NOTICE OF OPEN MEETING OF THE
SOUTH CENTRAL TEXAS REGIONAL
WATER PLANNING GROUP
POLICY AND LEGISLATIVE RECOMMENDATIONS WORK GROUP

TAKE NOTICE that a meeting of the Policy and Legislative Recommendations Work Group, as established by the South-Central Texas Regional Water Planning Group (SCTRWPG), will be held on Wednesday, June 5, 2024 at 9:30 AM both in person and virtually. The in-person meeting will be held at the San Antonio River Authority, 100 E. Guenther Street, San Antonio, TX 78204. You can attend virtually on GotoMeeting at https://meet.goto.com/867317381. The following subjects will be considered for discussion and/or action at said meeting.

1. Review and Discuss Chapter 8 Revisions for Inclusion in the 2026 Regional Water Plan (RWP):
    a. Discuss Workgroup Suggestions for New Recommendations
    b. Review and Discuss Updates to the Recommendations from the Previous 2021 RWP

Comments and submissions may be submitted through email to ccastillo@sariverauthority.org. Any written documentation can be sent to Curt Campbell Chair, South Central Texas Regional Water Planning Group, c/o San Antonio River Authority, Attn: Caye Castillo, 100 E. Guenther Street, San Antonio, TX 78204. Please direct any questions to Caye Castillo at (210) 302-4258.

DRAFT

CHAPTER 8: POLICY RECOMMENDATIONS AND UNIQUE SITES

South Central Texas Regional Water Plan

B&V PROJECT NO. 192335

PREPARED FOR

South Central Texas Regional Water Planning Group

17 AUGUST 2020

BLACK & VEATCH

Table of Contents

List of Abbreviations

DFC	Desired Future Condition
EAA	Edwards Aquifer Authority
GAM	Groundwater Availability Model
GCD	Groundwater Conservation District
GMA	Groundwater Management Area
HB	House Bill
MAG	Modeled Available Groundwater
RWPG	Regional Water Planning Group
SAWS	San Antonio Water System
SB	Senate Bill
SCTRWPG	South Central Texas Regional Water Planning Group
SWIFT	State Water Implementation Fund for Texas
TAC	Texas Administrative Code
TCEQ	Texas Commission on Environmental Quality
TPWD	Texas Parks and Wildlife Department
TWC	Texas Water Code
TWDB	Texas Water Development Board
USFWS	United States Fish and Wildlife Service
USGS	United States Geological Survey
VISPO	Voluntary Irrigation Suspension Program Option
WAM	Water Availability Model
WMS	Water Management Strategy
WUG	Water User Group

CHAPTER 8: POLICY RECOMMENDATIONS AND UNIQUE SITES

Chapter 31, Section 357.43 of the Texas Administrative Code (TAC) specifies that the Regional Water Plan shall include recommendations on regulatory, administrative, or legislative issues. The South Central Texas Regional Water Planning Group (SCTRWPG) establishes these recommendations to facilitate the orderly development, management, and conservation of water resources.

The following chapter provides regulatory, administrative, or legislative recommendations developed by the SCTRWPG and identifies recommendations for designation of ecologically unique river and stream segments and unique sites for reservoir construction.

8.1 IRRIGATION WATER

8.1.1 Irrigation Water Needs

The SCTRWPG finds that, given the complexity of complexity of the factors that influence decisions regarding the development of agricultural water supplies (e.g., commodity prices; variability of quality and quantity of local, privately-owned water resources; broad geographic distribution of needs; and other economic considerations of individual agricultural producers) , it is not practical for the SCTRWPG to develop water management strategies (WMSs) designed to develop new water supplies or infrastructure for agricultural water users for projected irrigation water shortages and substantially limits the SCTRWPG's ability to conceive of and evaluate discrete strategies to supply water for future water needs in many cases. In addition, in the Edwards Aquifer Authority (EAA) area, certain irrigation users voluntarily curtail water use by contract with EAA to artificially lower irrigation demand during drought as part of EAA's Voluntary Irrigation Suspension Program Option (VISPO). Outside of the EAA area, agricultural users participate in Texas Water Development Board (TWDB) irrigation conservation programs, which also reduce irrigation water use. Refer to Appendix 6-A for a summary of the unmet needs and a quantitative description of the socioeconomic impacts of not meeting these needs.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that the TWDB, in cooperation with the agriculture industry agencies and trade groups in Texas, undertake studies of the factors that influence decisions regarding development of irrigation water supplies for the purpose of developing the best approach to (1) project future irrigation water needs and (2) identify the instances in which regional water planning efforts would be the most appropriate mechanism for developing strategies to meet future needs.

