

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
OCTOBER 26, 2017**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 7:30 a.m., October 26, 2017, at the San Jacinto River Authority General and Administration Building, a notice of said meeting was posted as required by law. President Lloyd Tisdale, Vice President Fred Koetting, Secretary Gary Renola, Assistant Secretary Jim Alexander, and Treasurer Ronnie Anderson were present. General Manager Jace Houston, Deputy General Manager Ron Kelling, Director of Financial and Administrative Services Tom Michel, Director of Raw Water Enterprise David Parkhill, Woodlands Division Manager Chris Meeks, GRP Division Manager Mark Smith, Lake Conroe Division Manager Bret Raley, Highlands Division Manager Kimberly Wright, Public Relations Manager Ronda Trow, Administrative Services Manager Cynthia Bowman, Financial Advisors Jan Bartholomew and Ryan Nesmith, and General Counsel Mitchell Page were in attendance.

1. CALL TO ORDER

The meeting was called to order at 7:55 a.m.

2. PLEDGES OF ALLEGIANCE

The Pledges were led by Mr. Renola.

3. PUBLIC COMMENTS

Mr. Eric Yollick of The Woodlands, commented on a flood mitigation and prevention study, statutory duties to provide flood control, and sovereign immunity related to lawsuits. Mr. David Fannin of Conroe, expressed concern about pay equality for females, payroll redundancies, flood control, and budgeting related to flood protection/flood early warning system. He opined that water rates charged by the San Jacinto River Authority were among the highest.

4. DIVISION UPDATES

a. G & A:

Mr. Houston discussed his participation in staff briefings held in Austin as well as several legislative meetings.

b. G & A:

Ms. Trow provided no update relative to the Public Relations Department.

c. G & A:

Mr. Michel provided no update relative to Finance and Administration.

d. Woodlands:

Mr. Meeks provided no update relative to the Woodlands Division.

e. GRP:

Mr. Smith provided no update relative to the GRP Division.

f. Raw Water:

Mr. Parkhill provided no update relative to Raw Water Enterprise.

g. Lake Conroe:

Mr. Raley provided no update relative to the Lake Conroe Division.

h. Highlands:

Ms. Wright provided no update relative to the Highlands Division.

5. CONSENT AGENDA

Mr. Koetting made a motion to approve the consent agenda as recommended. The motion was seconded by Mr. Alexander and carried unanimously.

- a. Approval of Minutes** - Approve the minutes of the San Jacinto River Authority Board of Directors Regular Meeting of September 28, 2017.

b. Unaudited Financials for the Month of September, 2017

Approve the unaudited financials for the month of September, 2017.

6. REGULAR AGENDA

a. WOODLANDS

Mr. Meeks provided a brief overview of items 6a1 and 6a2, stating that the need for the replacement and rehabilitation projects are due to equipment deterioration and end of service life related to the facilities. Mr. Anderson made a motion to approve items 6a1 and 6a2. The motion was seconded by Mr. Koetting and carried unanimously.

1. Construction Contract for Lift Station No. 4 Replacement, Lift Station No. 23 Rehabilitation, and Wastewater Treatment Facility No. 3 Rehabilitation

Authorize the General Manager to execute a construction contract with Black Castle General Contractor in the amount of \$2,138,853, for Lift Station No. 4 Replacement, Lift Station No. 23 Rehabilitation, and Wastewater Treatment Facility No. 3 Lift Station Rehabilitation in The Woodlands, and contract modifications up to \$75,000.

2. Work Order No. 8 for Construction Phase Services for Lift Station No. 4 Replacement, Lift Station No. 23 Rehabilitation, and Wastewater Treatment Facility No. 3 Rehabilitation

Authorize the General Manager to execute Work Order No. 8 with Kimley-Horn and Associates, Inc., in an amount not to exceed \$73,521.50, for construction phase services for

Lift Station No. 4 Replacement, Lift Station No. 23 Rehabilitation, and Wastewater Treatment Facility No. 3 Lift Station Rehabilitation in The Woodlands.

3. Construction Contract for Water Distribution System, Water Main Looping

Mr. Meeks provided information related to the water distribution system, water main looping project. He stated that two dead end water mains could be extended to tie-in with adjacent water mains to add reliability of service and reduce potential water quality issues. Mr. Alexander made a motion to authorize the General Manager to execute a construction contract with SKE Construction, LLC, in the amount of \$356,975, for Water Distribution System, Water Main Looping in The Woodlands, and contract modifications up to \$75,000. The motion was seconded by Mr. Anderson and carried unanimously.

b. RAW WATER ENTERPRISE

1. Partial Release of Drainage Easement

Mr. Page provided information related to the partial drainage easement stating that the Authority received a request from a landowner/developer along the Highlands South Canal to release a portion of an existing drainage easement owned by the Authority across property adjacent to the South Canal. Further, he explained that portions of the easement under consideration for release were originally obtained during the construction of the South Canal in order to provide for adequate sheet flow drainage away from the South Canal. Mr. Page stated that the landowner/developer agreed to provide adequate sheet flow drainage away from the canal through their development plan. Mr. Koetting made a motion to authorize the General Manager to execute all necessary documents to complete the Partial Release of Drainage Easement with Fuller Thompson Ten, Ltd., a Texas limited partnership. The motion was seconded by Mr. Alexander and carried unanimously.

