

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
JANUARY 28, 2021**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., January 28, 2021, 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 Vice-President Ronnie Anderson, Assistant Secretary Ed Boulware, Director Wil Faubel, and Director Ricardo Mora (joined the meeting at 8:12 a.m.) were present. Treasurer Mark Micheletti and Director Brenda Cooper participated remotely via webinar. Secretary Kaaren Cambio was absent. Jace Houston, General Manager; Ron Kelling, Deputy General Manager; Tom Michel, Director of Financial and Administrative Services; Heather Ramsey-Cook, Director of Communications; Cynthia Bowman, Administrative Services Manager; and Mitchell Page, General Counsel were also in attendance.

1. CALL TO ORDER

The meeting was called to order at 8:05 a.m.

2. PLEDGES OF ALLEGIANCE

The Pledges of Allegiance were led by Director Boulware.

3. APPOINTMENT OF DIRECTORS

Director Anderson announced that the agenda would be taken out of order, considering items 3b and 3c first.

Director Boulware made a motion to adopt items 3b and 3c. The motion was seconded by Director Micheletti and carried unanimously, following a roll call of the Board of Directors.

b. Resolution of Commendation – Lloyd Tisdale

Adopt Resolution No. 2021-R-01, of the Board of Directors of the San Jacinto River Authority commending Lloyd B. Tisdale for his service to the San Jacinto River Authority as member of the Board of Directors.

c. Resolution of Commendation – James “Jim” Alexander

Adopt Resolution No. 2021-R-02, of the Board of Directors of the San Jacinto River Authority commending Jim Alexander for his service to the San Jacinto River Authority as a member of the Board of Directors.

a. Announce appointments to the Board of Directors by the Governor of the State of Texas.

Director Anderson announced that Governor Abbott appointed Mr. Wil Faubel and Mr. Ricardo Mora to the San Jacinto River Authority Board of Directors on January 4, 2021. Directors Faubel and Mora provided a brief introduction.

4. PUBLIC COMMENTS

Dr. Shelley Sekula-Gibbs spoke in reference to the odor issue in the Lakeside Cove Subdivision as well as a request to support Dr. Neil Gaynor as a Board Member to the San Jacinto Regional Flood Planning Group as a representative of Montgomery County.

5. DIVISION UPDATES

a. G & A:

Mr. Houston announced the many employees that received service awards in 2020.

b. G & A

Ms. Cook provided an update related to various Public Communications efforts. She provided an overview of the various social media outlets and articles regarding the San Jacinto River Authority that were recently published. Matt Corley, Utility Enterprise Customer Service and Compliance Manager, provided a presentation regarding recent and future static well levels.

c. G & A

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

d. Woodlands

Mr. Meeks provided an update related to the water main and sewer force main ruptures that took place in December.

e. GRP

Mr. Kelling provided an overview of the Groundwater Management Area 14 meeting that took place on January 20, 2021. He encouraged public participation/engagement in the upcoming Lone Star Groundwater Conservation District and GMA 14 Joint Planning Committee meetings.

f. Lake Conroe

Mr. Raley provided an update related to Lake Conroe invasive plants and the Division's native aquatic planting program.

g. Highlands

Mr. Smith provided no update related to the Highlands Division.

h. Flood Management

Mr. Barrett provided an update related to the Texas Water Development Board's Flood Infrastructure Fund grant program.

5. CONSENT AGENDA

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

a. Approve Minutes – Special Meeting of December 3, 2020.

b. Unaudited Financials

Approve the unaudited financials for the months of November and December, 2020.

c. Quarterly Investment Report

Approve the Quarterly Investment Report for the Quarter Ended November 30, 2020.

d. Master Professional Services Agreement - Professional Geotechnical Services - Aviles Engineering Corporation

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

e. Master Professional Services Agreement - Professional Geotechnical Services - Geotest Engineering, Inc.

Authorize the General Manager to execute a Master Professional Services Agreement with Geotest Engineering, Inc., for professional geotechnical services for all divisions.

f. Master Professional Services Agreement and Work Order Nos. 1 and 2 - Regulatory Support

Authorize the General Manager to execute a Master Professional Services Agreement with Plummer Associates, Inc., for regulatory support for all divisions, Work Order No. 1 in an amount not to exceed \$50,000 for the Woodlands Division, and Work Order No. 2 in an amount not to exceed \$25,000 for the GRP Division.

g. Construction Contract - General and Administration Building Roof Replacement

Authorize the General Manager to execute a construction contract with Lessman Roofing and Sheet Metal, LLC, in the amount of \$186,494.42, for the General and Administration Building Roof Replacement Project, and modifications up to the amount approved per the Purchasing Policy.

h. Work Order No. 3 - Lake Houston Pump Station Remote Operations Center

Authorize the General Manager to execute Work Order No. 3 with Halff Associates, Inc., in the amount of \$366,672.50, for final design services for Lake Houston Pump Station Remote Operations Center in Highlands.

i. Expenditure of Funds - Tree and Brush Clearing Services Along Bypass Canal

Authorize funds in an amount not to exceed \$110,862, with Houston Spraying and Supply, Inc., for tree and brush clearing services along the Bypass Canal in Highlands.

