

AGENDA



Wednesday, June 18, 2008

**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 4

Subject: Approve a resolution appointing a stakeholders' group to the Executive Management Committee of the Austin-LCRA Water Partnership in accordance to the Supplemental Water Supply Agreement between City of Austin and LCRA, and providing that a stakeholder is not a City official within the definition of City Code, Chapter 2-7.

Amount and Source of Funding: There is no unanticipated fiscal impact.

Fiscal Note: A fiscal note is not required.

For More Information: Daryl Slusher, 972-0218; Denise Avery, 972-0104

Prior Council Action: November 08, 2007, long-term Water Supply Agreement between City of Austin (COA) and Lower Colorado River Authority (LCRA). June 18, 2007, approved an Ordinance authorizing negotiation and execution of a settlement agreement between the City of Austin and the Lower Colorado River Authority (LCRA).

The Supplemental Water Supply Agreement reached last year between the City and LCRA calls for the creation of a stakeholder group to give input to the Executive Management Committee of the Austin-LCRA Water Partnership. The section, added as an amendment, reads as follows:

"Within six months after convening the first meeting of the Executive Management Committee (EMC) of the Water Partnership, the Water Partnership shall establish:

- (a) a stakeholder group comprised of a balanced and diverse group of organizations and individuals interested in the Parties' [LCRA and COA] water supply discussions; and
- (b) a process for keeping the stakeholder group informed of the Parties' water supply discussions, and for receiving input from the group."

The agreement requires the partners to establish the stakeholder group within six months after the first meeting of the EMC. That meeting was held on January 7, 2008 meaning that the stakeholder group must be established by July 7, 2008. The members of the EMC are Assistant City Manager Rudy Garza and Austin Water Utility Director Greg Meszaros from the City of Austin, and Assistant General Manager and Chief Administrative Officer Rick Bluntzer and Water Executive Manager Suzanne Zarling from LCRA.

The agreement does not specify who is to appoint the members. The appointments could be made by the Executive Management Committee. City and LCRA staff, however, recommend that the EMC make recommendations, but that the stakeholders be appointed by the City Council and the LCRA board.

City staff and LCRA staff have worked together to determine appropriate slots to comprise the stakeholder group. The recommended structure is below.

The proposed composition of the stakeholder committee is 15 members representing diverse interests and backgrounds. The EMC recommends the following positions for the committee: high growth areas

(3), environmental (2), business (2), ratepayers (2), industrial (2), recreation (1), agricultural (1), conservation (1), and at-large (1).

Nominees will serve two-year terms, with an initial drawing to designate some positions for a one-year term in order to create staggered terms. After that an application process will be established for future appointments.

In order to comply with the Settlement Agreement deadline of July 7th, at least a portion of the stakeholder group members must be appointed by the June 18th Council meeting. Recommended stakeholders will be included in subsequent communication.

The stakeholder group will consider issues that come before the EMC and provide input to the EMC. Issues are expected to include: water quality; water conservation; future water supplies; water supply for power plants; and additional matters as they arise.

Under City Code Section 2-7-2(3) an appointee would potentially be considered a City Official unless exempted by the City Council. It is recommended that these stakeholders be exempted because stakeholders are being asked to represent a particular interest.