Guajolote Ranch wastewater fight awaits ruling from judges

Plans call for a plant that could release 1 million gallons of treated wastewater per day into Helotes Creek. Critics have been fighting it for years.

Liz Teitz Feb 24, 2025



Lynette Munson, left, stands with San Antonio Mayor Ron Nirenberg in the dry bed of Helotes Creek, which runs through Munson's family's property. Munson and other residents in the area are trying to block the permit for a wastewater treatment plant for Lennar Homes' Guajolote Ranch development, which would allow them to discharge an average of 1 million gallons of treated wastewater per day into the creek. Nirenberg has joined the opposition, arguing that it threatens the Edwards Aquifer, which San Antonio relies on for water. Liz Teitz

The fight over the proposed 2,900-home Guajolote Ranch development — and its planned wastewater treatment plant — has shifted to a new arena.

The years-long dispute is now in the hands of two state judges, who will weigh in on whether the state should allow Lennar Homes, the project's developer, to build a plant that would discharge up to 1 million gallons of treated wastewater per day into Helotes Creek.

A company hired by Lennar to operate the facility says the plant would meet all current state standards for treating wastewater, while opponents say the massive amount of treated sewage would threaten the Edwards Aquifer, which provides half of San Antonio's drinking water.

Residents and environmental advocates have been trying for several years to block the application for the facility.

Regulators with the Texas Commission on Environmental Quality previously said they had found no grounds to reject the permit. However, opponents requested a contested case hearing, which is the next step in the appeals process with state regulators.

In a three-day contested case hearing last week, held virtually by the State Office of Administrative Hearings, opponents continued to argue that the wastewater from the plant would harm wildlife and water quality, including both nearby wells and parts of the Trinity and Edwards Aquifers.

The draft permit from the Texas Commission on Environmental Quality would allow Municipal Operations, a company hired by Lennar, to operate a treatment plant. The plant would discharge up to 200,000 gallons per day in the first phase, 400,000 gallons per day in the second phase and ultimately, an average annual flow of up to 1 million gallons per day at full operation. That treated effluent would be discharged into Helotes Creek, then flow to Culebra Creek and Lower Leon Creek.

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The TCEQ's reviews have determined that "existing water quality uses will not be impaired by this permit action," and "existing uses will be maintained and protected," the agency said in its preliminary decision to approve the permit.

The hearing last week was limited to assessing whether the draft permit adequately protects water quality and wildlife, whether it complies with state laws about floodplain and wetlands and whether the permit should be denied or changed based on need, as defined in state law. The hearing process is similar to a civil trial, but the ruling from administrative law judges will be only a proposed decision; the final approval rests with the TCEQ commissioners.

Witnesses for Municipal Operations testified that the development plans to reuse treated wastewater on the property for irrigation, and that a permit for that use is pending, based on the outcome of the discharge permit.

They also said the permit includes more stringent effluent limits than initially requested, and that the wastewater would not affect any endangered species.

In testimony filed before the hearing, Troy Hotchkiss, an engineer who worked on the permit application, said the plant would use "the most advanced wastewater treatment currently," and would "achieve the highest levels of domestic wastewater treatment commonly achievable."

The Greater Edwards Aquifer Alliance, a nonprofit that advocates for the protection of the aquifer, was granted standing to challenge the permit, along with resident Elizabeth Ann Toepperwein, who owns property near the proposed discharge point, and the city of Grey Forest.

The opponents said the geography and geology in that area means the discharge will pose a threat to not just Helotes Creek but also to the Edwards Aquifer, which provides water for more than 2 million people.

Water enters the aquifer in its recharge zone, where fractures in the surface such as caves and sinkholes allow water to move into the groundwater system.

Ron Green, a hydrologist and geologist who testified on behalf of the opponents, said the discharge area from the plant sits above the Trinity Aquifer and in the Edwards Aquifer's contributing zone. There are faults in the discharge route "which could provide conduits for the flow of contaminants into the groundwater," he testified. Pathogens in the wastewater could reach nearby wells before being detected, Green said.

He co-authored a 2020 study by the Southwest Research Institute, which was commissioned by the city of San Antonio, that studied the potential impact of wastewater disposal in the Helotes Creek Watershed. The study found that any additional wastewater systems there would "significantly degrade the watershed and the quality of water recharging the Edwards Aquifer."

Through questioning and cross-examination, the two sides debated how TCEQ determined the limits in the permit, including detailed discussions of the model used to calculate dissolved oxygen levels and the potential for algae to grow in the creek due to the amount of phosphorus.

The San Antonio Metropolitan Health District, commonly known as Metro Health, had also requested a contested case hearing and was granted standing in the case. However, the department withdrew its opposition in December because it reached a settlement with Municipal Operations.

The Express-News requested a copy of that settlement; the City Attorney's office is seeking to withhold it and has not yet released it.

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In an interview, Mayor Ron Nirenberg, who opposes the development, said he had seen the agreement and that it "extracts some protective benefit" for the concerns Metro Health raised, but said he doesn't support the outcome.

"I was not made aware of the settlement discussions, and I was not pleased with the settlement being reached, to say the least," he said.

Nirenberg, who toured the area with Grey Forest officials this month, has argued the treatment plant should be of concern to anyone who relies on the aquifer.

"They think this is a Hill Country environmental issue, that's just about Helotes Creek neighbors," he said. "But millions of people depend on this part of the Hill Country."

Opponents have said they'll pursue any steps available to block the project, including potential future litigation.

"I am committed, as the mayor of the residents who depend on this water, to exhaust every option that we have to prevent this development from happening," Nirenberg said. "That is what I think common sense requires and what my residents would expect."

All parties must file closing briefs by March 11, and then will have until March 21 to file responses to those briefs, according to an order from the administrative law judges. The judges' proposal for decision will be issued May 20.

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