

Possum Kingdom Lake Association
P.O. Box 492
Graford, Texas 76449

May 15, 2014

Mr. Phil Ford
General Manager/CEO
Brazos River Authority
4600 Cobbs Drive
Waco, Texas 76710

VIA hand delivery

Dear Mr. Ford:

Please find attached a resolution and white paper passed by the Board of the Possum Kingdom Lake Association concerning the issue of the "balance" of lake levels between Possum Kingdom Lake and Lake Granbury. I know you have heard a lot about this lately but we believe it is important that you hear our position as residents of Possum Kingdom. Everyone in the Brazos Basin is affected by the current drought and, it appears, will continue to be so for some time to come. As you know, even when it does finally start to rain again, it will take a long time for the Basin to recover.

PKLA believes it is of utmost importance that the Brazos River Authority provides for the greatest practicable measure of conservation and beneficial utilization of the waters of the Brazos Basin, especially in this time of drought when there are no excesses. We all watched as the BRA went through the original process of implementation of the water management plan, then the results of the Halff Study and finally where we are today with the implementation of SB3. Even with all of this work and study, it appears that the answer is clear; We should maintain the water in the Basin where we can best satisfy the needs of conservation and beneficial utilization and cease the current, unworkable plan.

Our position is that this artificial balancing effort, just to placate a very vocal group of property owners, especially when it would be to the detriment of others in the Basin is just not right nor is it good policy.

Please consider our resolution and the attached White Paper. The Possum Kingdom Lake Association, representing over 1,100 members, stands ready to work with the Brazos River Authority as well as other stakeholders to arrive at a solution that is fair and balanced for all concerned.

Sincerely,

A handwritten signature in black ink that reads "Jim Lattimore". The signature is fluid and cursive, with the first name "Jim" being more prominent.

Jim Lattimore
President

RESOLUTION

The following resolution is hereby adopted by the Board of Directors of the **POSSUM KINGDOM LAKE ASSOCIATION (PKLA)** as of the date indicated below:

Be it Resolved,

Whereas, it has come to the attention of the Board of Directors that certain discussions have been taking place between representatives of the Brazos River Authority, elected officials and certain special interest groups from Lake Granbury,

And Whereas, we understand that the subject of those discussions has been a potential reconsideration of the water management plan for relative lake levels between Possum Kingdom Lake and Lake Granbury,

And Whereas, the interests of Possum Kingdom Lake were not represented at any meetings concerning Lake Granbury and relative lake levels between the two reservoirs,

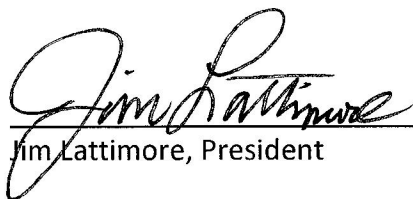
It is hereby resolved, that PKLA requests the same level of consideration accorded the special interests from Lake Granbury by scheduled meetings with at least the same Brazos River Authority representatives as well as elected officials,

And further resolved, that PKLA adopts the attached White Paper, as its position relative to any consideration of reopening discussions of the water management plan and submits this document for consideration by BRA and elected officials,

And further resolved, that the Board of Directors, by this resolution, makes a formal request that BRA cease and desist the release of Possum Kingdom Lake water to Lake Granbury for balancing purposes. It is PKLA's position that balancing lake levels between Possum Kingdom and Lake Granbury does not provide for the greatest practicable measure of conservation and beneficial utilization of the water stored in PK, and, therefore, the BRA MUST NOT continue balancing protocols,

And finally, that a copy of this resolution and the attached White Paper shall be delivered to the Brazos River Authority as well as other interested parties.

This **Resolution** is adopted and made a part of the official records of the Possum Kingdom Lake Association as of May 14, 2014.



Jim Lattimore, President

A White Paper: Water Releases from Possum Kingdom Lake to Raise the Level of Lake Granbury

This White Paper is presented to the Board of Directors of the Possum Kingdom Lake Association ("PKLA") in support of opposition to BRA's past, current, and future water management protocol for releasing water from Possum Kingdom Lake (PK) to balance water levels between Possum Kingdom and Lake Granbury Lake (LG). The conclusion of this White Paper strongly suggests that PKLA should request that BRA immediately cease and desist releases from Possum Kingdom Lake in an attempt to balance water levels between PK and LG.

I. BACKGROUND

In 2008, the Brazos River Authority (BRA) implemented a water management protocol, requiring the operation of Possum Kingdom Lake (PK) and Lake Granbury (LG) on a 1:1 elevation drawdown basis (Equal Drawdown). In other words, for every foot below the top of the conservation pool at Lake Granbury, Possum Kingdom Lake water would be released until it was the same depth below full as Lake Granbury. While no known explanation for the drawdown protocol was given at the time the protocol was implemented, a subsequent study commissioned by the BRA in 2010 revealed that the protocol was meant to provide a "balance" to the lakes while the hydroelectric operations at the dam below PK were suspended.

