



**Board of Directors Meeting
July 25, 2024**



AGENDA
REGULAR MEETING
SAN JACINTO RIVER AUTHORITY BOARD OF DIRECTORS
THURSDAY, JULY 25, 2024 - 8:00 A.M.
GENERAL AND ADMINISTRATION BUILDING - BOARDROOM
1577 DAM SITE ROAD, CONROE, TEXAS 77304

- 1. CALL TO ORDER**
- 2. CEREMONIAL ITEMS**
 - a. Invocation**
 - b. Pledges of Allegiance**
 - c. Receipt of Commendations, Awards, and Honoraria**
- 3. PUBLIC COMMENTS** (3 minutes per speaker)
- 4. DIVISION UPDATES** - Receive updates from Operational Divisions and General & Administration Division related to ongoing projects, staff reports, or items on the consent agenda.
 - a. G & A:** Aubrey Spear, General Manager
 - b. G & A:** Heather Ramsey, Director of Communications and Public Affairs
 - c. G & A:** Pam Steiger, Chief Financial Officer
 - d. G & A:** Connie Curtis, Director of Technical and Operational Services
 - e. Operating Divisions:** Ed Shackelford, Director of Operations
 - f. Utility Enterprise:** Chris Meeks, Utility Enterprise Manager
 - g. Lake Conroe:** Bret Raley, Lake Conroe Division Manager
 - h. Highlands:** Richard Tramm, Highlands Division Manager
 - i. Flood Management:** Matt Barrett, Flood Management Division Manager
- 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.

G&A

- a. Approval of Minutes** - Regular Meeting of June 27, 2024.
- b. Quarterly Investment Report**

Consider approval of the Quarterly Investment Report for the Quarter Ended May 31, 2024.

WOODLANDS

- c. Work Order No. 4 - Wastewater Treatment Facility No. 2 Grit Classifier Improvements**

Consider authorizing the General Manager to execute Work Order No. 4 with Quiddity Engineering, LLC, for final design engineering services for Wastewater Treatment Facility No. 2 Grit Classifier Improvements for the Woodlands Division.

FLOOD MANAGEMENT

d. Interlocal Agreement - Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study

Consider authorizing the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, Harris County Flood Control District, City of Humble, Texas, and five (5) Woodlands Area Municipal Utility Districts for the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study.

e. Interlocal Agreement - Upper San Jacinto River Basin Regional Sedimentation Study

Consider authorizing the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, Harris County Flood Control District, City of Houston, Texas, and City of Humble, Texas, for the Upper San Jacinto River Basin Regional Sedimentation Study.

6. REGULAR AGENDA - This agenda consists of items requiring individual consideration by the Board of Directors.

WOODLANDS

a. Construction Contract - Water Plant Nos. 1, 2, and 3 Generators

Consider authorizing the General Manager to execute a construction contract with C3 Constructors, LLC, for Water Plant Nos. 1, 2, and 3 Generators for the Woodlands Division.

RAW WATER ENTERPRISE

b. Mutual Termination of Lease Agreement and Mutual Termination of Use, Operation, and Maintenance Agreement - Lake Conroe Park

Consider authorizing the General Manager to execute a Mutual Termination of Lease Agreement and a Mutual Termination of Lake Conroe Park Use, Operation, and Maintenance Agreement with Montgomery County.

c. Construction Contract - Lake Conroe Maintenance Facility Improvements

Consider authorizing the General Manager to execute a construction contract with Noble Building & Development, LLC, for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division.

d. Work Order No. 2 - Lake Conroe Maintenance Facility Improvements

Consider authorizing the General Manager to execute Work Order No. 2 with Halff Associates, Inc., for construction phase services for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division.

7. BRIEFINGS AND PRESENTATIONS

- a. Presentation regarding the proposed Fiscal Year 2025 Operating Budgets.
- b. Presentation regarding the proposed Fiscal Year 2025 rates for the Woodlands Division customers.
- c. Presentation regarding the proposed Calendar Year 2025 rates for Raw Water customers.

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.