8.1.2 Agricultural Water Conservation Programs

Legislative Recommendation: The SCTRWPG recommends adequately funding the agricultural water conservation programs provided by the TWDB.

Other Recommendation: None.

8.1.3 Water Use Information

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that the TWDB develop the necessary programs and processes to accurately estimate annual water use for irrigation, including water use associated with agricultural activities unrelated to federal or state funding programs, and livestock watering categories.

8.2 COLLABORATION BETWEEN REGIONAL PLANNING AREAS

Given the number of proposals to transport large amounts of water within the areas represented by the SCTRWPG and surrounding regional water planning groups (RWPGs), the legislature should review the Texas Water Code (TWC) to determine what, if any, changes should be made to address regional and interregional conflicts. Any changes to the code should include a provision for state funding to the TWDB to support comprehensive technical studies to ensure that interested entities have the scientific data required to analyze and respond to such proposals. The technical studies and scientific data are essential to fully evaluate the effects of the proposals on the local communities, the environment, property owners, and the economy. House Bill (HB) 807 of the 86th Texas legislative session requires the TWDB to develop and appoint an interregional planning council. The purpose of the council is to improve coordination among the regional water planning groups, to improve communication between each regional planning group and TWDB, to facilitate dialogue regarding WMSs that could affect multiple regional water planning areas, and to share best practices regarding operation of the regional water planning process. The SCTRWPG will continue to support coordination among and between regions and will support the new interregional planning group in their charge.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends the TWDB continue to fund and support the interregional planning group's recommendations.

8.3 GROUNDWATER

8.3.1 Groundwater Management

The SCTRWPG, pursuant to Chapter 36 of the TWC, supports the management of groundwater resources by groundwater conservation districts (GCDs), the development and adoption of desired future conditions (DFCs) by groundwater management areas (GMAs), and the determinations of modeled available groundwater (MAGs) by TWDB.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends the TWDB evaluate recommended WMSs with sources within a GCD and a cumulative groundwater supply volume that, when combined with volumes of exempt groundwater use and existing GCD-permitted use exceed MAGs, by applying the following recommendations:

- **Other Recommendation No. 1:** For WMSs for which any of the requisite GCD-issued permits have been obtained, reduce the firm supply of groundwater of each WMS on a pro-rata basis of the difference between the associated MAG and the sum of firm supply of groundwater

proposed by the WMS sponsor less the permitted production volumes of the associated permits.

- **Other Recommendation No. 2:** For WMSs for which none the requisite GCD-issued permits have been obtained and are associated with a MAG resulting in a reduced firm supply of groundwater under Other Recommendation 1, reduce the firm supply of groundwater of each WMS to zero.
- **Other Recommendation No. 3:** For WMSs for which none the requisite GCD-issued permits have been obtained and are not associated with a MAG resulting in a reduced firm supply of groundwater under Other Recommendation 1, reduce the firm supply of groundwater of each WMS to on a pro-rata basis of the difference between the associated MAG and the sum of firm supply of groundwater proposed by the WMS sponsor less the sum of the firm supply of groundwater calculated under Other Recommendation 1 and Other Recommendation 2.
- **Other Recommendation No. 4:** For WMSs with a firm groundwater supply reduced on a pro-rata basis, evaluate facilities and costs for WMSs based on 1) the pro-rata reduction of the firm groundwater supply and 2) the firm groundwater supply proposed by the WMS sponsor.
- **Other Recommendation No. 5:** Include the following explanatory note in the state water plan and database at appropriate locations:

  "For each GMA intersecting the region, the representatives of the member groundwater conservation district (GCDs) have adopted DFCs for the relevant aquifers. To ensure consistency with the DFCs, TWDB limits that groundwater availability for each aquifer to the associated MAG for planning purposes. This water planning limitation has resulted in reductions to the firm supply of groundwater of certain WMS in this plan for some areas for certain time periods. This result should not be misconstrued as a recommendation or inference of the SCTRWPG to the associated GCDs to make any adjustments to the associated DFC or to TWDB to make any adjustment to the associated MAG. The SCTRWPG recognizes and supports the ability of permit holders to exercise their rights to groundwater in accordance with their permits. The SCTRWPG recognizes and supports the authority and responsibility of GCDs to manage groundwater resources to achieve DFCs."

