

## AGENDA



Thursday, June 11, 2009

**Austin Water Utility  
RECOMMENDATION FOR COUNCIL ACTION**
**Item No. 4**

**Subject:** Approve a resolution authorizing the City Manager to enter into a Cooperative Agreement with the Bureau of Reclamation to accept approximately \$3,000,000 in grant funding for the Direct-Install Toilet Replacement Program and the Subsurface Leak Detection Program to include City matching funds in an amount not to exceed \$4,700,000.

**Amount and Source of Funding:** Funding is available in the amount of \$2,200,000 in the Fiscal Year 2008-2009 Operating Budget of the Austin Water Utility. Funding for the remaining grant matching funds is contingent upon available funding in future budgets.

**Fiscal Note:** A fiscal note is not required.

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

**Boards and Commission Action:** To be reviewed by the Water and Wastewater Commission on June 10, 2009.

Water Conservation is an integral part of the operations of the Austin Water Utility (AWU) and the values of the City of Austin. When the Bureau of Reclamation announced the Water Marketing and Efficiency Grants funding opportunity, it presented a synergy of several issues. The objective of the grant is to:

- Leverage money and resources by cost sharing with the Bureau of Reclamation on projects that conserve water, market water, bank water, or make more efficient use of existing water supplies;
- Assist individuals affected by the recession by preserving and creating jobs;
- Provide investments in infrastructure that will provide long-term economic benefits; and
- Complete projects that will provide a useful service.

On May 22, 2009, AWU, in compliance with the application deadline, submitted two grant proposals to the Bureau of Reclamation for funding consideration. Each grant requires AWU to cost share 50% or more of project costs and will not require any additional FTEs. Initial funding for both programs of \$2.2 million is available in AWU's FY 2008-09 budget with the remaining grant matching funds of \$2.5 million contingent upon available funding in AWU's FY 2009-10 budget. Below is additional information on the projects submitted.

**Direct-Install Toilet Replacement Program:**

We estimate that there are over 200,000 toilets in the Austin area using more than 1.6 gallons per flush. Since the costs and time associated with installing new toilets is the primary barrier for many customers, a program offering direct installation should have a high degree of success in replacing old toilets. This funding would provide funding for 10,000 toilets installed to replace high water use toilets saving approximately 17.1 gallons of water per toilet per day. The total project budget is \$2,138,834 including a \$1 million match from the Bureau of Reclamation.

#### Subsurface Leak Detection Program:

Water main leaks waste large amounts of treated water, cause property damage, and disrupt traffic flow. Pinpointing those leaks before they become large enough to break the surface can have tremendous operational and water savings. Identifying leaks along with replacement or rehabilitation of the leaking segments of the system will reduce the energy needed to pump water through the distribution system and conserve water by approximately 1.2% of average daily use. The total project budget is \$5.5 million, including a \$2 million requested match from the Bureau of Reclamation.