

LCRA backs off San Antonio water-sharing deal

Both sides say they will continue to try to work something out.

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The Lower Colorado River Authority appears to have pulled the plug on a potential multibillion-dollar project that would have shipped water from Austin's river basin to San Antonio.

In a letter to a regional water planning group Wednesday, river authority project manager Leah Manning wrote that because of mounting water demands along the Colorado, "no water can be made available to (San Antonio) from the project as it was originally envisioned."

The death of the estimated \$2.2 billion water-sharing project could compel San Antonio to search for new sources of long-term water. And it could jeopardize far-reaching storage and conservation programs in the Colorado River basin that San Antonio was expected to finance.

"They've made a very serious signal they don't want to move forward," Robert Puente, the president of the San Antonio Water System, said Thursday.

A 1997 law laid the groundwork for the partnership, and in 2002, the river authority and the San Antonio Water System signed a contract to study the feasibility of a water-sharing project that could meet water needs in both agencies' river basins. As long as the studies showed that the project would meet certain legislative requirements, including keeping up lake levels in the Highland Lakes or maintaining enough water to satisfy environmental needs in the lower part of the Colorado River, the two utilities would move forward.

The feasibility studies have cost \$37 million, said Robert Cullick, a spokesman for the LCRA. The San Antonio Water System has paid the bill but will be refunded half the cost if the contract is canceled, he said.

The project would have sent water from the Colorado River to San Antonio for 80 years; in return, the Colorado River basin would have received money to pay for storage projects and conservation programs.

But calculations by the river authority released late last year suggested that water demands in the Colorado River basin in coming decades could be as much as 25 percent more than previously estimated.

The LCRA numbers, which looked more than 90 years into the future, raised questions about how the river authority would meet the needs of a river basin demanding water to bathe, water

lawns, wash cars, fill swimming pools, cool power plants, grow rice, preserve wildlife and, of course, drink.

"We have to protect and benefit our basin first if this project is going to move forward," Cullick said.

The numbers reflected the migration of factories and people into the lower Colorado River basin, which stretches from north of the Highland Lakes to Matagorda Bay. Already, the LCRA is committed to water contracts providing as much as 165 billion gallons a year, even in times of drought. Its two main reservoirs, Lake Travis and Lake Buchanan, can supply up to 145 billion gallons in times of drought.

Manning wrote that "these study results do not eliminate the potential for a long-term water-sharing agreement," and Cullick said Thursday that the "effort to work collaboratively to develop and share water resources isn't dead."

But the announcement has ruffled the San Antonio Water System, which has anticipated the Colorado water even as it engages in conservation measures. Puente said San Antonio is not desperate for the water but had planned on receiving it starting in about 2025.

"It was very important for our future," he said. He said the most recent LCRA numbers were not part of the contracted feasibility studies, and he said the decision to commission the numbers was made by the river authority board.

On paper, the project had been growing worse and worse for San Antonio. Originally the project was slated to send nearly 50 billion gallons of water to San Antonio each year at a total cost of about \$900 million. Now the price tag for the pipeline construction, shipment, water treatment and water conservation measures has more than doubled, with estimates of about 29.3 billion gallons of water a year going to San Antonio.

But Puente said the deal is still a good one for the San Antonio Water System and the surrounding region because of the uncertainties of the value of water in the future.

The City of Austin, for its part, has locked in water through 2100 through its own water rights and contracts with the LCRA.

Jennifer Walker, a water resources specialist for the Lone Star chapter of the Sierra Club, said that if the water project crumples, "there will be a fundamental shifting of where water's going to go and who's going to pay for it."

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