

Skyline Ranch Estates Water Supply Corporation
P.O. Box 2287
Wimberley, Texas 78676

June 13, 2010

Ms. Erin Newberry
San Antonio River Authority
P.O. Box 839980
San Antonio, TX 78283-9980

Re: Comment on March 2010 Initially Prepared Plan ("IPP") draft of the 2011 South Central Texas Regional Water Plan – Region L (Includes southern Hays County)

Dear Ms. Newberry:

I write in my capacity as a member of the Board of Directors of the Skyline Ranch Estates Water Supply Corporation (referred to in this letter as the "Skyline Ranch Estates WSC") for the purpose of commenting on the "March 2010 Initially Prepared Plan" draft of the 2011 South Central Texas Regional Water Plan – Region L. For the sake of brevity, I refer to this iteration of the draft water plan to which our comments are directed as the "March 2010 IPP."

The Skyline Ranch Estates WSC is a small, non-profit water supply corporation chartered under Chapter 67 of the Texas Water Code for the purpose of supplying potable water solely to the family residences located in Skyline Ranch Estates. Skyline Ranch Estates is a residential subdivision in Hays County located off Ranch Road 12 approximately 3 miles north of the incorporated Village of Wimberley and is in the most northerly part of Region L. It is also located less than 2 miles east-northeast of the northern edge of Woodcreek. The Skyline Ranch Estates WSC has solely residential customers to whom it supplies water, and has approximately 80 metered residential water customers – the families residing in Skyline Ranch Estates.

This comment is submitted primarily because the March 2010 IPP makes no apparent provision for any anticipated future water needs of families residing in rural subdivisions who have no access to water supplied by municipal water utility systems. These water users given short shrift by the March 2010 IPP include the families in Skyline Ranch Estates whose water is supplied by the Skyline Ranch Estates WSC. We find it surprising that future water needs of such a significant human population have been omitted from all water planning being done through the March 2010 IPP.

We read the March 2010 IPP as purporting to be a comprehensive planning document intended to analyze and plan for all water use through the year 2060 in Region L. For example, the March 2010 IPP states as follows:

The South Central Texas Regional Water Planning Group (SCTRWPG) has used a planning process (Figure 4B-1) focused on the development of a Regional Water Plan **to meet the needs of every water user group in the region** for a planning period extending through the year 2060.

Sec. 4B @ p 4B.1-1, March 2010 IPP [Emphasis added.]

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The March 2010 IPP purports to be a plan that is comprehensive in its projections of total water demand for Region L, which is described as follows: "Projected **total water demand** for the South Central Texas Region is the sum of water demand projections for municipal, industrial, steam-electric power generation, mining, irrigation, and livestock uses."¹ [Emphasis added.] We find it surprising and troubling that while the drafters of the March 2010 IPP have gone to considerable effort to take account of projected water use even for livestock, they have also chosen not to take into account the projected water use of residential human dwellers of rural subdivisions who are unable to be customers of municipal water utility systems because they are outside the utility systems' distribution areas.

Possibly the drafters of the March 2010 IPP believe it unnecessary to address the future water needs of rural family residential water users in the (mistaken) belief that the population of rural residential water consumers is insignificant or minimal as compared to the water consumers served by municipal water utilities. Nothing could be further from the truth.

Possibly some limited discussion of population distributions in the northern portion of Region L would be useful to illuminate the significance of this apparent omission of any mention of this kind of water demand from the planning process, at least insofar as the process has attempted to address the obvious inadequacies of the Trinity Aquifer to meet all the demands expected to be made upon it. "It's difficult to establish a population figure for the Wimberley Valley, but the City of Wimberley has about 3,800 residents, the City of Woodcreek about 1,500 and there are approximately 13,000 people in the entire area covered by ZIP Code 78676."² In other words, the residential population of the Wimberley Valley approximately coextensive with U.S. Postal Service Zip Code 78676 contains a rural residential population that is **over double** the population within the City of Woodcreek and the Village of Wimberley who are presumably served by their respective municipal water utility systems. Thus, the 3,800 population of the Village of Wimberley and the 1,500 population of Woodcreek **comprise less than half the population of the Wimberley Valley**; nonetheless, the future water needs of solely those municipal water system customers comprising less than half the residents of the Wimberley Valley are addressed in any meaningful way in the March 2010 IPP.

