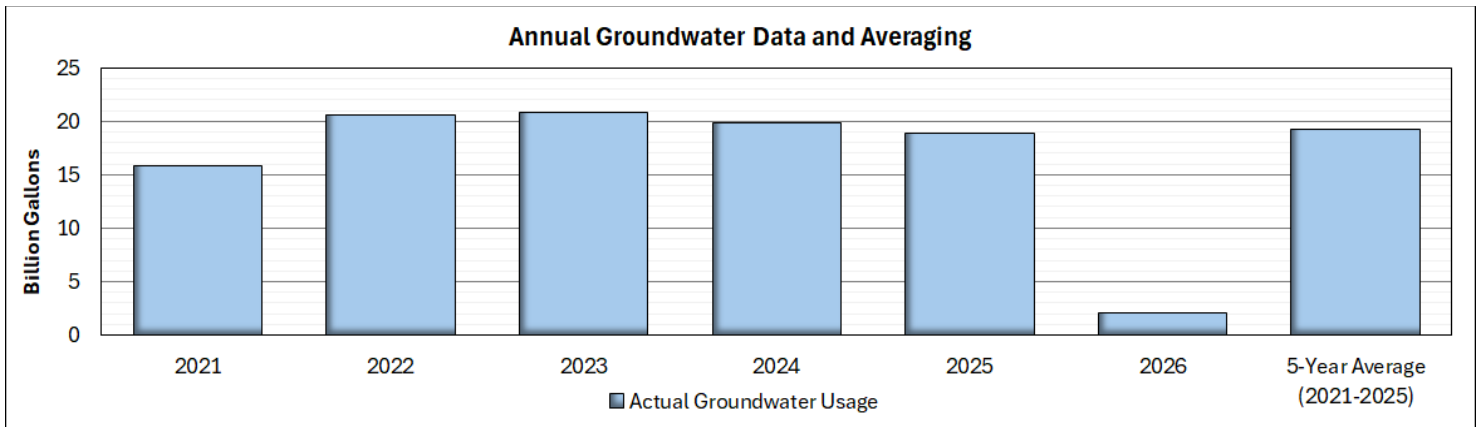


# GROUNDWATER REDUCTION PLAN

## MONTHLY OPERATIONS REPORT

### FEBRUARY 2026



The graph provides groundwater withdrawals of the GRP participants from the previous five years, the current calendar year’s groundwater withdrawals to date, and the previous 5-year average.

Remaining Annual Surface Water Allocation Fiscal Year 2026 (FY26: Sept 2025-Aug 2026)					
	FY26 Allocation	FY26 Actual	FY26 % Used	FY26 Remaining	FY26 % Remaining
City of Conroe	3,102,500,000	1,416,307,000	45.7%	1,686,193,000	54.3%
City of Oak Ridge North	69,350,000	32,527,000	46.9%	36,823,000	53.1%
MSEC	547,500,000	3,700,000***	0.7%	543,800,000	99.3%
MUD 89*	109,500,000	-	0.0%	109,500,000	100.0%
MUD 99**	215,350,000	147,010,000	68.3%	68,340,000	31.7%
Rayford Road MUD	204,400,000	58,652,000	28.7%	145,748,000	71.3%
SMC MUD	208,050,000	77,999,000	37.5%	130,051,000	62.5%
The Woodlands	2,847,000,000	1,309,688,000	46.0%	1,537,312,000	54.0%
<b>Total</b>	<b>7,303,650,000</b>	<b>3,045,883,000</b>			

