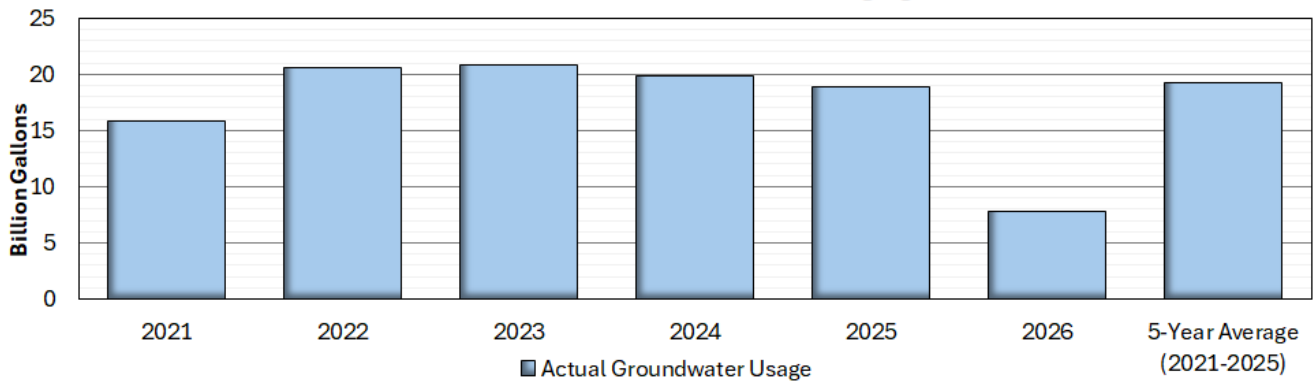


GROUNDWATER REDUCTION PLAN

MONTHLY OPERATIONS REPORT JUNE 2026



Annual Groundwater Data and Averaging



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)

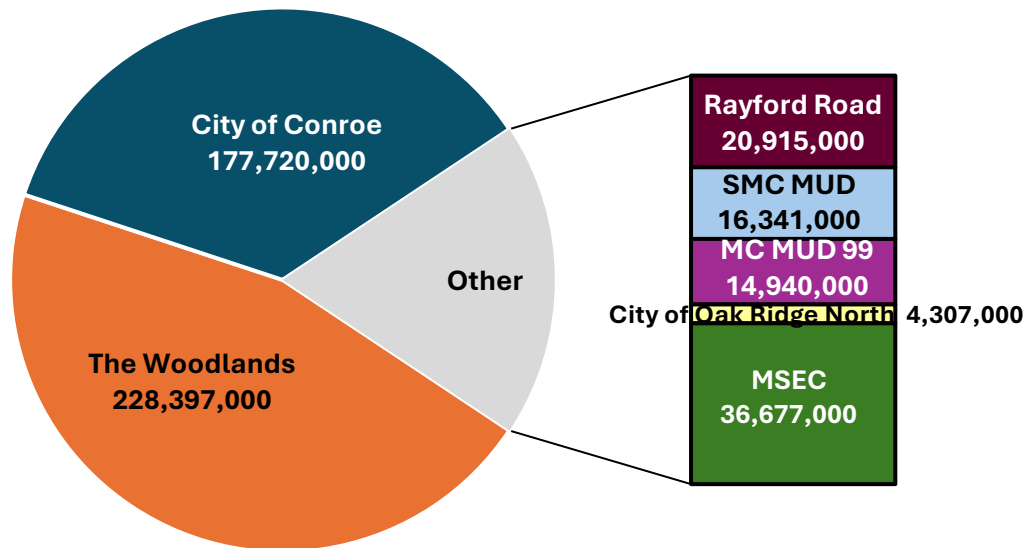
	FY26 Allocation	FY26 Actual	FY26 % Used	FY26 Remaining	FY26 % Remaining
City of Conroe	3,102,500,000	2,210,515,000	71.2%	891,985,000	28.8%
City of Oak Ridge North	69,350,000	49,789,000	71.8%	19,561,000	28.2%
MSEC	547,500,000	157,306,000	28.7%	390,194,000	71.3%
MUD 89*	109,500,000	-	0.0%	109,500,000	100.0%
MUD 99**	215,350,000	199,700,000	92.7%	15,650,000	7.3%
Rayford Road MUD	204,400,000	127,065,000	62.2%	77,335,000	37.8%
SMC MUD	208,050,000	140,282,000	67.4%	67,768,000	32.6%
The Woodlands	2,847,000,000	2,135,326,000	75.0%	711,674,000	25.0%
Total	7,303,650,000	5,019,983,000			

