Thursday, September 27, 2007

Item(s) to Set Public Hearing(s) RECOMMENDATION FOR COUNCIL ACTION

Item No. 63

Subject: Set a public hearing to receive public comment regarding a proposed water supply agreement between the City of Austin and the Lower Colorado River Authority to increase the water supply available to the City (Suggested date and time: October 11, 2007 at 6:00 p.m., Austin City Hall, 301 W. Second Street, Austin, Texas).

Amount and Source of Funding: No fiscal impact.

Fiscal Note: A fiscal note is not required.

For More Information: Teresa Lutes, 972-0179; Denise Avery, 972-0104

Boards and Commission Action: To be reviewed by the Water and Wastewater Commission on

September 26, 2007.

On May 16, 2007, the Lower Colorado River Authority (LCRA) approved a settlement agreement to resolve various disputes between the LCRA and the City of Austin concerning use of return flows to the Colorado River and pending water rights applications at the Texas Commission on Environmental Quality. On June 7, 2007, the agreement was approved by the Austin City Council, and was subsequently executed on June 18, 2007. As part of the settlement agreement, the City and LCRA agreed to negotiate a long-term water supply agreement to meet the City's projected water demands after the year 2050 when it is projected that additional municipal water supplies beyond those available under the City's water rights and existing agreements will be needed. Under the terms of the settlement agreement, this water supply agreement would allow the City to purchase up to 250,000 acre-feet of additional water per year, above the current contract amount of 325,000 acre-feet per year, to meet projected municipal water demands through the year 2100.