

**COASTAL WATER AUTHORITY**

**Minutes of Regular Meeting**

**May 10, 2017**

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	Thomas A. Reiser
Tony L. Council, P.E., First Vice-President	Joseph G. Soliz
Douglas E. Walker, Second Vice-President	Giti Zarinkelk, P.E.
Alan D. Conner, Secretary-Treasurer	

**CWA Staff**

Donald R. Ripley  
John J. Baldwin  
Greg Olinger  
David Miller  
John Sealy  
James Lewis  
Todd Vu  
Mary Caballero

**City of Houston Staff**

**Legal Counsel**

Neil Thomas, Norton Rose Fulbright US LLP

All members of the Board were present thus constituting a quorum.

**I. CALL TO ORDER – Wayne Klotz**

- A. Welcome.**
- B. Pledge of Allegiance.**
- C. Salute to the Texas Flag.**
- D. Moment of Silence.**

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.)

**II. ITEMS FOR CONSIDERATION – Wayne Klotz**

**A. Minutes of the April 12, 2017 Board Meeting.**

Director Klotz stated that the first item of business was the approval of the Minutes of the Board Meeting of April 12, 2017, as written.

**MOTION approving the Minutes of the Board Meeting of April 12, 2017.**

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

**III. ONGOING PROJECTS – David Miller**

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

The Directors received a copy of CWA's April 2017 Luce Bayou Interbasin Transfer Project (LBITP) Monthly Status Report with their Board information.

**a. Capers Ridge Pump Station.**

Mr. Miller stated CWA, CDM-Smith, CH2M, Dannenbaum/Black & Veatch, and Renda-Johnson Brothers JV (RJB) conducted the monthly pump station construction progress meeting on April 19, 2017. RJB continued installation

of the combi-wall system, dewatering and receiving H-piles for the pump station foundation. Photos of the combi-wall system were presented to the Board.

**b. Canal System.**

Mr. Miller stated updates across all five segments of the Canal were as follows:

- Canal Segment 1 – In advance of construction, Bio-West, Inc. conducted the Texas Parks and Wildlife Department Permit required Mussel Survey at the canal outfall location which is at the intersection of Luce Bayou and Lake Houston on April 3, 2017. This effort was similar to the survey work conducted in October 2016 at the Capers Ridge Pump Station intake site along the Trinity River. The scuba divers recovered thirteen native mussels from the outfall location. The mussels were recovered and relocated outside the planned area of construction. None of these mussels were on the State of Texas' endangered list.
- Canal Segment 2 and 4 – Clearing and grubbing and topsoil stripping continues in preparation of canal construction.
- Canal Segment 5 – The contractor has begun excavation and construction of the sedimentation and the dredge dewatering basins.
- Canal Segment 3 – Mass Excavation and canal construction (clay liner and embankment) is ongoing.

Director Klotz asked if there were any surprises. Mr. Miller stated there are some ground water issues across some of the canal segments and the contractor had to deploy well point systems in certain locations. Earthwork photos of the canal work were presented to the Board.

Mr. Miller stated that on April 27, 2017, CWA, Principal Services (the Contractor for Canal Segments 4 and 5) and Parson's conducted a site visit to Thompson Pipe in Conroe, Texas. Principal Services is utilizing Thompson to manufacture and supply the 96-inch diameter reinforced concrete pipe which will be used in the thirteen siphons that will be installed across Canal Segments 4 and 5. There will be approximately 1,800 pieces and about 15,000 linear feet of piping will be manufactured at the Thompson Plant. Photos and video footage from the tour in Conroe, Texas were presented to the Board.

**c. Dual 96-Inch Pipelines.**

Mr. Miller stated that the Request for Contractor Pre-Qualification Application was advertised on April 17, 2017 and CWA conducted the Pre-proposal meeting and site visit with interested contractors on April 25, 2017 at Capers Ridge. A copy of the Pre-proposal sign-in sheet was provided as Attachment 1 to the LBITP monthly report. Applications are due from contractors on May 17, 2017, and CWA anticipates issuing the invitation to bid to the pre-qualified firms in early June 2017. Mr. Miller noted that these are the dual 96-inch pipelines which will connect the pump station to the canal system. There were no questions from the Board.

**d. Canal Maintenance Facility.**

Mr. Miller stated the Request for Competitive Sealed Proposals was advertised on April 17, 2017 for the Canal Maintenance Facility (CMF). CWA and Huitt-Zollars conducted the Pre-proposal meeting and the site visit with interested contractors on April 26, 2017 at the existing Canal Maintenance Station and the proposed Canal Maintenance Facility site. The proposals are due on June 9, 2017.

