

**Travis County Commissioner, Karen Huber**  
**Testimony before the House Committee on County Affairs**  
**October 24, 2012**

Committee Members,

There has already been testimony on wildfire and emergency services issues and, while not repeating it in my testimony, I do want to emphasize the urgency to address the needs. I encourage you to review the testimonies of Lake Travis Fire and Rescue Chief, Jim Linardos, and Travis County Emergency Services County Executive, Danny Hobby. It is extremely important that communities have the needed resources to prevent and respond to wildfires and that counties have the authority needed to ensure those resources.

Water supply problems are on our doorstep. These problems, exacerbated by the drought, relate both to our surface and groundwater supplies. We have had solid documentation this past year of wells running dry and community water supplies with problems. One community in neighboring Burnet County – Spicewood Beach – has had to resort to trucking in water for its citizens. Another large subdivision in Travis County that is platted for 1,500 homes but only has a little over 100 built, started having problems with its wells in the Spring of 2011. They dug more wells. Now, adjacent neighbors are reporting problems with their wells.

Travis County is far from the only county worried about water supplies. Seven other Hill Country counties have instituted subdivision rules that in various ways seek to ensure future water quality and supply. In Travis County, we have learned from those other areas and have instituted a new, more holistic approach to subdivision rules that offers more assurances to new homeowners that their community will have adequate water far into the future. One of these rules requires that a development must have enough water to fight a substantial fire. An urban county such as ours needs all the tools it can get in order to preserve our resources and the investments our citizens make in their homes.

These situations are occurring, in part, because of water management challenges precipitated by the disparities in statutes between ground and surface water. As we now know, those two water sources are part of the same hydrological cycle, as spring-flows run into rivers, fill lakes are used or evaporate resulting in rainfall that starts the cycle over again. Current statutes are far out of line with scientific understanding of this essential resource. The inflows into the Highland Lakes of the Colorado River watershed have been lower during this last drought than they were during the drought of record in the 1950s. Scientists believe this is due to the increased population demand for groundwater in the upper reaches of the tributaries feeding the Colorado River. The state would do well to begin addressing the disparities in the statutes between ground and surface water

When reduced inflows and the drought are factored into the lake management decisions, our communities get even more nervous. Many in this area are gravely concerned about the impact on Lake Travis (and Lake Buchanan) if the LCRA does not renew its drought emergency order this winter

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regarding the 2013 release of water to downstream agricultural. That inaction, recently recommended last week by LCRA staff, would drastically reduce the lake levels and bring those communities closer to forced rationing of water. Should the drought persist, and meteorologist has again revised the forecast to one of less precipitation -- the situation could become dire.

On the topic of groundwater and statutory requirements, I would be remiss not to point out the portion of Travis County that has been designated a Priority Groundwater Management Area (PIGMA) since 1990. I urge the legislature to only consider decisions for groundwater conservation districts (GCDs) that include adequate funding for operations and responsible decision-making. Likewise, while some GCDs function quite well, the current groundwater district process for addressing PIGMA's more often than not follows political jurisdictional boundaries and aquifers do not. Allowing a GCDs' boundaries to encompass most of an aquifer (or major segments of it) not only makes sense from a water management standpoint but would increase efficiencies and reduce costs. This is a problem that needs legislative consideration.

What has also become an issue with our residents from across the county are cases where a water company monopoly is perceived to be raising rates to unjustified levels. While I understand the need for continuous infrastructure investment by private companies, I believe that the monopoly status given these companies should come with a better system of recourse for the rate-payers. At Hornsby Bend, citizens had to fight an increase of over 95 percent, and now are staring at another increase of 13 percent. At Inverness Point, residents say their bills for 10,000 gallons go from \$95 to over \$200.

The current system for contested rates, however well-intentioned, is inadequate. Currently, the process goes through the TCEQ but it would seem more logical to utilize the Public Utilities Commission for this, as they currently represent ratepayers with electricity rate increases. As part of our agreement with natural monopolies, the public should have adequate representation of their interests and that requires the legal, economic and engineering expertise that can be provided by the PUC.

Unlike the way electricity rates are contested, those battling water rate increases see that impact on their bills immediately and, like those in Kennedy Ridge Estates, must wage a lengthy and expensive legal battle to recapture the money they have paid. I would urge the legislature to ensure that the regulating agency approves the rates before they are charged. Often, the perception is that these companies use the immediate impact of a drastically higher rate as a bargaining chip in order to extract lower increases that are still significant. I also should add that in most cases, these Investor Owned Utilities (IOUs) holdings are in more economically challenged areas where the ratepayers have fewer resources available to them to fight the battles.

Speaking to that issue, I would ask that counties be given the option to intervene in rate case proceedings on behalf of our constituents, and to recover our legal costs from such efforts. This will allow for professional counsel at an affordable and practical level for water customers in the same way they have with electric rates.

Finally, there should be defined time periods for resolving these rate cases and the process should have some end in sight for both companies and the ratepayers.

Thankfully, I am aware of attempts by Senator Kirk Watson and others to introduce legislation that will correct some of the discrepancies between how the state handles water utility rate increases and how it handles electric rate increases. Our office supports those efforts, and I look forward to them bearing fruit. These are some straight-forward and bi-partisan solutions that will ensure citizens have a fair fight when they choose to question their rates.

Respectfully,

Karen Huber

Travis County Commissioner, Pct. 3