

MINUTES  
NORTH FORT BEND WATER AUTHORITY

June 25, 2024

The Board of Directors (the "Board") of the North Fort Bend Water Authority (the "Authority") met in regular session, open to the public, on the 25<sup>th</sup> day of June, 2024, at The Club at Falcon Point, 24503 Falcon Point Drive, Katy, Texas, and the roll was called of the members of the Board:

Peter Houghton	President
Robert Patton	Vice President
Dana Hollingsworth	Secretary
Robert Darden	Assistant Vice President
Donald Abrahamson II	Assistant Secretary
Michael Rusk	Assistant Secretary
Craig Lewis	Assistant Secretary

and all of the above were present in person except Director Abrahamson, thus constituting a quorum.

Also present in person for all or part of the meeting were Matt Froehlich, Lindsay Kovar, Larry Goldberg, Whitney Milberger, and Miriam Valdez of BGE, Inc. ("BGE"); Taylor Watson and Stephanie Bahn of Municipal Accounts & Consulting, L.P.; Dale Clayton of Inframark, LLC ("Inframark"); Christina Miller and Justine M. Cherne of Allen Boone Humphries Robinson LLP; and persons listed on the attached attendance sheets.

COMMENTS FROM THE PUBLIC

Members of the public were provided with the opportunity to make comments. A member of the public addressed the Board to state that the Board was doing a wonderful job.

APPROVE MINUTES

The Board considered approving the minutes of its regular meeting held on May 28, 2024. After review and discussion, Director Hollingsworth moved to approve the minutes as written. Director Darden seconded the motion, which passed unanimously.

OPERATION OF AUTHORITY FACILITIES

Mr. Clayton presented the operator's report and reported on the operations of the Authority's facilities, including inspections, maintenance, repairs, joint facility expenses, and water accountability. A copy of the operator's report is attached.

Mr. Clayton reported that a contract for replacing the leaking roof at the Bellaire Pump Station (the "BPS") is anticipated to be ready for Board consideration at next month's regular meeting.

Mr. Clayton reported that the Authority's Capital Planning and Design Committee recommended that the Board approve replacing the failed motor for booster pump no. 2 and repairing the existing motor to use as a spare in the event of future failures in the approximate amounts of \$100,000.00 and \$50,000.00, respectively. He stated that quotes for the proposed replacement and repair are anticipated to be available for review next month. Following discussion, the Board concurred that an insurance claim should be filed for the failed motor.

Following review and discussion, Director Hollingsworth moved to approve the operator's report, including replacing the motor for booster pump no. 2 and repairing the existing motor to use as a spare in the approximate amounts of \$100,000.00 and \$50,000.00, respectively, subject to receipt of the quotes. Director Patton seconded the motion, which passed unanimously.

#### PUBLIC COMMUNICATION, WATER CONSERVATION, AND REUSE MATTERS

Ms. Milberger reviewed a Communication, Conservation, and Reuse Report (the "CCR Report"), a copy of which is attached. Ms. Milberger reported on the Authority's previous and planned participation in constituent and other events, including conferences. She stated that updates have been made to the Communications Dashboard attached to the CCR Report.

Ms. Milberger reported that the Authority's Communication, Conservation, and Reuse Committee ("CCR Committee") recommended that the Board approve securing booth space and electricity for the 2024 Katy Fall Improvement Expo and the 2025 Katy Home and Garden Show events in a total amount not to exceed \$3,400.00.

Ms. Milberger reported that the Authority's CCR Committee recommended that the Board approve payment of an invoice submitted by Mighty Citizen for the next block of contract hours in the amount of \$67,500.00.

Ms. Milberger reported that 144 irrigation system evaluations were completed through the Authority's W.I.S.E. Guys Irrigation System Evaluation Program during May 2024.

Ms. Milberger reported on implementation of the Authority's Homeowners Association Irrigation Management Pilot Program. She stated that two Homeowners Associations have registered for the program.

