

SAN ANTONIO APPROVES CONTRACT: WHAT DO WE DO NOW?

Submitted by Curtis Chubb

Well, it is done.

I was on the San Antonio Council Chamber's front row as the mayor and all ten city council members voted to approve the contract with Vista Ridge to annually export 50,000 acre-feet of our groundwater through 142 miles of 5-foot wide pipe to San Antonio. Vista Ridge is a partnership between Abengoa and water-marketer Blue Water Systems.

San Antonio Water System officials made the following statements at the meeting held on Oct. 30: "a truly historic vote" – "water security for decades" - "the whole world is watching" – "historic opportunity." The San Antonio Mayor even exclaimed, "I feel the weight of history."

Okay, what happens next?

Vista Ridge has up to 30 months to arrange financing. Abengoa will invest \$80 million of their own money and seek \$844 million of bond financing to build the pipeline, install 9 Simsboro and 9 Carrizo wells near Caldwell, and construct pumping stations.

This may be where the deal falls apart since Abengoa has debts which exceed their assets (in 2012, their debts: assets ratio was 3.7) and their credit rating is five levels below investment grade according to Moody's. Also, Blue Water Systems' financial situation may be precarious since they had to have the Post Oak Savannah Groundwater District defer their fee payments for six months this year.

A 42-month long construction phase will start after financing is arranged. The groundwater is predicted to be ready for delivery by 2020.

Some doubt if the permits required for building the pipeline will be approved. And there is the task of acquiring easements for the pipeline which will cross seven counties.

What effect will this groundwater deal have on Milam County?

Although the project's 18 wells will be located eight miles west of Caldwell, Milam County will suffer the most from the drawdown caused by the pumping because the shallow part and outcrops of the Carrizo and Simsboro Aquifers lie within central and southern Milam County.

In their first year of operation (2003), the District had the Texas Water Development Board (TWDB) run computer models to predict the effects of large amounts of pumping near Caldwell would have on Simsboro wells. One computer model (GAM Run 03-26) was completed on Sept. 8, 2003, at the request of District General Manager Gary Westbrook.

The computer model run predicted the following drawdowns for Simsboro wells in Milam County:

- After three years with an average pumping rate of 24,000 acre-feet/year, the water well levels dropped 200 feet.

- After eight years with an average pumping rate of 57,000 acre-feet/year, the water well levels dropped 400 to 500 feet.

If these predictions are accurate, Vista Ridge's annual pumping of 43,000 acre-feet of Simsboro groundwater represents a serious problem for Milam County since its 53 state-monitored Simsboro wells are only 382 feet deep on average. (NOTE: Blue Water Systems has additional pumping permits for 13,000 acre-feet/year of Simsboro groundwater for their SH 130 project.)

The effects on Burleson County are different. Although the computer-model predicted drawdowns are more severe (up to 700 feet after eight years), the three state-monitored Simsboro wells are 2,342 feet deep on average.

A second computer model (GAM run 03-19) completed on Aug. 25, 2003, provided similar results.

Vista Ridge pumping's effects will be more abrupt since all 18 wells will be activated at the same time.

What do we do now?

Since the District had the results of two computer model runs, they knew in their first year of operation that issuing Blue Water Systems 56,000 acre-feet/year of pumping permits for Simsboro groundwater could have potentially harmful effects on Milam County groundwater resources.

But to date they continue to issue Simsboro pumping permits even though the total exceeds 103,000 acre-feet/year which is twice the state-defined available amount of Simsboro groundwater (referred to as MAG).

Because the Simsboro Aquifer has been vastly overpermitted, I believe that Milam County is in jeopardy. Although the District will argue that safeguards are in place, I found those safeguards (see District Rules 16.4–16.7) to be so incomprehensible that I asked District directors to rewrite them to ensure that they protect the aquifers - not water marketers.

According to District Rule 2.1, "The Board was created to determine policy and regulate the withdrawal of groundwater, protect and recharge groundwater..."

If the Board abided by Rule 2.1, the millions of dollars they have spent fixing pipes would have been used to increase the Simsboro recharge. According to the District's website, Simsboro recharge is 12,540 acre-feet/year – which is 90,460 acre-feet/year less than the amount they have permitted.

We need the District directors to stand up and speak up for the people who live here now and who will live here in the future – and protect our aquifers.

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