

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
JANUARY 23, 2020**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., January 23, 2020, at the Jacinto River Authority General and Administration Building, a notice of said meeting was posted as required by law. President Lloyd Tisdale, Vice-President Ronnie Anderson, Treasurer Mark Micheletti, Secretary Kaaren Cambio, Assistant Secretary Ed Boulware, and Board Members Jim Alexander and Brenda Cooper were present. General Manager Jace Houston, Deputy General Manager Ron Kelling, Director of Financial and Administrative Services Tom Michel, Director of Water Resources and Flood Management Chuck Gilman, Director of Communications and Public Affairs Heather Ramsey Cook, Woodlands Division Manager Chris Meeks, GRP Division Manager Mark Smith, Lake Conroe Division Manager Bret Raley, Highlands Division Manager Kimberly Wright, Administrative Services Manager Cynthia Bowman, Financial Advisor Jan Bartholomew, and General Counsel Mitchell Page were in attendance.

1. CALL TO ORDER

The meeting was called to order at 8:02 a.m.

2. PLEDGES OF ALLEGIANCE

The Pledges of Allegiance were led by Ms. Cooper.

3. PUBLIC COMMENTS

Ms. Jenna Armstrong of the Lake Houston Area Chamber of Commerce asked that the February 20, 2020, special meeting take place at Second Baptist Church in southern Montgomery County. Ms. Susie Allen expressed her concern with Councilmember Dave Martin's comments at the January 21, 2020, San Jacinto River Authority's special meeting regarding the temporary seasonal lowering initiative.

4. DIVISION UPDATES

a. G & A:

Mr. Houston stated that on January 9, 2020, the Texas Supreme Court heard oral arguments related to the GRP litigation. He also thanked staff for managing logistics for the January 21, 2020, special meeting.

b. G & A:

Ms. Cook provided no update.

c. G & A:

Mr. Michel provided no update.

d. Woodlands:

No update was provided by the Woodlands Division.

e. GRP:

Mr. Smith provided an updated related to the C2 transmission line repair. Mr. Smith then announced his retirement slated for October 1, 2020.

f. Lake Conroe:

Mr. Raley reported their recent compliance with House Bill 26 regarding the submittal of notices by reservoir owners to emergency management agencies.

g. Highlands:

Ms. Wright introduced Highlands Division Operations and Maintenance Manager Jay Smith.

h. Flood Management:

Mr. Gilman provided an update regarding proposed rules to Senate Bills 7 & 8 and fielded questions from the Board related to same. He then provided an update regarding the regional flood study and dredging projects and fielded questions from the Board related to same.

5. CONSENT AGENDA

Mr. Anderson made a motion to approve the Consent Agenda, as recommended. The motion was seconded by Ms. Cambio and carried unanimously.

a. Approval of Minutes

Approve Regular Meeting Minutes of December 12, 2019.

b. Unaudited Financials for the Months of November and December, 2019

Approve the unaudited financials for the months of November and December, 2019.

c. Resolution Adopting List of Qualified Brokers

Adopt Resolution No. 2020-R-01, of the Board of Directors of the San Jacinto River Authority adopting list of qualified brokers authorized to engage in investment transactions with the Authority.

d. Resolution Amending the Policy for Investment of San Jacinto River Authority Funds and Appointment of an Investment Officer

Adopt Resolution No. 2020-R-02, of the Board of Directors of the San Jacinto River Authority adopting an amended policy for investment of Authority funds and appointing an investment officer.

e. Resolution Amending Section 125 Cafeteria Plan and Flexible Spending Account and Related Summary Plan Description

Adopt Resolution No. 2020-R-03, of the Board of Directors of the San Jacinto River Authority amending the San Jacinto River Authority Section 125 Cafeteria Plan and Flexible Spending Account and related Summary Plan Description.

f. Professional Services Agreement and Work Order No. 1 for Preliminary Engineering Design Services for Siphon 25 Improvements

Authorize the General Manager to execute a professional services agreement and Work Order No. 1 with Texas Water Engineering, PLLC, in an amount not to exceed \$115,534.70, for preliminary engineering design services for Siphon 25 Improvements in Highlands.

g. Work Order No. 2 for Preliminary Design Services for Siphon 26 Improvements

Authorize the General Manager to execute Work Order No. 2 with Texas Water Engineering, PLLC, in an amount not to exceed \$114,975.90, for preliminary engineering design services for Siphon 26 Improvements in Highlands.

h. Work Order No. 3 for Preliminary Engineering Design Services for South Canal Levee Improvements between Siphons 24 and 27

Authorize the General Manager to execute Work Order No. 3 with Texas Water Engineering, PLLC, in an amount not to exceed \$137,983.80, for preliminary engineering design services for South Canal Levee Improvements between Siphons 24 and 27 in Highlands.

6. REGULAR AGENDA

a. G & A

1. Comprehensive Annual Financial Report for the Fiscal Year Ended August 31, 2019

Pam Steiger, Controller, introduced Jennifer Weineke of Knox Cox & Co., L.L.P. She stated that they have issued an unmodified (“clean”) opinion on the San Jacinto River Authority’s financial statements for the year ended August 31, 2019, and also issued an unmodified (“clean”) opinion for the Federal Single Audit Report for Fiscal Year Ended August 31, 2019. On behalf of the Finance Committee, Mr. Micheletti reported that they met on January 7, 2020, and recommended approval. Mr. Micheletti made a motion to approve the Comprehensive Annual Financial Report - Audited Financial Statements and Related Notes, and the Federal Single Audit Report for the fiscal year ended August 31, 2019. The motion was seconded by Mr. Boulware and carried unanimously.

b. RAW WATER ENTERPRISE

1. Water Supply Contract with Entergy Texas, Inc.

Mr. Shane Porter, Division Engineer, provided a brief overview of the water supply contract with Entergy Texas, Inc. Mr. Alexander made a motion to authorize the General Manager to finalize and execute a water supply contract with Entergy, Texas, Inc. The motion was seconded by Mr. Micheletti and carried unanimously.

7. EXECUTIVE SESSION

The meeting was convened in executive session at 8:54 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;
 2. Litigation related to GRP water line breaks (Line Segments W2A and W2B); and
 3. Expedited Declaratory Judgement Act litigation and/or other litigation related to GRP.

8. RECONVENE IN OPEN SESSION

The meeting was called into open session at 10:16 a.m. No action was taken regarding the items discussed in executive session.

9. ANNOUNCEMENTS / FUTURE AGENDA

Mr. Tisdale announced that the next San Jacinto River Authority Regular Board Meeting will take place on February 27, 2020. Discussion ensued related to the location of the San Jacinto River Authority Special Board meeting scheduled for February 20, 2020. Ms. Cambio requested that the meeting be held in a more centralized location such as Second Baptist Church in southern Montgomery County to accommodate more citizens. After discussion, it was determined that the meeting would be held at Second Baptist Church, providing the logistics could be worked out by staff.

10. ADJOURN

Without objection, the meeting was adjourned at 10:50 a.m.


 Kaaren Cambio
 Secretary, Board of Directors

