



GRP REVIEW COMMITTEE MINUTES OF REGULAR MEETING

MARCH 22, 2021

The San Jacinto River Authority (SJRA) GRP Review Committee Meeting was held at 11:30 a.m., March 22, 2021 at the San Jacinto River Authority G&A Building – Boardroom 1577 Dam Site Rd, Conroe, Texas 77304 and via telephone conference call/webinar. Notice of said meeting was duly posted per GRP Contract requirements.

The following Review Committee Members participated:

<u>Present:</u>	<u>GRP Review Committee:</u>	<u>Representing:</u>
Jackie Chance		MUDs West of I-45
Duke Coon		City of Conroe
Mike Mooney	Chair	Woodlands Water
Rick Moffatt		MUDs East of I-45
Joe Sherwin		Cities other than City of Conroe
Mike Stoecker		Investor Owned Utilities

Absent:

All Review Committee members were present.

Also present:

<u>Name:</u>	<u>Title:</u>
Matt Corley	SJRA Customer Service Manager
David Guyer	SJRA Utility Enterprise Maintenance Manager
Jace Houston	SJRA General Manager
Ron Kelling, P.E.	SJRA Deputy General Manager
Chris Meeks	SJRA Utility Enterprise Operations & Maintenance Manager
Tom Michel	SJRA Director of Financial and Administrative Services
Mitchell Page	Schwartz, Page & Harding, L.L.P., SJRA General Counsel
Ed Shackelford, P.E.	SJRA Director of Utility Operations
Kelli Stormer	SJRA Senior Accountant
Jason Williams	SJRA Utility Enterprise Operations Manager

1. CALL TO ORDER

Chairman, Mr. Mike Mooney, called the meeting to order at 11:31 a.m.

2. PUBLIC COMMENTS

Mr. Simon Sequeira, CEO of Quadvest, questioned as to what is the role of the GRP Committee. He asked if GRP should be performing an independent risk analysis. There were no other public comments.

3. APPROVAL OF MINUTES – Regular Meeting February 22, 2021

Mr. Rick Moffatt highlighted that his name had been misspelt in the Meeting Minutes. Assuming that correction he motioned for approval. His motion was seconded by Mr. Jackie Chance. Motion passed unanimously.

4. GRP DIVISION UPDATES

Mr. Corley highlighted the GRP Division’s successful efforts during the recent Winter Storm. Community Impact reported that San Jacinto River Authority provided potable water to Montgomery County emergency services such as regional hospitals, dialysis centers and the Houston Airport System. GRP had two line leaks within the past month and a half, both leaks have been repaired.

5. CONSIDER AND ACT UPON A RESOLUTION OF THE GRP REVIEW COMMITTEE ADOPTING A POLICY ON MEMBERS PLACING ITEMS ON GRP REVIEW COMMITTEE MEETING AGENDAS

Mr. Corley shared a letter that he received from Mr. Marty Jones, representative of Mr. Sequeira and Mr. Stoecker. GRP staff recommended deferring the item to another date but opened the floor if the Review Committee Members would like to discuss. Mr. Stoecker questioned the mechanics of adding an item to the Agenda. Mr. Duke Coon stated that he and his attorney understand the language and guidelines in 2.10 and consider it to be a very narrow window. He thinks it is important that a board member is able to add something to the Agenda without such limiting processes. Chairman, Mr. Mooney, responded that he does not believe that is the intention and he suggested to defer it until next month. There were no motions, Mr. Mitchell Page advised that without a motion we simply move on.

6. PRESENTATION AND DISCUSSION REGARDING THE GRP DIVISION’S FISCAL YEAR 2022 10-YEAR PROJECT PLAN

Mr. Corley introduced a presentation on the GRP 10 –Year Project Plan. He shared an overview of the project planning process and recognized the high value of understanding customer and community needs. Mr. Corley highlighted the single project in the GRP 10-Year Project Plan, replacement of aging low pressure microfiltration membranes in FY27. The estimated cost of this project is \$3.6 million, the source of funding is the R&R fund with a current balance of \$0. GRP will be presenting different routes to take in obtaining the needed funds in the upcoming Special Budget Workshop on April 12. As an alternative, Mr. Chris Meeks will be visiting the idea of replacing the membranes on a rotating schedule rather than all at once.

7. RECEIVE PRESENTATION REGARDING THE GRP DIVISION’S RATE DIFFERENTIAL OF SURFACE WATER AND GROUNDWATER PUMPAGE FEES FOR FISCAL YEAR 2022

The FY2020 – FY2024 GRP Rate Differential Study, courtesy of Raftelis, was presented by Mr. Corley. GRP gathered data from participants and calculated a three year weighted average cost per thousand gallons providing a \$0.42 differential.

8. RECEIVE INFORMATION REGARDING IMPACTS OF SUBSIDENCE ON FLOODING

Mr. Ron Kelling directed the Review Committee Members to the United States Geological Survey (USGS) Houston Subsidence website https://txpub.usgs.gov/houston_subsidence/home. The front webpage lists Consequences of land subsidence in the Houston-Galveston Region. The fifth bullet states “Alters the flow of creeks and bayous which may increase the frequency and severity of flooding.”

9. LONE STAR GROUNDWATER CONSERVATION DISTRICT REPORT - Invited Guest Speaker – Samantha Reiter, General Manager, LSGCD

Ms. Samantha Reiter was unable to attend, Ms. Jennifer Thayer attended in her absence. She reported no updates related to district rules, management plan and/or bylaws.

No questions.

10. GRP ITEMS FOR CONSIDERATION BY THE SJRA BOARD OF DIRECTORS ON MARCH 25, 2021

No Items for Consideration.

11. ATTORNEY’S UPDATE

Mr. Mitchell Page provided an update on GRP related legal matters.

12. FUTURE MEETING SCHEDULE & AGENDA ITEMS:

- a. April 12, 2021 – Fiscal Year 2022 Special Budget Workshop
- b. April 19, 2021
- c. May 24, 2021
- d. June 21, 2021

13. ADJOURN

Without objection, the meeting was adjourned at 12:45 p.m.



Chris Meeks
Utility Enterprise O&M Manager



Matt Corley
GRP Administrator