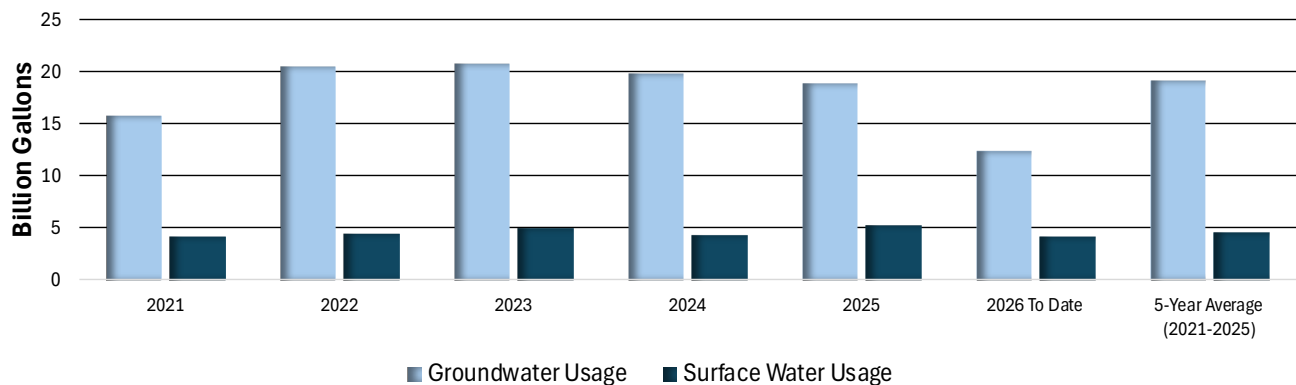


GROUNDWATER REDUCTION PLAN

MONTHLY OPERATIONS REPORT AUGUST 2026



Calendar Year Groundwater and Surface Water

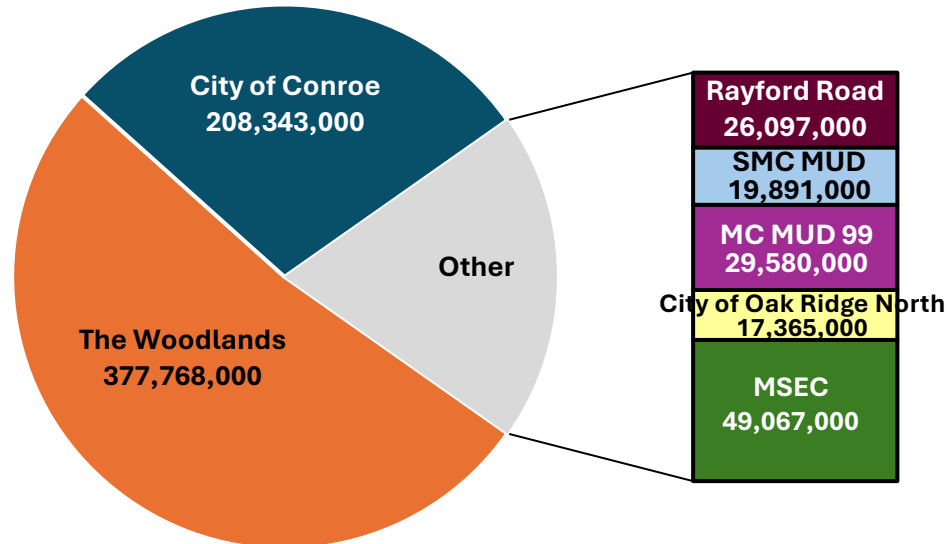


The graph provides groundwater withdrawals and surface water delivery for GRP participants from the previous five years, the current calendar year to date, and the previous 5-year average.

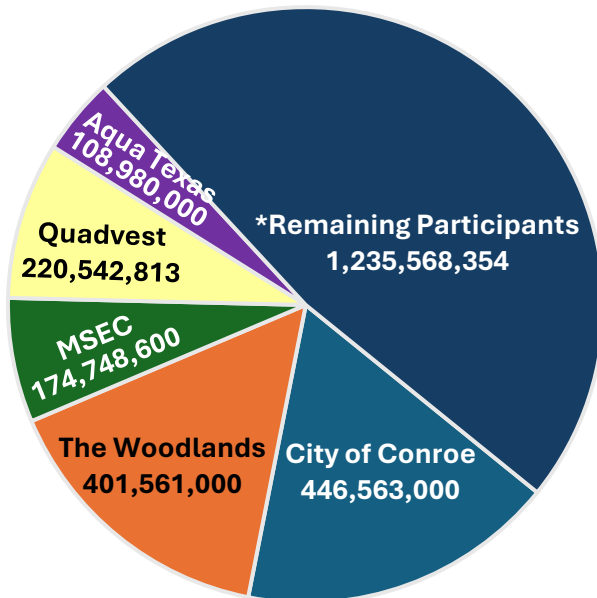
Annual Surface Water Allocation For Fiscal Year 2026 (FY26: Sept 2025-Aug 2026)

