



Grant
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 2
AGENDA DATE: Thu 02/26/2004
PAGE: 1 of 2

SUBJECT: Authorize the City Manager to negotiate and execute an interlocal agreement with Lower Colorado River Authority (LCRA), San Antonio Water System (SAWS), Guadalupe-Blanco River Authority (GBRA), and San Antonio River Authority (SARA) to set forth terms for participation in a Texas Water Development Board (TWDB) study of the feasibility of constructing a Central Texas Regional Water Treatment Facility to serve Austin and San Antonio with funding by Austin in an amount not to exceed \$12,500 in cash and up to \$10,000 in in-kind services.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$12,500 in cash contribution is available in the Fiscal Year 2003-2004 Operating Budget of the Austin Water Utility .

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Austin Water Utility **DIRECTOR'S**
DEPARTMENT: **AUTHORIZATION:** Chris Lippe

FOR MORE INFORMATION CONTACT: Teresa Lutes, P.E. 972-0179; Laura Wiley, 972-0104

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Recommended by Water and Wastewater Commission

PURCHASING: N/A

MBE / WBE: N/A

LCRA has applied for a TWDB matching grant for a study to evaluate the feasibility and comparative costs of developing a large regional water treatment facility to provide potable water for both Austin and San Antonio. This feasibility study will examine the idea of developing a single water treatment plant, located between the two cities that could provide additional capacity. Austin is currently proceeding with its near-term plan to construct a new water treatment facility on Lake Travis. This near-term facility is needed regardless of the results of this feasibility study. However, in the interest of due diligence, Austin Water Utility recommends the City of Austin's participation in this study in an effort to duly examine and consider all long-term water supply options.

In the grant application, LCRA proposes to implement and manage the regional water treatment plant with funding from partnership agreements with customer cities and districts within the region. If determined to be feasible, additional funding for implementation will be pursued from the TWDB and the Community Development Fund. The facility would provide service to other interested parties including in the I35 growth corridor between Austin and San Antonio. In addition to LCRA, the lead grant applicant, and the City of Austin, other study participants include San Antonio Water System, (SAWS), Guadalupe-Blanco River Authority (GBRA), and San Antonio River Authority (SARA).

LCRA filed the TWDB grant application in November 2003. The TWDB Board approved the regional facility planning grant proposal at its January 21, 2004 Board meeting. Austin's participation is contingent on City Council approval of this Council Action Item to authorize Austin's participation in the study and the negotiation and execution of an interlocal agreement with LCRA to set forth terms for the



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PAGE: 2 of 2

cash and in-kind services cost participation. Austin's in-kind services contribution will include assessment of water quality compatibility.

The following table indicates the funding sources for the study:

Participant	Contributions		
	Cash	In-kind Services	Total
LCRA	\$5,000	\$10,000	\$15,000
City of Austin	\$12,500	\$10,000	\$22,500
SAWS	\$12,500	\$10,000	\$22,500
GBRA	\$5,000	\$5,000	\$10,000
SARA	\$5,000	\$5,000	\$10,000
Subtotal:	\$40,000	\$40,000	\$80,000
TWDB Matching Funding			\$80,000
		TOTAL:	\$160,000

No.020404-A

**WATER AND WASTEWATER COMMISSION RESOLUTION
INTERLOCAL AGREEMENT WITH LOWER COLORADO RIVER AUTHORITY (LCRA), SAN ANTONIO
WATER SYSTEM (SAWS), GUADALUPE-BLANCO RIVER AUTHORITY (GBRA), AND SAN ANTONIO
RIVER AUTHORITY (SARA) TO SET FORTH TERMS FOR PARTICIPATION IN A TEXAS WATER
DEVELOPMENT BOARD (TWDB) STUDY, IN AN AMOUNT NOT TO EXCEED \$12,500 IN CASH AND UP
TO \$10,000 IN IN-KIND SERVICES**

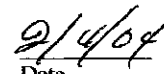
**February 4, 2004
REGULAR MEETING
VOTE: 5-0-1-1**

Motion made by: Lee
Commissioners Consenting: Warner, Coleman, Miller, Raun
Commissioners Dissenting:
Commissioners Abstaining: Friese
Commissioners Absent: Kirfinan

The Water and Wastewater Commission recommends the Council authorize execution of an interlocal agreement with Lower Colorado River Authority (LCRA), San Antonio Water System (SAWS), Guadalupe-Blanco River Authority (GBRA), and San Antonio River Authority (SARA) to set forth terms for participation in a Texas Water Development Board (TWDB) study of the feasibility of constructing a Central Texas Regional Water Treatment Facility to serve Austin and San Antonio with funding by Austin in an amount not to exceed \$12,500 in cash and up to \$10,000 in in-kind services.

Commissioner Friese abstained on this item due to conflict of interest.


Michael Warner, Chairperson
Water and Wastewater Commission


Date