

MEMORANDUM

To: Saqib Shirazi, P.E., Innovative Water Technologies, Texas Water Development Board (TWDB)

FROM: Jesus Leal, P.E., NRS Consulting Engineers, Inc.

SUBJECT: North Alamo Water Supply Corporation
Victoria Road Plant No. 5 RO Brackish Groundwater Desalination Project
Demonstration Project Grant Contract between the Texas Water Development Board (TWDB) and North Alamo Water Supply Corporation (Corporation);
TWDB Contract No. 1104831108

DATE: November 7, 2012

CONTRACT: TWDB Contract No. 1104831108

Recent Project Activities:

In accordance with TWDB contract, North Alamo Water Supply Corporation provides the following update:

Task 2.1 Fiberglass Research and Evaluation

This task has been completed.

Task 2.2 Design/Specifications/Bidding

This task has been completed.

Task 2.3 Test Drilling

This task has been completed.

Task 2.4 Aquifer Evaluation and Recommendations

This task has been completed.

Task 2.5 TCEQ Coordination and Exception Process

This task has been completed.

Task 3.1 Design/Bid/Phase-Production Well

This task has been completed.

Task 3.2 Bidding Phase

This task has been completed.

Task 3.3 Bid Evaluation

This task has been completed.

Task 4.1 Construction

This task has been completed.

Task 4.2 Testing/Monitoring

This task has been completed.

Task 4.3 Start Up/Operations

This task has been completed.

Task 4.5 Report

It is anticipated that a draft version of the report will be submitted to the TWDB by January 15, 2013. An extension of time has been requested to the TWDB.

Issues Encountered:

None.

Items to be Addressed and Anticipated Project Activities:

None.