Planning Water Resources for the State as a Whole Committee Meeting Minutes

July 28, 2020, 1:30 p.m. to 3:30 p.m. held via GoToWebinar Videoconference

Committee decisions bolded and italicized in document

Participation: Number of Planning Water Resources Committee Members present 5 of 5:

Н	Mark Evans	С	Kevin Ward	K	David Wheelock
N	Carl Crull	0	Melanie Barnes		

Senators/Representatives/Other VIPs in Attendance: Deb Mamula, Heather Harward

TWDB Board Members and Staff: Matt Nelson, Kevin Smith, Temple McKinnon, Claire Boyer

MEETING GENERAL

Chair Mark Evans (Region H) called the meeting to order and determined that a quorum was present and called the meeting to order.

AGENDA ITEMS

1. Public Comment

No public comments were offered.

2. Approval of the Minutes of the July 15, 2020 Meeting

There were no revisions suggested by the committee members. Mr. Evans asked for motion to approve minutes. Mr. Carl Crull (Region N) motioned to approve, Mr. Kevin Ward (Region C) seconded. *Minutes of the July 15, 2020 meeting were approved unanimously by the committee.*

3. Review of Problem Statement and Goal Statement

Mr. Evans presented Problem Statement and Goal Statement.

4. Discussion of Planning Water Resources for the State as a Whole

Mr. Matt Nelson discussed the current role of the State in supply planning and implementation of the State Water Plan (SWP). He explained that the legislature appropriates funds for development of the SWP including state agency staff to support SWP development, and summarized financing programs (State Revolving Fund, SWIFT) that fund SWP projects. He described the state and board participation programs whereby the state may take an ownership interest of up to 80% of the capacity of large

regional projects in growing areas and described other indirect agency activities such as groundwater modeling and regional MAGs that support water planning.

Mr. Evans moved the discussion to what are the specific hindrances that prevent regions from adequately and cooperatively developing innovative and multi-benefit (multi-region) projects for the state as a whole.

Mr. Ward asked if the committee report to the Interregional Planning Council would include existing background information and suggested the report should so legislature is aware of all programs and funding. Mr. Kevin Smith stated that under the current IPC report outline, there is a section for summary of existing practices and conditions including relevant background. Mr. Nelson indicated that another background item might be that the state has included in the state water plans projects recommended by the planning groups and the state has not modified or added to those projects.

Mr. Nelson indicated that the lack of a specific scope task or chapter in regional water plans to look at multi-regional projects is one example of what has been heard that might represent an obstacle. Mr. Evans stated that the IPC will want a good idea where the committee report is headed by the August 12th meeting, since timeline to complete the committee report has been compressed.

Mr. Nelson introduced the topic of obstacles to consideration of multi-regional projects that are associated with regional water planning process. Mr. Ward responded that reluctance to bring water inland that returns to coast for reuse doesn't occur and that the process is driven by least cost alternative and not planning from the state perspective, that is the issue. Mr. Ward suggested a regional water planning task to consider projects if cost was not a factor and there were different incentives. Currently project cost and sole ownership of projects is overemphasized.

Mr. Crull stated that regional water plan projects must have sponsor and be responsible to customers, so don't consider projects with other regions. Mr. Evans pointed out that sometimes there can be a lack of public support for these types of projects. Ms. Melanie Barnes (Region O) suggested there needs to be more education on regional coordination issues.

Mr. Ward stated an issue is the current use of drought of record as standard for regional planning and stated if, instead, a megadrought was instead used, would have to look at other supplies more like desalination and create larger projects instead of individual smaller ones. Mr. Ward stated example USACOE reservoir permitting requirement to justify a narrow need that doesn't look at longer timeframes and optimal projects sizes for ultimate buildout and worse droughts or involve state incentives.

Mr. Evans asked if there should be a regional water planning task to address long range, visionary planning to look at larger solutions than currently in the plans. Mr. Ward responded yes. Mr. Evans asked if this should be a recommendation from the committee. Mr. Crull and Ms. Barnes both affirmed.

Mr. Crull stated that planning cannot just look 20 to 50 years out. He stated that since 40% of water need is from industry, it is difficult for the City of Corpus Christi to anticipate need since industries can create need at any time versus steady population growth; Region N has cushion in RWP to address this.

