

**Minutes of the
South Central Texas Regional Water Planning Group
August 7, 2014**

Chairman Con Mims called the meeting to order at 9:30 a.m. in the San Antonio Water System's (SAWS) Customer Service Building, Room CR 145, 2800 US Highway 281 North, San Antonio, Bexar County, Texas.

29 of the 30 voting members, or their alternates, were present.

Voting Members Present:

Tim Andruss	Gary Middleton
David Langford for Donna Balin	Con Mims
Gene Camargo	Robert Puente
Rey Chavez	Tyson Broad for Iliana Pena
Alan Cockrell	Steve Ramsey
Will Conley	David Roberts
Don Dietzmann	Roland Ruiz
Art Dohmann	Dianne Savage
Blair Fitzsimmons	Suzanne Scott
Vic Hilderbran	Greg Sengelmann
Kevin Janak	Rader Gilliland for Milton Stolte
Russell Labus	Thomas Taggart
Gena Leathers	Dianne Wassenich
Doug McGooky	Jim Murphy for Bill West
Dan Meyer	

Voting Members Absent:

John Kight

Non-Voting Members Present:

Norman Boyd, Texas Department of Parks and Wildlife
Ronald Fieseler, Region K Liaison
Steve Ramos, TCEQ – South Texas Watermaster Specialists
Don McGhee, Region M Liaison
David Meesey, Texas Water Development Board (TWDB)
Charles Wiedenfeld, Region J Liaison
Ken Weidenfeller, Texas Department of Agriculture

AGENDA ITEM NO. 1: PUBLIC COMMENT

Mr. Mims asked for any public comment. No comments were made.

AGENDA ITEM NO. 2: APPROVAL OF MINUTES

Mr. Mims asked if there were any additions or corrections to the May 1, 2014 meeting minutes. No corrections or revisions were requested. Gary Middleton made a motion to approve the minutes as presented. Tim Andruss seconded the motion. The motion carried by consensus.

AGENDA ITEM NO. 3: STATUS OF GUADALUPE, SAN ANTONIO, MISSION, AND ARANSAS RIVERS AND MISSION, COPANO, ARANSAS, AND SAN ANTONIO BAYS BASIN AND BAY STAKEHOLDER COMMITTEE (BBASC) AND EXPERT SCIENCE TEAM (BBEST)

Suzanne Scott gave an update on the BBASC and BBEST study grants. The approved studies that went through the contract process with the Texas Water Development Board (TWDB) were listed in the August 7, 2014 South Central Texas Regional Water Planning Group (Region L) agenda packet. Dianne Wassenich chaired the committee for the review and selection of the various studies that were ultimately selected for funding. The contracts are executed, and work is underway.

AGENDA ITEM NO. 4: Chair's Report

Mr. Mims gave an update to the group on the status of the Technical Memorandum, which was submitted to TWDB before the deadline of August 1, 2014. The planning group had authorized Mr. Mims to submit the final Technical Memorandum at the May 1, 2014 Region L meeting.

AGENDA ITEM NO. 5: DISCUSSION AND APPROPRIATE ACTION REGARDING AUTHORIZING ADMINISTRATOR TO SUBMIT FINAL PROJECT PRIORITIZATION TO THE TEXAS WATER DEVELOPMENT BOARD

Brian Perkins, HDR Engineering, Inc., delivered a brief status update on the final project prioritization of water management strategies included in the 2011 Region L Regional Water Plan (Plan). After the planning group submitted the prioritization in June to TWDB, the planning group received some general comments back from TWDB, including some tailored specifically to Region L. The document also directed clarification on common issues to all regions. Shortly thereafter, the chairs held a conference call to discuss the feedback and recommendations from TWDB, at which time the chairs decided that they would not fully support those comments across all regions, but would leave it upon the individual regions to implement the guidance from TWDB.

Mr. Perkins presented the final prioritization package to the planning group, noting the few changes that had been made to the draft prioritization package. Referring to Attachment D, where the planning group outlined its assumptions, Mr. Perkins noted that under 1-A, what the planning group said their assumption was did not reflect the planning group's actual assumptions. TWDB misconstrued the wording. However Mr. Perkins confirmed that the intent of the planning group was on par with TWDB's actual intent. The technical consultants adjusted the wording to more clearly show the planning group's assumption.

