

# GROUNDWATER REDUCTION PLAN – MONTHLY OPERATIONS REPORT

MONTH REPORTED: MARCH, 2020

FY 2020 - Operating Actual vs. Budgeted

	Actual	Budgeted	% Variance
Operating Revenues	\$28,977,749	\$25,121,357	15%
Operating Expenses	\$11,153,049	\$10,662,460	(5%)
Non-Operating Revenues & Expenses	(\$10,700,020)	(\$11,768,733)	9%
Net Income/Loss	\$7,124,680	\$2,690,165	165%



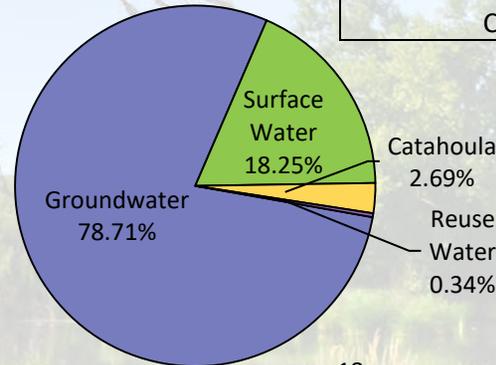
FY 2020 - Key Performance Indicators

Indicator	Target	Status
Plant Downtime	<1%	Target Met
Water Quality	TCEQ Standards	Target Met
O&M Cost per 1,000 gal *	\$3.13	\$5.99
Projected vs. Actual Water Demand Accuracy	100% Accurate	Over 18%
Worker's Compensation Claims	0	0

\*excluding debt cost

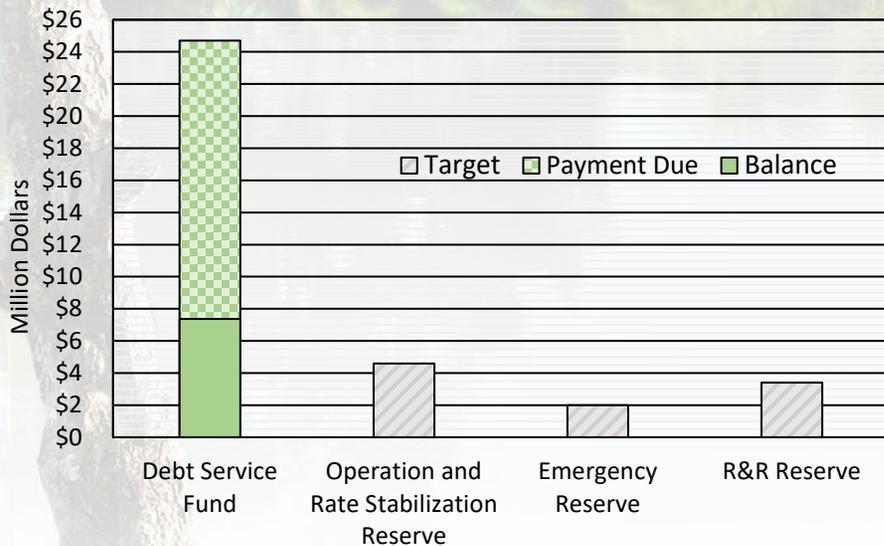
Operating Fund Balance	\$1,381,942
Months of Budgeted Operating Funds	0.93
Change from Previous Month	(\$886,260)
Bond Principal/Interest Payment Due 10/1/2020	\$24,699,064
Balance in Debt Service Fund as of 3/31/2020	*\$7,379,735