8.3.2 Groundwater Sustainability

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends GCDs manage groundwater resources toward the goal of long-term sustainability and recommends WMSs that support achievement of this goal. This recommendation is intended to help protect all users of aquifers, to help preserve the long-term integrity of aquifers, and to build awareness of the effects of groundwater production and development on those aquifers. The SCTRWPG recommends that WMS sponsors implementing any WMS within this Regional Water Plan relying on groundwater resources incorporate groundwater monitoring of both quantity and quality, recharge protection and enhancement, conservation methods and related practices, as determined to be appropriate by the associated GCDs. Where no district exists, the WMS sponsor should monitor impacts and, when appropriate, take corrective action consistent with the goal of groundwater sustainability.

8.3.3 Shared Groundwater Resources Among Planning Regions

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends water user groups (WUGs), relying upon on a WMS with a groundwater source to meet the WUG's demand during the planning period and the WMS is anticipated to have a significant impact on a groundwater resource located in two or more planning region(s), provide notice to those region(s) of the proposed date of implementation and anticipated acre-feet per year demand on the shared groundwater resource.

8.3.4 Reliance on Groundwater and Surface Water for Future Needs

The SCTRWPG recognizes a need to rely on groundwater and surface water resources to develop a practical and reasonable plan to address water needs within the region for the future.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that the TWDB provide incentives to develop conjunctive use projects that more efficiently utilize groundwater and surface water.

8.3.5 Land Stewardship

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that the TWDB provide incentives for implementing or enhancing land stewardship management practices that are shown to augment the quality and quantity of surface water and groundwater resources.

8.3.6 Notice of Groundwater Projects

Legislative Recommendation: The SCTRWPG recommends that the Texas Legislature develop a process requiring WMS sponsors to provided public notice to county officials that describes the WMS and its economic and environmental impacts prior to initiation of the WMS.

Other Recommendation: None.

8.3.7 Coordination of Regional Water Planning and Groundwater Management Area Processes

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends the TWDB amend that 31 TAC §357.32 to allow RWPGs to develop groundwater availability volumes for planning purposes for any portion of aquifer not designated as relevant by GMAs and use the groundwater availability volumes to evaluate existing water supplies and recommended water management strategies.

8.3.8 Groundwater Availability Model Updates

Legislative Recommendation: The SCTRWPG recommends the Texas Legislature provide adequate funding to the TWDB to revise and improve, on a 10-year basis, the groundwater availability models (GAMs) used to develop DFCs and determine MAGs.

Other Recommendation: The SCTRWPG recommends the TWDB initiate a program that provide the necessary information and technical expertise and experience to update and improve the GAMs on a 10-year basis necessary to support the permitting efforts of GCDs, the joint planning efforts of GMAs, and the region water planning efforts of the regional water planning groups.

8.4 SURFACE WATER

8.4.1 Surface Water Rights Monitoring and Administration

Legislative Recommendation: The Texas Commission on Environmental Quality (TCEQ) should be adequately staffed and funded to ensure the legal and appropriate use of permitted surface water rights through comprehensive monitoring and administrative programs, such as the Watermaster program. Such monitoring and administrative programs should address surface water/groundwater interactions in cooperation with appropriate GCDs and the administration of water rights. The SCTRWPG reaffirms its commitment to safeguarding the integrity of water rights.

Other Recommendation: None.

8.4.2 Reliance on Groundwater and Surface Water for Future Needs

Legislative Recommendation: The SCTRWPG recognizes a need to rely on both groundwater and surface water resources to develop a practical and reasonable plan to address water needs within the region for the future. The SCTRWPG recommends that the state provide incentives to develop conjunctive use projects that more efficiently utilize groundwater and surface water.

Other Recommendation: None.

