

Round 1 Comments Organized by Subject Matter

No Net Loss

- Williamson County -- 62,000 people in growth is not a lot of folks. And the way they're growing, five or ten years from now, I suspect they're going to come back for additional water. And because this is an inter basin transfer it took legislative action to get this done, I guess while the concept of no net loss is fine for now, 10, 15 years from now I expect they'll come back for more water, perhaps another 25,000 acre fee. And if this takes legislative action to make it happen, when does this stop? I mean, we are also going to need that water here in this basin 20 -- 15 years from now. And so I would like to see something in place to protect our future and our future need for water.
- It seems to me that the water replaced in the basin from the no net loss should be replaced at the same point that the water from Williamson County is going to be withdrawn. So I guess, you know, if you are developing grown water in the lower basin but taking water out of the basin from the upper part for Williamson County, what about in-stream flows and everything in between? What would be the indirect benefits of that water?
- As a follow-up to that and just to get down to the bottom line, if you have a year when we're in a drought situation, then I guess you would assume, I suppose historically, in a drought situation Williamson County would use more water, unless they had voluntary conservation and post conservation than they would in a non-drought year. In a non-drought year you would assume that there would be less replacement water available through some strategies, so it would be more difficult to replace it. So the quantity portion of that question was, if Williamson County has an annual requirement of 20,000 acre feet, but due to environmental or weather conditions or other conditions you can't replace 20,000 acre feet, does the 20,000 acre feet go regardless? Is that a demand requirement without restriction or are there restrictions that say we can't replace at that quantity and we can't go out of that quantity?
- But if part of the strategy was laser leveling and these other things down at the bottom end of the district, less water would have been taken out of Buchanan and Travis than is being taken out today. And if that extra water, the water that wasn't released to go down to the rice farmers that would be diverted up to Williamson County, if we were doing this today, so that there wouldn't be -- there really wouldn't be six-inch drops in these lakes if this water was being conserved and laser leveled and all these things were being done down at the southern end of the district, that 25,000 acre feet would not have been released up here at this end in the first place, right?
- And that's the water that we normally would release, but it wouldn't because of the things we did at the southern end of the district. It's that water that instead of going down stream to the rice farmers is going to be going to Williamson County.
- But even if we didn't do any of these things that 25,000 acre feet would be going down to a canal?
- That's probably better that it's dribbled out over the year instead of during the peak times when it would have been. And that will help with the equal drawdown issue.
- As I say, we struggled with the definition of no net loss for some time. And it seems pretty simple. No net loss, that means just get the same amount of water that we lose. Well, we recognized over the three years that we struggled with it, it went that simple.

And then I see your list of considerations of -- I think counted considerations to indicate that it is not a simple question. It is something that's going to take a lot of consideration that we have.

- One of my concerns with the no net loss is, let's say we imported water from a source that was continual. Will that replacement be continual or will a blue crab down in the Matagorda Bay, say, well, I've got to wait another six months before we get another flush of fresh water in from that no net loss, that replacement.
- And with that, we've reviewed the definition that the ag committee has come up with. And I'd like to have some discussions with the committee on that, but I think we're very supportive of that definition. So I think we'll be able to work well with that.
- I'd like to comment on some of the comments that have been made. It might be helpful -- it might be helpful to look -- it might be helpful or it may explain the complexities of what we're attempting to do when you look at the actual wording in the legislation, Arthur and Brad. The legislation says the additional charge to paying the cost of mitigating adverse effects of the transfer of water to Williamson County from the Colorado River water shed provided that such transfer results in no net loss of water to the Colorado River watershed as determined by the LCRA's board of directors. Now, that one sentence has resulted in four years of meetings of the advisory committee, literally thousands -- or hundreds of hours at minimum wage. And please understand, none of us were compensated for our time or our transportation or even the amenities that we've furnished. We're talking about thousands of dollars were spent trying to understand or interpret that one sentence. Now we're going to be spending some big bucks again to go through this. But that's the way the legislation -- nothing personal, Diana, but that seems to be the way legislation is written.
- And then finally, in conclusion, the House Rule 1437 itself in the next to last paragraph of it it says, "The water resources", and I -- in bifurcation I also add in the dollars that are being generated by this process need to be -- "need to be used for the benefit of the water service areas and districts irrigation operations."
So I want to very strongly encourage the definition and the solution to come up with the -- be faithful to what the law says. That's all I've got. Thank you.
And I guess lastly on that, we want it to be fair to everybody. The no net loss formula or the -- the definition, we -- we like -- we hope that that takes into effect bed and bank losses, any other factors so that when we do pay for whatever mitigation strategy that's selected, that it really is a no net loss and not firming up an irreparable supply and that it really be on that loss and not an improvement on existing supply.
Because, you know, taking an acre-foot of water out of Lake Travis is not the same as taking an acre-foot of water out of the southern part of the basin.
- The no net loss mean is very difficult to get your arms around, and it's going to depend on your perspective. From a hydrological standpoint I submit to you that no net loss -- there's no real model piece of legislation, I think, that's been written. So there's a lot of lack of definition in this 1437, but I would submit if you look at it over a long period of time, like 40 years period from a hydrology standpoint base and yields in 40-year periods, I think it's a little bit eye of the cat thinking to think any given day and time or any given year there's going to be a loss. There will be some losses of water. Over the long haul it can be mitigated.

In the long haul of hydrology you're looking at a 30 or 40-year record. I think you have to look at it from the standpoint of full basin development in terms of supply from the Colorado River Basin. That's under the jurisdiction of the LCRA. Stretch it out over time and look at the mitigation factors that can replace whether it's labor, (inaudible) or ground water development.

