

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
APRIL 22, 2021**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., April 22, 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 President Ronnie Anderson, Vice President Ed Boulware, and Treasurer Mark Micheletti were present. Directors Wil Faubel and Ricardo Mora participated remotely via webinar. Also in attendance were Jace Houston, General Manager; Ron Kelling, Deputy General Manager; Tom Michel, Director of Financial and Administrative Services; Heather Ramsey-Cook, Director of Communications; Ed Shackelford, Director of Utility Operations; Cynthia Bowman, Administrative Services Manager; and Mitchell Page, General Counsel.

1. CALL TO ORDER

The meeting was called to order at 8:02 a.m.

2. PLEDGES OF ALLEGIANCE

The Pledges of Allegiance were led by Director Anderson.

Mr. Houston announced that the agenda would be taken out of order, with item 5c being removed from the Consent Agenda for presentation purposes only. Approval of item 5c was considered under the Consent Agenda.

3. PUBLIC COMMENTS

Dr. Shelley Sekula-Gibbs spoke in reference to the Lakeside Cove odor control report and issues of subsidence in The Woodlands. Mr. Dan Krueger spoke about seasonal lake lowering.

4. DIVISION UPDATES

a. G & A:

Mr. Houston provided a brief legislative update.

b. G & A

Ms. Cook provided an update related to various Public Communications efforts as well as ongoing division projects. She highlighted the various published articles, reported on social media outlets, and various meetings hosted by the San Jacinto River Authority,

c. G & A

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

d. Woodlands

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

e. GRP

Mr. Meeks provided no update related to the GRP Division.

f. Lake Conroe

Mr. Raley provided no update related to the Lake Conroe Division.

g. Highlands

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

h. Flood Management

Mr. Barrett provided no update related to the Flood Management Division.

5. CONSENT AGENDA

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

a. Approval of Minutes

Approve the minutes of Regular Meeting of March 25, 2021, and Special Meeting of April 9, 2021.

b. Unaudited Financials

Approve the unaudited financials for the month of March, 2021.

c. Resolution - Recognizing Kaaren Cambio for Service on the Board of Directors (Jace)

Adoption of Resolution No. 2021-R-09 of the Board of Directors of the San Jacinto River Authority recognizing Kaaren Cambio for her service as a member of the Board of Directors.

d. Resolution - Recognizing Brenda Cooper for Service on the Board of Directors

Adoption Resolution No. 2021-R-10 of the Board of Directors of the San Jacinto River Authority recognizing Brenda Cooper for her service as a member of the Board of Directors.

e. Resolution - Annual Review of Pension Plan Investment Policy Statement

Adoption Resolution No. 2021-R-11 of the Board of Directors of the San Jacinto River Authority accepting review of and affirming the Pension Plan Investment Policy Statement as adopted July 27, 2017.

f. Professional Services Agreement - Communications Services

Authorize the General Manager to execute a Master Professional Services Agreement with Glass House Strategy for professional communications services.

g. Construction Contract - Water Well No. 23 Rehabilitation

Authorize the General Manager to execute a construction contract with Weisinger Incorporated in the amount \$210,845, for Water Well No. 23 Rehabilitation in The Woodlands.

6. REGULAR AGENDA

a. Election of Secretary Pro Tempore

Director Boulware made a motion to elect Director Mora to the position of Secretary Pro Tem. The motion was seconded by Director Micheletti and carried unanimously.

Mr. Houston announced that items 6b through 6d would be considered together.

Mr. Barrett, Flood Management Division Manager, provided an overview and financial components related to the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study, the Upper San Jacinto River Basin Regional Sedimentation Study, the Lake Conroe-Lake Houston Joint Reservoir Operations Study, and the Flood Early Warning System for San Jacinto County. Director Micheletti made a motion to approve Regular Agenda items 6b through 6d. The motion was seconded by Director Anderson and carried unanimously.

b. Interlocal Agreement - Various Entities

Authorize the General Manager to negotiate and execute an Interlocal Agreement with City of Humble, Harris County Flood Control District, and five (5) Municipal Utility Districts for the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study.

c. Interlocal Agreement - Various Entities

Authorize the General Manager to negotiate and execute an Interlocal Agreement with City of Houston, City of Humble, and Harris County Flood Control District for the Upper San Jacinto River Basin Regional Sedimentation Study.

d. Interlocal Agreement - Various Entities

Authorize the General Manager to negotiate and execute an Interlocal Agreement with City of Houston and City of Humble for the Lake Conroe-Lake Houston Joint Reservoir Operations Study.

7. BRIEFINGS AND PRESENTATIONS

a. Presentation regarding Trinity River Option Agreement

Mr. Houston explained that Montgomery County is one of the fastest growing counties in the nation which equates to a higher demand for water. He stated that in order to meet the growing water demand, numerous supply strategies are needed. Further he stated that strategies require a significant, long-term investment of time and money by current and future customers. Mr. Houston went on to explain that currently, one strategy contained in the Raw Water Supply Master Plan is the Trinity River Authority ("TRA") Option, an agreement with TRA to hold 50,000 acre-feet of water to be used for future needs. Mr. Houston presented the water demand projections for Montgomery County for the years 2020 through 2070, exhibiting a significant shortage of approximately 100,000 acre-feet per year. He then presented an overview of the various components of the option agreement which include a transfer of 50,000 acre-feet of firm water per

year of TRA water from the Trinity Basin to the San Jacinto Basin via a pump station and a series of pipeline and/or open channel flows with a projected cost of approximately \$200-300 million. Mr. Houston explained that SJRA pays an option fee of 5% of the TRA raw water rate equaling \$237,500 per year. He explained the December, 2021 deadline to complete a service area agreement in conjunction with TRA would include a variety of costs associated with the continuation of the option agreement. Further, Mr. Houston explained that one of the challenges associated with this agreement is the significant long-term investment and the lack of customer support for these long-term investments. Mr. Houston further stated the path forward is to create and distribute informational materials related to the TRA Option, facilitate meetings with stakeholders, and solicit input prior to presenting this item for action by the Board of Directors in the fall.

b. Presentation regarding proposed GRP Fiscal Year 2022 Budget and Rate Order Amendment

Matt Corley, Utility Enterprise Compliance and Customer Service Manager, provided an overview of the GRP Division's proposed Fiscal Year 2022 budget and rate order. He explained the reserve/fund structure and criteria as well as the flow of GRP funds based upon recommendation by the GRP Review Committee on February 25, 2019, and subsequent adoption by the Board of Directors on February 28, 2019. Mr. Corley reported that as of February 28, 2021, the amount of past due accounts receivable is \$11,903,772. Mr. Corley announced the proposed groundwater pumpage fee and surface water fee for Fiscal Year 2022 is \$2.92 per 1,000 gallons and \$3.34 per 1,000 gallons, respectively.

8. EXECUTIVE SESSION

The Board of Directors did not convene in executive session.

9. RECONVENE IN OPEN SESSION

Because the Board of Directors did not convene in executive session, there was no action.

10. ANNOUNCEMENTS / FUTURE AGENDA

It was announced that the next San Jacinto River Authority Regular Board Meeting will be held on May 27, 2021.

11. ADJOURN

Without objection, the meeting was adjourned at 9:48 a.m.



Wil Faubel
Secretary, Board of Directors