8.4.3 Surface Water Availability Model Updates

Legislative Recommendation: The SCTRWPG recommends that the Water Availability Models (WAMs) for the Guadalupe-San Antonio River Basin and Nueces River Basin be updated to include available hydrologic data from the most recent available year of data. The SCTRWPG also recommends that sufficient funding to accomplish this task be allocated to the TCEQ. Although a new drought of record has not occurred for the Guadalupe-San Antonio Basin since the 1950s, the recommended update would increase the simulation period by at least 50 percent and facilitate development of improved estimates of channel losses and missing streamflow records (especially those during the drought of record) throughout the watersheds. Furthermore, an extension of the Guadalupe-San Antonio WAM naturalized flow set would enhance the permitting process by providing additional hydrologic data used in the determination of the attainment frequencies associated with freshwater inflow regimes. Periodic updates to the Guadalupe-San Antonio and Nueces WAMs should be performed at least every 10 years so that hydrologic data included in the models is within 10 years of the current date.

Other Recommendation: The SCTRWPG recommends that a systematic process be put in place, such that changes to the TCEQ WAMs are documented, and that those changes are associated with official numbered versions of each of the WAMs. Furthermore, these rules should require that the most recent version for each basin WAM be made available through the TCEQ website for use by both the RWPGs and the public at all times.

8.5 CONSERVATION

8.5.1 Implementation of Water Conservation Advisory Committee Recommendations

Legislative and Other Recommendations: The SCTRWPG supports legislation and funding to implement the HB 4 (2007) Water Conservation Advisory Committee's recommendations, particularly the statewide public education programs such as Water IQ, further definition of gallons per capita per day objectives, and the development of regional conservation data that can be used by the SCTRWPG members to optimize future conservation efforts. The SCTRWPG also supports further efforts by the legislature and state agencies that aggressively promote practical and successful water conservation measures as an important component to future water plans.

8.6 INNOVATIVE STRATEGIES

8.6.1 Assistance for Alternative Water Supply Strategies

Legislative Recommendation: The legislature should increase funding to assist water planning regions and local water entities in developing demonstration projects for alternative water supply strategies and technologies, such as, but not limited to, desalination and direct potable reuse. By funding demonstration projects for alternative technologies, the state can help local water management entities avoid adverse impacts to the environment, to property rights, and to local socio-economic conditions. In this way, the state can play a crucial role in guiding regions to water supply solutions that meet needs. Funding to demonstrate the feasibility and value of innovative long-term strategies can help achieve cost-saving, efficient regional and local water management solutions.

Other Recommendation: None.

8.6.2 Seawater Desalination

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG supports the funding of state and/or federal programs for research and potential incentives to make desalination more affordable.

8.6.3 Assistance for Alternative Rangeland Management

Legislative Recommendation: The SCTRWPG encourages the legislature to increase funding to the Texas State Soil and Water Conservation Board for the purpose of studying the effectiveness of proven rangeland management practices.

Other Recommendation: None.

8.6.4 Rainwater Harvesting and Other Systems

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG encourages the study of the effectiveness of rainwater harvesting systems in both commercial and residential new development. The SCTRWPG recommends the TWDB develop programs to educate the public and building industry on the potential benefits of rainwater harvesting, water reuse, and gray water systems.

8.6.5 Weather Modification

Legislative Recommendation: None.

Other Recommendation: Weather modification could potentially support water supplies in general and the state should continue to support the existing Weather Modification Program and the development of innovative technology.

8.6.6 Drought Management

The SCTRWPG used the TWDB Drought Management Costing Tool for the 2021 South Central Texas Regional Water Plan to estimate economic impacts associated with implementation of drought management as a WMS. Application of this methodology for regional water planning purposes has facilitated comparison of drought management to other potentially feasible WMSs on a unit cost basis. The SCTRWPG has found, and the San Antonio Water System (SAWS) has demonstrated, that WUGs having sufficient flexibility to focus on discretionary outdoor water use first and avoid water use reductions in the commercial and manufacturing use sectors may find some degrees of drought management to be economically viable and cost-competitive with other WMSs.

Legislative Recommendation: None.

Other Recommendation: Recognizing that implementation of appropriate WMSs is a matter of local choice, the SCTRWPG recommends due consideration of economically viable drought management as an interim strategy to meet near-term needs through demand reduction until such time as economically viable long-term water supplies can be developed.

8.6.7 Water Reuse

The SCTRWPG recognizes the potential to augment water supply by reuse of treated municipal wastewater, agricultural return flows, and industrial process water. The SCTRWPG has recommended multiple WMSs that enable utilities and industries to extend use of their existing water resources through treatment and reuse of water.

Legislative Recommendation: The SCTRWPG encourages the legislature to amend the TWC to add a new chapter to include reuse in the state's administration of water rights.

