NOTICE OF OPEN MEETING OF THE
SOUTH CENTRAL TEXAS REGIONAL
WATER PLANNING GROUP
POLICY AND LEGISLATIVE RECOMMENDATIONS WORK GROUP

TAKE NOTICE that a meeting of the Policy and Legislative Recommendations Work Group, as established by the South-Central Texas Regional Water Planning Group (SCTRWPG), will be held on Wednesday, December 11, 2024 at 9:30 AM both in person and virtually. The in-person meeting will be held at the San Antonio River Authority, 100 E Guenther, San Antonio, TX 78204. You can attend virtually on GoToMeeting at https://meet.goto.com/680184765. The following subjects will be considered for discussion and/or action at said meeting.

1. Review and Discuss Proposed Revisions to the RWPG Approved Draft Chapter 8 for Inclusion in the 2026 Regional Water Plan (RWP)

2. Discussion and Appropriate Action Regarding Work Group Recommendations to the SCTRWPG to the RWPG Approved Draft Chapter 8 for Inclusion in the 2026 RWP

Comments and submissions may be submitted through email to ccastillo@sariverauthority.org. Any written documentation can be sent to Curt Campbell Chair, South Central Texas Regional Water Planning Group, c/o San Antonio River Authority, Attn: Caye Castillo, 100 E. Guenther Street, San Antonio, TX 78204. Please direct any questions to Caye Castillo at (210) 302-4258.

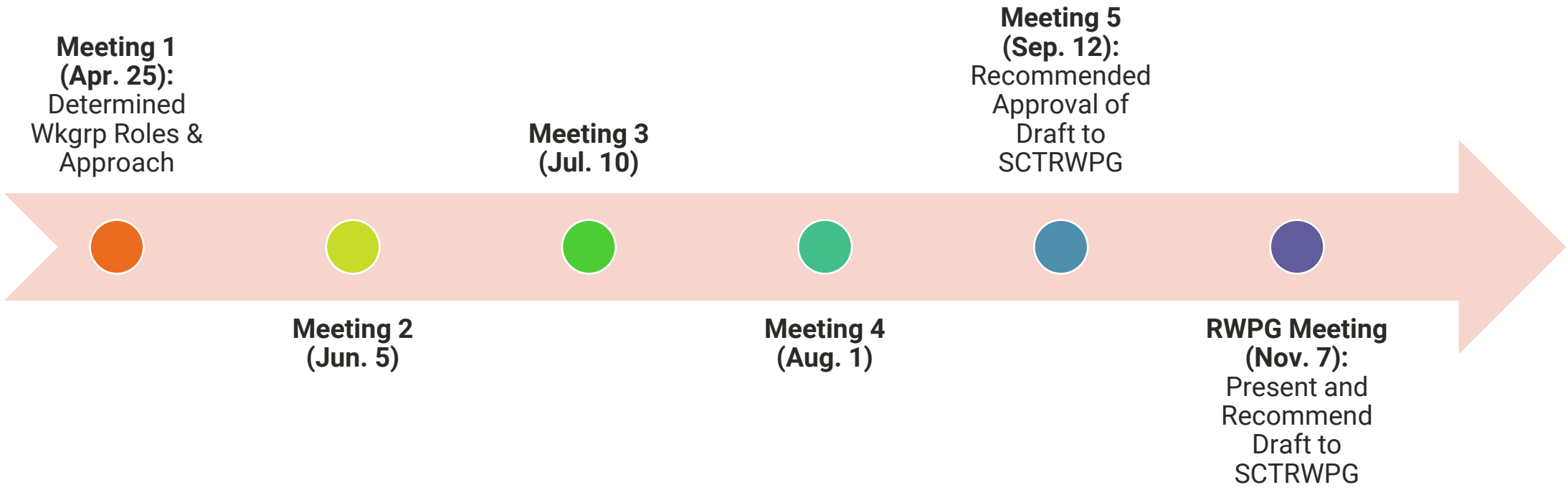
Policy & Legislative Recommendations Workgroup

South Central Texas (Region L) Regional Water Planning Group (SCTRWPG)

