



W. Earl Touchstone
24 Greenway Plaza, Suite 1400
Houston, Texas 77046
Earl.Touchstone@lewisbrisbois.com
Direct: 832.548.3024

March 24, 2020

2250.403

VIA ELECTRONIC MAIL

Ed Kocurek
Martin Dana
Hobas Pipe USA, Inc.
1413 E. Richey Road
Houston, Texas 77073

Re: Harris County and City of Houston “Stay in Place Order”

Dear Ed and Martin:

This morning, Harris County Judge Lina Hidalgo, in coordination with Houston Mayor Sylvester Turner, issued a mandatory “Stay Home. Work Safe.” Order, effective at 11:59 pm on March 24, 2020 (“Order”), to preserve public health and safety in Harris County in the face of the COVID-19 pandemic. The Order is in effect through at least April 3. The Order references the federal critical infrastructure sectors as designated by the Federal Cybersecurity & Infrastructure Security Agency (CISA). CISA exempts certain Essential Businesses which are defined under the CISA and published by the US Department of Homeland Security. The Order also exempts the residential and commercial construction industries.

Hobas Pipe USA, Inc. (HPUSA) operates in Harris County and they have asked our firm for an opinion on where their business falls relative to these published guidelines. Hobas Pipe USA, Inc. has been operating in Harris County for over 30 years. The company manufactures centrifugally cast glass fiber reinforced polymer mortar (CCFRPM) pipe for the municipal sewer and water industry. For more information on the product please visit Hobas Pipe USA, Inc.’s website www.hobaspipe.com.

The CISA defines as an Essential Business:

Water and Wastewater Systems Sector

Ed Kocurek
Martin Dana
March 24, 2019
Page 2

Safe drinking water is a prerequisite for protecting public health and all human activity. Properly treated wastewater is vital for preventing disease and protecting the environment. Thus, ensuring the supply of drinking water and wastewater treatment and service is essential to modern life and the Nation's economy.

Without pipe manufactured by HPUSA many of our country's critical sewer and water infrastructure would not be in operation and HPUSA is currently involved in over 149 active construction projects throughout the USA and Canada to meet those needs. Per the CISA guidelines it is our opinion that HPUSA is part of the critical supply chain and critical infrastructure for these essential Water and Wastewater Systems Sector, as well as the commercial construction industry. Additionally, we believe the raw material suppliers to HPUSA are also part of this critical supply chain.

Therefore, the March 24, 2020, Harris County order would not preclude Hobas Pipe from operating and manufacturing pipe and other related products to continue its Essential Business. It is our opinion that HPUSA may open for business during this critical time in our nation's history. HPUSA must adhere to all of the CDC and other local, state guidelines for operating a safe work environment for their employees. As of March 17, all staff and office employees who can work from home are doing so, but the manufacturing employees can continue to work at the plant located at 1413 E. Richey Road, Houston, Texas.

Numerous procedures have been implemented throughout the manufacturing facility to protect the Hobas employees including; PPE equipment worn at all times, lunches and breaks are limited to 10 or fewer people 6 feet apart, lunch and break rooms are cleaned after each use, employees are to wash their hands per the CDC directives, and constant communication is being undertaken to keep the employees informed of the dangers of Coronavirus and how to combat it.

We strongly agree with HPUSA's decision to remain open as an exempted Essential Business during this critical time, and believe they are doing this in the best interest of the United States, State of Texas, employees, and customers.

If you should have any further questions, please do not hesitate to contact me.

Very truly yours,

W. Earl Touchstone
W. Earl Touchstone of
LEWIS BRISBOIS BISGAARD & SMITH LLP

WET