\*monthly debt service is ~\$2.9 million

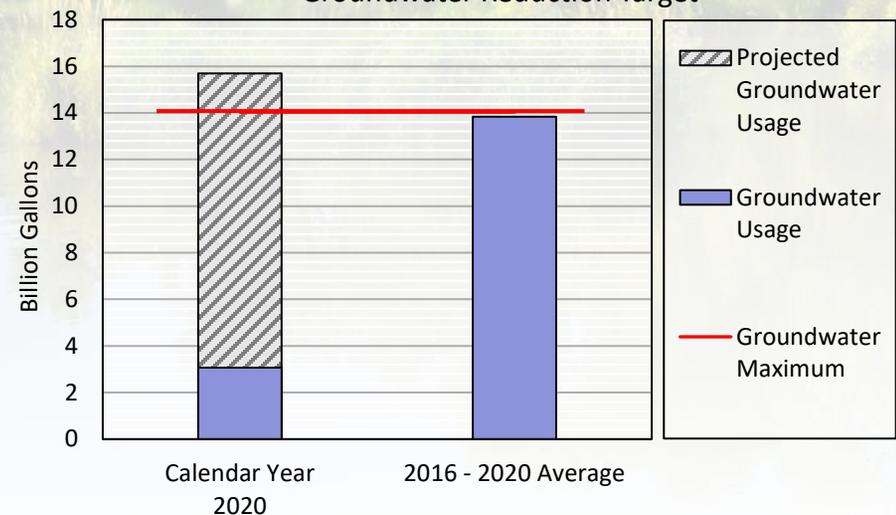


March Total Water Usage: 1,455,601,666

Current Fund Balances



Groundwater Reduction Target



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## 1.0 REPORTED WATER USAGE

For the purpose of the GRP Monthly Operations Report, water usage is separated into three (3) categories; groundwater, alternative water source (AWS), and surface water withdrawal. Groundwater and AWS water usage is self-reported by Participants through an online reporting system (ORS), TrueBill. Pursuant to the GRP Rate Order, Participant water usage must be reported no later than ten (10) days from the end of the month. The water usage data in Sections 1.1 - 1.3 is as of April 14, 2020.

### 1.1 REPORTED GROUNDWATER USAGE

The amount of groundwater usage reported by GRP Participants for the month of March is **1,145,729,666** gallons.

### 1.2 REPORTED ALTERNATIVE WATER SOURCE USAGE

For the purpose of this report, reported AWS usage is separated into three (3) categories; surface water, Catahoula Aquifer usage, and reuse. The amount of AWS usage reported for the month of March is **208,305,000** gallons. The AWS data reflected in the tables below are reported by source and Participant for the month of March.

#### 1.2.1 REPORTED SURFACE WATER USAGE

Reported Surface Water Usage in Gallons - March 2020	
City of Conroe	85,199,000
City of Oak Ridge North	1,422,000
Montgomery County MUD 99	7,690,000
MSEC - Montgomery Trace Crown Oaks	7,626,000
Rayford Road MUD	6,286,000
SJRA - The Woodlands	151,110,000
Southern Montgomery County MUD	6,374,000
<b>Total Gallons</b>	<b>265,707,000</b>

#### 1.2.2. REPORTED CATAHOULA AQUIFER USAGE

Reported Catahoula Aquifer Usage in Gallons - March 2020	
City of Conroe	31,000
City of Willis	25,629,000
Corinthian Point MUD No. 2	2,400,000
Far Hills Utility District	3,915,000
Point Aquarius MUD	7,217,000
<b>Total Gallons</b>	<b>39,192,000</b>

#### 1.2.3. REPORTED REUSE WATER

Reported Reuse Water Usage in Gallons - March 2020	
Sequoia - Panther Trails	0
Southern Montgomery County MUD	4,973,000
<b>Total Gallons</b>	<b>4,973,000</b>

