

Resolution #10.09.01  
A RESOLUTION OF THE  
BOARD OF DIRECTORS OF AQUAWATER SUPPLY CORPORATION  
OPPOSING THE GUADALUPE BLANCO RIVER AUTHORITY  
SIMSBORO WATER PROJECT IN BASTROP AND LEE COUNTIES

Whereas, the Guadalupe Blanco River Authority (the "GBRA") entered into a letter agreement for the purchase of water to be produced from the Simsboro aquifer located in Bastrop and Lee Counties; and

Whereas, GBRA intends to build a pipeline to transport this groundwater to the San Marcos-New Braunfels area; and

Whereas, applications have been filed with Lost Pines Groundwater Conservation District ("Lost Pines") for permission to withdraw a total of 56,000 acre feet (AF) of water from the Simsboro aquifer, 30,000 AF of water per year will be withdrawn from Bastrop County and 26,000 AF per year will be withdrawn from Lee County; and

Whereas, the currently proposed State Water Plan shows that the Simsboro aquifer in Bastrop County has water availability totaling 28,000 acre/feet of water per year, and Lost Pines has issued permits to local water users for the withdrawal of 43,486 acre feet of water per year; and

Whereas, 20,198 acre feet of water was pumped from Bastrop County in 2009; and

Whereas, the proposed State Water Plan shows that the Simsboro aquifer in Lee County has water availability of 27,533 AF per year and at the end of the 50-year planning period, there is estimated there will be 19,777 AF/year available; and

Whereas, for the purposes of determining groundwater availability in the Simsboro aquifer, Lost Pines looks at water availability in both Bastrop and Lee Counties as a whole as the Simsboro aquifer is a single hydrological unit; and

Whereas, the State Water Plan shows that the available water in the Simsboro aquifer in Bastrop and Lee Counties at the end of the 50-year planning period will be 4,500 AF per year, which amount reflects that all of the water is effectively permitted; and

Whereas, production of water in excess of 28,000 acre feet per year from Bastrop County will result in more water being removed from the aquifer than is being returned to the aquifer, a condition known as "overdrafting"; and

Whereas, sustained overdrafting will make it economically unfeasible to produce groundwater in Bastrop County; and

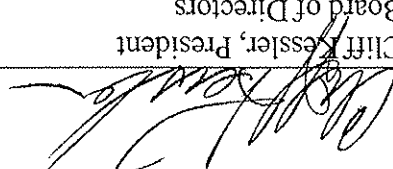
Whereas, Aqua Water Supply Corporation is of the opinion that the Simsboro aquifer should be protected and conserved so that water from the aquifer will be available to serve the current and future residents of Bastrop and Lee Counties.

NOW THEREFORE, BE IT RESOLVED BY AQUA WATER SUPPLY CORPORATION THAT:

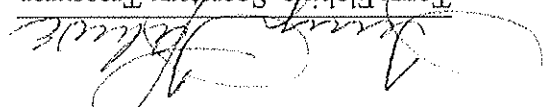
1. Aqua Water Supply Corporation hereby opposes the GBRA's plan to produce water from the Simsboro aquifer in Bastrop and Lee Counties for transporting to the San Marcos - New Braunfels area.
2. Aqua Water Supply Corporation is supportive of all efforts to keep water from the Simsboro aquifer for use for the current and future residents of Bastrop and Lee Counties.
3. Aqua Water Supply Corporation Staff is hereby authorized to take any action necessary to implement the terms of this Resolution.

PASSED AND APPROVED this 13<sup>th</sup> day of September, 2010.

AQUA WATER SUPPLY CORPORATION

  
Cliff Kessler, President  
Board of Directors

ATTEST:

  
Terry Flahive, Secretary-Treasurer  
Board of Directors