

# TCEQ Interoffice Memorandum

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**To:** Commissioners, TCEQ

**Thru:** Laurie Gharis, Chief Clerk

**From:** Jose Davila, Manager, Watermaster Section  
Water Availability Division

**Date:** August 18, 2023

**Subject:** Agenda Executive Summary for Approval of Fiscal Year (FY) 2024 Proposed Assessment for Annual Costs for Watermaster Operations in the Brazos Watermaster Program Set for September 6, 2023 Agenda Docket No. 2023-0627-BGT

## Summary of Request:

The Brazos Watermaster Program seeks approval of its FY 2024 proposed assessment. The Executive Director estimates the proposed assessment will generate revenue of One Million, Eighty Thousand, One Hundred Thirty-Eight Dollars and Ninety-Nine Cents (\$1,080,138.99) for FY 2024. The proposed assessment is based on annual costs of operations for an operating budget that consists of a \$50.00 base fee applicable to each assessment account. A penalty of 5.0% of any delinquent fee due shall be imposed on a person who fails to pay the required fee when due and if the person fails to pay the fee within 30 days after the date the fee is due, an additional 5.0% penalty shall be imposed. Delinquent fees will accrue interest beginning on the 61<sup>st</sup> day after the due date. The yearly interest rate on all delinquent fees required under this title is the prime rate plus one percent, as published in the *Wall Street Journal* on the first day of each calendar year that is not a Saturday, Sunday, or a legal holiday. Penalties and/or interest fees may be waived by the Executive Director for good cause.

Authority: Tex. Water Code §§ 5.107, 11.329, 11.4531, and 11.455  
30 Tex. Admin. Code §§ 12.1, 12.3, and 12.5

## Staff Recommendation:

Approval of the Brazos Watermaster Program FY 2024 Assessment for Annual Cost of Operations.

Contact: Jose Davila, (830) 773-5059  
Stephen Kinal, (512) 239-4010

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
AGENDA ITEM REQUEST**

**AGENDA REQUESTED:** September 6, 2023

**NAME & NUMBER OF PERSON TO CONTACT REGARDING CHANGES TO THIS REQUEST, IF NEEDED:**

Jose Davila, (830) 773-5059

Molly Mohler, (254) 761-3027

Stephen Kinal, (512) 239-4010

**CONSIDERATION OF FISCAL YEAR 2024 ASSESSMENT OF ANNUAL COSTS FOR WATERMASTER OPERATIONS IN THE BRAZOS WATERMASTER PROGRAM.**

Pursuant to Texas Water Code Sections 11.329 and 11.455 and 30 Tex. Admin. Code Sections 12.1, 12.3, 12.5, and 304.61 of the Commission Rules, the Executive Director requests that the Commission consider Watermaster assessment of annual costs for the fiscal year beginning September 1, 2023 and ending August 31, 2024, and approve \$1,080,138.99 as the amount to be assessed for annual costs for water right holders. The Brazos Watermaster Program consists of the Brazos River Basin including and below Possum Kingdom Lake. (Jose Davila, Aubrey Pawelka).

**CHIEF CLERK MUST SEND NOTICE OF THE APPLICATION/HEARING:** No

**TYPE OF MATTER:** Budget

**COUNTY:** The 41 counties within the Brazos Watermaster's Jurisdiction (Austin, Bastrop, Bell, Bosque, Brazoria, Brazos, Brown, Burleson, Burnet, Callahan, Comanche, Coryell, Eastland, Erath, Falls, Fayette, Fort Bend, Freestone, Grimes, Hamilton, Hill, Hood, Jack, Johnson, Lampasas, Lee, Leon, Limestone, Madison, McLennan, Milam, Mills, Palo Pinto, Parker, Robertson, Somervell, Stephens, Travis, Waller, Washington, and Williamson)

**DOCKET NUMBER:** 2023-0627-BGT

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



## **AN ORDER**

Assessing the Annual Cost of Operation for the Brazos Watermaster Program for the fiscal year beginning September 1, 2023, and ending August 31, 2024: Docket No. 2023-0627-BGT; Brazos Watermaster

On September 6, 2023 after proper notice and public hearing as provided in Texas Water Code § 11.329, came to be considered by the Texas Commission on Environmental Quality ("Commission") the matter of cost for the Watermaster operations in the said Program for the fiscal year beginning September 1, 2023, and ending August 31, 2024. After reviewing the supporting documentation, the Commission finds as follows:

1. The Brazos Watermaster Program consists of the portion of the Brazos River Basin including and below Possum Kingdom Lake;
2. Pursuant to Texas Water Code §§ 11.329 and 11.455, the holders of water rights which are to be administered by the Watermaster may be assessed the compensation and necessary expenses of a Watermaster, assistant Watermaster, and other necessary employees;
3. 30 Texas Administrative Code (TAC) §§ 304.61-304.63 set forth formulas and procedures for the assessment of costs of the Watermaster operations in the Brazos Watermaster Program;
4. The compensation and necessary expenses of a Watermaster and other necessary employees for the fiscal year beginning September 1, 2023 and ending August 31, 2024, will require the amount to be assessed in the sum of One Million, Eighty Thousand, One Hundred Thirty-Eight Dollars and Ninety-Nine Cents (\$1,080,138.99).
5. The charges, fees, formulas for assessment rates, and method for assessing and levying costs approved below constitute an equitable apportionment of costs, as required by Texas Water Code § 11.329 and 11.455;
6. All requirements of Texas Water Code § 11.329 and 11.455 and 30 TAC §§ 304.61-304.63 have been met;
7. Texas Water Code § 11.4531 provides for the creation of the Brazos Watermaster Advisory Committee;
8. Texas Government Code § 2110.008 provides that an advisory committee is abolished on the fourth anniversary of its creation unless the state agency provides for a different abolishment date.

**NOW, THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:**

1. That the amount of One Million, Eighty Thousand, One Hundred Thirty-Eight Dollars and Ninety-Nine Cents (\$1,080,138.99) is approved as the total amount to be assessed for annual costs of operations of the Brazos Watermaster operations during the fiscal year beginning September 1, 2023 and ending August 31, 2024, and that such amount is assessed against the water rights holders in the Brazos Watermaster Program in the manner described in this order and pursuant to 30 TAC §§ 304.61-304.63;
2. That the following charges, rates, fees, formulas for assessment rates and method for assessing and levying costs are approved and shall be implemented by the Executive Director:
  - a. A base charge for each assessment account of Fifty Dollars (\$50.00);
  - b. Assessment rates for each assessment account to be calculated by the Executive Director in accordance with the procedures set forth in 30 TAC § 304.63;
  - c. Assessment of costs and levy of assessments for each account in accordance with procedures set forth in 30 TAC § 304.63;
  - d. A penalty of 5.0% of the fee due shall be imposed when the assessment is not paid on time. If the assessment is not paid within 30 days after the day on which the fee is due, an additional 5.0% penalty shall be imposed pursuant to 30 TAC Chapter 12;
  - e. Delinquent fees accrue interest beginning on the 61<sup>st</sup> day after their due date;
  - f. Penalties and/or interest under this section may be waived by the Executive Director for good cause;
3. That the Executive Director shall specify dates by which payments assessed pursuant to this order shall be paid or postmarked.
4. The Brazos Watermaster Advisory Committee has an abolishment date of December 31, 2032, as established by rulemaking amending 30 TAC §5.3 and adopting §5.15.

Texas Commission on  
Environmental Quality

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For the Commission

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Date Signed

# TCEQ Interoffice Memorandum

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**To:** Commissioners, TCEQ

**Thru:** Cari-Michel La Caille, Director  
Office of Water

**From:** Kim Nygren, Deputy Director  
Water Availability Division

**Date:** August 18, 2023

**Subject:** Fiscal Year (FY) 2024 Proposed Assessment of Annual Costs of Operations for the Brazos Watermaster Program

The Watermaster fund is required by Texas Water Code (TWC) § 11.329 and 11.455 to pay the compensation and necessary expenses of the Watermaster. These expenses include expenditures for equipment, facilities, and capital expenditures necessary for Watermaster operations when recommended by the Watermaster Advisory Committee (WAC) and the Executive Director and approved by the Commission.

At this time, staff recommends and seeks Commission approval of an FY24 operational budget of \$1,080,138.99. Using this budget amount, the program calculates its assessment based on a 100% collection rate for this year of assessments; therefore, the total assessment amount is \$1,080,138.99 with a municipal rate of \$0.2081. This staff proposal represents an increase of \$0.0204 from the previous year's municipal rate of \$0.1877.