- Yeah. ██████████, Georgetown. My only comments would be with having that's been mentioned to try to put it in context of relationships that have existed in the past and the recognition that 1437 does require this no net loss provision that I think what I would like to see is something that's flexible and not overly rigid considering all the past history that's gone on between, you know, the power contracts and how water's been transferred and all those kind of factors. Don't make it so rigid that it's a drop for drop, second by second replacement given all these other factors. Make it flexible, make it take into consideration things that David has mentioned with regard to stream conditions. Also, possibly take into consideration what the existing conditions are at the time of withdrawal. You know, if water's flowing over the dam and going down to the Gulf of Mexico and customers are taking withdrawals from Highland Lakes, I'm not sure what difference it would make to replace that water. So take into consideration some sort of type of -- time of use possibly, but in general, make it flexible.

Water Replacement Strategies

- You used laser leveling as an example. The theory here is that Williamson County has defined strategies to replace the water, but laser leveling is one of Region K strategies for conserving water. How can we both have the same strategy?
- So the strategy really is -- so the strategy really is not the laser leveling, but the strategy is that they use the water that SAWS is not going to use until they need it.
- Well, the question is -- I'm referring to this mailing I got from y'all right here outlining this water system proposed for Lake Buchanan and the developments that are mentioned in the mailing, development of some ranch lands in this area
- The thing that's important to the people in Burnet County and I think Llano County is that there is no change in the water levels that we currently enjoy whether -- when water is plentiful or during times of drought. And I'm concerned that some of the strategies are what I call soft strategies. Some are firm and assure us the water will -- there will be no change in the water levels in the lake, but some of them appear to be kind of soft. And that would -- that's my concern about some of the 14 -- a few of the 14 strategies that I've heard about. Now, I have this guard against implementing those strategies that appear to be soft or don't assure that the water levels will not change in the lake during any given period of time.
- Is lining of the canals one of the strategies? Is that considered a water saving? Because I know there's leakage through the canal, seepage. And that could be viewed as a water-saving strategy, but I also know it happens in SAWS project as well. The options that are listed on the handout, we are concerned, are misleading. The committee felt that ground water development, as indicated on the original options and as repeated on this list, are simply not acceptable. The fact that you're going to have discussions with Williamson County people who want the water, and they want it as a reasonable cost, causes concern that ground water may appear to be a low-cost option

to make up that water. And we want to stress the fact -- and I hope some of the or members of the committee will want to make comment on this -- that is not an option. We are faced with the LCRA SAWS prospect of ground water development. We simply don't know what the long-term effects of that will be. And we don't even know what the availability of ground water is.

- My name is [REDACTED], a rice producer in the Garwood area. In most instances, everybody wants to be recognized. But this is one instance I don't think we need to be recognized for. Garwood is listed numerous times up here. I want to go on record as saying that ground water use should be the last, last option. Under this scenario, 1437, it was brought to us to come up with all kind of ideas for conservation. The trouble that happened was, LCRA had our hands tied by saying all of these, we felt, great options are tied in the SAWS Project. Then that limited what we felt like some of our great ideas. I want to also say that this ground water development and few other ideas was not brought by our committee. It was brought to us from the other side of the table. I also want to say that LCRA, I feel like, has been the leader in purchasing water rights and developing surface water and marketing surface water. If it ever comes about in the future when the population keeps expanding and these studies that are ongoing come about and say there's plenty of water down here along the coast -- and I feel like that's what the findings will be, there's plenty of water -- my question is: Will LCRA take the leadership role and if they want to replace surface water with ground water, will they take the leadership role in developing leases and helping the farmers down here as far as the marketing of -- getting the right price for our water? But I do want to say that I hope that doesn't come about. But I felt like that now, in a lot of instances, LCRA has tied our hands when we didn't come up with what I considered really great strategies for conserving water. Like I say, when they set us up, they watch our conservation. And when you start using ground water, I'm not so sure that fits the criteria. That will be all.
- My name is [REDACTED], and I'm a rice farmer in west Wharton County, so I'm outside the irrigation districts, outside the service area, actually outside the basin of Colorado River. So I thought that you might want a viewpoint from my area, from my viewpoint. Looking at these different replacement strategies up here on the board, the bottom three have the ability to affect those like me that are actually outside the irrigation, outside the service area, or even outside of the river basin itself. Certainly, driving home one more time, our concern on ground water development strategies. And when you're talking about that area up there around Garwood specifically, of course, that's a recharge area for a lot of other areas that are outside the basin of Region P, Region Water Planning Group area west of Wharton County and stuff, that's the recharge area. When you get up into Garwood and up above that area for the ground water that we use in the western part of the county. So a lot of concerns on the development of ground water has been stated several times before our discussions with the LCRA SAWS Project, probably would have taken a different tone coming from us down here if we would have known at that time that the Williamson County deal was also going to be looking at ground water development. Secondly, obviously, the water implementation strategies has the ability to affect other basins, other areas outside the Colorado. Thirdly, the market-based water replacement strategies, the last two options there, purchasing Colorado River irrigation water rights and reducing irrigation, our second crop has the ability to affect third parties. And both of those options, inside and outside the irrigation district and outside the basin,

when you're talking about reducing production of rice, there are tremendous effects that effect people other than the actual users of the water. I'm very concerned about that economically for this area. I would like -- and I do have a question specific to one of those options being the purchase of Colorado River irrigation water rights. What are we talking about? What options are they looking at there? How many water rights? What price? What's been the discussions there? Can I get someone to respond to that?

