

A U S T I N C I T Y C O U N C I L

A G E N D A



Thursday, May 18, 2006

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Item # 5

Law

RECOMMENDATION FOR COUNCIL ACTION

Subject: Authorize negotiation and execution of an amendment to the legal services agreement with Brown McCarroll, L.L.P., Austin, TX, for legal representation, advice, and counsel concerning securing Austin's long-term water supply, including regulatory matters involving the Colorado River and the Lower Colorado River Authority (primarily permit applications before the Texas Commission on Environmental Quality), and contractual matters relating to raw water supply, in an amount not to exceed \$255,000, for a total contract amount not to exceed \$1,310,000. (Related to Item #36)

Amount and Source of Funding: Funding in the amount of \$255,000 is available in the Fiscal Year 2005-2006 Approved Operating Budget of Austin Water Utility.

Fiscal Note:

For More Information: Sharon Smith, Assistant City Attorney, 974-7773

Prior Council Action: On July 19, 2001, Council approved \$60,000; On May 9, 2002, Council approved \$100,000; On January 30, 2003, Council approved \$250,000; On August 26, 2004, Council approved \$223,000; and on June 23, 2005, Council approved \$295,000.

Boards and Commission Action:

Additional Backup Material

(click to open)

No Attachments Available

This amendment increases the amount of legal services contract with Brown McCarroll, L.L.P. for legal representation, advice, and counsel concerning securing Austin's long-term water supply, including regulatory matters involving the Colorado River and the Lower Colorado River Authority (primarily permit applications before the Texas Commission on Environmental Quality), and contractual matters relating to raw water supply, for an increase of \$255,000, with a total contract amount not to exceed \$1,310,000.

The Law Department contracted with Bracewell & Patterson ("Bracewell") on June 30, 2000, for an original contract amount of \$40,000. Subsequent increases were authorized by the City Council in successive years, funded by the Austin Water Utility or jointly by the Austin Water Utility and Austin Energy totaling \$928,000. In addition the contract was extended by administrative approval on two separate occasions: November 16, 2001, in the amount of \$43,000 and on January 15, 2003, in the amount of \$44,000.

In 2005 Brown McCarroll assumed this contract as part of a transfer of certain legal counsel from Bracewell to Brown McCarroll. Originally, Bracewell was retained to explore various options available to the City to protect its water supplies from the Colorado River. Brown McCarroll has

continued to represent the City in Texas Commission on Environmental Quality (TCEQ) water rights permits matters affecting the City, and to assist the City with pursuing the additional permits necessary to place the City in a strong position with respect to its future water needs. The firm has also participated in statutorily mandated regional water planning processes on behalf of the City. This year the City has continued and renewed negotiations with LCRA in an attempt to reach a creative resolution of all outstanding permitting matters, and the City has been represented by the firm in those negotiations.

The Council is now being requested to authorize the expenditure of an additional \$255,000 funded by the Austin Water Utility. The additional amount will be used to pay the fees and expenses of Brown McCarroll, L.L.P., anticipated through the end of the 2006 fiscal year. This will bring the total contract amount to \$1,310,000.