



# Resaca Fee and Operations

## POLICY DISCUSSIONS

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• • • BOARD OF DIRECTORS MEETING | October 13, 2025

Mark Dombroski

Assistant General Manager and Chief Operating Officer

Operations

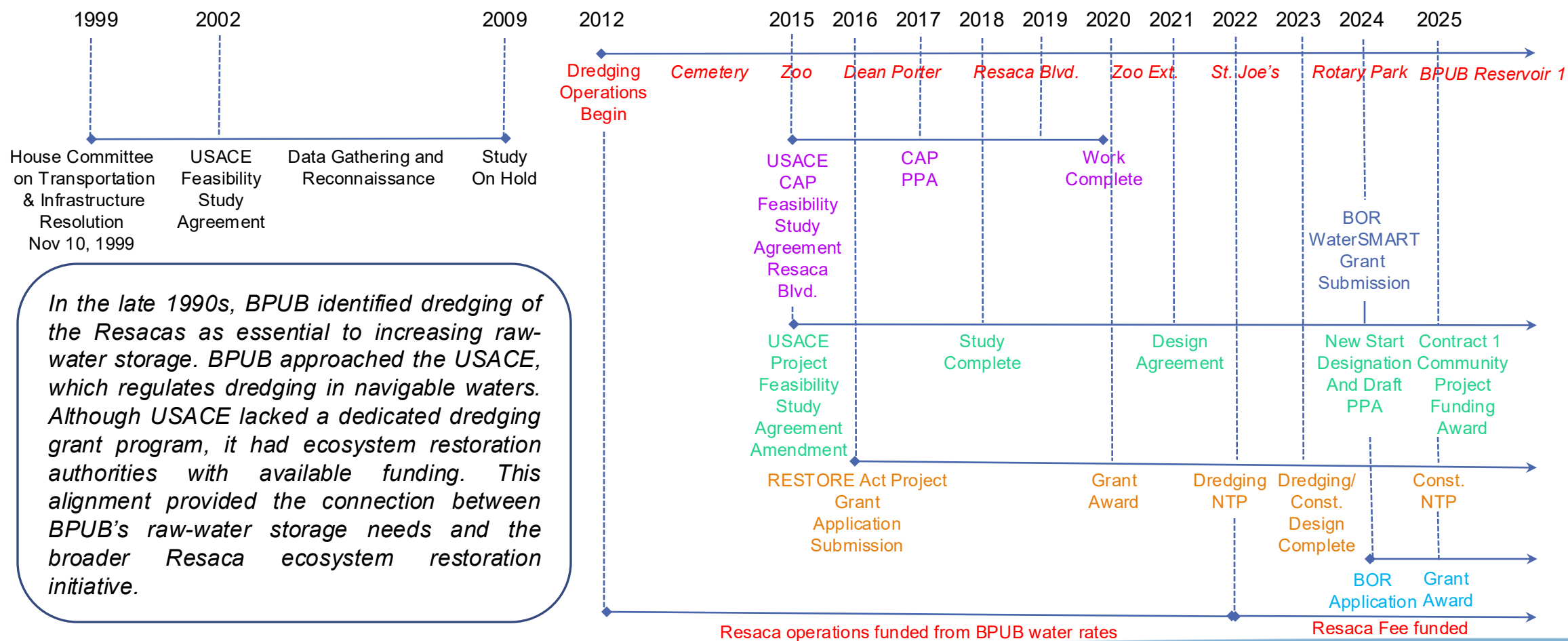
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# BPUB Board of Directors Workshop, October 13, 2025:

*At the July 7, 2025, Board of Directors meeting, the Board requested a Resaca Workshop before the full Board.*

- Summary of Prior Meetings
- Current Fee Usage
  - Summarize how Resaca fees are being used and the impact of current operations.
- Future Governance Options
  - BPUB continues Resaca Operations.
  - City assumes Resaca Operations.
  - District or authority created for Resaca Operations.
- BPUB-Led Strategy
  - Outline a high-level plan for BPUB's future Resaca Operations.
- Recommendation to City Commission
  - Board discussions on Resaca Fee and Operations with proposed motions for the Individual Consent item.

# Timeline of Resaca Operations



# Summary of Prior Meetings

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**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

RESACA OPERATIONS: POLICY DISCUSSIONS

# Joint Brownsville City Staff / BPUB Staff meeting on November 15, 2024:

At the September 9, 2024, Board of Directors meeting, the General Manager and CEO was directed to have:

*“BPUB staff to discuss and work with the City on a plan of action regarding the future of Resaca operations and the Resaca Fee and to report back to the Board.”*

- Does the City and BPUB want to reduce or eliminate the Resaca Fee?
  - City staff were evaluating the development of a drainage utility and planning a cost-of-service study. City staff considered the completion of that work and a decision by the City Commission on it as a prerequisite to discussions on the Resaca Fees.
- What BPUB operations should be eliminated if funding is reduced?
  - No agreement was reached on discontinuing any BPUB operations related to the Resacas.
- What Resaca operations does the City want to accept, if any?
  - The City did not agree to accept any Resaca operations.
- What additional information does the City need from BPUB?
  - The City did not request any additional information.
- What is our timeline for decisions and actions?
  - The City anticipated completing the cost of service study and adopting a Drainage Utility ordinance by October 2025, with possible Drainage Fees implemented in January 2026.

# Joint Brownsville City Commission / BPUB Board of Directors meeting on December 10, 2024:

*These Resaca policy considerations were discussed during the Joint meeting. The consensus was to maintain current Resaca responsibilities, with the City taking the lead on USACE contract discussions. The Resaca Fee would remain at its current level at least until the City completes the proposed drainage utility cost of service study, expected in October 2025.*

## Policy Considerations Presented:

- BPUB will continue dredging portions of the Resaca De La Guerra and its reservoirs necessary for raw water storage capacity.
- Which agency, if any, will be tasked with the following Resaca Operations:
  - Dredging of Town Resaca, downstream portions of Resaca De La Guerra, and Resaca del Rancho Viejo.
  - Pumping water from the Rio Grande into Town Resaca and its adjacent bancos and maintaining water levels.
  - Purchasing raw water from irrigation districts to provide water to Resaca Del Rancho Viejo and its adjacent bancos and maintaining water levels.
  - Coordination on flood control operations with other agencies for non-COB Resacas.
  - Pursuing and managing grants to restore Resacas and the flood control aspects of Resacas.
- Will COB pursue the USACE Project Contract 1 and future contracts?
- Should the Resaca Fee be reduced or eliminated?



