

**Minutes of the
South Central Texas Regional Water Planning Group
November 1, 2012**

The meeting was called to order at 10:00 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.

Twenty-five of the 29 voting members, or their alternates, were present.

Voting Members Present:

Gená Leathers for Jason Ammerman	Dan Meyer
Tim Andruss	Con Mims
Donna Balin	Ron Naumann
Evelyn Bonavita	Iliana Peña
Alan Cockerell	Charles Ahrens for Robert Puente
Will Conley	Steve Ramsey
Don Dietzmann	Suzanne Scott
Art Dohmann	Greg Sengelmann
Rick Illgner for Karl Dreher	Milton Stolte
Vic Hilderbran	Tom Taggart
Kevin Janak	Tommy Hill for Bill West
Kenneth Eller for Bill Jones	Tony Wood
John Kight	

Voting Members Absent:

Rey Chavez
Mike Mahoney
Gary Middleton
Diane Savage

Non-Voting Members Present:

Norman Boyd, Texas Department of Parks and Wildlife (TPWD)
Ron Fieseler, Region K Liaison
Matt Nelson, Texas Water Development Board (TWDB)
Steve Ramos, South Texas Water Master, Texas Commission of Environmental Quality (TCEQ)

AGENDA ITEM NO. 1: Public Comment

There was no public comment at the time.

AGENDA ITEM NO. 2: Approval of Minutes

Chairman Con Mims asked if there were any additions or corrections to the minutes from August 2, 2012. Erin Newberry, SARA, stated there is one correction, on page 7, Agenda Item No. 12, in the last paragraph. The request to submit the non-municipal draft projections and related documentation for requested revisions to TWDB should not have Agriculture as a category. Agriculture and Livestock are the same category and only Livestock should be stated. Ron Naumann made a motion to approve the minutes as corrected. Milton Stolte seconded the motion. The motion carried by consensus.

AGENDA ITEM NO. 3: Status of Edwards Aquifer Habitat Conservation Plan (HCP)

Nathan Pence, HCP Officer for the Edwards Aquifer Authority (EAA), provided an update of EAA HCP Implementing Committee activities to date to the Planning Group. Mr. Pence stated the required public meetings to allow public comment on the draft Environmental Impact Statement (EIS) and draft Habitat Conservation Plan have been conducted. The public comment received was positive overall and all comments have been responded to.

The final draft of the HCP has been forwarded US Fish and Wildlife Services and is making its way through the regional offices. It is anticipated that within three to four weeks, a Notice of Intent to issue the Incidental Take Permit will be published in the Federal Register. The goal is an Incidental Take Permit and Management Plan for the Edwards Aquifer in place per requirements by January 1, 2013.

The Edwards Aquifer HCP is moving from the planning process to the implementation phase by January 1, 2013. Agencies are in the process of securing needed permits and we are going through the final stages of securing all the funding applications for 2013. Funding applications are due to go to the EAA Board of Directors at the December board meeting.

The EAA has introduced a new website for the Edwards Aquifer Habitat Conservation Plan at www.eahcp.org and we encourage everyone to check the website for updates.

AGENDA ITEM NO. 4: 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) and Nueces River and Corpus Christi and Baffin Bays Stakeholder Committee (BBASC) and Expert Science Team (BBEST)

Suzanne Scott, Chair of the Guadalupe, San Antonio, Mission, and Aransas Rivers and Mission, Copano, Aransas, and San Antonio Bays Basin and Bay Stakeholder Committee (BBASC), provided a brief update to the Planning Group on current GSA BBASC activities. Ms. Scott informed the Planning Group we recently had a stakeholder committee meeting in Victoria and the stakeholder group is putting together comments to submit to the Science Advisory Committee (SAC) on lesson learned during the Environmental Flows process, opportunities to address or aspects of Senate Bill (SB) 3 that could be modified based on our experience of going through the process once. The SAC may then submit those comments to the Environmental Flows Advisory Group and it is anticipated they would then make legislation recommendations for the Legislature to consider during this next round of legislation. The current legislation does not lay out a process of "what we do next", or if there will be a next round. The GSA BBASC has a Work Plan for Adaptive Management in place, but no funding to

implement aspects of the Work Plan. At this time, it is not certain if the committee that exists today will exist in the future.

Con Mims, Chair of the Nueces River and Corpus Christi and Baffin Bays Stakeholder Committee (BBASC), stated the Nueces BBASC submitted its report August 22, 2012 and has not yet received a response on the report. The Nueces BBASC is currently developing its Work Plan for Adaptive Management and expects to have the final draft approved by the BBASC stakeholders on December 6, 2012 and submitted to Texas Commission of Environmental Quality (TCEQ) by December 31, 2012. Mr. Mims stated to keep in mind the flow regimes being recommended be built into the TCEQ permitting process will be flow regimes that, as a Planning Group, will need to respect as the Region L Planning Group moves forward through the planning process.

