

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
OCTOBER 23, 2025**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 9:00 a.m., October 23, 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 ProTem Ricardo Mora, Director Stacey Buick, and Director Stephanie Johnson were present. Secretary Wil Faubel was absent. Also in attendance were Aubrey A. Spear, General Manager; Heather Ramsey, Director of Communications and Public Affairs; 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 Reverend John McMann, First Methodist Conroe.

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

The San Jacinto River Authority was presented with an Anniversary Award for 45 years of membership with The Woodlands Area Chamber of Commerce.

3. Public Comments

Director Boulware made a motion to extend the three-minute public comment period to five minutes for each speaker. The motion was seconded by Director Johnson and carried unanimously.

Mr. Kevin Lacy provided comments related to the temporary lowering of Lake Conroe. Mr. Don Bonnette expressed his gratitude for providing messaging and awareness to the community regarding wake boating.

4. Work Session

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

Mr. Spear provided comments related to the various meetings, projects, events, issues, and activities pertinent to SJRA.

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 Lake Conroe Beach Park regarding park activities.

Ms. Soraya Herbert-Molina and Ms. Elizabeth Gurerro provided an update on the various activities available at Lake Conroe Beach Park.

5. Consent Agenda

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

5.1 G&A - Minutes

Approve Minutes - Regular Meeting of September 25, 2025.

5.2 G&A - Annual Renewal of Microsoft Enterprise Agreement

Authorize the General Manager to execute a contract renewal with Microsoft Corporation in the amount of \$148,002.42, for the Microsoft Annual Enterprise Agreement for the San Jacinto River Authority.

5.3 G&A - Purchase of Replacement Servers for the SCADA I&C Department

Authorize the General Manager to approve a purchase from Dell Technologies in the amount of \$202,738, for replacement servers for the SCADA I&C Department.

5.4 GRP - Purchase of Cellular Signal Enhancements for GRP Campus

Authorize the General Manager to approve a purchase with Centre Technologies in the amount of \$114,610.62, for cellular signal enhancements for the Ground Water Reduction Plant Campus.

5.5 GRP - Purchase of Equipment for GRP Surface Water Treatment Facility

Authorize the General Manager to approve a purchase with Meurer Research in the amount of \$125,000, for floating plate settler covers for the Pretreatment Basins at the GRP Surface Water Treatment Facility.

5.6 GRP - Purchase of Coagulants for the GRP Surface Water Treatment Facility

Authorize the General Manager to approve purchases with CedarChem, LLC, in the amount of \$1,400,000, for coagulants for the GRP Division.

5.7 GRP - Purchase of Maintenance Service Plan for Turbo Blowers at the GRP Surface Water Treatment Facility

Authorize the General Manager to approve the purchase of a Maintenance Service Plan with APGN, Inc., in the amount of \$132,000, for the turbo blowers located at the GRP Surface Water

Treatment Facility for the GRP Division.

5.8 GRP - Work Order No. 6 for Rate Model Update for the GRP Division

Authorize the General Manager to execute Work Order No. 6 with Carollo Engineers, Inc., in the amount of \$4,520, for a rate model update for the GRP Division.

5.9 Woodlands - Work Order No. 7 for Rate Model Update for the Woodlands Division

Authorize the General Manager to execute Work Order No. 7 with Carollo Engineers, Inc., in the amount of \$4,520, for a rate model update for the Woodlands Division.

5.10 Raw Water Enterprise - Work Order No. 2 for Bear Branch Dam Modification Project

Authorize the General Manager to execute Work Order No. 2 with Schnabel Engineering, LLC, in an amount not to exceed \$108,740.18, for the Bear Branch Dam Modification Project for the Bear Branch Division.

5.11 Raw Water Enterprise - Work Order No. 5 for Highlands Reservoir Dam Engineering Inspection

Authorize the General Manager to execute Work Order No. 5 with Black & Veatch Corporation in the amount of \$36,018, for the Highlands Reservoir Dam Engineering Inspection for the Highlands Division.

5.12 Raw Water Enterprise - Work Order No. 8 for Lake Conroe Dam Engineering Inspection

Authorize the General Manager to execute Work Order No. 8 with Freese and Nichols, Inc., in the amount of \$174,295, for the Lake Conroe Dam Engineering Inspection for the Lake Conroe Division.

5.13 Raw Water Enterprise - Surveying Services for Lake Conroe Dam Engineering Inspection

Authorize the General Manager to execute Work Order No. 7 with Gratia Geometrics, LLC, in an amount not to exceed \$33,773.49, for professional surveying services for the Lake Conroe Dam Engineering Inspection for the Lake Conroe Division.

6. Regular Agenda

6.1 GRP - Redemption and Defeasance of Certain Outstanding Bonds

Ms. Pam Steiger, Chief Financial Officer, reviewed the available options for utilizing the City of Conroe payment. She provided an overview of the initial Fiscal Year 2026 GRP budget and the subsequent amendment adopted in September 2025, which included increasing GRP participants' water supply delivery from an average of 16.5 MGD to 20.0 MGD, implementing a \$0.10/1,000 gallons reduction to groundwater and surface water rates effective January 2026, and increasing the GRP Repair and Replacement (R&R) Fund by \$2.9 million for a total fund budget of \$3.8 million. Ms. Steiger then presented three scenarios related to the proposed budget amendment addressing GRP bond defeasance and/or refunding:

Option 1 – GRP Bond Defeasance:

Ms. Steiger explained that this option would reduce the GRP general fund and debt service reserve by \$22.8 million, producing an annual savings of approximately \$963,000 in debt service and allowing for a possible \$0.04/1,000 gallons reduction in rates.