Roland Ruiz posed the question, "There's a couple of items later on our agenda today that seek to make some amendments to the 2011 plan, would that affect the prioritization?"

Mr. Perkins explained that when a planning group chooses to amend a previous plan, a fully evaluated amendment package must be assembled and submitted to TWDB. The amendment package will also indicate where in the plan tables and text will change. The proposed project will be scored. Depending on how the projects score compared to other projects in the plan, they will fall in order of the ranking.

Blair Fitzsimons asked about what exactly triggered TWDB's response (to the draft prioritization of projects), noting that the assumption was specific to conservation.

Mr. Perkins answered, restating the specific question used for scoring a project, "Is this the only water management strategy except conservation for this water user group?" He then explained that the way the planning group interpreted it was whether the conservation strategy was the only water management

strategy for a water user group. If so, the planning group gave it a “yes.” The board specifically said “except conservation.” Conservation should never get a vote of “yes.” It should always get vote of “no.” So all the conservation strategies, whether they were part of a larger suite of projects for a water user group, or whether they were single projects, they were all scored zero for that particular question. Conservation projects qualify for the 20 percent of the fund that has been set aside specifically for conservation, or conservation projects could qualify for the general fund. They actually have a better chance of receiving funding than non-conservation projects. Whichever fund the project applies for depends on the developer of the project and the availability of funds at that time.

Mr. Mims asked for a motion to authorize the administrator to submit the final project prioritization to the TWDB on or before September 1, 2014. Kevin Janak made the motion, which was seconded by Gary Middleton.

Robert Puente requested that a footnote be added to that motion that would state “The prioritization of projects that rely on return flows are interruptible in the absence of a contract with the discharger, and for HDR to identify those projects.” He added that, some of these projects are relying on effluent return flows for supply. Mr. Puente advised that the planning group should know which projects are relying on return flows, noting that at any point, the discharger could chose to capture that effluent and use it for themselves on a direct recycle system.

Mr. Mims suggested making two motions. The first motion would be to authorize the administrator to submit the final project prioritization to TWDB on or before September 1, 2014. Then we can discuss your motion asking the technical consultants to identify those projects which rely on return flows for our planning purposes. Mr. Puente agreed to Mr. Mims’ terms.

Mr. Mims confirmed that the initial motion to authorize the administrator to submit the final prioritization of project in the 2011 Plan already had a motion and a second. Mr. Mims asked for any discussion or objections. There were none. The motion carried by consensus.

Mr. Puente made a motion (restating his previous motion) that the planning group identify projects that rely on return flows as interruptible in the absence of a contract with whoever discharges the flows, and that HDR identify those projects.

Mr. Mims asked for a second. Art Dohmann seconded the motion. Mr. Mims asked for questions or discussion.

James Murphy objected, “We just want to get on the record that we don’t agree necessarily under the current state of the law that all water is interruptible and subject to reuse as coming out of a wastewater treatment plant... We don’t want to imply that there is some preapproval or there is no objection to the concept.”

Mr. Mims suggested that the group considered Mr. Puente’s motion with the addition that, “this in no way establishes a position of the planning group with regard to the use or ownership of treated effluent return flows.” Mr. Puente indicated that he agreed with the addition. Mr. Murphy said he agreed, adding that “GBRA’s position is that we will not be purchasing reuse water return flows to firm up preexisting water rights. That’s why we want to clarify that the courts may change that, the legislature may change that, but right now that’s our position.”

Mr. Mims brought Mr. Puente’s motion forward, asking for a second. Mrs. Suzanne Scott seconded the motion.

Mr. Mims asked for further discussion. Mr. Ruiz suggested that the planning group, at some point, engage in a discussion about the role of the regional planning process and what ultimately ends up in the plan. Mr. Ruiz suggested that the planning group discusses what standing the plan has, and what it means in real terms for communities planning their water supplies. Mr. Mims advised that the group addresses the planning group's purpose as an item for future consideration.

Mr. Mims re-stated that there was a motion and a second, which was amended. He asked again for discussion or objections. The motion carried by consensus.

