

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
AUGUST 27, 2020**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., August 27, 2020, at the San Jacinto River Authority General and Administration Building, a notice of said meeting was posted as required by law. Pursuant to Texas Government Code, Section 551.125, as amended, and as modified by the temporary suspension of various provisions thereof effective March 16, 2020, by the Governor of Texas in accordance with the Texas Disaster Act of 1975, all as related to the Governor's proclamation on March 13, 2020, and subsequent proclamation dated June 11, 2020, certifying that the COVID-19 pandemic poses an imminent threat of disaster and declaring a state of disaster for all counties in Texas, the San Jacinto River Authority Board of Directors meeting was held via publicly accessible webinar/telephone conference. A roll call of the Board of Directors was taken and President Lloyd Tisdale, Vice-President Ronnie Anderson, Treasurer Mark Micheletti, Secretary Kaaren Cambio, Assistant Secretary Ed Boulware, and Directors Jim Alexander and Brenda Cooper participated remotely via webinar. Jace Houston, General Manager; Ron Kelling, Deputy General Manager; Chuck Gilman, Director of Water Resources and Flood Management; Tom Michel, Director of Financial and Administrative Services; Heather Ramsey-Cook, Director of Communications; Cynthia Bowman, Administrative Services Manager; and Mitchell Page, General Counsel participated remotely via webinar.

1. CALL TO ORDER

The meeting was called to order at 8:06 a.m.

2. PUBLIC COMMENTS

Mr. Krueger spoke about seasonal lake lowering relative to water resources.

3. DIVISION UPDATES

a. G & A:

Mr. Houston provided an update related to Hurricane Laura relative to the operating divisions. He provided a brief update related to the Sunset Commission's process and various challenges faced due to COVID-19.

b. G & A Public Communications:

Ms. Cook highlighted various communication efforts for each of the divisions.

c. G & A Finance and Administration:

There were no updates provided by Mr. Michel.

d. Woodlands:

There were no updates provided by Mr. Meeks. Mr. Houston reported on a presentation made at The Woodlands Township Board of Directors meeting on August 26, 2020, related to long term water supply planning, subsidence, and fault movement.

e. GRP:

Mr. Kelling provided information presented to the GRP Review Committee on August 24, 2020, related to the latest Lone Star Groundwater Conservation District rules.

f. Lake Conroe

Mr. Raley provided an overview of the various Lake Conroe Division operations that took place in preparation for and during Hurricane Laura.

g. Highlands:

Mr. Gilman provided an update on the Church Street oil incident in Crosby, Texas.

h. Flood Management:

Mr. Gilman provided an update related to the San Jacinto Regional Watershed Master Drainage Plan. Mr. Barrett provided an overview of staff's plans to submit an application for a grant from the Community Development Block Grant-Mitigation program.

4. CONSENT AGENDA

Director Alexander made a motion to approve the Consent Agenda, as recommended. The motion was seconded by Director Anderson and carried unanimously, following a roll call of the Board of Directors.

a. Approve Minutes - Regular Meeting of July 23, 2020.

b. Unaudited Financials for the Month of July, 2020

Approve the unaudited financials for the month of July, 2020.

c. Professional Services Agreement and Work Order No. 1 for Professional Geographic Information System (GIS) Consulting Services

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 \$79,248, for professional Geographic Information System (GIS) consulting services.

d. Joint Funding Agreement for Water Resource Investigations with the United States Geological Survey

Authorize the General Manager to execute a joint funding agreement with the U.S. Geological Survey in the amount of \$156,430 (SJRA's portion) for water resource investigations related to data collection and analysis activities for the period of October 1, 2020, to September 30, 2021.

e. Master Professional Services Agreement for Materials Testing Services - Aviles

Authorize the General Manager to execute a Master Professional Services Agreement with Aviles Engineering Corporation for materials testing services for all divisions.

f. Master Professional Services Agreement for Materials Testing Services - Terracon

Authorize the General Manager to execute a master professional services agreement with Terracon Consultants, Inc., for materials testing services for all divisions.

g. Master Professional Services Agreement for Materials Testing Services - Geotest

Authorize the General Manager to execute a master professional services agreement with Geotest Engineering, Inc., for materials testing services for all divisions.

h. Professional Services Agreement and Work Order No. 1 for Preliminary Design Services for the Gravity Main Rehabilitation Project

Authorize the General Manager to execute a professional services agreement and Work Order No. 1 with ARKK Engineers, LLC, in an amount not to exceed \$322,133.52, for preliminary design services for the Gravity Main Rehabilitation Project in The Woodlands.

i. Construction Contract for Siphon 29 Improvements

Authorize the General Manager to execute a construction contract with LECON, Inc., in the amount of \$2,898,500, for Siphon 29 Improvements in Highlands, and contract modifications up to \$50,000.

