



**Board of Directors Meeting
July 23, 2026**



Agenda
Regular Meeting
San Jacinto River Authority Board of Directors
Thursday, July 23, 2026 - 9:00 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.

****Note Regarding Budget Amendment(s)***

Per House Bill 1522 of the 89th Legislative Session, and effective September 1, 2025 ("HB 1522"), any proposed budget(s) must be attached to this notice of meeting or posted on the home page of the San Jacinto River Authority's website along with a notice of taxpayer impact statement that shows the tax impact on the median-valued homestead of the (i) the proposed budget, and (ii) a tax impact statement.

In compliance with HB 1522, the proposed budget is located at:
<https://www.sjra.net/about/who-we-are/board/>

With regard to the tax impact statement required by HB 1522, the San Jacinto River Authority does not levy or collect property taxes.

1. Invocation and Pledges of Allegiance to the U.S. and Texas Flags

- 1.1** Invocation - Dr. Jason Nelson of Grace Woodlands
- 1.2** Pledges of Allegiance led by Director Ed Boulware

2. Ceremonial Items

- 2.1** Receipt of Commendations, Awards, and Honoraria
 - Recognition of winners of the Tinker Program at Tough Elementary

3. Call to Order

4. Public Comments (3 minutes per speaker)

5. Work Session

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

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

- 5.2 Update by the Director of Communications and Public Affairs regarding various division and department projects, initiatives, tours, meetings, and social media platforms.
- 5.3 Presentation of the Bear Branch 10-Year Project Plan.
- 5.4 Presentation of Proposed Fiscal Year 2027 Budget.
- 5.5 Presentation of Proposed Calendar Year 2027 rates for Raw Water Customers.
- 5.6 Presentation of Proposed Fiscal Year 2027 rates for the Woodlands Division Customers.
- 5.7 Presentation of Proposed Fiscal Year 2027 rates for GRP Participants.

6. 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.

6.1 G&A Division - Minutes

Approval of Minutes - Regular Meeting of June 25, 2026.

6.2 G&A Division - Unaudited Financials

Consider approval of the unaudited financials for the month of May, 2026.

6.3 G&A Division - Actuarial Consulting Services

Consider authorizing the General Manager to execute a Services Agreement with Milliman, Inc., to provide actuarial consulting services for the employee pension benefit plan.

6.4 G&A Division - Actuarial Review Services

Consider authorizing the General Manager to execute a Professional Services Agreement with The Howard E. Nyhart Co., Inc., to provide independent actuarial review services.

6.5 G&A Division - Construction Materials Testing Services for all SJRA Divisions (Aviles)

Consider authorizing the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Aviles Engineering Corporation for construction materials testing services for all SJRA Divisions.

6.6 G&A Division - Construction Materials Testing Services for all SJRA Divisions (Geoscience)

Consider authorizing the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Geoscience Engineering & Testing, Inc., for construction materials testing services for all SJRA Divisions.

6.7 G&A Division - Construction Materials Testing Services for all SJRA Divisions (Geotest)

Consider authorizing the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Geotest Engineering, Inc., for construction materials testing services for all SJRA Divisions.

6.8 Woodlands Division - Sludge Hauling, Sludge Disposal, and Debris Waste Management Hauling Services

Consider authorizing the General Manager to execute the second renewal term of the General Services Agreement with Republic Services to continue providing sludge hauling, sludge disposal, and debris waste management hauling services for the Woodlands Division.

7. Regular Agenda

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

7.1 Woodlands Division - Lift Station No. 5 Force Main Replacement

Consider authorizing the General Manager to execute a Professional Services Agreement with ARKK Engineers, LLC, for final design of the Lift Station No. 5 Force Main Replacement Project for the Woodlands Division.

7.2 GRP Division - Resolution - Amended Fiscal Year 2026 Operating Budget for the GRP Division*

Consider adoption of a resolution of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the GRP Division.

7.3 Woodlands Division - Resolution - Amended Fiscal Year 2026 Operating Budget for the Woodlands Division*

Consider adoption of a resolution of the San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the Woodlands Division.

8. 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.

8.1 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; 551.076, Security Devices, or 551.0761, Critical Infrastructure, as applicable.

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

8.2.1 Litigation related to Hurricane Harvey, including additional legal services to be provided by Hunton Andrews Kurth, LLP;

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

8.2.3 Receive legal advice regarding the disposition of fee simple property around Lake Conroe.

8.3 Pursuant to Texas Government Code, Section 551.072, Real Property:

8.3.1 Discuss a 0.2854 acre tract of real property located in the John Corner Survey, A-08, near Montgomery, Texas.

9. 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.

10. Lake Conroe Division - Sale of Real Property (Attique)

Consider surplus declaration and disposal by sale of a 0.2854 acre tract of real property located in the John Corner Survey, A-08, near Montgomery, Texas, to Aisha Attique, Alina Attique, and Bushre Attique, and authorize the General Manager to execute all necessary documents to complete the transaction.

11. Lake Conroe Division - Irrevocable Encroachment Agreement (Attique)

Consider authorizing the General Manager to execute an Irrevocable Encroachment Agreement between SJRA and Aisha Attique, Alina Attique, and Bushre Attique, on a San Jacinto River Authority permanent easement in the John Corner Survey, A-08, Montgomery County, Texas.

12. Announcements / Future Agenda

Next San Jacinto River Authority Regular Board Meeting - August 27, 2026.

13. 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
6.1	Consider approval of minutes from the Board of Directors meeting of June 25, 2026.	07/23/2026

BACKGROUND INFORMATION

FUNDING SOURCE: N/A

ATTACHMENTS: Minutes

RECOMMENDED ACTION

Approve the minutes of the June 25, 2026, Board of Directors meeting.

**BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY
MINUTES OF REGULAR MEETING
JUNE 25, 2026**

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 9:00 a.m., June 25, 2026, 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, Secretary ProTem Ricardo Mora, Director Stacey Buick, and Director Stephanie Johnson were present. Also in attendance were Aubrey A. Spear, General Manager; Heather Ramsey, Director of Communications and Public Affairs; Ed Shackelford, Director of Operations; Connie Curtis, Director of Technical and Operational Services; Pam Steiger, Chief Financial Officer; Cynthia Bowman, Chief of Staff; and Amy Sims, General Counsel.

1. Invocation and Pledges of Allegiance to the U.S. and Texas Flags

The invocation was given by Director Mark Micheletti and the Pledges of Allegiance to the U.S. and Texas Flags were led by Director Ronnie Anderson.

2. Ceremonial Items

2.1 Receipt of Commendations, Awards, and Honoraria

Ms. Pam Steiger, Chief Financial Officer, recognized members of the Risk Management Department in observance of National Safety Month.

3. Call to Order

The meeting was called to order at 9:04 a.m.

4. Public Comments

Mr. Dan Krueger spoke about effective storm management.

5. Work Session

5.1 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.

5.2 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 activities, and employee highlights.

5.3 Presentation of the Highlands Division 10-Year Project Plan

Ms. Jared Marek, Graduate Engineer, Technical Services Department, and Ms. Lynzey Jett, Highlands Manager, provided an overview of the Highlands Division 10-Year Project Plan, specifically highlighting projects that will be implemented in Fiscal Year 2027.

5.4 Presentation of the Lake Conroe Division 10-Year Project Plan

Mr. Greg Lushbaugh, Project Manager, Technical Services Department, and Mr. Bret Raley, Raw Water Enterprise Manager, provided an overview of the Lake Conroe Division 10-Year Project Plan, with a particular focus on the projects scheduled for implementation in Fiscal Year 2027.

5.5 Presentation of the Water Supply Planning 10-Year Project Plan

Mr. Matt Barrett, Water Resources and Flood Management Division Manager, provided an overview of the Water Supply Planning 10-Year Project Plan, outlining projects scheduled for implementation in Fiscal Year 2027.

6. Consent Agenda

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

6.1 G&A Division - Minutes

Approval of Minutes - Regular Meeting of May 28, 2026.

6.2 G&A Division - Unaudited Financials

Approve unaudited financials for the month of April, 2026.

6.3 G&A Division - Quarterly Investment Report

Approve the Quarterly Investment Report for the Quarter Ended May 31, 2026.

6.4 Highlands Division - Amendment to Water Supply Contract with Industrial Customer

Authorize the General Manager to execute an amendment to a water supply contract, in a form approved by the General Counsel, with an industrial customer for the Highlands Division.

6.5 GRP Division - Price Amendment for Granular Activated Carbon Exchange Services

Authorize the General Manager to execute a price amendment to the General Services Agreement with Carbon Activated Corporation, in an amount not to exceed \$2,600,000, for installation of granular activated carbon (GAC) exchange services for the GRP Division.

6.6 Woodlands and GRP Divisions - Easement Mowing, Clearing, Litter and Debris Removal, Tree Removal, and Fence Line Clearing Services

Authorize the General Manager to execute a General Services Agreement with Texas Ranch Maintenance, LLC, in the amounts of \$100,000 for the Woodlands Division, and \$50,000 for the GRP Division, for easement mowing, clearing, litter and debris removal, tree removal, and fence line clearing services.

6.7 Woodlands and GRP Divisions - Amendment to General Services Agreement for Sludge Hauling, Sludge Disposal, and Debris Waste Management Hauling Services

Authorize the General Manager to execute an amendment to the General Services Agreement with GFL Environmental in the amounts of \$496,698 for the Woodlands Division, and \$249,543 for the GRP Division, to continue providing sludge hauling, sludge disposal, and debris waste management hauling services.

7. Regular Agenda

7.1 Woodlands Division - Construction Contract for Water Well Nos. 3 and 13 Rehabilitation

Mr. Aaron Schindewolf, Engineering Manager, presented an overview of the Water Well Nos. 3 and 13 Rehabilitation Project, explaining that both wells have experienced a significant decline in pumping capacity and have been taken out of service within the past two years. He noted that rehabilitation of both wells is necessary to support The Woodlands' long-term water supply strategy. Director Buick made a motion to authorize the General Manager to execute a construction contract with Weisinger Incorporated in the amount of \$973,255, for the Water Well Nos. 3 and 13 Rehabilitation Project for the Woodlands Division, and contract modifications up to the amount approved by the Purchasing Policy. The motion was seconded by Director Mora and carried unanimously.

8. Executive Session

The meeting was convened into executive session at 10:37 a.m., under the following provisions:

8.1 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; 551.076, Security Devices, or 551.0761, Critical Infrastructure, as applicable.

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

8.2.1 Litigation related to Hurricane Harvey, including additional legal services to be provided by Hunton Andrews Kurth, LLP; and

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

8.3 Pursuant to Texas Government Code, Section 551.072, Real Property:

8.3.1 Discussion regarding property encroachments on a SJRA permanent easement in the Cape Conroe Subdivision, William Atkins Survey, A-03, Montgomery County, Texas.

9. Reconvene In Open Session

With a quorum of the Board present, the meeting was called into open session at 11:31 a.m.

10. Lake Conroe Division – Irrevocable and Revocable Encroachment Agreement

Mr. Bret Raley presented information regarding an applicant's request for a Revocable Encroachment Agreement and an Irrevocable Encroachment Agreement to encroach on the San Jacinto River Authority's permanent easement located in the Cape Conroe Subdivision, Section 01, Block 03, Lot 33, Montgomery County, Texas, with a total reimbursement amount of \$3,270. Director Buick made a motion to authorize the General Manager to execute an Irrevocable Encroachment Agreement and a

Revocable Encroachment Agreement in the amount of \$3,270, with TNA Nubby, LLC, on a San Jacinto River Authority permanent easement in the Cape Conroe Subdivision, William Atkins Survey, A-03, Montgomery, Texas. The motion was seconded by Director Johnson and carried unanimously.

11. Announcements / Future Agenda

It was announced that the next San Jacinto River Authority Regular Board Meeting will take place on July 23, 2026.

12. Adjourn

Without objection, the meeting was adjourned at 11:35 a.m.

Wil Faubel
Secretary, Board of Directors

Item No.	Agenda Item	Date
6.2	Consider approval of the unaudited financials for the month of May, 2026.	07/23/2026

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

RECOMMENDED ACTION

Approve the unaudited financial statements for the month of May, 2026.

San Jacinto River Authority



Unaudited Financial Statements

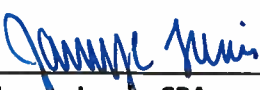
For the Nine Months Ending May 31, 2026

APPROVED BY:



Pam J. Steiger, CPA
Chief Financial Officer

06/23/26
Date



Jamye Lewis, CPA
Controller

6/22/26
Date

San Jacinto River Authority

*Unaudited Financial Statements
For the Nine Months Ending May 31, 2026*

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San Jacinto River Authority
Unaudited Statement of Net Assets
As of May 31, 2026

	General Operating Division					Woodlands Division				
	Raw Water Enterprise & Other*		Flood Management Division		Groundwater Reduction Plan Division	Woodlands Division				Repair & Replacement
			Lake Conroe	Highlands		Woodlands Operating	Future Facilities	Water & Wastewater		
Total										
Current Assets										
Cash and Cash Equivalents										
Unrestricted	\$ 38,560,590	\$ 15,189,930	\$ -	\$ -	\$ -	\$ 14,644,110	\$ 8,726,550	\$ -	\$ -	\$ -
Restricted:										
Cash	2,812,371	1,609,414	-	-	1,202,957	-	-	-	-	-
Reserves	31,831,700	2,818,044	4,480,051	6,264,386	-	9,667,581	8,601,638	-	-	-
Debt Service	60,070,619	7,023,254	-	-	-	47,517,927	3,627,160	-	-	-
Construction	77,488,912	5,334,754	3,928,684	15,712,629	189,707	11,268,457	3,626,078	1,902,278	-	-
Construction Escrow	21,689,508	-	-	-	-	-	21,689,508	-	-	30,630,735
Accounts Receivable	13,975,890	2,114,039	1,492,725	306,715	6,143	6,609,813	3,429,020	17,435	-	-
Due from Other Funds	5,860,969	4,037,170	302,360	1,073,422	434,047	-	-	1,056	-	12,914
Inventory and Other Prepaid Expenses	6,497,730	302,453	58,481	89,176	4,791	5,193,852	848,977	-	-	-
Total Current Assets	\$ 258,788,288	\$ 38,429,057	\$ 10,262,300	\$ 23,446,328	\$ 1,837,645	\$ 94,901,740	\$ 50,548,931	\$ 6,797,869	\$ 1,920,769	\$ 30,643,649
Noncurrent Assets										
Long-Term Receivables	\$ 2,247,036	\$ -	\$ -	\$ -	\$ -	\$ 2,247,036	\$ -	\$ -	\$ -	\$ -
Total Noncurrent Assets	\$ 2,247,036	\$ -	\$ -	\$ -	\$ -	\$ 2,247,036	\$ -	\$ -	\$ -	\$ -
Capital Assets										
Total Capital Assets	\$ 913,451,947	\$ 48,686,828	\$ 17,143,037	\$ 120,617,410	\$ 725,302	\$ 462,180,924	\$ 92,537,299	\$ 63,270,537	\$ 76,662,681	\$ 31,627,931
Less: Accumulated Depreciation	(379,579,642)	(6,091,671)	(4,994,709)	(33,803,224)	(12,046)	(160,305,217)	(68,853,787)	(41,841,624)	(56,580,796)	(7,096,566)
Less: Accumulated Amortization	(416,183)	-	-	(355,657)	-	-	(60,525)	-	-	-
Net Capital Assets	\$ 533,456,123	\$ 42,595,156	\$ 12,148,328	\$ 86,458,528	\$ 713,256	\$ 301,875,707	\$ 23,622,986	\$ 21,428,912	\$ 20,081,885	\$ 24,531,364
Deferred Outflows										
Pension	\$ 5,726,668	\$ 5,726,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Deferred Outflows	\$ 5,726,668	\$ 5,726,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 800,218,115	\$ 86,750,882	\$ 22,410,628	\$ 109,904,856	\$ 2,550,901	\$ 399,024,483	\$ 74,171,918	\$ 28,226,781	\$ 22,002,654	\$ 55,175,013

*Other = Bear Branch, General & Administrative Services, and Region H

San Jacinto River Authority
Unaudited Statement of Net Assets
As of May 31, 2026

	General Operating Division					Woodlands Division				
	Total	Raw Water Enterprise & Other*		Flood Management Division		Groundwater Reduction Plan Division	Woodlands Division			Repair & Replacement
			Lake Conroe	Highlands			Operating	Future Facilities	Water & Wastewater	
Liabilities										
Current Liabilities										
Accounts Payable and Other Accrued Liabilities	\$ 15,547,267	\$ 480,364	\$ 596,705	\$ 280,257	\$ 287,389	\$ 2,795,465	\$ 11,056,029	\$ -	\$ 1,650	\$ 49,408
Construction Liabilities	798,710	-	180,455	320,494	-	-	224,754	-	-	73,006
Deferred Revenue	1,744,346	388,351	-	-	1,355,995	-	-	-	-	-
Short-Term Debt	24,280,000	-	-	2,240,000	-	17,870,000	1,670,000	-	2,500,000	-
Short-Term Lease Liability	37,459	-	-	27,558	-	-	9,901	-	-	-
Accrued Interest on Bonds and Grants	2,996,770	-	-	237,000	221,576	2,335,355	72,172	-	130,667	-
OPEB Liability	41,035	4,924	13,542	13,542	-	-	9,028	-	-	-
Total Current Liabilities	\$ 45,445,586	\$ 873,638	\$ 790,701	\$ 3,118,851	\$ 1,864,960	\$ 23,000,820	\$ 13,041,884	\$ -	\$ 2,632,317	\$ 122,414
Long Term Liabilities										
Long-Term Debt	\$ 378,780,000	\$ -	\$ -	\$ 32,910,000	\$ -	\$ 302,490,000	\$ 29,720,000	\$ -	\$ 13,660,000	\$ -
Long-Term Lease Liability	20,467	-	-	7,166	-	-	13,301	-	-	-
Long-Term Arbitrage Liability	2,265,073	-	-	-	-	-	2,265,073	-	-	-
Bond Insurance Costs	2,748,237	-	-	1,342,035	-	90,097	-	-	1,316,106	-
Other Post Employment Benefits	496,429	14,958	190,040	32,564	-	-	258,867	-	-	-
Long Term Compensated Absence Liability	1,564,735	865,880	113,522	48,237	37,373	160,634	339,089	-	-	-
Deferred Inflows and Liability-Pension	3,663,291	3,663,291	-	-	-	-	-	-	-	-
Deferred Inflows-Other Employment Benefits	-	-	-	-	-	-	-	-	-	-
Total Long Term Liabilities	\$ 389,538,233	\$ 4,544,129	\$ 303,562	\$ 34,340,002	\$ 37,372,78	\$ 302,740,731	\$ 32,596,331	\$ -	\$ 14,976,106	\$ -
Total Liabilities	\$ 434,983,819	\$ 5,417,767	\$ 1,094,263	\$ 37,458,853	\$ 1,902,333	\$ 325,741,551	\$ 45,638,215	\$ -	\$ 17,608,423	\$ 122,414
Fund Balance										
Prior Year Fund Balance	\$ 347,754,938	\$ 77,311,526	\$ 20,839,564	\$ 68,000,853	\$ 200,756	\$ 61,896,920	\$ 34,285,091	\$ 29,493,983	\$ 4,588,171	\$ 51,138,074
Current Net Revenue	17,479,358	4,021,588	476,801	4,445,150	447,812	11,386,012	(5,751,389)	(1,267,202)	(193,940)	3,914,525
Total Fund Balance	\$ 365,234,296	\$ 81,333,114	\$ 21,316,365	\$ 72,446,003	\$ 648,568	\$ 73,282,932	\$ 28,533,703	\$ 28,226,781	\$ 4,394,231	\$ 55,052,599
Total Liabilities & Fund Balance	\$ 800,218,115	\$ 86,750,882	\$ 22,410,628	\$ 109,904,856	\$ 2,550,901	\$ 399,024,483	\$ 74,171,918	\$ 28,226,781	\$ 22,002,654	\$ 55,175,013

*Other = Bear Branch, General & Administrative Services, and Region H

San Jacinto River Authority - Raw Water Supply
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

Water Rate: \$0.66/1,000 gallons, effective 01/01/2026

	May		YTD		Variance	Annual Budget
	Actual	Budget	Actual	Budget		
OPERATING REVENUES	\$ 2,188,694	\$ 2,156,666	\$ 17,791,133	\$ 17,489,222	\$ 301,911	\$ 23,554,031
OTHER REVENUES	\$ 1,513	\$ -	\$ 5,645	\$ -	\$ 5,645	\$ -
OPERATING EXPENSES						
Salaries, Wages, & Employee Benefits	\$ 43,057	\$ 44,084	\$ 396,567	\$ 418,462	\$ 21,895	\$ 572,423
Professional Fees	340	24,823	29,833	223,500	193,667	298,000
Purchased & Contracted Services	9	25	6,841	224	(6,617)	298
Supplies, Materials & Utilities	1,467	2,825	11,723	25,434	13,711	33,911
Rentals	-	-	-	-	-	-
Maintenance, Repairs & Parts	-	-	-	-	-	-
General & Administrative Expenses	5,294	7,710	44,252	69,406	25,154	92,554
TOTAL OPERATING EXPENSES	\$ 50,167	\$ 79,467	\$ 489,216	\$ 737,026	\$ 247,810	\$ 997,187
NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 50,167	\$ 79,467	\$ 489,216	\$ 737,026	\$ 247,810	\$ 997,187
NET REVENUES OVER EXPENSES	\$ 2,140,040	\$ 2,077,199	\$ 17,307,562	\$ 16,752,196	\$ 555,366	\$ 22,556,844
CAPITAL IMPROVEMENTS	\$ 15,612	\$ 37,652	\$ 89,043	\$ 341,817	\$ 252,774	\$ 454,817
OTHER SOURCES (USES)						
Transfer to Repair & Replacement Fund	\$ -	\$ -	\$ (583,667)	\$ (583,667)	\$ -	\$ (583,667)
Incoming to Repair & Replacement Fund	\$ -	\$ -	\$ 550,000	\$ 550,000	\$ -	\$ 550,000
TOTAL OTHER SOURCES (USES)	\$ -	\$ -	\$ (33,667)	\$ (33,667)	\$ -	\$ (33,667)
NET CASH BASIS SOURCES (USES)	\$ 2,124,428	\$ 2,039,547	\$ 17,184,852	\$ 16,376,712	\$ 808,140	\$ 22,068,360

San Jacinto River Authority - Lake Conroe Operating and Repair/Replacement
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

	May		YTD		Variance	Annual Budget
	Actual	Budget	Actual	Budget		
OPERATING REVENUES	\$ 684,435	\$ 521,887	\$ 3,719,493	\$ 4,770,031	\$ (1,050,538)	\$ 6,452,982
OTHER REVENUES	\$ 23,921	\$ 2,999	\$ 202,626	\$ 27,000	\$ 175,626	\$ 36,000
OPERATING EXPENSES						
Salaries, Wages, & Employee Benefits	\$ 281,258	\$ 274,941	\$ 2,592,437	\$ 2,609,791	\$ 17,354	\$ 3,569,935
Professional Fees	302,041	170,557	871,220	1,535,625	664,405	2,047,500
Purchased & Contracted Services	131,414	44,281	280,157	506,280	226,123	675,039
Supplies, Materials & Utilities	51,593	60,452	366,029	544,273	178,244	725,698
Rentals	3,998	6,303	38,940	56,750	17,810	75,666
Maintenance, Repairs & Parts	24,016	63,683	219,381	573,375	353,994	764,500
General & Administrative Expenses	142,634	98,751	770,813	925,400	154,587	1,247,399
TOTAL OPERATING EXPENSES	\$ 936,954	\$ 718,968	\$ 5,138,977	\$ 6,751,494	\$ 1,612,517	\$ 9,105,737
NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 936,954	\$ 718,968	\$ 5,138,977	\$ 6,751,494	\$ 1,612,517	\$ 9,105,737
NET REVENUES OVER EXPENSES	\$ (228,598)	\$ (194,082)	\$ (1,216,858)	\$ (1,954,463)	\$ 737,605	\$ (2,616,755)
CAPITAL IMPROVEMENTS	\$ 55,141	\$ 26,457	\$ 279,127	\$ 301,861	\$ 22,734	\$ 381,249
OTHER SOURCES (USES)						
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 957,586
Operating Reserve Fund	-	-	(56,521)	(56,521)	-	(56,521)
Emergency Reserve Fund	-	-	(135,000)	(135,000)	-	(135,000)
Transfer to Repair and Replacement Fund	-	-	(1,368,109)	(1,368,109)	-	(1,368,109)
Incoming to Repair and Replacement Fund	-	-	1,399,576	1,399,576	-	1,399,576
TOTAL OTHER SOURCES (USES)	\$ -	\$ -	\$ (160,054)	\$ (160,054)	\$ -	\$ 797,532
NET CASH BASIS SOURCES (USES)	\$ (283,739)	\$ (220,539)	\$ (1,656,039)	\$ (2,416,378)	\$ 760,339	\$ (2,200,472)

San Jacinto River Authority - Highlands Operating and Repair/Replacement
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

	May		YTD		Annual Budget
	Actual	Budget	Actual	Budget	
OPERATING REVENUES	\$ (53,033)	\$ 252,422	\$ 271,586	\$ 2,272,704	\$ (2,001,118)
OTHER REVENUES	\$ 60,732	\$ 15,411	\$ 629,389	\$ 138,750	\$ 490,639
OPERATING EXPENSES					\$ 185,000
Salaries, Wages, & Employee Benefits	\$ 292,039	\$ 323,863	\$ 2,663,075	\$ 3,074,136	\$ 411,061
Professional Fees	359	14,053	75,998	132,750	56,752
Purchased & Contracted Services	34,515	18,489	163,820	179,278	15,458
Supplies, Materials & Utilities	56,004	97,104	628,930	874,287	245,357
Rentals	331	8,330	475,662	75,000	(400,662)
Maintenance, Repairs & Parts	78,557	91,480	521,346	823,650	302,304
General & Administrative Expenses	30,537	47,267	257,953	425,517	167,564
TOTAL OPERATING EXPENSES	\$ 492,342	\$ 600,586	\$ 4,786,784	\$ 5,584,618	\$ 797,834
NON-OPERATING EXPENSES	\$ 118,598	\$ 118,598	\$ 1,074,971	\$ 1,074,971	\$ -
TOTAL EXPENSES	\$ 610,940	\$ 719,184	\$ 5,861,755	\$ 6,659,589	\$ 797,834
NET REVENUES OVER EXPENSES	\$ (603,241)	\$ (451,351)	\$ (4,960,780)	\$ (4,248,135)	\$ (712,645)
CAPITAL IMPROVEMENTS	\$ 978,899	\$ 2,173,271	\$ 4,582,613	\$ 18,688,652	\$ 14,106,039
OTHER SOURCES (USES)					\$ 25,210,359
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ 20,536,895
Bond Principal	(186,667)	(186,667)	(1,672,917)	(1,672,917)	(2,232,917)
Lease Principal	(4,324)	(4,324)	(38,528)	(38,528)	(50,590)
Operating Reserve Fund	-	-	(159,490)	(154,989)	(154,989)
Emergency Reserve Fund	-	-	(65,000)	(65,000)	(65,000)
Transfer to Repair and Replacement Fund	(312,750)	(312,750)	(2,855,666)	(2,855,666)	(3,793,914)
Incoming to Repair and Replacement Fund	312,750	312,750	2,814,746	2,814,746	3,752,994
TOTAL OTHER SOURCES (USES)	\$ (190,991)	\$ (190,991)	\$ (1,976,855)	\$ (1,972,354)	\$ 4,501
NET CASH BASIS SOURCES (USES)	\$ (1,773,131)	\$ (2,815,613)	\$ (11,520,248)	\$ (24,909,141)	\$ 13,388,893
NET CASH BASIS SOURCES (USES)					\$ (12,983,638)

San Jacinto River Authority - GRP Operating and Repair/Replacement
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

GW Pumpage Rate \$2.51/1,000 gallons
Surface Water Rate \$3.10/1,000 gallons

	May		YTD		Annual Budget
	Actual	Budget	Actual	Budget	
OPERATING REVENUES*	\$ 5,091,623	\$ 5,806,380	\$ 48,807,438	\$ 47,249,816	\$ 69,072,211
OTHER REVENUES**	\$ 281,578	\$ 25,335	\$ 2,783,983	\$ 228,105	\$ 304,140
OPERATING EXPENSES					
Salaries, Wages, & Employee Benefits	\$ 403,308	\$ 408,615	\$ 3,868,851	\$ 3,878,590	\$ 5,305,488
Professional Fees	82,885	214,423	544,065	1,936,850	2,580,375
Purchased & Contracted Services	8,498	32,056	180,690	275,818	380,481
Supplies, Materials & Utilities	756,655	1,146,520	11,719,372	14,175,261	18,598,495
Rentals	-	333	1,258	3,000	4,000
Maintenance, Repairs & Parts	89,440	155,295	1,240,936	1,398,210	1,864,280
General & Administrative Expenses	34,269	47,466	281,346	427,306	569,817
TOTAL OPERATING EXPENSES	\$ 1,375,055	\$ 2,004,708	\$ 17,836,518	\$ 22,095,035	\$ 29,302,935
NON-OPERATING EXPENSES	\$ 1,167,677	\$ 1,203,056	\$ 11,184,889	\$ 11,167,286	\$ 14,775,072
TOTAL EXPENSES	\$ 2,542,732	\$ 3,207,764	\$ 29,021,407	\$ 33,262,321	\$ 44,078,008
NET REVENUES OVER EXPENSES	\$ 2,830,469	\$ 2,623,951	\$ 22,570,014	\$ 14,215,600	\$ 25,298,343
CAPITAL IMPROVEMENTS	\$ 12,853	\$ 220,079	\$ 737,582	\$ 2,461,439	\$ 3,121,939
OTHER SOURCES (USES)*					
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ 6,762,000
Bond Principal	(1,489,167)	(1,489,167)	(31,755,417)	(31,755,417)	(36,222,917)
General Fund	-	-	18,746,970	18,746,970	18,666,499
Debt Service Reserve	-	-	(1,302,167)	(1,302,167)	(1,302,167)
Transfer to Repair and Replacement Fund	(500,000)	(500,000)	(4,330,820)	(4,330,820)	(4,330,820)
Incoming to Repair and Replacement Fund	500,000	500,000	4,260,000	4,260,000	4,260,000
Accounts Receivable-Uncollected***	998,834	-	1,069,082	-	-
TOTAL OTHER SOURCES (USES)	\$ (490,333)	\$ (1,489,167)	\$ (13,312,352)	\$ (14,381,434)	\$ (12,167,405)
NET CASH BASIS SOURCES (USES)	\$ 2,327,283	\$ 914,705	\$ 8,520,080	\$ (2,627,273)	\$ 10,009,000

*Revenues include actual billings including short-pays and failure to pays.

