Minutes of the August 8, 2013 Meeting of the
Coastal Bend Regional Water Planning Group (Region N) for the
Senate Bill 1 Regional Water Planning Program

The meeting of the Coastal Bend Regional Water Planning Group (RWPG) was held at the Johnny Calderon County Building, 710 E. Main Street, Robstown, Texas 78380.

Agenda Item I – Call to Order: Ms. Carola Serrato called the meeting to order at 1:30 pm.

Agenda Item II – Roll Call: A visual attendance was noted. Voting members of the Coastal Bend RWPG in attendance included:

- Mr. Tom Ballou
- Mr. Scotty Bledsoe
- Ms. Teresa Carrillo
- Mr. Lavoyger Durham
- Mr. Andy Garza
- Dr. Pancho Hubert
- Mr. Charles Ring
- Mr. Mark Scott
- Ms. Carola Serrato
- Mr. Lonnie Stewart
- Mr. Bill Stockton
- Mr. Jace Tunnell
- Mr. Chuck Burns, Mr. Billy Dick, Mr. Gary Eddins, Mr. David Krebs, Mr. Robert Kunkel, Mr. Tom Reding, Ms. Kimberly Stockseth, and Mr. Mark Sugarek had excused absences.

A quorum was determined to be present.

Ms. Rocky Freund represented the Nueces River Authority (NRA).

Non-voting members in attendance included:

- Ms. Temple McKinnon, TWDB

Guests included:

- Mr. Brent Clayton, City of Corpus Christi
- Mr. Carl Crull, HDR
- Mr. James Dodson, Naismith Engineering
- Mr. Gus Gonzalez, City of Corpus Christi
- Ms. Sandra Heatherly, League of Women Voters
- Mr. Lindsey Koenig, NRA Board of Directors
- Mr. Felix Saenz, Brush Country GCD
- Mr. Brian Williams, SPMWD

Agenda Item III – Approval of Minutes: Ms. Serrato asked for approval of the minutes of the June 13, 2013 meeting of the Coastal Bend RWPG for the Senate Bill 1 Regional Water Planning Program. There was a motion by Mr. Garza to approve the minutes as presented. It was seconded by Mr. Stewart. There was no discussion and the minutes were approved by a unanimous voice vote.

Agenda Item IV – Appoint RWPG Member to Serve as Secretary: Ms. Serrato explained that the RWPG needed a secretary since Mr. Bernie Paulson, who had served in that capacity, has resigned from the group. Mr. Stewart volunteered to serve, and Mr. Durham made a motion to appoint him as secretary. The motion was seconded by Ms. Carrillo. There was no further discussion and the motion passed by a unanimous voice vote.

Agenda Item V – RWPG Vacancy in Other Interest Category: Ms. Serrato explained that Mr. Paulson had been appointed by Mr. Craig Peterson, the TWDB Executive Director at the time the RWPGs were being formed, to the Other category. Ms. Freund added that Mr. Paulson had been specifically chosen because of his institutional knowledge of water issues in the area. Ms. Freund added that she knew of at least two people who were interested in the position. If the group decided to fill this position, a notice would have to be posted. RWPGs have the option to add members in addition to the interest groups required by legislation. Ms. Carrillo made a motion to maintain the Other category, it was seconded by Mr. Scott. Ms. Carrillo added that the person would need to know the history of the area.

Consider Authorizing Nueces River Authority to Advertise for Recommendations of Persons to Represent the Other Interest Category: Mr. Durham made a motion to allow NRA to advertise for the
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Other category. Ms. Freund will post notice, and said that historical knowledge of the local water issues will be listed as a requirement. The group will need to consider that when reviewing the applications and deciding who to appoint.

Agenda Item VI – Safe Yield Reserve for the CCR/LCC/Lake Texana System: Mr. Gonzalez, Water Director for the City of Corpus Christi, explained that the City uses a hydrologic model, developed by HDR, to evaluate safe and firm yields of the reservoir system. The model contains data for about 70 years, including the 1990’s drought of record. It is possible that if there are no significant rains in the near future, we will be in new drought of record.

The current safe yield of 205,000 acre feet (AF) / year is based on about a six-month water reserve of 75,000 AF. The region currently uses about 120,000 AF / year. Raising the reserve to a one-year supply of 125,000 AF would lower the safe yield to 194,000 AF / year. The City is evaluating this change for planning purposes and to be conservative if we do have a new drought of record. The City intends to begin looking at adding water supply to the system every five to ten years.

Ms. Serrato asked if this had been presented to the City Council. Mr. Gonzalez replied that it had not. He added that he would probably use the lower safe yield internally for planning purposes whether or not the group wanted to adopt it for the Region N planning. Using the lower number would also mean that supply would equal demand five to ten years earlier than with the current numbers. Mr. Gonzalez reviewed the future use estimations the City Water Department was considering for their planning purposes.

