



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/5/2023

ALL

Item Creation Date: 11/3/2023

HPW - 20DWO108 - FY24 Budget for San Jacinto River Authority (SJRA) City of Houston
Share of Lake Conroe Cost

Agenda Item#: 10.

Summary:

NOT A REAL CAPTION

RECOMMENDATION from Director Houston Public Works for approval of the 2024 Operations and Maintenance Budget for the **LAKE CONROE DAM AND RESERVOIR PROJECT** operated by the **San Jacinto River Authority** - \$6,005,189.00 - Enterprise Fund

Background:

RECOMMENDATION: Approve the FY2024 Operations and Maintenance Budget in the amount of \$6,005,189.00 for 2023 Contract by and between San Jacinto River Authority (SJRA) and the City of Houston, Texas, relating to the ongoing operation of the Lake Conroe Dam and Reservoir.


EXPLANATION: SJRA (the "Authority") and the City of Houston (the "City") entered into the 1968 Lake Conroe Contract that provided for the City's participation in the construction of the Lake Conroe Dam and Reservoir (the "Project"), the City's acquisition of an undivided two-thirds interest in Lake Conroe and in the yield permitted under Water Right Permit 1962 (now Certificate of Adjudication 10-49630), and the terms and conditions for the Authority's operation and maintenance of Lake Conroe. The 1968 Lake Conroe Contract expired in 2018.

The City and SJRA entered into an agreement in October 2023, Lake Conroe Contract, approved by City Council on October 11, 2023 (Ordinance No. 2023-0853). The 2023 Lake Conroe Contract sets forth the terms and conditions for the parties' use, disposal, and sale of their respective water yields and SJRA's operation and maintenance of the Lake Conroe Dam and Reservoir. The 2023 Lake Conroe Contract also outlines when SJRA will provide its annual operating budget for review by the City and approval by the Houston City Council, when annual operating payments are due to SJRA from the City, and what SJRA's responsibilities are relating to the accounting of impounded and diverted water for both SJRA and the City.

The funds are allocated in the HPW budget according to SJRA's annual budget submittal during the month of June 2023. SJRA's Fiscal Year 2024 starts on September 1, 2023, and ends on August 31, 2024. Ten months of SJRA's budget are allocated to the City's Fiscal Year 2024 Budget (September 2023 to June 2024), and the remaining two months are allocated to the City's FY25 Budget (July 2024 to August 2024). Payments made to SJRA are based upon documented actual monthly Operations and Maintenance expenditures. This item was presented to the Transportation, Technology, and Infrastructure (TTI) Committee on November 9, 2023.

It is recommended that City Council approve the 2024 SJRA Operations and Maintenance budget for City of Houston 2/3 Share of Lake Conroe Cost in the amount of \$6,005,189.00.

FISCAL NOTE: Funding for this item is included in the FY24 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:

 12/1/2023
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 Carrol Ellinger Haddock, P.E., Director
 Houston Public Works

Estimated Spending Authority			
Department	FY2024	Out Year	TOTAL
Houston Public Works	\$5,004,324.17	\$1,000,864.83	\$6,005,189.00

Prior Council Action:

Ordinance Number 2023-0853, October 11, 2023

Amount and Source of Funding:

\$6,005,189.00

