

**MINUTES
REGION H WATER PLANNING GROUP MEETING
10:00 A.M.
FEBRUARY 6, 2008
SAN JACINTO RIVER AUTHORITY OFFICE
LAKE CONROE DAM
1577 DAM SITE ROAD
CONROE, TEXAS**

MEMBERS PRESENT: Roosevelt Alexander, John Baker, John R. Bartos, Reed Eichelberger, Mark Evans, Jason Fluharty, Jack Harris, Robert Istre, Marvin Marcell, James Murray, Jimmie Schindewolf, Jeff Taylor, William Teer, C. Harold Wallace, and Pudge Willcox.

DESIGNATED ALTERNATES: Reeves Gilmore for John Blount, Danny Pierce for Robert Bruner, D'Neal Krisch for Bob Hebert, Tom Michel for Ronald Neighbors, and Robert Stevens for Danny Vance.

MEMBERS ABSENT: John Blout, Robert Bruner, Bob Hebert, John Howard, James Morrison, Ronald Neighbors, Steve Tyler, Mike Uhl, and Danny Vance.

NON-VOTING MEMBERS PRESENT: Temple McKinnon.

PRESIDING: Jeff Taylor, Chairman

MINUTES OF OCTOBER 31, 2007 MEETING

A motion was made by James Murray to approve the minutes of the October 31, 2007 meeting; second by John Bartos. The motion carried unanimously.

PUBLIC COMMENTS ON AGENDA ITEMS 4 - 10

None.

Mike Reedy described the handout package and the ability to access the uploaded materials on the Region H website at www.regionhwater.org.

RECEIVE REPORT AND SUMMARY ACCOUNTING OF THE REGION H WATER PLANNING GROUP GENERAL FUND (LOCAL-CONTRIBUTION) FROM SAN JACINTO RIVER AUTHORITY

Mike Jackson with the San Jacinto River Authority reported on the fund balances and expenditures related to the Region H Water Planning Group, including the Local Contribution Fund, the TWDB Planning Grant Fund, and unreimbursed expenses in the amount of \$6,825.00 incurred by the San Jacinto River Authority. Jimmy Schindewolf stated his appreciation for the San Jacinto River Authority facilities and staff. Jace Houston provided a description of the expenses related to each fund and explained the liability insurance coverage maintained on

behalf of the Region H Water Planning Group. Discussion was led by Jeff Taylor on how the remaining local contribution funds could be utilized in the future. A number of members expressed the opinion that attempting to return the contributed funds to the original contributing entities would create accounting problems and maintaining the account for future planning expenses would be consistent with the original intent of the contributors.

CONSIDER A MOTION TO APPROVE REIMBURSEMENT OF THE SAN JACINTO RIVER AUTHORITY FOR OUT-OF-POCKET EXPENSES INCURRED RELATED TO REGION H PLANNING ACTIVITIES

After a brief discussion, motion was made by Tom Michel to reimburse the San Jacinto River Authority in the amount of \$6,825 for out-of-pocket expenses related to Region H planning activities; seconded by Marvin Marcell. The motion carried unanimously.

RECEIVE REPORT FROM TEMPLE MCKINNON ON THE STATUS OF THE CITY OF GROVETON REQUEST FOR A WAIVER FROM THE TWDB'S CONSISTENCY PROVISIONS

Temple McKinnon gave an update on the status of the City of Groveton's request for a consistency waiver related to its application for funding for a new water well. Groveton will pursue economically disadvantaged facility planning funding from TWDB for their new well project. Their consistency waiver (supported by Region H) will be considered with possible TWDB loan funds later in 2008.

RECEIVE REPORT FROM TEMPLE MCKINNON ON SECOND BIENNIUM FUNDING AND THE TWDB REQUEST FOR APPLICATIONS

Temple McKinnon described TWDB's memo requesting applications for funding for the third round of planning. She described the procedures for preparing a scope of work and applications, applicable notice and hearing requirements, and the schedule and deadlines for same. She reviewed the total funding budgeted for completion of the third round of planning, the amount allocated for base funding, and the amount allocated for funding on a competitive basis. She explained that the scoping committee should consider the funding formulas while prioritizing projects.

