

## UPDATE: THE BIGGEST TURN-KEY GROUNDWATER DEAL IN THE HISTORY OF TEXAS

*Submitted by Curtis Chubb*

The purpose of this short report is to update you about the status of the San Antonio groundwater deal involving water-marketer Blue Water Systems (BWS). This is the biggest turn-key groundwater deal in Texas history and Milam/Burleson Counties are right in the middle of it.

The San Antonio Water System (SAWS) and the Vista Ridge Consortium have been negotiating a contract for about three months. On Monday, the SAWS Board of Trustees unanimously approved the \$3.4 billion contract.

The main feature of the contract is that all risk associated with not being able to annually supply 50,000 acre-feet of potable groundwater to San Antonio will be assumed by the Vista Ridge Consortium which is a partnership between Abengoa and BWS.

Since the contract must be voted on by the San Antonio City Council (vote scheduled for Oct. 30) and may be changed, I am limiting this review to a couple of the contract's aspects that will probably not be changed.

To supply the groundwater to San Antonio, there will be 18 groundwater wells drilled in Burleson County, three pumping stations constructed, and lots of pipe put in the ground. Besides the pipes needed to collect the groundwater from each of the eighteen wells, there will be a humongous pipeline running from Burleson County to just north of San Antonio – a distance of 142 miles of five-foot wide pipe. Questions have already been raised if the environmental permits required for the pipeline will be approved.

SAWS is definitely planning to import more Central Texas groundwater since they are requiring that the pipeline easements be 100 feet wide in order to accommodate a second pipeline.

Everything has to be ready to deliver the whole 50,000 acre-feet/year of groundwater by 2019.

The 18 wells will be all drilled within a four square-mile area just north of the SH 21/FM 696 intersection (see accompanying figure). Each well site will have a well pumping Simsboro Aquifer groundwater and a well pumping Carrizo Aquifer groundwater.

The groundwater heading to San Antonio will be a mix of Simsboro (74%) and Carrizo (26%) groundwater. The contract states that the permits allow the 18 wells to pump 40,000 acre-feet/year from the Simsboro and 15,000 acre-feet/year from the Carrizo.

I am sure that the well-field's placement will not make the Lost Pines Groundwater Conservation District in Bastrop/Lee Counties happy since they have been refusing to grant all of the pumping permits requested by water marketers in an effort to protect their aquifers; the planned Vista Ridge well-field is only one mile from the Burleson/Lee County line and will be sucking massive amounts of groundwater from under Lee County.

In fact, the computer models indicate that Burleson County will have severe water well drawdowns and the drawdowns will extend past Grimes County, Washington County, and Bastrop County. Milam County will also have severe drawdowns which pose a problem since the existing Simsboro and Carrizo wells in Milam County are primarily less than 600 feet deep.

The City of Rockdale has already acted to protect itself from the planned pumping. In 2008 in exchange for their support of BWS' request for permits to pump 40,000 acre-feet/year of Simsboro groundwater, they signed a "Mitigation Agreement" which states "Blue Water agrees to mitigate the damage that may result to the City's potable water service resulting from Blue Water's development of groundwater resources."

