

LLANO ESTACADO REGIONAL WATER PLANNING GROUP MEETING
MAY 16, 2002 **1:30 P.M.**

1. CALL TO ORDER AND WELCOME

Chairman H. P. Brown Jr. called the meeting to order at 1:30 p.m. in the A. Wayne Wyatt Board Room of the High Plains Underground Water Conservation District No. 1 office, 2930 Avenue Q, Lubbock, Texas. Notice of today's meeting has been filed in accordance with the Texas Open Meetings Act.

2. ROLL CALL OF MEMBERS & ESTABLISH QUORUM

The following Llano Estacado Water Planning Group members were in attendance: John Abernathy, Delaine Baucum, Bruce Blalack, H.P. Brown Jr., Ches Carthel, Jim Conkwright, Harvey Everheart, Bill Harbin, Bob Josserand, Terry Lopas, Richard Leonard, Gene Montgomery, Henry Rieff, Kent Satterwhite, S.M. True Jr., and Lloyd Urban.

Unable to attend (excused absences): Those unable to attend today's meeting were: Dallas Brewer, Delmon Ellison Jr., and Jim Steiert.

Absent members (unexcused absences): Jerry Webster.

There was a quorum of the Llano Estacado Regional Water Planning Group members in attendance (16 of 21 members or 76.1% attendance).

Others in attendance: Dr. Herb Grubb of HDR Engineering Inc., Stefan Schuster with the Texas Water Development Board, Joan Glass with the Texas Parks and Wildlife Department, Ron Bertram with the Texas Department of Agriculture, Mickey Black with the USDA-NRCS, Steve Stevens with Mesa Water Incorporated, David Turnbough with Sandy Land Underground Water Conservation District, Bruce Rigler with the High Plains Underground Water Conservation District, and Jason Coleman with the South Plains Underground Water Conservation District. Carmon McCain of the High Plains Water District staff was present to take minutes of the meeting.

3. APPROVAL OF MINUTES OF THE MARCH 18, 2002 LERWPG MEETING.

A motion was made by Bob Josserand and seconded by S.M. True Jr. that the minutes of the March 18, 2002 LERWPG meeting be approved as printed. (Copies of these minutes had been distributed by e-mail to members prior to this meeting.) All voted "aye," and the motion unanimously passed.

4. APPROVAL OF MINUTES OF THE APRIL 18, 2002 LERWPG MEETING.

A motion was made by Lloyd Urban and seconded by Delaine Baucum that the minutes of the April 18, 2002 LERWPG meeting be approved as printed. (Copies of these minutes had been distributed by e-mail to members prior to this meeting.) All voted "aye," and the motion unanimously passed.

5. APPROVAL OF THE TREASURER'S REPORT.

Treasurer Lloyd Urban reported the fund balance to be \$625.48 as of March 18, 2002. Since then, checks in the amount of \$6,750.00 and \$3,795.25 have been received from the Texas Water Development Board. Three checks

totaling \$9,876.84 have been paid to HDR Engineering. This leaves a fund balance as of May 16, 2002 of \$1,293.89. It was reported that there is one invoice of \$1,510.32 to be paid to HDR Engineering. Dr. Urban is waiting for additional payments from the TWDB before issuing payment of the HDR invoice. (A copy of the treasurer's report is included as part of these minutes.) A motion to accept the report as presented was made by Ches Carthel and seconded by S.M. True, Jr. All voted "aye," and the motion unanimously passed.

6. REPLACEMENT OF THE NON-VOTING LIAISON BETWEEN REGIONS B AND REGION O.

Chairman Brown noted that the death of A. Wayne Wyatt had left the position of non-voting liaison between Regions B and O open since December 2000. He told the group that the current non-voting liaisons from Region O were Kent Satterwhite, Region A; Harvey Everheart, Region F; and Terry Lopas, Brazos G. Wilson Scaling is the non-voting liaison from Region B to Region O. Mr. Brown asked for volunteers to serve as the non-voting liaison between Regions B and O. Hearing no volunteers, Mr. Brown recommended that no action be taken on this agenda item and that it be considered at the next meeting.

