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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 17, 2012

The Honorable Andrew Murr
County Judge
County Courthouse
501 Main Street
Junction, Texas 76849

Re: Preliminary Watermaster Evaluation for the Colorado River Basin

Dear Judge Murr:

In accordance with Section 5.05 of House Bill (HB) 2694 of the 82nd Legislature (the Sunset legislation), the Texas Commission on Environmental Quality (TCEQ) is required to evaluate all river basins in the state without a watermaster program every five years to determine the need to appoint a watermaster. The authority provided in TWC § 11.327 allows the watermaster to manage surface water resources in a way that protects senior and superior rights while balancing the needs of all water right holders under their jurisdiction.

The Executive Director (ED) must report the findings from the evaluation and make recommendations to the TCEQ Commissioners. The Commissioners may direct the ED to move forward with or revise the recommendation or they can take no action on the recommendation. The evaluation findings and recommendations must be included in the agency's Biennial Report to the Legislature.

The purpose of this letter is to notify you of the evaluation process and to seek written input from stakeholders on that process as well as what the agency should consider during our evaluation of the Colorado River Basin.

Our request for written input is the first opportunity to participate in this process. As part of the evaluation process, TCEQ also plans to mail notifications to all current water right holders within the Colorado River Basin for stakeholder meetings expected to be held in the spring of 2012. Stakeholders will include all water right holders, domestic and livestock users, river authorities, agricultural, industrial and environmental organizations, and other interested parties. The input received from these stakeholder meetings will be included in the ED's presentation and recommendation to the Commissioners, tentatively scheduled for later this summer.

As a water right holder in the Colorado River Basin or a representative of the general public or environmental concerns, you are being contacted during this initial outreach. If you are aware of any other person who might be interested but did not receive this initial outreach letter, please forward this information to them. We welcome and encourage input from any interested stakeholders.

The ED will consider the following criteria when evaluating a basin:

- (1) Has there been a court order to create a watermaster?
- (2) Has TCEQ received a petition requesting a watermaster?
- (3) Have senior water rights been threatened, based on either the history of senior calls or water shortages within the basin or the number of water right complaints received on an annual basis in each basin?

If the establishment of a watermaster is recommended and approved, a budget would be established each year, and the watermaster program would be administered using fees collected from water rights holders in the watermaster area. The amount assessed to each water right holder would be determined annually based on the watermaster's program budget by establishing a base fee (currently \$50) and then adding the water right permitted amount multiplied by a rate factor depending on the type of use. The enclosed fact sheet includes general information about the watermaster program as well as the evaluation process.

TCEQ requests and appreciates your input on this evaluation. In particular, we ask that you provide written input regarding the possible threat to senior water rights (item 3 above) as well as proposals for implementing a possible watermaster program.

Please send written comments by **March 31, 2012** to my attention at the following address: TCEQ, Water Availability Division, Watermaster Section, MC-160, P.O. Box 13087, Austin, Texas 78711-3087. Alternatively, you may send an electronic mail to: waterm12@tceq.texas.gov.

If you have any questions or additional comments, please feel free to contact my staff in the Watermaster Section: Cindy Hooper at (210) 403-4080 or Michael Redda at (512) 239-4631. In addition, you may sign up at

<https://public.govdelivery.com/accounts/TXTCEQ/subscriber/new> to receive email updates. Additional information on the evaluation process is available at the following website: www.tceq.texas.gov/goto/watermaster.

We value your comments on the evaluation process, including the criteria being used, as well as information to assist the agency in its evaluation of your basin. Thank you for your participation.

Sincerely,



Ricky Anderson, Manager
Watermaster Section
Water Availability Division

Enclosure

Watermaster Evaluation Fact Sheet - 2012

Background

On May 28, 2011, the Texas Legislature adopted the Texas Commission on Environmental Quality (TCEQ) Sunset legislation, HB 2694, which continues the agency for 12 years. Governor Perry signed the bill into law on June 17, 2011. The legislation includes a requirement for the TCEQ to evaluate and issue a report for all river and coastal basins that do not have a watermaster. The report will assess whether or not there is a need to appoint a watermaster. This assessment is required at least once every five years, and the TCEQ developed a schedule to consider several basins each year. During 2012, the TCEQ is evaluating the Brazos River Basin, the Brazos-Colorado Coastal Basin, the Colorado River Basin, and the Colorado-Lavaca Coastal Basin.