## BPUB Board of Directors meeting on April 14, 2025:

*Following discussions with the City about its ongoing sponsorship of the USACE project and the potential adoption of a drainage improvement and flood control program, which includes a new City drainage fee, BPUB presented the Board of Directors with five options to consider. No action was taken at the meeting.*

### Comparison Matrix of Dredging and Project Funding Options

Feature	Option A	Option B	Option C	Option D	Option E
Continue ongoing dredging	✓	✓	✓	✓	✗
Complete RESTORE Phase 1	✓	✓	✓	✓	✗
Apply for RESTORE Phases 2–4	✗	✓	✓	✓	✗
Complete USACE Project 1	✓	✓	✓	✓	✗
Apply for USACE Projects 2–16	✗	✗	✓	✓	✗
Fund BOR matching requirements	✓	✓	35% Match ✓	10% Match ✓	✗
Eliminate Resaca fee	✗	✗	✗	✗	✓
Incorporate in-house dredging into water rates	✗	✗	✗	✗	✓
<b>Projected Resaca Fee</b>	<b>\$1.67</b>	<b>\$2.77</b>	<b>\$14.86</b>	<b>\$6.22</b>	<b>\$0.00</b>



# Current Fee Usage



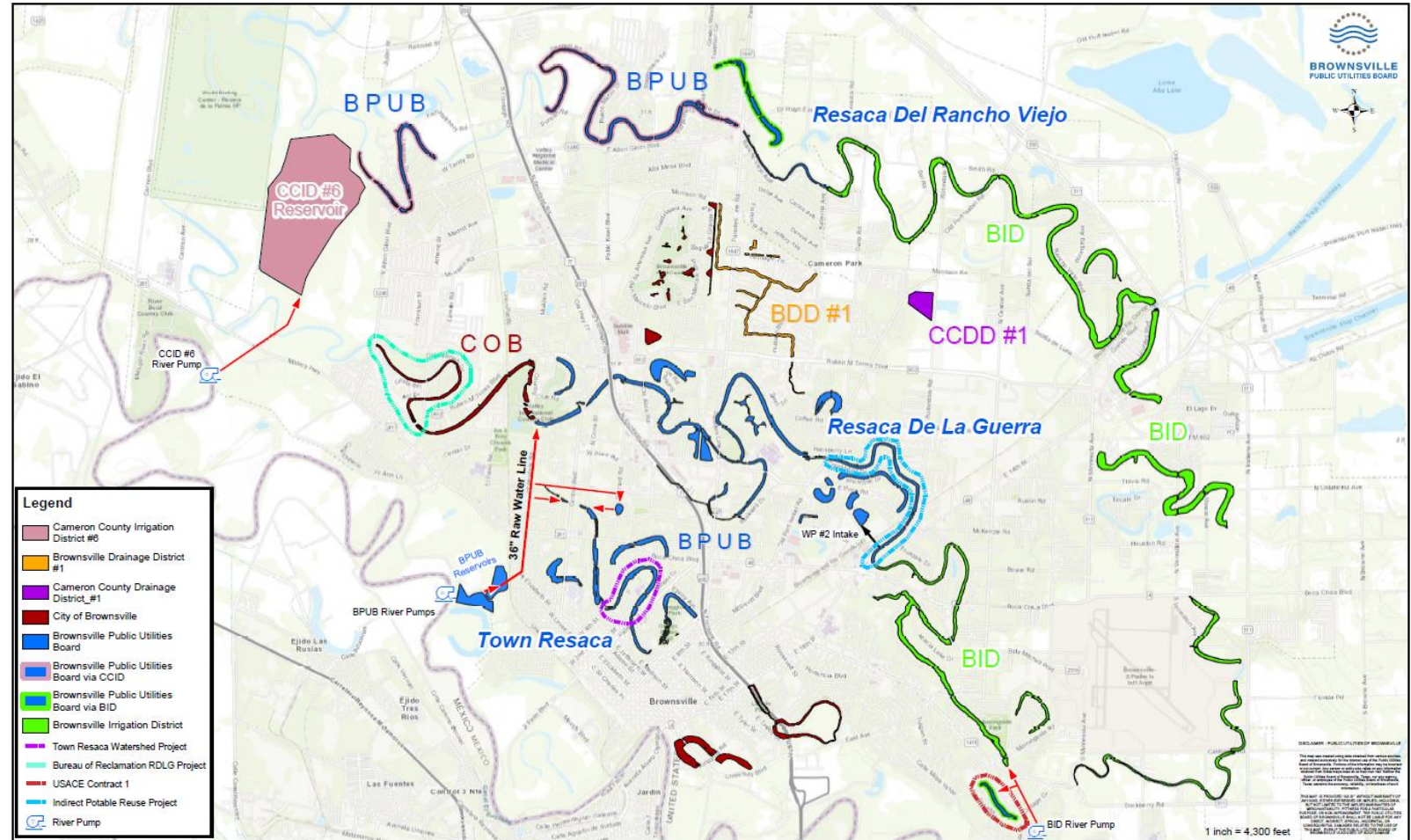
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RESACA OPERATIONS: POLICY DISCUSSIONS



# Overview of Organizations: Raw Water Supply Function and Responsibilities



*Enlarged handouts of maps will be provided during the Workshop.*

# Overview of BPUB Resaca Functions

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1. Divert and store raw water from the Rio Grande through Resaca de la Guerra and into Water Treatment Plant 2 using weirs and pumps.
2. Conduct dredging operations in portions of Resaca de la Guerra and reservoirs to increase raw water storage capacity.
3. Conduct dredging operations in Resaca de la Guerra, Town Resaca, and Resaca Del Rancho Viejo to improve water circulation, control flood conditions, enhance water quality, and support ecological improvements.
4. Pump water from the Rio Grande into Town Resaca and its adjacent bancos and maintain water levels for ecological and community benefit.
5. Purchasing raw water from irrigation districts to provide water to Resaca Del Rancho Viejo and its adjacent bancos, and maintaining water levels for ecological and community benefit.
6. Coordination on flood control operations with other agencies.
7. Manage grant opportunities from State and Federal sources to support the Resaca Restoration Program.

