

**Draft FINAL MINUTES**

**Lower Colorado Regional Water Planning Group Meeting  
July 11, 2012  
LCRA Dalchau Service Center  
3505 Montopolis Drive  
Austin, Texas  
10:00 a.m.**

**Members Signing In**

Jim Barho, Environmental  
Jim Brasher, GMA 15  
John Burke, Water Utilities  
Sandra Dannhardt, Electric Generating Utilities  
Finley deGraffenried, Municipalities  
John Dupnik, GMA 10  
Ronald Gertson, Small Business  
Karen Haschke, Public  
Barbara Johnson, Industries  
James Kowis, River Authorities  
Teresa Lutes, Municipalities  
Bill Neve, Counties  
Doug Powell, Recreation  
Peggy Matli, Alternate for Billy Roeder, Agriculture  
Robert Ruggiero, Small Business  
Haskell Simon, Agriculture  
James Sultemeier, Counties  
Byron Theodosius, Counties  
Paul Tybor, GMA 7  
David A. Van Dresar, Water Districts  
Jennifer Walker, Environmental  
Charles Shell, Alternate for Bill Luedecke, GMA 8  
David Bradsby, TPWD, Non-voting  
David Meeseey, TWDB, Non-voting

**Voting Members Absent:**

Joe P. Cooper, GMA 12  
Ron Fieseler, GMA 9  
Jed Garren, Other  
Bill Luedecke, GMA 8  
Billy Roeder, Agriculture

**Consultants/Support/Visitors/Others:**

Jeff Fox, City of Austin, Alternate  
Alan Akers

James Walker, Burnet Bulletin  
Dalton Sweat, KBEY  
Patricia Bennett, LWVAA, Alternate  
Susan Roth, Susan Roth Consulting  
Joe King, Electric Generation - STPNOC  
Jo Karr Tedder, CTWC  
Izzy Neusch, CTWC  
Kim Miller, CTWC  
Jeanie Wiginton, CDM Smith  
David Wheelock, LCRA, Alternate  
Charlotte Gilpin, K Friese & Associates  
Bill Felds, Central TX GCD  
Charles Flatten, Hill Country Alliance  
Tom Hegemier, LCRA  
Jim Brasher, Colorado County GCD  
Kevin Weagher, Corix Utilities Texas  
Ed Yanoshita, Corix Utilities Texas  
Charles Teeple, Capstone Water System  
Bryan Teeple, Capstone Water System  
Asher Price, Austin American-Statesman  
Steve Box, Environmental Stewardship  
Hussain Hashim  
Commissioner Karen Huber, Travis County Commissioner  
Judge Donna Klaeger, Burnet County Judge  
Martina Bluem, LCRA  
Joe Trungale, TES  
Karen Bondy, LCRA  
Virginia Wilkinson, AECOM  
Jaime Burke, AECOM  
Daniel Clifton, Tribune – Marble Falls  
Tom Koch  
Mary McAllister, Water Power Nexus Consulting  
Samantha Plourde, AMEC  
Brigette Dechant, TWDB  
John Ellis, TWDB

**Quorum: Yes**

Number of voting members, or alternates representing voting members present: 22

Number required for quorum per current membership of 25: 13

**FORMAL ACTIONS TAKEN:**

1. Motion was made and passed unanimously to approve the minutes from the last quarterly regular Region K meeting on April 11, 2012, as presented. (See item 4a)
2. Motion was made and passed unanimously to authorize LCRA to apply for the available funding from TWDB and to post required prior notice. (See item 8)

3. Motion was made to authorize seeking approval from the TWDB for a minor amendment related to Burnet County area request. (See item 10)
4. The motion was made and passed unanimously to authorize the Chairman to request that the TWDB allow a delay in sending non-municipal demand projection recommendations and revision requests after the October Region K meeting (planned for October 10<sup>th</sup>) when action could be taken (See item 11)