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

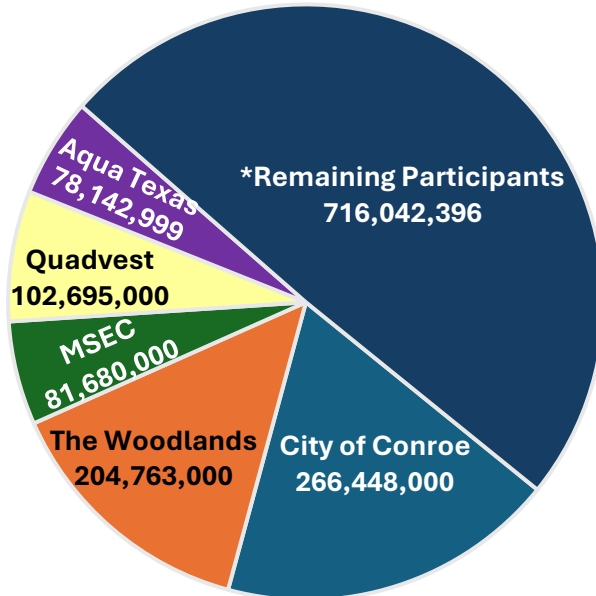
**The GRP Administrator authorized an additional 1,000 gallons per minute of water delivery for MUD 99 due to emergency conditions stemming from the unavailability of two of MUD 99's wells from August to November 2025. This increase in allocation was sourced from unallocated usage.

OPERATIONS

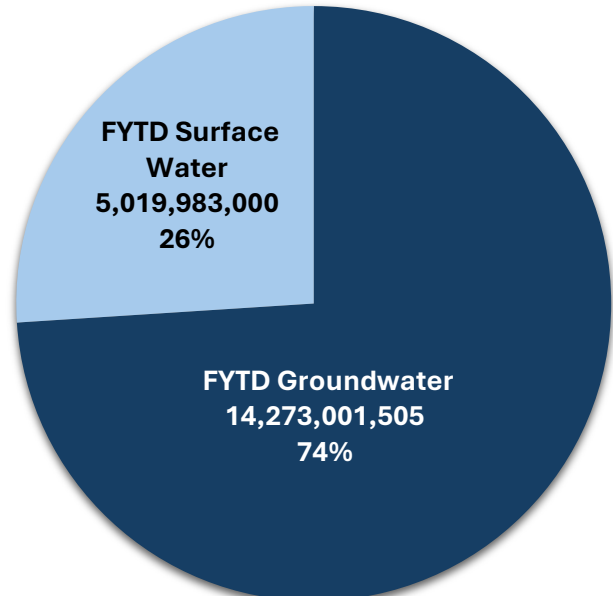
June 2026- Surface Water Usage



June 2026- Groundwater Usage



FY26 Total Demand: Sept. 1- June 30, 2026



FYTD Groundwater Usage (gal)			FYTD Surface Water Usage (gal)		
Participant	Usage (gal)	Percentage	Participant	Usage (gal)	Percentage
Aqua Texas	715,564,998	5.0%	MCMUD 89	0	0.0%
MSEC	936,918,889	6.6%	City of Oak Ridge North	49,789,000	1.0%
Quadvest	1,068,315,000	7.5%	Rayford Road MUD	127,065,000	2.5%
City of Conroe	2,133,368,000	14.9%	SMC MUD	140,282,000	2.8%
The Woodlands	2,292,324,000	16.1%	MSEC	157,306,000	3.1%
Remaining Participants	7,126,510,618	49.9%	MCMUD 99	199,700,000	4.0%
Total	14,273,001,505		The Woodlands	2,135,326,000	42.6%
			City of Conroe	2,210,515,000	44.0%
			Total	5,019,983,000	

* As of the preparation of this report, there are 7 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.

MAINTENANCE

Asset	Purpose	Issue	Out of Service	In Service	Comments
Pretreat Basins 3 & 4	Settle out solids from raw water	Covers deteriorated and need replacement	Basins to remain in service during replacement		Existing covers are prepped and ready for removal. Scheduling for boom truck availability
Segment C2 Transmission Line to Conroe #6	Transfer water from GRP to Conroe Water Receiving Facility #6	Line failure on east side of White Oak Creek	4/2/2026		Design of the replacement segment by an engineering firm is in the request for qualifications stage.

