

LCRA Says It Will Plan For Future Needs Of The Water Basin

San Antonio filed a meritless lawsuit to divert attention from study results that show that a proposed water-sharing project fails to meet legal requirements and to pressure LCRA to pay more than is due under the contract, LCRA said Friday, Sept. 25, in its answer to a \$1.23 billion lawsuit filed by San Antonio.

The response also says that San Antonio knows that feasibility studies for the proposed water-sharing project were properly conducted and clearly show that no water is available for sale to San Antonio under state laws and the terms of the agreement between San Antonio Water System (SAWS) and LCRA.

San Antonio, working through its utility, the San Antonio Water System, claimed Aug. 24 that LCRA owes it \$1.23 billion because, it said, LCRA breached a water-sharing agreement by planning in 2008 to serve the long-term needs of the Colorado River basin before deciding whether there was water to share with San Antonio.

LCRA denies any wrongdoing and states that San Antonio agreed that LCRA would consider the most current population and demand data of its service area before taking on the additional responsibility of sending Colorado River water to San Antonio.

"The crux of this case," said LCRA General Manager Tom Mason, "is the refusal of San Antonio to face facts and follow the law."

"San Antonio claims that we are limited to planning studies from 2001 and cannot consider updated projections of future growth."

"The facts are that the Colorado basin is growing and LCRA must plan for its needs."

In 2001, the Texas Legislature took the rare step of passing a special law that would authorize the transfer of water from the Colorado River to San Antonio contingent on whether a list of requirements could be met.

The requirements set by the Legislature include: protect and benefit Colorado basin interests; be consistent with state water planning processes; ensure the health of Matagorda Bay; maintain necessary Colorado River flow protections; require stringent water conservation by SAWS; provide broad review process of studies; and raise average levels of lakes Travis and Buchanan.

LCRA and SAWS signed a contract in 2002 that is consistent with these legislative requirements.

Since then, LCRA has spent six years conducting feasibility studies to determine if the project would generate enough water to transfer to SAWS while meeting the legislative requirements.

The studies clearly show that it does not, largely because the demand for water by cities and industry in the Colorado River basin has grown so much.

Now San Antonio claims that LCRA gave up its right to assure that Austin, other cities and industries in the lower Colorado River basin would have adequate water in the future when it signed the contract with San Antonio in 2002.

"It is not plausible to think that the LCRA Board of Directors gave up its right to protect and benefit the basin when the San Antonio agreement was signed in 2002," Mason said.

"In fact, we studied the project for six years to determine if it would actually work. 'During that time, our basin's needs grew and we reassessed them."

"We cannot disregard facts on the ground."

LCRA's response points out

that LCRA used updated water use projections as early as 2005 without a word of complaint from San Antonio.

After LCRA updated its numbers again in 2008, to reflect plans to meet higher municipal and industrial needs in this basin, the studies showed that the project was not feasible because it would not meet the legislative requirements.

LCRA wants to continue discussions about possible options for delivering water to San Antonio or have San Antonio cancel the project.

But San Antonio has not agreed to do either.

The response from LCRA makes it clear that if San Antonio cancels the project, under the laws governing the contract, the maximum amount of reimbursement that SAWS can expect is one-half the study costs, or about \$18 million.

August Permits to Drill

The Commission issued a total of 1,043 original drilling permits in August 2009 compared to 2,129 in August 2008.

The August total included 805 permits to drill new oil and gas wells, 26 to re-enter existing well bores, and 212 for re-completions.

Permits issued in August 2009 included 275 oil, 203 gas, 540 oil and gas, 21 injection, zero service and four other permits.

July Crude Oil Production

Texas preliminary July 2009 crude oil production averaged 880,407 barrels daily, down from 886,799 barrels daily average of July 2008.

The preliminary Texas crude oil production figure for July 2009 is 27,292,609 barrels, down from 27,490,777 barrels reported during July 2008.

August Oil And Gas Completions

In August 2009, operators reported 465 oil, 566 gas, 26 injection and one other completion compared to 357 oil, 696 gas, 30 injection and three other completions during August 2008.

San Antonio Area, permits to drill oil/gas holes: 48, oil completions: 22 and gas completions: 13.

Refugio Area, permits to drill oil/gas holes: 58, oil completions: 26 and gas completions: 43.

Southeast Texas, permits to drill oil/gas holes: 54, oil completions: 52 and gas completions: 47.

Deep South Texas, permits to drill oil/gas holes: 75, oil completions: 2 and gas completions: 49.