December 11, 2024

2026 Region L Policy and Legislative Recommendations Workgroup

- Established by the South Central Texas (Region L) Regional Water Planning Group (SCTRWPG) at the February 14, 2024, RWPG Meeting
- Collaboratively prepared an update to Chapter 8: Policy Recommendations and Unique Sites
- Held five meetings to establish the Workgroup's roles and approach, update chapter language, and prepare a recommendation to the SCTRWPG



Summary of Activities Regarding Draft Chapter 8

- The Policy and Legislative Recommendations Workgroup prepared a Workgroup Draft Chapter 8 and recommended that the South Central Texas Regional Water Planning Group (SCTRWPG) approve it for inclusion in the 2026 Region L Regional Water Plan (RWP).
- The SCTRWPG approved Workgroup Draft Chapter 8 at a meeting on November 7, 2024.
- After approval, the SCTRWPG considered and tabled a new recommendation proposed by Mr. Timothy Fousse, formerly of the City of Cibolo.
- The Workgroup will meet in December 2024 to consider the newly proposed language and prepare a recommendation as to how to address the proposed language.

Proposed Revision to RWPG Approved Draft Chapter 8

- To address Mr. Fousse's comment, the following language is proposed as a new Section, likely Section 8.3.6 (between the Conservation and Innovative Strategies Sections)

Proposed Language:

Rules in 30 TAC Chapter 290.45 include requirements for minimum water system capacity. Currently, the rules require a minimum of 0.6 gallons per minute (gpm) per connection for the total public water system capacity, as well as capacities for individual water treatment plants, groundwater wells, ground storage tanks, raw water pump stations, transfer pump stations, and others. The 0.6 gpm requirement converts to 315,360 gallons per year per connection, or 0.97 acft/yr per connection. This represents a substantial cost to develop reserve capacities that are unlikely to be used.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends the TCEQ reassess the water system capacity requirements in 30 TAC §290.45 to consider decreasing the minimum water system capacity requirement of 0.6 gpm per connection.

RWPG APPROVED DRAFT

CHAPTER 8: POLICY RECOMMENDATIONS AND UNIQUE SITES

South Central Texas Regional Water Plan

B&V PROJECT NO. 192335

PREPARED FOR

South Central Texas Regional Water Planning Group

8 NOVEMBER 2024

BLACK & VEATCH

Table of Contents

List of Abbreviations

DFC	Desired Future Condition
GAM	Groundwater Availability Model
GCD	Groundwater Conservation District
GMA	Groundwater Management Area
HB	House Bill
MAG	Modeled Available Groundwater
Region L	South Central Texas Region
RWPG	Regional Water Planning Group
SCTRWPA	South Central Texas Regional Water Planning Area
SCTRWPG	South Central Texas Regional Water Planning Group
TAC	Texas Administrative Code
TCEQ	Texas Commission on Environmental Quality
TPWD	Texas Parks and Wildlife Department
TWC	Texas Water Code
TWDB	Texas Water Development Board
WAM	Water Availability Model
WMS	Water Management Strategy
WUG	Water User Group
WWP	Wholesale Water Provider

8.0 Policy Recommendations and Unique Sites

Chapter 31, Section 357.43 of the Texas Administrative Code (TAC) specifies that Regional Water Plans shall include recommendations on regulatory, administrative, or legislative issues. The South Central Texas (Region L) Regional Water Planning Group (SCTRWPG) establishes these recommendations to facilitate the orderly development, management, and conservation of water resources.

The following chapter provides recommendations for designation of ecologically unique river and stream segments, unique sites for reservoir construction, and any other recommendations that the SCTRWPG believes are needed and desirable to achieve the stated goals of state and regional water planning.

8.1 Ecologically Unique River and Stream Segments

Regional Water Planning Groups (RWPGs) may choose to adopt recommendations in Regional Water Plans for all or parts of river and stream segments as being of unique ecological value, based on criteria defined in 31 TAC §358.2(6). The following subsections provide information regarding unique stream segments recommendations by the SCTRWPG.

8.1.1 Legislative Designation of Five Unique Stream Segments

In the 2011 and 2016 Region L Regional Water Plans, the SCTRWPG recommended five stream segments as having unique ecological value for designation by the Texas Legislature. In 2015, House Bill 1016 (HB 1016, 84th Texas Legislature) designated five river or stream segments as being of unique ecological value. The SCTRWPG is appreciative of legislative action in the form of HB 1016.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature adequately fund the Texas Commission on Environmental Quality (TCEQ) and other entities in monitoring the water quality of the five river and stream segments designated as being of unique ecological value within the South Central Texas Regional Water Planning Area (SCTRWPA).