# Overview of BPUB Resaca Functions

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- RESTORE Act Project<sup>(1)</sup>
  - Primary purpose is to mitigate flooding in the Town Resaca system.
  - Reimbursement from the Department of Treasury through the TCEQ.
  - Construction underway, expected completion by early 2026.
- U.S. Army Corps of Engineers (USACE) Contract 1
  - Primary purpose is for ecosystem restoration.
  - Congressional appropriation was awarded for Contract 1 (Pending Financial Assistance Agreement execution).
  - Fee simple and 35% funding share required.
- Bureau of Reclamation WaterSMART
  - Primary purpose is for ecosystem restoration on Resaca de la Guerra.
  - Grant awarded September 12, 2025.
  - Halff and Associates is finalizing the 100% design, expected completion by Spring 2027.

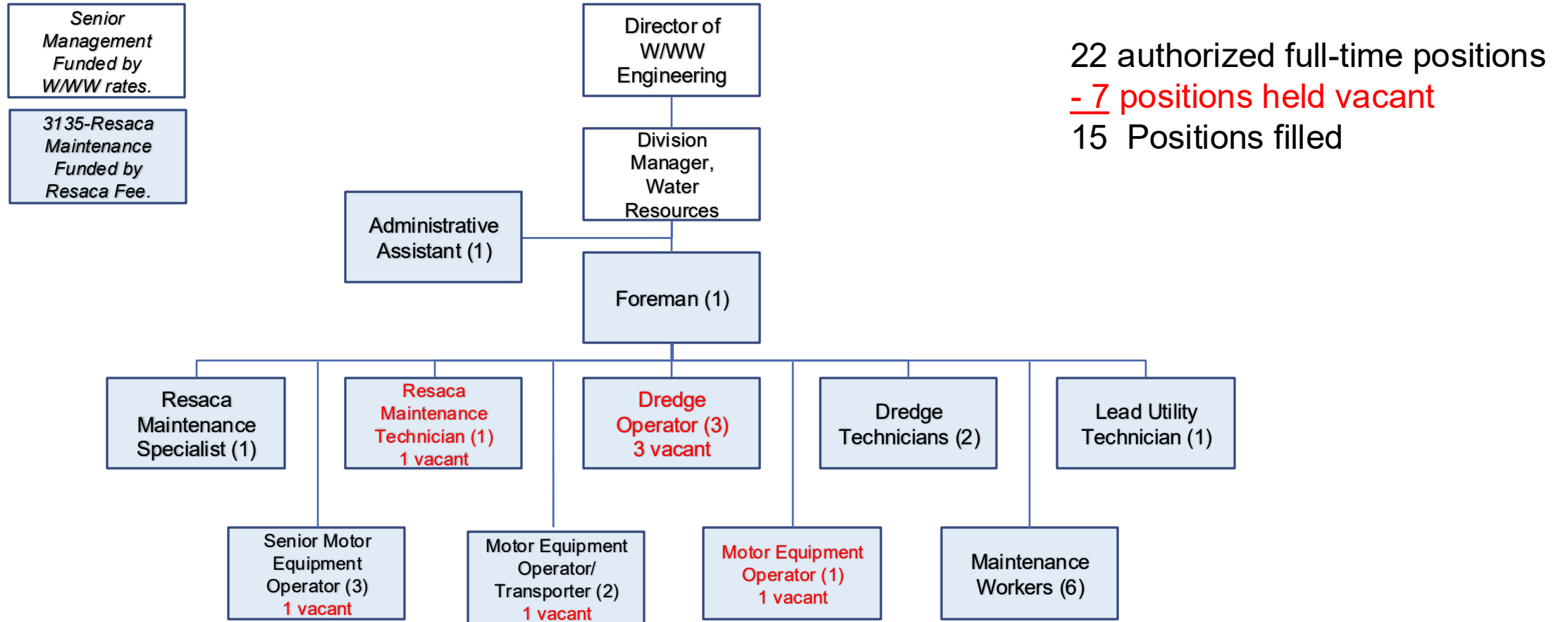
<sup>(1)</sup>Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012

# Services Not Provided by BPUB Resaca Operations

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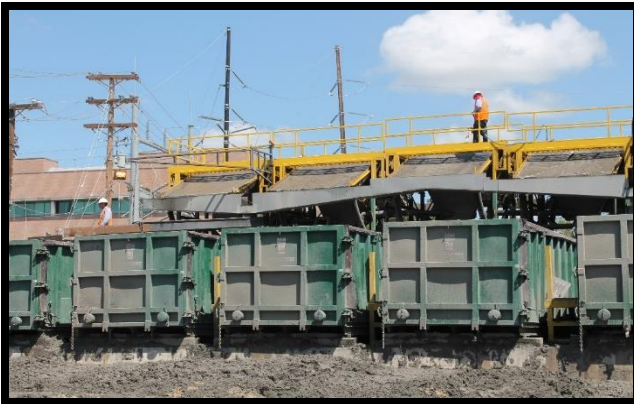
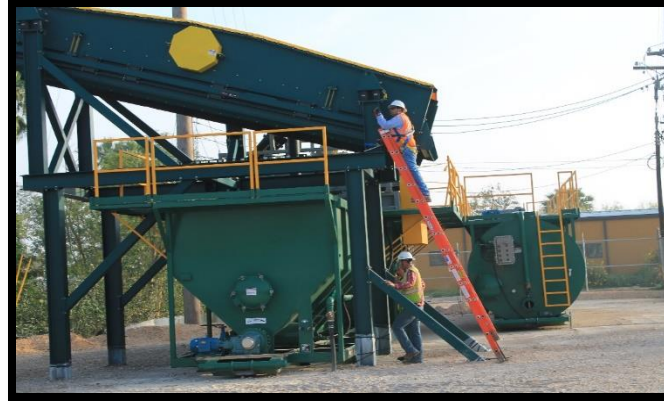
1. Removing trash and debris from Resaca's beyond the dredging operations.
2. Cutting or removal of vegetation on or in Resaca's beyond grant-funded restoration projects.
3. Adding water to Resacas (beyond those already identified).
4. Draining of Resacas for flood control.
5. Installing and maintaining drainage infrastructure improvements beyond grant-funded restoration projects (infrastructure is transferred to the City at completion of project).
6. Installing, owning, and maintaining surface aerators in Resacas.

