



**Board of Directors Meeting
April 24, 2025**



Agenda
Regular Meeting
San Jacinto River Authority Board of Directors
Thursday, April 24, 2025 - 8:00 A.M.
General and Administration Building - Boardroom
1577 Dam Site Road, Conroe, Texas 77304

A quorum of the San Jacinto River Authority Board of Directors will be physically present in the Boardroom of the General and Administration Building located at 1577 Dam Site Road, Conroe, Texas, as it is the intent of the Board of Directors to have a quorum physically present at this location. One or more members of the Board of Directors, however, may participate in the meeting by video-conference call as permitted under Section 551.127 of the Texas Government Code.

1. Call to Order

2. Ceremonial Items

2.1 Invocation

2.2 Pledges of Allegiance to the U.S. and Texas Flags

2.3 Receipt of Commendations, Awards, and Honoraria

3. Public Comments (3 minutes per speaker)

4. Work Session

This item consists of updates, briefings, presentations, and discussion items that may require in-depth consideration and discussion by the Board.

4.1 Update by the General Manager regarding meetings, projects, events, issues, and activities pertinent to the Authority.

4.2 Update by the Director of Communications and Public Affairs regarding updates related to various division and department projects, initiatives, tours, meetings, and social media platforms.

4.3 Presentation of GRP Division 10-Year Project Plan.

4.4 Presentation of Woodlands Division 10-Year Project Plan.

5. Consent Agenda

This agenda consists of ministerial or "housekeeping" items required by law, such as routine bids, contracts, purchases, resolutions, and orders; items previously approved by Board action, such as adoption of items that are part of an approved budget or capital improvement projects, interlocal agreements, or action which is required by law or delegated to the General Manager; and items of a non-controversial nature. These items will be considered by a single motion unless removed and placed on the Regular Agenda for individual consideration at the request of any Director.

5.1 G&A - Minutes

Approval of Minutes - Regular Meeting of March 27, 2025, and Special Meeting of March 31, 2025.

5.2 G&A - Unaudited Financials

Consider approval of the unaudited financials for the month of March, 2025.

5.3 G&A - Order - Confirming Offices and Meeting Places and Designating Regular Meetings

Consider adoption of an Order of the San Jacinto River Authority Board of Directors, amending an order Confirming Offices and Meeting Places and Designating Regular Meetings.

6. Regular Agenda

This agenda consists of items requiring individual consideration by the Board of Directors.

6.1 G&A - Change Order - Support and Enhancements for ERP Microsoft D365 Integration

Consider authorizing the General Manager to execute a change order with Crowe, LLP, for professional services for continued support and enhancements needed for the ERP Microsoft D365 integration.

6.2 G&A - Resolution - Amended Fiscal Year 2025 Operating Budget

Consider adoption of a resolution of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2025 Repair and Replacement Budget for the G&A Division.

6.3 Lake Conroe - Resolution - Amended Fiscal Year 2025 Repair and Replacement Budget

Consider adoption of a resolution of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2025 Repair and Replacement Budget for the Lake Conroe Division.

6.4 Lake Conroe - Construction Contract for Lake Conroe Spillway Gate No. 1 Recoating

Consider authorizing the General Manager to execute a construction contract with CFG Industries, LLC, for the Lake Conroe Dam Spillway Gate No. 1 Recoating Project for the Lake Conroe Division.

7. Executive Session

If necessary, the Board of Directors will adjourn to Closed Session at this point in the meeting to consider the following items; however, the Board of Directors reserves the right to adjourn to Closed Session at any time during the course of this meeting as allowed by law.

7.1 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.

