

Central Texas Water Coalition: 2018 - 2019

Forward to 2019:

We are already off to a great start in 2019 by participating in the development and implementation of water policies that promote careful, science-based management of our precious water resources. Our main goal: **Advocating for the best management practices to protect constituents and the future water supply in the Lower Colorado River basin during Drought and/or Flood.**

With your support, we plan to:

- 1) Review and participate in legislative responses to the Sunset review of the LCRA;
- 2) Monitor and provide feedback on water-related bills filed during the 2019 Legislative Session and engage with lawmakers to encourage the passage of bills that assure public participation, open government, and transparency on matters affecting water resources in Central Texas;
- 3) Continue establishing relationships with our elected representatives and agency officials;
- 4) Provide "Action Alerts" for your participation in important issues;
- 5) Continue monitoring all LCRA meetings and actions;
- 6) Continue addressing the issues raised by LCRA's water rates for various customer groups, with a focus on the extremely low rates and fees charged to agricultural irrigation customers;
- 7) Explore opportunities for updating the studies conducted in 2011 and 2012 regarding the significant economic impact of the Highland Lakes on the local, regional, and statewide economy;
- 8) Continue to participate in the Lower Colorado Regional Water Planning Group meetings, as the Group develops the 2021 Regional Plan for inclusion in the 2022 State Water Plan;
- 9) Continue to assess the watersheds to better understand and quantify causes of lower inflows and evaluate if existing water management strategies are sufficient to address this issue; and
- 10) Increase focus for public awareness of critical water issues.

Back to 2018:

The Central Texas Water Coalition (CTWC) had a busy and productive year in 2018, as we took an active role in three important processes with significant impacts on the Highland Lakes. First, we actively participated in the first-ever Sunset Advisory Commission review of the Lower Colorado River Authority (LCRA). Second, we played an active role in monitoring and commenting on LCRA's development of its next Water Management Plan (WMP) for the operation of Lakes Buchanan and Travis. Third, we participated in the regional water planning activities conducted by the Lower Colorado River Regional Water Planning Group (the Region K RWPG). Below you'll find detailed updates on the Sunset Commission's review of LCRA, LCRA's next Water Management Plan update, and the Region K planning.

The Sunset Advisory Commission's Review of the LCRA

The Sunset staff was always available to meet and discuss our input and concerns. Although we submitted many issues for consideration, the scope of the Sunset staff's review of the LCRA was constrained by its

statutory mandate to focus only on water issues, and on issues such as governance. We are pleased that the Sunset Report on the LCRA included the following conclusions and recommendations with a focus on transparency:

- 1) **The Growing Impact of LCRA's Important Mission Requires Higher Standards of Openness and Engagement to Improve Public Trust.**
- 2) **LCRA Should Clarify Its Relationship with the Colorado River Land Trust to Better Manage Expectations and Promote Independence.**
- 3) **LCRA's Water Quality Regulatory Programs Lack Best Practices that Would Improve Efficiency and Transparency for Permit Holders and the Public.**
- 4) **LCRA's Community Development Grant Program Needs Improvements to Promote Overall Effectiveness and Fairness.**
- 5) **LCRA Should Implement Policies to Enhance Accountability and Better Comply with the Intent of State Law.**

The Sunset Staff Report identified areas of concern that were outside the scope of their review, and noted that *"serious questions continually arise regarding the adequacy of the system of "checks and balances" in place for LCRA. Specifically, there is a serious question whether state law provides for adequate oversight of raw water rates or whether the technical methodology state water planners use to calculate future water availability projections is still appropriate."* CTWC will continue to seek a stronger system of "checks and balances" regarding the actions taken by LCRA, and to seek stronger guidance on conflicts of interests for LCRA Board Members, so that LCRA Board members do not vote on water rates and water contracts that directly affect their personal or business interests. See the full Staff report and Commission decision at:

<https://bit.ly/2MSVy4a>

Summary comment to the Sunset Commission Hearing: **"We want to be on record as saying that what we want LCRA to do—and what we want this Legislature to do—is ensure that water is being conserved appropriately so that supplies will be available for this fast-growth area in the future—for all uses. The more we conserve, the less we will need expensive pipeline projects, getting into fights with neighbors over groundwater, and all the other issues LCRA is facing currently."**

Updating LCRA's Water Management Plan

CTWC's Water Management Plan Team spent May through November updating the next WMP to better protect the Highland Lakes by attending every stakeholder meeting, and providing written comments and suggested revisions at every opportunity during the stakeholder input process. Although the truncated process for developing LCRA's next WMP allowed minimal time for full debate and discussion on all of the aspects of the proposed WMP, our active participation and voice in the process helped to remind the LCRA of our goals and expectations regarding proper management of the Highland Lakes and the Lower Colorado River basin.

