

Austin Water Oversight Committee Meeting Transcript – 03/05/2020

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[10:02:47 AM]

>>>> Pool: We'll get started as soon as that tone goes up to a high C. It's better than when it screeches.

>> Ellis: Good morning, everyone. If we are all ready, we'll get started. I am Paige Ellis, chair of the Austin water oversight committee. I am joined by councilmember pool and councilmember kitchen and I believe councilmember alter will be on her way shortly. It is Thursday, March 5, 10:03 A.M. In the boards and commission room at Austin city hall. We'll get started with general citizens communication. I see two people that are listed. I think there may be a third one that said they had signed up. So let's get started. If Gus peña is here. Gus peña? Let's move on to Craig naser126789.

[10:03:48 AM]

Good morning. Thanks for joining us. >> Good morning. I'm Craig Naser from district 7. And I have a few slides for us to look at. This concerns the dessau wastewater treatment plant which is where the little red arrow is. It's in district 7 at the corner of dessau road and Howard lane. And it was originally a tceq approved package plant, as they call it, that was outside the city jurisdiction when this area was annexed. The city acquired it and its function. Next slide. Here is a picture of the plant. It's in kind of an old-style plant. This plant had a tceq permit to I think it was dump a million gallons of treated water a day into a little creek. Next slide. This is the area next to the plant. You can see it gets a lot of

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flooding and this is a trimming job that only Austin energy can do. There you can see the power lines and you can see the erosion of the water. Next slide, please. At the base of the power lines, this is the area a lot of water goes. Next slide. Here's a bigger picture. You can see that goes down east Howard lane and you see the green area that's to the south of east Howard lane. It runs down out the bottom of the picture. That's where the wastewater flow goes. And the package plant dumps the treated water into the green area just on the other side of east Howard lane from the plant. I've been out there. Next slide. This is the water, the water is quite dark. There's a lot of vegetation growing, there's a very strong smell of chlorine. When you look online, old reports say this plant is consistently above its

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permitted limit of bacteria, this charging of the creek. Next slide. There's a very small smell of chlorine and here is a Georgia kaine, cast iron plant that has yellow where I smelled a lot of chlorine. Next slide. Here the creek stays very dark, it flows down. Next slide. That is sort of ironic. Next slide. You can see it's very green. There was very little bird life or insect life at this point. This is a couple hundred yards down the creek. Next slide. It goes further down, next slide. It's a nice creek. It's a very beautiful creek, actually. Next slide. Now here you can see where it runs down. In the lower left-hand corner you see that is Samsung. And across from there you see this empty area that's a new development called pioneer crossing. They came to the Austin

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environmental commission. They want to trade some amenities for some more intense development. And the -- what they want to trade is down the creek. [Buzzer sounding] They want to put a city park. This plant dumps into the creek where they want a city park. No one at the commission knew this plant existed, the developer did not know. >> Ellis: Thank you. >> We requested the water quality come to the environmental commission to give us a report and I just heard from Chris Herrington last night that they are not going to do that. I think they should. >> Ellis: Thank you. >> That's what I'm asking. >> Ellis: I really appreciate your commentary. >> Pool: Thanks for being here today, Craig. I really appreciate it. You are the environmental chair for statewide Sierra club; is that right? >> The conservation share for the lone star Sierra club. >> Pool: We are going to be getting a report, this map is in one of the reports from Austin water today so

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we may be able to take up some additional questions that you have and maybe some of the questions that you have will be answered by Mr. Meszaros here this morning. >> Okay. >> Pool: I did ask to get this map so we could see the placement of the dessau water treatment plant and to understand what's

really going on there. >> Yes. >> Pool: And Mr. Meszaros, this is key to our conversation as far as the water utility oversight committee to make sure that we are not inadvertently polluting or continuing to pollute neighborhoods in a northeastern and northern parts of our city in these watersheds as a result of some water treatment actions that are not up to our standards. And so when you do make your report, I want to understand the history of the Dessau Harris ridge water treatment plant and -- because my understanding is this was not an original city-owned

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treatment plant. >> No, no. >> Pool: But we did acquire it. It's on our map now. And so I would like to understand what have we or have we not done in order to assure the good people in this part of the city and in the northern part of this watershed are not being negatively affected by the clear polluting conditions that are happening. >> Okay. Thank you. >> Pool: And thank you so much, Craig, for raising this concern with me and for being here today. And I hope we have additional information coming forth from staff that will address some of the concerns that you have brought to us. >> Okay, thank you. >> Pool: You bet. >> Ellis: I really appreciate you being here. Is Gus Peña here? I know we called him earlier. If he's not, that would be the end of general citizens communication. We do have one person signed up to speak on item number 3, the advanced metering infrastructure. So we will call grant up at that point in time. Moving on to the next item, discussion and possible

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action, we had coordinated with everyone's offices about the final two dates of this fiscal year's schedule. Let me get my copy. So we are here Thursday, March 5, 10:00 A.M. To 12:00 P.M. We have an approved date Wednesday, May 13 from 1:00 to 3:00 P.M. And then the new dates for consideration would be Thursday, August 20, 10 A.M. To 12:00 P.M. So as not to interfere with the energy oversight committee that we all serve on. And then the second date for approval would be Wednesday, October 28 from 2:00 to 4:00 P.M. That is another switch that we had from the first schedule that we had submitted. So if these dates are okay, I would ask for a motion to approve these dates. >> Pool: I have a question. >> Ellis: Made by councilmember alter. Do we have a second? >> Pool: I have a question. >> Ellis: Seconded by councilmember kitchen. >> Pool: I think the August 20th date for utility over, Austin energy

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utility overnight was canceled. So if we can have that meeting in the afternoon from 1:00 to 3:00, I would like to just double-check on that to see if we can do that. >> Ellis: For the 19th? >> Pool: For August 20th >> Ellis: Austin energy was going to be on the 19th and we moved one day back. >> Pool:

There isn't anything in the afternoon, right? >> Kitchen: There's a mobility committee meeting on the 20th. >> Pool: That's in the afternoon? >> Kitchen: Yes, from 1:00 to 3:00. >> Pool: Excellent. Good to know. Thanks. >> Ellis: So we have a motion on the table to approve this schedule. All in favor say aye. With that we have adopted our schedule for this year. Okay, so moving on to item number 3, we do have a speaker. Grant fisher. If you would like to speak, we would love to hear your comments. I know councilmember tovo had raised some issues that you had brought to her

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attention. She couldn't be with us to attend so we appreciate you being here to speak on this item. Go ahead and push the button on front. >> Hi, grant fisher. I'm councilmember tovo's appointee to the water and wastewater commission. In the past I've also worked at a non-profit research and development firm that researched water Ami systems throughout Texas. The reason I'm here today is because the selected vendor that's put forth in the resolution -- or put forth in the resolution 30 used a proprietary system I fear would cause a potential vendor lock for the city so I have some concerns over that. Having said that, if it were up to me, I would have made this a really high scoring he evaluate. I think if we do go forward I would like to see three things in place. The first is that the city would acquire the license to

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the FCC band. I would like to see that put into the contract so the city would be the listens holder. I would also like to see that the city would have the ability to basic reprogram the systems that were in the ground to utilize other existing vendor systems. And I'd also like to see if the city could possibly work out ability to have access to the protocol or maybe the data encryption for the devices. So if the city decided to go with another vendor, they would have that opportunity. None of the other selected vendors or that proposed use a proprietary FCC licensed event so that's where I think this one vendor, we need to protect ourselves differently where this wouldn't be the case of maybe one of the other vendors had risen to the pop. And that's it. >> Ellis: Thank you very much. Councilmember pool. >> Pool: Thanks for being here. Did you have a chance to get your questions asked from the water utility staff or information from council number of times. >> Yes, I've gotten almost

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all my questions answered. Thank you. >> Pool: Are the questions you haven't gotten answers to ones you brought here today? >> These are my recommendations. If we continue with this vendor, if it was unable to renegotiate the contract to go with a different vendor, I would like to see these things put into the agreement with that vendor. >> Pool: I think it would be helpful for the questions you were asking to

be answered by Mr. Meszaros and I think he and his staff are prepared to do that. So hopefully we'll be able to hear -- I thought the questions you raised were really good and I want to be able to share them. So I guess we'll get that information when our water utility team comes to the table. >> Ellis: We appreciate your comments. Thank you. >> Thank you all. >> Ellis: Could we have a brief discussion with either director Meszaros or another staffer that's knowledgeable about this particular bid? Okay.

