



**RCA  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 12  
AGENDA DATE: Thu 07/29/2004  
PAGE: 1 of 2**

**SUBJECT:** Authorize the City Manager to negotiate and execute a contract with the Village of San Leanna for the provision of emergency and wholesale water service.

**AMOUNT & SOURCE OF FUNDING:** No City funds are required by this action. San Leanna will construct all necessary water infrastructure.

**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:** Bart Jennings, 972-0118; Laura Wiley, 972-0104

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** Recommended by the Water and Wastewater Commission.

**PURCHASING:** N/A

**MBE / WBE:** N/A

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The Village of San Leanna (San Leanna) is an incorporated municipality located in the southwest portion of Travis County along FM 1626. San Leanna provides ground water purchased from the Barton Springs Edwards Aquifer Conservation District (BSEAD) to approximately 168 residents.

In July 2002, San Leanna executed an agreement with the City of Austin (Austin) for emergency water service due to the BSEAD requesting San Leanna obtain a secondary source of water in case of emergency. Recently, San Leanna obtained a loan from the Texas Water Development Board for internal infrastructure improvements. Due to lower than expected bids, San Leanna now wishes to construct an interconnection for future permanent wholesale service from Austin as aquifer constraints increase.

The major points of the agreement would include:

1. The term of the contract would be 35 years. The maximum service level will be 202 gpm with maximum daily flow of 171,884 gallons.
2. San Leanna agrees not to charge any fees on Austin owned and maintained water and wastewater infrastructure that traverses through San Leanna's jurisdiction.
3. Austin would agree not to charge a water capital recovery fee for existing water connections within San Leanna at the time of contract execution.
4. San Leanna will collect Austin's water capital recovery for each new connection after contract execution. Austin's water capital recovery fees will be held in escrow until initiation of wholesale water service.
5. Commencement of wholesale service from Austin will begin 10 business days after written request by San Leanna and such request will be accompanied by a fee payment. The fee is calculated by multiplying \$3,800 times the number of years of the wholesale contract term in which wholesale water service was not initiated. Austin will not charge a take or pay fee.



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6. Austin will provide emergency service (as defined in the existing emergency contract) to San Leanna for an 8-year period. A daily usage fee of \$600 will be charged (only for the actual duration and use of emergency water service) in addition to volumetric water charges. Austin will not charge an annual readiness to serve fee. Austin will not charge a water meter customer account fee for emergency water service.

No. 070704-1  
WATER AND WASTEWATER COMMISSION RESOLUTION  
**APPROVE A RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND  
EXECUTE A CONTRACT WITH THE VILLAGE OF SAN LEANNA FOR THE PROVISION OF  
EMERGENCY AND WHOLESALE WATER SERVICE**

July 7, 2004  
REGULAR MEETING  
VOTE: 8-0-0-1

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

The Water and Wastewater Commission recommends the Council authorize approval of a resolution authorizing the City Manager to negotiate and execute a contract with the Village of San Leanna for the provision of emergency and wholesale water service.

  
Michael Warner, Chairperson  
Water and Wastewater Commission

  
Date