# Overview of Organizations: Resaca Maintenance





# Previous Dewatering System: Capital Intensive





# Current Dewatering System: O&M Intensive





# Current Dredging Site:

*Beginning in December 2024, BPUB piloted a project at the Water Plant No. 1 reservoir site to test the use of synthetic engineered dewatering bags to trap solids while filtering water to control sediment pollution effectively. The pilot was successful, and BPUB has adopted the new dewatering approach to Resaca dredging operations. BPUB is in the process of developing a fully operational site to complete the dredging at the Water Plant No. 1 reservoirs, followed by the Cromack resaca segments to improve raw water storage capability.*





# Resaca Workplan Progress

Location	Dredging	No. of Crews	Restoration	Comments
Cemetery	Completed 2013	1	Yes	Dredging, bank and infrastructure improvements
Dean Porter	Completed 2015	1	No	Dredging
Zoo	Completed 2016, 2019*	1	No	Dredging
Resaca Blvd.	Completed 2016	1	Yes	Dredging, USACE funded bank improvements
Parkland	Completed 2018	1	No	Dredging
Zoo Extension	Completed 2018, 2025*	2	No	Dredging
St. Joseph's	Completed 2023	2	Underway	Dredging, RESTORE Act Project funded restoration
Rotary Park	Completed 2024	2	Yes	Dredging, RESTORE Act Project funded restoration
BPUB Reservoir 1	Underway	1	No	Dredging
Cromack (RDLG)	Planned 2027	1	No	Dredging
Resaca de la Guerra	Planned 2028	0	Yes	BOR Project funded restoration
Resaca del Rancho Viejo	Pending	TBD	Yes	Pending USACE Restoration project funding

