



**Board of Directors Meeting
October 24, 2024**



Agenda
Regular Meeting
San Jacinto River Authority Board of Directors
Thursday, October 24, 2024 - 8:00 A.M.
General and Administration Building - Boardroom
1577 Dam Site Road, Conroe, Texas 77304

1. Call to Order

2. Ceremonial Items

2.1 Invocation - Pastor David Reynolds, Lone Star Cowboy Church

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

2.3 Receipt of Commendations, Awards, and Honoraria

Receive the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting on behalf of the Accounting Department.

3. Public Comments (3 minutes per speaker)

4. Work Session

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

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

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

4.3 Update on requests from GRP Participants for SJRA to supply their utility with surface water.

5. Consent Agenda

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

5.1 G&A - Minutes

Approval of Minutes - Regular Meeting of September 26, 2024.

5.2 G&A - Unaudited Financials

Consider approval of the unaudited financials for the month of July, 2024.

6. Regular Agenda

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

6.1 Flood Management - Interlocal Agreement - Lake Conroe-Lake Houston Joint Reservoir Operations Study

Consider authorizing the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, City of Houston, Texas, and City of Humble, Texas, for the Lake Conroe-Lake Houston Joint Reservoir Operations Study.

6.2 GRP - Request by the MUDs 88, 89, and Spring Creek Utility District for Surface Water

Consider a recommendation from the GRP Review Committee regarding Montgomery County MUD 88, Montgomery County MUD 89, and Spring Creek Utility District request for surface water supply.

7. Executive Session

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

7.1 Discussion regarding items identified elsewhere on the agenda pursuant to Texas Government Code Sections 551.071, Consultation with Attorney; 551.072, Real Property; 551.073, Prospective Gifts; 551.074, Personnel Matters; or 551.076, Security Devices, as applicable.

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

- 7.2.1** Litigation related to Hurricane Harvey, including additional legal services to be provided;
- 7.2.2** Pending litigation involving City of Conroe, City of Magnolia, Quadvest, L.P., Woodland Oaks Utility, L.P., related to GRP, and other potential litigation related to GRP; and
- 7.2.3** Water Supply Contract dated October 16, 2009, between the San Jacinto River Authority and the City of Houston.

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

- 7.3.1** Lake Conroe Park;
- 7.3.2** Conroe Lake House; and
- 7.3.3** Lease agreement with U.S. Forest Service for property associated with Lake Conroe Reservoir.

8. Reconvene In Open Session

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

9. Announcements / Future Agenda

Next San Jacinto River Authority Regular Board Meeting - December 12, 2024.

10. Adjourn

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

Item No.	Agenda Item	Date
5.1	Consider approval of minutes from the Board of Directors meeting of September 26, 2024.	10/24/2024

BACKGROUND INFORMATION

FUNDING SOURCE: N/A

ATTACHMENTS: Minutes

RECOMMENDED ACTION

Approve the minutes of the September 26, 2024, Board of Directors meeting.

Item No.	Agenda Item	Date
5.2	Consider approval of the unaudited financials for the month of July, 2024.	10/24/2024

BACKGROUND INFORMATION

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

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

FUNDING SOURCE: N/A

ATTACHMENTS: Unaudited Financials will be provided under separate cover

RECOMMENDED ACTION

Approve the unaudited financial statements for the month of July, 2024.

Item No.	Agenda Item	Date
6.1	Consider authorizing the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, City of Houston, Texas, and City of Humble, Texas, for the Lake Conroe - Lake Houston Joint Reservoir Operations Study.	10/24/2024
BACKGROUND INFORMATION		
<p>In 2021, City of Houston and City of Humble (the Partners) agreed to collectively fund the fifty percent local match required by the Flood Infrastructure Fund grant awarded to SJRA for the Lake Conroe - Lake Houston Joint Reservoir Operations Study. This agreement was memorialized via an interlocal agreement (the ILA) effective July 16, 2021. Per the ILA, this agreement was set to automatically expire within three years of execution, or July 16, 2024.</p> <p>This study has been on hold awaiting results of City of Houston’s preliminary design and funding acquisition efforts related to construction of additional gates at the Lake Houston Dam, causing substantial schedule delays. The City has completed these efforts and the Joint Reservoir Operations Study is anticipated to begin in early 2025.</p> <p>The proposed ILA provides for local match funding support by the Partners for an additional six years. This will provide staff ample time, including some contingency, to perform consultant selection and procurement, complete the estimated three-year long study, and perform any required Texas Water Development Board and Partner coordination.</p> <p>Staff recommends approval of the ILA.</p>		
FUNDING SOURCE: N/A		
ATTACHMENTS: Draft Interlocal Agreement		
RECOMMENDED ACTION		
Authorize the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, City of Houston, Texas, and City of Humble, Texas, for the Lake Conroe - Lake Houston Joint Reservoir Operations Study.		

Item No.	Agenda Item	Date
6.2	Presentation, discussion, and possible action on a recommendation from the GRP Review Committee regarding Montgomery County MUD 88, Montgomery County MUD 89, and Spring Creek Utility District request for surface water supply.	10/24/2024

BACKGROUND INFORMATION

Representatives from Montgomery County Municipal Utility District 88, Montgomery County Municipal Utility District 89, and Spring Creek Utility District (collectively called “the MUDs”) appeared before the GRP Review Committee in April 2023, to request surface water to supplement their water wells. The MUDs are Participants in the GRP and currently rely on groundwater to meet their water demands. The MUDs do not receive surface water from the GRP. The MUDs explained that aquifer levels are dropping, making it difficult to meet water demands. The MUDs have also explained that drilling additional groundwater wells is problematic based on the declining levels and well spacing regulations imposed by the Lone Star Groundwater Conservation District. The MUDs made an official request on March 22, 2024, for approximately 200,000 gallons per day initially and up to 500,000 gallons per day at ultimate demand.

The MUDs have completed a feasibility study to determine a route for extending a transmission line along with working with SJRA to develop a water supply agreement identifying the terms and conditions to supply surface water and pay the associated costs. At the direction of the GRP Review Committee, SJRA has developed a proposed Supplemental Agreement whereby MUD 89, on behalf of the MUDs, will design and construct an extension to SJRA's surface water transmission facilities so that the GRP may deliver surface water to a MUD 89 water plant. This design and construction will be funded by the MUDs at no expense to the GRP. Upon completion, MUD 89 will convey the transmission extension (and related real property rights) to the GRP to own, operate and maintain. The GRP will then supply MUD 89 with at least 200,000 gallons per day initially and up to 500,000 gallons per day at ultimate demand.

The GRP is able to meet the demands of the MUDs without increasing the output of the GRP surface water plant because MidSouth, a GRP Participant that was receiving surface water, suffered a fire at the water plant that received surface water. MidSouth is expected to provide a letter confirming that it does not intend to rebuild the infrastructure necessary to receive surface water from the GRP. As a result, the surface water allocated by the GRP to MidSouth may be re-allocated.

The GRP Review Committee will consider this item at their meeting on October 21, 2024, and it is anticipated that a recommendation will be made for consideration at the SJRA Board of Directors meeting.

FUNDING SOURCE: N/A

ATTACHMENTS: Letter of Request from the MUDs and Draft Supplemental Agreement.

RECOMMENDED ACTION

Authorize the General Manager to conclude negotiations and execute a Supplemental Agreement with Montgomery County Municipal Utility District 89 for construction of transmission facilities and the delivery of surface water from the GRP.