No known justification was provided at that time or since as to the necessity of "balancing" the lakes. It has not been justified that any particular or regular drawdown of Possum Kingdom Lake to augment the level at Lake Granbury is necessary in order to satisfy any hydrological, environmental, or contractual obligation. It appeared as though the need for some kind of "balance" was simply to allay the protests of Lake Granbury residents who were accustomed to relatively constant levels due to the operation of the hydroelectric plant below PK.

In 2011, apparently due to increased residential complaints at Lake Granbury, the Brazos River Authority *increased* the amount of water released from Possum Kingdom Lake into Lake Granbury in order to "better 'balance' impacts between the two reservoirs." See *Halff Study at 41*. Again, no explanation was given as to why the original protocol, let alone the new and even more detrimental protocol, was necessary, other than to pacify vocal lakefront property owners at Lake Granbury.

As it stands today, there are indications that, due to continued political pressure exercised by Lake Granbury constituents, the BRA might be considering *again increasing* the amount of water released from Possum Kingdom Lake in an effort to quell unsatisfied Lake Granbury residents.

The Possum Kingdom Lake Association has long strategized to be measured, but precise; cooperative but firm; and, at all times, informed, straightforward, and professional in its dealings with the BRA. This strategy was adopted to maintain its credibility and working relationship with not only the BRA, but with its own members, local, state, and federal elected officials, the media, and neighbors at Lake Granbury. However, Possum Kingdom Lake residents will not stand by idly and allow their rights to be threatened by those who have used a much less reasoned approach and are apparently seeking political influence and intervention in order to receive special benefits and consideration to Lake Granbury to the detriment of Possum Kingdom Lake.

PKLA should request that BRA rescind its current water management policies to the extent that it seeks a so-called "balance" to the two lakes and let the water that flows into the watershed at Possum Kingdom Lake remain at Possum Kingdom Lake unless and until releases are necessary to serve hydrological, environmental, or previous contractual obligations. This request is supported by the following:

II. SUPPORT

1. The BRA's drawdown protocol is in conflict with its authorized water policy.

While it is acknowledged that the BRA is granted the power to "provide, through all practical and legal means, for the control and the coordination of the regulation of the waters of the watershed of the Brazos River and its tributary streams as a unit" (TEX. SPEC. DIST. LOC. LAWS 8502.004(b)); this paper argues that such power is subservient and subordinate to its duty to provide for the "greatest practicable measure of conservation and beneficial utilization of" those waters. (*Id.* at 8502.004(a)).

Because of the BRA's operation of PK and LG at a 1:1 drawdown from 2008 to 2011, water released from PK to LG for balancing purposes was *wasted*. After the widespread drought of 2008-2009, Lake Granbury finally filled in October 2009, while Possum Kingdom did not fill again until March 2010 (according to the USGS). Water was released downstream to prevent flooding at Lake Granbury. If the water had remained in Possum Kingdom Lake, Granbury would have benefitted from the rain event in its watershed, the flood releases would not have been necessary, and both lakes would have retained the aggregate water that was ultimately released.

Because of the BRA's operation of PK and LG at a 1.75:1 drawdown from 2011 to today, even *more* water released from PK to LG for balancing purposes was *wasted*. After the most severe year-long drought in Texas history, Lake Granbury filled *again* in January 2012, while Possum Kingdom still has not refilled to conservation pool capacity. Again, water was released downstream to prevent flooding at Lake Granbury--water that, had it remained in Possum Kingdom Lake, would have abrogated the need for flood releases at Lake Granbury, and both lakes would have retained the aggregate water that was ultimately released.

As BRA staff admitted in 2012 when answering citizen questions related to its pending water rights permit, "Lake Granbury has responded better to rain events in its watershed than PK, primarily due to the geographic location of those rain events." (<http://www.brazos.org/sysopsweeklyupdate.asp>) While it is clear that the BRA cannot control the timing or geographic location of rain events, the BRA should do the hydrologically responsible thing by retaining more water in its upper reservoir, which can be released downstream in times of need, rather than retaining it in its lower reservoir, which cannot be moved back upstream. This, of course, could be overcome should the BRA decide to construct a massive (and expensive) pumping station to move the excess water upstream to PK. Retaining water in the upstream reservoir would accomplish the "greatest practicable measure of conservation and beneficial utilization of" those waters, as provided in BRA's enabling legislation.