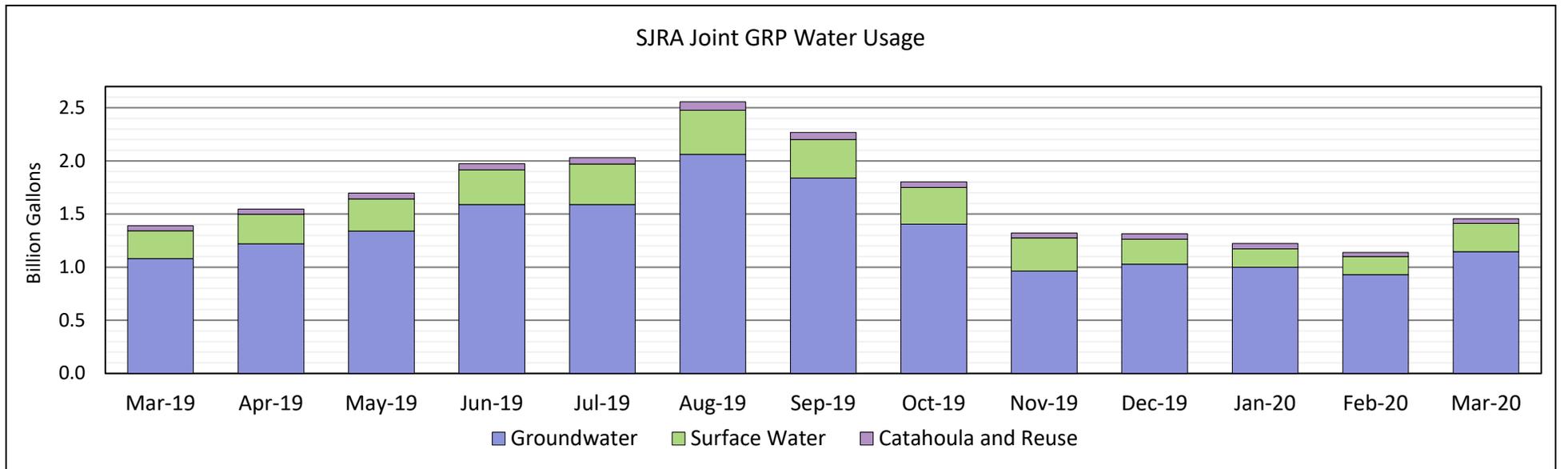
#### 1.2.4. SURFACE WATER WITHDRAWAL

Surface water withdrawal is the amount of surface water that is metered through the Raw Water Intake. For the purpose of the GRP, the amount of surface water withdrawal for the month of March, 2020 was **272,330,000** gallons. There is an estimated 2.43% water loss.

### 1.3 HISTORICAL DATA REPORTED BY PARTICIPANTS

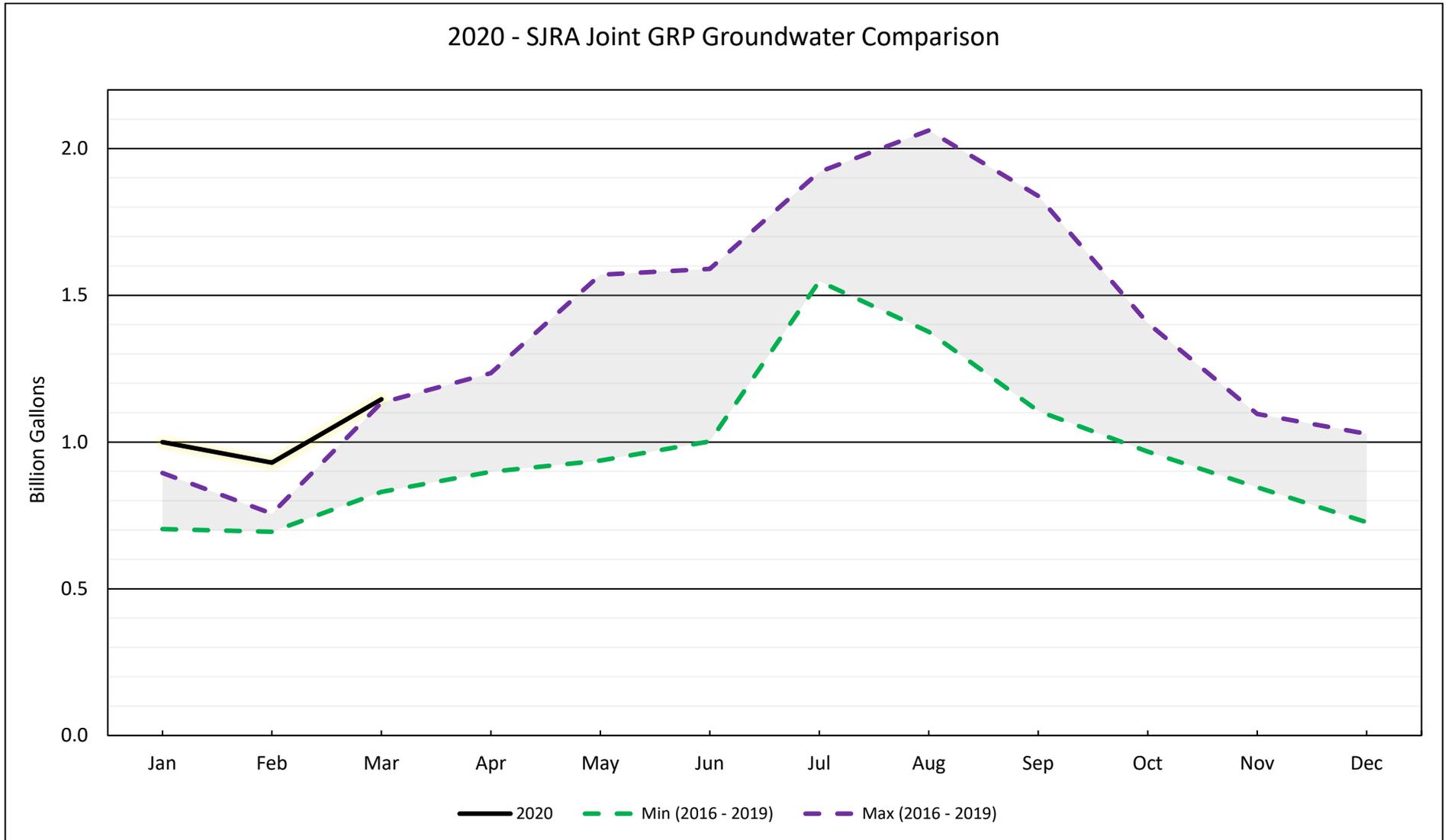
The table and graph below reflect the historical usage of groundwater and AWS for all Joint GRP Participants. For representational purposes, historical surface water usage has been presented independently from other AWS usage.