7.2 Pursuant to Texas Government Code, Section 551.071, Consultation with Attorney:

7.2.1 Discuss litigation related to Hurricane Harvey, including additional legal services to be provided by Hunton Andrews Kurth, LLP;

- 7.2.2 Litigation involving City of Conroe, City of Magnolia, Quadvest, L.P., Woodland Oaks Utility, L.P., related to GRP, and other potential litigation related to GRP;
- 7.2.3 Proposed amendments to the 1944 Agreement and 2009 Water Supply Contract between the San Jacinto River Authority and the City of Houston; and
- 7.2.4 Discussion regarding adjacent property encroachments onto SJRA owned property.

7.3 Pursuant to Texas Government Code, Section 551.076, Security Devices:

- 7.3.1 Discussion regarding security devices.

8. Reconvene In Open Session

The Board of Directors will reconvene in Open Session at this point in the meeting and, if necessary, take action on any agenda item discussed in Closed Session and/or identified below.

9. Announcements / Future Agenda

Next San Jacinto River Authority Regular Board Meeting - May 22, 2025.

10. Adjourn

Persons with disabilities who plan to participate in the meeting and would like to request auxiliary aids or services are requested to contact Cynthia Bowman at (936) 588-3111 at least three business days prior to the meeting so that appropriate arrangements can be made.

Item No.	Agenda Item	Date
5.1	Consider approval of minutes from the Board of Directors Regular Meeting of March 27, 2025, and Special Meeting of March 31, 2025.	04/24/2025

BACKGROUND INFORMATION

FUNDING SOURCE: N/A

ATTACHMENTS: Minutes

RECOMMENDED ACTION

Approve the minutes of the Board of Directors Regular Meeting of March 27, 2025, and Special Meeting of March 31, 2025.

Item No.	Agenda Item	Date
5.2	Consider approval of the unaudited financials for the month of March, 2025.	04/24/2025

BACKGROUND INFORMATION

The monthly unaudited financial statements are intended to keep the Board of Directors apprised of the ongoing financial condition of the Authority.

The monthly statements include Financial Highlights, Schedules of Revenues and Expenses (Actual and Budget), Unaudited Balance Sheet, Unaudited Statement of Revenues and Expenses (Summary), and Schedule of Investments.

FUNDING SOURCE: N/A

ATTACHMENTS: Unaudited financials will be provided under separate cover

RECOMMENDED ACTION

Approve the unaudited financial statements for the month of March, 2025.

Item No.	Agenda Item	Date
5.3	Consider adopting an Order of the San Jacinto River Authority Board of Directors, amending an order Confirming Offices and Meeting Places and Designating Regular Meetings.	04/24/2025

BACKGROUND INFORMATION

On February 23, 2017, the San Jacinto River Authority Board of Directors previously adopted an order confirming offices and meeting places and designating regular meetings. The order confirms the domicile of the Authority and its principal official offices as meeting places for the San Jacinto River Authority Board of Directors. Further, it establishes the regular meeting dates and times of the Board of Directors.

The proposed Order amends Section 4, “Regular Meetings”, of the “Order Confirming Offices and Meeting Places and Designating Regular Meetings”, by changing the start time of regular Board of Directors meetings from 7:30 a.m., to a start time of 9:00 a.m.

All other sections are unchanged.

FUNDING SOURCE: NA

ATTACHMENTS: Redline Order and Non-Redline Order

RECOMMENDED ACTION

Adopt an Order of the San Jacinto River Authority Board of Directors, amending Section 4 of an order Confirming Offices and Meeting Places and Designating Regular Meetings.