At the end of the public involvement/stakeholder process, the LCRA staff took their recommendations to the LCRA Board, which were approved by the LCRA Board in December 2018 and included the following **key changes from the 2015 LCRA WMP**:

- 1) **Downstream agricultural irrigators will be allocated more water with more certainty of having enough water for two crops during the irrigation season, but LCRA will place a cap on the total amount of water released from Mansfield Dam for irrigation purposes.**
- 2) **Average level of stored water in Highland Lakes will increase to 1.68 million acre-feet of water from 1.55 million acre-feet, assuming that the historical inflows from the watershed are representative of future inflows, which our research shows is a questionable assumption.**
- 3) **Trigger level for cutting off water for agriculture downstream will increase from 900,000 acre-feet to 1 million acre-feet of water stored in Lakes Buchanan and Travis.**

- 4) **Arbuckle Reservoir, an off-channel reservoir in Wharton County due to come online in mid-2019, may add 90,000 acre-feet of water supply to the river system.**
- 5) **The proposed new WMP will include an additional test for entering Extraordinary Drought to avoid releases from lake storage when shorter-term intense drought conditions appear.**
- 6) **The new Drought of Record has been identified as the years 2008 to 2015, replacing the Drought of the 1950's.**
- 7) **The new Combined Firm Yield of Lakes Buchanan and Travis has been calculated and adjusted downward from 434,154 acre-feet per year to 418,800 acre-feet per year.**

As the LCRA developed its updated WMP in 2018, CTWC representatives attended all stakeholder meetings, met with LCRA staff, reviewed the proposed revisions from the 2015 WMP, and submitted comments on the draft WMP. We raised issues regarding the large, uncontrolled releases of stored water from the Highland Lakes that are ordered by downstream irrigation customers, but not diverted. We questioned a system that does not fully recover the significant costs of water that are provided to LCRA's downstream irrigation customers, including the conveyance losses for the water traveling for hundreds of miles to the lower counties, and the water losses occurring during distribution through the irrigation canals.

CTWC also raised serious concerns during the WMP update process on the reliability of historical inflows to the Highland Lakes, and the value of historical data in the evolving conditions observed in the Lower Colorado River basin. We look forward to reviewing upcoming studies, commissioned by the Texas Water Development Board, on the causes of the observed declines in total inflows to the Highland Lakes by looking closely at conditions in the watersheds feeding the Highland Lakes.

We remain concerned about the water rates set by LCRA for its irrigation customers, and we will be pursuing those concerns in 2019. This is important as higher water rates for irrigators would encourage conservation and could provide needed funding for water efficiency projects. Laws governing LCRA indicate that LCRA should set raw water rates for all of its customers that are reasonable and non-discriminatory. Under the express terms of LCRA's enabling legislation, the LCRA Board *"shall establish and collect rates and other charges for the sale or use of water, water connections, ..., or other services sold, furnished, or supplied by the authority."* Importantly, those fees and charges must be *"reasonable and nondiscriminatory"* and sufficient to produce revenues adequate to meet a specific list of obligations, including *"the payment of all expenses necessary to the operation and maintenance of the properties and facilities of the authority."* See Special Districts Local Laws Code §8503.011. At present, there is a huge disparity in rates among LCRA's water customers. Firm water customers pay \$145 per acre-foot of raw water and Interruptible water customers pay about \$14 per acre-foot of raw water. It is hard to imagine how these rates can meet the "reasonable and nondiscriminatory" standard imposed by LCRA's own statute, or the "just and reasonable" standard applied by the Water Code.

Participating in the Development of the 2021 Regional Water Plan

The Regional Water Planning Group for the Lower Colorado River (Region K) continues to work on the preparation of its 2021 Region K Plan. CTWC is actively participating in and monitoring the discussions and decisions of this 25-member Planning Group. The Planning Group is about halfway through this five-year planning cycle, and CTWC remains committed to diligently and thoughtfully reviewing and participating in this important work.

As part of Region K, we will continue to advocate for improvements in quantifying and incentivizing water conservation efforts by all water users, describing and emphasizing the economic importance of the Highland Lakes region, and seeking explanations for the recent declines in surface water inflows to the Highland Lakes.

The *August 2017 Texas Water Development Board Report* by Kennedy Resource Company on runoff patterns in the Upper Colorado River Basin watersheds helped to explain the low inflow trend where 8 of the 12 lowest annual inflows have occurred in the last 12 years. We provided statistical analysis that indicates that we have

shifted into a "new normal" of lower inflows that should be considered in water planning. We also noted that additional studies should be performed on the watersheds to better understand and quantify the causes of lower inflows and evaluate if existing water management strategies will be sufficient to address this issue.

We highlighted the need to establish metrics and improve water use efficiency in rice farming and reduce large 20-30% canal losses, particularly in irrigation divisions in the downstream counties that use excessive volumes of water to grow crops where some exceed the established 5.25 acre foot per acre waste standard. We also shared an analysis that shows that releases of stored water to downstream interruptible customers has a significant impact on water availability for Firm Customers around the Highland Lakes.

Conclusion

In closing, we are thankful for our core team (Jo Karr Tedder, David Lindsay, Tom Harrison, Jim Maury, Frank Cooley, Richard Golladay, Dorothy Taylor and Cindy Smiley as well as our legislative consultants, Adam Burklund and Lisa Anderson) who attended numerous meetings and spent many hours reviewing, preparing, attending, and presenting to the LCRA staff, the LCRA Board, the Sunset Advisory Commission staff, the Sunset Advisory Commission members, and the members of the Region K Water Planning Group. Also, our engineering hydrologist, Dr. Jordan Furnans, provided important technical evaluations and analyses for our participation as stakeholders in LCRA's preparation of its updated WMP application.

We are also thankful for all of you who support the CTWC, including those who assisted in these efforts "on the scene" and "behind the scenes." There is no doubt that we are making a positive impact on the future of water management in Central Texas.



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