**Includes interest & penalty on Past Due Accounts Receivable.

*** Total Past Due Receivables 60+ days at 5/31/2026

\$ 7,151,858

San Jacinto River Authority - Woodlands Summary
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

Water Rate: \$2.73/1,000 gallons
Wastewater Rate: \$5.65/1,000 gallons
GRP Blended Rate: \$2.92/1,000 gallons

	May		YTD		Annual Budget
	Actual	Budget	Actual	Budget	
OPERATING REVENUES	\$ (1,852,996)	\$ (2,122,564)	\$ 29,073,031	\$ 28,163,446	\$ 44,062,965
OTHER REVENUES	\$ 260,501	\$ 47,623	\$ 106,263	\$ 428,775	\$ 571,700
OPERATING EXPENSES					
Salaries, Wages, & Employee Benefits	\$ 662,932	\$ 731,854	\$ 6,278,447	\$ 6,946,836	\$ 9,502,546
Professional Fees	41,164	53,949	877,486	488,712	(388,774)
Purchased & Contracted Services	1,248,259	1,346,808	12,333,911	11,660,315	(673,596)
Supplies, Materials & Utilities	493,892	536,280	4,164,056	4,728,354	564,298
Rentals	-	1,000	11,345	9,000	(2,345)
Maintenance, Repairs & Parts	150,753	707,230	1,243,171	6,367,612	5,124,441
General & Administrative Expenses	66,581	75,055	627,958	712,538	84,580
TOTAL OPERATING EXPENSES	\$ 2,663,581	\$ 3,452,176	\$ 25,536,374	\$ 30,913,367	\$ 5,376,993
NON-OPERATING EXPENSES	\$ 101,479	\$ 101,479	\$ 924,171	\$ 924,171	\$ 1,228,598
TOTAL EXPENSES	\$ 2,765,060	\$ 3,553,655	\$ 26,460,545	\$ 31,837,538	\$ 45,210,832
NET REVENUES OVER EXPENSES	\$ (4,357,555)	\$ (5,628,596)	\$ 2,718,749	\$ (3,245,317)	\$ (576,167)
CAPITAL IMPROVEMENTS	\$ 205,416	\$ 2,962,565	\$ 3,917,345	\$ 30,175,143	\$ 40,066,058
OTHER SOURCES (USES)					
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ 43,740,543
Bond Principal	(347,500)	(347,500)	(3,116,250)	(3,116,250)	(4,158,750)
Lease Principal	(795)	(795)	(7,088)	(7,088)	(9,487)
Transfer to Repair and Replacement Fund	(550,000)	(550,000)	(4,336,060)	(4,336,060)	(6,061,060)
Incoming to Repair and Replacement Fund	550,000	550,000	4,275,000	4,275,000	6,000,000
TOTAL OTHER SOURCES (USES)	\$ (348,295)	\$ (348,295)	\$ (3,184,398)	\$ (3,184,398)	\$ 39,511,246
NET CASH BASIS SOURCES (USES)	\$ (4,911,266)	\$ (8,939,456)	\$ (4,382,994)	\$ (36,604,858)	\$ (1,130,979)

San Jacinto River Authority - Flood Management
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

	May		YTD		Annual Budget	
	Actual	Budget	Actual	Budget	Variance	Budget
OPERATING REVENUES	\$ -	\$ 66,911	\$ 320,000	\$ 602,437	\$ (282,437)	\$ 803,250
OTHER REVENUES	\$ 4,022	\$ 64,953	\$ 32,681	\$ 584,812	\$ (552,131)	\$ 779,750
OPERATING EXPENSES						
Salaries, Wages, & Employee Benefits	\$ 48,481	\$ 52,026	\$ 450,103	\$ 493,851	\$ 43,748	\$ 675,548
Professional Fees	(76,428)	115,704	126,257	1,041,750	915,493	1,389,000
Purchased & Contracted Services	293	4,671	2,646	42,056	39,410	56,075
Supplies, Materials & Utilities	1,808	5,268	19,691	50,433	30,742	66,244
Rentals	-	-	-	-	-	-
Maintenance, Repairs & Parts	-	1,250	2,141	11,250	9,109	15,000
General & Administrative Expenses	6,465	9,913	52,875	89,239	36,364	119,001
TOTAL OPERATING EXPENSES	\$ (19,381)	\$ 188,832	\$ 653,713	\$ 1,728,579	\$ 1,074,866	\$ 2,320,867
NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (19,381)	\$ 188,832	\$ 653,713	\$ 1,728,579	\$ 1,074,866	\$ 2,320,867
NET REVENUES OVER EXPENSES	\$ 23,403	\$ (56,968)	\$ (301,032)	\$ (541,330)	\$ 240,298	\$ (737,867)
CAPITAL IMPROVEMENTS	\$ 10,783	\$ 41,234	\$ 212,821	\$ 374,690	\$ 161,869	\$ 498,440
OTHER SOURCES (USES)						
Cash Carry Forward-Partner Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to Repair & Replacement Fund	-	-	(195,000)	(195,000)	-	(195,000)
Incoming to Repair & Replacement Fund	-	-	195,000	195,000	-	195,000
TOTAL OTHER SOURCES (USES)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET CASH BASIS SOURCES (USES)	\$ 12,620	\$ (98,202)	\$ (513,853)	\$ (916,020)	\$ 402,167	\$ (1,236,307)

For the Nine Months Ending May 31, 2026

	May		YTD		Variance	Annual Budget
	Actual	Budget	Actual	Budget		
OPERATING REVENUES	\$ 70	\$ -	\$ 140	\$ 140	\$ -	\$ -
OTHER REVENUES	\$ 117,005	\$ 13,345	\$ 715,628	\$ 120,155	\$ 595,473	\$ 160,206
OPERATING EXPENSES						
Salaries, Wages, & Employee Benefits	\$ 94,189	\$ 108,810	\$ 955,652	\$ 1,031,616	\$ 75,964	\$ 1,410,373
Professional Fees	14,754	39,373	226,076	354,503	\$ 128,427	472,670
Purchased & Contracted Services	6,183	12,909	82,412	116,231	\$ 33,819	154,975
Supplies, Materials & Utilities	79,831	126,463	543,039	1,138,626	\$ 595,587	1,518,168
Rentals	3,338	3,305	27,014	29,760	\$ 2,746	39,680
Maintenance, Repairs & Parts	23,078	48,847	205,614	439,800	\$ 234,186	586,400
General & Administrative Expenses	(293,830)	(287,379)	(2,066,235)	(2,661,488)	\$ (595,253)	(3,598,613)
TOTAL OPERATING EXPENSES	\$ (72,457)	\$ 52,328	\$ (26,428)	\$ 449,048	\$ 475,476	\$ 583,653
NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (72,457)	\$ 52,328	\$ (26,428)	\$ 449,048	\$ 475,476	\$ 583,653
NET REVENUES OVER EXPENSES	\$ 189,532	\$ (38,983)	\$ 742,196	\$ (328,893)	\$ 1,071,089	\$ (423,446)
CAPITAL IMPROVEMENTS	\$ 79,366	\$ 53,215	\$ 563,092	\$ 1,044,141	\$ 481,049	\$ 1,203,851
OTHER SOURCES (USES)						
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,705,651
Operating Reserve Fund	-	-	(24,242)	(24,242)	-	(24,242)
Emergency Reserve Fund	-	-	(180,000)	(180,000)	-	(180,000)
Transfer to Repair and Replacement Fund	-	-	(803,000)	(803,000)	-	(803,000)
Incoming to Repair and Replacement Fund	-	-	978,000	978,000	-	978,000
TOTAL OTHER SOURCES (USES)	\$ -	\$ -	\$ (29,242)	\$ (29,242)	\$ -	\$ 2,676,409
NET CASH BASIS SOURCES (USES)	\$ 110,166	\$ (92,198)	\$ 149,862	\$ (1,402,276)	\$ 1,552,138	\$ 1,049,111

San Jacinto River Authority - Bear Branch
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

	May		YTD		Annual Budget
	Actual	Budget	Actual	Budget	
OPERATING REVENUES	\$ -	\$ -	\$ 760,728	\$ 760,728	\$ 760,728
OTHER REVENUES	\$ 6,785	\$ 66,390	\$ 62,889	\$ 597,675	\$ 796,900
OPERATING EXPENSES					
Salaries, Wages, & Employee Benefits	\$ 16,179	\$ 15,020	\$ 151,762	\$ 142,596	\$ 195,070
Professional Fees	-	4,498	16,841	40,500	54,000
Purchased & Contracted Services	17,554	483	23,479	22,120	29,493
Supplies, Materials & Utilities	528	471	3,350	4,237	5,650
Rentals	-	417	-	3,750	5,000
Maintenance, Repairs & Parts	46,242	19,784	116,589	178,125	237,500
General & Administrative Expenses	8,050	4,067	31,039	39,133	52,671
TOTAL OPERATING EXPENSES	\$ 88,553	\$ 44,740	\$ 343,060	\$ 430,461	\$ 579,385
NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 88,553	\$ 44,740	\$ 343,060	\$ 430,461	\$ 579,385
NET REVENUES OVER EXPENSES	\$ (81,768)	\$ 21,650	\$ 480,557	\$ 927,942	\$ 978,243
CAPITAL IMPROVEMENTS	\$ -	\$ 101,143	\$ 77,661	\$ 910,500	\$ 1,214,000
OTHER SOURCES (USES)					
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ 1,077,279
Operating Reserve Fund	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	\$ -	\$ -	\$ -	\$ -	\$ 1,077,279
NET CASH BASIS SOURCES (USES)	\$ (81,768)	\$ (79,493)	\$ 402,896	\$ 17,442	\$ 841,522

San Jacinto River Authority - Region H
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

	May		YTD		Annual Budget
	Actual	Budget	Actual	Variance	
OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER REVENUES	\$ 1,039	\$ 44,317	\$ (42,157)	\$ (441,174)	\$ 532,022
OPERATING EXPENSES					
Salaries, Wages, & Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Fees	-	43,843	214,849	179,893	526,322
Purchased & Contracted Services	-	508	1,447	3,128	6,100
Supplies, Materials & Utilities	-	8	33	42	100
Rentals	-	-	-	-	-
Maintenance, Repairs & Parts	-	-	-	-	-
General & Administrative Expenses	-	-	-	-	-
TOTAL OPERATING EXPENSES	\$ -	\$ 44,359	\$ 216,329	\$ 183,063	\$ 532,522
NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ -	\$ 44,359	\$ 216,329	\$ 183,063	\$ 532,522
NET REVENUES OVER EXPENSES	\$ 1,039	\$ (42)	\$ (258,486)	\$ (258,111)	\$ (500)
CAPITAL IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER SOURCES (USES)					
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ 500
TOTAL OTHER SOURCES (USES)	\$ -	\$ -	\$ -	\$ -	\$ 500
NET CASH BASIS SOURCES (USES)	\$ 1,039	\$ (42)	\$ (258,486)	\$ (258,111)	\$ -

Item No.	Agenda Item	Date
6.3	Consider authorizing the General Manager to execute a Services Agreement with Milliman, Inc., to provide actuarial consulting services for the Employee Pension Benefit Plan.	07/23/2026

BACKGROUND INFORMATION

Firm Name: Milliman, Inc.

Type of Agreement: Services Agreement

Service: Actuarial Services

Contract Number: 26-0043

Not-to Exceed Amount: \$75,000.00

SJRA established its Employee Pension Benefit Plan in 1970 and requires ongoing actuarial services to support the administration, valuation, and financial management of the Plan. Milliman has provided actuarial services for the SJRA Pension Plan since 2008 and has developed extensive institutional knowledge of the Plan's history, structure, assumptions, participant data, and historical actuarial valuations. Over the years, Milliman has maintained and managed significant historical pension records and data necessary for the continued administration of the Plan.

FUNDING SOURCE: Fiscal Year Operating Budgets

ATTACHMENTS: Services Agreement

RECOMMENDED ACTION

Consider authorizing the General Manager to execute a Services Agreement with Milliman, Inc., in an amount not to exceed \$75,000.00, to provide actuarial consulting services for the Employee Pension Benefit Plan. Sufficient funds were budgeted and are available in Fiscal Year 2026 for this purpose.

SERVICES AGREEMENT

This Services Agreement ("Agreement") is entered into between Milliman, Inc. ("Milliman") and San Jacinto River Authority ("Client") as of _____, 2026 ("Effective Date"). Client has engaged Milliman to perform consulting services as described in a statement of work or engagement letter which references this Agreement. Such services may be modified from time to time. The terms and conditions of this Agreement will apply to all subsequent engagements of Milliman by Client unless specifically disclaimed in writing by both parties prior to the beginning of such engagement. In consideration for Milliman agreeing to perform these services, Client agrees as follows:

1. **BILLING TERMS.** Client acknowledges the obligation to pay Milliman for services rendered, whether arising from Client's request or otherwise necessary as a result of this engagement, at Milliman's hourly billing rates for the personnel utilized plus all out-of-pocket expenses incurred. Milliman will bill Client periodically for services rendered and expenses incurred. All invoices are payable upon receipt. Milliman reserves the right to stop work and/or terminate this Agreement if any bill goes unpaid for 60 days. In the event of such termination, Milliman shall be entitled to collect the outstanding balance, as well as charges for all services and expenses incurred up to the date of termination.

Additionally, Client shall pay or reimburse Milliman for all reasonable personnel time and reasonable out-of-pocket expenses, excluding external attorneys' fees and external expert witness fees, Milliman incurs in relation to (i) matters in which Milliman is not an adverse party, subpoenas, depositions, discovery demands and other inquiries in connection with suits, proceedings, governmental, legislative or regulatory hearings, investigations or other civil or criminal proceedings in which Client is a party, subject or target and (ii) any request made against Milliman or any other related party under any data protection law that relates to any data processed by Milliman on behalf of Client or that relates to the services. However, Client shall not be responsible for costs, attorneys' fees, or expenses arising from Milliman's own negligence, misconduct, breach of this Agreement, or violation of law.
2. **TOOL DEVELOPMENT.** Milliman shall retain all rights, title, and interest (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret, and other intellectual property rights) in and to all technical or internal designs, data, databases, methods, ideas, concepts, know-how, techniques, generic documents, and templates that have been previously developed by Milliman or developed during the course of the provision of the services (the "Milliman Tools") provided such generic documents or templates do not contain any Client Confidential Information, as defined in the Section below entitled "Confidentiality". Rights and ownership by Milliman of the Milliman Tools shall not extend to or include all or any part of Client's Confidential Information. To the extent that Milliman may include in Milliman's work any Milliman Tools, Milliman agrees that Client shall be deemed to have a fully paid up license to make copies of the Milliman Tools as part of this engagement for its internal business purposes and provided that such Milliman Tools cannot be modified or distributed outside the Client without the written permission of Milliman or except as otherwise permitted herein under the Section below entitled "No Third Party Distribution".
3. **LIMITATION OF LIABILITY.** Milliman will perform all services in accordance with applicable professional standards. In the event of any claim(s) arising from services provided by Milliman at any time, the total liability of Milliman, its officers, directors, agents, and employees to Client shall not exceed, in the aggregate, five million dollars (\$5,000,000). This limit applies regardless of the theory of law under which a claim is brought, including negligence, tort, contract, or otherwise. In no event shall Milliman be liable for lost profits of Client or any other type of incidental or consequential damages. The foregoing limitations shall not apply in the event of the intentional fraud or willful misconduct of Milliman.
4. **DISPUTES.** In the event of any dispute arising out of or relating to the engagement of Milliman by Client, the parties agree that the dispute will be resolved by final and binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place before a panel of three arbitrators. Within 30 days of the commencement of the arbitration, each party shall designate in writing a single neutral and independent arbitrator. The two arbitrators designated by the parties shall then select a third arbitrator. The arbitrators shall have a background in insurance, actuarial science, or law. The arbitrators shall have the authority to permit limited discovery, including depositions, prior to the arbitration hearing, and such discovery shall be conducted consistent with the Federal Rules of Civil Procedure. The arbitrators shall have

no power or authority to award punitive or exemplary damages. The arbitrators may, in their discretion, award the cost of the arbitration, including reasonable attorneys' fees, to the prevailing party. Any award made may be confirmed in any court having jurisdiction. Any arbitration shall be confidential and, except as required by law, neither party may disclose the content or results of any arbitration hereunder without the prior written consent of the other party, except that disclosure is permitted to a party's auditors and legal advisors. Any arbitration or dispute meeting, hearing, or process shall be conducted within Montgomery County, Texas, at a mutually agreeable location.

5. **CHOICE OF LAW.** The construction, interpretation, and enforcement of this Agreement shall be governed by the substantive contract law of the State of Texas without regard to its conflict of laws provisions. In the event any provision of this Agreement is unenforceable as a matter of law, the remaining provisions will stay in full force and effect.
6. **NO THIRD PARTY DISTRIBUTION.** Milliman's work is prepared solely for the use and benefit of Client in accordance with its statutory and regulatory requirements. Milliman recognizes that materials it delivers to Client may be public records subject to disclosure to third parties, however, Milliman does not intend to benefit and assumes no duty or liability to any third parties who receive Milliman's work and Milliman may include disclaimer language on its work so stating. Client agrees not to remove any such disclaimer language from Milliman's work. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Client agrees that it shall not disclose Milliman's work to any third parties without Milliman's prior written consent; provided, however, that Client may distribute Milliman's work to its professional service providers who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to provide services to Client, and any applicable regulatory or governmental agency, as required by law. Notwithstanding the foregoing, Client may disclose Milliman's work to the extent required by the Texas Public Information Act or other applicable law.
7. **CONFIDENTIALITY.** In connection with this Agreement, each party hereto (a "Disclosing Party") may disclose its confidential and proprietary information to the other party (a "Receiving Party"). Subject to the exceptions listed below, a Disclosing Party's "Confidential Information" means as information disclosed by the Disclosing Party to the Receiving Party under this Agreement that is either: (i) clearly marked or otherwise clearly designated as confidential or proprietary; or (ii) should be reasonably understood by the Receiving Party to be the confidential or proprietary information of the Disclosing Party. "Confidential Information" includes without limitation all software applications, technical information, computer programs, algorithms, know-how, formulas, processes, ideas, inventions (whether patentable or not), schematics and other technical and product development plans, forecasts, strategies and information, customer information, financial information, business plans or projections, marketing information, trade secrets, and any other information pertaining to the past, present, or future technology, business operations, or financial condition of the Disclosing Party and the terms of this Agreement. During the term of this Agreement and after its expiration or termination, a Receiving Party shall not disclose to any third party a Disclosing Party's Confidential Information without the prior written consent of the Disclosing Party. In addition, each party agrees to take reasonable measures to protect the other party's Confidential Information and to ensure that such Confidential Information is not disclosed, distributed, or used in violation of this Agreement (which measures shall be no less than a reasonable degree of care). Notwithstanding anything to the contrary, the obligations of the Receiving Party set forth in this paragraph shall not apply to any information which: (i) is or becomes a part of the public domain through no breach of this Confidentiality Section by the Receiving Party; (ii) was in the Receiving Party's possession free of any obligation of confidentiality at the time of the Disclosing Party's communication thereof to the Receiving Party; (iii) is received from a third party not known by the Recipient to owe an obligation of confidentiality to the Disclosing Party; or (iv) is developed by the Receiving Party completely independent from the Confidential Information of the Disclosing Party. To the extent that the Confidential Information is required by law or regulation to be disclosed, the Receiving Party shall provide the Disclosing Party with advance written notice, if reasonably possible and to the extent legally permissible, such that the Disclosing Party is afforded an opportunity to contest the disclosure or seek an appropriate protective order.

Notwithstanding any provision of this Agreement to the contrary, Client may disclose information to the extent required by applicable law, including the Texas Public Information Act. To the extent legally permissible,

Client will provide notice of any request for disclosure and allow the Disclosing Party an opportunity to assert any applicable exceptions to disclosure.

8. **PRIVACY.** If the services require the processing of Personal Data, such processing shall only occur following the execution of a Data Sharing Agreement. In the case of PHI, processing shall only proceed after the execution of a Business Associate Agreement. "PHI" refers to "Protected Health Information" as defined under the Health Insurance Portability and Accountability Act (HIPAA), 42 U.S.C. §§ 1301 et seq. "Personal Data" shall have the same meaning as "personal data" and "personal information" under applicable Data Privacy Laws. "Data Privacy Laws" refers to applicable U.S. federal or state consumer protection, privacy, or data protection laws and regulations currently in effect or effective after the effective date of this Agreement that govern the collection, use, disclosure, or processing of Personal Data, including, but not limited to, the California Consumer Privacy Act (Cal. Civ. Code § 1798.100 et seq.), as amended, and its implementing regulations (C.C.R. Tit. 11, Div. 6, Ch. 1).
9. **CLIENT DATA.** Client hereby authorizes Milliman to use the data specifically pertaining to Client and/or its employees, agents and customers that Milliman may obtain in the course of performing services ("Client Data"). Client hereby authorizes Milliman to use such Client Data for the purpose of enabling Milliman to perform services. Client warrants and covenants that, throughout the term of this Agreement, Client has, and will have, the right to authorize Milliman's use of the Client Data as set forth in this Agreement. In addition, Milliman may anonymize Client Data and use such anonymized data for Milliman research, training and the ongoing development of Milliman services ("Research"). Client acknowledges and agrees that Milliman shall own all right title and interest in and to the Research and any results or materials attained or developed during or as a result, in whole or in part, of the Research.
10. **DATA RELIANCE.** In performing the services hereunder, Milliman will rely on the Client Data and other information provided by Client. Milliman will not audit or verify the Client Data and other information provided by Client. If the underlying Client Data or information is inaccurate or incomplete, the results of Milliman's analysis may likewise be inaccurate or incomplete. In that event, the results of Milliman's analysis may not be suitable for the intended purpose. Milliman will perform a limited review of the Client Data used directly in the analysis for reasonableness and consistency. If there are material defects in the Client Data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the Client Data to search for data values that are questionable or relationships that are materially inconsistent. Such a review is beyond the scope of Milliman's assignment.
11. **INSURANCE.** Milliman will maintain during the term of the Agreement, at its expense, the following insurance: (i) commercial general liability with limits of not less than one million dollars (\$1,000,000) per occurrence; (ii) professional liability/errors and omissions, with limits of not less than two million dollars (\$2,000,000) per claim; (iii) cyber/privacy liability, with limits of not less than five million dollars (\$5,000,000) per claim; (iv) automobile liability with limits of not less than one million dollars (\$1,000,000) combined single limit per accident; and (v) employers' liability in the amount of one million dollars (\$1,000,000) per accident or disease and worker's compensation insurance coverage as required in the applicable state. Milliman will provide Client with certificates of insurance upon request.
12. **INFORMATION SECURITY.** Milliman has established and will maintain an information security program that provides adequate administrative, technical, and physical safeguards designed to ensure the confidentiality and integrity of Client data stored on Milliman's network and protect against any unauthorized access or potential threats to the security of Client data. Milliman's security policies and procedures are based on recognized industry standard frameworks with appropriate controls to detect, assess, manage, and respond to any unauthorized access to Client data.
13. **GENERAL.** This Agreement and any amendment hereto may be executed in two or more counterparts (including by email attachment), each of which will be considered an original and all of which together will constitute one agreement. This Agreement shall not be deemed or construed to be modified, amended, or waived, in whole or in part, except by a separate written agreement duly executed by the parties to this Agreement. No document, purchase order, or any handwritten or typewritten text which purports to alter or amend the printed text of this Agreement shall alter or amend any provision of this Agreement or otherwise

control, unless Milliman and Client both specify in writing that such terms or conditions shall control. Neither party shall be liable for any delay or failure to perform due to causes beyond its reasonable control. Milliman and Client are independent contractors and this Agreement will not establish any relationship of partnership, joint venture, employment, franchise, or agency between Milliman and Client. Neither Milliman nor Client will have the power to bind the other or incur obligations on the other party's behalf without the other party's prior written consent. Failure to enforce any term or condition of this Agreement shall not be deemed a waiver of the right to later enforce such term or condition or any other term or condition of this Agreement. The provisions of this Agreement that by their nature are intended to survive, including without limitation those relating to confidentiality, intellectual property ownership, indemnification, limitation of liability, and payment obligations accrued but unpaid, shall remain in full force and effect notwithstanding any expiration or termination of this Agreement.

14. **Governmental Immunity.** Nothing in this Agreement shall be construed as a waiver of any immunity, defense, limitation, or protection afforded to Client under the Constitution and laws of the State of Texas, provided, however, that nothing in this Section shall be construed to limit Milliman's right to assert defenses, seek relief, or otherwise participate in the defense of any claim, action, proceeding, or arbitration arising out of or relating to this Agreement, including the enforcement of its rights under this Agreement, to the extent permitted by applicable law..
15. **Non-Appropriations.** All funds for payment by Client under this Agreement are subject to the availability of annual appropriations by Client's Board for such purpose. In the event funds are not appropriated for the services provided under this Agreement, Client will terminate this Agreement, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriated funds for the then-current fiscal year have been expended, whichever occurs first (the "Non-Appropriation Date"). Client will provide notice of non-appropriation when reasonably practicable; however, failure to provide such notice shall not create any liability or obligation on the part of Client. Upon the Non-Appropriation Date, Client shall have no further payment or performance obligations under this Agreement.
16. The Agreement is subject to a not-to-exceed amount of \$75,000 for the term of the Agreement, unless prior written authorization is obtained.
17. The term of this Agreement shall commence on the Effective Date and continue through August 31, 2027.

This Services Agreement between Milliman, Inc. and San Jacinto River Authority is executed as of the Effective Date.

Milliman, Inc.

By Joel M. Werner
Print Name: JOEL WERNER
Title: PRINCIPAL
Date: 7/7/2026

San Jacinto River Authority

By _____
Print Name: _____
Title: _____
Date: _____

Item No.	Agenda Item	Date
6.4	Consider authorizing the General Manager to execute a Professional Services Agreement with The Howard E. Nyhart Co., Inc., to provide independent actuarial review services.	07/23/2026

BACKGROUND INFORMATION

Firm Name: The Howard E. Nyhart Co., Inc.

Type of Agreement: Professional Services Agreement (PSA)

Service: Independent Actuarial Review Services

Contract Number: 26-0015

Not-to-Exceed Amount: \$45,000.00

In 2026, the Procurement Department issued a Request for Qualifications and evaluated qualified firms for Independent Actuarial Review Services. The Howard E. Nyhart Co., Inc., was awarded the Professional Services Agreement with an effective date of September 1, 2026.

FUNDING SOURCE: Fiscal Year Operating Budgets

ATTACHMENTS: PSA

RECOMMENDED ACTION

Consider authorizing the General Manager to execute a Professional Services Agreement with The Howard E. Nyhart Co., Inc., in an amount not to exceed \$45,000.00, to provide independent actuarial review services, with an effective date of September 1, 2026. Sufficient funds were budgeted and are available in Fiscal Year 2026 for this purpose.



STANDARD FORM OF AGREEMENT
PROFESSIONAL CONSULTING
SERVICES

CONTRACT #26-0015

Independent Actuarial Review
Services

Procurement Department
1577 Dam Site Road
Conroe, Texas 77304

CONSULTING SERVICES AGREEMENT CONTRACT NO. 26-0015

This Consulting Services Agreement (the “Agreement”) is made effective as of the 1st day of September 2026, by and between the San Jacinto River Authority, a conservation and reclamation district of the State of Texas, (“SJRA”) with general and administration offices located at 1577 Dam Site Road, Conroe, Texas 77304,

and

The Howard E. Nyhart Co. Inc., a corporation, organized under the laws of the State of Indiana, (“CONSULTANT”) with principal offices located at 5750 Castle Creek Pkwy STE 245, Indianapolis, IN 46250.

SJRA and CONSULTANT are sometimes referred to herein collectively as the “Parties” or individually as a “Party.”

The Parties hereby agree as follows:

ARTICLE 1 – SCOPE OF SERVICES

1.1 CONSULTANT agrees to perform professional services (the “Services”) related to ***RFQ 26-0015 for Independent Actuarial Review Services*** as are requested by SJRA. **Exhibit A**, which is attached hereto and incorporated herein by reference, shall be used to define scope of work.

1.2 The Parties agree that nothing in this Agreement shall prohibit the Parties, or either of them, from entering into agreements other than this Agreement for professional services or other work.

ARTICLE 2 – TERM OF AGREEMENT

2.1 The term of this Agreement commences on the Effective Date and continues without interruption through August 31, 2027. If it’s determined that additional time is required to complete the services, SJRA Procurement Manager may, but is not obligated to, in their discretion, execute an amendment to grant up to an additional six (6) months of time so long the amount of the consideration does not increase. SJRA may terminate this Agreement for convenience, and either Party may terminate this Agreement for cause, in each case as provided in Article 12.

2.2 Without limiting the generality of the foregoing Paragraph 2.2, Consultant’s obligations under Articles 5, 6, 8, 9, 10, 11, 18, 19 and 20 shall survive the expiration of termination of this Agreement.

ARTICLE 3 – COMPENSATION AND PAYMENT

3.1 SJRA agrees to pay CONSULTANT, and CONSULTANT agrees to accept, as full and complete compensation for Services properly performed by CONSULTANT in accordance with this Agreement, the rates and charges agreed upon. **Exhibit B**, which is attached hereto and incorporated herein by reference, shall be used to define compensation.

3.2 By the end of the calendar month following the month in which Services are performed, CONSULTANT shall submit an invoice to SJRA Accounts Payable at AP@sjra.net, together with supporting documentation reasonably required by SJRA, covering Services performed by CONSULTANT during the preceding calendar month. CONSULTANT shall include on each invoice a description of Services performed, the applicable fees or charges, and the total payment requested by such invoice. SJRA shall pay the amount it agrees to be due within forty-five (45) days after receipt of such complete invoice and required supporting documentation. SJRA shall notify CONSULTANT in writing of a disputed amount in an invoice within twenty-one (21) days of receipt. Such notice shall include a detailed statement of the amount of the invoice which is disputed.

3.3 SJRA shall have the right but not the obligation to withhold or nullify all or part of any payment requested in any invoice to such extent as may be necessary, but in no event greater than 110% of the disputed amount, on account of:

- (a) Services that are not in compliance with this Agreement or any failure of CONSULTANT to perform Services in accordance with the provisions of this Agreement;
- (b) third party suits, stop notices, claims or liens arising out of Services performed for which CONSULTANT is responsible pursuant to this Agreement and asserted or filed against SJRA or any of its property or portion thereof or improvements thereon provided that CONSULTANT fails to provide SJRA with sufficient evidence that CONSULTANT's insurance is adequate or shall cover the claim(s);
- (c) uninsured damage to any INDEMNITEE (hereinafter defined) which results from CONSULTANT's failure to obtain or maintain the insurance required by this Agreement or from any action or inaction by CONSULTANT or any of its subcontractors, subconsultants, or suppliers which excuses any insurer from liability for any loss or claim which would, but for such action or inaction, be covered by insurance; or

(d) any failure of CONSULTANT to pay any subcontractor, subconsultant, or supplier of CONSULTANT the correct, undisputed, and contractually obligated amount for acceptable services received and for acceptable supplies received. CONSULTANT will not include in its billings to SJRA any amount in a subcontractor or supplier invoice which it has not paid or does not intend to pay within the terms and conditions of the applicable subcontract agreement or supplier purchase order.

Any failure by SJRA to exercise its right to withhold all or any part of payment requested in any invoice as provided in this Paragraph 3.3 shall not be and shall not be construed as (i) a waiver of SJRA's right to do so in the future, or (ii) evidence that any of the circumstances identified in Subparagraphs 3.3(a) through (d) above have not occurred. When the above reasons for withholding payment are remedied or no longer exist, CONSULTANT shall resubmit an invoice for the withheld amounts. Payment will be made within thirty (30) calendar days of receipt by SJRA of an approved invoice, subject to Paragraph 3.4 below.

3.4 CONSULTANT agrees to pay in full (less any applicable retainage) as soon as reasonably practicable, but in no event later than thirty (30) days following payment from SJRA, all subcontractors, subconsultants, and any other persons or entities supplying labor, supplies, materials, or equipment in connection with Services that are owed payment by CONSULTANT out of such payment made to CONSULTANT by SJRA. Further, provided that SJRA has paid CONSULTANT in accordance with the terms of this Agreement, **CONSULTANT shall defend and indemnify SJRA from and against any claims for payment asserted or filed by any such person or entity against SJRA, its project or property or CONSULTANT.**

3.5 Non-Appropriation: All funds for payment by SJRA under this Agreement are subject to the availability of an annual appropriation for this purpose by SJRA. In the event of non-appropriation of funds by the Board of Directors of SJRA for the services provided under the Agreement, SJRA will terminate the Agreement, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the services covered by this Agreement is spent, whichever event occurs first (the "Non-Appropriation Date"). If at any time funds are not appropriated for the continuance of this Agreement, cancellation shall be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and SJRA shall not be obligated under this Agreement beyond the Non-Appropriation Date.

ARTICLE 4 – STANDARD OF CARE; COORDINATION OF SERVICES; SAFETY; COST ESTIMATES; LEGAL COMPLIANCE; THIRD PARTY REVIEW

4.1 CONSULTANT shall: (a) perform, supervise and direct the Services, using reasonable skill and attention, in a good, workmanlike and timely manner and in a reasonable and expeditious and economical manner consistent with the interests of SJRA; (b) exercise the degree of care, skill, and diligence in the performance of the Services in accordance with and consistent with the skill, care and diligence ordinarily provided by consultants providing

similar services to governmental entities in major metropolitan areas under the same or similar circumstances; and (c) utilize reasonable skill, efforts, and judgment in furthering the interests of SJRA (collectively, the CONSULTANT's "Standard of Care").

4.2 Consistent with its Standard of Care, CONSULTANT shall (a) perform its Services in accordance with all applicable laws, codes, ordinances and regulations; (b) perform its Services in an efficient manner; and (c) keep SJRA apprised of the status of Services, coordinate its activities with SJRA, and accommodate other activities of SJRA at sites that the Services impact. CONSULTANT shall designate an authorized representative to be available for consultation, assistance, and coordination of activities.

4.3 CONSULTANT hereby agrees that the following terms, conditions, verifications, certifications, and representations apply to and are incorporated into this Agreement for all purposes, and CONSULTANT shall deliver to SJRA signed and notarized verifications prior to commencement of any Services:

(a) With respect to providing Services hereunder, CONSULTANT shall comply with any applicable Equal Employment Opportunity and/or Affirmative Action ordinances, rules, or regulations during the term of this Agreement.

(b) Pursuant to Texas Local Government Code Chapter 176, CONSULTANT shall submit a signed Texas Ethics Commission ("TEC") Conflict of Interest Questionnaire ("CIQ") at the time CONSULTANT submits this signed Agreement to SJRA. TEC Form CIQ and information related to same may be obtained from TEC website by visiting <https://www.ethics.state.tx.us/forms/conflict/>. If CONSULTANT certifies that there are no Conflicts of Interest, CONSULTANT shall indicate so by writing name of CONSULTANT's firm and "No Conflicts" on the TEC Form CIQ.

(c) If CONSULTANT is a privately held entity, then pursuant to Texas Government Code Section 2252.908 and the rules promulgated thereunder by the TEC, CONSULTANT shall submit a completed and signed TEC Form 1295 with a certificate number assigned by the TEC to SJRA at the time CONSULTANT submits this signed Agreement to SJRA. TEC Form 1295 and information related to same may be obtained from TEC website by visiting <https://www.ethics.state.tx.us/filinginfo/1295/>. CONSULTANT agrees and acknowledges that this Agreement shall be of no force and effect unless and until CONSULTANT has submitted said form to SJRA, if and to the extent such form is required under Government Code § 2252.908 and the rules promulgated thereunder by the TEC.

(d) As required by Chapter 2271, Texas Government Code, CONSULTANT hereby verifies that CONSULTANT, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott Israel and will not boycott Israel through the term of this Agreement. The term "boycott Israel" in this Paragraph has the meaning assigned to such term in Section 808.001 of the Texas Government Code, as amended.

(e) Pursuant to Chapter 2252, Texas Government Code, CONSULTANT represents and certifies that, at the time of execution of this Agreement, neither CONSULTANT, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, is engaged in business with Iran, Sudan, or any terrorist organization, and is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code.

(f) As required by Section 2276.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, CONSULTANT hereby verifies that CONSULTANT, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. The term "boycott energy companies" in this Paragraph shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code, as amended.

(g) As required by Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, CONSULTANT hereby verifies that CONSULTANT, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The term "discriminate against a firearm entity or trade association" in this Paragraph shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19), as amended.

(h) Pursuant to Chapter 2275 of the Texas Government Code (as added by Senate Bill 2116, 87th Legislature, Regular Session), as amended, and to the extent this Agreement grants to CONSULTANT direct or remote access to the control of critical infrastructure, excluding access specifically allowed for product warranty and support, CONSULTANT verifies that neither CONSULTANT, including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same, nor any of its sub-contractors are: (i) owned or controlled by (a) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (ii) headquartered in China, Iran, North Korea, Russia or a designated country. The term "designated country" in this Paragraph means a country designated by the Governor as a threat to critical infrastructure under Section 2275.0103, Texas Government Code. The term "critical infrastructure" in this Paragraph shall have the meaning assigned to such term in Section 2275.0101, Texas Government Code.

4.4 CONSULTANT acknowledges and agrees that projects of SJRA may be subject to review and approval by other third parties. Accordingly, as and when requested by SJRA, CONSULTANT shall submit such information and cooperate with the other third parties to the extent necessary to undergo any such review or obtain such approval.

4.5 CONSULTANT does not represent Work Product (as defined herein) to be suitable for reuse on any other project or for any other purpose(s). If SJRA reuses any Work Product without CONSULTANT's specific written verification or adaptation, such reuse will be at the risk of SJRA, without liability to CONSULTANT.

ARTICLE 5 – COST RECORDS

5.1 CONSULTANT shall maintain records and books in accordance with generally accepted accounting principles and practices. For Services provided by CONSULTANT under cost reimbursable, time and material or unit pricing, during the period of this Agreement and for five (5) years thereafter, CONSULTANT shall maintain records of direct

costs for which SJRA is charged. SJRA shall at all reasonable times have access to such records for the purpose of inspecting, auditing, verifying, or copying the same, or making extracts therefrom. SJRA's audit rights for fixed unit rate or time and materials agreements shall extend to review of records for the purpose of substantiating man-hours worked, units employed, and third-party charges only. Except to the extent audit rights are granted to SJRA by applicable law, SJRA shall have no audit rights with respect to the portion Services compensated on a lump sum basis.

ARTICLE 6 – OWNERSHIP OF REPORTS

6.1 CONSULTANT shall retain all right, title, and interest, including all intellectual property rights, in and to its methodologies, models, tools, templates, know-how, work papers, analyses, and other materials developed or used in performing the Services. Upon payment of all amounts due under this Agreement, SJRA shall own the final reports and other deliverables specifically prepared for SJRA under this Agreement and delivered to SJRA. CONSULTANT grants SJRA a nonexclusive, perpetual license to use any CONSULTANT materials incorporated into such reports solely for SJRA's internal business purposes. SJRA shall not modify, distribute, or rely upon any draft reports, work papers, models, or underlying analyses for purposes other than those for which they were prepared without CONSULTANT's prior written consent.

6.2 CONSULTANT agrees that all information provided by SJRA in connection with Services shall be considered and kept confidential ("Confidential Information"), and shall not be reproduced, transmitted, used, or disclosed by CONSULTANT without the prior written consent of SJRA, except as may be necessary for CONSULTANT to fulfill its obligations hereunder; provided, however, that such obligation to keep confidential such Confidential Information shall not apply to any information, or portion thereof, that:

- (a) was at the time of receipt by CONSULTANT otherwise known by CONSULTANT by proper means;
- (b) has been published or is otherwise within the public domain, or is generally known to the public at the time of its disclosure to CONSULTANT;
- (c) subsequently is developed independently by CONSULTANT, by a person having nothing to do with the performance of this Agreement and who did not learn about any such information as a result of CONSULTANT's being a Party to this Agreement;
- (d) becomes known or available to CONSULTANT from a source other than SJRA and without breach of this Agreement by CONSULTANT or any other impropriety of CONSULTANT;
- (e) enters the public domain without breach of the Agreement by or other impropriety of CONSULTANT;

- (f) becomes available to CONSULTANT by inspection or analysis of products available in the market;
- (g) is disclosed with the prior written approval of SJRA;
- (h) was exchanged between SJRA and CONSULTANT and ten (10) years have subsequently elapsed since such exchange; or
- (i) is disclosed to comply with the Texas Open Records Act or in response to a court order to comply with the requirement of a government agency.