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>> Good morning. Greg Meszaros, Austin water director. >> Good morning, Austin water, assistant director Rick Coronado. >> We have some material to provide an overview of our recommended Ami approach and we'll do our best to address questions that were raised with regards to FCC licensing and protocols. >> You probably have some material in front of you. One being the presentation packet as well as an a MI flyer which is what we call the Ami primer. That's kind of background material. So I'm going to go through a series of slides and hopefully I can address some of the concerns that were brought up as well as kind of give you our program management of Ami overview as well as details on Ami

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for Austin water. So my presentation outlined here is -- is very detailed in some areas so feel free to ask any questions if you need to stop me along the way. I definitely have some material as well, some more detailed material for any of these slides as well, so if you need to have some clarification. We'll go over background of Ami and that includes where you might find resources for additional information not only for Austin water but just how the system will be kind of designed over the different phases. We'll also kind of identify the Ami program alignment, how that fits in with a strategic plan and water forward as well as other initiatives. We'll go over some of the project drivers and benefits for Ami. In addition to that, most folks want to know, okay,

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what is the road map for Ami and so we'll go into the road map for Ami and where we are so far in that road map. Some of the project challenges and opportunities that we've kind of uncovered through this process kind of highlight the components of the rca, and then summarize with some key points and possibly next steps that you may see in the next oversight committee. So the flier that has the primer is landed at the Ami website for Austin water. It's [Austin, texas.gov/ami](http://Austin.texas.gov/ami). This is a detailed overview you can use for your -- not only for your offices but for communications with your newsletters. This is where we'll update information frequently whether it's Ami related or

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maybe in frequently asked questions. So there's a multitude of documents there that will update frequently -- we'll update frequently. For example, what's also on the website is we did roll out a pilot at the river place area that also addressed some frequently asked questions, so, for example, we just received some frequently asked questions of, you know, will I have an increase with Ami rollout, and so we've bulleted out some points that there will be no fees that would be charged with installation of the new meter. We don't anticipate any rates increase or even proposed for 2021. So those are some of the things that may change over time is what happens when you get a new meter installed, and we'll incorporate those on the website to include more details on frequently asked questions. So I talked about the

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alignment of Ami, the advanced metering infrastructure with not only our strategic plan but also water forward. This is a large component under water forward. As well as our effective utility management. We want to enhance the customer satisfaction experience. We want to improve our infrastructure stability, our stakeholder understanding, as well as improve our leadership co-employee and leadership development -- our employee. This targets quite a bit of our utility management strategies. So what are the program drivers? Program drivers for this program to not only align with those strategic goals, but also -- but also to provide three pillars of enhancement for the utility. You want it to be stronger -- stronger, service centric and smarter in utility operations.

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These are three pillars that we will enhance by going with water Ami. So as you notice, over the -- the length of this project, which has been ongoing for some time, I'll kind of give you a little history with a road map, but not only are we going to improve our infrastructure, we're going to improve our customer service, allow customers to have more access to information, and then drive smarter decisions with all the data that will be collected in the Ami program. In more details, the stronger part is that we want to ensure that the meters that are in the ground definitely meet -- read accurately. We definitely want to enhance our asset management capabilities. We provide a lot of enhancements or renewal of pipelines and facilities. This is just another one of those components that we have to invest in improving our metering infrastructure.

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And to be a little more resilient, obviously we've had -- quite a bit of -- we have about 230,000-plus meters in the ground. A lot of them have been in the ground for in excess of 15 to 20 years. And so this is a major investment in our infrastructure. Be a little more customer centric. This is a conservation program as well. So we want to not only provide customers with insights on their water metering -- water data and manage their water use, but also to provide more conservation tools that are readily available to the customer in a sense of maybe a customer portal. Also to be a little more transparent in what information is collected at the homeowner's water usage. Talk a little about the third pillar there is about

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being smarter. We're going to centralize a lot of this information that's collected throughout the city, not only for continuous improvement, but even position ourselves for future data analysis that can reduce our truck rolls, to respond sooner to issues before the customer does. So there's a lot of efficiencies to be gained with enhancing our metering infrastructure. Today the one day -- or the one read per month is really for the purpose of billing. We want to enhance that to have hourly reads to identify when we have leaks in the areas, to promote better conservation. So there's a lot of benefits that we can gain from this Ami program. So the road map. We've been at this for some

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time, even before the 2018 time frame, we had a lot of pre-planning technology and investigation, some trials. I've been working at -- with the utility on this for about seven years, so when we -- when we gained additional knowledge that we needed to go out and acquire some consultants external from the city, continue to partner with Austin energy, we started the program of program management for Ami. The first phase was launched in 2018. We completed that phase. The second phase, which was after we collected our business needs, we did an assessment report that also includes what the market is available -- what is available in the market for such a size as Austin. And we are -- we're in the final completion stages of

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the purchasing phase, which is phase 3. I'll go a little more detail. The future phases are phases 4 through 6, which will lead us to a larger pilot demonstration of about 5,000 meters. Eventually those requirements will feed into a full citywide deployment of Ami. And final closeout is to validate all our kpis or our key performance measures have been met and kind of close out the program. So what have

we done so far? So phases 1 and 2 were a series of not only interviews with Austin water, but also Austin energy. They have been using Ami for quite some time and they have shared a lot of lessons learned. Now, granted there's a difference between electric and water Ami, so we also

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had to look further than just the electric industry and look and reach out to other buddy cities that have gone through this initiative in the past. So we managed to do 27 workshops both, you know, all the processes that we do today. What it would look like for the future with Ami. We also had a lot of communication workshops, which includes how do we communicate to the customer, how do we reach out to stakeholders, and what do -- what does the community understand about advance metering infrastructure. Some of the deliverables on phase 1 were basically what I've mentioned is summarized in all the business needs to go to an Ami network. In addition to progress meetings, we've been meeting a steering committee governance since the

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beginning of this program. And this is kind of a weekly check-in as well as routine monthly meetings as well as executive updates and even water and wastewater updates. We've had extensive research on the market not only interviewed vendors, but also followed up with the technology. Every technology from the meter itself that's in the ground to the software system that allows customers to access their information. In phase 2, that was a little more intensive. Those are the requirements that we put together so that way we can put together a good procurement package. One of the things that was very relevant was a field condition assessment of the entire -- at least a sampling of our meter infrastructure as well as the condition of some of the

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meter pits. This materialized in not only a public outreach program which will be updated on a frequent basis. Every phase has its own public outreach program. And it gets updated prior to entering to the next phase. And finally we had a complete assessment report of what was available in the market from all the user stories of all the requirements that we asked for for the utilities and what we would expect Ami to provide us. Those were all put together in a solicitation package that the scope of work of that was in excess of around 40 to 50 pages. And so those requirements were put together extensively through multiple groups and with the assistance of the consultant, west Monroe, that provided us a very

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solid package to go out for bid. Finally, you can't go through a project of this magnitude without some level of risk that we continue to surface. I mentioned about the governance and the steering committee. That is one of the key elements in those meetings is to identify risks in every avenue or aspect or phase. I have four of the top ones that are listed here. One being communication. You can't -- there's no such thing as overcommunicating this information. So one of the things that we have stood up is not only teams within Austin water or public information office is behind the communication plan. We have west Monroe part of the communication plan that also has subbed out a subconsultant for

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communication. And we expect this proposed vendor to also to have a means for outreach and receiving information. So communication is a very important aspect of this program. And we will continue to find areas to improve as we go forward. Another item here is purchasing. Purchasing here is we have a lot of -- not only do we have infrastructure that we're replacing, but we also have technology that couples this. Technology can be complicated in the sense that there are multiple aspects of Ami that are specific to certain vendors. For example, our meter vendor may be different from our Ami vendor, may be different from our portal solution vendor. And those are all -- this

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was bid as the best -- the best package per section. It wasn't bid as a sole vendor solution. And so we'll continue to have those -- and we'll kind of go into any details on the rca on that part. System integration. We have a lot of invested infrastructure and also I.T. We are not intending to change the billing system in this program. So that's kind of why you have system integration, it has to have integration with the billing system, also with our maintenance management system. We have a work order system within Austin water that we would like to also integrate in this program or project. Change management. This was highlighted as one of the lessons learned for a multitude of agencies and

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utilities across the U.S. That change management has to be in place. You have to have your change leaders, your champions to be over meters. They have to help train their staff in this change. You have to have the customer service rep that will have to change their way of doing business and more tools to work with the customer to resolve issues. The change management. I put all of these four here because these are the highest risks of this project that we've identified. And they are major because we have a large number of customers as well as meters in the ground. And so every touch point is going to be

considered -- every touch point of these opportunities are going to be enhanced as we go forward in those weekly oversight

