

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
DECEMBER 12, 2024**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., December 12, 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 ProTem Ricardo Mora was absent. Also in attendance were Aubrey A. Spear, General Manager; Heather Ramsey, Director of Communications and Public Affairs; Ed Shackelford, Director of Operations; Connie Curtis, Director of Technical and Operational Services; Pam Steiger, Chief Financial Officer; 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

2.1 Invocation

The invocation was delivered by Pastor Anthony Rios, of The Ark Church.

2.2 Pledges of Allegiance to the U.S. and Texas Flags

The Pledges of Allegiance were led by Director Anderson.

2.3 Receipt of Commendation, Awards, and Honoraria

There were no commendations, awards, or honoraria.

3. Public Comments

Mr. Dan Krueger spoke about water issues in and around Montgomery County.

4. Work Session

4.1 Update by the General Manager regarding meetings and events attended by staff.

Mr. Spear provided updates related to Lake Conroe Park, various meetings attended, and addressed water issues in Montgomery County. Mr. Shackelford provided an update related to the derailment of a tanker car into the Coastal Water Canal in the Highlands. He stated that there was no damage to the siphon nor the canal system as a result.

4.2 Update by the Director of Communications and Public Affairs regarding updates related to various division and departmental projects, initiatives, tours, meetings, and social media platforms.

Ms. Ramsey provided updates related to various division and departmental projects, initiatives, tours, meetings, and social media. She provided a year-end recap of statistics related to social media, customer service activities, and the production of in-house videos.

4.3 Presentation by the Lake Conroe Division Manager regarding Aquatic Plant Management

Mr. Bret Raley, Lake Conroe Division Manager, provided an update related to aquatic plant management at Lake Conroe.

5. Consent Agenda

Ms. Pam Steiger, Chief Financial Officer, requested that Consent Agenda item 5.2 not be considered at this time. Director Buick made a motion to approve Consent Agenda items 5.1, 5.3, and 5.4, as presented. The motion was seconded by Director Johnson and carried unanimously.

5.1 G&A - Minutes

Approval of Minutes - Regular Meeting of October 24, 2024.

5.2 G&A - Unaudited Financials

This item was not considered.

5.3 G&A - Quarterly Investment Report

Consider approval of the Quarterly Investment Report for the Quarter Ended November 30, 2024.

5.4 Lake Conroe - Acceptance of Funds for Herbicide Spraying Around Lake Conroe

Consider acceptance of funds from the Lake Conroe Association for herbicide spraying around Lake Conroe.

6. Regular Agenda

6.1 Highlands - Work Order No. 2 for Lake Houston Pump Station Pump and Motor Replacement

Mr. Nabeel Khan, Project Manager, provided information related to the Lake Houston Pump Station ("LHPS") and Motor Replacement Project. He stated the LHPS was constructed in 1955 with three pumps and motors that are still in service today. Mr. Khan explained that a fourth motor was installed in the 1980's, that all pumps and motors have been rehabilitated multiple times throughout their service life, and that the availability of parts and the ability to further rehabilitate them is extremely limited. He spoke about transitioning the LHPS from the existing 2,400-volt (medium voltage) service to a 480-volt (low voltage) service, to allow for ease of maintenance on the electrical components of same. Mr. Khan stated that the project consists of the final design and early procurement of four new pumps/motors, the associated electrical and control components, a new overhead crane, new generator, new 480-volt power distribution system, and new HVAC. Further, he explained that all new electrical and control equipment associated with the project will be installed in the switchgear room of the Remote Operations Center ("ROC") and the existing electrical equipment in the pump station building will be removed/abandoned. Mr. Khan explained that the final design includes routing electrical conduits from a new low voltage transformer to the new generator and ultimately the new pumps

and motors via the ROC. Finally, Mr. Khan explained the need for early procurement of the pumps/motors, generator, and portions of the electrical equipment to help maintain the project's construction schedule. Director Micheletti made a motion to authorize the General Manager to execute Work Order No. 2 in an amount not to exceed \$1,425,241, with Mbroh Engineering, Inc., for final design for the Lake Houston Pump Station Pump and Motor Replacement Project in the Highlands. The motion was seconded by Director Faubel and carried unanimously.