### **Regular Meeting:**

1. Call to Order – Chairman Burke called the meeting to order at 10:00 a.m.
2. Welcome and Introductions – John Burke welcomed everyone noting a significant number of visitors present. Chairman Burke said Item 11 would be postponed until later in the meeting to allow time for Burnet County Judge Donna Klaeger to arrive.
3. Attendance Report – Teresa Lutes noted the attendance report through the previous regular meeting on April 11, 2012, and asked members to verify it for correctness and provide corrections if needed.
4. Consent Agenda:
  - a. Approval of Minutes from the April 11, 2012 meeting – Teresa Lutes noted the draft minutes had been sent for review. Motion was made to approve the minutes from the April 11, 2012 meeting, as presented, seconded and approved unanimously.
  - b. Financial/Budget Report – James Kowis reported that the Region K “Senate Bill 1” fund account balance is just about two thousand dollars.
5. Texas Water Development Board (TWDB) Communications - David Meesey reported that to date Region K has already received \$227,689 for this 2012-2016 regional planning cycle. TWDB will not be able to confirm specific information on the next appropriation until its Board takes action. TWDB has about \$5.5 million dollars of appropriated receipts and expects to authorize that approximate amount after July 19<sup>th</sup>. An additional \$4 million in appropriations from the next biennium is being requested. Therefore, TWDB expects to be able to divide a total of approximately \$9.5 Million amongst the 16 planning groups. TWDB will only be able to contract for the initial \$5.5 million, but will state what the proposed apportioned amounts would be for each region from the remaining \$4 million, if authorized. David anticipates that TWDB will not require a complete new re-application for the \$4 million, if authorized, but that it would be allocated on the same pro rata basis as the first \$5.5 million. If proportions stay the same there could be approximately \$600,000 in additional funding available for Region K. LCRA will prepare the application for funding from the initial \$5.5 million appropriation. James Kowis asked if the additional amount will be treated as an amendment to the existing contract between LCRA and the TWDB. David Meesey indicated that it likely would be an amendment. James asked whether, in consideration of the apportionment of those

funds, TWDB considers that Region K will be looking at new strategies and analyses to replace the LCRA-SAWS Water Project strategies. David said yes there are a number of criteria that TWDB will use to apportion the funds and those are criteria that will be considered, including whether a region is growing, the breadth of the needs, and the breadth of new strategies required, of which Region K has all three.

6. Update on LCRA's new water supply initiative – Karen Bondy with LCRA gave a presentation on LCRA's water supply initiative entitled "Reservoir Development Update – Region K Meeting, July 11, 2012", which is available on the Region K website. Karen reviewed LCRA's Board's new water reservoir and supply goals. These include development of 100,000 AFY of new firm yield by 2017, goals of reducing interruptible demands on the Highland Lakes, improving agricultural reliability and agricultural efficiency, and reducing the risk of firm water curtailment during drought periods. Karen pointed out that new downstream reservoirs are alternate strategies in the Region K 2011 Plan.

Lakeside, Garwood and Gulf Coast Divisions all have existing pump stations that could potentially be used to help develop that water supply. LCRA's initial estimate is that approximately 70,000 acre-feet of storage could meet the 100,000 AFY goal. Karen said LCRA is looking at 2-4 reservoirs and outlet facilities for delivery. Next steps are to refine hydrology and options, define constraints, look at options, costs, operating costs, and to explore other alternatives such as supplementing with groundwater. Karen indicated that LCRA staff's goal is to bring a recommendation to their Board of Directors by end of this year with specific recommendations and costs to obtain approval for their 2013 capital improvements program.

Bill Neve commended LCRA for pursuing these options and asked about costs. Karen said that LCRA General Manager is focused on cutting costs to help achieve funding with a no rate increase goal. Bill asked if LCRA did a small rate increase would it allow for larger reservoirs to be constructed. Karen said that LCRA will be doing the financial analyses, which will need time to develop. John Dupnik asked about any other strategies that LCRA may be exploring such as aquifer storage recovery (ASR), desalination, or other options. Karen Bondy noted that LCRA's Water Supply Resource Plan addresses other options such as desalination, groundwater, ASR, groundwater recharge, reclaimed water, increased conservation, and others options. This past year LCRA started exploring gravel pit storage options with an on-going pilot project and they are now collecting data.