Ms. Barnes stated need to consider which regions are downstream of other states, need to consider interstate issues at the state level.

Mr. Nelson pointed out that the current regional water planning process allows for planning beyond drought of record. Mr. Ward confirmed and indicated that that existing planning now doesn't extend to the degree that we are talking about for larger regional projects and more supplies. He also stated that he wouldn't want to rely on getting water back from industries. Mr. Crull agreed and stated this is why industries in Region N want seawater desalination, industries generally can't reduce use in drought and if industry shutdown may not return. Mr. Crull stated there was discussion of a regional project with San Antonio paying for seawater then tapping into Choke Canyon reservoir, but not feasible since would need new surface water treatment plant at the lake.

Mr. Evans introduced the topic of obstacles associated with existing laws and rules. Mr. Ward stated interbasin transfer (IBT) rules was an obstacle. Mr. Nelson presented the potential 2017 SWP interbasin transfer map and map table that had already been shared with members. Mr. Nelson stated that can provide interregional water shifts at a later date. Mr. Nelson stated that approximately 20 percent of strategy water supplies involve moving water between planning regions. Mr. David Wheelock (Region K) asked if volumes in table has been added up. Mr. Nelson replied that it is significant to see amount of water and total is not trivial by any means. Mr. Crull asked if volumes are in ac/ft/yr, GBRA project value appears to be low. Mr. Nelson clarified volumes may reflect those assigned to water user groups and not the full potential volume.

Mr. Wheelock inquired what is the relationship between IBTs and interregional transfers; could refine table so shows greater amount of planned water. Mr. Nelson explained that map represents number of times someone would need to get a new IBT permit at TCEQ. He stated that TWDB can provide interregional transfer volumes later on when we have staff time. Mr. Wheelock inquired about list of existing IBTs. Mr. Nelson replied that TCEQ would have this information. Mr. Wheelock stated he has seen map in 2002 State Water Plan.

Mr. Wheelock stated his agreement for need for visionary planning of larger regional projects. He stated individual regions creates a state water plan, but its not the same as planning for state as a whole; an updated IBT map would show that there needs to be something bigger and bolder. Mr. Crull responded that may be project from 2017 IBT map no longer pursued; for example the GBRA lower basin off-channel reservoir project was removed from 2021 Region N IPP. Mr. Evans suggested this may be a recommendation to make to future IPCs. Mr. Wheelock stated he is aware of a project not on the map (Williamson County).

Mr. Ward mentioned land condemnation being difficult for large scale projects. There is no joint planning between transportation and water agencies. Mr. Crull responded that TxDOT right-of-way is an issue since you may have to move water line if road is expanded.

Ms. Barnes asked if groundwater was tracked when as part of IBTs? Mr. Nelson replied that TWDB has dataset for groundwater information and that groundwater transfers don't necessarily involve river basins.

Ms. Barnes stated that the City of Lubbock puts groundwater into surface water supply and is permitted to use all of its groundwater (no environmental flow requirements) and that what it puts into the stream it may take out. Mr. Wheelock stated the City should have full use of groundwater in this case due to developed water concept principal. He stated that stormwater as well would be available for full use with no legal obstacles.

Mr. Ward addressed obstacles associated with ownership of water supplies. Mr. Ward stated that reservoir owners with storage are not inclined to let groundwater be put into their reservoir storage. Mr. Ward stated that TCEQ discourages groundwater supply stored in surface water. Mr. Crull replied that groundwater transmitted straight to a water treatment plan rather than impoundment avoids evaporative loss.

Mr. Crull stated that ASR projects have issues regarding water supply ownership. Ms. Barnes asked who besides the City of El Paso is doing ASR. Mr. Ward responded that the City of San Antonio uses ASR. Mr. Crull replied the City of Corpus Christi is considering ASR. Mr. Nelson commented that recent legislation lowering restrictions on ASR project injection water quality. Mr. Crull noted right-of-capture issues with regard to access to/protect of the injected water bubble. Mr. Ward stated that if no groundwater conservation district, could be restricted on what can be pumped out of ASR.