A discussion ensued regarding the schedule for submittal of a funding application with regard to the current meeting schedule for Region H.

RECEIVE UPDATE FROM CONSULTANTS ON STATUS OF DROUGHT CONTINGENCY TASK

Mike Reedy discussed the relationship and impact of the statewide drought management study to the Region H task. Mr. Reedy indicated that Region H was recently instructed by TWDB to proceed with the Region H task. He explained that the task involved studying how drought management activities impact water supplies and management strategies. He explained the need

to approve the scope of work so consultants can proceed and the need for an amendment to the contract between the San Jacinto River Authority and the TWDB. Temple McKinnon stated that TWDB had already reviewed and approved the proposed scope of work. Robert Istre inquired as to whether or not the study would cover Brazos run-of-river rights. Mike Reedy explained that Brazos run-of-river rights were not specifically included, but the issue can probably be partially addressed because the study will determine how drought management strategies might be incorporated in future planning efforts.

CONSIDER A MOTION TO APPROVE THE DROUGHT CONTINGENCY SCOPE OF WORK AND APPROVE SJRA TO ENTER INTO A CONTRACT AMENDMENT FOR THE DROUGHT CONTINGENCY TASK WITH THE TWDB

After a brief discussion, motion was made by John Baker to approve the drought contingency scope of work and to authorize the SJRA to enter into a contract amendment for the drought contingency task with the TWDB; seconded by Marvin Marcell. The motion carried unanimously.

RECEIVE REPORT FROM CONSULTANTS SUMMARIZING THE RECOMMENDATIONS MADE TO THE TWDB FROM THE REGION H WATER PLANNING GROUP RELATED TO SECOND BIENNIUM FUNDING

Mike Reedy reviewed the November 1st letter to the TWDB from Region H describing the planning activities anticipated by Region H for the third round of planning. He also explained that the next step is to appoint a scoping committee to incorporate these activities into a funding request for the third round of planning. Discussion ensued regarding the need for backup strategies to address months in which run-of-river rights are not available due to reliability issues.

CONSIDER A MOTION TO ESTABLISH A REGION H WATER PLANNING GROUP COMMITTEE FOR THE PURPOSE OF GUIDING AND ESTABLISHING THE SCOPE OF WORK AND GRANT APPLICATION IN RESPONSE TO THE TWDB REQUEST FOR APPLICATIONS

Jeff Taylor requested volunteers willing to serve on the scoping committee. After a brief discussion, motion was made by Mark Evans to establish a Scoping Committee made up of the following members: Jimmie Schindewolf, Robert Istre, John Baker, John Bartos, and Ron Neighbors (Chair); seconded by John Baker. The motion carried unanimously.

RECEIVE PRESENTATION FROM CONSULTANT ON THE CURRENT STATUS AND PROGRESS OF REGIONAL WATER PLANNING

Mike Reedy discussed the modeling assumptions agreed on by Region H and TWDB for Tasks 1 and 3. He reviewed comments submitted by Woody Woodrow and Jeff Taylor's response to same regarding which WAM runs were appropriate to use in Tasks 1 and 3. Mr. Reedy discussed the rationale behind the WAM runs selected by the consultant team and Region H. Dan Opdyke with the TPWD commented on the TPWD's position on this issue. He expressed

that the timing of return flows due to interbasin transfers should be considered during planning and also expressed concern if environmental flows are met by using return flows as these flows are not legally enforceable. Mr. Reedy agreed and explained that some of these concerns could be addressed when there is additional funding available. Jeff Taylor explained the Lake Livingston permit in regards to return flows and how the issue will have to be decided legislatively with regard to reuse and return flows.

Mr. Reedy explained that a motion was needed regarding the modeling assumptions used for Tasks 1 and 3, which is a requirement based on the TWDB planning grant contract. He explained that there were four baseline model runs that were included in the original scope of work and that the consultant team and TWDB agreed to add results from Run 3 to address TPWD's comments.

