



AGENDA
TWCA BOARD OF DIRECTORS MEETING
Friday, December 3, 2021, 10:00 am
Omni Austin Downtown

1. Call to Order – President Kathy Turner Jones
2. Discussion and possible action on minutes of October 21, 2021 meeting
3. Report on TWCA Risk Management Fund – Sonia Lambert, President, TWCA RMF
4. Discussion and possible action on 2022 TWCA-TGWA Management Agreement – Stacey Steinbach
5. Discussion and possible action on financials, member dues, and proposed 2022 TWCA Annual Budget – Mike Booth, Chair, Finance Committee
6. Discussion and possible action on Nomination Committee recommendations – Kathy Turner Jones
7. Discussion and possible action on Policy Committee recommendations – Dan Buhman, Chair
8. Reports of Committee Chairs, if necessary (with possible action):
 - Surface Water Committee – Lyn Clancy and Walt Sears
 - Groundwater Committee – Brian Sledge and Hope Wells
 - Endangered Species Committee – Glenn Clingenpeel
 - Water Laws Committee – Howard Slobodin
 - Federal Affairs Committee – Tom Ray
 - Texas Water Day – Denis Qualls
 - NWRA – Kevin Ward
 - NWC – Tom Ray
 - NWSA – Dan Buhman
 - Water Quality Committee – Randy Palachek
 - Membership & Services Committee – Connie Curtis
 - Any other committee reports
9. Reports of Panel Chairs, if necessary (with possible action):
 - Drainage Districts – Stan Kitzman
 - General & Enviro. – Carolyn Ahrens
 - Groundwater – Drew Satterwhite
 - Industrial – Glenn Lord
 - Irrigation – Troy Allen
 - Municipal – Wayne Owen
 - Navigation & Flood Control – Lyn Clancy
 - River Authorities – Kevin Ward
 - Utility Districts – Chris Wingert
10. Discussion and possible action on lifetime memberships – Mike Booth
11. Other Business

Adjournment – Next Board Meeting is tentatively scheduled for Thursday, March 10, 2022, at the Worthington Fort Worth



MINUTES | TWCA BOARD OF DIRECTORS MEETING
Thursday, October 21, 2021, 11:00am | San Antonio Marriott Rivercenter

1. Call to order – President Kathy Turner Jones

Kathy called the meeting to order at 11am with the following board members in attendance: Liz Fazio Hale, Stan Kitzman, Chris Gallion, Allen Sims, Kim Carroll, Sharon Citino, Fred Arce, Pat Brzozowski, Craig Kalkomey, Brian Sledge, Howard Slobodin, Michael Booth, Alia Vinson, Mark Evans, Bob Lux, Tom Ray, Tito Nieto, Troy Allen, Lyn Clancy, Sonia Lambert, Sonny Hinojosa, Michael Turco, Dirk Aaron, Drew Satterwhite, Kyle Miller, Kent Satterwhite, Randy Palachek, Don Carona, Denis Qualls, Jose Hinojosa, Wayne Owen, Scott Hall, Wade Oliver, Jun Chang, Jace Houston, Jonathan Stinson, John Hofmann, Mike Thuss, Ed Shackelford, Carolyn Ahrens, Steve Walthour, Emily Rogers, Barney Austin, Kelley Holcomb, Chris Wingert, Walt Sears, David Montagne, Dan Buhman, Larry Patterson, Lauren Kalisek, Ty Embrey, and Karen Bondy.

Guests: Allison Elder, Joy Shipman, Wendy Sidwell, Pat Keeling, Chris Sallese, Lissa Gregg, Nicole Rutigliano, Heather Ramsey Cook, Ryan Ard, Mel Vargas, Parker Chambers, Micheon Balmer, Chris Young, Kyle Sanderson, Ron Graham, Patrick Lopez, Zach Stein, Paula Jo Lemonds, Glenn Clingenpeel, Scott Harris, Matthew Dodge, Cory Shockley, Bobby Adams, Billy George, Ananth Bukkapatnam, Nathan Brandimarte, Ryan Harmon, Jim Sims, Matt Phillips, Brad Brunett, Blake Kettler, Doug Anders, David Frishman, Jim Pulliam, George Otstott, Charles Schoening, Rachel Ickert, Doug Caroom, Patty Cleveland, Doug Short,

2. Approval of minutes of June 10, 2021 board meeting

Mark Evans mentioned that he was present at the summer conference meeting but was not in the minutes. Steve Walthour moved, and Emily Rogers seconded the motion to approve minutes from the last meeting with the amendment to add Mark Evans, and the motion passed unanimously.

3. Executive Committee report – Kathy Turner Jones

Kathy reported the committee met by Zoom on September 13 to consider amicus briefs, financials, and conference logistics. The committee also approved dates and locations for 2022 and 2023 conferences.

4. Discussion and possible action on financial reports – Mike Booth

Mike provided a report on the financials. He thanked the sponsors and attendees. Stacey provided an update on the upcoming budget. We are up over \$100,000 up from last year. The Budget v. Actuals and the Profit & Loss are in the board packet. She explained that it's hard to compare 2020 and 2021 because of the virtual versus in-person events. We have created a savings account so legal advocacy funds can be set aside. The finance committee is working on the 2022 budget. The proposed budget will be presented in December.

Chris Wingert moved, and Ed Shackelford seconded the motion to approve the financial reports, and the motion passed unanimously.

5. Status report on National Water Resources Association activities – Kevin Ward, NWRA President

Lyn provided the report for Kevin. She recommended attending the annual NWRA meeting set for November 8-10 in Chandler, AZ. This will be NWRA's first fully in-person meeting, and there is not a hybrid option. Topics will cover water supply resilience, international water issues, travel issues, federal and corps updates. All TWCA members are also NWRA members.

6. Status report on TWCA Risk Management Fund activities – Sonia Lambert, RMF President

Sonia reported that the Fund held its seminar on Tuesday. There were two virtual sessions with more than 50 attendees. Property loss control best practices and Texas open meetings act were the topics. She encouraged members to look for services available on website including, trainings provided at no cost. The Fund board met on August 19 to review the summary of accomplishments and activities. They appointed Jeff Mayfield with NTMWD to the board of trustees which filled the vacancy of Rodney Rhoades. The next board meeting will be Wednesday, December 1.

7. Legislative Update – Sarah Kirkle

Sarah reported that the third special session has finally wrapped up. Redistricting and ARPA funds reallocation have been hot topics. TWCA requested ARPA funds to prioritize the funding for investment in some of the costs relating to SB3 implementation, flood issues, and water/wastewater infrastructure. Also of interest is the coalition of environmental groups request to EPA regarding withdrawing the state's delegated authority under the Clean Water Act. The Sunset Commission is starting its reviews of TWDB and TCEQ. Those reports will be out next spring. Sunset will start PUC review next spring and the report will be out in the fall. TCEQ sunset review team will be attending the conference today. She noted the SB3 deadline of Nov 1 for designation of critical load pursuant to SB3. Finally, Sarah highlighted that key water leaders will not seek reelection.