Attached to this memo are copies of the following:

- **Public Notice for the July 11, 2023 Brazos WAC Meeting:** This notice was mailed to all water right holders in the Brazos Watermaster Program on June 23, 2023.
- **Public Notice for the September 6, 2023 Commission Agenda:** This notice was mailed to all water right holders in the Brazos Watermaster Program on August 2, 2023. This notice satisfies the thirty (30) day notice of the budget hearing required by TWC §11.329(b).
- **Mailing affidavit for the September 6, 2023 Public Notice**
- **"Brazos Watermaster Operations: FY23 Approved Assessment Compared to FY24 Budget Needs":** This document outlines the FY23 approved assessment compared to the FY24 budget needs at current Brazos Watermaster Program staffing levels. The Brazos WAC members were provided with this document electronically on June 23, 2023. The document was discussed during the July 11, 2023 meeting.

If I can be of further assistance, or should you have any questions regarding this matter, please contact me at (512) 239-4644, or Jose Davila, Watermaster Section Manager at (830) 773-5059.

# Brazos Watermaster Operations

## Annual Appropriation Information

Brazos Fund Balance as of 9/1/22: \$ 259,301.08

### FY23 Assessment Compared to Proposed FY24 Assessment

Budget Categories		FY23 Assessment	Proposed FY24 Assessment	Difference between FY24 to FY23
Salaries		\$547,818.51	\$659,396.02	\$111,577.51
Longevity		\$11,710.69	\$15,254.80	\$3,544.11
Salary Enhancements	(1)	\$24,651.83	\$25,276.85	\$625.01
Fringe	(2)	\$189,567.52	\$192,106.99	\$2,539.47
Additional Insurance and Retirement	(3)	\$8,762.72	\$10,498.92	\$1,736.20
SORM	(4)	\$687.94	\$638.88	(\$49.06)
SWCAP	(5)	\$4,478.61	\$4,785.58	\$306.97
LAR Capital	(6)	\$0.00	\$0.00	\$0.00
Professional/Temp Services	(7)	\$59,608.86	\$59,567.28	(\$41.58)
Travel In-State	(8)	\$20,500.00	\$21,000.00	\$500.00
Travel Out-of-State		\$0.00	\$0.00	\$0.00
Training		\$2,000.00	\$750.00	(\$1,250.00)
Rent - Building	(9)	\$33,703.68	\$33,703.68	\$0.00
Postage		\$2,100.00	\$600.00	(\$1,500.00)
Phone/Utilities		\$13,610.84	\$10,100.00	(\$3,510.84)
Supplies - Consumables		\$2,200.00	\$1,960.00	(\$240.00)
Other Operating Expenses	(10)	\$2,000.00	\$3,000.00	\$1,000.00
Fuels/Lubricants		\$32,000.00	\$28,000.00	(\$4,000.00)
Rent - Machine & Other		\$0.00	\$0.00	\$0.00
Facilities, Furniture & Equip	(11)	\$15,500.00	\$13,500.00	(\$2,000.00)
Capital Equipment - Non LAR	(12)	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>		<b>\$970,901.21</b>	<b>\$1,080,138.99</b>	<b>\$109,237.79</b>

### FY24 Proposed Assessment Calculation

FY24 Operating Budget Needs:		\$1,080,138.99
Assessment Needed Based on Collection Rate:	100%	\$1,080,138.99

### Historical Assessment Comparison

	FY22	FY23	FY24
Total Assessment:	\$853,602.25	\$980,708.29	\$1,080,138.99
Municipal Rate (per A-F):	\$0.1616	\$0.1877	\$0.2081

Notes:

- (1) Salary Enhancements are calculated at 3% of FY24 budgeted salaries. These are projections only; actual expenditures will vary based on salary actions approved by management.
- (2) Fringe includes employee benefits such as health insurance, social security insurance, and retirement. Fringe is calculated at 27.5% of total salaries. Fringe will vary year-to-year based on actual costs.
- (3) Additional Health Insurance (1%) and Retirement (0.5%) as required under Article IX, Sections 17.04 and 17.08 of the General Appropriations Act.
- (4) State Office of Risk Management (SORM) is a fee that is charged annually to the TCEQ. The amount is estimated during budget development and actual expenditure may vary.
- (5) Statewide Cost Allocation Plan (SWCAP) is a fee that is charged annually to the TCEQ for central services. The amount is estimated during budget development and actual expenditure may vary.
- (6) Legislative Appropriation Request (LAR) Capital includes all items exceeding \$100,000 in total agency cost (for example: vehicles, computers, monitoring equipment), and must have legislative approval.
- (7) Professional/Temp Services includes but is not limited to software development costs, summer interns, and temporary employees.
- (8) Travel In-State maximum amounts are established at an agency level; an increase in WM travel funding cannot be accommodated without a corresponding decrease in travel funding in another agency program.
- (9) A proportionate share of the annual TCEQ Regional Office building rent is charged to the Watermaster Program.
- (10) Other Operating Expenses includes items designated by the Texas Comptroller's Office that do not fall into any remaining budget category (for example: annual vehicle inspection fees, vehicle decals, etc.).
- (11) Facilities, Furniture & Equipment (FFE) includes but is not limited to non-LAR equipment less than \$5,000 in cost, non-consumable supplies, vehicle maintenance and repairs, etc.
- (12) Capital Equipment - Non LAR includes capital items with a cost between \$5,000 and \$24,999.

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**STATE OF TEXAS**                    §

**COUNTY OF TRAVIS**            §

I, Laurie Gharis, Chief Clerk of the Texas Commission on Environmental Quality, do hereby certify that the Notice of Consideration of Proposed Assessment of Annual Costs for the Brazos Watermaster Program was mailed on August 2, 2023. Given under my hand and the seal of the Texas Commission on Environmental Quality, this the 2<sup>nd</sup> day of August, 2023

*Laurie Gharis*

Laurie Gharis, Chief Clerk  
Texas Commission on Environmental Quality

SEAL

AUG 02 2023



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

### **NOTICE OF CONSIDERATION OF PROPOSED ASSESSMENT OF ANNUAL COSTS FOR THE BRAZOS WATERMASTER PROGRAM**

The Commissioners of the Texas Commission on Environmental Quality will consider the Brazos Watermaster Operation's budget and proposed assessment for costs for September 1, 2023 through August 31, 2024 (TCEQ Fiscal Year 2024), during a public meeting at:

**9:30 A.M. in Building E, Room 201S  
Located at 12100 Park 35 Circle  
In Austin, Texas on  
September 6, 2023**

This item is Docket No. 2023-0627-BGT, Consideration of an Order assessing costs of Watermaster operations in the Brazos Watermaster Program which consists of the portion of the Brazos River Basin including and below Possum Kingdom Lake.

The compensation and necessary expenses of the Brazos Watermaster Operations for the 2024 fiscal year is One Million, Eighty Thousand, One Hundred Thirty-Eight Dollars and Ninety-Nine Cents (**\$1,080,138.99**). Of this amount, Nine Hundred Two Thousand, Five Hundred Thirty-Three Dollars and Fifty-Eight Cents (**\$902,533.58**) are needed for program staff base salaries and benefits (including longevity, salary enhancements, fringe and additional insurance and retirement) and One Hundred Seventy-Seven Thousand, Six Hundred Five Dollars and Forty-One Cents (**\$177,605.41**) are needed for program operating costs. Based on a 100% collection rate, these necessary expenses require a total assessment of One Million, Eighty Thousand, One Hundred Thirty-Eight Dollars and Ninety-Nine Cents (**\$1,080,138.99**) with a municipal rate of **\$0.2081**.

This notice is provided to all holders of water rights as required by the Texas Water Code Sections 11.329 and 11.455. You may attend this meeting and provide comments to the Commission concerning this item. Persons with disabilities who have special communication or other accommodation needs who are planning to attend this meeting should contact the Office of Administrative Services Facilities Liaison at (512) 239-0080. Requests should be made as far in advance as possible.

The Brazos Watermaster Advisory Committee (WAC) was provided the proposed assessment and budget, and on July 11, 2023, a meeting was held. The public was invited to attend this WAC meeting via mailed notice dated June 23, 2023.

If you have any questions or would like a copy of the proposed budget, please contact the Brazos Watermaster's Office at (254) 761-3006, or via email at [molly.mohler@tceq.texas.gov](mailto:molly.mohler@tceq.texas.gov).

