



For most of us, a reliable supply of clean water is available from the closest faucet – the only thing we have to do is pay our monthly bill.

Although there is concern for aging and deteriorating infrastructures that deliver water, in some areas adequate supplies of water are not available, a situation made more serious by continuing drought in some parts of the United States. Even when drought conditions are not a factor, small communities can find it difficult or impossible to secure water rights as metropolitan areas maintain control of surface water supplies.

An emerging option for such communities may be purchasing water from a private, for-profit business.

For example, the once-tiny, but rapidly-growing central Texas town of Hutto has been buying water for the past 13 months from Houston-based Heart of Texas Water

Suppliers, LLC, which acquired groundwater leases in eastern Williamson County and invested \$20 million to drill six water wells and build a pumping station and 25-mile pipeline to deliver water to Hutto.

Under the current water contract, Hutto is purchasing 600,000 gallons a day at a cost of \$3.52 per thousand gallons, says Tim Throckmorton, one of Heart of Texas Water Suppliers' three managers. The 50-year contract provides for volumes of water purchased to increase each year with rate increases linked to the national consumer price index. Throckmorton said water taken from the aquifer will not exceed the average annual recharge.

Located near the dynamic capital city of Austin, Hutto's population in 1990 was 630. Ten years later, the census showed growth to 1,250. By the end of 2005, estimates placed the population at 12,000, and it is expected more than 30,000 will live in

Hutto by 2015. The city's water contract should provide more than enough water to keep pace with expected growth, even if it exceeds this ambitious estimate.

Project

It took approximately nine months to drill the wells and construct the pumping station and pipeline, said Throckmorton. The Austin office of Pate Engineering was project manager and developer. The J.C. Evans Construction Co., Leander, TX, built the 16-inch diameter pipeline, most of it ductile iron pipe with some PVC pipe used at the end of the pipeline near Hutto. It was placed in the ground by open-cut construction with directional drilling used for road and creek crossings. Throckmorton said construction went smoothly throughout the project.

Hutto began receiving water in September 2006.

"The water is potable as it comes from the wells," said Throckmorton. "Chlorine is added at the pumping station for the trip through the pipeline. The system is functioning smoothly, delivering water every day to Hutto.

"During last spring's heavy rains and flooding in the area," he continued, "the surface water intake for the city of Taylor located at Lake Granger collapsed, and the city of Hutto reversed flow in the system to send water back to the town during the emergency. Everything worked perfectly."

Currently six wells are in operation with sites for eight more available as demand requires. Well water is pumped through the pipeline to Hutto where it is stored in a surface tank, then pumped to the city's elevated tank from which it is distributed through the city's pipeline system.

In August 2007, the city purchased the pumping station and pipeline from Heart of Texas which continues to sell wholesale water to the city in what Throckmorton describes as a mutually-beneficial deal.

The acquisition of subsurface oil and gas and mineral rights is common in Texas and other states. Energy companies acquire oil and gas rights then drill wells, process oil and gas removed from the ground, and market their products. In recent years, various private organizations have been acquiring groundwater rights and entering water lease agreements with plans to sell water to communities like Hutto or to water service providers.

Unique angle

Heart of Texas takes a different approach.

"We start with a potential client who tells us what they need, and then develop a plan," said Throckmorton. "We build a 180-day window into the process to determine if we can find the water and make sure the plan will work. If everything checks out, we proceed."

Since completion of the Hutto project, Heart of Texas has completed a second well field and short pipeline project in Travis



County to provide up to one million gallons of water per day to the Hornsby Bend Utility Co.

Throckmorton believes that small cities can benefit from the approach taken by Hutto, and he expects private enterprise will become more involved as suppliers of water in the future.

"In Texas," he said, "I have heard that most, if not all, senior surface water rights have been in place for decades and most available allocations are about used up. We believe this approach provides an economical way for small cities to provide for their present and future water needs."

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