Other Recommendation: The SCTRWPG recommends that the state, through the TWDB and TCEQ (1) financially support research for determining appropriate technology and risk mitigation approaches necessary to significantly expand water reuse with appropriate protections for the public, environment, and worker health; and (2) assist the funding and development of incentive programs to advance water reuse projects.

8.6.8 One Water

In recent years, municipalities have begun to view water resources from a holistic, system-wide approach, known as One Water. One Water is a decentralized concept that views all water resources as valuable. The majority of laws and regulations in Texas are not structured in such a way as to encourage or incentivize One Water approaches. In December 2019, the Meadows Center for Water and the

Environment published a report entitled, *Regulatory Impediments to Implementing One Water in Texas*. According to the 2019 Meadows Center Report:

> One Water projects are still not the norm. This is, in part, due to the current regulatory framework's inability to accommodate more innovative water reuse strategies, where the risk to public health is significant or not well understood. For example, federal drinking water regulations are necessary to protect public drinking water supplies, but they create onerous regulatory hurdles for smaller, onsite systems that may seek to use alternative sources, such as rainwater. Additionally, although onsite non-potable reuse of blackwater is a hallmark of the One Water approach, existing regulations in Texas make it extremely difficult for developers to construct onsite blackwater reuse systems. Finally, the lack of regulations that govern water reuse in Texas could actually stymie the development of One Water projects as developers often prefer clear regulatory and permitting paths over case by case decision making by regulators.

Legislative Recommendation: The SCTRWPG encourages the legislature to review existing state laws regarding rainwater, non-potable on-site reuse, and blackwater reuse systems to enable and incentivize implementation of One Water Projects.

Other Recommendation: The SCTRWPG recommends that the TWDB and TCEQ (1) financially support research for determining appropriate technology and risk mitigation approaches necessary to significantly expand One Water with appropriate protections for the public, environment, and worker health, in consideration of and with respect to impacts on existing water rights; and (2) assist the funding and development of incentive programs to advance One Water in Texas.

8.7 ENVIRONMENTAL

8.7.1 Support of Habitat Conservation Plans

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG supports the state's use of habitat conservation plans as approved by the United States Fish and Wildlife Service (USFWS), resulting in the issuance of an incidental take permit that allow for protection of endangered species and the development of adequate water supplies for the region.

8.7.2 Ecosystem Health, Quality of Life, and Growth Management for Texas

The rapid growth occurring in South Central Texas has the potential to negatively impact quality of life. Human demands for water and infrastructure development may outstrip the ability of all of the region's resources to respond and to be sustainable.

Legislative Recommendation: State water policies should address these issues and evaluate land use and the health of its ecosystem in order to prepare for the future and support a sustainable quality of life for all Texans.

Other Recommendation: None

8.7.3 Ecologically Unique Stream Segments and Unique Reservoir Sites

Legislative Recommendation: The SCTRWPG is appreciative of legislative action in the form of HB 1016. The SCTRWPG encourages the state to continue funding the TCEQ and other entities in monitoring the water quality of the five river and stream segments designated as being of unique ecological value.

Other Recommendation: None.

8.7.3.1 Recognition of Potential Additional Stream Segments of Unique Ecological Value

The SCTRWPG believes that designating ecologically unique stream segments raises public awareness and voluntary stewardship that can result in the preservation of the character and environmental function of these segments. The SCTRWPG recognizes the ecologically significant stream segments designated by Texas Parks and Wildlife Department (TPWD) in July 2005 (refer to Chapter 6). The SCTRWPG shall consider these stream segments as a guide for recommending additional stream segments of unique ecological value for future legislative designation.

Legislative Recommendation: The SCTRWPG recommends increased TWDB funding to be allocated for future planning cycles to conduct analyses necessary for designation of additional stream segments.

Other Recommendation: None.

8.7.3.2 Unique Reservoir Sites

There are no unique reservoir sites recommended for designation by the SCTRWPG at this time.

Legislative Recommendation: None.

Other Recommendation: None.

