# MINUTES OF THE MEETING OF THE REGION F WATER PLANNING GROUP 10:00 A.M., THURSDAY, SEPTEMBER 26, 2013 AT THE OFFICE OF THE COLORADO RIVER MUNICIPAL WATER DISTRICT, 400 E. 24TH ST. BIG SPRING, TEXAS

The Region F Water Planning Group (WPG) met at 10:00a.m. on Thursday, September 26, 2013 at the Office of the Colorado River Municipal Water District in Big Spring, Texas. Voting members present were: Wendell Moody, Terry Scott, Ricky Dickson, Richard Gist, Charles Hagood, Caroline Runge, Ricky Lain; Designated Alternate for Tim Warren, Scott Holland, Kenneth Dierschke, Stephen Browen, John Grant, Mark Barr, John Shepard, Woody Anderson, Ben Shepperd, Jon Cartwright; Designated Alternate for Paul Weatherby, Raymond Straub, and Gil VanDeVenter. Jerry Bearden was absent. Notices were received from Merle Taylor and Len Wilson that they would not be able to attend the meeting. Non-voting members present were: Doug Shaw, Harvey Everheart, Leatrice Adams, Don Daniel, Holly Rosas, and Joe David Ross. Other interested parties present were Simone Kiel and Lissa Perry, Freese & Nichols; James Hursh, Rocker B Ranch; Allan Lange, Lipan-Kickapoo WCD; Diana Thomas, Sterling County UWCD; Jim Polonis, Sutton County UWCD; James Beach, LBG-Guyton; David Dunn, HDR; Darrell Peckham, Water Quest; Matt Irvin, City of Midland; Josh Lee; and Jennifer Posey and Katharine Rubio (recorder of minutes) from the Colorado River Municipal Water District.

## Call to Order

Chair, John Grant, called the meeting to order at 10:00 a.m. A quorum was present.

## Introductions and Opening Remarks

Voting and non-voting members and audience attendees introduced themselves.

## Consider Approval of Minutes for the Region F Meeting on July 18, 2013

Motion was made by Stephen Brown and seconded by Gil VanDeVenter to approve the minutes. The motion passed unanimously.

## Financial Report

John Grant presented the financial reports for the Administrative and Planning Funds.

Expenditures from the Administrative Fund were $93.09. Expenditures from the Planning Fund to Freese and Nichols were $25,259.82, minus the 5% retainage, totaling $23,996.83. Caroline Runge motioned and Wendell Moody seconded to accept the report. The motion passed unanimously.

## Consider Voting Membership

The executive committee made the following recommendation:

Industries – Reappointment of Ben Shepperd

Kenneth Dierschke motioned to accept the Executive Committee's recommendation. Gil VanDeVenter seconded. The motion passed unanimously.

## Consider Designated Alternates

John Grant reminded the Planning Group of the importance of a Designated Alternate for Voting Members. Designated Alternates must fill out a nomination form and submit it to the Planning Group. The Planning Group has to approve Designated Alternates.

## Consider Non-Voting Members

John Grant reported that Texas Parks and Wildlife had appointed William Rice as their Non-Voting Member.

## TWDB Report

Doug Shaw presented the report. On September 1st, the three new Board Members took office; Chairman Carlos Rubenstein, Director Mary Ann Williamson, and Director Bech Bruun. At their most recent meeting, they appointed the new Executive Administrator Kevin Patteson. On September 16th, the TWDB had a webinar with all 16 Regional Chairs and discussed the Stakeholder Committee consisting of all 16 Chairs which was tasked with developing standards for prioritization for the Regional Water Plan. Those standards are due on December 1st. The draft list of prioritized projects is due on June 1, 2014. The final list of prioritized projects is due September 2014. The Demand Projections approved by the Planning Group will be taken to the TWDB Board on October 17th. There is a contract amendment concerning the rest of funds for the contract that should be sent in the next few weeks.

