

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

April 5, 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, at 6:00 p.m. on Monday, the 5th day of April, 2021, 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 and via Zoom at [https://zoom.us/meeting/register/tJAsduCrqj8pHdcLXoND46KC7BhYOljC5mWp](https://zoom.us/join/https://zoom.us/meeting/register/tJAsduCrqj8pHdcLXoND46KC7BhYOljC5mWp) 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; 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, with Director Sigler participating via Zoom. 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 for 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., Mike Baugher, P.E., and Philip Topek, 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; 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 noted that tonight there are in person meeting participants in the audience for the first time in over a year. Director Rendl then reported that Mr. Chang will not be attending the meeting in person tonight because he is home recovering from a mild heart attack. Director Rendl added that Mr. Chang is doing well and will be attending the meeting via telephone conference. Director Rendl next stated that he hopes the Authority is able to double or triple the size of the in person audience for next month's Board meeting.

BOARD MEMBER COMMENTS

Director Pulliam then stated that he is happy to see everyone at tonight's meeting.

PUBLIC COMMENT

Director Rendl noted that no public comment cards had been received.

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 billing inserts regarding irrigation practices 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.

Ms. Payne further reported that the Authority's mobile teaching lab has been renovated and will be available for live and video programs in the near future. Ms. Payne stated that the mobile teaching lab will focus on the Authority's ongoing conversion to surface water.

Ms. Payne next reported that the Authority's new Water University North online courses will be a virtual classroom for students of all ages. Ms. Payne stated that an e-blast will be sent out when the courses become available.

GENERAL MANAGER'S REPORT

Mr. Chang then informed the Board that Mr. Berckenhoff will be leaving AECOM this month. Mr. Chang stated that Mr. Berckenhoff has made huge contributions to the Authority's Program Management team. Mr. Chang then stated that Mr. Berckenhoff will be replaced by Mr. Philip Topek. Mr. Berckenhoff stated that he has had the privilege of working with the Authority for the last 15 years and that the Authority could not be made up of a finer group of people. Mr. Berckenhoff then stated that the Authority is in great shape and well on the way to meeting the Harris-Galveston Subsidence District's 2025 conversion requirements. Mr. Berckenhoff also stated that he is optimistic for the future of the Authority and that he

appreciates the Authority's Board and staff. Mr. Berckenhoff then introduced Mr. Topek to the Board. Director Rendl thanked Mr. Berckenhoff for his work and contributions to the Authority and welcomed Mr. Topek to the Authority. Mr. Topek stated that it is an honor and a privilege to serve the Authority Board and staff and that he will do his best to fill Mr. Berckenhoff's shoes. Mr. Chang then thanked Mr. Berckenhoff for everything he has done for the Authority.

Mr. Chang next 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 20.1 million gallons per day ("MGD") of surface water during March. Mr. Berckenhoff added that the alternative water used in February was approximately 22.5%, compared to approximately 32.3% in January. Mr. Berckenhoff further explained that during February, approximately 52.3% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was alternative water. Mr. Berckenhoff also reported that the Authority accumulated 530.7 million gallons of over-conversion credits for the Permit Year 2020.

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 permanent pipe supports, completed connection to the electrical substation and energized the switchgear building, electrical building, control building, pump motor control panels and low voltage systems, installed the SCADA computers and monitors, and continued preparation of all aboveground piping for final paint coatings; 2) the contractor completed the concrete pavement and electrical connections at the pig retrieval facility.

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 metal decking and the overhead bridge crane is ongoing. Mr. Berckenhoff further reported that installation of roof blocking and electrical work at the administration building is ongoing and installation of the roof at the maintenance building has been completed. Mr. Berckenhoff next reported that construction of the South Plant is continuing with installation of concrete pad and wall panels 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 March 1, 2021 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 1, 2021 regular meeting, as written.

FINANCE DIRECTOR'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, 2021, a copy of which is included behind Tab 5 of the meeting packet and 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.

GENERAL MANAGER'S ACTION ITEMS

ADOPT RESOLUTION ADOPTING POLICY AND PROCEDURES FOR FEBRUARY 2021 FREEZE EVENT FEE ADJUSTMENT CREDITS (THE "RESOLUTION")

Mr. Chang explained that the Resolution is in response to public comments and questions received at the Board's March meeting regarding Winter Storm Uri. Ms. Bobbitt then reviewed the Resolution with the Board, a copy of which is included behind Tab 6 of the meeting packet and attached hereto. Ms. Bobbitt explained that the Authority has coordinated with the other water authorities and the Association of Water Board Directors - Texas to create a uniform policy, which will require a retail water provider to adopt a leak adjustment policy for all classes of customers and provide the Authority with a certificate evidencing the customers who received the fee adjustment credits. Ms. Bobbitt noted that the Resolution only applies to leaks that occurred as a result of Winter Storm Uri and that sufficient documentation must be provided from the customer to the retail water provider that the leak has been repaired. Director Rendl noted that the Resolution will allow for a rebate to any utility district that has adopted a leak adjustment policy to assist their customers due to Winter Storm Uri and will only credit the amount of the Authority's surface water fees. Ms. Bobbitt noted that the Resolution would be posted on the Authority's website.

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 adopt the Resolution.

ADOPT RESOLUTION DECLARING THE EXISTENCE OF A PUBLIC NECESSITY FOR THE CONSTRUCTION OF FACILITIES FOR THE TRANSPORTATION, DISTRIBUTION, AND DELIVERY OF WATER, INCLUDING REASONABLE AND NECESSARY APPURTENANCES THERETO, AND AUTHORIZING THE ACQUISITION, BY DONATION, PURCHASE, OR EXERCISE OF THE POWER OF EMINENT DOMAIN, OF PROPERTY AND PROPERTY INTERESTS NECESSARY FOR SUCH FACILITIES, IN CONNECTION WITH PROJECT 24C (THE "RESOLUTION DECLARING EXISTENCE OF PUBLIC NECESSITY")

Mr. Berckenhoff then presented for the Board's approval and adoption the Resolution Declaring Existence of Public Necessity, a copy of which is included behind Tab 7 of the meeting packet and attached hereto. Mr. Berckenhoff then briefly reviewed the Resolution with the Board, explaining that the Resolution pertains to Project 24C as a part of the Authority's 2025 water distribution transmission system.

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 adopt and authorize execution of the Resolution Declaring Existence of Public Necessity.

AWARD OF CONTRACT FOR CONSTRUCTION OF PROJECT 25B AND AUTHORIZE EXECUTION OF SAME

Mr. Berckenhoff then recommended award of the contract for construction of Project 25B to the lowest qualified bidder, McKee Utility Contractors, Inc. ("McKee"), in the amount of \$14,538,675.00. 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 25B to McKee, in the amount of \$14,538,675.00.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, May 3, 2021, at 6:00 p.m. at the Authority's office and via Zoom. Director Rendl noted that additional 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

Mr. Doug Miller of HMW Special Utility District ("HMW") then asked if the Resolution will be made available to the public. Ms. Bobbitt reiterated that the Resolution will be available on the Authority's website.

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

PASSED, APPROVED AND ADOPTED this 3rd day of May, 2021.



Lenoy A. Sigh

Secretary, Board of Directors