j. Work Order No. 2 for Construction Phase Services for Siphon 29 Improvements

Authorize the General Manager to execute Work Order No. 2 with Texas Water Engineering, PLLC, in an amount not to exceed \$55,968.44, for construction phase services for Siphon 29 Improvements in Highlands.

k. Master Professional Services Agreement and Work Order Nos. 1, 2 and 3 for General Dam Safety Engineering and Operations and Maintenance Support Services for Lake Conroe Dam, Bear Branch Dam and Highlands Reservoir Dam, and Work Order No. 4 for Lake Conroe Dam Engineering Safety Inspection

Authorize the General Manager to execute a master professional services agreement and Work Order Nos. 1, 2 and 3 with Freese and Nichols, Inc., in an amount not to exceed \$98,174, for General Dam Safety Engineering and Operations and Maintenance Support Services for Lake Conroe Dam, Bear Branch Dam, and Highlands Reservoir Dam, and Work Order No. 4 for Lake Conroe Dam Engineering Safety Inspection.

l. Master Professional Services Agreement and Work Order No. 1 for Highlands Reservoir Dam Engineering Safety Inspection, and Work Order No. 2 for Bear Branch Dam Engineering Safety Inspection

Authorize the General Manager to execute a master professional services agreement and Work Order No. 1 with HDR, Engineering, Inc., in the amount of \$60,026, for Highlands Reservoir Dam Engineering Safety Inspection, and Work Order No. 2 for Bear Branch Dam Engineering Safety Inspection.

5. REGULAR AGENDA

It was announced that items 5a1 through 5a3 would be considered together.

Mr. Michel and Ms. Steiger provided a brief overview of the Fiscal Year 2021 Budget stating that the budget process is a collaborative effort between SJRA staff and various customers, participants, and stakeholders. Director. Micheletti thanked the many staff members that worked diligently to prepare

the budget. Director Micheletti made a motion to approve items 5a1 through 5a3 as noted below. The motion was seconded by Director Boulware and carried unanimously, following a roll call of the Board of Directors.

a. G&A

1. Resolution Adopting Fiscal Year 2021 Operating Budgets

Adopt Resolution No. 2020-R-09, of the San Jacinto River Authority Board of Directors approving and adopting a budget for the fiscal year beginning on September 1, 2020, and ending August 31, 2021, inclusive.

2. Amended Rate Order for Woodlands Division Customers

Adopt Order No. 2020-O-01, of the San Jacinto River Authority Board of Directors of an amended Rate Order for Woodlands Division Customers, effective September 1, 2020.

3. Amended Rate Order for Raw Water Customers

Adopt Order No. 2020-O-02, of the San Jacinto River Authority Board of Directors of an amended Rate Order for Raw Water Customers, effective January 1, 2021.

4. Transfer of Investment Earnings in the Debt Service Reserve Fund Accounts to the GRP and Woodlands Division Debt Service Fund Accounts

Director Micheletti made a motion to approve the transfer of investment earnings in the Debt Service Reserve Fund accounts for the Groundwater Reduction Program (GRP) Division and Woodlands Division to the respective Debt Service Fund accounts for said divisions. The motion was seconded by Director Boulware and carried unanimously, following a roll call of the Board of Directors.

b. FLOOD MANAGEMENT

1. Resolution Authorizing General Manager to Submit Applications for Texas Water Development Board Flood Infrastructure Fund Grant Funding

Mr. Barrett explained that the Texas Water Development Board recently closed the solicitation period for abridged applications for funding from its newly created Flood Infrastructure Fund ("FIF"). He provided a brief overview of each of the submitted projects. Director Cambio made a motion to adopt Resolution No. 2020-R-10 of the San Jacinto River Authority Board of Directors authorizing the General Manager to submit applications for Texas Water Development Board Flood Infrastructure Fund grant funding. The motion was seconded by Director Alexander and carried unanimously, following a roll call of the Board of Directors.

6. EXECUTIVE SESSION

The meeting was convened in executive session at 9:08 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 other litigation related to GRP.

7. RECONVENE IN OPEN SESSION

The meeting was called into open session at 10:40 a.m. A roll call of the Board of Directors was conducted and determined that a quorum of the Board was present.

8. Legal Expenditures in Excess of Fiscal Year 2020 Budget

Director Boulware made a motion to acknowledge that GRP legal expenses will exceed the budgeted amount and authorize the General Manager to approve legal expenses in excess of the Fiscal Year 2020 budget. The motion was seconded by Director Anderson and carried unanimously following a roll call of the Board of Directors.

9. ANNOUNCEMENTS / FUTURE AGENDA

It was announced that the next regular meeting of the San Jacinto River Authority Board of Directors is scheduled for September 24, 2020.

10. ADJOURN

Without objection, the meeting was adjourned at 10:41 a.m.



Kaaren Cambio
Secretary, Board of Directors

