

**GRP Review Committee
Minutes of Regular Meeting
August 22, 2016**

The San Jacinto River Authority GRP Review Committee meeting was held at 11:30 a.m., August 22, 2016, at the San Jacinto River Authority GRP Division Operations Building located at 6627 Longmire Road, Conroe, Texas 77304. Committee members Mike Mooney, Jackie Chance, Scott Taylor, Joe Sherwin, and Kerry Masson were present.

1. CALL TO ORDER

The meeting was called to order at 11:35 a.m.

2. PUBLIC COMMENTS (maximum of 3 minutes per speaker)

There were no public comments.

3. APPROVAL OF MINUTES

Mr. Mooney indicated that the minutes of the GRP Review Committee meeting on July 25, 2016, were before the Committee for consideration. Motion was made by Mr. Sherwin, seconded by Mr. Taylor, and unanimously carried to approve the minutes for the GRP Review Committee meeting.

GRP ITEMS FOR CONSIDERATION BY THE SJRA BOARD OF DIRECTORS ON AUGUST 25, 2016:

- a. Mr. Smith stated that the GRP's Fiscal Year 2017 Operating Budget was presented last month for approval, no action was taken and by recommendation from the Review Committee members that were present, the item was to be presented this month when more Committee members were present. Mr. Smith then requested action by the Committee. Motion was made by Mr. Chance, seconded by Mr. Masson, the motion passed with one opposed, Mr. Scott Taylor, to recommend approve of the GRP Fiscal Year 2017 Operating Budget.
- b. Consider authorizing the General Manager, or his designee, to execute Letter(s) of Assurance to Lone Star Groundwater Conservation District for new participants in the GRP Program, as requested, and approve the GRP Contract(s) as presented and authorize the execution of same by the General Manager.

No action was required.

4. UPDATE REGARDING GRP DIVISION

a. HDR Plant Optimization Update

Mr. Smith provided that HDR had a meeting with TCEQ on August 4, 2016. HDR is working on process evaluations in Pretreatment, making adjustments to flow balance and have improved turbidity at .4, and reducing operating pressure at high service, which will result in a power savings of \$53,000.00. Mr. Smith stated he will have more to report at the December meeting.

b. Compliance and Customer Service Update

Mr. Matt Corley, Customer Service and Compliance Supervisor presented a compliance update. He reported a one billion gallon increase in pumpage from the month of June to

July. The increased pumpage was due to dry, hot weather conditions in the month of July. Despite an increase in groundwater pumpage, revenues are still below budget for the fiscal year. Mr. Corley further explained changes made to the GRP Monthly Operations report. Graphs on page seven (7) and nine (9), no longer reflect early conversion credits. The 2017 Production Schedule will be submitted to Lone Star on September 1, 2016. Mr. Corley concluded that the GRP was considering using a company called Survey Monkey to send out a survey to Participants regarding a workshop that the GRP would like to offer to help Participants calculate future water demands. The survey will help the GRP develop ideas on how to better assist the participants with their calculations.

c. Operations Update

Mr. Don Sarich, Senior O&M Utility Manager provided an update on operations. He stated the Surface Water Treatment Plant peaked at 25.925 MGD on August 6, 2016. He provided that the plant was currently running in the lower 20 MGD range due to wet weather. He stated in reviewing the plant optimization study they were considering a reduction of 90/10 split through *Granulated Activated Carbon* (GAC). The cost of *Granulated Activated Carbon* (GAC) is the highest single operating cost. The plant will also be using a reactivated carbon vs new carbon moving forward which will result in substantial savings.

d. Financial Update

A financial update was presented by Kimberly Wright. Mrs. Wright stated revenues were up due to dry weather and expenses are below budget. The GRP is currently operating under the level two conditions of the budget triggers as revenues are still below budget, for the budget year. The GRP is spending Multi-Purpose Operating Reserves to meet O&M needs. There are currently 4.03 months of operating reserves established. Staff will continue to evaluate and prioritize expenditures and cut or delay lower prioritized expenditures as needed.

e. GRP Review Committee Election/Appointments Update

Mr. Smith stated the deadline to turn in ballots is November 1, 2016, for the below nominees. Currently only three ballots have been received. The Committee seats held by City of Conroe and Lone Star are by appointment and new appointments for these members are to be seated in January.

1. Robert C. Watson
2. Kerry Masson
3. Kevin Arnett
4. Richard Myers
5. Bredawn Riley
6. Claude Humbert

5. DISCUSSION REGARDING FUTURE AGENDA ITEMS

Mr. Smith stated that he anticipates new members in the future. The submission of a petition requesting City of Conroe to annex approximately 76 additional acres of SJRA property will be forthcoming.

6. FUTURE MEETING SCHEDULE

- September 19, 2016
- October 24, 2016
- November, 2016 (No meeting in November)
- December 5, 2016

7. ADJOURN

Without objection, the meeting was adjourned at 11:55 a.m.



Matt Corley
Customer Service & Compliance Supervisor



Mark Smith
GRP Administrator