

TCEQ Interoffice Memorandum

To: Commissioners

Thru: Laurie Gharis, Chief Clerk

From: Kim Nygren, Deputy Director, Water Availability Division
Jose Davila, Section Manager, Watermaster Section
Angela Sander, Concho River Watermaster

Date: August 19, 2024

Subject: Docket No. 2024-0914-BGT: Fiscal Year 2025 Assessment of Annual Costs for Watermaster Operations in the Concho River Watermaster Program

The Executive Director (ED) requests that the Commission approve the proposed Fiscal Year (FY) 2025 Concho River Watermaster Program budget and issue an order assessing the annual costs for the program to water right holders owning determined and adjudicated water rights that are administered by the Watermaster. FY2025 begins September 1, 2024, and ends August 31, 2025. The proposed budget and order are included with this filing.

The Concho River Watermaster Program administers water rights in the Concho River segment of the Colorado River Basin in an area encompassing eight counties (Irion, Runnels, Sterling, Coke, Reagan, Tom Green, Schleicher and Concho).

The Commission is required to pay the compensation and necessary expenses of a watermaster, assistant watermasters, and other necessary employees. Water right holders owning determined and adjudicated water rights that are administered by a watermaster are required to reimburse the commission for the annual costs for watermaster operations. Annual costs include the compensation (salaries and benefits) and necessary expenses (operational costs) of a Watermaster, assistant Watermaster, and other necessary employees.

A general summary of requirements and process associated with the annual assessment of costs and levy of assessments to water right holders is as follows:

- The ED must develop a proposed fiscal year budget for each watermaster program that details the annual costs associated with the watermaster program.
- The ED furnishes the proposed fiscal year budget to the program's Watermaster Advisory Committee (WAC) for comment. This must occur at least 30 days before the notice of the proposed fiscal year budget and public hearing is provided to water right holders.
- The WAC reviews and comments on the budget.
- The ED provides notice of the proposed fiscal year budget to all water right holders at least 30 days prior to the Commission Agenda (public hearing) on the proposed fiscal year budget.

- The Commission considers the ED's proposed fiscal year budget and determines the assessment of costs for the watermaster program at a Commission Agenda.
- Following the Commission Agenda, the Commission issues an order assessing the annual costs against water right holders.
- The ED calculates the assessment (fee) for each water right and mails individual assessments to water right holders in October.
- Fees are due 30 days from the date of the invoice. Penalties and interest apply to late or installment payments.

The statutory and TCEQ rule requirements that apply to the annual assessment and levy of costs for the Concho River Watermaster Program include: Texas Water Code (TWC) §§ 11.329, 11.558, and 30 Texas Administrative Code (TAC) §§ 12.1, 12.3, 12.5, 304.61, 304.62, and 304.63.

The ED has estimated the FY2025 operational costs for the Concho River Watermaster Program operations at \$259,717.37. In FY2024, the Concho River Watermaster Program had an assessment collection rate of 100 percent. Using a 100 percent collection rate, the Concho River Watermaster has developed a proposed FY2025 budget for the Concho River Watermaster Program of \$259,717.37.

The ED furnished copy of the proposed budget to the Concho River WAC for comment on July 9, 2024. The WAC discussed the proposed budget in its July 17, 2024 meeting and voted unanimously to approve the proposed budget. The ED mailed notice of the proposed budget and public hearing to water right holders on August 9, 2024. Documentation that the proposed budget was furnished to the WAC and that notice of proposed budget and public hearing was mailed to water right holders is included with this filing.

The ED proposes to calculate and levy assessments to water right holders as follows:

- The ED will use a base charge for each assessment account of \$50.00 (Fifty Dollars).
- The ED will calculate assessment rates for each assessment account consistent with TWC § 11.329 and 30 TAC § 304.61 and in accordance with the procedures set forth in 30 TAC § 304.62.
- The ED will assess costs and levy of assessments for each account in accordance with procedures set forth in 30 TAC § 304.63.
- The ED will assess penalties and interest as set forth in 30 TAC Chapter 12.
- The reinstatement fee for delinquent assessments includes the assessment, penalties, and interest.