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committee meetings. To give you a sense of the rca, the recommendation here is three contracts, three contracts in total of approximately \$95 million. Eclera is proposed for a five-year contract that is total of around \$80 million, and that's for the construction of the network as well as the installation of the meters and the meters themselves with every device that's in the pit. I have brought -- sometimes it's hard to visualize the different components that are in the meter box. If you've never opened up a meter box or if you've never opened on meter box you may

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not know what's in the ground. I'll pass this around, don't worry. We have several items that are new to Austin water that will be in the ground a meter pit. And so I mentioned that even though we have lessons learned from the electric utility, to be in the meter pit is one of the hardest places to transmit information. So the technology has to be solid starting from the meter itself. Today the meter that we have in the ground is a positive displacement meter. And it's manually read with a dial that we can visually look at what the flow of the water is. In the future, in order to go to Ami, we have to -- and we're proposing that we stick with essentially a work horse-type technology which will be in the ground and replaced. So the meters have been in

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place. This is a larger size. This suspect typical of a residential, this is actually an irrigation meter, so residential would be a little smaller than this. We're proposing to go back with a pd meter, which has been a very solid technology and that is the bulk of this project is to replace our 20 -- 15 to 20-plus-year meters that have been in the ground that over time they lose their accuracy as well as they tend to fail at a very -- not only through how much water has gone through, but how long they've been in the ground. Other components that we'll see and that's part of the meter installation under aclara, as well as other components you will see is you will talk about what's the radio that's also attached to this. So this manual dial will change to more of a digital dial. And it will be able to

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connect to a radio that's inside the box. The meter box. So this is what we call the meter transmission unit, and this is typical of what we'll see in the ground in any device that's Ami ready. So this radio will transmit back to a tower or a dcu, which is data collection unit. So there's a lot of of new devices that we'll have to manage and because aside from electric is powered, but water is battery operated. So we're managing batteries moving forward. This was a lot of components that now will have batteries and it's a difference between water and electric you are managing batteries in a lot of devices and technology you will have in the ground. This is just an antenna so it couples with the mtu to transmit out the signal.

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I'll pass this around and if you have any questions, let me know. So I talk about the components in the rca is the -- not only the meter but we're also proposing that a clara also do the installation. So part of this solicitation is the installation. Which is a significant amount of not only local participation but minority participation. There's a data platform or centralized data warehousing where the information will be collected and analyzed so there's a data platform. Also talked about the integration part. So the integration with the billing, the integration with our maintenance management system, that is all included in this five-year contract. The next contract is also an a clara technology of the maintenance of the network. The network -- we don't have

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staff that are versed in this technology so we anticipate that we're going to grow over time to understand Ami better. And so this is a maintenance contract over the ten-year -- it's a seven-year contract with three years extension of 13 or 14 million dollars. And also water smart. Water smart is also a five-year contract that would be the customer portal in the access for the customers to not only look at their information but also to have alerts and more features than they have today. So those -- those details will come out more as we get -- progress into this program. Also I did want to point out the rca backup. I did mention this is that through this procurement process, we -- we did receive a lot of -- we had

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some goals for minority and participation for both the Ami system as well as the meter installation. And purchasing is here to answer any of those questions if necessary. And their compliance plan well exceeded those goals not only in the Ami system but also in the meter installation. For example, the goals for the Ami system were mbe 3.58 and WBE 1.31. Whereas the compliance plan would be 18.84 and 32.41 respectively. So -- and the meter installation goals, we had a combined goal of 1.76 with the

compliance plan being 21.1 in woman minority business. >> Ellis: I may take a short pause and see if there's other questions so

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far. We have a couple of other agenda items we will want to hit today and I appreciate the extra slides in here about financing. But I wanted to check on this rca overview. You said that the technology lasts about 20 years and so there would be a high likelihood of the potential of switching a contractor after five or ten years as it goes back out to bid. And I know Mr. Fisher had concerns about, you know, encrypted data and information like that. So the city does own the information that would be provided through this, right? So there would be no concern of that proprietary information not being in the city's hands after five or ten years? >> Correct. We would own the data, if that's what you are referring to, yes. I think to Mr. Fisher's point was one of the items that he recommended was that the license be also -- the radio license be with the city, and that is already expected to be in the contract, that the city will

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have the -- essentially the license band and it will be in our name. But any data that's collected from this into a centralized data base would be the city -- city's. >> Ellis: And would it be encrypted data? >> Correct. There's an encryption between the meter and ecu up until the head end. After that it has to be converted for usable information. But there is security. We had -- and we have our cio here that could also probably provide more detail on the security end of this information. >> Ellis: And we would hold the encryption key to make sure it's usable information for us? >> I don't -- >> Ellis: Is that a technology question? I just want to make sure that personal information is being protected. I think this is a really

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innovative process that we're going through here and I think if it helps us being conservation minded and understand our water usage over time, I think that's extremely helpful. I know people care about water conservation and the information that's being transmitted as well. Councilmember kitchen, did you have some questions? >> Kitchen: Yes, just a few. I wasn't sure I heard the answer to the chair's question. Would we own the encryption key? >> That I'm not aware of what key we're referring to. >> Kitchen: Well, if -- or if that's not the right technical term, the ability to decode any encrypted data that we have access to. >> Yes, once the data comes to us it would be unencrypted and used for billing. For data going back to the customer, for our own internal analysis of how the system is operating and any

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of that date would be ours to use and understand. >> Kitchen: Well, my question relates to when the contract provisions, and you don't have to answer this now. You could share that with us. I'm curious about what the contract says about our access to the data. A, when the contract expires or when we no longer are engaged in the contract, and B, at any time during the contract. In other words, I want to understand from a contractual standpoint what our rights are to the data. And again, I don't want to use up time if the chair needs to move on, I can ask these questions off line. But I think that we need to understand sometimes what happens with technology contracts is we have access while we're using it, but then when we move on, sometimes there's difficulties actually getting access to the data or keeping the data. I just want to make sure we're protected against that. Again, chair, I don't know how much time you want to take. >> Ellis: Looks like they

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have a quick answer. >> Go ahead. >> Good morning, Chris Stewart, cio, Austin water. To answer your question, there's two data sets. There's the customer portal that the customers view, and then the data platform that Rick Coronado had mentioned. In between the meter and the data platform, it is encrypted. It's very high level encryption. When it lands there, the data center is called fed ramp medium. Those are federal guidelines. Medium is obviously a medium. The very high level would be our cloud, our gov cloud, so that's kind of what we use for siegees and nerk. Medium meets all the standards that we require for all those federal guidelines and make sure we're compliant there. That's the security side of it. The privacy side also we want to make sure. Those are two different things.

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For the privacy side, we're making sure the customer data, we hold most of that locally. And when it is out -- a customer portal, it also is encrypted, also has access. So the access to data we have. The ownership of data, we ensure the city of Austin always owns data. We can get all data back at any time we want. And at no cost. That's also a big part of when you put things out in cloud services, they tend to want to charge when you bring things back down. We wanted to make sure we're not paying a heavy cost when that happens. We can always pull any of our data at any time at ease. We want to make sure there's tools to allow us to grab all this data so we own it. If we do cancel a contract, that they get rid of our data in a certain amount of time. We don't want them holding our data or using it for anything other than what we expressly say they can. >> Kitchen: And all that's

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expressly stated in the contract, I assume. >> Yes, ma'am. >> Ellis: Councilmember alter, then councilmember pool can close us out. >> Alter: Thank you. I wanted to get clarification with the pilot. When we discussed this at council, a question was raised whether we were using the same vendor for the pilot and now we have a phase 4 pilot. I remember approving a pilot before. So can you help me understand what we have piloted and then what's in the phase 4 pilot and any variations between the vendors we may be using. >> So the initial pilot is a small subset of meters. It's a different vendor. We did that in the river place area. It was about less than 300 meters or so there. And that was cellular network. It was easy to stand up, something you can procure without having a lot of infrastructure. That is -- that was never the intent to roll that out

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throughout the city. It was more get the -- get the meter techs familiar with what they may expect to see in the future. Also to identify what data we could collect from that kind of proof of concept level. But we never went to bill. So it was just to write information to the customer from the meter to the customer. This larger pilot of around 5,000 that we anticipate with the proposed vendor would be to go from the meter all the way to the bill. So that's the pilot we're talking about is to prepare us to identify all the lessons learned before you even go for full deployment citywide. So that's the next phase. >> Alter: And what kind of protections are there for us as we learn things in the pilot, which presumably you are doing a pilot to learn

