

## Looking forward...

In addition to funding the construction of new water lines and plant facilities, revenue is allocated to securing water supplies for 2020 forward, and to participating in the addition of the Luce Bayou Project, which will transfer water from the Trinity River to Lake Houston to meet the increased demand projected for 2020 and beyond. The WHCRWA is partnering with the North Harris County Regional Water Authority, the City of Houston, and the North Fort Bend Water Authority in developing Luce Bayou, with additional funding of \$28 million from the Texas Water Development Board (TWDB).

New residential and commercial development in our community requires an adequate water supply, and this sustained growth continues to drive up future demand projections. Over the past several years, additional factors -- rising fuel and electric power costs, financial market issues, and increasing costs of materials -- have had an impact on the Authority's costs, as well.

At the December 2010 meeting, the WHCRWA board voted to increase the groundwater pumpage fee charged to the districts from \$1.25/1,000 gallons to \$1.55/1,000 gallons, and the surface water fee from \$1.55/1,000 gallons to \$1.85/1,000 gallons. This increase funds the purchase of surface water available under contract with the City of Houston, as well as the operation and maintenance of the entire delivery system.

## Facts About the Conversion to Surface Water in West Harris County...

- ◆ The West Harris County Regional Water Authority was created by the 77th Texas Legislature (2001) to obtain and deliver a long-term supply of drinking water at the lowest responsible cost for the water users within its boundaries in order to comply with Harris-Galveston Subsidence District mandates to reduce dependence on groundwater.
- ◆ The mandate calls for reducing our reliance on groundwater 30 percent in 2010; 70 percent in 2020; and by 80 percent in 2030.
- ◆ In 2011, our total anticipated water demand will be 60.3 million gallons a day (mgd), of which 18.1 mgd must come from surface water.
- ◆ The individual water districts will continue to supply water to their customers, and all residents and water users throughout the Authority will help pay for the new water delivery system and the supply of surface water.



**The water we conserve today can serve us tomorrow**

c/o Allen Boone Humphries Robinson LLP  
3200 Southwest Fwy, Suite 2600  
Houston, TX 77027

## Some Important Information About the RISING COST OF WATER



**West Harris County Regional Water Authority**

In 2000, the Harris-Galveston Subsidence District published its Regulatory Plan designed to arrest the occurrence of subsidence throughout northwest Harris County by requiring that the pumpage of groundwater be reduced. Such an action would also allow the aquifers to recharge.

To facilitate compliance with the Subsidence District's mandate, the Texas Legislature created the West Harris County Regional Water Authority to act on behalf of the municipal utility districts within its boundaries. The Authority's primary task was to adopt a **regional** approach to addressing water supply issues, and to negotiate for a long-term supply of potable surface water sufficient to meet the phased conversion schedule calling for the reduction of reliance on groundwater by 30% in 2010; by 70% in 2020; and by 80% in 2030.

The alternative to creating an Authority was for each of the utility districts to establish their own groundwater reduction plans, and to independently secure their own future surface water supplies. Failure to do so would trigger imposition of the Subsidence District's disincentive fee (which has been increased from \$3.50 to \$5.00 per thousand gallons of groundwater pumped).

Since its initial meeting in 2001, the WHCRWA Board of Directors has been committed to constructing an

entirely new water delivery infrastructure to bring surface water purchased from the City of Houston to our neighborhoods.

An initial fee of \$0.10 per 1000 gallons of water pumped from groundwater wells was imposed in 2001; and fees have escalated annually to fund construction of the new water delivery infrastructure necessary to comply with the initial 30% reduction mandate in 2010. To accomplish this goal, the Authority has installed approximately 52 miles of new water lines throughout the community, and delivered surface water to our neighborhoods for the first time in 2005.

The Board of Directors is pleased to report that these efforts have enabled the Authority to reach the mandated 30 percent reduction within the prescribed time frame! In the years ahead, we will have to maintain this minimum reduction requirement through 2020, when the next threshold (70 percent) is triggered.



## Accelerating Delivery...

Over the past five years, a number of the districts within the Authority experienced either water quantity or water quality problems severe enough to request the delivery of surface water ahead of the mandated time frame. Since the same lines would be utilized in the 2010 conversion, the Authority was able to accelerate construction of the necessary water lines and delivered surface water to the neighborhoods that needed it.

This decision also enabled the Authority to receive "Early Conversion Credits" from the Subsidence District. This has not only helped water districts that needed water immediately, but offered the added benefit of constructing new infrastructure under favorable economic conditions, allowing the Authority to contain costs as much as possible.

At the end of 2010, the WHCRWA was delivering surface water to approximately 47 water plants, with an average daily flow of 22.1 million gallons (mgd). Funding generated by the groundwater pumpage fee and bond sales (the latest held in 2009) enabled the construction of the Authority's Pump Station #1 with a capacity of 37,500 gallons per minute.

Two additional ground storage tanks were completed in 2010. Currently, 38 districts have been converted to surface water.