



Annual Internal Review

This report covers the time period of 1/1/2013 to 12/31/2013

Water and Wastewater Commission

1. The Board/Commission mission statement is set forth in [2-1-186 of the Code of the City of Austin, Texas](#) which states:
 - (A) The Water and Wastewater Commission members should reside inside the utility's service area. Not more than two members should be involved in development or development-related activities.
 - (B) The purpose of the Water and Wastewater Commission is to:
 - (1) review, analyze, and advise the City Council on the policies and resources relating to the city water and wastewater utility and water quality; and
 - (2) assist the City Council in ensuring that the City's residents are provided with an adequate, economical, and potable supply of water and a stable, economical and environmentally safe system of wastewater disposal.
 - (C) The Commission shall act as an advisory body to the City Council and shall review programs and make recommendations regarding:
 - (1) the protection and integrity of the water resources for the City;
 - (2) minimization of water quality impacts to downstream areas;
 - (3) implementation of programs that achieve goals and objectives relating to water supply management, water demand management, and land water quality control;
 - (4) the fiscal solvency of said programs; and
 - (5) the fiscal health of the utility.

(D) The Commission may conduct an annual review of the commission's goals and objectives, and the activities needed to achieve these goals and objectives in the following areas, for the year covered by the program:

- (1) water supply distribution;
- (2) water demand and conservation management;
- (3) wastewater treatment and collection;
- (4) water quality;
- (5) service area master planning and capital improvement project development;
- (6) utility operating budget;
- (7) rates and fees; and
- (8) citizen education.

(E) The Commission may review and make reports and recommendations to the City Council, or other appropriate Boards and Commissions, concerning the following matters:

- (1) water and wastewater capital improvement program proposals;
- (2) water and wastewater bond programs;
- (3) monitoring of capital recovery fee revenues on a quarterly basis, and review of capital recovery fee dollar amount on an annual basis from the effective date of capital recovery fee ordinance;
- (4) review of the City's annual budget proposal for the water and wastewater utility;
- (5) quarterly review of water and wastewater ending balances;
- (6) cost effectiveness and financial impact on water supply and water conservation programs;
- (7) water and wastewater tap and connection fees;
- (8) quarterly review of the utility's total bonded indebtedness, including:
 - (a) contracts bonds approval, issuance, and expenditure: proposed and approved by Council action, and issued;
 - (b) revenue bonds approval, issuance and expenditure: proposed and approved by Council action, and issued; and

- (c) municipal utility district bonds;
 - (9) water and wastewater service extension requests and policy;
 - (10) water treatment water supply, capacity, and demand projections;
 - (11) water and wastewater treatment capacity, loadings, and effluent quality and quantity by the City on a monthly basis;
 - (12) proposed and existing wastewater package treatment plants within the City's extraterritorial jurisdiction;
 - (13) desired service areas that the City should serve and the timing of the service;
 - (14) creation of area package treatment plant and alternative wastewater system conservation proposals;
 - (15) creation or modification of municipal utility districts, water control and improvement districts, and all other entities authorized by the Texas Water Code;
 - (16) water and wastewater treatment processes;
 - (17) review and recommendation to the City Council regarding all water and wastewater rates and fees;
 - (18) annual review of the effectiveness of erosion and sedimentation controls and drainage criteria in protecting water quality; and
 - (19) monthly review of water and wastewater discharge by the City.
- (F) The commission may obtain information from the Water Utility and communicate to the City Council as follows:
- (1) coordination with staff to develop programs to implement Commission duties and responsibilities;
 - (2) evaluation of the economic feasibility and impacts of Commission goals and objectives programs;
 - (3) coordination with the staff time and resource requirements for liaison activities with the Commission;
 - (4) policy and budgetary recommendations to the City Council relating to program implementation;
 - (5) periodic review of staff progress toward successful completion of utility programs;