2. Work Order No. 6 for Professional Surveying Services

Ms. Wright described issues related to several areas between Siphon No. 8 and Siphon No. 9 that require access by Highlands Division staff in order to properly perform necessary maintenance activities. She stated that other areas along the canal system would require the acquisition of certain easements in order to complete work on a number of proposed rehabilitation projects. Mr. Anderson made a motion to authorize the General Manager to execute Work Order No. 6 with GeoSolutions, LLC, in the amount of \$30,456, for professional surveying services for access improvements and land acquisition in Highlands. The motion was seconded by Mr. Koetting and carried unanimously.

3. Rehabilitation of Pump No. 4 at Lake Houston Pump Station

Ms. Wright explained that High Service Pump No. 4 at the Highlands Division Lake Houston Pump Station has been in continuous service for approximately 35 years. She stated that following disassembly and inspection of the unit, it was recommended that the lift pump be completely reconditioned, a comprehensive motor repair be performed, and a new motor stand, stuffing box adapter, motor shaft, and mechanical seal be installed. In addition, it was recommended that a new system for leveling means and support be added. Ms. Wright stated that the rehabilitation project is a budgeted item. Mr. Koetting made a motion to authorize the General Manager to approve an agreement with Weisinger Incorporated in an amount not to exceed \$146,184, for rehabilitation of Pump No. 4 at Lake Houston Pump Station in Highlands,

and contract modifications up to \$15,000. The motion was seconded by Mr. Anderson and carried unanimously.

4. Construction Contract for Lake Conroe Dam Gate Hoist Rehabilitation

Mr. Raley explained that in Fiscal Year 2017, the Authority completed rehabilitation of the hoisting equipment for one of the tainter gates (Gate No. 1) at the Lake Conroe Dam, and is now proposing to rehabilitate the remaining gates in Fiscal Year 2018. Mr. Anderson made a motion to authorize the General Manager to execute a construction contract with DeShazo, LLC, in the amount of \$202,748, for the Lake Conroe Dam Gate Hoist Rehabilitation Project at Lake Conroe, and contract modifications up to \$50,000. The motion was seconded by Mr. Alexander and carried unanimously.

5. Work Order No. 6 for Professional Engineering Services

Mr. Raley explained that the western embankment of the Lake Conroe Dam is comprised of twenty relief wells for the purpose of relieving hydraulic pressures within the dam embankment. He stated that a recent inspection identified bio-fouling within the system, therefore cleaning/rehabilitation of the system was recommended. Mr. Koetting made a motion to authorize the General Manager to execute Work Order No. 6 with Freese and Nichols, Inc., in an amount not to exceed \$63,759, for professional engineering services for Relief Well Rehabilitation at Lake Conroe. The motion was seconded by Mr. Alexander and carried unanimously.

6. Lake Conroe Budget Amendment

Mr. Michel explained that the proposed budget amendment fundamentally relates to future legal fees associated with ongoing litigation. He stated that the amendment is revenue neutral as savings from the early completion of the Outlet Channel Rehabilitation project will be reclassified from the Dam Rehabilitation line item to the Legal Fees line item within the Lake Conroe Division Fiscal Year 2018 budget. Mr. Koetting made a motion to approve the amended Fiscal Year 2018 budget by increasing the Legal Fees line item from \$71,000 to \$471,000, and decreasing the Dam Rehabilitation line item from \$503,194 to \$103,194, whereby leaving overall cash uses within the Lake Conroe Division unchanged, having a net zero effect to the Lake Conroe Division Fiscal Year 2018 budget. Mr. Anderson seconded the motion and carried unanimously.

7. EXECUTIVE SESSION

The meeting was called into Executive Session at 9:00 a.m., under the provision of Section 551.071, Texas Local Government Code, for consultation with the Authority's attorney.

8. RECONVENE IN OPEN SESSION FOR ACTION FOLLOWING EXECUTIVE SESSION

The meeting was reconvened in open session at 10:35 a.m.

9. ANNOUNCEMENTS / FUTURE AGENDA

Mr. Tisdale directed the General Manager to distribute a letter from the Board of Directors to staff thanking them for their service during Hurricane Harvey. Mr. Tisdale then announced that the next SJRA Board meeting will take place on December 14, 2017.

10. ADJOURN

Without objection, the meeting was adjourned at 10:37 a.m.



Gary T. Renola

Gary T. Renola
Secretary, Board of Directors