6.3 CONSULTANT shall not be liable for the inadvertent or accidental disclosure of Confidential Information, if such disclosure occurs despite the exercise of at least the same

degree of care as CONSULTANT normally takes to preserve and safeguard its own proprietary or confidential information.

6.4 CONSULTANT will advise SJRA of any patents or proprietary rights and any royalties, licenses, or other charges which CONSULTANT knows or should know in the exercise of its Standard of Care impacts any design provided by CONSULTANT in connection with any Services and obtain SJRA's prior written approval before proceeding with such Services. CONSULTANT shall not perform patent searches or evaluation of claims, but will assist SJRA in this regard if requested, pursuant to a written change order in accordance with Paragraph 12.1, below. There will be no charge for CONSULTANT's existing patents.

ARTICLE 7 – INDEPENDENT CONTRACTOR RELATIONSHIP

7.1 In the performance of Services hereunder, CONSULTANT shall be an independent contractor with the authority to control and direct the performance of the details of Services and its own means and methods. CONSULTANT shall not be considered a partner, affiliate, agent, or employee of SJRA and shall in no way have any authority to bind SJRA to any obligation.

7.2 CONSULTANT is not a law firm or a public accounting firm and does not provide legal, tax, or investment advice.

7.3 CONSULTANT shall not: (i) have discretionary authority or control over, or hold, any plan assets; (ii) be responsible for ensuring that the plan complies with any requirement to which the plan is subject under the Internal Revenue Code or other applicable law, or be liable to the plan, SJRA, or any person if the plan fails to comply with any such requirement; (iii) have any duty or authority to enforce the payment of any contribution owed under the plan; (iv) be responsible for the adequacy of the trust established as part of the plan or be liable for any benefits owed under the plan; (v) exercise discretion as to any plan function, including the administration of the plan; or (vi) have any obligation to perform any service not specified in this Agreement or otherwise agreed to in writing by the Parties.

ARTICLE 8 – WARRANTY PERIOD; GUARANTEES

8.1 If within a period of one (1) year following completion of Services under the agreement, it is discovered that such Services were not performed in accordance with CONSULTANT's Standard of Care or the Contract Documents, SJRA, in its sole discretion, may: (1) direct CONSULTANT to re-perform and CONSULTANT shall re-perform such Services at its own expense, and as expediently or in the manner required for SJRA's needs; or (2) retain such other consultant or consultants as necessary to perform such corrective services, and CONSULTANT agrees to pay SJRA's costs associated with having such other consultant or consultants perform such corrective services, and any other damages incurred by SJRA as a result of such default. The obligations of CONSULTANT under this Paragraph 8.1 are in addition to other rights and remedies of SJRA available to it pursuant to this Agreement or applicable law.

8.2 CONSULTANT agrees to assign SJRA the warranty or guarantee of any subconsultant, subcontractor, supplier or manufacturer of items of services, supplies, machinery, equipment, materials, or products provided by CONSULTANT hereunder and cooperate and assist SJRA in SJRA's enforcement thereof. CONSULTANT's responsibility with respect thereto is limited to such assignment, cooperation, and assistance.

ARTICLE 9 – INDEMNIFICATION

9.1 TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT SHALL INDEMNIFY AND HOLD HARMLESS SJRA AND ITS BOARD, DIRECTORS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (EACH AN “INDEMNITEE” AND COLLECTIVELY,

THE “INDEMNITEES”), FROM AND AGAINST CLAIMS, LOSSES, DAMAGES, DEMANDS, SUITS, CAUSES OF ACTION, SETTLEMENTS, LIABILITIES, COSTS, FINES, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE AND NECESSARY COURT COSTS, EXPERTS’ FEES AND ATTORNEYS’ FEES) (COLLECTIVELY, “LOSSES”), INCLUDING WITHOUT LIMITATION THOSE BROUGHT AGAINST OR INCURRED OR SUFFERED BY ANY ONE OR MORE OF THE INDEMNITEES AND THOSE ARISING IN FAVOR OF OR BROUGHT BY ANY THIRD PARTY, TO THE EXTENT CAUSED BY OR RESULTING FROM AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER, COMMITTED BY CONSULTANT, ITS AGENT, ITS CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH CONSULTANT EXERCISES CONTROL, UNDER OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF SUCH LOSSES ARE CAUSED IN PART BY THE NEGLIGENCE OR FAULT, BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD OR RULE OR BREACH OF CONTRACT OF AN INDEMNITEE OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF AN INDEMNITEE; PROVIDED, HOWEVER, THAT CONSULTANT’S OBLIGATION TO INDEMNIFY AND HOLD HARMLESS SHALL NOT EXTEND TO THE PORTION (IF ANY) OF SUCH LOSSES THAT ARE CAUSED BY THE NEGLIGENCE OR FAULT, BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD OR RULE OR BREACH OF CONTRACT OF AN INDEMNITEE OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF AN INDEMNITEE OTHER THAN CONSULTANT OR ITS AGENT OR EMPLOYEE OR SUBCONTRACTORS OF ANY TIER.

9.2 TO THE FULLEST EXTENT PERMITTED BY LAW, AND TO THE EXTENT A DEFENSE IS NOT PROVIDED FOR THE INDEMNITEES UNDER AN INSURANCE POLICY AS REQUIRED UNDER SECTION 1(f) OF EXHIBIT C, ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE, OR THE INDEMNITEES’ ATTORNEYS’ FEES ARE NOT OTHERWISE RECOVERED UNDER THE INDEMNITY PROVISION SET FORTH IN PARAGRAPH 9.1 HEREOF, CONSULTANT SHALL, UPON FINAL ADJUDICATION OF THE LOSSES AS DEFINED IN PARAGRAPH 9.1 HEREOF AND WITHIN THIRTY (30) DAYS FOLLOWING THE DATE OF A WRITTEN DEMAND, REIMBURSE THE INDEMNITEES FOR ALL REASONABLE ATTORNEYS’ FEES INCURRED TO DEFEND AGAINST THE LOSSES IN PROPORTION TO CONSULTANT’S LIABILITY TO ANY THIRD PARTY FOR SUCH LOSSES.

ARTICLE 10 – LIMITATION OF LIABILITY

10.1 THE LIABILITY OF CONSULTANT, IN TORT, CONTRACT OR OTHERWISE, TO SJRA AND ITS BOARD, DIRECTORS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES, AND TO ANY THIRD PARTY, FOR ALL CLAIMS ARISING IN CONNECTION WITH OR CONTRIBUTED TO BY THIS AGREEMENT AND THE SERVICES (INCLUDING WITHOUT LIMITATION MULTIPLE CLAIMS ARISING OUT OF OR BASED UPON THE SAME ACT, ERROR OR OMISSION, OR SERIES OF CONTINUOUS, INTERRELATED OR REPEATED ACTS, ERRORS OR OMISSIONS) SHALL BE LIMITED TO THE AMOUNT OF FEES FOR SERVICES RECEIVED BY CONSULTANT UNDER THIS AGREEMENT FOR THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE ACT, ERROR OR OMISSION UPON WHICH SUCH LIABILITY IS BASED. NOTHING IN THIS PARAGRAPH SHALL APPLY

TO ANY LIABILITY WHICH HAS BEEN FINALLY DETERMINED TO HAVE ARISEN FROM THE WILLFUL MISCONDUCT OR FRAUD ON THE PART OF CONSULTANT OR WHICH CANNOT LAWFULLY BE LIMITED, MODIFIED OR EXCLUDED.

10.2 NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR ANY LOSS OF PROFIT, LOSS OF REVENUE, LOSS OF USE OR ANY OTHER INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES (EXCLUDING FINES AND PENALTIES LEVIED BY A REGULATORY AGENCY), EVEN IF CAUSED BY THE SOLE OR CONCURRENT NEGLIGENCE OF A PARTY, WHETHER ACTIVE OR PASSIVE, AND EVEN IF ADVISED OF THE POSSIBILITY THEREOF.

10.3 NOTHING HEREIN SHALL BE CONSTRUED AS CREATING ANY PERSONAL LIABILITY ON THE PART OF ANY BOARD MEMBER, OFFICER, EMPLOYEE, OR AGENT OF SJRA.

ARTICLE 11 – INSURANCE

11.1 CONSULTANT shall obtain and maintain insurance as provided in **Exhibit C**, attached hereto and incorporated herein.

ARTICLE 12 – CHANGES; TERMINATION FOR CONVENIENCE; TERMINATION FOR CAUSE

12.1 SJRA may, at any time and from time to time, make written changes in the form of amendments, modifications, additions, or omissions. In the event that any such change, through no fault of CONSULTANT, shall impact CONSULTANT's Services, compensation, schedule, assumptions, or costs then (a) such changes shall be authorized by written change order issued by SJRA and accepted by CONSULTANT, and (b) an equitable adjustment shall be made to the agreement in writing duly executed by both Parties, to reflect the change in compensation and schedule.

12.2 SJRA may for convenience terminate this Agreement, or CONSULTANT's right to perform Services under this Agreement at any time giving thirty (30) days written notice of such termination. In such event, SJRA shall have the right but not the obligation to assume all obligations and commitments that CONSULTANT may have in good faith undertaken or incurred in connection with the Services terminated, and SJRA shall pay CONSULTANT, as its sole and exclusive remedy, for Services properly performed to date of termination and for reasonable costs of closing out such Services provided SJRA has pre-approved such costs. CONSULTANT shall not be entitled to lost profit on unperformed Services or any consequential damages of any kind. Upon termination, CONSULTANT shall invoice SJRA for all Services performed by CONSULTANT prior to the date of termination which have not previously been compensated. Payment of undisputed amounts in the final invoice shall be due and payable within thirty (30) days after receipt by SJRA of such invoice and all Work Product.

12.3 This Agreement may be terminated by either Party in the event that the other Party fails to perform in accordance with its requirements and such Party does not cure such failure within ten (10) days after receipt of written notice describing such failure. In the event that SJRA terminates this Agreement for cause, CONSULTANT shall not be entitled to any compensation until final completion of the then ongoing Services and any such entitlement shall be subject to SJRA's right to offset and/or recoup all damages and costs associated with finally completing such Services. If for any reason, CONSULTANT is declared in default and/or terminated by SJRA, SJRA shall have the right, subject to Paragraph 3.3, to offset and apply any amounts which might be owed to SJRA by CONSULTANT against any earned but unpaid amounts owed to CONSULTANT by SJRA.

ARTICLE 13 – FORCE MAJEURE

13.1 Any delay in performance or non-performance of any obligation other than an obligation to make a payment as required under this Agreement, of CONSULTANT contained herein shall be excused to the extent such delay in performance or non-performance is caused by Force Majeure. “Force Majeure” shall mean fire, flood, act of God, earthquakes, extreme weather conditions, epidemic, pandemic, war, riot, civil disturbance or unrest, imposition of martial law, restrictions imposed by civil authority, loss of control of civil authority, illegal activity, extreme unreliability or failure of the utility infrastructure, failure of the US banking system, loss of access to communication systems, sabotage, terrorism, or judicial restraint, but only to the extent that such event (i) is beyond the reasonable control of and cannot be reasonably anticipated by or the effects cannot be reasonably alleviated by CONSULTANT and (ii) prevents the performance of Services.

13.2 If CONSULTANT is affected by Force Majeure, CONSULTANT shall promptly provide written notice to SJRA, explaining in detail the full particulars and the expected duration thereof. Notice will be considered prompt if delivered within five (5) days after CONSULTANT first becomes aware or should have become aware through performance in accordance with the standard of care, that the event of Force Majeure will affect the performance of Services. CONSULTANT shall use its commercially reasonable efforts to mitigate interruption or delay if it is reasonably capable of being mitigated.

ARTICLE 14 – SUCCESSORS, ASSIGNMENT AND SUBCONTRACTING

14.1 SJRA and CONSULTANT bind themselves and their successors, executors, administrators and permitted assigns to the other Party of this Agreement and to the successors, executors, administrators and permitted assigns of such other party, in respect to all covenants of this Agreement.

14.2 No right or interest in this Agreement shall be assigned by CONSULTANT or SJRA without the prior written consent of the other Party.

14.3 Prior to commencement of any part of the Services to be provided with respect to which CONSULTANT has elected to subcontract, CONSULTANT will notify SJRA in writing of the identity of the particular subcontractor, subconsultant or supplier CONSULTANT intends to employ for the performance of such part of the Services and the scope of Services it will perform. SJRA shall have the right within twenty-one (21) calendar days of such written notice to disallow CONSULTANT’s employment of any particular subcontractor, subconsultant or supplier, provided that any reasonable additional costs incurred by CONSULTANT as a result of such disallowance shall be borne by SJRA. All damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by CONSULTANT or any subcontractor, supplier or any person or organization directly or indirectly employed by any of them to perform or furnish any of the Services or anyone for whose acts any of them may be liable, shall be remedied by CONSULTANT (except to the extent of damage or loss

attributable to errors or omissions in the drawings or specifications (unless CONSULTANT had knowledge of the error or omission or using reasonable care should have known of the error and CONSULTANT failed to report same), or to the acts or omissions of SJRA or anyone employed by SJRA, or anyone for whose acts any of them may be liable other than CONSULTANT or its agent, or employee, or subcontractors of any tier).

ARTICLE 15 – SEVERABILITY; NON-WAIVER

15.1 If any provision or portion thereof of this Agreement is deemed unenforceable or void, then such provision or portion thereof shall be deemed severed from the Agreement and the balance of the Agreement shall remain in full force and effect.

15.2 Failure by SJRA in any instance to insist upon observance or performance by CONSULTANT of any term, condition or obligation of this Agreement shall not be deemed a waiver by SJRA of any such observance or performance. No waiver by SJRA of any term, condition, obligation or breach of this Agreement will be binding upon SJRA unless in writing, and then will be for the particular instance specified in such writing only. Payment of any sum by SJRA to CONSULTANT with knowledge of any breach will not be deemed a waiver of such breach or any other breach.

ARTICLE 16 – LICENSE REQUIREMENTS

16.1 The CONSULTANT and any subconsultant shall have and maintain any licenses, registrations and certifications required by the State of Texas or recognized professional organizations governing the Services performed under this Agreement.

ARTICLE 17 – ENTIRE AGREEMENT

17.1 This Agreement contains the full and complete understanding of the Parties pertaining to their subject matter and supersede any and all prior and contemporaneous representations, negotiations, agreements or understandings between the Parties, whether written or oral. The Agreement may be modified only in writing, signed by both Parties.

ARTICLE 18 – GOVERNING LAW; VENUE

18.1 This Agreement, and its and their construction and any disputes arising out of, connected with, or relating to this Agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law principles. Venue of all dispute resolution proceedings arising out of, connected with or relating to this Agreement, shall be in Montgomery County, Texas.

ARTICLE 19 – DISPUTE RESOLUTION

19.1 In the event of any dispute arising out of or relating to this Agreement, or any Services which SJRA and CONSULTANT have been unable to resolve within thirty (30) days after such dispute arises, a senior representative of CONSULTANT shall meet with the General Manager of SJRA at a mutually agreed upon time and place not later than forty-five (45) days after such dispute arises to attempt to resolve such dispute. In the event such representatives are unable to resolve any such dispute within fifteen (15) days after such meeting, either Party may, by written notice to the other, submit such dispute to non-binding mediation before a mutually agreeable mediator. If the Parties are unable to agree upon a mediator within twenty (20) days after such written notice of submission to mediation, the American Arbitration Association shall be empowered to appoint a qualified mediator pursuant to the American Arbitration Association Construction Industry Mediation Rules. If the dispute is technical in nature, the mediator appointed by the American Arbitration Association shall be qualified by at least ten (10) years' of experience in actuarial consulting or actuarial review and expertise in the subject matter of the dispute. The mediation shall be conducted within thirty (30) days of the selection or appointment of the mediator, as applicable. The mediation shall be held at a mutually agreeable location in Montgomery County, Texas. If the Parties are unable to agree on a location, the mediation shall be held at the offices of the American Arbitration Association closest to Conroe, Texas.

19.2 Any dispute arising out of or relating to this Agreement or any Services not resolved pursuant to Paragraph 19.1, shall be resolved, by litigation in a court of competent jurisdiction.

19.3 Notwithstanding the foregoing, in the event SJRA and any other consultant and/or any contractor are involved in a dispute in connection with a project for which CONSULTANT has provided Services, and SJRA, in its sole discretion, determines that CONSULTANT's participation in any dispute resolution meeting or mediation proceeding between SJRA and any such consultant and/or contractor is necessary to the resolution of such dispute, CONSULTANT agrees to attend and participate at its own cost in any such dispute resolution meeting or mediation proceeding.

19.4 If CONSULTANT brings any claim against SJRA and CONSULTANT does not prevail with respect to such claim, CONSULTANT shall be liable for all attorneys' fees and costs incurred by SJRA as a result of such claim.

ARTICLE 20 – ELECTRONIC SIGNATURES; COUNTERPARTS

20.1 This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Duplicate copies of duly executed and delivered counterparts of

this Agreement shall be deemed to have the same full force and effect as originals and may be relied upon as such. Notwithstanding the foregoing, the Parties agree that this Agreement may be executed using electronic signatures at the option and discretion of SJRA, and, in such event, the provisions of the Uniform Electronic Transaction Act, Chapter 332, Texas Business and Commerce Code, as amended, and any applicable policies and procedures of SJRA regarding electronic signatures shall apply.

ARTICLE 21 – CONFIDENTIALITY

21.1 Neither CONSULTANT nor any of its subconsultants shall publish or release any publicity or public relations materials of any kind concerning or relating to this Agreement, the Services or the activities of SJRA, unless such materials have first been reviewed and approved in writing by SJRA. This provision shall not apply to mandatory reports which CONSULTANT or its subconsultants are required by law to file with governmental authorities.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the day and year herein above first written.

CONSULTANT:

The Howard E. Nyhart Co. Inc.

By: Lawrence Watts Jr.
 Name Lawrence Watts, Jr.
 Title National Actuarial Consulting Leader

Date: 7/8/2026

ATTEST:

Scott Pollack

Scott Pollack
National Practice Leader

SJRA:

San Jacinto River Authority

By: _____
 Aubrey A. Spear, P.E.
 General Manager

Date: _____

ATTEST:

EXHIBIT A

SCOPE OF SERVICES AND SCHEDULE

A **Level I**, or full-replication, actuarial audit provides a more comprehensive independent review of the plan's actuarial valuation. Under **Level I**, CONSULTANT will independently calculate key actuarial liabilities and funding results using participant-level data, plan provisions, assumptions, methods, and asset information, and then compare those results to the incumbent actuary's valuation.

The scope of this work includes the following key services and deliverables:

Key Services

- Review and testing of participant-level data
 - Review active, retired, disabled, beneficiary, and terminated vested participant data. Identify missing, unusual, or inconsistent data elements that could affect valuation results.
 - Perform reasonableness checks on key fields such as dates of birth, dates of hire, service, pay, accrued benefits, retirement dates, benefit amounts, and benefit forms.
- Review of assumptions and methods
 - Review key economic and demographic assumptions, including investment return, mortality, retirement, termination, salary increases, payroll growth, and COLA assumptions, as applicable.
 - Evaluate the actuarial cost method, asset valuation method, amortization policy, and funding methodology.
 - Consider whether the methods and assumptions remain appropriate for a plan that has been closed to new entrants for approximately 10 years.
- Independent review of plan provisions
 - Review applicable plan documents, ordinances, amendments, and administrative summaries provided by the plan sponsor.
 - Independently reflect material benefit provisions in the audit calculations, including retirement eligibility, benefit formulas, early retirement reductions, deferred vested benefits, disability benefits, death benefits, COLAs, and optional forms of payment, as applicable.
- Independent replication of actuarial liabilities and contribution calculations
 - Independently calculate actuarial present values, actuarial accrued liabilities, and normal costs, as applicable.

- Perform calculations by participant group, including active members, retirees and beneficiaries, disabled retirees, and terminated vested members.
- Recalculate the unfunded actuarial liability and actuarially determined contribution or related funding requirements.
- Review the application of the funding policy, amortization method, payroll assumptions, and administrative expense loads, if applicable.
- Review of asset valuation calculations
 - Review market value and actuarial value of assets.
 - Recalculate asset smoothing, deferred investment gains and losses, and any applicable corridor limits.
 - Compare independently calculated asset values to those used in the actuarial valuation.
- Analysis of differences
 - Compare replicated liabilities, assets, funded status, unfunded liabilities, normal costs, and contribution requirements to the incumbent actuary's results.
 - Identify likely sources of material differences, such as census data, plan provision interpretation, assumption application, methodology, asset calculations, or software/modeling differences.

Governance and Administration Review Items

- We would include a targeted, high-level review of selected administrative and governance practices that affect actuarial valuation accuracy, including:
 - Process for preparing, reviewing, and transmitting census data to the actuary.
 - Reconciliation of participant counts, payroll, retiree benefits, and benefit payments.
 - Selected review of benefit calculation procedures or sample benefit calculations for consistency with plan provisions.
 - Documentation of plan amendments, administrative interpretations, and communications to the actuary.
 - Identification of practical process improvements to reduce the risk of data errors, benefit calculation inconsistencies, or valuation misstatements.

Deliverables (Including Meeting to Discuss Results)

- Written Level I actuarial audit report with executive summary suitable for board, subcommittee, or management review.

- Comparison of independently replicated results to the incumbent actuary's valuation results with explanation of material differences and any resulting suggestions.
- Summary of findings related to data, assumptions, methods, plan provisions, assets, and contribution development. Summary of governance and administration findings, with practical recommendations if deficiencies are observed.

EXHIBIT B

COMPENSATION

Compensation terms for cost reimbursable and lump sum Services:

Proposed Fixed Fee: \$45,000

EXHIBIT C

SJRA'S INSURANCE REQUIREMENTS OF CONSULTANT

- 1. General Requirements.** CONSULTANT shall, at all times during the performance of Services issued under this Agreement and for not less than two years after the completion of any Services, provide and require all subconsultants and subcontractors to provide insurance coverage with companies lawfully authorized to do business in Texas and acceptable to SJRA and with forms of policies acceptable to SJRA, which coverage will protect CONSULTANT from claims set forth below which may arise out of or result from CONSULTANT's Services and operations under this Agreement for which CONSULTANT may be legally liable, whether such Services or operations are by CONSULTANT or a subconsultant or subcontractor of CONSULTANT or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, and meeting not less than the minimum requirements set forth in this Exhibit C. Such insurance is to be provided at the sole cost of CONSULTANT and all subconsultants and subcontractors. The terms "subconsultant" and "subcontractor" for the purposes of this Exhibit C shall include subconsultants and subcontractors of any tier.

(a) Kinds of Claims

- (1) claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to CONSULTANT's Services to be performed;
- (2) claims for damages because of bodily injury, occupational sickness or disease, or death of CONSULTANT's employees;
- (3) claims for damages because of bodily injury, sickness or disease, or death of any person other than CONSULTANT's employees;
- (4) claims for damages insured by usual personal injury liability coverage which are sustained (i) by a person as a result of an offense directly or indirectly related to employment of such person by CONSULTANT, or (ii) by another person;
- (5) claims for damages other than to CONSULTANT's work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- (6) claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;
- (7) claims involving contractual liability insurance applicable to CONSULTANT's indemnification obligations under this Agreement; and
- (8) claims for errors and omissions in the provision of consulting services of the kind rendered by CONSULTANT pursuant to this Agreement.

(b) Policies and Minimum Limits of Liability

PLEASE NOTE: These requirements should provide general guidance only, additional requirements based on project specifics of the contract may be required. Contract amounts over limits will require excess coverage to cover the difference. Combined single limits and excess coverage must equal the Contract Amount (CA).						
Risk Level TIER 2	Coverage	Contract Amount				
		<=\$25k	>\$25k- \$75k	>\$75k- \$1M	>=\$1M- \$2M	>\$2M
Professional Services <u>Services:</u> Architect, Engineer, Surveyor, Professional Non-AES excluding legal services. <u>Contract Type:</u> > Master Professional Services Agreement (MPSA)(AES)- Across all divisions/3 years > Professional Services Agreement (PSA)(AES)-project specific, multiple phases would be new work orders. > Consulting Agreement (Non- AES) > Engagement Letter	Commercial General Liability (CGL) (Premises/Completed Operations)	Each Occurrence	\$300k	\$500k	\$1M	\$1.5M = \$2M
		Fire Damage	\$100k	\$250k	\$1M	\$1.5M = \$2M
		Personal & ADV injury	\$300k	\$500k	\$1M	\$1.5M = \$2M
		Aggregate	\$600K	\$750k	\$2M	\$3M = \$4M
		Premises/Operations	\$300k	\$500k	\$1M	\$1.5M = \$2M
		Products/ Completed Operations	\$300K	\$500k	\$1M	\$1.5M = \$2M
	Workers Compensation	Per occurrence bodily injury	\$500k	\$500k	\$500k	\$500k
		Per Occurrence bodily injury by disease	\$500k	\$500k	\$500k	\$500k
		Policy Limit for Bodily Injury Disease	\$500k	\$500k	\$500k	\$500k
	Business Auto Liability Owned, Non-Owned, Hired, Injury and Property coverage for all	Bodily Injury	\$300k	\$500k	\$500k	\$1M = \$1M
		Property Damage	\$300k	\$500k	\$500k	\$1M = \$1M
		Combined Single Limit	\$600k	\$1M	\$1M	\$2M = \$2M
	Professional/EO Liability	Professional and Cyber required based on the scope of work	500k	\$1M	\$1M	\$2M = \$2M

*Aggregate limits are per 12-month policy period unless otherwise indicated; defense costs shall be excluded from limits of liability of each policy other than Professional Liability Insurance; Commercial General Liability Insurance coverage limits shall be on a per-location basis.

- (c) All required insurance shall be maintained with responsible insurance carriers acceptable to SJRA and lawfully authorized to issue insurance of the types and amounts set forth in this EXHIBIT C. Carriers should have a Best's Financial Strength Rating of at least "A-" and a Best's Financial Size Category of Class VIII or better, according to the most current edition of Best's Key Rating Guide, Property-Casualty United States or be of sufficient size and financial strength as adjudged by SJRA to meet the financial obligations evidenced in the certificate of insurance.
- (d) All certificates shall be in a form reasonably acceptable to SJRA and each certificate must state to the extent permitted by law and the applicable insurance policies, that the policy may not expire, be cancelled, or be nonrenewed unless the carrier and/or CONSULTANT gives SJRA thirty (30) days' advance written notice, except that ten (10) days' advance written notice shall apply for cancellation due to nonpayment of premium. When any required insurance, due to the attainment of a normal expiration date or renewal date, shall expire, CONSULTANT shall, prior to such expiration, supply SJRA with certificates of

insurance and amendatory riders or endorsements that clearly evidence the continuation of all coverage in

the same manner, limits of protection, and scope of coverage as is required by this Agreement. Any renewal or replacement policies shall be in form and substance satisfactory to SJRA and written by carriers acceptable to SJRA and meeting the requirements of this EXHIBIT C. CONSULTANT shall or shall cause the applicable carrier or carriers to give written notice to SJRA within thirty (30) days of the date on which total claims by any Party against insurance provided pursuant to this EXHIBIT C reduce the aggregate amount of coverage below the amounts required by this EXHIBIT C. In addition, CONSULTANT shall or shall cause the applicable carrier or carriers to provide SJRA with amendatory riders or endorsements to the Commercial General Liability Insurance policy that specify that the coverage limits apply on a per-location basis.

- (e) With respect to all policies required in this EXHIBIT C, as soon as practicable prior to execution of this Agreement, CONSULTANT shall deposit with SJRA true and correct original certificates thereof, bearing notations or accompanied by other evidence satisfactory to SJRA that the requirements of this EXHIBIT C are being met, and such certificates shall be attached hereto as EXHIBIT D. If requested to do so by SJRA, CONSULTANT shall also furnish the originals or certified copies of the insurance policies for inspection including but not limited to copies of endorsements.
- (f) All policies of insurance and certificates, with the exception of Professional Liability and Workers' Compensation Insurance, shall name the INDEMNITEES as additional insureds. Without limiting the foregoing, CONSULTANT's Commercial General Liability Insurance policy shall name the INDEMNITEES as additional insureds pursuant to ISO Additional Insured Endorsements CG 20-10-10-01 and CG 20-33-10-01 or their combined equivalents. Further, the CONSULTANT shall provide the INDEMNITEES any defense provided by its Commercial General Liability Insurance policy to the fullest extent allowed by law.
- (g) CONSULTANT hereby waives all rights of recovery and damages against the INDEMNITEES to the extent such damages are covered or should have been covered by the insurance obtained or required to be obtained by CONSULTANT under this Agreement. All of CONSULTANT's policies of insurance, with the exception of Professional Liability Insurance, shall include a waiver of subrogation in favor of the INDEMNITEES.
- (h) The Parties intend that the CONSULTANT'S insurance shall be primary and non-contributing with respect to any other insurance maintained by SJRA and all policies of insurance obtained by CONSULTANT shall be endorsed to be primary and non-contributing with respect to any other insurance maintained by SJRA.
- (i) If any policy required to be purchased pursuant to this EXHIBIT C is subject to a deductible, self-insured retention or similar self-insurance mechanism which limits or otherwise reduces coverage, the deductible, self-insured retention, or similar self-insurance mechanism shall be the sole responsibility of CONSULTANT in the event of any loss and CONSULTANT hereby waives any claim therefor against any INDEMNITEE.
- (j) CONSULTANT shall require and cause its subconsultants and subcontractors to purchase and maintain the insurance policies set forth in Section 1(b) above with limits of liability commensurate with the amount of each subconsulting or subcontract agreement, but in no

case less than \$500,000 per occurrence. CONSULTANT shall provide copies of insurance certificates for all such insurance to SJRA prior to any subconsultant's or subcontractor's performance of any Services.

- (k) If CONSULTANT fails to procure or to maintain in force the insurance required by this EXHIBIT C, SJRA may secure such insurance and the costs thereof shall be borne by CONSULTANT. CONSULTANT shall reimburse SJRA the cost of such insurance plus a ten percent (10%) administrative charge within ten (10) days after billing by SJRA. Any sum remaining unpaid fifteen (15) days after billing by SJRA shall bear interest at the rate of twelve percent (12%) per annum until paid by CONSULTANT. Except to the extent prohibited by Subchapter C of Chapter 151 of the Texas Insurance Code, **CONSULTANT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE INDEMNITEES FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DAMAGES, AND EXPENSES (INCLUDING, WITHOUT LIMITATIONS, COURT COSTS, COSTS OF DEFENSE, AND ATTORNEYS' FEES), THAT ANY INDEMNITEE MAY INCUR AS A RESULT OF CONSULTANT'S FAILURE TO OBTAIN OR CAUSE TO BE OBTAINED THE SPECIFIC ENDORSEMENTS OR INSURANCE REQUIRED PURSUANT TO THIS AGREEMENT.** Failure of any INDEMNITEE to identify any deficiency in the insurance forms provided shall not be construed as a waiver of CONSULTANT's obligation to maintain such insurance and to cause such insurance to be maintained.
- (l) CONSULTANT's compliance with the provisions of this EXHIBIT C shall not be deemed to constitute a limitation of CONSULTANT's liability with respect to claims covered by insurance provided or required pursuant to this EXHIBIT C or in any way limit, modify, or otherwise affect CONSULTANT's obligation under this Agreement or otherwise. CONSULTANT's obligations under this Agreement to defend, indemnify and/or hold harmless INDEMNITEES shall not be limited in any way by any insurance required of CONSULTANT by this Agreement or otherwise provided or maintained by CONSULTANT. Any insurance obligations of CONSULTANT under this Agreement are independent from CONSULTANT's obligations under this Agreement to defend, indemnify and/or hold harmless INDEMNITEES. The insolvency, bankruptcy, or failure of any insurance company carrying insurance for CONSULTANT or any subcontractor, or the failure of any insurance company to pay claims accruing shall not be held to waive any of the provisions of this Agreement.
- (m) If requested by SJRA, CONSULTANT shall furnish or shall cause to be furnished any such other insurance or limits as SJRA may reasonably deem necessary for any services and the cost thereof shall be charged to SJRA by appropriate modification of agreement.

Item No.	Agenda Item	Date
6.5	Consider authorizing the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Aviles Engineering Corporation for construction materials testing services for all SJRA Divisions.	07/23/2026

BACKGROUND INFORMATION

Firm Name: Aviles Engineering Corporation

Type of Agreement: Master Professional Services Agreement
(Contract No. 23-0027-A)

Project Description/Justification:

In 2023, SJRA issued a Request for Qualifications and evaluated qualified firms to provide construction materials testing services. Aviles Engineering Corporation was awarded a Master Professional Services Agreement (MPSA), effective July 27, 2023, and included a three (3) year term.

This Amendment extends the term of the MPSA for an additional six (6) months to allow ongoing Work Orders issued under the MPSA for construction materials testing services to continue until the completion of ongoing projects. Exhibit 1, attached, shows all previously approved Work Orders/Contracts issued under the MPSA.

Anticipated Completion Date: January 31, 2027

Total Amount for Previous Work Orders: \$294,153.13

FUNDING SOURCE: N/A

ATTACHMENT: Amendment No. 1, Exhibit 1

RECOMMENDED ACTION

Authorize the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Aviles Engineering Corporation for construction materials testing services for all SJRA Divisions. This amendment is for an extension of the contract expiration date only.

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

FIRST AMENDMENT TO CONTRACT
BY AND BETWEEN THE SAN JACINTO RIVER AUTHORITY
AND AVILES ENGINEERING CORPORATION
CONTRACT NO. 23-0027-A

THIS FIRST AMENDMENT TO CONTRACT (hereafter the “First Amendment”) to that certain Contract by and between San Jacinto River Authority (SJRA) and Aviles Engineering Corporation (hereafter the “Agreement”), which was heretofore executed on July 27, 2023, and was approved within the delegated authority of the San Jacinto River Authority General Manager; and said Agreement was heretofore entered into by and between San Jacinto River Authority, a conservation and reclamation district of the State of Texas with its general and administration offices located at 1577 Dam Site Road, Conroe, Texas 77304 (hereafter the “SJRA”); and Aviles Engineering Corporation with its offices at 5790 Windfern Road, Houston, Texas 77041; and

NOW THEREFORE, SJRA and Aviles Engineering Corporation (hereafter collectively referred to as the “Parties”), in consideration of their mutual promises and covenants, as well as for other good and valuable considerations, do hereby AGREE to the following First Amendment, which amends the term of agreement throughout the said Agreement, to wit:

ARTICLE 2 – TERM OF AGREEMENT

2.1 This Agreement shall be in effect through January 31, 2027.

The Parties hereto agree, that except as specifically provided for by this First Amendment, that all the terms, covenants, conditions, agreements, rights, responsibilities, and obligations of the Parties, set forth in both the Agreement and now the First Amendment shall be, and will remain in full force and effect.

IN WITNESS WHEREOF, the Parties, have each executed this First Amendment in two (2) original counterparts, by and through their respective duly authorized representatives and officers on this the ____ day of July 2026.

