

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

April 6, 2015

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 April, 2015, 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
Jim Pulliam	Vice President/Investment Officer
Lenox A. Sigler	Secretary
Kelly P. Fessler	Assistant Secretary
Ron Graham	Treasurer

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Mr. Jimmie Schindewolf, P.E., General Manager for the Authority; Mr. Mark Evans, Director of Planning and Governmental Affairs for the Authority; Ms. Cynthia Plunkett, Financial Assistant for the Authority; Ms. Barbara Payne of Payne Communications, Communications Coordinator for the Authority; Messrs. Tom Rolen, P.E., Steve Berckenhoff, P.E., and Doug Schmidt, P.E., of AECOM Technical Services, Inc. ("AECOM"), Program Manager for the Authority; Mr. Brian Cunningham of Project Surveillance, Inc., a subcontractor to AECOM and project representative on several Authority projects; Mr. Charles Shumate, P.E., of Brown & Gay Engineers, Inc., on-call engineers for the Authority; Mr. John Lacy, P.E., of Costello, Inc., on-call engineers for the Authority; Mr. Dennis Sander, P.E., of Sander Engineering Corporation, on-call engineers for the Authority; Ms. Melinda Silva, P.E., of Dannenbaum Engineering, on-call engineers for the Authority; Mr. Marcel Khouw, P.E., of IDS Engineering Group, on-call engineers for the Authority; Mr. Larry Barfield, P.E., of Binkley & Barfield, Inc., on-call engineers for the Authority; Messrs. Tobin Synatschk, P.E., and David Warner, P.E., of Jones & Carter, Inc., on-call engineers for the Authority; Ms. Giti Zarinkelk, P.E., and Mr. Michael Bagstad, P.E., of Zarinkelk Engineering Services, Inc., on-call engineers for the Authority; Mr. Jonathan Howard, P.E., of ARCADIS U.S., Inc., on-call engineers for the Authority; Mr. Mike Reedy, P.E., of Freese and Nichols, on-call engineers for the Authority; Messrs. Arthur West and Dale Conger of Cobb Fendley & Associates, Inc., right-of-way acquisition team for the Authority; Mr. Ravi Yanamandala, P.E., of Geotest Engineering, Inc., materials engineering laboratory services for the Authority; Mr. Carlton McDevitt of Severn Trent Environmental Services, Inc. ("STES"), operator for the Authority; Ms. Robin S. Bobbitt, 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. Copies of the sign-in sheets for those in attendance at the meeting 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.

PUBLIC COMMENTS

Mr. Rendl first reported that two (2) public comment cards had been submitted, including a card from Mr. Marv Fesler, Director of Reid Road Municipal Utility District No. 1, and a card from Mr. Jerry Homan, the General Manager of Harris County Fresh Water Supply District No. 61, copies of which are attached hereto.

Mr. Fesler's comment card asked a question regarding how many checking accounts the Authority has. Ms. Plunkett responded that the Authority maintains three (3) checking accounts, including: 1) Capital Projects Account for CIP related expenditures; 2) Operating Account for general operating expenses; and 3) Administrative Account for office supplies, office lease and other related office expenses, of which all expenses are included in the Financial Reports. Ms. Plunkett noted that a copy of the Administrative Account check register is available upon request.

Mr. Homan next addressed the Board and reported that the Water Users Coalition Operators Meeting was held on March 18, 2015, at which Mr. Evans spoke about the Authority's water reuse policy. Mr. Homan further reported that the operators discussed the benefits of utilizing a messaging system for important notifications about the Authority's operations instead of making individual phone calls to utility district operators. Mr. Homan further reported that the operators also discussed water well run times and the importance of maintaining the water wells, but using as much surface water as possible.

Mr. Homan next reported on the meeting held on March 26, 2015, sponsored by Timber Lane Utility District, at which Director Rendl talked about Authority communications with the utility districts. Mr. Homan stated that the meeting was well attended. Mr. Homan mentioned that several of the directors at the meeting stated that they had not received the Authority's most recent edition of the Waterlines publication.

REPORTS

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 the Association of Water Board Directors – Texas (the "AWBD") will be holding the annual Spring Breakfast on Friday, April 17, 2015, at the Marriott Westchase Hotel.

Ms. Payne further reported that the Texas House Ways and Means Committee will conduct a hearing on House Bill 2389 and Senate Bill 1000 in Austin, Texas tomorrow.

Ms. Payne next reported that the Klein Independent School District has asked the Authority to offer summer workshops at Wunderlich Farm for fourth (4th) grade educators on July 16th and fourth (4th) and seventh (7th) grade social studies teachers on July 17th.

Ms. Payne noted that the *Learning from Our Past* education program has been a popular program offered by the Authority and is a means to teach students about history and the importance of water conservation.