Mr. Miller briefed the Board on the availability of property adjacent to the planned CMF. The property owner, has put approximately three acres of property up for sale. Acquisition of this property is beneficial to CWA in that it will allow safer vehicle and truck access/exit to SH321; it will improve security by increasing line of sight between the facility and SH321; and, will allow a low area that is currently infested with mosquitos to be filled. CWA has had a professional appraisal completed and it has been included as

Attachment 3 to the LBITP monthly report. An aerial photo of the property site was provided to the Board. Mr. Miller stated that CWA is not asking for action from the Board at this time but CWA is considering purchasing this property. Director Klotz asked if there would be any wetland issues on the property. Mr. Ripley stated that before there was any consideration on buying this property, CWA engaged BGE's Wetlands Specialist, and were advised there were no restrictions to fill this property; it does not have jurisdictional wetlands. Director Klotz asked if this acquisition was considered when all of the property was initially bought. Mr. Ripley stated it was; however, when CWA was buying the property, there was no assurance that the right-of-way could be purchased within the allocated funds and CWA declined on that basis. Director Klotz asked if CWA would still be within the original budget. Mr. Ripley stated yes. Director Klotz asked Director Conner if he agreed with the appraisal. Director Conner stated he did. There were no further questions from the Board.

Mr. Miller then presented a brief drone video showing the project progress to date at the Capers Ridge Pump Station site, the lowering of two 30-inch gas lines by Kinder Morgan, and on-going construction of Canal Segment 3.

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

The Monthly Operation Report for April 2017 was included in the Board Member's agenda packets.

**A. Monthly Operations Report.**

<b>TRINITY RIVER</b>	<b>Water Production</b>	
	<b>April 2017 30 DAYS (gallons)</b>	<b>DAILY AVG (MGD) INDUSTRIAL &amp; TREATMENT</b>
Trinity River Pump Station	17.0 billion	Hwy 225 Plants (incl. CWA WTP) 124
Main Canal	15.9 billion	SEWPP 84
Cedar Point Lateral	1,092.7 million	EWPP 264
San Jacinto Transfer Station	245.7 million	Deer Park WTP 4
Lynchburg Pump Station	15.5 billion	Bayport Plants 29
Water Treatment Plant	150.5 million	BAWA 15
Bayport Pump Station	877.5 million	CPL 36
		SJRA West Transfer 8
		SJRA East Transfer 0
		Trinity River Total 564 MGD
 <b>SAN JACINTO RIVER</b>		
Lake Houston Pump Station	1.2 billion	Indus. Customers 32
		EWPP (201.3 million) 7
		San Jacinto River Total 39 MGD

**Operations**

Mr. Olinger stated that Lake Houston is at 42.21 ft. (msl), and that tainter and flashboard gates are closed at the dam [normal pool is 42.5 ft.]. This is down 0.28 ft. from the previous month. Lake Conroe is at 200.82 ft. and releasing 529 cfs. [normal pool is 201 ft.]. This is down 0.20 ft. Lake Livingston is at 131.15 ft. [normal pool is 131 ft.], and currently releasing 3,000 cfs. This is down 0.92 ft. In reference to production for April 2017, Mr. Olinger stated that the Trinity River production was 17.0 billion gallons with a daily average of 566 MGD. This is 93.4% of the projected demand of 18.2 billion gallons. At the San Jacinto River on Lake Houston, production was 1.2 billion gallons with a daily average of 40.0 MGD. This is 85.7% of the projected demand of 1.4 billion gallons.

**B. Lynchburg Pump Station Control System Upgrade.**

Mr. Olinger stated this item is a proposed upgrade to the Lynchburg Pump Station Pump Control System. The current system has stability issues that this software and hardware upgrade will eliminate. CWA is proposing the Manufacturer, Schneider Electric (Eurotherm), provide an upgrade of the Foxboro A2 Pump Control System used at the Lynchburg Pump Station to control the pump lineups at the pump station. All of the software and hardware are Windows 10 compatible. The work order will include a 14-day test period prior to acceptance. Mr. Olinger stated that this scope was reviewed and revised by CH2M and Schrader Electric. This item was presented to the O&M Oversight Committee on May 1, 2017. A copy of the proposal and contract scope of work were included in the Board members packet. There were no questions from the Board and Mr. Olinger recommended the Motion as presented.