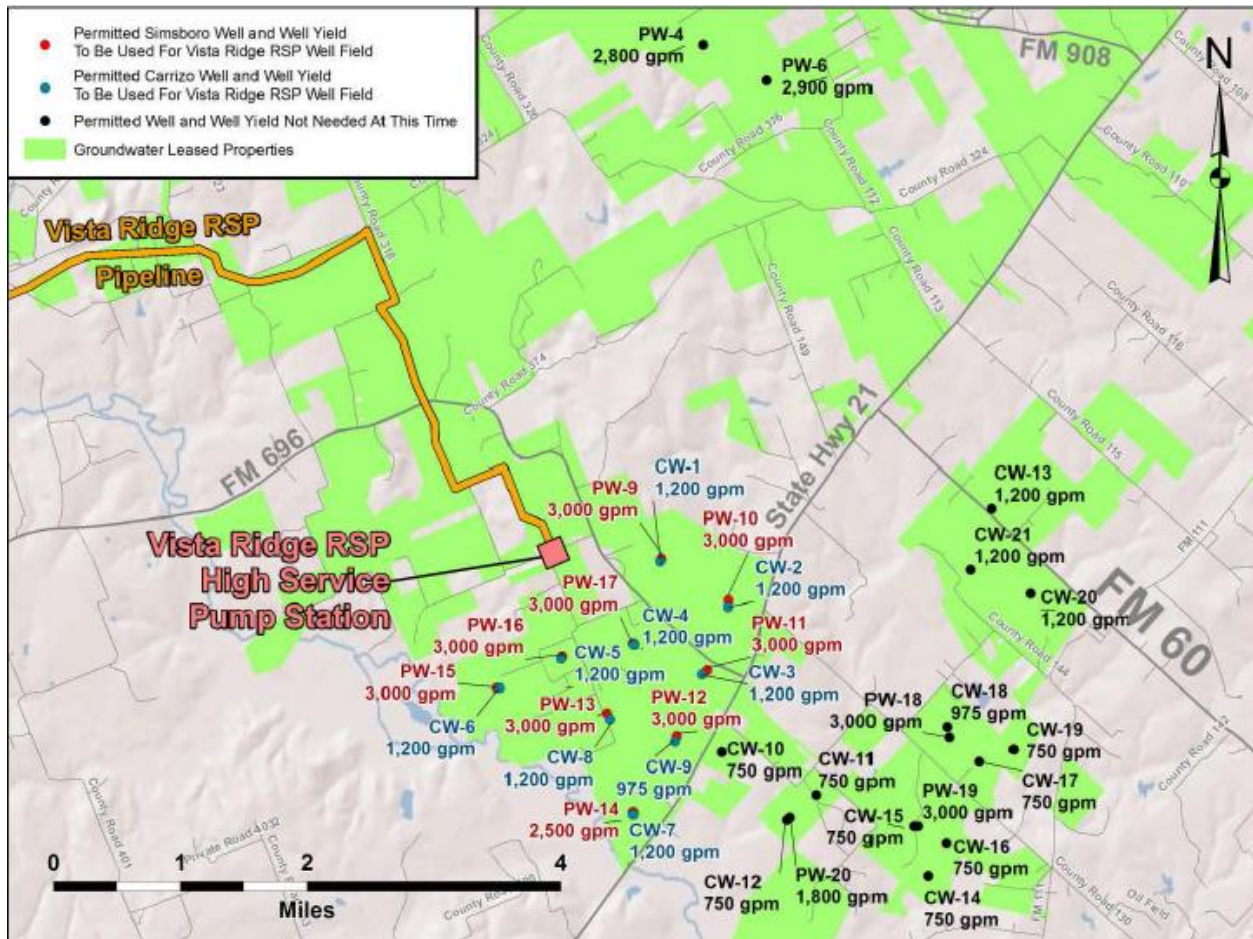
The agreement also states, "Blue Water agrees to remedy any such impacts by either: (i) providing an equivalent volume of low cost potable water to the City...; (ii) payment of reasonable and equitable mitigation costs to the City, or (iii) replacing, fixing and/or augmenting the City's municipal wells..."

The City of Caldwell's Carrizo wells are only eight miles up the road from the Vista Ridge well-field – so they will definitely be impacted by the drawdown originating from the concentrated groundwater pumping. The City of Caldwell does not have a mitigation agreement with BWS.

More updates will be submitted to The Cameron Herald when significant events happen while the contract winds through the path to a final vote.

If you want to review the entire 581-page contract, go to

[http://www.saws.org/your\\_water/waterresources/projects/vistaridge/docs/20140925\\_SAWS\\_VistaRidge\\_WaterTransmissionAndPurchaseAgreement.pdf](http://www.saws.org/your_water/waterresources/projects/vistaridge/docs/20140925_SAWS_VistaRidge_WaterTransmissionAndPurchaseAgreement.pdf) .



Legend Notes for Figure: Wells labeled PW are Simsboro wells; wells labeled CW are Carrizo wells; the wells identified with blue or red colors are the 18 wells which will be used for this project; Vista Ridge RSP stands for Vista Ridge Regional Supply Project; the gpm for each well is the maximum gallons per minute that groundwater can be pumped by the well.