

COASTAL WATER AUTHORITY

Minutes of Regular Meeting

July 10, 2019

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	Jon M. Sjolander (<i>Absent</i>)
Tony L. Council, P.E., First Vice-President	Joseph G. Soliz
Douglas E. Walker, Second Vice-President	Giti Zarinkelk, P.E.
Thomas A. Reiser, Secretary-Treasurer (<i>Absent</i>)	

CWA Staff

Don Ripley
John Baldwin
Greg Olinger
David Miller
John Sealy
Todd Vu
Mary Caballero

City of Houston Staff

Sharon Citino, PW&E

Legal Counsel

Neil Thomas, Norton Rose Fulbright US LLP

With the exception of Director Reiser and Director Sjolander all members of the Board were present thus constituting a quorum.

I. CALL TO ORDER – Wayne Klotz

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.)

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

II. ITEMS FOR CONSIDERATION – Wayne Klotz

A. Minutes of the June 12, 2019 Board Meeting.

Director Klotz stated that the first item of business was the approval of the Minutes of the Board Meeting of June 12, 2019, as written.

Motion approving the Minutes of the Board Meeting of June 12, 2019.

Motion made by Director Council, 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 June 2019 Luce Bayou Interbasin Transfer Project (LBITP) Monthly Status Report in their Board Members' Agenda packets.

a. Capers Ridge Pump Station.

Mr. Miller stated the monthly progress meeting was conducted on June 19, 2019. Major activities performed by Renda/Johnson Brothers JV (RJB) in June 2019 included:

- Continued steel framing for maintenance building
- Masonry walls at the electrical building

Mr. Miller stated that river flooding which began in late April 2019 and continued through early July prevented work on the pump station structure. However, since Thursday, July 4, 2019, the river levels have dropped steadily. The current river elevations are between elevation +29 feet to +30 feet at the pump station. RJB is expected to begin dewatering on Thursday, July 11, 2019. Dewatering and cleanup activities should be completed in approximately seven days. After the clean-up activities are completed the major work activities planned for late July 2019 include:

- Resume backfill around the pump station
- Forms/rebar for the final wall pours
- Continue work on the maintenance and electrical buildings

Progress photos taken at the CRPS site were provided to the Board. There were no questions from the Board.

b. Canal System.

Mr. Miller stated CWA, Triple B Services (Canal Contractor for Segments 1, 2 and 3), Principal Services Limited (Canal Contractor for Segments 4 and 5), Parsons, Aviles Engineering (Canal CMT), and the Canal Design Firms conducted the monthly progress meeting on June 11, 2019. Triple B Services is approximately 76% complete on Segment 1 and 97% complete on Canal Segments 2 and 3. CWA, Parsons and Gunda completed final inspection of Segment 3 on June 13, 2019. The punch list has been provided to the contractor. In approximately one to two weeks, the final inspection will be performed on Canal Segment 2.

Major activities on Canal Segments 1, 2, and 3 performed by Triple B Services in June 2019 included:

- Completed relocation of the City of Houston's 16-inch diameter sanitary force main at the FM2100 siphon
- Continued siphon headwalls at stations 72+00 and 95+50
- Structural concrete at Water Level Gate 1
- Installed siphon pipe at FM2100

Major work activities planned for July 2019 include:

- Continue Scott Road siphon headwalls
- Complete pipe installation for the FM2100 siphon
- Continue the siphon headwalls at stations 72+00 and 95+50

Mr. Miller stated Principal Services Limited (Principal) is 93% complete with Segment 4 and 97% complete with Segment 5. Final inspection has been completed on approximately 80% of Segment 5. The final inspection will be performed on Segment 4 and the remaining portion of Segment 5 on July 26, 2019. Director Klotz asked what the target date was for completion of Segments 2, 3, 4 and 5. Mr. Miller stated substantial completion will be performed possibly by the end of July and then punch-list work may begin by the end of August 2019. Director Klotz asked if maintenance would need to begin in August. Mr. Miller stated, yes. Major activities on Canal Segments 4 and 5 performed by Principal in June 2019 included:

- Completed FM1008 slope paving
- Completed articulated concrete block installation on Segment 5 drainage crossings

- Completed siphon downstream headwall at SH321

Major work activities planned for July 2019 include:

- Assemble and install Water Level Gates 5 and 6

At this time Mr. Miller identified and highlighted the current schedule status of significant structures at each of the Canal Segments, which included, FM2100 siphon on Segment 1; Grand Parkway siphon by TxDOT on Segments 2; water level Gate 5 on Segment 4; and FM1008 siphon on Segment 5. Progress photos across Segments 1 through 5 were presented to the Board. There were no further questions from the Board.

c. Canal Maintenance Facility.