- L.G. brought up a good point on the reduced irrigation for second crop and that option that is there. I may have been the originator of that option. But I still want to echo his concerns over that. And that option actually did not originate with 1437. It originated on Region K. And those of us on Region K are seeking to get that option further studied within the regional water planning process. And it actually makes more sense there than it does here, because it is an option that would be considered for replacement water on interim bases where you've got a drought situation. And it makes sense on a temporary basis, maybe, to buy out a portion of the second crop. Whereas in this case, you're looking for something that you can have on an annual basis, it does not make sense, because that would take that second crop out of production permanently, basically. So I would encourage that option for 1437.
- One concern I had was on the purchase of Colorado River irrigation water rights. I wasn't clear before Jobaid spoke of what you were talking about. I was a little concerned that it might be a buyout option similar to what they have in the Edwards. And that's what I was concerned about, buyout. In other words, let's pay the farmers not to use the water. All right? And then use that water then. And that's where I'm really concerned even more so than the second crop deal of the reduced production of rice in this area and third-party effects that that has. Edwards Aquifer and their mitigation and their buyout programs is not a good option for this area, in my opinion. Agriculture there is not nearly as significant an economic driving force as it is in these lower three counties. Buying out some of that corn is not nearly as significant as buying out an acre of rice down here. You're talking about total value of 700, \$800 an acre, \$900 an acre for rice. And you're talking about a couple hundred dollars, limited acres, economy is not dependent on agriculture there. So that is where my concern was.
Comments that Brad made about the options that were on the table are on the table. That's very true. One of the reasons we struggled for four years is because we were given a set of options to consider before the LCRA SAWS Project came into being. There were a number of -- we came up with recommendations based on that priorities, if you will. The LCRA SAWS project came along and preempted some of those options. So it wasn't exactly back to square one, but we had to go back and reconsider some of the options that we had previously considered. So it's -- some of you are wondering what did we do for four years? Well, it wasn't all our procrastination. There were legitimate issues that came up and were bad and caused some delays. Regarding ground water that Ronald and L.G. and Brad commented on, we're looking at it -- if we're talking about recommendations by December -- is that correct on the board?
- Okay. I'd like to point out in the LCRA SAWS Project, the issue of ground water is going to be studied over a four-year period to determine if ground water is, indeed, going to be available or what the effects of ground water will be at a cost of \$4 million. So I would like to reinforce what Ronald and L.G. and Brad were saying. Ground water should not be a possible consideration in this for all those reasons given.

I'm getting close here. Brushy Creek. Brushy Creek, to the committee, seemed to be the most logical. You can take water out of the basin, let's get fresh – while it's not exacting the same quality coming from the waste treatment plants, but it is a direct trade-off in acre feet. And that was one of the recommendations that we continued to emphasize and seeming to be the simplest and being the most direct answer to that.

On second crop prospects, here again is a caveat, if you will, that we want to alert you to. If you only study the literature, you will find a very learned report which proves that second crop is not profitable to the rice farmers. That is published. I've seen -- as a matter of fact, I've seen references to it. We had a subsequent meeting -- some of y'all will remember – with Quinton after that report came out and explained to him the difference between a theorist's view of the accounting that takes place for rice farming and the actual situation. And he came away from that meeting agreeing that the results of that report were erroneous based on actual practices.

So what I'm saying is, that's why you need to maintain contact with the advisory committee. These guys are the ones who are experts when it comes to irrigation needs for rice. And I just want to emphasize that, again, Dr. Eaton, thank you. I think you've done an admirable job of presenting the issues. Hopefully, we can work with you on coming up with conclusions on that.

- Thank you. I'm [REDACTED]. I'm the facility director in Round Rock. I hope the initiative to bring water to Williamson County from the Colorado River Basin is a partnership between the LCRA, BRA, the folks here in Williamson County and the citizens in the Colorado River Basin. I think in regards to the specific strategies, we don't really have one that we like better than the others. I think that what we like to see is that you just not pick one and say, "This is the one we're going to do." We hope that there would be several that would be best management practice, that's it's a win/win for us as well as the citizens and the farmers and the whole Colorado River Basin. We hope that the strategies think about short and long-term effects, that they be flexible, that -- and really important to us, since we're paying for it, that it be the most cost effective approach.

- I'm not a real fan of ground water development, because that's part of (inaudible) cycle and there's recharging similar so we might be robbing Peter to pay Paul. If we develop ground water to put back into the Colorado, maybe we need to rezone and develop it directly for use and not go to the Colorado.

So I encourage you to look over a long period of time. Set your basin supplies and basin availability and crank in the strategies, see what statements there are and whether that can translate to an acre-foot in protection through Williamson County.

The alternatives for placement I think are good except for ground water strategy. I recommend you can add buying water rights to the list. I don't think I saw that on there. Maybe I may have missed it.

- There it is. And maybe buying land and taking land out of production. There are so many acres of available right there, adjacent land down there currently, whether that's 60,000 or 100,000, I don't know. But that's going to change with time as cities grow and take on more land, which you could buy land and take it out of production and convert to some other land -- some other land use.

Now, I don't have anything prepared tonight, but when I first looked over this information when I received it something that stood out to me was the strategies were not looking into any storm water going down the river. I know that the LCRA has a flood gauge in Webberville and just this pastime today there's been -- got a tremendous amount of water (inaudible) running to the Gulf. And I think that's a strategy perhaps I would like to suggest you look at.

There are areas nearby on the -- on the banks of the Colorado River where the -- they're not highly populated, perhaps a reservoir would be feasible. When it comes to flow and no net loss, every day I go on the River and I see the flow in the river. It's part of my view into Austin. And -- but I will notice a lot of times at Longhorn Dam there's no flow -- you all deal with Longhorn dam as a river. So I think part of this strategy is that you look at return flow municipalities from going on out to the Gulf to maintain part of that flow. But if you were storing storm water and that in turn is not part of the flow stored when you ship that water to where it needs to go, then you don't have to calculate a replacement or so it seems to me. And I just wanted to pass those comments and I would like to write some more, perhaps help explore this stuff if you're not going to explore this.

I think my community, for reasons that will take too long to talk about right now, could get behind such a project.

- I'm [REDACTED] (phonetic), County Extension Agent of Williamson County with the Texas A&M University System. I hadn't planned to say anything tonight, but as I looked over your water replacement strategies, your comments, and I'm familiar with the rice farmers down in the Wharton/El Campo area and the money that's being spent down there along with the sod growers that use a lot of water. It appears to me that in doing a lot of research and studies that we have documented here in Williamson County and the Georgetown area, that an easy way to replace this water would be through better strategies used in irrigation systems in our landscape.

