



**Board of Directors Meeting
December 12, 2024**



Agenda
Regular Meeting
San Jacinto River Authority Board of Directors
Thursday, December 12, 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 Anthony Rios of The Ark Church

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

2.3 Receipt of Commendations, Awards, and Honoraria

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 Presentation by the Lake Conroe Division regarding Aquatic Plant Management.

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 October 24, 2024.

5.2 G&A - Unaudited Financials

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

5.3 G&A - Quarterly Investment Report

Consider approval of the Quarterly Investment Report for the Quarter Ended November 30, 2024.

5.4 Lake Conroe - Acceptance of Funds for Herbicide Spraying Around Lake Conroe

Consider acceptance of funds from Lake Conroe Association for herbicide spraying around Lake Conroe.

6. Regular Agenda

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

6.1 Highlands - Work Order No. 2 for Lake Houston Pump Station Pump and Motor Replacement

Consider authorizing the General Manager to execute Work Order No. 2 with Mbroh Engineering, Inc., for final design for Lake Houston Pump Station Pump and Motor Replacement in Highlands.

6.2 Raw Water Enterprise - Water Supply Contract with Entergy, Texas, Inc.

Consider authorizing the General Manager to execute a Water Supply Contract with Entergy Texas, Inc., for the Raw Water Enterprise.

6.3 GRP - First Amendment to Water Supply Contract with Entergy Texas, Inc.

Consider authorizing the General Manager to negotiate and execute the First Amendment to Water Supply Contract with Entergy Texas, Inc., for the GRP Division.

6.4 Raw Water Enterprise - Water Supply Contract with Harris County MUD No. 50

Consider authorizing the General Manager to execute a Water Supply Contract with Harris County MUD No. 50 for the Raw Water Enterprise.

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

7.2.2 Litigation related to GRP.

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

7.3.1 Discussion regarding Lake Conroe Park.

7.3.2 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 - January 23, 2025.

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 October 24, 2024.	12/12/2024

BACKGROUND INFORMATION

FUNDING SOURCE: N/A

ATTACHMENTS: Minutes

RECOMMENDED ACTION

Approve the minutes of the October 24, 2024, Board of Directors meeting.

Item No.	Agenda Item	Date
5.2	Consider approval of the unaudited financials for the month of September, 2024.	12/12/2024

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 September, 2024.

Item No.	Agenda Item	Date
5.3	Consider approval of the Quarterly Investment Report for the Quarter Ended November 30, 2024.	12/12/2024

BACKGROUND INFORMATION

The Quarterly Investment Report presents the investment balances and activity for San Jacinto River Authority funds, including investment strategy for each fund, in compliance with the provisions of the San Jacinto River Authority Investment Policy and the Public Funds Investment Act (Chapter 2256, Government Code).

FUNDING SOURCE: N/A

ATTACHMENTS: Quarterly Investment Report will be provided under separate cover

RECOMMENDED ACTION

Approve the quarterly investment report for the quarter ended November 30, 2024.

Item No.	Agenda Item	Date
5.4	Consider acceptance of funds from Lake Conroe Association (“LCA”) for herbicide spraying around Lake Conroe.	12/12/2024

BACKGROUND INFORMATION

The LCA is a 501(c)(3) non-profit corporation formed in 1977 by a group of concerned property owners and local businesses to help in the control of invasive aquatic plant species on Lake Conroe.

Last month, the LCA generously donated \$38,600, to assist in the purchase of 1600 PDU to treat approximately 80-acres of hydrilla on Lake Conroe. The contribution represents approximately one-half of the total cost of the herbicide. LCA has donated funds previously to assist in defraying the cost of hydrilla treatment. SJRA is extremely grateful for their support and partnership in this endeavor.

Staff recommends accepting the donation from the LCA for the purchase of herbicide to treat hydrilla on Lake Conroe.

FUNDING SOURCE: N/A

ATTACHMENTS: N/A

RECOMMENDED ACTION

Accept a donation from Lake Conroe Association in the amount of \$36,800, to be used for treating hydrilla on Lake Conroe.

Item No.	Agenda Item	Date
6.1	Consider authorizing the General Manager to execute Work Order No. 2 with Mbroh Engineering, Inc., for final design for Lake Houston Pump Station Pump and Motor Replacement in Highlands.	12/12/2024

BACKGROUND INFORMATION

Firm Name:	Mbroh Engineering, Inc.
Project:	Lake Houston Pump Station Pump and Motor Replacement
Type of Agreement:	Professional Services Agreement (Contract No. 23-0054-A WO2)
Project Description/Justification:	The SJRA has identified the need to replace the existing pumps and motors at the Lake Houston Pump Station (LHPS) due to them reaching the end of their expected service life. The LHPS was constructed in 1955 with three pumps and motors that are still in service today. The fourth pump and motor were installed in the 1980s. All four of the existing pumps and motors have been rehabilitated multiple times throughout their service life and the availability of parts and ability to rehabilitate them further is limited. The SJRA also desires to transition the pump station from the existing 2,400-volt (medium voltage) service to a 480-volt (low voltage) service to allow for ease of maintenance on the electrical components of the pump station. The current project consists of the final design and early procurement of four new pumps/motors, associated electrical components, control components, a new overhead crane, new generator, new 480-volt power distribution system, and new HVAC. All new electrical and control equipment associated with the project will be installed in the switchgear room of the Remote Operations Center (ROC) and the existing electrical equipment in the pump station building will be removed/abandoned. The final design includes routing electrical conduits from a new low voltage transformer to the new generator and ultimately the new pumps and motors via the ROC. Early procurement packages will be developed for the pumps/motors, generator, and portions of the electrical equipment as part of this work order to help maintain the project's construction schedule.
Work Order Scope:	Work Order No. 2 includes project management, early procurement package development for long lead time equipment, final design services, procurement assistance, and additional special services. Engineering drawings and specifications will be produced from this work order and used for the project's construction phase.
Key Deliverable(s):	Due Date(s):
60 % Submittal	July 14, 2025
90% Submittal	November 7, 2025
100% Submittal	December 19, 2025
Type of Compensation/Amount:	Lump Sum with Not-to-Exceed/\$1,310,366.00 Cost Plus Multiplier with Not-to-Exceed/\$114,875.00
Total Amount:	\$1,425,241.00
Construction Cost:	\$11,874,000.00 (Est.)
Anticipated Completion Date:	January 12, 2026