Ms. Milberger reviewed updates made to the Reuse System and Credit Summary Charts, copies of which are attached to the CCR Report.

Ms. Milberger discussed implementation of the Authority's 2024 Water Provider Conservation Program. She additionally discussed distribution of invitations for the Conservation Committee Appreciation Dinner for the 2023 Water Provider Conservation Program scheduled for June 27, 2024, at HUB 510 located in Fort Bend County Municipal Utility District No. 142. She reported that 36 of the 40 participants in the 2023 Water Provider Conservation Program successfully completed the program.

Following review and discussion, Director Hollingsworth moved to approve the CCR Report, including:

(1) securing booth space and electricity for the 2024 Katy Fall Improvement Expo and the 2025 Katy Home and Garden Show events in a total amount not to exceed \$3,400.00; and

(2) the invoice submitted by Mighty Citizen for the next block of contract hours in the amount of \$67,500.00.

Director Patton seconded the motion, which passed unanimously.

#### CONTRACTS

Ms. Miller reported on the finalization of an agreement with Badger Meter for monthly portal connectivity services for the Authority's automated offsite meter readers.

#### FINANCIAL AND BOOKKEEPING MATTERS AND CONDUCT HEARING

Mr. Watson presented the bookkeeper's report, including receipts, a list of checks presented for payment, fund and wire transfers, a supplemental cash flow report, account balances, current period and year-to-date actual versus budget comparisons, and a schedule of debt service payments. He additionally reviewed a chart tracking the amounts expended by the Authority related to the City of Fulshear's rate challenge. A copy of the bookkeeper's report is attached.

Following review and discussion, Director Hollingsworth moved to approve the bookkeeper's report, including the checks presented for payment. Director Darden seconded the motion, which passed unanimously.

In response to a meeting attendee's inquiry, Ms. Miller provided an update on the City of Fulshear's rate challenge.

#### REGULATORY MATTERS: SUBSIDENCE DISTRICT REGULATIONS AND PERMITTING, AND AUTHORITY'S GROUNDWATER REDUCTION PLAN ("GRP")

Mr. Froehlich presented the engineer's report, a copy of which is attached.

Mr. Froehlich reported on Fort Bend Subsidence District ("FBSD") and Harris-Galveston Subsidence District ("HGSD") permit renewal matters, including BGE's preparation of a permit renewal application for submission to HGSD for the 2024-2025 permit year.

Mr. Froehlich reminded the Board that a meeting was held with the attorney and representatives for Fort Bend County Municipal Utility District No. 251 ("FB 251") regarding FB 251's inaccurate inclusion in the City of Richmond's GRP via contract while being located within the Authority's boundaries. He reported that, due to FB 251's location within the Authority's boundaries, the property is included in the Authority's GRP, and FB 251's two water well permits are being transferred by FBSD to the Authority.

Mr. Froehlich reported on matters related to the Authority's GRP, including the monthly amounts of surface water delivered, groundwater pumped, and reclaimed water utilized by the Authority.

#### ENGINEERING MATTERS: DESIGN, CONSTRUCTION, PROJECTS, AND STUDIES

Mr. Froehlich reported on the status of property acquisition matters and stated that preparation of metes and bounds descriptions is focused on the Authority's Main Segments 16B and 17B. A chart summarizing the status of property acquisition matters is attached to the engineer's report.

Mr. Froehlich reported that the Authority's automated meter reader installation project is nearly complete. A chart summarizing the status of the project is attached to the engineer's report. Mr. Froehlich recommended approval of Pay Estimate No. 14 submitted by Accurate Meter & Backflow, LLC in the amount of \$69,840.00.

Mr. Froehlich reported on the status of construction of water lines for the Authority's 2027 surface water supply system (the "2027 System"). He stated that Main Segment 11A is approximately 94% complete. He recommended approval of Pay Estimate No. 8 submitted by Main Lane Industries, Ltd. in the amount of \$168,926.43.