	2018				2019				2020			
	Groundwater	Surface Water	Catahoula and Reuse	Total	Groundwater	Surface Water	Catahoula and Reuse	Total	Groundwater	Surface Water	Catahoula and Reuse	Total
Jan	894,816,974	294,096,000	60,763,000	1,249,675,974	828,821,192	266,200,000	38,489,600	1,133,510,792	999,967,259	171,044,000	50,728,500	1,221,739,759
Feb	716,013,822	254,370,000	39,516,400	1,009,900,222	755,846,967	241,055,000	36,975,200	1,033,877,167	929,731,188	169,258,000	39,047,000	1,138,036,188
Mar	1,133,942,796	300,765,000	53,161,100	1,487,868,896	1,079,613,749	262,445,000	48,362,800	1,390,421,549	1,145,729,666	265,707,000	44,165,000	1,455,601,666
Apr	1,235,107,008	315,698,000	46,536,700	1,597,341,708	1,219,777,764	278,619,000	47,907,300	1,546,304,064				
May	1,570,081,982	451,045,000	68,855,100	2,089,982,082	1,340,241,534	302,531,000	53,942,700	1,696,715,234				
Jun	1,525,503,620	576,404,000	72,557,900	2,174,465,520	1,589,646,378	326,364,000	57,902,300	1,973,912,678				
Jul	1,626,056,723	583,352,000	77,884,800	2,287,293,523	1,589,463,208	380,296,000	61,624,000	2,031,383,208				
Aug	1,686,145,365	581,988,000	93,221,900	2,361,355,265	2,061,793,950	415,641,000	78,481,600	2,555,916,550				
Sep	1,149,402,279	377,060,000	56,130,000	1,582,592,279	1,838,341,857	362,389,000	66,160,000	2,266,890,857				
Oct	967,615,568	351,035,000	43,617,900	1,362,268,468	1,405,095,120	344,802,000	53,136,700	1,803,033,820				
Nov	846,041,795	282,451,000	39,736,200	1,168,228,995	963,594,424	312,563,000	44,622,300	1,320,779,724				
Dec	837,312,703	283,594,000	39,882,400	1,160,789,103	1,027,475,488	235,945,000	50,187,600	1,313,608,088				
<b>Total</b>	<b>14,188,040,635</b>	<b>4,651,858,000</b>	<b>691,863,400</b>	<b>19,531,762,035</b>	<b>15,699,711,631</b>	<b>3,728,850,000</b>	<b>637,792,100</b>	<b>20,066,353,731</b>	<b>3,075,428,113</b>	<b>606,009,000</b>	<b>133,940,500</b>	<b>3,815,377,613</b>



