



Board Meeting

MONDAY, JULY 7, 2025



Quorum



Public Comment Period




Open Meeting

Consideration and Possible Action on Approval of the June 2, 2025 Board Meeting Minutes

JOSEPH HOLLMANN



General Manager's Report

- a. Operational, Chemical Optimization and Financial Report - Jacob Galvan, Jorge Santillan
 - b. Discussion of the Fiscal Year 2026 Initial Budget Draft - Jorge Santillan
 - c. Well Rehabilitation Update – Michael Esquibel
 - d. Drought Update - Jaime Flores
- 

Operational, Chemical Optimization, and Financial Report

JACOB GALVAN, JORGE SANTILLAN





FY 2026 PROPOSED BUDGET

O&M, DEBT SERVICE, & CAPITAL

● ● ● SRWA BOARD MEETING | July 7, 2025

Jorge Santillan

Finance Manager

Financial Services

A decorative graphic at the bottom of the slide consisting of several overlapping, wavy blue shapes that create a sense of movement and depth.

BUDGET SUMMARY

O&M

\$5,480,589

- \$443,837 or 7.49% less than the approved FY 2025 budget

Debt Service \$2,282,565

- \$6,300 more than previous year.

Capital

\$362,815

- FY 2026 member assessments. Proposed CIP plan funded primarily with available cash on hand.

Interest
Earnings

\$350,000

- Will reduce participants required O&M, Capital, and Debt Service contribution. Amount is \$50,000 less than previous year.



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
BY PARTICIPANT**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] | [G] | [H] | [I] |
|----------|--|--------------------|-------------------------|--------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|--|
| | PARTICIPANT | PERCENT ALLOCATION | 2026 TOTAL DEBT SERVICE | 2026 PROPOSED O&M BUDGET | 2026 PROPOSED CAPITAL BUDGET | 2026 INTEREST ON INVESTMENTS * | TOTAL PROPOSED 2026 ALLOCATION | TOTAL APPROVED 2025 ALLOCATION | VARIANCE: FISCAL YEAR 2026 VS 2025 ([G]-[I]) |
| 1 | Brownsville Public Utilities Board | 92.91% | \$ 2,120,732 | \$ 5,092,016 | \$ 337,091 | \$ (325,185) | \$ 7,224,654 | \$ 7,247,621 | \$ (22,967) |
| 2 | Valley Municipal Utility District No. 2 | 2.51% | 57,292 | 137,563 | 9,107 | (8,785) | 195,177 | 195,797 | (620) |
| 3 | City of Los Fresnos | 2.28% | 52,042 | 124,957 | 8,272 | (7,980) | 177,291 | 177,856 | (565) |
| 4 | Brownsville Navigation District | 2.10% | 47,934 | 115,092 | 7,619 | (7,350) | 163,295 | 163,815 | (520) |
| 5 | Town of Indian Lake | 0.20% | 4,565 | 10,961 | 726 | (700) | 15,552 | 15,602 | (50) |
| 6 | | 100.00% | \$ 2,282,565 | \$ 5,480,589 | \$ 362,815 | \$ (350,000) | \$ 7,775,969 | \$ 7,800,691 | \$ (24,722) |
| 7 | FISCAL YEAR 2025 APPROVED BUDGET: | | \$ 2,276,265 | \$ 5,924,426 | \$ - | \$ (400,000) | \$ 7,800,691 | | |
| 8 | Dollar Increases - FY 2026 VS. 2025 APPROVED | | \$ 6,300 | \$ (443,837) | \$ 362,815 | \$ 50,000 | \$ (24,722) | | |
| 9 | % DECREASE - FY 2026 VS. 2025 APPROVED | | 0.28% | -7.49% | 100.00% | -12.50% | -0.32% | | |

* Interest earned on investments will offset the participant allocations.



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
THROUGH FISCAL YEAR 2026**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] | [G] | [H] | [I] |
|------------------------------------|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|--|
| BROWNSVILLE PUBLIC UTILITIES BOARD | | | | | | | | | |
| | DESCRIPTION | 2020 ACTUALS | 2021 ACTUALS | 2022 ACTUALS | 2023 ACTUALS | 2024 ACTUALS | APPROVED 2025 BUDGET | PROPOSED 2026 BUDGET | 2025/2026 BUDGET VARIANCE ([H]-[G]) |
| 1 | DEBT SERVICE | 1,454,664 | 1,501,119 | 2,115,132 | 2,116,458 | 2,114,777 | 2,114,877 | 2,120,732 | 5,855 |
| 2 | O&M | 3,115,773 | 2,872,278 | 3,712,803 | 3,990,730 | 4,329,378 | 5,504,384 | 5,092,016 | (412,368) |
| | RESERVE | - | - | - | - | - | - | - | - |
| 3 | CAPITAL - IMPROVEMENT | 686,341 | 875,616 | 491,743 | 121,956 | 181,579 | - | 337,091 | 337,091 |
| 4 | INTEREST ON INVESTMENTS | - | - | - | - | (615,922) | (371,640) | (325,185) | 46,455 |
| 5 | OVERALL TOTAL: | 5,256,778 | 5,249,013 | 6,319,678 | 6,229,144 | 6,009,812 | 7,247,621 | 7,224,654 | (22,967) |



FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
THROUGH FISCAL YEAR 2026

Line Ref [A] [B] [C] [D] [E] [F] [G] [H] [I]

