

# **HAYS CALDWELL PUBLIC UTILITY AGENCY**

## **WATER SHARING MOU & GENERAL UPDATE**

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EXECUTIVE DIRECTOR  
JULY 19, 2016**

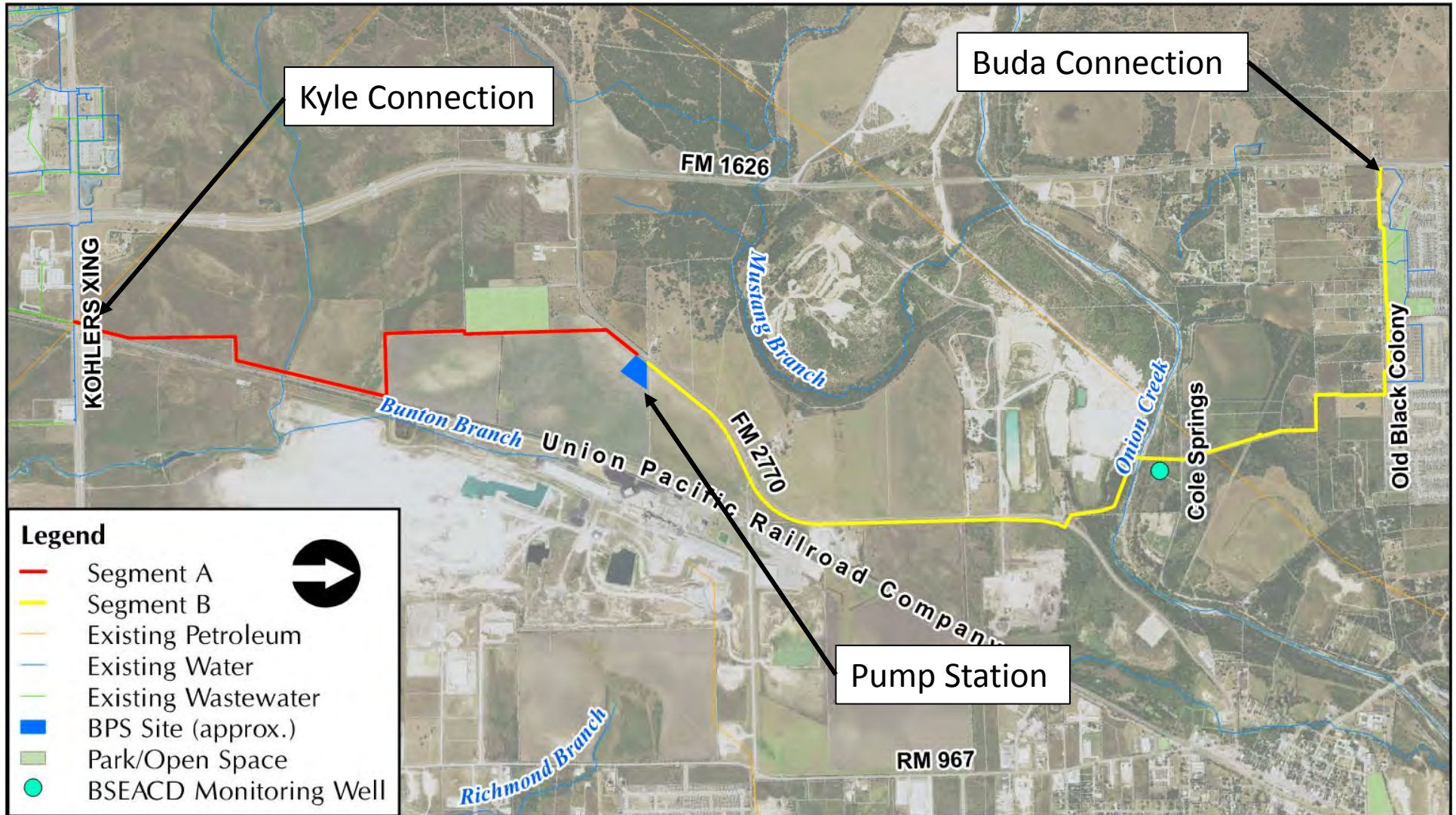


# AGENDA

- Brief update on HCPUA projects / initiatives:
  - Phase 1A Infrastructure
  - Plum Creek Conservation District Permitting
  - Conversion to a Regional Water Authority
  - Comparative Costs for HCPUA Project
- Water Sharing Memorandum of Understanding



