Texas Water Development Board

P.O. Box 13231, 1700 N. Congress Ave.
Austin, TX 78711-3231, www.twdb.texas.gov
Phone (512) 463-7847, Fax (512) 475-2053

TO: Board Members

THROUGH: Kevin Patteson, Executive Administrator
Les Trobman, General Counsel
Jeff Walker, Deputy Executive Administrator, Water Supply & Infrastructure

FROM: Temple McKinnon, Manager, Regional Water Planning

DATE: March 6, 2015

SUBJECT: Consider approving the adopted Minor Amendment to the 2011 Region H Regional Water Plan, relating to a Recommended Purchase of Treated Effluent from the City of Houston as a recommended Water Management Strategy; and authorizing the Executive Administrator to post notice for a public hearing for an associated amendment to the 2012 State Water Plan

ACTION REQUESTED

Approve the adopted minor amendment to the 2011 Region H Regional Water Plan; and, authorize the Executive Administrator (EA) to develop the corresponding amendment to the 2012 State Water Plan, with associated public hearing, as appropriate per 31 TAC §357.51(f).

BACKGROUND

At the November 5, 2014, meeting of the Region H Regional Water Planning Group (Group), the Group approved requesting a minor amendment determination from the Executive Administrator for a Purchase of Treated Effluent from the City of Houston as a recommended water management strategy (WMS). This action was documented in a letter dated November 5, 2014.

The purchase of treated effluent from the City of Houston is a project to be sponsored by the Gulf Coast Water Authority (GCWA). It is projected to be online in the 2020 decade and will provide up to 56,896 acre-feet of water per year through 2070 to the Authority's municipal, industrial and agricultural customers in Brazoria, Galveston and Ft. Bend Counties. The capital cost associated with the strategy is $65.9 million.

GCWA is seeking this purchase of treated effluent from City of Houston's Southwest Wastewater Treatment Plan (SWWWTP) as a means of providing firm yield to existing and future GCWA customers during drought-of-record conditions. The effluent return flows for this recommended WMS are already authorized for use under Water Right Permit No. 5827. The

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strategy would utilize the water supply and specifically allocate it to GCWA, including the conveyance of these waters through an existing utility corridor and a proposed intake to be located on Brays Bayou. Water would be discharged into the existing GCWA Canal System where it would serve as a source of supply for customers.

The EA made a determination (Attachment A) that adding GCWA's Purchase of Treated Effluent from the City of Houston as a recommended WMS constitutes a minor amendment under 31 TAC §357.51(c), based on the amendment having met the following criteria:

1. Does not result in over-allocation of an existing or planned source of water. The effluent to be utilized in this GCWA WMS has already been accounted for as a recommended WMS for the City of Houston in the 2011 Region H Plan. This new WMS simply identifies a recipient of the permitted effluent and evaluates the infrastructure and contract costs to access the water.
2. Does not relate to a new reservoir.
3. Does not have a significant effect on instream flows, environmental flows or freshwater flows to bays and estuaries. The relevant permit for the return flows (Permit No. 5827) has special criteria that must be met relating to instream flows and bay and estuary inflows before any diversions are allowed.
4. Does not have a significant substantive impact on water planning or previously adopted management strategies due to this WMS allocating supplies previously evaluated to a specifically identified customer.
5. Does not delete or change any legal requirements of the plan.

The EA provided a written response to the Region H Regional Water Planning Group for this minor amendment determination on December 1, 2014; Region H adopted the minor amendment at their February 4, 2015 meeting. Following this adoption, a two-week public comment period was held and no public comments were received. No revision to the proposed minor amendment was found to be necessary by the Regional Water Planning Group.

KEY ISSUES

1. The Region H Regional Water Planning Group submitted to the TWDB on February 19, 2015, the required written documentation of their adopted minor amendment, including an addendum to the current 2011 Region H Water Plan (Attachment B).
2. The EA has reviewed the adopted amendment and determined that statutory and rule requirements have been met.
3. If approved, an associated amendment to the 2012 State Water Plan will be presented for the Board's consideration following a 30-day notice period and public hearing in accordance with 31TAC §358.4 (a).

RECOMMENDATION

The Executive Administrator recommends approval of this item.

This recommendation has been reviewed by legal counsel and complies with applicable statutes and Board rules.

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Les Trobman, General Counsel

Attachments:

A. December 1, 2014 Executive Administrator Minor Amendment Determination Response Letter
B. Minor amendment documentation, including the addendum to the 2011 Region H Regional Water Plan.

ATTACHMENT A

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December 1, 2014

Mr. Mark Evans
Region H Chair
North Harris County Regional Water Authority
3648 Cypress Creek Parkway #110
Houston, Texas 77068

Re: Region H's written request, received November 11, 2014, for a determination regarding whether or not amending the 2011 Region H Regional Water Plan to include Gulf Coast Water Authority's Purchase of Treated Effluent from the City of Houston as a recommended water management strategy would be a minor amendment under 31 TAC Section §357.51(c).

Dear Mr. Evans:

I have reviewed Region H's request, and based on Region H's request and supporting materials, have determined that adding Gulf Coast Water Authority's Purchase of Treated Effluent from the City of Houston as a new recommended water management strategy constitutes a minor amendment under 31 TAC Section §357.51(c).

If Region H adopts the proposed minor amendment, Region H will need to:

1. Provide the Texas Water Development Board (TWDB) with documentation of the planning group action adopting this water management strategy as a minor amendment;
2. Issue and distribute an amendment to the 2011 Region H Regional Water Plan updating the plan accordingly;
3. Provide TWDB with corrected DB12 data to reflect all the associated changes to the 2011 Region H Regional Water Plan and the 2012 State Water Plan; and,
4. Request that the Gulf Coast Water Authority obtain a web link from TWDB staff in order to fill out an associated online Infrastructure Financing Survey regarding how the entity plans to finance the projects associated with the amendment.

If Region H makes any substantive changes to the project components or configuration during the minor amendment process, TWDB will need to review the modified proposed amendment to ensure that the modified project still meets all of the criteria under 31 TAC §357.51(c) to qualify as a minor amendment.

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Kevin Patteson, Executive Administrator

If you have any questions concerning this approval or its associated requirements, please contact Lann Bookout, the TWDB's designated regional water planning project manager for this region.

Sincerely,

Kevin Patteson
Executive Administrator

cc: Mr. Jace Houston, General Manager, San Jacinto River Authority, PO Box 329, Conroe, Texas 77305
Lann Bookout, TWDB

ATTACHMENT B

REGION H
Water Planning Group

REGION H WATER PLANNING GROUP
Senate Bill 1 - Texas Water Development Board
c/o San Jacinto River Authority
P. O. Box 329, Conroe, Texas 77305
Telephone 936-588-1111 Facsimile 936-588-3043

Agricultural
Robert Bruner
Pudge Willcox

Counties
John Blount
Mark Evans, Chair
Judge Art Henson

Electric Generating Utilities
Gene Fisseler

Environmental
John R. Bartos,
Executive Committee

Groundwater Management Areas
David Bailey
Kathy Jones

Industries
James Comin
Glenn Lord

Municipalities
Jun Chang,
Executive Committee
Robert Istre

Public
Carl Masterson

River Authorities
David Collinsworth
Jace Houston, Secretary
Kevin Ward

Small Businesses
Judge Bob Hebert
John Howard

Water Districts
Marvin Marcell
Ron Neighbors, Vice-Chair
Jimmie Schindewolf

Water Utilities
James Morrison
William Teer

TWDB Liaison
Lann Bookout

February 19, 2015

Mr. Kevin Patteson
Executive Administrator
Texas Water Development Board
1700 North Congress Avenue
Austin, TX 78701

Re: Amendment to the 2011 Region H Water Plan
Dow Chemical Company
Gulf Coast Water Authority
Adoption of Amendments by Region H

Dear Mr. Patteson:

The Region H Water Planning Group (RHWPG) has reviewed, considered, and approved the amendment of the 2011 Region H Regional Water Plan (RWP) to include two projects to be developed by the Dow Chemical Company (Dow) and the Gulf Coast Water Authority (GCWA). This action follows your determinations of major and minor amendment status for these revisions on September 19, 2014 and December 1, 2014, respectively.

According to your determination of the Dow revision as a major amendment, the RHWPG provided 30-day notice prior to a December 10, 2014 public hearing to take comment on the proposal. Following this hearing, a 30-day period was also observed for the receipt of comment related to the amendment through January 12th. This amendment was subsequently adopted by the RHWPG on February 4th. According to your determination of the GCWA revision as a minor amendment, the RHWPG provided 14-day notice prior to the February 4, 2015 RHWPG meeting to consider adoption of the amendment. Following this action by the RHWPG, a 14-day period was also observed for the receipt of comment related to the minor amendment through February 18th. The RHWPG now wishes to submit a completed amendment package including both revisions to the RWP along with comments received from the public regarding the amendments.

Should you have any further questions regarding this submittal, please feel free to contact me at 281.440.3924 or mevans@nhcrwa.com or the Region H consultant, Jason Afinowicz, at 713.600.6841 or jason.afinowicz@freese.com.

Sincerely,

Mark Evans
Region H Chair

cc: Lann Bookout, TWDB

Attachment	Description
A	Amended excerpts from Executive Summary including Tables ES-7 and ES-8.
B	Amended excerpts from Chapter 4: Identification, Evaluation and Selection of Water Management Strategies Based on Needs
C	Amended Table 4A-3: Water Management Strategy Screening
D	Amended Table 4A-4: Water Management Strategy Environmental Impacts
E	Amended Table 4A-5: Recommended WMS by County
F	Amended Table 4A-6: Decadal WMS Summary
G	Amended Table 4A-7: WMS Supply Allocations by WUG
H	Amended Table 4A-8: WUG-Level Contracts
I	Revised Technical Memorandum 4B-47 (Dow Off-Channel Reservoir and Pump Station Expansion)
J	New Technical Memorandum: 4B-54: Gulf Coast Water Authority Reclaimed Water from City of Houston
K	Amended Table 4C-1: WWP-Level Project Costs
L	Amended Table 4C-2: WUG-Level Project Costs
M	Amended Appendix 4E: Environmental Flows Modeling for New WMS
N	Amended excerpts from Chapter 5: Impacts of Management Strategies on Water Quality and Impacts of Moving Water from Rural and Agricultural Areas
O	Summary of database entries anticipated for DB12
P	Comments received regarding proposed major amendment by Dow Chemical Company
Q	Comments received regarding proposed minor amendment by Gulf Coast Water Authority
R	Revised project prioritization for 2011 Region H Regional Water Plan