VALLEY MUNICIPAL UTILITY DISTRICT NO. 2

| | DESCRIPTION | 2020 ACTUALS | 2021 ACTUALS | 2022 ACTUALS | 2023 ACTUALS | 2024 ACTUALS | APPROVED 2025 BUDGET | PROPOSED 2026 BUDGET | 2025/2026 BUDGET VARIANCE ([H]-[G]) |
|---|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|--|
| 1 | DEBT SERVICE | 39,298 | 40,553 | 57,141 | 57,177 | 57,131 | 57,134 | 57,292 | 158 |
| 2 | O&M | 84,174 | 77,596 | 100,303 | 107,811 | 116,960 | 148,703 | 137,563 | (11,140) |
| | RESERVE | - | - | - | - | - | - | - | - |
| 3 | CAPITAL - IMPROVEMENT | 18,542 | 23,655 | 13,285 | 3,295 | 4,905 | - | 9,107 | 9,107 |
| 4 | INTEREST ON INVESTMENTS | - | - | - | - | (16,639) | (10,040) | (8,785) | 1,255 |
| 5 | OVERALL TOTAL: | 142,014 | 141,804 | 170,729 | 168,283 | 162,357 | 195,797 | 195,177 | (620) |



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
THROUGH FISCAL YEAR 2026**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] | [G] | [H] | [I] |
|---------------------|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|--|
| CITY OF LOS FRESNOS | | | | | | | | | |
| | DESCRIPTION | 2020 ACTUALS | 2021 ACTUALS | 2022 ACTUALS | 2023 ACTUALS | 2024 ACTUALS | APPROVED 2025 BUDGET | PROPOSED 2026 BUDGET | 2025/2026 BUDGET VARIANCE ([H]-[G]) |
| 1 | DEBT SERVICE | 35,697 | 36,837 | 51,905 | 51,938 | 51,896 | 51,899 | 52,042 | 143 |
| 2 | O&M | 76,461 | 70,485 | 91,112 | 97,932 | 106,242 | 135,077 | 124,957 | (10,120) |
| | RESERVE | - | - | - | - | - | - | - | - |
| 3 | CAPITAL - IMPROVEMENT | 16,843 | 21,487 | 12,067 | 2,993 | 4,456 | - | 8,272 | 8,272 |
| 4 | INTEREST ON INVESTMENTS | - | - | - | - | (15,115) | (9,120) | (7,980) | 1,140 |
| 5 | OVERALL TOTAL: | 129,001 | 128,809 | 155,084 | 152,863 | 147,479 | 177,856 | 177,291 | (565) |



FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
THROUGH FISCAL YEAR 2026

Line Ref [A] [B] [C] [D] [E] [F] [G] [H] [I]

BROWNSVILLE NAVIGATION DISTRICT

| | DESCRIPTION | 2020 ACTUALS | 2021 ACTUALS | 2022 ACTUALS | 2023 ACTUALS | 2024 ACTUALS | APPROVED 2025 BUDGET | PROPOSED 2026 BUDGET | 2025/2026 BUDGET VARIANCE ([H]-[G]) |
|---|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|--|
| 1 | DEBT SERVICE | 32,879 | 33,929 | 47,807 | 47,837 | 47,799 | 47,802 | 47,934 | 132 |
| 2 | O&M | 70,424 | 64,921 | 83,919 | 90,201 | 97,855 | 124,413 | 115,092 | (9,321) |
| | RESERVE | - | - | - | - | - | - | - | - |
| 3 | CAPITAL - IMPROVEMENT | 15,513 | 19,791 | 11,115 | 2,757 | 4,104 | - | 7,619 | 7,619 |
| 4 | INTEREST ON INVESTMENTS | - | - | - | - | (13,921) | (8,400) | (7,350) | 1,050 |
| 5 | OVERALL TOTAL: | 118,816 | 118,641 | 142,841 | 140,795 | 135,837 | 163,815 | 163,295 | (520) |



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
THROUGH FISCAL YEAR 2026**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] | [G] | [H] | [I] |
|---------------------|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|--|
| TOWN OF INDIAN LAKE | | | | | | | | | |
| | DESCRIPTION | 2020 ACTUALS | 2021 ACTUALS | 2022 ACTUALS | 2023 ACTUALS | 2024 ACTUALS | APPROVED 2025 BUDGET | PROPOSED 2026 BUDGET | 2025/2026 BUDGET VARIANCE ([H]-[G]) |
| 1 | DEBT SERVICE | 3,131 | 3,231 | 4,553 | 4,556 | 4,552 | 4,553 | 4,565 | 12 |
| 2 | O&M | 6,707 | 6,183 | 7,992 | 8,591 | 9,320 | 11,849 | 10,961 | (888) |
| | RESERVE | - | - | - | - | - | - | - | - |
| 3 | CAPITAL - IMPROVEMENT | 1,477 | 1,885 | 1,059 | 263 | 391 | - | 726 | 726 |
| 4 | INTEREST ON INVESTMENTS | - | - | - | - | (1,326) | (800) | (700) | 100 |
| 5 | OVERALL TOTAL: | 11,315 | 11,299 | 13,604 | 13,410 | 12,937 | 15,602 | 15,552 | (50) |



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
THROUGH FISCAL YEAR 2026**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] | [G] | [H] | [I] |
|--------------|----------------------------|------------------|------------------|------------------|------------------|------------------|----------------------------|----------------------------|--|
| COMPANY-WIDE | | | | | | | | | |
| | DESCRIPTION | 2020 ACTUALS | 2021 ACTUALS | 2022 ACTUALS | 2023 ACTUALS | 2024 ACTUALS | APPROVED 2025 BUDGET | PROPOSED 2026 BUDGET | 2025/2026 BUDGET VARIANCE ([H]-[G]) |
| 1 | DEBT SERVICE | 1,565,669 | 1,615,669 | 2,276,538 | 2,277,966 | 2,276,155 | 2,276,265 | 2,282,565 | 6,300 |
| 2 | O&M | 3,353,539 | 3,091,463 | 3,996,129 | 4,295,265 | 4,659,755 | 5,924,426 | 5,480,589 | (443,837) |
| 3 | CAPITAL - IMPROVEMENT | 738,716 | 942,434 | 529,269 | 131,264 | 195,435 | - | 362,815 | 362,815 |
| 4 | INTEREST ON INVESTMENTS | - | - | - | - | (662,923) | (400,000) | (350,000) | 50,000 |
| 5 | OVERALL TOTAL: | 5,657,924 | 5,649,566 | 6,801,936 | 6,704,495 | 6,468,422 | 7,800,691 | 7,775,969 | (24,722) |