Other Recommendation: None.

8.1.2 Recognition of Potential Additional Stream Segments of Unique Ecological Value

The SCTRWPG believes that designating ecologically unique stream segments raises public awareness and voluntary stewardship that can result in the preservation of the character and environmental function of these segments. The SCTRWPG recognizes the ecologically significant stream segments designated by Texas Parks and Wildlife Department (TPWD) in July 2005. The SCTRWPG shall consider these stream segments as a guide for recommending additional stream segments of unique ecological value for future legislative designation.

Legislative Recommendation: The SCTRWPG recommends increased Texas Water Development Board (TWDB) funding to be allocated for future planning cycles to conduct analyses necessary for designation of additional stream segments as segments of unique ecological value.

Other Recommendation: None.

8.2 Unique Sites for Reservoir Construction

Regional Water Plans may include RWPG recommendations to designate sites of unique value for construction of reservoirs based on criteria defined in 31 TAC §358.2(7). At this time, the SCTRWPG does not recommend any unique reservoir sites for inclusion in the 2026 Region L Regional Water Plan.

Legislative Recommendation: None.

Other Recommendation: None.

8.3 Other Policy and Legislative Recommendations

8.3.1 Funding Water Projects for a Growing Region

8.3.1.1 Project Studies and Implementation

The SCTRWPA is located in one of the fastest growing regions of the United States. Region L comprises 21 counties with a current population of 3.0 million people. Based on board-approved projections from the TWDB, the population is projected to increase to 3.9 million people in 2030, 4.7 million people by 2040, and 7.6 million people by the end of the 50-year planning horizon in 2080. Water User Groups (WUGs) and wholesale water providers (WWPs) have the responsibility of meeting the water needs of these future Texans.

Legislative Recommendation: In order to meet the water needs of the State and to support the growing population and economy, the SCTRWPG recommends the Texas Legislature allocate funding to state and local governmental entities to support studies water management strategies (WMSs) and implementation of water supply projects.

Other Recommendation: None.

8.3.1.2 Lengthening Financing Terms

The price of water has increased tremendously over the past 30 years, raising utility concerns regarding water affordability for rate payers. The TWDB's current loan and funding programs have 30-year financing terms available for most types of projects. However, many of these projects have a project life greater than 50 years, placing the financial burden on rate payers now when it would be used by future rate payers. Lengthening the financing terms to 40 or 50 years would mean utilities would pay for these projects over a longer period of time, which could enable utilities more flexibility to ensure affordable rates for residents.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature pass legislation that enables the TWDB loan and funding programs to provide 40- and 50-year financing terms, in addition to the current 30-year financing term available. This lengthened financing term would allow payment for projects over a longer period of time, which could help with water affordability.

Other Recommendation: None.

8.3.2 Sponsorship and Implementation of Irrigation Strategies

The SCTRWPG finds that, given the complexity of the factors that influence decisions regarding the development of agricultural water supplies (e.g., commodity prices; variability of quality and quantity of local, privately-owned water resources; broad geographic distribution of needs; and other economic considerations of individual agricultural producers) as well as the lack of appropriate WUGs or WWPs to serve as sponsors of WMSs meant to address irrigation needs, it is not practical for the SCTRWPG to develop WMSs designed to develop new water supplies or infrastructure for agricultural water users for projected irrigation water shortages and substantially limits the SCTRWPG's ability to conceive of and evaluate discrete strategies to supply water for future water needs in many cases.

The SCTRWPG recognizes one of the obstacles encountered by RWPGs and irrigation water users in developing WMSs to supply water for irrigation needs is the lack of an eligible sponsor for potential WMSs.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that the TWDB evaluate revisions to the regional water planning rules and guidance to allow entities other than WUGs and WWPs to serve as sponsors of WMSs related solely to irrigation and to receive funding to implement WMSs designed to address irrigation water needs.

