

Item No.	Agenda Item	Date
6.3	Consider adoption of a resolution of San Jacinto River Authority Board of Directors adopting an amended Fiscal Year 2026 Operating Budget for the Woodlands Division.	12/11/2025

BACKGROUND INFORMATION

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 plays 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.

The first part of this budget amendment is to increase the construction budget and to accommodate the change order that includes various scope adjustments at Water Plant Nos. 1, 2 and 3 due to errors and omissions by the engineer. At Water Plant Nos. 1 and 2, electrical drawing revisions were completed in coordination with Entergy to ensure compliance with their installation standards and the National Electrical Code. Additionally, modifications were made to the generator foundations at each site. An increase of \$319,766 to Capital Improvements is being proposed under the Woodlands Repair and Replacement Fund budget in FY2026.

The current grit classifier at Wastewater Treatment Facility No. 2 (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 became apparent that this classifier does not have sufficient capacity for this facility. Therefore, a new classifier, rerouted piping, and driveway, will be constructed that are designed specifically to meet the parameters of WWTF No. 2. Two proposals were received. The higher price offeror was selected due to their qualifications and history of quality work and project management on previous SJRA projects. The base proposal price was utilized for its portion of the scoring criteria; however, an alternate item to delete a canopy within the base proposal will be utilized, reducing the overall cost from \$1,323,000.00 to \$1,146,000.00, a reduction in price of \$177,000.00.

The second part of this budget amendment is to increase the construction budget and to accommodate the construction contract coming in over the previously approved budget for WWTF No. 2 Grit Classifier Improvements. An increase of \$115,444 to Capital Improvements is being proposed under the Woodlands Repair and Replacement Fund budget in FY2026.

FUNDING SOURCE: Woodlands Repair and Replacement Fund

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

RECOMMENDED ACTION

Approve a resolution of Board of Directors of the San Jacinto River Authority adopting an amended Fiscal Year 2026 Operating Budget for the Woodlands 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 expenditures to the Woodlands Repair and Replacement Fund budget, 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 11th day of December, 2025.

ATTEST:

SAN JACINTO RIVER AUTHORITY

Wil Faubel, Board Secretary

Ronnie Anderson, Board President

APPROVED AS TO FORM:

Amy Sims, General Counsel

APPROVED AS TO CONTENT:

Aubrey A. Spear, General Manager

Exhibit A
San Jacinto River Authority - Woodlands Repair 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
CAPITAL IMPROVEMENTS*							
Water Treatment Plant & Facilities				\$ 4,808,000	\$ 9,070,904	\$ 319,766	\$ 9,390,670
Sewage Treatment Plant & Facilities				4,855,000	5,950,000	115,444	6,065,444
Software				300,000	350,000	-	350,000
TOTAL CAPITAL IMPROVEMENTS				\$ 9,963,000	\$ 15,370,904	\$ 435,210	\$ 15,806,114
OTHER SOURCES (USES)*							
Cash Sources (Uses)				\$ 17,548,717	\$ 26,283,180	\$ -	\$ 26,283,180
Repair and Replacement Transfers				6,000,000	6,000,000	-	6,000,000
Operating Fund Transfers				-	-	-	-
Transfers				4,900,354	-	-	-
TOTAL OTHER SOURCES (USES)				\$ 28,449,071	\$ 32,283,180	\$ -	\$ 32,283,180
NET CASH BASIS SOURCES (USES)	\$ (317,806)	\$ (1,522,689)	\$ (348,996)	\$ 15,947,071	\$ 15,248,976	\$ (435,210)	\$ 14,813,766

*Actuals intentionally left blank.

San Jacinto River Authority - Woodlands
Budget Amendment Exhibit "B"
December 11, 2025

WAP3GN - Water Plant No. 1 & 3 Generator

Funding Source	Total	Proposed	Proposed Total
	Project Budget	Amendment	Project Budget
Repair & Replacement Fund	\$ 1,929,051	\$ 319,766	\$ 2,248,817
Total	\$ 1,929,051	\$ 319,766	\$ 2,248,817

WWP2GC - Wastewater Treatment Facility No. 2 Grit Classifier Improvements

Funding Source	Total	Proposed	Proposed Total
	Project Budget	Amendment	Project Budget
Repair & Replacement Fund	\$ 1,185,000	\$ 115,444	\$ 1,300,444
Total	\$ 1,185,000	\$ 115,444	\$ 1,300,444