels is ongoing. Mr. Berckenhoff further reported that installation of precast panels and plumbing at the administration building and beam installation at the maintenance building is ongoing. Mr. Berckenhoff next reported that construction of the South Plant is continuing with installation of concrete floors and dome shoring at the ground storage tank and continuing work at the dewatering building. Mr. Berckenhoff also reported that installation of the duct bank and feeder cabling is ongoing. Mr. Berckenhoff further noted that the Houston Waterworks Team continues to progress on the procurement of various balance of plant 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 six (6) sections of the 108-inch (108") line. Mr. Berckenhoff added that real estate acquisitions are proceeding on several additional sections of the NETL.

#### 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 1, 2021 regular meeting. 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 the minutes of the February 1, 2021 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, 2021, a copy of which is included behind Tab 5 of the meeting packet and 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.

ANNUAL REVIEW OF INVESTMENTS AND ADOPT ORDER REGARDING ANNUAL REVIEW OF RULES, POLICIES, CODE OF ETHICS AND LIST OF AUTHORIZED BROKERS FOR THE INVESTMENT OF AUTHORITY FUNDS

Ms. Plunkett then explained that the Authority is required by the Public Funds Investment Act to review the Authority's Investment Policy and investment strategies on an annual basis. Ms. Plunkett further explained that she had worked with Mr. DeBow to conduct the annual review and that no changes to the Authority's Investment Policy are recommended at this time.

Ms. Plunkett then introduced Messrs. DeBow and Gebel to the Board.

Messrs. DeBow and Gebel next presented an investment update and review of the Authority's investment portfolio, a copy of which is attached hereto. Director Rendl asked if there are any concerns to be aware of regarding the Authority's investment portfolio. Mr. DeBow responded that there are no concerns regarding the Authority's investment portfolio.

Ms. Plunkett then stated that Tab 6 of the meeting packet includes the Order Regarding Annual Review of Rules, Policies, Code of Ethics, and List of Authorized Brokers for the Investment of Authority Funds (the "Order") for the Board's adoption. 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 adopt the Order, a copy of which is attached hereto.

GENERAL MANAGER'S ACTION ITEMS

AWARD OF CONTRACT FOR CONSTRUCTION OF PROJECT 28F AND AUTHORIZE EXECUTION OF SAME

Mr. Berckenhoff then recommended award of the contract for construction of Project 28F to the lowest qualified bidder, Main Lane Industries, Ltd. ("Main Lane"), in the amount of \$9,874,917.50. Mr. Berckenhoff noted that Project 28F will construct water lines to Emerald Forest Utility District, Mills Road MUD, Cypress Creek Utility District and Harris County MUD No. 230. 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 authorize the award and execution of the contract for construction of Project 28F to Main Lane, in the amount of \$9,874,917.50.

AUTHORIZE GENERAL MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES WITH KCI TECHNOLOGIES INC. ("KCI") (THE "AGREEMENT")

Mr. Chang next requested Board authorization to negotiate, finalize and execute the Agreement with KCI for professional on-call engineering services. 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 authorize the General Manager to negotiate, finalize and execute the Agreement with KCI, a copy of which is included 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, April 5, 2021, at 6:00 p.m.

Director Rendl noted that information on how the Authority meetings will be conducted going forward will be sent out via e-blast and also posted on the Authority's website.

PUBLIC COMMENTS

Director Rendl then stated that no further public comments had been received.

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

PASSED, APPROVED AND ADOPTED this 5<sup>th</sup> day of April, 2021.



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Assistant Secretary, Board of Directors