AGENDA ITEM NO. 6: TEXAS WATER DEVELOPMENT BOARD COMMUNICATION

David Meeseey, TWDB representative, gave a brief summary of the current events and ongoing processes at TWDB. TWDB published new proposed rules on their website on July 11th. Mr. Meeseey noted that those rules were currently for public comment (at the time this meeting took place). Mr. Meeseey gave a brief update on the new proposed SWIFT rules, 31 TAC subchapter M, and other information regarding SWIFT/ SWIRFT funding.

Mr. Meeseey reminded the planning group that the final prioritization is due September 1, 2014 for the 2011 Plan. By December, the Board has to send a SWIFT implementation report to the legislature and the governor's office.

Mr. Meeseey also mentioned that projects that need immediate funding should not wait for the SWIFT funding to become available. TWDB has other programs that can help fund projects.

AGENDA ITEM NO. 7: DISCUSSION AND APPROPRIATE ACTION REGARDING CONSULTANT'S WORK AND SCHEDULE

Mr. Perkins, HDR Engineering, presented an update on the schedule for plan development highlighting upcoming planning group deadlines. May 1, 2015, is the deadline for the submission of the initially prepared 2016 Plan. He suggested that the group consider moving the meeting tentatively scheduled for the first Thursday of May, 2015, to April in order to allow two planning group meetings before the initially prepared plan is submitted to TWDB.

Mr. Perkins also provided an update on the potential issues to the planning process that HDR and the Administrator are tracking, as well as an update to the budget. Mr. Perkins gave an update regarding the whooping crane litigation and addressed meeting the steam-electric needs in Victoria County with project that was to be discussed under Agenda Item No 8.

Will Conley posed a question dealing with HDR's document that lists potential issues for the 2016 Region L Planning Group. Mr. Conley asked why number two on the list (Importing Groundwater from Other Regions) and other interrelated issues identified by HDR, has been identified, and inquired as to what action the planning group needs to take regarding these issues.

Mr. Perkins pointed to two water management strategies, each which have completed technical analyses, which reach into other regions outside Region L for water supply. These projects are the Hays County – Forestar Project and the SAWS Vista Ridge Project. Both are seeking groundwater from Region G. Because TWDB rules stipulate that supply may not exceed modeled available groundwater (MAG), adjacent regional water planning groups must be cognizant of such projects to avoid exceeding capped MAG limits within a particular county. Mr. Perkins suggested that Region L and Region G initiate conversation to resolve this issue.

Mr. Conley asked about what would happen at the state level if multiple recommended water management strategies in different regions exceed the MAG limits for a particular supply. Mr. Perkins answered that the water management strategies across the state need to add up to a number no more than the MAG limit. The database used for regional and state water planning will not allow an excess of the MAG. This issue is identified because it needs to be resolved. Mr. Perkins indicated that HDR would rather resolve this issue sooner than later, noting the timeline that lies ahead.

Mrs. Scott asked Mr. Perkins to remind her why the planning group did not identify the changing of the models used between the 2011 planning process and the 2016 planning process as a potential issue with regard to the inclusion or exclusion of effluent. Mrs. Scott suggested that though change in the models was not identified as a potential issue at the beginning of the 2016 planning process, the change in the planning group's assumptions with regard to reuse has been applied and has given rise to potential issues. Mr. Perkins said that legal efforts by planning group members to define what water is firm and available, has made the change in models a potential issue. He explained that the fact that the model dropped the use of effluent from availability for water management strategies did not necessarily create a potential issue. With the 2016 model, there are also new needs. Though water availability, firm yield supply, and project supply might have changed, so did the needs.

AGENDA ITEM NO. 8: DISCUSSION AND APPROPRIATE ACTION REGARDING EVALUATION OF POTENTIALLY FEASIBLE WATER MANAGEMENT STRATEGIES (TASK 4B), DRAFT SCOPES OF WORK AND BUDGETS FOR SUBMITTAL TO TEXAS WATER DEVELOPMENT BOARD AND INCLUSION INTO PLANNING CONTRACT, TEXAS WATER DEVELOPMENT BOARD CONTRACT NO. 1148301323

At the May 1, 2014 Planning Group Meeting, HDR Engineering received authorization to begin drafting scopes of work and budgets for two additional water management strategies: 1) SAWS Seawater Desalination, and, 2) Victoria County Steam-Electric.

