

# COASTAL WATER AUTHORITY

## Minutes of Regular Meeting

May 12, 2021

The Board of Directors (the "Board") of Coastal Water Authority ("CWA") convened its Regular Meeting; open to the public at 1801 Main Street, Suite 800, Houston, Texas 77002 and via teleconference, 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

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

### CWA Staff

Don Ripley  
John Baldwin  
David Miller  
Greg Olinger  
James Lewis\*  
Todd Vu  
Mary Caballero

### City of Houston Staff

Yvonne Forrest, PW&E\*  
Sharon Citino, PW&E\*

### Legal Counsel

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

With the exception of Director Sjolander, all Members of the Board were present thus constituting a quorum. (\* Attended telephonically.)

## **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 recognition of the following Board reappointments by City of Houston Mayor Turner.

### **A. Recognition of the reappointment of Tony L. Council, representing Position Three as reappointed by Mayor Turner for a term expiring March 31, 2023.**

Director Klotz recognized the reappointment of Director Council representing Position Three as reappointed by Mayor Turner for a term expiring March 31, 2023.

**B. Recognition of the reappointment of D. Wayne Klotz, representing Position Four as reappointed by Mayor Turner for a term expiring March 31, 2023.**

Director Klotz recognized his reappointment representing Position Four as reappointed by Mayor Turner for a term expiring March 31, 2023.

**C. Minutes of the April 14, 2021 Board Meeting.**

**Motion approving the Minutes of the Board Meeting of April 14, 2021.**

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

**IV. ONGOING PROJECTS** – David Miller

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

The Directors received a copy of CWA's April 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 Capers Ridge Pump Station is the last construction project. The contractor for the Capers Ridge Pump Station (CRPS), Renda/Johnson Brothers JV (RJB), is approximately 99% complete. The project team conducted the monthly progress meeting on April 28, 2021. Schedule review meetings were held on April 7, 2021, April 14, 2021, and April 21, 2021.

Major activities performed by RJB in April 2021 included:

- Continue subgrade stabilization and pavement installation
- Began startup and testing of the pump station along with operator training
- Pipeline coatings

Major work activities planned for May 2021 include:

- Complete pipe painting
- Complete pavement installation
- Trouble shoot pump and motor issues
- Resume startup and testing

Mr. Miller stated that during pump startup and testing two problems were discovered. The first issue was the pump motors. RJB and Xylem (Pump Manufacturer) were not able to consistently achieve the design synchronous speed of 600 rpm upon start up. The second issue was detected in Pumps 302 and 304. After running those pumps for approximately six hours, the bearing lubrication oil was contaminated with water. RJB and Xylem are currently in the process of determining corrective actions for both of the issues and will determine if the repairs on the other three pump can occur in place or if the pumps will have to be taken out. CWA expects to be updated later this week on these issues. In the meantime, CWA is requiring RJB to conduct weekly pump progress meetings with Xylem, TECO/Westinghouse, Subcontractors, DEC/B&V, Jacobs and CWA to arrange for factory inspections and have the engineers review the proposed plan for corrective measures.

At this time Mr. Miller presented the following major schedule risks:

- COVID-19 – There were no COVID issues in April 2021.
- Weather – Rains through the month of April 2021 slowed pavement installation.

- Pump/motor issues – problems with the pumps and motors may cause schedule delays.

Mr. Miller stated that a final amendment to the HVJ materials testing contract for the Capers Ridge Pump Station is necessary. This amendment will cover on-site lab services from mid-March 2021 through the end of May 2021 and includes concrete testing, soil compactions testing and inspection/testing of pipe coatings. The fee for these services was reviewed with the Professional Engineering Services Review Committee (PESRC) on May 4, 2021. The Committee recommended bringing this amendment forward for Board consideration today. A copy of the HVJ scope and fee were included as Attachment 1 to the LBITP Monthly Status Report. There were no questions from the Board and Mr. Miller recommended the motion as presented.

**Motion authorizing the Executive Director to issue a work order amendment to HVJ Associates Engineering in the amount of \$73,535.00 for additional construction materials testing services for the Capers Ridge Pump Station as part of the Luce Bayou Interbasin Transfer Project.**

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

Mr. Miller stated that with the completion of the Final Capers Ridge Access Road Design and upcoming issuance of the invitation for bid, CWA is working with three pipeline owners to lower their oil/gas pipelines below the final access road. Oneok West Texas NGL, LLC (Oneok) owns two 10-inch pipelines that will need to be lowered 6-8 feet. The engineering for this lowering is approximately \$38,000. Once the engineer work is complete, Oneok will bid the project out to its network of approved contractors. Oneok will present the low bid to CWA and CWA will then bring the item back to the Board for approval of that lowering contract. The proposed scope and fee was reviewed with the PESRC on May 4, 2021. The Committee recommended bringing this item forward for Board consideration today. A copy of the scope and fee were included as Attachment 2 to the LBITP Monthly Status Report.

**Motion authorizing the Executive Director to enter into a Reimbursement Agreement with Oneok West Texas NGL, LLC in an amount not-to-exceed \$38,640.00 for engineering services associated with the relocation of two 10-inch natural gas pipelines across the Capers Ridge Access Road as part of the Luce Bayou Interbasin Transfer Project.**

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

Mr. Miller then presented progress photos taken at the Capers Ridge Pump Station site.

