

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

June 4, 2018

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 4th day of June, 2018, 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, except Director Graham, thus constituting a quorum. Also attending the meeting were: Representative Valoree Swanson, Texas House District 150; Mr. Jimmie Schindewolf, P.E., General Manager for the Authority; Mr. Jun Chang, P.E., D.WRE, Deputy 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. Stephen Berckenhoff, P.E., Michael Baugher, P.E., and Doug Haude, 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. Harrison Steed, P.E., of ARCADIS US, Inc., on-call engineers for the Authority; Mr. Alan Hutson, P.E., of Freese and Nichols, Inc., on-call engineers for the Authority; Mr. David Warner, P.E., of Jones|Carter, Inc., on-call engineers for the Authority; Mr. Dennis Sander, P.E., of Sander Engineering Corporation, on-call engineers for the Authority; Mr. Charles Shumate, P.E., of Lockwood Andrews and Newnam, Inc.; Mr. Michael Bagstad, P.E., of Zarinkelk Engineering Services, Inc., on-call engineers for the Authority; Mr. Carlton McDevitt of Inframark, LLC (formerly, Severn Trent Environmental Services) ("Inframark") operator for the Authority; and Ms. Robin S. Bobbitt, 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. 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.

PRESIDENT'S MESSAGE

Director Rendl first reminded the meeting attendees how important it is for utility districts to take as much surface water as possible so that the Authority can meet the 30% surface water usage conversion requirement of the Harris-Galveston Subsidence District.

PUBLIC COMMENTS

Director Rendl next reported that two (2) public comment cards were received. Copies of the comment cards are attached hereto.

Mr. Bill Papp, a member of the Board of Directors of Harris County Water Control and Improvement District No. 132, first addressed the Board and stated that he is running for the Association of Water Board Directors (the "AWBD") Gulf Coast Trustee position in the upcoming AWBD Trustee election. Mr. Papp asked for the support of utility districts within the Authority that belong to AWBD. Mr. Papp then stated that if he is elected to the Gulf Coast Trustee position, his focus will be on continued outreach efforts, identifying options to enhance communication during emergencies and cost effective methods to analyze the needs of AWBD member districts for repair of facilities.

Mr. Jerry Homan, General Manager of Harris County Freshwater Supply District No. 61, next addressed the Board and stated that he is running for an AWBD At-Large Trustee position in the upcoming AWBD Trustee election. Mr. Homan further stated that 70% of AWBD members are located in Harris County. Mr. Homan then stated that he also would appreciate the votes of utility districts within the Authority that belong to AWBD.

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 thanked the generous sponsors of the Authority's water conservation education program. Ms. Payne reported that 31 elementary schools in four (4) school districts participated in the Authority's programs this past school year, for a total of 4,000 students. Director Rendl then stated that the response to the education programs from students, teachers and parents has been wonderful. Ms. Payne next reported that a new 5th grade program is being prepared for the 2018/2019 school year, entitled "Dr. Watter's Incredibly Amazing and Magical Traveling Science Show".

GENERAL MANAGER'S REPORT

Mr. Schindewolf then called on Mr. Berckenhoff to present the Program Manager's Report to the Board, a copy of which is included behind Tab 3 of the meeting packet and is attached hereto.

PROGRAM MANAGER'S REPORT

UPDATE ON STATUS OF SURFACE WATER CONVERSION

Mr. Berckenhoff reported that the Spears Road Regional Pump Station delivered a daily average rate of approximately 31 million gallons per day ("MGD") of surface water during May. Mr. Berckenhoff added that the alternative water used in April was approximately 35.2%, as compared to 27.0% in March. Mr. Berckenhoff also stated that Mr. McDevitt and the Inframark team have done a good job working with the City of Houston (the "City") to maximize surface water use.

Mr. Berckenhoff further explained that during April, approximately 79.3% of the water used by the Public Water Systems (the "PWSs") in the Authority's 2010 service area was Alternative Water.

MAJOR ACTIVITIES

Mr. Berckenhoff reported 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; 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. Berckenhoff further reported as follows: 1) Project 28A is under construction, with 3,325 linear feet of 54-inch (54") water line installed; 2) Project 28B is in final design with approximately 14 parcels currently in the acquisition process; 3) Project 28C is in final design with approximately 29 parcels currently in the acquisition process; 4) Project 28D is in final design at 90% completion with approximately 22 parcels to be acquired; 5) Project 28E is in final design at 75% completion with approximately 30 parcels to be acquired; and 6) Project 28F is in final design at 75% complete with approximately 25 parcels to be acquired.