And we with the Texas A&M University system feel very strongly that a conservative figure of 30 percent could be used just by changing, say, the selection of the grasses that are used on lawns and even changing some of the strategies that are used in the park areas, recreation areas along with golf courses. I don't see that anywhere in there. And I think with the money that you're spending on laser leveling on that land and returning that, that would be a real easy way to recoup and to not -- simply not use the water, to not have to replace it.

- Well, I think it needs to be more than considered and I think that you need to get with the people that have done work and have data in place and not just doing it and tweaking or improving irrigation systems in the lawns but also changing the vegetative practices. And that's not something that is like laser leveling, you can just go out there and change that land in one fell swoop. This is going to be something like turning around a trailer truck versus turning around a Volkswagen. It's going to take time to do it. And so we look forward to work with you, but we have the data in place. I mean, it's just like falling off a log, it's so simple.
- My name is [REDACTED]. I live about 5 miles southeast of Hutto on Brushy Creek. I noticed one of the strategies that you have is Brushy Creek would return flow and the

availability of Brushy Creek divergent structure would flow to the Colorado River. My question is where would it be built? And if I live downstream of this structure, I do not want Brushy Creek drying up. If it is dried up, you're going to hear from our community. Thank you.

- I'm [REDACTED], a developer here in Williamson County, but also on our water committee and strategy for water and stuff. How linked is No. 1 with No. 4? Let's say I'm a rice farmer and I'm using X amount of water and you want to come down to No. 4 and buy some of my rights. Do all of us have to do the laser leveling first to prove to myself I don't need them? And if so, why aren't those kind of the same strategy?
- Well, just looking at -- let's say I'm a rice farmer and in No. 4 you're going to pay me for my water rights that turns into the return water. But I don't believe I can give them up. And so you've really got to do Strategy 1 with me, do the laser leveling and prove to me that I can save this water. Should one and four be hooked together so that one is the beginning of four?
- I've got just -- just one more quick thing. You know, 1437 allows for -- 1431 allows has an interbasin transfer provision to allow it to bring water over. I'm looking at implementation strategies and ground water from ALCOA. That's probably going to require another interbasin transfer taking water back. So when you look at that and take that into account, the problems that we may have with dealing with interbasin transfer to send the water back.
- I'm [REDACTED]. I live in Lakeway. I manage the Lakeway Municipal Utility District. It seems to me that what we're really talking about is increasing the firm yield of the Highland Lakes system if -- if this is one of the strategies. Is that correct, Jobaid, or are there other ways to do this?
- Well, but it also seems to me that all these strategies for developing the no net loss really entail money and they're not well-defined again. So it seems to me that when we're talking about buying 25,000-acre feet for X dollars and no one really knows what that is going to be. And if I was a buyer I would be real concerned about that. And until you've got that defined, it doesn't seem to me that you should be moving forward, because you don't know that that's cheaper or more expensive than your other alternatives. I'm kind of a newcomer to this thing and surely this is not a new idea. Okay. Well, that was my point. Thank you.

Decision Criteria

- If -- how will the priority of Williamson County fit in amongst the other priorities for water throughout LCRA?
I would like to make two comments to you, David, on items that are important us. One is on the criteria, the ease of implementation, I think, is very important. How complicated would it be to implement the no net loss provision? And then, secondly, as you saw in the demand curve, the water is not going to be all used at the same time. It is going to be grown into. So it's also important to us that whatever the no net loss provision is that it can be implemented in that same time frame and, for lack of a better term, done in phases. So those would be two criteria that we would want to submit to you as you do your studies.

- And I'd like to close on the criteria that have been put up on the board here is that cost does need to be a prime consideration from our perspective. So just let me be sure and say that. Ease of implementation, both from the buyer's perspective and from your perspective I think is very important. And the fact that as we showed, that water is not going to be used all at the same time. It's going to be grown into. We would be very interested in whatever strategy is chosen that it can be implemented to track along with the actual use of that water. So, appreciate the opportunity to speak. And if need be, I'll be happy to answer any questions from the BRA's perspective.

On the process here tonight the -- several comments that I would like to make is that the cost of the -- of the mitigation to meet or the strategy to meet the no net loss definition is of very high importance to all of us. I've said that at the other meetings and I just want to be sure to say it here that that's one of our comments. The ease of implementation both from a planning perspective and a permitting perspective needs to be important.

Also, as you saw the growth curve, how the water will be used, I think it's going to be important that we have a strategy to meet this no net loss definition where we can implement it in phases to match what that growth curve is, whatever it is. It may be faster, it may be slower or it may be just as it is on the graph. I don't think we want to build a strategy for the entire 25,000-acre feet when it's 20 years before we may need it. I think that may be an expensive solution.

- Few comments on no net loss. I'm going to follow up on what Tom said, Clark, and what Mr. Briggs said. The cost of no net loss of water is extremely important to us. As users we reserve 3500-acre feet and Georgetown's a lot more than that and Round Rock's a lot more than Georgetown and now Liberty Hill. But it's really the tip of the iceberg. The burden that's put on with this 25 percent of the going water rate in the Highland Lakes where there is not enough water or 35 percent or 10 percent, can be less than 10 percent, is really only the tip of the iceberg in that when you look at the infrastructure cost for bringing that water over to Chisholm, Georgetown, Round Rock, it's millions and millions of dollars.
- And in terms of criteria, you know, they've got to be infallible and they've got to be fair and reasonable coming from the Williamson County's standpoint. They've got to be accountable so we can have an accounting, but think the key is keep it simple and look at long-term development and the long-term impacts in the Colorado River Basin watershed, because right now not all the permeability of Colorado River Basin is being used. Right? You've got some diverted water from the LCRA, you've got water rights that (inaudible) can be sold from Highland Lakes. You've got to crank that into your analysis. And I would submit to you if you can develop this and the cost looks right that we're going to accelerate this 2025 period. I think many of us will move forward more rapidly and want to invest capital to build water treatment plants and pipelines to get the water here. But until that time I request that the LCRA Board go back. They've adopted 25 percent on top of the current reservation fee that they have, which had raised by \$600,000 in 2000, since we signed on for this. Roll that back 10 percent when you've got the studies done. So when we get to the point of actually implementing, come back and see what the market takes. Thank you very much.
- My name is [REDACTED]. I represent the City of Lakeway and also an organization called Highland Lakes Group. Highland Lakes Group is a coalition of about 1,000

businesses, homeowners associations, Chamber of Commerce, cities, counties, school districts and so forth. We, City of Lakeway and Highland Lakes Group, supported the House Bill 1437 when it was being considered by the Legislature. We still do support the concept of House Bill 1437. However, there are a couple of things about it that have developed over time that concern us. One of them is the criteria we saw up there about timing. And what timing means to us is it could be said that if you take 25,000-acre feet of water out of Lake Travis this year and replace it next year or the following year or ten years later, you could – you could say in one sense there was no net loss. Right? The same amount of water went back in that came out.

