Thursday, February 4, 2010

## Law RECOMMENDATION FOR COUNCIL ACTION

Item No. 15

**Subject:** Approve an ordinance amending Ordinance No. 20090914-004 to repeal a provision related to a customer utility fee credit in the 2009-2010 fee schedule for Austin Water Utility in accordance with the settlement agreement in the matter of Northwest Austin MUD No. 1, et al. v. City of Austin, et al., No. GN203378 in the District Court of Travis County, Texas. Related to Item # 16.

In a 2007 agreement between the City and Northwest Austin Municipal Utility District No. 1 ("District") the City agreed to a monthly credit on the water-wastewater utility bill of district single-family home residents. The credit by agreement has been calculated based on a percentage of the District's debt service. The City by separate ordinance is abolishing the District and assuming responsibility for the District's debt service, thereby eliminating the credit. This action will remove the reference to the credit from the fee ordinance for Austin Water Utility.