7. DISCUSSION AND APPROVAL OF THE DRAFT INFRASTRUCTURE FINANCING REPORT.

Chairman Brown introduced Dr. Herb Grubb, who provided an overview of the draft Infrastructure Financing Report (IFR). The draft IFR was distributed by e-mail to the LERWPG members in April. Dr. Grubb noted that there were only a few slight changes on pages 5-6 of the previous draft, which were made to reflect new information received from survey respondents.

He reported that there were 16 respondents to the IFR study. The cost to finance the needed water supply projects for the 27 water user groups (including the City of Lubbock) in 1999 dollars was \$157,691,000.00. Respondents could meet 81 percent of the cost or \$126,000,000. State participation funding would increase help to respondents by a total of only 2/10 of a percent.

If the City of Lubbock and the Lake Alan Henry project were removed from the scenario, then the 27 water user groups would face a price tag of \$33,728,000.00. Of the 16 water users that responded, their total share is \$21.4 million. Of that, the groups could pay \$4,729,000, or 22% of the total cost. State participation would only assist by about 1.2%. It appears that the respective water user groups cannot pay 77 percent of the total cost.

Dr. Grubb noted that the final report must include copies of the individual survey forms and responses, which were not included in today's handout to the LERWPG.

He also noted that there is a question before the regional water planning group as to the state's role in financing the regional water planning effort and from where these monies should be obtained. In an April 19 e-mail, some draft language addressing this question had been forwarded to each of the LERWPG members. During the previous legislative session, there was some talk about placing taxes/fees on water bills, removing the bottled water exemption from sales tax, and other sources of revenue. In addition, the idea of appropriations of general revenue—which has not been used in the past for water or wastewater funding—has been suggested. In the past, and at the present time funding assistance to cities and other water suppliers for water and wastewater projects is from State of Texas general obligation bonds issued by the Texas Water Development Board. The LERWPG was asked if they wish to consider sample language included by other regional water groups concerning the state's role in financing the regional water planning effort. After review of the sample language, it was the group's consensus to use the recommendation in the 2001 LERWPG plan that the state provides adequate funding to implement the regional water planning effort.

After some questions and considerable discussion, a motion to approve the draft Infrastructure Financing Report as printed was made by Bob Josserand and seconded by Kent Satterwhite. All voted "aye," the motion unanimously passed, and the report was adopted.

8. STATUS REPORT ON SCOPE OF WORK FOR 2006 LLANO ESTACADO REGIONAL WATER PLAN.

Mr. Schuster reported that the Texas Water Development Board had reviewed the scope of work and the infrastructure financing report for the 2006 Llano Estacado Regional Water Plan. The TWDB is expected to approve the contract at their June 2002 meeting for the second 5-year phase of regional water planning. Since this was for informational purposes only, the LERWPG took no official action on this report.

9. REPORT REGARDING TWDB POPULATION DATA FOR 2006 WATER PLAN.

Consultant Herb Grubb of HDR Engineering discussed the Texas Water Development Board's population projections by county to be used in the 2006 Llano Estacado Regional Water Management Plan. He stated that the U.S. Census numbers for 2000 were lower than those projected for each county in the 2001 regional water plan. In fact, the 2000 population total was about 11,000 persons less than what was originally projected in the plan. The essential information used to make population projections to 2050 is based on the age distribution of the existing population as well as migration into and out of the area, birth rates, and survival rates of each of the 5-year age groups of the populations of each county. The region (with the exception of one county) mirrors statewide age demographics as the majority of counties show a decrease in population among those 35 and younger. There is an increase in population among those 35 and older.

The TWDB computer model shows a downward trend with fewer persons in the future than planned for in the past. This is no secret to most when one considers redistricting and the fewer House/Senate seats in the region.

