

# COASTAL WATER AUTHORITY

## Minutes of Special Meeting

July 21, 2021

The Board of Directors (the "Board") of Coastal Water Authority ("CWA") convened its Special 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. ( <i>Absent</i> )
Thomas A. Reiser, Secretary-Treasurer ( <i>Absent</i> )	

### **CWA Staff**

Don Ripley  
John Baldwin  
David Miller  
Greg Olinger  
James Lewis  
Felipe Gomez  
Mary Caballero

### **City of Houston Staff**

Yvonne Forrest, PW&E (*Absent*)

### **Legal Counsel**

Neil Thomas, Norton Rose Fulbright US LLP (*Absent*)

Director Reiser, Director Walker and Director Zarinkelk were absent. Director Soliz attended telephonically, Director Klotz, Director Council and Director Sjolander were present thus constituting a quorum.

## **I. CALL TO ORDER** – Wayne Klotz

### **A. Welcome.**

Director Klotz identified himself as President of the Coastal Water Authority Board and then called the teleconference meeting to order at 10:00 A.M.

The meeting was held at the Offices of the Coastal Water Authority and was open to the public via telephone and videoconference access per the Texas Open Meeting regulations and direction from the Attorney General of Texas. This meeting was audio recorded. Members of the public may request to listen to the audio recording of this meeting after conclusion of the meeting.

### **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 June 9, 2021, as written.

### **A. Minutes of the June 9, 2021 Board Meeting.**

#### **Motion approving the Minutes of the Board Meeting of June 9, 2021.**

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

#### **IV. ONGOING PROJECTS – David Miller**

##### **A. Luce Bayou Interbasin Transfer Project.**

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

##### **a. Capers Ridge Pump Station.**

Mr. Miller noted that the contractor for the Capers Ridge Pump Station (CRPS), Renda/Johnson Brothers JV (RJB), is approximately 99% complete. The project team conducted the weekly progress meetings on June 3, 2021, June 10, 2021, June 17, 2021 and June 30, 2021. In addition, separate weekly meetings were conducted on June 7, 2021, June 8, 2021, June 11, 2021, June 18, 2021 and June 29, 2021 to track the status on the repairs/modifications to the pump and motors.

Major activities performed by RJB in June 2021 included:

- Completed pavement installation
- Completed security fencing and gates
- Completed landscaping
- Continued SCADA, pump and motor startup/testing and troubleshooting

Major work activities planned for July 2021 include:

- Complete punch list items (drywall/painting touch ups, concrete finishes, pipeline coatings touch ups, SCADA testing, pump lubrication piping modifications)

Mr. Miller stated that the Pump Motor Manufacturer, Teco/Westinghouse, made adjustments to the motors on June 15, 2021 which corrected the issue with reaching synchronization speed. These modifications were reviewed by the Design Engineer, DEC/B&V, in advance of the adjustments. Director Klotz asked that Mr. Miller secure an approval statement in writing from DEC/B&V. Regarding the pumps, Mr. Miller stated the Pump Manufacturer, Xylem, designed an alternate oil piping system which will prevent water from entering the system. Mr. Miller stated that this piping design was reviewed and approved by DEC/B&V and Xylem is in the process of receiving the materials. Director Klotz asked if CWA has a written approval from DEC/B&V to this modification. Mr. Miller stated, yes. Mr. Miller then stated that it is expected that Xylem will have all materials and be ready to make the modifications within 2-4 weeks. Xylem is also expected to make the same repairs to Pump 304 and ship back to the site within the same timeframe. Director Council asked if CWA received a findings report from Xylem on the adjustments it made. Mr. Miller stated, yes reports were provided for both the motor and pump modifications. Mr. Miller noted that RJB's current schedule indicates resumption of testing on August 9, 2021 and completion of all acceptance testing by August 29, 2021 which includes training. Mr. Miller presented progress photos taken at the Capers Ridge Pump Station site.

Regarding the Capers Ridge Final Access Road Project, the final access road bids were received on June 25, 2021. CWA received five bids and reviewed the bids with the Professional Engineering Service Review Committee (PESRC) on July 6, 2021. The scope will include drainage improvements (inlet, storm, sewer, out falls), gully/drainage ditch reinforcement, 5.5 miles asphalt (on-CWA site road), 1.0 mile of asphalt (CR 2317), striping and signs. The low bid submitted by R&T Ellis Excavating was determined to be complete and responsive, all bond forms and an acceptable MWDBE Plan were provided. A copy of the bid tabulation and Engineer's Letter of Recommendation were provided as Attachment 1 to the LBITP Monthly Status Report. Director Klotz asked how long the project would be under

construction and would CWA have access. Mr. Miller stated, the construction schedule is estimated at 6-8 months and a part of the contract specifies that CWA has to have access at all times. Director Sjolander asked if CWA has worked with R&T Ellis before. Mr. Miller stated, yes. There were no further questions from the Board and Mr. Miller recommended the motion as presented.