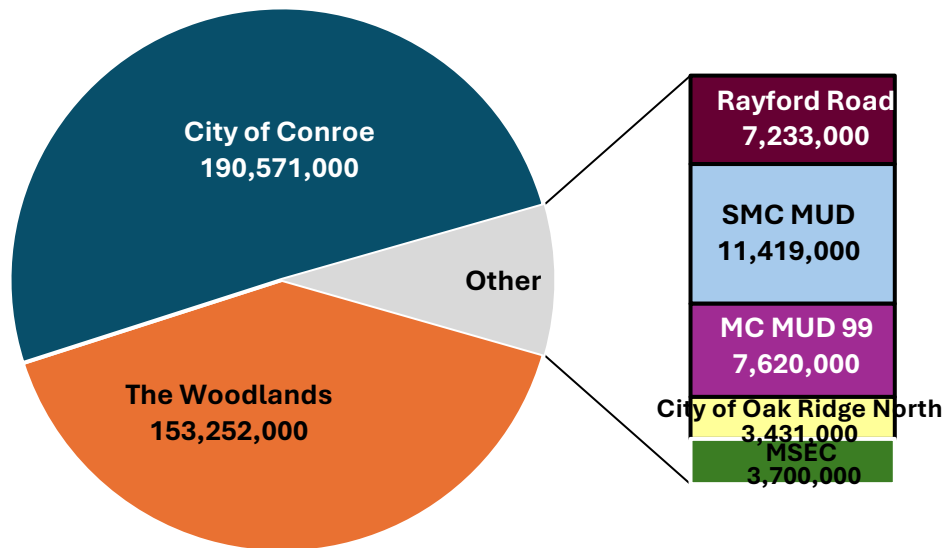
\*FY26 Budgeted Allocation - MC MUD 89 is currently not receiving surface water, awaiting infrastructure connections.

\*\*The GRP Administrator authorized an additional 1,000 gallons per minute of water delivery for MUD 99 due to emergency conditions stemming from the unavailability of two of MUD 99’s wells from August to November 2025. This increase in allocation will be sourced from unallocated usage.

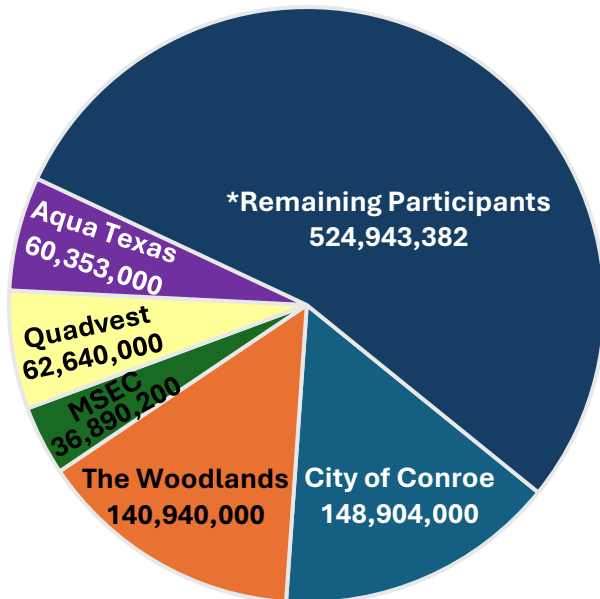
\*\*\*Estimated total for MSEC as surface water delivery started in February 2026 and reporting is being set up.