AGENDA ITEM NO. 5: Chair's Report

Mr. Mims had no report at the time.

AGENDA ITEM No. 6: Discussion and Appropriate Action Authorizing Administrator to Solicit Nominations for Vacant Planning Group Position

Mr. Mims informed the Planning Group of the resignation of Darrell Brownlow, who represented the Small Business interest category. Mr. Mims asked the Planning Group if it would prefer to authorize the Administrator to begin the solicitation process for Mr. Brownlow's vacancy, or solicit the vacancy in May with all other vacancies that are expiring at that time. Mr. Mims reminded the Planning Group that the Interest will continue to be represented on the Planning Group by Tony Woods.

Ms. Scott made a motion to leave the position vacant until the nomination process begins at the May Planning Group meeting. Evelyn Bonavita seconded the motion. The motion carried by consensus.

AGENDA ITEM NO. 7: Texas Water Development Board (TWDB) Communications

Matt Nelson, TWDB, informed the Planning Group the Regional Water Planning Grant to complete the 2106 Regional Water Plan (RWP) for Region L was approved by the Board at its October meeting. The board authorized the allocation of funding and amendments to all the contracts. Mr. Nelson stated the Administrator, SARA, will receive an amendment to the existing contract in the next couple of weeks for execution.

Mr. Nelson stated as part of the contract amendment, there are updates to the guidance documents and deadlines have been revised due to the delay in the new census data. TWDB is awaiting the final version of the population projections. Once received, TWDB will require about three months to develop projections at the county and water user group level. The current deadline for Planning Groups to submit their proposed revisions and/or recommendations on population and water demand projections to TWDB is July 1, 2013. The revised deadline to submit an adopted regional water plan is November 1, 2015.

Mr. Nelson informed Planning Group members that he will provide an overview and training of the revised water planning requirements, which were discussed during the rules revisions

process in previous meetings and are included in the contract amendment. The revised rules revisions include tasks Planning Groups have been doing, new requirements based on statutory requirements passed by Legislature, as well as the rules being more clearly stated in a manner that follows the actual “way things are done” in the regional water planning process.

Ms. Scott asked Mr. Nelson if TWDB or the State Demographer took the populations shifts in counties affected by Eagle Ford Shale into consideration when developing the respective projections. Mr. Nelson stated he didn’t believe specific population shifts due to recent activities were considered, but the Planning Group may do so at their level. Any requests for revisions by the Planning Group must be accompanied by supporting documentation. Ms. Scott asked if the Planning Group can do anything to prepare itself for questions or concerns from the public regarding population and water demand projections in the region. Mr. Mims asked the Planning Group if a work group could convene and begin studying the effects on population and water resources in Region L. Ms. Scott will chair the work group and Mr. Mims appointed Iliana Pena, Tony Wood, Art Dohmann, Donna Balin, Mike Mahoney, Greg Sengelmann and Don Dietzmann as members of the work group. Mr. Mims asked a report be given at the next Planning Group meeting.

Mr. Mims asked Mr. Nelson if the unique stream segments, designated by Region L in the 2011 RWP, will be approved by Legislature this session and does the Planning Group need to take any action. Mr. Nelson stated the designated unique stream segments have been adopted into the 2012 State Water Plan and the Legislature will need to take action. Steve Raabe, SARA, recommended Planning Group members work through their local legislative representatives to encourage legislators to take action on recommended designated unique stream segments.

AGENDA ITEM NO. 8: Discussion and Appropriate Action Regarding Consultants Work and Schedule

Brian Perkins, HDR Engineering, reviewed the current schedule and revised TWDB deadlines for certain tasks with the Planning Group.

Mr. Perkins stated work could begin on Task 3, Evaluate Water Availability and Existing Supplies as Managed Available Groundwater (MAGs) numbers have been uploaded into TWDB’s database, while waiting for population and water demand projections (Task 2) from TWDB.

Mr. Perkins also stated discussions on evaluations of water management strategies could also begin. The Planning Group may authorize the consultant to begin developing draft scopes of work and budgets on certain water management strategies (WMS’).

Mr. Perkins presented “Regional Water Planning – What to Expect for 2016 Plan” and graphically showed how new or revised data will change the 2016 planning process from the 2011 planning process. New census numbers, modeled available groundwater (which affects existing supplies and new projects), changes to hydrologic assumptions, and environmental flows will all be taken in to consideration during this planning process and will require planning group input and/or decisions that will ultimately affect water management strategies and/or consideration of new projects.

