



**Board of Directors Meeting
June 23, 2022**



AGENDA

**SAN JACINTO RIVER AUTHORITY BOARD OF DIRECTORS
THURSDAY, JUNE 23, 2022 - 8:00 A.M.
GENERAL AND ADMINISTRATION BUILDING - BOARDROOM
1577 DAM SITE ROAD, CONROE, TEXAS 77304**

- 1. CALL TO ORDER**
- 2. PLEDGES OF ALLEGIANCE**
- 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:** Jace Houston, General Manager
 - b. G & A:** Heather Ramsey, Director of Communications and Public Affairs
 - c. G & A:** Tom Michel, Director of Finance and Administration
 - d. Utility Enterprise:** Chris Meeks, Utility Enterprise Manager
 - e. Lake Conroe:** Bret Raley, Lake Conroe Division Manager
 - f. Highlands:** Highlands Division Manager
 - g. 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 May 26, 2022.

- b. Unaudited Financials**

Consider approval of the unaudited financials for the month of May, 2022.

- c. Quarterly Investment Report**

Consider approval of the Quarterly Investment Report for the Quarter Ended May 31, 2022.

- d. Professional Services Agreement - G&A HVAC System Replacement**

Consider authorizing the General Manager to execute a professional services agreement for services including but not limited to preliminary and final design, procurement and construction phase services related to the HVAC system replacement at the San Jacinto River Authority General and Administration Building.

WOODLANDS

e. Sale of Surplus Property

Declare to be surplus and authorize the disposal by sale of a 2014 Freightliner vacuum truck located in the Woodlands Division and authorize the General Manager to execute all necessary documents to complete the transaction.

RAW WATER ENTERPRISE

f. Construction Contract - Bear Branch Dam Concrete Repairs

Consider authorizing the General Manager to execute a construction contract for Bear Branch Dam Concrete Repairs in The Woodlands.

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

GRP

a. Amended Rate Order - GRP Participants

Consider adoption by the San Jacinto River Authority Board of Directors of an amended Rate Order for GRP Participants, effective September 1, 2022.

- 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.
- 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.** Expedited Declaratory Judgement Act litigation and other litigation related to GRP.
- 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 - July 28, 2022.

10. 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 May 26, 2022.	06/23/2022

BACKGROUND INFORMATION

STRATEGIC GOAL: Goal 1: Engaged Board of Directors

FUNDING SOURCE: N/A

ATTACHMENTS: Minutes

RECOMMENDED ACTION

Approve the minutes of the May 26, 2022, Board of Directors meeting.

Item No.	Agenda Item	Date
5b	Consider approval of the unaudited financials for the month of May, 2022.	06/23/2022

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.

STRATEGIC GOAL: Goal 1: Engaged Board of Directors

FUNDING SOURCE: N/A

ATTACHMENTS: Unaudited Financials

RECOMMENDED ACTION

Approve the unaudited financial statements for the month of May, 2022.

Item No.	Agenda Item	Date
5c	Consider approval of the Quarterly Investment Report for the Quarter Ended May 31, 2022.	06/23/2022

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: Quarterly Investment Report

RECOMMENDED ACTION

Approve the quarterly investment report for the quarter ended May 31, 2022.

Item No.	Agenda Item	Date
5d	Consider authorizing the General Manager to execute a professional services agreement for services including but not limited to preliminary and final design, procurement and construction phase services related to the HVAC system replacement at the San Jacinto River Authority General and Administration Building.	06/23/2022
BACKGROUND INFORMATION		
<p>Firm Name: Johnston, LLC</p> <p>Project: G&A HVAC System Replacement</p> <p>Type of Services: Professional Engineering Services</p> <p>Type of Agreement: Professional Services Work Order Agreement (Contract No. 22-0012-A)</p> <p>Project Description:</p> <p>The San Jacinto River Authority General and Administration (G&A) Division has been and is experiencing issues with the Heating Ventilation and Air Conditioning (HVAC) system located at the G&A Building on the Lake Conroe Campus. There are multiple units that provide heating and cooling to zoned areas within the building. Issues experienced by the employees officed in the building include varying temperatures within a single zoned area, units that are unable to meet the cooling demand in the server room/data center, and several units serving the second floor that are no longer operable.</p> <p>After identifying the need to evaluate and replace multiple pieces of the existing system, SJRA solicited qualifications for professional engineering services to support the G&A HVAC System Replacement Project. The respondents were evaluated and Johnston, LLC, was ranked as the most highly qualified firm to complete this assignment.</p> <p>Staff recommends award of this project-specific professional services agreement (PSA) to Johnston, LLC. The project will be completed in multiple phases which include design and procurement assistance, and then engineering services during construction. Each phase of the project will be a separate Work Order issued under this professional services agreement and will be presented to the Board of Directors for approval as required by SJRA's procurement policy.</p> <p>Key Deliverables: To be established in future Work Orders</p> <p>Type of Compensation/Amount: To be established in future Work Orders</p> <p>Anticipated Completion Date: To be established in future Work Orders</p>		
STRATEGIC GOAL: Goal 2: Operational Excellence		
FUNDING SOURCE: R&R Funds		
ATTACHMENTS: Map, Professional Services Agreement		
RECOMMENDED ACTION		
Authorize the General Manager to execute a professional services agreement with Johnston, LLC, for services including but not limited to preliminary and final design, procurement and construction phase services related to the HVAC system replacement at the San Jacinto River Authority General and Administration Building.		