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thing. What kind before we go to full deployment? >> We're testing these devices out and we could trouble shoot as we go. Some of the lessons learned are going to be how do you roll out in neighborhoods that are -- that have topography issues or have infrastructure that's been in the ground for a very long time is okay, how much longer will it take to replace a meter versus we have seen this to work and I have a slide here is that there are multiple cities. New York City has this technology. There's about 850,000 meters there. San Francisco has this technology. They have about 180,000 meters in the ground. Washington, D.C. Or D.C. Water has been 130,000. Missouri water just finished their -- around 300,000. So this is already out

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there. It's not to test whether or not this technology works, it's how do we refine our roll-out plan. So that's -- and the integration. So a keep part is the integrations with our work order as well as our billing system. That's what we're testing out in this pilot. >> I would just add, the ultimate protection is after the large scale pilot, good the combination of vendors can't accomplish the goals, we would just stop

the project. We would have that opportunity. We don't expect that to be an outcome, but we want to just validate all of this before we go from 5,000 to 250,000. And that's what this first phase would do is that it all comes together, integrates, and we have confidence. We expect that to be the outcome, but if for some reason it were not we would stop the pilot. >> Alter: I'm very excited about us moving forward with

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the system. I think it provides many benefits on the goals we have as a city. >> Ellis: Councilmember pool. >> Pool: The city will have control of the FCC license. >> That is correct. >> Pool: The city of Austin will be on the application as the owner. >> That's correct. >> Pool: And that goes to one of the questions Mr. Fisher had. The city should have access to the vendor protocols so will we have access to the vendor protocols? >> In the large scale like this, that is something that's very difficult to do. If even possible. Whether or not there's a market for that, that's probably -- that last bullet or the returning and the protocols, those are a little more difficult to have. Now, granted that just like we mentioned is that these devices are battery management. This is something new and so anything we put in the ground, we will have to

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reinvest in some future state. And today's market is that we are trying to get a system in place to read our meters. I mentioned that in the future we may want to enhance our abilities to be smarter in how we manage pressures, leak detection citywide and so forth. It's hard to predict what will happen in the future, but those property coils are probably more proprietary that you cannot release to another vendor. That's the answer that I can provide. >> Pool: Okay. The proprietary nature of this is what is my chief concern because we need to be able to have -- the city as the owner of this system and piloting in it should have the -- my phone thinks I'm asking it a question. So Mr. Meszaros, perhaps we can have some additional conversations off line about

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the proprietary nature of this effort so I can have a better understanding. We need to be able to bend and shift according to how conditions on the ground change, and I want to make sure that whatever contract we are entering into, especially one of this size, has sufficient protections in it so that we don't find ourselves holding on to something that we can no longer use but we still have significant monies invested in it. >> So yes, we are open and have been discussing details with various council offices and their staff. We're very confident in this solution, and I think it's important to separate some of the pieces. As we talked about the data, about what's coming out of the meters and as it gets to our

systems, that's our data. What we're talking about here is the communication protocols. How the data is moved from the meter to our systems. That is a more proprietary solution with the aclara

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product. In talking to our consultant, and we can bring them up, we don't believe that there is a vendor out there that meets all the non-proprietary goals that commissioner fisher has articulated. And you are balancing a portfolio of risk here. This is a system you are looking at communication protocols, a system that has a high probability of working successfully, that is secure, that integrates with our systems. As Rick indicated, we spent three years developing and writing the spec to manage all those goals. We think we have a really elegant solution that meets all those goals, that fits our budget and exceeds mbe/wbe solutions. But there are always some exchanges with those kind of procurements, and in this particular case we will own the FCC license, but the protocols with the meter, the aclara technology is not something that we're going to own. We felt really comfortable with that solution, it's a

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small part of the overall costs of this project. The bulk of this project is this right here. There's going to be 250,000 of these exchanged. I think that's 70 million. >> That's about half, about 40 to \$50 million. >> That has nothing to do with protocols or communications. That's just exchanging the meters. When we get down to communication protocol, while we appreciate commissioner fisher's perspectives and agree with some of them, we feel that risk in our recommended vendor is well managed in an environment where everything isn't totally open. >> Pool: So you feel like we are not going to find a day where the communications have a disconnect and we are not able to reestablish that connect. >> You mean where the system wouldn't work? >> Pool: Or we have -- or aclara -- something happens to aclara. >> Well, one of the review points is we have to -- in

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screening the vendors is to make sure that we have financially sound companies that are providing the system. So that's part of the screening process. Anything can happen to any company. They could get bought out and they can change technologies. But this -- this -- now, I mentioned this is not an aclara project. So aclara can communicate with this vendor. So there's that disconnect to say, okay, we're not finding a solution that's all in one. So when we test it out and pilot at river place, there was some -- some proprietary where you had to change the entire system and that's not what this setup is. We have bracketed out where vendors have to work with each other to put together a system. >> Pool: My understanding there's more than one vendor handling the communications which goes to answering my concern which was the

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proprietary nature of the communications and technology. Is that correct? We have more than one vendor. We're not only relying on one. >> That's right, the meter provide is badger, a very strong provider that's been in the business for 100 years. Water smart is the portal for customers. That's separate from a clara. A very long established company. A clara itself is a very established company. I think as assistant director Coronado pointed out, they have New York, San Francisco, others. That brings a lot of comfort. We are going to own the FCC license. I mean one day, you know, you have to go out and change the batteries so you are going to be revisiting these meters in a 10 or 15-year period no matter on who you pick. And there's opportunities to modernize technologies. So yes, we feel very comfortable with this. >> Pool: And we can refine and reprogram the hardware. >> The -- >> Pool: Will the city of Austin be able to refine and

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repair the hardware? -- Reprogram. >> I would probably have Rick answer that. >> Are we talking about the computer hardware? The meters, we could -- tomorrow say I want a different meter and probably connect with this -- with this system with a different meter. >> Pool: Okay. >> We can refine and adjust that we may have a different meter data management system or a different portal. So we have some flexibility as opposed to its all under one vendor. >> Ellis: Okay. So I'll -- >> Pool: I'll go through a couple more questions and then we can go to the next item. Do you have a map for the pilot, the 5,000 homes selected for the pilot? >> So can you bring up the slide? One of the bullets that I have is that we will definitely come back to the oversight committee to provide details of where those locations will be. We have not defined those. One of the things that we pointed out is that we want to challenge the system and

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make sure that we will look at large pilot area updates in more detail what the features will be as well as update our communication plan and our staffing plan. And also our website to reflect a pilot roll-out. So all that information that we totally expect to bring back, I put together a sample. There may be multiple areas within the city that represent about 5,000 meters. So one of the first things we'll have to do is stand up a tower or use an existing pole at one of our properties to put a DC or data collection unit with meters in that area to start the pilot. So two areas that we're looking at are areas that have challenges with topography, as well as older neighborhoods that have potential for delays in exchange rates because maybe

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they have not been touched in a long time. So there's definitely some candidates that we have in mind, but we will let you know where those locations are. >> Is that installed in the ground where the entry to the water system is, where the meter is now? >> I'm sorry, councilmember? >> Pool: Where this be installed and where will be the antenna be installed? Like physically on a property? Is it where we have the water meter now? >> It will be in the meter box which is below ground. Now, there will be some meter boxes that may be blocked by some obstruction from the signal that may have to be relocated. That is a case-by-case basis. We'll have to work through. So meter boxes are 50 years old. They're all banged up and broken. That's the tough part of this is you've got to physically go to every location and get in that meter box and change it out.

