



**GRP REVIEW COMMITTEE
MINUTES OF REGULAR MEETING**

January 22, 2024

The San Jacinto River Authority (“SJRA”) GRP Review Committee Meeting was held at 11:30 a.m., January 22, 2024, at the SJRA G&A Building – Boardroom 1577 Dam Site Rd, Conroe, Texas 77304. The meeting was also available for viewing only via a livestream on www.sjra.net/grp/meetings. 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>
Mike Mooney	Vice Chair	Woodlands Water Agency
Jackie Chance		MUDs West of I-45
Harry Hardman		City of Conroe
Mike Stoecker		Investor-Owned Utilities
James Corn		Cities other than City of Conroe
<u>Absent</u>		
Rick Moffatt	Chair	MUDs East of I-45

Also present:

<u>Name:</u>	<u>Title:</u>
Ed Shackelford, P.E.	SJRA Director of Operations
Chris Meeks	SJRA Utility Enterprise Manager
Jason Williams	SJRA UE Operations Manager
Jacob Everett	SJRA UE Maintenance Manager
Renee Johnson	SJRA UE Administrative Manager
Pam Steiger	SJRA Chief Financial Officer

1. CALL TO ORDER

Mr. Mooney called the meeting to order at 11:30 am.

2. PUBLIC COMMENTS

There were no public comments.

3. APPROVAL OF MINUTES

Mr. Chance moved to approve the minutes of the GRP Review Committee meeting held December 11, 2023. Mr. Hardman seconded the motion, and it was carried unanimously.

4. GRP DIVISION UPDATES

Mr. Meeks commented there were no updates for GRP.

5. LONE STAR GROUNDWATER CONSERVATION DISTRICT REPORT

Sarah Kouba, General Manager presented updates. She noted the Phase 3 Subsidence study was on course for a February pouring at the first site location, which is in east Montgomery County. She also noted LSGCD is continuing to have meetings with SJRA regarding the potential second site location at Pam 13. Mrs. Kouba noted Lone Star is hosting the GMA 14 meeting on Thursday, February 29th. Information with additional details and agenda will follow. Technical Consultants AGS will be presenting and providing the current status of water levels. She also stated LSGCD is actively working on a detailed review of district rules and anticipate draft rules and a follow-up public feedback session in March or April. Mr. Stoecker asked how long it will take to get the studies back on the coring. Mrs. Kouba noted they anticipate the end of May.

6. DISCUSS AND ACT ON ENGAGEMENT OF A FIRM TO COMPLETE AN ADMINISTRATIVE, ACCOUNTING, AND REVENUE/EXPENSE ALLOCATION STUDY

Mr. Stoecker asked Mr. Meeks if there had been any quotes received. Mr. Meeks noted that no quotes have been received, and that this was carried forward, as we wait for information from the committee on what the scope should include. Mr. Meeks asked the committee to send SJRA information they would like to include, and a scope can be developed and brought back for review. If the committee is good with the scope, SJRA can get information on the costs. Mr. Chance asked if the contract laid out that information. Mr. Meeks stated the contract does, but we currently do not have a contract with a firm that does this type of study, and we would like to have all the information before we go forward. Mr. Stoecker noted that Mr. Sellars from his office could give detailed information that would help with the study. Mr. Shackelford asked that Mr. Sellars provide the information to the committee in writing. Mr. Meeks noted once they receive the information, he would like to bring the information back to the committee in February.

7. DISCUSS AND ACT ON FY2024 GRP BUDGET AMEDMENT

Pam Steiger, Chief Financial Officer, presented information on the budget amendment regarding the membrane capacity study. Mr. Meeks explained that autopsies are done on the membranes every two years. The last one was completed in October 2023. The trends show increased fouling on the membranes. Membranes have up to a ten-to-twelve-year life span. The membranes were installed in 2015. So, they are about at the ten-year mark. We are seeing increased fouling and seeing a lot of different chemicals

needed to clean the membranes. However, when they are cleaned, they are not receiving the same capacity as they originally had. The concern is if we wait too long to start studying the membranes, we get behind the curve and then try to play catch up instead of doing a phased replacement of these membranes. Mr. Meeks explained that the study would include both the study of the membranes, the software, and the capacity. The membranes today should be able to get more flow than they could 10 years ago. Mr. Hardman asked how much the membranes would cost. Mr. Meeks responded it would cost about \$5.4 million for all nine racks. Mr. Mooney asked if all nine racks are in use even though the plant is not running at full capacity. Mr. Meeks responded that all nine racks are in use and are run in cycles. Mr. Hardman commented that if we replaced 3-3-3, it would be a little less than \$2 million if there were no other alternatives. Mr. Meeks responded that it was in the ten-year project plan for \$1.8 million per year for the next three years starting in FY2025. Mr. Stoecker asked who the bidders were on the capacity study. Mr. Meeks responded that with professional services, you do not have bids, you use professional qualifications. A number of requests were sent out for qualifications for a number of different services including water and wastewater planning services. There are three consulting firms qualified, which we will choose from. Mr. Stoecker asked about the concept of the filters. Mr. Meeks responded that the filters are for the treatment of the surface water plant. If you remove membranes from the plant, you could not produce water at all. Mr. Shackelford also noted the disinfectant system would have to be replaced by everyone receiving surface water. Mr. Hardman asked if this was a not to exceed amount. Mr. Meeks responded yes. With no further discussion, Mr. Corn moved to approve the amendment, Mr. Chance seconded the motion, and it was carried unanimously.

8. DISCUSS AND ACT ON THE GRP ARC FLASH STUDY

Mr. Meeks presented information on the Arc Flash Study which is recommended to be done every five years. The last one was done in 2015. It is not a requirement but a safety issue. There have been a couple of instances regarding arc flashes, so we ask for approval to make sure everything is being done to protect people and equipment. Mr. Chance asked if there was equipment that could be installed to monitor the system. Mr. Everett responded that it would be very expensive to install or replace equipment. Mr. Chance asked who was doing the study. Mr. Meeks noted the study would be done by Baird, Gilroy & Dixon, LLC, an electrical engineering firm. Mr. Mooney moved to approve the Arc Flash Study, Mr. Chance seconded the motion, and it was carried unanimously.

9. GRP ITEMS FOR CONSIDERATION BY THE SJRA BOARD OF DIRECTORS

Mr. Meeks noted that these items were previously voted on. These recommendations will be taken to the Board.

10. ATTORNEY'S UPDATE

Mr. Page, Counsel for SJRA, updated the committee on the oral arguments presented on January 9th to the Supreme Court. Currently, we are waiting for the opinion from the court. Also, on the afternoon of January 9th, the anti-trust trial brought by Quadvest began.

11. FUTURE GRP REVIEW COMMITTEE MEETING AGENDA ITEMS

None.

12. FUTURE MEETING SCHEDULE

- a. Monday, February 26, 2024

13. ADJOURN

Mr. Mooney adjourned the meeting at 12:01 PM.



Chris Meeks

SJRA Utility Enterprise Manager / GRP Administrator