

**AGENDA**



**Recommendation for Council Action**

**AUSTIN CITY COUNCIL**

**Regular Meeting: March 1, 2018**

Item Number: **003**

**Austin Water**

Authorize negotiation and execution of a 12-month interlocal agreement with The University of Texas at Austin for water technology innovation under the Austin Technology Incubator's 'Texas Smart Water Innovation Cluster' (or 'Water RIOT') grant, in an amount not to exceed \$50,000, with two 12-month extension options, for a total amount not to exceed \$150,000.

<b>Fiscal Note</b>	Funding in the amount of \$50,000 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Water. Funding for the remaining two years is contingent upon available funding in future budgets.
<b>For More Information</b>	Shannon Halley, 512-972-0026; Daryl Slusher, 512-972-0218; Denise Avery, 512-972-0104
<b>Council Committee, Boards and Commission Action</b>	February 14, 2018- Recommended by the Water and Wastewater Commission on a 9-0 vote with Commissioner’s Kellough and Turrieta absent.

**Additional Backup Information:**

Austin Technology Incubator (ATI) is an institute at the University of Texas under the umbrella of the IC2 Institute and the Vice President of Research. In June 2016, ATI sought to add a water innovation component to their portfolio of work and applied for a “Texas Smart Water Innovation Cluster” grant from the Federal Economic Development Administration. Through this initiative, now titled the “Water RIOT” (Water Resiliency through Internet of Things), ATI requested the City’s support through matching funds (\$50k over three years for a total of

\$150,000) should ATI receive the grant. In June of 2016, the City of Austin submitted a letter to ATI memorializing its commitment to providing matching support in the amount of \$150,000.

As this grant is focused on water resources and planning, Austin Water was identified as the lead department due to the nexus to water research/innovation and the related benefits to the Utility (conservation, smart water system technologies, innovative treatment, etc.). Austin Water continues to see its customer base and infrastructure needs grow. In 2016 the utility reached one million customers in service, while simultaneously gaining accolades from the Sierra Club and the Texas Living Waters Project as the leading water utility in Texas for comprehensive conservation programs. As growth and demand continues, the management of water infrastructure challenges and smart planning of the City's water resources is key to Austin's continuing success. In addition, the development of an integrated water resource plan is underway for Austin including: population based water analysis; demand and supply side strategy planning; geospatial data analysis; disaggregated demand modeling; and projection of climate change impacts. Collaboration with ATI's Water RIOT could help fortify and supplement Austin's integrated water resource planning and development process.

ATI was awarded the grant on November 8, 2017, and it is recommended that the City (with Austin Water as the lead department) enter into an agreement with ATI to assist in efforts to solve the City's water planning and resource challenges through innovative means.