From the standpoint of Lake Travis that would not be the case. It would be a significant loss to the economy of Lake Travis. If there's a lag -- a time lag between the time the water goes out and the time it comes back. So our hope is that -- that the LCRA Board will consider the time as a very critical issue.

Now, the -- the agricultural advisory committee considered this question and their recommendation is to treat the water in versus water out bounds like a checking account at the bank. And we have about a half million dollars, I believe -- Jobaid, is that right -- in the account now that's already been collected. And this is a surcharge on reservation fee. In other words, even though water -- no water has been transferred, still the reservation fee has carried surcharge. And that amounts to 4 or \$500,000 so far in the escrow account.

So the rice farmers said, "Let's use that water to anticipation of the transfer of water of elevation." In other words, let's always have more water coming back to the basin than we have going out of the basin on an accumulated basis. So when you look at this situation, there are a number of different players. There are the two river authorities, BRA and LCRA. There's Williamson County. There's the Lake Travis and the rice farmers.

- I have one question on an entirely different subject and that's the cost of the water. I was invited to sit in with the agricultural committee at some of their meetings and one of the rice farmers by the name of Ronald Girtson (phonetic), sixth or seventh generation rice farmer, raised this question and raised a good one.

You're talking about selling water for \$105 an acre foot and you're talking about replacing that water at \$30 an acre foot. Give that a little thought. In other words, where are we going to buy the water for \$35 an acre foot?

It's obvious. If you look over all these alternatives, some of them are on the order of magnitude more than \$35-acre foot. So that's all I can ask you to think about.

Surcharge Rate

- I do want to commend the legislature, though, for recognizing the importance that irrigation water is to us down in these lower three counties and the fact that they did accept Robbie's amendment and made those changes does show that we have tremendous needs down here that need to continue to be met.

I have many of the same concerns that Haskell shared, as do most of us on the committee. I do want to say for BRA's benefit here with regard to the cost -- and not that this was BRA's idea -- they had to start somewhere in that House Bill, and 25 percent seemed like kind of a floor for that surcharge. The bill itself does not put a maximum, although the

market itself places a maximum on what that surcharge can or possibly could be. I do want to point out, this is somewhat like the fountain of youth, though. If I can buy water from Haskell for 25 cents and sell it or L.G. for a dollar and a quarter, I would do that every day of every year from now on. And I'd buy as much as there was, because that's basically what we're doing here. If water costs a dollar and we add a quarter surcharge on it and we're going to turn around and spend that quarter to develop the same amount of replacement water, that almost seems impossible. In fact, if it could be done, it would already be done. So just kind of as a warning for BRA and the users, I would not anticipate that that 25 percent surcharge is going to be sufficient to develop new water supplies to replace water that's going out at four times that cost. It's just not reasonable. I would also like to echo the concerns over ground water utilization. That is an issue that has been thoroughly taken up by the Region K water planning group of which both Bob Haskell and I serve on that group, along with Jobaid. And there are already considerations for ground water use built into that plan. And anything that would be put into this 1437 plan would be over and above the amounts that we've already limited that ground water utilization to. So there would be a tremendous amount of work to be done before we could ever seriously consider using ground water from these lower three counties over and above what has already been built into that Region K plan. With that, I think I will close. Thank you.

- I'm [REDACTED] from the lake area. I came to listen, not make a speech. So let's see how this comes out. I have four or five questions on the surcharge, the 25 percent surcharge. That is received after the water is used by Williamson County. The water is already gone before we can start using that money to conserve with. Seems like you're putting the cart before the horse. And, also, on the use of the money, who's authorized to spend that? And what is the ultimate purpose of that money? Can it be used for something entirely different when it gets into the bureaucracy?
- So the surcharge then is not based on gallons of water used, the 25 percent?

Other

- Does the LCRA view Lake Buchanan as a reservoir or a resort in terms of environmental protection to it and water supplies it affords?
- Is this -- you mentioned a 25-year model earlier. Is this a requirement of the house bill as a continuing requirement or is it a stop to get measure that will be replaced later on by something else?
- I have a question, I guess, for Brazos River Authority. Do y'all have -- do y'all have -- y'all don't have any water supply available so you're looking to outsource now?
- We do not have near enough water available today to meet the projected needs of the county. So for prudent planning for the county was to sign the contracts for this water, which will be a very valuable piece to them. This is not near enough water either. I mean, the comment was made, is that water in the -- more water is going to be needed in the future? And that's what we're doing -- you know, we are looking that far ahead of what the next source would be.
- Thank you. My name is [REDACTED], president of the House Bill 1437 Advisory Committee. I'd like to -- excuse me. I thought I had some comments, but after hearing -- since we weren't aware of what was going to be presented, we came prepared for just

about anything. And, obviously, we've got some additional information. I seem to have lost one of my lists here. Thank you.