8. TWCA Membership Update – Adeline Fox

Adeline reported the latest membership numbers including new members. She explained the new process for collecting long past due membership renewals. She mentioned the EAA service project and shared the collaborative work being done between staff and the membership and services subcommittees.

9. Reports of Panel Chairpersons, with possible action

Panels did not meet and did not have reports.

10. Reports of Committee Chairpersons, with possible action

- Policy Committee – Dan Buhman reported the committee met this morning and voted to recommend the chapter 10 environmental proposal as presented. The full consideration will be made at the December board meeting.
- Water Laws Committee – Howard Slobodin referred to the list of past and present litigation efforts in the board packet. The executive committee has authorized the WLC to write two amicus letters. Howard is drafting those with Alexis Long, TRA, and a resource team.

- Bylaws Committee – Emily Rogers reported the committee met earlier this month. They discussed goals and other potential changes to the bylaws. She created a bulleted summary to discuss changes. The timing is uncertain, but we will keep you posted.
- Federal Affairs Committee – Tom Ray reported that the committee will be meeting at 1pm this afternoon. He encouraged attendance. The session will cover re-emerging federal issues, and feature Kerry McGrath who will discuss WOTUS from past to present.
- Water Quality Committee – Randy Palachek reported the committee will meet tomorrow morning from 8:30-9:30. He mentioned the committee agenda is on the web page.
- Endangered Species Committee – Glenn Clingenpeel reported that the committee met this morning. The guest speaker was Dr. Paul Crum from TPWD who spoke about alligator snapping turtle conservation efforts. Crum also covered the program regarding abandoned fishing gear. Glenn mentioned the white paper being developed for Texas Water Day. Comments for native mussel listing are due the last week of October.
- Surface Water Committee – Lyn Clancy and Walt Sears – Lyn referred to the one-page summary in board packet. She mentioned the TCEQ self-evaluation report issue number two as part of sunset review and noted that TWCA is following it closely through a dedicated subcommittee. The on-site direct reuse subcommittee, cochaired by Vanessa Puig Williams and Emily Rogers, is working on proposed rule revisions for TCEQ. She also noted a request from Charles Porter regarding potential changes to real estate form contracts for surface water.
- Groundwater Committee – Brian Sledge and Hope Wells – Brian reported that the committee has not met. They are about to start formally soliciting topics for consideration, and the deadline will be December 1.
- Membership & Services Committee – Connie Curtis reported on the work of the subcommittees. She mentioned that there are eight, and all have chairs. All met via Zoom over the past few months. She provided summaries for each of the subcommittees. Connie also provided an attendance update for golf and the service project - 40 golfers and 35 service project participants.
- Any other committee reports – none

11. Other Business

Kathy thanked Stacey and her staff for the hard work.

12. Adjournment

The next TWCA Board Meeting will be Friday, December 3, 2021 at the Austin Omni Downtown.

Mark Evans moved, and Mike Turco seconded the motion to approve adjournment.



ITEM: Discussion and possible action on 2022 TWCA-TGWA Management Agreement
DATE: December 3, 2021
STAFF CONTACT: Stacey Steinbach

TWCA contracts with the Texas Ground Water Association (TGWA) annually for management services. In exchange for a management fee, TWCA's employees provide all staffing and management services for TGWA, including:

- Developing and producing an annual convention and trade show for 500+ each year;
- Facilitating quarterly board meetings for the organization's board and three divisions;
- Tracking statutes, rules, and policy developments related to well drilling;
- Performing all responsibilities related to the Association's finances;
- Developing and distributing the Fountainhead, TGWA's printed quarterly newsletter;
- Managing TGWA's Scholarship Foundation, including board management and scholarship applications; and
- Organizing and staffing approximately 15 continuing education classes across the state and facilitating online classes.

Per the terms of the contract, TGWA must pay TWCA a management fee of \$186,000.00 for fiscal year 2022. TGWA must also pay all other actual costs and expenses related to TGWA activities. We have not recommended a fee increase for 2022 because TGWA's finances have been severely impacted by the Covid-19 pandemic.

Over the past five years, the TGWA workload has increased significantly and includes management of the newly-formed TGWA Scholarship Foundation. We have worked to streamline and modernize all processes at the Association in an effort to increase efficiency and help retain/engage members. More recently, we conducted a complete reorganization of the Association and its bylaws to ensure it is operating in compliance with state law and insurance policies.

Over the next year, staff recommends a board committee review the relationship between TWCA and TGWA to review allocations of staff time, potential conflicts of interest, and overall benefits to the Associations. We also recommend some staffing changes that are outlined in the 2022 budget memo.

The TGWA Board of Directors approved this draft at its meeting in October.

Recommendation: Approve the 2022 Management Agreement with TGWA and authorize the TWCA president to appoint a committee of the board to explore the relationship between the Associations and potential paths forward.

**TEXAS WATER CONSERVATION ASSOCIATION AND TEXAS GROUND WATER ASSOCIATION
2022 MANAGEMENT AGREEMENT**

- I. Texas Water Conservation Association (TWCA) will render the following services to the Texas Ground Water Association (TGWA) under this contract.
- A. TWCA will invoice all members of the TGWA prior to January for their annual dues and collect their payments, with second and third invoices to follow as needed. A careful record of all members and dues received will be maintained for the Association.
 - B. TWCA will maintain a mailing list of known drilling and pump contractors within the State of Texas. This list will be used for membership promotion, for convention notices, for newsletter circulation, continuing education classes, and for any special mailings authorized by the TGWA Board of Directors.
 - C. The General Manager of TWCA or his designee will attend all meetings of the General Membership and the Board of Directors of TGWA to report on activities that has been worked on in behalf of the Association.
 - D. TWCA will assume any duties of the Executive Secretary and/or the Secretary/Treasurer assigned to it by the Board of Directors. This will include taking and distributing minutes, payment of bills incurred by the Association during its normal business transactions, and distribution of funds and income to the various local chapters and/or divisions as authorized.
 - E. TWCA will write, have printed, and distribute an association newsletter at least three (3) times a year. The newsletter may contain advertising by companies doing business in the water well industry and other interested companies, and will be distributed to all known members of the Association, non-member drilling contractors, and/or pump contractors within the State of Texas and such as approved by the Board of Directors. Advertising may be sold by TGWA and a financial accounting will be maintained by TWCA of all income and expenses directly related to the newsletters. Any profit derived from the newsletter will be retained by the TGWA.
 - F. TWCA will arrange for all meetings of the Association, prepare and mail all notices to those involved. For the annual convention, an attendance and financial summary will be provided for the Board of Directors.
 - G. TWCA will maintain an association directory and prepare a convention program each year.
 - H. The TGWA offices will be located at 3755 S. Capital of Texas Highway, Suite 105, Austin, Texas 78704 or at the same place as the Texas Water Conservation Association.
 - I. If at any time there should arise a conflict of interest between the goals of TWCA and those of the TGWA such conflicts will be resolved by action of the Board of Directors of TWCA and the Board of Directors of TGWA.
- II. The Texas Ground Water Association will:
- A. Pay all costs and expenses related to TGWA activities, including but not limited to:
 - 1. Travel and other expenses of TWCA employees related to TGWA functions;
 - 2. Postage, copies, and a proportionate share of other office supplies necessary to conduct the

work of TGWA; and

- 3. All other TGWA-specific expenses, such as convention, board, and continuing education costs.