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>> Pool: That's great. I'm interested in the transmission. Where will the antennas be located? >> The only thing you may see in your meter box is the top of this. That's it. >> Pool: So it will transmit through the metal lid on the meter box? >> If you can see the diagram on my left, if you look at the meter pit itself you may have this an 19 on top. >> Pool: It's on top of it. >> We don't envision any more metal lids. If we have metal lids we need a non-metallic lid. So there will be no metallic lids after this project is completed. There will be some data collection points where you gather data from a neighborhood or a portion of your system. Those are more antennas, software size antennas. But we'll have locations of those. Those will be on our

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properties, like our pump stations, lift stations, tanks, as much as that they will be shifting with a change to technology. Will there be changes to our employment lineup? >> Our employee base will grow with the project. We have a staffing plan to support the project and the data. Right now there's one data point to bill. In the future it could be one data point every 10 minutes. We have to have that data architect. Now, the meter reading, right now we physically read every meter every month. That is a contracted services that ae manages for Austin water. We would ultimately phase out that contract over a period of the next five

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years as we deploy the system. So there would ultimately be a significant phasing out of those contracted services, but those are not Austin. >> Pool: And they would have the potential to bid on a job

with our expanded workforce? >> Right now, councilmember, I have 110 vacancies and that happens every week and people are welcome to come to Austin water. >> Pool: That's great and I encourage them to do so. I hope you all will have one on one's with the other councilmembers who aren't here and on this committee before bringing the 95-million-dollar contract award item. >> We've been circulating and will continue to do so. >> Pool: Thanks so much. >> Ellis: I appreciate you answering all those questions. This is a really interesting project that we're taking on on. I would like to have updates maybe every six months along wait to kind of see how this is working. I'm not sure if the committee feels comfortable in submitting to council with recommendation for approval with biannual,

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whatever the correct terminology updates. Is that something that y'all be comfortable with? >> Pool: Well, I think we could get the updates here for sure and they would be available and then we can notice them to everybody and encourage them to come or watch the presentations. I do think having a regular update, I think you all were planning to do that, is that right? >> >> We have regular updates with the water to wastewater commission. We can bring that material and content at the same time. It depends on who we meet first. >> We'll definitely plan for that. We'll work with the chair and make sure we plan that in on a regular basis. >> I'd also like to know if you could continue to keep us apprised and I would like to know the other questions that may be coming from our water wastewater commissioners, if you come in after you brief the commission it would be great to know what kind of questions they're asking too. They're more technical and that's a really good service that they provide and of course I found that the questions that were being asked about this today were really helpful in kind of focusing on what kind of a

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conversation we need to have here. >> Ellis: Do I have a motion to recommend this for full council approval? >> Pool: The contracts. >> Ellis: Yes. I know there was some discussion at full council to make sure there was a formal approval process through this committee. >> Alter: I'll second. >> Ellis: Seconded by councilmember alter. All those in favor? We'll send that to council. Thank you. We have a housekeeping item real quick before we move along, the approval of minutes. Do I have a motion to approve the minutes from last meeting? Made by councilmember alter. Do I have a second? Seconded by councilmember kitchen. All those in favor? We have approved the minutes. Now, the bulk of the remaining items are under

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previousing. I did have a request to propose with item number 8 first as councilmember alter has a commitment past 11:30 so I wanted to make sure that we covered that while she was here in attendance at this meeting. >> Thank you, councilmembers. My name is Bobby levinski, I'm here with the save our springs alliance, but I'm here generally representing the great springs project. That's a group that I actually used to work for. Now I'm just helping them along as a community

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partner. The great streets project actually kind of formed out of the S.O.S. And they are now their own separate non-profit, fully functioning staff and it's exciting to see what they're doing so I'm going to briefly touch on that as I go along. Generally I wanted to update you on some information that I've kind of given you, dribs of information with over time and I really appreciate the opportunity to present some findings that we have generated based off of working with various groups within the community. So a quick background, so what we're interested in is getting the water utility back involved with source water protection. Source water protection involves protecting water at the -- at its source. So where it originally falls on to the land, utilities across the nation have found that it's been a savings to go ahead and treat it ahead of time rather than wait for it to get into the water system and have to treat it

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later through chemicals. Use source water protection can be done in several ways. It can be done through regulations like the S.O.S. Ordinance or through easements and the plan regulation. City of Austin has a great history with source water protection. Back in the mid 80s when we first adopted a charter amendment that would louse you to get involved with with conservation facilities and that would be part of source water protection too is focusing on source water protection water quantity. And in 1998 that's when we established the water quality protection lands program that was initially funded through Austin water utility bonds in 1998. It was about \$65 million approved by the voters. There was another one that I didn't put on there that had a small land purchase associated with it that year. The big chunk was that 65-million-dollar total. Generally the city of Austin

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spends about nine million dollars a year for land acquisition for source water protection. We have a goal to protect 100,000 acres of land, which is within our source water protection area, a defined area for the city. And we have as of 2018 achieved about 28% of of that goal that number will contracts with the most recent bond package, but that's the best number I have for you right now. I mentioned the great things project. The great springs project is a great regional collaborator that is focused between Austin and San Antonio. The new CEO of it is Gary merit. He's got a good sense of what require counties need

and they are working with every city and get them involved in a joint mission for a national parks scale corridor of protected lands to connect spring to spring. So from San Antonio springs,

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comal springs, San Marcos springs and up here to springs, it's an exciting vision and it's actually not that infeasible when you're looking at the map of what's been protect and what needs to be protected. So the great springs project we helped us get work with the Texas water trade who it's another non-profit, another collaborate he. This one is great because it's headed by Charlene Loreg who is the chair of the Austin water task force. She is the water czar of Texas. I think her vision for water in Texas is beyond compare. With what we helped us to do is look at the various refuse for source water protection and what they looked at each of the major cities along the corridor, so what I'm presenting you today is essentially their findings on Austin's part of of that -- of what could be possible for stint. Just generally there's -- they also looked at national

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models and it runs the gamut from impact fees to utility revenue bonds, sales tax revenue. That's something that the city of San Antonio does, they have special statutory [indiscernible] On that and we'll touch on that today. One of the key mantras we have with this and we've been working within the community is trying to figure out ways that we can leverage our dollars effectively and efficiently. We are trying to save the city money, we are not trying to spend extra money. So the clean water state revolving fund is administered by the Texas water development board. They have recently clarified that their program is open to land conservation for water quality protection. Save our springs cab lated with water Texas on a green water conference in San Antonio recently and the keynote speaker was one of the directors of the Texas

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water development board. They were highlighting the project they did with the city of San Marcos where they were able to conserve some land in the sink creek drainage bah basin and they saved about \$1.6 million for the city. The board member that was the keynote speaker said we want these projects. Get to get involved with this. We think that green infrastructure is the way to go in the future so they're looking for cities to submit proposals to do that. One of the reasons why we're here today talking about water utility revenue is based off our conversation with the city staff over the last year or so it looks like the best opportunity for that would be to use water utility revenue. The go bonds are too short-term for there to be significant savings, but we can have savings if we went to the water utility revenue route, which have longer terms. Another key finding of the report from Charlene and her

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Texas water trade, was that within existing rates there's about \$30 million of debt capacity that we could use towards purchase of acquisitions of land conservation without having to raise revenue at all. And that's just kind of a conservative estimate. And it doesn't take into account the repayment of older revenue bonds, which looks like that's happening. There's actually money within the 2016 cost of service study that includes \$5.67 million annually for land acquisition debt. That debt is being rolled off so there's capacity there with the cost of service study if we just -- if it's the next one keep a similar amount, just keep rolling that forward. It's embedded within our water rates already to an extent. The one caveat on that is they do exclude the wholesale customers on that and it's just something that is existing policy.

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So the revenue sources that Texas water trade looked at was looking at -- this is kind of based off of what they were looking at nationwide, what different models are available, from establishing a one dollar per month fee for water connection to increasing the drainage fee by about a one percent margin, dedicating \$12 per capita per year from ad valorem taxes, that would be more in keeping the G.O. Bond route, or increasing each water utility customer's water and water and wastewater bill by one percent. So this next slide just kind of gives it to the general math for that. I think what the most important line, the rail on there would be the clean water loan potential because a one dollar per month fee for connection generates about \$2.8 million annually, which could then be leveraged into a 76-million-dollar loan for land acquisitions.

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You can see the option -- the numbers for the different options. I'm not going to go through most of the options to save you time, but I'm happy to answer questions later. So our recommendation would be that the city of Austin consider looking at doing that one dollar per month charge per connection and we do believe since there's existing capacity within the budget that that number could be offset with existing capacity so you wouldn't necessarily need to be increasing it into a full dollar and this can be leveraged into what we believe off of debt coverage ratio anywhere to a 63-million-dollar loan right now without having to pay off any extra debtor anything like that. That's something that is existing capacity, those numbers can change on what debt is being leveraged, paid off, but based off a conservative estimates of the debt service ratio that would be the immediate opportunity right now.

