

COASTAL WATER AUTHORITY

Minutes of Regular Meeting

August 11, 2021

The Board of Directors (the "Board") of Coastal Water Authority ("CWA") convened its Regular Meeting; open to the public, at the CWA Conference Room, 1801 Main Street, Suite 800, Houston, Texas, with the following in attendance:

Directors

D. Wayne Klotz, P.E., President	Jon M. Sjolander
Tony L. Council, P.E., First Vice-President	Joseph G. Soliz
Douglas E. Walker, Second Vice-President (<i>Absent</i>)	Giti Zarinkelk, P.E.
Thomas A. Reiser, Secretary-Treasurer	

CWA Staff

Don Ripley
John Baldwin
Greg Olinger
Felipe Gomez
Mary Caballero

City of Houston Staff

Yvonne Forrest, PW&E

Legal Counsel

Neil Thomas, Norton Rose Fulbright US LLP
Leslie Bacon, Norton Rose Fulbright US LLP

With the exception of Director Walker, all Members of the Board were present thus constituting a quorum.

I. CALL TO ORDER – Wayne Klotz

A. Welcome.

Director Klotz called the meeting to order at 10:00 A.M. and welcomed all guests to the meeting. (The sign-in sheets for those in attendance at the meeting are attached hereto.)

B. Pledge of Allegiance.

C. Salute to the Texas Flag.

D. Moment of Silence.

II. PUBLIC COMMENTS

There were no public comments.

III. ITEMS FOR CONSIDERATION – Wayne Klotz

Director Klotz stated that the first item of business was the approval of the Minutes of the Special Board Meeting of July 21, 2021, as written.

A. Minutes of the July 21, 2021 Special Board Meeting.

Motion approving the Minutes of the Special Board Meeting of July 21, 2021.

Motion made by Director Reiser, Seconded by Director Sjolander. The Motion carried unanimously.

IV. ONGOING PROJECTS – Don Ripley

A. Luce Bayou Interbasin Transfer Project.

The Directors received a copy of CWA's July 2021 Luce Bayou Interbasin Transfer Project (LBITP) Monthly Status Report in their Board Members' Agenda packets.

a. Capers Ridge Pump Station.

The contractor for the Capers Ridge Pump Station (CRPS), Renda/Johnson Brothers JV (RJB), is approximately 99% complete. Mr. Ripley noted that the project team conducted progress meetings on the pumps/motors issues on July 7, 2021, July 20, 2021 and July 30, 2021.

Major activities performed by RJB in July 2021 included:

- Complete punch list items
- Continued SCADA testing

Major work activities planned for August 2021 include:

- Implement pump lubrication piping modifications

Mr. Ripley stated that the Pump Manufacturer, Xylem has indicated fabrication of all materials will be completed and shipped to the site in 3-5 weeks at which time they will begin installation. During this same period Pump 304 will be fitted with the new piping and shipped back to the site. It is anticipated that the seven day performance testing and operator training will start in September 2021. The eight day operational acceptance test and operator training will also start in September 2021. Director Klotz asked if Xylem will be on site for the seven day performance testing and the eight day operational acceptance testing. Mr. Ripley stated Xylem will definitely be there for the seven day performance testing. Mr. Ripley then presented progress photos taken at the Capers Ridge Pump Station site.

Regarding the Capers Ridge Final Access Road Project, Mr. Ripley stated that CWA received eight Statements of Qualification in response to the Final Access Road Construction Materials Testing Services Request for Qualifications issued in July 2021. These testing services will include subgrade, bedding and backfill compaction testing along the roadway with asphalt testing. The Professional Engineering Services Committee met on August 3, 2021 to review and discuss the proposals. The Committee recommended bringing the motion forward for Board consideration. There were no questions from the Board and Mr. Ripley recommended the motion as presented.

Motion authorizing the Executive Director to negotiate a contract with Geotest Engineering Inc. for Construction Materials Testing Services for construction of the Capers Ridge Pump Station Final Access Road as part of the Luce Bayou Interbasin Transfer Project.

Motion made by Director Zarinkelk, Seconded by Director Council. The Motion carried unanimously.

B. Lake Houston Dam Spillway Improvement Project – Phase 2.

Mr. Ripley stated the project team conducted Phase 2 Coordination Meetings on July 22, 2021 (Meeting No. 9) and on July 29, 2021 (Meeting No. 10). The Black and Veatch (B&V) Design Team presented to CWA and its Technical Advisor, Freese and Nichols Inc. (FNI) the initial gates CFD modeling results along with its planned approach and design assumptions for the structural analysis associated with modification of the spillway to support the gates. Technical meetings with CWA, B&V and FNI in the next few weeks will focus on the cofferdam design and structural analysis of the spillway during demolition, interim construction, and post construction. These critical meetings will occur

tomorrow and a week from tomorrow. Director Klotz asked for the date of the next project deadline. Mr. Ripley stated that CWA expects the Basis of Design Report during the third week of September 2021. Director Klotz asked when this Report is due to the Federal Emergency Management Agency (FEMA). Mr. Ripley stated that CWA's review comment is approximately two weeks FEMA would receive it after the review. There were no further questions from the Board.

V. MAINTENANCE & OPERATIONS – Greg Olinger

A. Monthly Operations Report/Project Updates.

The Monthly Operations Report for July 2021 was included in the Board Members' Agenda packets.

