



Volume 34, Number 47

March 1, 2013

Dear Client:

Delivery of your Saturday mail is ending and complaints continue about no parking and reduced hours at the new Post Office location in downtown Austin. There are other changes underway that affect your mail service and, believe it or not, some of them are good.

The money-losing US Postal Service (USPS) operations are a favorite whipping topic both locally and nationally. And in downtown Austin many complaints are expected to continue because there is **no change anticipated in the downtown post office parking dilemma, and the stoppage of Saturday delivery.** But additional services and changes may mollify critics somewhat. First, **holders of downtown Post Office boxes have some new services they can access – at no cost.**

If your business would benefit from an prominent street address and you rent a downtown post office box, you can now use the PO's street address for your business. As an example, **you can sign up to use "823 Congress Avenue, Suite 150, #1905 (your P.O. Box #), Austin, Texas 78767" as your business address.** And both street-addressed mail and PO Box-addressed mail will be delivered to your PO Box. This could prove valuable to a home-based business that may want to appear more "business-like."

Also, the downtown post office will keep your **signature on file to use if you should receive "signature-required" FedEx or UPS mail/packages.** Then they will notify you by email when this happens (consider the irony here of the old-fashioned "snail mail" adapting to use some of what is causing the Postal Service to lose money – FedEx, UPS, email). There are other new services as well.

Nationally, the USPS will start **regular Sunday package delivery** this year or early in 2014. Parcel handling is a USPS success story with volume up 14% since 2010 due to online shopping and contracts with other package deliverers including FedEx and UPS, according to *The Kiplinger Letter*.

All this is important because, in spite of common perception, a study conducted this year indicated **more than 60% of people surveyed enjoy opening and reading mail in their mailbox** – their *postal* mailbox, not their *email* inbox. One factor: privacy is important as many respondents do not trust the exchange of personal info (financial, health, etc) in an email.

Effective at 11:59 pm tonight, March 1st 2013, most rice farmers downstream from Austin that use water from the Central Texas lakes --Travis and Buchanan -- to flood their fields, will go without lake water for an unprecedented second year in a row. Blame the drought. Expensive solutions are underway. But is there a better way?

Farmers are understandably upset. After all, they have water rights contracts going back to before WWII when Lake Travis's Mansfield Dam was built. The manager of the dams controlling the water, the Lower Colorado River Authority (LCRA), **has recently approved initially spending \$18 million on the first of what could be three downstream reservoirs.** As we reported, this new reservoir(s) would capture runoff and rainfall water downstream from Austin that could be used by agricultural and industrial interests,.

But is there a better, less expensive, approach? A consortium of cities, counties, businesses, groups and individuals thinks so. They have banded together as the Central Texas Water Coalition (CTWC). **CTWC is urging the LCRA to acquire water-intensive irrigation lands** in the lower reaches of the river "as an affordable, sensible, water-saving action to meet the needs of its firm customers and free up billions of gallons of water."

CWTC says that "instead of buying the actual land, you could also conceivably **buy just the 'rice farming rights' from willing sellers.**" This is not unlike the Hill Country Conservancy that goes in and buys "development rights" (called conservation easements) from ranchers to keep land pristine and undeveloped.

Wait a minute. What are we talking about here? **Just how big is this problem anyway?**

The CWTC says the amount of water the farmers use in a normal year covers 70,000 acres, 5 feet deep. Put it another way. The amount of water they use is **more than that used by the entire population of Los Angeles.** If you've been to Lake Buchanan, it is an amount equivalent to half the entire 35-acre lake.

There's also a matter of what the farmers pay for the water they have had under contract for more than a half-century. **The farmers buy their raw water at \$6.50 per acre-foot,** says CWTC. And the CWTC points out the **City of Austin pays the LCRA \$151.00 per acre-foot for its drinking water.**

CWTC maintains that "for less money than to build the first of the planned reservoirs, you could **buy out most of the farms and save water (and the cost of the reservoir), thus solving the problem permanently.**"

So the CWTC is calling for LCRA to "study **buying farms or farming rights acquisitions** on a voluntary basis to retain this massive amount of water in the lakes, even in non-drought years, and solve most of the problems and inequity forever." **The LCRA's reaction in the next item.**

The Lower Colorado River Authority (LCRA) responded coolly this week to suggestions from a group representing Central Texas interests in water issues. The group is proposing an alternative to the LCRA move to build multi-million dollar reservoirs downstream from Austin to ease the drought-related burdens of rice farmers near the Gulf Coast.

