

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
JULY 25, 2024**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., July 25, 2024, at the San Jacinto River Authority General and Administration Building. Notice of said meeting was posted as required by law. President Ronnie Anderson, Vice President Ed Boulware, Treasurer Mark Micheletti, Secretary Wil Faubel, Director Stacey Buick, and Director Stephanie Johnson were present. Secretary Pro-Tem Ricardo Mora was absent. Also in attendance were Aubrey A. Spear, General Manager; Heather Ramsey, Director of Communications and Public Affairs; Pam Steiger, Chief Financial Officer; Connie Curtis, Director of Technical and Operational Services; Ed Shackelford, Director of Operations; Cynthia Bowman, Chief of Staff; and Mitchell Page, General Counsel.

1. CALL TO ORDER

The meeting was called to order at 8:00 a.m.

2. CEREMONIAL ITEMS

a. Invocation

The invocation was delivered by Director Micheletti.

b. Pledges of Allegiance

The Pledges of Allegiance were led by Director Anderson.

c. Receipt of Commendation, Awards, and Honoraria

There were no presentations.

3. PUBLIC COMMENTS

Mr. Dan Krueger commented on water conservation relative to Lake Conroe. Mr. Don Bennett spoke about possible consideration by the San Jacinto River Authority to limit boats to certain parts of the lake whereby wakes cannot potentially damage bulkheads within coves.

4. DIVISION UPDATES

a. G & A General Manager

Mr. Spear provided information related to continued outreach to entities within the San Jacinto River Basin.

b. G & A Public Relations

Ms. Ramsey provided updates related to various division and department projects, initiatives, tours, meetings, and social media platforms.

c. G & A Chief Financial Officer

Ms. Steiger mentioned that the external auditors were beginning their auditing process this month.

d. G&A Technical and Operational Services

Ms. Curtis provided no update related to Technical and Operational Services.

e. Operating Divisions

Mr. Shackelford informed the Board that Water Resources Project Manager, Ms. Briana Gallagher, recently accepted a position with the Trinity River Authority and went on to mention her many accomplishments during her time with the San Jacinto River Authority.

f. Utility Enterprise

Mr. Meeks, Mr. Jason Williams, and Mr. Jacob Everett provided an update related to operations during Hurricane Beryl.

g. Lake Conroe

Mr. Raley provided an update related to operations during Hurricane Beryl.

h. Highlands

Mr. Tramm provided an update related to operations during Hurricane Beryl and provided an update related to the Lake Houston Remote Operations Center.

i. Flood Management

Mr. Barrett provided no update relative to the Flood Management Division.

5. CONSENT AGENDA

Director Buick asked a question related to Consent Agenda item 5e. Mr. Barrett provided a brief summary related to her question.

Director Micheletti made a motion to approve the Consent Agenda, as presented. The motion was seconded by Director Johnson and carried unanimously.

a. Approval of Minutes - Regular Meeting of June 27, 2024.

b. Quarterly Investment Report

Approve the Quarterly Investment Report for the Quarter Ended May 31, 2024.

c. Work Order No. 4 - Wastewater Treatment Facility No. 2 Grit Classifier Improvements

Authorize the General Manager to execute Work Order No. 4 with Quiddity Engineering, LLC, in the amount of \$106,540, for final design engineering services for Wastewater Treatment Facility No. 2 Grit Classifier Improvements for the Woodlands Division.

d. Interlocal Agreement - Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study

Authorize the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, Harris County Flood Control District, City of Humble, Texas, and five (5) Woodlands Area Municipal Utility Districts for the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study.

e. Interlocal Agreement - Upper San Jacinto River Basin Regional Sedimentation Study

Authorize the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, Harris County Flood Control District, City of Houston, Texas, and City of Humble, Texas, for the Upper San Jacinto River Basin Regional Sedimentation Study.

6. REGULAR AGENDA

a. Construction Contract - Water Plant Nos. 1, 2, and 3 Generators

Mr. Schindewolf, Project Manager, provided information related to the generators at Water Plant Nos. 1, 2, and 3. He explained that each water plant plays a vital role in the blending, chlorination, and pumping processes for the distribution system that serves The Woodlands customers. He further stated that to continue the operational reliability of each water plant during a power outage, backup power generation is necessary to power on-site groundwater wells and/or plant booster pumps in order to maintain the minimum required system pressure and flow rate. Director Faubel made a motion to authorize the General Manager to execute a construction contract with C3 Constructors, LLC, in an amount not to exceed \$2,243,000, for Water Plant Nos. 1, 2, and 3 Generators for the Woodlands Division, and contract modifications up to the amount approved by the Purchasing Policy. The motion was seconded by Director Buick and carried unanimously.