Ms. Freund commented that the group will need to decide if the regional water planning numbers should be consistent with the City’s planning numbers.

Mr. Ballou commented that the safe yield would change anyway with a new drought of record.

Mr. Stockton asked who would get cut off if the system gets down to 75,000 AF. Mr. Gonzalez explained that when the reservoirs reach 20% of capacity, everyone will be subject to allocations and reductions in the amount of water that can be used.

Ms. Serrato would like to wait to make a decision until the group could hear a presentation on how this would affect the acceleration of implementation of other projects and strategies, and whether or not the City is still considering some of the current strategies included in the 2011 Plan. Mr. Bledsoe suggested waiting to see if the region did enter into a new drought of record this month, since that would change the numbers. Mr. Dodson added that new yield numbers cannot be calculated until we are out of the drought, which may not be anytime soon.

Mr. Garza asked about the City of Alice’s water supply. Mr. Gonzalez said that they used 3-4 million gallons per day from Lake Corpus Christi, but that they were having some problems with their intake structures. He thought that they may be pursuing some groundwater supplies. Alice voted not to be in the Brush County Groundwater Conservation District (GCD) and is restricted to drilling within the city limits.

Mr. Ballou commented that much of the 350,000 AF currently in the reservoir system is subject to evaporation.

Consider Approving Additional Safe Yield Reserve for the CCR/LCC/Lake Texana System: No action was taken pending further information.

Agenda Item VII – Update on Status of Mary Rhodes Pipeline Phase II and Other Potential Water Management Strategies for the City of Corpus Christi: Mr. Gonzalez explained that the City of Corpus...
Christi acquired the Garwood water rights in 1998. The project design is nearly complete. The 41-mile pipeline will extend from the Colorado River near Bay City to the west delivery system at Lake Texana. Much of the route follows SH 35. The project will have four bid packages – one for the booster station and sedimentation basins, and three pipeline sections.

The City will be placing a bid request for the booster pumps, estimated to be about $4M, this month, and plans to seek City Council approval in October or November. The commitment to purchase the pumps is on the critical path for the project. Once committed, the project will move forward. The pipeline packages will be bid this fall and will be presented to City Council for approval in January.

Attaining the easement real estate is also on the critical path. To date, 33% of the easement length has been acquired, and the City is negotiating the remaining. The City is beginning the condemnation process on one or two properties.

Construction is expected to start in January 2014 and be complete by spring of 2015. The total estimated cost is $160.9M. Ms. Serrato asked if the project would be eligible for the State’s rainy day fund if approved by the voters in November. Mr. Gonzalez replied that it is not because those funds will not be available until 2015.

The City’s water right is for 35,000 AF/year, with an estimated 32,000 AF/year firm yield. This amount will be added to the regional supply once the pipeline is operational.

Mr. Bledsoe asked about the size of the pipeline. Mr. Gonzalez said that it will be 54”. Mary Rhodes Pipeline Phase I is 64”. It is oversized and will be able to deliver the water over an eight month period if necessary.

Mr. Stewart asked about the seniority of the Garwood water rights. They are the 2nd oldest in the State.

The City has applied for a $400,000 grant from the Bureau of Reclamation to build a seawater desalination pilot / demonstration plant. The City should know this month whether or not this project is selected for funding. The plant will be located with a co-generation facility. Energy costs and byproduct discharge will be the largest expenses. There is a possibility that brackish groundwater could be blended with the seawater. A pilot / demonstration plant is required by the Texas Commission on Environmental Quality (TCEQ).

The City is also working on a groundwater project in San Patricio County with San Patricio Municipal Water District (SPMWD). They will be evaluating availability and quality. San Patricio County does have a GCD.

Mr. Scott asked about the cost comparison between the Mary Rhodes Pipeline Phase II and desalination. Phase II is estimated to be about $750 / AF/year, amortized over 30 years. Groundwater is about $1,100 / AF/year, and seawater desalination is about $2,000 AF/year. Mr. Durham commented that he thought the City needed to start working on desalination. Mr. Scott replied that desalination is a strategy for the City, but pointed out that the desalination is approximately three times the cost of Phase II and people need to realize that these costs will have to be passed on to the customers.

Ms. Serrato added that before desalination, the area needs extensive conservation education. Mr. Gonzalez said that the City has recognized a 6-8% reduction in water use since Stage II of the drought plan was implemented when comparing the past five July numbers against 2013 July numbers.