Karen indicated that LCRA has hired a hydrogeologist to look at groundwater options on their property in Bastrop County that could potentially serve some or all of the demand at the Sim Gideon and Lost Pines power plants currently being served by surface water. Jennifer Walker asked about public input processes and opportunities. Karen said they have not yet developed a formal public input process but she expects that there will be opportunities for public input.

7. Follow-up discussion regarding TWDB's determination on City of Bastrop request for a potential minor amendment to the 2011 Region K Water Plan and Bastrop's anticipated activities.

Virginia Wilkinson with AECOM reminded the group that the City of Bastrop had approached Region K about consideration of potential amendment of the 2011 plan with two options, one of pursuing a recommended strategy of Carrizo-Wilcox groundwater and of an alternative strategy of obtaining LCRA firm water. At the April 11<sup>th</sup> meeting the process was discussed and Region K authorized AECOM to send a letter to TWDB requesting clarification as to whether this would be a considered a minor amendment or a major amendment. On May 16, 2012 the Board determined it the Carrizo-Wilcox groundwater strategy option would not be eligible to be considered a minor amendment. This is because it would result in an over allocation of the Carrizo-Wilcox water since the total in plan would be higher than the Modeled Available Groundwater (MAG) amount of water determined to be available based on the finalized MAG values. The Board indicated that the proposed alternate strategy for surface water could be considered as a minor amendment.

Next Charlotte Gilpin with K. Friese and Associates addressed the group, representing the City of Bastrop. Charlotte said the City of Bastrop is thankful for the support of Region K through this process. Charlotte said Bastrop is still looking at options beyond their present alluvium water source. They plan to still pursue through the next cycle other groundwater and surface water sources, and will look forward to working with Region K on basically the same options during this current planning cycle. David Meesey said the City of Bastrop can still approach the TWDB and ask for a waiver if the situation becomes an emergency. Jennifer Walker asked about the over allocation aspect and whether they could do that pointing out the need to stay within the limits of the MAG. David Meesey agreed that the plans will need to stay within the MAG limits. David Van Dresar asked if it is expected that the amount will change for the upcoming plan. Charlotte confirmed that the 3,500 AFY amount is a placeholder that may change and that the City of Bastrop is developing their future demands now through their planning process.

8. Discussion and Possible Action: The Planning Group will discuss and consider possible action to authorize LCRA and the consultant team to prepare an application and appropriate notifications in response to the TWDB's upcoming Request for Applications for next round of funding

Virginia Wilkinson with AECOM presented information on the upcoming TWDB Request for Applications (RFA). August 3, 2012 is the anticipated publication of the RFA in the Texas Register. Several key items were highlighted including the current authorized amount of statewide uncommitted funding of \$5.5 million, and the anticipated amount of \$4 million additional funds in the next 2014-2015 biennium. Several important deadlines include a September 6<sup>th</sup> deadline for the region to post their intent to apply for the funding, an October 4, 2012 deadline of submittal of the applications to TWDB, and a projected date of October 17, 2012 when TWDB would be anticipated to consider authorization of the negotiation and execution of the

contract amendments. Each Region is required to publish the notification 30 days in advance of the submittal of the applications to TWDB. James Kowis made a motion for the Region K planning group to authorize LCRA to apply for available funding from TWDB and post required prior notice. The motion was seconded and passed unanimously.

9. Discussion: GMA 8 notification of a change in representative for Region K

John Burke noted that Clyde Waters is no longer with the groundwater district and that the GMA 8 board will need to appoint a new representative which generally requires a letter of confirmation who the representative will be. Charles Shell, GMA 8 Alternate, said the GMA 8 Board has not yet met but that they will be having a meeting to confirm the selection of the new representative.