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And important in this and implicit in this discussion is that we need a reaffirmation of reestablishing the source water protection as a priority for the Austin water utility. That's something that is within our legislative authority. It is through the water forward plan, the Edward's aquifer is still an important resource for us. It is available to us at some point, whether we're tapping in to the highland Lakes system below where it's recharged or just trying to find ways to do some things like aquifer storage or just direct take from the aquifer. And then another thing that we would really like to focus on a little bit more would be to collaborate with other cities to our south. There is interest to our south to be engaged in these concepts. They have smaller capacities so they're not able to make the larger investments, but there are strategic properties where the city of Austin does have a vested

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interest to either extent existing water quality lands or to protect other basins where that water is affecting us maybe a little bit more downstream than what we're currently protecting. And then another thing that I'm going to go back to that slide a little bit, on number -- option 3 that's the drainage fees, we do think that the drainage fee is something that could be looked at. That's not necessarily an Austin water conversation, but there's statutory authority to control pollution through the drainage fees. It needs to be a little bit more targeted and it's a little bit more complicated with the formulas you have to do so what Texas water trade was looking at is maybe doing a watershed specific analysis to see if it makes sense to pursue some sort of drainage fee or drainage opportunity within a watershed that truly needs it. The benefit of that is that

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that there's money available through the Texas water development board to address infrastructure problems for certain communities, especially if it's a lower income community that needs help with drainage issues or it would be something that you get a-million-dollar credit for just being a green project as well. So there's money available if we pursue it, and we absolutely thank you for allowing us to present this information. We'd love to follow up with your offices and continue this conversation. This is something that we think could be done either in this budget or roll into the next cost of service study. Thank you. >> Ellis: Thank you for that presentation P councilmember alter. >> Alter: >> Alter: Thank you. Mr. Levinski, thank you for your work on this and the greater springs project. I think it's really important that we surface this idea and I know you've been coming and kind of mentioning it at our meetings. I really appreciate, but I ask for this to be on the agenda because I think it's a conversation I think that Austin would really welcome.

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I don't think we have time today to go into great depth, but I would ask Mr. Meszaros if you might meet with Mr. Levinski and the group and talk about what the opportunities are, what the challenges might be along with whichever is your new assistant director who would be responsible, I'm not sure who has taken over for Mr. Slicker. And then as -- from Mr. Slusher, and as appropriate I don't see anybody else from the city manager's office, but also connecting them up with watershed to the extent that there are some questions that go beyond water so that we can bring staff at the highest level into the conversation so that if we did choose to proceed with any of these steps we would have the clear benefit of Austin water's expertise and knowledge of what's possible and what's feasible and whatnot. Would that be possible? Thank you. >> Thank you. >> Ellis: I really

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appreciate that presentation. So councilmember alter and councilmember pool said they have to leave at 11:30 so it looks like we only have a few minutes left. We will have to adjourn since we won't have quorum after that. So I would recommend moving forward with the director's report unless there's something very specific that councilmembers and committee members feel we can get through pretty quickly. I think the director's report could be very helpful to keep us on track. Okay. Let's go ahead and proceed with the director's report. >> Greg Meszaros, Austin water. This is just few take a few minutes. During the director's report it is an ability to highlight the items of significance in between our

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oversight committee meetings. One of those I wanted to mention was the brushy creek transaction although I believe it's unlikely to come forth as soon as I thought. It wanted to give some background because it's something we've been working on and would ultimately come to council. But Austin water is a partner with three other cities, Leander, Round Rock and cedar park in a regional wastewater system known as the brushy creek system in Williamson county. We've been in that relationship for 20 years. The treatment plant is going through an expansion and we've recently taken bids and are finalizing the process for that and that will be coming forth to the council for consideration of some amendments to our agreement and financing for that facility. It's a facility that doesn't come up very often since it's kind of this regional facility to the far north of our system, but we did want you to know that that agreement is coming forth and it can be a little complicated and we might want to spend some time on that at a future meeting.

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I would mention also a few months ago the council approved us entering into additional loans with the Texas water development board. We have closed those loans out and have seen the lowest interest rate that the utility has ever gotten on a loan and just wanted to note that for the councilmembers. And I wanted to take an opportunity to note some professional recognition at our utility. We had -- last week we had three members of our leadership team providing content at a premier utility conference, the utility management conference, which is jointly held with the American water works and water environmental federation. Ana Brian warhow gave an update on the strategic planning with upm as a panel facilitator. David anders gave an update on our benchmarking and affordability. And martin tower give an update on best practices and engagement for asset management. So to have three speakers at a national conference like that I think is really an

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honor. Lastly I wanted to note, and she's here today, Heather cook, is concluding her year long presidency of the water environmental association of Texas. She's been president of that statewide organization, that is the professional organization for wastewater professionals in the state of Texas, so it's a big upon to have her serving in that role for the last year and she will be concluding her presidency by presiding over the Texas water conference in Fort Worth later this month, the largest regional conference in the united States. It's really an honor that Heather has been doing that. But I think she's happy it's over. But with that, the last item I have for you is if you have bn following our strategic planning and our website, we have a February metric report, but we also did for the first time an annual report on our strategic plan progress. It's on our website for availability for the oversight members if you want to see what we've accomplished in 2019 on our strategic initiatives. And with that we'd be happy to answer any questions on

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that content. Thank you. >> Ellis: I don't think so. Thank you. Councilmember kitchen? >> Kitchen: Is this the area where we were going to get an update on the brushy creek? I missed what you just said about it. It's listed on the agenda. >> Yes. I just wanted -- I wanted to give a head's up that that council transaction is something that's going to come forth probably in the next couple of months, an update on the brushy creek agreement and the expansion of that plant with our partner cities. I thought it was more imminent, but probably in the may time frame now than in April. But I'm happy to answer any questions you have. >> Kitchen: We had a speaker raise some questions and I just wondered if those were -- >> No, that's the dessau plant. >> Kitchen: I'm sorry. >> Okay. >> Ellis: A different plant. Do you know when in may? Because we have another meeting planned for may 13th. So if it's later in may that could be something that we

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get a little more in-depth at our next meeting. We could put it on the next agenda. >> I think that would be a good idea. I think we could time it where it would be after the oversight meeting. >> That would be helpful and that way we could get a little deeper dive into it. We will put that on the next agenda as well. And if there are no other questions, maybe I'll just ask councilmember pool, I know you had asked for item number five and I wanted to make sure you got what you needed on that item. >> Pool: Thanks Mr. Mess czar Ross for bringing this -- Meszaros and thanks for bringing this map. It was from the concerns that Mr. Nazar had brought and we do need to dig into that and make sure that there are standards for water quality that are shared all around our service area, but I wanted to also ask if you could get us a version of this that has all the of the private water treatment plants on here too. The point being that we will be acquiring as we grow some of these we have acquired from private entities and

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that may continue. So I'd like to know where the others are as well. >> We'll do our best. We don't have a current map of all the non-water owned water and wastewater systems, but we have some knowledge of those and we'll do the best to sample that part of the map too. >> Pool: That's good. I think it's important that we have that because if we are polluting areas we need to know where they are located and we can track these back and everybody good citizens. >> I could speak to the dessau plant comments. >> Pool: That would be great, thank you. >> So we do own the dessau plant. I don't know the exact time we took it over, but it was probably a former mud and with an annexation. We actively manage that plant and the effluent quality of it. I will say for 2020, for 2019 and 2018 we have not had any permit excursions there. That plant has been operating at or better than its permit limits.

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In 2017 we did have a chlorine residual that was higher than the limit and we took action to correct that. And we did have an e-coli in 2017. After a power young we did have e-coli in the he have fluent, but we took steps for it. >> Ellis: I'm sorry, the microphone is not on. I wanted to make sure that was all captured. >> To speak to two events. One was a high chlorine residual that was the result of high ammonia coming into the plant and there were adjustments made in additional sampling regimen that was instituted. That was in February of 2017. In may of 2017 we had an e-coli high permit and that was the result of a power outage from a storm. So the backup generator didn't kick in, the repairs were done to the backup

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generator and were implemented. There were two corrective actions for those two events and I think to Mr. Anywayser's point is that -- Nazar's point is this is a .5mgd plant and according to the way that tceq rates facilities, this is considered one of the high compliance plants that we have and we have also done spot checks from I believe it was back in October when this came to -- one of the articles, Austin monitor, and this was -- we did a field investigation and we didn't find any compliance issues at that time. So those are some key notes to know from that event. >> Pool: That's great to know, but how do you explain the the presentation that Mr. Nazar brought us today with yellow foliage, the smell of chlorine and the quality of the water. >> I'm welcome to get that information from him.