B. Pay a management fee of \$186,000.00 for Fiscal Year 2021 that may be paid in twelve (12) monthly installments beginning January 1, 2021. This fee includes:

- 1. Proportionate salaries for TWCA staff working on TGWA functions;
- 2. The use of TWCA office space and coverage for related building insurance; and
- 3. The use of TWCA equipment, including printers, computers, and postage machines.

C. The Texas Ground Water Association agrees to indemnify and save and hold harmless the Texas Water Conservation Association, its officers, Directors and employees from and against all claims, demands, causes of action, damages, liabilities and expenses, including attorney fees that have heretofore arisen or may hereafter arise as a result of any undertaking, act or omission, whether negligent or not, which is done or omitted to be done by Texas Water Conservation Association, or any of its officers, Directors or employees in connection with the performance of the Texas Water Conservation Association's responsibilities under this contract; provided, however, this indemnity agreement does not apply to or include any such claims, demands, causes of action, damages, liabilities, expense or attorney fees that may arise through wanton or willful misconduct of Texas Water Conservation Association or any of its officers, Directors or employees, except that this indemnity agreement does apply to and protect Texas Water Conservation Association and those officers, Directors and employees who are not parties to or do not act in concert or collectively with others who engage in such wanton or willful misconduct.

Whenever a claim is made which might come within the terms of this indemnification agreement, the Texas Water Conservation Association agrees to notify the Texas Ground Water Association that a claim has been made against the Texas Water Conservation Association and further agrees not to compromise or settle any claim that comes within the terms of this agreement without prior notice to the Texas Ground Water Association of its intent to settle such a claim and the terms of such proposed settlement.

This Management Agreement shall be in effect for a period of one (1) year beginning with the first day of each calendar year and shall continue in effect from convention to convention unless canceled by either party by giving at least sixty (60) days written notice of cancellation or request for a modification of the Agreement. The contract may not be canceled during the last 120 days of the contract year unless mutually agreeable.

TEXAS GROUND WATER ASSOCIATION

BY: _____
William McPike, PRESIDENT

DATE: _____

TEXAS WATER CONSERVATION ASSOCIATION

BY: _____
Kathy Turner Jones, PRESIDENT

DATE: _____



ITEM: Discussion and possible action on TWCA Financials, member dues, and proposed 2022 TWCA Annual Budget
DATE: December 3, 2021
BOARD CONTACT: Mike Booth
STAFF CONTACT: Stacey Steinbach

Finance Committee Members: Mike Booth (Chair), Kathy Turner Jones, Kent Satterwhite, Walt Sears, David Montagne, Kevin Ward

Background. Each December, the TWCA Board of Directors adopts a budget for the upcoming fiscal year. TWCA’s Finance Committee met on November 16th to review financials and develop a draft 2022 annual budget. The following documents are attached to this memo:

1. Balance sheet and profit and loss statement as of November 30, 2021 showing prior year
2. 2022 member dues schedule based on the 2% annual increase approved by the board last year
3. Proposed 2022 budget
4. 2022 draft budget workbook showing historical financials since 2018

Even with the move of our annual convention to a virtual format, we are on track for 2021, thanks to increased conference revenue and reduced expenses. Membership dues are lower than expected for this time of year, but we currently have around \$90,000 in outstanding 2021 member dues invoices (with two-thirds of that past due and a third due by the end of the year). Staff conducted a membership audit in early November and learned that since moving to an electronic-only dues renewal process in 2020, the system is significantly more vulnerable to staff turnover, so we are working on collecting delinquent dues and ways to mitigate those impacts. We are hoping to continue streamlining processes and working with the board on inviting new memberships in 2022.

The committee also discussed rising expenses, especially as it relates to hotel invoices as shown in the budget document. Based on strong board member feedback via our conference survey, we are proposing to move the awards program to the luncheon at the annual convention and move to a longer reception with heavy hors d’oeuvres for Thursday evening. This will allow us to keep conference registration prices stable for 2022 and within the board’s preferred ranges. Results to that survey can be found at www.twca.org/boardinfo.

Of significant note in the proposed 2022 budget is the addition of a 6th TWCA employee. Due to increasing workload for both TWCA and TGWA, the association has had a need for additional staff for some time. With the expiration of the contract with Robbins Advocacy, we are proposing to move those dollars to fund this salary position. This position will be mostly dedicated to TGWA activities to allow current staff to dedicate more time to important TWCA initiatives. It will be contingent on the renewal of the TWCA/TGWA management agreement and could also help TGWA move forward independently, should that be the board’s preferred approach in the future.

As part of the process of adding a new employee, we have been working to update and standardize job descriptions and salary ranges for all positions. The proposed budget includes health insurance, retirement benefits, and raises for staff as recommended by the Finance Committee.

Recommendation: Approve the financials, member dues, and proposed 2022 TWCA Annual Budget as presented.

Texas Water Conservation Association

Balance Sheet

As of November 30, 2021

	TOTAL	
	AS OF NOV 30, 2021	AS OF NOV 30, 2020 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1025 Chase - Checking	161,095.84	159,940.89
PayPal Bank	11,261.66	20,700.30
Savings	31,566.25	
Total Bank Accounts	\$203,923.75	\$180,641.19
Accounts Receivable	\$0.00	\$13,435.00
Other Current Assets	\$16,047.58	\$16,047.58
Total Current Assets	\$219,971.33	\$210,123.77
Fixed Assets		
Other Assets	\$2,807.00	\$2,807.00
1301 Lease Deposit	6,725.28	6,725.28
Total Other Assets	\$6,725.28	\$6,725.28
TOTAL ASSETS	\$229,503.61	\$219,656.05
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	\$0.00	\$0.00
Other Current Liabilities	\$35,823.06	\$44,787.94
Total Current Liabilities	\$35,823.06	\$44,787.94
Total Liabilities	\$35,823.06	\$44,787.94
Equity		
3010 Fund Balance	5,569.03	5,569.03
3015 Fund Balance - Equipment Replace Fund	7,898.00	7,898.00
Retained Earnings	155,934.17	96,937.71
Net Income	24,279.35	64,463.37
Total Equity	\$193,680.55	\$174,868.11
TOTAL LIABILITIES AND EQUITY	\$229,503.61	\$219,656.05



