

COASTAL WATER AUTHORITY

Minutes of Regular Meeting

February 12, 2025

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

Tony L. Council, P.E., President
Douglas E. Walker, First Vice-President (*Absent*)
Giti Zarinkelk, P.E., Second Vice-President
Joseph G. Soliz, Secretary-Treasurer
Jon M. Sjolander, Assistant Secretary-Treasurer (*Absent*)
Thomas A. Reiser
Daniel G. Huberty

CWA Staff

Don Ripley
David Miller
Greg Olinger
James Lewis
Seth Deutsch
Dania Cato
Todd Vu
Mary Caballero

City of Houston Staff

Greg Eyerly

General Legal Counsel

Barron Wallace and Mary Buzak, Bracewell LLP

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

Copies of the agenda materials were included in the Board Members' packets.

I. CALL TO ORDER – Tony Council

A. Welcome.

Director Council opened the meeting 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 – Tony Council

Director Council stated that the first item of business was the approval of the January 8, 2025 Board Meeting Minutes.

A. Minutes of the January 8, 2025 Regular Board Meeting.

Motion approving the Minutes of the Regular Board Meeting of January 8, 2025.

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

IV. OPERATIONS AND MAINTENANCE – David Miller

A. Operations Summary Report.

Mr. Miller stated that currently, Lake Houston is at 43 feet, Lake Conroe is at 200.9 feet and Lake Livingston is at 131.29 feet. During January 2025, the Trinity River Pump Station (TRPS) pumped 19.7 billion gallons which is an average of 635 million gallons per day (MGD). The Lake Houston Pump Station (LHPS) pumped 1.2 billion gallons which is an average of 40 MGD. The Capers Ridge Pump Station, with two pumps in operation, pumped 5.7 billion gallons which is an average of 183 MGD.

Mr. Miller presented raw surface water production for January 2025, noting the total municipal production was 12.3 billion gallons (62%) and industrial production was 7.4 billion gallons (38%).

B. Lynchburg Pump Station.

Mr. Miller stated the Lynchburg Pump Station (LPS) has sixteen pumps and motors across three pumping systems: The A-System consists of five pumps and provides raw water supply to the City of Houston (COH)'s Southeast Water Purification Plant. The B-System consists of five pumps and provides raw water supply to industrial facilities along State Highway 225 and the COH's East Water Purification Plant (EWPP). The C-System consists of six pumps and provides raw water supply to the COH's EWPP.

As part of CWA's ongoing pump and motor rehabilitation program, CWA plans to repair/rehabilitate three LPS pumps and motors in 2025, beginning with LPS Pump P-211 on the C-System. Pump P-211 is thirty-five years old with a total of 220,000 operating hours. Since the last rehabilitation, Pump P-211 has logged 97,000 operating hours and the LPS Motor P-211 was rebuilt sixteen years ago and has logged 112,000 operating hours. The measured vibrations of the pump and the motor have been increasing over the past twelve months to the point that rehabilitation is necessary.

The scope of the Pump P-211 rehabilitation includes pump removal, transport to an off-site repair shop, disassembly, installation of new bearings, gaskets and seals, sandblasting and painting, repairing and recoating the impeller, providing a new pump shaft, returning/reinstalling the pump and running it continuously for twenty-one days. CWA received three bids on January 31, 2025. The bids were reviewed with the O&M Oversight Committee (O&M Committee) on February 4, 2025, and the O&M Committee recommended bringing this item forward for Board consideration. There were no questions from the Board and Mr. Miller recommended the motion as presented.

Motion authorizing the Executive Director to accept a bid from Total Industrial Services Specialties in the amount of \$337,943.53 for the repair of Lynchburg Pump Station Pump P-211.

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

Mr. Miller stated that the scope of the LPS Motor P-211 repair includes installation of new bearings, vibration switches and resistance temperature detectors, cleaning the strip and rewind coils, and cleaning and repainting the interior and exterior of the motor. CWA received two bids on January 31, 2025. The bids were reviewed with the O&M Committee on February 4, 2025, and the O&M Committee recommended bringing this item forward for Board consideration.

In response to a question from Director Zarinkelk, Mr. Miller stated that the engineering estimate for both repairs was \$350,000. If Motor P-211 does not require a rewind after testing at the off-site repair shop, the price will be about \$100,000 less than the purchase order value presented today. In response to a question from Director Huberty, Mr. Miller stated that CWA has a plan to replace all aged pumps and motors at LPS that Mr. Olinger will describe in

detail in his Ongoing Projects report. There were no further questions from the Board and Mr. Miller recommended the motion as presented.

Motion authorizing the Executive Director to accept a bid from Louis Allis in the amount of \$330,904.00 for the repair of Lynchburg Pump Station Pump P-211 Motor.

