



Legislation Details (With Text)

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File created:	1/3/2017	In control:		In control:	Board of Directors
On agenda:	1/24/2017	Final action:		Final action:	1/24/2017
Title:	Consider recommendation from the Permits/Enforcement Committee to approve leases of permitted Edwards groundwater rights with Texas by Anderson Family Properties, LP; Weldon Gilleland and wife, Judie M. Gilleland; Houston H. Harte and Carolyn H. Harte, Co-Trustees of the Harte Management Trust; Larry E. Seitz MD Revocable Trust; Gary W. Lochte and wife, Judith Lochte; and Mike H. McCraw and Paula N. McCraw, husband and wife, for the Aquifer Storage and Recovery Project of the San Antonio Water System, in support of the Edwards Aquifer Habitat Conservation Plan, in the total amount of \$2,614,287.48.				

Sponsors:

Indexes:

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Attachments: 1. ASR Lease_Multi year_Template, 2. ASR Lease_1yr_Template, 3. Proposed ASR Leases, 4. RO - Feb. Board ASR Leases

Date	Ver.	Action By	Action	Result
1/24/2017	1	Permits/Enforcement Committee		

Consider recommendation from the Permits/Enforcement Committee to approve leases of permitted Edwards groundwater rights with Texas by Anderson Family Properties, LP; Weldon Gilleland and wife, Judie M. Gilleland; Houston H. Harte and Carolyn H. Harte, Co-Trustees of the Harte Management Trust; Larry E. Seitz MD Revocable Trust; Gary W. Lochte and wife, Judith Lochte; and Mike H. McCraw and Paula N. McCraw, husband and wife, for the Aquifer Storage and Recovery Project of the San Antonio Water System, in support of the Edwards Aquifer Habitat Conservation Plan, in the total amount of \$2,614,287.48.

RECOMMENDED MOTION:

Move the board adopt Resolution and Order No. 02-17-867 of the Edwards Aquifer Authority Board of Directors to approve leases of permitted Edwards groundwater rights from the permit holders as listed herein, to the EAA for the Aquifer Storage and Recovery Project of the San Antonio Water System in support of the Edwards Aquifer Habitat Conservation Plan, and authorizing the General Manager to execute the leases.

SUMMARY:

The purpose of this agenda item is for the board to consider a Permits/Enforcement Committee recommendation to approve leases of permitted Edwards groundwater rights for the Aquifer Storage and Recovery (ASR) Project of the San Antonio Water System in support of the Edwards Aquifer Habitat Conservation Plan (EAHCP). The EAHCP includes several measures intended to minimize and mitigate the impact of the use of Edwards groundwater on federally-listed threatened and

endangered species associated with the Edwards Aquifer. A significant component of the EAHCP as a conservation and springflow protection measure is the use of the SAWS ASR project as a long-term conservation measure to replace SAWS pumping from the Edwards Aquifer and maintain a minimum spring flow at Comal and San Marcos Springs. Through this effort, the EAA has been tasked with acquiring 50,000 acre-feet of permitted Edwards Aquifer groundwater rights through leases and lease options to be stored in the ASR project.

The EAA has secured leases of groundwater rights of 2,361.439 acre-feet from the permit holders listed below, to be effective January 1, 2017 (848.439 acre-feet) and January 1, 2018 (1,513.000 acre-feet). EAA staff has completed its technical review of the transfer documents and has confirmed the accuracy of these leases, as summarized below:

Permit: P101-212
Permit Holder: Texas by Anderson Family Properties, LP
Transfer Amount: 768.000 acre-feet
Term: 10 years (Beginning in 2018)
Annual Lease Cost: \$122,880.00
Total Lease Cost: \$1,228,800.00

Permit: P101-707
Permit Holder: Weldon Gilleland and wife, Judie M. Gilleland
Transfer Amount: 496.000 acre-feet
Term: 10 years (Beginning in 2018)
Annual Lease Cost: \$79,360.00
Total Lease Cost: \$793,600.00

Permit: P101-712
Permit Holder: Weldon Gilleland and wife, Judie M. Gilleland
Transfer Amount: 249.000 acre-feet
Term: 10 years (Beginning in 2018)
Annual Lease Cost: \$39,840.00
Total Lease Cost: \$398,400.00

Permit: P101-487
Permit Holder: Houston H. Harte and Carolyn H. Harte, Co-Trustees of the Harte Management Trust
Transfer Amount: 100.000 acre-feet
Term: 5 years
Annual Lease Cost: \$14,000.00
Total Lease Cost: \$70,000.00

Permit: P107-523
Permit Holder: Larry E. Seitz MD Revocable Trust
Transfer Amount: 34.500 acre-feet
Term: 5 years
Annual Lease Cost: \$4,830.00
Total Lease Cost: \$24,150.00

Permit: P101-556

Permit Holder: Gary W. Lochte and wife, Judith Lochte
Transfer Amount: 23.560 acre-feet
Term: 5 years
Annual Lease Cost: \$3,298.40
Total Lease Cost: \$16,492.00

Permit: P108-392
Permit Holder: Mike H. McCraw and Paula N. McCraw, husband and wife
Transfer Amount: 690.379 acre-feet
Term: 1 year
Annual Lease Cost: \$82,845.48
Total Lease Cost: \$82,845.48

Attached to this item are the ASR lease agreement templates and Resolution and Order No. 02-17-867 that have been reviewed by legal counsel. If these leases are approved the total amount of groundwater rights secured by the EAA in 2017 ASR leases totals 32,583.010 acre-feet. The leases that will begin in 2018 are not included in this total. A spreadsheet summarizing 2017 ASR leases approved to date is also attached.

At the January 24 meeting, the Permits/Enforcement Committee voted to recommend the board approve the aforementioned leases of permitted Edwards groundwater rights from the permit holders listed above to the EAA for the Aquifer Storage and Recovery Project of the San Antonio Water System in support of the Edwards Aquifer Habitat Conservation Plan, and authorize the General Manager to execute the leases.

M/WBE PARTICIPATION:

This agenda item does not involve the procurement of goods or services by the EAA and, therefore, this section is not applicable.

STRATEGIC PLAN REFERENCE:

This agenda item supports the EAA's policy direction as set forth in the EAA 2016-20 Strategic Plan: Goal A. Sustain Federally Protected Aquifer-Dependent Species.

Acquisition of 50,000 acre-feet of water for the ASR program is required of the Edwards Aquifer Authority to maintain compliance with the Incidental Take Permit issued by USFWS on March 18, 2013. Specifically, this item is related to the obligations of Section 5.5.1 of the Edwards Aquifer Habitat Conservation Plan.

FISCAL IMPACT:

Funding in the amount of \$104,973.88 for the leases beginning in 2017 is available in the 2017 EAHCP budget. Funding in the amount of \$242,080.00 for the leases beginning in 2018 will be available in the 2018 EAHCP budget. The total cost of these leases over the total lease term is \$2,614,287.48.