- (6) review of staff reports and studies relating to Commission programs, including economic and rate impacts and environmental effects;
 - (7) review of development of program implementation strategies; and
 - (8) review of monitoring and enforcement of programs.
- (G) The Commission shall promote close cooperation and open communication between the City Council, other City Boards, Commissions and committees, City departments and individuals, and institutions and agencies concerned with the policies and procedures and operation, maintenance and construction of the Water and Wastewater Utility so that all similar activities in the City may be coordinated to secure the greatest public welfare.
2. During the calendar year ending December 31, 2013, the Water and Wastewater Commission successfully completed the following activities and achievements:
- a. Reviewed and recommended annual Operations and Maintenance Budget, Capital Budget, Capital Spending Plan, Financial Forecast, water and wastewater service rates, fees and charges.
 - b. Convened the Budget Committee to review various matters of the AWU proposed budget including an overview of the Capital Improvement Plan (CIP), fund summary line item review, existing and projected debt service, rate affordability, reclaimed water rates, staffing plan, electric costs, proposed impact fees, drought rates, proposed 2014 water and wastewater rates, and financial forecasts and proposed budgets. The Budget Committee submitted and presented a report to the Commission summarizing the work and providing recommendations.
 - c. Reviewed and/or provided input on:
 - i. Water Treatment Plant 4 (Quarterly Update and Monthly Reports)
 - ii. AWU Financial Status (Monthly Reports)
 - iii. LCRA Water Management Plan Emergency Order
 - iv. State Legislative Update (Monthly Updates during Legislative Session)
 - v. Water Conservation: FY2012 and FY2013 Plan
 - vi. Hornsby Bend Compost Matters
 - vii. Small & Minority Business Resource Process
 - viii. Purchasing Process
 - ix. Contract Management Procurement Process
 - x. City of Austin & LCRA Water Partnership
 - xi. 2014 Budget & Stakeholder Input Plan
 - xii. Elimination of Impact Fee Discounting Program and Recommendation of Resulting Fee Amounts
 - xiii. Cascade MUD
 - xiv. CIP Budget Drinking Water Protection Zone Growth Projects
 - xv. Wildland Fires

- xvi. An ordinance amending Chapter 15-5, Private Sewage Facilities (On-site sewage facilities)
- xvii. An ordinance amending Chapter 15-9, Utility Service Regulations (Utility service, billing & adjustments, and administrative reviews & hearings)
- xviii. An ordinance amending Chapter 15-11, Private Lateral Sewer Lines
- xix. An ordinance amending Chapter 25-9, Water and Wastewater (Service extension policies and cost participation)
- xx. Drought Briefings (Monthly Updates starting with October Meeting)
- xxi. FY 2014 AWU Proposed Budget
- xxii. Austin-Travis County Community Wildfire Protection Plan
- xxiii. 2006 Bond Proposition 1 projects (Quarterly status updates)

d. The Commission reviewed and provided its recommendations on 172 items considered by the City Council regarding Austin Water Utility's operations and business activities within the scope of its missions and annual goals and objectives.

e. Water and Wastewater Commissioner William Moriarty participated in and provided monthly updates to the Commission on the activities of the Lake Austin Task Force as well as, participated in on the BCCP Citizens Advisory Committee.

3. All activities and achievements of the Water and Wastewater Commission during 2013 were in compliance with the mission statement of the Commission as outlined in the Ordinance.

4. The Water and Wastewater Commission as an advisory (non-sovereign) body to the City Council establishes the following goals and objectives for the year:

- a. Continue to review programs and make recommendations regarding items brought to the Commission in an effort to accomplish the goals set forth in Paragraph (C) of the mission statement.
- b. Continue to carry out various activities during the year to achieve the goals and objectives set forth in the mission statement. Those activities may include reviewing, reporting, or making recommendations to Council or other Boards on matters outlined in Paragraph (E) in the areas described in Paragraph (D) of the mission statement.
- c. Specific goals and objectives for the calendar year 2014 include:
 - i. Continue to evaluate the affordability of the services provided by the Austin Water Utility.
 - ii. Continue to monitor the financial status of the utility on a monthly basis (through monthly briefing and status reports)

- iii. Continue to monitor the construction progress of Water Treatment Plant 4 and related facilities (through monthly and quarterly briefings and progress reports)
- iv. Continue to monitor the drought and its effects on the Utility including water supply, water usage, etc. (through monthly briefing)
- v. Rate Changes: Due to the current financial situation of the Utility and projected water and wastewater sales being lower than anticipated, the Commission will investigate the necessity for and potential structure of temporary drought rates or permanent rate changes. A thorough review of the costs and revenue requirements of the Utility should be considered.
- vi. Reclaimed Water System: Evaluate the expansion of the reclaimed water system, including any potential impacts on water and wastewater rates and water supplies. The reclaimed utility fund and rate structure should be vetted through the public and other boards and commissions.
- vii. Commission will review the overall capital improvement plan and how the plan meshes with the goals of the Imagine Austin Comprehensive Plan, including areas within the CCN, Service Area and annexation areas.
- viii. Preparation for transition to Commission changes resulting from conversion of City to 10-1 City Council governance structure, with particular attention to the adequacy of information provided to the Commission, and adequacy of Commission review and recommendations regarding matters enumerated in Paragraph (E) above.