

**BOARD OF DIRECTORS  
SAN JACINTO RIVER AUTHORITY  
MINUTES OF REGULAR MEETING  
MARCH 24, 2022**

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A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 8:00 a.m., March 24, 2022, at the San Jacinto River Authority General and Administration Building. A notice of said meeting was posted as required by law. President Ronnie Anderson, Secretary Wil Faubel, Secretary ProTem Ricardo Mora, and Director Stacey Buick were present. Treasurer Mark Micheletti and Vice President Ed Boulware were absent. Also in attendance were Jace Houston, General Manager; Tom Michel, Director of Financial and Administrative Services; Ed Shackelford, Director of Utility Enterprise Operations; Wayne Owen, Director of Raw Water Operations; Cynthia Bowman, Administrative Services Manager; Mitchell Page, General Counsel; and Jan Bartholomew, Financial Advisor.

**1. CALL TO ORDER**

The meeting was called to order at 8:01 a.m.

**2. PLEDGES OF ALLEGIANCE**

The Pledges of Allegiance were led by Director Anderson.

**3. PUBLIC COMMENTS**

Mr. Dan Krueger commented on seasonal lake lowering.

**4. DIVISION UPDATES**

**a. G & A:**

Mr. Houston commented on staff preparations and exercises related to seasonal storms.

**b. G & A**

Ms. Cook provided updates related to various division and department projects, initiatives, meetings, and tours.

**c. G & A**

Mr. Michel introduced and recognized members of the Risk Management Department.

**d. Utility Enterprise**

Mr. Meeks provided updates related to the March 12, 2022, and March 17, 2022, GRP transmission line repairs.

**e. Lake Conroe**

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

**f. Highlands**

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

**g. Flood Management**

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

**5. CONSENT AGENDA**

Director Faubel made a motion to approve the Consent Agenda, as recommended. The motion was seconded by Director Mora and carried unanimously.

**a. Approval of Minutes**

Approve the minutes of Regular meeting of February 24, 2022.

**b. Unaudited Financials**

Approve the unaudited financials for the month of February, 2022.

**c. Quarterly Investment Report**

Approve the Quarterly Investment Report for the Quarter Ended February 28, 2022.

**d. Construction Contract - Lake Houston Pump Station Generator Auto Transfer Switch**

Authorize the General Manager to execute a construction contract with McDonald Electric in the amount of \$168,469, for the Lake Houston Pump Station Generator Auto Transfer Switch in Highlands, and contract modifications up to the amount approved per the Purchasing Policy.

**6. REGULAR AGENDA****a. Resolution - Highlands Division Emergency Reserve Targeted Fund Balance**

Ms. Pam Steiger, Controller, explained that in 2019, a resolution established the creation of certain funds and accounts that provided reserve, working capital, emergency, and contingency funds for the Lake Conroe, Highlands, and G&A Divisions. In particular, she stated that the policy included the creation of Emergency Reserve Funds for the Highlands Division and designated a targeted fund balance of \$2,500,000, an amount determined to cover the approximate cost of a new siphon in the event of an emergency. Further, Ms. Steiger explained that to reflect anticipated costs more accurately should an emergency replacement be necessary and based on recent completed siphon project costs and estimates for upcoming siphon projects, staff proposed an increase to the targeted fund balance for the Highlands Division from \$2,500,000 to \$3,000,000. Director Buick made a motion to approve Resolution No. 2022-R-04, amending the Highlands Emergency Reserve Targeted Fund balance. The motion was seconded by Director Faubel and carried with all present voting aye.

**7. BRIEFINGS AND PRESENTATIONS****a. Overview of the San Jacinto River Authority's 10-Year Project Planning Process**

Mr. Dan Hilderbrandt, Engineering Manager, provided an overview of the 10-Year Project

Planning process, including all elements related to the development and implementation processes.

**b. Presentation of the Woodlands Division 10-Year Project Plan**

Mr. Aaron Schindewolf, Project Manager, provided an overview of the Woodlands Division 10-Year Project Plan. He discussed various projects taking place in Fiscal Year 2023 and beyond. Mr. Schindewolf provided total projected costs and funding sources for same.

**c. Presentation of the GRP Division 10-Year Project Plan**

Mr. Aaron Schindewolf, Project Manager, provided an overview of the GRP 10-Year Project Plan. He explained that the division's entire plan consists of the replacement of aging low pressure microfiltration membranes, which have an anticipated service life of approximately ten to twelve years. Mr. Schindewolf stated that the cost of the project over a ten-year period is approximately \$4,600,000, which will be funded by the GRP Division's Renewal and Replacement Fund.

**7. EXECUTIVE SESSION**

The meeting was convened in executive session at 9:06 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; and
  - 3. Pending litigation styled *Lake Conroe Assn., et. al. v. City of Houston and San Jacinto River Authority*, Cause No. 21-03-04382, in the 284th District Court, Montgomery County, Texas.

**8. RECONVENE IN OPEN SESSION**

The meeting was called into open session at 10:00 a.m. A quorum of the Board being present, no action was taken regarding the items discussed in executive session.

**9. ANNOUNCEMENTS / FUTURE AGENDA**

It was announced that the San Jacinto River Authority's next Regular Board Meeting will be held on April 28, 2022.

**10. ADJOURN**

Without objection, the meeting was adjourned at 10:01 a.m.




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Wil Faubel  
Secretary, Board of Directors