Mr. Froehlich reported that construction of the Authority's Main Segment 8B Casing Extension Project at FM 723 is complete. He recommended approval of Pay Estimate No. 2 and Final submitted by T Construction, LLC in the amount of \$33,414.00 and acceptance of the project.

Mr. Froehlich reported on the status of construction of the 2027 System surface water line connection for Fort Bend County Fresh Water Supply District No. 2's ("FWSD 2") water plant no. 2. He stated that, as anticipated in the construction contract, construction is complete, and connection and testing will be performed after construction of FWSD 2's water plant no. 2 is completed at the end of 2024.

Mr. Froehlich reported on the status of construction of the Authority's 2027 System surface water line connection and meter station for Fort Bend County Municipal Utility District No. 255 ("FB 255") administered by FB 255 in connection with FB 255's water plant project. He stated that the contractor is continuing the installation of the meter station.

Mr. Froehlich reported on the status of the design of surface water lines for the 2027 System by the following design consultants: (1) IDS Engineering Group for Main Segment 13B; (2) Quiddity Engineering, LLC for Main Segment 13C; (3) BGE for Main Segment 18A; and (4) Carollo Engineers, Inc. for Main Segment 19. He reminded the Board that a design consultant will be engaged for Main Segment 13D after right-of-entry access is obtained. Mr. Froehlich reported on kickoff meetings held and issuance of Notices to Proceed for the design of surface water lines for the 2027 System by the following design consultants: (1) Binkley & Barfield, Inc. for Main Segment 17A; (2) R.G. Miller Engineers, Inc. for Main Segment 17C; and (3) JNS Engineers, LLC for Main Segment 18B.

Mr. Froehlich reported that completion of work on the 2027 System Environmental Determination Form ("EDF") and Cultural Resources Study ("CRS") is on hold pending access to property located at the southwest corner of FM 1093 and FM 359. He stated that additional services required to renew EDF approvals and update the CRS to the current standards are underway.

Mr. Froehlich reported on the status of Fort Bend County Municipal Utility District No. 58's ("FB 58") request for the future restoration of hike and bike trails inadvertently constructed by the district on the Authority's easement for Main Segment 17B. He reported that a meeting was held with the attorney and engineer for FB 58 to discuss the preparation of necessary easements and any accompanying agreements related to the request. He stated that it is anticipated that FB 58 will approve the documents at its August 13, 2024, Board meeting.

Mr. Froehlich reported on coordination with Inframark on the development of a long-term asset maintenance plan for the Authority's facilities, including the BPS, transmission lines, and meter stations.

#### REGIONAL PLANNING MATTERS: JOINT PROJECTS AND WATER SUPPLY

Mr. Froehlich reported on the status of agency review of the design plans for the BPS Phase II Improvements Project.

Mr. Froehlich reported on BGE's subconsultant's follow-up structural evaluation of the BPS. He stated that BGE is reviewing a design proposal from the subconsultant for the installation of additional structural support for the vertical supports of the hoist trolley system at the BPS.

Mr. Froehlich reviewed a video of the construction sites and reported on the status of design, permitting, construction, and property acquisition, as appropriate, for the Authority's joint Surface Water Supply Project with the West Harris County Regional Water Authority ("WHCRWA"), including Segments A1 and A2, combined Segments B1 and B2, Segments B3, C1, and C2, the Kinder Morgan subsegments, the Segment 3 subsegments, the Repump Station, the Central Pump Station, and the three meter stations. Copies of a chart and summaries of the status of design/construction are included in the attached engineer's report. Mr. Froehlich responded to Board inquiries regarding coordination with WHCRWA to establish a long-term maintenance fund for the joint Surface Water Supply Project.