## Discussion of Surface Water Supplies and Preliminary Needs Analysis

Simone Kiel presented the report. The development of needs is supplies minus demands equals need or surplus. If supplies are greater than demands, then there is a surplus. If supplies are less than demands, then there is a need. In Groundwater Allocation, the source availability are the MAGs and the Planning Group approved non-relevant areas and other aquifers. Considerations are well field capacity, contracts, and historical usage. For Surface Water Allocation, the source availability includes safe yield. Considerations are water treatment plant capacities, contracts, other infrastructure, and permits. There is a 15% decrease in groundwater availability from 2020 to 2070 from the 2011 plan to the 2016 plan. There is a 5-10% increase in needs from 2020 to 2070, increasing from 212,000 ac-ft in 2020 to 254,000 ac-ft in 2070. Factors affecting the Regions needs include higher demands from increased mining demands and increased population due to mining activity, and source availability including reservoir yields and MAGs. There are significant groundwater supply limitations from the Hickory, Ogallala, and Dockum Aquifers and Andrews, Concho, Howard, Martin, McCulloch, and Scurry Counties. There are greater needs in Andrews County from the City of Andrews with higher demand, and the demand for water from Ogallala will exceed available supply by 70% in 2060. There are greater needs in Concho County with the City of Eden due to the Hickory Aquifer with a MAG value of 1

ac-ft per year and non-relevant supplies to be determined. McCulloch County has a demand for water from the Hickory Aquifer which exceeds supply by about 40%. The entities using that are the Cities of Brady and San Angelo, Millersview-Doole WSC, and County Other. There are higher mining demands. Existing supplies were assumed to be at historic levels. More information on current mining supplies is needed. There is a lower irrigation need. Despite an additional 20,000 ac-ft per year of irrigation demand, irrigation needs decreased by 30,000 ac-ft per year. There is greater groundwater availability in Glasscock and Upton Counties, and lower demands in some counties with previously large shortages, Tom Green and Ward. Counties with all groundwater allocated for existing supply include: Andrews, Borden, Concho, Howard, Martin, McCulloch, and Scurry Counties. The needs analysis needs to be refined, including the non-relevant groundwater supplies, groundwater supplies for mining, and to meet with wholesale water providers.

## Discussion of Groundwater Supplies

James Beach presented the report. There are 9 major relevant aquifers and 21 minor relevant aquifers defined by the TWDB. Any other aquifer where groundwater production is not or expected to be managed by GCD is also relevant. Non-relevant aquifers have: no large-scale production anticipated, productions assumed not to affect conditions in relevant portions of aquifers(s). Groundwater supplies developed through the DFC Planning Process include relevant aquifers and the Modeled Available Groundwater. Supplies determined by the Planning Group include non-relevant aquifer supplies and other undifferentiated aquifer supplies.

## Discussion of the DFC Planning Process

Caroline Runge presented the report. Senate Bill 1 was passed in 1997. It established Regional Water Planning and Groundwater Management Areas. There are 16 GMAs in Texas. In Region F, there are 3 GMAs, 17 Groundwater Conservation Districts, 4 major aquifers, and 7 minor aquifers. The major aquifers are Edwards-Trinity (Plateau), Ogallala, Pecos Valley Alluvium, and Trinity. The minor aquifers are Capitan Reef, Dockum, Ellenburger-San-Saba, Hickory, Lipan, Marble Falls, and Rustler. Desired Future Conditions is the conditions in which groundwater conservation districts within a GMA desire the respective relevant aquifers to be 50 years from the start of a planning cycle. The DFCs for the aquifer may be based on a target percentage of depletion over 50 years, or; desired water quality, or; maintenance of spring and surface water flows, or; other relevant objective standards. Groundwater Availability Models are computer models which simulate the operation of aquifers when various outputs are changed. Modeled Available Groundwater is the amount of water available for permitted production in an aquifer, and which will implement the attainment or maintenance of the DFC. MAG numbers are furnished by the TWDB to the Regional Water Planning Groups and are the groundwater supply numbers for the State Water Plan. Section 36.1132 of the Texas Water Code stated that a district, to the extent possible, shall issue permits up to the point that the total volume of groundwater permitted equals the modeled available groundwater, if administratively complete permit applications are submitted to the district. The DFC adoption process under HB 1763 says that DFCs had to be adopted by a 2/3 vote of all districts present at a meeting at which a quorum of districts was present. SB 660 states that the district representatives shall meet at least annually to conduct joint planning with the other districts in the management's area and