SAN JACINTO RIVER AUTHORITY

By: _____
General Manager

AVILES ENGINEERING CORPORATION

By: Shane Ressler 6/29/2026
Authorized Signature, Title

EXHIBIT 1

Total Expenditures for Master Professional Engineering Services Agreement for San Jacinto River Authority under Contract 23-0027-A

Professional Services Agreement/Work Order	General Manager Approval Date	Amount
<u>Master Professional Services Agreement (MPSA) 23-0027-A</u> Provided an MPSA for construction materials testing (CMT) services as requested by SJRA.	July 27, 2023	N/A
<u>Work Order No. 1</u> Provided CMT services for Highlands Reservoir Access Culvert and Structure 5 Improvements.	September 1, 2023	\$41,406.63
<u>Work Order No. 1 Amendment No. 1</u> Provided CMT services for Highlands Reservoir Access Culvert and Structure 5 Improvements.	January 24, 2024	\$13,479.25
<u>Work Order No. 2</u> Provided CMT services for Highlands Erosion Repair for Siphon 16, 17, and 18.	January 25, 2024	\$42,963.50
<u>Work Order No. 3</u> Provided CMT services for Highlands Emergency Levee Repair.	January 24, 2024	\$32,639.50
<u>Work Order No. 4</u> Provided CMT services for Highlands Siphon 39 and Levee Improvements.	July 24, 2025	\$132,539.50
<u>Work Order No. 5</u> Provided CMT services for Siphon 22 Culvert Improvements.	December 11, 2025	\$31,124.75
TOTAL AMOUNT FOR PREVIOUS WORK ORDERS		\$294,153.13

Item No.	Agenda Item	Date
6.6	Consider authorizing the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Geoscience Engineering & Testing, Inc. for construction materials testing services for all SJRA Divisions.	07/23/2026

BACKGROUND INFORMATION

Firm Name: Geoscience Engineering & Testing, Inc.

Type of Agreement: Master Professional Services Agreement
(Contract No. 23-0027-B)

Project Description/Justification:

In 2023, SJRA issued a Request for Qualifications and evaluated qualified firms to provide construction materials testing services. Geoscience Engineering & Testing Inc., was awarded a Master Professional Services Agreement (MPSA), effective July 27, 2023, and included a three (3) year term.

This Amendment extends the term of the MPSA for an additional six (6) months to allow ongoing Work Orders issued under the MPSA for construction materials testing services to continue until the completion of ongoing projects. Exhibit 1, attached, shows all previously approved Work Orders/Contracts issued under the MPSA.

Anticipated Completion Date: January 31, 2027

Total Amount for Previous Work Orders: \$161,753.00

FUNDING SOURCE: N/A

ATTACHMENT: Amendment No. 1, Exhibit 1

RECOMMENDED ACTION

Authorize the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Geoscience Engineering & Testing, Inc., for construction materials testing services for all SJRA Divisions. This amendment is for an extension of the contract expiration date only.

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

FIRST AMENDMENT TO CONTRACT
BY AND BETWEEN THE SAN JACINTO RIVER AUTHORITY
AND GEOSCIENCE ENGINEERING & TESTING, INC.
CONTRACT NO. 23-0027-B

THIS FIRST AMENDMENT TO CONTRACT (hereafter the “First Amendment”) to that certain Contract by and between San Jacinto River Authority (SJRA) and Geoscience Engineering & Testing, Inc. (hereafter the “Agreement”), which was heretofore executed on July 27, 2023, and was approved within the delegated authority of the San Jacinto River Authority General Manager; and said Agreement was heretofore entered into by and between San Jacinto River Authority, a conservation and reclamation district of the State of Texas with its general and administration offices located at 1577 Dam Site Road, Conroe, Texas 77304 (hereafter the “SJRA”); and Geoscience Engineering & Testing, Inc. with its offices at 405 E. 20th Street, Houston, Texas 77008; and

NOW THEREFORE, SJRA and Geoscience Engineering & Testing, Inc. (hereafter collectively referred to as the “Parties”), in consideration of their mutual promises and covenants, as well as for other good and valuable considerations, do hereby AGREE to the following First Amendment, which amends the term of agreement throughout the said Agreement, to wit:

ARTICLE 2 – TERM OF AGREEMENT

2.1 This Agreement shall be in effect through January 31, 2027.

The Parties hereto agree, that except as specifically provided for by this First Amendment, that all the terms, covenants, conditions, agreements, rights, responsibilities, and obligations of the Parties, set forth in both the Agreement and now the First Amendment shall be, and will remain in full force and effect.

IN WITNESS WHEREOF, the Parties, have each executed this First Amendment in two (2) original counterparts, by and through their respective duly authorized representatives and officers on this the ____ day of July 2026.

SAN JACINTO RIVER AUTHORITY

By: _____
General Manager

GEOSCIENCE ENGINEERING & TESTING, INC.

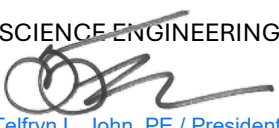

By: Telfryn L. John, PE / President
Authorized Signature, Title

EXHIBIT 1

Total Expenditures for Master Professional Engineering Services Agreement for San Jacinto River Authority under Contract 23-0027-B

Professional Services Agreement/Work Order	General Manager Approval Date	Amount
<u>Master Professional Services Agreement (MPSA) 23-0027-A</u> Provided an MPSA for construction materials testing (CMT) services as requested by SJRA.	July 27, 2023	N/A
<u>Work Order No. 1</u> Provided CMT services for Woodlands WWTF No.2 Storage Building No. 2.	February 27, 2024	\$9,999.00
<u>Work Order No. 2</u> Provided CMT services for Lake Conroe Maintenance Facility	July 25, 2024	\$21,116.00
<u>Work Order No. 2 Amendment No. 1</u> Provided CMT services for Lake Conroe Maintenance Facility	January 27, 2025	\$18,441.00
<u>Work Order No. 2 Amendment No. 2</u> Provided CMT services for Lake Conroe Maintenance Facility	August 28, 2025	\$12,283.00
<u>Work Order No. 2 Amendment No. 3</u> Provided CMT services for Lake Conroe Maintenance Facility	February 26, 2026	\$15,995.00
<u>Work Order No. 2 Amendment No. 4</u> Provided CMT services for Lake Conroe Maintenance Facility	April 21, 2026	\$19,849.00
<u>Work Order No. 3</u> Provided CMT services for Lake Conroe Dam Crest Road Repairs.	March 1, 2025	\$44,263.00
<u>Work Order No. 4</u> Provided CMT services for G&A Site Drainage and Erosion Repair.	September 9, 2025	\$19,807.00
TOTAL AMOUNT FOR PREVIOUS WORK ORDERS		\$161,753.00

Item No.	Agenda Item	Date
6.7	Consider authorizing the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Geotest Engineering, Inc., for construction materials testing services for all SJRA Divisions.	07/23/2026

BACKGROUND INFORMATION

Firm Name: Geotest Engineering, Inc.

Type of Agreement: Master Professional Services Agreement
(Contract No. 23-0027-C)

Project Description/Justification:

In 2023, SJRA issued a Request for Qualifications and evaluated qualified firms to provide construction materials testing services. Geotest Engineering, Inc., was awarded a Master Professional Services Agreement (MPSA), effective July 27, 2023, and included a three (3) year term.

This Amendment extends the term of the MPSA for an additional six (6) months to allow ongoing Work Orders issued under the MPSA for construction materials testing services to continue until the completion of ongoing projects. Exhibit 1, attached, shows all previously approved Work Orders/Contracts issued under the MPSA.

Anticipated Completion Date: January 31, 2027

Total Amount for Previous Work Orders: \$98,714.06

FUNDING SOURCE: N/A

ATTACHMENT: Amendment No. 1, Exhibit 1

RECOMMENDED ACTION

Authorize the General Manager to execute Amendment No. 1 to the Master Professional Services Agreement with Geotest Engineering, Inc., for construction materials testing services for all SJRA Divisions. This amendment is for an extension of the contract expiration date only.

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

FIRST AMENDMENT TO CONTRACT
BY AND BETWEEN THE SAN JACINTO RIVER AUTHORITY
AND GEOTEST ENGINEERING, INC.
CONTRACT NO. 23-0027-C

THIS FIRST AMENDMENT TO CONTRACT (hereafter the "First Amendment") to that certain Contract by and between San Jacinto River Authority (SJRA) and Geotest Engineering, Inc. (hereafter the "Agreement"), which was heretofore executed on July 27, 2023, and was approved within the delegated authority of the San Jacinto River Authority General Manager; and said Agreement was heretofore entered into by and between San Jacinto River Authority, a conservation and reclamation district of the State of Texas with its general and administration offices located at 1577 Dam Site Road, Conroe, Texas 77304 (hereafter the "SJRA"); and Geotest Engineering, Inc. with its offices at 5600 Bintliff Drive, Houston, Texas 77036; and

NOW THEREFORE, SJRA and Geotest Engineering, Inc. (hereafter collectively referred to as the "Parties"), in consideration of their mutual promises and covenants, as well as for other good and valuable considerations, do hereby AGREE to the following First Amendment, which amends the term of agreement throughout the said Agreement, to wit:

ARTICLE 2 – TERM OF AGREEMENT

2.1 This Agreement shall be in effect through January 31, 2027.

The Parties hereto agree, that except as specifically provided for by this First Amendment, that all the terms, covenants, conditions, agreements, rights, responsibilities, and obligations of the Parties, set forth in both the Agreement and now the First Amendment shall be, and will remain in full force and effect.

IN WITNESS WHEREOF, the Parties, have each executed this First Amendment in two (2) original counterparts, by and through their respective duly authorized representatives and officers on this the ____ day of July 2026.

SAN JACINTO RIVER AUTHORITY

By: _____
General Manager

GEOTEST ENGINEERING, INC.

By: Y. Nair
Authorized Signature, Title
Ravi Raj Yanamandala, P.E./ President

EXHIBIT 1

Total Expenditures for Master Professional Engineering Services Agreement for San Jacinto River Authority under Contract 23-0027-C

Professional Services Agreement/Work Order	General Manager Approval Date	Amount
<u>Master Professional Services Agreement (MPSA) 23-0027-C</u> Provided an MPSA for construction materials testing (CMT) services as requested by SJRA.	July 27, 2023	N/A
<u>Work Order No. 1</u> Provided CMT services for Woodlands South Milbend and Timberwild Pavement Replacement	September 25, 2023	\$2,996.00
<u>Work Order No. 2</u> Provided CMT services for Woodlands SH242 and Northway Water Line Repair and Pavement Replacement.	October 13, 2023	\$3,858.00
<u>Work Order No. 3</u> Provided CMT services for Woodlands Harper's Landing Waterline.	December 4, 2023	\$6,711.00
<u>Work Order No. 3 Amendment No. 1</u> Provided CMT services for Woodlands Harper's Landing Waterline.	June 12, 2024	\$1,736.96
<u>Work Order No. 4</u> Provided CMT services for Woodlands 16-Well Collection Line Repair	May 21, 2024	\$2,191.00
<u>Work Order No. 5</u> Provided CMT services for Woodlands Water Plant Nos. 1, 2, & 3 Generators	July 31, 2024	\$37,760.50
<u>Work Order No. 5 Amendment No. 1</u> Provided CMT services for Woodlands Water Plant Nos. 1, 2, & 3 Generators	April 7, 2026	\$4,288.00
<u>Work Order No. 6</u> Provided CMT services for Woodlands WWTF No. 2 Tertiary Filter Improvements	February 5, 2025	\$12,209.00
<u>Work Order No. 6 Amendment 1</u> Provided CMT services for Woodlands WWTF No. 2 Tertiary Filter Improvements	June 22, 2026	\$4,446.60

EXHIBIT 1

**Total Expenditures for Master Professional Engineering Services Agreement
for San Jacinto River Authority under Contract 23-0027-C**

<u>Work Order No. 7</u> Provided CMT services for Lake Conroe Spillway Gate No. 1 Recoating.	May 12, 2025	\$9,465.00
<u>Work Order No. 8</u> Provide CMT services for Wastewater Treatment Facility No. 2 Grit Classifier Improvements	December 11, 2025	\$8,052.00
<u>Work Order No. 9</u> Provided CMT services for Woodlands 16" Well Collection Line Repair on Woodlands Parkway.	October 13, 2025	\$5,000.00
TOTAL AMOUNT FOR PREVIOUS WORK ORDERS		\$98,714.06

Item No.	Agenda Item	Date
6.8	Consider authorizing the General Manager to execute the second renewal term of the General Services Agreement with Republic Services to continue providing sludge hauling, sludge disposal, and debris waste management hauling services for the Woodlands Division.	07/23/2026
BACKGROUND INFORMATION		
Firm Name: Republic Services Type of Agreement: Second Renewal – General Services Agreement Service: Sludge Hauling and Disposal Services / Debris Waste Management Hauling Services Contract Number: 24-0030-B Initial Contract Term Amount: \$79,316.98 (August 1, 2024 – July 31, 2025) First Renewal Term Amount: \$61,370.74 (August 1, 2025 – July 31, 2026) Second Renewal Term Not-to-Exceed Amount: \$32,000.00 (August 1, 2026 – July 31, 2027) This Agreement continues sludge hauling, disposal, and waste management debris hauling services for the Woodlands Division. These services support the Authority’s ongoing operational and regulatory requirements for the transportation and disposal of sludge and debris materials. Expenditures in FY 2025 (\$79,316.98) and FY 2026 (\$61,370.74) exceeded budgeted amounts due to a higher-than-anticipated volume of debris hauling services. As a result, projected FY 2027 expenditures exceed the General Manager's signature authority.		
FUNDING SOURCE: Operating Budget		
ATTACHMENTS: Renewal Letter		
RECOMMENDED ACTION		
Consider authorizing the General Manager to execute the second renewal term of the General Services Agreement with Republic Services, in an amount not to exceed \$32,000.00, to continue providing sludge hauling, sludge disposal, and debris waste management hauling services for the Woodlands Division. Sufficient funds were budgeted and are available in Fiscal Year 2026 for this purpose.		



May 28, 2026

Republic Services

5757 Oates Road Suite A
Houston, TX 77078

Sam Willson, 281-831-4062; Email: swillson@republicservices.com

Re: **Contract 24-0030-B – Sludge Hauling & Disposal Services / Waste Management Debris Hauling Services**

Dear Mr. Willson,

The above-referenced contract was originally executed with an effective date of **August 1, 2024**, for a one-year term, with the option for two (2) additional one-year renewal terms. The San Jacinto River Authority (SJRA) intends to exercise its option to renew the agreement for **Renewal Term 2**, after which no renewal terms will remain. Pursuant to **Article 2.1 of Contract No. 24-0030-B**, all renewals must be made in writing and executed by both parties.

The contract terms are as follows:

- ~~Initial Term: August 1, 2024 – July 31, 2025 (Completed)~~
- ~~Renewal Term 1: August 1, 2025 – July 31, 2026 (Completed)~~
- **Renewal Term 2: August 1, 2026 – July 31, 2027**

The maximum not-to-exceed compensation payable to **Republic Services** under this agreement within **Renewal Term 2** is **\$32,000**.

If your company agrees to renew the contract for the second renewal term under the existing terms and conditions, please sign below and return the executed document via email to mmorris@sjra.net.

Sincerely,

Megan Morris

Megan Morris
Buyer

Republic Services Approval:

We agree to renew Contract 24-0030-B for one (1) additional year under the same terms, conditions, and pricing.

Name: Mark Nethersole

Title: Sales manager

Signature: [Signature]

Date: 6/16/26

SJRA Approval:

Approved for renewal of Contract 24-0030-B for one (1) additional year.

Name: Aubrey A. Spear, P.E.

Title: General Manager

Signature: _____

Date: _____

ADMINISTRATIVE OFFICES
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.3111
(F) 936.588.3043

LAKE CONROE DIVISION
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.1111
(F) 936.588.1114

GRP DIVISION
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.1662
(F) 936.588.7182

WOODLANDS DIVISION
2436 Sawdust Road
The Woodlands, Texas 77380
(T) 281.367.9511
(F) 281.362.4385

HIGHLANDS DIVISION
P.O. Box 861
Highlands, Texas 77562
(T) 281.843.3300
(F) 281.426.2877

FLOOD MANAGEMENT DIVISION
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.3111
(F) 936.588.3043

Item No.	Agenda Item	Date
7.1	Consider authorizing the General Manager to execute a Professional Services Agreement with ARKK Engineers, LLC, for final design of the Lift Station No. 5 Force Main Replacement Project for the Woodlands Division.	07/23/2026

BACKGROUND INFORMATION

Firm Name: ARKK Engineers, LLC

Project: Lift Station No. 5 Force Main Replacement

Type of Agreement: Professional Services Agreement
(Contract No. 26-0041)

Project Description/Justification:

The Lift Station No. 5 Force Main Replacement project involves the design and replacement approximately 8,100 linear feet of aging 24" ductile iron force main serving Lift Station No. 5. This project was previously placed on hold while a comprehensive study was conducted to evaluate the feasibility of taking five lift stations offline, beginning with Lift Station No. 5. The study concluded that the cost of the required system improvements would outweigh the potential benefits and was not financially justifiable. Based on the study's findings, the project to replace the force main from Lift Station No. 5 to Wastewater Treatment Facility No. 1 has been restarted. The current scope includes the development of an updated design, additional survey to identify changes along the route, identification and acquisition of required construction easements, and confirmation of the force main alignment to support reliable wastewater conveyance from the lift station to the treatment facility.

Key Deliverable(s):	Due Date(s):
90% Submittal	March 22, 2027
100% Draft Submittal	June 14, 2027
100% Final Plans	July 12, 2027

Type of Compensation/Amount: Lump Sum/\$230,364.00
Cost-Plus Multiplier with Not-to-Exceed/\$80,000.00

Total Amount: \$310,364.00

Construction Cost: \$9,147,000.00 (Est.)

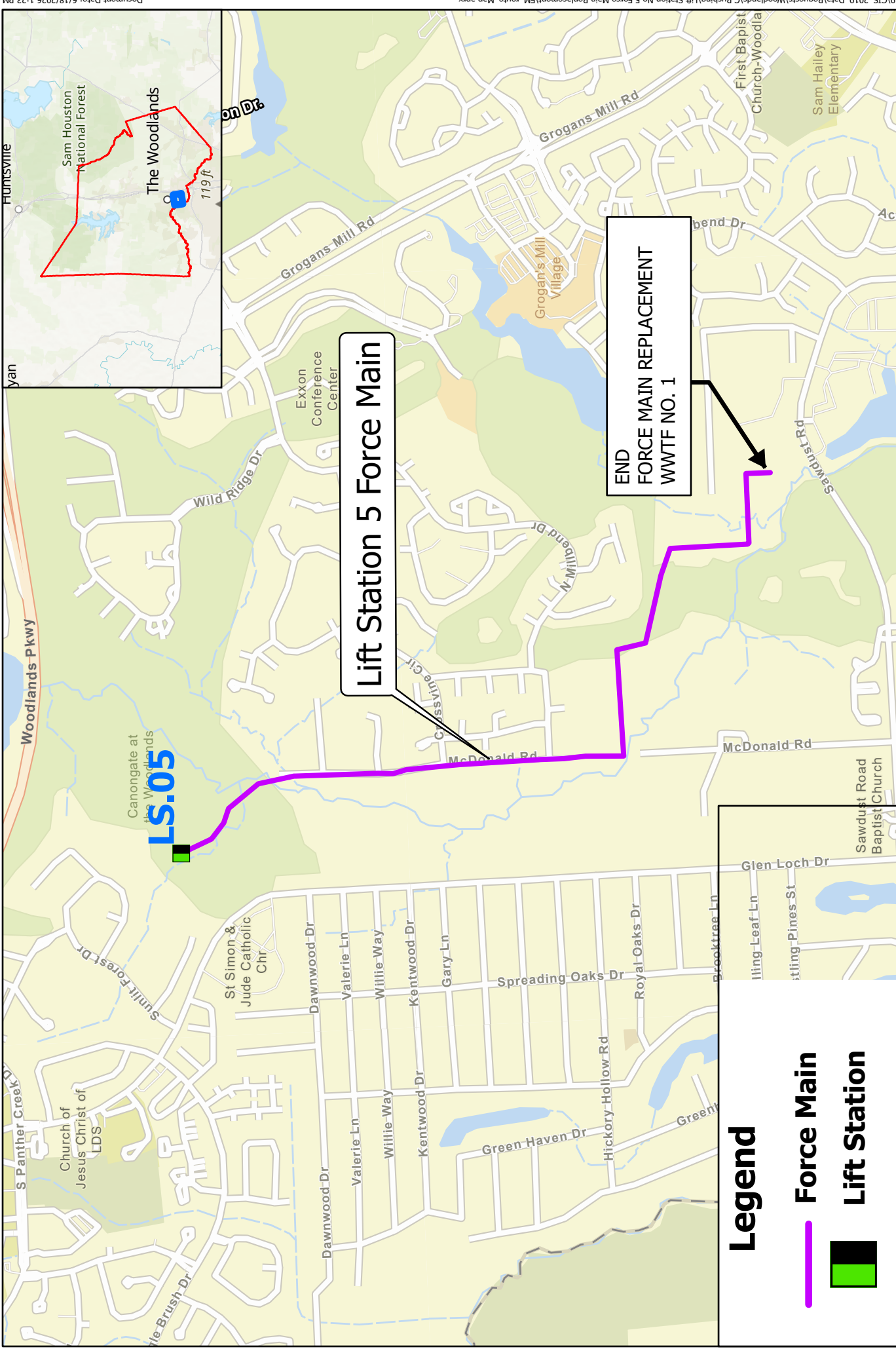
Anticipated Completion Date: November 15, 2027

FUNDING SOURCE: R & R Funds

ATTACHMENTS: Map, Professional Services Agreement, Scope, Level of Effort, Schedule

RECOMMENDED ACTION

Authorize the General Manager to execute a Professional Services Agreement with ARKK Engineers, LLC, in the amount of \$310,364.00, for the Lift Station No. 5 Force Main Replacement Project for the Woodlands Division. Sufficient funds were budgeted and are available in Fiscal Year 2026 for this purpose.



Lift Station No. 5 Force Main Replacement





**General & Administrative Division
Procurement Department
1577 Dam Site Rd.
Conroe, Texas 77304**

**PROFESSIONAL SERVICES AGREEMENT
Contract # 26-0041**

**Lift Station No. 5 Force Main Replacement
Final Design and Procurement Phase
Assistance**

FLOOD MANAGEMENT DIVISION
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.3111
(F) 936.588.1114

GRP DIVISION
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.1662
(F) 936.588.7182

HIGHLANDS DIVISION
P.O. Box 861
Highlands, Texas 77562
(T) 281.843.3300
(F) 281.426.2877

LAKE CONROE DIVISION
P.O. Box 329
Conroe, Texas 77305
(T) 936.588.1111
(F) 936.588.1114

WOODLANDS DIVISION
2436 Sawdust Road
The Woodlands, Texas 77380
(T) 281.367.9511
(F) 281.362.4385

PROFESSIONAL SERVICES AGREEMENT
CONTRACT NO. 26-0041

This Professional Services Agreement (the “Agreement”) is made and entered into effective as of the 23rd day of July, 2026, by and between the San Jacinto River Authority, a conservation and reclamation district of the State of Texas, (“SJRA”) with general and administration offices located at 1577 Dam Site Road, Conroe, Texas 77304,

and

ARKK Engineers, LLC, a limited liability company organized under the laws of the State of Texas, (“CONSULTANT”) with principal offices located at 7322 Southwest Fwy., Suite 1040, Houston, TX 77074.

SJRA and CONSULTANT are sometimes referred to herein collectively as the “Parties” or individually as a “Party.”

The Parties hereby agree as follows:

ARTICLE 1 – SCOPE OF SERVICES

1.1 CONSULTANT agrees to perform professional services (the “Services”) related to Lift Station No. 5 Force Main Replacement as are requested from time to time by SJRA. **Exhibit A**, which is attached hereto and incorporated herein by reference, shall be used to define scope of work.

1.2 The Parties agree that nothing in this Agreement shall prohibit the Parties, or either of them, from entering into agreements other than this Agreement for professional services or other work.

ARTICLE 2 – TERM OF AGREEMENT

2.1 The term of this Agreement commences on the Effective Date and continues without interruption through January 31, 2028. If it’s determined that additional time is required to complete the services, SJRA Procurement Manager may, but is not obligated to, in their discretion, execute an amendment to grant up to an additional six (6) months of time so long the amount of the consideration does not increase. SJRA may terminate this Agreement for convenience, and either Party may terminate this Agreement for cause, in each case as provided in Article 12.

2.2 Without limiting the generality of the foregoing Paragraph 2.1, Consultant’s obligations under Articles 5, 6, 8, 9, 10, 11, 18, 19 and 20 shall survive the expiration or termination of this Agreement.

ARTICLE 3 – COMPENSATION AND PAYMENT

3.1 SJRA agrees to pay CONSULTANT, and CONSULTANT agrees to accept, as full and complete compensation for Services properly performed by CONSULTANT in accordance with this Agreement, the rates and charges agreed upon. **Exhibit B**, which is attached hereto and incorporated herein by reference, shall be used to define compensation.

3.2 On or before the tenth day of each calendar month, CONSULTANT shall submit an invoice to SJRA Accounts Payable at AP@sjra.net, together with backup documentation required by SJRA and releases and waivers in forms acceptable to SJRA, covering all Services performed by CONSULTANT and its subconsultants, subcontractors and suppliers during the preceding calendar month. CONSULTANT shall separately itemize on each invoice: (i) payment sought, (ii) the amount budgeted for each service, (iii) the amount of payment requested pursuant to services, (iv) the amount previously paid pursuant to services, (v) descriptions of services performed during the prior month, and (vi) the total payment requested by such invoice. SJRA shall pay the amount it agrees to be due within forty-five (45) days after receipt of such complete invoice and backup documentation. SJRA shall notify CONSULTANT in writing of a disputed amount in an invoice within twenty-one (21) days of receipt. Such notice shall include a detailed statement of the amount of the invoice which is disputed.

3.3 SJRA shall have the right but not the obligation to withhold, offset, or reduce all or part of any payment requested in any invoice to such extent as may be necessary, but in no event greater than 110% of the disputed amount, on account of:

- (a) Services that are not in compliance with this Agreement or any failure of CONSULTANT to perform Services in accordance with the provisions of this Agreement;
- (b) third party suits, stop notices, claims or liens arising out of Services performed for which CONSULTANT is responsible pursuant to this Agreement and asserted or filed against SJRA or any of its property or portion thereof or improvements thereon provided that CONSULTANT fails to provide SJRA with sufficient evidence that CONSULTANT's insurance is adequate or shall cover the claim(s);
- (c) uninsured damage to any INDEMNITEE (hereinafter defined) which results from CONSULTANT's failure to obtain or maintain the insurance required by this Agreement or from any action or inaction by CONSULTANT or any of its subcontractors, subconsultants, or suppliers which excuses any insurer from liability for any loss or claim which would, but for such action or inaction, be covered by insurance; or

(d) any failure of CONSULTANT to pay any subcontractor, subconsultant, or supplier of CONSULTANT the correct, undisputed, and contractually obligated amount for acceptable services received and for acceptable supplies received. CONSULTANT will not include in its billings to SJRA any amount in a subcontractor or supplier invoice which it has not paid or does not intend to pay within the terms and conditions of the applicable subcontract agreement or supplier purchase order.

Any failure by SJRA to exercise its right to withhold all or any part of payment requested in any invoice as provided in this Paragraph 3.3 shall not be and shall not be construed as (i) a waiver of SJRA's right to do so in the future, or (ii) evidence that any of the circumstances identified in Subparagraphs 3.3(a) through (d) above have not occurred. When the above reasons for withholding payment are remedied or no longer exist, CONSULTANT shall resubmit an invoice for the withheld amounts. Payment will be made within thirty (30) calendar days of receipt by SJRA of an approved invoice, subject to Paragraph 3.4 below.

3.4 CONSULTANT agrees to pay in full (less any applicable retainage) as soon as reasonably practicable, but in no event later than thirty (30) days following payment from SJRA, all subcontractors, subconsultants, and any other persons or entities supplying labor, supplies, materials, or equipment in connection with Services that are owed payment by CONSULTANT out of such payment made to CONSULTANT by SJRA. Further, provided that SJRA has paid CONSULTANT in accordance with the terms of this Agreement, **CONSULTANT SHALL DEFEND AND INDEMNIFY SJRA FROM AND AGAINST ANY CLAIMS FOR PAYMENT ASSERTED OR FILED BY ANY SUCH PERSON OR ENTITY AGAINST SJRA, ITS PROJECT OR PROPERTY OR CONSULTANT.**

3.5 Non-Appropriation: All funds for payment by SJRA under this Agreement are subject to the availability of an annual appropriation for this purpose by SJRA. In the event of non-appropriation of funds by the Board of Directors of SJRA for the services provided under the Agreement, SJRA will terminate the Agreement, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the services covered by this Agreement is spent, whichever event occurs first (the "Non-Appropriation Date"). If at any time funds are not appropriated for the continuance of this Agreement, cancellation shall be accepted by the CONSULTANT on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and SJRA shall not be obligated under this Agreement beyond the Non-Appropriation Date.

ARTICLE 4 – STANDARD OF CARE; COORDINATION OF SERVICES; SAFETY; COST ESTIMATES; LEGAL COMPLIANCE; THIRD PARTY REVIEW

4.1 CONSULTANT shall perform, supervise and direct the Services, and otherwise discharge its obligations under this Agreement: (a) with the professional skill and care ordinarily provided by competent engineers practicing under the same or similar circumstances and professional license; and (b) as expeditiously as is prudent considering

the ordinary professional skill and care of a competent engineer (collectively, the CONSULTANT's "Standard of Care").

4.2 Consistent with its Standard of Care, CONSULTANT shall (a) perform its Services in accordance with all applicable laws, codes, ordinances and regulations; (b) perform its Services in an efficient manner; and (c) keep SJRA apprised of the status of Services, coordinate its activities with SJRA, and accommodate other activities of SJRA at sites that the Services impact. CONSULTANT shall designate an authorized representative to be available for consultation, assistance, and coordination of activities.

4.3 As between SJRA and CONSULTANT, the CONSULTANT shall be solely responsible for its own activities at sites including the safety of its employees, and that of its subconsultants, subcontractors and suppliers. Construction contractors of SJRA shall have sole responsibility for providing materials, means, and methods of construction, for controlling their individual work areas and safety of said areas for all persons, and for taking all appropriate steps to ensure the quality of their work and the safety of their employees and of the public in connection with their performance of work or services provided under contracts with SJRA. Without assuming any control over, responsibility for or liability whatsoever with respect to the construction contractor obligations of the foregoing sentence, CONSULTANT shall notify SJRA if it observes violations of safety regulations or ordinances or quality of work deficiencies by SJRA's construction contractors. CONSULTANT shall comply with the site safety program and rules established by the construction contractors.

4.4 To the extent that CONSULTANT provides to SJRA any estimate of costs associated with construction, any such estimate shall be developed in accordance with CONSULTANT's Standard of Care, but it is recognized by the Parties that neither CONSULTANT nor SJRA has control over the cost of the labor, materials, or equipment, over a construction contractor's methods of determining bid prices, or over competitive bidding, market, or negotiating conditions. Accordingly, CONSULTANT cannot and does not warrant or represent that bids or negotiated prices will not vary from SJRA's budget for the project or from any estimate of the cost of work or evaluation prepared or agreed to by CONSULTANT.

4.5 CONSULTANT hereby agrees that the following terms, conditions, verifications, certifications, and representations apply to and are incorporated into this Agreement for all purposes, and CONSULTANT shall deliver to SJRA signed and notarized verifications prior to commencement of any Services:

(a) With respect to providing Services hereunder, CONSULTANT shall comply with any applicable Equal Employment Opportunity and/or Affirmative Action ordinances, rules, or regulations during the term of this Agreement.

(b) Pursuant to Texas Local Government Code Chapter 176, CONSULTANT shall submit a signed Texas Ethics Commission ("TEC") Conflict of Interest Questionnaire

("CIQ") at the time CONSULTANT submits this signed Agreement to SJRA. TEC Form CIQ and information related to same may be obtained from TEC website by visiting <https://www.ethics.state.tx.us/forms/conflict/>. If CONSULTANT certifies that there are no Conflicts of Interest, CONSULTANT shall indicate so by writing name of CONSULTANT's firm and "No Conflicts" on the TEC Form CIQ.

(c) If CONSULTANT is a privately held entity, then pursuant to Texas Government Code Section 2252.908 and the rules promulgated thereunder by the TEC, CONSULTANT shall submit a completed and signed TEC Form 1295 with a certificate number assigned by the TEC to SJRA at the time CONSULTANT submits this signed Agreement to SJRA. TEC Form 1295 and information related to same may be obtained from TEC website by visiting <https://www.ethics.state.tx.us/filinginfo/1295/>. CONSULTANT agrees and acknowledges that this Agreement shall be of no force and effect unless and until CONSULTANT has submitted said form to SJRA, if and to the extent such form is required under Government Code § 2252.908 and the rules promulgated thereunder by the TEC.

(d) As required by Chapter 2271, Texas Government Code, CONSULTANT hereby verifies that CONSULTANT, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott Israel and will not boycott Israel through the term of this Agreement. The term "boycott Israel" in this Paragraph has the meaning assigned by Section 2271.001, Texas Government Code, which incorporates the definition provided in Section 808.001, Texas Government Code, as amended.

(e) Pursuant to Chapter 2252, Texas Government Code, CONSULTANT represents and certifies that, at the time of execution of this Agreement, neither CONSULTANT, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, is engaged in business with Iran, Sudan, or any terrorist organization, and is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code.

(f) As required by Chapter 2276, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, CONSULTANT hereby verifies that CONSULTANT, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. The term "boycott energy companies" in this Paragraph shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code, as amended.

(g) As required by Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, CONSULTANT hereby verifies that CONSULTANT, including any wholly owned

subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The term “discriminate against a firearm entity or trade association” in this Paragraph shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19), as amended.

(h) Pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 2116, 87th Legislature, Regular Session), as amended, and to the extent this Agreement grants to CONSULTANT direct or remote access to the control of critical infrastructure, excluding access specifically allowed for product warranty and support, CONSULTANT verifies that neither CONSULTANT, including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same, nor any of its sub-contractors are: (i) owned or controlled by (a) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (ii) headquartered in China, Iran, North Korea, Russia or a designated country. The term “designated country” in this Paragraph means a country designated by the Governor as a threat to critical infrastructure under Section 2274.0103, Texas Government Code. The term “critical infrastructure” in this Paragraph shall have the meaning assigned to such term in Section 2274.0101, Texas Government Code.

4.6 CONSULTANT acknowledges and agrees that projects of SJRA may be subject to review and approval by other third parties. Accordingly, as and when requested by SJRA, CONSULTANT shall submit such information and cooperate with the other third parties to the extent necessary to undergo any such review or obtain any such approval.

4.7 CONSULTANT does not represent Work Product (as defined herein) to be suitable for reuse on any other project or for any other purpose(s). If SJRA reuses any Work Product without CONSULTANT’s specific written verification or adaptation, such reuse will be at the risk of SJRA, without liability to CONSULTANT.

ARTICLE 5 – COST RECORDS

5.1 CONSULTANT shall maintain records and books in accordance with generally accepted accounting principles and practices. For Services provided by CONSULTANT under cost reimbursable, time and material or unit pricing, during the period of this Agreement and for five (5) years thereafter, CONSULTANT shall maintain records of direct costs for which SJRA is charged. SJRA shall at all reasonable times have access to such records for the purpose of inspecting, auditing, verifying, or copying the same, or making extracts therefrom. SJRA’s audit rights for fixed unit rate or time and materials agreements

shall extend to review of records for the purpose of substantiating man-hours worked, units employed, and third-party charges only. Except to the extent audit rights are granted to SJRA by applicable law, SJRA shall have no audit rights with respect to the portion Services compensated on a lump sum basis.