**OPERATIONS**

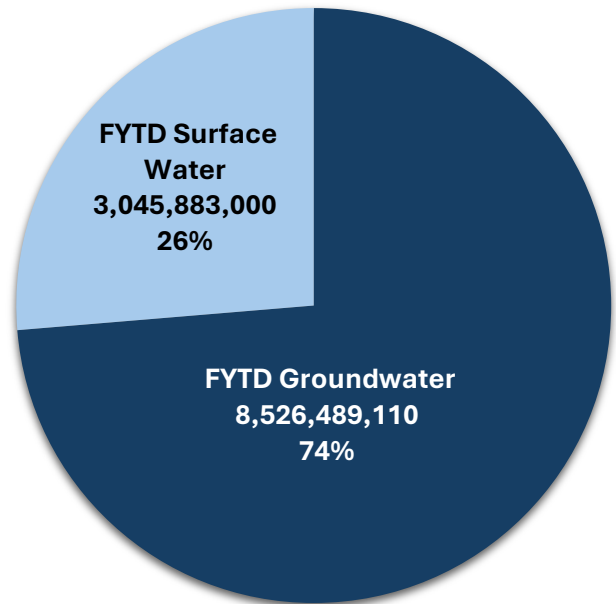
**February 2026- Surface Water Usage**



**February 2026- Groundwater Usage**



**FY26 Total Demand: Sept. 1- Feb. 28, 2026**



FYTD Groundwater Usage (gallons)			FYTD Surface Water Usage (gallons)		
City of Conroe	1,181,833,000	13.9%	The Woodlands	1,309,688,000	43.0%
The Woodlands	1,396,935,000	16.4%	City of Conroe	1,416,307,000	46.5%
Quadvest	660,505,000	7.7%	Rayford Road MUD	58,652,000	1.9%
MSEC	613,620,700	7.2%	SMC MUD	77,999,000	2.6%
Aqua Texas	408,640,999	4.8%	MCMUD 99	147,010,000	4.8%
			City of Oak Ridge North	32,527,000	1.1%
Remaining Participants*	4,264,954,411	50.0%	MSEC	3,700,000**	0.1%
			MCMUD 89	-	0.0%
<b>Total</b>	<b>8,526,489,110</b>		<b>Total</b>	<b>2,668,657,000</b>	

\* As of the preparation of this report, there are four (4) entities that have not yet submitted their pumpage. Please note that totals from previous months may be subject to adjustment as late submissions and any necessary corrections are processed.  
 \*\* Estimated total for MSEC as surface water delivery started in February 2026 and reporting is being set up.

**MAINTENANCE**

Asset	Purpose	Issue	Out of Service	In Service	Comments
Membrane Building Air Compressor No.1	For operations of membrane system, valve operations and air scouring & cleaning	Compressor is original to the facility and has failed. Parts are getting difficult to procure	2/17/2026	2/21/2026	Planning for future replacements due to age of units
Chemical Feed Building AC Repair	Climate control enables stable shelf life of chemicals	Coil failure	08/2025	2/12/2026	Coils needed to be manufactured for existing unit and shipped.
Thickener Tank Equalization Valve (Gate Valve)	Allows sludge to be transferred into second tank	Valve deteriorated in ground	2/23/2026	2/24/2026	Excavated valve and repaired bonnet for valve operation

February 2026					
Work Orders	# of Work Orders	Hours Spent	Work Orders	# of Work Orders	Hours Spent
Preventive Maintenance (PM)	242	283.85	Corrective Maintenance (CM)	43	142.45
FY2026 (September 1 – February 28, 2026)					
Work Orders	# of Work Orders	Hours Spent	Work Orders	# of Work Orders	Hours Spent
Preventive Maintenance (PM)	1460	2068.20	Corrective Maintenance (CM)	303	1261.70

**PUBLIC COMMUNICATIONS**

- No tours were held in February.

**PROJECTS**

<b>Surface Water Receiving Facility Optimization Study</b>	<b>Location</b>	<b>GRP Hydraulic Model Update</b>		
	All surface water receiving facilities	<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>
		\$70,603	\$70,603	\$61,113
		<b>Estimated Start Date:</b>		January-25
		<b>Completion Date:</b>		June-25
		<b>Preliminary Design</b>		
		<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>
		\$75,000	\$71,708	\$69,856
		<b>Estimated Start Date:</b>		September-25
		<b>Estimated Completion Date:</b>		February-26
		<b>Final Design</b>		
	<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>	
	\$126,000	-	-	
	<b>Estimated Start Date:</b>		March-26	
<b>Estimated Completion Date:</b>		FY2027		
<b>Funding Source(s)</b>	<b>Construction</b>			
R&R	<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>	
<b>Phase</b>	\$1,245,000	-	-	
Preliminary Design Procurement	<b>Estimated Start Date:</b>		FY2027	