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
HIGHLIGHTS BY ACCOUNT**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] |
|-------------|---|-------------------------------|-------------------------|-------------------------------|--|---|
| | ACCOUNT DESCRIPTION | FY 2025 APPROVED BUDGET | YEAR-END PROJECTIONS | FY 2026 PROPOSED BUDGET | VARIANCE: FY 2026 PROPOSED VS FY 2025 APPROVED | REASON FOR VARIANCE |
| 1 | 6160 Overhead Labor | 1,049,868 | 965,777 | 1,112,089 | 62,221 | Increase due to overtime, promotions and salary adjustments. |
| 2 | 7180 Utilities - departmental | 1,444,000 | 1,106,336 | 1,000,000 | (444,000) | Based on the decreased costs and estimated usage of utilities. |
| 3 | 7294 Chemicals - calcium chloride | 578,000 | 584,737 | 626,000 | 48,000 | Based on the increased estimated usage at the estimated unit price. |
| 4 | 7296 Chemicals - scale inhibitor | 115,000 | 59,133 | 55,000 | (60,000) | Based on the decreased estimated usage at the estimated unit price. |
| 5 | 7298 membranes | 242,400 | 85,197 | 632,800 | 390,400 | Estimated cost of replacing membranes for microfiltration racks. |
| 6 | 7325 Rental of equip/storage/land | 151,000 | 149,794 | 151,000 | - | Estimated cost of renting a microfiltration generator for FY 2026. |
| 7 | 7381 Insurance - boiler,mchnry,property | 240,000 | 190,336 | 220,000 | (20,000) | Based on estimates for FY 2026. |



**FISCAL YEAR 2026
PROPOSED BUDGET ALLOCATION
HIGHLIGHTS BY ACCOUNT**

| Line Ref | [A] | [B] | [C] | [D] | [E] | [F] |
|-------------|--|-------------------------------|-------------------------|-------------------------------|--|---|
| | ACCOUNT DESCRIPTION | FY 2025 APPROVED BUDGET | YEAR-END PROJECTIONS | FY 2026 PROPOSED BUDGET | VARIANCE: FY 2026 PROPOSED VS FY 2025 APPROVED | REASON FOR VARIANCE |
| 8 | 7581 Maintenance wells | 470,818 | 205,555 | 241,000 | (229,818) | Replacement of pumps and pump motors to maintain the wells. |
| 9 | 7605 Engineering fees | 150,000 | 65,030 | 60,000 | (90,000) | Aquifer evaluation. |
| 10 | 7699 Other services | 229,000 | 136,541 | 250,000 | 21,000 | Service contracts for equipment and preventative maintenance, including \$143,000 for repairs to drying lagoon. |
| 11 | 7830 Pumping equipment | 84,000 | 109,588 | 84,000 | - | \$35,200 for microfiltration transfer pumps; \$26,760 for microfiltration transfer pump motor and \$22,000 for chemical feed pumps. |
| 12 | All chemical accounts not listed above | 742,310 | 558,745 | 619,500 | (122,810) | Based on estimated usage at the estimated contract unit price. |
| 13 | All other accounts | 428,030 | 380,972 | 429,200 | 1,170 | |
| 14 | OVERALL TOTAL: | 5,924,426 | 4,597,741 | 5,480,589 | (443,837) | |



FISCAL YEAR 2026
PROPOSED OPERATING & MAINTENANCE BUDGET
BY ACCOUNT / PROGRAM

Line
Ref

[A]

[B]

[C]

[D]

[E]

[F]

[G]

[H]

[I]

[J]

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[L]