Mr. Ward indicated that some of these types of issues/projects being discussed might be good issues to just indicate observations about these issues.

Mr. Ward introduced the topic of obstacles associated with many competing needs for water. Mr. Ward stated that environmental laws are an obstacle; when these laws were created, environmental abuse was more significant than is currently and that there needs to be better granularity. Mr. Ward suggested that for impacts to threatened/endangered species, increasing funding for impact studies.

Mr. Crull stated in Region N freshwater inflow requirements exist for fishing and shrimping industry; Choke Canyon reservoir has permitted requirements for environmental flows. Mr. Crull questioned how to balance quantity of environmental flows and suggested that environmental flow must be in proper location for species habitat, not just flow volume. Mr. Ward commented that WAM run used for regional water planning assumes no return flow and suggested that these discharges and other flows be integrated into the planning process. Ms. Barnes asked if there is enough information and science to quantify competing needs. Mr. Crull stated the science may not ever have enough data and a cutoff should occur at some point. Mr. Ward stated that there is a difference between water resource planning and water supply planning. Mr. Ward stated that because of environmental flow requirements, the Trinity River has greater flow than it would naturally.

Mr. Evans introduced the topic of obstacles associated with sponsorship of potential projects. Mr. Crull commented that the obstacle to sponsorship is finding an entity that can afford project; generally these will have to be large water providers. Mr. Evans commented that large providers also have the water rights. Mr. Ward stated that if a large provider did an interregional project, there is no incentive for the sponsor to provide connections to other smaller entities along the way. Mr. Ward stated that there previously existed a funding program for the state to provide these connections, and suggested that for large projects there be a requirement to evaluate state water need. Mr. Ward stated that state participation is only used by sponsors to gain future water reserves for only themselves while deferring costs; state participation is not used to include smaller entities into large projects. Mr. Ward gave the example of Toledo Bend reservoir as a state participation project with future water reserves. Mr. Ward stated that instead of the state sponsoring and holding water supplies, smaller entities are now pay-as-

Page 4 of 5

¹ Agency note: The current regional water planning requirements allow for consideration of return flows in the planning process and these are included in numerous regions.

you-go since entities do not risk future water reserves and asked where is the state's role since the state is no longer a sponsor. Mr. Crull agreed that to invest in a supply for someone who may or may not take the water in the future is a hard sell and that, instead, the lowest cost to current customers is priority for water providers. He provided an example of the City of Corpus Christi not being able to buy unused water rights from another water provider because it would have raised customer rates. Mr. Ward replied that unused water rights can be cancelled.

Ms. Barnes asked how flood control projects related to water supply. Mr. Ward responded that water supply would be considered in new regional flood planning program. He indicated that it is land-intensive to store off-channel and that flooding in cities goes downstream, but not in middle basin areas. Mr. Ward suggested that for the Trinity river flood water could be stored in an off-channel reservoir and pumped back into the ground, but the state would need to assist due to high cost.

Mr. Evans introduced the topic of the types of innovative projects that are hindered, and why. Mr. Ward and Mr. Crull indicated that high cost and public perception/acceptance of reuse water are hinderances to innovative projects. Mr. Ward also commented that more can go wrong with sophisticated projects.

The committee discussed how to coordinate comments from members for the draft committee report within Open Meeting Act requirements.

Mr. Crull commented that related to competing needs, the regional water planning groups have different urban and rural needs. Mr. Evans responded that any region with a major city will have this issue. Mr. Crull responded that the RWPG prioritizes urban need. Mr. Ward suggested that major water providers meet to discuss planning and find possible cooperative efforts. Mr. Ward discussed the concept of state "water grid" with shared costs and shared resources for the state.

5. Discussion of Agenda for Future Meetings

Mr. Smith reviewed the committee report outline as shown in IPC report outline. Mr. Evans clarified that agenda for next 8/6 meeting includes action item for approving draft committee report.

6. Public Comment

No public comments were offered.

7. Announcements

Mr. Evans discussed dates for future committee and IPC meetings.

8. Adjourn

Mr. Evans asked for motion to adjourn. Mr. Crull motioned, Mr. Wheelock seconded motion. The meeting adjourned at approximately 3:28 pm.