

AGENDA



Thursday, December 13, 2007

**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION****Item No. 7**

Subject: Authorize the City Manager to negotiate and execute an agreement with the City of Round Rock, Leander and Cedar Park to share in the costs of evaluating the Brushy Creek Regional Wastewater System.

Amount and Source of Funding: Funding in the amount of \$30,000 is available in the Fiscal Year 2007-2008 Operating Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is not required.

For More Information: Bart Jennings, 972-0118; Denise Avery, 972-0104

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

The Brushy Creek Regional Wastewater System ("Brushy Creek System") is a wastewater system located in southern Williamson County. The Brazos River Authority ("BRA") operates and maintains the Brushy Creek System. The Lower Colorado River Authority ("LCRA") owns the Brushy Creek facilities.

The Brushy Creek System uses two wastewater treatment plants (combined capacity of 14.8 MGD) to treat wastewater within a defined area mostly consisting of the Brushy Creek watershed. LCRA, and the cities of Round Rock ("Round Rock"), Cedar Park ("Cedar Park"), and Austin ("Austin") are customers of the Brushy Creek System. The city of Leander ("Leander") is planning to join as a customer in the near future. Austin executed its agreement to become a customer in October 2000 and has approximately 2,500 connections to the Brushy Creek System.

Round Rock and Cedar Park initiated discussions with LCRA concerning the possibility of ownership of the Brushy Creek System being transferred to another entity (the Brushy Creek Regional Utility Authority) in order potentially to reduce costs. On September 19, 2007, the board of LCRA agreed to enter into discussions with the Brushy Creek customers reviewing the matter, with a deadline of April 1, 2008, for a recommendation by LCRA staff. Round Rock is initiating engineering and accounting consultant contracts to assist the cities in evaluating the associated issues. Each city will pay 25% of the consultant's cost. The City of Austin amount will not exceed \$30,000.