

LOWER COLORADO REGIONAL WATER PLANNING GROUP
MINUTES OF THE FEBRUARY 12, 2003 REGULAR MEETING
MC KINNEY ROUGHS, TEXAS

These are the minutes approved by motion at the May 14, 2003 LCRWPG meeting.

Members Signing In:

Jim Barho, Environment
Stovy Bowlin, Recreation
John Burke, Water Utilities
Rick Gangluff, Electric Generating Utilities
Ronald Gertson, Small Business
Gerard Hajovsky, Small Business
Dale Henry, Counties
Barbara Johnson, alternate for Mark Smith
Teresa Lutes, Municipalities
Julia Marsden, Public
Quentin Martin, River Authorities
Bob Pickens, Other
Stanley Reinhard, Water Districts
Cole Rowland, Recreation
Haskell Simon, Agriculture
Bill Stewart, Agriculture
Paul Tybor, Water Districts

David Meesey, TWDB, Non-Voting Member
David Bradsby, TPWD, Non-Voting Member

Voting Members Absent:

Mark Smith, Industries

Consultants/Support

Dan Strub, City of Austin Water Conservation
Cynthia Braendle

Bill Couch, TC&B

Visitors/Others:

L.G Raun, Region P liaison to Region K
Ron Fieseler, BPGCD
Jennifer Walker, Sierra Club
Floyd Marsh, BSEACD
Dennis Jones, Lago Vista
John Simmons, Burnet Co.
Chris King, Wharton Co.

Billy Roeder, Gillespie Co.
Bill Neve, Burnet County Commissioner
Laura Brock, League of Women Voters
Perry S. Cervantes, TDA
Stefan Schuster, Freese & Nichas
James Sultemeier, Blanco Co.
Lisa Hatzenbueheler, LCRA

Quorum: Yes

Number of present voting members including designated alternates, representing absent voting members: 17.
Number required for quorum based on current voting membership of 17: 9.

FORMAL ACTIONS TAKEN:

- 1) Approved motion to reelect Executive Committee.
- 2) Approved minutes as amended from 12/11/2002.
- 3) Approved motion to change Dale Henry's interest group affiliation to "other."

- 4) Elected Jennifer Walker and Ron Fieseler as environment representatives, Barbara Johnson as industry representative, Dennis Jones as municipalities representative, and Chris King and Bill Neve as county representatives.
- 5) Approved motion to recommend that Hamilton Creek be designated as a unique stream segment from the outflow of Hamilton Springs to the Colorado River and that the recommendation be submitted to Senator Fraser for designation.
- 6) Approved motion for the LCRWPG to submit proposed STP water demand projections to the TWDB.

ADDITIONAL DECISIONS MADE:

- 1) Appointed Ron Fieseler as Region L liaison.
- 2) Assigned Jennifer Walker to the public information committee.
- 3) Assigned Stovy Bowlin, David Bradsby, and Jennifer Walker to the unique stream segments committee.
- 4) Assigned Chris King to the legislative committee.
- 5) Assigned Barbara Johnson and Ron Fieseler to the policy committee.
- 6) Assigned Ron Fieseler to the water modeling committee.
- 7) Assigned Cole Rowland, Paul Tybor, Teresa Lutes, Barbara Johnson, and Julia Marsden to the Bylaws Committee.

ASSIGNMENTS FOR FUTURE ACTION:

- 1) None.

FUTURE AGENDA ITEMS:

- 1) Joint City of Austin/LCRA item
- 2) Bylaws Committee recommendation on membership item
- 3) Water demand approval of recommended changes to TWDB
- 4) Legislative update
- 5) Central Gulf Coast GAM (Dr. Mace)
- 6) Water permit application status report

MEETING MINUTES:

1) Call to Order – John Burke

2) Welcome and Introductions

John introduced James Sultemeier, Bill Neve, Billy Roeder, Dennis Jones, and Chris King, who were applying to become members of the group. He also introduced Perry Cervantes with the Texas Department of Agriculture.

3) Discuss and Take Action on Annual Executive Committee Election Including Officers

Cole Rowland said that some regional planning groups have a nominating committee for their officers, and it might be a good idea for this group as well.

Ronald Gertson nominated the current committee and moved to elect them by acclamation. Stanley Reinhard seconded.

Julia Marsden said that she would vote against the motion because she believes that the committee membership should change on a regular basis

The motion passed with Julia Marsden and Cole Rowland voting against it.

4) Attendance Report – Teresa Lutes

Teresa Lutes gave the attendance report for the October 23 meeting and the preceding 12 month period.