B. Union Pacific – HP-410/411 Right-of-Way Acquisition.

Director Klotz deferred this item to Executive Session.

C. Lynchburg Pump Station Storage Building Expansion.

Mr. Olinger stated that this item is related to a storage building expansion at the Lynchburg Pump Station. The current storage building (60 x 60 ft.) is at capacity and does not have a work area. This new steel frame building is a bit smaller at 40x60x24 ft. and will include a small storage area and a large work area that can be used by CWA's maintenance crews for rebuilding pumps, motors, gearboxes, and custom fabrications as needed. Emergency response equipment currently being stored outdoors would be stored in the new building improving service life and security of this equipment. Mr. Olinger stated that CWA acquired three quotes. The quotes were reviewed with the O&M Oversight Committee on August 3, 2021. A copy of the proposal was included in the Board Members' packets. Mr. Olinger presented a figure showing the location of the new building which will be adjacent to the current storage building near the Lynchburg Reservoir.

Motion authorizing the Executive Director to issue a purchase order in the amount of \$121,500.00 to JEDCO Building Systems for construction services on the proposed Lynchburg Pump Station storage building expansion.

Motion made by Director Reiser, Seconded by Director Council. The Motion carried unanimously.

D. Senate Bill No. 3 – Update.

Mr. Olinger stated that this is an update on Texas Senate Bill 3 and follow-up on the questions from the Board last month. On the question regarding preparation and implementation of consolidated Emergency Preparedness Plans, the Senate Bill does not prohibit this, but as the Texas Water Code is amended and the Texas Commission on Environmental Quality (TCEQ) rules are written based on the Senate Bill, there may be additional administration requirements imposed. CWA will be monitoring the TCEQ's Drinking Water Section for any updates. Director Klotz asked that at some point CWA will need to make a recommendation to the Board on whether CWA does this independently or jointly with the City of Houston. Director Klotz stated his concern is that this gets lost in the City of Houston's process with its numerous facilities. Mr. Olinger stated that the deadline for submission to the TCEQ is March 1, 2022; CWA is currently waiting for the template from TCEQ. On the question regarding the Luce Bayou Interbasin Treatment Plant exemption from these requirements, Mr. Olinger stated that there is not a specified requirement to seek additional confirmation in the wake of new legislation or rules, however it is possible that as TCEQ incorporates Senate Bill 3 into their rules, they may revisit the previous waivers that have been issued. CWA will closely monitor as the rules are published. Director Klotz requested that CWA obtain a written letter from our Legal Counsel (Norton Rose Fulbright). Mr. Neil Thomas (Norton Rose Fulbright) stated there is a chain of emails regarding this matter. There were no further questions from the Board.

VI. BUSINESS REVIEW – John Baldwin

A. Monthly Financial Statements for the Previous Month.

Mr. Baldwin stated that this item is the Financial Statements for the month ending July 31, 2021. Mr. Baldwin noted that the expenditures on all five of the Operating Funds are holding to the forecasted budget with some Funds running under budget. The revenue stream from the City of Houston and CWA's Bayport and Water Treatment Plant customers are current. A copy of the report was included in the Board Members' packets. There were no questions from the Board.

VII. DISBURSEMENTS – John Baldwin

Mr. Baldwin stated that this item is the disbursements for the month on the various construction funds. A copy of the summary of disbursements for the month were included in the Board Members' packets. The disbursements to be approved by the Board included: the Bayport Capital Improvement Fund – in the amount of \$31,888.19; the Special Project Equity Fund – in the amount of \$179,129.56; the Construction Fund – Series 2016 (Luce Bayou Project) – in the amount of \$30,400.00; and the Construction Fund – Series 2017 Loan (Luce Bayou Project) – in the amount of \$49,679.68. There were no questions from the Board and Mr. Baldwin recommended the motion as presented.

Motion approving the Disbursement of Funds as presented.

Motion made by Director Reiser, Seconded by Director Sjolander. The Motion carried unanimously.

VIII. OLD BUSINESS – Don Ripley

There were no old business items to discuss.

IX. NEW BUSINESS – Don Ripley

There were no new business items to discuss.

X. EXECUTIVE SESSION – Wayne Klotz

Director Klotz noted the time at 10:24 A.M. and stated that the Board would at this time convene in Executive Session. The Executive Session is held to provisions of Section 551.071-551.084 of the Texas Government Code. No action would be taken in Executive Session.

XI. RECONVENE – OPEN SESSION

Open session was reconvened at 10:29 A.M. Director Klotz stated that no action was taken in Executive Session.

V. MAINTENANCE & OPERATIONS – Greg Olinger

At this time, Mr. Olinger requested the motions as presented.

B. Union Pacific – HP-410/411 Right-of-Way Acquisition.

Motion authorizing the Executive Director to submit an initial offer to Union Pacific for the purchase of Parcel 246 for the CWA B-System HP-410/411 Pipeline Extension Project.

Motion made by Director Zarinkelk, Seconded by Director Council. The Motion carried unanimously.

Motion authorizing the Executive Director to submit an initial offer to Union Pacific for the purchase of Parcel 240 for the CWA B-System HP-410/411 Pipeline Extension Project.

Motion made by Director Zarinkelk, Seconded by Director Council. The Motion carried unanimously.

XII. ADJOURNMENT – Wayne Klotz

The meeting was adjourned at 10:31 A.M.



Tony L. Council, 1st Vice-President