\* Re-dredged segment as a final touch-up

# Funding for Resaca Operations: Resaca Maintenance Historical Spending

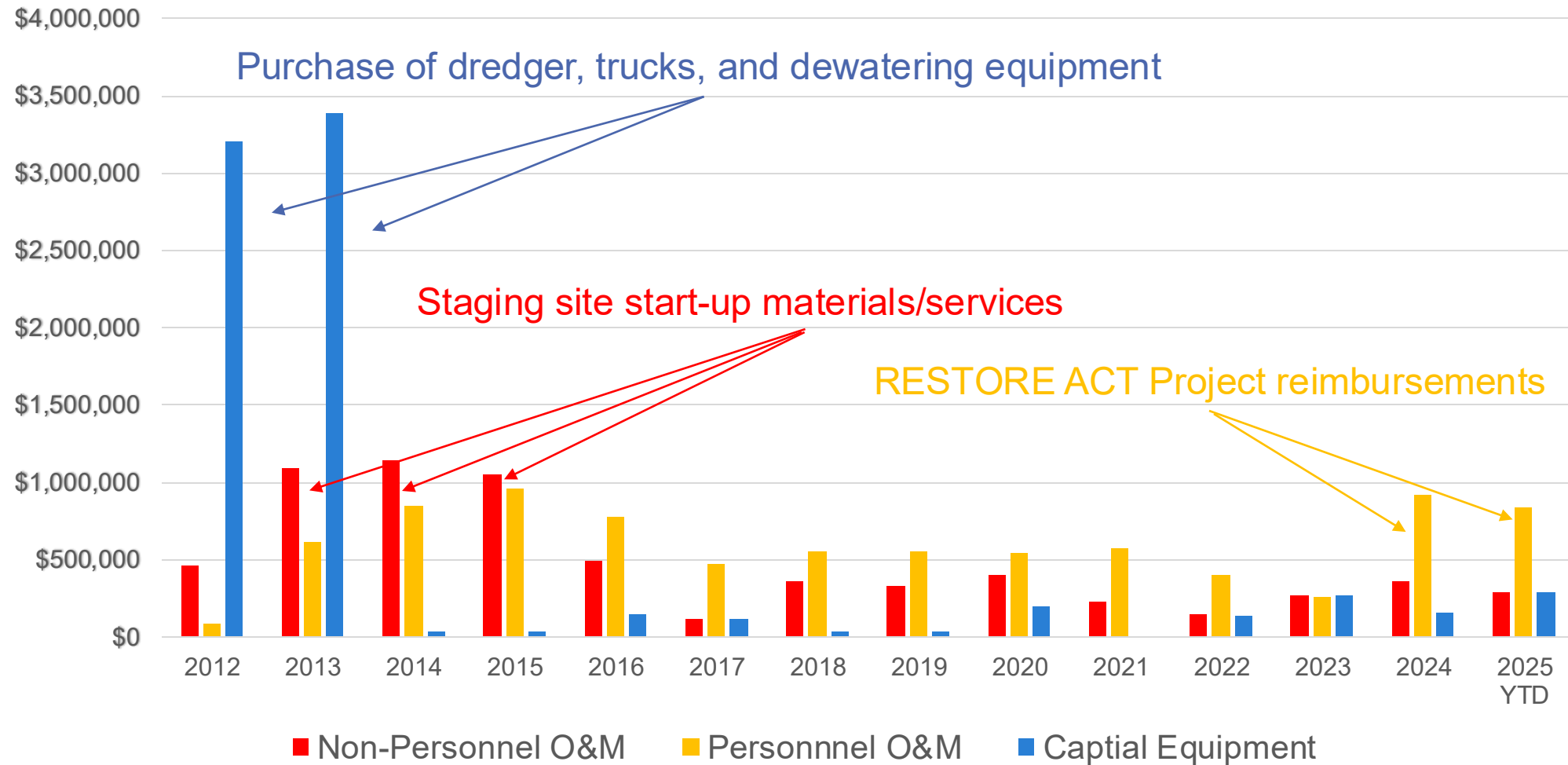
## RESACA RESTORATION PROJECT - HISTORICAL SPENDING

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 YTD JULY	GRAND TOTAL
O&M Personnel	83,684	613,262	846,766	946,093	775,703	468,672	549,608	552,042	537,842	574,848	402,636	260,784	922,803	838,130	8,372,872.78
O&M Non-Personnel	458,079	1,092,646	1,141,850	1,048,197	493,365	118,832	339,403	325,283	399,277	229,039	147,246	265,547	358,643	287,014	6,704,422
Capital Expenditures	3,201,959	3,390,692	38,876	37,554	141,509	113,873	37,847	33,625	198,653	-	137,216	270,904	154,251	287,000	8,043,960
<b>Total O&amp;M and Capital</b>	<b>\$ 3,743,722</b>	<b>\$ 5,096,601</b>	<b>\$ 2,027,493</b>	<b>\$ 2,031,843</b>	<b>\$ 1,410,577</b>	<b>\$ 701,377</b>	<b>\$ 926,858</b>	<b>\$ 910,950</b>	<b>\$ 1,135,773</b>	<b>\$ 803,887</b>	<b>\$ 687,098</b>	<b>\$ 797,234</b>	<b>\$ 1,435,697</b>	<b>\$ 1,412,144</b>	<b>\$ 23,121,254</b>
RESTORE Personnel	-	-	-	-	-	-	-	-	-	-	329,706	776,779	175,040	13,522	1,295,046
RESTORE Non-Personnel	-	-	-	-	-	-	-	-	-	36,390	159,711	640,909	95,403	718,751	1,651,164
RESTORE Capital Expenditures	-	-	-	-	-	-	-	-	-	-	6,679	-	-	-	6,679
<b>RESTORE Reimbursement Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,390</b>	<b>\$ 496,096</b>	<b>\$ 1,417,688</b>	<b>\$ 270,442</b>	<b>\$ 732,273</b>	<b>\$ 2,952,889</b>
<b>Grand Total Resaca Expenses</b>	<b>\$ 3,743,722</b>	<b>\$ 5,096,601</b>	<b>\$ 2,027,493</b>	<b>\$ 2,031,843</b>	<b>\$ 1,410,577</b>	<b>\$ 701,377</b>	<b>\$ 926,858</b>	<b>\$ 910,950</b>	<b>\$ 1,135,773</b>	<b>\$ 840,277</b>	<b>\$ 1,183,194</b>	<b>\$ 2,214,922</b>	<b>\$ 1,706,139</b>	<b>\$ 2,144,417</b>	<b>\$ 26,074,143</b>

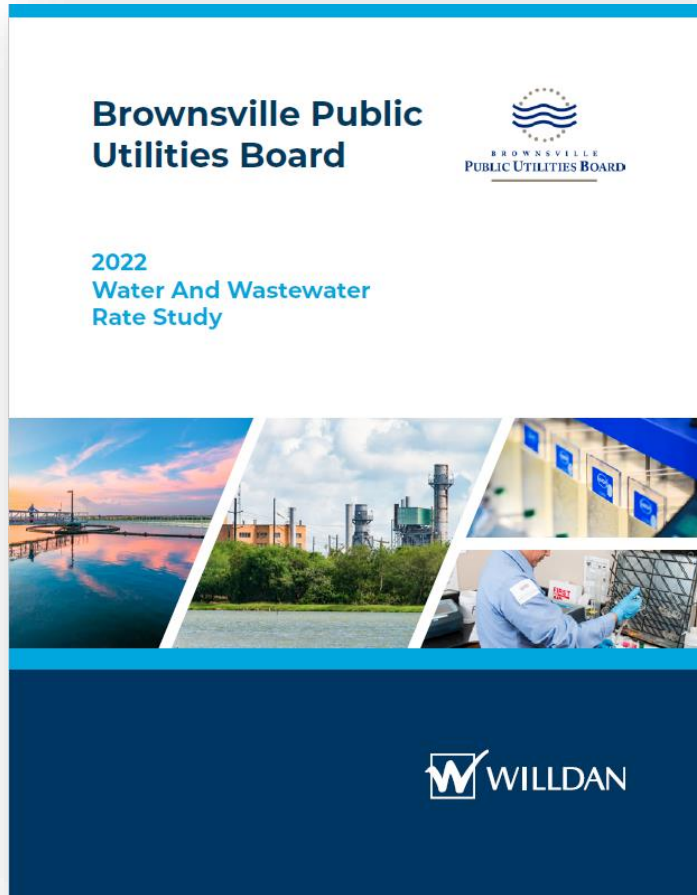
## RESACA RESTORATION PROJECT - FEE REVENUE

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 YTD JULY	GRAND TOTAL
Resaca Fees Collected	-	-	-	-	-	-	-	-	-	-	1,138,129	3,861,268	4,142,785	3,489,941	12,632,123
10% Transfer to City of Brownsville	-	-	-	-	-	-	-	-	-	-	113,813	386,127	414,279	348,994	1,263,212
<b>Net Revenue Available to BPUB</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,024,316</b>	<b>\$ 3,475,141</b>	<b>\$ 3,728,507</b>	<b>\$ 3,140,947</b>	<b>\$ 11,368,911</b>
Expenses Covered by Resaca Fee	-	-	-	-	-	-	-	-	-	-	-	(450,320)	(1,260,607)	(1,117,135)	(2,828,062)
<b>Net Resaca Fees Available</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,024,316</b>	<b>\$ 3,024,821</b>	<b>\$ 2,467,900</b>	<b>\$ 2,023,812</b>	<b>\$ 8,540,849</b>

# Funding for Resaca Operations: Resaca Maintenance Historical Spending



# Funding for Resaca Operations: 2022 Cost of Service Study



- 2022 Cost of Service Study proposed rates for 5 years, 2023-2027.
- Adopted on May 3, 2022, and became effective June 1, 2022.
- Created a separate Resaca Fee using water accounts as the billing determinant.
- Recovered in the fee include Resaca maintenance, Capital Outlays, RESTORE Act project, and USACE Project costs.