Work Order No. 3 for maximum flow analysis of all eighteen (18) surface water receiving facilities was presented at the August 2025 GRP Review Committee Meeting and was approved at the August 2025 SJRA Regular Board Meeting. The PO was issued on September 10, 2025, and the kick-off meeting occurred on September 25, 2025. Consultant is working to develop the model at water receiving facilities. A progress meeting was held on November 6, 2025, to discuss preliminary results and options. The draft Technical Memorandum was received from the Consultant on November 25, 2025, reviewed by SJRA, and comments sent back to the Consultant on December 23, 2026. The final TM was received on February 12, 2026, and SJRA had no further comments. This project is preparing for close-out.

<b>24-Inch GRP Water Line Relocation along SH 75 between Silver Springs Rd. and FM 830</b>	<b>Location</b>	<b>Design</b>		
	Adjacent to West Right-of-Way of SH 75 between Silver Springs Road and FM 830	<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>
		-	\$96,286	\$83,507
		<b>Estimated Start Date:</b>		August-25
		<b>Estimated Completion Date:</b>		April-26
		<b>Land Acquisition</b>		
		<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>
	-	\$59,000	\$3,954	
	<b>Estimated Start Date:</b>		December-25	
	<b>Estimated Completion Date:</b>		June-26	
	<b>Funding Source(s)</b>	<b>Construction</b>		
Cash (TxDOT Reimbursement)	<b>Budget</b>	<b>Contract</b>	<b>Invoiced</b>	
<b>Phase</b>	-	-	-	
Design/Land Acquisition	<b>Estimated Start Date:</b>		FY2027	

The 90% design submittal was received from the Consultant on December 18, 2025, and SJRA provided comments on January 20, 2026. The land acquisition team had a kick-off meeting on December 23, 2025, to discuss the process of acquiring the two easements required. SJRA legal and SMT reviewing proposed easement documents. SJRA is working with TxDOT to understand and be able to complete the Standard Utility Agreement which would allow reimbursement to SJRA for the project costs.

FINANCIALS

**San Jacinto River Authority - GRP Division  
Actual to Budget Comparison  
For the Six Months Ending February 28, 2026**

