MOUNTAIN NEIGHBORHOOD ASSOCIATION

News from the Mountain

WTP4 Update:

The facts about this important neighborhood issue

By Eric Deal, MNA President

Over the past couple of years you may have received various fliers and newsletters about Water Treatment Plant #4 (WTP4) that have been mailed to area residents. Many of us (including myself) never really bothered to pay much attention to them, assuming the city would not build a new treatment plant unless it was necessary. Having the plant located at 620 & 2222 was far enough away that it wouldn't really bother us too much. Unfortunately, the reality is that the proposed transmission mains that connect the plant to the city's water system will have a significant impact on our community, and WTP4 will have far more impact to the average Austinite than most people realize.

WTP4 Background

WTP4 was originally proposed in the 1980's as Austin's population was growing and Austin Water Utilities (AWU) was expecting to supply water to growing suburbs like Leander, Cedar Park, and Round Rock. The project has been put on hold several times throughout the past 25 years as the the need for the additional capacity never materialized. Round Rock and Cedar Park have developed their own treatment plants and conservation efforts within Austin have reduced water usage, thus negating the need for an additional water treatment plant. Over the past three years, however, AWU has been aggressively pushing WTP4 through the City Council and is in the process of completing the designs for the plant and transmission lines (the City Council approved the first $40 million in contracts for the plant in June, 2010).

The current WTP4 plant and transmission system is designed to accommodate a maximum of 300 million gallons per day (MGD) -- 50 MGD of capacity to be built by 2014 with an additional 250 MGD of capacity to be built in the future. This treatment capacity is in addition to the 285 MGD of capacity provided by the existing Ulrich and Davis plants. The primary reasons given by AWU for building the plant are to meet forecast future peak water usage days and to provide additional redundancy in the current system.

How will it impact us?

Many of you have probably seen the emails and signs opposing the "shaft" but may not understand what this is or even how it relates to WTP4. The shaft refers to a proposed 50-foot diameter shaft that would be constructed in the triangular area

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Introducing Your NEW Neighborhood Newsletter!

We've re-launched the neighborhood newsletter to help better communicate about important neighborhood news and issues, such as the proposed WTP4 and the streetlights issue. We'll also include updates from the MNA board; upcoming neighborhood events; and other information.

We welcome your contributions, too! Please send any information and updates to Carolyn Baker at cbaker1@earthlink.net.

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across the street from our neighborhood entrance, bordered by Bull Creek, Spicewood Springs, and Old Spicewood Springs Road. In addition to the 50-foot diameter shaft, the shaft site will likely include a 75-125 foot crane, cement mixer, spoils pile, and other construction materials, as well as accommodate construction activities such as the loading of dump trucks. The shaft itself will likely be 50-100 feet deep and be used to excavate the Jollyville Transmission Main, which will be an underground tunnel connecting WTP4 (at 2222 & 620) to the McNeil Reservoir (the water tank located at McNeil and 183). The proposed Jollyville tunnel route is about 6.5 miles long and the tunnel will be 10 feet in diameter. According to the current design, most of that debris would be removed from the shaft at the corner of Spicewood Springs and Old Spicewood and hauled by dump trucks for landfill, resulting in over 13,000 loads of rock (26,000 trips) being removed via Spicewood Springs Road, over a 3-year period.

Neighborhood Impact

Historically, the city has limited construction of this scale to industrial and commercially zoned areas. Both in Austin and other cities, water transmission shafts are located near freeways, not only to minimize the noise impact to residential areas, but also to provide better infrastructure for heavy construction. The construction and operation of this shaft will have several negative impacts on our neighborhood over the next 3-4 years:

Noise: Construction and dump trucks will drastically increase noise levels in nearby neighborhoods and Canyon Vista Middle School, especially given the shaft's location at the bottom of a canyon.

Traffic: Congestion and additional traffic at the Old Spicewood intersection and up Spicewood Springs to highway 183.

Safety: Safety issues of additional heavy construction traffic near walk zones for Canyon Vista Middle School and the Spicewood Springs Library.

Property Values: Uncertainty during design phase and construction will almost certainly depress home values in our area (a neighborhood home sale already fell through because the buyer heard about the proposed construction).

24/7 Operation: Tunnel boring will be done continuously, so light, noise, and construction at the shaft site will be around the clock.

Other Concerns

The site location and negligent execution of preliminary studies by AWU also create several additional concerns:

- The proposed site is too small for proposed construction activities. Black and Veatch (AWU's tunneling contractor) recommended a 2-3 acre site. The proposed site is only 0.89 acres.
- Heavy construction immediately next to Bull Creek and tunneling below Balcones Canyonland Preserve pose a serious risk to the environment and watershed.
- The site was sold to the city with deed restrictions for parkland. Attempts to develop the land in the past were consistently disallowed by the City, citing environmental issues for Bull Creek, yet AWU and the city are acting like these restrictions do not apply to them.
- AWU and their contractors have routinely failed to acquire the proper licenses and permits. This provides little assurance that they will protect the environment, our neighborhoods, or our safety during construction.
- The design of the transmission mains is being rushed by AWU to meet a 2014 completion date. This approach virtually guarantees that any preliminary studies and designs are biased towards completing the project versus making sound decisions.

"Stop the Shafts"

For these reasons and many others, residents from the Mountain and other nearby communities have formed the "Stop the Shafts" coalition to force the city to address concerns over the transmission line route and design. The primary goal of *Stop the Shafts* is to persuade AWU to consider alternate routes or designs that do not have this level of impact on any residential community, not just ours. I encourage everyone to look through the presentation on the Stop the Shafts home page for more information.