First of all, I'd like to express my appreciation to the LCRA for the four years that we have struggled with this process. They have been, without question, helpful. And this especially pertains to Jobaid Kabir who, without his knowledge and resourcefulness, we would not have been able to make the progress that we did. But I'd also like to recognize the members of the Advisory Committee. I see a number of them here today. Mike Burnside, if you'd raise your hand. Joey Sliva, Leon Krenek, Brad Engstrom. Brad Engstrom is here. Okay. Ronald Gertson, who is our vice-chairman, or vice-president. I'm not sure what your title is. Bob Pickens from Colorado County. Dick Ramsey. We got Joey. Charles Trefney I don't think is here. And an ex-officio member -- let's see. Did I get everybody? Ex-officio member was Cole Roland. There was concern that the lakes area may not have representation on the committee. The committee was selected according to -- strictly according to HB -- House Bill 1437, which says that there will be three members of the committee from each of the three lower counties, implication being those are the most affected if we're going to lose water. Those three from each county will be appointed by each of their county judges. And that's how we got there. But there was a question about representation of the recreational area or the lakes area. And so we invited Cole Roland to not only meet with us to participate. And Cole was a contributing member. And we certainly appreciated his efforts. We did want to be inclusive. After four years of working with the issues, we came out with actually two documents. One was the charter which did include our definition of no net loss. And I quoted that in the letter to Mr. Lambert. The official report was that letter of November 11th. Thank you for providing copies for everybody of that. And I would especially ask that people read that very carefully and see what the position of the committee was. A couple of things, however, are a little bit disturbing. In this correspondence, along with other previous correspondence, we stressed that at least the spirit of HB1437, if not the wording, indicated cooperation, consultation with the advisory committee. We do not feel that that has occurred in this last session. For instance, we were made aware of the public meetings after the fact. There was no consultation. There was no consultation regarding the selection of any of the consultants which, again, we had requested.

- Good morning. I wanted to jump in at this point. My name is [REDACTED], and I'm with the Brazos River Authority. And since we have a key role in this process, and I've known Haskell for years and I really want to thank Haskell and your committee for the work that you've done and working through this process.

First, the Brazos River Authority is the buyer of the water in Williamson County, and we have four customers that will be reselling it to the people in Williamson County. So kind of on the background part of it, I wanted to go ahead and make my comments now. And if I need to get involved in the discussion, I would sure be glad to.

But let me start off by just saying that the BRA has been very aggressively working with Williamson County entities really for the past 30 years. Williamson County does have its own water resources that we've permitted and developed over the years, including Lake Granger and Lake Georgetown. And then we also recently -- well, for the last 20 years been planning and just recently implemented a large 48-inch pipeline from the county to the north, Bell County, from Lake Stillhouse Hollow, which is also one of our reservoirs into Williamson County.

And then through planning studies that I've been involved with and Haskell has been involved with, Trans-Texas studies across the state, BRA has been very involved, along with LCRA. And I recognize their efforts in the planning by Central Texas Region, also.

Unfortunately, we do have this river divide that goes right through the center of the Austin metro area. But through some of those studies, Lake Travis water is also started being used by Cedar Park and Leander and currently is being used in Williamson County. And then in 2001, joint studies by LCRA and BRA recognized the need for the Lake Travis water to move into the area. And the fact of the matter is that the Austin metro area is what's causing that crunch. And the Colorado River is currently, and will be, the major supplier for water to that metro area. So the geographic and economic reality is that there's some amount of Colorado water that probably needs to be flowing into Williamson County to meet needs there.

Now, with that said, BRA is continuing to work hard to bring other water supplies to the county. In fact, one thing I want to mention is the trying to increase some of the yields and appropriations from our existing system and a fairly major permitting effort that we filed last Friday throughout the entire basin on our -- called system management drought protection plan, which will be key part of that. And we are also pursuing a drought-proof ground water supplies for Williamson County, much closer to there. Not ground water in your part of the world, but there closer to Williamson County.

- I want to correct one small mistake Haskell made because I don't want Robbie Cook to get blamed for House Bill 1437. He didn't author the bill, although he did author the amendment that made it ag friendly, which was important. And that is what actually made it possible for those of us down here in this part of the basin to have some direct say to the LCRA board about the strategies. So lest the locals being to think that Robbie is making plans to ship water off, that was not his idea. That was going to happen whether he was involved or not. He just made it a little bit more palatable for us.
- We're talking about 25,000 acre feet of water. Will Williamson County automatically use that to their max at the first chance they get and save their own water for other uses?
- Then one final to address to you. I think you have done a good job of presenting the topic today. One criticism is that you keep using the word should. You said that the upper lakes should keep at the same levels. There should be water down here for the farmers, there should be waters to the bays and estuaries, to that blue crab that the lady was talking about. I would like you to change that word should to would. I think there's a lot of difference.
- The other point is about the committee. What is it that we did all those hours? Says the district, being the Lower Colorado River Authority should, shall consult with an advisory committee representing agricultural interests that are appointed by the judges of Matagorda, Wharton and Colorado counties. Now, the implication to us on the committee was, they wanted our input to answer these questions. So you can understand our concern when it appears as though, or an interpretation could be made, that those recommendations had been taken out of our hands and given to Dr. Eaton, with all of his credentials and his credibility. But you can still, please, understand our concern.
- This is on? You all can hear me? I'm [REDACTED] (phonetic) with the Brazos River Authority. And I'm jumping in here first because I am with the BRA and we are the purchaser of 25,000-acre feet that's going to be imported to Williamson County. First of

all, I want to thank the LCRA for having this forum and having these public meetings. We've got a long-standing working relationship with the LCRA through the BRA/LCRA alliance and I want to recognize that. Also, let me say this water that's being imported, 100 percent of it is either already sold or committed to four customers, City of Round Rock, City of Georgetown, Chisholm Trail, and Liberty Hill City. I'm not sure if everybody knew that, but let me start off by saying that.

And I'm also -- you know, with your indulgence I'm going to make a short statement with some comments on -- on the process here. I just want to say that BRA has been working for well over 30 years meeting people's water needs starting with the permitting and construction of Lake Granger and Lake Georgetown. Of course, those are obviously very important water supplies to the county, have met the needs so far and obviously will continue to be very important.

