

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	19811	Agenda Number	4.
Meeting Date:	11/8/2012		Department:	Austin Water Utility
Subject				
<p>Approve an ordinance suspending an increase in water and wastewater rates proposed by PK-RE Development Company, Inc. for its customers in the corporate limits of the City of Austin located in the area known as Greenshores on Lake Austin.</p>				
Amount and Source of Funding				
<p>There is no unanticipated fiscal impact.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Bart Jennings, 972-0118; Denise Avery, 972-0104			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>Under Chapter 13 of the Texas Water Code, the Austin City Council is the local regulatory authority with exclusive original jurisdiction over rates for water and sewer utility services provided by non-City utilities serving areas within the City limits. As the local regulatory authority, the City has approval authority over rates to determine that they are just and reasonable, and that in all other respects, the rates meet state and local law. In addition to the Texas Water Code, the City's ordinance governing non-municipal utility rate filings are included in Chapter 15-4 of the City Code.</p> <p>PK-RE Development Company, Inc. ("PK-RE"), is a water utility with customers in the area within the City known as Greenshores on Lake Austin. PK-RE filed a Statement of Intent to Change Rates that will affect those in-City customers setting an effective date of November 15, 2012. As the local regulatory authority, the City Council is authorized by Section 13.187 of the Texas Water Code to suspend PK-RE's proposed rate increase for 90 days in order to consider the factors necessary for making its final determination to approve, modify, or deny the rate change.</p>				

Of the 167 water customers and 100 wastewater customers residing in PK-RE's certified utility service area, approximately six are within the Austin City limits (as determined by the water meter location on each property) and receive water and wastewater service from PK-RE. As required by law, PK-RE provided each affected customer 60-days prior written notice of the proposed rate changes and has advertised public notice concerning this matter.

Austin Water Utility staff is currently reviewing the rate filing and recommends the 90-day suspension to ensure a complete and thorough review of the rate increase and consideration by the Water and Wastewater Commission before final action is taken by the Council.