Mr. Miller stated the contractor for the Canal Maintenance Facility (CMF), Teal Construction (Teal), is approximately 99% complete. Teal continued with punch list corrections in June 2019. The punch list corrections included repair of roof and window leaks, adjustment to the fuel dispenser, labeling wiring and piping through the shop area, and insulation on piping to/from the water storage tank. Final repair items include a new control panel for the septic system, training for CWA employees and turnover of all O&M manuals. CWA expects to have these activities completed within two weeks which will then initiate the warranty on all of the equipment and the construction for this project. Director Klotz asked if the facility was occupied yet. Mr. Miller stated, no; however, a CWA inspector visits the site daily for security purposes. Photos taken at the facility were provided to the Board. There were no further questions from the Board.

d. Dual 96-Inch Diameter Pipelines.

Mr. Miller stated the contractor for the Dual 96-inch Diameter Pipeline, Thalle Construction (Thalle), is approximately 74% complete. The monthly progress meeting was conducted on June 19, 2019. Major activities performed by Thalle in June 2019 included:

- Continued installation of the air/vac assembly vaults
- Poured concrete at the flow distribution basin
- Continued pipe fitting fabrication, linings and coatings (off-site)

Major work activities planned for July 2019 include:

- Continuation for flow distribution basin and ARV vaults
- Completion of pipe fitting fabrication
- Coating for fittings

Mr. Miller provided schematic drawings of the Pig Retrieval Building and Flow Distribution Basin and progress photos to the Board. Director Klotz asked when the pipelines themselves are supposed to be welded and completed. Mr. Miller stated the welding has been completed on both pipelines and Thalle is currently in the process of grouting the joints which is expected to be completed within three weeks. The air release valves are currently being bolted up and installed into the vaults; this takes 2-3 months to complete. There were no further questions from the Board. Director Klotz thanked Mr. Miller for a good report.

Mr. Miller presented to the Board a summary of the Minority, Women and Small Business Enterprises (MWSBE) report ending June 2019 that included all construction contractors working on the LBITP. There were no questions from the Board. Director Klotz gave kudos to everyone involved.

IV. MAINTENANCE & OPERATIONS – Greg Olinger

A. Monthly Operations Report/Project Updates.

The Monthly Operations Report for June 2019 was included in the Board Members' Agenda packets.

As an update on the Bayport 12-inch Waterline Replacement Project, Mr. Olinger stated the contractor, Carter Construction, is 95% complete with the project. The only items remaining to be completed are regrading some of the surface and hydroseeding. A progress meeting was held at the Lynchburg Pump Station on June 28, 2019. The estimated substantial completion date is July 10, 2019, and the project walk-through is scheduled for Friday, July 12, 2019. Carter Construction has performed well and is currently at 34% MWDBE utilization, well ahead of the contract goal of 20%. In total, the scope of the project includes replacement of 6,500 of twelve inch asbestos cement pipe with C-900 PVC pipe along Bay Area Blvd. Mr. Olinger stated the project went well and the contractor will complete within budget and on schedule. Mr. Olinger presented progress photos to the Board; there were no questions from the Board.

Mr. Olinger provided an update on the Canal Maintenance Station Access Road Replacement Project located in Mont Belvieu, Texas. Mr. Olinger stated this roadway is just under a mile in length and the original asphalt roadway was in poor condition following several winters of hard freezes. The lime stabilized sub base is complete. The contractor, Principal Services, Ltd., is placing one lane of the twenty foot wide roadway at a time. The contractor is placing ten feet at a time for the westbound and eastbound lanes. Currently, the contractor has completed all of the westbound lane and is up to eight hundred linear feet of the eastbound lane. The project is about 60% complete on the paving. Mr. Olinger presented progress photos to the Board; there were no questions from the Board.

B. Sunnyside Drive Canal Abandonment Request – Southeast Lateral Y.

Director Klotz deferred this item to Executive Session.

C. Lynchburg Pump Station Pump 205 Rebuild.

Mr. Olinger stated this item is a pump rehabilitation for Lynchburg Pump Station Pump No. 205. During CWA's ongoing vibrations monitoring program, the pump started to exhibit vibrations that exceed the established action levels. This is a 50K GPM vertical centrifugal pump that was originally installed in 1982. This will be the first rebuild of this pump after 37 years of service. CWA received two bids on June 14, 2019. The lowest bid was received from Mechanical Repair and Engineering (MRE) out of La Porte, Texas. MRE has successfully completed several pump rebuilds for CWA in the past. Mr. Olinger stated that this item was briefed to the O&M Oversight Committee on July 2, 2019. A copy of the bid tab was included in the Board Members' packets. 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 Mechanical Repair & Engineering (MRE) in the amount of \$211,475.00 for the rehabilitation of Pump 205 at the Lynchburg Pump Station.

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

D. Lake Houston Dam Rehabilitation Project.

As an update on the Lake Houston Dam Rehabilitation Project, Mr. Olinger stated the contractor, Thalle Construction (Thalle), is working on completion of a concrete ramp to the downstream portion of the dam to facilitate crane and materials access. Thalle, Stantec, and AECOM are working through the submittal review process. Mr. Olinger noted that the biggest challenge CWA faces is approval of the Care of Water Plan. The cofferdam plan has to balance the need for establishing adequate work space with maintaining stability of the dam in the dewatered sections. The most critical aspect of this project to make sure

CWA is not causing damage or putting the dam in an unstable situation during construction. Mr. Olinger stated that CWA has been keeping Mr. Drew Molly, with the City of Houston's Drinking Operations, apprised of the status of the project as we go. Mr. Molly has also been invited to the project meetings. Mr. Olinger noted upcoming work activities in the following three weeks include:

- Install flashboard and Phase 1 cofferdams
- Construct the training wall
- Drill weep holes in the downstream apron
- Remove impact blocks ahead of the training wall construction

Mr. Olinger presented the Board with progress photos taken at the project site and schematic drawing of the Phase 1 Cofferdam Plan. There were no further questions from the Board.

At this time, Mr. Olinger mentioned to the Board that CWA will issue a re-bid on rebuilding of Pump-205 motor which is also exhibiting vibrations that exceed the established action level. CWA received only one bid on the first iteration of the bid process for the rebuild of this motor last month. CWA has slightly modified the bid specification and has re-advertised and will receive bids on the July 25, 2019. The bid award recommendation will be brought forward to the Board at the August Board Meeting for consideration.

V. BUSINESS REVIEW – John Baldwin

A. Monthly Financial Statements for the Previous Month.

Mr. Baldwin presented to the Board the Financial Statements for the month ending June 30, 2019. Mr. Baldwin stated that all five of the operating budgets are within the budget forecast for this time of the year. The revenues and expenditures are in good shape in all five operating budgets. The City of Houston is punctual in reimbursements and, CWA customers from Bayport and the Water Treatment Plant are timely with payments to their respective invoices. There were no questions from the Board on the financials. At this time, Mr. Baldwin noted to the Board that beginning next month, CWA will start planning on next year's budget.

VI. DISBURSEMENTS – John Baldwin

Mr. Baldwin presented to the Board the summary of disbursements for the month of June on the various construction funds. The disbursements to be approved by the Board included: the Bayport Capital Improvement Fund – in the amount of \$283,305.31; the Special Project Equity Fund – in the amount of \$447,686.82; the Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$40,460.93; the Construction Fund – Series 2015 (Luce Bayou Project) – in the amount of \$307,370.52; the Construction Fund – Series 2016 (Luce Bayou Project) – in the amount of \$2,451,067.11; the Construction Fund – Series 2017 Loan (Luce Bayou Project) – in the amount of \$863,786.98.

Motion approving the Disbursement of Funds as presented.

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

VII. OLD BUSINESS – Don Ripley

There were no old business items to discuss.

VIII. NEW BUSINESS – Don Ripley

There were no new business items to discuss.

IX. EXECUTIVE SESSION

Director Klotz noted the time at 10:43 A.M. and stated that the Board would at this time convene in Executive Session. The Executive Session is held to provisions of Section 551.071-551.084 of the Texas Government Code. No action would be taken in Executive Session.

X. RECONVENE – OPEN SESSION

Open session was reconvened at 10:50 A.M. Director Klotz stated that no action was taken in Executive Session.

IV. MAINTENANCE & OPERATIONS – Greg Olinger

B. Sunnyside Drive Canal Abandonment Request – Southeast Lateral Y.

At this time, Mr. Olinger requested the motion as presented.

Motion authorizing the Executive Director to initiate a 30-day public review period related to the possible abandonment of a portion of Coastal Water Authority's Southeast Lateral Y easement in Chambers County.

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

XI. ADJOURNMENT – Wayne Klotz

The meeting was adjourned at 10:52 A.M.

[Signature page follows]



Tony L. Council, 1st Vice-President