

MINUTES OF MEETING OF THE  
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

May 2, 2022

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 2<sup>nd</sup> day of May, 2022, 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; Mr. Doug Haude, P.E., Construction Manager for the Authority; Ms. Cynthia Plunkett, Finance Director for the Authority; Ms. Lisa Sagstetter, Communications and Community Relations Manager for the Authority; Ms. Krystal Boggs, Administrative Assistant/GIS Technician to the Authority; Ms. Kibriana Bonner, Administrative Assistant to 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 recommended that everyone not turn on their sprinkler systems until absolutely necessary in order to conserve water.

PUBLIC COMMENT

Director Rendl stated that a public comment card was received from Mr. Jerry Homan, General Manager of Harris County Freshwater Supply District No. 61, regarding a town hall meeting with Harris County Precinct 3. Mr. Homan addressed the Board and stated that the Water Users Coalition, along with the Association of Water Board Directors ("AWBD") and

Timber Lane Utility District, is holding a town hall meeting on May 19<sup>th</sup> to hear from Commissioner Tom Ramsey regarding the boundaries and transition of Precinct 3. Mr. Homan stated that Mr. Alan Black with Harris County Flood Control District and Mr. Larry Goldberg with AWBD will also be speaking at the town hall meeting. Mr. Homan then stated that anyone interested in attending the event can contact AWBD to register.

#### STATUS OF ACTIVITIES BY COMMUNICATIONS/PUBLIC INFORMATION COORDINATOR

A copy of the meeting PowerPoint presentation is attached as an exhibit to these minutes.

Ms. Payne reported that Save Water Texas coalition received an award from the MUSE Creative Awards 2022. Director Rendl noted that it is a prestigious award and thanked Ms. Payne for all of the work she does for water conservation.

Ms. Payne next reported that the Community Impact Newspaper ran a story regarding the transition from ground water to surface water. Ms. Payne noted that the article should be available to view online.

Ms. Payne then reported that the Irry Gator website is up and approximately 30 days from animation being completed. Ms. Payne stated that there will be messages about irrigation, yard signs, billing inserts and coloring books available.

Ms. Sagstetter then reviewed Director Rendl's upcoming presentations.

#### 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 approximately 26.9 MGD of surface water during April. Mr. Topek added that the alternative water used in March was approximately 32.1% of the Authority's total water demand, compared to approximately 31.6% in February.

#### 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 real estate 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, 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 17 projects in design.

#### 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 finish work inside the pump room and coating repair of the exterior wall of the pump station is ongoing. Mr. Topek then reported that the installation of countertops and interior doors at the administration and maintenance buildings has continued. Mr. Topek next reported that construction of the South Plant is continuing with leak testing of the ground storage tank and ongoing mechanical and electrical work at the dewatering building. 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 four (4) sections of the 108-inch (108") line.

#### REGULAR AGENDA

##### APPROVAL OF MINUTES

The Board considered approval of the minutes of the February 28, 2022 special meeting and the April 4, 2022 regular meeting. 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 minutes of the February 28, 2022 special meeting and the April 4, 2022 regular meeting regular meeting, as written.

##### ACCEPT AGREED-UPON PROCEDURES REPORT (THE "AUP REPORT") PREPARED BY MGSB RELATED TO THE AUDIT REPORT FOR THE FISCAL YEAR ENDING ("FYE") DECEMBER 31, 2021

Director Rendl reported that the AUP is not yet ready for review and approval and requested that Mr. Chang be authorized to review and approve the AUP when it is ready. 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 authorize Mr. Chang to review and approve the AUP Report.

##### REVIEW AND APPROVE AUDIT REPORT FOR THE FYE DECEMBER 31, 2021, AND AUTHORIZE FILING OF SAME

Mr. Applewhite next reviewed with the Board the draft of the Authority's audit report for the FYE December 31, 2021, a copy of which is attached hereto. Mr. Applewhite first reported



that review of the Authority's books and records had resulted in an excellent report for the Authority and the issuance of an unmodified opinion from McGrath & Co. Mr. Applewhite commended Ms. Plunkett and the Authority staff on another excellent job preparing and maintaining the Authority's financial statements. Mr. Applewhite further noted that the Authority remains in good financial condition and has been able to meet all bond payment obligations.

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 audit report for FYE December 31, 2021, and to authorize the filing of same with the appropriate governmental authorities.

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 March 31, 2022, a copy of which is 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.

AUTHORIZE FINANCE DIRECTOR TO UPDATE CONTINUING DISCLOSURE INFORMATION

Ms. Plunkett then requested authorization to prepare and file the Authority's continuing disclosure materials with the Nationally Recognized Municipal Securities Information Repositories and any applicable State Information Depository, pursuant to Securities and Exchange Commission Rule 15c2-12. 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 authorize the Finance Director to prepare and file the Authority's continuing disclosure materials with the appropriate entities.

APPROVE ORDER REDRAWING THE BOUNDARIES OF THE SINGLE-MEMBER VOTING DISTRICTS WITHIN THE NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY (THE "ORDER")

Mr. Polley reminded the Board that the publication of the draft redistricting plan was authorized at the April Board meeting, and informed the Board that no public comments had been received. Mr. Polley stated that the Board can now approve the Order, which will redraw the single-member voting Districts within the Authority according to the redistricting plan. 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 Order.

AUTHORIZE GENERAL MANAGER TO FINALIZE AND EXECUTE WATERLINE EASEMENT (THE "EASEMENT") AND CONSENT BY AND BETWEEN THE AUTHORITY AND CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR PROJECT 31A

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 authorize the General Manager to finalize and execute the Easement and Consent.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, June 6, 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 6<sup>th</sup> day of June, 2022.



Secretary, Board of Directors

(AUTHORITY SEAL)