6.2 Raw Water Enterprise - Water Supply Contract with Entergy, Texas, Inc.

Mr. Matt Barrett, Water Resources and Flood Management Division Manager, provided a brief overview of the history associated with the water supply contract with Entergy, Texas, Inc. He explained that the 2015 contract provided for the sale of 2.555 billion gallons of water per year and is scheduled to expire on December 31, 2024, however both parties wish to continue the contractual relationship. He stated that the proposed contract would allow for the provision of raw water through December 31, 2034, with an option for up to an additional ten years beyond the initial term. He explained that there is no change in the amount of water to be provided. Director Buick made a motion to authorize the General Manager to execute a Water Supply Agreement with Entergy Texas, Inc., for the Raw Water Enterprise. The motion was seconded by Director Boulware and carried unanimously.

6.3 GRP - First Amendment to Water Supply Contract with Entergy Texas, Inc.

Mr. Barrett presented information related to the 2020 Water Supply Contract with Entergy Texas, Inc., stating the contract provided for the reservation of, and sale of, up to 2.555 billion gallons of water per year from Lake Conroe to Entergy. He explained that the contract designated the reserved water as coming from the portion of Lake Conroe's yield owned by the City of Houston and reserved by the GRP Division. Further, based on changes in its operations and water demands, Mr. Barrett explained that Entergy requested a reduction in the total amount of water reserved under the current contract, from 2.555 billion gallons per year to 1.095 billion gallons per year. Director Micheletti made a motion to authorize the General Manager to negotiate and execute the First Amendment to Water Supply Contract with Entergy Texas, Inc., for the GRP Division. The motion was seconded by Director Johnson and carried unanimously.

6.4 Raw Water Enterprise - Water Supply Contract with Harris County MUD No. 50

Mr. Barrett provided information related to the proposed Water Supply Contract with Harris County Municipal Utility District ("MUD") No. 50. He stated that the 2007 contract provided for the sale of 500,000 gallons of water per day from the Highlands canal system to MUD No. 50. He explained that the contract was amended in 2015 to update certain terms and conditions related to payment for the contracted water. Mr. Barrett further explained that in order to meet future customer demands and regulatory requirements of the Harris-Galveston Subsidence District, as well as to better align water demands with its development schedule, MUD No. 50 requested execution of an amended and restated contract that would increase the total contracted quantity of water to 1,500,000 gallons per day, with the entire quantity being reserved until January 1, 2037, at which point 1,000,000 gallons per day will convert to "take or pay." Mr. Barrett concluded that the proposed contract is for a term of 30 years with the option for an additional ten years beyond the initial term. Director Buick made a motion to authorize the General Manger to execute a Water Supply Contract with Harris County MUD No. 50 for the Raw Water Enterprise. The motion was seconded by Director Johnson and carried unanimously.

7. EXECUTIVE SESSION

The meeting was convened in executive session at 8:56 a.m., under the following provisions:

- 7.1 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.**
- 7.2 Pursuant to Texas Government Code, Section 551.071, Consultation with Attorney:**
- 7.2.1 Litigation related to Hurricane Harvey, including additional legal services to be provided; and
 - 7.2.2 Pending litigation involving City of Conroe, City of Magnolia, Quadvest, L.P., Woodland Oaks Utility, L.P., related to GRP, and other potential litigation related to GRP; and
 - 7.2.3 Water Supply Contract dated October 16, 2009, between the San Jacinto River Authority and the City of Houston.
- 7.3 Pursuant to Texas Government Code, Section 551.072, Real Property:**
- 7.3.1 Lake Conroe Park; and
 - 7.3.2 Lease agreement with U.S. Forest Service for property associated with Lake Conroe Reservoir.

8. Reconvene in Open Session

With a quorum of the Board present, the meeting was called into open session at 10:37 a.m.

9. Announcements / Future Meeting

It was announced that the next San Jacinto River Authority Regular Board Meeting will take place on January 23, 2025.

10. ADJOURN

Without objection, the meeting was adjourned at 10:38 a.m.



Wil Faubel
Secretary, Board of Directors