8.7.4 Instream Flows and Bays and Estuaries

The SCTRWPG is appreciative of legislative action in the form of Senate Bill 3 (SB 3, 80th Texas Legislature) that established and funded an environmental flows process integrating best-available science and diverse regional stakeholder input into the process for selecting appropriate instream flow and freshwater inflow goals on a stream-by-stream and estuary-by-estuary basis. The appropriate balance of environmental and human needs during severe drought has significant effects on the firm yield and associated cost of potential water supply projects. The 2016 Regional Water Plans were the first to be prepared using environmental flow standards adopted pursuant to the SB 3 process. The RWPG is equally appreciative of SB 2 (77th Texas Legislature) and supports continuation of the studies within the South Central Texas Regional Water Planning Area.

Legislative Recommendation: The SCTRWPG recommends that the legislature provide definitive direction on continued stakeholder involvement and scientific review of the process for evaluating potential changes to the adopted environmental flow standards.

Other Recommendation: The SCTRWPG encourages completion of the Texas Instream Flow Studies Program and improvement of the state's bays and estuaries freshwater inflow studies.

8.7.5 Environmental Studies

The SCTRWPG recognizes that significant needs exist in Bexar and the surrounding counties and that new supplies need to be developed in the Guadalupe River and San Antonio River watersheds. There are issues related to environmental impacts that need further study to determine feasibility of a range of recommended surface water, groundwater, reuse, and conjunctive use WMSs.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that additional environmental studies be undertaken to be able to evaluate the effects of such projects on the ecosystems that rely on inflow to San Antonio Bay and flows of the Guadalupe River and San Antonio River watersheds.

8.7.6 Water Quality

The primary focus of the regional water planning process is to ensure that water supplies are identified in sufficient quantity to meet future water demands; however, the SCTRWPG also recognizes that the quality of those water supplies is also important to protect. Protecting groundwater and surface water supplies from contamination not only helps to reduce the cost to treat water to public drinking water standards, but also reduces pollutants that may harm the ecological health of the basin.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends that the TCEQ and local governments promote practices and/or regulations to avoid or mitigate threats to water quality in surface water and groundwater sources.

8.8 PROVIDING AND FINANCING WATER AND WASTEWATER SYSTEMS

8.8.1 Funding

The SCTRWPG believes that state funding should be provided as a key incentive for partnership in funding from local, regional, and federal governmental agencies.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG encourages more active state support in solicitation of federal funding for development of new water supply sources, especially when the need for which is based in part upon federal requirements, such as the Endangered Species Act.

8.8.2 Plan Implementation

The SCTRWPG wishes to recognize the legislature's efforts in implementing the State Water Implementation Fund for Texas (SWIFT) program and also supports ongoing and expanded support for financing methods by the State of Texas for water supply projects recommended within adopted Regional Water Plans. The SWIFT program has been in existence since its first loan closing in 2015. As of December 1, 2018, the TWDB has provided $497,255,000 in SWIFT funds to four entities for six projects within the South Central Texas regional water planning area.

Most WUGS go through the process of the "open market" to sell bonds for capital improvements. Unfortunately, this process is more attractive than SWIFT funding as the owner of the bonds on the open market bears responsibility for regulatory approvals, using the bond proceeds for applicable projects, and fiduciary responsibility for bond proceeds. This is most often completed with third party audit of the bond expenditures, after project completion. The private bond market "polices" the prospective bond projects, by bidding interest rates and terms, to evaluate risks for repayment, financial strengths and past bond market experience. This process allows for water projects to be completed in a timely manner.

Current SCTRWPG experience with the SWIFT program is that the process is burdensome, intrusive, and redundant, and TWDB is understaffed. Although SWIFT rates are only 1/2 to 1 point below market, there exists too much regulation from TWDB, which prevents projects from being completed in a timely manner. Examples of over-regulation include initial project planning, design reviews, environmental regulatory approvals, bidding, and construction administration. Many of these reviews and determinations are completed outside the TWDB, and TWDB only reviews and signs-off on outside approvals. In addition, TWDB requires project financial oversight for approval of project budgets, draw requests, construction progress review, and close-out. This oversight review is time-consuming and repetitive.

In addition to the over-regulation, TWDB is understaffed. Some SCTRWPG members are currently under their fourth project manager at TWDB for obtaining SWIFT funding. Understaffing results in resubmittals of all components of the project and reintroduction/education of TWDB staff on what their predecessor approved.

Legislative Recommendation: Given the current level of effort necessary to obtain SWIFT funding from the TWDB, the SCTRWPG encourages the legislature to review all components of the SWIFT program in an effort to streamline its processes and achieve the intent of the program, which is to construct water projects in a timely manner.