	FY26 Allocation	FY26 Actual	FY26 % Used	FY26 Remaining	FY26 % Remaining
City of Conroe	3,102,500,000	2,600,169,000	83.8%	502,331,000	16.2%
City of Oak Ridge North	69,350,000	78,082,000	112.6%	(8,732,000)	-12.6%
MSEC	547,500,000	247,457,000	45.2%	300,043,000	54.8%
MUD 89*	109,500,000	-	0.0%	109,500,000	100.0%
MUD 99**	215,350,000	244,640,000	113.6%	(29,290,000)	-13.6%
Rayford Road MUD	204,400,000	170,007,000	83.2%	34,393,000	16.8%
SMC MUD	208,050,000	178,904,000	86.0%	29,146,000	14.0%
The Woodlands	2,847,000,000	2,846,624,000	100.0%	376,000	0.0%
Total	7,303,650,000	6,365,883,000			

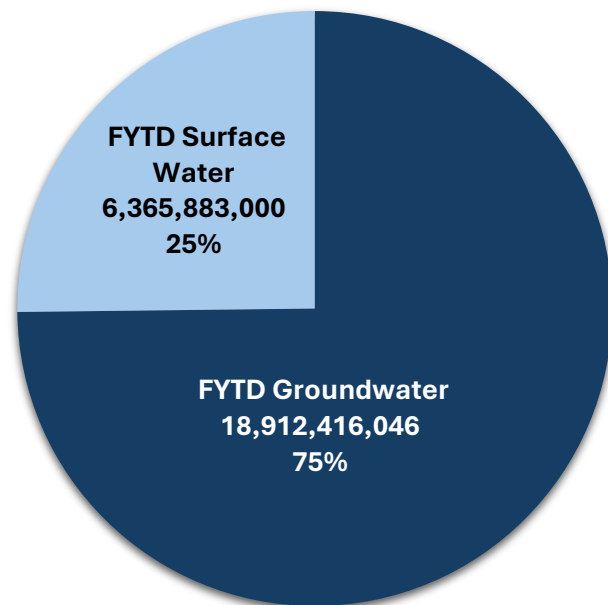
August 2026- Surface Water Usage



August 2026- Groundwater Usage



FY26 Total Demand: Sept. 1- Aug. 31, 2026



FY26 Groundwater Usage (gal)			FY26 Surface Water Usage (gal)		
Participant	Usage (gal)		Participant	Usage (gal)	Column1
Aqua Texas	925,148,998	4.9%	MCMUD 89	0	0.0%
MSEC	1,246,974,789	6.6%	City of Oak Ridge North	78,082,000	1.2%
Quadvest	1,464,801,813	7.7%	Rayford Road MUD	170,007,000	2.7%
City of Conroe	2,942,734,000	15.6%	SMC MUD	178,904,000	2.8%
The Woodlands	2,993,783,000	15.8%	MCMUD 99	244,640,000	3.8%
Remaining Participants	9,338,973,446	49.4%	MSEC	247,457,000	3.9%
Total	18,912,416,046		City of Conroe	2,600,169,000	40.9%
			The Woodlands	2,846,624,000	44.7%
			Total	6,365,883,000	100.0%

* As of the preparation of this report, there are 7 entities that have not yet reported 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
Air Conditioner	Climate control.	Not Cooling, small leak in coils.	Remains in service		Freon added while waiting on quote for repair/replacement.
Chemical Piping	Transfers chemicals to processes of the treatment plant	Chemical leaks.	Redundant lines keep chemicals flowing.		Repaired leaks and lines placed back into service.
August 2026					
Work Orders	# of Work Orders	Hours Spent	Work Orders	# of Work Orders	Hours Spent
Preventive Maintenance (PM)	276	339.60	Corrective Maintenance (CM)	41	97.50
FY2026 (September 1 – August 31, 2026)					
Work Orders	# of Work Orders	Hours Spent	Work Orders	# of Work Orders	Hours Spent
Preventive Maintenance (PM)	3042	3996.71	Corrective Maintenance (CM)	558	2274.95

