

Thursday, July 23, 2009

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

Item No. 103

Subject: Set public hearings on a proposed Strategic Partnership Agreement (SPA) between the City of Austin and River Place Municipal Utility District (approximately 1,040 acres located on River Place Boulevard and Big View Drive, approximately one mile south of FM 2222 in Travis County). Suggested dates and times: August 20, 2009, 6:00 p.m.; and August 27, 2009, 6:00 p.m. at Austin City Hall, 301 W. Second Street, Austin, TX.)

For More Information: Virginia Collier 974-2022; Sylvia Arzola 974-6448

Prior Council Action: December 18, 2008 - Council amended the City's Municipal Annexation Plan to include the River Place area and begin the annexation process

The River Place Municipal Utility District (MUD) is located on River Place Boulevard and Big View Drive approximately one mile south of FM 2222 in Travis County. The City consented to the creation of the MUD in 1984.

In December 2008, the City Council approved an amendment to the City's Municipal Annexation Plan (MAP) to include the River Place area. In early 2009, River Place MUD representatives and City staff met numerous times to discuss the potential effects of annexation on MUD residents and explore options that may provide alternatives to annexation under the statutory three year MAP process. Adoption of a Strategic Partnership Agreement (SPA) that provides reasonable and equitable benefits to each party is an alternative outlined below.

Terms of the proposed SPA include:

• The City acquires ownership of River Place MUD's water and wastewater infrastructure in 2009

• MUD to fund City-identified utility infrastructure improvements from a City criticality assessment by July 2014

 MUD will adopt and enforce City's water conservation program within 90 days of the effective date of the SPA

• MUD will implement wastewater phosphorus removal by September 30, 2014

• Continued operation and maintenance of utility systems by the MUD through October 1, 2014; City assumes operation and maintenance responsibilities thereafter

- Limited purpose annexation in 2009, including zoning and voting privileges
- Full purpose annexation of the MUD effective December 31, 2017
- City's annexation service plan adopted as part of SPA
- City will assume any remaining drainage, and water and wastewater debt upon full purpose annexation
- Post-annexation surcharge will not be applied
- Upon full purpose annexation by the City and subject to voter approval, Limited District will be created with an initial term of 10 years for the purposes of:
- · Maintaining and operating recreation facilities in the MUD
- · Maintaining non-Balcones Canyonland Conservation Plan property in the MUD

• Providing solid waste services under a contract that will include single stream recycling and be approved by the city

• the City will assume the operations and maintenance of Balcones Canyonland Conservation Plan property upon full purpose annexation

• MUD and City agree not to support or initiate any legislation to modify the other party's rights under the SPA or consent agreement