- a. 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.
- b. Consultations with attorney, pursuant to Texas Government Code, Section 551.071 regarding:
 1. Litigation related to Hurricane Harvey, including additional legal services to be provided by Hunton Andrews Kurth, LLP; and
 2. Litigation and other litigation related to GRP.
- c. Discussion regarding Lake Conroe Park, pursuant to Texas Government Code, Section 551.072.

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. ANNOUNCEMENTS / FUTURE AGENDA

Next San Jacinto River Authority Regular Board Meeting - August 22, 2024.

11. ADJOURN

Board meetings after September 1, 2021, will be held in person, to include the public comment portion of the agenda. The meeting may be viewed via live stream through the San Jacinto River Authority's Board of Directors webpage:

<https://www.sjra.net/about/board/>

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
5a	Consider approval of minutes from the Board of Directors meeting of June 27, 2024.	07/25/2024

BACKGROUND INFORMATION

STRATEGIC GOAL: Goal 1: Engaged Board of Directors

FUNDING SOURCE: N/A

ATTACHMENTS: Minutes

RECOMMENDED ACTION

Approve the minutes of the June 27, 2024, Board of Directors meeting.

Item No.	Agenda Item	Date
5b	Consider approval of the Quarterly Investment Report for the Quarter Ended May 31, 2024.	07/25/2024

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).

STRATEGIC GOAL: Goal 1: Engaged Board of Directors

FUNDING SOURCE: N/A

ATTACHMENTS: Provided under separate cover

RECOMMENDED ACTION

Approve the quarterly investment report for the quarter ended May 31, 2024.

Item No.	Agenda Item	Date
5c	Consider authorizing the General Manager to execute Work Order No. 4 with Quiddity Engineering, LLC, for final design engineering services for Wastewater Treatment Facility No. 2 Grit Classifier Improvements for the Woodlands Division.	07/25/2024

BACKGROUND INFORMATION

Firm Name:	Quiddity Engineering, LLC
Project:	Wastewater Treatment Facility No. 2 Grit Classifier Improvements
Type of Services:	Professional Services
Type of Agreement:	Professional Services Agreement (Contract No. 21-0071)

Project Description:

Work Order No. 4 will include all labor and materials necessary to perform final design engineering for the grit classifier improvements project at Wastewater Treatment Facility No. 2 (WWTF No. 2). Work performed will include field surveying, a geotechnical investigation, and development of project drawings, specifications, and cost estimates for construction procurement.

The current grit classifier at WWTF No. 2 was originally installed as the grit classifier at Wastewater Treatment Facility No. 1 in 2009. In 2017, when the new grit removal system (including a new grit classifier) was constructed at Wastewater Treatment Facility No. 1, the existing grit classifier was moved and installed at the WWTF No. 2 Headworks Facility to replace the original classifier as its condition had deteriorated resulting in many mechanical issues. A grit classifier assists in removing the non-biodegradable material from wastewater that is not caught and then removed by the bar screen. If this material/grit is not removed, the pumps in the facility could be damaged. After several years of use and modifications, it has become apparent that this classifier does not have sufficient capacity for this facility. Therefore, a new classifier, rerouted piping, driveway, and canopy is required which will be designed specifically to meet the parameters of WWTF No. 2.

Key Deliverable(s):	Due Date(s):
60% Submittal Package	December 4, 2024
90% Submittal Package	March 4, 2025
Final Submittal Package	May 3, 2025
Type of Compensation/Amount:	Lump Sum/\$106,540.00
Total Amount:	\$106,540.00
Construction Cost:	\$989,000.00 (Est.)
Anticipated Completion Date:	August 1, 2025

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

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: R&R Fund

ATTACHMENTS: Exhibit 1, Map, Work Order No. 4, Scope, Level of Effort, Schedule

RECOMMENDED ACTION

Authorize the General Manager to execute Work Order No. 4 in the amount of \$106,540.00 with Quiddity Engineering, LLC, for final design engineering services for Wastewater Treatment Facility No. 2 Grit Classifier Improvements for the Woodlands Division.