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

C. Lake Houston Aquatic Vegetation Contract Extension.

Mr. Miller stated that CWA is responsible for controlling the growth and spread of invasive aquatic vegetation across Lake Houston to prevent blockages of pump intakes at the Northeast Water Purification Plant and the LHPS from invasive species including water hyacinth, salvinia, and American lotus. CWA contracted with Houston Spraying and Supply Inc. (HSSI) to perform assessments and spraying in 2024. This contract has a one-year duration with the option to renew each year with an agreed maximum annual increase of 3%. Based on the performance of HSSI, CWA is recommending renewing the contract with the 3% increase. This information was reviewed with the O&M Committee on February 4, 2025, and the O&M Committee recommended bringing this item forward for Board consideration. Mr. Ripley and Mr. Miller thanked CWA's Procurement Manager, Jonathon Jung, for his work on this contract.

Pursuant to a request from Director Huberty, Mr. Miller will provide Director Huberty with a list of the products that HSSI utilizes on Lake Houston to control invasive vegetation. There were no further questions and Mr. Miller recommended the motion as presented.

Motion authorizing the Executive Director to issue a one-year contract extension to Houston Spraying and Supply Inc. in the amount of \$165,418.00 for invasive vegetation control on Lake Houston.

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

D. Lake Houston Dam - Hurricane Beryl Repairs.

Mr. Miller stated that from early 2024 through July 2024 the region experienced some significant rainfall and flood events, including the derecho storm and Hurricane Beryl, that caused erosion, washouts, downed trees, and damage to perimeter fencing on the downstream side at the Lake Houston Dam. CWA contracted with Rashieyeid Engineering in 2024 to develop a construction package for the needed repairs. CWA has estimated approximately \$500,000 of repair work with the Federal Emergency Management Agency (FEMA) reimbursing 80% of the cost. The construction package is complete and CWA is ready to advertise for bids. This information was reviewed with the O&M Committee on February 4, 2025, and the O&M Committee recommended bringing this item forward for Board consideration. Mr. Miller thanked CWA's Project Manager, John Sealy, for his work on this project and coordinating with FEMA.

In response to a question from Director Council, Mr. Miller stated that CWA will only be able to utilize the FEMA reimbursement to address the repairs needed as a result of the damage caused by the flood events, which included the washout of riprap and undermining some of the existing concrete structures. In response to a question from Director Zarinkelk regarding the washout near the road, Mr. Miller stated that the road was not undermined. There were no further questions and Mr. Miller recommended the motion as presented.

Motion authorizing the Executive Director to issue a Request for Bids for repairs related to Hurricane Beryl for the Lake Houston Dam.

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

V. ONGOING PROJECTS – Greg Olinger

A. Lynchburg Pump Station – Engineering Assessment and Modernization Study.

Mr. Olinger stated that this item is a briefing on a proposal to conduct a comprehensive engineering assessment and modernization study of the LPS. LPS has been in operation since the early 1970s. Original installation dates for the pumping, including pumps and motors, range from 1975 to 2007. Eleven of the sixteen pump systems were originally installed prior to 1990; four of those pump systems were installed in January 1975. The associated variable frequency drives (VFDs) used to regulate pump speed and maintain adequate pipeline pressures are aging and repair parts are becoming obsolete. All of this equipment was installed in multiple contracts over the years, with different equipment manufacturers, models, sizes, and remaining service life across pump lineups, creating challenges with standardizing CWA's maintenance procedures and obtaining repair parts.

CWA consistently maintains a very proactive pump and motor maintenance program that involves rehabilitation of equipment upon signs of significant wear and tear, such as excessive vibrations and motor temperatures. However, after multiple rebuilds, the replacement of equipment is becoming a more cost-effective alternative to continued rehabilitation.

In 2024 numerous challenges were encountered at LPS, especially during the summer months, including transformer failures, harmonic filter failures, and VFD outages primarily due to age of the equipment and the heat. These equipment failures required quick decision-making and pipeline system interconnections to ensure customer demands were met. Given the age of the pumping systems and the recent equipment failures, CWA is proposing to conduct a complete condition assessment and modernization study for LPS to evaluate the current and future raw water demands, condition assessment of each system, proposed standardized replacement pump systems, estimated construction costs, and a prioritized implementation schedule. The ultimate intent is to field all new and standardized pumps, motors, and VFDs through a prioritized and phased approach with the next 10 to 15 years as part of CWA's Capital Improvement Program. This effort would be closely coordinated with the ongoing general facilities improvement project that includes several of CWA's building replacements (administration, control and warehouses) at LPS.

CWA staff is in the process of developing a Request for Qualifications (RFQ) and scope description for use in procuring an engineer to conduct the study. CWA will present this item to the Professional Engineering Services Review Committee in early March 2025 with a request to issue the RFQ at the March Board of Directors Meeting. If approved, CWA would accept responses to the RFQ in April 2025 and provide a recommendation for award at the May 2025 Board of Directors Meeting.