June 2026					
Work Orders	# of Work Orders	Hours Spent	Work Orders	# of Work Orders	Hours Spent
Preventive Maintenance (PM)	249	322.30	Corrective Maintenance (CM)	39	246.00
FY2026 (September 1 – June 30, 2026)					
Work Orders	# of Work Orders	Hours Spent	Work Orders	# of Work Orders	Hours Spent
Preventive Maintenance (PM)	2501	3335.01	Corrective Maintenance (CM)	491	2019.95

PUBLIC COMMUNICATIONS

- In June, SJRA hosted two tours as part of the growing 4-H Water Ambassador Program. Participants toured both the Lake Conroe Dam and the Lake Conroe Surface Water Treatment Plant. In addition to the 4-H students, attendees included interns from WWA and The Woodlands Township, Municipal District Services, and Congressman Luttrell's office.



San Jacinto River Authority - GRP Operating and Repair/Replacement
Actual to Budget Comparison
For the Nine Months Ending May 31, 2026

Groundwater Pumpage \$2.51 per 1,000 gallons
 Surface water rate \$3.10 per 1,000 gallons

	May		YTD		Variance	Annual Budget
	Actual	Budget	Actual	Budget		
OPERATING REVENUES*	\$ 5,091,623	\$ 5,806,380	\$ 48,807,438	\$ 47,249,816	\$ 1,557,622	\$ 69,072,211
OTHER REVENUES**	\$ 281,578	\$ 25,335	\$ 2,783,983	\$ 228,105	\$ 2,555,878	\$ 304,140
OPERATING EXPENSES						
Salaries, Wages, & Employee Benefits	\$ 403,308	\$ 408,615	\$ 3,868,851	\$ 3,878,590	\$ 9,739	\$ 5,305,488
Professional Fees	82,885	214,423	544,065	1,936,850	1,392,785	2,580,375
Purchased & Contracted Services	8,498	32,056	180,690	275,818	95,128	380,481
Supplies, Materials & Utilities	756,655	1,146,520	11,719,372	14,175,261	2,455,889	18,598,495
Rentals	-	333	1,258	3,000	1,742	4,000
Maintenance, Repairs & Parts	89,440	155,295	1,240,936	1,398,210	157,274	1,864,280
General & Administrative Expenses	34,269	47,466	281,346	427,306	145,960	569,817
TOTAL OPERATING EXPENSES	\$ 1,375,055	\$ 2,004,708	\$ 17,836,518	\$ 22,095,035	\$ 4,258,517	\$ 29,302,935
NON-OPERATING EXPENSES	\$ 1,167,677	\$ 1,203,056	\$ 11,184,889	\$ 11,167,286	\$ (17,603)	\$ 14,775,072
TOTAL EXPENSES	\$ 2,542,732	\$ 3,207,764	\$ 29,021,407	\$ 33,262,321	\$ 4,240,914	\$ 44,078,008
NET REVENUES OVER EXPENSES	\$ 2,830,469	\$ 2,623,951	\$ 22,570,014	\$ 14,215,600	\$ 8,354,414	\$ 25,298,343
CAPITAL IMPROVEMENTS	\$ 12,853	\$ 220,079	\$ 737,582	\$ 2,461,439	\$ 1,723,857	\$ 3,121,939
OTHER SOURCES (USES)*						
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,762,000
Bond Principal	(1,489,167)	(1,489,167)	(31,755,417)	(31,755,417)	-	(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	(500,000)	(500,000)	(4,330,820)	(4,330,820)	-	(4,330,820)
Incoming to Repair and Replacement Fund	500,000	500,000	4,260,000	4,260,000	-	4,260,000
Accounts Receivable-Uncollected***	998,834	-	1,069,082	-	1,069,082	-
TOTAL OTHER SOURCES (USES)	\$ (490,333)	\$ (1,489,167)	\$ (13,312,352)	\$ (14,381,434)	\$ 1,069,082	\$ (12,167,405)
NET CASH BASIS SOURCES (USES)	\$ 2,327,283	\$ 914,705	\$ 8,520,080	\$ (2,627,273)	\$ 11,147,353	\$ 10,009,000

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

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

*** Total Past Due Receivables 60+ days at 5/31/2026

\$ 7,151,858

GRP Division-Special Project Revenue Bonds:

Post-Defeasance (2/1/2026)

***Monthly Debt service is ~\$2.66million (Principal & Interest)**

	Original Issuance	Principal Balance	Principal due 10/1/26	Final Payment	Rate Ranges
Series 2009	21,500,000	5,905,000	1,920,000	10/1/2028	2.463%-2.661%
Series 2011	83,155,000	52,850,000	3,320,000	10/1/2037	4.50%-5.00%
Series 2011A	67,470,000	36,740,000	2,980,000	10/1/2035	4.17%-4.97%
Series 2012	175,000,000	103,805,000	6,780,000	10/1/2037	3.87%-4.62%
Series 2012A	165,000,000	97,270,000	1,505,000	10/1/2039	3.97%-4.61%
Series 2013	39,850,000	22,420,000	1,290,000	10/1/2038	4.19%-4.76%
Series 2016	2,305,000	1,370,000	75,000	10/1/2039	3.00%-4.00%
Totals:	554,280,000	320,360,000	17,870,000		