Option 2 – Combination of GRP Defeasance and Refunding:

Under this scenario, Ms. Steiger explained that the Authority would issue Special Project Revenue Refunding Bonds (GRP project), Series 2026 (the “Refunding Bonds”). The proceeds of the Refunding Bonds, along with approximately \$20 million in cash contributed from the GRP General Fund, would be used to refund almost all of the outstanding debt previously issued for the GRP. The results would be an approximate \$3 million in annual debt service savings and enabling a possible \$0.12/1,000 gallons rate reduction.

Option 3 – Defeasance, Refunding, and Transfer to the R&R Fund:

Finally, Ms. Steiger explained that this option provided the same scenario as Option 2, with the contribution of cash from the GRP General Fund reduced by \$500,000. The \$500,000 would instead be transferred to the R&R Fund. Under this option, the rates may be reduced by an estimated \$0.10/1,000 gallons.

She noted that these options were presented to the GRP Review Committee on October 20, 2025, and the committee unanimously recommended Option 3. Ms. Steiger also discussed the estimated savings from proceeding with the bond refunding and defeasance of \$20 million utilizing general fund and debt service reserve funds, which could yield approximately \$42 million in total savings over the life of the bonds while shortening the maturity date. Finally, she provided an update on the membrane replacement project, explaining the need for an additional transfer to the R&R Fund. Discussion ensued. Director Buick made a motion to accept Option 3, as recommended by the GRP Review Committee, and authorize the preparation of documents for the issuance, sale, and delivery of the Refunding Bonds, including issuance of Request for Proposals for underwriting services. The motion was seconded by Director Johnson and carried unanimously.

6.2. Woodlands and GRP - Amendment to Contract for Water and Wastewater Maintenance Services or the Woodlands and GRP Divisions

Mr. Jason Williams, Utility Enterprise Operations Manager, provided an overview of the amendment to the Water and Wastewater Maintenance Services contract for the Woodlands and GRP Divisions. Director Boulware made a motion to authorize the General Manager to execute a first amendment to the contract for Water and Wastewater Maintenance Services with Mallard Underground Utilities, LLC, in an amount not to exceed \$574,000 for the Woodlands Division and an amount not to exceed \$494,000 for the GRP Division. The motion was seconded by Director Mora and carried unanimously.

6.3 Raw Water Enterprise - Amendment No. 2 to Work Order No. 2 San Jacinto River and Tributaries Sediment Removal and Sand Trap Development Project

Mr. Dan Hilderbrandt, Technical Services Manager, provided information related to the San Jacinto River and Tributaries Sediment Removal and Sand Trap Development Project. Director Buick made a motion to authorize the General Manager to execute Amendment No. 2 to Work Order No. 2 with Freese and Nichols, Inc., for preliminary design of the San Jacinto River and

Tributaries Sediment Removal and Sand Trap Development Project for the Flood Management Division. The motion was seconded by Director Boulware and carried with all present voting aye.

It was announced that Regular Agenda items 6.4 and 6.5 would be presented and considered together.

Ms. Lynzey Jett, Highlands Manager, and Mr. Nabeel Khan, Technical Services Project Manager, provided an overview of the Lake Houston Pump Station Pump and Motor Replacement Project. They explained the various components included in early procurement package 1 and early procurement package 2.

Director Boulware made a motion to approve Regular Agenda Items 6.4 and 6.5 as presented. The motion was seconded by Director Micheletti and carried unanimously.

6.4 Raw Water Enterprise - Purchase of Equipment for Lake Houston Pump Station Pump and Motor Replacement Project Early Procurement Package 1

Authorize the General Manager to approve the purchase of an automatic transfer switch and switchboard equipment listed in Early Procurement Package 1 with Elliott Electric Supply in an amount not to exceed \$102,300, as part of the Lake Houston Pump Station Pump and Motor Replacement Project in the Highlands.

6.5 Raw Water Enterprise - Purchase of Equipment for Lake Houston Pump Station Pump and Motor Replacement Project Early Procurement Package 2

Authorize the General Manager to approve the purchase of a generator listed in Early Procurement Package 2 with Cummins Southern Plains in an amount not to exceed \$376,826, as part of the Lake Houston Pump Station Pump and Motor Replacement Project in the Highlands.

6.6 Raw Water Enterprise - Ratification of Emergency Declaration for Repairs to Pumps and Motors at the South Canal Transfer Pump Station

Ms. Jett and Mr. Bret Raley, Raw Water Enterprise Manager, provided information related to the emergency declaration for repairs to pumps and motors at the South Canal Transfer Pump Station. Director Buick made a motion to ratify and authorize actions by the General Manager regarding issuance of purchase orders or other contractual agreements related to the emergency response and repair of pumps and motors at the South Canal Transfer Pump Station for the Highlands Division. The motion was seconded by Director Johnson and carried unanimously.

7. Executive Session

The meeting was convened into executive session at 10:31 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 Discuss Active Storm Management; and

- 7.2.3 Discuss litigation involving City of Magnolia, Quadvest, L.P., Woodland Oaks Utility, L.P., related to GRP, and other potential litigation related to GRP; and
- 7.2.4 Discuss Board Policies and Procedures.

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 12:13 p.m.

9. Announcements / Future Agenda

It was announced that the next San Jacinto River Authority Regular Board Meeting will take place on December 11, 2025.

10. Adjourn

Without objection, the meeting was adjourned at 12:14 p.m.



Wil Faubel
Secretary, Board of Directors