Item No.	Agenda Item	Date
5d	Consider authorizing the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, Harris County Flood Control District, City of Humble, Texas, and five (5) Woodlands Area Municipal Utility Districts for the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study.	07/25/2024

BACKGROUND INFORMATION

In 2021, City of Humble, Harris County Flood Control District, and five (5) Woodlands Area Municipal Utility Districts (the Partners) agreed to collectively fund the fifty percent local match required by the Flood Infrastructure Fund grant awarded to SJRA for the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study. This agreement was memorialized via an interlocal agreement (the ILA) effective June 8, 2021. Per the ILA, this agreement was set to automatically expire within three years of execution, or June 8, 2024.

This study was initially scheduled to be completed in 2023. Challenges identified after the study began, related to proposed developments conflicting with the proposed dam sites, have caused substantial delays to study completion. Major study tasks were temporarily put on hold while SJRA coordinated with landowners, project Partners, and the Texas Water Development Board (TWDB) to determine the viability of the study scope and appropriate path forward.

The proposed ILA provides for continued local match funding support by the partners for an additional three years. This will allow staff ample time, including some contingency, to complete the study and perform any required Texas Water Development Board and Partner coordination.

Staff recommends approval of the ILA.

STRATEGIC GOAL: Goal 3: Water Resource Leadership

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, Harris County Flood Control District, City of Humble, Texas, and five (5) Woodlands Area Municipal Utility Districts for the Spring Creek Watershed Flood Control Dams Conceptual Engineering Feasibility Study.

Item No.	Agenda Item	Date
5e	Consider authorizing the General Manager to negotiate and execute an Interlocal Agreement by and among San Jacinto River Authority, Harris County Flood Control District, City of Houston, Texas, and City of Humble, Texas, for the Upper San Jacinto River Basin Regional Sedimentation Study.	07/25/2024

BACKGROUND INFORMATION

In 2021, the City of Houston, City of Humble and Harris County Flood Control District (the Partners) agreed to collectively fund the fifty percent local match required by the Flood Infrastructure Fund grant awarded to SJRA for the Upper San Jacinto River Basin Regional Sedimentation 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.

The start of this study was staggered behind that of the Spring Creek Flood Control Dams grant project and was delayed approximately one year after ILA execution. The initial schedule for this study was approximately two and a half years. The schedule has since been extended due to delays caused by coordination with the Texas Water Development Board, and to provide time for additional engineering analysis.

The proposed ILA provides for continued local match funding support by the partners for an additional three years. This will allow staff ample time, including some contingency, to complete the study and perform any required Texas Water Development Board and Partner coordination.

Staff recommends approval of the ILA.

STRATEGIC GOAL: Goal 3: Water Resource Leadership

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, Harris County Flood Control District, City of Houston, Texas, and City of Humble, Texas, for the Upper San Jacinto River Basin Regional Sedimentation Study.

Item No.	Agenda Item	Date
6a	Consider authorizing the General Manager to execute a construction contract with C3 Constructors, LLC, for Water Plant Nos. 1, 2, and 3 Generators for the Woodlands Division.	07/25/2024

BACKGROUND INFORMATION

Firm Name:	C3 Constructors, LLC
Project:	Water Plant Nos. 1, 2, and 3 Generators
Type of Services:	Construction Services
Type of Agreement:	Major Construction Services Agreement (Contract No. 23-0059-A)
Project Description:	

Water Plant Nos. 1, 2, and 3 are three of the five water plants owned and operated by the San Jacinto River Authority (SJRA) in The Woodlands. Each water plant provides a vital role in the blending, chlorination, and pumping out into the distribution system to serve customers of The Woodlands. To continue operational reliability of each water plant during a power outage situation, backup power generation is necessary to power on-site groundwater wells and/or plant booster pumps to maintain minimum required system pressure and flow rate. Water Plant Nos. 1 and 2 currently have a limited backup power supply that must be manually started at the facility in an outage, and Water Plant No. 3 had a 450kW backup generator installed in 2016. At Water Plant Nos. 2 and 3, a 1-MW generator will be installed to power controls and a combination of multiple on-site water wells and booster pumps. The 450-kW generator from Water Plant No. 3 will be moved and installed at Water Plant No. 1 to provide backup power to controls and multiple booster pumps. The three generators will start automatically when a power outage occurs. This construction contract also includes electrical sitework, and the installation of a concrete masonry unit (CMU) building to house the automatic transfer switch and switchboard at all three locations. Following receipt and scoring of the two proposals, SJRA noted the initial costs for both proposals exceeded the \$1,800,000.00 engineers estimate and the \$2,312,273.00 overall construction budget. SJRA worked with the high scoring contractor to value engineer the design of the buildings for each site and was able to reduce the overall project cost by \$144,000.00, bringing the construction cost within the construction budget.