### 1.3 HISTORICAL DATA REPORTED BY PARTICIPANTS (CONTINUED)

The graph below reflects the current calendar year's groundwater pumpage in comparison of the historical minimum and maximums of calendar years 2016 – 2019.

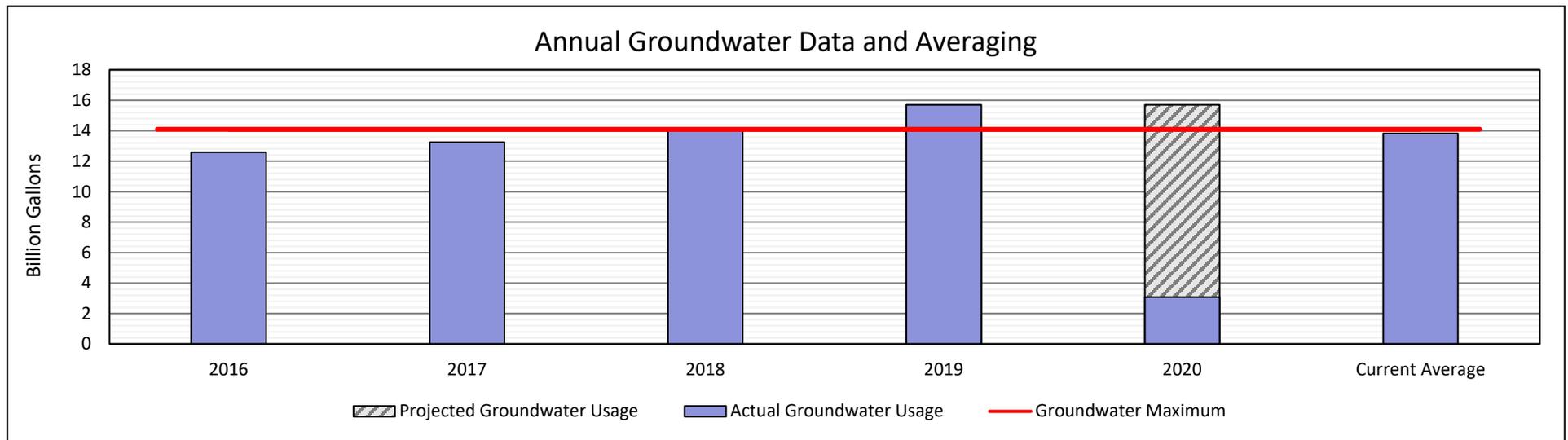


## 2.0 GROUNDWATER REDUCTION TARGET AND COMPLIANCE

The following information is related to the Joint GRP's reduction targets and goals along with compliance with Lone Star Groundwater Conservation District's (LSGCD) rules and regulations.

### 2.1 GROUNDWATER REDUCTION TARGET

The purpose of the graph below is to track the current groundwater usage and average. The graph represents the projected use and reported use of groundwater along with the current usage average in relation to the Joint GRP's groundwater target.



### 2.2 LONE STAR GROUNDWATER CONSERVATION DISTRICT REQUIREMENT STATUS

The Joint GRP is compliant with Lone Star Groundwater Conservation District rules.

### 2.3 PARTICIPANTS

There are currently 149 Joint GRP Participants

Following are recently received, new Joint GRP Contracts and/or amendments to existing Joint GRP Contract's exhibits for consideration:

- None at this time.



