

Item No.	Agenda Item	Date
6.2	Consider adoption of a resolution of San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the Bear Branch Division.	09/25/2025

**BACKGROUND INFORMATION**

The preliminary engineering report for the Bear Branch Dam Modification Project has been completed and based on the Engineer's recommendation of an expanded scope of work, staff anticipates increased expenditures for engineering of Phase I and Phase II of the recommended spillway rehabilitation during FY2026 not previously included in the approved budget. An increase of \$500,000 to Construction in Progress is being proposed. Additionally, inclusion of capital contributions from five of the Woodlands Municipal Utility Districts (MUDs) of \$500,000 and an increase to the Grant Revenue budget from the U.S. Army Corps of Engineers (USACE) for the Environmental Infrastructure Funding share of this project of \$253,600 is proposed to be added to the FY2026 budget.

In addition to the annual spending increases it is proposed that the total project budget of \$6,850,000 is increased to \$14,000,000. Previous funding includes \$3,250,000 in awarded Environmental Infrastructure Funds through the USACE and \$1,177,922 in capital contributions received from the five Woodlands MUDs. Alternative funding sources for the unfunded portions of the total project are being pursued by the five Woodlands MUDs, the Woodlands Water Agency, and SJRA staff.

**FUNDING SOURCE:** Bear Branch Repair and Replacement Fund

**ATTACHMENTS:** Resolution; Exhibit "A"; Exhibit "B"

**RECOMMENDED ACTION**

Approve a resolution of San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the Bear Branch Division.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY AMENDING THE BUDGET FOR FISCAL YEAR 2026.**

**WHEREAS**, on August 28, 2025, the San Jacinto River Authority Board of Directors adopted Resolution No. 2025-R-22 approving the Fiscal Year 2026 budget; and

**WHEREAS**, the San Jacinto River Authority finds it necessary to amend the Fiscal Year 2026 budget to increase the capital contributions to the Bear Branch Repair and Replacement, which was not included in the Fiscal Year 2026 budget upon adoption.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY:**

Section 1. That the Fiscal Year 2026 budget, as approved under Resolution No. 2025-R-22, is further amended as detailed in Exhibit “A” attached hereto and incorporated herein for all purposes.

Section 2. That the budget amendment, attached hereto as Exhibit “A”, shall be attached to and made part of the Fiscal Year 2026 Budget for all purposes.

Section 3. That except as amended hereby, the Fiscal Year 2026 budget, as approved under Resolution No. 2025-R-22 is ratified and confirmed in all respects and shall remain in effect.

Section 4. That this Resolution shall become effective immediately after adoption.

**APPROVED AND ADOPTED** by the Board of Directors of the San Jacinto River Authority on the 25<sup>th</sup> day of September, 2025.

**ATTEST:**

**SAN JACINTO RIVER AUTHORITY**

\_\_\_\_\_  
Wil Faubel, Secretary

\_\_\_\_\_  
Ronnie Anderson, President

**Exhibit A**  
**San Jacinto River Authority - Bear Branch Repair and Replacement**  
**Proposed Budget Amendment**

Description	Actuals FY2023	Actuals FY2024	Actuals Sept-May FY2025	Budget FY2025	Approved Budget FY2026	Proposed Budget Amendment FY2026	Proposed Amended Budget FY2026
<b>OPERATING REVENUES</b>							
Capital Contributions	\$ -	\$ -	\$ -	\$ 330,922	\$ -	\$ 500,000	\$ 500,000
<b>TOTAL OPERATING REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 330,922</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>
<b>OTHER REVENUES</b>							
Interest Income	\$ -	\$ 5	\$ 25,639	\$ -	\$ -	\$ -	\$ -
Grant Revenue	-	81,695	14,456	400,000	535,500	253,600	789,100
<b>TOTAL OTHER REVENUES</b>	<b>\$ -</b>	<b>\$ 81,700</b>	<b>\$ 40,095</b>	<b>\$ 400,000</b>	<b>\$ 535,500</b>	<b>\$ 253,600</b>	<b>\$ 789,100</b>
<b>NET REVENUES OVER EXPENSES</b>	<b>\$ -</b>	<b>\$ 81,700</b>	<b>\$ 40,135</b>	<b>\$ 730,922</b>	<b>\$ 535,500</b>	<b>\$ 753,600</b>	<b>\$ 1,289,100</b>
<b>CAPITAL IMPROVEMENTS*</b>							
Construction In Progress				\$ 549,000	\$ 714,000	\$ 500,000	\$ 1,214,000
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>\$ 549,000</b>	<b>\$ 714,000</b>	<b>\$ 500,000</b>	<b>\$ 1,214,000</b>
<b>OTHER SOURCES (USES)*</b>							
Cash Sources (Uses)				\$ 706,234	\$ 766,422	\$ -	\$ 766,422
<b>TOTAL OTHER SOURCES (USES)</b>				<b>\$ 706,234</b>	<b>\$ 766,422</b>	<b>\$ -</b>	<b>\$ 766,422</b>
<b>NET CASH BASIS SOURCES (USES)</b>	<b>\$ -</b>	<b>\$ 81,700</b>	<b>\$ 40,135</b>	<b>\$ 888,156</b>	<b>\$ 587,922</b>	<b>\$ 253,600</b>	<b>\$ 841,522</b>

\*Actuals intentionally left blank.

Exhibit B  
San Jacinto River Authority  
FY2026 Budget  
Total Project Budget Amendment

Division	Project ID	Project Name	Approved	Proposed	Proposed
			FY2026 Total Project Budget	Amendment FY2026 Total Project Budget	Amended FY2026 Total Project Budget
Bear Branch					
	BBDMP*	Bear Branch Dam Modification	\$ 6,850,000	\$ 7,150,000	\$ 14,000,000

Note: Total Project Budgets include multiple fiscal years and funding sources.

\*Was previously two projects that have been combined.

\*\*Future bond funding was not included when presented in FY2025.