PROJECTS

24-Inch GRP Water Line Relocation along SH 75 between Silver Springs Rd. and FM 830	Location	Design		
	Adjacent to West Right-of-Way of SH 75 between Silver Springs Road and FM 830	Budget	Contract	Invoiced
		-	\$108,986	\$100,321
		Start Date:		August-25
		Estimated Completion Date:		June-26
		Land Acquisition		
		Budget	Contract	Invoiced
		-	\$59,000	\$ 19,394
		Start Date:		December-25
		Estimated Completion Date:		August-26
	Funding Source(s)	Construction		
	Cash (TxDOT Reimbursement)	Budget	Contract	Invoiced
	Phase	-	-	-
	Design/Land Acquisition	Estimated Start Date:		FY2027

TxDot's expansion to widen SHR75 includes the acquisition of approximately 40 feet of additional right-of-way on the west side of the highway, which consequently impacts SJRA's existing exclusive easement. SJRA will acquire a new 20-foot exclusive easement beyond the proposed SH 75 right-of-way line and intends to relocate the GRP 24-inch water line within this new easement. TxDOT has agreed to reimbursing SJRA of all incurred costs. The 100% design submittal was received from the Consultant on March 23, 2026, and SJRA provided remaining comments on April 6, 2026. The final design submittal was received on April 30, 2026, for SJRA to review. SJRA is working with TxDOT to complete the Standard Utility Agreement (SUA) which will allow reimbursement to SJRA for the project costs. The draft SUA was submitted to TxDOT on July 10, 2026, for their review. SJRA has received informal appraisals on the two easements required; however, finalization of the appraisals is on-hold until the SUA is executed.

Surface Water Treatment Plant Membrane Replacement and Optimization	Location	Design		
	SJRA Surface Water Treatment Plant (11998 Pine Valley Dr., Conroe, Texas 77304)	Budget	Contract	Invoiced
		\$ 4,314,672	\$199,971	\$101,204
		Start Date:		May-26
		Estimated Completion Date:		FY2029
	Funding Source(s)	Construction		
	R&R Funds	Budget	Contract	Invoiced
	Phase	\$14,312,000	-	-
	Preliminary Design	Estimated Start Date:		FY2029

First workshop was held on June 23, 2026, and the consultant discussed findings on membrane autopsy and data received from SJRA. The consultant is awaiting formal membrane autopsy report from subconsultant. SJRA and the consultant are working on additional data needs to better understand GAC and pretreatment processes.

White Oak Creek 12-inch Water Line Replacement	Location	Design		
	Across White Oak Creek north of SH105, between FM3083 and Longmire Rd.	Budget	Contract	Invoiced
		\$ 339,000	\$ -	\$ -
		Estimated Start Date:		August-26
		Estimated Completion Date:		April-28
		Land Acquisition		
		Budget	Contract	Invoiced
		\$27,000	-	-
		Estimated Start Date:		April-27
		Estimated Completion Date:		January-28
	Funding Source(s)	Construction		
	R&R Funds	Budget	Contract	Invoiced
	Phase	\$2,481,000	-	-
	Procurement for Design	Estimated Start Date:		FY2028
In August 2025, a failure occurred on the 12-inch transmission line on the west bank of White Oak Creek. The transmission line was repaired, however in April 2026, a second failure occurred approximately 300 feet east on the opposite creek bank. Both breaks occurred on a high density polyethylene (HDPE) water line segment installed in 2015 by horizontal direction drill (HDD). Following the second failure, the reliability of this section of transmission pipe section is in question, so it was determined to procure a consulting engineering firm to provide options on replacement of the HDD installed segment. An RFQ was issued on May 5, 2026, and the pre-submittal meeting was held on May 14, 2026. On June 3, 2026, thirteen statements of qualifications (SOQs) were received. SJRA staff scored and ranked these SOQs on June 15, 2026. SJRA is currently working on scope development and fees with the top ranked firm.				

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

Groundwater Management Area 14	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.
Groundwater Reduction Plan	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.
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.
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 June be adopted by the LSGCD.
SJRA GRP Division	Division of the SJRA responsible for GRP compliance, the management, administration, and operation and maintenance of the surface water facilities and surface water transmission system