

MINUTES OF MEETING OF THE  
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

December 6, 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 6<sup>th</sup> day of December, 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; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Mr. Philip Topek and Mr. Mike Baugher, of AECOM Technical Services, Inc., Program Manager 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. Other members of the public and consultants to the Authority were also present at the meeting. Copies of the public sign-in sheets 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 stated that he has been working for the Authority for the past 21 years along with many other Directors and Authority staff. Director Rendl stated that it was incomprehensible to think of the amount of work that has been done and the projects that have been completed over the years to serve the Authority. Director Rendl thanked everyone that has been involved with the Authority over the years and wished everyone a Merry Christmas, Happy Hanukkah, Happy Holidays and Happy New Year. Director Rendl then noted that there is no public hearing scheduled for tonight because the surface water and pumpage fees will be unchanged for 2022.

PUBLIC COMMENT

Mr. Jerry Homan, General Manager of Harris County Freshwater Supply District No. 61, addressed the Board and stated that he would like to acknowledge the time and commitment that each Board member and staff member has given the bring surface water to the area within the Authority. Mr. Homan stated that the Authority has made a tremendous amount of progress and thanked everyone for their hard work.

BUDGET MATTERS

Mr. Chang then explained that the Authority had held a Budget Workshop meeting on Monday, November 15<sup>th</sup>, to review and discuss the Authority's proposed 2022 Budget and the proposed 2022-2023 Capital Improvement Plan (the "2022-2023 CIP"). Mr. Chang then recommended that the Board adopt the proposed 2021 Budget. 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 2022 Budget, a copy of which is included behind Tab 2 of the meeting packet and is attached hereto.

ADOPT PROPOSED 2022-2023 CIP AND ADOPT RESOLUTION APPROVING AND IMPLEMENTING THE CAPITAL IMPROVEMENT PLAN FOR 2022 AND 2023 (THE "RESOLUTION")

Director Rendl then stated that the Board had spent a great deal of time reviewing and discussing the 2022-2023 CIP at the November 15<sup>th</sup> Budget Workshop meeting and requested a motion be made for approval of the 2022-2023 CIP. 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 adopt the proposed 2022-2023 CIP and the Resolution, copies of which are included behind Tab 3 of the meeting packet and is attached hereto. A complete copy of the 2022-2023 CIP can be found in the Authority's files.

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 also reminded the Board that the "Water is Life" mobile teaching lab is now available for booking. Director Rendl encouraged everyone to visit the "Water University North" and that it contains many conservation materials.

Ms. Payne then reported that the Wunderlich Farms Market Days event was held on December 4<sup>th</sup> and had over 4,000 attendees. Ms. Payne next reported that the winter *Connections* newsletter will be available soon and an e-blast will be sent out when it is available. Ms. Payne also stated that [www.savewatertexas.org](http://www.savewatertexas.org) contains a lot of water conservation information as well.

## 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 5 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 23.1 MGD of surface water during November. Mr. Topek added that the alternative water used in October was approximately 30.1%, compared to approximately 30.3% in September.

### 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 11 active construction projects, with 21 in design, including two (2) routing studies.

### 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 electrical work at the Transfer Pump Station. Mr. Topek also reported that construction of the North Plant continues with ongoing structural, electrical and mechanical work for all structures. Mr. Topek added that installation of mechanical and electrical equipment at the pump station is ongoing. Mr. Topek further reported that installation of floor and lighting fixtures is ongoing at the administration and maintenance buildings. Mr. Topek next reported that construction of the South Plant is continuing with installation of shotcrete to wall panels at the ground storage tank and mechanical and electrical work at the dewatering building 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 five (5) sections of the 108-inch (108") line. Mr. Topek added that real estate acquisitions are proceeding on several additional sections of the NETL.

**REGULAR AGENDA**

APPROVAL OF MINUTES

The Board considered approval of the minutes of the November 1, 2021 regular meeting and the November 15, 2021 special meeting. Upon motion by Director Fessler, seconded by Director Graham, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the November 1, 2021 regular meeting and the November 15, 2021 special 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 October 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 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

ENGAGEMENT OF MCGRATH & CO., PLLC, ("MCGRATH & CO.") FOR PREPARATION OF THE AUDIT REPORT FOR THE FISCAL YEAR ENDING (THE "FYE") DECEMBER 31, 2021

Ms. Plunkett then noted that Tab 8 of the meeting packet includes the proposed engagement letter from McGrath & Co. for the preparation of the Authority's audit report for the FYE December 31, 2021, and recommended that the Board engage McGrath & Co. to prepare such audit report. Upon motion by Director Fessler, seconded by Director Graham, after full discussion and the question being put to the Board, the Board voted unanimously to engage McGrath & Co. to prepare the Authority's audit report for the FYE December 31, 2021, and to authorize the execution of the McGrath & Co. engagement letter;

ENGAGEMENT OF MCCALL GIBSON SWEDLUND BARFOOT, PLLC ("MCCALL GIBSON") FOR PREPARATION OF THE POST-AUDIT AGREED-UPON PROCEDURES REPORT ("AUP") FOR THE FYE DECEMBER 31, 2021

Ms. Plunkett next stated that Tab 9 of the meeting packet includes the proposed engagement letter from McCall Gibson for the preparation of the Authority's AUP for the FYE December 31, 2021, and recommended that the Board engage McCall Gibson to prepare such AUP. 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 and authorize engagement of McCall Gibson for the preparation of the AUP for the FYE December 31, 2021, and to authorize execution of the McCall Gibson engagement letter. Copies of both engagement letters are attached hereto.

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

Mr. Chang next requested Board authorization to negotiate, finalize and execute the Agreement with Halff for professional on-call engineering services. Upon motion by Director Fessler, seconded by Director Graham, 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 Halff, a copy of which is included in the Authority's files.

APPROVE 2022 HOLIDAY SCHEDULE

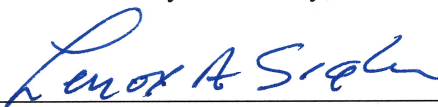
Mr. Chang next presented the 2022 Holiday Schedule for the Authority's employees, a copy of which is included behind Tab 11 of the meeting packet and is attached hereto. Upon motion by Director Fessler, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to approve the 2022 Holiday Schedule.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, January 10, 2022, 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 10<sup>th</sup> day of January, 2022.

  
Secretary, Board of Directors

(AUTHORITY SEAL)