Mr. Perkins informed the Planning Group through the hydrologic assumptions approval process, TWDB stated we are to use of SB3 values regarding the Edwards Aquifer, in terms of triggers and cutbacks, until such time the HCP is adopted and approved by US Fish and Wildlife. At that

time, the Planning Group will need to decide to continue to use SB3 values or use the new HCP values. The final decision affects all aspects of modeling, i.e., existing supplies, future projects and cumulative effects.

The implementation of the HCP will also need to be considered by the Planning Group as either an existing supply or a water management strategy. As a water management strategy (potentially in four pieces), at the planning group could use an existing supply of 320,000 ac-ft level for pumpage from the Edwards Aquifer and the spring flows consistent with the SB3 triggers and cutbacks. Utilizing this strategy, in times of critical drought, the springs will go dry. When the planning group begins looking at new strategies, the Edwards Aquifer, using 320,000 ac-ft, the spring flows or other projects, like surface water projects that depend on the spring flows, we would use the SB3 values. However, one of the strategies in the future supplies will be the implementation of the HCP. When performing the cumulative effects analyses begins, everything gets added together, including the implementation of the HCP and all other projects and the HCP spring flow values would be used. Using the HCP values as a recommended water management strategy would allow higher spring flow values coming out of the springs.

In response to additional questions from the planning group regarding timing of the implementation of the HCP and the evaluation of existing supplies, Mr. Mims recommended an EAHCP Work Group be created to assist HDR and coordinate discussions between HDR and the EAHCP Implementing Committee. Mr. Mims asked Mr. Taggart to Chair the Work Group and Tommy Hill, Steve Ramsey, Chuck Ahrens and Steve Raabe to make up the Work Group. Mr. Mims asked Mr. Taggart to work with HDR and the EAHCP Implementing Committee to consider the different options for implementing the HCP into the 2016 RWP, and for the Work Group to report back at the next Region L meeting their recommendation on how the HCP may be considered a water management strategy. Mr. Perkins also requested the Workgroup to weigh in on how existing surface water supplies should be evaluated with regards to the Edwards Aquifer springflows: using SB3 spring flows or HCP spring flows.

In reviewing the slide, "Regional Water Planning What to Expect for 2016 Plan", other changes in hydrologic assumptions between the 2011 RWP and the 2016 RWP with regards to existing supplies, there aren't many changes to how analyses will be done. With regards to evaluating new surface water management strategies, it is required we use TCEQ WAM (Water Availability Model) and we will not be allowed to use return flow in those analyses, unless the new strategy specifically includes effluent in its plan. Mr. Perkins stated there are also ongoing SB2 Instream Flow studies that feed in to SB3 recommendations and TCEQ standards on surface water permits.

AGENDA ITEM NO. 9: Discussion and Appropriate Action Regarding Submittal of Non-Municipal Water Demand Projections to TWDB

Mr. Perkins presented additional documentation on behalf of several entities requesting revisions to Mining and Irrigation draft projections from TWDB. Mr. Perkins reminded Planning Group members that at the August 2, 2012 Region L meeting, the planning group approved the draft non-population water demand projections for all categories, with the exception of Irrigation and Mining. Several members requested additional time to review the projections and supply documentation to verify a potential request for revisions for their counties. Greg Sengelmann stated he didn't see Gonzales County Groundwater Districts' irrigation numbers in the projections TWDB has provided and he had sent all documentation to TWDB before the draft projections were released. Mr. Sengelmann asked when those revisions would be accounted for.

Victoria County Groundwater Conservation District has requested a revision to Victoria County's irrigation projections to 21,215 ac-ft for years 2020 through 2060 based on documentation provided to them from irrigators in their county. Mr. Mims asked the Planning Group if they had any objections to asking TWDB to review the documentation provided by Victoria County and determine if it is adequate or not for the requested revision. There were no objections by the Planning Group.

Mr. Nelson stated additional requests for revisions to the projections must go through the Planning Group for approval, but TWDB will accept requested revisions from the Planning Group, with proper support documentation.

Mr. Mims asked the Planning Group if the previously approved Irrigation revisions requested by Goliad and DeWitt Counties at the August 2, 2012 meeting were still acceptable to the Planning Group. The Planning Group confirmed their recommendation for the requested revisions stands as approved.

Mr. Woods made a motion to approve Victoria County's request for increased Irrigation demands with a provision the Planning Group requests the right to revise the non-population water demand projections in the future, with proper documentation by requesting authority, so long as TWDB will accept the revisions. Evelyn Bonavita seconded the motion. The motion carried by consensus.

Mr. Perkins informed the Planning Group the draft projections for Calhoun County for Manufacturing did not cover Formosa Plastics need for 10,000 ac-ft. Mr. Perkins suggested the Planning Group keep the 2012 water demands projections which will account for the 10,000 ac-ft needed by Formosa Plastics rather than accept the TWDB projection for 2017. The Planning Group had no objections to this change.