to review the management plans, the accomplishments of the management area, and proposals to adopt new or amend DFCs. Section 36.108(d) says that before voting on the proposed DFCs of the aquifers under the districts shall consider: aquifer uses or conditions within the management area; the water supply needs and water management strategies included in the state water plan; hydrological conditions; other environmental impacts, including impacts on spring flow and other interactions between groundwater and surface water; the impact on subsidence; socioeconomic impacts reasonably expected to occur; the impact on the interests and rights in private property, including ownership and the rights of management area landowners and their lessees and assigns in groundwater; the feasibility of achieving the desired future condition, and; any other information relevant to the specific DFCs.

**Consider Review and Approval of Groundwater Supplies for Non-Relevant Areas and Other Aquifers**

James Beach presented the report. Non-Relevant Aquifer availability was compared with surrounding areas, historical data of production, estimate of water quality, and potential for future development. Simone Kiel then stated that the data looked at was users in the 2011 Plan who were using Other Aquifer and looked at the demands and most of the demands were very similar to the last Plan. There were a few entities where the demand went up slightly, so the amount of Other Aquifer is slightly higher than what was used in the last Plan. Historical use data has typically been used when calculating these numbers because there isn't a lot of data. James Beach stated some of that water was to be left available in case there was a need for municipal water in the future, but the number can be reevaluated. Simone Kiel stated that because the Group was adopting the numbers, if during the planning process an adjustment to the numbers is needed, it can be brought to the Group for re-approval. Gil VanDeventer motioned to approve the groundwater supplies for non-relevant areas and to put this item on the agenda for the next meeting. Woody Anderson seconded. The motion passed unanimously.

**Consider Review and Approval of the Draft Scope of Work and Budget for Task 4D**

Simone Kiel presented the report. Water management strategies are subordination, conservation, desalination, infrastructure improvements, new groundwater development, voluntary re-distribution, and new surface water. There are 30 strategies from the 2011 Plan to be retained. Six strategies have been implemented: CRMWD Ward County well field expansion, Big Spring reuse, Midland T-Bar Ranch well field development, phase 1 of San Angelo's Hickory Well Field, Eden's RO plant which is in process, and Richland SUD interconnection. New water management strategies include the West Texas Partnership of Midland and San Angelo; reuse projects of Midland, Brownwood, Crockett County WCID No. 1, and non-municipal users; Bronte's infrastructure improvements with purchase; desalination with CRMWD Diverted Water System and Odessa brackish desalination; Red Arroyo surface water project; additional groundwater development; City of Junction's dredging of Intake storage; and mining with new groundwater, voluntary re-distribution from sales, and reuse. The water management strategy scope includes the seven major strategy types and the total fee is $303,293.

**Consider Authorization for CRMWD to Submit a Request to the TWDB for the Release of Funds Related to Task 4D and to Execute a Contract Amendment(s) to Incorporate Task 4D Scope of Work**

Stephen Brown motioned to authorize CRMWD to submit a request to the TWDB and to execute a contract amendment to incorporate the Task 4D Scope of Work. Kenneth Dierscheke seconded. The motion passed unanimously.

**Discussion of Process for Regional Support of New or Changed Recommended Water Management Strategies**

John Grant presented a proposed New Water Management Strategies form. Entities would have to fill out the form and submit it to the Planning Group for consideration and approval by the Group. Charles Hagood motioned to accept the New Water Strategies Management form. Stephen Brown seconded. The motion passed unanimously.