FINANCIALS

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

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

	July		YTD		Annual	
	Actual	Budget	Actual	Budget	Variance	Budget
OPERATING REVENUES*	\$ 7,133,342	\$ 7,122,814	\$ 61,131,947	\$ 61,077,921	\$ 54,026	\$ 69,072,211
OTHER REVENUES**	\$ 304,372	\$ 25,365	\$ 3,370,567	\$ 278,805	\$ 3,091,762	\$ 304,140
OPERATING EXPENSES						
Salaries, Wages, & Employee Benefits	\$ 408,438	\$ 609,664	\$ 4,683,993	\$ 4,896,871	\$ 212,878	\$ 5,305,488
Professional Fees	82,803	214,680	817,311	2,365,952	1,548,641	2,580,375
Purchased & Contracted Services	20,330	34,371	216,716	343,028	126,312	380,481
Supplies, Materials & Utilities	1,467,382	1,193,073	14,486,852	16,907,189	2,420,337	18,598,495
Rentals	-	334	1,258	3,667	2,409	4,000
Maintenance, Repairs & Parts	83,233	155,481	1,384,069	1,708,985	324,916	1,864,280
General & Administrative Expenses	38,498	47,466	368,014	522,294	154,280	569,817
TOTAL OPERATING EXPENSES	\$ 2,100,684	\$ 2,255,069	\$ 21,958,213	\$ 26,747,986	\$ 4,789,773	\$ 29,302,935
NON-OPERATING EXPENSES	\$ 1,167,677	\$ 1,203,056	\$ 13,520,244	\$ 13,573,399	\$ 53,155	\$ 14,775,072
TOTAL EXPENSES	\$ 3,268,361	\$ 3,458,125	\$ 35,478,457	\$ 40,321,385	\$ 4,842,928	\$ 44,078,008
NET REVENUES OVER EXPENSES	\$ 4,169,353	\$ 3,690,054	\$ 29,024,057	\$ 21,035,341	\$ 7,988,716	\$ 25,298,343
CAPITAL IMPROVEMENTS	\$ -	\$ 220,343	\$ 847,717	\$ 2,901,860	\$ 2,054,143	\$ 3,460,939
OTHER SOURCES (USES)*						
Cash Balance Forward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,762,000
Bond Principal	(1,489,167)	(1,489,167)	(34,733,750)	(34,733,750)	-	(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	-	-	(4,330,820)	(4,330,820)	-	(4,330,820)
Incoming to Repair and Replacement Fund	-	-	4,260,000	4,260,000	-	4,260,000
Accounts Receivable-Uncollected***	1,210,324	-	1,301,154	-	1,301,154	-
TOTAL OTHER SOURCES (USES)	\$ (278,843)	\$ (1,489,167)	\$ (16,058,614)	\$ (17,359,767)	\$ 1,301,154	\$ (12,167,405)
NET CASH BASIS SOURCES (USES)	\$ 3,890,510	\$ 1,980,544	\$ 12,117,726	\$ 773,714	\$ 11,344,013	\$ 9,670,000

*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 Month End \$ 7,383,929

GRP Division-Special Project Revenue Bonds: Post-Defeasance (2/1/2026)

	Original Issuance	Principal Balance
Series 2009	21,500,000	5,905,000
Series 2011	83,155,000	52,850,000
Series 2011A	67,470,000	36,740,000
Series 2012	175,000,000	103,805,000
Series 2012A	165,000,000	97,270,000
Series 2013	39,850,000	22,420,000
Series 2016	2,305,000	1,370,000
Totals:	554,280,000	320,360,000

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

	Principal due 10/1/26	Final Payment	Rate Ranges
	1,920,000	10/1/2028	2.463%-2.661%
	3,320,000	10/1/2037	4.50%-5.00%
	2,980,000	10/1/2035	4.17%-4.97%
	6,780,000	10/1/2037	3.87%-4.62%
	1,505,000	10/1/2039	3.97%-4.61%
	1,290,000	10/1/2038	4.19%-4.76%
	75,000	10/1/2039	3.00%-4.00%

PROJECTS

24-Inch GRP Water Line Relocation along SH 75 between Silver Springs Rd. and FM 830 - GSW75R	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:		September-26
		Land Acquisition		
		Budget	Contract	Invoiced
		-	\$59,000	\$19,394
		Start Date:		December-25
		Estimated Completion Date:		March-27
	Funding Source(s)	Construction		
	Cash (TxDOT Reimbursement)	Budget	Contract	Invoiced
	Phase	-	-	-
	Design / Land Acquisition	Estimated Start Date:		June-27

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. TxDOT sent comments to SJRA on August 10, 2026. SJRA has reviewed the various comments and sent back questions to TxDOT on August 12, 2026, and is awaiting responses. 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-GSWMRO	Location	Design		
	SJRA Surface Water Treatment Plant (11998 Pine Valley Dr., Conroe, Texas 77304)	Budget	Contract	Invoiced
		\$4,314,672	\$199,971	\$180,324
		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

Consultant submitted the Draft Technical Memorandum on 8/21/2026. SJRA staff have reviewed and provided comments on Draft which the consultant is working on addressing. A meeting to review comments and discuss project status will be held on 9/14/2026.

White Oak Creek 12-inch Water Line Replacement- GSWWOR	Location	Design		
	Across White Oak Creek north of SH105, between FM3083 and Longmire Rd.	Budget	Contract	Invoiced
		\$339,000	\$63,300	-
		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. Statement of Qualifications were received per the SJRA process for certified sealed proposals and Lockwood, Andrews & Newnam, Inc. (LAN) was selected to be the Engineering Consultant. A kick-off meeting was held on Sept 9, 2026, to begin the Preliminary Engineering Report and Design.

GRP ACRONYMS AND DEFINITIONS

Acronyms

FY	Fiscal year
FYTD	Fiscal year to date
GRP	Groundwater Reduction Plan
SJRA	San Jacinto River Authority

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