Mr. Perkins also addressed one final issue in the Steam-Electric category that has occurred since our previous meeting. Exelon has pulled their Early Site Permit in Victoria County and will not require the additional water demand as reflected in the draft projections. However, Victoria County still reflects a need for Steam-Electric in later years and the draft projections reflect that need. Mr. Perkins asked the Planning Group if they would like to revise their previous approval of the draft projections for Victoria County, in the Steam-Electric category, or leave the draft projections as TWDB has stated. Mr. Mims asked if there were any objections to leaving the existing draft projections, approved by the Planning Group at the August 2, 2012 meeting, as they are currently stated. The Planning Group had no objections to leaving the draft projections as stated.

AGENDA ITEM NO. 10: Discussion and Appropriate Action Regarding Evaluation of Potentially Feasible Water Management Strategies

Mr. Perkins reviewed a listing of Potentially Feasible Water Management Strategies with the Planning Group. The listing includes WMSs presently listed in the 2011 RWP, as well as those WMSs HDR is aware of as potentially new WMSs and "dead" projects that will be pulled from the list. This listing will continue to be updated and presented to the Planning Group at each meeting and changes presented to the Planning Group. Mr. Perkins reminded the Planning Group in accordance with the TWDB Contract, HDR must draft scopes of work and budgets on identified potential WMSs and include the information into the Technical Memorandum to be submitted to TWDB. TWDB will provide a written notice to proceed to HDR to begin evaluating

WMSs. HDR may begin, at the Planning Group's discretion, to draft the scopes of work and budgets at any time.

Mr. Raabe suggested HDR revise the Potentially Feasible Water Management Strategies to reflect projects utilizing the same water source or projects that may drop from the list – a “recategorized” list. Greg Sengelmann also asked if the list could reflect where the water is coming from and where it is going, if possible. Kevin Janak asked if the revised listing could be prioritized by potential project development so the Planning Group may see which projects are closer to becoming a reality than others, at a later date.

Mr. Mims asked HDR to revise the listing as suggested by Mr. Raabe and Mr. Sengelmann. Once the listing has been cleaned up and reflects projects in relation to water sources, a Work Group will form to study the WMSs reflected on the new list utilizing the Carrizo Aquifer as a water source to identify and describe the interrelationships of each, noting, in particular, how the use of each strategy affects the use of the others and present a report at the next meeting. Mr. Mims asked Mr. Sengelmann if he would chair the Work Group. Additional Work Group members are Mike Mahoney, Don Dietzmann and Will Conley. If possible, the Work Group will present a report at the next Planning Group meeting.

AGENDA ITEM NO. 11: Review/Approve Administrator’s Budget for CY2013

Ms. Newberry presented a Statement of Administrative Costs for CY2012, as of September 30, 2012. We are currently trending under budget. Ms. Newberry reviewed a draft Administrator’s Budget for CY2013 with the Planning Group, highlighting potential increased costs in 2013 for additional meetings and labor assistance for certain tasks in the TWDB contract. Mrs. Newberry recommended keeping the budget for 2013 at \$58,000. Mr. Naumann made a motion to approve the recommended Administrator’s Budget for CY2013 at \$58,000. Mr. Taggart seconded the motion. The motion carried by consensus.

AGENDA ITEM NO. 12: Set Dates and Times for Regional Water Planning Group Meeting for 2013

Ms. Newberry presented a schedule of meeting dates, times and location to the Planning Group for 2013. The Planning Group will continue to meet quarterly on the first Thursday in February, May, August and November at SAWS’ Customer Service Building, Room CR-145.

AGENDA ITEM NO. 13: Possible Agenda Items for the Next South Central Texas Regional Water Planning Group Meeting

Mr. Mims proposed the following agenda items for the February 7, 2013 meeting:

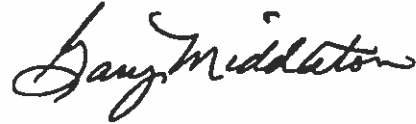
- EAHCP Update
- Status of SB3, Environmental Flows Process
- Election of Officers for Calendar Year 2013
- Report, Discussion and Appropriate Action from Work Groups
- Presentation and Discussion Regarding Population and Population-Related Water Demand Projections

AGENDA ITEM NO. 14: Public Comment

There was no public comment at this time.

There being no further business, the meeting adjourned by consensus at 2:00 p.m.

Recommended for approval.



GARY MIDDLETON, SECRETARY

Approved by the South Central Texas Regional Water Planning Group at a meeting held on March 14, 2013.



CON MIMS, CHAIR