# Funding for Resaca Operations: 2022 Cost of Service Study

2022 Water and Wastewater Rate Study included the recovery of four distinct items within the Resaca Cost of Service:

1. Resaca O&M expenses
2. Resaca Capital Outlays
3. RESTORE Contribution
4. USACE Contribution

Expenditures of funds collected under the Resaca Fee are limited to these purposes.

Table IV-2

BROWNSVILLE PUBLIC UTILITIES BOARD FORECAST RESACA COST OF SERVICE SCENARIO IIA, IIB					
	2023	2024	2025	2026	2027
<b>Resaca O&amp;M Expense</b>					
3135 Resaca Maintenance	\$ 1,914,691	\$ 2,015,890	\$ 2,123,292	\$ 2,237,313	\$ 2,358,399
3145/3225 Allocated Expenses	(1,665,191)	(1,757,201)	(1,855,031)	(1,959,078)	(2,069,708)
Total O&M Expenses	249,500	258,689	268,261	278,234	288,691
<b>Capital Outlays</b>	830,000	830,000	830,000	830,000	830,000
Debt Service	-	-	-	-	-
Sub-Total	1,079,500	1,088,689	1,098,261	1,108,234	1,118,691
RESTORE Contribution by PUB	-	534,502	534,502	875,000	875,000
USACE Contribution by PUB	2,640,400	4,847,850	154,350	6,483,400	6,154,400
Total Cost of Service	3,719,900	6,471,041	1,787,113	8,466,634	8,148,091
Less RESTORE Grant	-	-	-	-	-
Net Funded by Resaca Fee	\$ 3,719,900	\$ 6,471,041	\$ 1,787,113	\$ 8,466,634	\$ 8,148,091

2022 Water and Wastewater Rate Study – Final, Willdan, page 55.

# Funding for Resaca Operations: Adoption of the Resaca Fee

WHEREAS, the Public Utilities Board initially presented attachments to a draft ordinance, Ordinance No. 2022-1701, that provided acceptable options for implementing the rate plans for water and wastewater rates and for setting the amount of resaca fee, and, upon conclusion of the Public Hearing, on April 19, 2022, the City Commission, by unanimous vote, approved the nonlevelized rate plan and the resaca fee that fully leverages grants available under the RESTORE Act and ongoing resaca programs involving the United States Army Corps of Engineers.

*City of Brownsville, Ordinance 2022-1701*

2. That, upon review, the Board finds that creation of a resaca charge is reasonable and necessary to effectuate the public purpose of recovering costs related to the maintenance of and improvement to resacas used and useful in directly supporting the systems under the Board's management and control, without expressing a preference as to whether the monthly amount of the resaca charge collected address only the maintenance and improvement costs that support the RESTORE Project (\$2.50/monthly per water customer), or whether the resaca charge also include costs associated with the USACE Program that vary based upon progress and participation levels in the USACE Program, such options depicted as follows:

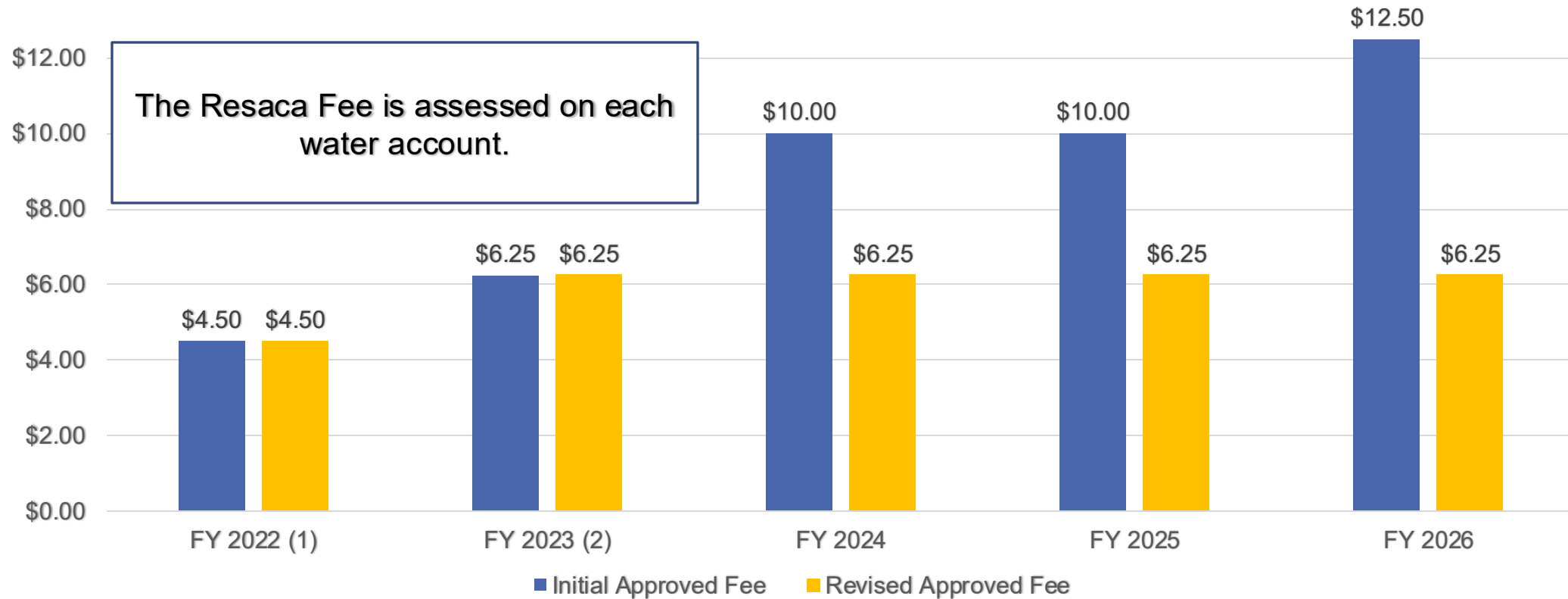
Resaca Charge (Monthly charge to Water Customers)					
Resaca Charge includes	Effective upon Adoption	Effective Jan. 2023	Effective Jan. 2024	Effective Jan. 2025	Effective Jan. 2026
RESTORE	\$2.50	(no change)	(no change)	(no change)	(no change)
RESTORE and USACE	\$4.50	\$6.25	\$10.00	\$10.00	\$12.50

**Resaca Fee funds must be expended on BPUB systems.**

*Brownsville Public Utilities Board, Resolution 2022-0314-(IC6)*



# Funding for Resaca Operations: Resaca Fee History



(1) BPUB began assessing the Resaca Fee in June 2022

(2) BPUB recommended, and City Commission approved, holding the Resaca Fee at \$6.25 until an updated cost of service study is completed.