The Lake Stillhouse Hollow pipeline, which many of you have seen over the last several years being built and rebuilt along the interstate, is also a BRA project. It's owned by the entities that are paying for it, but it's one that has been planned since the job -- since the -- really, since the beginning of 1980 to bring in water from Lake Stillhouse Hollow, another BRA project, into the county.

And then into the 1990s BRA has been working with a number of planning efforts starting with TransTexas water program. In fact, Cole, I see you there. I was hoping to see you at the other two meetings. I'm glad to see you here. Cole and I were meeting, as many of you were, too, with the beginning of TransTexas water program sponsored by the Water Development Board, BRA and the LCRA, more than ten years ago and then moving down to Senate Bill 1. And there have been a number of other planning efforts, too, either individually or jointly through the river authority and that has led to increased use of Lake Travis water by Cedar Park and by Leander.

And now we've got a study that was completed in '01 also jointly sponsored that is essentially putting in an engineering sense what I consider a geographic and economic reality that the -- the growth of Williamson County is -- is enjoying is essentially part of the Greater Austin Metro area and the Colorado River is the major water supply to the Austin Metro area. So I think it's something of a reality that the Lake Travis water supply and the Colorado River water supply does influence and does affect Williamson County and that's why we're here tonight.

And then finally a very important -- there's two items that are ongoing with BRA to look - - this water -- this 25,000-acre feet is not enough water for Williamson County's projected needs over the next 50 to 60 years.

And to that extent, the BRA is continuing strongly and aggressively in water planning both on our policies and systems management. We had a recent filing of a fairly major permitting effort to appropriate new water supplies that will help influence possibly the water supply here and throughout the basin. And then we're also pursuing pretty diligently ground water acquisition in the Carego (phonetic) aquifer to the east on Williamson County's behalf. And the -- anyway, those -- those marks are somewhat preparatory.

- You can't make that promise. I'm [REDACTED], City of Georgetown. Be careful on making a promise for the Board of Directors unless the Board of Directors puts that in writing.

Now, you can't stand here in front of this group and guarantee this group with a guarantee like you just did that the Board of Directors will take that input from the customers without that being in writing. So I'm just cautioning you to be careful, because you're speaking for the Board, and I have many years of experience with the LCRA Board. You cannot make that promise without having it in writing in a contract signed with a resolution from the Board. So, please, don't stand up here in front of this group and make that promise.

- Thank you. I'm [REDACTED], district engineer with Chisholm Trail Water District. Doctor, we appreciate your comments and I assume your slides are on the Internet so we can download them, make comments to submit to you. I would first like to thank LCRA for doing this and putting on a public forum and we appreciate this.
- This is the first sort of tip of the iceberg in terms of the alliance water costs and what the burden of no net loss may mean to us. And, Dave, I thank the BRA and for all your efforts and to technically organize here in Williamson County and sort of get more of a botanical input for us. I hope it is for the -- for the LCRA. So when we make commitments for this -- and this is why this is such an important start-off study for us, it may seem like a lot of money, and it is, but it's really the tip when you get into the commitments. So when we make commitments on behalf of our district to serve the existing and future customers of Williamson County, we're making commitments for millions of dollars more than what our no net loss and we can't have these rules change on us once we make these commitments for, 30, 40, 50 years and they cannot shift and change strategies. Like we've had technical discussions gets into a seniority or priority system, because if we get down the road and we commit to build infrastructure and work with LCRA on treatment plants and BRA on treatment plants and bring this water over to various points of delivery importing of farm, we can't have water go to San Antonio 2 or 300,000 foot per year and change our rules. They've got to be fixed or we won't be able to recommend to our council or boards to be part of this thing. So we really appreciate this. I hope you keep that in mind.
- Thank you very much for having this meeting. My name is [REDACTED] and I'm from the Village of Webberville in eastern Travis County. I'm not going to go into a long speech about Webberville. I want you to know it's about 16 months old and our southern border is the Colorado River. So we do have some interests in -- in these events.
- Really all of those entities, almost all of them, are going to be winners from House Bill 1437. Two river authorities will benefit financially. LCRA will have a new water contract and new water customers. BRA, from supplying some of their customers with a cheaper water source than their own river. The rice farmers are going to be big winners. They're going to get significant improvements to their land at no cost to themselves. So they -- they will definitely be winners. Who else? Williamson County, hopefully you consider this a win situation for you. If you don't, you don't have to buy the water. So we assume Williamson County is going to be a winner. That leaves Lake Travis. The best I think we can expect to see from Lake Travis would be that it can be harnessed, that it can be kept whole; in other words, not managed. The worse that can happen would be that it is managed. So my hope would be the LCRA Board would consider Lake Travis as the most vulnerable of the players in this game and make sure that there's

always at least as much water coming back into the basin as is going out. That's our hope.

- Hi. My name is [REDACTED]. I've been concerned about this because we started about five, six years ago talking to a group of people about doing a Carego Wilcox. And my question is mainly to the Brazos River Authority, I guess, because that's -- they're the supplier of water to Williamson County right now. Is -- is buying water from the LCRA a lot cheaper or cheaper than developing it on -- you know, through their resources? And the other thing is this land leveling deal down for the rice farmers is going to be a very expensive process. Just like the Carego thing if we had done it four or five years ago, or six years ago, the water was a whole lot cheaper than it is now because those people finally woke up down there and found out they had a gold mine. So now they want to be well compensated for that water and the ground water that's down there. Thank you
- And, Burt, on the cost of ground water versus surface water, you know, two aspects. One is the studies have shown that the cost is about the same. And really it comes down when you look at the -- the projects and how you implement them it really comes down to and what's the -- what size projects, how do you want to go into debt, the whole debt structure of cities and how do you finance and implement projects. So it really kind of comes down to some of those issues.

The second part of the question is the effect that we can see Lake Travis and water's there and we now have legislation in place. That's a bird in hand. The ground water, as you said, we have not required that yet. We are in the process of doing that.