## 3.0 FINANCIAL

### 3.1 SCHEDULE OF REVENUES AND EXPENSES

#### Schedule of Revenues and Expenses – Actual and Budget For Seven Months Ending March 31, 2020 (Unaudited)

	March	Fiscal Year To Date				Fiscal Budget	
	Actual	Actual	Budget	Variance	% Variance	Total Year Budget*	Actual YTD % of Total Year Budget
<b>OPERATING REVENUES</b>							
GRP pumping fees	\$ 3,127,842	\$ 22,583,437	\$ 17,753,618	\$ 4,829,819	27%	\$ 38,763,748	58%
GRP surface water sales	831,553	5,851,138	6,622,282	(771,144)	(12%)	13,802,746	42%
LSGCD revenue	311,815	543,174	745,457	(202,283)	(27%)	1,490,913	36%
Repair recover revenue	-	-	-	-	-	-	0%
Compliance fee revenue	-	-	-	-	-	-	0%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 4,271,210</b>	<b>\$ 28,977,749</b>	<b>\$ 25,121,357</b>	<b>\$ 3,856,393</b>	<b>15%</b>	<b>\$ 54,057,407</b>	<b>54%</b>
<b>OPERATING EXPENSES</b>							
Payroll & employee benefit expenses	\$ 321,229	\$ 2,530,448	\$ 2,628,689	\$ 98,241	4%	\$ 4,544,712	56%
Professional fees	75,454	749,559	821,833	72,275	9%	901,500	83%
Purchased & contracted services	327,026	626,982	894,942	267,960	30%	1,765,719	36%
Supplies, materials & utilities	1,005,983	5,802,655	5,427,365	(375,290)	(7%)	9,109,820	64%
Maintenance repairs, parts & rentals	79,214	1,240,813	623,744	(617,069)	(99%)	1,061,750	117%
General & administration	30,709	202,592	265,887	63,295	24%	476,390	43%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,839,614</b>	<b>\$ 11,153,049</b>	<b>\$ 10,662,460</b>	<b>\$ (490,590)</b>	<b>(5%)</b>	<b>\$ 17,859,892</b>	<b>62%</b>
<b>NON-OPERATING REVENUES &amp; EXPENSES</b>							
Interest on Operating Funds	\$ 4,880	\$ 55,263	\$ 3,500	\$ 51,763	(1,479%)	\$ 6,000	921%
Interest on Bond Funds	168,712	659,643	-	659,643	100%	-	0%
Interest on Accounts Receivable	51,838	351,650	-	351,650	100%	-	0%
Other revenues	3,131	11,975	10,318	1,657	16%	17,688	68%
Sales of assets	-	4,000	-	4,000	100%	-	0%
Interest expense	(1,678,507)	(11,782,551)	(11,782,551)	-	0%	(20,175,084)	0%
<b>TOTAL NON-OPERATING (EXCLUDING ITEMS NOT BUDGETED)</b>	<b>\$ (1,449,946)</b>	<b>\$ (10,700,020)</b>	<b>\$ (11,768,733)</b>	<b>\$ 1,068,712</b>	<b>(9%)</b>	<b>\$ (20,151,396)</b>	<b>53%</b>
<b>NET INCOME (LOSS) (EXCLUDING ITEMS NOT BUDGETED)</b>	<b>\$ 981,650</b>	<b>\$ 7,124,680</b>	<b>\$ 2,690,165</b>	<b>\$ 4,434,515</b>	<b>165%</b>	<b>\$ 16,046,120</b>	<b>44%</b>
<b>NON-OPERATING REVENUES &amp; EXPENSES (NOT BUDGETED)</b>							
Depreciation	\$ (1,223,078)	\$ (8,604,261)	\$ -	\$ (8,604,261)	(100%)	\$ -	0%
Amortized debt issuance expense	584	4,090	-	4,090	100%	-	0%
<b>TOTAL NON-OPERATING (NOT BUDGETED)</b>	<b>\$ (1,222,494)</b>	<b>\$ (8,600,171)</b>	<b>\$ -</b>	<b>\$ (8,600,171)</b>	<b>(100%)</b>	<b>\$ -</b>	<b>0%</b>
<b>NET INCOME (LOSS) (BUDGETED AND NOT BUDGETED)</b>	<b>\$ (240,844)</b>	<b>\$ (1,475,491)</b>	<b>\$ 2,690,165</b>	<b>\$ (4,165,656)</b>	<b>(155%)</b>	<b>\$ 16,046,120</b>	<b>(9%)</b>

### 3.2 CLARIFICATION OF ACTUAL AND BUDGETED VARIANCES

For Seven Months Ending March 31, 2020 (Unaudited)  
(in thousands)

Category	YTD Variance - Driver	March 2020	FYTD 2020
GRP Pumping Fees	Groundwater pumpage above forecasted.	57	4,830
GRP Surface Water Sales	Surface water delivery less than budgeted.	(116)	(771)
LSGCD Revenue	LSGCD allocation-FY20 Rate lower than budgeted due to participant remittances directly to LSGCD.	(61)	(202)
Compliance Fee & Repair Recovery Revenue	Compliance Fees & Repair Recovery not budgeted.	-	-
Payroll and related expenses	Salaries and benefits under budget due to vacant positions.	35	98
Professional Fees	Professional fees variance due to timing of Legal and Engineering/Consultants/Survey invoicing for services.	6	72
Purchased & Contracted Services	Purchased and contracted services below budgeted levels due to LSGCD rate being below budgeted and participant remittances directly to LSGCD.	67	268
Supplies, Materials, Utilities, Maintenance, Repairs, Parts & Rentals	Fuel, office supplies, phones, recruiting and misc. expenses less than budgeted.	3	54
	Chemicals/GAC-Aggregate usage lower than expected.	3	123
	Utilities-Electricity & Sewer at budgeted levels.	1	9
	City of Houston Reservation Fee-FY20-Over budget due to additional Legal Expenses (Harvey)	-	(456)
	SJRA Reservation Fee above budgeted due to change of Entergy contract to Jan 2020 and to COH Supply vs. SJRA Supply.	(29)	(202)
	SJRA Supply Use Fee variance due to SW production under budgeted levels	14	97
	Maintenance repairs, parts & rentals expense over budget due to W2A line break this Fiscal Year	9	(617)
General & Administration	Allocation portion of G&A expenses less than budgeted.	4	63
Non-Operating	Interest on Operating Funds	6	52
	Interest on Bond Funds	167	660
	Interest on Accounts Receivable	53	352
	Sale of Assets	-	4
	Depreciation expense	(1,223)	(8,604)
	Bond Issuance Cost Amort expense	-	4
		<b>(1,004)</b>	<b>(4,166)</b>