ARTICLE 6 – OWNERSHIP OF WORK PRODUCT AND TECHNOLOGY

6.1 All studies, plans, reports, drawings, specifications, cost estimates, software, computations, and other information and documents prepared by CONSULTANT, its subconsultants, subcontractors, and/or suppliers, in connection with Services or any project of SJRA are and shall remain SJRA's property upon creation (collectively, "Work Product"); provided, however, that Work Product shall not include pre-existing proprietary information of CONSULTANT, its subconsultants, subcontractors, and/or suppliers ("CONSULTANT Proprietary Information"). To this end, CONSULTANT agrees to and does hereby assign, grant, transfer, and convey to SJRA, its successors and assigns, CONSULTANT's entire right, title, interest and ownership in and to such Work Product, including, without limitation, the right to secure copyright registration. CONSULTANT confirms that SJRA and its successors and assigns shall own CONSULTANT's right, title and interest in and to, including without limitation the right to use, reproduce, distribute (whether by sale, rental, lease or lending, or by other transfer of ownership), to perform publicly, and to display, all such Work Product, whether or not such Work Product constitutes a "work made for hire" as defined in 17 U.S.C. Section 201(b). In addition, CONSULTANT hereby grants SJRA a fully paid-up, royalty free, perpetual, assignable, non-exclusive license to use, copy, modify, create derivative works from and distribute to third parties CONSULTANT Proprietary Information in connection with SJRA's exercise of its rights in the Work Product, operation, maintenance, repair, renovation, expansion, replacement, and modification of projects of SJRA or otherwise in connection with property or projects in which SJRA has an interest (whether by SJRA or a third party). CONSULTANT shall obtain other assignments, confirmations, and licenses substantially similar to the provisions of this Paragraph from all of its subconsultants, subcontractors, and suppliers. Work Product is to be used by CONSULTANT only with respect to the project in connection with which such Work Product was created and is not to be used on any other project. CONSULTANT and its subconsultants, subcontractors, and suppliers are granted a limited, nonexclusive, non-transferable, revocable license during the term of their respective agreements under which each is obligated to perform Services to use and reproduce applicable portions of the Work Product appropriate to and for use in the execution of Services. Submission or distribution to comply with official regulatory requirements for other purposes in connection with Services is not to be construed as publication in derogation of SJRA's copyright or other reserved rights. CONSULTANT agrees that all Work Product will be maintained according to the provisions of the Public Information Act, Chapter 552, Texas Government Code, and the Local Government Records Act, Chapters 201 through 205, Texas Local Government Code, each as amended. CONSULTANT shall deliver all copies of the Work Product to SJRA upon the earliest to occur of (i) SJRA's request, (ii) completion of Services in connection with

which Work Product was created, or (iii) termination of this Agreement. CONSULTANT is entitled to retain copies of Work Product for its permanent project records.

6.2 CONSULTANT agrees that all information provided by SJRA in connection with Services shall be considered and kept confidential (“Confidential Information”), and shall not be reproduced, transmitted, used, or disclosed by CONSULTANT without the prior written consent of SJRA, except as may be necessary for CONSULTANT to fulfill its obligations hereunder; provided, however, that such obligation to keep confidential such Confidential Information shall not apply to any information, or portion thereof, that:

- (a) was at the time of receipt by CONSULTANT otherwise known by CONSULTANT by proper means;
- (b) has been published or is otherwise within the public domain, or is generally known to the public at the time of its disclosure to CONSULTANT;
- (c) subsequently is developed independently by CONSULTANT, by a person having nothing to do with the performance of this Agreement and who did not learn about any such information as a result of CONSULTANT’s being a Party to this Agreement;
- (d) becomes known or available to CONSULTANT from a source other than SJRA and without breach of this Agreement by CONSULTANT or any other impropriety of CONSULTANT;
- (e) enters the public domain without breach of the Agreement by or other impropriety of CONSULTANT;
- (f) becomes available to CONSULTANT by inspection or analysis of products available in the market;
- (g) is disclosed with the prior written approval of SJRA;
- (h) was exchanged between SJRA and CONSULTANT and ten (10) years have subsequently elapsed since such exchange; or
- (i) is disclosed to comply with the Texas Public Information Act or in response to a court order to comply with the requirement of a government agency.

6.3 CONSULTANT shall not be liable for the inadvertent or accidental disclosure of Confidential Information, if such disclosure occurs despite the exercise of at least the same degree of care as CONSULTANT normally takes to preserve and safeguard its own proprietary or confidential information.

6.4 CONSULTANT will advise SJRA of any patents or proprietary rights and any royalties, licenses, or other charges which CONSULTANT knows or should know in the exercise of its Standard of Care impacts any design provided by CONSULTANT in connection with any Services and obtain SJRA's prior written approval before proceeding with such Services. CONSULTANT shall not perform patent searches or evaluation of claims, but will assist SJRA in this regard if requested, pursuant to a written change order in accordance with Paragraph 12.1, below. There will be no charge for CONSULTANT's existing patents.

ARTICLE 7 – INDEPENDENT CONTRACTOR RELATIONSHIP

7.1 In the performance of Services hereunder, CONSULTANT shall be an independent contractor with the authority to control and direct the performance of the details of Services and its own means and methods. CONSULTANT shall not be considered a partner, affiliate, agent, or employee of SJRA and shall in no way have any authority to bind SJRA to any obligation.

ARTICLE 8 – WARRANTY PERIOD; GUARANTEES

8.1 If within a period of one (1) year following completion of Services, it is discovered that such Services were not performed in accordance with CONSULTANT's Standard of Care or the Contract Documents, SJRA, in its sole discretion, may: (1) direct CONSULTANT to re-perform and CONSULTANT shall re-perform such Services at its own expense, and as expediently or in the manner required for SJRA's needs; or (2) retain such other consultant or consultants as necessary to perform such corrective services, and CONSULTANT agrees to pay SJRA's costs associated with having such other consultant or consultants perform such corrective services, and any other damages incurred by SJRA as a result of such default. The obligations of CONSULTANT under this Paragraph 8.1 are in addition to other rights and remedies of SJRA available to it pursuant to this Agreement or applicable law.

8.2 CONSULTANT agrees to assign SJRA the warranty or guarantee of any subconsultant, subcontractor, supplier or manufacturer of items of services, supplies, machinery, equipment, materials, or products provided by CONSULTANT hereunder and cooperate and assist SJRA in SJRA's enforcement thereof. CONSULTANT's responsibility with respect thereto is limited to such assignment, cooperation, and assistance.

ARTICLE 9 – INDEMNIFICATION

9.1 TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT SHALL INDEMNIFY AND HOLD HARMLESS SJRA AND ITS BOARD, DIRECTORS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (EACH AN "INDEMNITEE" AND COLLECTIVELY, THE "INDEMNITEES"), FROM AND AGAINST CLAIMS, LOSSES, DAMAGES, DEMANDS, SUITS, CAUSES OF ACTION, SETTLEMENTS, LIABILITIES, COSTS, FINES, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE AND NECESSARY

COURT COSTS, EXPERTS' FEES, ATTORNEYS' FEES AND TO THE EXTENT ALLOWED BY LAW, EXPERTS' FEES) (COLLECTIVELY, "LOSSES"), INCLUDING WITHOUT LIMITATION THOSE BROUGHT AGAINST OR INCURRED OR SUFFERED BY ANY ONE OR MORE OF THE INDEMNITEES AND THOSE ARISING IN FAVOR OF OR BROUGHT BY ANY THIRD PARTY, TO THE EXTENT CAUSED BY OR RESULTING FROM AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER, COMMITTED BY CONSULTANT, ITS AGENT, ITS CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH CONSULTANT EXERCISES CONTROL, UNDER OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF SUCH LOSSES ARE CAUSED IN PART BY THE NEGLIGENCE OR FAULT, BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD OR RULE OR BREACH OF CONTRACT OF AN INDEMNITEE OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF AN INDEMNITEE; PROVIDED, HOWEVER, THAT CONSULTANT'S OBLIGATION TO INDEMNIFY AND HOLD HARMLESS SHALL NOT EXTEND TO THE PORTION (IF ANY) OF SUCH LOSSES THAT ARE CAUSED BY THE NEGLIGENCE OR FAULT, BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD OR RULE OR BREACH OF CONTRACT OF AN INDEMNITEE OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF AN INDEMNITEE OTHER THAN CONSULTANT OR ITS AGENT OR EMPLOYEE OR SUBCONTRACTORS OF ANY TIER.

9.2 TO THE FULLEST EXTENT PERMITTED BY LAW, AND TO THE EXTENT A DEFENSE IS NOT PROVIDED FOR THE INDEMNITEES UNDER AN INSURANCE POLICY AS REQUIRED UNDER PARAGRAPH 1(F) OF EXHIBIT C (ADDITIONAL INSURED REQUIREMENT), ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE, OR THE INDEMNITEES' ATTORNEYS' FEES ARE NOT OTHERWISE RECOVERED UNDER THE INDEMNITY PROVISION SET FORTH IN PARAGRAPH 9.1 HEREOF, CONSULTANT SHALL, UPON FINAL ADJUDICATION OF THE LOSSES AS DEFINED IN PARAGRAPH 9.1 HEREOF AND WITHIN THIRTY (30) DAYS FOLLOWING THE DATE OF A WRITTEN DEMAND, REIMBURSE THE INDEMNITEES FOR ALL REASONABLE ATTORNEYS' FEES INCURRED TO DEFEND AGAINST THE LOSSES IN PROPORTION TO CONSULTANT'S LIABILITY TO ANY THIRD PARTY FOR SUCH LOSSES.

ARTICLE 10 – LIMITATION OF LIABILITY

10.1 NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR ANY LOSS OF PROFIT, LOSS OF REVENUE, LOSS OF USE OR ANY OTHER INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES (EXCLUDING FINES AND PENALTIES LEVIED BY A REGULATORY AGENCY), EVEN IF CAUSED BY THE SOLE OR CONCURRENT NEGLIGENCE OF A PARTY, WHETHER ACTIVE OR PASSIVE, AND EVEN IF ADVISED OF THE POSSIBILITY THEREOF.

10.2 NOTHING HEREIN SHALL BE CONSTRUED AS CREATING ANY PERSONAL LIABILITY ON THE PART OF ANY BOARD MEMBER, OFFICER, EMPLOYEE, OR AGENT OF SJRA.

ARTICLE 11 – INSURANCE

11.1 CONSULTANT shall obtain and maintain insurance as provided in **Exhibit C, attached hereto and incorporated herein.**

ARTICLE 12 – CHANGES; TERMINATION FOR CONVENIENCE; TERMINATION FOR CAUSE

12.1 SJRA may, at any time and from time to time, make written changes in the form of amendments, modifications, additions, or omissions. In the event that any such change, through no fault of CONSULTANT, shall impact CONSULTANT's compensation or schedule, then (a) such changes shall be authorized by written change order issued by SJRA and accepted by CONSULTANT, and (b) an equitable adjustment shall be made to the agreement in writing duly executed by both Parties, to reflect the change in compensation and schedule.

12.2 SJRA may for convenience terminate this Agreement, or CONSULTANT's right to perform Services under this Agreement at any time giving thirty (30) days written notice of such termination. In such event, SJRA shall have the right but not the obligation to assume all obligations and commitments that CONSULTANT may have in good faith undertaken or incurred in connection with the Services terminated, and SJRA shall pay CONSULTANT, as its sole and exclusive remedy, for Services properly performed to date of termination and for reasonable costs of closing out such Services provided SJRA has pre-approved such costs. CONSULTANT shall not be entitled to lost profit on unperformed Services or any consequential damages of any kind. Upon termination, CONSULTANT shall invoice SJRA for all Services performed by CONSULTANT prior to the date of termination which have not previously been compensated. Payment of undisputed amounts in the final invoice shall be due and payable within thirty (30) days after receipt by SJRA of such invoice and all Work Product.

12.3 This Agreement may be terminated by either Party in the event that the other Party fails to perform in accordance with its requirements and such Party does not cure such failure within ten (10) days after receipt of written notice describing such failure. In the event that SJRA terminates this Agreement for cause, CONSULTANT shall not be entitled to any compensation until final completion of the then ongoing Services, and any such entitlement shall be subject to SJRA's right to offset and/or recoup all damages and costs associated with finally completing such Services. If for any reason, CONSULTANT is declared in default and/or terminated by SJRA, SJRA shall have the right, subject to Paragraph 3.3, to offset and apply any amounts which might be owed to SJRA by CONSULTANT against any earned but unpaid amounts owed to CONSULTANT by SJRA.

ARTICLE 13 – FORCE MAJEURE

13.1 Any delay in performance or non-performance of any obligation other than an obligation to make a payment as required under this Agreement, of CONSULTANT contained herein shall be excused to the extent such delay in performance or non-performance is caused by Force Majeure. "Force Majeure" shall mean fire, flood, act of God, earthquakes, extreme weather conditions, epidemic, pandemic, war, riot, civil disturbance or unrest, imposition of martial law, restrictions imposed by civil authority, loss of control of civil authority, illegal activity, extreme unreliability or failure of the utility infrastructure, failure of the US banking system, loss of access to communication systems, sabotage, terrorism, or judicial restraint, but only to the extent that such event (i) is beyond the reasonable control of and cannot be reasonably anticipated by or the effects cannot be reasonably alleviated by CONSULTANT and (ii) prevents the performance of Services.

13.2 If CONSULTANT is affected by Force Majeure, CONSULTANT shall promptly provide written notice to SJRA, explaining in detail the full particulars and the expected duration thereof. Notice will be considered prompt if delivered within five (5) days after CONSULTANT first becomes aware or should have become aware through performance in accordance with the standard of care, that the event of Force Majeure will affect the performance of Services. CONSULTANT shall use its commercially reasonable efforts to mitigate interruption or delay if it is reasonably capable of being mitigated.

ARTICLE 14 – SUCCESSORS, ASSIGNMENT AND SUBCONTRACTING

14.1 SJRA and CONSULTANT bind themselves and their successors, executors, administrators and permitted assigns to the other Party of this Agreement and to the successors, executors, administrators and permitted assigns of such other party, in respect to all covenants of this Agreement.

14.2 No right or interest in this Agreement shall be assigned by CONSULTANT or SJRA without the prior written consent of the other Party.

14.3 Prior to commencement of any part of the Services to be provided with respect to which CONSULTANT has elected to subcontract, CONSULTANT will notify SJRA in writing of the identity of the particular subcontractor, subconsultant or supplier CONSULTANT intends to employ for the performance of such part of the Services and the scope of Services it will perform. SJRA shall have the right within twenty-one (21) calendar days of such written notice to disallow CONSULTANT's employment of any particular subcontractor, subconsultant or supplier, provided that any reasonable additional costs incurred by CONSULTANT as a result of such disallowance shall be borne by SJRA. All damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by CONSULTANT or any subcontractor, supplier or any person or organization directly or indirectly employed by any of them to perform or furnish any of the Services or anyone for whose acts any of them may be liable, shall be remedied by CONSULTANT (except to the extent of damage or loss attributable to errors or omissions in the drawings or specifications (unless CONSULTANT had knowledge of the error or omission or using reasonable care should have known of the error and CONSULTANT failed to report same), or to the acts or omissions of SJRA or anyone employed by SJRA, or anyone for whose acts any of them may be liable other than CONSULTANT or its agent, or employee, or subcontractors of any tier).

ARTICLE 15 – SEVERABILITY; NON-WAIVER

15.1 If any provision or portion thereof of this Agreement is deemed unenforceable or void, then such provision or portion thereof shall be deemed severed from the Agreement and the balance of the Agreement shall remain in full force and effect.

15.2 Failure by SJRA in any instance to insist upon observance or performance by CONSULTANT of any term, condition or obligation of this Agreement shall not be deemed a waiver by SJRA of any such observance or performance. No waiver by SJRA of any term, condition, obligation or breach of this Agreement will be binding upon SJRA unless in writing, and then will be for the particular instance specified in such writing only. Payment of any sum by SJRA to CONSULTANT with knowledge of any breach will not be deemed a waiver of such breach or any other breach.

ARTICLE 16 – LICENSE REQUIREMENTS

16.1 The CONSULTANT and any subconsultant shall have and maintain any licenses, registrations and certifications required by the State of Texas or recognized professional organizations governing the Services performed under this Agreement.

ARTICLE 17 – ENTIRE AGREEMENT

17.1 This Agreement contains the full and complete understanding of the Parties pertaining to their subject matter and supersede any and all prior and contemporaneous representations, negotiations, agreements or understandings between the Parties, whether written or oral. The Agreement may be modified only in writing, signed by both Parties.

ARTICLE 18 – GOVERNING LAW; VENUE

18.1 This Agreement, and its and their construction and any disputes arising out of, connected with, or relating to this Agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law principles. Venue of all dispute resolution proceedings arising out of, connected with or relating to this Agreement, shall be in Montgomery County, Texas.

ARTICLE 19 – DISPUTE RESOLUTION

19.1 In the event of any dispute arising out of or relating to this Agreement, any services which SJRA and CONSULTANT have been unable to resolve within thirty (30) days after such dispute arises, a senior representative of CONSULTANT shall meet with the General Manager of SJRA at a mutually agreed upon time and place not later than forty-five (45) days after such dispute arises to attempt to resolve such dispute. In the event such representatives are unable to resolve any such dispute within fifteen (15) days after such meeting, either Party may, by written notice to the other, submit such dispute to non-binding mediation before a mutually agreeable mediator. If the Parties are unable to agree upon a mediator within twenty (20) days after such written notice of submission to mediation, the American Arbitration Association shall be empowered to appoint a qualified mediator pursuant to the American Arbitration Association Construction Industry Mediation Rules. If the dispute is technical in nature, the mediator appointed by the American Arbitration Association shall be qualified by at least ten (10) years' experience in construction, engineering, and/or public works operations. The mediation shall be conducted within thirty (30) days of the selection or appointment of the mediator, as applicable. The mediation shall be held at a mutually agreeable location in Montgomery County, Texas. If the Parties are unable to agree on a location, the mediation shall be held at the offices of the American Arbitration Association closest to Conroe, Texas.

19.2 Any dispute arising out of or relating to this Agreement or any Services not resolved pursuant to Paragraph 19.1, shall be resolved, by litigation in a court of competent jurisdiction.

19.3 Notwithstanding the foregoing, in the event SJRA and any other consultant and/or any contractor are involved in a dispute in connection with a project for which CONSULTANT has provided Services, and SJRA, in its sole discretion, determines that CONSULTANT's participation in any dispute resolution meeting or mediation proceeding between SJRA and any such consultant and/or contractor is necessary to the resolution of such dispute, CONSULTANT agrees to attend and participate at its own cost in any such dispute resolution meeting or mediation proceeding.

19.4 If CONSULTANT brings any claim against SJRA and CONSULTANT does not prevail with respect to such claim, CONSULTANT shall be liable for all attorneys' fees and costs incurred by SJRA as a result of such claim.

ARTICLE 20 – ELECTRONIC SIGNATURES; COUNTERPARTS

20.1 This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Duplicate copies of duly executed and delivered counterparts of this Agreement shall be deemed to have the same full force and effect as originals and may be relied upon as such. Notwithstanding the foregoing, the Parties agree that this Agreement may be executed using electronic signatures at the option and in the discretion of SJRA, and, in such event, the provisions of the Uniform Electronic Transaction Act, Chapter 332, Texas Business and Commerce Code, as amended, and any applicable policies and procedures of SJRA regarding electronic signatures shall apply.

ARTICLE 21 – CONFIDENTIALITY

21.1 Neither CONSULTANT nor any of its subconsultants shall publish or release any publicity or public relations materials of any kind concerning or relating to this Agreement, the Services or the activities of SJRA, unless such materials have first been reviewed and approved in writing by SJRA. This provision shall not apply to mandatory reports which CONSULTANT or its subconsultants are required by law to file with governmental authorities.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the day and year herein above first written.

CONSULTANT:
ARKK Engineers, LLC

By: _____
Name: _____
Title: _____

Date: _____

ATTEST:

SJRA:
San Jacinto River Authority

By: _____
Aubrey A. Spear, P.E.
General Manager

Date: _____

ATTEST:

EXHIBIT A

SCOPE OF SERVICES AND SCHEDULE

General:

The existing wastewater force main that extends from Lift Station No. 5 (“Force Main No. 5”) to Wastewater Treatment Facility No. 1 consists of approximately 8,100 linear feet of 24-inch ductile iron pipe. The engineering design for the replacement of Force Main No. 5 was almost completed in December of 2020. The SJRA placed the project on hold at that time in order to evaluate other alternatives to replacing the force main. The SJRA has since determined that the replacement of Lift Station No. 5 Force Main should move forward with the final completion of the final design and then move into the procurement phase. The scope of work presented herein is needed to restart and complete the final design, including updating the plans, specifications, and contract documents to reflect the current SJRA standards, and to provide procurement phase assistance once the documents are complete and advertised for proposals. The scope of the project and the force main alignment is reflected on the 90% complete drawings that were provided to the SJRA during December 2020. Tasks involved with completion of design will include re-visiting the project area to note changes in existing conditions, coordinating with private utility and pipeline companies, coordinating with public entities for permitting and approvals, coordinating with the golf course property owner, and revising the contract documents to reflect any changes in site conditions and requirements from public entities.

The scope of this work includes the following services:

Task 1101 – Project Management

To streamline participation and accommodate broad participation, all meetings will be virtual using the Microsoft Teams platform unless otherwise specified.

1. Conduct a project initiation meeting to identify and establish a clear set of goals and objectives for the project, review critical success factors, key schedule milestones, and the preliminary data needs list.
2. Project coordination, management, and communication shall include, but is not limited to, the following items:
 - a. Schedule and coordinate milestone project progress meetings virtually to review work completed to date, review planned work, and identify action items. Coordination for progress meetings will include preparation of materials and exhibits or slides to facilitate discussions

- b. Ensure compliance to all contractual terms and conditions including adherence to budget, schedule, scope, and quality.
 - c. Prepare, provide, and maintain an electronic Project schedule for SJRA Project Team approval. Periodically update schedule at all phases of the Project. Schedule shall include critical activity start and/or completion dates as milestones, including monthly progress meetings, design review dates, completion of engineering design studies, and all SJRA Project deliverable due dates, as a minimum. Schedule will include estimated review time for SJRA and any other applicable third parties for all deliverables.
 - d. Prepare and submit monthly progress/status reports to support monthly billings, and additional progress/status reports as requested by SJRA Project Team. As a minimum, monthly progress/status reports shall include a summary description of tasks completed as of status report date, description of activities planned for next 30 days, financial status of project, status of schedule for project, identification of any technical or other issues which may have an impact to the overall project budget and/or schedule.
 - e. Facilitate document control and document sharing by utilizing the Procore® site for distribution and electronic filing of all Project documents.
 - f. Implement SJRA standard forms as required by SJRA Project Management Plan.
3. Invoicing: Submit invoices monthly by the 10th day of the month following the month being invoiced for. Invoices shall include a record of Consultant and/or Consultant's Subconsultant/Subcontractor activities and deliverables completed within the month, and note activities planned for the next month. Invoices shall be submitted to ap@sjra.net. Coordinate with SJRA Project Manager to determine appropriate format and content for invoice submittals.
4. Consultant shall notify the assigned SJRA Project Manager in writing that Consultant has expended eighty percent (80%) of the currently approved SJRA Professional Services Agreement and/or any of the task amounts within seven (7) calendar days of Consultant reaching this expenditure milestone (80% expenditure milestone). Written notification shall be provided regardless of compensation type (i.e., lump sum, cost-plus multiplier, time-and-materials, etc.). Written notification shall include a statement by Consultant indicating whether the remaining amount is adequate to complete current SJRA approved Professional Services Agreement.

Deliverables:

- a. *Information/data needs list*
- b. *Initial project schedule*

Due Dates:

Within 7 calendar days of NTP
At kickoff meeting

- | | | |
|----|-------------------------------------|--|
| c. | <i>Meeting minutes and Handouts</i> | <i>Within 7 calendar days of meeting</i> |
| d. | <i>Monthly progress reports</i> | <i>With invoice submittal</i> |

Task 1102 – Final Design

The Consultant shall perform Final Design to replace Lift Station No. 5 Force Main in its entirety, from Lift Station No. 5 to the force main's termination manhole near Wastewater Treatment Facility No. 1. Final Design shall include, but not be limited to, the following:

1. Perform site visits to compare the topographic survey information on surface features obtained in 2016-2017 surveys with current site conditions. Typical site features that may require updating are improvements made by the golf course owners, such as trails, cart paths, sidewalks, grading, and plantings; and possible improvements made along McDonald Road. Plan topo shall be updated based on new topographic survey obtained.
2. Review existing easement documents, including permanent easements and temporary access easements, and evaluate needs for additional easements.
3. Prepare and provide 90% complete plans, technical specifications, and bid form. These documents shall conform to the SJRA Design Standards & Criteria Manual, Project Management Plan, and other manuals provided by the SJRA. Address all review comments from prior design submittals and return prior review comments when making the next required design submittals. After each milestone submittal, the SJRA will consolidate its submittal review comments via a comment matrix and provide to the Consultant within fourteen (14) calendar days of receipt of the design submittal. The Consultant shall attend a comment review workshop with SJRA to review these comments. The Consultant shall respond to and complete comment matrix by providing responses/answers to each item in the matrix and documenting that each comment was addressed. The plans and specifications must conform to the SJRA Design Standards.
4. Prepare and provide 100% complete final plans, technical specifications, Proposal Form, OPCC, and construction duration. Plans and specifications shall be submitted in digital format (See Task 1103 below).
5. Coordinate with other stakeholders with assistance from SJRA staff including The Woodlands Water Agency, Montgomery County Engineering Department, Montgomery County Precinct 3, The Woodlands Township, and The Woodlands Development Company/Howard Hughes Corporation.

6. Assist SJRA with coordination with the Panther Trails Golf Course during final design. Coordination may include site visits with SJRA staff, conference calls, and meetings.
7. Coordinate with private utilities and pipeline companies during final design. Update private utility information (gas, electric, cable, pipelines, etc.) for the project area during the final design phase. Provide design drawings to pipeline companies for review.
8. Assist SJRA coordination with homeowner associations that represent the residents in the alignment along McDonald Road. Coordination may include site visits with SJRA staff, conference calls, and meetings.
9. Identify and coordinate with all local and state entities that may have permitting, regulatory, and/or similar approval authority over the project, including but not limited to the Texas Commission on Environmental Quality (TCEQ). Provide documentation of coordination including agencies contacted, dates contacted, items discussed, and agency responses. Prepare TCEQ Transmittal Letter and Submittal Form.
10. Perform site visits to evaluate design; make adjustments to force main alignment based on constructability; meet with construction contractors to gather unit prices; input on construction options; access needs and constructability.
11. Prepare and provide an Engineer's Opinion of Probable Construction Cost (EOPCC) at the 90% and final submittal milestones.

Deliverables:

- a. 90% Design Submittal Package
- b. Final Design Submittal Package
- c. 90% and Final EOPCC

Due Dates:

March 2027
July, 2027
With Submittal Packages

Task 1103 – Procurement Assistance

Consultant shall assist the SJRA to obtain proposals for construction of the project via the competitive sealed proposal process or other governmental procurement process as may be determined by the SJRA.

1. Provide assistance to SJRA Project Team during the procurement process. This shall include, but is not limited to the following:
 - a. Provide electronic proposal documents (plans, technical specifications, and proposal form to the SJRA via Procore[®].
 - b. Prepare for and attend a pre-proposal conference for prospective proposers at the office of the SJRA as may be determined by the SJRA.
 - c. Respond to questions from proposers and suppliers during the proposal preparation period as necessary.
 - d. Prepare addenda as required.
 - e. The SJRA will advertise the project, post electronic proposal documents on the SJRA bidding website, and issue all addenda.
 - f. Confirm the proposals received by the SJRA are appropriately submitted with all the required information as indicated during the pre-proposal conference (and in proposal documents
2. Prepare and provide final drawings, specifications and addenda in electronic format (PDF).
 - a. Provide all CAD (AutoCAD) files in accordance with the requirements of the SJRA Design Standards and Criteria Manual. Provide all CAD data from the project in the format of AutoCAD .dwg files with the projection specified in accordance with the requirements of the SJRA Design Standards and Criteria Manual. Provide all CAD and other electronic files as necessary to facilitate implementation of SJRA's GIS system.
 - b. Provide complete SJRA Contract Documents in .pdf and .doc formats and provide complete set of conformed drawings in both .pdf format and .dwg format using AutoCAD 2021 or newer.

Deliverables:

- a. *Electronic Proposal Documents*
- b. *Pre-proposal Meeting Minutes*
- c. *Addenda*
- d. *Conformed Documents*

Due Dates:

Within 10 Calendar days After SJRA Review
7 Calendar Days After Meeting
2 Cal. Days Prior to Proposal Due Date
14 Calendar Days after Award

Task 1104 – SJRA Directed Services – Additional Topographic Surveying and Additional Boundary Surveys and Easement Descriptions

Due to the nature of work for this project needed to update the design drawings and project easements, a budget for additional topographic surveying services and boundary survey services is allocated in support of Task 1102. Additional topographic survey may be required to collect data to verify existing conditions and evaluate any noted changed conditions since the original survey that will be needed to finish the final design to help ensure no conflicts occur during construction. Also, the project may also require professional land surveying services to verify boundary corners, property lines, and existing easements if it appears site conditions have changed. Such services would require a licensed land surveyor to write metes and bounds for permanent and temporary construction easements needed to construct the new line. All work for this task will be as authorized by SJRA as it appears during design to be required.

Task 1105 – SJRA Directed Services – Additional Geotechnical Engineering

Due to the nature of work for this project needed to update the project design, a budget for additional geotechnical engineering services is allocated in support of Task 1102. Budget allowance for additional geotechnical engineering services may be needed to update the project design if it is found site conditions that have changed since the original design which could modify the original alignment and locations where trenchless installation was required. All work for this task will be as authorized by SJRA as it appears during design to be required.

PROJECT SCHEDULE - LS#5 FORCE MAIN REPLACEMENT

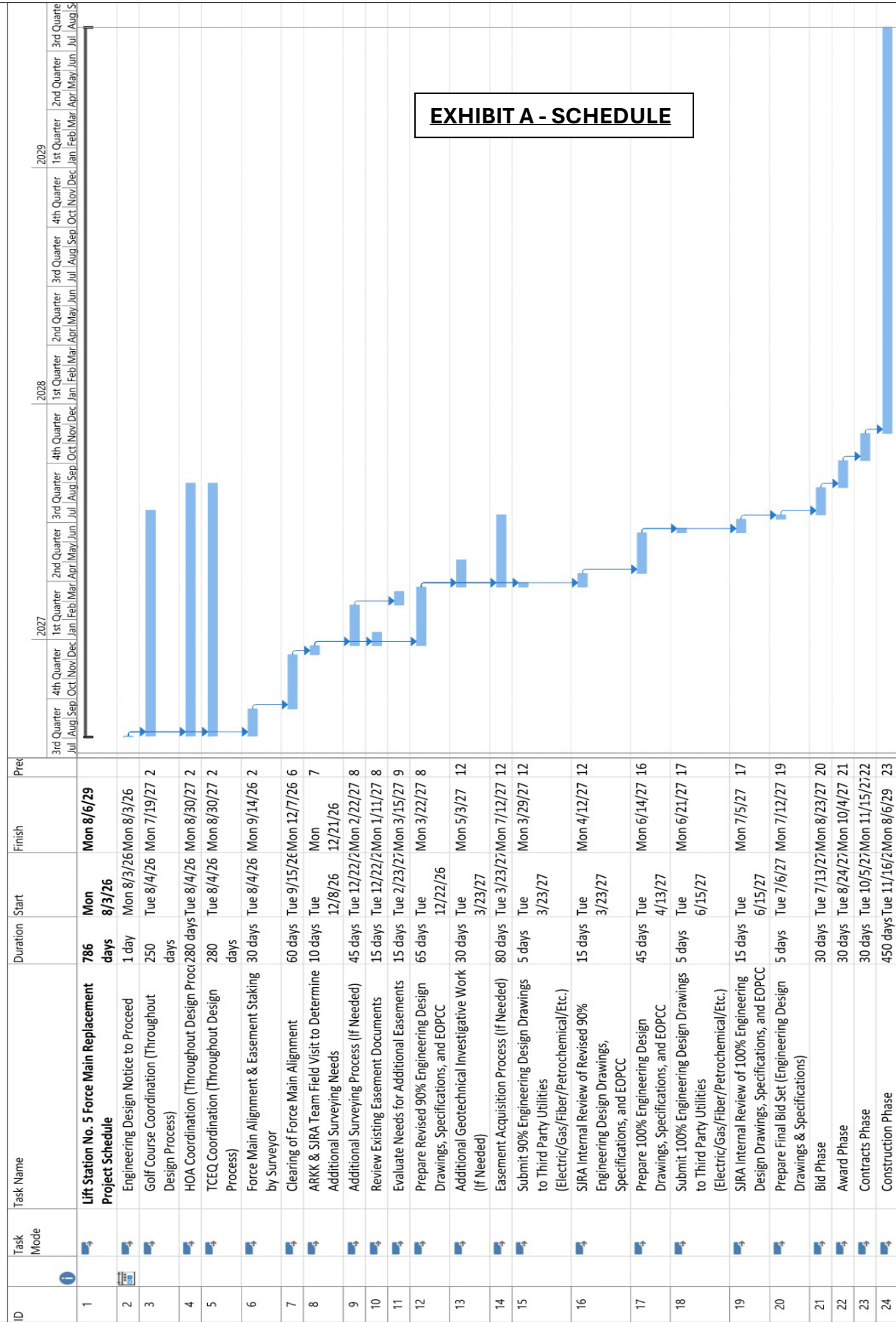


EXHIBIT A - SCHEDULE

Task

Split

Milestone

Summary

Project Summary

Inactive Task

Inactive Milestone

Inactive Summary

Manual Task

Duration-only

Manual Summary Rollup

Manual Summary

Start-only

Finish-only

External Tasks

External Milestone

Deadline

Progress

Manual Progress

Project: Final Design Sch.

Date: Thu 7/9/26

EXHIBIT B

COMPENSATION

Compensation terms for cost reimbursable and lump sum Services:

Task	Compensation Type	Amount
1101 – Project Management	Lump Sum	\$ 16,407.00
1102 – Final Design	Lump Sum	\$203,904.00
1103 – Procurement Assistance	Lump Sum	\$ 10,053.00
1104 – Additional Topographic Surveying & Additional Boundary Surveys and Easement Descriptions	Billable Expenses	\$ 70,000.00
1105 – Additional Geotechnical Engineering	Billable Expenses	\$ 10,000.00
	Total Compensation:	\$310,364.00

B.1. COMPENSATION BASED ON COST WITH MULTIPLIER

For professional and non-professional staff, SJRA will compensate CONSULTANT on the basis of a multiplier added to the Raw Salary Cost as shown in the table below for the Scope of Work specified in Exhibit A. Professional staff are defined as a manager, supervisor, engineer, scientist or other recognized profession. Typically, professional employees are salaried exempt employees. Typically, non-professional employees are hourly non-exempt employees. The Raw Salary Cost for salaried employees is defined as the annual base salary excluding bonuses, burdens, and benefits divided by 2080. For hourly personnel, the Raw Salary Cost is defined as the hourly wage paid to the employee exclusive of burdens and benefits. Standard equipment, communications, technology, or similar hourly expenses that are typically part of CONSULTANT's hourly rates may be included in the Raw Salary Cost for salaried employees and hourly personnel, if approved by SJRA. Any shift premiums or premiums paid for hours worked in excess of 40 per week will be added to the base hourly wage and will be considered a part of the Raw Salary Cost.