| | ACCOUNT | PROG | FY 2025 APPROVED BUDGET | APPROVED BUDGET TRANSFERS | FY 2025 AMENDED BUDGET | YTD EXPENSE AS OF 05/31/25 | ENCUMB | CURRENT BUDGET BALANCE | YEAR-END PROJECTIONS | FY 2026 PROPOSED BUDGET | VARIANCE: FY 2026 PROPOSED VS FY 2025 APPROVED | % VARIANCE |
|----|---|---------------------------------------|-------------------------------|---------------------------------|------------------------------|----------------------------------|-----------|------------------------------|-------------------------|-------------------------------|--|---------------|
| 1 | 6160 Overhead Labor | W60131 Salaries (wtmo) | \$ 1,049,868 | \$ - | \$ 1,049,868 | 615,821 | - | \$ 434,047 | \$ 965,777 | \$ 1,112,089 | \$ 62,221 | 5.93% |
| 2 | 7102 Sponsorships | W67581 Miscellaneous Expenses (admgw) | 1,000 | - | 1,000 | - | - | 1,000 | 333 | 1,000 | - | 0.00% |
| 3 | 7105 Books & periodicals | W67581 Miscellaneous Expenses (admgw) | 150 | - | 150 | - | - | 150 | 50 | 150 | - | 0.00% |
| 4 | 7110 Dues & memberships | W67581 Miscellaneous Expenses (admgw) | 1,800 | - | 1,800 | 1,387 | - | 413 | 1,987 | 1,800 | - | 0.00% |
| 5 | 7120 Office supplies | W62081 Materials & Supplies (admgw) | 1,200 | - | 1,200 | 1,097 | - | 103 | 1,497 | 1,200 | - | 0.00% |
| 6 | 7130 Postage/shipping charges | W67581 Miscellaneous Expenses (admgw) | 600 | - | 600 | 760 | - | (160) | 960 | 600 | - | 0.00% |
| 7 | 7135 Telephone expenses | W67581 Miscellaneous Expenses (admgw) | 19,000 | - | 19,000 | 10,886 | 12,065 | (3,951) | 17,220 | 19,000 | - | 0.00% |
| 8 | 7140 Training expenses | W67581 Miscellaneous Expenses (admgw) | 4,000 | - | 4,000 | 2,105 | - | 1,895 | 3,438 | 4,000 | - | 0.00% |
| 9 | 7145 Travel expenses | W67581 Miscellaneous Expenses (admgw) | 3,000 | - | 3,000 | 262 | - | 2,738 | 1,262 | 3,000 | - | 0.00% |
| 10 | 7180 Utilities - departmental | W61531 Purchased Power (wtmo) | 1,444,000 | - | 1,444,000 | 625,003 | 1,876,369 | (1,057,372) | 1,106,336 | 1,000,000 | (444,000) | -30.75% |
| 11 | 7203 Sand, Caliche, Gravel,Concrete etc | W63541 Contract Svc - Other (wtmm) | 27,000 | - | 27,000 | 6,150 | - | 20,850 | 15,150 | 27,000 | - | 0.00% |
| 12 | 7225 Safety supplies | W62031 Materials & Supplies (wtmo) | 2,500 | - | 2,500 | 1,626 | - | 874 | 2,459 | 2,500 | - | 0.00% |
| 13 | 7278 Chemicals - sodium chlorite | W61831 Chemicals (wtmo) | 140,000 | - | 140,000 | 56,036 | 176,231 | (92,267) | 102,703 | 120,000 | (20,000) | -14.29% |
| 14 | 7281 Chemicals - ammonia | W61831 Chemicals (wtmo) | 50,000 | - | 50,000 | 29,326 | 25,274 | (4,599) | 45,992 | 45,000 | (5,000) | -10.00% |
| 15 | 7282 Chemicals - caustic soda | W61831 Chemicals (wtmo) | 77,000 | | 77,000 | 35,138 | 30,165 | 11,696 | 60,805 | 55,000 | (22,000) | -28.57% |
| 16 | 7283 Chemicals - chlorine | W61831 Chemicals (wtmo) | 203,000 | - | 203,000 | 103,796 | 219,387 | (120,183) | 171,463 | 177,000 | (26,000) | -12.81% |
| 17 | 7288 Chemicals - ferric chloride | W61831 Chemicals (wtmo) | 48,000 | - | 48,000 | 12,604 | 45,776 | (10,379) | 28,604 | 25,000 | (23,000) | -47.92% |
| 18 | 7291 Chemicals - microfiltration cleaners | W61831 Chemicals (wtmo) | 70,000 | | 70,000 | 22,772 | 140,023 | (92,795) | 46,105 | 60,000 | (10,000) | -14.29% |
| 19 | 7292 Chemicals - sodium bisulfite | W61831 Chemicals (wtmo) | 37,000 | - | 37,000 | 17,656 | 26,239 | (6,895) | 29,989 | 28,000 | (9,000) | -24.32% |
| 20 | 7293 Chemicals - other | W61831 Chemicals (wtmo) | 1,310 | - | 1,310 | 1,308 | - | 2 | 1,745 | 1,500 | 190 | 14.50% |
| 21 | 7294 Chemicals - calcium chloride | W61831 Chemicals (wtmo) | 578,000 | | 578,000 | 392,070 | 307,984 | (122,054) | 584,737 | 626,000 | 48,000 | 8.30% |
| 22 | 7295 Chemicals - membrane cleaner | W61841 Chemicals (wtmm) | 66,000 | - | 66,000 | 32,672 | 46,071 | (12,743) | 54,672 | 66,000 | - | 0.00% |
| 23 | 7296 Chemicals - scale inhibitor | W61841 Chemicals (wtmm) | 115,000 | - | 115,000 | 20,800 | 52,726 | 41,474 | 59,133 | 55,000 | (60,000) | -52.17% |
| 24 | 7297 Chemicals - cartridge filters | W62041 Materials & Supplies (wtmm) | 50,000 | - | 50,000 | - | 15,857 | 34,143 | 16,667 | 42,000 | (8,000) | -16.00% |
| 25 | 7298 membranes | W62031 Materials & Supplies (wtmo) | 242,400 | - | 242,400 | 4,397 | - | 238,003 | 85,197 | 632,800 | 390,400 | 161.06% |
| 26 | 7299 Other materials & supplies | W62031 Materials & Supplies (wtmo) | 133,000 | - | 133,000 | 93,606 | 28,116 | 11,278 | 137,940 | 133,000 | - | 0.00% |



FISCAL YEAR 2026
PROPOSED OPERATING & MAINTENANCE BUDGET
BY ACCOUNT / PROGRAM

Line
Ref

[A]

[B]