10. Discussion of a request by Burnet County to consider a potential amendment to the 2011 Region K Water Plan:

Bill Neve said that Burnet County has been proactive addressing water issues and received a grant to determine what infrastructure was needed to get water where it needs to be. Bill said Burnet County hired Susan Roth Consulting to study these water supply needs and possible strategies to address them. Susan Roth addressed the planning group about consideration of a possible minor amendment to the Region K 2011 Plan. Ms. Roth reviewed a presentation covering the Burnet-Llano County Regional Water Facility Study including a summary of proposed alternate water strategies. Water quality, reliability, health and safety, and improved regionalization are all key consideration factors. Ms. Roth noted that approval as a minor amendment of the alternate water strategies would allow for eligibility to apply for TWDB water infrastructure funding (WIF) and the state participation program funding. Burnet County is partnering with Corix, which recently entered into agreements to acquire LCRA treatment facilities in Burnet and Llano Counties. Ms. Roth discussed the infrastructure study which includes a section on funding to achieve the implementation. The area was divided into a northern and southern section, looking at a number of options and leading to the consideration of four key water strategies for Burnet County dealing with water strategies for both counties.

The four water strategies outlined by Ms. Roth included: 1) Bonanza Beach which has natural occurring radionuclide issues and would like to transition from groundwater to surface water and also includes other surrounding communities with similar groundwater issues; 2) Buena Vista (near Inks Lake) which would be a replacement of surface water supplies by connecting to the Lake Buchanan Water Treatment Plant system; 3) Capstone water system, which is a private system and is temporarily supplying water to Spicewood Beach. Capstone has a 600 gpm well from the Ellenberger Aquifer and they have an agreement to supply water to Spicewood Beach; and 4) a water strategy for Spicewood Beach to replace their 16 gpm well by drilling a well or a number of wells in the Ellenberger or Marble Falls aquifers. Jim Barho commented that the local groundwater conservation district (Central Texas Groundwater Conservation District) has been involved in finding

solutions. They are working to address emergency issues and are looking at funding alternatives. Charles Shell, Central Texas GCD General Manager, said that the current permit is for about 110 AFY and replacing it with a well into the Ellenberger should be a workable solution.

Jim Barho indicated that David Meeseey and TWDB have been working with area representatives on long term solutions, and that the County considers the strategies for these four strategies to be emergency strategies which would help facilitate getting funding. David Meeseey said he agreed that this is an emergency situation for these communities. David said to qualify for WIF funding the projects need to be consistent with the current Region K Plan but that they are not currently since the water source would be shifting. David said that is why they desire is to amend the current plan to be eligible for TWDB funds. John Burke said the Region K planning group could approve going forward to the Board to see if minor amendment status could be granted in an approach similar to what was done with the City of Bastrop's recent request. Ronald Gertson made the motion to authorize seeking approval from the TWDB for a minor amendment. Motion was seconded and approved unanimously.

11. Population and Demand Committee update:

- a. Discussion of agricultural/irrigation demand projections and possible action on how the planning group should proceed with the potential revision request to TWDB:

Ronald Gertson said the committee has not met since just before the April 11, 2012 regular meeting. Ronald said the planning group has moved forward with review of the non-municipal demand numbers but still have not received the population and municipal demand numbers from the TWDB. Ronald reviewed the basic process of developing water demands as the initial step in the planning process cycle, including the non-municipal and the municipal categories. The planning groups review the TWDB projection figures, gather input, and suggest revisions for the Board's approval. Ronald said the Population and Demand Committee charged James Kowis with looking at the agricultural irrigation figures for surface water and Ronald to look at them from a groundwater source perspective. Chairman Burke said the plan is to have a Population and Demand Committee meeting in September and also to take public comments. Bill Neve asked if there will be a recommendation from the Committee at next regular meeting, to which Ronald responded yes, that would be the plan. Ronald reviewed preliminary draft proposed modifications to the TWDB draft 2017 State Water Plan agricultural projections (Table A in the member packets). Ronald also reviewed a comparison of the draft agricultural proposed modifications to the TWDB draft 2017 State Water Plan values to the 2012 SWP projections (page 16 of the AECOM handout). James suggested that the planning group request additional time to develop the recommendations and revision requests. James Kowis made the motion to allow the

Chairman to request that the Board allow a delay in sending non-municipal demand projection recommendations and revision requests after the October Region K meeting (planned for October 10<sup>th</sup>) when action could be taken. If the extension is allowed, then the recommendations could then be sent after that October 2012 meeting. Motion was seconded and approved to submit the letter to the TWDB requesting the extension into October.