**Motion authorizing the Executive Director to execute a contract with R&T Ellis Excavating in the amount of \$6,276,214.00 for construction of the Final Access Road at the Capers Ridge Pump Station as part of the Luce Bayou Interbasin Transfer Project.**

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

Mr. Miller stated the Final Access Road Project will require materials testing throughout the construction period. Services will include subgrade, bedding and backfill compaction testing along with asphalt testing. CWA developed a Request for Qualifications (RFQ) for these testing services and reviewed it with the PESRC on July 6, 2021. A copy of the RFQ was included as Attachment 2 to the LBITP Monthly Status Report. Director Klotz asked if the rescheduling of the CWA July 14, 2021 Board Meeting would prevent recommendation of the RFQ at next month's Board Meeting. Mr. Miller stated a recommendation for selection will be on the agenda of the August Board Meeting. There were no further questions from the Board and Mr. Miller recommended the motion as presented.

**Motion authorizing the Executive Director to issue a Request for Qualifications 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 Sjolander, Seconded by Director Council. The Motion carried unanimously.

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

Mr. Miller stated the project team conducted Phase 2 Coordination Meetings on June 17, 2021 (Meeting No. 7) and on June 29, 2021 (Meeting No. 8). The Black and Veatch design team continued with Preliminary Engineering Analysis related to spillway structural analysis and gates CFD modeling. B&V also conducted a Public Outreach Meeting on July 8, 2021 at the Kingwood Community Center to provide an update on the project scope and the proposed schedule. A second Public Outreach Meeting is currently being coordinated with Harris County Precincts 1 and 2 sometime in mid/late September 2021. Director Sjolander asked how the meeting went. Mr. Miller stated it went well with a good turnout of approximately 150 people. Director Klotz asked what this second meeting is relating to. Mr. Miller stated that this meeting would be primarily for the downstream residents from Harris County Precincts 1 and 2 and was specifically requested from the respective Harris County Commissioners. Mr. Miller stated that CWA is expecting to have design deliverables and technical memorandum sometime in late August/early September, 2021. The primary deliverable expected on September 14, 2021 will be the Basis of Design Report. The design is expected to be completed in August/September 2022. There were no further questions from the Board.

**V. MAINTENANCE & OPERATIONS – Greg Olinger**

**A. Monthly Operations Report/Project Updates.**

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

**B. Bayport Waterline Replacement Phase 3 – Request for Bids.**

Mr. Olinger stated that this project is a request for bids for the Bayport Waterline Replacement Phase 3 Project. This is the design of 6,200 linear feet of replacement 18-inch pipeline that has been completed by IDS and includes

an 800 foot horizontal directional drill crossing of Carpenter's Bayou. The project will be advertised in the local papers and on the CWA website. A pre-bid meeting and site walk will be held on July 29, 2021 and bids will be due on August 13, 2021. Following the review of the bids, a recommendation will be provided at the September 2021 O&M Oversight Committee and Board Meeting. This item was briefed to the Committee on June 6, 2021. There were no questions from the Board and Mr. Olinger recommended the motion as presented.

**Motion authorizing the Executive Director to issue a Request for Bids for construction of the Bayport Waterline Replacement Phase 3 Project.**

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

**C. Bayport Waterline Replacement Phase 3 – Contract Administration and Inspection Services.**

Mr. Olinger stated that this project is for the contract administration and inspection services for the Bayport Waterline Replacement Phase 3 Project. The scope involves providing full time field oversight during the project. Five Statements of Qualification were received on June 17, 2021. The CWA Scoring Committee reviewed the proposals and made recommendations to the PERSC on July 6, 2021. The PERSC agreed that the firm that would best represent the interest of the Authority on this project is Sowell's Consulting Engineers and recommended bringing the motion forward for Board consideration.

**Motion authorizing the Executive Director to begin contract negotiations with Sowell's Consulting Engineers for Contract Administration and Inspection Services for the Bayport Waterline Replacement Phase 3 Project.**

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

**D. General Engineering Consultant Services.**

Mr. Olinger stated that this project is for CWA's General Engineering Consultant Services (GEC). The scope involves providing professional engineering support to planning, operations, and construction management on projects throughout the CWA system. Three Statements of Qualification were received on June 11, 2021. The CWA Scoring Committee reviewed the proposals and made recommendations to the PERSC on July 6, 2021. The Committee determined that the firm that would best represent the interests of Coastal Water Authority for work under this contract is BGE Inc. and recommended bringing the motion forward for Board consideration. There were no questions from the Board and Mr. Olinger recommended the motion as presented.