We note that the March 2010 IPP explains away such a significant omission with the following comment:

In the case of Rural Area Residential and Commercial (individual households and business establishments) water users, the projections have included local surface and groundwater quantities to meet projected needs. **However, no specific plans have been formulated to supply the projected quantities of water needed. Instead, it is PRESUMED that those individual households and businesses that are located in rural areas, and rural and investor owned water supply districts, authorities, and companies (those that supplied less than 280 acft or had populations less than 500 in year 2000) that operate public**

¹ March 2010 IPP, Executive Summary, at p. ES-6.

² Quoting villageprofile.com @ URL: <http://www.villageprofile.com/texas/wimberley/>.

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water supply systems to serve rural areas will meet these needs either from locally available supplies, or through arrangements to obtain water from other water utilities.³

The problem with such a "presumption" is that it is contradicted elsewhere within the March 2010 IPP and also runs contrary to any reasoned analysis of these issues.

We are unable to discern any basis for the unwarranted presumption that these small systems could readily obtain additional water supplies from other water sources. If the concept is being advanced that small water systems could obtain water directly from any of the potential water sources identified in the Woodcreek Water Supply Project, unaided and unremarked through the water planning process, we see the probability of such arrangements as highly unlikely or impossible. If ready water sources were as freely available as the study presumes for purposes of the presumption quoted above, there would be little need or purpose for the water planning process in the first place.

We would hope that the failure to take into account such rural residential water users and their future water demands does not represent a considered judgment that the projected water needs of such families are matters of no consequence when considering future water use in Region L for the next 50 years. We believe the vast majority of residential water users in the northernmost portions of Region L located in Hays County, like the Skyline Ranch Estates WSC, rely upon wells drawing water from the Trinity Aquifer as their only water source. The drafters of the March 2010 IPP have stated the following reason for planning the Wimberley & Woodcreek Water Supply Project: "**As supplies from the Trinity Aquifer are expected to be inadequate to meet all of the projected demands for these entities** [*i.e.*, Wimberley WSC and Aqua Texas], strategies have been developed to provide additional short-term water supply from Canyon Reservoir and long-term supply from the GBRA Mid-Basin Project or the Hays/Caldwell PUA Project." March 2010 IPP, p. 4C.8-1 [Emphasis added.]

Given the potential failure of groundwater wells in Hays County when increasing water demands are continually being placed by higher populations upon the aquifers from which those wells draw their water supplies,⁴ such future water demands may well become unanticipated water "needs" (shortages) in future years for which no assessment and planning provisions have been made in the water plan. If that were to occur, such likely events would appear to fall far short of the overriding purpose of undertaking such water use planning efforts to begin with.

In Section 4C.8 of the March 2010 IPP, entitled "Wimberley and Woodcreek Water Supply Project," the follow comments appear:

Historically, water has been obtained from wells in the Trinity Aquifer and supplied by water supply corporations or other retail entities. Municipal water supplies for Wimberley and Woodcreek are provided by Wimberley Water Supply Corporation (WSC) and Woodcreek Utilities, Inc. (Aqua Texas). **As supplies from the Trinity Aquifer are**

³ Sec 4B @ p 4b.2-1, March 2010 IPP [Emphasis added.]

⁴ See, e.g., Miller, Anita, "Jacobs Well has water woes," *San Marcos Record*, San Marcos, TX, July 29, 2009; Croteau, Roger, "Still Spring troubles Hill Country," *San Antonio Express-News*, Nov. 1, 2008.

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expected to be inadequate to meet all of the projected demands for these entities, strategies have been developed to provide additional short-term water supply from Canyon Reservoir and long-term supply from the GBRA Mid-Basin Project or the Hays/Caldwell PUA Project. March 2010 IPP, p. 4C.8-1 [Emphasis added.]

If the water supply in the Trinity Aquifer is inadequate to meet the needs of the population served by Wimberley WSC and Aqua Texas -- which serve fewer than half of the residents of the Wimberley Valley -- then it follows that this aquifer is similarly inadequate to meet the greater needs of the majority of the Wimberley Valley populace who also rely on the Trinity Aquifer for their water and exceed the populations served by Wimberley WSC and Aqua Texas. Thus, the presumption that other users of water who are not municipal water utility customers have adequate water supplies and do not require inclusion in the planning process is contradicted by the drafters of the March 2010 IPP themselves, at least with respect to water users and their small WSC's in rural Hays County like the Skyline Ranch Estates WSC.