After a brief discussion, motion was made by Marvin Marcell to approve the baseline, individual, and cumulative strategy WAM technical modeling approach (including addition of the Run 3 model) used for Tasks 1 and 3; seconded by James Murray. The motion carried unanimously.

Mike Reedy continued with an update on the status of current regional planning efforts.

Task 1 Update. He explained the goal of this task is to analyze the impact of Region H's recommended management strategies on environmental flow targets developed by TPWD and TWDB. The initial results show that when Region C and H management strategies from the 2006 plans are included in the modeling, the frequency of meeting the environmental flow targets increased. The ultimate goal of this task is to analyze impacts and possible integration strategies for each Region H management strategy. Dan Opdyke offered TPWD's assistance on determining appropriate instream flows for various streams.

Task 3 Update. Dan Buhman with KBR discussed Task 3 related to interruptible supplies and the current status of the project. He explained the goal of Task 3, which is to analyze the impact of interruptible supplies on Region H planning by completing the following:

- Estimation of existing permitted interruptible supplies
- Estimation of un-appropriated interruptible supplies
- Calculation of un-appropriated interruptible supplies in relation to existing irrigation rights

He commented that the preliminary results show that the majority of irrigation demand is in the coastal Brazos and Trinity basins, but un-appropriated interruptible supplies per WAM Run 3 in these basins are negligible.

Mike Personnet with KBR reviewed the next steps involved with Task 3, which include:

- Complete analysis of existing, permitted, un-appropriated supplies

- Compile results from calculations comparing un-appropriated interruptible water to irrigation demand locations
- Survey of major irrigation interests
- Assessment of potential regulatory and institutional issues and constraints
- Evaluate potential impacts of use of interruptible supplies

Mike Reedy gave an overview of the schedule for completing Tasks 1 and 3. The goal is have draft reports ready for November 2008 meeting.

RECEIVE UPDATES BY LOCAL WATER AGENCIES OR OTHER INTERESTED PARTIES REGARDING ANY WATER-RELATED INITIATIVES OR PROJECTS CURRENTLY UNDERWAY OR PLANNED

Temple McKinnon gave an overview of rule amendments being considered by TWDB related to regional planning. She mentioned that a number of WIF funding applications had been received from agencies in the Region H area. She also stated that the Brazos Salt Water Barrier project is moving along.

Priscilla Weeks with Houston Advanced Research Center gave an update on the status of nominees to the BBAS group for the San Jacinto-Trinity basin. Proposed nominees will have to fill out additional information requested by the Lt. Governor's office.

Lloyd Behm with Bluebonnet Groundwater Conservation District stated that Waller County had been annexed into the Bluebonnet Groundwater Conservation District. He stated that there are approximately 45 groundwater users in Waller County that will need permits and 1,200 exempt wells that need to be registered.

Dan Opdyke with TPWD introduced Rebecca Hensley. He stated that a replacement for Woody Woodrow will be designated soon.

Jeff Taylor reported that the Coastal Water Authority has applied for WIF funding for the Luce Bayou project and it may be considered by TWDB in March. The application was for \$28,000,000 to include preliminary engineering, permitting, and environmental. He also reported that the Northeast Water Purification Plant near Lake Houston (80 mgd facility) has transferred operations to City of Houston personnel instead of contract operators. This should result in cost savings.

Pudge Willcox representing the Chambers-Liberty Counties Navigation District gave an update on their project to move water into West Chambers County.

Tom Michel with the Harris-Galveston Subsidence District suggested holding a future Region H meeting at the new Northeast Water Purification Plant.

Reed Eichelberger with the San Jacinto River Authority gave an update on the surface water conversion project in Montgomery County.

GENERAL PUBLIC COMMENTS

None.

AGENCY COMMUNICATIONS

NEXT MEETING

May 7, 2008
San Jacinto River Authority
Lake Conroe Dam
1577 Dam Site Road
Conroe, Texas 77304

ADJOURNED

DRAFT