8.3.3 Groundwater

8.3.3.1 Groundwater Management

The SCTRWPG respects the rules and regulations of groundwater conservation districts (GCDs), as it does those of all other subdivisions of the state and state agencies. The SCTRWPG respects the decision of the Texas Supreme Court that groundwater is a private property right (Chapter 36 of the Texas Water Code [TWC]). The SCTRWPG believes that all rules adopted by GCDs pursuant to administrative procedures established under Chapter 36 of the TWC should be based on standards of rationality, equity, and scientific evidence to support the achievement of desired future conditions (DFCs) established by a groundwater management area (GMA). The SCTRWPG supports the use of aquifer monitoring programs implemented by GCDs within a GMA to evaluate achievement of and compliance with DFCs.

The SCTRWPG recognizes that the development of brackish groundwater resources is an important water supply strategy in meeting the state's projected water demands.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature support the development of brackish groundwater resources as an important water supply strategy by funding additional studies and research to assess the quality, quantity, and treatability of potential supplies, providing financial assistance for brackish groundwater supply projects, and promoting efficient permitting of these projects by regulatory agencies.

Other Recommendation: The SCTRWPG recommends the TWDB included the following explanatory note in the state water plan and database at appropriate locations:

"For each groundwater management area (GMA) within the region, the representatives of the member groundwater conservation district (GCDs) have adopted desired future conditions (DFCs) for the relevant aquifers. To ensure consistency with the DFCs, TWDB limits groundwater availability for each aquifer to the associated modeled available groundwater (MAG) for planning purposes. This water planning limitation has resulted in reductions to the yield of existing groundwater supplies and future groundwater supplies (as water management strategies [WMSs]) in this plan. This result should not be misconstrued as a recommendation of the SCTRWPG to the associated GCDs to make any adjustments to the associated DFC or to TWDB to make any adjustment to the associated MAG. The SCTRWPG recognizes and supports the ability of permit holders to exercise their rights to groundwater in accordance with their permits. The SCTRWPG recognizes and supports the authority and responsibility of GCDs to manage groundwater resources to achieve DFCs."

8.3.3.2 Notice of Groundwater Projects

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature develop a process requiring WMS sponsors to provide public notice to county officials describing the WMSs with a groundwater source within the county where the potential WMS is located.

Other Recommendation: None.

8.3.3.3 Groundwater Availability Model Updates

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature provide adequate funding to the TWDB to revise and improve, at a minimum, on a 10-year basis, the groundwater availability models (GAMs) used to develop DFCs and determine modeled available groundwater (MAG) estimates.

Other Recommendation: The SCTRWPG recommends the TWDB initiate a program that provides the necessary information, technical expertise, and experience to update and improve the GAMs on a 10-year basis to support the permitting efforts of GCDs, the joint planning efforts of GMAs, and the regional water planning efforts of the RWPGs.

8.3.4 Surface Water

8.3.4.1 Surface Water Availability Model Updates

Although a new drought of record has not occurred for the Guadalupe-San Antonio Basin since the 1950s, appropriate updates to the related Water Availability Models (WAMs) would increase the simulation period by at least 50 percent and facilitate development of improved estimates of channel losses and missing streamflow records (especially those during the drought of record) throughout the watersheds. Furthermore, an extension of the Guadalupe-San Antonio WAM naturalized flow set would enhance the permitting process by providing additional hydrologic data used in the determination of the attainment frequencies associated with freshwater inflow regimes.

Legislative Recommendation: Periodic updates to the Guadalupe-San Antonio and Nueces WAMs should be performed at least every 10 years so that hydrologic data included in the models is within 10 years of the current date. The SCTRWPG recommends the Texas Legislature fund the TCEQ to update the WAMs for the Guadalupe-San Antonio River Basin and Nueces River Basin to include the most-

recent available hydrologic data, and continue allocating funding to update the WAMs on a 10-year basis.

Other Recommendation: The SCTRWPG recommends the TCEQ design and implement a systematic process for WAM updates, which would document any changes and associate those changes with official numbered versions of each of the WAMs.