*Español al reverso*





## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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### **AVISO DE CONSIDERACIÓN DE LA TASACIÓN PROPUESTA DE LOS COSTOS ANUALES PARA EL PROGRAMA BRAZOS WATERMASTER**

Los comisionados de la Comisión de Calidad Ambiental de Texas considerarán el presupuesto operativo del comisionado del agua del Río Brazos, conocido como Brazos Watermaster y la tasación propuesta para los costos del 1 de septiembre de 2023 al 31 de agosto de 2024 (año fiscal 2024 de TCEQ), durante una reunión pública en:

**9:30 A.M. en el Edificio E, Sala 201S  
Ubicado en 12100 Park 35 Circle  
En Austin, Texas en  
septiembre 6, 2023**

Este artículo es el expediente No. 2023-0627-BGT, Consideración de una Orden que evalúa los costos de las operaciones del Programa Brazos Watermaster que consiste en la porción de la cuenca del río Brazos, incluido y aguas abajo del lago Possum Kingdom.

La compensación y los gastos necesarios del Programa Brazos Watermaster para el año fiscal 2024 es de un millón, ochenta mil, ciento treinta y ocho dólares y noventa y nueve centavos (**\$1,080,138.99**). De esta cantidad, se necesitan novecientos dos mil quinientos treinta y tres dólares y cincuenta y ocho centavos (**\$902,533.58**) para los salarios y beneficios básicos del personal del programa (incluida la longevidad, las mejoras salariales, el seguro complementario y adicional y la jubilación) y ciento setenta y siete mil seiscientos cinco dólares y cuarenta y un centavos (**\$177,605.41**) son necesarios para los costos operativos del programa. Basado en una tasa de cobro del 100%, estos gastos necesarios requieren una tasación total de Un Millón ochenta Mil, Ciento Treinta y Ocho Dólares y Noventa y Nueve Centavos (**\$1,080,138.99**) con una tasa municipal de **\$ 0.2081**.

Este aviso se proporciona a todos los titulares de derechos de agua según lo requerido por las Secciones 11.329 y 11.455 del Código de Agua de Texas. Usted puede asistir a esta reunión y formular observaciones a la Comisión sobre este artículo. Las personas con discapacidades que tienen necesidades especiales de comunicación u otras necesidades de adaptación que planean asistir a esta reunión deben comunicarse con la Oficina de Enlace de Instalaciones de Servicios Administrativos al (512) 239-0080. Las solicitudes deben hacerse con la mayor antelación posible.

El Comité Asesor del Brazos Watermaster (WAC) recibió la tasación y el presupuesto propuestos, y el 11 de julio de 2023 se celebró una reunión. El público fue invitado a asistir a esta reunión de WAC a través de un aviso enviado por correo con fecha del 23 de junio de 2023.

Si tiene alguna pregunta o desea una copia del presupuesto propuesto, comuníquese con la oficina del Brazos Watermaster al (254) 761-3006, o por correo electrónico a [molly.mohler@tceq.texas.gov](mailto:molly.mohler@tceq.texas.gov).

Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Bobby Janecka, *Commissioner*  
Kelly Keel, *Interim Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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### PUBLIC MEETING NOTICE

#### **BRAZOS WATERMASTER ADVISORY COMMITTEE**

DATE: Tuesday, July 11, 2023  
TIME: 10:00 a.m.

LOCATION: Brazos River Authority Central Office  
4600 Cobbs Drive, Waco, Texas 76710

Section 11.4531(e) of the Texas Water Code requires the Watermaster Advisory Committee (WAC) to review and to provide comments to the executive director of the TCEQ on the annual budget for watermaster operations. The Brazos WAC will hold a meeting at the Brazos River Authority Central Office on **July 11, 2023 at 10:00 a.m.** to discuss the proposed Brazos Watermaster budget for fiscal year 2024. **The public, including all water right holders in the watermaster area, are invited to attend and to participate in this meeting as well as to provide comments.**

You will also receive another notice after the WAC meeting is held. Section 11.453(b) of the Water Code requires the executive director to provide notice to water right holders at least 30 days prior to the Commission holding a public hearing on the proposed fiscal year budget. That public notice will be mailed following the completion of the WAC meeting and at least 30 days before the date of the proposed budget being considered during a Commission agenda meeting.

Notice Date: June 23, 2023

Molly Mohler, Brazos Watermaster

For questions, please feel free to contact the Brazos Watermaster office at (254) 761-3006 or toll free at 1-844-828-6424 or via email at [BrazosWM@tceq.texas.gov](mailto:BrazosWM@tceq.texas.gov).