Ms. Serrato asked about the City’s current position on the Nueces off-channel reservoir that is in the Region N Plan. Mr. Gonzalez explained that in early 2012, the City Water Department met with some of their
regional customers and prioritized the City-related water management strategies based on ten criteria, including availability, quantity, quality, cost, and permitting issues.

The top ranked projects include the Mary Rhodes Pipeline Phase II, brackish groundwater desalination, and a Guadalupe – Blanco River Authority 100 acre off-channel reservoir. The Nueces off-channel reservoir ranked low due to permitting issues related to the 5,000 surface acres that would be required and the fact that it is in the same watershed as the Choke Canyon / Lake Corpus Christi Reservoir System. Therefore, the City is not considering this a feasible project.

Ms. Serrato commented that since the City is the main supplier in this region, the group needs to review the list and make changes to the Region N Plan to be consistent with the City’s efforts.

Mr. Dodson asked about aquifer storage and recover (ASR) along the Mary Rhodes Pipeline. Mr. Gonzalez replied that one challenge with that is the State’s requirement that only treated water can be pumped into ASRs, which would require construction of a treatment plant.

Mr. Crull said that several bills in the last legislative session that would have lessened ASR regulation never made it out of committee. Mr. Dodson said that Representative Larson intends to re-introduce the legislation during the next session. Mr. Ballou commented that ASRs should be used to capture and store water during wet years. Ms. Serrato added that the ASRs would need to be protected from others tapping into them.

Mr. Gonzalez commented that San Antonio is using ASRs.

Agenda Item VIII – Status of Alternative Population and Municipal Water Demand Projections Request: Ms. McKinnon reported that TWDB staff is in support of requested changes for Gregory, Odem, and Taft as a result of the Water Use Survey. TWDB staff does not support the changes requested by SPMWD. They feel that the documentation did not meet the criteria and that TWDB wants to be consistent in methodologies across the state. However, the change request will be supplied to the Department of Agriculture, Texas Parks and Wildlife Department, and TCEQ for their review.

TWDB staff does support the City of Corpus Christi’s request to change the population growth projections to 1%, but not the water demand projections since they did not take into account water efficiency standards.

Ms. Serrato pointed out that if water demand projections are increased, but not the population projections, then the gallons per capita per day (GPCD) will increase.

There were three options for moving forward: 1) accept the TWDB projections but over-allocate water supplies from recommend strategies to meet needs (recommended by HDR); 2) try again to request changes to the population projections, although there is no money in the budget to do this work; and 3) another option to be developed by the group.

Ms. Serrato asked how the rest of the plan would be affected if the group chose to go with Option 1. Ms. McKinnon replied that a larger demand would require additional conservation strategies and documentation on why additional strategies are needed.

There was some discussion about eligibility for State Water Implementation Fund for Texas (SWIFT) created by House Bill 4. Ms. McKinnon said that the rulemaking process for SWIFT has not yet taken place, but projects for areas with lower GPCDs are more likely to be eligible.

Agenda Item IX – Update on HB4 from the 83rd Legislative Session and Potential Changes to the RWPs: Ms. McKinnon provided a handout with the SWIFT implementation timeline. The TWDB board
will change from six part-time members to three full-time members to be appointed September 1, 2013. This new board will appoint an Executive Administrator October 1, 2013.

If the voter initiative is passed in November:
- $2 billion will be transferred from the economic stabilization fund to SWIFT will provide low interest loans for water projects,
- regions will have to prioritize projects in the 2011 Regional Plans and the TWDB will have prioritize projects in the 2012 State Plan,
- a stakeholder group comprised of the Regions’ chairs, or their designees, will develop uniform standards and criteria for prioritization by December 1, 2013 (TWDB will help start this process prior to the election due to the very short timeframe), the State will develop their own criteria,
- a draft of the 2011 Plan prioritization will be due by June 2014 and the final by December 2014 (this will be a trial run for prioritizing projects in the 2016 Plans), funding will be provided and contracts amended to accomplish this task,
- funds will be available after the rulemaking process is complete in spring 2015 – the projects included in the Initially Prepared Plans due May 1, 2015 will most likely be considered.

**Agenda Item X – RWPG/TWDB Administrative and Other Issues:** None.

**Agenda Item XI – General Public Comment:** Ms. Heatherly, with the League of Women Voters (LWV), said that the LWV serves on or observes a number of water-related boards and has taken a position on water management in the state. She said that during conversations at the board meetings, the City of Corpus Christi is held in high regard and esteem for their planning efforts.

**Agenda Item XII – Confirm Next Meeting Date:** The next meeting is scheduled for October 10, 2013 at 1:30 pm at the Johnny Calderon County Building in Robstown, TX.

**Agenda Item XIII – Adjourn:** Ms. Serrato adjourned the meeting at 2:50 pm.