Other Recommendation: None.

8.8.3 Continuation of Regional Water Planning

Legislative Recommendation: None.

Other Recommendation: The SB 1 Regional Water Planning Process is an important program, and funding should be continued to sustain the work of the RWPGs.

8.8.4 Guiding Principles for Development of the 2021 Regional Water Plan

In response to comments raised by members of the SCTRWPG and the public during the review of the initially prepared 2016 Regional Water Plan, the SCTRWPG categorized strategic topic areas for discussion to enable the group to improve its development of the 2021 Regional Water Plan. The process was referred to as the 2021 Plan Enhancement Process. The SCTRWPG discussed each topic area and over the course of several SCTRWPG meetings in 2016 and 2017 and developed guiding principles that are included in whole as Appendix 8-A. The following provides a list of the Guiding Principles established by the SCTRWPG:

- Appropriateness and adequacy of how demand and need are determined;
- Role of Regional Water Planning Groups in influencing population growth and land use;
- Conflicts of interests with respect to planning group members;
- The role of the planning group in influencing water development plans of water suppliers;
- The role of the planning group in influencing permitting entities;
- The adequacy of evaluating the plan's effects on freshwater inflows to San Antonio Bay, and the adequacy of environmental assessments of individual water management strategies;
- Minimum Standards for Water Management Strategies;
- Recommended Water Management Strategies;
- Management Supply;
- The Role of Reuse within the Regional Water Plan; and
- Identifying special studies or evaluations deemed important to enhance the 2021 plan, the identification of outside funding sources, and the extent to which innovative strategies should be used.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG recommends a similar process could be beneficial for other planning groups as it resulted in a shared understanding among the planning group members on how the related specific issues would be addressed during the regional planning process.

8.8.5 Notification of Counties with Proposed Water Management Strategies in Regional Water Plans

The SCTRWPG recognizes the importance of local stakeholder involvement during development of water supply projects. The first step in achieving local stakeholder involvement is notification of planned water projects. While the TWDB has notification requirements associated with the public hearings and publication of the Initially Prepared Plan and Final Regional Water Plan, there are no requirements to notify a county of water supply projects or WMSs that are planned to be located within their respective county.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG will undertake a process to determine if additional notice should be given to counties where recommended WMSs are proposed to be located.

8.8.6 Role of the TWDB with Other State and Federal Agencies

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG supports the concept that the TWDB be responsible for facilitating the funding and permitting of projects in the State Water Plan by other state and federal agencies. Frequently, intergovernmental cooperation and engagement among agencies is necessary for the planning and implementation of water-related projects. In instances where state representation is

warranted, the TWDB should be the agency to coordinate and engage with federal agencies during permitting and decision-making processes.

8.9 DATA

8.9.1 Water Data Collection

Legislative Recommendation: The legislature should fully fund the cooperative, federal-state-local program of basic water data collection, including (1) stream gages-quantity and quality, (2) groundwater monitoring-water levels and quality, (3) hydrographic surveys and sediment accumulation in reservoirs, (4) water surface evaporation rates, (5) water use data for all WUGs, (6) population projections, and (7) Clean Rivers Program.

Other Recommendation: None.

8.9.2 Access to State Water Data

The SCTRWPG recognizes the significant efforts that the TWDB has undertaken to make regional water planning and state water planning data available to and usable by the public.

Legislative Recommendation: None.

Other Recommendation: There should be adequate funding for the critical roles of TWDB, TCEQ, and TPWD in facilitating access to water data essential for local and regional planning and plan implementation purposes.

8.9.3 Population and Water Demand Projections

The SCTRWPG recognizes that the TWDB bases its water demand projections on patterns of population and economic growth while also permitting revisions of state data to incorporate additional information developed by the planning regions. The SCTRWPG appreciates that the TWDB has facilitated more active involvement of the RWPGs in refining water demand projections for use in the 2021 Regional Water Plans. Nevertheless, some groups believe that the methodology puts an unfair limitation on access to water for future growth, particularly in areas that may experience more rapid change than they have in the past. The SCTRWPG recognizes the significant progress made by the TWDB in refining the methodology for population and water demand projections, specifically with the transition from city-based projections to utility-based projections. However, the SCTRWPG has continued to experience challenges with the lack of flexibility within the methodology to address rapidly growing municipal water demands.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG encourages greater TWDB flexibility through relaxation of current methodological assumptions holding county, regional, and state population projection totals fixed. Water demand projections used in developing the Regional Water Plan should be consensus figures arrived at by using TWDB data along with local input from the cities, counties, and groundwater districts.