(a) RAW SALARY MULTIPLIERS

3.00 for professional and non-professional staff working at CONSULTANT or its subcontractor, subconsultant, or vendor offices

2.70 for professional and non-professional staff working in the field during construction or at SJRA offices for a minimum period of six (6) consecutive months

2.70 for construction inspectors working in the field

(b) EXPENSES

“Billable Expenses” include all costs and expenses directly attributable to performance of the Services, which are in good accounting practice direct costs of the Services and not covered by the allowance for payroll burden and general office overhead and profit. Costs of outside services will be charged at actual invoice cost plus ten percent (10%). “Billable Expenses” include: subconsultants; travel expenses to and from locations outside Harris and Montgomery Counties; and copies of all deliverables submitted to SJRA. All local vehicles used outside Harris and Montgomery Counties will be reimbursed at the current IRS allowable rate with no markup. All other expenses are considered to be covered by the allowance for payroll burden and general office overhead and profit and are non-billable expenses.

A.2. LUMP SUM COMPENSATION

SJRA will compensate CONSULTANT on the basis of a mutually agreed upon lump sum price for the scope of work specified in Exhibit A. The cost estimate will include a summary breakdown showing the labor hours and cost, subconsultant costs, and other direct costs included in the estimate. Labor rates to be used in preparing the estimate will be the actual salary or wage of the employee times the appropriate multiplier specified in Paragraph A.1(a) above. CONSULTANT will submit and SJRA will pay monthly invoices based on the mutually agreed upon percentage of the Services completed.

Lift Station No. 5 Force Main Replacement - Final Design and
Procurement Phase Assistance
ARKK Engineers, LLC
26-0041
June 24, 2026
August 3, 2026

Lift Station No. 5 Force Main Replacement
Contract No. 26-0041

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9	Identify and coordinate with all local and state entities that may have permitting, regulatory, and/or similar approval authority over the project, including but not limited to the Texas Commission on Environmental Quality (TCEQ). Provide documentation of coordination including agencies contacted, dates contacted, items discussed, and agency responses. Prepare TCEQ Transmittal Letter and Submittal Form.	4		12	12					28	\$ 6,108.00	\$ 6,108.00
10	Perform site visits to verify design; force main alignment adjustments; meet with construction contractors; constructability site visits.			40	40					120	\$ 27,960.00	\$ 27,960.00
11	Prepare and provide an Engineer's Opinion of Probable Construction Cost (EOPCC) at the 90% and final submittal milestones.	4		12	16				16	48	\$ 9,564.00	\$ 9,564.00
TASK 1102 SUBTOTAL		66	114	260	296	56	220	1012	\$ 203,904.00	\$ -	\$ -	\$ 203,904.00

TASK 1103 - Procurement Assistance												
		Sr. PM	Sr. Eng	Proj Mgr	Proj Eng	Designer	CAD	Total				
1a-h	Provide assistance to SIRA Project Team during the procurement process.			1				1	\$ 270.00			\$ 270.00
1b	Provide electronic proposal documents (plans, specifications, and contract documents) to the SIRA via SharePoint PP.			2				2	\$ 540.00			\$ 540.00
1c	Prepare for and attend a pre-proposal conference for prospective proposers at the office of the SIRA.	4		6				10	\$ 2,760.00			\$ 2,760.00
1d	Record meeting minutes from the pre-proposal conference, and distribute minutes within five (5) business days of the meeting.			2				2	\$ 540.00			\$ 540.00
1e	Respond to questions from proposers and suppliers during the proposal preparation period as necessary.	1		4				5	\$ 1,365.00			\$ 1,365.00
1f	Prepare addenda as required			2				2	\$ 540.00			\$ 540.00
1g	The SIRA will advertise the project, post electronic proposal documents on the SIRA bidding website, and issue all addenda							0	\$ -			\$ -
1h	Confirm the proposals received by the SIRA are appropriately submitted with all the required information as indicated during the pre-proposal conference (and in proposal documents), review the proposal documents as a scoring committee member, and participate and attend scoring committee meetings.	4		4				8	\$ 2,220.00			\$ 2,220.00
2	Prepare and provide final drawings, specifications and addenda in both hard copy form (three (3) full size sets) and electronic format (PDF)			1	2			3	\$ 558.00			\$ 558.00
2a	Provide all CAD (AutoCAD) files in accordance with the requirements of the SIRA Design Standards and Criteria Manual. Provide all CAD data from the project in the format of AutoCAD .dwg files with the projection specified in accordance with the requirements of the SIRA Design Standards and Criteria Manual. Provide all CAD and other electronic files as necessary to facilitate implementation of SIRA's GIS system			1		2		3	\$ 630.00			\$ 630.00
2b	Provide all GIS data from the project force main alignment and appurtenances in the format of either shapefiles (.shp) or geodatabase (.gdb). Projection to be NAD83 StatePlane Texas Central FIPS 4203 (US Feet). Please reference the GIS Spatial Data Standards document (hard copy provided or located on the SIRA Specification site in SharePoint*) for further details.			1		2		3	\$ 630.00			\$ 630.00
2c	Provide GIS data from the project force main alignment and appurtenances in the format of either shapefiles (.shp) or geodatabase (.gdb). Projection to be NAD83 StatePlane Texas Central FIPS 4203 (US Feet). Please reference the GIS Spatial Data Standards document (hard copy provided or located on the SIRA Specification site in SharePoint*) for further details.							0	\$ -			\$ -
TASK 1103 SUBTOTAL		9	0	24	2	4	0	39	\$ 10,053.00	\$ -	\$ -	\$ 10,053.00

TASK 1104 - SIRA Directed Services: Additional Topographic Surveying												
		Sr. PM	Sr. Eng	Proj Mgr	Proj Eng	Designer	CAD	Total				
1	Additional topographic surveying & additional boundary surveys and easement descriptions in support of Task 1103 Final Design							0	\$ -			\$ 70,000.00
TASK 1104 SUBTOTAL		0	0	0	0	0	0	0	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00

TASK 1105 - SIRA Directed Services: Additional Geotechnical Engineering												
		Sr. PM	Sr. Eng	Proj Mgr	Proj Eng	Designer	CAD	Total				
1	Additional geotechnical engineering services in support of Task 1102 Final Design							0	\$ -			\$ 10,000.00
TASK 1105 SUBTOTAL		0	0	0	0	0	0	0	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00

EXHIBIT C
SJRA'S INSURANCE REQUIREMENTS

1. General Requirements. CONSULTANT shall, at all times during the performance of Services issued under this Agreement and for not less than two years after the completion of any Services, provide and require all subconsultants and subcontractors to provide insurance coverage with companies lawfully authorized to do business in Texas and acceptable to SJRA and with forms of policies acceptable to SJRA, which coverage will protect CONSULTANT from claims set forth below which may arise out of or result from CONSULTANT's Services and operations under this Agreement for which CONSULTANT may be legally liable, whether such Services or operations are by CONSULTANT or a subconsultant or subcontractor of CONSULTANT or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, and meeting not less than the minimum requirements set forth in this Exhibit C. Such insurance is to be provided at the sole cost of CONSULTANT and all subconsultants and subcontractors. The terms "subconsultant" and "subcontractor" for the purposes of this Exhibit C shall include subconsultants and subcontractors of any tier.

(a) Kinds of Claims

- (1) claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to CONSULTANT's Services to be performed;
- (2) claims for damages because of bodily injury, occupational sickness or disease, or death of CONSULTANT's employees;
- (3) claims for damages because of bodily injury, sickness or disease, or death of any person other than CONSULTANT's employees;
- (4) claims for damages insured by usual personal injury liability coverage which are sustained (i) by a person as a result of an offense directly or indirectly related to employment of such person by CONSULTANT, or (ii) by another person;
- (5) claims for damages other than to CONSULTANT's work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- (6) claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;

- (7) claims involving contractual liability insurance applicable to CONSULTANT's indemnification obligations under this Agreement; and
- (8) claims for errors and omissions in the provision of professional consulting services of the kind rendered by CONSULTANT pursuant to this Agreement.

(b) **Policies and Minimum Limits of Liability**

PLEASE NOTE: These requirements should provide general guidance only , additional requirements based on project specifics of the contract may be required. Contract amounts over limits will require excess coverage to cover the difference. Combined single limits and excess coverage must equal the Contract Amount (CA).						
Risk Level TIER 2	Coverage	Contract Amount				
		<=\$25k	>\$25k- \$75k	>\$75k- \$1M	>=\$1M- \$2M	>\$2M
Professional Services Services: Architect, Engineer, Surveyor, Professional Non-AES excluding legal services. Contract Type: > Master Professional Services Agreement (MPSA)(AES)- Across all divisions/3 years > Professional Services Agreement (PSA)(AES)-project specific, multiple phases would be new work orders. > Consulting Agreement (Non-AES) > Engagement Letter	Commercial General Liability (CGL) (Premises/Completed Operations)	Each Occurrence	\$300k	\$500k	\$1M	\$1.5M = \$2M
		Fire Damage	\$100k	\$250k	\$1M	\$1.5M = \$2M
		Personal & ADV injury	\$300k	\$500k	\$1M	\$1.5M = \$2M
		Aggregate	\$600K	\$750k	\$2M	\$3M = \$4M
		Premises/Operations	\$300k	\$500k	\$1M	\$1.5M = \$2M
		Products/Completed Operations	\$300K	\$500k	\$1M	\$1.5M = \$2M
	Workers Compensation	Per occurrence bodily injury	\$500k	\$500k	\$500k	\$500k
		Per Occurrence bodily injury by disease	\$500k	\$500k	\$500k	\$500k
		Policy Limit for Bodily Injury Disease	\$500k	\$500k	\$500k	\$500k
	Business Auto Liability Owned, Non-Owned, Hired, Injury and Property coverage for all	Bodily Injury	\$300k	\$500k	\$500k	\$1M = \$1M
		Property Damage	\$300k	\$500k	\$500k	\$1M = \$1M
		Combined Single Limit	\$600k	\$1M	\$1M	\$2M = \$2M
	Professional/EO Liability	Professional and Cyber required based on the scope of work	500k	\$1M	\$1M	\$2M = \$2M

*Aggregate limits are per 12-month policy period unless otherwise indicated; defense costs shall be excluded from limits of liability of each policy other than Professional Liability Insurance; Commercial General Liability Insurance coverage limits shall be on a per-project basis.

- (c) All required insurance shall be maintained with responsible insurance carriers acceptable to SJRA and lawfully authorized to issue insurance of the types and amounts set forth in this Exhibit C. Carriers should have a Best's Financial Strength Rating of at least "A-" and a Best's Financial Size Category of Class VIII or better, according to the most current edition of *Best's Key Rating Guide, Property-Casualty United States* or be of sufficient size and financial strength as adjudged by SJRA to meet the financial obligations evidenced in the certificate of insurance.

- (d) All certificates shall be in a form reasonably acceptable to SJRA and each certificate must state to the extent permitted by Texas Insurance Code Chapter 1811 that the policy may not expire or be cancelled, materially modified, or nonrenewed unless the carrier and/or CONSULTANT gives SJRA thirty (30) days advance written notice. When any required insurance, due to the attainment of a normal expiration date or renewal date, shall expire, CONSULTANT shall, prior to such expiration, supply SJRA with certificates of insurance and amendatory riders or endorsements that clearly evidence the continuation of all coverage in the same manner, limits of protection, and scope of coverage as is required by this Agreement. Any renewal or replacement policies shall be in form and substance satisfactory to SJRA and written by carriers acceptable to SJRA and meeting the requirements of this Exhibit C. CONSULTANT shall or shall cause the applicable carrier or carriers to give written notice to SJRA within thirty (30) days of the date on which total claims by any Party against insurance provided pursuant to this Exhibit C reduce the aggregate amount of coverage below the amounts required by this Exhibit C. In addition, CONSULTANT shall or shall cause the applicable carrier or carriers to provide SJRA with amendatory riders or endorsements to the Commercial General Liability Insurance policy that specify that the coverage limits apply on a per-project basis.
- (e) With respect to all policies required in this Exhibit C, as soon as practicable prior to execution of this Agreement, CONSULTANT shall deposit with SJRA true and correct original certificates thereof, bearing notations or accompanied by other evidence satisfactory to SJRA that the requirements of this Exhibit C are being met, and such certificates shall be attached hereto as Exhibit D. If requested to do so by SJRA, CONSULTANT shall also furnish the originals or certified copies of the insurance policies for inspection including but not limited to copies of endorsements.
- (f) All policies of insurance and certificates, with the exception of Professional Liability and Workers' Compensation Insurance, shall name the INDEMNITEES as additional insureds. Without limiting the foregoing, CONSULTANT's Commercial General Liability Insurance policy shall name the INDEMNITEES as additional insureds pursuant to ISO Additional Insured Endorsements CG 20-10-10-01 and CG 20-33-10-01 or their combined equivalents. Further, the CONSULTANT shall provide the INDEMNITEES any defense provided by its Commercial General Liability Insurance policy to the fullest extent allowed by law.
- (g) CONSULTANT hereby waives all rights of recovery and damages against the INDEMNITEES to the extent such damages are covered or should have been covered by the insurance obtained or required to be obtained by CONSULTANT under this Agreement. All of CONSULTANT's policies of insurance, with the exception of Professional Liability Insurance, shall include a waiver of subrogation in favor of the INDEMNITEES.

- (h) The Parties intend that the CONSULTANT'S insurance shall be primary and non-contributing with respect to any other insurance maintained by SJRA and all policies of insurance obtained by CONSULTANT shall be endorsed to be primary and non-contributing with respect to any other insurance maintained by SJRA.
- (i) If any policy required to be purchased pursuant to this Exhibit C is subject to a deductible, self-insured retention or similar self-insurance mechanism which limits or otherwise reduces coverage, the deductible, self-insured retention, or similar self-insurance mechanism shall be the sole responsibility of CONSULTANT in the event of any loss and CONSULTANT hereby waives any claim therefor against any INDEMNITEE.
- (j) CONSULTANT shall require and cause its subconsultants and subcontractors to purchase and maintain the insurance policies set forth in Section 1(b) above with limits of liability commensurate with the amount of each subconsultant or subcontract agreement, but in no case less than \$500,000 per occurrence. CONSULTANT shall provide copies of insurance certificates for all such insurance to SJRA prior to any subconsultant's or subcontractor's performance of any Services.
- (k) If CONSULTANT fails to procure or to maintain in force the insurance required by this Exhibit C, SJRA may secure such insurance, and the costs thereof shall be borne by CONSULTANT. CONSULTANT shall reimburse SJRA the cost of such insurance plus a ten percent (10%) administrative charge within ten (10) days after billing by SJRA. Any unpaid sum remaining fifteen (15) days after billing by SJRA shall bear interest at the rate of twelve percent (12%) per annum until paid by CONSULTANT. Except to the extent prohibited by Subchapter C of Chapter 151 of the Texas Insurance Code, **CONSULTANT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE INDEMNITEES FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DAMAGES, AND EXPENSES (INCLUDING, WITHOUT LIMITATIONS, COURT COSTS, COSTS OF DEFENSE, AND ATTORNEYS' FEES), THAT ANY INDEMNITEE MAY INCUR AS A RESULT OF CONSULTANT'S FAILURE TO OBTAIN OR CAUSE TO BE OBTAINED THE SPECIFIC ENDORSEMENTS OR INSURANCE REQUIRED PURSUANT TO THIS AGREEMENT.** Failure of any INDEMNITEE to identify any deficiency in the insurance forms provided shall not be construed as a waiver of CONSULTANT's obligation to maintain such insurance and to cause such insurance to be maintained.
- (l) CONSULTANT's compliance with the provisions of this Exhibit C shall not be deemed to constitute a limitation of CONSULTANT's liability with respect to claims covered by insurance provided or required pursuant to this Exhibit C or in any way limit, modify, or otherwise affect CONSULTANT's obligation under this Agreement or otherwise. CONSULTANT's obligations under this Agreement to defend, indemnify and/or hold harmless INDEMNITEES shall not be limited in any way by any

insurance required of CONSULTANT by this Agreement or otherwise provided or maintained by CONSULTANT. Any insurance obligations of CONSULTANT under this Agreement are independent from CONSULTANT's obligations under this Agreement to defend, indemnify and/or hold harmless INDEMNITEES. The insolvency, bankruptcy, or failure of any insurance company carrying insurance for CONSULTANT or any subcontractor, or the failure of any insurance company to pay claims accruing shall not be held to waive any of the provisions of this Agreement.

- (m) If requested by SJRA, CONSULTANT shall furnish or shall cause to be furnished any such other insurance or limits as SJRA may reasonably deem necessary for any work.

Level of Effort Worksheet

Lift Station No. 5 Force Main Replacement - Final Design and Procurement Phase Assistance

Project:
Consultant:
Contract No.:
Date:
Anticipated NTP:

ARKK Engineers, LLC
26-0041
June 24, 2026
August 3, 2026

Position	Sr. Eng 1	Sr. Eng 2	Proj. Mgr	Proj Eng	Sr.Des. /GIS	CAD Tech
Rate	\$ 95.00	\$ 95.00	\$ 90.00	\$ 48.00	\$ 60.00	\$ 45.00
Multiplier	3.00	3.00	3.00	3.00	3.00	3.00
Billing Rate	\$ 285.00	\$ 285.00	\$ 270.00	\$ 144.00	\$ 180.00	\$ 135.00

Item No.	Invoice Task & Subtask No.	Task Description								Total Hours	Total Labor Cost	Expenses	Subconsultant	Total Cost
TASK 1101 - Project Management														
1		Conduct a project initiation meeting to identify and establish a clear set of goals and objectives for the project, review critical success factors, key schedule milestones, and the preliminary data needs list	2			4				6	\$ 1,650.00			\$ 1,650.00
2		Project coordination, management, and communication												
2a		Schedule and coordinate milestone project progress meetings virtually to review work completed to data, review planned work, and identify action items. Coordination for progress meetings will include preparation of materials and exhibits or slides to facilitate discussions	4	8						20	\$ 5,580.00			\$ 5,580.00
2b		Ensure compliance to all contractual terms and conditions including adherence to budget, schedule, scope, and quality.	4							4	\$ 1,140.00			\$ 1,140.00
2c		Plan and ensure proper qualified and experienced personnel are timely assigned to project activities and coordinate the efforts of such personnel to ensure budget, schedule, scope, and quality compliance. Ensure other required equipment and material resources are readily available for proper project execution.								0	\$ -			\$ -
2d		Prepare, provide, and maintain an electronic Project schedule for SIRA Project Team approval. Periodically update schedule at all phases of the Project. Schedule shall include critical activity start and/or completion dates as milestones, including monthly progress meetings, design review dates, completion of engineering design studies, and all SIRA Project deliverable due dates, as a minimum. Schedule will include estimated review time for SIRA and any other applicable third parties for all deliverables	2			4	8			14	\$ 2,802.00			\$ 2,802.00
2e		Prepare and submit monthly progress/status reports to support monthly billings, and additional progress/status reports as requested by SIRA Project Team. As a minimum, monthly progress/status reports shall include a summary description of tasks completed as of status report date, description of activities planned for next 30 days, financial status of project, status of schedule for project, identification of any technical or other issues which may have an impact to the overall project budget and/or schedule	5			8				13	\$ 3,585.00			\$ 3,585.00
2f		Manage, administer and coordinate the Work of all sub-consultants (team members). Review and become familiar with all reports, documents, studies, and other information obtained and developed by the Project's sub-consultants and incorporate into the Work. Identify potential impacts to the Work, develop alternatives to eliminate, minimize and/or mitigate those impacts and present those alternatives to SIRA Project Team for consideration. Incorporate the alternative selected by SIRA Project Team into the Work								0	\$ -			\$ -
2g		Facilitate document control and document sharing by utilizing the Procore® site for distribution and electronic filing of all Project documents				4				4	\$ 1,080.00			\$ 1,080.00
2h		Implement SIRA standard forms as required by SIRA Project Management Plan								0	\$ -			\$ -

3		Submit invoices monthly by the 10th day of the month following the month being invoiced for. Invoices shall include a record of Consultant and/or Consultant's Subconsultant/Subcontractor activities and deliverables completed within the month, and note activities planned for the next month. Invoices shall be submitted to ap@sira.net. Coordinate with SIRA Project Manager to determine appropriate format and content for invoice submittals								0	\$	-			\$	-
4		Consultant shall notify assigned SIRA Project Manager in writing that Consultant has expended eighty percent (80%) of the currently approved SIRA Professional Services Agreement and/or Work Order amount within seven (7) calendar days of Consultant reaching this expenditure milestone (80% expenditure milestone). Written notification shall be provided regardless of compensation type (i.e., lump sum, cost-plus multiplier, time-and-materials, etc.). Written notification shall include a statement by Consultant indicating whether the remaining amount is adequate to complete current SIRA approved Professional Services Agreement	2							2	\$	570.00			\$	570.00
TASK 1101 SUBTOTAL			19	8	28	8				63	\$	16,407.00	\$	-	\$	16,407.00

TASK 1102 - Final Design																
			Sr. PM	Sr. Eng	Proj Mgr	Proj Eng	Designer	CADD	Total							
1		Perform site visits to compare the topographic survey information on surface features obtained in 2016-2017 surveys with current site conditions. Typical site features that may require updating are improvements made by the golf course owners, such as trails, cart paths, sidewalks, grading, and plantings; and possible improvements made along McDonald Road		12	12	12				36	\$	8,388.00			\$	8,388.00
2		Review existing easement documents, including permanent easements and temporary access easements, and evaluate needs for additional easements.		6	20					26	\$	7,110.00			\$	7,110.00
3		Prepare and provide 90% complete plans, technical specifications, front-end documents, and contract documents. These documents shall conform to the SIRA Design Standards & Criteria Manual, Project Management Plan, and other manuals provided by the SIRA. Address all review comments from prior design submittals, and return prior review comments when making the next required design submittals	16	24	64	80	24	100		308	\$	58,020.00			\$	58,020.00
4		Prepare and provide 100% complete plans, technical specifications, front-end documents, and contract documents.	8	8	36	64	16	80		212	\$	37,176.00			\$	37,176.00
5		Coordinate with other stakeholders with assistance from SIRA staff including The Woodlands Joint Powers Agency, Montgomery County Engineering Department, Montgomery County Precinct 3, The Woodlands Township, and The Woodlands Development Company		16	24	32				72	\$	15,648.00			\$	15,648.00
6		Assist SIRA staff with coordination with the Golf Course during final design. Coordination may include special site visits with SIRA staff, conference calls, meetings, preparing exhibits for access agreements.	24		24			8		56	\$	14,400.00			\$	14,400.00
7		Coordinate with private utilities and pipeline companies during final design. Update private utility information (gas, electric, cable, pipelines, etc.) for the project area during the final design phase. Provide design drawings to pipeline companies for review.	2		8	40		32		82	\$	12,810.00			\$	12,810.00
8		Assist SIRA staff with coordination with homeowner associations that represent the residents in the alignment along McDonald Road. Coordination may include site visits with SIRA staff, conference calls, and meetings	8	8	8					24	\$	6,720.00			\$	6,720.00
9		Identify and coordinate with all local and state entities that may have permitting, regulatory, and/or similar approval authority over the project, including but not limited to the Texas Commission on Environmental Quality (TCEQ). Provide documentation of coordination including agencies contacted, dates contacted, items discussed, and agency responses. Prepare TCEQ Transmittal Letter and Submittal Form.	4		12	12				28	\$	6,108.00			\$	6,108.00

10		Perform site visits to verify design; force main alignment adjustments;meet with construction contractors; constructability site visits.			40	40						120	\$	27,960.00				\$	27,960.00
11		Prepare and provide an Engineer’s Opinion of Probable Construction Cost (EOPCC) at the 90% and final submittal milestones	4			12	16	16				48	\$	9,564.00				\$	9,564.00
TASK 1102 SUBTOTAL			66	114	260	296	56	220				1012	\$	203,904.00	\$	-	\$	-	203,904.00

TASK 1103 - Procurement Assistance																			
			Sr. PM	Sr. Eng	Proj Mgr	Proj Eng	Designer	CAD	Total										
1a-h		Provide assistance to SIRA Project Team during the procurement process.			1					1	\$	270.00						\$	270.00
1b		Provide electronic proposal documents (plans, specifications, and contract documents) to the SIRA via SharePoint® pp,			2					2	\$	540.00						\$	540.00
1c		Prepare for and attend a pre-proposal conference for prospective proposers at the office of the SJRA.	4		6					10	\$	2,760.00						\$	2,760.00
1d		Record meeting minutes from the pre-proposal conference, and distribute minutes within five (5) business days of the meeting.			2					2	\$	540.00						\$	540.00
1e		Respond to questions from proposers and suppliers during the proposal preparation period as necessary.	1		4					5	\$	1,365.00						\$	1,365.00
1f		Prepare addenda as required			2					2	\$	540.00						\$	540.00
1g		The SIRA will advertise the project, post electronic proposal documents on the SIRA bidding website, and issue all addenda								0	\$	-						\$	-
1h		Confirm the proposals received by the SJRA are appropriately submitted with all the required information as indicated during the pre-proposal conference (and in proposal documents), review the proposal documents as a scoring committee member, and participate and attend scoring committee meetings.	4		4					8	\$	2,220.00						\$	2,220.00
2		Prepare and provide final drawings, specifications and addenda in both hard copy form (three (3) full size sets) and electronic format (PDF)			1	2				3	\$	558.00						\$	558.00
2a		Provide all CAD (AutoCAD) files in accordance with the requirements of the SIRA Design Standards and Critical Manual. Provide all CAD data from the project in the format of AutoCAD .dwg files with the projection specified in accordance with the requirements of the SIRA Design Standards and Criteria Manual. Provide all CAD and other electronic files as necessary to facilitate implementation of SJRA's GIS system			1		2			3	\$	630.00						\$	630.00
2b		Provide all GIS data from the project force main alignment and appurtenances in the format of either shapefiles (.shp) or geodatabase (.gdb). Projection to be NAD83 StatePlane Texas Central FIPS 4203 (US Feet). Please reference the GIS Spatial Data Standards document (hard copy provided or located on the SIRA Specification site in SharePoint®) for further details.			1		2			3	\$	630.00						\$	630.00
2c		Provide GIS data from the project force main alignment and appurtenances in the format of either shapefiles (.shp) or geodatabase (.gdb). Projection to be NAD83 StatePlane Texas Central FIPS 4203 (US Feet). Please reference the GIS Spatial Data Standards document (hard copy provided or located on the SIRA Specification site in SharePoint®) for further details.								0	\$	-						\$	-
TASK 1103 SUBTOTAL			9	0	24	2	4	0		39	\$	10,053.00	\$	-	\$	-	\$	-	10,053.00

TASK 1104 - SIRA Directed Services: Additional Topographic Surveying																			
			Sr. PM	Sr. Eng	Proj Mgr	Proj Eng	Designer	CAD	Total										
1		Additional topographic surveying & additional boundary surveys and easement descriptions in support of Task 1102 Final Design								0	\$	-						\$	70,000.00
TASK 1104 SUBTOTAL			0	0	0	0	0	0		0	\$	-	\$	-	\$	-	\$	70,000.00	70,000.00

TASK 1105 - SIRA Directed Services: Additional Geotechnical Engineering																			
1		Additional geotechnical engineering services in support of Task 1102 Final Design								0	\$	-						\$	10,000.00
TASK 1106 SUBTOTAL			0	0	0	0	0	0		0	\$	-	\$	-	\$	-	\$	10,000.00	10,000.00

PROJECT SCHEDULE - LS#5 FORCE MAIN REPLACEMENT

ID	Task Mode	Task Name	Duration	Start	Finish	Precedence	2027				2028				2029			
							3rd Quarter Jul Aug Sep Oct Nov Dec	4th Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	1st Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	2nd Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	3rd Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	4th Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	1st Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	2nd Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	3rd Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	4th Quarter Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec		
1																		

Project: Final Design Sch. Date: Thu 7/9/26	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			
Page 1										

Item No.	Agenda Item	Date
7.2	Consider adoption of a resolution of the Board of Directors of the San Jacinto River Authority adopting an amended Fiscal Year 2026 Operating Budget for the GRP Division.	07/23/2026

BACKGROUND INFORMATION

On the evening of April 2, 2026, the 12-inch water line carrying water from the Surface Water Treatment Plant to Conroe Water Plant No. 6 was reported to have a leak at White Oak Creek. A temporary fix to keep water flowing through the line was attempted by the contractor, but was halted due to how costly it was going to be for a temporary repair. Another line break near the same location occurred earlier in August 6, 2025, and was repaired at the time.

Due to the recent breaks and lab analysis of the damaged line segments, this line is subject to additional breaks and therefore will be replaced. In order to replace the transmission line, horizontal directional drilling (HDD) will be utilized to install approximately 800 linear feet of new 12-inch HDPE pipe and connect it to the existing pipeline before and after the creek crossing. A casing around the pipe will also be installed to provide improved stability of the transmission line. This project will require design by an engineering firm followed by construction performed by a general contractor. The project will also include the replacement of the fiber optic cable along the existing line and potential acquisition for new temporary/permanent waterline easements to accommodate changes in alignment.

This transmission line serves Conroe Water Plant No. 6, which is currently utilizing groundwater wells to meet its demands without the supplement of surface water delivery. This project is included in the proposed Fiscal Year 2027 Budget, but the GRP Division is requesting to expedite this project to begin design in Fiscal Year 2026 to replace this line as soon as possible and restore surface water delivery to serve the Conroe Water Plant No. 6 service area. The GRP Repair and Replacement has sufficient funds to begin this project in FY2026. This budget amendment is requesting authorization to start this project in FY2026.

	Approved Project Budget	Requested Amendment	Amended Project Budget
Project ID – Project Description			
GSWWRO – White Oak Creek Transmission Line Repair	\$0.00	\$2,847,000.00	\$2,847,000.00

FUNDING SOURCE: GRP Repair and Replacement Fund

ATTACHMENTS: Resolution, Exhibit “A”, and Exhibit “B”

RECOMMENDED ACTION

Approve a resolution of the Board of Directors of the San Jacinto River Authority adopting an amended Fiscal Year 2026 Operating Budget for the GRP Division.

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY AMENDING THE BUDGET FOR FISCAL YEAR 2026.

WHEREAS, on August 28, 2025, the San Jacinto River Authority Board of Directors adopted Resolution No. 2025-R-22 approving the Fiscal Year 2026 budget; and

WHEREAS, the San Jacinto River Authority finds it necessary to amend the Fiscal Year 2026 budget to provide funding for the White Oak Creek Transmission Line Repair Project.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY:

Section 1. That the Fiscal Year 2026 budget, as approved under Resolution No. 2025-R-22, is further amended as detailed in Exhibit “A” and Exhibit “B” attached hereto and incorporated herein for all purposes.

Section 2. That the budget amendment, attached hereto as Exhibit “A” and Exhibit “B” shall be attached to and made part of the Fiscal Year 2026 Budget for all purposes.

Section 3. That except as amended hereby, the Fiscal Year 2026 budget, as approved under Resolution No. 2025-R-22, is ratified and confirmed in all respects and shall remain in effect.

Section 4. That this Resolution shall become effective immediately after adoption.

APPROVED AND ADOPTED by the Board of Directors of the San Jacinto River Authority on the 23rd day of July, 2026.

ATTEST:

SAN JACINTO RIVER AUTHORITY

Wil Faubel, Secretary

Ronnie Anderson, President

San Jacinto River Authority - GRP Repair and Replacement
Exhibit A
FY2023 - FY2026

Description			PROPOSED		PROPOSED
	Budget	Approved	Budget	Amended	
	FY2025	Budget	Amendment	Budget	
		FY2026	FY2026	FY2026	FY2026
CAPITAL IMPROVEMENTS*					
Water Treatment Plant & Facilities	\$ 304,000	\$ 690,000	\$ -	\$ 690,000	
Transmission Lines & Facilities	161,000	323,000	339,000	662,000	
TOTAL CAPITAL IMPROVEMENTS	\$ 465,000	\$ 1,013,000	\$ 339,000	\$ 1,352,000	
NET CASH BASIS SOURCES (USES)	\$ -	\$ 10,009,000	\$ (339,000)	\$ 9,670,000	

*Actuals intentionally left blank.

San Jacinto River Authority
FY2026 Budget
Total Project Budget Amendment
Exhibit B

Division	Project ID	Project Name	Approved	Proposed	Proposed
			FY2026 Total Project Budget	Amendment FY2026 Total Project Budget	Amended FY2026 Total Project Budget
GRP					
	GSWWOR	White Oak Creek Transmission Line Repair	\$ -	\$ 2,847,000	\$ 2,847,000

Note: Total Project Budgets include multiple fiscal years and funding sources.
*Was previously two projects that have been combined.
**Future bond funding was not included when presented in FY2025.

Item No.	Agenda Item	Date
7.3	Consider adoption of a resolution of the Board of Directors of the San Jacinto River Authority adopting an amended Fiscal Year 2026 Operating Budget for the Woodlands Division.	07/23/2026

BACKGROUND INFORMATION

The Woodlands Division requests approval to purchase two (2) new 2026 Ford Maverick XL FWD pickup trucks to replace three aging fleet vehicles that have reached the end of their useful service life. Replacing these vehicles will improve fleet reliability, reduce maintenance costs, and provide dependable transportation for staff supporting the Woodlands Division's water and wastewater operations. The Woodlands Division relies on its fleet to perform essential field activities, including routine maintenance, inspections, emergency response, and customer service. Reliable transportation is critical to maintaining uninterrupted utility operations and responding promptly to operational needs.

The following vehicles have been identified for replacement due to their age, increasing maintenance requirements, and declining reliability:

Existing Vehicle	Model Year	Estimated Trade-In Value
Dodge Ram 1500 SLT	2010	\$ 2,500.00
Dodge Ram 1500 SLT	2008	\$ 1,500.00
Chevrolet Silverado 1500	2017	\$11,500.00

The two Dodge Ram trucks are 16 and 18 years old and have exceeded their expected service life. While the 2017 Chevrolet Silverado is newer, increasing maintenance needs and repair costs have made replacement the more economical long-term option. Continued investment in these vehicles is no longer cost-effective and increases the risk of downtime that can impact field operations.

Staff recommends purchasing two (2) 2026 Ford Maverick XL FWD pickup trucks at a unit price of \$29,255.36, plus a transport fee of \$700.00 for a total purchase price of \$59,210.72. The estimated trade-in value of the existing vehicles is \$15,500.00, resulting in an estimated net replacement cost of \$43,710.72.

Sufficient funds are available within the budget to support the purchase of needed vehicles.

This investment supports the Division's commitment to maintaining a safe, reliable, and cost-effective fleet that enables staff to continue providing high-quality water and wastewater services.

FUNDING SOURCE: Woodlands Operating

ATTACHMENTS: Resolution and Exhibit "A"

RECOMMENDED ACTION

Approve a resolution of the Board of Directors of the San Jacinto River Authority adopting an amended Fiscal Year 2026 Operating Budget for the Woodlands Division.

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY AMENDING THE BUDGET FOR FISCAL YEAR 2026.

WHEREAS, on August 28, 2025, the San Jacinto River Authority Board of Directors adopted Resolution No. 2025-R-22 approving the Fiscal Year 2026 budget; and

WHEREAS, the San Jacinto River Authority finds it necessary to amend the Fiscal Year 2026 budget to provide funding for the purchase of two fleet vehicles for the Woodlands Division.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY:

Section 1. That the Fiscal Year 2026 budget, as approved under Resolution No. 2025-R-22, is further amended as detailed in Exhibit “A” attached hereto and incorporated herein for all purposes.

Section 2. That the budget amendment, attached hereto as Exhibit “A” shall be attached to and made part of the Fiscal Year 2026 Budget for all purposes.

Section 3. That except as amended hereby, the Fiscal Year 2026 budget, as approved under Resolution No. 2025-R-22, is ratified and confirmed in all respects and shall remain in effect.