LUCE BAYOU INTERBASIN TRANSFER PROJECT (THE "LUCE BAYOU PROJECT") UPDATE

Concerning the Luce Bayou Project, Mr. Berckenhoff reported the following items: 1) construction of the Luce Bayou Project Maintenance Facility is progressing, including installation of mechanical and electrical components within the building, backup generator and fire pump building and piping; 2) resumed construction activities at the Capers Ridge Pump Station that were previously limited during March and April due to high water levels in the Trinity River, including concrete wall pours; 3) installed approximately 3,200 feet of the northern 96-inch (96") diameter pipeline; 4) construction of all five (5) canal segments is ongoing, including installation of the 96-inch inverted siphons, box culvert bridges, siphon headwall at County Road 2326, baffled outfall and rip rap at the Lake Houston/Luce Bayou outfall, maintenance road, hydromulch seeding and Parshall Flume; and 5) Sam Houston Electric

Coop is nearing completion of construction of the electrical substation at the pump station site and construction/installation of the transmission lines.

NORTHEAST WATER PURIFICATION PLANT (THE "NEWPP") EXPANSION PROJECT UPDATE

Mr. Berckenhoff next reported that the Houston Waterworks Team (the "HWT") is continuing to progress on the various engineering designs as defined in the Component 2 Design Development Scope of Services. Mr. Berckenhoff went on to report that construction of the Early Work Package ("EWP") 1 Site Development is proceeding. Mr. Berckenhoff further reported that the Notice to Proceed was issued on April 30th for Design and Construction of EWP 2 West Filter Building and Transfer Pump Station Structures, with contractor mobilization scheduled for May. Mr. Berckenhoff next reported that Final Design and Construction of EWP 4 Raw Water Pipeline Work is underway and initial construction includes clearing and grubbing, temporary fence installation and pipe fabrication. Mr. Berckenhoff further reported that the HWT continues to advance the 60% Balance of Plant Design documents, while addressing short term value engineering items. Mr. Berckenhoff also noted that the HWT issued several Requests for Proposals addenda for various balance of plant packages, including the High Service Pump Station, Central Plant, Site Electrical Installation, Yard Piping, Dewatering Building and Vertical Turbine Pumps. Mr. Berckenhoff added 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. Berckenhoff next reminded the Board that on January 12th, the City issued a Notice of Intent to Award for one (1) section of the 108-inch (108") and the 54-inch (54") interconnect line, and that City Council approved award of these projects on May 2nd and a pre-construction meeting was held on May 23rd. Mr. Berckenhoff went on to report that the City re-advertised for one (1) section of the 108-inch (108") line and the City issued a Notice of Intent to Award on May 17th. Mr. Berckenhoff further reported that real estate acquisitions are proceeding forward on several sections of the transmission line, and that design is progressing on ten (10) sections of the NETL, including one (1) 120-inch (120") section, eight (8) 108-inch (108") sections and a 66-inch (66") interconnect line.

Director Rendl then noted that the surface water projects are the largest water projects under construction in the world, with approximately \$6 billion to \$7 billion worth of projects, which will ensure the availability of water for the area in the future.

ATTORNEY'S REPORT

Ms. Bobbitt stated that she had nothing to report at this time.

REGULAR AGENDA

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the May 7, 2018 regular meeting. 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 May 7, 2018 regular meeting, as written.

FINANCIAL ASSISTANT'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, 2018, a copy of which is included behind Tab 5 of the meeting packet and 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.

Director Fessler then recognized Representative Swanson. Director Rendl welcomed Representative Swanson and stated that he appreciated Representative Swanson attending tonight's meeting. Director Rendl also invited Representative Swanson to contact the Authority with any questions or concerns she may have about the various ongoing surface water conversion projects. Representative Swanson stated that she appreciates the time that is being put into something that is so important.

CONFIRM UPCOMING MEETING DATE

Director Rendl then informed the meeting attendees that the Authority's next regular meeting will be held on Monday, July 2, 2018, at 6:00 p.m. at the Authority's office.

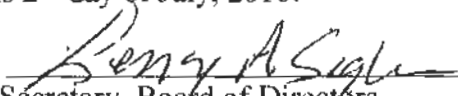
PUBLIC COMMENT

Mr. Bob Koperwhats, a member of the Board of Directors of Harris County Water Control and Improvement District No. 91, stated that he has been attending AWBD Trustee meetings on a regular basis, for several years and stated it is important to elect a Trustee from this area. Mr. Koperwhats urged the meeting attendees to vote in the upcoming AWBD Trustee election.

There being no further business to come before the Board, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 2nd day of July, 2018.




Secretary, Board of Directors