8.9.4 Consideration of Climate Variability

Regional Water Plans are based on drought of record conditions using historical hydrologic data. Historically, the TWDB has not used climate models to predict impacts to future water resources in Texas because forecasting tools have not been able to provide the resolution needed for water planning. The SCTRWPG recognizes that more sophisticated models are continuously being developed for use on global and regional levels. Furthermore, Texas utilities are increasingly incorporating climate change impacts into water availability models (WAMs) and other models to determine water demands, supplies, and availability for use in long-range water resource studies.

Legislative Recommendation: As recommended by the TWDB, the SCTRWPG encourages the legislature to fund relevant studies and models to incorporate available climate models.

Other Recommendation: The SCTRWPG encourages the TWDB to reassess available climate models and consider the appropriateness of incorporating them into regional water planning.

8.10 OTHER ISSUES

8.10.1 Water Management Strategies

Inclusion of a WMS in this plan, as either a recommended or alternative WMS, is not an endorsement by this planning group of that WMS for permitting, financing, or for any reason other than as a water supply that has met TWDB standards for being considered as a potential water supply for regional planning purposes.

Legislative Recommendation: None.

Other Recommendation: None.

8.10.2 Planning for System Management Water Supplies

As mentioned in Section 8.8.4, Guiding Principles for Development of the 2021 Regional Water Plan, the SCTRWPG developed guiding principles to enhance the development of the 2021 SCTRWP. Guiding Principle No. IX, Management Supply, establishes the following (also refer to Appendix 8-A for the complete Guiding Principles document):

> The cumulative supply of the recommended water management strategies may include an amount of supply in excess of the amount needed to meet regional needs as considered necessary by the SCTRWPG to allow for such things as uncertainty associated with long-term planning, problems with project implementation, changing weather conditions, flexibility of sponsors in choosing projects to implement, and changes in project viability.
>
> **Identified Needs without a Recommended Water Management Strategy** – For water needs that are not satisfied by recommended water management strategies, the SCTRWPG will provide a narrative explaining why the need is not satisfied.

Alternative Strategies in the Regional Water Plan – The SCTRWPG will include alternative water management strategies that sponsors wish to have identified as alternatives to one or more of their recommended water management strategies.

Conceptual Approaches (Water Management Strategies Needing Further Study) in the Regional Water Plan – The SCTRWPG will acknowledge conceptual and innovative approaches to developing water supplies, reducing water demand, and increasing efficiency of supplying water as may be proposed by others, but need further study.

Legislative Recommendation: None.

Other Recommendation: The SCTRWPG encourages other RWPGs to develop and implement processes and policies similar to the Guiding Principles established by the SCTRWPG. In particular, the SCTRWPG encourages other RWPGs to consider developing a similar policy to Guiding Principle No. IX regarding management water supplies.

8.10.3 Public Education on Water

The SCTRWPG recognizes and appreciates that the Texas Legislature established the Water IQ Program in 2007. The Water IQ Program is a statewide public awareness program that complements existing local and regional conservation efforts while also communicating to communities that may not have financial resources to develop a program of their own.

In the South Central Texas Region, several entities have active public education, outreach, and public awareness programs that are focused on water resources, water use, conservation, and resource protection.

Legislative Recommendation: The state should fund a statewide program to educate the general public about water in coordination with the Agricultural Extension Service offices. The program should produce water-related materials with special components adapted for each water planning region and should also include a component comparable to the "Major Rivers" program that would be available to the public schools through the Regional Education Service Centers and by other means.

Other Recommendation: The SCTRWPG supports continued funding to support implementation of the Water Conservation Task Force recommendations, particularly the statewide public education programs, such as Water IQ. The SCTRWPG encourages partnerships with local and regional utilities who have active education programs, and who may have the ability to offer students opportunities for field trips to water supply, treatment, and other facilities. The SCTRWPG also encourages partnership with the Texas American Water Works Association Education Division.

8.10.4 Planning Requirements

Legislative Recommendation: None.

Other Recommendation: There should be no changes in the regional water planning process or additional planning requirements, except through the formal rule-making procedure. Contract requirements should be established and in place prior to submission of grant proposals.