Teresa Lutes suggested one approach would be to allow anyone to make comments on preliminary numbers and then after the committee recommendation there would still be time for comments after those recommendations. By August 31, 2012 the Population and Demand Committee will have met and will plan to post on the web the recommendations by August 31<sup>st</sup>. There will be a September 14, 2012 deadline for public comments after which the Committee will meet again by September 28<sup>th</sup> to review the comments received and to prepare and provide a recommendation for the entire group's consideration at the October 10, 2012 meeting. Barbara Johnson asked about the likelihood of getting the extension from TWDB, to which David said yes that he thinks if the request is for an extension to October that the TWDB will probably grant it.

12. Water Modeling Committee update:

- a. Update on TWDB's response to the Region K request for approval for use of a modified WAM Run 3 (Region K Cutoff Model) for the 2016 Region K Plan development:

Jaime Burke said TWDB is reviewing the request for use of the Cutoff model and expect TWDB's response later this month. David Messey indicated that if the group wants to request use of the cutoff model for strategy analysis, then a written request should be made. James Kowis indicated he could draft a request to TWDB concerning use of the cutoff model for strategy analysis. Jaime said future work will include a look at availability projections from the Region K cutoff model and to look at any future groundwater availability issues related to the GAMs and MAGs that may need to be addressed.

13. Other Committee updates:

- a. Set committee meetings, as needed – By August 31, 2012 the Population and Demand Committee will need to meet.

14. Consultant Status Report:

- a. Work progress for April through June 2012 – Jaime mentioned that David Parkhill is unfortunately no longer with AECOM. Jaime and Virginia will be handling the plan work. AECOM is working with various GCDs on the comments on the draft MAG numbers and have already heard back from several of them. Jaime said AECOM is monitoring the TWDB grant



funding process that recently came out. David Meeseey said he felt the progress report approach has worked well and others agreed.

- b. Schedule and future task work – Jaime said there will be more progress to report on by the October regular meeting and discussed the work plan with respect to the new funding. AECOM will continue to work with the GCDs, demand numbers and other matters, including the minor amendment request related to Burnet County.
15. Website update – Martina Bluem reviewed the website and recent updates, pointing out the locations for presentations and committee email lists now incorporated.
16. Agenda items for next meeting - The meeting on October 10, 2012 will be held at LCRA's Dalchau Service Center in Austin.
17. New / Other Business – David Meeseey introduced two TWDB staff members who accompanied him today, including Brigitte Dechant, an intern in financial programs and Dr. John Ellis, a senior staff economist with TWDB.

John Dupnik noted that GMA 10 and the other GMAs are required to annually review each district plan based on statutory requirements. Ronald asked if this is an annual or 5 year requirement. John Dupnik said that their GMA 10 interpretation of the statute says that the districts are supposed to review the other districts plans annually.

Sandy Dannhardt said she plans to retire from STPNOC later this year and that she has recommends that Joe King, with STPNOC, take her place on the Lower Colorado Region Water Planning Group. Chairman Burke said the group will post the opening.

Haskell Simon asked if there were any options for using LCRA's off-channel reservoir strategies planned. John Burke said yes that is the plan.

Teresa asked if there were any other committee meetings which needed to be scheduled, and Ronald said he would be scheduling the Population and Demand Committee meeting.

18. Public Comments – Steve Box with Environmental Stewardship thanked the group for the website and posting information. Steve asked if the committee meetings could be posted and whether they are open to the public. John Burke indicated that committee meetings are not posted regular public meetings.
19. Adjourn – the meeting adjourned about 1:30