# PHASE 1A INFRASTRUCTURE

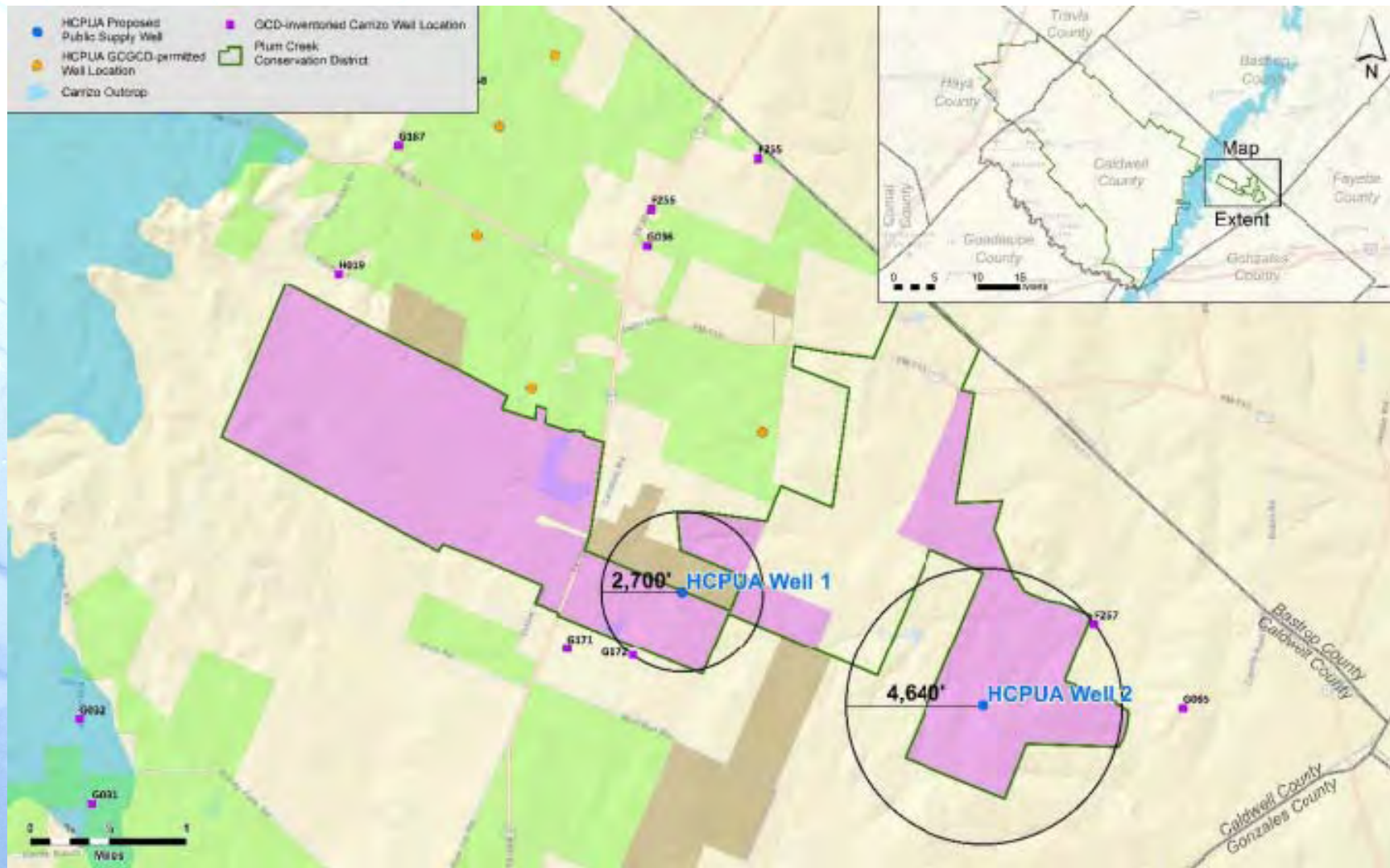




# PHASE 1A INFRASTRUCTURE

- Pipeline in final design ~ 75% complete.
- Pump Station preliminary design completed.
- Easement acquisition is underway.
- Environmental documentation submitted to TWDB.
- Pipeline and pump station scheduled to be operational at the end of 2017.

