

COASTAL WATER AUTHORITY

Minutes of Regular Meeting

January 10, 2024

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
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	

CWA Staff

John Baldwin
David Miller
Todd Vu
Mary Caballero

City of Houston Staff

Greg Eyerly

General Legal Counsel

Barron Wallace and Mary Buzak, Bracewell LLP

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 – Wayne Klotz

A. Welcome.

Director Klotz 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 – Wayne Klotz

Director Klotz stated that the first item of business was the approval of the Minutes of the Board Meeting of December 13, 2023.

A. Minutes of the December 13, 2023 Board Meeting.

Motion approving the Minutes of the Board Meeting of December 13, 2023.
Motion made by Director Council, Seconded by Director Sjolander. The Motion carried unanimously.

IV. OPERATIONS AND MAINTENANCE – David Miller

A. Operations Summary Report.

Regarding the levels at CWA's regional drinking water reservoirs, Mr. Miller stated that with the recent rainfall Lake Houston and Lake Livingston are slightly above normal pool and Lake Conroe is below normal pool by approximately three inches. Currently the Trinity River Authority is releasing approximately 5,600 cfs at the Lake Livingston Dam. Regarding CWA's surface water production, during the month of December 2023, the Trinity River Pump Station pumped 19.5 billion gallons which is an average of 629 million gallons per day (MGD). The Lake Houston Pump Station pumped 1.3 billion gallons which is an average of 41 MGD. Mr. Miller stated that for almost the entire duration of December the Capers Ridge Pump Station (CRPS) had two pumps in operation to maintain the water level at normal pool elevation at Lake Houston. CRPS pumped 5.4 billion gallons per day which is an average of 174 MGD.

Mr. Miller stated that at the February 2024 Board Meeting, an update will be provided on CWA's on-going major projects including the Lynchburg B-System Improvements Project; CRPS Expansion; B-2 Pipeline; SCADA Master Plan; and the Lake Houston Dam Spillway Improvement Project. CWA will request Board authorization to advertise the Facilities Improvement Master Plan (FIMP) Request for Qualifications and Board approval of CWA's Capital Improvement Plan. In response to a question from Director Klotz, Mr. Miller explained that the FIMP is the plan to make required CWA facilities/buildings replacements, renovations and modernization, including space planning; replacing HVAC systems, lighting systems, and communication systems; and expanding/renovating kitchens, offices, and conference rooms. Mr. Miller noted that almost all of CWA's facilities are approximately fifty years old and the FIMP will describe and prioritize these replacement, renovation and modernization projects.

Mr. Miller noted that some of CWA's early year activities currently underway include the following:

- Safety Refresher Training for all CWA employees.
- Implementation of freeze protection measures at all CWA's pump stations and pipelines.
- Annual generator testing later this month at Lynchburg Pump Station and TRPS.
- Coordination meetings with Mr. Greg Eyerly, Director of City of Houston/Houston Public Works/Houston Water, and Mr. Eyerly's Planning Group and Drinking Water Operations Group.

V. BUSINESS REVIEW – John Baldwin

A. Monthly Financial Statements for the Previous Month.

Mr. Baldwin stated that this item is the draft Financial Statements for the month ending December 31, 2023, which is also the end of CWA's 2023 fiscal year. CWA will be working on any needed adjustments to the December 31, 2023 year-end final report which will be presented to the Board at next month's meeting. The final report will also be reviewed by CWA's auditors sometime during early February 2024. Mr. Baldwin noted that all five of the Operating Budgets came in under budget, and the revenue streams are all on schedule. There were no questions from the Board.

Mr. Baldwin noted that the City of Houston City Council passed all of CWA's 2024 Operating Budgets for the Lake Houston Facilities; the Luce Bayou Water System Project; and the Trinity River Conveyance System.

VI. DISBURSEMENTS – John Baldwin

Mr. Baldwin 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 Special Project Equity Fund – in the amount of \$35,828.27; Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$63,860.58; Construction Fund – Series 2017 Loan (Luce Bayou Project) – in the amount of \$733,605.78; and the Project Fund – in the amount of \$188,150.00. 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 Sjolander. The Motion carried unanimously.

VII. OLD BUSINESS – John Baldwin

No items to discuss.

VIII. NEW BUSINESS – John Baldwin

A. Election of Coastal Water Authority Officers.

Mr. Baldwin stated this item is the election of officers. At this time, Director Reiser moved to elect the following officers:

President – Tony L. Council, P.E.
1st Vice President – Douglas E. Walker
2nd Vice President – Giti Zarinkelk, P.E.
Secretary-Treasurer – Joseph G. Soliz
Assistant Secretary-Treasurer – Jon M. Sjolander

Director Walker seconded the motion.

After discussion by various members of the Board and general counsel, Barron Wallace, Director Reiser moved to call the question, which was seconded by Director Walker. Director Klotz asked for a show of hands for those approving the Motion as presented.

The motion to call the question was approved by show of hands on a vote of 4-3, with Directors Reiser, Walker, Sjolander and Zarinkelk voting yes, and Directors Council, Klotz and Soliz voting no.

Motion approving the Election of Coastal Water Authority Officers as presented.

Motion made by Director Reiser, Seconded by Director Walker. The Motion was approved by show of hands on a vote of 5-2, with Directors Reiser, Walker, Sjolander, Zarinkelk and Soliz voting yes, and Directors Council and Klotz voting no.

At this time Director Council became the presiding officer over the meeting.

IX. EXECUTIVE SESSION – Tony Council

A. CWA Executive Director Posting.

B. Executive Compensation.

Director Council noted the time at 10:18 A.M. and stated that the Board would at this time convene in Executive Session pursuant to the provisions of Sections 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 10:28 A.M. Director Council stated that no action was taken in Executive Session.

After discussion, in connection with Item IX.A., CWA Executive Director Posting, Mr. Baldwin recommended the motion as presented.

Motion authorizing posting of the position of CWA Executive Director.

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

After discussion, in connection with Item IX.B., Executive Compensation, Director Reiser recommended the motion as presented.

Motion approving the salary increase from January 10, 2024, for the Chief Financial Officer in accordance with the “Schedule of Salary Increase” as presented.

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

XI. ADJOURNMENT – Tony Council

The meeting was adjourned at 10:30 A.M.

[Signature page follows]



Joseph G. Soliz, Secretary-Treasurer