# Resaca Fee Options: Updated from April 2025 Presentation

	BPUB Dredging Operations	RESTORE			US Army of Corps Engineers				BOR \$3M Grant	Annual Costs w/USACE proj 1 and BOR pd with existing funds	Projected Resaca Fee
Options	Including Reuse	Current Appropriation	Future Appropriation	Match %	Project 1	Project 2 - 16	Match %	Real Estate	Local Share		
A	Yes	Yes	No	0%	Yes	No	35%	Fee Simple	Yes		
	\$ 1,400,000	\$ -	\$ -		\$1,085,864				\$ 1,654,700	\$ 1,400,000	\$ 2.33
B	Yes	Yes	Yes	12.5%	Yes	No	35%	Fee Simple	Yes		
	\$ 1,400,000	\$ -	\$ 660,714		\$1,085,864				\$ 1,654,700	\$ 2,060,714	\$ 3.43
C	Yes	Yes	Yes	12.5%	Yes	Yes	35%	Fee Simple	Yes		
	\$ 1,400,000	\$ -	\$ 660,714		\$1,085,864	\$ 7,256,667			\$ 1,654,700	\$ 9,317,381	\$ 15.53
D	Yes	Yes	Yes	12.5%	Yes	Yes	10%	No Fee Simple	Yes		
	\$ 1,400,000	\$ -	\$ 660,714		\$1,085,864	\$ 2,073,333		(note 1)	\$ 1,654,700	\$ 4,134,048	\$ 6.89
E	Yes	No	No	NA	No	No	NA	NA	No		
	\$ 1,400,000	\$ -	\$ -		\$ -	\$ -			\$ -	\$ 1,400,000	\$ -

## Assumptions:

RESTORE Phase 1 final contract for bank improvements is fully covered by the grant

RESTORE Phases 2 - 4 at \$37M over 7 years with 12.5% local match

USACE remaining projects 2 to 16 estimated at local match on \$311M overall project and averaged over 15 years

Option E would be to eliminate the Resaca fee and incorporate in-house dredging in water base rates

## Note 1

USACE is developing a Non-Standard Estate for potential use with ecological restoration projects, expected to be published in February 2026;

any reduction in the local sponsor match requires congressional action



# Future Governance Options



**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

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RESACA OPERATIONS: POLICY DISCUSSIONS

# Continued BPUB Resaca Operations

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## Pros:

- **Operational Experience:** BPUB has been performing dredging since 2012, giving it a stronger technical foundation to oversee dredging projects. There is some overlap in the BPUB requirement for raw water storage.
- **Grant Management Track Record:** BPUB already manages state/federal grants (TWDB, BOR, WaterSMART), giving it institutional credibility for securing and administering funding.
- **Financial Basis:** Resaca Fee established to fund operations.
- **Financial Controls:** Enterprise accounting for cost recovery may ensure better fiscal oversight than a general fund approach.

## Cons:

- **Mission Creep:** Resaca Operations is not a function of BPUB per the Code of Ordinances. Resaca restoration could be viewed as peripheral and strain organizational focus.
- **Public Perception:** Customers may question why BPUB is funding non-core activities, even if supported by grants. Lack of a nexus between Resaca Fees on water customers and operations on Resacas not used from raw water storage.
- **Staff Resource Constraints:** Specialized environmental restoration may stretch BPUB's internal staff capacity compared to the City's parks or environmental departments.
- **Accountability Ambiguity:** Residents may expect broader city leadership on ecological/park assets rather than a utility authority.

# City Performs Resaca Operations

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## Pros:

- **Mission Alignment:** Resaca Operations have a close alignment with City roles in stormwater and environmental management, parks and recreation, and the City's broad police powers to regulate public health, safety, and welfare.
- **Public Transparency:** City governance may provide more direct public engagement and accountability through elected officials.
- **Community Integration:** Restoration projects can be integrated into broader city goals like tourism, downtown revitalization, flood mitigation, and sustainability plans.
- **Grant Eligibility:** Certain environmental and parks grants may favor municipalities over utilities, potentially broadening funding access.
- **Building Experience:** The City is currently dredging the Los Tomates section of the Town Resaca for stormwater management.

## Cons:

- **Separation from Existing Funding:** Current \$8.4M Resaca Fee Fund balance can't be transferred outside BPUB.
- **Reduced Technical Depth:** The City may lack the same engineering, hydrology, and water infrastructure expertise as BPUB, requiring consultant support and new staff hires.
- **Funding Pressure:** Dredging and restoration costs could compete with other city priorities (public safety, streets, housing), risking underfunding.

# Summary of Rights and Responsibilities for Resacas

Stakeholder	Governance	Ownership Rights	Responsibilities
Private Landowner	Texas property law	Owns land beneath Resaca; may use it consistently with the law.	Maintain property (erosion, litter, vegetation) unless assumed by easement/contract.
City of Brownsville	Texas Local Government Code and City Charter	Police power; drainage; parks authority.	Flood control, drainage, public health and safety, and parkland maintenance.
BPUB	City Charter	Operational and control authority over water/wastewater/electric utilities.	Maintain systems for water supply and wastewater functions.
State of Texas	Texas Water Code	Owns surface water; allocates use rights.	Regulate water rights and enforce water quality standards.
Federal Government	Clean Water Act and the Rivers and Harbors Act	Navigation and commerce regulation.	Oversight of dredging, filling, and discharge activities.