Texas Water Conservation Association

Profit and Loss

January - November, 2021

	TOTAL	
	JAN - NOV, 2021	JAN - NOV, 2020 (PY)
Income		
4070 NWRA Dues Income	29,886.00	28,430.00
4110 Legislative News Subscriptions	9,975.00	54,150.00
4200 Annual Convention Income	99,510.00	224,450.00
4220 Mid-Year Conference Income	164,780.00	79,120.00
4230 Texas Water Day Income		9,100.00
4240 Other Meeting Income	20,373.00	7,916.00
4250 Fall Conference Income	178,835.00	100,980.00
4300 TGWA Management Fee	170,500.00	170,500.00
4500 Risk Management Fund Income	138,750.00	137,500.00
4600 Reimbursable Expense Income	5,678.10	6,279.76
Confluence Income	5,500.00	10,750.00
Membership Dues Income	302,275.00	288,900.00
Total Income	\$1,126,062.10	\$1,118,075.76
GROSS PROFIT	\$1,126,062.10	\$1,118,075.76
Expenses		
5200 Property Taxes	983.70	947.57
5350 Insurance	4,772.75	2,713.75
5450 Accounting and Bookkeeping	4,739.68	1,746.96
5500 Annual Convention	448.91	148,147.88
5510 Legislative News	6,269.70	
5520 Confluence	1,195.53	1,364.40
5530 Mid-Year Conference	82,235.70	5,878.99
5550 Fall Conference	80,207.47	7,821.76
5570 Other Meetings	10,945.00	4,605.35
5590 Board Expenses	1,037.87	1,755.12
5600 Travel, Registrations, & Other	9,329.01	15,032.50
5700 Membership Dues and Subscriptions	3,521.93	3,693.39
5710 NWRA Dues	25,569.75	25,569.75
5800 Office Expenses and Supplies	15,360.09	15,218.78
5820 Office Lease	86,477.91	92,647.92
5900 Rented Equipment	19,301.75	19,794.36
6000 IT and Website	29,917.15	25,799.67
Contract Labor	70,000.00	55,000.00
Personnel	649,951.50	624,074.48
Total Expenses	\$1,102,265.40	\$1,051,812.63
NET OPERATING INCOME	\$23,796.70	\$66,263.13
Other Income		
4100 Interest Earned	482.65	450.24
Total Other Income	\$482.65	\$450.24
NET OTHER INCOME	\$482.65	\$450.24
NET INCOME	\$24,279.35	\$66,713.37

TWCA Membership Dues Workbook

Membership Level	Description	2022 Dues*
Membership Level A	Individuals whose occupation is unrelated to the water profession and who are carried on the membership roles without designation of firm, company, or organizational affiliation.	\$245
Membership Level B	Small districts, authorities and water corporations with up to 3 employees; state agencies, councils of government, and other associations; small local businesses (other than consultants) with less than 25 employees; cities with a population of less than 15,000.	\$416
Membership Level C	Districts, authorities, and water corporations with 4-15 employees; consultants (legal, engineering, financial, utility operations, etc.) with less than 10 employees in Texas; businesses and industry with 26-50 employees in Texas; cities with a population of 15,000-50,000.	\$831
Membership Level D	Districts, authorities and water corporations with 16-40 employees; consultants with 11-50 employees in Texas; businesses and industry with 51-100 employees in Texas; cities with a population of 50,000-250,000.	\$1,663
Membership Level E	Districts, authorities and water corporations with 41-100 employees; consultants with over 50 employees in Texas; businesses and industry with 100-500 employees in Texas; cities with a population of 250,000-500,000.	\$4,100
Membership Level F	Districts, authorities and water corporations with over 100 employees; businesses and industry with over 500 employees in Texas; cities with a population greater than 500,000.	\$6,854

* Includes NWRA portion.

TWCA 2022 Proposed Budget	
Income	
Membership Dues	\$370,000
NWRA Dues	\$37,500
Legislative News	\$34,000
Annual Convention	\$225,000
Mid-Year Conference	\$165,000
Other Meetings	\$32,000
Fall Conference	\$180,000
TGWA Contract	\$186,000
Risk Management Fund	\$154,500
Reimbursables	\$10,000
Confluence	\$12,000
Total Income	\$1,406,000
Expenses	
Admin (Taxes, Insurance, Finance)	\$15,000
Annual Convention	\$125,000
Confluence	\$0
Mid-Year Conference	\$82,000
Fall Conference	\$80,000
Other Meetings	\$45,000
Travel, Registrations, Subscriptions, and Other	\$25,000
NWRA Dues	\$35,000
Office Expenses, Supplies, Rented Equipment, IT	\$70,000
Office Lease	\$99,000
Total Personnel	\$830,000
Total Expenses	\$1,406,000
Net Income	\$0

Texas Water Conservation Association

2022 Budget Workbook

	2018 Actuals	2019 Actuals	2020 Actuals	2021 Budget	2021 EOY Estimates	2022 Draft Budget	Notes
Income							
Membership Dues	\$331,735	\$327,875	\$323,182	\$375,000	\$360,000	\$370,000	*membership audit shows \$90K in outstanding dues; plan to identify new members for 2022
NWRA Dues	\$32,419	\$31,956	\$31,912	\$37,500	\$36,000	\$37,500	
Legislative News	\$48,100	\$1,850	\$58,425	\$5,000	\$9,975	\$34,000	This is not a decrease - more accurate to split legislative news income over two years; remaining \$35K realized in 2023
Annual Convention	\$195,786	\$214,935	\$224,450	\$161,250	\$99,285	\$225,000	*Based on \$450 earlybird member registration fee; \$50K in sponsorships
Mid-Year Conference	\$139,288	\$155,998	\$79,120	\$108,750	\$164,780	\$165,000	Based on \$395 earlybird member registration fee; \$40K in sponsorships
Other Meetings	\$33,490	\$36,897	\$22,190	\$24,500	\$24,500	\$32,000	3 managers mtgs in 2022 (18K); hope to add small Texas Water Day in spring?
Fall Conference	\$167,236	\$202,815	\$100,980	\$170,000	\$178,440	\$180,000	Based on \$395 earlybird member registration fee; \$40K in sponsorships
TGWA Contract	\$176,000	\$186,000	\$186,000	\$186,000	\$186,000	\$186,000	No increase for 2022
Risk Management Fund	\$150,000	\$150,000	\$150,000	\$150,000	\$151,500	\$154,500	Goes up 2% each July 1
Reimbursables	\$16,944	\$17,629	\$10,838	\$10,000	\$10,000	\$10,000	Mostly TGWA's share of expenses (copies, internet, phone, office etc); charged twice annually (June and Dec)
Confluence	\$17,380	\$14,500	\$10,750	\$12,000	\$15,000	\$12,000	Sponsorship invite going out Dec 6th
Other		\$951		\$14,431			
Total Income	\$1,308,378	\$1,341,406	\$1,197,847	\$1,254,431	\$1,235,480	\$1,406,000	
Expenses							
Admin (Taxes, Insurance, Finance)	\$16,596	\$11,990	\$7,023	\$15,000	\$12,000	\$15,000	Full audit year; undergoing insurance audit
Annual Convention	\$123,044	\$156,782	\$148,148	\$93,750	\$449	\$125,000	Based on dinner reception rather than sit down dinner; includes breakfast & lunch
Confluence	\$2,148	\$3,956	\$1,451	\$1,470	\$1,196	\$0	All online
Mid-Year Conference	\$49,608	\$66,969	\$5,879	\$48,750	\$82,236	\$82,000	Kalahari Resort likely to be expensive
Fall Conference	\$61,578	\$95,700	\$7,822	\$65,000	\$80,207	\$80,000	
Other Meetings	\$47,815	\$47,284	\$6,360	\$33,500	\$34,000	\$45,000	Board Holiday dinner and luncheon (18K); managers meetings (12K); Texas Water Day (14K)
Travel, Registrations, Subscriptions, and Other	\$23,119	\$35,280	\$21,223	\$21,000	\$22,000	\$25,000	Telicon, NWC, travel, outreach
NWRA Dues	\$32,136	\$33,100	\$34,093	\$34,093	\$34,093	\$35,000	
Office Expenses, Supplies, Rented Equipment, IT	\$71,579	\$78,399	\$66,047	\$59,000	\$65,000	\$70,000	Rented equipment (\$18K), Supplies (\$17K), IT/web (includes hardware, consultant, and software) (\$35K)
Office Lease	\$84,661	\$67,521	\$92,648	\$95,000	\$95,000	\$99,000	2019 saw 4 months free base rent for signing lease; hope to downsize in 2023
Consultant Contract			\$60,000	\$75,000	\$75,000	\$0	2021-2022=Robbins Advocacy Contract
Total Personnel	\$780,485	\$774,602	\$686,506	\$712,868	\$712,868	\$830,000	Includes \$30K health insurance starting 2020. 2022 figure includes funding for 6th employee & salaries as proposed by Finance Comm.
Total Expenses	\$1,292,769	\$1,371,583	\$1,137,200	\$1,254,431	\$1,214,049	\$1,406,000	
Net Income	\$15,609	(\$30,177)	\$60,647	\$0	\$21,431	\$0	



