



**Outside Counsel
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 14
AGENDA DATE: Thu 08/26/2004
PAGE: 1 of 1**

SUBJECT: Authorize negotiation and execution of an amendment to the outside counsel contract with BRACEWELL & PATTERSON, L.L.P. Austin, TX, concerning an agreement with Aqua Water Supply Corporation regarding retail water supply water service territory issues, in the amount of \$10,000, with a total contract amount not to exceed \$55,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$10,000 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Austin Water Utility.

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

**REQUESTING Law
DEPARTMENT:**

**DIRECTOR'S
AUTHORIZATION: Marty Terry**

FOR MORE INFORMATION CONTACT: David Smith, City Attorney / 974-2268; Martha Terry, Assistant City Attorney / 974-2974

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

This amendment increases the amount of the legal services contract with Bracewell & Patterson, L.L.P. as outside counsel regarding a Service Territory Negotiation and Agreement with Aqua Water Supply Corporation. The City of Austin has reached an agreement with Aqua Water Supply Corporation concerning water utility service territory issues and has submitted the agreement to the Texas Commission on Environmental Quality (TCEQ) in a sale transfer and merger application. The agreement with Aqua resolves potential conflicts in retail water utility service territories between the two utilities. This request for approval for additional attorney's fees is expected to cover outside counsel fees necessary to handle this matter through March 2005.