**MOTION authorizing the Executive Director to issue a purchase order to Schneider Electric Systems for \$126,964.00 for an upgrade to the Lynchburg Pump Station Pump Control System.**

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

**C. Pipeline Improvement Project Request for Bids.**

Mr. Olinger stated that this project includes abandonment of 3,500 feet of 12-inch transite pipe at the Bayport complex. This transite pipe was originally installed in 1968. This is being completed at the request of Harris County related to their roadway expansion plan and drainage improvements project. CWA will re-route the line and then abandon the original. Mr. Olinger stated this project also involves completing four service line interconnections on the A-system where CWA has two parallel 60-inch and 96-inch pipelines. These interconnections are needed to allow shutdown and condition assessment of the 96-inch, HP-130 and HP-140 pipeline later this year. Mr. Olinger stated that CWA's GEC, LAN, has completed this design and the item was presented to the O&M Oversight Committee on May 1, 2017. A copy of the summary of work and bid form were included in the Board members packet. There were no questions from the Board and Mr. Olinger recommended the Motion as presented.

**MOTION authorizing the Executive Director to publish a Request for Bids for the Replacement and Removal of a 12-Inch Bayport System Water Line and completion of A-System Service Line Interconnections ahead of future pipeline condition assessments.**

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

**D. CWA Security Contract.**

Mr. Olinger stated this item is the CWA Security Service Contract Renewal. CWA is going into the third year of our existing contract with Blackstone Security. This will be the second option year on the contract and there is no increase in price from the previous year. The scope involves providing 24-hour/7-days per week security guards at Lynchburg Pump Station, Lake Houston Pump Station, and Bayport Pump Station. Mr. Olinger noted that CWA will be rebidding this work next year. This item was presented to the O&M Oversight Committee on May 1, 2017. A copy of the service agreement was included in the Board members packet. There were no questions from the Board and Mr. Olinger recommended the Motion as presented.

**MOTION authorizing the Executive Director to issue an amendment to Blackstone Security for Security Services in the amount of \$355,417.92.**

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

**E. GE Syncdrive Variable Frequency Drive Upgrade Evaluation.**

Mr. Olinger stated this item at this time is for the Director's information only; there is no requested Board action today. Mr. Olinger stated that CWA operates eleven General Electric Variable Frequency Drives (VFD) at the Lynchburg Pump Station. These drives were installed in 1989 and after years of reliable service, replacement parts for the internal control systems to the drives are becoming difficult to obtain. Therefore, CWA has asked its VFD Engineer, CH2M, to update the technical memorandum prepared in 2013 and to provide revised recommendations based on this new scarcity of available parts. CWA will come back to the Board with recommendations on proceeding once the technical memorandum has been completed.

At this time, Mr. Olinger noted to the Board that the Society of American Military Engineers, Houston-Galveston Post, named Coastal Water Authority as the Public Agency of the Year for 2017.

**V. BUSINESS REVIEW – John J. Baldwin**

**A. Monthly Financial Statements for the Previous Month.**

Mr. Baldwin presented to the Board the Financial Statements for the month ending April 30, 2017. All five Operating Funds are doing well in revenues, expenses and reimbursements. Mr. Baldwin stated that we are well within the budget for this time of the year. As we get into the upcoming summer months we will see how we do with pumpage requirements and electricity costs, etc. There were no questions from the Board.

**VI. DISBURSEMENTS – John J. Baldwin**

Mr. Baldwin stated that the disbursements to be approved by the Board included: the Bayport Capital Improvement Fund – in the amount of \$10,199.91; the Special Project Equity Fund – in the amount of \$201,809.18; the Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$306,253.38; the Construction Fund – Series 2015 (Luce Bayou Project) – in the amount of \$4,001,069.31; the Construction Fund – Series 2016 (Luce Bayou Project) – in the amount of \$2,166,522.51.

**MOTION approving the Disbursement of Funds as presented by the Chief Financial Officer.**

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

**VII. OLD BUSINESS – Donald R. Ripley**

Mr. Ripley stated that there were no Old Business items to discuss.

**VIII. NEW BUSINESS – Donald R. Ripley**

Mr. Ripley stated that there were no New Business items to discuss.

**IX. EXECUTIVE SESSION**

There was no Executive Session.

**X. ADJORNMENT – Wayne Klotz**

The Meeting was adjourned at 10:40 A.M.



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Alan D. Conner, Secretary - Treasurer