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We have no indication of that being a current event. So not knowing when those photo photos were taken. We did do a field investigation on October aside from the routine monitoring that we have everyday. >> Pool: Okay. What I would ask is for y'all to go out there and check it out and I'm sure Mr. Nazar would be happy to meet you on you there. I also want to say that it is not a high bar to use a standard of the Texas environmental tceq, commission on environmental quality. We know that. They don't have rigorous standards. Our residents expect the city of Austin to have standards that are higher than what tceq offers. I would please ask you to take this alert seriously and -- which I know you do. And please go out there and look at it and I believe these are fairly recent

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photographs. Mr. Nazar is still here. I'm sure he would be happy to talk to you here today. I would like a follow-up report. I think all of us would appreciate knowing the conditions on the ground there and if they continue to be what it looks like they have been in the recent month, what are we doing in order to clean it up. And please, our standards must be higher than minimums that are set by tceq. >> They are. And we routinely exceed the standards of our permits. We'll consult with watershed and have them also review this tributary. There might be other nutrient lotteddings or pollution sources on it other than our dessau plant. I would add that while it's a bigger term picture we do have plans over the long-term to decommission this plant and take it out of service as we grow our gravity collection system and we could concentrate these goals into a more regional plan. >> Pool: That's great and it would be a good time to start cleaning it up.

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Again, thank you to Dr. Nazar for bringing this information. If you would get with Mr. Meszaros and get him the dates and the data that he's looking for and then let us all know. Maybe let's put this on -- I'm trying to think of a good report back. I think while I want to get a report back to this committee, we're not meeting again until -- >> May 13th. >> Pool: Okay. So let's maybe have a memo response and then we can see where we're at as far as putting it on the agenda for may. And thank you. >> Ellis: I really appreciate that. As councilmember alter has had to step out, I wanted to ask quickly if we have any future items on the agenda we want to daylight at this point in time? Otherwise it looks like we don't have to adjourn if we aren't taking action so we may continue hearing the reports that are listed on the rest of today's agenda. If we have the staff here to complete that. All right.

[11:31:29 AM]

Thank you. >> Kitchen: I have a question. I really appreciate the monthly performance dashboard. It's really helpful. I am curious if there's a process or if it would be appropriate to include on the dashboard the progress we're making on our water forward recommendations in projects? I know there's a separate timetable and work plan for water forward, but it would be helpful -- perhaps you could just remind me on what the processes for updating us on progress on those projects and whether you think it would be appropriate to add to our performance dashboard. >> Councilmember, I have a thought there. At least one. We have been doing annual updates on our progress. We're doing our first year of water forward and are about to publish our first report on all the water

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forward accomplishments and activities. I think we could distribute that to you and that would give you a pretty good sense of where we are. And then add a few bullets to our dashboard report and give you some background through the quarterly meetings that we have here too. >> Kitchen: That would help because an annual report is -- a year is a long time. And it would just be helpful if we had a report of this more often so I would just ask you to think about what makes sense. So it sounds like there's a quarterly review happening right now and there might be some approach that you could put to the dashboard that would help keep track on that. >> We'll put some thought into that and come up with something. >> Ellis: We really appreciate that. The next item on our agenda is an update on planned infrastructure improvements and infrastructure leaks.

[11:33:44 AM]

>> Good morning, councilmembers. My name is Kevin cook, assistant director of Austin water, I'm over the water resources management area. I'm here this morning to provide a bit of an overview of our capital planning process and then talk about the -- there were some questions about water loss

management. Austin water infrastructure serves over a million people. We're very infrastructure intensive activity. Our service area is about 540 square miles. We have about 3,900 miles of water lines and about 2800 miles of wastewater lines. All of those are the backbone of our 100 year success in providing utility services to our customers. In previous conversations we've talked about our utility management framework. Specific to that our

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infrastructure strategy and performance is one of those key elements. In that area we talk about issues related to asset management, condition, risk, impacted failure. Also talked about increased focus on maintenance excellence, data, just all trying to make good decisions about how we maintain and manage our infrastructure. This is a brief slide just sort of depicting our capital planning process. This wheel is an ongoing process. We start by informing our long range planning through strategic initiatives such as the water forward plan or imagine Austin. From there on an annual basis we actually identify individual capital projects and assess those and compile those in our capital improvement program. That's brought to council on an annual basis for review and approval. From there we move along into a project delivery prospect where we actually

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take those projects and put them into construction through a variety of partners in the city, including watershed protection, our collaborations with public works and development services department. And then we regularly assess those as plans change. Conditions on our equipment, utility service needs, a variety of changes that happen throughout any given year and then we go back through the loop and do it all again. This is a bit of a snapshot, kind of giving you an historical perspective of our five-year capital planning history. You could tell that overtime capital utility needs change. This particular look goes back to as far back as our 2011 time frame. You may recall during that time frame we were in the middle of the construction of the Hendrix plant. Through the years we have continued to make focus on trying to make sure that we're spending money in a prudent and effective way and actually for the last

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several years have done some very explicit work to try to continue to manage down the amount of planned capital spending we have, always in a balance trying to look at ongoing service needs, infrastructure condition and trying to be -- have a keen eye on affordability impacts. This is just a look at the current capital plan. I forget -- forgive me for the small writing. This is just a -- kind of how our capital plan breaks out by asset class. In our 2020-24 capital plan we anticipate spending around \$973 million. That's divided amongst 12 different asset classes. The highest sort of in order of highest

expenditure, we expect to be spending about 322 million on wastewater plant improvements. That's about 33% of the total. From there we expect to

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expend 214 million or about 22% on water pipeline network improvements. Wastewater pipe network improvements are next at 154 million. That's about 16% of the total. Water treatment plant improvements comprise of about 99 million, 10%. Reservoirs and pump stations is 79 million at eight percent. And then reclaimed water systems is about 41 million or four percent of the total. The remaining seven categories comprise about seven percent of the total at about 70 million. So I know I hit that pretty quick, but in the interest of time I wanted to keep moving. But feel free to stop me if you have any specific questions. Another way to look at our capital expenditures, really by project drivers, this is one snapshot that looks at kind of our three primary drivers for capital improvements. The largest of which is renewal. That's basically continued reinvestment in capital infrastructure so that we can continue to maintain

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effective systems. 62% of that 970 million is expected to be spent in the renewal category. That's about \$600 million. The next largest category is spotty showers to meet growth needs. That's around 311 million. And the smallest category is really a system enhancements. That includes technology enhancements or upgrades to try to advance our service to our customers. Through that \$973 million that represents a little over 300 individual projects. Again, I won't bore you with the details of the individual 300 projects. I have a couple of slides to follow on to highlight a couple of those projects. Again, all of those are crucial to maintaining 24 by 36 by 365 ongoing service for our customers. I will also acknowledge that you can get a list of individual projects online and I've got a link to that

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later in the presentation so if you want to follow up on specific projects. Probably our top seven projects in the capital plan for the next five years includes our walnut creek wastewater plant expansion that. Is one of the largest, so we expect to expand the Katie from the current 75mgd to 100. The price estimate for that project is around \$202 million. The next largest expenditure would be for our south Austin regional plant for 90 million. Williamson creek interceptor project is the next higher expenditure at 40 million. That's for wastewater conveyance improvements and capacity expansions. The next project is the north Austin reservoir pump station project at \$32 million. Again, a project to address rehabilitation and renewal investment for one of our older reservoirs and pump

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stations in our water system. At 29 million weaver got the south Austin regional plant electrical substation, that's an original substation that was installed in the '80s, electrical substation there. You will Rick water treatment plant [indiscernible], and finally Ulrich water treatment plant on-site disinfection conversion. It's taking existing processes and trying to bring those to an inherently safer technology. >> Kevin mentioned the first one, walnut. The 202 is not the total cost. That project spans beyond the five-year on window and is started for service in 2028 and there will be additional dollars through that 10-year yellow from what you're seeing here. >> Moving on. Additionally -- in addition to our traditional projects I'll just highlight a few projects that are more innovative or deal with some of our more strategic

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activities, things like smart meters, we've talked about that today. And some of the recommendations in our water forward plan. Specifically a few of those highlighted projects are Ami, an 80-million-dollar capital investment as part of the plan. A good deal of that expenditure is expected in the next five years, but as Greg indicated, many of these projects take longer than the time span of our five-year plan to deliver. The next one we would highlight would be the planning and development center on-site reuse. So on that project we partnered with development services to actually put the cities in the black water reuse project into the effect. We will be treating wastewater at the site and reintroducing that effluent back into the system for toilet flushing and urinal flushing. We also have some expenditures, \$2.5 million for our Austin water facilities master plan. So Austin water has a number of individual support facilities that are in great need of investment and