Mr. Perkins presented the results to the planning group, reviewing each water management strategy and budget for evaluation.

Mr. Puente made a motion to approve the authorizations for both projects, under the condition that HDR develops the technical evaluation for Victoria County Steam Electric with the requirement of determining project yield with and without return flows, and to cost those under two scenarios: 1) whether GBRA owns the water, and 2) whoever discharged the reuse owns the water.

Mr. Murphy noted that he would not support Mr. Puente's motion. To determine costs for this project would be too speculative.

Steve Raabe, San Antonio River Authority, clarified that any existing water rights were evaluated assuming the existence of return flows in the two-river system. So if a water management strategy only used existing water rights, then implicitly return flows are included. However, if there is a new appropriation (meaning there is no existing water right), it would be evaluated without the return flows. This project, as it is currently laid out, relies on only existing water rights, and thus relies on the use of return flows.

Mr. Mims agreed that reflecting the firm yield with and without return flows would be beneficial to the planning group, but differed on whether or not HDR should be tasked with figuring costs of the projects.

Mr. Puente ultimately conceded to the issue specific to the costs of the projects, but held that the planning group has significant interest in seeing the project's firm yield with and without effluent included.

Mr. Vaugh, said that HDR would be able to evaluate it both ways, but some changes would need to be made to the budget because they initially budgeted to evaluate the project only one way. Mr. Vaugh suggested they could complete both evaluation under \$14,000.00.

Mr. Mims asked for any objections to adding the provision that HDR evaluate the project with and without return flows.

Mr. Murphy objected, stating that GBRA's position is that one can exercise direct re-use as long as it was not historically relied upon at the time the permits were issued. By requiring the projects to be evaluated with and without discharged effluent, the planning group is presupposing that there is a legal right to evaluate those two alternatives. Today, anyone who has a water right can use those rights within the firm limits of the permit.

Mr. Puente restated his motion, requiring the technical evaluation to determine project yield with and without return flows. Mr. Mims suggested that the planning group also consider a statement that this evaluation is not a challenge by the planning group of the existing water right. Mr. Puente agreed. Gary Middleton suggested the addition of the budget amount indicated by Mr. Vaugh, not to exceed \$14,000.00. Mr. Mims and Mr. Puente agreed.

Mr. Raabe interjected to clarify that because the planning group is needing to meet a need that is in a plan for steam-electric, the difference in the yield is not what will change. Rather, with return flows, facilities of this size to meet the need are necessary. Without return flows, facilities of a different size to meet the same need are necessary.

Mr. Mims confirmed the earlier motion from Robert Puente that the planning group authorizes HDR to perform technical evaluations for both the SAWS Seawater Desalination, and the Victoria County Steam-Electric water management strategies. With regard to the Victoria County Steam-Electric, the planning group is authorizing HDR to evaluate the project with and without return-flows from discharged effluent, within a budget not to exceed \$14,000.00, and with a statement that the authorized technical evaluation is not a challenge by the planning group of the existing water right. Kevin Janak seconded. Mr. Mims asked for any objections. Mr. Murphy objected again. There was one other unidentified objection. Motion carried.

AGENDA ITEM NO. 9: DISCUSSION AND APPROPRIATE ACTION REGARDING AUTHORIZING THE ADMINISTRATOR TO SUBMIT REQUEST FOR NOTICE-TO-PROCEED FOR EVALUATION OF WATER MANAGEMENT STRATEGIES AND AUTHORIZE ADMINISTRATOR TO EXECUTE CONTRACT AMENDMENT WITH TEXAS WATER DEVELOPMENT BOARD

Mr. Middleton made a motion to authorize the San Antonio River Authority, as Administrator, to submit a request for Notice-to-Proceed #7 for the evaluation of two WMSs presented by HDR Engineering, and execute a contract amendment with TWDB under the conditions set forth under Agenda Item No. 8: that the technical consultants conduct evaluations to determine necessary facilities to meet project yield with and without return flows; that a statement is included stating the evaluation is not a challenge by the planning group of the existing water right; and that the evaluations for the Victoria County Steam-Electric are completed within a budget not to exceed \$14,000.00. Kevin Janak seconded the motion. The motion carried by consensus.