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AWU Concerns

At a meeting of the Austin Environmental Board on Wednesday, July 21, the board questioned whether AWU factored in the true community and environmental costs of this project when compared with alternatives. They asked AWU to provide a real analysis of alternate routes and clearly expressed dissatisfaction with the current proposal and lack of data supporting a decision on any route.

The Financial Impact of WTP4

While the proposed transmission lines will directly impact our neighborhood, WTP4 will have a wider impact across Austin. AWU is financing the $510 million project through a mix of cash and bonds, with the total cost approaching $1.2 billion after interest expenses. We are entrusting AWU with undertaking of one of the largest construction projects in Austin's history at a time when the economy is down and Austin is facing a $28 million shortfall for the 2010-2011 budget.

By The Numbers

Using AWU-supplied numbers, the Save Our Springs Alliance (SOS) compiled a report entitled "The Perfect Storm: Setting priorities at the Austin Water Utility in a time of fiscal crisis," which estimates an aggregate residential water rate increase of 74% by 2015. The SOS report goes on to state that the AWU bond prospectus overstates projected water sales, since AWU's water usage numbers listed for 2009 and 2010 are well above the actual usage levels for both years. Additionally, AWU projects increasing water consumption in the future while ignoring the downward trend in peak water usage since 1999 and the relatively stable overall total pumpage per year. When combined with the fact that residential users will have a large financial incentive to cut consumption (through increased water rates), AWU is putting itself in a position of facing a serious shortfall in revenue to make bond payments, and their only option will be to raise water rates further.

Increased Demand - or Not?

AWU has consistently over-forecast demand in both wet and dry years. It is reported that AWU has lost $25 million dollars this year (despite a 10% residential rate increase) largely because of a rainy spring. Likewise, when asked why AWU was increasing its cash reserves, AWU responded in a 2009-2010 Proposed Budget Response for Information: *"However, during the two fiscal years since FY 2006-07, the drier than normal conditions in the Austin area have not resulted in a revenue windfall for the Utility. This is likely due to a combination of several factors such as, increased conservation, mandatory watering restrictions, and reduced demand due to the current economic slowdown and the higher rates the Utility is charging its customers."*

While Austin is not consuming enough water to allow AWU to remain profitable, AWU thinks it is a good idea to add both capacity and debt. If AWU was a private company, it would not take this risk. Only a utility monopoly that can increase rates at will would attempt it.

How Did this Happen?

On August 7, 2009, the City Council voted 4-3 in favor of moving forward with WTP4 construction. Most of the debate centered on whether Austin needed the additional water capacity versus whether we could reduce water usage through conservation. In the end, the council voted to move forward with WTP4 without any knowledge of or regard for how the transmission lines would affect residential areas or the fact that they would have to cross the protected Balcones Canyonlands Preserve. In fact, in June, 2010, the City Council voted to approve the first $40 million of contracts to begin WTP4 plant construction, *before the preliminary design for the transmission lines needed to connect the plant to Austin's water supply was even completed.*

Quick Decisions?

This decision was reached only a month after the City Council voted on May 13th by a margin of 7-0 to support water conservation efforts to reduce per-capita water use from 170 gallons per day to 140 gallons per day by 2020.

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The rationale for supporting the resolution is that total consumption must be reduced in order to ensure that Austin has enough water supply in the future. Reduced consumption requires less treatment capacity, even when considering additional growth. Austin does not need the additional treatment capacity, and the City Council has decided that you would rather pay 75%-100% more for your water than voluntarily conserve.

What Can We Do?

One of the most important things we can do is to keep informed of issues and let your elected representatives know your thoughts. Here are some suggestions:

- **Get involved**. Too many of us have allowed elected officials to make huge monetary decisions on our behalf (spending $1.2 billion on a vote of 4-3). Write your City Council members at http://www.ci.austin.tx.us/council/groupemail.htm and let them know how you feel about WTP4 and the associated transmission mains. More importantly, show up and express your opinions in person at the various public meetings.
- **Stay informed**. For the most current news on the transmission lines and how they will affect our neighborhood, visit http://stoptheshafts.com, and sign up for their mailing list at http://www.stoptheshafts.com/what-you-can-do to find out how you can help. Also watch the MNA mailing list, website, and newsletter for further updates.
- **Ask questions**. Austin Water Utilities is holding an open house on the WTP4 design on Tuesday, July 27th from noon to 8pm at the River Place Country Club (4207 River Place Boulevard). This is your chance to talk with AWU staff, engineers, and contractors about the plant and transmission lines. Additional information about WTP4 can be found at http://www.ci.austin.tx.us/water/wtpfour.htm. I encourage residents to attend and ask AWU staff the tough questions about WTP4.
- **Search for information**. Google "wtp4" There are hundreds of resources available with more information about the history and debate over WTP4.
- **Consider water usage**. Finally, please keep water usage in mind and consider making water-friendly landscaping changes. Summer is peak demand for water, and most of this water is going into our yards. The City of Austin's water conservation site is http://www.ci.austin.tx.us/watercon. Rebates are available for installing rain barrels as well as a new rebate for landscape conversion (as of July 1) at http://www.ci.austin.tx.us/watercon/rebatelist.htm.

Calendar

July 27th, 2010

MNA Board Meeting, 7-9 pm, Spicewood Springs Library

September 25th, 2010

MNA Annual Picnic, Mountainview Park

Streetlights Update

We now have about 82 percent of the neighborhood's response on streetlights. To date, about 25 percent want lights and 75 percent do not.

All responses, as well as the proposed locations of the streetlights from the plat, are available at: http://www.mountainneighborhood.com/