Section 4. That this Resolution shall become effective immediately after adoption.

APPROVED AND ADOPTED by the Board of Directors of the San Jacinto River Authority on the 23rd day of July, 2026.

ATTEST:

SAN JACINTO RIVER AUTHORITY

Wil Faubel, Secretary

Ronnie Anderson, President

Exhibit A
San Jacinto River Authority - Woodlands Operating
Proposed Budget Amendment

Description	Actuals FY2023	Actuals FY2024	Actuals Sept-May FY2025	Budget FY2025	Approved Budget FY2026	Proposed Budget Amendment FY2026	Proposed Amended Budget FY2026
OPERATING EXPENSES							
SALARIES, WAGES, & EMPLOYEE BENEFITS							
Salaries & Wages	\$ 5,201,662	\$ 5,273,062	\$ 4,110,661	\$ 6,355,086	\$ 6,770,336	\$ (59,211)	\$ 6,711,126
Compensated Absences	13,735	41,148	-	-	-	-	-
Group Insurance	992,404	1,011,520	777,977	1,583,956	1,221,462	-	1,221,462
Group Insurance - Retirees	(68,978)	(107,005)	-	100,000	100,000	-	100,000
Group Insurance - Retiree OPEB	12,554	13,153	10,332	15,121	15,482	-	15,482
Group Retirement Expense	576,937	717,754	510,853	727,716	769,412	-	769,412
Workers Compensation Insurance	68,237	68,387	72,442	117,924	82,777	-	82,777
Social Security Taxes	372,009	383,193	308,707	475,098	517,931	-	517,931
Employee Benefits Services	32,242	29,065	19,540	32,334	25,145	-	25,145
TOTAL SALARIES, WAGES, & EMPLOYEE BENEFITS	\$ 7,200,802	\$ 7,430,277	\$ 5,810,511	\$ 9,407,234	\$ 9,502,546	\$ (59,211)	\$ 9,443,335
CAPITAL IMPROVEMENTS*							
Construction In Progress				\$ -	\$ 6,430,000	\$ -	\$ 6,430,000
Water Treatment Plant & Facilities				81,700	-	-	-
Sewage Treatment Plant & Facilities				67,000	-	-	-
Other Machinery & Equipment				77,325	115,100	-	115,100
Transportation Equipment				75,000	320,000	59,211	379,211
Software				3,614	-	-	-
Computer Equipment				232,983	211,768	-	211,768
TOTAL CAPITAL IMPROVEMENTS				\$ 537,621	\$ 7,076,868	\$ 59,211	\$ 7,136,079

*Actuals intentionally left blank.

Quote #: SAG-5761

Date: 7/13/2026

Expires: 8/12/2026

Quote From:

Sames Bastrop Ford, Inc
1115 State Highway 71
Bastrop, TX 78602
Jake Schobinger | jakes@sames.net
Phone: 210.381.8674

Quote For:

San Jacinto River Authority
1577 Dam Site Rd
Conroe, TX 77304

Vehicle Information

Year	Make/Model	Contract #	Color	Qty	Price	Total
2026	Ford Maverick XL FWD W8A	TIPS 240901	Oxford White	2	\$29,255.36	\$58,510.72

Vehicles Subtotal: \$58,510.72

Est. Delivery: 2026 Ford Maverick XL FWD W8A — In Stock (3-5 business days)

Standard Options: 2026 Ford Maverick XL FWD W8A

- 99A - 2.0L EcoBoost Engine
- 448 - 8-Speed Automatic Transmission
- 100A - Equipment Group 100A (2.0L EcoBoost)
- 9W - Black Onyx/Dark Slate Front Cloth Bucket Seats
- M7 - Carbonized Gray Metallic Exterior Paint
- 3.63 Axle Ratio
- 153 - Front License Plate Bracket
- SuperCrew Cab Configuration
- FWD (Front-Wheel Drive)
- XL Trim Level
- Remote Keyless Entry
- Power Windows/Door Locks
- Vinyl Flooring
- HD Rear Vision Camera
- Front License Plate Bracket

Trade-In Information

Year/Make/Model	VIN	Offered Amount
2010 RAM 1500 SLT		\$2,500.00
2008 DODGE RAM 1500 SLT		\$1,500.00
2017 CHEVROLET SILVERADO 1500 WT		\$11,500.00

Trade-In Credit: \$15,500.00

Transport Route: 1115 State Highway 71, Bastrop, TX, 78602 to 1577 Dam Site Rd, Conroe, TX, 77304

Transport: \$350.00/vehicle x 125.9 miles =

\$700.00

PRICING SUMMARY

Vehicles: \$58,510.72 Transport: \$700.00
Options: \$0.00 Trade-In: (\$15,500.00)
Upfitters: \$0.00

GRAND TOTAL: \$43,710.72

TERMS AND CONDITIONS

Balance on the vehicle is due within thirty (30) days of delivery to the upfitter or customer. A \$500 per month floor plan interest charge will be applied to any unpaid balance beyond Net 30 terms.

All prices provided in this quote are based on current market conditions and are subject to change. Pricing may be impacted by changes in OEM production availability, allocation limits, material shortages, tariffs, trade regulations, or other factors beyond the dealership's control.

Vehicle availability, production timing, and delivery schedules are subject to OEM manufacturing constraints and supply-chain conditions. The dealership shall not be held liable for delays, cancellations, or non-production resulting from OEM constraints or manufacturer decisions. In the event an OEM is unable to produce or deliver a vehicle as quoted, the dealership reserves the right to modify, delay, substitute, or cancel the order without penalty.

Any resulting price or availability changes will be communicated prior to final purchase or delivery.

View our in-stock vehicles at samesgovfleet.com/inventory

www.samesgovfleet.com

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Item No.	Agenda Item	Date
10	Consider surplus declaration and disposal by sale of a 0.2854 acre tract of real property located in the John Corner Survey, A-08, near Montgomery, Texas, to Aisha Attique, Alina Attique, and Bushre Attique, and authorize the General Manager to execute all necessary documents to complete the transaction.	07/23/2026
BACKGROUND INFORMATION		
On April 24, 2026, Aisha Attique, Alina Attique, and Bushre Attique requested permission to purchase a small parcel of San Jacinto River Authority (SJRA) property immediately adjacent to the landowner's property. SJRA staff has indicated the parcel in question is not necessary for the operation and maintenance of Lake Conroe. Aisha Attique, Alina Attique, and Bushre Attique have provided a third-party independent appraisal prepared by Whitney & Associates. The appraisal is prepared per the same standard SJRA would require if SJRA were sourcing a fair market valuation of a tract. The requested purchase of the tract is in accordance with the Disposition of Certain Real Property Policy approved at the December 11, 2025, Board of Directors meeting. SJRA requests the Board's consideration in declaring the 0.2854 acre tract in the John Corner Survey, Abstract 08, as surplus property and authorize disposal of the tract. Applicant: Aisha Attique, Alina Attique, and Bushre Attique Physical Address: Walden Road Montgomery, Texas 77356 Location: John Corner Survey, Abstract 08, Tract 5A-1		
FUNDING SOURCE: N/A		
ATTACHMENTS: Written Request by Applicant, Location Map, Survey with Metes and Bounds, Proposed Improvement, Real Property Deed		
RECOMMENDED ACTION		
Declare as surplus and authorize the disposal of a 0.2854 acre tract of real property located in the John Corner Survey, A-08, Montgomery County, Texas.		

Aisha, Alina, Bushre Attique
19931 Ogdenburg Falls Dr. Spring, TX. 77379
battique@outlook.com
April 24, 2026

Mr. Aubrey A. Spear
General Manager
San Jacinto River Authority
PO Box 329
Conroe, Texas 77305

Re: Request to Purchase & Encroach
SJRA Property
Directly behind Tract 5A-1, John Corner Survey, Abstract 8

Dear Mr. Spear,

We own the property at the above-mentioned address, being more specifically described by John Corner Survey, Abstract 08, Tract 5A-1. There is a tract of land between our private property and the bulkhead that appears to be titled to the San Jacinto River Authority (the "Authority"). We are interested in purchasing the property.

We had a conversation with Meagan Lee, of your office, about what is involved in determining if the property is available for sale, the documents we need to provide and the potential expenses that the Authority may incur. Ms. Lee has provided us with a copy of the Board resolution and policy.

We also requesting permission for our boat storage facility to encroach on the Authority's permanent easement. We have read the draft encroachment easement and can abide by them.

Thank you for your favorable consideration, assistance and cooperation. My contact information is battique@outlook.com and (936) 900-5040 should you need to contact us.

Sincerely,

Bushre Attique

Bushre Attique

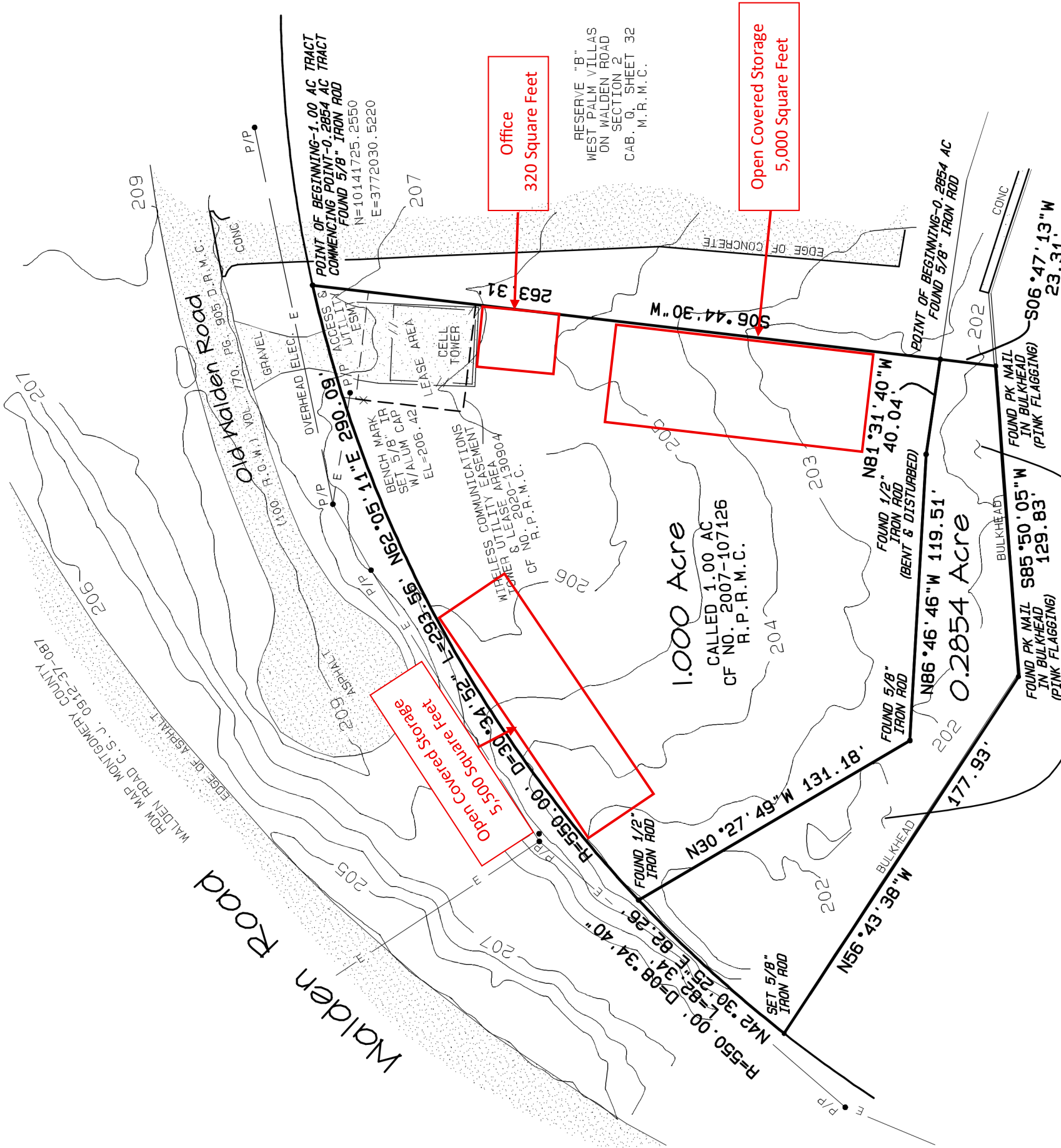
Enclosures:

1. Copy of Deed & Title Policy for Location
2. Copy of Planned/Existing Improvements
3. Boundary Survey for both Private & Authority Property
4. Metes & Bounds for both Private & Authority Property
5. Copy of any Permanent Easement Deed
6. Check for Property Purchase & Deed without Warranty

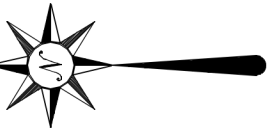


NOTES:

1. ALL BUILDING LINES AND EASEMENTS ARE PER THE RECORDED PLAT UNLESS OTHERWISE NOTED.
2. HORIZONTAL CONTROL FOR THIS SURVEY IS BASED ON GPS NAD 83 TEXAS CENTRAL ZONE STATE PLANE COORDINATES.
3. TITLE AND EASEMENT INFORMATION SHOWN HEREON IS THE RESPONSIBILITY OF OTHERS. THE SURVEYOR DOES NOT ACCEPT RESPONSIBILITY FOR ANY OF THE INFORMATION NOR ANY DECISIONS LEADING TO THE NOTING OF SAID INFORMATION.
4. THIS PROPERTY IS SUBJECT TO A FLOWAGE AND INUNDATION EASEMENT UP TO 207.0 M.S.L. IN FAVOR OF THE SAN JACINTO RIVER AUTHORITY AS PER VOL. 711, PG. 126 D.R.M.C.



SCALE: 1" = 50'
DATE: 11/6/2025
REV: 5/12/2025
ADD SURA BDRY
REV: 5/20/2026
ADD ESMT
REV: 7/2/2026 TYP0



A SURVEY OF
1.000 AC & 0.2854 AC
IN THE JOHN CORNER SURVEY, A-8
MONTGOMERY COUNTY, TEXAS

I hereby certify that this survey was made on the ground under my supervision that this drawing correctly represents the facts found at the time of this survey and that this professional service substantially conforms to the current Texas Surveyors Association Standards and Specifications for a Category IB survey.

This survey was completed without the benefit of a title commitment.

Jarrod Antley, R.P.L.S.
Texas Registration No. 6071



LAND SURVEYING & MAPPING
261 SOUTH OAKRIDGE DRIVE, CLEVELAND, TEXAS 77328
PH: (936) 622-8716

SAN JACINTO
RIVER AUTHORITY
VOL. 690, PG. 497 & PG. 484
D.R.M.C.

Lake Conroe



Being 1.000 acres of land, being a called 1.00 acre tract according to the recorded deed thereof in Clerk File No. 2007-107126 of the Real Property Records of Montgomery County, Texas, also located in the John Corner Survey, A-8, Montgomery County, Texas, said 1.000 acres being more particularly described by metes and bounds as follows:

BEGINNING at a found 5/8" iron rod along the southerly line of Old Walden Road for the northeast corner of herein described tract, point having a Texas State Plane Coordinate of N-10,141,725.2550, E-3,772,030.5220, NAD83, Central Zone (4203);

THENCE South 06 degrees 44 minutes 30 seconds West, a distance of 263.31 feet to a found 5/8" iron rod for the southeast corner of herein described tract;

THENCE North 81 degrees 31 minutes 40 seconds West, a distance of 40.04 feet to a found 1/2" iron rod bent and disturbed for an angle point of herein described tract;

THENCE North 86 degrees 46 minutes 46 seconds West, a distance of 119.51 feet to a found 5/8" iron rod for the southwest corner of herein described tract;

THENCE North 30 degrees 27 minutes 49 seconds West, a distance of 131.18 feet to a found 1/2" iron rod along the southerly line of Old Walden Road for the northwest corner of herein described tract;

THENCE with the southerly line of Old Walden Road, along a curve to the right having a Radius of 550.00 feet and a Length of 293.56 feet (Chord: North 62 degrees 05 minutes 11 seconds East, a distance of 290.09 feet) to the **POINT OF BEGINNING** containing 1.000 acres of land.

I, Jarrod G. Antley, Registered Professional Land Surveyor, No. 6071, do hereby certify that the above field notes were prepared from a boundary survey made on the ground under my direction and supervision. May 20th, 2026.

GIVEN UNDER MY HAND AND SEAL, June 20th, 2026.





Being 0.2854 acres of land, being a portion of the San Jacinto River Authority according to the recorded deed thereof in Volume 690, Pages 497 & 484 of the Deed Records of Montgomery County, Texas, also located in the John Corner Survey, A-8, Montgomery County, Texas, said 0.2854 acres being more particularly described by metes and bounds as follows:

COMMENCING at a found 5/8" iron rod along the southerly line of Old Walden Road, point having a Texas State Plane Coordinate of N-10,141,725.2550, E-3,772,030.5220, NAD83, Central Zone (4203);

THENCE South 06 degrees 44 minutes 30 seconds West, a distance of 263.31 feet to the POINT OF BEGINNING, a found 5/8" iron rod for the most easterly corner of herein described tract;

THENCE South 06 degrees 47 minutes 13 seconds West, a distance of 23.31 feet to a found PK nail in bulkhead with pink flagging for an exterior angle point of herein described tract;

THENCE South 85 degrees 50 minutes 05 seconds West, a distance of 129.83 feet to a found PK nail in bulkhead with pink flagging for the most southerly corner of herein described tract;

THENCE North 56 degrees 43 minutes 38 seconds West, a distance of 177.93 feet to a set 5/8" iron rod along the southerly line of Old Walden Road for the most westerly corner of herein described tract;

THENCE with the southerly line of Old Walden Road, along a curve to the right having a Radius of 550.00 feet and a Length of 82.34 feet (Chord: North 42 degrees 30 minutes 25 seconds East, a distance of 82.26 feet) to a found 1/2" iron rod for the most northerly corner of herein described tract;

THENCE South 30 degrees 27 minutes 49 seconds East, a distance of 131.18 feet to a found 5/8" iron rod for an interior angle point of herein described tract;

THENCE South 86 degrees 46 minutes 46 seconds East, a distance of 119.51 feet to a found 1/2" iron rod bent and disturbed for an angle point of herein described tract;

THENCE South 81 degrees 31 minutes 40 seconds East, a distance of 40.04 feet to the POINT OF BEGINNING containing 0.2854 acres of land.

I, Jarrod G. Antley, Registered Professional Land Surveyor, No. 6071, do hereby certify that the above field notes were prepared from a boundary survey made on the ground under my direction and supervision. May 20th, 2026.

GIVEN UNDER MY HAND AND SEAL, June 20th, 2026.



234703

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DEEDS

THE STATE OF TEXAS I
I
COUNTY OF MONTGOMERY I

GENERAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

THAT we, C. E. STANLEY, and wife LILLIAN V. STANLEY, JAMES V. BLACKLOCK, and wife MORIEL STANLEY BLACKLOCK, of the County of Montgomery, State of Texas, will hereinafter be designated as "GRANTOR", whether one or more and to include both the singular and the plural.

THAT, SAN JACINTO RIVER AUTHORITY, a body politic and corporate existing under and by virtue of the laws of the State of Texas, and having its principal offices in Conroe, Montgomery County, Texas, will hereinafter be designated as "GRANTEE".

THAT in consideration of the sum of TEN and NO/100 DOLLARS (\$10.00) and other good, valuable and sufficient consideration, this day in cash paid to GRANTOR by GRANTEE, the receipt and sufficiency of which is hereby acknowledged, and for which no lien, either express or implied, is retained or shall exist.

GRANTOR has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does GRANT, BARGAIN, SELL and CONVEY unto GRANTEE the fee simple title to the tracts or parcels of land, together with all improvements thereon, lying and being situated within the Wm. Atkins Survey, Abstract No. A-3, and the Jno. Corner Survey, Abstract No. A-8, Montgomery County, Texas, as hereinafter more particularly described as follows:

Beginning at a point in the most southerly southeast corner of the C. E. Stanley 887.45 (called) acre tract and the southwest corner of the S. W. Bilsing 479.00 (called) acre tract;

Thence N. 44° 01' E. along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract a distance of 653.00 feet to point for corner;

Thence N. 45° 53' E. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract a distance of 913.30 feet to point for corner;

Thence N. 46° 26' E. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract a distance of 1,194.27 feet to point for corner, said point being the place of beginning of the following described tract of land, said point also being on contour 201.0;

Thence along contour 201.0 as follows:

Thence	N. 70° 05' W.	15.39	feet
"	N. 82° 34' W.	216.68	"
"	S. 86° 43' W.	129.26	"
"	S. 85° 04' W.	205.36	"
"	S. 68° 24' W.	104.43	"
"	N. 18° 57' W.	93.82	"
"	N. 29° 38' W.	133.70	"
"	N. 20° 10' W.	141.07	"
"	N. 48° 29' W.	102.32	"
"	N. 76° 50' W.	279.35	"
"	N. 80° 25' W.	81.82	"
"	S. 83° 30' W.	122.92	"
"	S. 77° 05' W.	292.88	"
"	N. 80° 58' W.	52.10	"
"	S. 82° 10' W.	89.10	"
"	S. 75° 12' W.	127.04	"
"	S. 79° 40' W.	174.20	"
"	N. 47° 21' W.	110.36	"
"	N. 36° 59' W.	225.10	"
"	N. 15° 55' W.	237.73	"
"	N. 52° 13' W.	71.28	"
"	N. 68° 43' W.	420.50	"
"	N. 65° 47' W.	103.05	"
"	N. 51° 51' W.	96.90	"

Thence N. 53° 19' W. continuing along contour 201.0 a distance of 150.79 feet to point for corner, said point being in the west boundary line of said C. E. Stanley tract and the east boundary line of the Clara B. Stewart Est. 564.60 (called) acre tract;

Thence N. 9° 21' W. along the west boundary line of said C. E. Stanley tract and the east boundary line of said Clara B. Stewart Est. tract, and along the fence thereon a distance of 356.13 feet to point for corner;

Thence N. 9° 14' W. continuing along the west boundary line of said C. E. Stanley tract and the east boundary line of said Clara B. Stewart Est. tract and along the fence thereon a distance of 642.50 feet to point for corner, said point being on contour 201.00;

Thence along contour 201.0 as follows:

Thence	S. 79° 46' E.	161.65	feet
"	S. 82° 20' E.	235.37	"
"	N. 72° 44' E.	86.90	"
"	S. 25° 04' E.	62.22	"
"	S. 50° 31' E.	178.54	"
"	S. 69° 31' E.	481.65	"
"	N. 80° 02' E.	156.80	"
"	N. 23° 55' E.	129.38	"
"	N. 13° 17' W.	114.46	"
"	N. 63° 32' E.	362.72	"
"	N. 52° 28' E.	169.52	"
"	N. 22° 09' E.	124.87	"
"	N. 5° 10' W.	184.62	"
"	N. 14° 39' W.	383.16	"
"	N. 28° 28' W.	152.82	"
"	N. 43° 52' W.	360.12	"
"	N. 30° 42' W.	223.45	"
"	N. 42° 15' W.	164.06	"
"	N. 64° 12' W.	121.35	"
"	N. 81° 44' W.	158.63	"
"	S. 70° 09' W.	139.80	"
"	S. 56° 02' W.	348.40 ⁴⁰	"
"	S. 81° 53' W.	129.10	"
"	N. 71° 23' W.	133.70	"
"	N. 36° 37' W.	60.60	"
"	N. 12° 23' W.	73.30	"
"	N. 10° 11' W.	137.00	"
"	N. 19° 44' W.	258.98	"
"	N. 27° 26' W.	87.12	"
"	N. 32° 04' W.	145.40	"
"	N. 37° 33' W.	177.97	"
"	N. 42° 52' W.	116.65	"

Thence N. 47° 15' W. continuing along contour 201.0 a distance of 135.32 feet to point for corner, said point being in the west boundary line of said Clara B. Stewart Est. tract;

Thence N. 9° 21' W. along the west boundary line of said C. E. Stanley tract and the east boundary line of said Clara B. Stewart Est. tract and along the fence thereon a distance of 1,842.84 feet to point for corner, said point being the northwest corner of said C. E. Stanley Tract, said point also being in the south boundary line of the Wesley J. Smith Hrs. 600.00 (called) acre tract;

Thence S. 86° 45' E. along the north boundary line of said C. E. Stanley tract and the south boundary line of said Wesley J. Smith Hrs. tract, and along the fence thereon a distance of 78.18 feet to point for corner, said point being on contour 201.0;

Thence along contour 201.0 as follows:

Thence	S. 24° 54' W.	53.66	feet
"	S. 28° 32' E.	66.22	"
"	N. 76° 20' E.	56.40	"

Thence N. 40° 10' E. continuing along contour 201.0 a distance of 111.90 feet to point for corner, said point being in the north boundary line of said C. E. Stanley tract and the south boundary line of said Wesley J. Smith Hrs. tract;

Thence S. 86° 45' E. along the north boundary line of said C. E. Stanley tract and the south boundary line of said Wesley J. Smith Hrs. tract, and along the fence thereon a distance of 37.49 feet to point for corner, said point being on contour 201.0;

Thence along contour 201.0 as follows:

Thence	S. 27° 09' E.	346.41	feet
"	S. 83° 37' E.	119.57	"
"	S. 78° 22' E.	115.55	"
"	S. 69° 11' E.	177.13	"
"	S. 66° 41' E.	89.00	"
"	N. 54° 44' E.	77.07	"
"	N. 78° 15' E.	66.09	"
"	S. 25° 50' E.	162.28	"
"	S. 11° 53' W.	86.70	"
"	S. 25° 06' E.	77.60	"
"	S. 60° 59' E.	89.67	"
"	S. 55° 15' E.	127.13	"
"	S. 36° 25' E.	71.62	"
"	S. 72° 11' E.	84.75	"
"	N. 78° 08' E.	38.06	"
"	N. 26° 32' E.	52.06	"
"	S. 58° 49' E.	108.41	"
"	S. 53° 21' E.	106.56	"
"	S. 43° 29' E.	69.38	"
"	S. 29° 39' E.	94.79	"
"	S. 13° 21' E.	86.37	"
"	S. 16° 31' E.	88.50	"
"	S. 43° 24' E.	111.46	"
"	S. 75° 38' E.	85.65	"
"	S. 27° 35' E.	39.20	"
"	S. 55° 56' W.	65.77	"
"	S. 4° 55' W.	37.70	"
"	S. 48° 48' E.	58.65	"
"	S. 89° 42' E.	100.05	"
"	N. 86° 07' E.	144.75	"
"	S. 59° 02' E.	132.30	"
"	S. 81° 17' E.	72.28	"
"	N. 79° 36' E.	95.82	"
"	N. 89° 39' E.	121.95	"

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Thence	N.	81° 35'	E.	187.18	Feet
"	S.	61° 07'	E.	63.84	"
"	S.	50° 57'	E.	61.57	"
"	S.	60° 12'	E.	80.90	"
"	S.	65° 04'	E.	83.92	"
"	S.	25° 24'	E.	35.65	"
"	S.	40° 36'	W.	51.80	"
"	S.	18° 31'	W.	138.78	"
"	S.	16° 23'	W.	154.68	"
"	S.	2° 51'	W.	69.38	"
"	S.	27° 26'	W.	70.36	"
"	S.	42° 44'	E.	89.30	"
"	S.	54° 14'	E.	78.30	"
"	S.	68° 33'	E.	147.55	"
"	S.	58° 36'	E.	91.25	"
"	S.	12° 55'	E.	80.10	"
"	S.	24° 16'	E.	159.50	"
"	S.	53° 46'	E.	246.55	"
"	N.	81° 18'	E.	142.10	"
"	S.	43° 58'	E.	144.50	"
"	S.	12° 45'	E.	169.58	"
"	S.	21° 32'	E.	143.50	"
"	S.	18° 47'	E.	127.78	"
"	S.	86° 07'	E.	139.70	"
"	N.	68° 13'	E.	173.75	"
"	N.	76° 58'	E.	101.10	"
"	N.	54° 44'	E.	176.70	"
"	N.	44° 20'	E.	368.05	"
"	N.	29° 17'	E.	135.80	"
"	N.	26° 33'	W.	98.44	"
"	N.	4° 56'	W.	80.18	"
"	S.	23° 37'	E.	76.31	"
"	S.	35° 06'	E.	94.52	"
"	S.	4° 25'	E.	99.60	"
"	S.	12° 58'	W.	206.78	"
"	S.	25° 55'	W.	190.78	"
"	S.	47° 51'	W.	193.00	"
"	S.	7° 22'	W.	150.00	"
"	S.	26° 51'	W.	105.36	"
"	S.	5° 06'	E.	99.74	"
"	S.	36° 15'	E.	169.20	"
"	S.	84° 41'	E.	194.78	"
"	S.	71° 31'	E.	77.50	"
"	S.	31° 35'	E.	119.84	"
"	S.	58° 26'	E.	42.70	"
"	S.	47° 36'	E.	73.60	"
"	S.	42° 10'	E.	61.40	"
"	S.	17° 43'	E.	146.80	"
"	S.	75° 02'	E.	80.80	"
"	N.	69° 17'	E.	77.15	"
"	S.	69° 12'	E.	105.73	"
"	N.	73° 05'	E.	88.20	"
"	N.	11° 10'	W.	116.78	"
"	N.	34° 03'	E.	136.40	"
"	S.	74° 43'	E.	120.37	"
"	N.	51° 44'	E.	134.50	"
"	N.	21° 26'	W.	233.35	"
"	N.	36° 33'	W.	93.55	"
"	N.	56° 59'	W.	66.20	"
"	N.	6° 55'	W.	114.05	"
"	N.	4° 11'	E.	62.31	"
"	N.	20° 49'	E.	79.85	"

Thence	N. 33° 50' E.	84.23	feet
"	S. 83° 18' E.	408.78	"
"	S. 63° 41' E.	183.03	"
"	S. 46° 52' E.	166.10	"
"	S. 58° 04' E.	187.52	"
"	S. 67° 44' E.	101.45	"
"	S. 60° 44' E.	141.88	"
"	S. 56° 44' E.	178.35	"

Thence S. 64° 50' E. continuing along contour 201.0 a distance of 115.05 feet to point for corner, said point being in an east boundary line of said C. E. Stanley tract and a west boundary line of the Dan H. Madeley 3,562.43 (called) acre tract, said point also being S. 0° 31' W. a distance of 161.97 feet from a northwest corner of said Dan H. Madeley tract;

Thence S. 0° 02' E. along an east boundary line of said C. E. Stanley tract and a west boundary line of said Dan H. Madeley tract, and along the fence thereon a distance of 1,282.20 feet to point for corner, said point being in the north boundary line of said S. W. Bilsing tract;

Thence N. 74° 51' W. along a south boundary line of said C. E. Stanley tract and the north boundary line of said S. W. Bilsing tract, and along the fence thereon, a distance of 538.61 feet to point for corner;

Thence N. 73° 55' W. continuing along a south boundary line of said C. E. Stanley tract and the north boundary line of said S. W. Bilsing tract, and along the fence thereon, a distance of 673.62 feet to point for corner;

Thence S. 46° 42' W. along a southeast Boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract, and along the fence thereon, a distance of 1,015.85 feet to point for corner;

Thence S. 45° 21' W. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract and along the fence thereon, a distance of 619.35 feet to point for corner;

Thence S. 46° 40' W. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract a distance of 388.50 feet to point for corner;

Thence S. 46° 26' W. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract, and along the fence thereon, a distance of 382.13 feet to the place of beginning containing 386.68 acres of land, more or less.

It is especially understood and agreed that while there are not conveyed and there are not included within the foregoing description of the lands hereby conveyed certain gullies, low areas, arms or inlets which extend inwardly from the lands conveyed hereby back into the remaining lands of GRANTOR not conveyed hereby; that is, while it appears from the foregoing field notes that the boundary separating the lands hereby conveyed from the GRANTOR'S remaining lands not hereby conveyed, is in general along the 201.0 contour above mean sea level, there are certain points at which instead of following such contour toward the source or upper end of such gullies, low areas, arms or inlets, the boundary or "severance" line extends across such gullies, low areas, arms, or inlets. A consideration of this conveyance and of the purchase by the GRANTEE evidenced hereby is that the GRANTEE shall have the right and authority and a permanent easement to overflow, flood and back water from a reservoir to be constructed by GRANTEE into said gullies, low areas, arms or inlets. Development for and production of oil, gas or other minerals upon and under the inundated portions of such gullies, low areas, arms and inlets shall be subject to the same provisions with reference to the manner of drilling, exploration and production as is provided herein for the surface of such lands hereby conveyed.

There is reserved from the conveyance hereby made all of the timber on the above described lands which is removed therefrom by GRANTOR within a period of three (3) months from date of execution of this deed; provided nevertheless, that the within and foregoing reserved estate in the timber, whether cut or uncut, shall absolutely cease and terminate as to all of such timber which is not removed from said lands within the time above

provided; and by virtue of this conveyance the title to any of the timber not removed within such time shall at the expiration of such time vest in GRANTEE.

There is also reserved from the conveyance hereby made all the oil, gas and other minerals underneath or underlying the lands hereby conveyed, subject and subordinate however to the right of GRANTEE to construct, maintain and operate on and over the above-described lands, or adjacent thereto, a reservoir for impounding water; provided, further, that GRANTOR, their heirs, successors and assigns shall not have the right by virtue of this reservation to drill upon or explore for, develop or produce any oil, gas or other minerals on or above the surface of the lands hereby conveyed. In the event GRANTOR, their heirs, successors and assigns, desire to undertake angle or directional drilling upon any lands other than the lands conveyed hereby, that are owned or retained by them, such drilling exploration and production shall be performed and conducted so as not to endanger, damage, contaminate or pollute the said reservoir or water supply created thereby. In such event, and during any such angle or directional drilling, exploration or production of oil, gas or other minerals, GRANTOR, their heirs, successors, and assigns shall dispose of any and all materials, waste matter, or otherwise so that it shall in no way drain off, flow into or be deposited, in any manner, into the said reservoir; and GRANTOR, their heirs, successors and assigns shall be liable in damages to GRANTEE for any pollution, damage or injury to the said reservoir and water supply created thereby resulting from the drilling, exploration or production of oil, gas or other minerals.

GRANTOR does hereby further grant and convey to GRANTEE, and GRANTEE, its agents and representatives, shall have along the entire border of the reservoir where it touches upon or abuts the retained or remaining lands of GRANTOR, their heirs, successors and assigns, and within the aforesaid gullies, low areas, arms or inlets, the right (but not the duty nor obligation) to enter upon any of said lands at any time or times hereafter to clear, remove, destroy or dispose of any trees, underbrush, trash, obstructions, debris or any other thing which would in any way pollute the said reservoir or interfere with the construction, maintenance and operation of the reservoir or tend to render the same inaccessible, unsafe or unsanitary; including the right, but not limited thereto, to prevent pollution or contamination of the said reservoir up to the level to which the waters thereof may actually from time to time wash or rise and the right to prevent the construction of or to remove any building, structure, improvement or any other thing located or to be located on said lands.

TO HAVE AND TO HOLD the above-described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said GRANTEE, its successors and assigns forever; and GRANTOR does hereby bind themselves, their heirs, assigns, successors, executors and administrators to WARRANT and FOREVER DEFEND, all and singular, the said premises unto the said GRANTEE, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof whatsoever.

This conveyance is made to consummate a negotiated sale of the above-described lands in lieu of condemnation proceedings and the consideration paid to GRANTOR includes and covers all damages

and claims which GRANTOR might have asserted in condemnation proceedings.

