

City, LCRA reach water deal

Bitter dispute over treated sewer water ends in harmony.

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AMERICAN-STATESMAN STAFF

Thursday, June 07, 2007

A bitter dispute over water might soon become water under the bridge.

Since 2002, the City of Austin and the Lower Colorado River Authority have fought over who would own treated sewer water that the city discharges into the Colorado River.

It is a big amount of water — about 100,000 acre-feet a year — that has big potential value for both parties. They've fought over it in sometimes rancorous terms.

But after a year of negotiating, the two agencies have reached an agreement that the Austin City Council will vote on today.

The deal says the two sides will mend fences and plan together for Austin's long-term water needs.

"It's a fundamental shift," said Assistant City Manager Laura Huffman, the city's lead negotiator on the deal. "We're moving from a situation where we were arguing over state permits to a situation where we are jointly planning for the future."

In the past, both agencies argued the water was theirs to use. Both stood to benefit from it.

The LCRA said it needed the water to serve customers downstream, to keep a steady river flow that would support aquatic life, and to rely on during droughts. It values the water at about \$126 per acre-foot.

The city said it should be able to treat and reuse the water (for everything from lawn-watering to drinking water) to forestall rate increases that would result from having to buy water elsewhere.

The two sides worked with a mediator to air old grievances and pave the way for some healing and reconciliation, said Rick Bluntzer, an assistant general manager at the LCRA.

The deal says that enough of the discharged water must remain in the river to sustain aquatic life and meet environmental needs. The city will basically have first dibs on using

the rest of the water. Until Austin decides what projects it would use the water for, such as irrigation, the LCRA can use it for any purpose.

The LCRA — from whom Austin buys water — would credit the city's tab for the reused water. Also, Austin could not sell the water outside of the area where it currently serves customers.

Also, the two agencies have agreed to plan for Austin's water needs beyond 2050, when Austin's contract with the LCRA runs out. The deal would obligate Austin to buy future water from the LCRA, but the city would not have to pay a fee up front to reserve that water, Huffman said.

The deal also will settle the original source of the dispute. In 2002, Austin sought a state permit to use the river as a natural pipeline for water it would recapture later. That meant the city wouldn't have to build a costly pipeline and could count on the water as Austin grows.

Other permitting scuffles followed. As part of the new agreement, the two agencies said they will end those permitting fights.

Jennifer Walker, a water resources specialist for the Texas chapter of the Sierra Club, said she has not seen the details of the agreement, but "it's a big deal that the two largest water-rights-holders in the Lower Colorado River basin are finally agreeing to work together," she said.

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