What is a Watermaster Program?

The watermaster programs typically operate where our TCEQ regional offices are located. Here is how the watermaster system typically works:

- ❖ A watermaster continuously monitors streamflows, reservoir levels, and water use within a basin.
- ❖ As needed, holders of impoundment rights may notify the watermaster when they plan to release sold water. The watermaster can then monitor usage downstream to ensure that the released water reaches the buyer.
- ❖ Before starting their pumps, opening their sluice gates, or starting to divert water in any other way, all water users must notify the watermaster and state how much water they plan to divert.
- ❖ The watermaster determines whether a diversion will remove water that rightfully belongs to another user. If so, the watermaster notifies the user with lower priority to reduce pumping—or, if necessary, to stop pumping altogether.
- ❖ When streamflows diminish, the watermaster allocates available water among the users according to each user's priority date.
- ❖ If a water-right holder does not comply with the water right or with TCEQ rules, the executive director may direct a watermaster to adjust the control works, including pumps, to prevent the owner from diverting, taking, storing, or distributing water until the water right holder complies.

There are currently three watermaster programs in Texas. The Rio Grande Watermaster coordinates releases from the Amistad and Falcon reservoir system for irrigation, municipal, and industrial uses. The South Texas Watermaster serves the Nueces, San Antonio, Guadalupe, and Lavaca river basins, as well as the adjacent coastal basins. The Concho Watermaster, currently a division of the South Texas Watermaster, serves the Concho River segment of the Colorado River Basin, which includes the Concho River and all of its tributaries, downstream to a point on the Concho River upstream of the O.H. Ivie Reservoir.

Advantages of a Watermaster Program.

TCEQ watermasters can provide valuable services to the water users in the basins they oversee, in addition to their monitoring of river conditions:

- ❖ Watermasters can coordinate diversions in the basin, ensuring that all water users get the best overall value from the water available to them.
- ❖ With their real-time monitoring of local streamflows, watermasters can quickly identify and stop illegal diversions.
- ❖ Watermasters should be able to anticipate a shortage before it reaches the crisis point, thus enabling local users to work together to develop a strategy that will meet everyone's most basic needs.
- ❖ When disputes arise among water users, the watermaster is often able to help the users settle the matter, thereby avoiding costly litigation.
- ❖ Watermasters can provide valuable technical assistance.
- ❖ Finally, having a watermaster program in place affords a long-term solution for managing water rights in that river basin.

Program Costs and Fees.

As provided by state law, appropriated water-right holders in a watermaster area must pay the costs associated with a watermaster program through an annual fee. In accordance with Chapter 11 of the Texas Water Code, Domestic and livestock users are exempted from water rights permitting and any fees associated with water uses.

The total amount assessed per water right holder is comprised of both a base fee charged on each account and an annual fee based on the volume of water that may be diverted for each authorized use. The current base fee is \$50 per account and generally does not change from year to year. The use fee is calculated each year and is based on the proposed operating budget for each watermaster program.

In addition to the cost of the watermaster program itself, most users will be required to add a meter to their pumps. Depending on the specific technology, a meter may cost \$400 or more. However, metering may lead to enough of a savings in pumping costs to offset the cost of the meter. In other words, the user might find that he or she had been running the unmetered pumps longer than it took to get the volume of water they needed.

Participating in the Process

We encourage input on this process. If you are interested in the evaluation of the Brazos River Basin, the Brazos-Colorado Coastal Basin, the Colorado River Basin, or the Colorado-Lavaca Coastal Basin, or if you have any questions on this process, please contact us:

By Letter: Manager, Watermaster Section (MC-160), P.O. Box 13087, Austin, Texas 78711-3087

By Email: waterm12@tceq.texas.gov

By Phone: Call Watermaster Program Liaison: Michael Redda at (512) 239-4631 or Cindy Hooper at (210) 403-4080.

Web Site: www.tceq.texas.gov/goto/watermaster