**Motion authorizing the Executive Director to begin contract negotiations with BGE Inc. for General Engineering Consultant Services related to the maintenance and operation of Coastal Water Authority's Trinity River System.**

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

**E. Senate Bill No. 3 – Update.**

Mr. Olinger stated that this is an update on Texas Senate Bill 3. This is a law passed by the last Legislative Session (87<sup>th</sup> Regular Session) and signed by the Governor on June 8, 2021 relating to preparing for, preventing, and responding to weather emergencies and power outages. The law requires public water utilities to take steps to ensure operations continuity in the event of power outages caused by natural disasters. It lays out certain deadlines for taking preparation actions. By November 1, 2021, utilities are to notify their electrical services providers and identify to them critical facilities that warrant critical load status. CWA has already initiated these notifications to our two service providers (Entergy and CenterPoint) and this is currently being completed. By March 1, 2022, we are to submit and emergency preparedness plan to the Texas

Commission on Environmental Quality (TCEQ) and begin implementation of the approved plans by July 1, 2022. These plans primarily relate to maintenance and fueling of onsite generators. CWA is working with the City of Houston – Houston Public Works-Houston Water Department to include the CWA raw water systems into the overall drinking water system emergency preparedness plans which is an ongoing process now. Director Klotz asked Mr. Olinger to verify if piggybacking with City of Houston complies with the agreement since CWA is an independent entity. Mr. Ripley stated that CWA will repeat this question to our Legal Counsel, Norton Rose Fulbright (NRF). Director Klotz asked if CWA staff would be handling this item. Mr. Olinger stated that CWA has not outsourced this task as of yet. In the past the City of Houston has gone out for contract on similar requirements, so this has yet to be determined. After direction from NRF whether it is prudent for CWA to move forward on our own or if it is appropriate to combine with the City and then make the determination accordingly after the decision. Director Klotz stated that he would like the answer before the next Board Meeting. Director Klotz stated his concern of meeting the deadlines should CWA piggyback with the City. Mr. Olinger then noted that the Luce Bayou System and the Capers Ridge Pump Station has received an exemption from these requirements due to the size of the Lake Houston reservoir that it discharges into. Director Klotz asked Mr. Olinger to verify with TCEQ on the current Luce Bayou System and the Capers Ridge Pump Station exemptions since the exemption came before this new requirement became law. There were no further questions from the Board.

**F. Project Update.**

**a. Lynchburg Pump Station Pump and Piping Recoating.**

Mr. Olinger stated that this item is an update on the pump and piping recoating at Lynchburg Pump Station. The CWA Board authorized this item in March 2021 and CWA issued the work order to Preferred Quality Industrial Services (PQIS) for recoating the B and C system pump systems and the discharge piping. PQIS has completed the second pump system, P202, last week and is doing a good job of protecting all the ancillary lubrication piping and electrical conduit. All work is projected to be finished by December 2021 and CWA will continue to report progress on this project through the rest of the year.

**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 June 30, 2021. Mr. Baldwin noted that ending the sixth month of the budget year, the expenditures on all five of the Operating Funds are within the forecasted 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 Member's packets. There were no questions from the Board.

**B. Business Insurance Policy Renewal – Update.**

Mr. Baldwin stated that this item is CWA's Business Insurance Renewal update. At last month's Board Meeting, CWA renewed its business insurance policy with the Risk Management Fund of the Texas Water Conservation Association (TWCA) with the contingency that motion include the amount not to exceed the quoted amount of \$678,377. Two days after the Board Meeting the quote came in from TWCA at the lower rate of \$650,050. 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 \$47,923.27; the Special Project Equity Fund – in the amount of \$235,741.97; the Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$49,943.11; the Construction Fund – Series 2015 (Luce Bayou Project) – in the amount of \$1,664.07; the Construction Fund – Series 2016 (Luce Bayou Project) – in the amount of \$2,355,082.75; and the Construction Fund – Series 2017 Loan (Luce Bayou Project) – in the amount of \$93,543.97. 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 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.

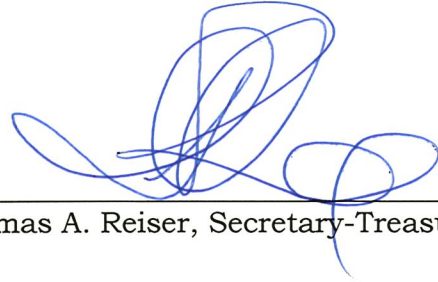
**X. EXECUTIVE SESSION** – Wayne Klotz

There was no executive session.

**XI. ADJOURNMENT** – Wayne Klotz

The meeting was adjourned at 10:39 A.M.

[Signature page follows]



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Thomas A. Reiser, Secretary-Treasurer