EXECUTED this 22nd day of July 1969


C. E. STANLEY

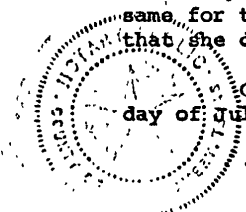

LILLIAN V. STANLEY

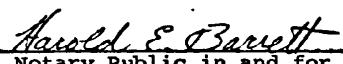

JAMES V. BLACKLOCK


MORIEL STANLEY BLACKLOCK

STATE OF TEXAS I
 I
COUNTY OF MONTGOMERY I

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared C. E. STANLEY and LILLIAN V. STANLEY, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said LILLIAN V. STANLEY, wife of the said C. E. STANLEY, having been examined by me privily and apart from her husband, and having the same fully explained to her, she the said LILLIAN V. STANLEY acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

 GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of July, A. D. 1969.

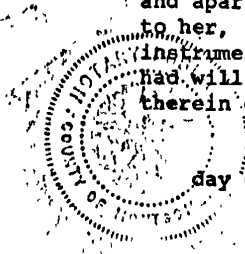

Notary Public in and for
Montgomery County, Texas

STATE OF TEXAS X
 X
COUNTY OF MONTGOMERY X

; VOL 690 PAGE 507

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared JAMES V. BLACKLOCK and MORIEL STANLEY BLACKLOCK, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said MORIEL STANLEY BLACKLOCK, wife of the said JAMES V. BLACKLOCK having been examined by me privily and apart from her husband, and having the same fully explained to her, she the said MORIEL STANLEY BLACKLOCK acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of July, A. D. 1969.



Harold E. Bassett
Notary Public in and for
Montgomery County, Texas

FILED FOR RECORD
AT 4 O'CLOCK P. M.

AUG 4 1969

ROY HARRIS, Clerk
County Clerk, Montgomery Co., Tex.
By Th. W. Thompson Deputy

Item No.	Agenda Item	Date						
11	Consider authorizing the General Manager to execute an Irrevocable Encroachment Agreement with Aisha Attique, Alina Attique, and Bushre Attique, on a San Jacinto River Authority permanent easement in the John Corner Survey, A-08, Montgomery County, Texas	07/23/2026						
BACKGROUND INFORMATION								
Aisha Attique, Alina Attique, and Bushre Attique requested permission for an Irrevocable Encroachment to construct an office, two open storage units, gravel, and fill on the San Jacinto River Authority’s (SJRA) permanent easement. The proposed Irrevocable Encroachment is in the John Corner Survey, Tract 5A-1, Montgomery County, Texas. The proposed request conforms with the Easement and Encroachment Policy as amended at the July 24, 2025, Board of Directors meeting. Aisha Attique, Alina Attique, and Bushre Attique have provided required documentation for the requested encroachment agreement. Applicant: Aisha Attique, Alina Attique, and Bushre Attique Physical Address: Walden Road Montgomery, Texas 77356 Location: John Corner Survey, Abstract 08, Tract 5A-1 <u>Irrevocable Easement Encroachment:</u> <table><tr><td>Total Administrative Reimbursement:</td><td>\$2,370.00</td></tr><tr><td>Total Irrevocable Easement Reimbursement Amount:</td><td><u>\$ 600.00</u></td></tr><tr><td>Total Amount of Reimbursement:</td><td>\$2,970.00</td></tr></table> *Administrative Reimbursement Fee included in the Disposition for Real Property.			Total Administrative Reimbursement:	\$2,370.00	Total Irrevocable Easement Reimbursement Amount:	<u>\$ 600.00</u>	Total Amount of Reimbursement:	\$2,970.00
Total Administrative Reimbursement:	\$2,370.00							
Total Irrevocable Easement Reimbursement Amount:	<u>\$ 600.00</u>							
Total Amount of Reimbursement:	\$2,970.00							
FUNDING SOURCE: N/A								
ATTACHMENTS: Written Request by Applicant, Location Map, Survey, Site plan depicting encroachments, Easement								
RECOMMENDED ACTION								
Authorize the General Manager to execute an Irrevocable Encroachment Agreement between SJRA and Aisha Attique, Alina Attique, and Bushre Attique, on a San Jacinto River Authority permanent easement in the John Corner Survey, A-08, Montgomery County, Texas.								

Aisha, Alina, Bushre Attique
19931 Ogdenburg Falls Dr. Spring, TX. 77379
battique@outlook.com
April 24, 2026

Mr. Aubrey A. Spear
General Manager
San Jacinto River Authority
PO Box 329
Conroe, Texas 77305

Re: Request to Purchase & Encroach
SJRA Property
Directly behind Tract 5A-1, John Corner Survey, Abstract 8

Dear Mr. Spear,

We own the property at the above-mentioned address, being more specifically described by John Corner Survey, Abstract 08, Tract 5A-1. There is a tract of land between our private property and the bulkhead that appears to be titled to the San Jacinto River Authority (the "Authority"). We are interested in purchasing the property.

We had a conversation with Meagan Lee, of your office, about what is involved in determining if the property is available for sale, the documents we need to provide and the potential expenses that the Authority may incur. Ms. Lee has provided us with a copy of the Board resolution and policy.

We also requesting permission for our boat storage facility to encroach on the Authority's permanent easement. We have read the draft encroachment easement and can abide by them.

Thank you for your favorable consideration, assistance and cooperation. My contact information is battique@outlook.com and (936) 900-5040 should you need to contact us.

Sincerely,

Bushre Attique

Bushre Attique

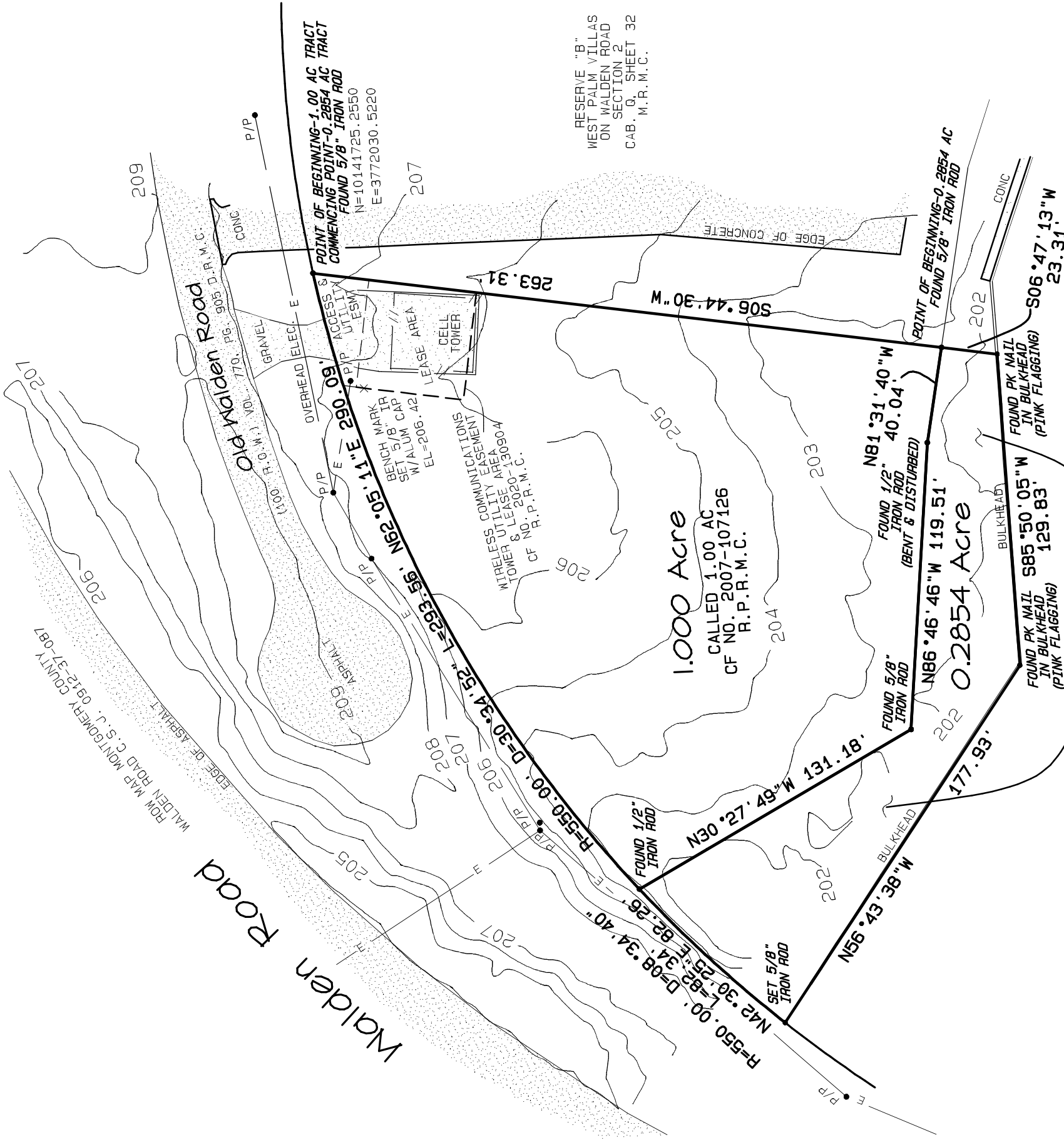
Enclosures:

1. Copy of Deed & Title Policy for Location
2. Copy of Planned/Existing Improvements
3. Boundary Survey for both Private & Authority Property
4. Metes & Bounds for both Private & Authority Property
5. Copy of any Permanent Easement Deed
6. Check for Property Purchase & Deed without Warranty

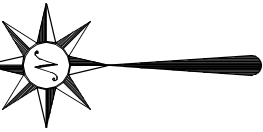


NOTES:

1. ALL BUILDING LINES AND EASEMENTS ARE PER THE RECORDED PLAT UNLESS OTHERWISE NOTED.
2. HORIZONTAL CONTROL FOR THIS SURVEY IS BASED ON GPS NAD 83 TEXAS CENTRAL ZONE STATE PLANE COORDINATES.
3. TITLE AND EASEMENT INFORMATION SHOWN HEREON IS THE RESPONSIBILITY OF OTHERS. THE SURVEYOR DOES NOT ACCEPT RESPONSIBILITY FOR ANY OF THE INFORMATION NOR ANY DECISIONS LEADING TO THE NOTING OF SAID INFORMATION.
4. THIS PROPERTY IS SUBJECT TO A FLOWAGE AND INUNDATION EASEMENT UP TO 207.0 M.S.L. IN FAVOR OF THE SAN JACINTO RIVER AUTHORITY AS PER VOL. 711, PG. 126 D.R.M.C.



SCALE: 1" = 50'
DATE: 11/6/2025
REV: 5/12/2026
ADD SURF BDRY
REV: 5/20/2026
ADD ESMT
REV: 7/2/2026 TYP0

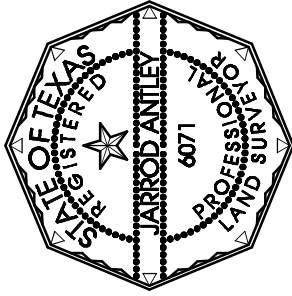


A SURVEY OF
1.000 AC & 0.2854 AC
IN THE JOHN CORNER SURVEY, A-8
MONTGOMERY COUNTY, TEXAS

I hereby certify that this survey was made on the ground under my supervision that this drawing correctly represents the facts found at the time of this survey and that this professional service substantially conforms to the current Texas Surveyors Association Standards and Specifications for a Category IB survey.

This survey was completed without the benefit of a title commitment.

Jarrod Antley, R.P.L.S.
Texas Registration No. 6071



LAND SURVEYING & MAPPING
261 SOUTH OAKRIDGE DRIVE, CLEVELAND, TEXAS 77328
PH: (936) 622-8716

SAN JACINTO
RIVER AUTHORITY
VOL. 690, PG. 497 & PG. 484
D.R.M.C.

Lake Conroe

234702

THE STATE OF TEXAS }
COUNTY OF MONTGOMERY }

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DEEDS

EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT we, C. E. STANLEY, and wife, LILLIAN V. STANLEY, JAMES V. BLACKLOCK, and wife MORIEL STANLEY BLACKLOCK of the County of Montgomery, State of Texas, will hereinafter be designated as "GRANTOR", whether one or more and to include both the singular and the plural.

THAT, SAN JACINTO RIVER AUTHORITY, a body politic and corporate existing under and by virtue of the laws of the State of Texas, and having its principal offices in Conroe, Montgomery County, Texas, will hereinafter be designated as "GRANTEE".

THAT in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good, valuable and sufficient consideration, this day in cash paid to GRANTOR by GRANTEE, the receipt and sufficiency of which is hereby acknowledged, and for which no lien, either express or implied, is retained or shall exist.

GRANTOR has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY, unto GRANTEE permanent easement rights, for the uses and purposes hereinafter stated, in, upon and over all that certain land lying and being situated within the Wm. Atkins Survey, Abstract No. 3 and the Jno. Corner Survey, Abstract No. 8, Montgomery County, Texas, as hereinafter more particularly described as follows:

TRACT # 1

Beginning at a point in the most southerly southeast corner of the C. E. Stanley 887.45 (called) acre tract and the southwest corner of the S. W. Bilsing 479.00 (called) acre tract;

Thence N. 44° 01' E. along a southeast boundary line of said C. E. Stanley tract and the northwest

boundary line of said S. W. Bilsing tract a distance of 653.00 feet to point for corner;

Thence N. 45° 53' E. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract a distance of 913.30 feet to point for corner;

Thence N. 46° 26' E. continuing along a southeast boundary line of said C. E. Stanley tract and the northwest boundary line of said S. W. Bilsing tract a distance of 1,136.22 feet to point for corner, said point being the place of beginning of the following described tract of land, said point also being on contour 207.00;

Thence along contour 207.00 as follows:

Thence	N. 62° 17' W.	8.70	feet
"	N. 84° 03' W.	145.27	"
"	S. 73° 58' W.	166.84	"
"	S. 84° 42' W.	141.91	"
"	S. 62° 24' W.	108.43	"
"	S. 58° 45' W.	59.30	"
"	N. 62° 46' W.	123.38	"
"	S. 87° 00' W.	108.91	"
"	N. 00° 45' E.	85.18	"
"	N. 07° 00' E.	213.57	"
"	N. 12° 38' W.	103.38	"
"	N. 68° 35' W.	220.80	"
"	N. 78° 04' W.	126.00	"
"	S. 89° 27' W.	142.62	"
"	S. 70° 48' W.	176.15	"
"	S. 58° 55' W.	154.81	"
"	S. 85° 30' W.	103.33	"
"	S. 88° 42' W.	169.13	"
"	S. 58° 11' W.	119.22	"
"	S. 84° 06' W.	45.91	"
"	N. 38° 31' W.	653.55	"
"	N. 18° 34' W.	117.21	"
"	N. 57° 59' W.	77.02	"
"	N. 70° 05' W.	162.99	"
"	N. 63° 15' W.	92.63	"
"	N. 81° 10' W.	145.16	"

Thence N. 63° 41' W. continuing along contour 207.00 a distance of 144.63 feet to point for corner, said point being in the west boundary line of said C. E. Stanley tract;

Thence N. 09° 46' W. along the west boundary line of said C. E. Stanley tract a distance of 151.46 feet to point for corner, said point being on contour 201.00;

Thence along contour 201.00 as follows:

Thence	S. 53° 19' E.	150.79	feet
"	S. 51° 51' E.	96.90	"
"	S. 65° 47' E.	103.05	"
"	S. 68° 43' E.	420.50	"
"	S. 52° 13' E.	71.28	"
"	S. 15° 55' E.	237.73	"
"	S. 36° 59' E.	225.10	"
"	S. 47° 21' E.	110.36	"
"	N. 79° 40' E.	174.20	"
"	N. 75° 12' E.	127.04	"
"	N. 82° 10' E.	89.10	"
"	S. 80° 58' E.	52.10	"
"	N. 77° 05' E.	292.88	"
"	N. 83° 30' E.	122.92	"
"	S. 80° 25' E.	81.82	"
"	S. 76° 50' E.	279.35	"
"	S. 48° 29' E.	102.32	"
"	S. 20° 10' E.	141.07	"
"	S. 29° 38' E.	133.70	"
"	S. 18° 57' E.	93.82	"
"	N. 68° 24' E.	104.43	"
"	N. 85° 04' E.	205.36	"
"	N. 86° 43' E.	129.26	"
"	S. 82° 34' E.	216.68	"

Thence S. 70° 05' E. continuing along contour 201.00 a distance of 15.39 feet to point for corner, said point being in a southeast boundary line of said C. E. Stanley tract and the north-west boundary line of said Mrs. S. W. Bilsing tract;

Thence S. 46° 26' W. along a southeast boundary line of said C. E. Stanley tract and the north-west boundary line of said Mrs. S. W. Bilsing tract a distance of 58.05 feet to the place of beginning containing 6.93 acres of land, more or less.

TRACT # 2

Beginning at a point in the west boundary line of the C. E. Stanley 887.45 (called) acre tract and the east boundary line of the Clara B. Stewart Est. 564.60 (called) acre tract, said point being N. 09° 16' W. a distance of 998.63 feet from the most northerly northwest corner of Tract No. 1 described above, said point also being on contour 201.00, said point also being the place of beginning of the following described tract;

Thence N. 9° 21' W. along the west boundary line of said C. E. Stanley tract and the east boundary line of said Clara B. Stewart Est. tract a distance of 202.18 feet to point for corner, said point being on contour 207.00;

Thence along contour 207.00 as follows:

Thence	S. 69° 30' E.	2.89	feet
"	S. 82° 00' E.	219.74	"
"	S. 89° 36' E.	172.15	"
"	S. 76° 02' E.	236.02	"

Thence			Feet
"	S. 00° 10' E.	62.04	"
"	S. 31° 43' E.	172.03	"
"	S. 70° 43' E.	256.67	"
"	N. 89° 06' E.	116.78	"
"	N. 34° 53' W.	139.35	"
"	N. 65° 03' W.	102.13	"
"	N. 44° 06' E.	114.04	"
"	S. 84° 49' E.	149.77	"
"	N. 80° 43' E.	85.65	"
"	N. 64° 40' E.	276.32	"
"	N. 71° 38' E.	181.83	"
"	N. 26° 54' E.	150.00	"
"	N. 03° 07' E.	113.66	"
"	N. 09° 15' W.	224.33	"
"	N. 19° 42' W.	173.82	"
"	N. 42° 53' W.	151.07	"
"	N. 54° 39' W.	173.65	"
"	N. 38° 37' W.	123.82	"
"	N. 25° 37' W.	201.43	"
"	N. 46° 14' W.	173.64	"
"	N. 71° 33' W.	100.44	"
"	N. 86° 06' W.	101.58	"
"	S. 68° 06' W.	114.30	"
"	S. 54° 41' W.	342.55	"
"	S. 70° 06' W.	130.54	"
"	N. 88° 50' W.	150.11	"
"	N. 58° 26' W.	115.55	"
"	N. 27° 36' W.	98.75	"
"	N. 13° 47' W.	481.00	"
"	N. 30° 43' W.	173.42	"

Thence N. 45° 55' W. continuing along contour 207.00 a distance of 288.80 feet to point for corner, said point being in the west boundary line of said C. E. Stanley tract and the east boundary line of said Clara B. Stewart Est. tract;

Thence N. 09° 21' W. along the west boundary line of said C. E. Stanley tract a distance of 208.04 feet to point for corner, said point being on contour 201.00;

Thence along contour 201.00 as follows:

Thence			feet
"	S. 47° 15' E.	135.32	"
"	S. 42° 52' E.	116.65	"
"	S. 37° 33' E.	177.97	"
"	S. 32° 04' E.	145.40	"
"	S. 27° 26' E.	87.12	"
"	S. 19° 44' E.	258.98	"
"	S. 10° 11' E.	137.00	"
"	S. 12° 23' E.	73.30	"
"	S. 36° 37' E.	60.60	"
"	S. 71° 23' E.	133.70	"
"	N. 81° 53' E.	129.10	"
"	N. 56° 02' E.	348.40	"
"	N. 70° 09' E.	139.80	"
"	S. 81° 44' E.	158.63	"
"	S. 64° 12' E.	121.35	"
"	S. 42° 15' E.	164.06	"
"	S. 30° 42' E.	223.45	"
"	S. 43° 52' E.	360.12	"
"	S. 28° 28' E.	152.82	"
"	S. 14° 39' E.	383.16	"
"	S. 05° 10' E.	184.62	"

Thence	S. 22° 09' W.	124.87	feet
"	S. 52° 28' W.	169.52	"
"	S. 63° 32' W.	362.72	"
"	S. 13° 17' W.	114.46	"
"	S. 23° 55' W.	129.38	"
"	S. 80° 02' W.	156.80	"
"	N. 69° 31' W.	481.65	"
"	N. 50° 31' W.	178.54	"
"	N. 25° 04' W.	62.22	"
"	S. 72° 44' W.	86.90	"
"	N. 82° 20' W.	235.37	"

Thence N. 79° 46' W. continuing along contour 201.00 a distance of 161.65 feet to the place of beginning containing 16.64 acres of land, more or less.

Tract #3.

Beginning at a point in the most easterly southeast corner of the C. E. Stanley 887.45 (called) acre tract;

Thence S. 45° 57' W. along a southeast boundary line of said C. E. Stanley tract and a northwest boundary line of the Dan H. Madeley tract a distance of 995.24 feet to point for corner;

Thence S. 00° 31' W. along an east boundary line of said C. E. Stanley tract and a west boundary line of said Dan H. Madeley tract a distance of 21.97 feet to point for corner, said point being the place of beginning of the following described tract, said point also being on contour 207.00;

Thence S. 00° 31' W. continuing along said east boundary line of said C. E. Stanley tract a distance of 140.00 feet to point for corner, said point being on contour 201.00;

Thence along contour 201.00 as follows:

Thence	N. 64° 50' W.	115.05	feet
"	N. 56° 44' W.	178.35	"
"	N. 60° 44' W.	141.88	"
"	N. 67° 44' W.	101.45	"
"	N. 58° 04' W.	187.52	"
"	N. 46° 52' W.	166.10	"
"	N. 63° 41' W.	183.03	"
"	N. 83° 18' W.	408.78	"
"	S. 33° 50' W.	84.23	"
"	S. 20° 49' W.	79.85	"
"	S. 04° 11' W.	62.31	"
"	S. 06° 55' E.	114.05	"
"	S. 56° 59' E.	66.20	"
"	S. 33° 36' E.	93.55	"
"	S. 21° 26' E.	233.35	"
"	S. 51° 44' W.	134.50	"
"	N. 74° 43' W.	120.37	"
"	S. 34° 03' W.	136.40	"

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Thence	S. 11° 10' E.	176.78	feet
"	S. 73° 05' W.	88.20	"
"	N. 69° 12' W.	105.73	"
"	S. 69° 17' W.	77.15	"
"	N. 75° 02' W.	80.80	"
"	N. 17° 43' W.	146.80	"
"	N. 42° 10' W.	61.40	"
"	N. 47° 36' W.	73.60	"
"	N. 58° 26' W.	42.70	"
"	N. 31° 35' W.	119.84	"
"	N. 71° 31' W.	77.50	"
"	N. 84° 41' W.	194.78	"
"	N. 36° 15' W.	169.20	"
"	N. 05° 06' W.	99.74	"
"	N. 26° 51' E.	105.36	"
"	N. 07° 22' E.	150.00	"
"	N. 47° 51' E.	193.00	"
"	N. 25° 55' E.	190.78	"
"	N. 12° 58' E.	206.78	"
"	N. 04° 25' W.	99.60	"
"	N. 35° 06' W.	94.52	"
"	N. 23° 37' W.	76.31	"
"	S. 04° 56' E.	80.18	"
"	S. 26° 33' E.	98.44	"
"	S. 29° 17' W.	135.80	"
"	S. 44° 20' W.	368.05	"
"	S. 54° 44' W.	176.70	"
"	S. 76° 58' W.	101.10	"
"	S. 68° 13' W.	173.75	"
"	N. 86° 07' W.	139.70	"
"	N. 18° 47' W.	127.78	"
"	N. 21° 32' W.	143.50	"
"	N. 12° 45' W.	169.58	"
"	N. 43° 58' W.	144.50	"
"	S. 81° 18' W.	142.10	"
"	N. 53° 46' W.	246.55	"
"	N. 24° 16' W.	159.50	"
"	N. 12° 55' W.	80.10	"
"	N. 58° 36' W.	91.25	"
"	N. 68° 33' W.	147.55	"
"	N. 54° 14' W.	78.30	"
"	N. 42° 44' W.	89.30	"
"	N. 27° 26' E.	70.36	"
"	N. 02° 51' E.	69.38	"
"	N. 16° 23' E.	154.68	"
"	N. 18° 31' E.	138.78	"
"	N. 40° 36' E.	51.80	"
"	N. 25° 24' W.	35.65	"
"	N. 65° 04' W.	83.92	"
"	N. 60° 12' W.	80.90	"
"	N. 50° 57' W.	61.57	"
"	N. 61° 07' W.	63.84	"
"	S. 81° 35' W.	187.18	"
"	S. 89° 39' W.	121.95	"
"	S. 79° 36' W.	95.82	"
"	N. 81° 17' W.	72.28	"
"	N. 59° 02' W.	132.30	"
"	S. 86° 07' W.	144.75	"
"	N. 89° 42' W.	100.05	"
"	N. 48° 48' W.	58.65	"
"	N. 04° 55' E.	37.70	"

Thence	N. 55° 56' E.	65.77	feet
"	N. 27° 35' W.	39.20	"
"	N. 75° 38' W.	85.65	"
"	N. 43° 24' W.	111.46	"
"	N. 16° 31' W.	88.50	"
"	N. 13° 21' W.	86.37	"
"	N. 29° 39' W.	94.79	"
"	N. 43° 29' W.	69.38	"
"	N. 53° 21' W.	106.56	"
"	N. 58° 49' W.	108.41	"
"	S. 26° 32' W.	52.06	"
"	S. 78° 08' W.	38.06	"
"	N. 72° 11' W.	84.75	"
"	N. 36° 25' W.	71.62	"
"	N. 55° 15' W.	127.13	"
"	N. 60° 59' W.	89.67	"
"	N. 25° 06' W.	77.60	"
"	N. 11° 53' E.	86.70	"
"	N. 25° 50' W.	162.28	"
"	S. 78° 15' W.	66.09	"
"	S. 54° 44' W.	77.07	"
"	N. 66° 41' W.	89.00	"
"	N. 69° 11' W.	177.13	"
"	N. 78° 22' W.	115.55	"
"	N. 83° 37' W.	119.57	"

Thence N. 27° 09' W. continuing along contour 201.00 a distance of 346.41 feet to point for corner, said point being in the north boundary line of said C. E. Stanley tract and the south boundary line of the W. J. Smith 600.00 (called) acre tract;

Thence S. 87° 58' E. along said north boundary line of said C. E. Stanley tract and the south boundary line of said W. J. Smith tract a distance of 213.85 feet to point for corner, said point being on contour 207.00;

Thence along contour 207.00 as follows:

Thence	S. 05° 45' W.	181.40	feet
"	S. 77° 04' E.	71.02	"
"	N. 43° 13' E.	116.18	"
"	S. 77° 42' E.	146.32	"
"	S. 69° 44' E.	115.55	"
"	N. 82° 21' E.	212.05	"
"	N. 58° 11' E.	100.52	"
"	N. 37° 08' E.	105.85	"
"	S. 08° 30' W.	91.10	"
"	S. 20° 39' E.	82.55	"
"	S. 37° 54' E.	103.07	"
"	S. 56° 36' E.	142.96	"
"	S. 52° 56' E.	92.51	"
"	S. 46° 49' E.	75.34	"
"	S. 08° 15' E.	77.23	"
"	S. 24° 42' W.	105.74	"
"	S. 30° 45' E.	87.16	"
"	S. 46° 59' E.	59.70	"
"	S. 59° 09' E.	105.04	"
"	S. 43° 06' E.	116.90	"
"	S. 34° 08' E.	120.18	"
"	S. 15° 39' E.	148.51	"
"	S. 30° 50' E.	96.10	"

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Thence	N. 83° 42' E.	62.33	feet
"	N. 51° 28' E.	67.22	"
"	N. 25° 23' E.	85.80	"
"	N. 86° 30' E.	33.55	"
"	S. 11° 14' W.	77.92	"
"	S. 09° 15' E.	79.11	"
"	S. 36° 29' E.	93.08	"
"	N. 77° 00' E.	218.40	"
"	N. 67° 45' E.	116.20	"
"	N. 80° 13' E.	106.62	"
"	S. 88° 39' E.	127.73	"
"	S. 84° 30' E.	116.40	"
"	S. 35° 50' E.	202.98	"
"	S. 62° 59' E.	144.17	"
"	N. 54° 06' E.	93.88	"
"	S. 85° 40' E.	87.12	"
"	S. 69° 35' E.	71.57	"
"	S. 32° 29' E.	109.78	"
"	S. 10° 57' E.	134.60	"
"	S. 45° 24' W.	150.32	"
"	S. 00° 56' E.	152.80	"
"	N. 80° 21' E.	104.67	"
"	N. 87° 32' E.	97.96	"
"	S. 70° 06' E.	63.55	"
"	S. 15° 25' W.	73.90	"
"	S. 83° 28' W.	91.52	"
"	S. 12° 41' E.	204.25	"
"	S. 05° 32' E.	159.97	"
"	S. 33° 28' W.	109.75	"
"	S. 65° 04' E.	95.90	"
"	N. 38° 53' E.	79.60	"
"	N. 81° 22' E.	135.14	"
"	S. 79° 56' E.	100.70	"
"	S. 60° 15' E.	152.47	"
"	N. 07° 10' W.	164.55	"
"	N. 65° 53' E.	145.56	"
"	S. 21° 01' E.	140.61	"
"	S. 68° 39' E.	217.51	"
"	N. 04° 42' W.	73.70	"
"	N. 32° 43' W.	118.21	"
"	N. 13° 28' W.	210.86	"
"	N. 11° 37' E.	122.02	"
"	N. 88° 13' E.	108.23	"
"	S. 73° 47' E.	148.68	"
"	S. 05° 09' W.	73.58	"
"	S. 80° 26' E.	160.22	"
"	S. 60° 25' E.	141.71	"
"	S. 42° 33' E.	164.57	"
"	S. 74° 10' E.	85.73	"
"	N. 74° 11' E.	136.33	"
"	S. 59° 44' E.	153.20	"
"	S. 71° 10' E.	177.92	"
"	S. 62° 13' E.	110.53	"
"	S. 42° 59' E.	231.77	"
"	S. 65° 33' E.	402.90	"
"	S. 38° 46' E.	194.30	"
"	S. 50° 34' E.	524.94	"
"	S. 44° 12' E.	322.91	"

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Thence S. 59° 57' E. continuing along contour
207.00 a distance of 137.14 feet to the place
of beginning containing 92.66 acres of land,
more or less.

It is understood and agreed by GRANTOR and GRANTEE that whether specifically described above or not, this conveyance of easement covers all land below elevation 207.00 feet, mean sea level, and all of the land on any island or islands created by the inundation, by water, of the land owned by GRANTOR in the survey or surveys above referred to, and no further claim shall be made for payment for land situated below said elevation 207.00 feet, mean sea level, contour and such islands as may be created.

The permanent easement rights herein granted are for the following uses and purposes, to-wit;

(a) The right to overflow, flood or cover such land, at any time or times hereafter, with floodwater, slack water or backwater created by the construction, maintenance and operation by GRANTEE of a dam, and the reservoir for the storage of water created by the construction of such dam with all appurtenant works, across the San Jacinto River in Montgomery County, Texas;

(b) The right to enter upon said land, at any time or times hereafter, and clear, destroy or dispose of any timber, brush, obstruction, accumulation, trash, filth or any other thing which would in any way interfere with the construction, maintenance and operation of such dam and reservoir or tend to render the same inaccessible, unsafe or unsanitary;

(c) The right to enter upon said land, at any time or times hereafter, and do whatever is reasonably necessary in the sole discretion of GRANTEE, to prevent the draining or dumping of refuse, sewage or other material into such reservoir and to carry out an effective program of pollution control; and ,

(d) The right to prevent the construction of or to remove any building, structure, improvement or any other thing located or to be located on such land, the erection or construction of which has not been approved under the terms of this instrument.

It is understood and agreed by GRANTOR and GRANTEE that no building, wharf, pier or structure of any kind shall hereafter be erected, placed or constructed on the above-described land, nor any excavation made thereon or therein, by GRANTOR without the written consent of GRANTEE, and it is further agreed that this covenant shall attach to and run with the land. It is further understood and agreed by GRANTOR and GRANTEE that certain buildings, excavations and other structures will be approved by GRANTEE if, in the sole discretion of GRANTEE, the construction of same would not in any way interfere with the construction, maintenance or operation of such dam or reservoir or tend to render the same or any other properties inaccessible, unsafe, or unsanitary. GRANTEE will issue rules and regulations regarding the approved type of buildings, excavations and other structures that may be permitted, and said rules and regulations that apply under this agreement will be the same as applied generally to other areas around the reservoir between the 201.00 and 207.00 elevation.

TO HAVE AND TO HOLD the above-described property and rights, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said GRANTEE, its successors and assigns, forever; and GRANTOR does hereby bind themselves, their heirs, executors, administrators, successors and assigns, to WARRANT and FOREVER DEFEND, all and singular, the said property and rights unto the said GRANTEE, its successors and assigns, against every person whosoever lawfully claiming

or to claim the same or any part thereof.

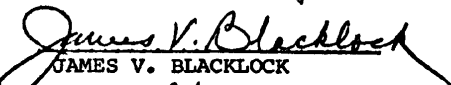
Except as herein expressly prohibited, GRANTOR shall have the right to use the above-described land jointly with GRANTEE as set forth herein, but it is especially understood and agreed that GRANTOR assumes all risks of loss or damage to GRANTOR's crops, structures or property thereon in any way arising or resulting from the construction, maintenance or operation of the above-mentioned dam and reservoir

This conveyance is made to consummate a negotiated disposition of the above described property and rights in lieu of condemnation proceedings and the consideration paid to GRANTOR includes and covers all damages and claims which GRANTOR might have asserted in condemnation proceedings.

EXECUTED this 22nd day of July 1969


C. E. STANLEY


LILLIAN V. STANLEY


JAMES V. BLACKLOCK

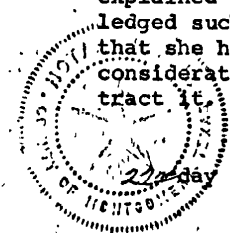

MORIEL STANLEY BLACKLOCK

STATE OF TEXAS

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COUNTY OF MONTGOMERY

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared JAMES V. BLACKLOCK and MORIEL STANLEY BLACKLOCK, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said MORIEL STANLEY BLACKLOCK, wife of the said JAMES V. BLACKLOCK, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said MORIEL STANLEY BLACKLOCK acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.



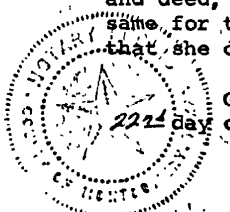
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of July, A. D. 1969.

Harold E. Barrett
Notary Public in and for
Montgomery County, Texas

STATE OF TEXAS

COUNTY OF MONTGOMERY

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared C. E. STANLEY and LILLIAN V. STANLEY, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said LILLIAN V. STANLEY, wife of the said C. E. STANLEY, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said LILLIAN V. STANLEY acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.



GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of July, A. D. 1969

Harold E. Barrett
Notary Public in and for
Montgomery County, Texas

FILED FOR RECORD
AT 4 O'CLOCK P. M.

AUG 4 1969

ROY HARRIS, Clerk
County of Montgomery Co., Tex.
By W. L. Harris Deputy