

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

June 6, 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 6th day of June, 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; 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 reminded the meeting attendees that we are entering the period of the year with dry and hot temperatures and urged everyone to be aware of water conservation while using their irrigation systems.

REPORT ON STATUS OF ACTIVITIES BY COMMUNICATIONS/PUBLIC INFORMATION COORDINATOR

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

Director Rendl reviewed his previous and upcoming presentation dates. Director Rendl stated that if anyone would like to schedule a presentation, please contact Ms. Sagstetter.

Director Rendl next reviewed the Irry Gator website and stated that there are new billing inserts available for order through the Authority's website.

GENERAL MANAGER'S REPORT

Mr. Chang reported that he has made some slight changes to the format of the agenda and a Construction Manager's Report will now be given by Mr. Haude in addition to the Program Manager's Report.

PROGRAM MANAGER'S REPORT

UPDATE ON STATUS OF SURFACE WATER CONVERSION

Mr. Topek first reported that the Spears Road Regional Pump Station delivered approximately 30.0 MGD of surface water during May. Mr. Topek added that the alternative water used in April was approximately 31.2% of the Authority's total water demand, compared to approximately 32.1% in March.

MAJOR ACTIVITIES

Mr. Topek went on to report that during the prior month AECOM 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 10 active construction projects, with 18 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, as well as HVAC 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 the pump station is ongoing. Mr. Topek then reported that the installation of control room furniture and control equipment 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 City of Houston's Project Advisor/Technical Consultant continues to provide construction oversight services.

CONSTRUCTION MANAGER'S REPORT

Mr. Haude presented the Construction Manager's Report to the Board. Mr. Haude reviewed the progress of construction of the Authority's projects. Mr. Haude also provided an update on the Authority's surface water transmission and distribution system. Mr. Haude reported that Project 28B is in the closeout phase and that final acceptance and release of retainage is contingent upon Texas Water Development Board ("TWDB") approval. Director Pulliam asked if TWDB approval is required on all Authority projects. Mr. Haude stated that TWDB approval is required on any project that is funded by TWDB. Director Rendl asked if Mr. Haude anticipates any issues with acceptance of any of the Authority's projects. Mr. Haude stated that he does not anticipate any issues and that Project 28B is scheduled to be the first project for acceptance by the TWDB.

REGULAR AGENDA

APPROVAL OF MINUTES

The Board considered approval of the minutes of the May 2, 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 May 2, 2022 regular meeting 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 April 30, 2022, a copy of which is 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

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

Mr. Chang stated HDR was a sub-consultant during the design of Project 25D, and he recommends the Authority enter into the Agreement to be able to contract directly with HDR on future projects. 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 HDR.

AUTHORIZE GENERAL MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE ENTERPRISE SERVICES AGREEMENT WITH KAHUA, INC. ("KAHUA")

Mr. Chang next explained that as of September 2022, the Authority's current program management software will soon no longer be supported by the software vendor. Mr. Chang recommended that the Authority enter into an agreement with Kahua for a new program management software system. Mr. Chang noted that the Authority and AECOM interviewed several software vendors and that Kahua is the best option after evaluating their cost and features. 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 authorize the General Manager to negotiate, finalize and execute the Enterprise Services Agreement with Kahua.

AUTHORIZE GENERAL MANAGER TO NEGOTIATE, FINALIZE AND EXECUTE SECOND AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT (THE "SECOND AMENDED AGREEMENT") BY AND BETWEEN THE AUTHORITY AND INFRAMARK, LLC

Mr. Chang reported that the Authority's contract with Inframark was last amended in 2019 and some areas have been identified that can be simplified to make it more efficient for Inframark to operate and maintain the Authority's 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 authorize General Manager to negotiate, finalize and execute the Second Amended Agreement by and between the Authority and Inframark.

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 23 (THE "RESOLUTION")

Mr. Topek next presented for the Board's approval and adoption the Resolution Declaring Existence of Public Necessity, a copy of which is attached hereto. Mr. Topek then briefly reviewed the Resolution with the Board, explaining that the Resolution pertains to Project 23, part of the Authority's 2025 water distribution transmission system. Upon motion by Fessler, seconded by Director Sigler, after full discussion and the question being put to the Board, the Board voted unanimously to adopt and authorize execution of the Resolution.

ADOPT SUPPLEMENTAL 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 6-C (THE "SUPPLEMENTAL RESOLUTION DECLARING EXISTENCE OF PUBLIC NECESSITY FOR PROJECT 6-C")

Mr. Topek then presented for the Board's approval and adoption the Supplemental Resolution, a copy of which is attached hereto. Mr. Topek then briefly reviewed the Supplemental Resolution with the Board, explaining that some alignments for Project 6-C have changed and the Supplemental Resolution will allow the Authority to ensure they have all the necessary documentation in place for the project. Upon motion by Director Graham, 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 Supplemental Resolution.

DISCUSS REVISED CONTRACT GROUNDWATER REDUCTION PLAN ("GRP") FEE AND CONSIDER ADOPTING UPDATED PRICING POLICY RELATED TO SAME

Mr. Chang reviewed the updated Pricing Policy with the Board and explained this change will allow the GRP fee to be stated in any GRP Participation Agreement the Authority enters with an entity desiring to participate in the Authority's GRP. 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 adopt the updated Pricing Policy related to the revised contract GRP fee.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, July 11, 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 11th day of July, 2022.




Secretary, Board of Directors