In addition, the BRA should do the hydrologically responsible thing by retaining more water in its upper reservoir so that Lake Granbury can catch water from rain events that may, and *have been*, occurring between the reservoirs and take maximum advantage of the 2,085 square miles of drainage area that benefits Lake Granbury, but offers *no benefit* to Possum Kingdom Lake or the Upper Basin of the Brazos River. Again, this would accomplish the "greatest practicable measure of conservation and beneficial utilization of" those waters, as provided in BRA's enabling legislation.

2. BRA's drawdown protocol is bad economic policy.

While all concerned appreciate BRA's efforts to consider the economic impact of affected businesses, landowners, and taxing entities at both lakes, the particular circumstances at the respective lakes warrant a more reasoned and evidence-based approach than has been given to this point.

Local economic factors should be considered on a factual basis and should work in coordination, with, not against, environmental considerations and water customer needs. To illustrate, we understand that Lake Granbury had no control over the suspension of hydroelectric operations at Morris Sheppard Dam, which kept Lake Granbury at relatively constant levels even during dry times. Likewise, residents of Possum Kingdom Lake had no control over the practice of homebuilders and city permitting managers, who allowed the unrestrained construction of shallow canals at Lake Granbury, resulting in man-made lakefront lots that could be sold at higher prices. These shallow canals artificially increased the number of fixed docks on Lake Granbury and the taxing entities' residential property tax base.

Likewise, residents of Possum Kingdom had no control over local decisions regarding the development of the property tax base, i.e. the creation of a tax dependency on fleeting oil and gas revenues from Barnett Shale activity; and the failures to develop more reliable industrial and commercial property, rather than depending so heavily on volatile residential property as its tax base.

Finally, residents of Possum Kingdom Lake have no control over local decisions regarding the mismanagement of Lake Granbury water. In 2011, the Granbury City Council (some of whom make up the Lake Granbury Coalition that is requesting more water be released from PK) voted to sell 15,500 acre-feet (over 5 *billion* gallons) of Lake Granbury water downstream to DOW Chemical. (Minutes of the Granbury City Council, July 26, 2011, <http://www.granbury.org/ArchiveCenter/ViewFile/Item/1033>). This was, of course, during the worst single-year drought in Texas history. In addition, it has been learned that another member of the Lake Granbury Coalition recently petitioned the BRA to allow a private land development to dam its canal and pump water from the main body of Lake Granbury in order to sell property at inflated values.

"Balancing" the lakes on these economic bases unfairly and unjustly benefits negligent local decisions at Lake Granbury, the burden of which should not be borne by the Possum Kingdom Lake community.

As lake levels decline, Possum Kingdom Lake residents' property values will decline as well. As lake levels decline, Possum Kingdom Lake businesses suffer. As lake levels decline, Palo Pinto County taxing entities lose sales tax and property taxes. As lake levels decline, Possum Kingdom Lake users suffer — not only non-consumptive users who enjoy the lake for recreational and aesthetic purposes, but consumptive users who produce the water for residents, businesses, and industries.

3. The BRA should reject the Lake Granbury Coalition White Paper that seeks MORE water to be released from Possum Kingdom Lake as factually unfounded.

While we do not question that Lake Granbury residents suffer due to low lake levels, we do call into question the oversimplified, understudied, and ill-informed "facts" riddled throughout the "white paper" published by the so-called "Lake Granbury Coalition." To use their own Facebook vernacular, what the Lake Granbury Coalition "doesn't understand yet" is that prohibiting releases and diversions from Lake Granbury that would cause elevations to fall below the 690 feet (or 3 feet below the top of the conservation pool) necessarily means that water used to meet Lake Granbury contracts (Luminant, City of Granbury, etc.) and downstream contracts would have to come from Possum Kingdom Lake. **In other words, Possum Kingdom Lake would be a drainable feeder source to keep Lake Granbury full.**

What the Lake Granbury Coalition "white paper" doesn't account for is that, during this time of exceptional drought, the drawdown protocol is a *better* deal for Lake Granbury than the operation of hydroelectric operations would have been. Today, BRA is making releases from PK to "balance" Lake

Granbury. Even if the hydroelectric plant were operational today, it would not be operating today because PK has been too low for the plant to operate for a long time. This means Lake Granbury would be getting no hydroelectric releases from Possum Kingdom Lake today, and wouldn't have had water from those releases from PK for a long time.

In addition, what the Lake Granbury Coalition "white paper" does not account for is the 2,000 square miles of drainage area that benefits Lake Granbury, but provides no benefit to Possum Kingdom Lake.

III. CONCLUSION

For all the reasons detailed above, the Possum Kingdom Lake Association should request that the BRA cease and desist the release of Possum Kingdom Lake water to Lake Granbury for balancing purposes. It should be PKLA's position that balancing lake levels between Possum Kingdom and Lake Granbury does not provide for the "greatest practicable measure of conservation and beneficial utilization of" the water stored in PK, and, therefore, the BRA *must not* continue balancing protocols.