

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
SEPTEMBER 25, 2025**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 9:00 a.m., September 25, 2025, at the San Jacinto River Authority General and Administration Building. Notice of said meeting was posted as required by law. President Ronnie Anderson, Vice President Ed Boulware, Treasurer Mark Micheletti, Secretary Wil Faubel, Director Stacey Buick, and Director Stephanie Johnson were present. Secretary ProTem Ricardo Mora was absent. Also in attendance were Aubrey A. Spear, General Manager; Heather Ramsey, Director of Communications and Public Affairs; Ed Shackelford, Director of Operations; Pam Steiger, Chief Financial Officer; Cynthia Bowman, Chief of Staff; Amy Sims, General Counsel, and Mitchell Page, General Counsel.

1. Call to Order

The meeting was called to order at 9:00 a.m.

2. Ceremonial Items

2.1 Invocation

The invocation was delivered by Pastor Justin Adams, The Ark Church.

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

The Pledges of Allegiance were led by Director Anderson.

2.3 Receipt of Commendation, Awards, and Honoraria

There were no commendations, awards, or honoraria presented.

3. Public Comments

Mr. Kevin Lacy spoke about active storm management and the water right amendment application submitted to the Texas Commission on Environmental Quality ("TCEQ).

4. Work Session

4.1 Update by the General Manager regarding meetings and events attended by staff.

Mr. Spear provided information related to the water right amendment application approved by the Board in May, 2025, active storm management, the Bear Branch dam, and the effects on aquatic life during seasonal changes.

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

Ms. Ramsey provided information related to various community engagement events, social media highlights, and employee highlights.

4.3 Presentation by Erich Peterson of The Woodlands Water Agency Regarding Water Renewal The Woodlands Plan.

Mr. Erich Peterson, General Manager of The Woodlands Water Agency, provided an overview of Water Renewal The Woodlands, which he explained is a collaborative effort by Woodlands Water, the Municipal Utility Districts, and SJRA focusing on long-term modernization and rehabilitation of water and wastewater infrastructure, public education, and involvement and transparency related to Woodlands projects.

5. Consent Agenda

Director Johnson made a motion to approve the Consent Agenda, as presented. The motion was seconded by Director Boulware and carried unanimously.

5.1 G&A - Minutes

Approval of Minutes - Regular Meeting of August 28, 2025.

5.2 G&A - Quarterly Investment Report

Approve the Quarterly Investment Report for the Quarter Ended August 31, 2025.

5.3 G&A - Resolution - Pension Plan Investment Policy

Adoption of Resolution No. 2025-R-25 of the San Jacinto River Authority Board of Directors adopting an amended Pension Plan Investment Policy dated September 25, 2025.

5.4 GRP - Ratification of Contract for Annual Grounds and Landscaping Services

Ratify actions by the General Manager regarding execution of the contract for annual grounds and landscaping services with Maldonado Nursery & Landscaping, Inc., in the amount of \$76,000, for the GRP Division.

5.5 GRP - Ratification of Contract for Granulated Activated Carbon Services

Ratify actions by the General Manager regarding execution of the contract for granulated activated carbon services in the amount of \$3,146,000, with Carbon Activated Corporation for the GRP Division.

5.6 GRP - Ratification of Contract for Water Treatment Chemicals (PVS DX)

Ratify actions by the General Manager regarding execution of the contract for water treatment chemicals (sodium hypochlorite) in the amount of \$596,676.92, with PVS DX, Inc., for the GRP Division.

5.7 GRP - Ratification of Contract for Water Treatment Chemicals (Shannon Chemical)

Ratify actions by the General Manager regarding execution of the contract for water treatment chemicals (sodium permanganate) in the amount of \$243,643.08, with Shannon Chemical for the GRP Division.

5.8 GRP - Ratification of Contract for Water Treatment Chemicals (Univar)

Ratify actions by the General Manager regarding execution of the contract for water treatment chemicals (citric acid and sodium hydroxide) in the amount of \$121,200 and \$29,523.08, with Univar Solutions USA, Inc., for the GRP Division.

5.9 GRP and Woodlands - Ratification of Contract for Lab Testing Services

Ratify actions by the General Manager regarding execution of the contract for commercial laboratory testing services in the amount of \$187,865, with North Water District Laboratory Services for the GRP and Woodlands Divisions.

5.10 Woodlands - Ratification of Contract for Annual Grounds and Landscaping Services

Ratify actions by the General Manager regarding execution of the contract for annual grounds and landscaping services in the amount of \$193,000, with Tom's Lawns for the Woodlands Division.