Item No.	Agenda Item	Date
5e	Declare to be surplus and authorize the disposal by sale of a 2014 Freightliner vacuum truck located in the Woodlands Division and authorize the General Manager to execute all necessary documents to complete the transaction.	06/23/2022

BACKGROUND INFORMATION

The Woodlands Division purchased a 2014 Freightliner vacuum truck in 2014 to remove debris such as grease and sand from sewer lines, lift stations, and process basins within The Woodlands Division wastewater system. Prior to the purchase of this vehicle, debris removal was outsourced to local firms. The cost of the truck was \$325,365.00 and the division has typically spent around \$70,000 per year for debris removal, repair, and equipment for the truck. Also, the use of the truck requires a licensed and experienced CDL driver and a helper to operate the truck.

Over the last couple of years, the truck has experienced more frequent breakdowns, which has required the division to outsource debris removal in addition to spending funds for truck repair.

The division has identified that outsourcing of the debris removal will cost approximately \$100,000 per year, which is included in the draft FY2023 Woodlands budget. Additionally, staff that are currently operating the vehicle will be available to conduct additional duties/projects in lieu of working on debris removal.

The division has identified that outsourcing of debris removal would be beneficial based on reducing staff time for debris removal which allows them to work on other projects, reduces exposure to future expenses for truck repair, and would cost approximately the same as being expensed annually.

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: N/A

ATTACHMENTS: None

RECOMMENDED ACTION

Declare to be surplus and authorize the disposal by sale of a 2014 Freightliner vacuum truck located in the Woodlands Division and authorize the General Manager to execute all necessary documents to complete the transaction.

Item No.	Agenda Item	Date
5f	Consider authorizing the General Manager to execute a construction contract for Bear Branch Dam Concrete Repairs in The Woodlands.	06/23/2022

BACKGROUND INFORMATION

Firm Name: Kean Construction, LLC

Project: Bear Branch Dam Concrete Repairs

Type of Services: Construction Services

Type of Agreement: Minor Construction Services Agreement
(Contract No. 22-0025-A)

Project Description:

The Bear Branch Dam is owned by SJRA and maintained and operated by the Lake Conroe Division. Funding for the Bear Branch Dam is provided under a contract with Montgomery County Municipal Utility District Nos. 7, 46, 47, 60 and 67. The Bear Branch Dam is classified as a high-hazard dam by the Texas Commission on Environmental Quality (TCEQ). The agency inspects the dam on a five-year cycle and SJRA ensures maintenance is performed in compliance with state dam safety rules. This project is to repair concrete and sealant deterioration that has occurred in several areas along the dam. These repairs are short term solutions to maintain the structure while SJRA pursues engineering design for the rehabilitation of the Bear Branch Dam soil cement and service spillway. The concrete repairs include saw cutting and regrouting a number of areas around the dam structure, resealing expansion and construction joints and resealing temperature and shrinkage cracks on the concrete spillway.

No. Proposals Received/Proposal Receipt Date: One (1) / May 12, 2022

Highest Ranked Offeror / Proposed Cost: Kean Construction, LLC / \$107,690.00

Engineer: Freese and Nichols, Inc.

Proposal Amount: \$107,690.00

Engineer's Estimate: \$79,250.00

Contract Days: 90 Calendar Days

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: Cash

ATTACHMENTS: Map, Ranking Summary, Proposal Form, Agreement

RECOMMENDED ACTION

Authorize the General Manager to execute a construction contract in the amount of \$107,690.00 with Kean Construction, LLC, for Bear Branch Dam Concrete Repairs in The Woodlands, and contract modifications up to the amount approved per the Purchasing Policy.

Item No.	Agenda Item	Date
6a	Consider adoption by the San Jacinto River Authority Board of Directors of an amended Rate Order for GRP Participants, effective September 1, 2022.	06/23/2022

BACKGROUND INFORMATION

For Fiscal Year 2023, the proposed Rate Order increases the Pumpage Fee and Import Fee from \$2.88 per 1,000 gallons to \$2.99 per 1,000 gallons, and increases the Surface Water Fee from \$3.30 per 1,000 gallons to \$3.41 per 1,000 gallons. The new fees will go into effect on September 1, 2022.

STRATEGIC GOAL: Goal 2: Operational Excellence

FUNDING SOURCE: N/A

ATTACHMENTS: Redline Rate Order (GRP Participants); Non-Redline Rate Order (GRP Participants)

RECOMMENDED ACTION

Adopt an amended Rate Order for GRP Participants, effective September 1, 2022.