Section 4C.8 of the March 2010 IPP goes on to describe the strategies mentioned above. While providing strategies for supplying the two retail entities named in light of the inadequacies of Trinity Aquifer supplies to meet the future needs of the area, no mention is made of supplying of nearby rural water supply corporations or rural water users with individual wells, virtually all of whom also rely upon water supplies from the Trinity Aquifer (such as the Skyline Ranch Estates WSC). It follows that in the planning of these projects no provision has been made for any of the water supplies to be transported by these projects to be shared with nearby rural water supply corporations, who also rely upon the inadequate water supplies of the Trinity Aquifer (such as the Skyline Ranch Estates WSC). It seemed shortsighted to this writer not to even mention such a possibility, or to attempt to estimate the water needs to be met through these projects more inclusively by identifying rural water supply corporations near enough to the municipal water utilities' infrastructures for such future projects to be served by them, such as the Skyline Ranch Estates WSC. Because Skyline Ranch Estates WSC is less than 2 miles north of the periphery of Woodcreek, its future water needs in the event of failure or inadequacy of the Trinity Aquifer to continue providing supplies for its customers ought to be taken into account in such project planning. There are undoubtedly other nearby rural water supply corporations currently relying upon the Trinity Aquifer for water supplies that are in similar proximity to Woodcreek and Wimberley proper, whose future water demands ought also to be taken into account in planning the Wimberley and Woodcreek Water Supply Project. If there has been any attempt to survey the locations of such entities and include them in planning the Wimberley project, no such consideration is obvious in Section 4C.8 or anywhere else in the March 2010 IPP.

In the context of discussing the future needs of small rural water supply corporations like Skyline Ranch Estates WSC that are currently relying upon the Trinity Aquifer for water supplies coupled with discussion of the Wimberley and Woodcreek Water Supply Project described in Section 4C.8 of the March 2010 IPP, it should also be mentioned that Skyline Ranch Estates WSC and any other small rural water supply corporations north of Woodcreek may also be quite near to potential water supply sources in the Colorado River basin. And on account of such

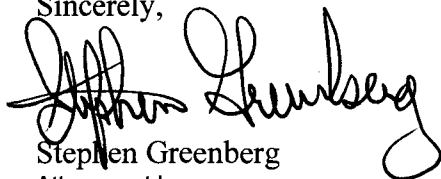
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geographic proximity to the Colorado River basin, it may also make sense to consider the possibility of inter-basin transfers as a potential source of such supplies for such small rural water supply corporations in the northernmost parts of Region L. This may well be supported by the observation in the Wimberley and Woodcreek Water Supply Project described in Section 4C.8 of the March 2010 IPP to the effect that the strategy for securing additional water supplies described in that project has "limited options" and "a high unit cost." This writer has found no mention whatsoever in the March 2010 IPP to address the possibility of any such limited inter-basin transfers as a possible strategy to be considered for the northernmost rural water supply corporations in Region L, for whom the LCRA water supply pipeline extending south of Dripping Springs may well represent the most cost-effective potential additional water supply resource, even though its extension further to the south may well represent the potential for inter-basin transfers at a lower unit cost to such users than other strategies for securing additional water supplies within the Guadalupe River basin might facilitate. Given LCRA's recent determination that it does not have adequate surface water in the Colorado River basin to meet anticipated needs (and the resulting lawsuit between San Antonio Water System and LCRA), it is probably doubtful that LCRA will be willing to extend its water pipeline that runs south of Dripping Springs any further south under the present circumstances (with the referenced lawsuit under appeal), unless circumstances or water availability studies were to change significantly.

To summarize, we are troubled that the March 2010 IPP takes no account of the future water needs of small water supply corporations like the Skyline Ranch Estates WSC and makes no effort to include such entities and their populations in any meaningful way in the planning process the March 2010 IPP was intended to serve. We believe this comment tentatively suggests at least one modest solution for such systematic omission. When planning projects such as the Wimberley & Woodcreek Water Project, at the very least the needs of nearby WSC's should be considered in order that they might be included in the planning for such projects. Similarly, the March 2010 IPP should not be so cavalierly dismissive of any need to consider possible inter-basin water transfers when the future water needs of significant population segments (such as the northernmost rural residential users of Region L who are supplied by small WSC's) are not taken into account in the IPP and are clearly not the beneficiaries of any planning in the March 2010 IPP. Instead it would make more sense to identify possible inter-basin water transfers as a potential source of water supplies for such rural residential water users to avoid apparent conflict between the water plan and any such inter-basin transfers that might later become feasible or for which possible funding sources could potentially be withheld because no such potential transfers were recognized in the water plan.

Sincerely,



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Submitted on behalf of the Skyline Ranch Estates Water Supply Corporation