The Central Texas Water Coalition (CTWC), made up of cities, counties, businesses, etc. in the Austin area, is concerned that **farming interests downstream near the Gulf of Mexico are using more than three times the water from the Highland Lakes of Central Texas than Austin uses each year for its drinking water.** And the farmers pay only \$6.50 per acre-foot for water while Austin and others pay \$151.00 per acre-foot. This discrepancy is due to long-standing contracts signed back when agriculture was a dominant part of the Texas economy. Now, rural areas take a backseat to the large metro areas economically.

“Quite frankly, it is **unconscionable for us to be sending such huge amounts of fresh water downstream** to flood these rice farms with almost 5 feet of water, when **back in Austin they are calling for rigorous conservation measures** to make the declining amount of water last,” said CTWC president **Jo Karr Tedder.**

So, **what did the LCRA think of CTWC’s less expensive plan** to acquire rights or purchase outright the rice farmers properties to reduce *forever* that water commitment? Not much.

“We welcome constructive dialogue about this important issue, but are **hesitant to give attention to a proposal that could detract from the state’s and LCRA’s goal of creating new water supply,**” read the LCRA statement. The rejoinder:

“But that misses the point. It doesn’t detract from the goals, it enhances the goals. For less costs than just the first reservoir alone you can make a **substantial and permanent dent in reducing the downstream water needs** by using the money instead to buy farmland from willing sellers, or buy rice farming rights. **It’s far cheaper to conserve water this way than to build new reservoirs,**” said Tedder.

Amidst all this back-and-forth, **the drought is serious and getting “serious-er.”** Consider just Lake Travis. It is considered “**full**” **when it is at 681 feet above mean sea level (msl),** even though the spillway level is 714 msl. The 681 msl gives the LCRA flexibility in flooding situations which, believe it or not, have occurred as recently as Christmas Day, 1991.

The historic low (during the drought-of-record August 14, 1951) was 614.18 msl. This week, Lake Travis recorded a low of 631.03, a little less than 17 feet from the record low. The LCRA projects that if drought, or extreme drought, conditions continue this summer, Lake Travis will dip to almost 620 msl.

Obviously, this is serious. At that point, in August 2013, not only would *curtailment* of water affect many, *mandatory* water use restrictions would be implemented for everyone.

Top Texas leaders have made future water needs and education top priorities. And you can anticipate major measures on both these issues, though final versions are still to be determined, with bills emerging before the end of the current legislative session in May.

All spending measures must originate in the Texas House of Representatives. And House Speaker Joe Straus could not have been more clear when he declared this week that **“one of the most important steps that the Legislature can take to keep our economy strong is to ensure that Texas has reliable supplies of water.”**

Straus said “the House is working on two critical pieces of water legislation, House Bill 4 and House Bill 11. **These bills would create a funding source for water and conservation projects** across the state. These proposals have broad support in the business community and among other stakeholders, and I am optimistic that the House will **take meaningful steps this session to address our water needs.**”

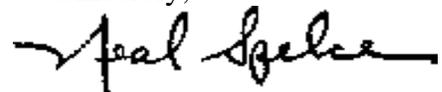
’Nuf said. **Whatever the Speaker wants, the Speaker gets** – especially when the presiding officer of the State Senate, LtGov **David Dewhurst**, and Governor **Rick Perry** have echoed similar sentiments.

While not always true, you can pretty much tell a House bill has top priority when it gets single-digit numbers, such as HB4 and HB11. Using this as a marker, HB5 is an *education* measure being introduced in the House. Speaker Straus reinforced its importance when he declared **“one of our most important responsibilities is to improve public education.”** One aspect of HB5 is to “improve education by making our system of standardized testing more appropriate and flexible.”

It remains to be seen what is finally contained in HB5, but Speaker Straus said **“members from both parties agree that *testing* should not interfere with *learning*.”**

Dr. Louis Overholster agrees with Jay Leno that “politics is just show business for ugly people!”

Sincerely,



Editor/Publisher