**Discussion of Prioritization of 2011 Region F Projects**

Simone Kiel presented the report. In the 2012 State Water Plan, there is $53 B over the next 50 years to meet the need for water in Texas. In the 2013 Texas Legislature, HB4 passed both houses unanimously, and was signed into law May 28, 2013. The funding provisions are: Article 1 Overhaul of the TWDB; Article 2 Establishes the State Water Implementation Fund for Texas (SWIFT), which includes $2 B from the Rainy Day Fund and SWIFT serves as a water infrastructure bank. HB4 funding provisions include voter approval of funding on November 5, 2013, which is Proposition 6 on the ballot. Funding is for reservoirs, conservation programs, and water infrastructure projects. It may not be used for grants. Rural and agricultural projects will account for 10%, and conservation and reuse 20%. In 2013, HB4 becomes law; RWPG Chairs have a conference call regarding prioritization; November 5 is the election on constitutional amendment; post November 5 a SWIFT Advisory Committee will be appointed by the Lieutenant Governor and the Speaker of the House; December 1 the RWPG Chairs Committee will submit project prioritization standards. In 2014, TWDB will post information on SWIFT on March 1; RWPG Chairs Committee will submit a draft prioritization from 2012 State Water Plan by June 1; the RWPGs submit final prioritization by September 1; the SWIFT Advisory Committee recommends rules regarding funding and prioritization on September 1; and the TWDB report to the Lieutenant Governor and the Speaker regarding the use of SWIFT is due December 1. In 2015, the TWDB adopts rules for funding and prioritizing projects before March 1; the draft Initially Prepared Plan is due by May 1; the estimated date for the start of distribution of SWIFT funds is in the summer; and the 2016 Region F Water Plan is due to the TWDB by November 1. The project prioritization and funding process is as follows: The RWPG prioritizes all water management strategies, the water user group can then apply for funding, the TWDB applies their project prioritization for funding requests, and projects are funded as funding allows. The Planning Group must consider the following criteria: decade, feasibility, viability, sustainability, cost effectiveness, and long-term and short-term needs. The TWDB will have a point system for prioritization, and the standards are; large population, diverse urban and rural population, regionalization, and if it meets a high percentage of water needs. Other considerations of the TWDB include; local financial contribution, ability to repay, emergency need, other funding, water

conservation, water loss prevention, and the Planning Group prioritization of the project. The Planning Group will have a point system, priority groups, or another method. Other factors to consider are emergency needs, time to implement, conservation, and any other factors. The projects will have to be categorized as rural or urban. Money will be loaned by spring/summer 2014 for water infrastructure if voter approval on November 5. To be eligible, projects must be recommended in the Regional Water Plan. The RWPG will be responsible for prioritization of projects. It may require additional coordination between regions for projects that move water from one region to another.

John Grant then discussed HB4 criteria to be used in developing prioritization or water plan projects. At a minimum the RWPG must consider the decade in which the project will be needed, the feasibility of the project, the viability of the project, the sustainability of the project, the cost-effectiveness of the project. Each Planning Group shall include projects that meet long-term needs, as well as short-term needs. Prioritization by the TWDB shall give highest consideration in awarding points to projects that will have a substantial effect, including projects that will: serve a large population; provide assistance to a diverse urban and rural population; provide regionalization; or meet a high percentage of the water supply needs of the water users to be served by the project. Projects that serve a large population and provide regionalization are a concern. These criteria are in the legislature. The rules for funding have not been developed. It is the consensus of the Planning Group that every water project is important, whether it is a community of 100 people or a metropolitan area of 3 million people, and all entities should have an equal and fair opportunity to receive the funds.

## Next Meeting Date

The next meeting date has not been set. A notice will be sent out when the date has been set.

## Adjourn

The meeting was adjourned at 12:40 p.m.

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| Wendell Moody, Secretary | John Grant, Chair |
| Region F Water Planning Group | Region F Water Planning Group |