Ms. Payne then reported that 220,000 homes within the Authority will be receiving or have already received the Authority's Waterlines publication. Ms. Payne noted that she did a remapping of the distribution area for the publication in order to distribute the Waterlines publication to areas that had not previously received it.

Ms. Payne then remarked that Director Rendl and Mr. Evans will take part in the program at the upcoming AWBD Spring Breakfast. Ms. Bobbitt briefly discussed such program.

GENERAL MANAGER'S REPORT

Mr. Schindewolf first reported that the 84th State Legislative Regular Session deadline for filing bills was March 13, 2015. Mr. Schindewolf explained that he and Mr. Evans frequently communicate with Mr. Steve Bresnen, the Authority's Legislative Consultant, and stated that Mr. Bresnen and his staff are very closely monitoring the affairs of both the Senate and House of Representatives, and working closely with Ms. Bobbitt and Mr. Jonathan D. Polley of RBAP on legislative matters.

Concerning the Luce Bayou Project, Mr. Schindewolf informed the Board that the engineering design of the open channel part of the overall project has begun.

Mr. Schindewolf next reported that the City of Houston's (the "City") attorneys are working on the proposed Second Source Line Agreement (the "Agreement") regarding the second transmission line from the Northeast Water Purification Plant and running westerly to a point where the proposed transmission line would cross under Interstate Highway 45. Mr. Schindewolf noted that the City hopes to have the Agreement in place within the next six (6) months.

PROGRAM MANAGER'S REPORT

Mr. Schindewolf then called on Mr. Rolan, at which time Mr. Rolan reviewed the Program Manager's Report with the Board, a copy of which is attached hereto.

UPDATE ON THE 2010-2025 WATER DISTRIBUTION AND TRANSMISSION SYSTEM

Mr. Rolan first reported that during the prior month, the contractor for Project 2-5 (Spears Road Regional Pump Station) worked on additional work items.

Mr. Rolan went on to report that the contractor for Project 24B was still unable to complete the root raking due to wet site conditions.

Mr. Rolan next stated that the contractor for Project 100B has substantially completed the project and is working on final clean-up, and restoration in preparation for the final inspection.

Mr. Rolen further reported that the contractor for Project 100C has completed all piping on the project and is working on final clean-up, restoration and minor electrical work at Candlelight Hills.

Concerning Project 100D, Mr. Rolen reported that the contractor has substantially completed the project and is working on the final punch list.

Mr. Rolen next informed the Board that the contractor for Project 100E has substantially completed the project and is working on the final punch list.

UPDATE ON STATUS OF SURFACE WATER CONVERSION

Mr. Rolen next reported that the Spears Road Regional Pump Station delivered a daily average of approximately 21 million gallons per day of surface water during the reporting period. Mr. Rolen added that the alternative water used in February was approximately 36.3%, as compared to approximately 36.2% in January. Mr. Rolen explained that during February, approximately 83.4% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was alternative water.

Concerning other activities, Mr. Rolen reported that during the prior month, AECOM had assisted the Authority in implementing and performing tasks regarding its aggregate water well permit with special emphasis on development of and submission of the Authority's 2014 Annual Report to the Harris-Galveston Subsidence District; assisted the Authority in a variety of activities involving the City; continued oversight of engineering and acquisition related efforts; provided construction administration services and project representative services on construction projects, as required; provided oversight of STES's activities and its contract to operate the Authority's system; and monitored, tabulated and analyzed amounts of water used by the PWSs covered by the Authority's aggregate water well permit and, where necessary, in consort with STES and the respective PWS operator, took appropriate actions to increase the use of surface water.

Director Pulliam then asked if the six (6) construction projects were related to the Authority's 2025 water distribution and transmission system, to which Mr. Rolen responded that they are related to the 2025 distribution system.

REGULAR AGENDA

APPROVAL OF THE MINUTES

The Board next considered approval of the minutes of the regular meeting of March 2, 2015. Upon motion by Director Fessler, seconded by Director Sigler, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of March 2, 2015, as written.

FINANCIAL ASSISTANT'S REPORT

APPROVE PAYMENT OF BILLS, ISSUANCE OF CHECKS, REVIEW BUDGET COMPARISON, AND REPORT ON STATUS OF 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, 2015, a copy of which is attached hereto.

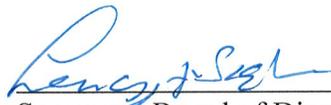
Upon motion by Director Sigler, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Financial Report, the monthly investment report, and the checks being presented for payment.

CONFIRM UPCOMING MEETING DATE

Director Rendl then noted that the Board's next regular meeting will be held on Monday, May 4, 2015, 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 4th day of May, 2015.


Secretary, Board of Directors