ITEM: Discussion and possible action on Policy Committee recommendation
DATE: December 3, 2021
BOARD CONTACT: Dan Buhman
STAFF CONTACT: Sarah Kirkle

BACKGROUND INFORMATION

This Summer, the Policy Committee reviewed Section 10 (Environmental Issues) of the State Positions Document in accordance with the established policy review schedule. The Policy Committee gathered early feedback through a workgroup and considered several proposed changes, including new language to support preservation of endangered species balanced with the economic needs of Texas, as well as language to clarify the importance of data collection and meaningful stakeholder input to inform sound water policy. The full Policy Committee considered the proposal during TWCA’s Fall Conference on October 21, 2020. All Policy Committee members present voted to support the proposal.

In accordance with the committee’s procedures, which require any policy up for consideration by the TWCA Board of Directors to be transmitted at least two weeks prior to any vote, TWCA staff sent the proposal to board members on November 17th. We received feedback from two board members, including one non-substantial edit that is highlighted in the draft and acceptable to the author and committee chair.

The amended State Positions document follows, with proposed changes tracked.

Recommendation: Approve the changes to the State Position document as recommended by the Policy Committee and including the highlighted change shown in the attached.

10. Environmental Issues

10.1 All state agencies should be required to balance economic and social benefits when considering the environmental impact of any policies, decisions or actions relating to water resources. In determining, or making recommendations regarding, the need for and extent of mitigation including the acquisition of lands or easements, all state agencies should be required to consider the environmental benefits of a project as offsetting any negative environmental impacts.

(Source: Position Nos. 7 and 8, as updated June 2015.)

10.2 TWCA urges that any legislation for designating and protecting Texas rivers or streams or segments under a rivers protection system (e.g. wild & scenic designation) include provisions for local hearings, consistency with the state water plan, and Texas Commission on Environmental Quality approval as prior conditions of protection. Such protection must not interfere with the use of water under existing and/or future approved water rights.

(Source: Position No. 19, as updated June 2015.)

10.3 TWCA supports the compromises that were reached and included in Senate Bill 3 (80th R.S.) to address environmental flow needs in the state. TWCA's support is based on the following key principles being preserved and implemented in policy, law and regulation.

- a. The Texas Commission on Environmental Quality lacks authority to issue new water rights for instream uses or bays and estuaries inflow.
- b. Dedication, whether permanent or temporary, of an existing water right to the Texas Water Trust requires a water right amendment consistent with the provisions of Texas Water Code, Section 11.122 (b).
- c. The Texas Commission on Environmental Quality may not, by rule or other action, involuntarily impose, upon existing water rights, requirements for environmental flows except to the extent such requirement(s) were imposed in the existing water right as a permit condition.
- d. TWCA supports application of the Texas Water Code, Section 11.122 (b) "no-injury rule" when considering whether or not requirements for environmental flows may be imposed on an applicant seeking to amend an existing water right.
- e. Environmental flow standards should be validated or refined, and strategies to meet those standards should be developed, with significant stakeholder and scientific input on a basin-by-basin basis.
- f. Rulemaking to refine basin-by-basin environmental flow standards should consider, among other things, stakeholder and scientific recommendations, the specific characteristics of the river basin and bay system, economic factors, and human and other competing water needs in the river basin and bay system.
- g. Environmental flow standards must consist of a schedule of flow quantities, reflecting seasonal and yearly fluctuations that may vary geographically by specific location in a river basin and bay system.

- h. Environmental flow standards may be met, in part or in full, through existing terms or conditions in existing water rights; through water rights held, either permanently or temporarily, in the Water Trust; and through reservations from future appropriations.
- i. Basin environmental flow standards, set-asides, and other means of ensuring environmental flows must include appropriate drought contingency provisions consistent with the Texas climate and with maintaining balance between competing demands for economical water supply and environmental flows. Authority and procedures must exist for suspending environmental-flow set asides under emergency conditions to make water available for essential beneficial uses.
- j. A water rights permit holder has the right to seek amendment of existing environmental flow conditions in its permit to achieve consistency with environmental flow standards and set-asides.

(Source: Position No. 35, as updated June 2015; also for Position No. 35, see Sections 5.7 and 5.8.)

10.4 TWCA recognizes that diligence in conducting data collection and meaningful scientific studies with meaningful stakeholder input is essential to measure the effectiveness of basin-by-basin environmental flow planning and standards and to validate commitments to meeting environmental flow needs.

(Source: Position No. 34, as updated June 2015; also from Position No. 35, see Section 9.3.)

10.5 Management of Texas' coastal zones should consider the economic impact on coastal areas while preserving the valuable ecosystems that must coexist with development. TWCA urges that the Legislature and the Texas Coastal Coordination Council regularly review the Coastal Zone Management Program and that a plan be maintained to be consistent with this principle.

(Source: Position No. 28, as updated June 2015.)