*See attached Exhibit 1 for additional information on prior work orders and amendments.

FUNDING SOURCE: R&R/Bond Funds

ATTACHMENTS: Exhibit 1, Map, Work Order No. 2, Scope, Level of Effort, Schedule

RECOMMENDED ACTION

Authorize the General Manager to execute Work Order No. 2 in an amount not to exceed \$1,425,241.00 with Mbroh Engineering, Inc., for final design for Lake Houston Pump Station Pump and Motor Replacement in Highlands.

Item No.	Agenda Item	Date
6.2	Consider authorizing the General Manager to execute a Water Supply Contract with Entergy Texas, Inc., for the Raw Water Enterprise.	12/12/2024

BACKGROUND INFORMATION

In January 2015, SJRA entered into a raw water supply contract (2015 Contract) with Entergy Texas, Inc. (Entergy). The 2015 Contract provided for the sale of 2.555 billion gallons of water per year (average 7 million gallons per day) from Lake Conroe to Entergy and is set to expire on December 31, 2024. Both parties wish to continue the ongoing contractual relationship, and the proposed contract allows for the provision of raw water through December 31, 2034, with an option for up to an additional ten years beyond the initial term. There is no change in the amount of water to be provided. Entergy is the second largest SJRA raw water customer on Lake Conroe behind the GRP Division. Staff recommends execution of the proposed contract, which will provide continued revenue to the Raw Water Enterprise, helping to maintain stable raw water rates benefitting all of SJRA’s raw water customers.

FUNDING SOURCE: N/A

ATTACHMENTS: Water Supply Contract

RECOMMENDED ACTION

Authorize the General Manager to execute a Water Supply Contract with Entergy Texas, Inc., for the Raw Water Enterprise.

Item No.	Agenda Item	Date
6.3	Consider authorizing the General Manager to negotiate and execute the First Amendment to Water Supply Contract with Entergy Texas, Inc., for the GRP Division.	12/12/2024

BACKGROUND INFORMATION

In January 2020, SJRA entered into a raw water supply contract (2020 Contract) with Entergy Texas, Inc. (Entergy). The 2020 Contract provides for the reservation of, and sale of up to, 2.555 billion gallons of water per year (average 7 million gallons per day) from Lake Conroe to Entergy. The contract designates the reserved water as coming from the portion of Lake Conroe's yield owned by the City of Houston and reserved by the GRP Division. Based on changes in its operations and water demands, Entergy has requested a reduction in the total amount of water reserved under this contract, from 2.555 billion gallons per year to 1.095 billion gallons per year (average 3 million gallons per day). Staff recommends approval of the proposed amendment, which provides for this reduction in total quantity.

FUNDING SOURCE: N/A

ATTACHMENTS: Draft First Amendment to Water Supply Contract

RECOMMENDED ACTION

Authorize the General Manager to negotiate and execute the First Amendment to Water Supply Contract with Entergy Texas, Inc., for the GRP Division.

Item No.	Agenda Item	Date
6.4	Consider authorizing the General Manager to execute a Water Supply Contract with Harris County MUD No. 50 for the Raw Water Enterprise.	12/12/2024

BACKGROUND INFORMATION

In August 2007, SJRA entered into a raw water supply contract (2007 Contract) with Harris County MUD No. 50 (MUD 50). The 2007 Contract provided for the sale of 500,000 gallons per day from the Highlands canal system to MUD 50. The contract was amended in 2015 to update certain terms and conditions related to payment for the contracted water. In order to meet future customer demands and regulatory requirements of the Harris-Galveston Subsidence District, as well as to better align water demands with its development schedule, MUD 50 has requested execution of an amended and restated contract. The proposed contract increases the total contracted quantity of water to 1,500,000 gallons per day, with the entire quantity being reserved until January 1, 2037, at which point 1,000,000 gallons per day will convert to “take or pay.” The proposed contract has a term of 30 years, with an option for an additional ten years beyond the initial term. Staff recommends execution of the proposed contract, which will provide increased future revenue to the Raw Water Enterprise, helping to maintain stable raw water rates benefitting all of SJRA’s raw water customers.

FUNDING SOURCE: N/A

ATTACHMENTS: Water Supply Contract

RECOMMENDED ACTION

Authorize the General Manager to execute a Water Supply Contract with Harris County MUD No. 50 for the Raw Water Enterprise.