Item No.	Agenda Item	Date
6.1	Consider authorizing the General Manager to execute a change order with Crowe, LLP, for professional services for continued support and enhancements needed for the ERP Microsoft D365 integration.	04/24/2025
BACKGROUND INFORMATION		
<p>Traditional, on-premises software systems are increasingly being phased out to be replaced with cloud-based systems. In 2021 the SJRA learned that the multiple existing accounting, procurement, and administrative software systems would no longer be supported and were at great risk of non-functionality within a couple of years. SJRA prepared a plan for addressing the challenge. The need for a comprehensive Enterprise Resource Planning system (ERP) to replace the collection of independently connected systems was identified as the desired path forward. SJRA hired a consulting firm to help identify SJRA's needs, develop a request for proposals, identify potential proposers, and help evaluate proposals.</p> <p>An official request for proposals was sent out with multiple respondents. A comprehensive evaluation narrowed the list to three, with Crowe, LLP (Crowe) scoring the highest among the final three proposers. In February 2023, the Board approved the contract with Crowe, LLP to replace numerous elements of the existing system with Dynamics 365 (D365) for a total cost of Phase 1 of the ERP implementation in the amount of \$2,198,282. A change order was approved by the Board in September 2023 in the amount of \$197,300 to incorporate a TrueBill Accounts Receivable system in the Phase 1 implementation to increase the total amount to \$2,395,582.</p> <p>The go-live date for the ERP was in May 2024 and SJRA and Crowe have been diligently working through challenges and workflow adjustments with the ERP implementation. SJRA staff continue to be educated on the D365 programming and continues to assume more responsibility for the daily adjustments needed but acknowledges that we require continued support and more detailed technical expertise to streamline workflows and increase efficiency in the new processes. At this time, SJRA has identified a need for additional support hours (through the end of FY 25) and additional enhancements needed in order to increase efficiency of the new system and reduce staff overtime hours and potential required additional staff to effectively execute the workflow of the new system.</p> <p>The cost of this change order would be an increase of \$198,800 as highlighted in the attached Scope of Work. There is funding available in the FY 25 G&A R&R to cover this increase. Additionally, we anticipate another change order to be needed for FY 26 and are budgeting appropriately for the additional support and additional anticipated enhancements for next year's budget.</p> <p>After thorough review by SJRA's implementation team, it is the unanimous recommendation of staff to approve Crowe's proposed ERP change order for additional support hours through the end of FY 25 and additional enhancements needed to streamline the daily processes.</p>		
FUNDING SOURCE: G&A R&R IT Fund, as funded by Highlands, Lake Conroe, Woodlands, and GRP Division		
ATTACHMENTS: Crowe LLP Statement of Work		
RECOMMENDED ACTION		
<p>Authorize the General Manager to execute a change order in the amount of \$198,800.00 with Crowe, LLP, for professional services for continued support and enhancements needed for the ERP Microsoft D365 integration.</p>		

Item No.	Agenda Item	Date
6.2	Consider adoption of a resolution of San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2025 Repair and Replacement Budget for the G&A Division.	04/24/2025

BACKGROUND INFORMATION

The G&A Division of the San Jacinto River Authority (SJRA) has completed a feasibility study to assess the ability of the existing 250 kW backup generator to provide power to the entire G&A Building rather than just the second floor as it is current set up for. The results of the study concluded that the generator has sufficient capacity to provide power to the entire G&A Building. To provide final design for the modifications needed to allow for the entire building to receive backup power, additional budget for design is required.

The proposed budget amendment in the amount of \$35,000.00 will allow for final design to move forward in FY2025.

Below are the details of the proposed budget amendment for the G&A Division.

R&R Fund:	Current FY2025 Budget	Proposed Amendment	Proposed Amended FY2025 Budget
Professional Fees: Engineering	\$ 20,000.00	\$ 35,000.00	\$ 55,000.00

FUNDING SOURCE: G&A Division Repair and Replacement Fund

ATTACHMENTS: Resolution and Exhibit "A"

RECOMMENDED ACTION

Adopt a resolution of San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2025 Repair and Replacement Budget for the G&A Division.

