



**GRP REVIEW COMMITTEE
MINUTES OF REGULAR MEETING**

October 20, 2025

The San Jacinto River Authority (“SJRA”) GRP Review Committee Meeting was held at 11:30 a.m., October 20, 2025, 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>
James Corn	Chair	Cities other than City of Conroe
Erich Peterson, P.E.	Vice Chair	Woodlands Water Agency
Jackie Chance		MUDs West of I-45
Harry Hardman		City of Conroe
Mike Stoecker		Investor-Owned Utilities

Excused:

Benjamin Slotnick, Ph.D.

MUDs East of I-45

Also present:

<u>Name:</u>	<u>Title:</u>
Aubrey A. Spear, P.E.	SJRA General Manager
Ed Shackelford, P.E.	SJRA Director of Operations
Chris Meeks	SJRA Utility Enterprise Manager
Jacob Everett	SJRA Utility Enterprise Maintenance Manager
Maleia Good	SJRA Utility Enterprise Administrative Manager
Pam Steiger	SJRA Chief Financial Officer
Kelli Stormer	SJRA Accounting Manager
Jodi Chaney	SJRA Records Manager
Amy Sims	SJRA General Counsel
Sarah Kouba	Lone Star Ground Water Conservation District General Manager

1. CALL TO ORDER

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

2. PUBLIC COMMENTS

There were no public comments.

3. WORK SESSION

3.1 Items by GRP Administrator

3.1.1 Update by Utility Enterprise staff regarding operations and maintenance.

Mr. Jacob Everett provided an operational update regarding FY26 surface water delivery. Mr. Chris Meeks reported that MUD 99 received a substantial portion of its annual allocation to support operations during emergency conditions, as two wells are currently out of service. The additional allocation was drawn from unallocated capacity. Mud 99 is expecting to have both wells back online at the end of October 2025.

3.1.2 Update by Lone Star Groundwater Conservation District (LSGCD) regarding projects and other activities.

Ms. Sarah Kouba reported that Groundwater Management Area (GMA) 14 will meet at LSGCD on November 19, 2025, at 10:00 a.m. to continue discussions related to the Desired Future Conditions (DFC) joint planning process.

4. ACTION ITEMS

4.1 Approval of Minutes - GRP Review Committee meeting of September 22, 2025.

Mr. Corn requested a motion to approve the minutes of the GRP Review Committee meeting held on September 22, 2025. The motion for approval was made by Mr. Harry Hardman, with a second by Mr. Erich Peterson. The motion carried unanimously.

4.2 Consider a recommendation to the SJRA Board of Directors authorizing the redemption and defeasance of certain outstanding bonds.

Ms. Pam Steiger presented three operational budget amendment options to the Committee related to funds received by SJRA following the recent settlement with the City of Conroe.

Ms. Steiger noted that the recently approved FY26 GRP Budget Amendment in September 2025 increased the GRP surface water production to 20 MGD. This increase allowed for a \$0.10 rate decrease in the GRP rates beginning in January 2026 and an additional \$2.9 million contribution to the R&R fund. Ms. Steiger shared three new amendment options to utilize the funds received from the settlement with the City of Conroe:

- **Option 1:** GRP Bond Defeasance using \$22.8 million from the general fund and debt service reserve, resulting in an estimated annual reduction of approximately \$963,000 and a potential \$0.04 rate decrease.
- **Option 2:** GRP Bond Defeasance and Refunding using \$20 million from the general fund, resulting in an estimated annual reduction of approximately \$3 million and a potential \$0.12 rate decrease.
- **Option 3:** GRP Bond Defeasance and Refunding with an R&R transfer, resulting in a potential \$0.10 rate decrease and a \$500,000 allocation to R&R.

The Committee discussed currently planned and future projects, potential bond actions, and impacts on rates. Members emphasized the importance of choosing a stable and sustainable option that would minimize the likelihood of future rate increases.

Following discussion, Mr. Hardman made a motion to recommend approval of the proposed budget amendment Option 3. The motion was seconded by Mr. Jackie Chance and carried unanimously.

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4.3 Consider a recommendation to the SJRA Board of Directors authorizing the General Manager to execute Work Order No. 6 with Carollo Engineers Inc., for a rate model update for the GRP Division.

Mr. Meeks explained that this update is needed to revise the GRP rate model to align with the current general ledger (GL) code structure. The work order authorizes Carollo Engineers to make these updates for a total cost of \$4,520.

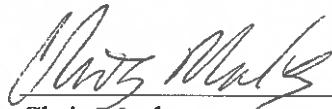
Mr. Hardman made a motion to approve the recommendation. It was seconded by Mr. Mike Stoecker and carried unanimously.

5. FUTURE GRP REVIEW COMMITTEE MEETING AGENDA ITEMS

No future GRP Review Committee meeting agenda items were discussed.

6. ADJOURN

Mr. Corn adjourned the meeting at 11:55 a.m.



Chris Meeks
SJRA Utility Enterprise Manager / GRP Administrator