The following documents are included with this filing:

- Proposed FY2025 Concho River Watermaster Program budget
- AN ORDER Assessing the Annual Cost of Operation for the Concho River Watermaster Program for the fiscal year beginning September 1, 2024, and ending August 31, 2025: Docket No. 2024-0914-BGT; Concho River Watermaster
- Electronic Mail record dated July 9, 2024, furnishing the proposed FY2025 Concho River Watermaster Program budget to the WAC

Fiscal Year 2025 Assessment of Annual Costs for Watermaster Operations in the Concho River Watermaster Program

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August 19, 2024

- Public Meeting Notice to Water Right Holders in the Concho River Watermaster Program, Docket No. 2024-0914-BGT, Fiscal Year (FY) 2025 Proposed Assessment for the Concho River Watermaster Program and affidavit

Concho Watermaster Operations

Annual Appropriation Information

Concho Fund Balance as of 9/1/23: \$ 180,307.24

FY24 Assessment Compared to Proposed FY25 Assesment

Budget Categories	FY24 Assessment	Proposed FY25 Assessment	Difference between FY25 to FY24
Salaries	\$148,804.06	\$159,568.97	\$10,764.90
Longevity	\$1,539.00	\$3,505.00	\$1,966.00
Salary Enhancements	(1) \$5,704.16	\$3,191.38	(\$2,512.78)
Fringe	(2) \$42,829.80	\$43,536.51	\$706.71
Additional Insurance and Retirement	(3) \$2,340.71	\$2,493.98	\$153.27
SORM	(4) \$142.44	\$142.97	\$0.54
SWCAP	(5) \$1,066.93	\$1,124.52	\$57.59
LAR Capital	(6) \$0.00	\$0.00	\$0.00
Professional/Temp Services	(7) \$13,512.15	\$14,747.04	\$1,234.89
Travel In-State	(8) \$5,000.00	\$3,100.00	(\$1,900.00)
Travel Out-of-State	\$0.00	\$0.00	\$0.00
Training	\$1,600.00	\$500.00	(\$1,100.00)
Rent - Building	(9) \$11,000.00	\$11,000.00	\$0.00
Postage	\$300.00	\$300.00	\$0.00
Phone/Utilities	\$3,650.00	\$4,300.00	\$650.00
Supplies - Consumables	\$400.00	\$100.00	(\$300.00)
Other Operating Expenses	(10) \$172.00	\$172.00	\$0.00
Fuels/Lubricants	\$7,000.00	\$5,000.00	(\$2,000.00)
Rent - Machine & Other	\$835.00	\$835.00	\$0.00
Facilities, Furniture & Equip	(11) \$5,500.00	\$6,100.00	\$600.00
Capital Equipment - Non LAR	(12) \$0.00	\$0.00	\$0.00
TOTAL	\$251,396.25	\$259,717.37	\$8,321.12

FY25 Proposed Assessment Calculation

FY25 Operating Budget Needs:	\$259,717.37
Assessment Needed Based on Collection Rate:	100%
	\$259,717.37

Historical Assessment Comparison

	FY23	FY24	FY25
Total Assessment:	\$223,801.44	\$254,620.10	\$259,717.37
Municipal Rate (per A-F):	\$0.7883	\$0.8924	\$0.9238

Notes:

- (1) Salary Enhancements are calculated at 2% of FY25 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 26.2% 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



AN ORDER Assessing the Annual Cost of Operation for the Concho River Watermaster Program for the fiscal year beginning September 1, 2024, and ending August 31, 2025: Docket No. 2024-0914-BGT; Concho River Watermaster

On September 11, 2024 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 Concho River Watermaster Program for the fiscal year beginning September 1, 2024, and ending August 31, 2025. After reviewing the supporting documentation, the Commission finds as follows:

1. The Concho River Watermaster Program administers water rights in the Concho River segment of the Colorado River Basin in an area encompassing eight counties (Irion, Runnels, Sterling, Coke, Reagan, Tom Green, Schleicher and Concho).
2. Pursuant to Texas Water Code (TWC) §§ 11.329 and 11.558, and 30 Texas Administrative Code (TAC) § 304.61, the holders of determined or adjudicated water rights administered by the Watermaster shall reimburse the Commission for the compensation and necessary expenses of a Watermaster, assistant Watermasters, and other necessary employees.
3. Pursuant to TWC § 11.329, the Executive Director (ED) has developed a proposed budget for Concho River Watermaster Program operations showing the amount of compensation and expenses that will be required for program administration for the fiscal year beginning September 1, 2024, and ending August 31, 2025. The compensation and necessary expenses of a Watermaster, assistant Watermaster, and other necessary employees will require \$259,717.37 (Two Hundred Fifty-Nine Thousand, Seven Hundred Seventeen Dollars and Thirty-Seven Cents) in assessment income. Based on a collection rate of 100 percent, the ED has proposed an amount to be assessed in the sum of \$259,717.37 (Two Hundred Fifty-Nine Thousand, Seven Hundred Seventeen Dollars and Thirty-Seven Cents)
4. Pursuant to TWC § 11.329(b) the proposed budget was furnished to the Concho River Watermaster Advisory Committee for comment on July 9, 2024.
5. Pursuant to TWC § 11.329(b), notice of the proposed budget and public hearing was mailed to water right holders on August 9, 2024.
6. Pursuant to 30 TAC § 304.61, the ED filed copy of the proposed budget with the Commission.
7. 30 TAC §§ 304.61-304.63 set forth the basis, formulas and procedures for the assessment of costs of the Watermaster operations in the Concho River Watermaster Program.
8. Pursuant to TWC § 11.329(g) and 30 TAC § 304.61, the Commission shall not assess costs against a holder of a non-priority hydroelectric right that owns or operates privately-owned facilities that collectively have a capacity of less than two megawatts.

9. Pursuant to TWC § 11.329(g), the Commission shall not assess costs against a holder of a water right placed in the Texas Water Trust for a term of at least 20 years.
10. The ED has proposed a base charge for each assessment account of \$50.00 (Fifty Dollars).
11. 30 TAC Chapter 12 sets forth the requirements regarding penalties and interest for delinquent fees.
12. Pursuant to 30 TAC § 304.63(c), water may not be diverted, taken, stored, by any diverter or agent while any assessment payment is delinquent.
13. Pursuant to 30 TAC § 304.61, the ED has proposed that the reinstatement fee for delinquent assessments include the assessment fee, penalties, and interest.
14. The assessment, charges, fees, formulas for assessment rates, and method for assessing and levying costs, assessments, penalties, and interest approved below are consistent with 30 TAC §§ 304.61-304.63 and 30 TAC Chapter 12 and constitute an equitable apportionment of costs, as required by Texas Water Code § 11.329.
15. All requirements of Texas Water Code § 11.329 and 30 TAC §§ 304.61-304.63 have been met.

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

1. That the amount of \$259,717.37 (Two Hundred Fifty-Nine Thousand, Seven Hundred Seventeen Dollars and Thirty-Seven Cents) is approved as the total amount to be assessed for annual costs of operations of the Concho River Watermaster during the fiscal year beginning September 1, 2024, and ending August 31, 2025, and that such amount is assessed against the water rights holders in the Concho River 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, penalties, and interest are approved and shall be implemented by the Executive Director:
 - a. A base charge for each assessment account of \$50.00 (Fifty Dollars);
 - b. Assessment rates for each assessment account are to be calculated by the Executive Director consistent with TWC §11.329 and 30 TAC § 304.61 and in accordance with the procedures set forth in 30 TAC § 304.62;
 - c. Assessment of costs and levy of assessments for each account are to be in accordance with procedures set forth in 30 TAC § 304.63;
 - d. Penalties and interest are to be assessed as set forth in 30 TAC Chapter 12;
 - e. The reinstatement fee for delinquent assessments includes the assessment, penalties, and interest; and

- f. The Executive Director shall specify dates by which an assessment pursuant to this order shall be paid or postmarked.