8.3.5 Conservation

The SCTRWPG appreciates and supports recently passed legislation (Senate Bill 28, Senate Joint Resolution 75, and Senate Bill 30) by the 88th Texas Legislature to establish and fund a statewide water public awareness program. These actions will further general mainstream municipal conservation efforts. The SCTRWPG also recognizes that additional steps need to be taken to promote sustainable landscapes, thereby substantially reducing the quantities of water used (and potentially wasted) for municipal landscape irrigation.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature provide adequate funding to promote sustainable landscaping practices that conserve water with the statewide public education programs.

Other Recommendation: The SCTRWPG encourages and recommends communities within Region L to adopt and/or incentivize efforts to promote sustainable landscaping practices and conserve water, where feasible.

8.3.6 Innovative Strategies

8.3.6.1 Assistance for Alternative Rangeland Management

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature increase funding to the Texas State Soil and Water Conservation Board Water Supply Enhancement Program for the purpose of implementing brush control and rangeland management practices.

Other Recommendation: None.

8.3.6.2 One Water

In recent years, municipalities have begun to view water resources from a holistic, systemwide approach, known as One Water. One Water is a decentralized concept that views all water resources as valuable. The majority of laws and regulations in Texas are not structured in such a way as to encourage or incentivize One Water approaches. In December 2019, the Meadows Center for Water and the Environment published a report entitled, *Regulatory Impediments to Implementing One Water in Texas*. According to the 2019 Meadows Center Report:

One Water projects are still not the norm. This is, in part, due to the current regulatory framework's inability to accommodate more innovative water reuse strategies, where the risk to public health is significant or not well understood. For example, federal drinking water regulations are necessary to protect public drinking water supplies, but they create onerous regulatory hurdles for smaller, onsite systems that may seek to use alternative sources, such as rainwater. Additionally, although onsite non-potable reuse of blackwater is a hallmark of the One Water approach, existing regulations in Texas make

it extremely difficult for developers to construct onsite blackwater reuse systems. Finally, the lack of regulations that govern water reuse in Texas could actually stymie the development of One Water projects as developers often prefer clear regulatory and permitting paths over case-by-case decision making by regulators.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature review existing state laws regarding rainwater, non-potable on-site reuse, direct potable reuse, and blackwater reuse systems to enable and incentivize implementation of One Water Projects.

Other Recommendation: The SCTRWPG recommends the TWDB and TCEQ (1) financially support research for determining appropriate technology and risk mitigation approaches necessary to significantly expand One Water with appropriate protections for the public, environment, and worker health, in consideration of and with respect to impacts on existing water rights; and (2) assist the funding and development of incentive programs to advance One Water in Texas.

8.3.7 Water Quality and Data Collection

The primary focus of the regional water planning process is to ensure that water supplies are identified in sufficient quantity to meet future water demands; however, the SCTRWPG recognizes that the quality of those water supplies is also important to protect. Protecting groundwater and surface water supplies from contamination not only helps to reduce the cost to treat water to public drinking water standards, but also reduces pollutants that may harm the ecological health of the basin.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature fully fund the cooperative, federal-state-local program of basic water data collection, including (1) stream gages-quantity and quality; (2) groundwater monitoring-water levels and quality; (3) hydrographic surveys and sediment accumulation in reservoirs; (4) water surface evaporation rates; (5) water use data for all WUGs; (6) population projections; and (7) Clean Rivers Program.

Other Recommendation: The SCTRWPG recommends the TCEQ and local governments promote practices and/or regulations to avoid or mitigate threats to water quality in surface water and groundwater sources.

8.3.8 Consideration of Climate Variability in Regional Water Planning

Regional Water Plans are based on drought of record conditions using historical data; however, climate models indicate the potential for an increase in the number of dry days with increased evaporation along with more intense rainfall events, which impacts water supply and demand. Historically, the TWDB has not used climate models to predict impacts to future water resources in Texas because forecasting tools have not been able to provide the resolution needed for water planning. The SCTRWPG recognizes that down-scaling of climate models is becoming more sophisticated, and the results are being considered in other planning efforts and models (including WAMs). Similar incorporation into future regional water plans is needed to ensure meeting customer demand under climate enhanced drought conditions.

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature fund relevant studies and down-scaled regional models to incorporate available climate variability into the Regional Water Planning process.

Other Recommendation: The SCTRWPG recommends the TWDB to reassess available climate models and consider incorporating them into regional water planning.