Census data used by the TWDB model is housed at the Texas State Data Center at Texas A&M University. They have developed the projection methods used by the TWDB—but the organization itself does not create population projections.

Dr. Grubb then presented a series of overheads that illustrated the new population projection for each county within the regional water planning area, the 2000 census data, and the projected population based upon the revised census data.

Dr. Grubb noted that the population projections for the LERWPG had been sent previously to each county judge in the area for comment. Comments from Hockley County Judge Larry Sprowls and Yoakum County Judge Dallas Brewer were the only ones received by the Thursday, May 9, 2002 deadline. Judge Sprowls agreed that the population projection methodology used by the planning group was probably the best way to project future trends. He noted that declining population equates to declining tax dollars for use by his county. Judge Brewer had a question as to how Dr. Grubb had derived a series of population numbers for his county. This question was forwarded to Dr. Grubb via e-mail and answered accordingly.

Dr. Grubb noted that the next step in the process is to subdivide the county data down to a town/city size of 500 and water supply corporations that have business greater than 280 acre-feet of water per year. This subdivision is due to the RWPGs in June.

After considerable discussion, the LERWPG accepted Dr. Grubb's report on the TWDB population data to be included in the 2006 regional water plan. Since this was for informational purposes only, the LERWPG took no official action on this report.

10. REPORT FROM DISTRICT MANAGERS REGARDING GROUND WATER MANAGEMENT ISSUES

Chairman Brown said that there has been a quite a bit of discussion regarding well spacing and production rules of the six underground water conservation districts within Region O. In discussion with LERWPG members, Don McElroy of Muleshoe had wondered if there was a need for a regional water conservation philosophy. With the water marketing controversy in the Texas Panhandle and the 50/50 rule, there was some concern as to whether a

specific management strategy should be developed.

Jason Coleman, manager of the South Plains Underground Water Conservation District in Brownfield, discussed a report that gave the LERWPG a summary of the water production and spacing rules of these respective districts. This summary includes water management concerns by water district managers and their boards of directors; spacing rules and spacing requirements from property lines; minimum production at which a district requires a water well permit; and other rules.

Chairman Brown thanked Mr. Coleman and the other water district managers for their work on this report.

11. OTHER BUSINESS

APPOINTMENT OF BRUCE BLALACK AND TERRY LOPAS TO EVALUATE TNRCC REPORT

Chairman Brown appointed Bruce Blalack and Terry Lopas to evaluate the Texas Natural Resource Conservation Commission final report, "Water Availability in the Brazos River Basin." It is hoped that this can be accomplished by the next quarterly meeting.

COMMENTS FROM THE AUDIENCE

TESTIMONY BY JIM CONKWRIGHT

Chairman Brown asked High Plains Water District Manager Jim Conkwright to present a brief summary of his April 23 testimony before the Joint House/Senate Committee on Water Resources in Amarillo. Mr. Satterwhite also testified before the group.

Some of the main points discussed by Mr. Conkwright included:

- Water marketing and the right to capture;
- HPWD support of the right to capture and market ground water without waste;
- HPWD's hope that ground water from the Ogallala formation could be kept for use on the Texas High Plains and not transported outside the region;
- State funding is important since local towns, cities, and counties cannot pay for the entire infrastructure;
- It is important to keep enough rural water in place to support rural agriculture;
- Discussion of the regional water planning process.

In response to statements made by Senator Teel Bivins of Amarillo, Mr. Conkwright stated:

- The 50/50 rule adopted by Region A would not likely work in other areas of the state.
- He does not believe that the State of Texas should direct any underground water conservation district to set specific local rules. Local control means local control.
- RWPGs should not be given governmental roles. If they are, then they should not pre-empt local underground water conservation district rules.

Chairman Brown mentioned a statement made earlier by Mr. Schuster. Mr. Brown said he felt that it was worthy of the group to hear this—because it reflects accordingly on Senator Bivins' belief that "one shoe fits all" concerning Texas water issues.