Texas Commission on
Environmental Quality

For the Commission

Date Signed

From: [Angela Sander](#)
To: brenda.gunter@cosatx.us; Tom Thompson; Tommy.Hiebert@cosatx.us; Daniel.valenzuela@cosatx.us; Kelton, Shane; [REDACTED]; [Scott McWilliams](#); [Stuart Seidel](#); [REDACTED]; [Steven Hoelscher](#); [REDACTED]
Cc: [Jose Davila](#); [Kim Nygren](#); [Iliana Spaeth](#); [Stephen Kinal](#); [Larry Butler](#); [Chase Clark](#)
Subject: Concho River WAC Meeting - July 17, 2024
Date: Tuesday, July 9, 2024 3:34:36 PM
Attachments: [CWM WAC Agenda 07.17.2024.docx](#)
[FY25 CWM Assessments 07-06-24.pdf](#)
[WAC 2023 Meeting Minutes FINAL.docx](#)
[crwac-meeting-minutes-july-15-2021.pdf](#)
[CRWAC Members List 2024.pdf](#)
[BYLAWS - WAC Revised \(track changes\) 07.19.2023.doc](#)
[CRWAC Members List 2024.pdf](#)

Concho River WAC Members,

Please find attached the agenda and budget assessment for the Concho River WAC meeting to be held at the Dr. Ralph R. Chase State of Texas Services Center, 622 S Oakes, Room A107, San Angelo TX 76903-7035 on **Wednesday, July 17, 2024 at 10:30 AM** to discuss the proposed Concho River Watermaster budget for fiscal year 2025 along with last year's meeting minutes and list of current WAC members.

Additionally, please find attached the changes to the Concho by-laws that were discussed and approved at the last Concho WAC meeting on July 19, 2023. I am sharing the amended by-laws to show the changes made for your consideration. I will have a final version available for signatures on July 17, 2024. Please note an item related to the amended by-laws is included in the agenda should you want to consider this as an item for approval again.

Thank You,



Angela Sander
South Texas & Concho Watermaster
TCEQ - 14250 Judson Rd, San Antonio, TX 78233
210-416-3997 (Cell)

Jon Niermann, *Chairman*
Bobby Janecka, *Commissioner*
Catarina R. Gonzales, *Commissioner*
Kelly Keel, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

TO: Water Right Holders in the Concho River Watermaster Program

**RE: Docket No. 2024-0914-BGT
Fiscal Year (FY) 2025 Proposed Assessment for the Concho River Watermaster Program**

The above-referenced matter will be considered by the commissioners of the Texas Commission on Environmental Quality (TCEQ) during the public meeting on **September 11, 2024**. The meeting will begin at **9:30 am** and will be held virtually and in person. Due to construction at TCEQ's campus directly impacting the TCEQ's agenda meeting room, this meeting will be held in **Room 244 of the Texas Workforce Commission**, located in the Capitol Complex, at 101 E. 15th Street, Austin. For information on how to participate, please visit the Commissioners' Agenda webpage at https://www.tceq.texas.gov/agency/decisions/agendas/comm/comm_agendas.html eight days before the Agenda.

This item is Docket No. 2024-0914-BGT, Consideration of the assessment of annual costs for Watermaster operations in the Concho River Watermaster Program which consists of the Concho River Basin that includes the Concho River and all of its tributaries, downstream on the mainstem of the Concho River to a point on the Concho River prior to reaching, and upstream of the O.H. Ivie Reservoir located at and including the diversion point of Certificate of Adjudication No. 14-1393 (River Order No. 4954450000) in Concho County.

The compensation and necessary expenses of the Concho River Watermaster Program for FY 2025 is **\$259,717.37**. Of this amount, **\$213,563.33** are needed for program staff base salaries and benefits (including costs of longevity, salary enhancements, fringe, additional insurance, retirement, State Office of Risk Management, and statewide cost allocation plan) and **\$46,154.04** are needed for program operating costs. Based on a 100% collection rate, these necessary expenses require a total assessment of **\$259,717.37** with a municipal rate of **\$0.9238**.

This notice is provided to all holders of water rights as required by the Texas Water Code §§ 11.329 and 11.558. Notice of the Concho River Watermaster Advisory Committee (WAC) budget meeting was given on June 14, 2024; the Concho River WAC members were provided the proposed assessment and budget on July 9, 2024; and the WAC budget meeting was held on July 17, 2024.

If you have any questions or would like a copy of the proposed budget, please contact the Concho River Watermaster's Office at (325) 262-0834 or (866) 314-4894 or via email at conchowm@tceq.texas.gov.

