

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

August 2, 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 2nd day of August, 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; 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. Mark Evans, Director of Planning and Governmental Affairs 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. Philip Topek and Mike Baugher, P.E., of AECOM Technical Services, Inc., Program Manager for the Authority; Mr. Rafael Ortega, of Aurora Technical Services, LLC, on-call engineers for the Authority; Mr. David Warner, P.E., of Jones|Carter, Inc., on-call engineers for the Authority; Ms. Kate Hallaway, P.E., of Brown & Gay Engineers, Inc., on-call engineers for the Authority; Mr. Dennis Sander, P.E., of Sander Engineering Corporation, on-call engineers for the Authority; Mr. Lance McLeod, P.E., of Kimley-Horn and Associates Inc., on-call engineers for the Authority; Mr. Carlton McDevitt of Inframark, LLC ("Inframark"), operator for the Authority; Mr. Jon D. Polley, 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.

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 welcomed everyone to tonight's Board meeting.

PUBLIC COMMENT

Director Rendl then stated that a public comment card had been received from Ms. Joyce Tate regarding how the Authority's surface water and pumpage fees are determined. Director Rendl explained that the Authority's fee calculations are discussed in detail during the annual budget workshop and that he is happy to discuss the matter further if Ms. Tate would like to call him.

Director Rendl next stated that a public comment card had been received from Mr. Charles Moore regarding the Luce Bayou Interbasin Transfer (the "Luce Bayou") project and the Northeast Water Purification Plant (the "NEWPP") Expansion project. Mr. Moore stated that he saw a press release from the City of Houston (the "City") stating that the Luce Bayou project was completed in June and can currently deliver 240 million gallons per day ("MGD"). Mr. Moore questioned how the project could be complete if the capacity was less than the declared capacity of 400-500 MGD. Director Rendl explained that the pumps that are currently installed can provide 240 MGD which would be adequate to meet the demand of 2040. Additional pumps can be installed in the future and the pump station will be able to deliver up to 500 MGD. Mr. Moore further stated that the information that he reviewed from the City noted that the 400 MGD capacity at the NEWPP will be exceeded by 2030. Mr. Chang explained that the current expansion capacity of the NEWPP was determined by a demand projection for 2040 and that the NEWPP could be further expanded for additional capacity if it is necessary. Mr. Chang asked Mr. Moore to contact him if there were additional question.

Director Rendl then stated that a public comment card had been received from Mr. Jerry Homan, General Manager of Harris County Freshwater Supply District No. 61 regarding in-person Board meetings. Mr. Homan addressed the Board and stated that it is good to be back meeting in person, but that he has received several phone calls regarding concern about the lack of a remote attendance option for the Authority's Board meetings. Mr. Homan noted that several people that he has spoken with have medical conditions or are not comfortable being in large crowds, and that they would like a way to monitor future Authority meetings without attending in-person.

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 reminded the Board and meeting attendees that the Authority's new "Water University North" online courses are now available on the Authority's website, and that articles, billing inserts and brochures are also available. Ms. Payne further reported that the "Water is Life" mobile teaching lab is now available for booking. Ms. Payne went on to report that the Authority's new *Connections* e-newsletter is available for utility district directors to share with their customers and communicate with the public. Director Rendl noted that the "Water University North" courses are extremely well done and include useful topics.

GENERAL MANAGER'S REPORT

Mr. Chang next called upon Mr. Topek 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. Topek first reported that the Spears Road Regional Pump Station delivered a daily average rate of approximately 25.1 MGD of surface water during July. Mr. Topek added that the

alternative water used in June was approximately 33.1%, compared to approximately 31.1% in May.

MAJOR ACTIVITIES

Mr. Topek 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. Topek also reported that the Authority currently has 25 active projects, with seven (7) in or near construction, 15 in final design and right-of-way acquisition, two (2) undergoing a routing study and one (1) project on hold.

LUCE BAYOU PROJECT UPDATE

Concerning the Luce Bayou Project, Mr. Topek reported that a ribbon cutting ceremony was held at the Capers Ridge Pump Station on June 15th.

NEWPP EXPANSION PROJECT UPDATE

Mr. Topek further reported on the status of the NEWPP Expansion Project, noting that construction of the Central Plant continues with concrete work and structural work at filter modules and masonry and roof placement at the Transfer Pump Station. Mr. Topek also reported that construction of the North Plant continues with ongoing structural work for all structures. Mr. Topek added that pump installation and installation of the roof is ongoing. Mr. Topek further reported that installation of window frames and glazing has been completed at the administration and maintenance buildings, and that installation of gypsum wallboard is ongoing. Mr. Topek next reported that construction of the South Plant is continuing with installation of shotcrete to wall panels on the ground storage tank mechanical and electrical work at the dewatering building is ongoing. Mr. Topek also reported installation of fiber duct bank and feeder cabling is ongoing. Mr. Topek further noted 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. Topek 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. Topek added that real estate acquisitions are proceeding on several additional sections of the NETL.

ATTORNEY'S REPORT

Mr. Polley stated that he had nothing to report.

REGULAR AGENDA

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the July 12, 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 July 12, 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 June 30, 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 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

APPROVE AND AUTHORIZE EXECUTION OF FINANCING AGREEMENT(S) WITH TEXAS WATER DEVELOPMENT BOARD IN CONNECTION WITH 2021 STATE WATER IMPLEMENTATION REVENUE FUND FOR TEXAS ("SWIRFT"), SUBJECT TO FINAL REVIEW BY AUTHORITY'S GENERAL MANAGER AND GENERAL COUNSEL

Mr. Polley then explained that the Authority did not file any new SWIRFT Applications for Financial Assistance this year, but that the Authority will close on \$38,530,000 in previously committed SWIRFT funding (the "Bonds") in October or November. Mr. Polley then reviewed the key provisions of the SWIRFT Financing Agreement and the timeline for closing on the sale of the Bonds.

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 and authorize execution of the SWIRFT Financing Agreement(s), subject to final review by the Authority's General Manager and General Counsel.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, September 13, 2021, 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 13th day of September, 2021.



Ron Guba

Asst Secretary, Board of Directors