5) Consent Agenda

a. Approval of Minutes for the December 12th Meeting

Ronald Gertson moved that the minutes be accepted as amended. Julia Marsden seconded. The motion passed.

b. Financial/Budget Report

Teresa Lutes distributed the most recent City of Austin audit and financial status summary.

6) Candidates' Presentations to the Board

John Burke briefed the candidates of the groups attendance requirements. Ron Fieseler, Barbara Johnson, Dennis Jones, Chris King, Bill Neve, Billy Roeder, James Sultemeier, and Jennifer Walker made presentations to the group.

David Meesey said that he is impressed by the number and quality of applicants and is very appreciative of their interest. Bob Pickens said that he supports increasing the counties' representation. Dale Henry said that he appreciates the candidates applying to work on these important issues.

Ronald Gertson asked to discuss the voting process now. He said the group currently has 16 members, and can have as many as 22 under the bylaws. To be elected, a candidate must have two-thirds of the vote, and the candidates must be elected one at a time. Julia Marsden said that she felt that it would be OK to vote on the candidates one at a time, as the interest groups they represent are so singular, there is little overlap. Ronald clarified that while membership is capped at 22, there are openings in five interest groups. Dale Henry said that Mills County needed representation. John Burke said that there was current representation of Mills County. Julia said that county representatives are not mandated. David Meesey said that it was required by the groups bylaws. Haskell Simon said that the group was not mandated to have a set number of representatives in any individual interest group, but there are already four members who represent counties. He asked if any of the county representatives would accept an "other" affiliation. Ronald suggested that they represent the public instead. He asked that the Executive Committee submit a recommendation along those lines. Quentin Martin asked if the group would have to post those positions as new openings, since the current openings were posted for specific interest groups. David said that the candidates could be voted on now and their affiliations changed later.

Jim Barho asked if Dale Henry will be willing to continue serving as a Mills County representative for the "other" interest group. Dale said he would for two years.

Ronald Gertson moved to change Dale Henry's interest group affiliation to "other." Bob Pickens seconded. The motion passed.

The Executive Committee took a break to discuss the candidates and make recommendations to the group.

7) Discuss and Take Action to Elect New Voting Members

John Burke said that the Executive Committee recommends that the group elect Ron Fieseler and Jennifer Walker as environment representatives, Barbara Johnson to represent industries, Dennis Jones to represent municipalities, and Chris King and Bill Neve to represent counties.

Candidates were voted on by interest group. Ron Fieseler, Jennifer Walker were elected unanimously as environment representatives. Barbara Johnson, and Dennis Jones were elected unanimously as industry and municipalities representatives. Chris King and Bill Neve were elected by a vote of 15-5 as county representatives.

John Burke thanked Billy Roeder and James Sultemeier for their interest. Jim Barho reminded current members whose alternates were elected as members to find new alternates and get their names to John Burke.

Stovy Bowlin said that he is the Region L liaison, but it is no longer convenient for him. He moved to make Ron Fieseler the Region L liaison. John Burke said that the group can appoint him liaison with consensus. The group gave its consensus.

8) Discuss and Take Action on New Members for Committee Assignments

Jennifer Walker was added to the public information committee. Stovy Bowlin, David Bradsby, and Jennifer Walker were added to the unique stream segments committee. Chris King was added to the legislative committee. Barbara Johnson and Ron Fieseler were added to the policy committee. Ron Fieseler was added to the water modeling committee.

Barbara Johnson asked if a group member could attend a committee in which they were not members. John Burke said they could if they give notice.

Bill Couch said the public information committee needs to meet on March 12. Jim Barho asked if the unique stream segments committee could meet then as well. Bill said they could. The meeting will be at the TC&B offices at 10 AM.

9) Discuss and Take Action on Recommending Designation of Hamilton Creek as a Unique Stream Segment

Jim Barho had a letter from the LCRA, a report from an outside consultant, and a letter, all to be distributed by Cynthia. He requested that the group ask its local legislators to introduce a bill to give Hamilton Creek emergency designation as a unique stream segment. Property owners have sent letters asking for the designation and have been included in the information packet. Currently, only air quality and non-point source pollution permits are required for mining. Any legislation designating the creek as a unique stream segment would be symbolic, and would not stop the issuing of permits, but it would require the LCRA to consider one more factor in granting the non-point source permit.

Julia Marsden asked what aquifer underlies the mine site, and was told it is the Ellenburger. She asked how close the blasting would be to the new wildlife protection area. Jim Barho said it would be 3-5 miles.

John Burke reminded the group that it only recommends streams for designation. It does not have the power to designate the streams, only the legislature can do that. Senator Fraser has agreed to propose the designation. The LCRA has said that designation would not affect the permit application, but it would allow them to enforce stricter permit requirements. Lisa Hatzenbueheler of the LCRA said that the application is being processed already, so it cannot be rejected on the basis of stream designation, but designation could impact future permits. The rules emphasize surface water, not ground water. Jim said that the designation then would not affect this applicant at all, but would affect request for future applications.

