

**BOARD OF DIRECTORS  
SAN JACINTO RIVER AUTHORITY  
MINUTES OF SPECIAL MEETING  
DECEMBER 3, 2020**

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A special meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., December 3, 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 as renewed, 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, Secretary Kaaren Cambio, and Director Jim Alexander were present. Treasurer Mark Micheletti, Assistant Secretary Ed Boulware, and Director Brenda Cooper participated remotely via webinar. Ron Kelling, Deputy General Manager; Tom Michel, Director of Financial and Administrative Services; Chuck Gilman, Director of Water Resources and Flood Management; Heather Ramsey-Cook, Director of Communications; and Cynthia Bowman, Administrative Services Manager were present. General Manager Jace Houston and General Counsel Mitchell Page participated remotely.

**1. CALL TO ORDER**

The meeting was called to order at 8:07 a.m.

**2. PLEDGES OF ALLEGIANCE**

The Pledges of Allegiance were led by Director Alexander.

**3. PUBLIC COMMENTS**

There were no public comments.

**4. DIVISION UPDATES**

**a. G & A:**

Mr. Houston thanked staff members from the Information Technology and the Administrative Services Departments for their efforts in utilizing technology and alternate means to comply with the Governor's orders to ensure the continuation of Board meetings during the pandemic. Mr. Houston congratulated the Leadership SJRA Class of 2020 on completion of the course, and he reported on the increased virtual participation in the annual River Authorities Administrative Forum that took place last month.

**b. G & A:**

Ms. Cook provided an update related to various Public Communications efforts. She reviewed the top Tweets, Facebook posts, and Instagram posts of 2020.

**c. G & A:**

Mr. Michel reported that the Finance Committee is slated to meet on January 5, 2021, to review the Comprehensive Annual Financial Report (CAFR).

**d. Woodlands:**

Matt Corley, Utility Enterprise Compliance and Customer Service Manager, presented information related to the 2020 static well level report. He provided various statistics related to the Evangeline and Upper Jasper Aquifers demonstrating a rebound of aquifer levels as surface water was introduced in 2015. Director Cambio suggested this presentation be altered to focus more on the end user and what these statistics mean to them.

**e. GRP:**

Mr. Corley provided no update related to the Woodlands Division.

**f. Lake Conroe:**

Bret Raley provided no update related to the Lake Conroe Division,

**g. Highlands:**

Jay Smith provided no update related to the Highlands Division.

**h. Flood Management:**

Matthew Barrett, Division Engineer, provided an update related to the newly-created Region 6 Flood Planning Group.

**5. CONSENT AGENDA**

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

**a. Approval of Minutes**

Approve the Regular Meeting minutes of October 22, 2020.

**b. Unaudited Financials**

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

**c. Interlocal Contract - State of Texas Department of Information Resources**

Authorize the General Manager to execute an Interlocal Agreement with the Texas Department of Information Resources (DIR) to utilize state funded Cybersecurity resources through the Shared Technology Services Program.

**d. Master Professional Services Agreement - Electrical Engineering Services (Kalluri Group, Inc.)**

Authorize the General Manager to execute a Master Professional Services Agreement with Kalluri Group, Inc., for electrical engineering services for all divisions.

**e. Master Professional Services Agreement - Electrical Engineering Services (Jones & Carter, Inc.)**

Authorize the General Manager to execute a Master Professional Services Agreement with Jones and Carter, Inc., for electrical engineering services for all divisions.

**f. Sale of Real Property**

Declare to be surplus and authorize the disposal by sale of a 0.666 acre tract of real property located in the William Wier Survey, A-42, near Montgomery, Texas, at a price of \$38,263.70, and authorize the General Manager to execute all necessary documents to complete the transaction.

**g. Work Order No. 2 - Lake Houston Pump Station Ventilation Improvements**

Authorize the General Manager to execute Work Order No. 2 with HDR Engineering, Inc., in the amount of \$75,439, for final design services for Lake Houston Pump Station Ventilation Improvements in Highlands.

