

COASTAL WATER AUTHORITY

Minutes of Regular Meeting

December 8, 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
Tony L. Council, P.E., First Vice-President
Douglas E. Walker, Second Vice-President
Thomas A. Reiser, Secretary-Treasurer (*Absent*)

Jon M. Sjolander
Joseph G. Soliz (*Absent*)
Giti Zarinkelk, P.E.

CWA Staff

Don Ripley
David Miller
Greg Olinger
James Lewis
Mary Caballero
Todd Vu

City of Houston Staff

Yvonne Forrest, Houston Public Works

Legal Counsel

Dimitri Millas, Norton Rose Fulbright US LLP
Leslie Bacon, Norton Rose Fulbright US LLP

With the exception of Director Reiser and Director Soliz, 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 Board Meeting of November 10, 2021, as written.

A. Minutes of the November 10, 2021 Board Meeting.

Motion approving the Minutes of the Board Meeting of November 10, 2021.

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

IV. ONGOING PROJECTS – David Miller

A. Luce Bayou Interbasin Transfer Project.

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

a. Capers Ridge Pump Station.

Mr. Miller stated that during the month of November 2021, CWA conducted two tours of the Luce Bayou Interbasin System. The first was with the Texas Water Development Board on November 11th and the second with CWA Board Members on November 17th. The contractor for the Capers Ridge Pump Station (CRPS), Renda/Johnson Brothers JV (RJB), is 100% complete. Mr. Miller stated that Operational Acceptance Testing and Operator Training were completed on November 22, 2021. With successful completion of testing, CWA issued Substantial Completion to RJB on December 3, 2021 and has taken occupancy of the pump station. Final Completion is expected within the next 45-60 days. This is the expected time to finalize punch list items, submit completion certificates, affidavits and releases and as-built drawings.

With all elements of the LBITP now complete, Mr. Miller first presented to the Board the overall financial and MWSBE utilization on professional services contracts and construction contracts. The professional services contracts totaled \$53 million and MWSBE utilization was 30% (\$16 million). The construction contracts totaled \$202 million and the MWSBE utilization was 23% (\$46 million). Mr. Miller then presented the Board with a detailed breakdown for each contract.

At this time Mr. Miller thanked the Board for its time, support, and direction over the past 8 years to make sure that this project was delivered successfully. Mr. Miller stated that all engineering and construction firms should be proud of their contributions and extended his thanks to them all. Mr. Miller noted that there were various challenges along the road including complicated permitting and archeological issues, hurricanes and tropical storms, historical river flooding, winter storms, a pandemic and supply chain issues. Ultimately, all of these challenges were overcome. Director Klotz stated that on behalf of the Board, he thanked Mr. Miller, CWA Staff and all involved engineering and construction teams for their successful efforts on this project. At this time Mr. Miller presented to the Board a video to commemorate the project. Mr. Miller also stated a commemorative bronze plaque has been commissioned and will be placed at the Canal Maintenance Facility.

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

Mr. Miller stated the project team conducted Phase 2 Coordination Meetings on November 9, 2021 (Meeting No. 15) and November 22, 2021 (Meeting No. 16). The B&V Team submitted the Draft Basis of Design Report on November 5, 2021. CWA, City of Houston, Harris County Flood Control District and CWA's Technical Advisor, Freese and Nichols, provided comments back to B&V on November 19, 2021. Currently B&V is incorporating those comments into the Final Basis of Design Report which should be submitted later this week. Director Klotz asked what happens next. Mr. Miller stated that currently the COH and its contractor, Tetra Tech are running an updated Benefit Cost Ratio based on the costs that were included with the Basis of Design Report. CWA is waiting for that information from the COH before proceeding with the 30% design. Director Klotz asked if FEMA has to approve. Mr. Miller stated that CWA will have to provide the Final Basis of Design Report to FEMA, however there is not an approval process involved. There were no further questions from the Board.

V. MAINTENANCE & OPERATIONS – Greg Olinger

A. Monthly Operations Report/Project Updates.

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

B. Red Bluff Water Treatment Plant – Clarifier and Clearwell Tank Coasting.

Mr. Olinger stated this item is for recoating of the clarifier and clearwell at the Red Bluff Water Treatment Plant. The contractor will be responsible for surface prep sandblasting, acid rinse, and application of the three part coating system. The scope also includes application of a sealant to the exterior bottom tank seal and minor repairs to the roof of the clear well tank. Mr. Olinger noted that CWA did invite respective contractors for a site visit the week of November 8, 2021 and three bids were received and evaluated. A copy of the bid tabulation was included in the Board Members' Agenda packet. This item was briefed to the O&M Oversight Committee on November 30, 2021. Director Klotz asked how long the coating would last. Mr. Olinger stated about 30 years. There were no further questions from the Board and Mr. Olinger recommended the motion as presented.

Motion authorizing the Executive Director to issue a purchase order in the amount of \$116,675.00 to Preferred Quality Industrial Specialists for abrasive blasting and coating services on the clarifier and clearwell tank at CWA's Red Bluff Water Treatment Plant.

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

VI. BUSINESS REVIEW – Don Ripley

A. Monthly Financial Statements for the Previous Month.

Mr. Ripley stated that this item is the Financial Statements for the month ending November 30, 2021. Mr. Ripley noted that through the eleventh month of the budget year all five of the Operating Budgets are doing well in the revenues and expenditures. Despite the significant increase in the high cost of aqueous ammonia and liquid chlorine chemicals within the Lynchburg Pump Station Budget, all five of the Funds will come in under budget at year-end. A copy of the report was included in the Board Members' packets. There were no questions from the Board.

VII. DISBURSEMENTS – Don Ripley

Mr. Ripley 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 Special Project Equity Fund – in the amount of \$503,099.06; the Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$350,513.16; the Construction Fund – Series 2016 (Luce Bayou Project) – in the amount of \$127,580.86; and the Construction Fund – Series 2017 Loan (Luce Bayou Project) – in the amount of \$3,528.12. There were no questions from the Board and Mr. Ripley recommended the motion as presented.

Motion approving the Disbursement of Funds as presented.

Motion made by Director Sjolander, Seconded by Director Council. 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

A. HP-410/411 Waterline Extension Project Property Acquisition.

Director Klotz noted the time at 10:38 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.

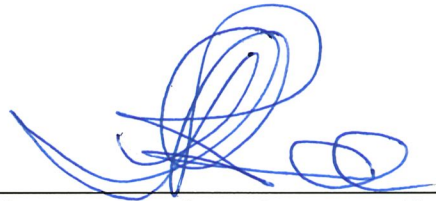
XI. RECONVENE – OPEN SESSION

Open session was reconvened at 10:56 A.M. Director Klotz stated that no action was taken in Executive Session.

XII. ADJOURNMENT – Wayne Klotz

The meeting was adjourned at 10:57 A.M.

[Signature page follows]



Thomas A. Reiser, Secretary-Treasurer