- [REDACTED], Assistant City Manager of Georgetown. Listened to a lot of comments and I appreciate those. Had a question and invite someone with the LCRA -- you can answer the question. Within the basin -- within the LCRA Basin how much water is available in acre feet to be able to be utilized, contracted for for water supply or irrigation within the whole of the lower Colorado Basin?
- So we're talking over 445,000-acre feet, that's just a known number, total in the basin?
- And there's more water downstream.
- So we're having these meetings to talk about no net loss for 25,000-acre feet of at least 445,000-acre feet within the basin?
- Right. I'm just wanting to make sure --
- -- that we were putting in context the amount of water that we're paying consultants and everybody here at this meeting to talk about 25,000 of 445,000-acre feet, approximately.
- Hey, that's not extra water.
- I'm just talking about water within the basin. We're talking about extracting 25,000-acre feet, replacing it. My question is how much is in the basin that you have to sell? There is a number that's available for sale or for contract within the basin to Austin, to Bastrop, to Burnet.
- Yeah. I'm just trying to get in context. We're talking 25,000-acre feet of water of some number.
- And I would like to be able to put that into context. What is that number? Because if I'm talking about one gallon out of 1,000, we're spending a lot of resources for 1 gallon. Now, if it's principal, I can understand that. But if it's -- if we're really trying to achieve, what are we trying to achieve. It kind of goes back to what Ronnie was talking about is

are we chasing the tail of this dog, or are we really trying to -- you know, really trying to get in here and achieve something.

We talked about equity and one of the slides talked about benefit and I would agree with that because I think there needs to be equity across the board. And I think there needs to be some equity. We talked about value. Appreciate what the gentleman mentioned earlier about there should be some value to Williamson County or we wouldn't be contracting for this water. But it seems like what we're talking about is I'm going to buy this pickup from you today that you have available. I'm going to drive it for ten years, and at ten years I'm going to replace that pickup with a like brand-new truck at that period of time after paying for that truck for that ten years and give it to you after I've paid you for this other truck and I still have to pay for that one and the new one. It seems kind of -- I don't know where the equity is in that scenario.

And the other thing is that there's also a process that's going on right now, and I don't know how this parallels or if this is in conflict, with the -- with the State planning process within the different regions and how this dovetails in, because we're talking about all these strategies and we're focusing on what we're doing here which are the same things that some of those groups are talking about already. And are we, again, re-creating the wheel in doing this, plotting 100 years. We've been talking about them for the 30 years that I've been in this business in some context or the other and we're just regenerating the same thing. And I'm just wondering are both of these processes running parallel and spending resources to just satisfy a process.

We talked a lot about water that's coming into the county and I don't want to bring anybody else into this, but in my prior life I was a City Councilman with the City of Cedar Park, who has a contract to be able to take water from the Colorado River Basin. And they still currently do. I don't -- I don't know that they had any provision to have to replace any of that water in the -- in the 30 years that they've been consuming that and had that contract in place. So I'm not exactly sure what 25,000-acre feet -- why that's being -- has -- has been carved out when we have others that are doing it. And I can tell you, you know, I think the justification at the time was a portion of those communities were in the basin, Colorado Basin, portions in the Brazos Basin. But I was on the council whenever we did the wastewater treatment plant, so the return flow was going to the Brazos Basin.

They don't go into the Colorado River Basin. And Georgetown was paramount whenever we started the alliance to get this water to begin with. We are the ones that came up with the concept and got the two river authorities together. I think it was a great idea. I continue to think it still is, because as someone else mentioned earlier, the reason why we were looking for this resource and we need this resource is because a lot of the folks that are needing the water resource are people that live and work or own companies even in Austin or in Travis County within the Colorado Basin. They may just happen to reside here, but they're part of the Metro area. And I hope we keep the -- keep that in -- in consideration and in mind whenever we're looking at a number of issues. And then I kind of lastly want to make a few statements with regards to some of the things that I heard before I came in here with regards to Williamson County and -- being somewhat referred to as thieves in the night, taking water and contracting with water when you don't have your own. And I think, John, our biggest problem is Williamson County is stuck between

Belton and Travis and that's our biggest problem. But with that, I don't guess people realize that the biggest part of our budget has been billed and paid to LCRA since 1945. And I don't want that be to lost, either. And part of that and those funds that have gone to the LCRA through Georgetown have paid for dam modernization to a number of dams up and down the Colorado River Basin in significant millions of dollars that have come from residents and ratepayers of Georgetown. So to say that we haven't contributed to the Colorado River Basin, I take complete offense to. And it's not anybody that said that tonight, but I've heard it. And I think it needs to be understood that millions of dollars of revenue from Georgetown have gone to LCRA, have gone to the water systems to be able to maintain the water level within Lake Travis.

Not only that, it's also gone to grant programs that have been carved out and given out to communities up and down the Colorado River Basin. And those have come from ratepayers in Georgetown that are not in the Colorado Basin. And we've gladly and freely done that. And nobody's asked anything, we've not asked anything in return because we got electrons who came into Georgetown who we paid for. We were glad to have it, we're glad to have it today and we'll continue to be glad for that relationship. We ask nothing more than that. But to ask us to turn around and repay that again, amount of money, is not equity and we have a concern with that.

- My first comment about the 25,000-acre feet is a small amount of water in the context of LCRA's very large water life. Some of you may have noticed the article in the paper, oh, maybe about the time that 1437 was passed. And their representative Crewsey (phonetic) was quoted as saying the 25,000-acre feet was baby steps, baby steps. So we don't know what that number will end up being, but baby steps describe it, we can start.
- What's the proposed date -- what's the proposed -- what's the proposed date for this to come on line? You all probably said this already. For water to be going to Williamson County. Do you have any idea?
- Anyway, in the legislation, in the Bill, it establishes an agricultural committee and I would hope that the LCRA would support or -- or champion amending that during the next session to allow that committee to have somebody from Williamson County so that when they do get advice about, you know, what strategies they select they're also getting our input, too, and not just one side of the story. So that's it. Thank you very much.