In visiting with others about his job responsibilities at the TWDB, Mr. Schuster said he likes to explain that the State of Texas is geographically unique in the world. There is no other place on earth that has the amount of rainfall variability from east to west and north to south. Not even Australia has the amount of rainfall variability that Texas has. As a result, there are incredible amounts of diversity in water use and diversity of people that need the water. He said this makes for a challenging job—because of so many different needs/amounts of water being dealt with.

MAY 16 GROUND WATER MANAGEMENT AREA MEETING AT AUSTIN

Chairman Brown reported on the May 16 Groundwater Management Area meeting in Austin. Those attending from this region included Bo Brown, Jim Conkwright, Harvey Everheart, Don McReynolds, and Carmon McCain. He distributed three maps to the group depicting proposed groundwater management areas as mandated by Senate Bill 2. These are titled "Follow the Aquifers," "Follow the UWCDs and RWPGs," and "Follow The Counties." The TWDB staff developed these proposed maps without consultation with underground water conservation districts or regional water planning groups.

There was some discussion as to splitting the Ogallala area from two GMAs to three GMAs.

Mr. Josserand asked Mr. Schuster what was driving the changes in designation of ground water management areas. Mr. Schuster responded that this was under the jurisdiction of the TNRCC for many years and that nothing has been done. By moving the authority from the TNRCC to the TWDB, the state legislature is attempting to address the priority ground water management area situation.

Mr. Brown said he felt the GMA designation by the state was foreshadowing the upcoming legislative session.

Rules designating the delineation of the GMAs and their respective boundaries are to be published soon in the *Texas Register*. Mr. Everheart asked if every acre of land needed to be in a ground water management area. Mr. Josserand and Mr. Conkwright believed that Senator J.E. "Buster" Brown had that in mind when writing SB2.

Mr. Everheart said that this was also designed to prompt underground water districts to coordinate efforts within the ground water management areas. This could cause districts to be formed where needed and to cause inactive "shell" districts to conduct needed activities.

MESA WATER RECEIVES WELL PERMITS FROM PANHANDLE GROUND WATER CONSERVATION DISTRICT

Chairman Brown asked Steve Stevens of Mesa Water Incorporated to comment upon Panhandle Ground Water Conservation District's granting of water well permits in Roberts County.

Mesa Water can now produce one acre-foot of water per acre owned in Roberts County. The group owns about 150,000 acres—so they could produce as much as 150,000 acre-feet of water per year and market it outside of Roberts County. Three possible conveyance routes are being considered. Mesa Water has five years to find a water buyer or the permits shall expire. Mesa Water plans to abide by Region A's 50/50 rule—so that 50 percent of the water will remain in the aquifer 50 years from now.

Mr. Stevens said Mesa Water would be willing to drop off water at places along the proposed pipeline to rural towns and cities needing it. Rural water supply corporations could be formed to handle this. Mr. Stevens said that the Panhandle does not have the population necessary to keep the Roberts County water within the Texas Panhandle area. Amarillo and Lubbock are major hubs in the region and what they do to help the rural community will have a major impact on the future of the area.

Mr. Stevens said he would be willing to answer any questions the LERWPG might have regarding the water marketing and transportation project.

EXECUTIVE DIRECTOR CRAIG PEDERSEN LEAVES TWDB

Mr. Schuster told the group that TWDB Executive Administrator Craig Pedersen had been honored at a recent going-away party. Pedersen is leaving the TWDB to join the staff of URS, a multinational engineering firm. To commemorate his work with the regional water planning groups, Mr. Schuster presented Mr. Pedersen with a special plaque with vials containing water samples from each of the 16 respective water planning areas in Texas.

The names of each region and the regional water planning members were engraved on the reverse of the plaque.

There being no other business, the meeting was adjourned at 3:44 p.m.

Respectfully submitted,

**Lloyd V. Urban
Secretary-Treasurer**