Hays groundwater district says water company overused 89M gallons in 2022, impacting Jacob's Well zone

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AUSTIN (KXAN) — A groundwater district in Hays County said one Central Texas water provider overpumped nearly 90 million gallons of water in 2022, leading to "by far" the largest penalties for overuse in the district, which manages the Jacob's Well zone.

The Hays Trinity Groundwater Conservation District said Aqua Texas, which provides water to the Woodcreek development in Hays County, overproduced its permit by 89.4 million gallons of water in 2022. This year, the company has overused 84 million gallons above its 94-million-gallon allotment as of June, according to the groundwater district.

An Aqua spokesperson said the company is working with the conservation district and its lawyer to resolve the matter and could not comment on specifics.

If several terms are not met, the water provider said it may not be able to renew its groundwater permit in 2024, and Aqua may "be subject to substantial penalties and injunctive relief in court," the district's general manager Charlie Flatten told KXAN. He said the district "is always in favor of expanded conservation measures over punitive measures."

Flatten said "there is no evidence of drought curtailment alerts, conservation guidelines or water messaging by Aqua to date." KXAN asked Aqua if the company has issued or communicated any water conservation measures in the Woodcreek area that it serves, but the company did not directly respond.

Providing water resources sustainably is paramount to our operations, and we're doing everything we can to reduce our reliance on Jacob's Well, including purchasing additional land to access different aquifers, involving the community in future well placement to reduce impact on the environment, removing and replacing aging pipes, and utilizing acoustic leak detection technology.

We look forward to continuing to partner with the groundwater conservation district to deliver clean, safe and reliable water to our customers.

Aqua Texas spokesperson

Flatten said the district's board is "in active negotiations on a settlement that requires Aqua to repair and maintain its infrastructure in the Wimberley Valley."

The penalty for Aqua Water's 2022 overages was \$448,710 and was due in May. The district said Aqua counteroffered \$0, which was met with an about \$150,000 settlement offer from the district's board of directors as "a good-faith offer of reduced fines for the few Aqua conservation programs in effect."

Flatten said, "Aqua's attorneys rejected that offer on the grounds that as a privately-owned utility, it is prohibited from passing fines on to its ratepayers."

Other 2022 violations

Flatten said while Aqua Texas' water overuse is not unique, the other water companies that have permits with the Hays Trinity groundwater district have "tightened their belts" and used line-leak detection and repair systems, enacted conservation measures and communicated with customers with alerts.

KXAN asked Aqua Texas about its leak detection tools. This story will be updated when we receive a response.

In May, the district issued 20 notices of alleged violation to its permittees for overages last year. Each permittee is allowed water volumes based on the drought severity. Flatten said the number of violations typically ranges between five and 20 per year.

He said each notice was settled with overage fee payments or proof of active conservation efforts, except so far for Aqua Texas whose systems in the Wimberley Valley area had the largest overages and largest penalties issued.

The district started a 30% curtailment for water use in April 2022 for the Jacob's Well Groundwater Management Zone, which includes Aqua's customers in the Woodcreek community.

In August, the Hays Trinity groundwater district issued a 40% curtailment for the rest of the district — the first time an emergency drought declaration was issued district-wide. The district manages the Trinity Aquifer, which includes the cities of Dripping Springs and Wimberley. What happens next?

Groundwater use is regulated locally by regional groundwater conservation districts, according to the <u>Texas Commission on Environmental Quality</u>. Groundwater makes up about 55% of the water used in the state, according to the <u>Texas Water Development Board</u>.

<u>Chapter 36 of Texas' Water Code</u> outlines the rules and abilities of groundwater conservation districts. Flatten said the conservation district's board will consider civil penalties and injunctive relief for rule violations.

"Ultimately, if Aqua Texas does not settle the NOAV, cannot adhere to its permit production requirements, and will not demonstrate that it is acting on its drought management plan as required by the terms and conditions of its permit, the District will not be able to renew Aqua's current permits for 2024 and the utility will be subject to substantial penalties and injunctive relief in court," Flatten said in an email.

'No relief in sight'

The Hays Trinity Groundwater Conservation District serves over 53,000 people as of 2020 - a 45% increase from 2010.

Flatten said in an email that the district's aquifer monitoring system shows an all-time low in aquifer levels "with no relief in sight." He said it gets several calls per week from well owners with dried-up wells.

The <u>district's July water conditions update</u> said well water levels in the south-central areas of the district have dropped one to 20 feet since mid-June.

Flatten said since summer is only halfway over and there's no drought relief in sight, now is the time for "ultra-conservative water use" to maximize water availability for the rest of the summer.

"It's becoming a serious and expensive problem for more and more of our neighbors," Flatten said.

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