Julia Marsden said that the group was allowed to develop policy recommendations to give to the state, which could ask the legislature, TCEQ, and TWDB to develop laws and rules to address situations like this. Jim Barho agreed that there needs to be legislative directed regulation. Quentin Martin said that a sole source aquifer designation by the EPA might help. Jim said that Bertram is exclusively dependent on the aquifer.

Cole Rowland asked if the creek was one of the ten streams listed in the regional plan for designation. Jim said it was added after the plan was finalized. Teresa Lutes asked what designation entails. David Bradsby said it only means that the state cannot fund a reservoir on the site. It would however provide documentation of the water quality of the stream.

Stovy Bowlin asked if the consultants would have to do anything in response to this request. It was confirmed they would not. He then asked how much it would cost to study the stream segment for designation. Bill Couch said they could not do it without a budget amendment. David Meeseey said that the consultants could shift up to 35 percent of the costs within a task to study the stream segment.

Quentin Martin asked if a letter from the group would be a de facto recommendation for designation, and that if so, would it not circumvent the process. Jim Barho said that Senator Fraser would try to get the stream designated anyway, but he would like the groups' support. He said that this is an unusual circumstance that the group had not been able to address through the normal process and warrants special treatment. Paul Tybor asked if the County Commissioners had endorsed the designation. Jim said they had. Bob Pickens said that he cannot support circumventing the committee process.

Julia Marsden recommended adding language to the letter saying that the group is in process of looking at the designation. Teresa Lutes said that she liked that language as it puts the issue in the proper time context. Ronald Gertson said that it should stop short of saying that the group believes that the stream should be designated. Jim Barho said that a letter expressing concern over the water issues would be enough.

Julia Marsden moved that the Region K planning group send a letter to Senator Fraser and Representative Huff regarding potential problems of quarrying and its impacts on water quality and recommending Hamilton Creek for study as a unique stream segment. Jim Barho seconded. David Meesey said that the group should be clear that this is not a recommendation to designate the stream segment.

John Burke said the group could support legislation designating the segment without recommending designation. Barbara Johnson said that recommending designation undermines the group if it is done without study and documentation. Ronald Gertson asked who would do the study. Jim Barho said it could be done by interest groups, TPWD, or any number of groups. To be designated, it simply has to meet one of five criteria, and the group already knows it meets one of the criteria.

Cole Rowland asked if asking it to be designated would set a precedent. Ronald Gertson said it would for situations that show the same immediacy. Jim Barho said the issue has been discussed by the group for over two years.

Julia Marsden moved that the Region K planning group recommend that Hamilton Creek be designated as a unique stream segment from the outflow of Hamilton Springs to the Colorado River and that the recommendation be submitted to Senator Fraser for designation. Jim Barho seconded.

Teresa Lutes asked if other planning groups had made recommendations for unique stream segments. David Meesey said that only the Houston area had, and the legislature has not made any designations yet.

Bob Pickens asked what part of the creek did the group have data on. Jim Barho said it was from the confluence of Honey Creek to Lake Travis. John Burke asked if the property owner of the head of the creek is in favor of the designation. Jim said that he had, in a letter provided in the information packet. Ronald Gertson asked if there were other property owners who did not support the designation. Jim said that he did not know of any opposition, and the City of Burnet was on record supporting the designation.

Teresa Lutes said that she preferred that the designation go through the regular process and that the group instead write in the letter that the group is planning to study it. Quentin Martin disagreed, saying that the group needed either to designate it or not. Bob Pickens said that designating the entire stream did not make sense without data on the entire stream or participation from all the property owners. Jim Barho said he was in favor of designating the entire stream.

The motion passed 11-6-3.

10) Briefing on City of Austin's Bed and Banks Presentation

Teresa Lutes and Quentin Martin said they needed to work on the topic more before presenting it to the group.

11) Discuss and Possible Action on LCRA Environmental Flow Application

Quentin Martin said that in 1999 the LCRA applied for a permit for all remaining unappropriated flows in the Colorado River. Last year, the application was scaled back to 850,000 AF/year, which is equivalent to the

average annual flood flow. The LCRA also submitted an environmental flow application for the rest of the flows for instream flows and freshwater inflow to Matagorda Bay, about 5 million AF/year. These applications are in response to the TCEQ consideration of the San Marcos River Foundation (SMRF) application, and are still pending. The TCEQ is leaning toward approval of flood flows if the environmental flow needs are met.