AGENDA ITEM NO. 10: DISCUSSION AND APPROPRIATE ACTION REGARDING IDENTIFICATION OF POTENTIALLY FEASIBLE WATER MANAGEMENT STRATEGIES (WMSs) (TASK 4B), DRAFT SCOPES OF WORK AND BUDGETS FOR CONSIDERATION AT THE NEXT SOUTH CENTRAL TEXAS REGIONAL WATER PLANNING GROUP MEETING

Mr. Mims asked HDR if there were any new potentially feasible water management strategies that had been identified. Mr. Perkins said that there were not any new strategies.

AGENDA ITEM NO. 11: DISCUSSION AND APPROPRIATE ACTION REGARDING EVALUATION AND RECOMMENDATION OF WATER MANAGEMENT STRATEGIES (TASK 4D)

Mr. Perkins noted that the planning group should select projects to be included in the 2016 Plan by February 2015. Discussions concerning which projects to move forward with should start at the November meeting.

Mr. Perkins presented six of seven technical evaluations to the Planning Group including the Uvalde Aquifer Storage Recovery (ASR), Expanded Carrizo for Schertz Seguin Local Government Corporation (SSLGC), Brackish Wilcox for SSLGC (sharing facilities with Expanded Carrizo for SSLGV and Cibolo Valley Local Government Corporation projects), Texas Water Alliance (TWA) Carrizo Well Field, Hays-Caldwell Public Utility Agency (HCPUA) Carrizo Project, and the TWA & HCPUA Joint Project.

Mr. Vaugh presented the Guadalupe-Blanco River Authority (GBRA) Lower Basin Storage Off-Channel Reservoir project.

AGENDA ITEM NO. 12: DISCUSSION AND APPROPRIATE ACTION REGARDING SOLICITATION OF WRITTEN APPROVAL OF THE GUADALUPE-BLANCO RIVER AUTHORITY'S (GBRA) LOWER BASIN STORAGE PROJECT PROPOSED SUBSTITUTION BY THE TEXAS WATER DEVELOPMENT BOARD EXECUTIVE ADMINISTRATOR

Mr. Vaugh presented the proposed amendment to the 2011 Plan, specifying a larger off-channel reservoir of 500 acre-feet (similar to the GBRA Lower Basin Storage Project for 2016 Plan addressed in Agenda Item No. 11). Mr. Vaugh stated that, since this is an amendment to the 2011 Plan, the proposed amendment uses the hydrologic assumptions for the 2011 Plan (as opposed to the hydrologic assumptions for the 2016 Plan).

Mrs. Scott inquired as to why an amendment to the 2011 Plan is necessary considering that a similar project has been evaluated for the 2016 Plan based on new hydrologic assumptions (those being without effluent flows and with consideration for the HCP project), and that the 2011 assumptions differ significantly from the 2016 planning cycle assumptions. The alternative, she suggested, would be to wait for the 2016 Plan to be approved. Mr. Vaugh responded, explaining that by having the project in the 2011 Plan, the project will be eligible for TWDB funding sooner.

Will Conley made a motion to approve the GBRA's request to the planning group, to move forward with asking the Executive Administrator of TWDB to determine whether the proposed amendment is a substitution under TWDB rules. David Roberts seconded the motion.

Mr. Mims opened the motion up for discussion.

There was some discourse and confusion over what the planning group was taking action on. Steve Raabe, San Antonio River Authority, clarified that before the planning group took action on whether or not to amend the plan, action needed to be taken to request a determination from TWDB on whether the type of amendment being proposed is in fact a “substitution” as defined by TWDB. Mr. Raabe stated that action (to request TWDB determination) has to happen before the group can consider taking action to request an amendment to the 2011 plan. Mr. Vaughn confirmed and briefly detailed the process prescribed by TWDB rules.