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| | | | | | | | | | | VARIANCE: FY | | |
|----|--|--|-------------------------------|---------------------------------|------------------------------|----------------------------------|-----------|------------------------------|-------------------------|-------------------------------|------------------------------------|---------------|
| | ACCOUNT | PROG | FY 2025 APPROVED BUDGET | APPROVED BUDGET TRANSFERS | FY 2025 AMENDED BUDGET | YTD EXPENSE AS OF 05/31/25 | ENCUMB | CURRENT BUDGET BALANCE | YEAR-END PROJECTIONS | FY 2026 PROPOSED BUDGET | PROPOSED VS FY 2025 APPROVED | % VARIANCE |
| | | W62041 Materials & Supplies (wtmm) | 41,200 | - | 41,200 | 18,843 | 788 | 21,569 | 32,576 | 35,000 | (6,200) | -15.05% |
| 27 | 7310 Federal, state, & local fees | W67581 Miscellaneous Expenses (admngw) | 2,000 | - | 2,000 | 51 | - | 1,949 | 718 | 1,000 | (1,000) | -50.00% |
| 28 | 7315 Food, meals, ice, water | W67581 Miscellaneous Expenses (admngw) | 6,500 | - | 6,500 | 3,825 | 30 | 2,645 | 5,992 | 6,500 | - | 0.00% |
| 29 | 7325 Rental of equip/storage/land | W64231 Rental Equipment (wtmo) | 151,000 | - | 151,000 | 99,461 | 5,219 | 46,321 | 149,794 | 151,000 | - | 0.00% |
| 30 | 7335 Wearing apparel & dry goods | W63531 Contract Svc - Other (wtmo) | 2,500 | - | 2,500 | 601 | 11 | 1,888 | 1,434 | 2,500 | - | 0.00% |
| 31 | 7380 Insurance - general liability | W65931 Insurance - Other (wtmo) | 1,950 | - | 1,950 | 1,238 | 2,406 | (1,694) | 1,888 | 1,950 | - | 0.00% |
| 32 | 7381 Insurance - boiler,mchnry,property | W65931 Insurance - Other (wtmo) | 240,000 | - | 240,000 | 110,336 | - | 129,664 | 190,336 | 220,000 | (20,000) | -8.33% |
| 33 | 7384 Insurance - public officials liab | W65931 Insurance - Other (wtmo) | 2,330 | - | 2,330 | 4,690 | - | (2,360) | 5,467 | 5,000 | 2,670 | 114.59% |
| 34 | 7385 Insurance - comprehensive auto liab | W65931 Insurance - Other (wtmo) | 2,500 | - | 2,500 | 516 | 2,788 | (804) | 1,349 | 2,500 | - | 0.00% |
| 35 | 7415 Fuels & lubricants | W61631 Fuel for Pwr Prod (wtmo) | 3,600 | - | 3,600 | 3,222 | - | 378 | 4,422 | 4,000 | 400 | 11.11% |
| 36 | 7520 Maint. of minor equipment | W67541 Miscellaneous Expenses (wtmm) | 10,000 | - | 10,000 | - | - | 10,000 | 3,333 | 7,000 | (3,000) | -30.00% |
| 37 | 7581 Maintenance wells | W62041 Materials & Supplies (wtmm) | 113,000 | - | 113,000 | 21,897 | 13,200 | 77,903 | 59,564 | 113,000 | - | 0.00% |
| | | W63541 Contract Svc - Other (wtmm) | 357,818 | - | 357,818 | 26,718 | 50,761 | 280,339 | 145,991 | 128,000 | (229,818) | -64.23% |
| 38 | 7601 Legal Fees | W63331 Contract Svc - Legal (wtmo) | 7,000 | - | 7,000 | 1,002 | 1,888 | 4,111 | 3,335 | 6,000 | (1,000) | -14.29% |
| 39 | 7605 Engineering fees | W63131 Contract Svc - Engin (wtmo) | 150,000 | - | 150,000 | 15,030 | 107,939 | 27,031 | 65,030 | 60,000 | (90,000) | -60.00% |
| 40 | 7615 External auditor fees | W63231 Contract Svc - Accting (wtmo) | 12,000 | - | 12,000 | 500 | - | 11,500 | 4,500 | 10,000 | (2,000) | -16.67% |
| 41 | 7645 Maintenance services | W63541 Contract Svc - Other (wtmm) | 10,000 | - | 10,000 | 624 | - | 9,376 | 3,957 | 10,000 | - | 0.00% |
| 42 | 7650 Security services | W63531 Contract Svc - Other (wtmo) | 5,000 | - | 5,000 | - | - | 5,000 | 1,667 | 5,000 | - | 0.00% |
| 43 | 7660 Ground Keeping Maintenance | W63541 Contract Svc - Other (wtmm) | 110,000 | - | 110,000 | 81,730 | 34,610 | (6,340) | 118,397 | 123,000 | 13,000 | 11.82% |
| 44 | 7699 Other services | W63231 Contract Svc - Accting (wtmo) | 18,000 | - | 18,000 | 9,900 | - | 8,100 | 15,900 | 16,000 | (2,000) | -11.11% |
| | | W63531 Contract Svc - Other (wtmo) | 24,000 | - | 24,000 | 10,964 | 8,852 | 4,184 | 18,964 | 22,000 | (2,000) | -8.33% |
| | | W63541 Contract Svc - Other (wtmm) | 182,000 | - | 182,000 | 36,661 | 68,369 | 76,970 | 97,328 | 207,000 | 25,000 | 13.74% |
| | | W67581 Miscellaneous Expenses (admngw) | 5,000 | - | 5,000 | 2,682 | - | 2,318 | 4,349 | 5,000 | - | 0.00% |
| 45 | 7801 Communication equipment | W67581 Miscellaneous Expenses (admngw) | 1,000 | - | 1,000 | - | - | 1,000 | 333 | 1,000 | - | 0.00% |
| 46 | 7805 Computer equipment | W67581 Miscellaneous Expenses (admngw) | 2,500 | - | 2,500 | - | - | 2,500 | 833 | 2,500 | - | 0.00% |
| 47 | 7810 Laboratory equipment | W62031 Materials & Supplies (wtmo) | 5,000 | - | 5,000 | 2,776 | - | 2,224 | 4,442 | 5,000 | - | 0.00% |
| 48 | 7820 Office furniture & equipment | W67581 Miscellaneous Expenses (admngw) | 700 | - | 700 | 784 | - | (84) | 1,017 | 1,000 | 300 | 42.86% |
| 49 | 7830 Pumping equipment | W62031 Materials & Supplies (wtmo) | 84,000 | - | 84,000 | 81,588 | 1,194 | 1,217 | 109,588 | 84,000 | - | 0.00% |
| 50 | 7835 Tools, shop and garage equipment | W67531 Miscellaneous Expenses (wtmo) | 1,000 | - | 1,000 | - | - | 1,000 | 333 | 1,000 | - | 0.00% |
| 51 | 7899 Other minor tools & equipment | W62041 Materials & Supplies (wtmm) | 8,000 | - | 8,000 | 16 | 7,417 | 567 | 2,683 | 6,000 | (2,000) | -25.00% |
| 52 | OVERALL O&M TOTAL | | 5,924,426 | - | 5,924,426 | 2,622,935 | 3,307,753 | (6,262) | 4,597,741 | 5,480,589 | (443,837) | -7.49% |



**FISCAL YEAR 2026 ESTIMATE:
PROPOSED PERSONNEL BUDGET
BREAKDOWN BY CATEGORY**

| Line Ref | [A] POSITION NO. | [B] POSITION TITLE | [C] FY 2025 APPROVED BUDGET | [D] FY 2026 PROPOSED BUDGET |
|----------|---------------------------------------|---------------------------|--------------------------------------|--------------------------------------|
| 1 | TOTAL SRWA WAGES: | | \$ 567,091 | \$ 591,240 |
| 2 | ADD BPUB ADMINISTRATIVE SUPPORT: | | 53,796 | 55,868 |
| 3 | Promotions for eligible positions | | 24,190 | 26,042 |
| 4 | Overtime for eligible positions | | 34,929 | 37,366 |
| 5 | ESTIMATED BENEFITS FOR ALL POSITIONS: | | 315,107 | 401,573 ¹ |
| 6 | OVERALL PERSONNEL BUDGET: | | <u>\$ 995,113</u> | <u>\$ 1,112,089</u> |
| 7 | | | VARIANCE: \$ | 116,976 |
| 8 | | | % INCREASE: | 11.76% |

¹ Note: The calculation for the benefits include an estimate of 30.18% of wages for standard deductions and dental and health insurances for the positions.



FISCAL YEAR 2026 PROPOSED CAPITAL IMPROVEMENT PLAN

| [A] LINE REF | [B] DESCRIPTION | [C] AMOUNT |
|-----------------|--|---------------------|
| 1 | FY 2026 FUNDING SOURCES | |
| 2 | Capital Improvement Cash on Hand | \$ 2,281,615 |
| 3 | Member CIP Assessments | 362,815 |
| 4 | TOTAL FUNDING SOURCES | \$ 2,644,430 |
| 5 | FY 2026 FUNDING USES | |
| 6 | CAPITAL PROJECTS | |
| 7 | RO Permeate Piping Backflow Modification | 26,969 |
| 8 | Optimization Feasibility Study for Title XVI Federal Funding Participation | 13,909 |
| 9 | Well Rehabilitation Consulting Project | 32,870 |
| 10 | VFD Units Replacement at High Service Pump No. 5 and No. 6 | 276,000 |
| 11 | Well Field Optimization Services - Aqua Feed Process and Dubois Well Services | 213,540 |
| 12 | Aria Filtration System | 71,515 |
| 13 | Administration Building Fire System Upgrade | 76,206 |
| 14 | 24-inch Pipe Modification On Blended Permeate Pipe | 154,356 |
| 15 | 50ft x 100ft steel storage building - design | 30,000 |
| 16 | Microfiltration Transfer Pumps Station Expansion | 40,000 |



FISCAL YEAR 2026
PROPOSED CAPITAL IMPROVEMENT PLAN

| [A] LINE REF | [B] DESCRIPTION | [C] AMOUNT |
|-----------------|---|---------------------|
| 17 | 2 Each Chemical Bulk Tanks for Liquid Ammonium Sulfate (LAS) - Design | 44,600 |
| 18 | 36-Inch High Service Pump Header Line Replacement | 364,416 |
| 19 | Chlorination Feed System Improvements - Design | 131,529 |
| 20 | Rehabilitation of 6 Groundwater Wells | 991,280 |
| 21 | VFD Unit Replacement for Transfer Pump No. 1 | 123,240 |
| 22 | TOTAL CAPITAL PROJECTS | \$ 2,590,430 |
| 23 | CAPITAL EQUIPMENT | |
| 24 | Scissor lift (replace existing unit) | \$ 15,000 |
| 25 | John Deere Gator (replace existing unit) | 19,000 |
| 26 | Forklift (replace existing unit) | 20,000 |
| 27 | TOTAL CAPITAL EQUIPMENT | \$ 54,000 |
| 28 | TOTAL CURRENT FUNDING USES | \$ 2,644,430 |



FISCAL YEAR 2026 PROPOSED CAPITAL IMPROVEMENT PLAN

| [A] LINE REF | [B] DESCRIPTION | [C] AMOUNT |
|-----------------|---|----------------------|
| 29 | FUTURE FUNDING USES | |
| 30 | CAPITAL PROJECTS | |
| 31 | Optimization Projects - Reconstruction of wells | \$ 61,169,506 |
| 15b | 50ft x 100ft steel storage building - construction | 204,000 |
| 16b | Microfiltration Transfer Pumps Station Expansion | 272,000 |
| 17b | 2 Each Chemical Bulk Tanks for Liquid Ammonium Sulfate (LAS) - Construction | 303,280 |
| 19b | Chlorination Feed System Improvements - Construction | 894,435 |
| 32 | TOTAL FUTURE FUNDING USES | <u>\$ 62,843,221</u> |

Note: Balances are as of May 31, 2025.



Well Rehabilitation Update

MICHAEL ESQUIBEL

Definition of Pumping Terms

GPM: gallons per minute

Static Level: water level when pump is off

Pumping Level: water level when pump is on

Drawdown Level: pumping level - static level

Specific Capacity: the rate of well yield per unit of drawdown

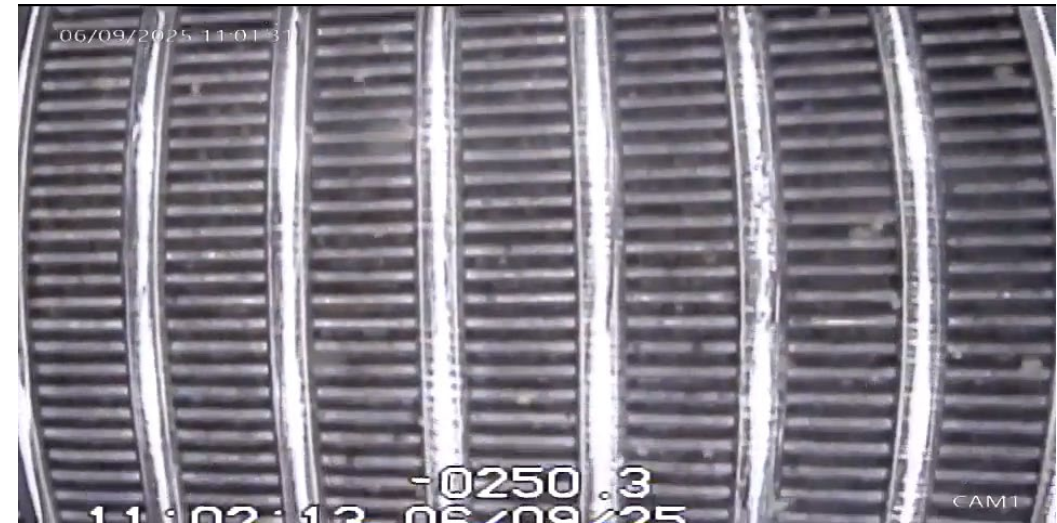
- Specific capacity, $\text{gpm/ft} = \text{gpm} \div \text{drawdown}$

Well #1 Screen Photos

BEFORE



AFTER



Well Rehabilitation Results

| Well 1 | | | |
|----------------------------|-----------------------|----------------------|----------|
| Parameter | Before Rehabilitation | After Rehabilitation | % Change |
| Static Water Level (ft) | 44.7 | 47.7 | 3 |
| Pumping Water Level (ft) | 118 | 114 | -3.3 |
| Discharge Rate (gpm) | 448 | 448 | 0 |
| Drawdown (ft) | 73.3 | 66.3 | -9.5 |
| Specific Capacity (gpm/ft) | 6.10 | 6.90 | 13.11 |

Questions?





Drought Update

● ● ● SRWA BOARD MEETING | June 2, 2025

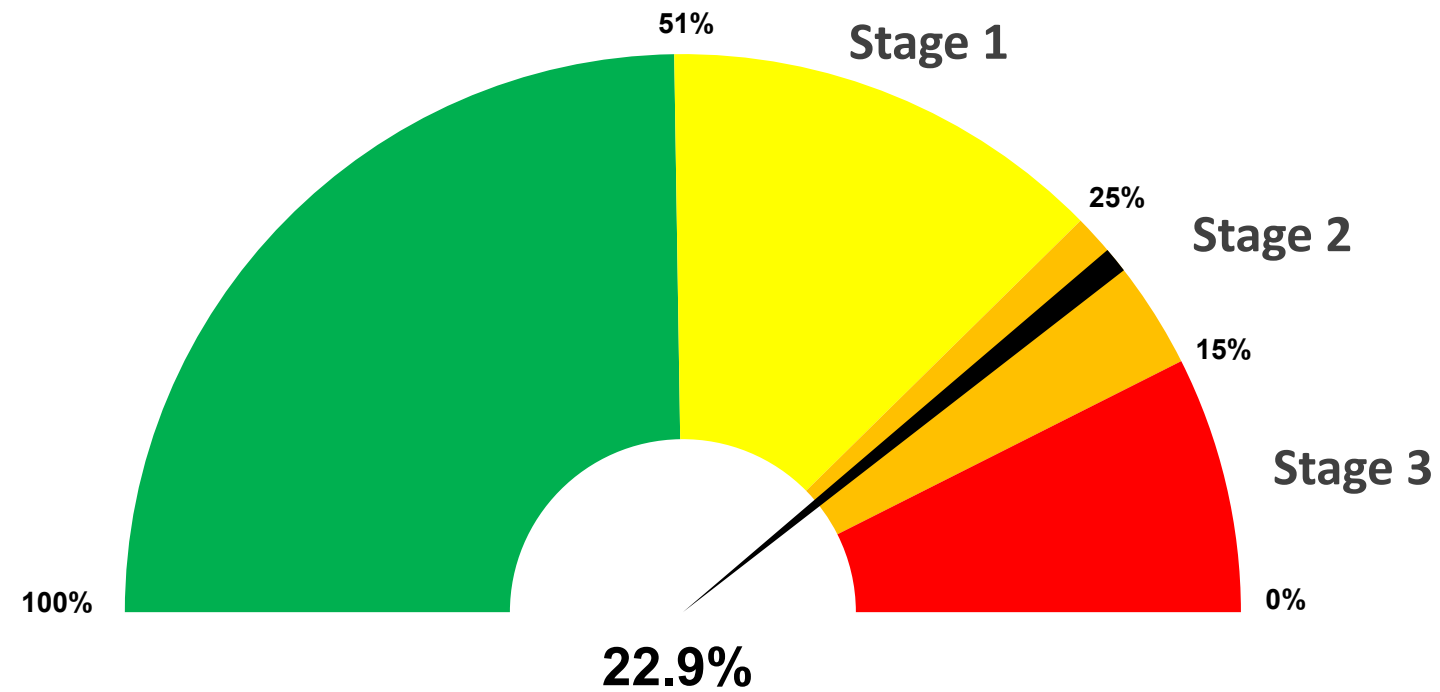
Jaime Flores

Water Resources Administrator

Raw Water Supply

A decorative graphic at the bottom of the slide consisting of several overlapping, wavy, blue shapes that create a sense of movement and depth, resembling water or a stylized landscape.

BPUB Drought Stage Meter



U.S. Combined ownership at Amistad and Falcon Reservoirs
June 28, 2025 = 22.9%

% U.S. Combined Ownership at Amistad/Falcon

Previous 3 Readings

22.8%

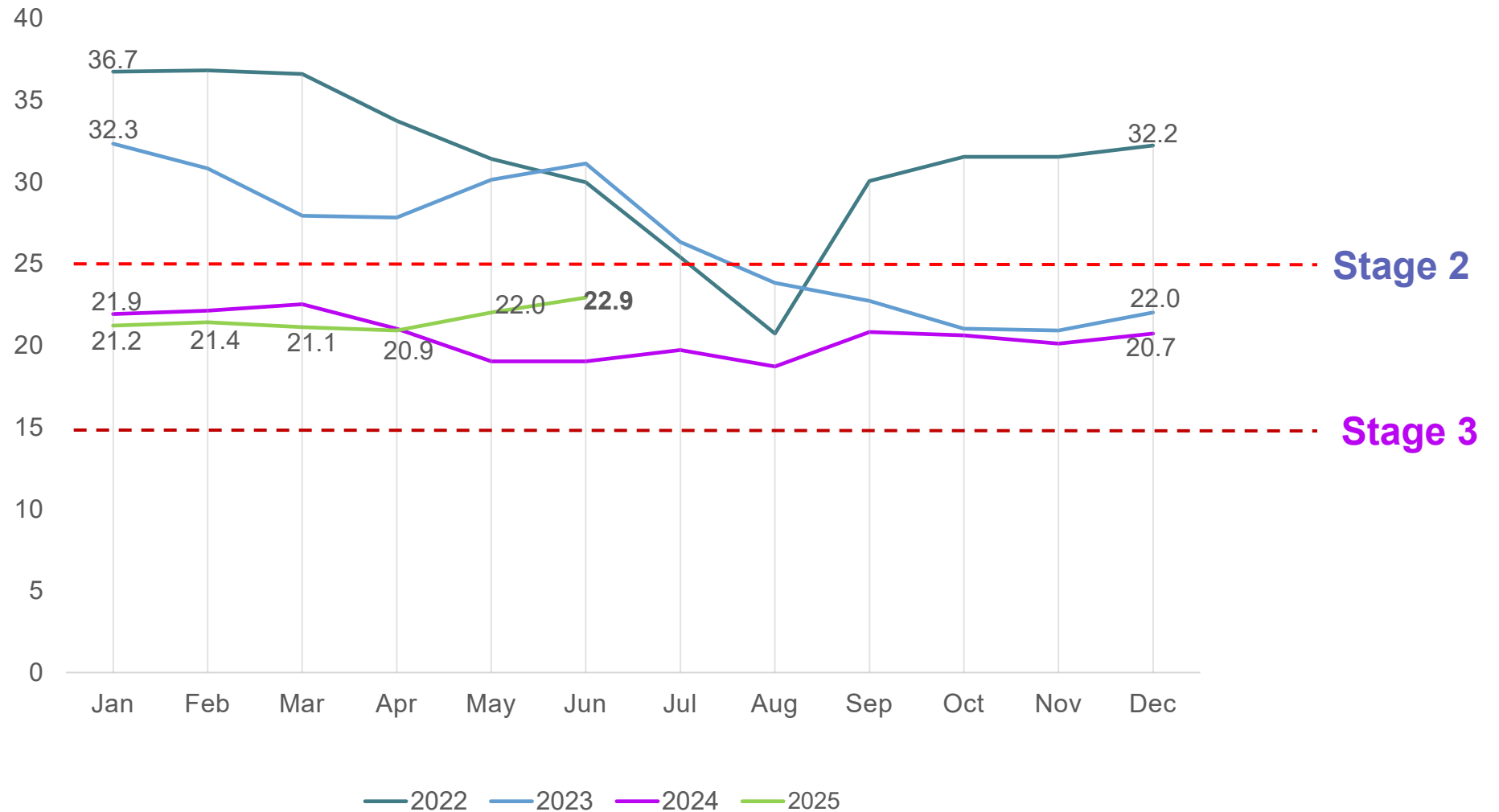
June 21, 2025

22.8 %

June 14, 2025

22.2 %

June 7, 2025



National Weather Service July to September 2025 Outlook: For the Lower Rio Grande Valley/Deep South Texas Region

- A hotter than normal average outlook is favored during the July-September 2025 timeframe.
- Confidence is beginning to lean towards a drier pattern/outcome developing through August as the heat ridge is expected to establish itself over the Desert Southwest region. Note: September is normally our wettest month of the year!
- Falcon Int'l Reservoir remained **near historic lows at the end of June. Confidence is near certain (~100%) on total storage remaining at or near record lows through September.** Only rainfall production from the remains of a tropical cyclone can effectively address the deficit.
- **Water Conservation is Key Until Further Notice!** “Stage 2/3” Restrictions continued through early Spring 2025 and are likely to continue until further notice based on inflows from Amistad and Falcon.



B R O W N S V I L L E
PUBLIC UTILITIES BOARD

EVERY DROP COUNTS!

Learn more about drought at:



brownsville-pub.com/drought-resources

Consideration and Possible Approval of Bid Award (B057-25) for the Annual Supply of Chemicals for SRWA



JOSE A. GARZA

Discussion on Date, Time of Next Board Meeting

JOSEPH HOLLMANN





Adjournment