Bill Couch said that Lt. Governor Dewhurst has asked the TCEQ to wait on the SMRF application. Ronald Gertson asked if the LCRA was not trying to make a policy statement, but instead was filing the applications as a defensive move. Quentin confirmed that it was. Teresa Lutes asked if the City of Austin's return flows were considered to be part of the environmental flows. Quentin said that the TCEQ would have to decide that.

12) Discuss and Possible Action on Steam Electric Water Demand Projections for Matagorda County

Rick Gangluff asked if the group needed to review and approve the demand projections. David Meesey said that it did. Rick then distributed two information packets on the South Texas project.

STP is anticipating some additional generation capacity in this strategic location by 2060. The 102,000 AF/yr is the permit limit. Increased blow downs are anticipated to lead to the full use of the 102,000 AF/yr. They do have return flows back to the river. Additionally, demands have increased from 47,000 AF/yr to 62,000 AF/yr. Quentin Martin suggested that there are TWDB daily operation models that could be used instead to project demand. Critical drought estimates with constant plant capacity averages are used. Quentin said that he thinks the demand projection analysis needs to be more rigorous including consideration of blow down restrictions. Rick Gangluff will be willing to work with Quentin Martin to show more detail. Quentin said he supports Rick Gangluff's recommendation if model shows this will happen under drought conditions.

Bill Couch noted that the water demand information was mailed out on February 7, 2003. Comments are due March 7, 2003.

The water demand comments deadline to the TWDB is June 1, 2003. Changes to the projections based on irrefutable evidence could still be considered if shown in the March to April time-frame.

Motion: The LCRWPG will submit proposed STP water demand projections to the TWDB.

The motion passed.

13) Briefing Update on Other TCEQ Pending Permits and Possible Action

Quentin Martin noted that the LCRA's Environmental Flow application is pending at the TCEQ. LCRA has a 1999 application to amend its Garwood permit (purchased by LCRA in 1999) which is pending. They have revised the application to cover diversion of the Garwood water anywhere on the Highland Lakes or the Colorado River. LCRA wants to use it elsewhere, besides its current diversion point location. There are pending subordination issues and issues of impacts on other rights.

The City of Austin Bed and Banks permit application has been declared administratively complete.

LCRA filed a competing bed and banks application for Austin's return flows.

The South Texas Project has applied to amend its existing water right. It is pending at the TCEQ. They are seeking for added supply assurances for a reliable supply beyond 2030.

14) Review Preliminary Water Demand Numbers

Bill Couch reported that TC&B sent 120 letters to Water User Groups (WUGs) to present the TWDB projected water demands and to ask for comments. Comments are due March 7, 2003. The TWDB took the projected population for the various WUGs and applied per capita water demands which were based on the reported year 2000 usage. Teresa Lutes noted that the City of Austin figures are too low. The year 2000 per caps may not have been the best to use in all cases so the TWDB is willing to consider revisions when certain revision criteria are met.

15) New/Other Business

None.

16) Calendar

Public Information Committee Meeting to take place March 12, 2003.

A Unique Stream Segment Committee Meeting is to be scheduled soon, perhaps April 9, 2003(?) to discuss the additional 10 segments on the list.

A By-Laws Committee water formed to look at proposing a revision to the bylaws on the number of members and representation for the next LCRWPG meeting. Cole Rowland will set the meeting time. The members of the committee are: Barbara Johnson, Teresa Lutes, Julia Marsden, Paul Tybor, and Cole Rowland. The committee will determine its chair.

Next LCRWPG meeting: May 14, 10:00 AM at McKinney Roughs – Regular Meeting

17) Agenda for next meeting

Agenda items for next meeting include:

- a. Joint City of Austin/LCRA item
- b. Bylaws Committee recommendation on membership item
- c. Water demand approval of recommended changes to TWDB
- d. Legislative update
- e. Central Gulf Coast GAM (Dr. Mace)
- f. Water permit application status report

18) Public Comments

Laura handed out a Groundwater Conservation Meeting (3rd in a series) notice. Interested parties should plan to attend.

19) Adjourn

The group would like to thank Aqua Water Supply Corporation for providing lunch.

Near-Term Meeting Schedule

Next Meeting:

May 14, 2003, McKinney Roughs – Regular Meeting

Meeting minutes prepared by Dan Strub for Teresa Lutes, Secretary, Lower Colorado Regional Water Planning Group (5/5/03). These minutes of the Lower Colorado Regional Water Planning Group February 12, 2003 meeting were approved in a motion passed at the May 14, 2003 Lower Colorado Regional Water Planning Group meeting.

Signature on File _____ 5/14/2003

TERESA LUTES, SECRETARY DATE

Lower Colorado Regional Water Planning Group