Español al reverso

Jon Niermann, *Presidente*
Bobby Janecka, *Comisionado*
Catarina R. Gonzales, *Comisionada*
Kelly Keel, *Directora Ejecutiva*



COMISIÓN DE CALIDAD AMBIENTAL DE TEXAS

Protegiendo a Texas Reduciendo y Previniendo la Contaminación

PARA: Titulares de Derechos de Agua en el Programa Concho River Watermaster

**RE: N.º de expediente 2024-0914-BGT
Tasación propuesta para el año fiscal 2025 para el programa del comisionado del agua del río Concho, conocido como Concho River Watermaster**

El asunto mencionado anteriormente será considerado por los comisionados de la Comisión de Calidad Ambiental de Texas (TCEQ) durante la reunión pública del **11 de septiembre de 2024**. El encuentro comenzará a las **9:30 horas** y se llevará a cabo de manera virtual y presencial. Debido a que la construcción en el campus de TCEQ afecta directamente la sala de reuniones de la agenda de TCEQ, esta reunión se llevará a cabo en la **Sala 244 de la Comisión de la Fuerza Laboral de Texas**, ubicada en el Complejo del Capitolio, en 101 E. 15th Street, Austin. Para obtener información sobre cómo participar, visite la página web de la Agenda de los Comisionados en https://www.tceq.texas.gov/agency/decisions/agendas/comm/comm_agendas.html ocho días antes de la Agenda.

Este punto es el Expediente No. 2024-0914-BGT, Consideración de la tasación de los costos anuales de las operaciones de Watermaster en el Programa Watermaster del Río Concho, conocido como Concho River Watermaster, que consiste en la Cuenca del Río Concho que incluye el Río Concho y todos sus afluentes, aguas abajo en el cauce principal del Río Concho hasta un punto en el Río Concho antes de llegar, y aguas arriba del Embalse O.H. Ivie ubicado en e incluyendo el punto de derivación del Certificado de Adjudicación No. 14-1393 (Orden Fluvial No. 4954450000) en el Condado de Concho.

La compensación y gastos necesarios del Concho River Watermaster para el año fiscal 2025 es de **\$259,717.37**. De esta cantidad, se necesitan **\$213,563.33** para los sueldos y beneficios básicos del personal del programa (incluidos los costos de longevidad, mejoras salariales, complementos, seguros adicionales, jubilación, Oficina Estatal de Administración de Riesgos y plan de asignación de costos a nivel estatal) y se necesitan **\$46,154.04** para los costos operativos del programa. Con base en una tasa de recaudación del 100%, estos gastos necesarios requieren una evaluación total de **\$259,717.37** con una tasa municipal de **\$0.9238**.

Este aviso se proporciona a todos los titulares de derechos de agua según lo requerido por el Código de Aguas de Texas §§ 11.329 y 11.558. El 14 de junio de 2024 se dio aviso de la reunión presupuestaria del Comité Asesor del Concho River Watermaster (WAC); el 9 de julio de 2024, los miembros del Concho River WAC recibieron la tasación y el presupuesto propuestos; y la reunión presupuestaria del WAC se llevó a cabo el 17 de julio de 2024.

Si tiene alguna pregunta o desea una copia del presupuesto propuesto, comuníquese con la Oficina del Concho River Watermaster al (325) 262-0834 o (866) 314-4894 o por correo electrónico al conchowm@tceq.texas.gov.

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 Concho River Watermaster Program was mailed on August 9, 2024. Given under my hand and the seal of the Texas Commission on Environmental Quality, this the 9th day of August, 2024

Laurie Gharis

Laurie Gharis, Chief Clerk
Texas Commission on Environmental Quality

SEAL

THE STATE OF TEXAS
COUNTY OF TRAVIS
I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY
OF THE NOTICE OF CONSIDERATION OF PROPOSED ANNUAL COSTS
PROGRAM, WHICH IS FILED IN THE ENVIRONMENTAL QUALITY

AUG 09 2024

OF THE COUNTY CLERK, GIVEN UNDER MY HAND AND THE
SEAL OF OFFICE ON
Laurie Gharis
Laurie Gharis, Chief Clerk
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY