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CITY SECRETARY
DALLAS, TEXAS



COUNCIL BRIEFING AGENDA

November 2, 2011

DATE

(FOR GENERAL INFORMATION AND RULES OF COURTESY PLEASE SEE OPPOSITE SIDE.)

(LA INFORMACIÓN GENERAL Y REGLAS DE CORTESÍA QUE DEBEN OBSERVARSE
DURANTE LAS ASAMBLEAS DEL CONSEJO MUNICIPAL APARECEN EN EL LADO OPUESTO, FAVOR DE LEERLAS.)

General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 before 9:00 a.m. on the meeting date. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. **The Council agenda is available in alternative formats upon request.**

If you have any questions about this agenda or comments or complaints about city services, call 311.

Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

Informacion General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaidía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner CityCable* Canal 16. El Ayuntamiento Municipal se reúne el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 9 de la mañana del día de la asamblea. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

Reglas de Cortesia

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal.

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que esté presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, NOVEMBER 2, 2011
CITY HALL
1500 MARILLA
DALLAS, TEXAS 75201
9:00 A.M.

9:00 am Invocation and Pledge of Allegiance 6ES

Special Presentations

Open Microphone Speakers

10:00 am ***At Issue: Ethics, Trust & Transparency
Business, Government and the Case for Voter Concern***
*Southern Methodist University
James M. Collins Center for Executive Education
3150 Binkley Avenue, Dallas, TX 75205*

VOTING AGENDA 6ES

1. Approval of Minutes of the October 19, 2011 City Council Meeting
2. Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

Briefings 6ES

- A. D/FW International Airport Board Nominations - New Process for Submitting Nominees/Re-Nominees and Selecting Candidates for Appointment

Lunch

- B. Dallas' Long Range Water Supply Plan

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, NOVEMBER 2, 2011

Closed Session	6ES
Attorney Briefings (Sec. 551.071 T.O.M.A.)	
- Legal issues regarding federal funding of City programs.	
- Regulatory and other legal issues related to gas drilling.	
- Legal issues involving the appointment and removal of Municipal Court Judges.	
Open Microphone Speakers	6ES

The above schedule represents an estimate of the order for the indicated briefings and is subject to change at any time. Current agenda information may be obtained by calling (214) 670-3100 during working hours.

Note: An expression of preference or a preliminary vote may be taken by the Council on any of the briefing items.

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

PUBLIC MEETINGS FOR NOVEMBER 1 - NOVEMBER 15, 2011

Tuesday, November 1, 2011

Civil Service Board

8:30 a.m.

City Hall Suite 1C-South

Memorandum



DATE October 27, 2011

TO Honorable Mayor and
Members of the City Council

SUBJECT D/FW Board Appointment Process Briefing Item – November 2, 2011

On Wednesday, November 2, 2011, you will be briefed on proposed changes to the D/FW Board appointment process. A hard copy of the PowerPoint will be provided to you at the start of the briefing. However, the PowerPoint will be provided to you via email on Monday, October 30, 2011.

Please excuse any inconvenience and contact me if you have questions.



Rosa A. Rios
Acting City Secretary

C: Mary K. Suhm, City Manager
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
Helena Stevens-Thompson, Assistant to the City Manager/MCC

Memorandum



CITY OF DALLAS

DATE October 28, 2011

TO Honorable Mayor and Members of the City Council

SUBJECT Dallas' Long Range Water Supply Plan – Water Utilities Department

Attached is the Dallas' Long Range Water Supply Plan Briefing to be presented at the November 2, 2011 City Council meeting. The purpose of this briefing is to provide an overview of Dallas' long range water supply planning process and the next steps for updating the Long Range Water Plan.

Due to time constraints anticipated during the November 2nd City Council meeting, the following briefings will be presented to Council on November 16, 2011:

Dallas' Approach to Water Conservation providing an overview of Dallas' approach to conserving water by adoption of Green Building ordinances; lawn and landscape watering ordinances; and water conservation programs. The briefing also covers other available conservation programs and water loss management programs.

Dallas Water Utilities' Drought Update providing an overview of the ongoing drought weather conditions, the impact on Dallas water supply, water treatment capacity restrictions, and recommendations and next steps

Please let me know if you have any questions or need additional information.

A handwritten signature in black ink, appearing to read 'Forest E. Turner'.

Forest E. Turner
Assistant City Manager

Attachment

c: Mary K. Suhm, City Manager
Thomas P. Perkins, Jr., City Attorney
Rosa A. Rios, Acting City Secretary
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge
A.C. Gonzalez, First Assistant City Manager
Ryan S. Evans, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Officer
Helena Stevens-Thompson, Assistant to the City Manager – Council Office

Dallas' Long Range Water Supply Plan

Dallas Water Utilities

November 2, 2011



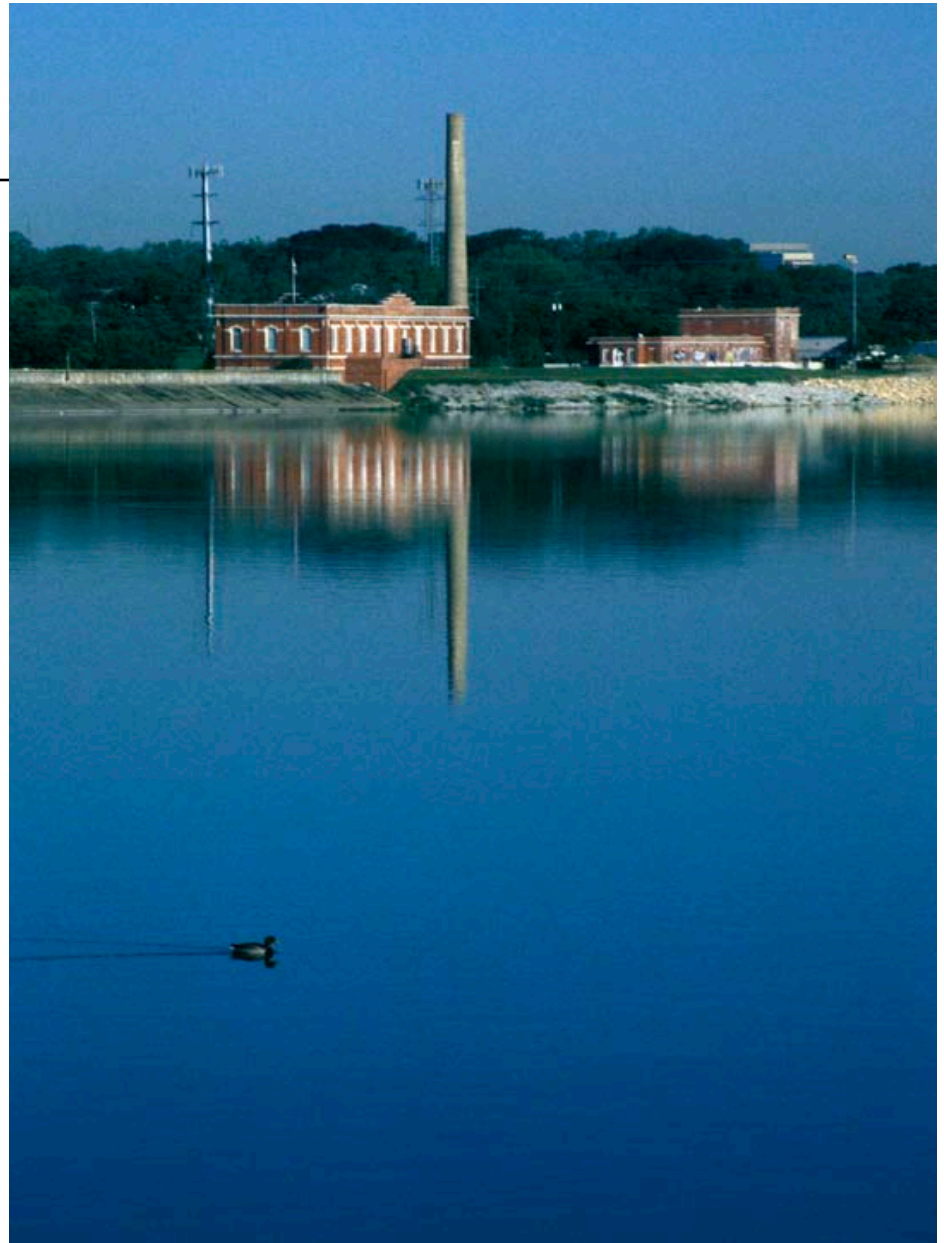


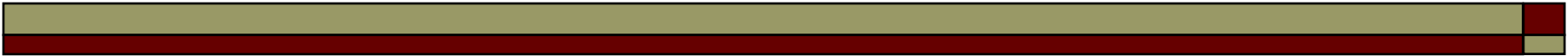
Purpose

This briefing provides an overview of Dallas' long range water supply planning process and next steps for updating the Long Range Water Plan

Outline

- Introduction to Water Planning
- Statewide Water Plan
- Dallas' 2005 Long Range Water Supply Plan
- Regional Cooperation
- Dallas Long Range Water Supply Plan Update
- Summary





Introduction to Water Planning

Notable “Water” Quotes

“When the well is dry, we know the worth of water.”

- Benjamin Franklin, *Poor Richard's Almanac*, 1746



“Water, not oil, is the life blood of Texas...”

- James A. Michener



“Whiskey is for drinking; water is for fighting.”

- Mark Twain



Current Drought Situation

- 2011 has been the driest year on record in the State since 1895, when the State began keeping rainfall records
- The past summer was also the hottest on record
- Estimated costs are more than \$5.2 billion in agricultural losses and \$250 million in wildfire devastation
- Texas state climatologist has indicated that the drought may be similar to the 1950s drought and this weather pattern may stick around until 2020

Planning for Water is a Continuous Process

- Safe and sufficient water supply is critical to the economic success of Dallas and its service area
- Since the beginning of Dallas' water system in 1878, the challenge has been finding an adequate, dependable water supply
- Year 1908 (Dallas: Pop. 80k) water concerns
 - Browder Springs was depleted
 - River pumped dry every summer
 - Water storage along river inadequate



Dallas: A Regional Water Supplier for Over 75 Years

- **Under the Texas Constitution and State law, all surface water is owned by the State of Texas**
- Dallas has been granted extensive water rights by the State in return for its promise to serve a defined area approved by Council and included in the State water plan which includes customer cities
- The addition of a new water source generally takes years to complete
 - Example: Lake Ray Roberts took 25 years to complete
 - The U.S. Congress authorized construction in 1965
 - Permits granted in June 1976
 - In June 1987, the gates of the dam were closed
 - The reservoir filled in May 1990
- Dallas shares costs with its customer cities based on wholesale treated water rate methodology identified in the MOA which was renegotiated with wholesale treated water customers in 2010 through a consensus based approach

Planning Guidelines

- **Dallas' plan is to have enough reservoir firm yield to meet water demands equivalent to the 1950s drought of record**
- Dallas' ranking for planned new water supply sources has been based on:
 - Costs – capital construction and power
 - Efficiency
 - Environmental impact
 - Likelihood for development
- Water located closer to the City is generally less expensive
 - Lower infrastructure costs due to shorter pipelines
 - Lower pumping (energy) costs – a recurring, annual expense
- Working with other area water providers to achieve greater economies of scale and thus reduce costs



White Rock Lake – 1950's

Dallas Water Planning Background

- Existing reservoirs were constructed as a result of planning actions from the 1950s
- Dallas initiated a series of long range water supply plans in 1959, 1979, 1990, 2000, and 2005
- As a result of a drought in 1996, through the passage of Senate Bill 1, the State initiated regional planning to ensure that the State has enough water for the next 50 years
 - Currently the State is in the third round of regional planning
 - Previous plans were prepared for 2002 and 2007
 - The third plan will be finalized in 2012
 - The next round of regional planning has already begun for the State's 2017 Plan
- It is now time to update Dallas' 2005 Long Range Water Supply Plan using new census data to identify Dallas' water needs to the year 2070, and incorporated in the State's 2017 Plan

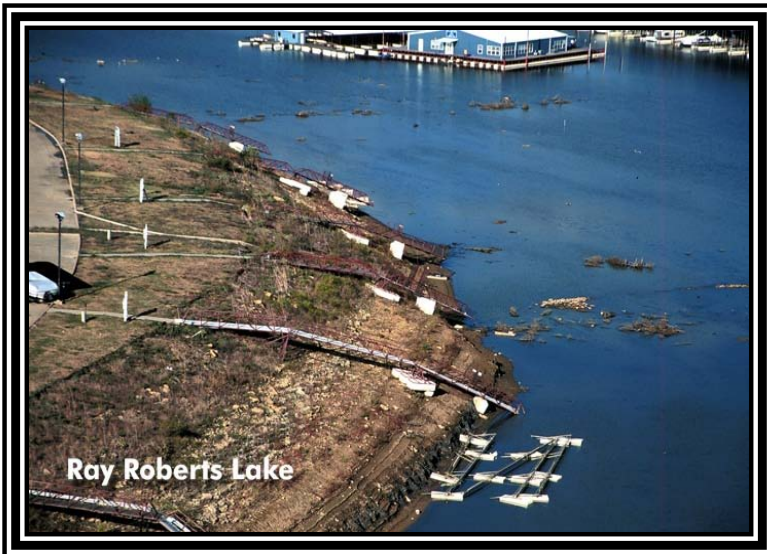
Economic Impacts of an Inadequate Water Supply

If water is unavailable, State's 2060 estimates for Region C, including Dallas (data from 2012 Plan):

- ❑ Population reduced by 797,000
- ❑ Employment off by 547,000 jobs
- ❑ Income shrinks by \$49.7 billion



Lake Tawakoni 2006, (down 12.6 feet);
currently down 6.9 feet



Ray Roberts Lake during 2000 drought (down 17.1 feet);
currently down 4.6 feet

Providing sufficient water comes at a price:

- Even with \$196M in savings from regional participation in the Council adopted Integrated Pipeline project, it will cost Dallas approximately \$1B to connect Lake Palestine
- Plan is to spread costs out 10+ yrs
- Results in annual rate increases

Steps in Water Supply Plan

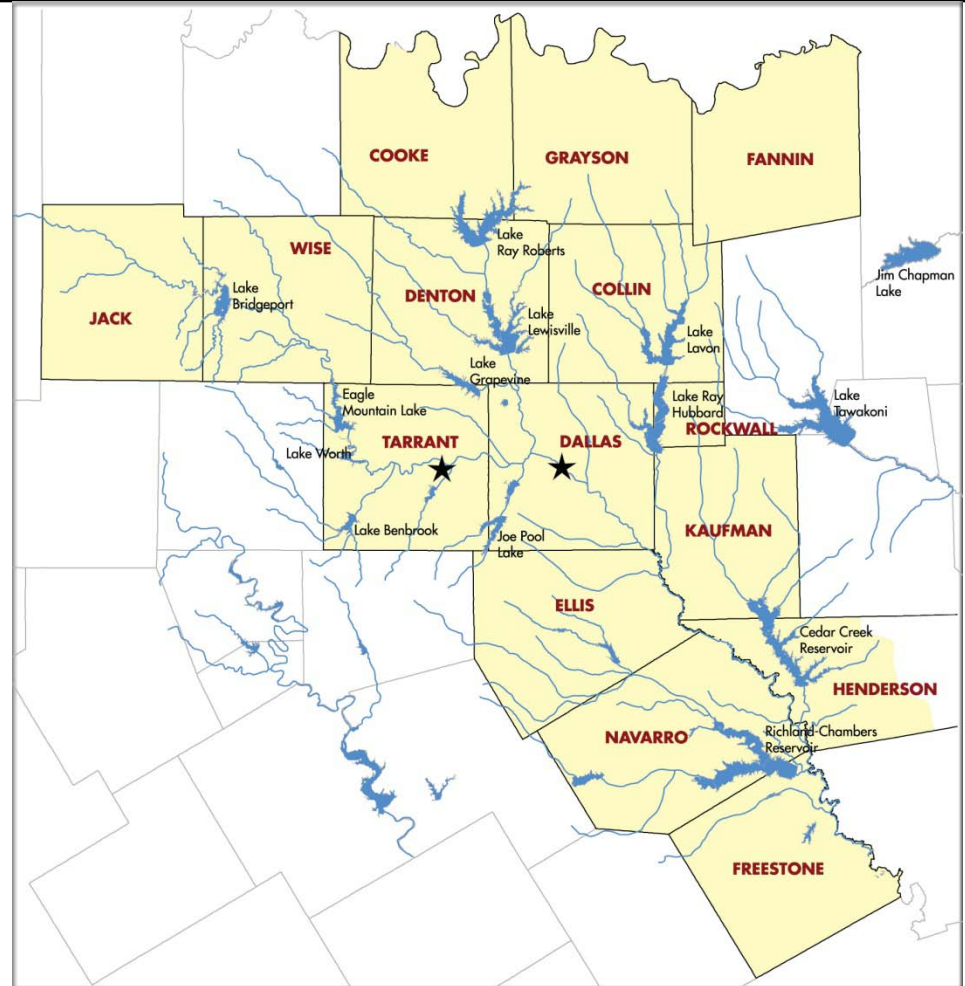
- Dallas prepares its Long Range Water Supply Plan
- Recommendations and strategies are approved by Council and incorporated into the regional planning process
- Strategies and recommendations from regional water providers help identify opportunities for regional cooperation, resulting in more efficient use of resources
- Regional Plan is incorporated into the Statewide Water Plan



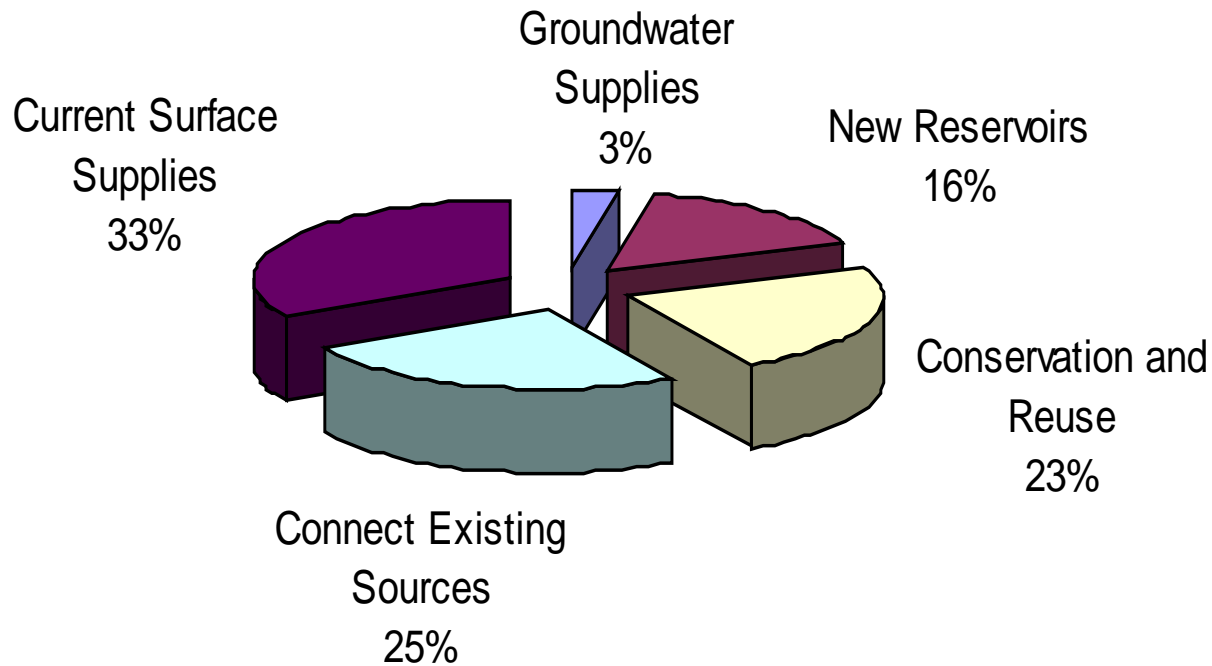
Statewide Water Planning

Region C – At a glance

- Covers 16 counties in and around Metroplex
- Serves 25% of Texas population
- Wholesale providers supply 90% of water used by area cities



Where will Region C Water Come from in 2060?



State's 2012 Draft Water Plan

- State legislature recognizes water, more than any other natural resource, challenges the State's future
- Plan is designed to meet the State's needs for water during a drought equal to the 1950s drought of record
- State's population is expected to grow by 82 percent in the next 50 years (2010-2060) from 25.4 million to 46.3 million people
- Water demand is expected to increase by 22 percent from 18 to 22 million acre feet
- The Plan projects that Texas does not have enough water today to meet the demand during a drought
- The estimated total capital cost of the recommended strategies in the State Plan is \$53 billion

State 2012 Draft Water Plan Recommendations

- **ISSUE 1: RESERVOIR SITE AND STREAM SEGMENT DESIGNATION**
 - The legislature should designate the three additional sites of unique value for the construction of reservoirs (Turkey Peak Reservoir, Millers Creek Reservoir Augmentation, and Coryell County Reservoir)
 - The legislature should designate the nine river or stream segments of unique ecological value (Pecan Bayou, Black Cypress Creek, Black Cypress Bayou, Alamito Creek, Nueces River, Frio River, Sabinal River, Comal River, and San Marcos River)
- **ISSUE 2: RESERVOIR SITE ACQUISITION** - The legislature should provide a mechanism to acquire feasible reservoir sites to meet future water supply needs
- **ISSUE 3: INTERBASIN TRANSFERS OF SURFACE WATER** - The legislature should enact statutory provisions that eliminate unreasonable restrictions on the voluntary transfer of surface water from one basin to another

State 2012 Draft Water Plan Recommendations (continued)

- **ISSUE 4: PETITION PROCESS ON THE REASONABLENESS OF DESIRED FUTURE CONDITIONS** - The legislature should remove TWDB from the petition process concerning the reasonableness of a desired future condition except for technical review and comment
- **ISSUE 5: WATER LOSS** - The legislature should require all retail public utilities to conduct water loss audits on an annual basis, rather than every five years (HB 3090, effective September 1, 2011 for utilities using State funding)
- **ISSUE 6: FINANCING THE STATE WATER PLAN** - The legislature should develop a long-term, affordable, and sustainable method to provide financing assistance for the implementation of state water plan projects

Note: The City of Dallas will be supporting Proposition 2 which is on the Nov 2012 ballot. Prop 2 would allow the Texas Water Development Board to issue additional bonds as long as no more than \$6 billion are outstanding at any one time to finance water projects.

Future Planning Issues Not Addressed in the State 2012 Draft Water Plan

- Population changes based on the 2010 U.S. Census
- Water demand projection changes from population growth or water use activities
- Impacts to water availability from new environmental flow standards
- Limitations of groundwater permitting processes
- Lack of sufficient financial assistance to implement recommended strategies
- Other potential future challenges such as natural disasters or climate variability

Note: These are challenging issues and are difficult to obtain consensus, but will have to be addressed to deal with the State's water needs.

Dallas Water Supply Strategies (Included in the State's 2012 Draft Water Plan)

- Strategies were adopted by the Council in March 2005
- Connect existing supplies to Dallas' system
 - ✓ Lake Fork
 - ✓ Lake Palestine by 2015-2025 (joint pipeline project underway with Tarrant Regional Water District)
- Recommended Strategies
 - ✓ Water Conservation and additional direct reuse
 - ✓ Lake Ray Hubbard and Lake Lewisville indirect reuse
 - Contract for return flows
 - Lake Wright Patman floodpool reallocation
 - Construct Lake Fastrill – project overruled by US Courts; alternate projects currently under review
 - Due to the creation of the Neches River National Wildlife Refuge on the Fastrill reservoir site, alternative strategies are being considered that include but are not limited to additional water conservation, Lake Texoma, Toledo Bend Reservoir, Lake 'O the Pines, Lake Livingston, groundwater, Marvin Nichols Reservoir, Lake Columbia, George Parkhouse Reservoir (North), George Parkhouse (South), Oklahoma water and Neches River Run-of-the-River.

✓ = in progress



Dallas' 2005 Long Range Water Supply Plan

Dallas Long Range Water Supply Plan

- Long Range Water Supply last updated in 2005
- Components included:
 1. Conservation strategic plan
 2. Reuse plan
 3. Connecting Dallas' existing reservoirs
 4. Looking for additional water resources
 5. Alternative strategies
- Multifaceted approach for water planning to ensure that Dallas citizens and customers have adequate and safe drinking water
- Review and update of recommended and alternate strategies
- Council approved recommendations will be included in the 2017 State Plan

Conservation as a Planning Tool

- Conservation extends the life of our existing resources
- Water savings from long-term behavioral change delays the need for future water sources
- Conservation puts DWU in compliance with the state's conservation requirements prior to requesting future water rights
- Conservation and reuse are an integral part of future water supply, equaling 25% of our need
- Customer cities are required to cooperate with Dallas' conservation efforts and impose like conservation measures

Reuse Water

- Reuse water is wastewater effluent that has been treated and can be used to augment lakes or for non-potable uses such as irrigation or cooling water
- Current plan calls for considerable reuse
- Reuse Initiatives – 88 MGD identified in current efforts (42% of total reuse in plan)
- Working with other agencies for reuse water
 - 40 MGD to Lake Ray Hubbard
 - 48 MGD to Lake Lewisville
- Cedar Crest golf course (less than 1 MGD), and Stevens Park under construction
- Efforts underway for new initiative with North Texas Municipal Water District (NTMWD) and the Tarrant Regional Water District (TRWD)
 - Calls for possible pump station on the Trinity River to divert water to NTMWD and/or TRWD wetlands
 - Efforts may include the exchange of water between agencies

Connecting New and Existing Water Supply Sources to the Dallas System

Current	Underway	Likely	At Some Risk	Total Need (MGD)
<ul style="list-style-type: none"> • Ray Roberts/Lewisville • Grapevine • Ray Hubbard • Tawakoni • Elm Fork of Trinity • Lake Fork 	<ul style="list-style-type: none"> • Lake Palestine - 2015 (100.00 MGD) • Conservation - various dates (47.40 MGD) • Direct Reuse - various dates (18.25 MGD) 	<ul style="list-style-type: none"> • Contract for Return Flows - various dates (71.02 MGD) • Ray Hubbard Indirect Reuse - permitted - 2012 (60.00 MGD) • Lewisville Indirect Reuse - permitted - 2022 (60.00 MGD) 	<ul style="list-style-type: none"> • Wright Patman Flood Pool - 2035 (100.00 MGD) • Fastrill - 2045 (100.00 MGD) 	
483.90	165.65	191.02	200.00	1,040.57

- Our water supply in 2060 totals 1040.57 MGD 1040.57 (need)
- Currently we have 483.90 MGD connected - 483.90 (current)
- We are reasonably assured of an additional 165.65 MGD (underway) - 165.65 (underway)
- An additional 191.02 MGD is likely - 191.02 (likely)
- Wright Patman and the Lake Fastrill replacement project¹, totaling 200 MGD, are at some risk = 200.00
- **The new LRWSP may identify more or less water needs for Dallas**

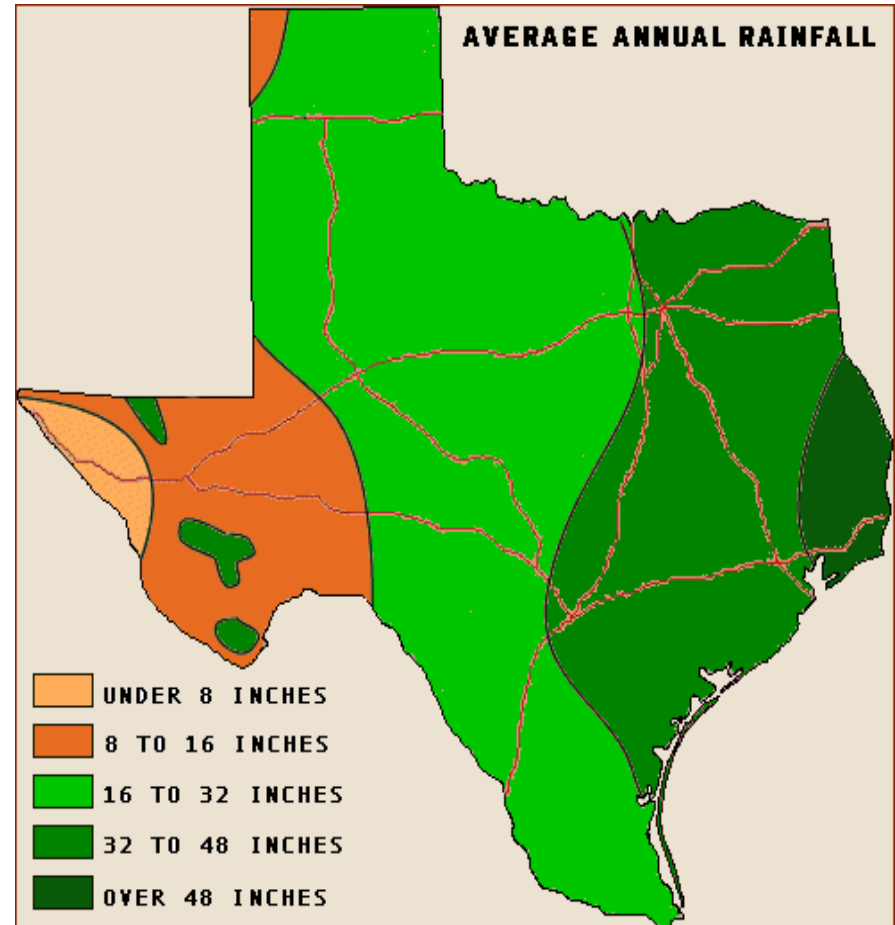
¹Lake Fastrill Replacement – Due to the creation of the Neches River National Wildlife Refuge on the Fastrill reservoir site, alternative strategies are being considered that include but are not limited to additional water conservation, Lake Texoma, Toledo Bend Reservoir, Lake ‘O the Pines, Lake Livingston, groundwater, Marvin Nichols Reservoir, Lake Columbia, George Parkhouse Reservoir (North), George Parkhouse (South), Oklahoma water and Neches River Run-of-the-River.

Previously Identified Alternative Water Strategies in the 2005 Plan

	<u>Dallas' share</u>
□ Alternate strategies within 100 miles	
■ George Parkhouse I and II (not yet built)	100 MGD
■ Marvin Nichols (not yet built)	100 MGD
■ Lake Texoma (Oklahoma's share)	100 MGD
□ Alternate strategies within 150 miles	
■ Lake Columbia (not yet built)	32 MGD
■ Oklahoma water (Kiamichi/Cache basins)	100 MGD
■ Lake O' the Pines	80 MGD
□ Alternate strategies within 200 miles	
■ Toledo Bend Reservoir	100-200 MGD
■ Lake Livingston Reservoir	100 MGD
■ Sam Rayburn/B. A. Steinhagen	100 MGD
□ Alternate strategies within 300 miles	
■ Ogallala (Mesa) water	100-200 MGD

Why Do We Look to East Texas For Additional Water?

- Rainfall amounts are highest in East Texas
- As a result, most future reservoirs are planned in East Texas
- All new reservoirs or changes in reservoir operations are controversial and face opposition





Barriers to Water Supply Strategies

- Competing land uses
- Impact of other State and Federal agencies
- Environmental flows for riparian habitat
- Required coordination with other agencies and approval process
- Permitting delays
- Costs

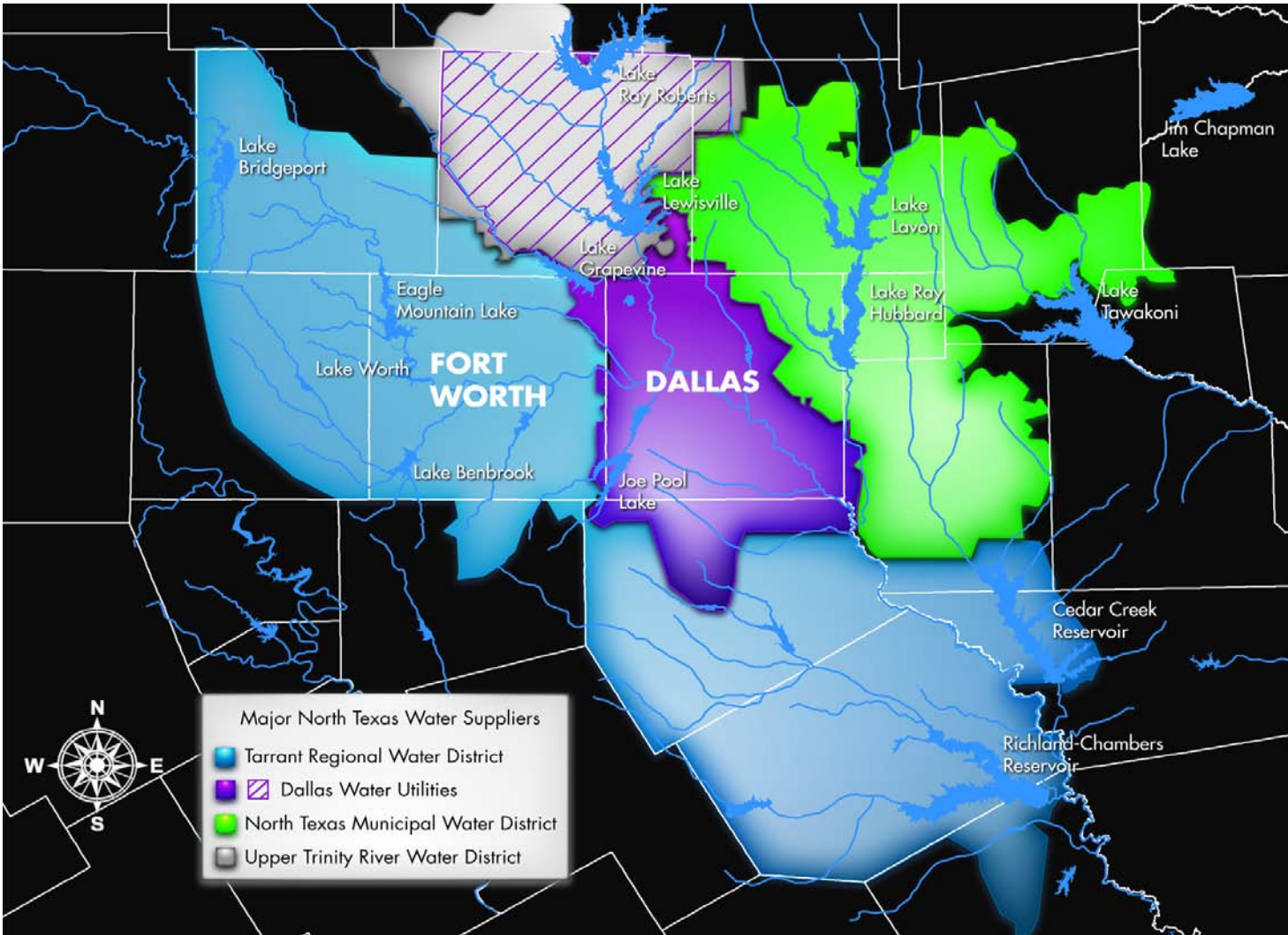


Evaluation of Water Supply Options

- ❑ Costs – capital construction and power
- ❑ Efficiency (near other lakes, sufficient size)
- ❑ Environmental impact
- ❑ Likelihood for development
- ❑ Identify regional cooperation opportunities

Regional Cooperation

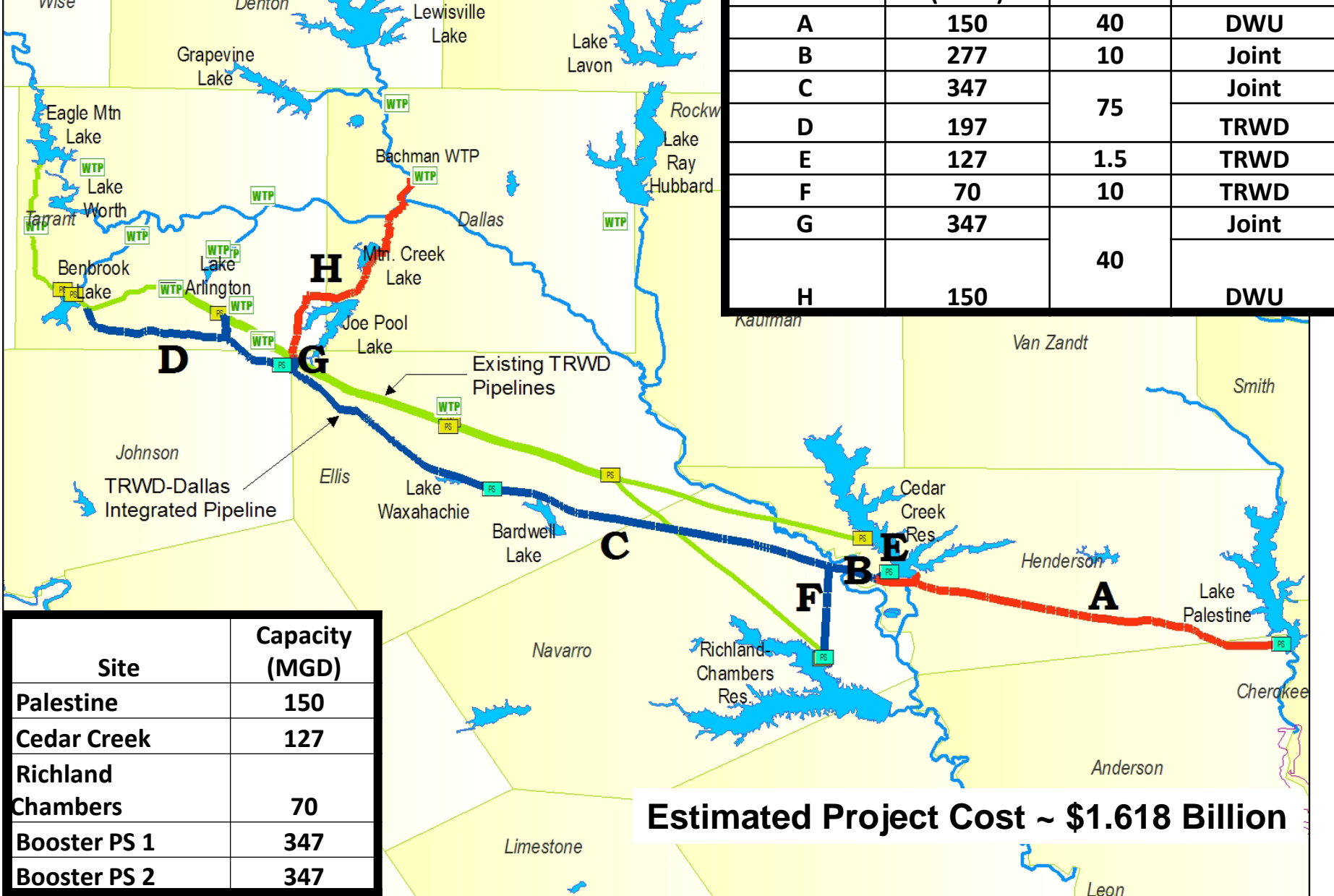
Major North Texas Water Providers



Recent Regional Cooperation Examples

- Dallas City Council authorized an Integrated Pipeline Project (IPL) with Tarrant Regional Water District (TRWD) that includes:
 - Interlocal Cooperation Contract - provides the framework for increasing the reliability of Dallas' water supplies; the ability to obtain interim/emergency water supplies; for cooperative efforts for Oklahoma Water Development; and allows Dallas to share the cost of water transmission from distant sources
 - **Estimated Capital Cost Savings for Dallas of \$196M**
- The City has signed a contract with the North Texas Municipal Water District (NTMWD) to exchange return flows in Lake Ray Hubbard
 - Exchange Dallas' return flows from Central and/or Southside for a like amount of NTMWD return flows in Lake Ray Hubbard and Lewisville Lake
 - Pass NTMWD return flows through Lake Ray Hubbard until facilities can be constructed to provide NTMWD with Dallas' Central and/or Southside return flows at NTMWD's wetland
- Talks have begun with Sabine River Authority to:
 - Secure additional water supply in the Sabine River Basin
 - Develop run-of-the-river supplies upstream of Toledo Bend closer to Dallas
 - Overdraft existing reservoirs (Lake Tawakoni and Lake Fork)

Integrated Pipeline Project (Dallas / TRWD)



Segment	Design Flow Rate (MGD)	Length (miles)	Potential Ownership
A	150	40	DWU
B	277	10	Joint
C	347	75	Joint
D	197		TRWD
E	127	1.5	TRWD
F	70	10	TRWD
G	347	40	Joint
H	150		DWU

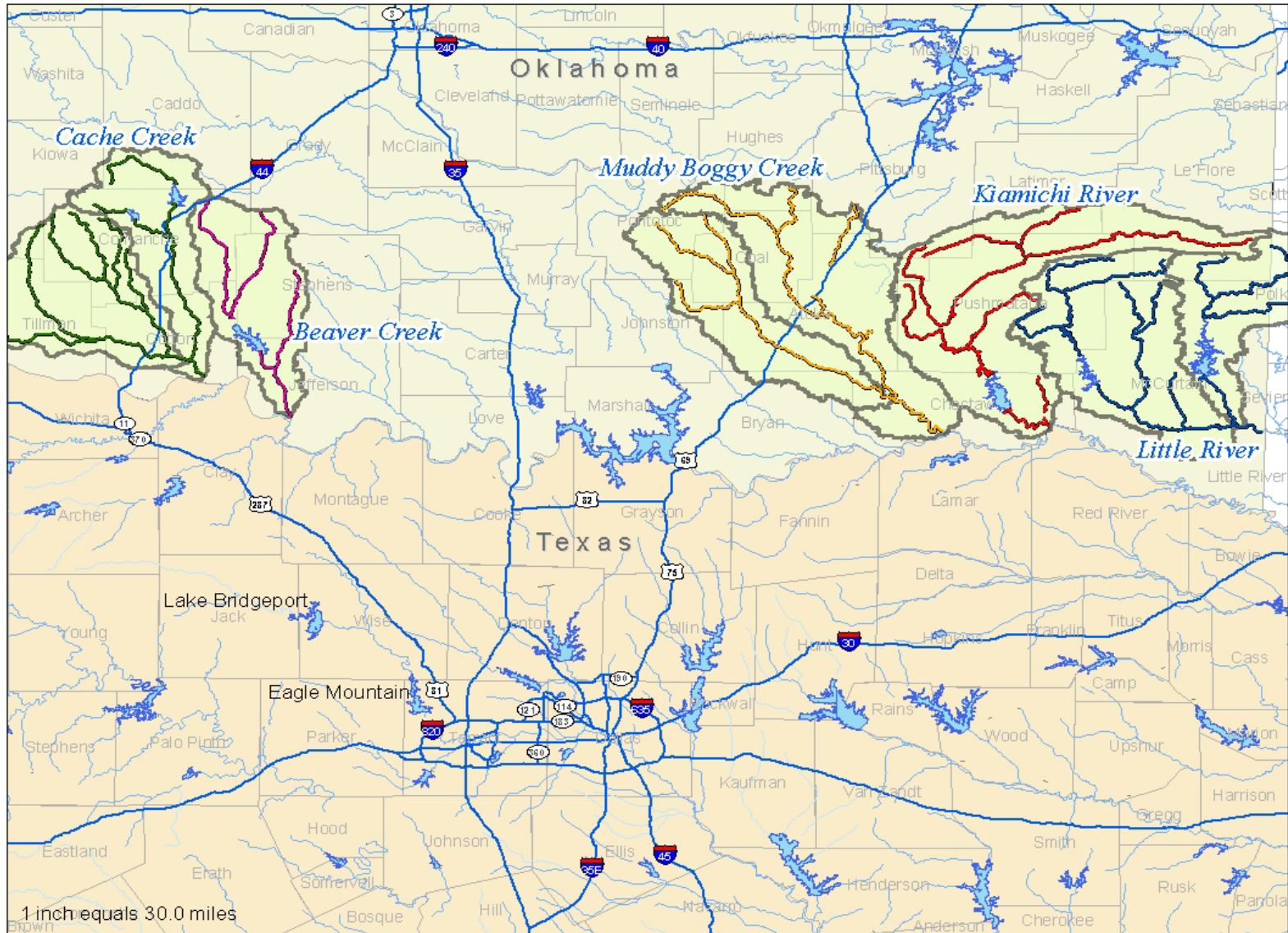
Site	Capacity (MGD)
Palestine	150
Cedar Creek	127
Richland Chambers	70
Booster PS 1	347
Booster PS 2	347

Estimated Project Cost ~ \$1.618 Billion

Oklahoma Water Initiative with TRWD - Update

- In September 2011, the 10th Circuit Court ruled against Tarrant Regional Water District's (TRWD) quest for Oklahoma water, citing that the Red River Compact protects Oklahoma from any claims on its surface water
- TRWD filed a petition for rehearing of the case, but was denied
- The case, which was initially filed by TRWD in January 2007 in federal district court in Oklahoma City, seeks to invalidate a series of Oklahoma laws that make up Oklahoma's embargo against the use and transfer of water out-of-state
- TRWD may also try to open negotiations for a water sale to seek an agreement that is beneficial to all parties

Cooperative Effort for Potential Oklahoma River Basins for Water Supply





Dallas Long Range Water Supply Plan - Update

Policy Issues as We Move Forward

- Policy makers have to balance many different concerns
- New water supplies take a long time to acquire
 - A good rule of thumb is 25-30 years to complete studies, permitting process, acquire land, and construction
 - Example: Lake Ray Roberts took 25 years to construct
- Many stakeholders in today's process
 - Citizens, customer cities, environmentalists, businesses, people outside Dallas
- Conservation and reuse are key considerations today
 - Every gallon saved is one we don't have to pay to replace
 - However, even with aggressive conservation of 25-30%, we cannot meet the needs of a population increase of 100% from 2.3 million today to 4 to 5 million in 2060
- It's important to keep all our water supply options open as some strategies prove not to be feasible

Long Range Water Planning Study Update – Next Steps

- Seek engineering contract to identify Dallas' water planning needs to the year 2070 using 2010 population numbers
 - Update both water supply and infrastructure needs
 - Provide efficient and economical alternatives for water supply
 - Include stakeholder meetings and input
- Seek Council approval to adopt the Plan
- Incorporate new demands and water supply strategies and alternatives into the Region C and 2017 State Water Plan
- New Plan will guide Dallas' future decisions regarding water strategies and alternates

Update of Long Range Water Plan (LRWSP) Selected Timeline Dates

- Select Consultant - 2nd Quarter FY12
- LRWSP Progress Report to Council – 1st Quarter FY2013
- Draft LRWSP – 4th Quarter FY13
- Council Approves Strategies for Region C Water Plan – 1st Quarter FY14
- Finalize LRWSP – 2nd Quarter FY14
- Dallas' information will be included in the State's 2017 Water Plan

Summary

Summary

- Water is a key to the economic growth of the City and region
- Dallas is actively pursuing multiple strategies and working with regional partners to reduce future water supply costs
- Dallas has water in reserve to meet future needs until 2035
 - Will need to connect Lake Palestine to meet this need
 - Ongoing project with Tarrant Regional Water District to connect Lake Palestine has estimated capital savings of \$196M
- Conservation and reuse are an integral part of future water supply, equaling 25% of our need
- Dallas is scheduled to update its Long Range Water Supply Plan (LRWSP) beginning in Fiscal Year 2011-12 using new census and water demand numbers
- Information will be used in the State's regional water planning process
- Council will be asked to approve an engineering contract to develop the new Plan to the year 2070 in early 2012
- Council will approve new Plan and water strategies in FY14⁴⁴