# Alternatives for Governance

Feature	Drainage District	Water Control & Improvement District (WCID)	Special-Law “Resaca Authority”
Legal Basis	Texas Water Code Ch. 56; Tex. Const. Art. XVI §59	Texas Water Code Ch. 51 & Ch. 49; Tex. Const. Art. III §52 & Art. XVI §59	Special Act of Texas Legislature; Tex. Const. Art. XVI §59
Primary Purpose	Drainage, flood control, overflow prevention, maintenance of canals/ditches	Broad powers: water supply, drainage, flood control, wastewater, limited recreation	Tailored to local needs: flood/drainage + water quality + recreation/parks + beautification
Governance	Board elected locally; under TCEQ/Commissioners Court oversight	Elected Board; TCEQ oversight; coordination with City if inside limits	Legislature defines structure; can create board with appointed & elected seats
Funding Tools	Ad valorem tax (voter approved); bonds; assessments	Ad valorem tax (voter approved); bonds; fees; service charges	Whatever Legislature authorizes: taxes, assessments, fees, grants, partnerships
Geographic Scope	Can be county-wide or smaller; flexible boundary definition	Boundaries defined at creation; can cross city limits with consent	Defined by statute (e.g., City of Brownsville & Resaca system footprint)
Advantages	<b>Lowest-barrier option if the focus is flood control and basic maintenance</b>	<b>Best if Brownsville wants a utility-like entity with taxing authority and integration into water/drainage systems</b>	<b>Best if the vision includes flood control plus recreation, water quality, and tourism, but requires state legislation</b>

# BPUB-Led Strategy



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RESACA OPERATIONS: POLICY DISCUSSIONS

# BPUB Authority and Power

*A BPUB-led strategy for future Resaca Operations is based on BPUB's stated authority and power, as outlined in the City Charter. The approach focuses on the operations of the water system.*

## Brownsville City Charter

### Article VI. – Utilities Board

#### Section 1. – Management

(a) There is hereby created and established as a separate and distinct agency of the City of Brownsville, Texas, a Board to be known as the "Public Utilities Board of the City of Brownsville, Texas." Said Board is hereinafter referred to as the "Utilities Board," or, more simply, the "Board." Except as otherwise provided in this article, the Utilities Board shall have absolute and compete authority and power with reference to the control, management and operation of the power and light, water and sewage systems owned by the City of Brownsville, Texas, and the expenditure and application of the revenues of the systems, subject to the provisions contained herein, all of which shall be binding upon and shall govern the Utilities Board.



# Proposed Position Statement

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The BPUB Board of Directors is committed to the efficient, environmentally responsible, affordable, and transparent operation of Brownsville's electric, water, and wastewater systems for the benefit of our community. We support a collaborative, community-wide initiative to restore and preserve the unique Resaca system of the Rio Grande Valley. In partnership with the federal agencies, State of Texas, Cameron County, City of Brownsville, neighboring cities, local districts, and nonprofit organizations, we are dedicated to exploring and supporting the establishment of a dedicated entity—equipped with the authority and resources—to lead the long-term restoration and stewardship of this vital natural resource, in alignment with the values and priorities of our community.



# Key Provisions for a BPUB-Led Strategy

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1. Board of Directors passes a resolution requesting the City Commission to eliminate the Resaca Fee, effective January 1, 2026, or as soon thereafter as possible.
2. *Future dredging operations will be limited to areas needed by the Water Utility for raw water storage and supporting Indirect Potable Reuse.*
3. *Pump raw water, using BPUB municipal water rights, from the Rio Grande into Town Resaca and its adjacent bancos and maintain water levels for ecological and community benefit.*
4. *Purchase raw water from irrigation districts to provide water to Resaca Del Rancho Viejo and its adjacent bancos, and maintain water levels for ecological and community benefit.*
5. *Coordinate on flood control operations with other agencies.*
6. *Complete the grant-funded RESTORE Act and Bureau of Reclamation WaterSMART Projects.*
7. *Reserve funding for the USACE Contract 1 matching share until expended or the contract is rejected by the City of Brownsville, as the non-federal sponsor. If the contract is rejected, the reserved funds would be made available within the Resaca Fee balance.*
8. Abrogate the seven positions currently being held vacant in Resaca Maintenance, Business Unit 3135.
9. Transfer three employees from Resaca Maintenance to W/WW Operations & Construction, Business Unit 3150.
10. Change the name of Business Unit 3135 from Resaca Maintenance to Dredging Operations to better reflect its function.
11. Utilize existing Resaca Fee balance for BPUB dredging operations until funds are exhausted.
12. Adjust water rates in a future cost of service study to recover the costs of dredging operations, once the Resaca Fee balance is exhausted.
13. *Provide subject matter expertise, data, completed studies, and other documentation to assist in the development of a dedicated entity to lead the long-term restoration and stewardship of the Resaca system.*

# Resaca Fee Projection for a BPUB-Led Strategy

	Amount	Balance
Actual Resaca Fund balance for July 31, 2025		\$8,540,849
Projected net Resaca Fees and expenses for August through December 2025	\$983,175	
Projected Resaca Fund balance for December 31, 2025		\$9,524,024
Reserved for BOR WaterSmart Grant matching share	(\$1,654,700)	
Reserved for USACE Contract 1 matching share	(\$1,085,864)	
Adjusted Balance		\$6,783,460
Capital equipment for FY 2025-2026	(\$1,695,121)	
Adjusted Balance		\$5,088,339
Estimated annual O&M for Resaca Operations	(\$1,360,381)	
Number of years funding available for Resaca Operations	(3.7)	
Projected Resaca Fund balance for September 27, 2029		\$0

# Recommendation to City Commission

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**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

RESACA OPERATIONS: POLICY DISCUSSIONS

## Recommendation to City Commission:

*Proposed motion to eliminate the Resaca Fee and to execute the BPUB-led strategy for Resaca Operations.*

*This item has been added to the Individual Consideration agenda for the October 13, 2025, meeting of the Board of Directors.*

- I move that the General Manager and CEO prepare a resolution for the Board of Directors meeting on November 10, 2025, recommending that the City Commission eliminate the current Resaca Fee on January 1, 2026, or soon thereafter.
- I move that the General Manager and CEO execute the key provisions for a BPUB-led strategy for Resaca Operations, as presented in tonight's Workshop, and to provide the Board of Directors periodic updates on the progress to completion.

# Resaca Fee and Operations

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**BROWNSVILLE**  
PUBLIC UTILITIES BOARD

POLICY DISCUSSIONS