10.6 TWCA recognizes the importance of preserving biodiversity through the protection of endangered species while balancing the needs of Texas citizens for adequate, affordable water supply.

a. State laws and regulations should align with federal requirements when a species protected by the state is listed as threatened or endangered under federal law. Federal and state listings should not create separate and conflicting regulatory burdens. This includes situations where critical habitat known to support a federally-listed species is also habitat for one or more different, state-listed species. The need for such alignment should not preclude the State in challenging or opposing federal listings that they deem to be unreasonable or unduly burdensome.

b. State agencies should support the acquisition and use of quality data in species listing evaluations.

c. The Legislature should continue to provide funding for applied and academic research to improve the quality of listing decisions being made, and to assist the regulated community in complying with, and mitigating the impacts of, species listing. This includes activities involving regulatory compliance. The Legislature should make these funds available in the most efficient manner possible to achieve these objectives.

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Commented [A1]: Working group resolved to modify Section 3 (Planning, Infrastructure, and Funding) to broadly support data collection and scientific studies to inform water policy. That change is listed below. This section was also revised to include "with meaningful stakeholder input."

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Commented [A2]: New suggested language based on feedback from TWCA Board members.

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~~including direct contracting between state agencies and other, appropriate political subdivisions.~~

SECTION 3

3.3 ~~TWCA believes that data collection and scientific studies, with meaningful stakeholder input, are important to inform sound water policy.~~ State agencies and institutions should be appropriated adequate funding to support ~~these programs including, but not limited to the following purposes:~~

- a. efficient management, use and/or reuse of water supplies;
- b. efficient treatment, reclamation, or disposal of effluent, water treatment sludge and wastewater treatment biosolids, solid waste (including hazardous wastes) and dredged material;
- c. needs for fresh water inflow into estuarine systems and instream flows, and the most appropriate balance between reserving water for these purposes, while protecting existing water rights and allowing for the continued development of water resources to meet growing needs for other purposes;
- d. training knowledgeable and capable professionals and technicians in the environmental, water and waste treatment fields;
- e. public education and awareness throughout the state regarding sound management, conservation and timely development of Texas water resources;
- f. public education and awareness throughout the state regarding the detrimental effect, on Texas' watercourses, canals and drainage systems, of windblown and waterborne litter, illegal dumping, and discarded tires.;
- g. flood control through watershed management, including dam safety; and
- h. modernizing the Federal Emergency Management Agency (FEMA) flood-hazard mapping program.

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ITEM: Discussion of Surface Water Committee Activities
DATE: December 3, 2021
BOARD CONTACT: Lyn Clancy and Walt Sears
STAFF CONTACT: Sarah Kirkle

Below are a few updates from the TWCA Surface Water Committee, chaired by Lyn Clancy and Walt Sears.

1. **TCEQ Sunset Water Shortage Emergency/Drought Workgroup.** As discussed at the Fall TWCA Board meeting, the Surface Water Committee formed a workgroup to solicit feedback and determine next steps on Issue #2 of TCEQ's Sunset Self-Evaluation Report related to reallocation of surface water during water shortage emergencies or drought. To summarize the workgroup's discussion on this issue, it developed the draft position paper that follows. Once approved, the workgroup intends to provide the paper to Sunset staff to provide context and background on the SER issue. The paper also outlines the Surface Water Committee's intent to consider legislative proposals that would further the state's water resilience in advance of the next severe water shortage or drought efforts, including the following:
 - Clarifying Texas Water Code §11.139 to ensure the workability of processes to address emergency shortages of water, including during drought, while ensuring that senior water rights are not taken without just compensation, including potential changes to address such shortages for power generators
 - Updating TCEQ's water availability models (WAMs) so that regulatory and appropriative decisions are improved based on more accurate data
 - Exploring the state's drought contingency planning process and identifying areas for improvement, including requirements for power generators

The Surface Water Committee intends to begin meetings to consider these issues after the first of the year. Any legislative proposals originating from the workgroup would be routed through the Surface Water Committee and board in advance of the next legislative session.

2. **Direct Onsite Reuse Subcommittee** (Chairs: Emily Rogers and Vanessa Puig-Williams). This subcommittee, formed in 2020, has drafted proposed changes to TCEQ rules to clarify requirements related to direct onsite reuse of domestic wastewater. A copy of the draft proposed changes to TCEQ rules follows. The subcommittee met on November 1st to discuss the proposed changes (described below) developed by a drafting group of subcommittee members. On November 2nd, via an electronic vote, the subcommittee unanimously approved the draft. Subcommittee chairs and TWCA staff plan to meet with TCEQ leadership on December 13th to share the draft and obtain feedback before proposed rules are provided to the full Surface Water Committee for approval.

SUMMARY OF PROPOSED RULES: Currently, the TCEQ's Chapter 321, Subchapter P and Chapter 210 rules require an owner of a reclaimed water treatment facility that treats for reuse of domestic wastewater to have a wastewater discharge permit (TPDES/TLAP) as an alternative means of disposal. The proposed changes to the TCEQ rules prepared by the reuse drafting committee would eliminate the requirement that the owner of the reclaimed water treatment facility also have a TPDES or TLAP permit as an alternative means of disposal *if* the owner's alternative means of disposal is to an existing collection system and the owner has consent from the existing collection system owner and, if different, the wastewater treatment plant owner, to discharge into the collection system and ultimately the wastewater treatment plant. The proposed rules do not change any design requirements under Chapter 210 or 321.

Recommendation: Authorize TWCA to distribute the draft SER position paper and proposed direct onsite subcommittee rules and continue working with the Surface Water Committee on finalizing these initiatives.



TWCA Position Paper on TCEQ’s Sunset Self-Evaluation Report Issue #2: “Authority to Protect Public Health, Safety, and Welfare During Droughts and Emergency Water Shortages”

In its Self-Evaluation Report (SER) Issue #2, the Texas Commission on Environmental Quality (TCEQ) outlines its administration of water rights in accordance with the Prior Appropriation Doctrine, including its duty to suspend junior water rights as necessary to protect senior water rights during times of drought. Noting that junior water right owners can include municipal users and power generation users, it suggests a possible statutory change that would allow the agency to circumvent prior appropriations laws to protect public health, safety, and welfare during droughts or emergency shortages of water. While the Texas Water Conservation Association (TWCA) recognizes the importance of water availability during drought or water shortages, the Association objects to TCEQ’s proposal because it violates constitutional property right protections and undermines the state water planning process.

Violates Constitutional Property Right Protections. In Texas, water rights are property rights and may not be taken without just compensation. Since 1895, the state has relied on the Prior Appropriations Doctrine as a fundamental legal tenet of how Texas will allocate and manage state water. Under this law, embodied within Texas Water Code (TWC) §11.027, senior rights are protected via the principle of “first in time, first in right,” making them more reliable when state water resources are affected by drought. Because of their higher reliability, senior water rights are more valuable to their owners and potential buyers of these water rights.

In 2011, TCEQ Sunset legislation proposed to address water emergencies through a proposal similar to SER Issue #2. Stakeholders, including TWCA, voiced concerns that a failure to comply with the Prior Appropriations Doctrine would constitute a taking of private property for public use and create regulatory uncertainty, disrupting current state water management systems. As a result, the Legislature, in adopting TWC §11.053, required TCEQ to strictly adhere to the laws related to prior appropriations to protect private property rights.

