

GRP Review Committee Meeting February 21, 2023

Item 1 Call to Order



Item 2 Public Comments



Item 3 Approval of Minutes



Item 4 GRP Division Updates



Item 5 Presentation and Review of the GRP Division's Fiscal Year 2024 Budget Considerations and Process





Fiscal Year 2024 GRP Budget Considerations

GRP Review Committee Meeting: February 21, 2023



Public Meetings for FY24 GRP Budget

Date	Audience	FY 2023 GRP Budget Activity	
January 24	Review Committee	Budget Process, Demands, and Guidelines	
February 21	Review Committee	Receive Recommendations for FY24 Budget Considerations	
March 20	Review Committee	10-Year Project Plan Presentation	
March 23	SJRA Board	10-Year Project Plan Presentation	
April 24	Review Committee	FY24 Draft Budget & Rate Presentation	
April 27	SJRA Board	FY24 Draft Budget & Rate Presentation	
May 22	Review Committee	Review Committee Vote on FY24 Budget and Rate	
May 25	SJRA Board	Vote on FY24 GRP Rate Order	
August 24	SJRA Board	Vote on Proposed FY24 GRP Operating Budget	

Dates are subject to change.



Fiscal Year 2023 Budget

Total demand

54.54 MGD

Annual average SWTP Production13 MGD

Surface Water Recipients City of Conroe

City of Oak Ridge North

MSEC

MUD 99

SJRA Woodlands

SMCMUD

Rayford Road MUD



Fiscal Year 2024 10-Year Project Plan **Budget Development** Development Establish Budget Goals W/ GRP **Evaluation of Assets and** Review Committee and SJRA Development of 10-Year Project **Finance Committee** Plan Review O&M Historical Data, Present 10-Year Project Plan to **Project Water Demands and GRP Review Committee Identify Needs** Present 10-Year Project Plan to Develop O & M Budget SJRA Board Combine O & M Budget with Project Expenditures and Debt Service Note: Develop Draft Rates

Effective Rate Order Notice sent to

Participants after budget and rates

are approved.

Presentations and **Notifications**

45 Day Notice to All Participants (prior to consideration of budget by **GRP Review Committee**)

Present Draft Division Budget and Rates to GRP Review Committee

Present Draft Division Budget and Rates to SJRA Board

Receive, Consider and Incorporate Input

GRP Review Committee Vote to Recommend Budget and Rate Order

SJRA Board Vote on Budget and

Rate Order

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Fiscal Year 2024 Projected Demand

Fiscal Year (Sept – Aug)				
Calculation	Gallons	MGD		
2-Year Average	22,947,979,132	62.19		
3-Year Average	22,354,204,598	60.56		
4-Year Average	21,613,165,610	58.53		
5-Year Average	21,093,179,500	57.10		

GRP's recommendation

FY 2024 Budgeted
Demand
54.54 MGD

Projected demands represent the aggregate historical groundwater and surface water demands for all 149 GRP Participants.



Cost Increase Per 3 MGD

	13 MGD
GAC	\$2,923,044
Chemicals	\$2,578,400
Utilities	\$1,727,180
Raw Water	\$3,636,512
Total	\$10,865,136

Difference (+)		
16 MGD		
\$730,761		
\$594,900		
\$398,580		
\$466,422		
\$2,190,663		

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19 MGD
\$1,461,522
\$1,190,300
\$797,160
\$932,859
\$4,381,841

Difference (+)

- Chemical assumptions 8% increase over FY24 budgeted numbers
- Utilities assumptions 10% increase over current actuals for FY24
- Reservation & Supply Use Increased by \$0.35 for FY24
- If we produce more than 19.14 MGD we will be paying for the City of Houston reservation of the lake, this
 fee is higher



Fiscal Year 2024 Projected Demand

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GRP's recommendation

FY 2024 Budgeted
Demand
54.54 MGD

Projected demands represent the aggregate historical groundwater and surface water demands for all 149 GRP Participants.



GRP Review Committee Recommendations

- 1. Recommend a projected demand to be used in preparing the GRP Division's Fiscal Year 2024 Operating Budget.
 - GRP Staff recommendation: Use the 4 fiscal year average from FY2023 (54.54 MGD)

- 2. Confirmation of base annual average surface water production for Fiscal Year 2024.
 - GRP Staff recommendation: 13 MGD Annual Average, with varying blend ratios



Item 6 Receive Recommendations for Fiscal Year 2023 Budget Amendment



Budget Amendment Summary

	Previously Budgeted	Proposed Adjustment	Proposed Amended FY23 Budget	Funding source
R&R Fund	\$1,400,000	\$3,200,000	\$4,600,000	Operating Fund
Emergency Reserve	\$ 700,000	\$1,300,000	\$2,000,000	Operating Fund
Process Water Basins	\$ 600,000	\$1,900,000	\$2,500,000	Bond/ Operating Fund
Total	\$2,700,000	\$6,400,000	\$9,100,000	-



Item 7 Lone Star Groundwater Conservation District Update



Item 8 GRP items for consideration by the SJRA Board of Directors on February 23, 2023



Item 9 Attorney's Update



Item 10 Future GRP Review Committee Meeting Agenda Items



Item 11 Future Meeting Schedule

March 20, 2023



Item 12 Adjourn