**h. Work Order No. 4 - South Canal Improvements Program Phase 2**

Authorize the General Manager to execute Work Order No. 4 with Texas Water Engineering, PLLC, in an amount not to exceed \$461,243.08, for final design services for South Canal Improvements Program Phase 2 in Highlands.

**6. REGULAR AGENDA**

**a. Resolution - Fiscal Year 2021 Budget Amendment**

Pam Steiger, Controller, presented information related to the Fiscal Year 2021 budget amendment relative to the GRP Division. She explained that the approved Fiscal Year 2021 GRP budget included a reservation fee of \$2,499,886 for the 2/3 share (66,666 acre feet) of the City of Houston's water in Lake Conroe. Further, the contract between the Authority and Entergy states that Entergy can reserve or demand up to 7,841 acre-feet per year (seven million gallons per day) of raw water from the City of Houston's 2/3 share reserved by the GRP Division. She stated that the contract extends at least through 2035, and Entergy's reservation fee and demand fee is paid to the GRP Division at the City of Houston's prevailing rate plus five percent. Ms. Steiger stated that the Fiscal Year 2021 GRP division budget was approved with Entergy reserving the full 7,841 acre-feet, however following budget approval, Entergy requested to reserve 4,480 acre-feet and demand 3,360 acre-feet in Calendar Year 2021, resulting in a budget amendment reflecting a net income for Fiscal Year 2021 in the amount of \$65,061.

Ms. Steiger then explained that the next budget amendment was for transparency purposes. She stated that the GRP Division approved budget included various contracts for specialty equipment services that are performed by outside contractors. Further, the fees for these services are prepaid and amortized over the length of the contract. She stated that currently, the service contracts are included in the GL Codes for other division-related items. Ms. Steiger recommended adding GL

Codes specifically designated for the prepaid amortized services in order to accurately show remaining funds in other GL Codes. Discussion ensued. Director Alexander made a motion to adopt Resolution No. 2020-R-13, of the San Jacinto River Authority Board of Directors approving and adopting an amendment to the Fiscal Year 2021 budget for the GRP Division. The motion was seconded by Director Cambio and carried unanimously, following a roll call of the Board of Directors.

**b. Lake Conroe Operations Agreement - City of Houston**

Mr. Page explained that the initial agreement between the Authority and the City of Houston relating to the ongoing operation of the Lake Conroe dam and reservoir was executed on April 24, 1968, and subsequently amended in 1969 and 1971. Further, he stated that the term of the initial operating agreement was 40 years, and since 2008, both entities have operated and maintained the Lake Conroe dam and reservoir under the evergreen provisions of the agreement signed in 1968. Mr. Page explained that this agreement addresses the operation and maintenance of the Lake Conroe dam and reservoir, measurement and reporting of the water diverted from the lake, regulatory compliance requirements, source water protection, annual budgeting requirements, and disposition of surplus property. He stated that this agreement will supersede and replace the agreement of 1968 and shall continue in force and effect during the useful life of Lake Conroe. Director Micheletti made a motion to authorize the General Manager to execute a contract relating to the ongoing operation of the Lake Conroe dam and reservoir with the City of Houston. The motion was seconded by Director Alexander and carried unanimously, following a roll call of the Board of Directors.

**7. EXECUTIVE SESSION**

The meeting was convened in executive session at 9:03 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; and
  - 2. Expedited Declaratory Judgement Act litigation and other litigation related to GRP.

**8. RECONVENE IN OPEN SESSION**

The meeting was called into open session at 9:34 a.m. A roll call of the Board of Directors was taken and determined that a quorum of the Board was present. No action was taken regarding the items discussed in executive session.

**9. ANNOUNCEMENTS / FUTURE AGENDA**

Mr. Tisdale announced that the next Regular San Jacinto River Authority Board Meeting will take place on January 28, 2021.

**10. ADJOURN**

Without objection, the meeting was adjourned at 9:35 a.m.

*for*   
Kaaren Cambio  
Secretary, Board of Directors