The courts have confirmed this approach. In 2019, the Texas Supreme Court agreed that TCEQ’s rules implementing TWC §11.053 improperly departed from state law when the agency exempted certain municipalities and electric generator junior water rights holders from curtailments – but not agricultural users and others – when a senior water right holder made a priority call.¹ These actions, together with a failure to compensate water right owners when taking their water, violated private property rights.

As noted by the Court, TCEQ already has authority to reallocate state water supplies during drought through Texas Water Code §11.139, which requires compensation for the water in line with constitutional property right protections. Absent a compensation requirement, TCEQ’s SER

¹ *Tex. Comm’n on Env’tl. Quality v. Tex. Farm Bureau*, 460 S.W.3d 264 (Tex. App.—Corpus Christi 2015, pet. denied).

Issue #2 would allow the agency to ignore the prior appropriations law during the precise times when senior water rights are most needed, destabilizing the system upon which water entities rely to ensure availability of their water supplies. Further, reallocation of state surface water supplies offers only limited relief in drought, and only to communities relying on surface water (as opposed to groundwater), with a junior right, and in certain geographic locations, and would not address a water shortage emergency for the majority of communities at highest risk of running out of water.

Undermines the State Water Planning Process. Texas’s regional and state water planning process relies on the continued application of the Prior Appropriation Doctrine to help identify communities or water user groups that may be more vulnerable to water shortages during drought due to the “junior” nature of their water rights. A key part of the planning process is evaluating potential water shortages so that these communities and water users can identify and implement strategies during drought and as water demand grows over time. While water providers cannot plan for every contingency, the prior appropriations system provides certainty against which water providers can reasonably plan for their needs.

Through the water planning process, many TWCA members have identified the need for additional water supplies and subsequently acted to secure those supplies to ensure they can meet the needs of customers. TCEQ’s proposed solution has the potential to unfairly reward municipal water suppliers or power generators for their failure to reasonably plan for a drought at the expense of senior water right holders, undermining the state water planning process.

Alternative Solutions. TWCA members work to ensure the availability and reliability of affordable water supplies across the state and support solutions that further the state’s resilience in advance of the next severe water shortage or drought. To this end, TWCA is forming a committee to consider legislative proposals that would further these efforts, including the following:

- Clarifying Texas Water Code §11.139 to ensure the workability of processes to address emergency shortages of water, including during drought, while ensuring that senior water rights are not taken without just compensation, including potential changes to address such shortages for power generators
- Updating TCEQ’s water availability models (WAMs) so that regulatory and appropriative decisions are improved based on more accurate data
- Exploring the state’s drought contingency planning process and identifying areas for improvement, including requirements for power generators

TWCA Direct Onsite Reuse Subcommittee
Proposed Draft Rule Amendments

§ 210.1. Applicability

This chapter applies to the reclaimed water producer, provider, and user. If the entity which is the producer of the reclaimed water is the same as the user, then the use of reclaimed water is permissible only if the use occurs after the wastewater has been treated ~~in accordance with the producer's wastewater permit~~ to the levels required for reuse, as provided in this chapter, and the ~~permit the entity has provides for~~ an alternative means of disposal during times when there is no demand for the use of the reclaimed water. This chapter does not apply to treatment or disposal of wastewater permitted by the commission in accordance with the requirements of Chapter 305 of this title (relating to Consolidated Permits), or to the user of such treated wastewater identified in the producer's wastewater discharge permit authorizing disposal by irrigation. This chapter does not apply to those systems authorized under Chapter 285 of this title (relating to On-Site Wastewater Treatment) which utilizes surface irrigation as an approved disposal method.

§ 210.3(22) – Producer – A person or entity that produces reclaimed water by treating domestic wastewater or municipal wastewater, in accordance with a permit ~~or other authorization of the Agency~~ issued in accordance with the requirements of Chapter 305 of this title (relating to Consolidated Permits), or an authorization issued in accordance with the requirements of Chapter 321, Subchapter P, of this title (relating to Reclaimed Water Production Facilities), to meet quality criteria established in this chapter.

§210.4

(a) Before providing reclaimed water to another for a use allowable under this chapter, the reclaimed water provider shall notify the executive director and obtain written approval to provide the reclaimed water. The notification may be provided to the executive director with an application for a permit submitted under Chapter 305 of this title (related to Consolidated Permits) and the executive director may issue a permit pursuant to Chapter 305 of this title (related to Consolidated Permits) together with its approval under this chapter. The notification shall include:

- (1) a description of the intended use of the reclaimed water, including quantity, quality, origin, and location and purpose of intended use;
- (2) a clear indication of the means for compliance with this chapter, including documentation that a user will be apprised of their responsibilities under this chapter as a part of the water supply contract, ~~or other binding agreement,~~ or other authority;
- (3) evidence in a water supply contract, ~~or other binding agreement,~~ or other authorization of the provider's authority to terminate reclaimed water use that is noncompliant with this chapter; and
- (4) an operation and maintenance plan that is required under ordinance or is to be a part of the water supply contract or other binding agreement, where applicable, and which shall contain, as a minimum, the following:
 - (A) a labeling and separation plan for the prevention of cross connections between reclaimed water distribution lines and potable water lines;
 - (B) the measures that will prevent unauthorized access to reclaimed water facilities (e.g., secured valves);
 - (C) procedures for monitoring reclaimed water transfers and use;

- (D) steps the user must utilize to minimize the risk of inadvertent human exposure;
- (E) schedules for routine maintenance;
- (F) a plan for carrying out provider employee training and safety relating to reclaimed water treatment, distribution, and management; and
- (G) contingency plan for remedy of system failures, unauthorized discharges, or upsets.

(c) A producer who chooses to use reclaimed water for a beneficial use only within the boundaries of a wastewater treatment facility permitted by the commission in accordance with the requirements under Chapter 305 of this title (relating to Consolidated Permits), may do so without notification otherwise required by this section. In such instances, the producer is still required to comply with all applicable requirements of this chapter pertaining to the reclaimed water use.

(f) If the producer does not have a permit issued in accordance with the requirements of Chapter 305 of this title (relating to Consolidated Permit), the producer must provide an affidavit with its notification attesting that it has applied for or intends to obtain an authorization under Chapter 321, Subchapter P, of this title (relating to Reclaimed Water Production Facilities). If an affidavit is provided, the Chapter 321, Subchapter P, application shall be submitted to the commission within thirty (30) days after the commission authorizes the use of the reclaimed water under Chapter 210 of this title (relating to Use of Reclaimed Water). Notwithstanding the foregoing, the producer may submit its notification under this chapter and its request for an authorization under Chapter 321, Subchapter P together in a combined submittal to the Agency.

(g) If the producer does not have a permit issued in accordance with the requirements of Chapter 305 of this title (relating to Consolidated Permit), the producer may not begin providing reclaimed water to itself or another entity under the chapter unless it has obtained an authorization under this chapter and Chapter 321, Subchapter P, of this title (relating to Reclaimed Water Production Facilities).