6. Regular Agenda

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

Ms. Connie Curtis, Director of Technical and Operational Services, provided information related to the necessary support and enhancements needed for optimum functionality of the existing Microsoft D365 project. Director Boulware made a motion to authorize the General Manager to execute a change order with Crowe, LLP, in the amount of \$330,000, for professional services for continued support and enhancements needed for ERP Microsoft D365. The motion was seconded by Director Micheletti and carried unanimously.

6.2 Bear Branch - Resolution - Fiscal Year 2026 Budget Amendment for Bear Branch*

Ms. Jamye Lewis, Controller, presented information that necessitated a budget amendment for the Bear Branch Division in connection with the Bear Branch Dam Modification Project. She explained that the amendment was required due to the engineer's recommendation to expand the scope of work, along with increased expenditures associated with Phase I and Phase II engineering services. Discussion ensued. Director Buick made a motion to adopt Resolution No. 2025-R-26 of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the Bear Branch Division. The motion was seconded by Director Faubel and carried unanimously.

6.3 GRP - Resolution - Fiscal Year 2026 Budget Amendment for the GRP Division*

Ms. Steiger, Chief Financial Officer, presented the rationale behind the need for an amendment to the GRP Division's FY2026 budget. She stated that the amendment is driven by an increased water supply demand from certain GRP participants, requiring an increase in production capacity at the surface water treatment facility from 16.5 million gallons per day ("mgd") to 20.0 mgd. Ms. Steiger explained that the increased production affects the GRP Division's operating budget in three main areas: Revenues, Expenses, and Capital improvements, all of which must be recognized and accounted for in the Fiscal Year 2026 budget. Ms. Steiger outlined two options developed by staff for the GRP Review Committee and the Board of Directors to consider. She explained that Option 1 for increased water supply/production from 16.5 mgd to 20.0 mgd provides for no increase in rates (groundwater pumpage fee of \$2.62/1,000 gallons and surface

water fee of \$3.21/1,000 gallons) and an increase of \$4,500,000 to the Repair and Replacement Fund. She stated that Option 2 for increased water supply/production from 16.5 mgd to 20.0 mgd provides for a \$0.10 reduction in rates (groundwater pumpage fee of \$2.52/1,000 gallons and surface water fee of \$3.11/1,000 gallons) as well as an increase of \$2,900,000 to the Repair and Replacement Fund. Ms. Steiger stated that the GRP Review Committee met on Monday, September 22, 2025, and recommended approval of Option 2 to the Board of Directors. On behalf of the Finance Committee, Director Micheletti stated that they felt it was important for the GRP Review Committee to decide the best option. Director Buick made a motion to accept the GRP Review Committee's recommendation to adopt Option 2 and to adopt Resolution No. 2025-R-27 of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the GRP Division. The motion was seconded by Director Micheletti and carried unanimously.

6.4 GRP - Ratification of Emergency Declaration for the GRP Water Line Repair

Mr. Jason Williams, Utility Enterprise Operations Manager, provided an update on the emergency repair of the GRP water line that occurred in August in Conroe, Texas. Following the update, Director Boulware made a motion to ratify actions by the General Manager regarding issuance of purchase orders or other contractual agreements related to the emergency response and repair of San Jacinto River Authority's GRP 12-inch water line in Conroe, Texas. The motion was seconded by Director Faubel and carried unanimously.

7. Executive Session

The meeting was convened into executive session at 10:18 a.m., under the following provisions:

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; and

7.2.2 Litigation involving City of Magnolia, Quadvest, L.P., Woodland Oaks Utility, L.P., related to GRP, and other potential litigation related to GRP.

7.3 Pursuant to Texas Government Code, Section 551.074, Personnel Matters:

7.3.1 Discussion regarding duties and responsibilities of the General Manager.

8. Reconvene In Open Session

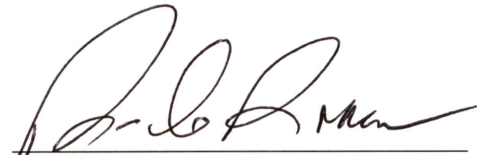
With a quorum of the Board present, the meeting was called into open session at 11:32 a.m.

9. Announcements / Future Agenda

It was announced that the next San Jacinto River Authority Regular Board Meeting will take place on October 23, 2025.

10. Adjourn

Without objection, the meeting was adjourned at 11:33 a.m.



Wil Faubel
Secretary, Board of Directors