Ms. Kovar updated the Board on the City of Houston's ("COH") Northeast Water Purification Plant ("NEWPP") Expansion Project per its Design-Build Agreement with the Houston Waterworks Team. She reported on the status of construction and testing, as applicable, for the Influent Pump Station, North Plant, Central Plant, South Plant, and the Balance of Plant. Status summaries are included in the attached engineer's report. Ms. Kovar reported that COH's existing northeast water plant went offline and COH is delivering water from the Phase 1 facilities of the NEWPP Expansion Project to its constituents, including the participants in the NEWPP Expansion Project.

Following review and discussion, Director Hollingsworth moved to approve the engineer's report as presented, including:

- (1) Submittal of a permit renewal application to HGSD for the 2024-2025 permit year;
- (2) Pay Estimate No. 14 submitted by Accurate Meter & Backflow, LLC for the Authority's automated meter reader installation project in the amount of \$69,840.00;
- (3) Pay Estimate No. 8 submitted by Main Lane Industries, Ltd. for construction of the Authority's Main Segment 11A in the amount of \$168,926.43; and
- (4) Pay Estimate No. 2 and Final submitted by T Construction, LLC for construction of the Authority's Main Segment 8B Casing Extension Project at FM 723 in the amount of \$33,414.00, and acceptance of the project.

Director Patton seconded the motion, which passed unanimously.

#### FINANCING PLAN MATTERS

Ms. Miller reported that to the proposed future defeasance of the Authority's Series 2016A Bonds with unused funds and interest earnings from the Authority's Grand Lakes reclaimed water distribution system project will be discussed with the Authority's Finance and Policy Committee before being brought back to the Board.

## REALTY INTEREST ACQUISITION

Ms. Miller reviewed one Temporary Construction Easement to be granted by Land Tejas FM 1093 & 723, Ltd. for Parcel 13C.14TE, as listed on the attached Realty Interests Chart. Following review and discussion, Director Hollingsworth moved to authorize execution of the Temporary Construction Easement as presented. Director Patton seconded the motion, which passed unanimously.

## AMENDED AND RESTATED RESOLUTION ESTABLISHING COMMITTEES

Ms. Miller reviewed an Amended and Restated Resolution Establishing Committees to include Director Lewis on the Authority's Finance and Policy Committee and as the alternate on the Authority's Capital Planning and Design Committee and Communication, Conservation, and Reuse Committee. Following review and discussion, Director Darden moved to adopt the Amended and Restated Resolution Establishing Committees as presented. Director Hollingsworth seconded the motion, which passed unanimously.

## MEETING PLANNING AND SCHEDULING MATTERS

The Board concurred to hold its next regular meeting on Tuesday, July 23, 2024, and a special meeting on Thursday, June 27, 2024, related to Water Provider Conservation Program Conservation Committee matters.

## OPERATION OF AUTHORITY FACILITIES (CONTINUED)

In response to Board inquiries, Ms. Miller reported on coordination with COH to ensure compliance with the Environmental Protection Agency's issued regulations establishing Maximum Contamination Levels ("MCLs") for five specific Per- and Polyfluoroalkyl Substances ("PFAS") and a sixth PFAS, through a Hazard Index MCL for mixtures of PFAS containing specific compounds. She stated that additional evaluation of the regulations will be undertaken to determine any required compliance procedures for the Authority and the Texas Commission on Environmental Quality will provide rules for compliance.

## CONVENE EXECUTIVE SESSION

The Board convened in executive session at 6:56 p.m., pursuant to Section 551.071, Texas Government Code, for consultation with attorney. Adam Richie of Munsch Hardt Kopf & Harr, P.C. attended the executive session. The Board determined that the attendance in this executive session of Mr. Froehlich and Ms. Kovar was necessary in order for the Board to obtain the necessary legal advice from its attorney, and the Board requested their presence in the executive session.

RECONVENE IN OPEN SESSION

At 7:29 p.m., the Board reconvened in open session. No action was taken by the Board.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)



  
Secretary, Board of Directors



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