Strategic Water Vision 2021 – Executive Summary

INTRODUCTION

Due to significant continuing growth and limited groundwater supplies in Hays County, there is a growing concern that water providers and their customers may be approaching the limits of available groundwater supply within the Hays Trinity Groundwater Conservation District (the District). During the record-setting drought of 2011, a significant number of wells were reported to go dry within the District. Since then, the District has identified almost 6,000 new households and businesses that rely solely on groundwater. When severe drought returns, there is the potential that groundwater users in the community could face widespread consequences.

In the interest of ensuring the long-term security of this important regional resource, the District implemented its Strategic Water Vision 2021 initiative - a three-month interactive stakeholder engagement process undertaken from October – December 2020 to encourage participation and solicit input on an appropriate path forward for the District. The Strategic Water Vision 2021 represents a collaborative groundwater planning process to effectively continue the management and regulation of the aquifer in a manner that will continue to support the ever-growing population of the area while providing for the health and safety needs of existing and future users of groundwater in Hays County. Importantly, the District has recognized that the engagement of stakeholders, formally or informally, does not end with the present effort. Indeed, the District has communicated a keen awareness of the need for collaboration with all groundwater users in order to most effectively ensure appropriate groundwater management and regulation.

STRATEGIC ENGAGEMENT PROCESS

The goal of the stakeholder engagement process has been to build a foundation based on input from identified stakeholders, focusing upon first developing a common understanding of the issues facing the District and groundwater users within the District. The process has focused on identifying sustainable water management solutions and feedback to meet the increasing local water needs and support the District's statutory objectives.

A comprehensive, categorized stakeholder contact list was developed categorizing Non-Exempt Stakeholders (Permittees), Exempt Stakeholders (Non-Permittees), and Elected/Public Officials. Engagement activities consisted of an online survey, two separate rounds of virtual stakeholder working group meetings for the dissemination of available information and solicitation of feedback, and a project hotline email for any other input. The online survey was emailed to 157 stakeholders from the initial contact list with an approximately 27% participation rate overall. The survey was live from Oct. 14 – Oct. 27, 2020 and generated valuable feedback on several water resource topics. In addition to the online survey, two rounds of virtual stakeholder working groups were conducted. Stakeholders from the project contact list were invited each meeting and were divided into groupings based on their respective categories, with elected/public officials invited to both group meetings. This allowed for a greater focus on the different categories for stakeholders to discuss their views. Informative presentations, summaries of prior stakeholder feedback and open-ended discussion on a variety of groundwater management topics were offered at each round of meetings. Input collected from each engagement activity was used to develop a path forward and identify recommendations for the District. All materials and documented stakeholder feedback referenced herein can be found on the District's website, http://haysgroundwater.com/.

TECHNICAL SUMMARY

An extensive technical review was performed to summarize available information regarding recent groundwater use, projected water demands, supply availability, and water management strategies within the District. These technical drivers provide a context for current actions and inform the potential path forward necessary for the District's continued resource management per its legislative mandate.

Hays County has experienced unprecedented population growth over the last decade and has been recently identified by the U.S. Census Bureau as having the second-highest growth rate of any county *in the nation*. Water providers and users in the District have historically relied upon groundwater supplies but have increasingly needed to utilize additional alternative sources to meet their rapidly growing water demands. With greater attention to groundwater supplies has come the increased awareness of arising issues warranting increased study and regulation. Numerous studies suggest recent growth is expected to continue to increase, with water demands increasing accordingly. However, modeling of the aquifer performed by the State suggests that under present management conditions the current demands on the aquifer may be approaching the extent of the availability of water from the aquifer. While more refined modeling efforts supported by the District are underway, anecdotal evidence of increasing reports of dry wells suggest an immediate concern of availability.

Needs developed from the regional water planning process are projected to increase significantly for water user groups located within the HTGCD, from 2,200 AFY to 19,000 AFY over the 2020 – 2070 period. Such needs may exceed the present availability of groundwater resources as presently managed and regulated. Regional plans contemplate and recommend a broad suite of alternative water management strategies to meet these needs, with cost effective groundwater well construction and conservation strategies comprising near-term solutions.

FINANCIAL ANALYSIS

A high-level financial review of funding mechanisms established for local Groundwater Conservation Districts (GCDs), within the region was performed, including those of the District. Underlying legislative drivers forming the statutory basis for funding of these GCDs have been reviewed, and consideration given to similar potential revenue sources. A comparative assessment of the District's present funding mechanisms to the funding mechanisms of these other GCDs in the region indicates that the District is more limited in its ability to generate revenue than any neighboring GCDs. In fact, all other Central Texas GCDs have the ability to either levy taxes, assess fees, or both, whereas the District is currently unable to recover costs through either of these options (as shown in Figure 40). For those GCDs unable to assess ad-valorem taxes, production fees (from non-exempt users) are the primary means of generating revenue to maintain a balanced budget and those districts' operations. Our limited research and analysis indicate that the District is the only groundwater conservation district in Central Texas that cannot utilize ad-valorem taxes or production fees for funding operations.

RECOMMENDATIONS/PATH FORWARD

As the District moves forward in continuing to uphold its charge and mission to make sound regulatory decisions and ensure that groundwater is used efficiently and at sustainable rates, it is anticipated that the stakeholder engagement efforts initiated as part of the *Strategic Water Vision 2021* process will continue. The valuable information gained from ongoing collaboration amongst all groundwater users can serve as a basis for the District to continue to serve the area through their mission. Six policy recommendations developed over the course of this process have been identified for the District's consideration:

1. Seek changes to enable legislation to allow for other forms of usage fees;
2. Work with county and city officials to craft waterwise development ordinances, rules, incentives and supporting studies;
3. Continue to promote and support state-of-the-art groundwater modeling and technical analyses to better inform water resource management;
4. Explore and support studies investigating alternative groundwater management strategy projects beyond the construction of additional wells;
5. Seek opportunities to promote conservation through educational efforts in support of the District's groundwater management plan;
6. Increase educational efforts and outreach in the community.