Groundwater Pumpage \$2.51 per 1,000 gallons

Surface water rate \$3.10 per 1,000 gallons

	February		YTD		Variance	Annual Budget
	Actual	Budget	Actual	Budget		
<b>OPERATING REVENUES*</b>	\$ 3,684,008	\$ 3,828,871	\$ 33,176,004	\$ 31,693,411	\$ 1,482,593	\$ 69,072,211
<b>OTHER REVENUES**</b>	\$ 244,552	\$ 25,335	\$ 1,946,130	\$ 152,070	\$ 1,794,060	\$ 304,140
<b>OPERATING EXPENSES</b>						
Salaries, Wages, & Employee Benefits	\$ 409,954	\$ 408,615	\$ 2,656,470	\$ 2,652,742	\$ (3,728)	\$ 5,305,488
Professional Fees	51,122	214,923	315,444	1,293,325	977,881	2,580,375
Purchased & Contracted Services	17,384	26,481	132,729	182,269	49,540	380,481
Supplies, Materials & Utilities	624,508	1,371,807	8,967,757	10,038,027	1,070,270	18,598,495
Rentals	-	333	522	2,000	1,478	4,000
Maintenance, Repairs & Parts	102,702	155,295	727,064	932,140	205,076	1,864,280
General & Administrative Expenses	33,643	47,466	168,099	284,852	116,753	569,817
<b>TOTAL OPERATING EXPENSES</b>	\$ 1,239,313	\$ 2,224,920	\$ 12,968,085	\$ 15,385,355	\$ 2,417,270	\$ 29,302,935
<b>NON-OPERATING EXPENSES</b>	\$ 1,167,677	\$ 1,203,056	\$ 7,611,099	\$ 7,558,117	\$ (52,982)	\$ 14,775,072
<b>TOTAL EXPENSES</b>	\$ 2,406,990	\$ 3,427,976	\$ 20,579,184	\$ 22,943,472	\$ 2,364,288	\$ 44,078,008
<b>NET REVENUES OVER EXPENSES</b>	\$ 1,521,570	\$ 426,230	\$ 14,542,950	\$ 8,902,009	\$ 5,640,941	\$ 25,298,343
<b>CAPITAL IMPROVEMENTS</b>	\$ 207,459	\$ 220,079	\$ 378,653	\$ 1,700,939	\$ 1,322,286	\$ 3,121,939
<b>OTHER SOURCES (USES)*</b>						
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,762,000
Bond Principal	(1,489,167)	(1,489,167)	(27,287,917)	(27,287,917)	-	(36,222,917)
Operating Reserve Fund	-	-	18,746,970	18,746,970	-	18,666,499
Debt Service Reserve Fund	-	-	(1,302,167)	(1,302,167)	-	(1,302,167)
Transfer to Repair and Replacement Fund	-	-	(930,820)	(930,820)	-	(4,330,820)
Incoming to Repair and Replacement Fund	-	-	860,000	860,000	-	4,260,000
Accounts Receivable-Uncollected***	(984,109)	-	(24,662)	-	(24,662)	-
<b>TOTAL OTHER SOURCES (USES)</b>	\$ (2,473,275)	\$ (1,489,167)	\$ (9,938,596)	\$ (9,913,934)	\$ (24,662)	\$ (12,167,405)
<b>NET CASH BASIS SOURCES (USES)</b>	\$ (1,159,164)	\$ (1,283,015)	\$ 4,225,701	\$ (2,712,864)	\$ 6,938,564	\$ 10,009,000

\*Revenues include actual billings including short-pays and failure to pay

\*\*Includes interest & penalty on Past Due Accounts Receivable. Majority of the balance remains uncollected.

\*\*\* Total Past Due Receivables 60+ days at 2/28/2026 \$ 6,058,113

**GRP Division-Special Project Revenue Bonds:**

	Post-Defeasance (2/1/2026)			
	Original Issuance	Principal Balance	Principal due 10/1/26	Final Payment
Series 2009	21,500,000	5,905,000	1,920,000	10/1/2028
Series 2011	83,155,000	52,850,000	3,320,000	10/1/2037
Series 2011A	67,470,000	36,740,000	2,980,000	10/1/2035
Series 2012	175,000,000	103,805,000	6,780,000	10/1/2037
Series 2012A	165,000,000	97,270,000	1,505,000	10/1/2039
Series 2013	39,850,000	22,420,000	1,290,000	10/1/2040
Series 2016	2,305,000	1,370,000	75,000	10/1/2039
<b>Totals:</b>	<b>554,280,000</b>	<b>320,360,000</b>	<b>17,870,000</b>	

## **GRP ACRONYMS AND DEFINITIONS**

### **Acronyms**

FY	Fiscal year
FYTD	Fiscal year to date
GPY	Gallons per year
GRP	Groundwater Reduction Plan
SJRA	San Jacinto River Authority
TCEQ	Texas Commission on Environmental Quality

### **Definitions**

<b>Groundwater Management Area 14</b>	Joint planning group created by the Texas state legislation to provide consideration for the conservation, preservation, protection, recharging, and prevention of waste of the groundwater, and of groundwater reservoirs or their subdivisions, and to control subsidence caused by withdrawal of water from those groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution.
<b>Groundwater Reduction Plan</b>	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.
<b>GRP Administrator</b>	The SJRA General Manager's designee who administers the SJRA Groundwater Reduction Plan and GRP Contract with GRP Participants.
<b>GRP Contract</b>	Contract between the SJRA and a Participant to be included in the SJRA's efforts to conserve groundwater.
<b>Participant(s)</b>	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).
<b>Regulated User(s)</b>	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 June be adopted by the LSGCD.
<b>SJRA GRP Division</b>	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

