



GRP REVIEW COMMITTEE MINUTES OF REGULAR MEETING

JULY 20, 2020

The San Jacinto River Authority (SJRA) GRP Review Committee meeting was held at 11:30 a.m., July 20, 2020, via telephone conference call/webinar. Notice of said meeting was duly posted per GRP Contract requirements.

The following Review Committee Members participated:

<u>Name:</u>	<u>GRP Review Committee Office:</u>	<u>Representing:</u>
Mike Mooney	Chair	Woodlands Water
Kerry Masson	Vice-Chair	MUDs East of I-45
Jackie Chance		MUDs West of I-45
Melanie White		Other Well Owners
Duke Coon		City of Conroe
Joe Sherwin		Cities other than City of Conroe

Also, participating were:

<u>Name:</u>	<u>Title:</u>
Ron Kelling, P.E.	SJRA Deputy General Manager
Chris Meeks	SJRA Utility Enterprise Operations & Maintenance Manager
Matt Corley	SJRA Utility Enterprise Customer Service & Compliance Manger
Mitchell Page	Schwartz, Page & Harding, L.L.P., SJRA General Counsel

1. CALL TO ORDER

There being a quorum present, the Chair then called the meeting to order at 11:45 a.m.

Mr. Page began the meeting by outlining certain procedures to be observed due to the conduct of the meeting via webinar/telephone conference.

2. PUBLIC COMMENTS:

There were no public comments.

3. APPROVAL OF MINUTES

Mr. Mooney indicated that the minutes of the GRP Review Committee meeting held on June 22, 2020, were before the Committee for consideration. Motion was made by Mr. Chance and seconded by Mr. Masson to approve the minutes as drafted. The motion passed unanimously.

4. GRP DIVISION UPDATES

Mr. Matt Corley, Utility Enterprise Customer Service and Compliance Manager, provided the Financial Update. The total operating revenues for June 2020 were \$6,379,002 and operating revenues YTD for Fiscal Year 2020 were \$44,422,006, giving the GRP Division a positive variance of 7%. The total operating expenses for June 2020 were \$2,080,869 and operating expenses YTD for Fiscal Year 2020 were \$15,392,710, giving the GRP Division a negative variance of 5%. The GRP General Fund balance, as of June 30, 2020, was \$222,249, representing approximately 0.37 months of budgeted operating funds. The balance in the GRP Debt Service Fund as of June 30, 2020, was \$16,066,605. The next GRP Bond Principal/Interest payment is due October 1, 2020.

5. REVIEW AND DISCUSS LSGCD DRAFT RULES

Mr. Kelling provided a presentation on LSGCD District and GMA 14. The presentation covered U. S. Seasonal Drought Outlook with an emphasis on future drought conditions for Texas. Additionally the presentation covered a Texas A&M study performed by researches led by Regents Professor John Nielson-Gammon, Director of the Texas Center for Climate Studies and the Texas State Climatologist, which predicted Texas' future climate will feature drier summers and decreasing water supplies for much of the state through the remainder of the 21st century. The study's predictions could result in the driest conditions the state has endured in the last 1000 years.

The presentation next reported that LSGCD held a Special Board Meeting on June 18, 2020 that covered their Phase 1 Subsidence Report. Mr. Kelling went over the SJRA's review of the Phase 1 report, but encouraged everyone to follow the link provided and watch the entire meeting in order to gain the full context of the discussion and draw your own conclusions.

Mr. Kelling provided a letter from Harris-Galveston Subsidence District, dated July 7, 2020 and addressed to LSGCD. "The letter cautioned LSGCD to be cautious in utilizing the interpretations provided by the contract consultant team, having had the opportunity to review the technical memorandum associated with the figure 50 "Subsidence Due to Pumping in Subsidence Districts" not only is it unrealistic, it is misleading to your Board, and the people of Montgomery County". Mr. Kelling, also provided a letter he wrote on July 9, 2020 to the LSGCD.

Mr. Kelling, went on to state LSGCD conducted a Rules Workshop on July 14, 2020. Mr. Kelling reviewed the rule changes discussed in the workshop, but encouraged the board to follow the link provided to watch the entire meeting to gain the full context of the discussion and draw their own conclusions.

Mr. Kelling, provided a summary of the LSGCD Regular Board Meeting which was held on July 14, 2020. The meeting discussed the following:

- Board Member Elections, November 3, 2020
- Approved \$5000 for CORS site at SJRA LS 27 (\$15,000 total cost)
- Deferred Phase 1 Subsidence Report, extended comments to July 31, 2020

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- Approved draft rules for publication

Mr. Kelling encouraged everyone with an interest in the future of groundwater supplies/use in Montgomery County to participate in the next LSGCD meeting, Tuesday, August 11, 2020 at 6:00pm and contribute to the discussion.

Mr. Kelling, went on to discuss the GMA 14 Planning Committee Meeting which was held on July 15, 2020 and from that meeting discussed:

- Houston Area Groundwater Model (HAGM) uses MODFLOW SUB package to estimate compaction and subsidence.
- When water level drops below the historical minimum, inelastic (i.e. permanent) compaction can occur.
- Compaction and subsidence can occur within the Jasper in the model, but parameters were set so that it is minimal. The current conceptual model of the Jasper Aquifer is that compaction can occur.

Mr. Kelling, then presented different scenario's showing available drawdown and average subsidence and GMA 14's next steps:

- Evaluate environmental and socioeconomic impacts at the next meeting.
- Consider items for "other relevant Information" factor

Mr. Kelling, encouraged everyone with an interest in the future of groundwater supplies/use in Montgomery County, to participate in the next GMA-14 Joint Planning Committee Meeting on September 17, 2020 at 10:00am.

6. GRP ITEMS FOR CONSIDERATION BY THE SJRA BOARD OF DIRECTORS ON JULY 23, 2020

N/A

7. DISCUSSION REGARDING FUTURE AGENDA ITEMS

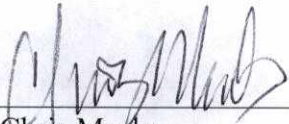
8. MEETING SCHEDULE:

- August 24, 2020
- September 21, 2020
- October 19, 2020

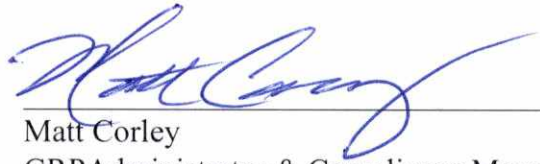
9. ADJOURN

Without objection, the meeting was adjourned at 1:34 p.m.

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Chris Meeks
Utility Enterprise O&M Manager



Matt Corley
GRP Administrator & Compliance Manager