East Central Texas, permits to drill oil/gas holes: 58, oil completions: 1 and gas completions: 30.

West Central Texas, permits to drill oil/gas holes: 50, oil completions: 27 and gas completions: 5.

San Angelo Area, permits to drill oil/gas holes: 100, oil completions: 29 and gas completions: 28.

Midland, permits to drill oil/gas holes: 211, oil completions: 186 and gas completions: 17.

Lubbock Area, permits to drill oil/gas holes: 73, oil completions: 32 and gas completions: 2.

North Texas, permits to drill oil/gas holes: 200, oil completions: 55 and gas completions: 236.

Panhandle, permits to drill oil/gas holes: 42, oil completions: 26 and gas completions: 25.

July Texas Top Ten Oil Producing Counties

County, crude oil (Bbls): Gaines, 2,074,108; Yoakum, 1,884,463; Andrews, 1,779,146; Ector, 1,646,198; Hockley, 1,451,435; Scurry, 1,264,074; Upton, 1,190,965; Pecos, 999,556; Midland, 956,414 and Martin, 799,071.

July Texas Top Ten Gas Producing Counties

County, total gas (Mcf): Tarrant, 38,524,028; Johnson, 37,424,124; Pecos, 25,577,670; Panola, 23,467,729; Zapata, 21,668,481; Freestone, 20,952,826; Robertson, 19,199,296; Denton, 17,906,110; Wise, 17,259,783 and Webb, 15,122,520.

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County Commissioners

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Security for the tower.

He said the tower will be built on property owned by the Texas Department of Public Safety near Dee Allen Road and once it is completed, it will be turned over the state, which will handle maintenance.

Rogers said it is possible that the tower can be constructed by the end of the year.

He said the county would save \$14,000 a year in payments it is currently making to lease space on a commercial tower.

The county will have a lease agreement with the state for 10 years, with three renewal options of 10 years each.

The new tower will enable the county to upgrade radio communications and be part of a regional communications system, Rogers said.

In other action, commissioners:

--Were told that the county will receive \$935 for participation in a wellness program. They discussed using the money to

purchase or offset the cost of flu shots for county employees.

--Authorized an agreement with the County Information Resources Agency to provide email and website maintenance to the county for \$350 a year.

--Discussed upgrading and replacing lights at the Robert R. Wells Airport at a cost of \$26,000, with the state paying half of that amount.

--Approved a form allowing jurors to donate all or part of their jury pay to the Court Appointed Special Advocates organization.

--Were told that the \$54,000 repair of the courthouse elevator should be finished by mid-December.

--Heard that work was progressing on the restoration work to the courthouse dome and roof.

Commissioner Herbie Helmcamp said copper work was 95 percent complete and repairs to the flat roof were substantially complete and that tile work still needed to be laid.

Eagle Lake City Council

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to 10 cents per square foot, on top of the base price of \$40.

In other council action:

-Council approved several measures pertaining to administration of a community development block grant for work on the sewer plant. The grant totals \$350,000.

-Approved a survey in the amount of \$2,800 for a piece of land that will be donated to the city near the airport.

-Agreed to lower the starting bid to \$1,000 on a piece of property that the central appraisal district is going to auction.

-Discussed, but took no action on the manufactured home ordinance.

-Discussed but took no action on a request for variance on Cemetery. The request said that the owner wanted to run a hunting lodge at the location. City officials were not able to contact the owner to obtain more information.

-Police Chief Bill Lattimore reported that a free call out system had been used successfully to locate a missing Alzheimer's patient in town. Lattimore said that the free system calls every phone number within a specified radius of an address and plays a recorded message to alert residents to missing individuals.

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EAGLE LAKE WEATHER REPORT			
Information Courtesy of Texas A&M University System Agricultural Research and Experiment Station, Eagle Lake			
Date		Temp (H/L)	Rainfall(in.)
Mon.	09-21-09	94/65	0.28
Tue.	09-22-09	73/63	0.12
Wed.	09-23-09	72/58	0.09
Thu.	09-24-09	71/89	0.01
Fri.	09-25-09	84/63	0.00
Sat.	09-26-09	90/63	0.00
Sun.	09-27-09	93/75	0.00

Eagle Lake Supermarket

Will Open Friday, October 2

Hours 6 am-11 pm • Everyday

Come Check Out Our Store Specials

Now Offering New, Full Service Meat Department

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Now Serving Fountain Drinks, Coffee, Cappuccino



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