

## AGENDA



Thursday, November 19, 2009

**Austin Water Utility  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 5**

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**Subject:** Approve an ordinance amending the Fiscal Year 2009-2010 Austin Water Utility Operating Budget of Ordinance No. 20090914-002 decreasing the Austin Water Utility Operating Fund Ending Balance by \$4,000,000 to fund an increase of \$500,000 for Water Conservation expenditures including the addition of three full-time equivalent positions; and transfer \$3,500,000 to the Conservation Rebates and Incentives Fund; and amending the Conservation Rebates and Incentive Fund of Ordinance No. 20090914-002 to accept the transfer in and to appropriate \$3,500,000 for Water Conservation Rebates.

**Amount and Source of Funding:** Funding in the amount of \$4,000,000 is available from the ending balance of the Austin Water Utility Fiscal Year 2009-2010 Operating Fund.

**Fiscal Note:** A fiscal note is attached.

**For More Information:** Drema Gross, 974-2787; Denise Avery, 972-0104

**Boards and Commission Action:** Recommended by the Water and Wastewater Commission. To be reviewed by the Citizens Water Conservation Implementation Task Force on November 16, 2009 and the Resource Management Commission on November 17, 2009.

**Prior Council Action:** September 14, 2009 - Approved Budget Ordinance 20090914-002

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This budget amendment in the amount of \$4,000,000 will fund an increase of \$3,000,000 to meet increased demand for water conservation rebate programs, reserve \$500,000 for new initiatives recommended by the Citizens Water Conservation Implementation Task Force and increase the Water Conservation marketing and outreach budget by \$500,000 for the addition of three full-time equivalent positions and increased advertising that may include bill inserts, media placements and possible creative and strategic services.

Austin Water Utility expects to realize additional conservation savings of 250,000 to 400,000 gallons per day by expanding the rebate programs. Additional education and outreach funding will help boost participation in water conservation programs and compliance with mandatory watering restrictions, which are estimated to have reduced peak demand by 5 to 9 MGD. Recommendations being developed by the Citizens Water Conservation Implementation Task Force report could further increase savings and lay the groundwork for savings in future years.

The budget amendment will fund three full-time equivalent positions (FTEs) who will work with neighborhoods and stakeholder groups to enhance awareness of current and future AWU water conservation programs and thus increase water conservation.

Funding of \$4,000,000 million is available from a higher than anticipated ending balance in Fiscal Year 2008-2009 and lower than anticipated expenses allowing for this budget amendment for the Fiscal Year 2009-2010 Operating Fund.