No. Proposals Received/Proposal Receipt Date:	2 / May 10, 2024
Highest Ranked Offeror / Proposed Cost:	C3 Constructors, LLC / \$2,243,000.00
Second Ranked Offeror / Proposed Cost:	W.W. Payton Corporation / \$2,400,000.00
Engineer:	Kalluri Group, Inc.
Proposal Amount:	\$2,243,000.00
Engineer's Estimate:	\$1,800,000.00
Construction Budget:	\$2,312,273.00
Contract Days:	430 Days

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: R&R Fund

ATTACHMENTS: Map, Summary, Proposal Form, Agreement

RECOMMENDED ACTION

Authorize the General Manager to execute a construction contract in an amount not to exceed \$2,243,000.00 with C3 Constructors, LLC, for Water Plant Nos. 1, 2, and 3 Generators for the Woodlands Division, and contract modifications up to the amount approved per the Purchasing Policy.

Item No.	Agenda Item	Date
6b	Consider authorizing the General Manager to execute a Mutual Termination of Lease Agreement and a Mutual Termination of Lake Conroe Park Use, Operation, and Maintenance Agreement with Montgomery County.	07/25/2024

BACKGROUND INFORMATION

San Jacinto River Authority (“Authority”) acquired land for the Lake Conroe Park in the late 1980’s for park and recreational purposes, the requirement (Section 1.05) was identified in the 1968 Agreement between the City of Houston and the Authority. The Authority submitted a park funding application to the Texas Parks & Wildlife Department for a Texas Local Parks, Recreation, and Open Space Fund Agreement, which was subsequently approved, for the purpose to enhance the park with certain amenities including a sanitary sewer lift station and a water well. The Authority constructed the amenities in 1991-92. Additionally, the Authority executed a Land Lease and a Land Use Agreement with Montgomery County in July of 1991 for Montgomery County to operate and maintain Lake Conroe Park. The lease term was for 40 years. Also included in the Agreements was the option to terminate the Agreements with 30-days written notice given by either party.

The Authority received notice from Montgomery County in December 2023 to terminate the Land Lease and Land Use Agreement. Montgomery County provided the attached Agreements which have been reviewed and approved by the Authority’s general counsel. Montgomery County Commissioners Court approved the Agreements’ execution on July 2, 2024.

A number of actions will be triggered with the termination of the Agreements while placing a financial and operational responsibility on the Authority. The actions include the assignment of two sanitary sewer service agreements to the Authority; the Authority will need to establish service agreements with Entergy for the lift station and water well, with Lake South Water Supply Corporation and Hays Utility North to operate and maintain the lift station. The assigned agreements between Montgomery County and two private restaurants are for the Amore and Conroe Lake House Restaurants to receive sanitary sewer service from the Lake Conroe Park Lift Station. The Agreements require payment in advance for sewer service. The Authority will continue to require payment in advance for services rendered. The Authority’s lift station discharges to Lake South Water Supply Corporation which we have secured a contract for service. The revenue received from the two sanitary sewer agreements will pay the majority of the electric and sanitary sewer expenses incurred. Lake Conroe Park restrooms are also served by the sanitary sewer lift station when the restrooms are in service.

We are currently preparing a plan that identifies what is necessary to open the park on an interim basis or permanently. More information will be forthcoming.

We recommend terminating the Agreements.

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: N/A

ATTACHMENTS: Mutual Termination of Lease Agreement and Mutual Termination of Land Use, Operation, and Maintenance Agreement

RECOMMENDED ACTION

Authorize the General Manager to execute a Mutual Termination of Lease Agreement and a Mutual Termination of Lake Conroe Park Use, Operation, and Maintenance Agreement with Montgomery County.