§210.7

Reclaimed water transferred from a provider to a user shall be done on a demand only basis in order that the water is not provided during times it cannot be beneficially used in accordance with this chapter. The reclaimed water user may refuse delivery of such water at any time. However, this section is not intended to change any obligation the user may have by contract or ordinance. The producer shall have an alternative means of disposal during times when there is not demand for the use of the reclaimed water. All reclaimed water transferred to a user must be of at least the treatment quality for the use specified in § 210.32 of this title (relating to Specific Uses of Reclaimed Water).

§ 321.301

(a) The purpose of this subchapter is to establish authorization procedures, general design criteria, and operational requirements for reclaimed water production facilities and thereby promote the beneficial use of reclaimed water that may be substituted for potable water or raw water.

(b) This subchapter authorizes a reclaimed water production facility to produce reclaimed domestic wastewater at a site other than a permitted domestic wastewater treatment facility.

(c) A reclaimed water production facility authorized according to this subchapter is not required to hold a wastewater discharge permit from the commission, except as provided in § 210.5 of this title (relating to Authorization for the Use of Reclaimed Water).

(d) Except as provided by (f), a reclaimed water production facility may be authorized only if the owner of the reclaimed water production facility is also an owner of the associated domestic wastewater treatment facility that is permitted by the commission.

(e) Except for a reclaimed water production facility described in (f), if the wastewater discharge permit for the domestic wastewater treatment facility associated with a reclaimed water production facility expires, lapses, is surrendered, suspended, or revoked, the authorization to operate the reclaimed water production facility is automatically cancelled.

(f) The owner of the reclaimed water production facility does not have to be owner of the associated domestic wastewater treatment facility that is permitted by the commission if:

(1) the owner has complied with this Subchapter P of Chapter 321;

(2) the reclaimed water production facility has an alternative means of disposal during times when there is not demand for the use of the reclaimed water; and

(3) if the reclaimed water production facility's alternative means of disposal is to discharge into a wastewater collection system or domestic wastewater treatment facility not owned by the owner of the reclaimed water production facility, the owner has obtained written consent from the owner of the wastewater collection system and the permittee of the associated domestic wastewater treatment facility.

§ 321.303

- (4) Associated domestic wastewater treatment facility or domestic wastewater treatment facility – the domestic wastewater treatment facility permitted in accordance with the requirements of Chapter 305 of this title (relating to Consolidated Permits) to which any unused reclaimed water is directed.

§ 321.305

- (a) An applicant for authorization to produce reclaimed water at a reclaimed water production facility must have:

(1) a domestic wastewater permit for a domestic wastewater treatment facility that is located at the terminus of the collection system to which the reclaimed water production facility is or will be connected (“associated domestic wastewater treatment facility”), or written consent from the owner of the wastewater collection system to which the reclaimed water production facility is or will be connected, and, if different, the written consent of permittee of the associated domestic wastewater treatment facility that allows for the connection of the reclaimed water production facility to the collection system and associated domestic wastewater treatment facility, and

(2) an authorization to use reclaimed water under Chapter 210 of this title (relating to the Use of Reclaimed Water).

- (b) Applications for reclaimed water production facilities and for authorization to beneficially reuse reclaimed water under Chapter 210 of this title may be submitted concurrently.

(c) The authorization of a reclaimed water production facility does not alter the permitted flow or effluent limits of the associated domestic wastewater treatment facility.

(e) If consent under this Section 321.305 to connect the reclaimed water production facility to the domestic wastewater treatment facility is withdrawn, the authorization issued under Chapter 321, Subchapter P to operate the reclaimed water production facility is terminated. The owner or operator of the reclaimed water production facility must provide the executive director with written notice of the termination of the consent within five (5) business days after the owner or operator is notified that the consent has been withdrawn.

§ 321.307

(d) A reclaimed water production facility may not treat or dispose of sludge. All sludge must be conveyed through the collection system, or otherwise transported in an authorized manner, to the ~~permitted~~ associated domestic wastewater treatment facility, treated, and disposed of in accordance with the facility’s permit and all applicable rules.

§ 321.309

(a) An applicant shall comply with the provisions of §§ 305.43, 305.44, and 305.47 of this title (relating to Who Applies; Signatories to Applications; and Retention of Application Data).

(b) An application for an authorization of a reclaimed water production facility under this subchapter must be made on forms prescribed by the executive director.

(c) An applicant shall submit one original application with attachments to the executive director and one additional copy of the application with attachments to the appropriate regional office. Additional copies may be required as noted in the application.

(d) The application must contain, at a minimum, the following information:

(1) the applicant's name, mailing address, and telephone number;

(2) the wastewater permit number of the associated domestic wastewater treatment facility;

(3) a brief description of the nature of the reclaimed water use;

(4) the signature of the applicant, in accordance with § 305.44 of this title;

(5) a copy of a recorded deed or tax records showing ownership, or a copy of a contract or lease agreement between the applicant and the owner of any lands to be used for the reclaimed water production facility;

(6) a copy of the applicant's reuse authorization issued under Chapter 210 of this title (relating to Use of Reclaimed Water), or a copy of a concurrent application;

(7) a preliminary design report for the reclaimed water production facility that includes the design flow, design calculations, the size of the proposed treatment units, a flow diagram, and the adopted effluent quality;

(8) a buffer zone map and report indicating how the reclaimed water production facility will meet buffer zone requirements;

(9) a County General Highway Map (with scale clearly shown) to identify the relative location of the domestic wastewater treatment facility, the main lines of the collection system, and the reclaimed water production facility and at least a one-mile area surrounding the reclaimed water production facility;

(10) one original (remainder in color copies, if required) United States Geological Survey 7.5-minute quadrangle topographic map or an equivalent high quality color copy showing the boundaries of land owned, operated or controlled by the applicant and to be used as a part of the reclaimed water production facility. The map shall extend at least a one-mile beyond the facility boundaries and shall be sufficient to show the following:

(A) each well, spring, and surface water body or other water in the state within the one-mile area; and

(B) the general character of the areas adjacent to the facility, including public roads, towns and the nature of development of adjacent lands such as residential, commercial, agricultural, recreational, and undeveloped.

(11) if applicable, the written consents required by § 321.305(d); and

(12) any other information requested by the executive director.

§ 321.321

(a) The owner shall employ or contract with one or more licensed wastewater treatment facility operators or wastewater facility operations companies holding a valid license or registration according to the requirements of Chapter 30, Subchapter J of this title (relating to Wastewater Operators And Operations Companies).

(b) The operator or wastewater facility operations company shall have ~~the same level of license or higher as the~~ an operator license meeting the requirements of 30 Tex. Admin. Code § 30.350 for the type of treatment system and daily flows of ~~of the permitted domestic wastewater treatment facility associated with the~~ reclaimed water production facility.

(c) The owner shall notify the executive director at least 45 days prior to completion and at least 45 days prior to operation of a reclaimed water production facility.