# PLUM CREEK CD PERMITTING



THE HAYS CALDWELL PUBLIC UTILITY AGENCY





# PLUM CREEK CD PERMITTING

- Applied for 4,700 acre-feet per year of Carrizo. Combined with Gonzales permit would yield total Phase 1 goal of 15,000 acre-feet.
- Initial hearing held June 21<sup>st</sup> – no parties are contesting the permit.
- Currently conferring with the District on permit terms.
- Anticipate a final hearing / decision on the permit at the August 16<sup>th</sup> District meeting.

# CONVERSION TO A REGIONAL WATER AUTHORITY

- Agency intends to file legislation to convert from a public utility agency to a regional water authority.
- Conversion will allow for more efficient development and delivery of water to our Sponsors.
- Sponsors will remain the same – intent is to also keep the same Board representation/allocation.
- Conducting a public contest to name the authority, visit: [www.namethehcpua.org](http://www.namethehcpua.org) to enter.

# COMPARATIVE COST ANALYSIS

- HCPUA project received highest score for project prioritization within the 2016 Region L Plan.

Supplier	Source	Project Yield (acre-feet per year)	Cost per AF
HCPUA	Carrizo	35,690	\$1,664
TWA/GBRA	Carrizo	15,000	\$2,440 <sup>2</sup>
GBRA Mid-Basin	Surface Water w/ Aquifer Storage and Recovery	50,000 <sup>3</sup>	\$1,637 <sup>2</sup>
SAWS – Vista Ridge	Simsboro	50,000 <sup>4</sup>	\$1,976 <sup>2</sup>

Notes:

1. Information compiled from the Region L Water Plan with cost estimates prepared on a uniform basis by HDR.
2. Does not include infrastructure to deliver water to Kyle.
3. None of the water supply is currently permitted.
4. Supply is only available for 20 years, ultimately full yield will be used by SAWS.



# WATER SHARING – BRIEF HISTORY

- Originally water to be shared outside of the HCPUA
- 2012: Sponsors requested HCPUA develop a plan
- April 2014: Water Sharing Plan approved by HCPUA
  - Basic framework for sharing
  - Individual contracts matching willing seller(s) with buyer(s)
  - “Cost recovery basis” to be determined later

# WATER SHARING – BRIEF HISTORY

- February – August 2015: GBRA Water Sharing Agreement finalized
  - San Marcos committed 0.5 MGD of raw water and capacity in raw water and treatment plant systems
  - Kyle committed 0.5 MGD of raw water and capacity in raw water and treatment plant systems plus 1.0 MGD in GBRA I-35 pipeline
- Phase 1A infrastructure provides another path for shared water to get to Buda.



# WATER SHARING DETAILS

- Assures Sponsors of water prior to Carrizo project.
- Delays implementation of Carrizo project by 5 years
  - Interest and royalty savings of \$13.7 million annually (everyone benefits)
- Allows Sponsors with “excess” water to achieve some revenue from otherwise unused supplies.
- Intent is for shared water to be used within Sponsors service area and not for profiteering.
- HDR hired in August 2015 to develop the cost recovery basis.

# 2016 WATER SHARING RATES

## Take or Pay Charges

- Kyle = \$260,028
- San Marcos = \$158,810
- Total = \$418,838

Take or Pay charges would be updated annually based on the actual debt service owed and the Surface Water Reservation Fee charged by GBRA.

## Volume Rates

- Kyle = \$1.56/1,000 gallons
- San Marcos = \$1.34/1,000 gallons
- Kyle Wheeling = \$0.30/1,000 gallons

Volume and Wheeling charges would be updated annually based on the Consumer Price Index (CPI), with a maximum annual increase of 2.0%.



# WATER SHARING MOU

- Details cost basis for shared water and billing.
- Maximum amount of water delivered on any one day is 1,000,000 gallons.
- Title to all water changes at water meter delivery points (i.e. Kyle-HCPUA, HCPUA-Buda) & owner of water is responsible for water quality.
- Agreement specifically allows Buda to count the shared water as part of its firm water supply under requirements for 30 TAC §290.45(f).
- HCPUA approved agreement on June 22, 2016.  
Approved by Buda Council on July 5, 2016.

# QUESTIONS

[www.hcpua.org](http://www.hcpua.org)

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