6. REGULAR AGENDA

a. Comprehensive Annual Financial Report

Mr. Michel announced that the Accounting Department received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the eleventh year in a row. Pam Steiger, Controller explained the auditing process and provided an overview of certain aspects of the audit. She explained that the Comprehensive Annual Financial Report was reviewed by the Finance Committee on January 5, 2021. Jennifer Weineke, an auditor with Knox Cox and Company, stated that the audit was conducted according to auditing standards and issued an unmodified opinion or “clean” opinion. Director Micheletti, Chair of the Finance Committee, stated that they reviewed the reports and recommend acceptance by the Board. Director Micheletti made a motion to accept the Comprehensive Annual Financial Report - Audited Financial Statements and Related Notes, and the Federal Single Audit Report for the fiscal year ended August 31, 2020. The motion was seconded by Director Cooper and carried unanimously, following a roll call of the Board or Directors.

b. Resolution - Procurement Policy

Cheryl Turney, Purchasing Manager, presented information related to the proposed Procurement Policy. She explained the differences between policy and procedure, reviewed the key elements of the policy, and provided an overview of each. Director Boulware made a motion to adopt Resolution No. 2021-R-03, of the San Jacinto River Authority Board of Directors approving and adopting a Procurement Policy. The motion was seconded by Director Micheletti and carried unanimously, following a roll call of the Board of Directors.

c. Work Order No. 2 - WWTF No. 1 Design Services Improvements

Aaron Schindewolf, Division Engineer, provided an overview of the Wastewater Treatment Facility No. 1 Improvement project and related Lakeside Cove Subdivision odor issues. He stated that in recent years, studies have been performed to evaluate and analyze all systems and processes at the facility and their potential for causing odors. Mr. Schindewolf stated that the results and recommendations of the study were presented to The Woodlands Municipal Utility Districts (MUDs) to receive their requested path forward. He stated that the recommendation by the MUDs was for improvements to the WWTF No. 1 collection system vacuum and exhaust system, also known as the tin man. He stated that Work Order No. 2 will result in design and procurement to construct these improvements to the WWTF No. 1, contingent upon approval by The Woodlands Water Board of Trustees at their meeting on February 10, 2021. Mr. Boulware made a motion to authorize the General Manager to execute Work Order No. 2 for design services for improvements to Waste Water Treatment Facility No. 1 in The Woodlands, contingent upon approval by The Woodlands Water Board of Trustees. The motion was seconded by Director Faubel and carried unanimously, following a roll call of the Board.

d. Work Order No. 2 for Raw Water Enterprise Rate Model Update

Jamye Lewis, Senior Accountant, provided information related to the need to update the Raw Water Rate Model. She stated that some of the functionality is now obsolete and needs modification in order to continue developing the raw water rate in future years. Director Micheletti made a motion to authorize the General Manager to negotiate and execute Work Order No. 2 with Raftelis Financial Consultants, Inc., in an amount not to exceed \$51,000 for the Raw Water Enterprise Rate Model Update. The motion was seconded by Director Boulware and carried unanimously, following a roll call of the Board.

e. Memorandum of Understanding and Affidavit of No Objection – Montgomery County Municipal Utility District No. 67

Mr. Barrett explained that the Memorandum of Understanding and the Affidavit of No Objection is a requirement of the Texas Water Development Board and is related to the Flood Infrastructure Fund grant received by Municipal Utility District No. 67. He stated that because the proposed project is located within SJRA's jurisdiction, both documents need to be executed to comply with the Texas Water Development Board's requirements. Director Micheletti moved approval of a Memorandum of Understanding between the San Jacinto River Authority and the Board of Directors of Montgomery County Municipal Utility District No. 67 and an Affidavit of No Objection, to comply with the Texas Water Development Board's requirement related to a proposed project to be funded from the Flood Infrastructure Fund located within the San Jacinto River Authority's jurisdictional boundary. The motion was seconded by Director Cooper and carried unanimously, following a roll call of the Board of Directors.

7. EXECUTIVE SESSION

The meeting was convened in executive session at 10:03 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 10:50 a.m. A quorum of the Board being present, no action was taken regarding the items discussed in executive session.

9. ANNOUNCEMENTS / FUTURE AGENDA

Director Anderson announced that the next Regular San Jacinto River Authority Board Meeting will take place on February 25, 2021.

10. ADJOURN

Without objection, the meeting was adjourned at 10:51 a.m.



Kaaren Cambio
 Kaaren Cambio
 Secretary, Board of Directors