Item No.	Agenda Item	Date
6c	Consider authorizing the General Manager to execute a construction contract with Noble Building & Development, LLC, for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division.	07/25/2024

BACKGROUND INFORMATION

Firm Name:	Noble Building & Development, LLC
Project:	Lake Conroe Maintenance Facility Improvements
Type of Services:	Construction Services
Type of Agreement:	Major Construction Services Agreement (Contract No. 22-0034-A)

Project Description:

The Lake Conroe Division maintenance and operations staff utilize multiple facilities that provide office space, workspace, and equipment storage. These Lake Conroe campus facilities are used for daily operations as well as during emergencies and are in need of replacement due to their structural condition and limited workspace. The improvements include the demolition of the existing maintenance shop including aerobic systems and fuel facility, followed by construction of a new 6,600 square foot maintenance facility including 3,000 square feet of office space, aerobic system, fuel facility, and covered storage. Additionally, the project includes work associated with bringing utilities including electrical, gas, and water to the site as well as general site grading and pavement. The facility improvements will increase the efficiency, safety, and maintenance capabilities of the Lake Conroe Division staff. Proposal amount includes base amount, cash allowance for permitting fees, and alternative bid line items 28 through 33 as indicated in the attached Proposal Form.

No. Proposals Received/Proposal Receipt Date: 2 / May 30, 2024

Highest Ranked Offeror / Proposed Cost:	Noble Building & Development, LLC / \$4,249,840.00
Second Ranked Offeror / Proposed Cost:	E Contractors, LLC / \$4,772,416.00

Engineer:	Halff Associates, Inc.
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Proposal Amount:	\$4,249,840.00
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Engineer's Estimate:	\$4,724,597.00
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Contract Days:	330 Calendar Days
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STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: R&R

ATTACHMENTS: Map, Summary, Proposal Form, Agreement

RECOMMENDED ACTION

Authorize the General Manager to execute a construction contract in an amount not to exceed \$4,249,840.00 with Noble Building & Development, LLC, for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division, and contract modifications up to the amount approved per the Purchasing Policy.

Item No.	Agenda Item	Date
6d	Consider authorizing the General Manager to execute Work Order No. 2 with Halff Associates, Inc., for construction phase services for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division.	07/25/2024

BACKGROUND INFORMATION

Firm Name:	Halff Associates, Inc.
Project:	Lake Conroe Maintenance Facility Improvements
Type of Services:	Professional Services
Type of Agreement:	Professional Services Agreement (Contract No. 21-0061 WO2)
Project Description:	

This Work Order includes all labor and materials required to perform engineering construction phase services for the Lake Conroe Maintenance Facility Improvements Project. The Lake Conroe Division maintenance and operations staff utilize multiple facilities that provide office space, workspace, and equipment storage. These Lake Conroe campus facilities are used for daily operations as well as during emergencies and are in need of replacement due to their structural condition and limited workspace. The improvements include the demolition of the existing maintenance shop including aerobic systems and fuel facility, followed by construction of a new 6,600 square foot maintenance facility including 3,000 square feet of office space, aerobic system, fuel facility, and covered storage. Additionally, the project includes work associated with bringing utilities including electrical, gas, and water to the site as well as general site grading and pavement. The facility improvements will increase the efficiency, safety, and maintenance capabilities of the Lake Conroe Division staff.

Key Deliverable(s):	Due Date(s):
Responses to Submittals	7 Calendar Days of Receipt of Submittal
Responses to RFIs	3 Calendar Days of Receipt of RFI
Record Drawings	30 Calendar Days After Final Completion
Type of Compensation/Amount:	Cost Plus Multiplier with Not-to-Exceed/\$203,340.13
Previous Authorized Work Order 1*:	\$636,464.70
Work Order No. 2:	<u>\$203,340.13</u>
Total Amount:	\$839,804.83
Construction Cost:	\$4,249,840.00
Anticipated Completion Date:	September 8, 2025

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

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: R&R Fund

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 \$203,340.13 with Halff Associates, Inc., for construction phase services for the Lake Conroe Maintenance Facility Improvements Project for the Lake Conroe Division.