In response to a question from Director Reiser, Mr. Olinger stated that CWA manages the salvage value of some of the old equipment, which is factored into the estimate and the bidding process as a scope item. Director Huberty noted that although the cost of the replacement of the pumps has not been determined, CWA should try to access state funds that may be available for major water projects. Mr. Olinger stated that CWA has shared a high-level estimate of replacement costs with Mr. Eyerly with the COH/Houston Public Works (HPW). There were no further questions from the Board.

B. Lake Houston Dam Spillway Improvement Project.

Mr. Olinger stated this item is an update on the Lake Houston Dam Spillway Improvement Project which involves the addition of eleven new tainter/radial type gates in the soil embankment on the east side of the existing gate structure and an additional 79,000 cubic feet per second of controlled discharge capacity on the overall dam structure.

The following pre-engineering tasks are ongoing:

- Field work activities are in progress, including site survey, bathymetric and Lidar survey, cultural resources survey and wetland mapping. The first round of geotechnical analysis has been completed.
- An environmental constraints report is in development with evaluation of the field data as it relates to satisfying the permitting requirements of the United States Army Corps of Engineers Galveston District, National Environmental Policy Act, Texas Parks and Wildlife Department, Texas Commission on Environmental Quality, and the Texas Historic Commission.
- Hydraulic analysis has been initiated that includes the hydraulic model setup and specific gate structure placements to evaluate the associated scour and flow efficiencies.
- The structural engineering team is working to properly size the various structural elements and to evaluate the various alternatives for the earth retaining structures (cast in place cantilever, cast in place counterfort, and various pile options).
- In terms of public outreach and communications, the project team conducted a planning workshop on January 9, 2025 with participation from the COH/HPW Transportation and Drainage Operations and Harris County Flood Control District. The project team is now in the process of completing a stakeholder management/public engagement plan that includes development of a project website and informational materials, as well as conducting a series of outreach meetings with elected officials, key stakeholders, and the public. The finalized public engagement plan will be received by the end of February 2025.
- Upcoming activities include the following:
 - Preliminary engineering tasks and hydraulic modeling tasks will continue.
 - An initial Risk Review/Risk Management Workshop is scheduled for early March 2025.
 - A Design Criteria Workshop is scheduled for March 20, 2025.

There were no questions from the Board.

VI. BUSINESS REVIEW – Seth Deutsch

A. Monthly Financial Statements for the Previous Month.

Mr. Deutsch presented the Board with the Final Draft Year-End Financial Statements for the fiscal year ending December 31, 2024, and noted that the Year-End Financials will be provided to CWA's auditors. Mr. Deutsch then presented the Board with the Financial Statements for the month ending January 31, 2025, and stated that at the end of the first month of the new budget year, the expenses and revenue are as anticipated. There were no questions from the Board on the Financial Statements.

B. 2024 Pension Plan Audit Report.

Mr. Deutsch stated that this item is the Audit Report (Report) on CWA's Pension Plan for the benefit year ending on September 30, 2024. CWA engaged Weaver and Tidwell, L.L.P. (Weaver) for this endeavor. Mr. Deutsch stated that the Report reflects a "clean opinion". A draft of the Report was previously presented to the Finance and Audit Committee by Mr. Rance Buss, the engagement partner with Weaver. Mr. Buss gave a brief presentation to the Board. There

were no questions from the Board and Mr. Deutsch recommended the motion as presented.

Motion approving the Coastal Water Authority Pension Plan Audit Report for the Benefit Year ending September 30, 2024.

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

C. Notification of Procured Items.

In accordance with CWA's Amended and Restated Resolution (2023-1) Delegating Authority to Executive Officers, Mr. Deutsch presented to the Board the items that CWA procured in January 2025 that came in between \$25,000 and \$75,000: a purchase order to Securitas Technology Corporation for security cameras at the TRPS and LPS; and a purchase order to The Reynolds Company for variable frequency drives repairs at the LPS. There were no questions from the Board.

VII. DISBURSEMENTS – Seth Deutsch

Mr. Deutsch stated that this item is the disbursements for the month on the various construction funds. The disbursements to be approved by the Board included the Bayport Capital Improvement Fund – in the amount of \$113,140.35; Special Project Equity Fund – in the amount of \$140,977.09; the Project Fund – in the amount of \$318,804.93; Lake Houston Dam Spillway Improvement Project – in the amount of \$412,675.00; and the Lake Houston Dam Repair – FEMA Project – in the amount of \$2,531.21. There were no questions from the Board and Mr. Deutsch recommended the motion as presented.

Motion approving the Disbursement of Funds as presented.

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

VIII. OLD BUSINESS – Don Ripley

No items to discuss.

IX. NEW BUSINESS – Don Ripley

No items to discuss.


X. EXECUTIVE SESSION – Tony Council

There was no executive session.

XI. ADJOURNMENT – Tony Council

The meeting was adjourned at 10:36 A.M.

[Signature page follows]



Joseph G. Soliz, Secretary-Treasurer