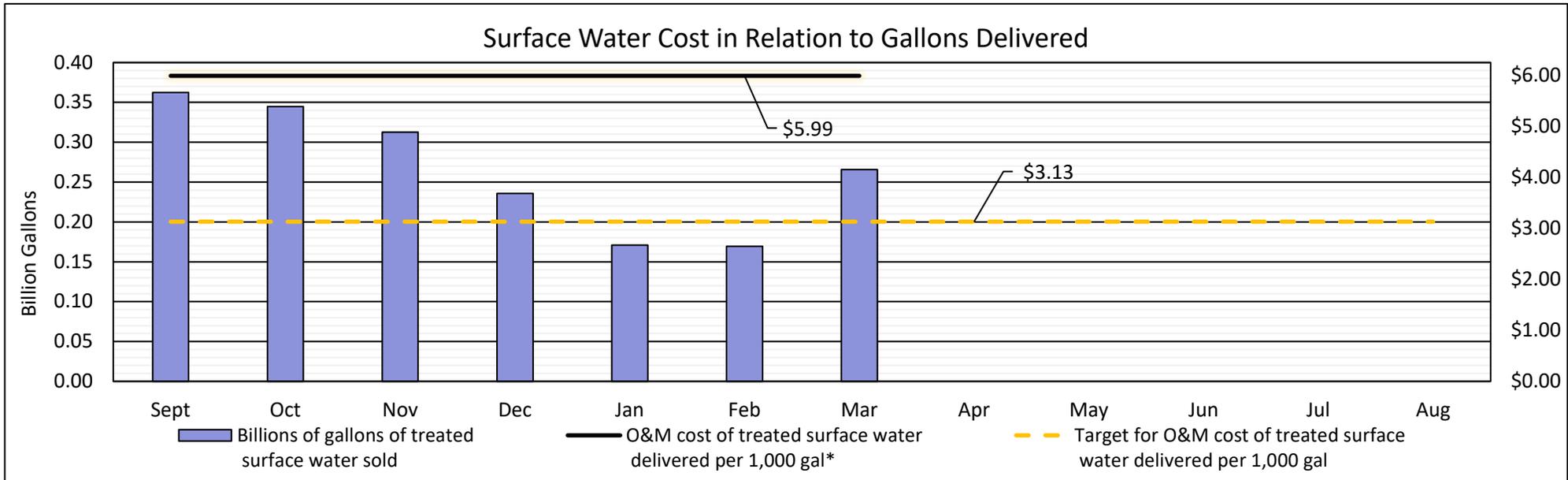


## 4.0 DIVISION UPDATES

### 4.1 KEY PERFORMANCE INDICATORS

Key Performance Indicators (KPIs) are tracked by fiscal year. The information below depicts data for fiscal year 2020.

Indicator	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	FYTD 2020	FY2020 Goal
Billions of gallons of treated surface water sold	0.36	0.34	0.31	0.24	0.17	0.17	0.27						1.86	4.20
O&M cost of treated surface water delivered per 1,000 gal*	\$2.70	\$3.85	\$ 3.88	\$ 3.04	\$ 5.88	\$ 5.84	\$ 5.99						\$5.99	\$3.13
Meets TCEQ safe drinking water standards 100% of the time Y/N	Y	Y	Y	Y	Y	Y	Y						Y	Y
Annually update 10-year projections. Projected demand accurate +/- 10%	143%	132%	113%	113%	107%	110%	99%						118%	100%
Number of workers compensation claims per year	0	0	0	0	0	0	0						0	0



\*O&M Surface water costs to not include debt service costs.

## 4.2 DROUGHT CONTINGENCY PLAN TRIGGERS/STATUS

The GRP has not implemented any stages in its Drought Contingency Plan.

## 4.3 PUBLIC RELATIONS ACTIVITIES

- None at this time.

## 4.4 UPCOMING ACTIVITIES

- None at this time.

To view copies of previous Agendas, Minutes, and Monthly Operations Report, please visit our website at [www.sjra.net/grp](http://www.sjra.net/grp).



## ACRONYMS AND DEFINITIONS

### ACRONYMS

AWS	Alternative Water Source
AWWA	American Water Works Association
FY	Fiscal Year
FYTD	Fiscal Year To Date
GRP	Groundwater Reduction Plan
GPY	Gallons Per Year
KPI	Key Performance Indicator
LSGCD	Lone Star Groundwater Conservation District
ORS	Online Reporting System
SJRA	San Jacinto River Authority
TCEQ	Texas Commission on Environmental Quality
TWDB	Texas Water Development Board

### DEFINITIONS

Groundwater Reduction Plan (GRP)	The document developed and filed with the LSGCD indicating SJRA's plan to reduce groundwater pumpage. The GRP is administered by the SJRA, including any supplements, revisions, or amendments.
Groundwater User	An entity that produces groundwater.
GRP Administrator	The SJRA General Manager's designee who administers the SJRA Groundwater Reduction Plan and GRP Contract with GRP Participants.
GRP Contract	Contract between the SJRA and a Participant to be included in the SJRA's efforts to conserve groundwater.
Joint GRP	GRP which is prepared to include (takes into account) groundwater users who have executed a GRP Contract with the SJRA to join the SJRA's GRP.
Participant(s)	Regulated User(s) that enters into and remains subject to a written agreement with the SJRA to be included in the SJRA's GRP and includes the legal successors or assigns of Participant(s).
Regulated User(s)	Any public or private entity or person that is or becomes subject to the District Regulatory Plan established by the LSGCD and includes any amendments, revisions or supplements thereto as may be adopted by the LSGCD.
SJRA GRP Division	Division of the SJRA responsible for GRP compliance, and the management, administration, operation and maintenance of the surface water facilities and surface water transmission system.