Mr. Mims clarified the motion previously made by Mr. Conley, and ensured the planning group that they were not making a decision on whether to submit the substitution to TWDB, effectively adopting an amendment to the 2011 Plan. Rather, the planning group was making a decision on whether to request pre-adoption determination of what type of amendment the proposed amendment should be classified as, in accordance with the amendment process procedures laid out by the TWDB rules.

Mr. Mims then suggested the creating a workgroup consisting of the following members: Charles Ahrens, James Murphy, Suzanne Scott, Tom Taggart, and David Roberts. Mr. Mims agreed to chair the committee. The workgroup will be tasked with framing and agreeing on the exact questions posed by the planning group regarding the GBRA Lower Basin Project amendment to the 2011 plan. Those questions will be sent to HDR, who will answer those questions only to the extent they have information readily and conveniently available. The workgroup can meet as often they want between now and the November meeting, but HDR will not be part of those meetings.

Mrs. Scott asked for clarification on what exactly will be submitted to TWDB as a result of this action.

David Meeseey and Steve Raabe collectively answered the question posed by Mrs. Scott, that the planning group will submit a letter requesting the Executive Administrator to review the proposed amendment to the 2011 Plan and to determine whether the type of amendment requested by GBRA is a “substitution,” rather than a “major amendment,” or a “minor amendment.”

Mr. Mims made clear that while the planning group awaits a determination from the Executive Administrator, the workgroup will work to identify questions that the planning group might have regarding the amendment. At the November meeting, when the amendment re-surfaces for actual planning group approval, the answers to those questions will be presented to the planning group to aid in making a judgment.

Charles Ahrens requested that the planning group vote on the action by roll call. Mr. Mims agreed. The planning group voted 25 – 3 (2 absent) in favor of moving forward with requesting pre-adoption determination from the Executive Administrator of TWDB, on whether the proposed amendment classifies as a substitution, a minor amendment, or a major amendment.

Mr. Perkins and Mr. Mims briefly discussed the role HDR has in the proposed workgroup, which ended in a clarification that HDR is to respond to the workgroup’s questions within the framework of the 2011 Plan to the extent that information is available from the 2011 Plan and the 2016 Plan to date.

Mr. Mims further clarified that the workgroup will have the duty to agree upon and frame the questions that the workgroup wants to present to HDR. HDR will report back with whether they can answer those questions with readily available information. The questions that they cannot answer under these conditions will be thrown out. The workgroup will wait for HDR’s response to the questions that they can answer. The workgroup will then hold a second meeting to discuss the answers provided by HDR, and to agree upon a recommendation for the full planning group to determine whether or not to request this amendment.

AGENDA ITEM NO. 13: DISCUSSION AND APPROPRIATE ACTION REGARDING SOLICITATION OF THE DETERMINATION OF THE GUADALUPE-BLANCO RIVER AUTHORITY'S (GBRA) INTEGRATED WATER POWER PROJECT PROPOSED MINOR AMENDMENT BY THE TEXAS WATER DEVELOPMENT BOARD EXECUTIVE ADMINISTRATOR

Mr. Perkins presented the GBRA Integrated Water Power Project (IWPP) to the planning group, which was being proposed as a minor amendment to the 2011 Plan. Mr. Perkins clarified what a minor amendment is, and the process by which the TWDB decides whether a proposed amendment qualifies as a minor amendment.

David Roberts made a motion that the planning group request a determination from the Executive Administrator of TWDB on whether the proposed amendment is a minor amendment under TWDB rules. Greg Sengelmann seconded the motion.

The motion carried, sustaining two objections, one from Mr. Taggart, and one from Tyson Broad.

AGENDA ITEM NO. 14: POSSIBLE AGENDA ITEMS FOR THE NEXT SOUTH CENTRAL TEXAS REGIONAL WATER PLANNING GROUP MEETING

Mr. Mims instructed the planning group to notify either him or Cole Ruiz, San Antonio River Authority, of any agenda items they would like to have addressed at the next planning group meeting.

AGENDA ITEM NO. 15: PUBLIC COMMENT

There were no comments

Meeting Adjourned.

Recommended for approval.



GARY MIDDLETON, SECRETARY

Approved by the South Central Texas Regional Water Planning Group at a meeting held on August 7th, 2014.



CON MIMS, CHAIR