New water facts revealed

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A major announcement was made Wednesday regarding permitting of water in Gonzales County.

Barry Miller, director of the Gonzales County Underground Water District, said once the allotted amount of water from the Carizzo-Wilcox aquifer is permitted, there will be no more permits issued.

"Once the amount of water is used up, the leases will stop," said Miller.

Miller was speaking during a meeting of a newly-formed local organization which is exploring the possibility of forming a larger group and negotiating with large water companies.

The meeting was held at the Memorial Heights Baptist Church and attended by more than 100 people.

Miller said there could be a "water rush" in the county, similar to the gold rushes in America's history.

A new study

But there was another important fact which came from the meeting.

Dr. Robert Mace, director of Groundwater Resources with the Texas Water Development Board, said a study ordered by the Texas Legislature in 2005 will make a final determination on exactly the amount of groundwater available for use in districts across Texas.

The local underground water districts regulate the amount of water which can be taken from the ground. Mace said once those numbers are in place, then the amount of water will be set. Mace said they hope the final numbers are in place by the end of this year.

Currently, there are 29,000 acre feet of water available for use in Gonzales County.

"But that is going to change," said Mace.

He did not, however, say how much it would change because the study is not yet completed.

No matter what those numbers are, Miller said the local groundwater board has decided once the final numbers are in place, the permitting will stop when the leases equal the amount of water available. Miller said the board feels this move will stand up in court.

Also speaking at the meeting was attorney Doug Caroom of Bickerstaff, Heath, Delgado, Acosta LLP. His firm advises both sellers and purchasers of water and helps in drafting leases and easements.

When Caroom heard the announcement by Miller, his response was, "Get a permit now."

Miller, though, pointed out under the rules of the local district, if someone obtains a permit, they have to begin drilling a well.

The meeting held on Wednesday was the third and final by the new group exploring the possibility of selling water to large entities.

Moving ahead

To date, the biggest player in the Gonzales County water situation is San Antonio Water System (SAWS). The group has offered contracts to local landowners in an attempt to secure water for the future. A court case remains in place centering around those SAWS permits.

SAWS applied for 14 permits to go along with 11,689 acres of land it leased in western Gonzales County. It was the ruling of Miller those permits did not meet the requirements as laid out by district rules.

It is now a contested case and a couple of sessions have been held but there has been no resolution.

Local realtor Charles Nunes of Providence Properties, who has organized the three local meetings, said he believes that is why SAWS is now looking to eastern Gonzales County for water permits. That's why he formed the group so landowners could develop a larger organization and negotiate with SAWS or any other group looking for leases in this area.

In February, Miller said the chances of SAWS getting the permits in eastern Gonzales County are probably better because the aquifer levels are higher in that area.

On Wednesday, Miller said there are 18,000 acre feet of water permitted now in western Gonzales County and the eastern portion of the county has 14,000 acre feet "to be regulated."

It was also pointed out the unprotected landowners in adjoining Caldwell County have asked to be accepted into the Gonzales County Underground Water District. Miller said the local district has accepted them into the district and it will all hinge on a May 10 vote in Caldwell County as to whether they will come on board. Should that happen, there could be more water available for permitting under the umbrella of the local district.

Also during Wednesday's meeting, W.E. "Bill" West Jr., made a short presentation. He is from the Guadalupe-Blanco River Authority.

West said that group is responsible for a 10-county district ranging from the Hill Country to the Gulf Coast. He said there is a "good supply" of water in the north part of the district and the south section.

However, he said there is a "limited supply" in the middle portion of the district, which includes the Seguin and San Marcos areas, both growing in population.

"That's why we are interested in visiting with you today," West told the audience.

He didn't go into details but hinted they would be interested in leasing water from landowners in Gonzales County.

History lesson

During his talk, Mace gave those in attendance a little history lesson as to why Texas is where it is concerning regulation of underground water.

It all began 150 years ago in Dennison when a railroad company needed water. He said they dug a large well in that area and it dried up wells of the landowners in the area. The case went to court and the railroad ended up winning, meaning they could have a bigger well on their land and those in the area would just have to suffer.

That same principle remains in place today, however, over the years the state has gotten deeper into water regulation.

"One thing you need to know is how much do we have to work with," said Mace.

He said the state decided to set up area underground water districts and give them the authority to regulate water. That, too, remains in place today and is the center of the water issue in Gonzales County.

Mace also said the depth of the aquifer in the county varies greatly. In the city of Gonzales, it actually reaches the surface at the water treatment plant. As you go west, the aquifer is at a depth of 4,400 feet.

He said the recharge of the aquifer in the county is also an issue. Mace said there is "not a lot" of recharge which actually happens in the county. That recharge is in adjoining areas to the northeast.

The recharge rate in Gonzales County is about 1,400 acre feet per year. From Guadalupe and Caldwell counties, the rate is 15,000 acre feet per year.

Also during the discussion, it was revealed that Gonzales County has a large amount of water in the aquifer.

Miller said there are actually 80 million acre feet of water in storage. An acre-foot is an area about the size of a football field and one foot deep.

Growing pains

According to Nunes, he feels because Texas is one of the fastest growing states in the country, it's going to mean the major metropolitan areas will have a huge need for water in the future.

He pointed out a recent study which revealed Texas has four of the 10 fastest growing metro areas in the nation. Those are Dallas, Houston, Austin and San Antonio. He said 2,300 people per week are moving into the Austin and San Antonio areas combined.

"Legislators in Austin who represent the growing areas will not let water stand in their way," said Nunes.

He also pointed out there is plenty of upstream activity already taking place concerning surface and groundwater.

"That will have an impact on us," said Nunes.

He also believes the large water utilities and companies "have influence" with lawmakers in Austin.

That, said Nunes, is why he believes if local landowners are going to lease their water, they should do it as a group.

"We need to negotiate from a position of strength," said Nunes. "A larger consortium can get better terms."

Nunes said he thinks the contract being offered by SAWS in Gonzales County favors the water utility and not the landowners. He said it is not a "win-win" arrangement.

"I will not sign the existing contract as it is now," said Nunes.

Nunes also pointed out SAWS isn't the only player in the game. He said the Hays-Caldwell Public Utilities, GBRA and AquaWater have all shown an interest in obtaining water from Gonzales County.

Paying the price

Caroom, the attorney, said the price of water is determined by market value.

"You have a good commodity," said Caroom "You are close to the demand centers."

However, he also said the value of water is less than oil and gas and there are many other factors involved. One of those is transportation of the water, which he said is a lot more costly to the entities than actually purchasing the water. There are wells, pumps, pipelines, easements and other issues involved.

He also said there are "various ways" to structure contracts with utilities.

Caroom told audience members that having blocks of land is crucial when negotiating contracts. Those seeking to obtain water prefer being able to have a few large wells rather than smaller wells scattered around the countryside.

"The basic problem is an individual negotiating the contract does not have any leverage," said Caroom.

He also said there are court cases pending which could have major impacts on regulation of water in Texas. One of those deals with landowner rights versus regulation rights of water districts.

All of those factors, plus the new study which will be released, will be critical as the issue of water continues to move forward in Gonzales County.

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