Item No.	Agenda Item	Date
6.3	Consider adoption of a resolution of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2025 Repair and Replacement Budget for the Lake Conroe Division.	04/24/2025

BACKGROUND INFORMATION

The Lake Conroe Division operates and maintains the Lake Conroe Dam and reservoir, including the primary spillway consisting of five (5) tainter gates utilized as the primary means of releasing water from the reservoir. These spillway gates include a protective coating system designed to protect the underlying metal surfaces from weather and corrosion. The coating system is routinely inspected for wear and loss of coating, and recently Gate No. 1 showed signs of significant coating loss. Following inspection of the gate and coating, Spillway Gate No. 1 was determined to require recoating of the full face of the upstream (lake side) skin plate, as well as spot recoating of steel components on the downstream/back side of the gate to ensure continued protection. This project will include abrasive blast cleaning to remove the existing coatings, preparation of metal surfaces for new coatings, application of a new immersion service epoxy coating system. To provide for construction of the project, as well as inspection during the construction process to ensure adherence with the National Association of Corrosion Engineers (NACE), budget for construction is required.

The proposed budget amendment in the amount of \$190,000.00 will allow for construction of the project, and NACE inspection required for the project, to move forward in FY2025.

Below are the details of the proposed budget amendment for the Lake Conroe Division.

R&R Fund:	Current FY2025 Budget	Proposed Amendment	Proposed Amended FY2025 Budget
Dam Maintenance:	\$ 0.00	\$ 190,000.00	\$ 190,000.00

FUNDING SOURCE: Lake Conroe Division Repair and Replacement Fund

ATTACHMENTS: Resolution and Exhibit "A"

RECOMMENDED ACTION

Adopt a resolution of San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2025 Repair and Replacement Budget for the Lake Conroe Division.

Item No.	Agenda Item	Date
6.4	Consider authorizing the General Manager to execute a construction contract with CFG Industries, LLC, for the Lake Conroe Dam Spillway Gate No. 1 Recoating Project for the Lake Conroe Division.	04/24/2025
BACKGROUND INFORMATION		
<p>Firm Name: CFG Industries, LLC</p> <p>Project: Lake Conroe Dam Spillway Gate No. 1 Recoating</p> <p>Type of Agreement: Minor Construction Services Agreement (Contract No. 25-0003-A)</p> <p>Project Description/Justification:</p> <p>The Lake Conroe Division operates and maintains the Lake Conroe Dam and reservoir, including the primary spillway consisting of five (5) tainter gates utilized as the primary means of releasing water from the reservoir. These spillway gates include a protective coating system designed to protect the underlying metal surfaces from weather and corrosion. The coating system is routinely inspected for wear and loss of coating, and recently Gate No. 1 showed signs of significant coating loss. Following inspection of the gate and coating, Spillway Gate No. 1 was determined to require recoating of the full face of the upstream (lake side) skin plate, as well as spot recoating of steel components on the downstream/back side of the gate to ensure continued protection. This project will include abrasive blast cleaning to remove the existing coatings, preparation of metal surfaces for new coatings, application of a new immersion service epoxy coating system, and inspection to ensure adherence with the National Association of Corrosion Engineers (NACE). The project will also include placement of temporary scaffolding, platforms, and other improvements as needed to provide access to the work area. Existing gate components and related equipment will be protected from blasting material and paint overspray during the work.</p> <p>No. Proposals Received/Proposal Receipt Date: 1 / February 13, 2025</p> <p>Highest Ranked Offeror / Proposed Cost: CFG Industries, LLC / \$163,000.00 Second Ranked Offeror / Proposed Cost: N/A / N/A Third Ranked Offeror / Proposed Cost: N/A / N/A</p> <p>Engineer: Black & Veatch Corporation</p> <p>Proposal Amount: \$163,000.00</p> <p>Engineer's Estimate: \$181,000.00</p> <p>Contract Days: 90 Calendar Days</p>		
FUNDING SOURCE: R&R		
ATTACHMENTS: Map, Summary, Proposal Form, Agreement		
RECOMMENDED ACTION		
<p>Authorize the General Manager to execute a construction contract in the amount of \$163,000.00 with CFG Industries, LLC, for the Lake Conroe Dam Spillway Gate No. 1 Recoating Project for the Lake Conroe Division, and contract modifications up to the amount approved per the Purchasing Policy.</p>		