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

Mr. Miller stated the project team conducted Phase 2 Coordination Meetings on April 15, 2021 (Meeting No. 3) and on April 28, 2021 (Meeting No. 4). During the month of April 2021 the Design Review Workshop No. 1 was conducted on April 6, 2021. The field work associated with the Phase 2 engineering which included field surveying and three dimensional surveying of the existing spillway was conducted through the month of April 2021. Upcoming activities include submittal of the United States Army Corps of Engineers (USACE) Section 404 Permit by May 30, 2021 and supporting the City of Houston in conducting a Public Outreach Meeting on the tentative date of June 17, 2021. The scope content of that meeting is forthcoming. Mr. Miller noted that this meeting will also be coordinated with the public comment period associated with the 404 Permit. Director Klotz asked for the date of the final design phase. Mr. Miller stated September 2022 is the expected date and includes the permitting.

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

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

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

**B. General Engineering Consultant – Request for Qualifications.**

Mr. Olinger stated that this item is related to the General Engineering Consultant (GEC) Contract. The contract is being re-competed based on routine renewals of CWA contracts and is not based on any past or ongoing performance issues. The GEC contract consists of planning, engineering, and construction management support on CWA's raw water systems. Scope elements include a myriad of different taskings including, asset condition assessments, facility improvement studies and cost estimates, preliminary and final designs, construction and bid phase services, utility encroachment technical reviews, and right-of-way property transactions. Should the motion be accepted by the Board, the schedule includes an advertisement that would go out after the meeting; a mandatory pre-proposal meeting and site visit to the Lynchburg Pump Station later this month; and Statement of Qualifications due on June 11, 2021. Following the scoring of the proposals, recommendations would be provided to the PESRC in July 2021 followed by recommendation to the Board on July 14, 2021. However, should there be a need for interviews, the recommendation to the Board will be on August 11, 2021. A copy of the request for qualifications was provided in the Board Members' packets. Mr. Olinger noted that this item was briefed to the PESRC on May 4, 2021. There were no questions from the Board and Mr. Olinger recommended the motion as presented.

**Motion authorizing the Executive Director to advertise a Request for Qualifications for general engineering consultant services in support of the Coastal Water Authority System.**

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

**C. Bayport Waterline Replacement Phase 3 – Contract Administration and Inspection – Request for Qualifications.**

Mr. Olinger stated that this item is related to the Bayport Waterline Replacement Phase 3 Project. The design of 6,200 linear feet of 18-inch pipeline replacements in the Bayport Complex is now at 90% and will be fully complete by July 2021. Mr. Olinger stated that ahead of going out for bid, CWA is proposing to procure a contract administration and inspection firm that can support the construction phase of the project. CWA prepared a Request for Qualifications that was provided in the Board Members' packets. The scope elements include a full time inspector on site for the five month contract period, conducting daily progress reports and photos, conducting project progress meetings, geotechnical testing, and invoice and schedule reviews. In terms of the procurement schedule and pending Board approval of this item, CWA will plan to send out the advertisement after the meeting and the Statement of Qualifications would be due on June 17, 2021. Following the scoring of the proposals, recommendations would be provided to the PESRC in July 2021 followed by recommendation to the Board on July 14, 2021. Mr. Olinger noted that this item was briefed to the PESRC on May 4, 2021. There were no questions from the Board and Mr. Olinger recommended the motion as presented.

**Motion authorizing the Executive Director to advertise a Request for Qualifications for contract administration and inspection services related to the Bayport Waterline Replacement Phase 3 Project.**

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

**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 April 30, 2021. Mr. Baldwin noted that ending the fourth month of the budget year, all five Operating Funds are performing as forecasted and are in good shape in expenditures and revenues. Reimbursements from the City of Houston and from CWA's other customers, Bayport and the Water Treatment Plant, are up to date and timely. A copy of the report was included in the Board Member's packets. There were no questions from the Board.

**B. Lease – 1801 Main Street.**

Mr. Baldwin stated that this item is the upcoming lease renewal at 1801 Main Street. CWA is in the ninth year of a ten year contract at the 1801 Main Street location. The current lease will expire in June 30, 2022 and calls for a discussion of the intent to renew/extend the lease or not. CWA currently has square footage of approximately 11,000 at cost of \$24.50 per square foot at the 1801 Main Street location. Mr. Baldwin noted that in 2012, when CWA had an office space lease at One Allen Center that was up for renewal CWA engaged the brokerage services of Cushman and Wakefield in the negotiation of an office space lease which resulted in the current lease location at 1801 Main Street. In preparation for the upcoming lease renewal, CWA is requesting the utilization of Cushman and Wakefield. Mr. Baldwin stated that Mr. Horn with Cushman and Wakefield was present to answer any questions. Director Klotz asked Mr. Cushman what his thoughts on rates going up or down rate wise. Mr. Cushman stated that the cost would most likely go up from \$24.50. There were no further questions from the Board and Mr. Baldwin recommended the motion as presented.

**Motion authorizing the Chief Financial Officer to utilize the brokerage services of Cushman and Wakefield in the negotiation of an office space lease.**

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

**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 \$14,416.20; the Special Project Equity Fund – in the amount of \$80,842.72; the Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$141,136.82; the Construction Fund – Series 2015 (Luce Bayou Project) – in the amount of \$2,936.77; the Construction Fund – Series 2016 (Luce Bayou Project) – in the amount of \$815,298.74; and the Construction Fund – Series 2017 Loan (Luce Bayou Project) – in the amount of \$192,572.78. 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 Walker. The Motion carried unanimously.

**VIII. OLD BUSINESS** – Don Ripley

Mr. Ripley stated that there were no old business items to discuss but did want to mention that the Luce Bayou ribbon cutting ceremony has been re-scheduled to June 15, 2021 at 9:00 A.M.

**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 10:40 A.M.

[Signature page follows]



Tony L. Council, 1<sup>st</sup> Vice-President