It was announced that Regular Agenda item 6b would be considered following Executive Session and that Regular Agenda items 6c and 6d would be considered together.

b. Mutual Termination of Lease Agreement and Mutual Termination of Use, Operation, and Maintenance Agreement - Lake Conroe Park

Ms. Kitt Crabb, Project Manager, provided an overview of the Lake Conroe Maintenance Facility Improvements Project. Director Buick made a motion to approve items 6c and 6d, as presented. The motion was seconded by Director Johnson and carried unanimously.

c. Construction Contract - Lake Conroe Maintenance Facility Improvements

Authorize the General Manager to execute a construction contract with Noble Building & Development, LLC, in an amount not to exceed \$4,249,840, for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division, and contract modifications up to the amount approved per the Purchasing Policy.

d. Work Order No. 2 - Lake Conroe Maintenance Facility Improvements

Authorize the General Manager to execute Work Order No. 2 with Half Associates, Inc., in an amount not to exceed \$203,340.13, for construction phase services for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division.

7. BRIEFINGS AND PRESENTATIONS

a. Presentation regarding the proposed Fiscal Year 2025 Operating Budgets

Ms. Jamye Lewis, Accounting Manager, presented the proposed Fiscal Year 2025 Operating Budget, to include various budget assumptions, division fund summaries, an explanation of restricted funds versus unrestricted funds, and proposed water rates for the Woodlands Division customers and the raw water customers.

b. Presentation regarding the proposed Fiscal Year 2025 rates for the Woodlands Division customers

Ms. Lewis presented information related to the budget process for the Woodlands Division customers. She discussed the expectations relative to various levels of service. Ms. Lewis stated that the proposed water rate will be \$2.73/1,000 gallons, which is a 1.8% decrease. The proposed wastewater rate will be \$5.65, which is unchanged from the last fiscal year.

c. Presentation regarding the proposed Calendar Year 2025 rates for Raw Water customers

Ms. Lewis presented the proposed raw water rate for Calendar Year 2025, which is \$0.61/1,000 gallons, a 5.2% increase. She explained that according to the raw water rate model of 2018, the proposed rate is in line with the prior projection for 2025.

8. EXECUTIVE SESSION

The meeting was convened in executive session at 9:29 a.m., under the following provisions:

- a.** Discussion regarding items identified elsewhere on the agenda pursuant to Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Real Property), 551.073 (Prospective Gifts), 551.074 (Personnel Matters), or 551.076 (Security Devices), as applicable.
- b.** Consultations with attorney, pursuant to Texas Government Code, Section 551.071 regarding:
 1. Litigation related to Hurricane Harvey, including additional legal services to be provided by Hunton Andrews Kurth, LLP; and
 2. Litigation and other litigation related to GRP.
- c.** Discussion regarding Lake Conroe Park, pursuant to Texas Government Code, Section 551.072.

9. RECONVENE IN OPEN SESSION

With a quorum of the Board present, the meeting was called into open session at 11:08 a.m.

The Board of Directors then considered Regular Agenda item 6b.

6b. Mutual Termination of Lease Agreement and Mutual Termination of Use, Operation, and Maintenance Agreement - Lake Conroe Park

Mr. Shackelford provided a brief overview related to the Mutual Termination of Lease Agreement and Mutual Termination of Use, Operation, and Maintenance Agreement related to Lake Conroe Park. Director Johnson made a motion to authorize the General Manager to execute a Mutual Termination of Lease Agreement and a Mutual Termination of Lake Conroe Park Use, Operation, and Maintenance

Agreement with Montgomery County. The motion was seconded by Director Micheletti and carried unanimously.

10. ANNOUNCEMENTS / FUTURE AGENDA

It was announced that the next San Jacinto River Authority Regular Board Meeting will take place on August 22, 2024.

11. ADJOURN

Without objection, the meeting was adjourned at 11:09 p.m.



A handwritten signature in black ink, appearing to read "Wil Faubel".

Wil Faubel
Secretary, Board of Directors