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renewal. So this would be the start of the planning processes for that. I think we mentioned a high level of reclaimed water system, so our purple pipe system, another important element of our water forward program, 51.3 million. In this plan we also will begin spending money on our aquifer storage recovery program, basically the program management piloting efforts. That's about 4.5 million. That's in the plan. Again, as Greg mentioned, that's a long-term program that will eventually involve upwards of \$300 million of investments so this is kind of the beginning of that exercise. And then finally to round out another mention to the water treatment process resiliently improvements at \$7.6 million. This is primarily related to chemical system additions that we have identified a need for improvement based on our previous boil water

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notice. So that was kind of a quick overview of our capital program. I'll stop there and take a quick breath and see if there are any questions and do a quick move into our water loss management piece of this presentation. >> Ellis: Were you saying there was a link online to be able to access this? >> The capital improvement plan, so as a combination of all the projects, so those are both available online. >> Ellis: Councilmember kitchen. >> Kitchen: I have a question about the cip process. So as you said, it's a five-year window and it's part of our annual budgets

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process for council. So at this point in time is there any consideration or process for aligning the cip program with the major projects that we have in town, including the project connect with other entities? I know it's a little premature in terms of we have -- the city still has to decide to move forward with project connect, but there is an interrelationship, I think, in the implementation process. >> Yeah. Absolutely. I will say more broadly looking at the wheel, things like mobility planning, land development code changes, all of those things sort of go into informing our process. Specifically as it relates to project connect we've done an initial scan of project connect and kind of generally where they expect

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mobility improvements to happen. I think our original look at that, I think it could impact as much as -- >> 750 crossings, 142 miles. >> Lots of infrastructure potential impacts. We are involved in interacting with other transportation providers and making sure that they're aware of that. I think as the planning process goes on for those projects, absolutely we'll be collaborating to make sure that they're aware of those and are taking in the appropriate planning. >> I've met with Randy Clark and Gina and I'm part of the cmo team. We're heavily engaged in gearing up for this. >> Kitchen: Any cost for Austin water are being factored into the project? >> Yes. It's obviously at a planning stage. >> Kitchen: Sure, it's early in the process. We're having to project costs, although where those

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costs sits varies depending on how the project is paid for, but I just want to make sure that the needs from Austin water perspective are accounted for in the process. >> And they're considering other underground impacts such as watershed and how you power the trains, maybe it might be electric conduit lines, all that's happened. >> Kitchen: Okay. Then the related question, you mentioned the land development code. So in what ways are you all coordinating on that? >> So generally speaking, of course

we're he have watching the code language going through. We will make some specific recommendations as it relates to on-site reuse and trying to improve or increase some of our water sustainability, water resilience kind of activities. Additionally from the planning perspective, our planning process relies a lot on our service extension request program. Basically that tries to -- we do is a very good job of making long-term projections

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about how the city will grow. The challenge is always the very specific vivid transactions and we use our scr process. We continue to expect that to be a very robust and dike exercise that we go through in partnership with individual developments. And we'll have to continue to I think graph and tune that as smaller and smaller developments become maybe more and more regular. We already see some of that. They're trying the work to be nimble so when folks show up and there's infrastructure needs and we're able to communicate those needs to the extent that the utility has an opportunity to up size those, we want to take advantage of those opportunities. So continued project and collaboration. >> Kitchen: So just another quick question. So you all respond to needs as part of service extension request, I guess, if I heard you right. And as part of zoning, I

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suppose, or our individual developments might be a better term, not the zoning part, but the development plans. Are you engaged in any kind of -- any kind of planning for parts of town or are you -- what you're engaged in is -- do you become engaged at the point of a development that's been proposed, an individual development that's been proposed or a service extension request as opposed to engaging in planning and what might be needed in particular areas? >> I would say both. I would say we're involved all along the way. In certain instances where we get involved very early in the platting and zoning process, certainly in that individual developments are going to seek either creation of after public improvement district, we may get involved in that point F

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they're seeking particular zoning entitlements through a pud process we would be involved through our land use review process. So that's very early in the process. And we worked to insert ourselves very early into that and try to highlight any needs through there. As individual developments through that more broad planning process evolve, ultimately they will come to us as an extension request and that's where we explicitly identify sort of the needs and the capacity implications for utility service at that particular address. >> Kitchen: Okay. Last question then. I just highlight that because there may be opportunities in the future that really would be -- would benefit from y'all's involvement. So for

example, on the second reading of the land development code the council adopted a provision that related to some planning for the north burnet gateway area, which is a on owe I think it's a regional center. It's some kind of center under imagine Austin.

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So I don't know if y'all's involvement is needed in that, but that's an example of the kind of more area planning or activity center planning that might be useful in the future. The council also adopted in our may 2nd policy direction, direction to create a planning process in the future after the ldc adoption process. And so we don't know exactly what that might look like, but to the extent that it's planning in corridor areas or other areas it might benefit from the participation of your department. Again, those are just speculation on my part. That's something that the council still needs to address, but just wanted to understand what y'all did right now. >> We are involved with many of those that you mentioned. Certainly with the south waterfront. >> So you have been involved with that. >> That's one example of that. Certain corridor expansions we get involved. So we are involved and I

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expect it to continue. >> Kitchen: Were you involved in the erc, the east Riverside corridor planning. >> I'd have to check. >> Kitchen: I was just curious, thank you. >> Ellis: Those are good questions. Just keeping an eye on the clock. We have about eight minutes left. And I think -- no, no. You're fine. I wanted to make sure we were paying attention to how long we have the room. There's still a little bit on water loss management and a water quality update report that we hope to get through. Good luck. >> Then I'll make it quick. Let's see what I can do. Let me just jump to this. There's been a lot of questions around kind of water loss management and kind of how we're proceeding. I would say that water loss management continues to be high priority for the utility. It's both an aspect of our effective utility management framework as well as our water forward planning. So it's something that stays top of mind for us as being effective and efficient

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water utility provider. Our system comprises a lot of different assets and I won't go into much detail arena to say it's not just the pipes that affect our water loss management activities. So there's a list of the different assets that are impacted. Water loss management is beyond just finding leaks. There are aspects of it that include obviously leak detection, leak response. , Rehabilitation, replacement of lines, but also issues related to meter management and meter accuracy. And again, I think through our Ami project as well as some other projects that we're look at, our larger meter improvement, that is a -- one of the ways that we have better visibility of water accountability through our system. Just hitting a few

highlights, we are working on a production meter validation project so that's actually master meters at the water plants, rather than the five-eighths inch meter that assistant

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director Coronado presented this morning. These are meter installations that are like the size of a suburban. So those are very complex. Ultimately the more we know about the water that's entering our system, the better we can keep track of it as it moves through the St. Others are. Others is the meter testing unit. This is a picture here. Continuing through the customer meter accuracy studies. We do field tests for larger meters and three inches and above and ultimately we have an ongoing meter replacement project that through our Ami will even be further accelerated. Speaking on the real loss management side, probably the biggest key to water loss or water leak control is leak response. We're very happy it to report that most of our leaks, 72%, are actually repaired in less than a day. So that's very quickly. Once we get it, we respond to it and that's kind of the first of one of our

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opportunities there. Some other activities, small diameter main leak detection, our goal is to try to get into our system and do leak detection on smaller diameter mains and on an eight-year recognition. Larger diameter mains we try to get in around the 10-year, 10 miles per year. We're piloting with a variety of technologies for enhancing our leak detection program. And look forward to some continued successes there. We talk a little bit about our renewing Austin program, which among other things besides replacing, deteriorating lines, we successfully replaced about 87 miles of mains since 2012. And ultimately like I've talked about, our ongoing reinvestment, we continue to prioritize various capital improvement projects so that we can continue our service delivery and also reduce our water loss. This is a quick snapshot of historical spending over the last -- since fiscal '15.

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You can see that it hovers in the nine to 12-million-dollar a year range. A lot of that really has to do with the length of time it takes us to plan and implement projects. You know, rehabilitation projects can take us in the three to five-year time frame so this flow just kind of depends on our ability to take care of all the appropriate engineering and planning necessary to get out in the neighborhoods and do those replacement projects. And again, a lot of this is driven by our focus on condition assessment of those lines. So what is the age, what is the material? What types of rates are we seeing? What is the experience and condition of the lines? This is a quick look at our infrastructure leak index. This is sort of the industry standard that allows for gauging basically how tight, if you will, your water system is. Generally speaking, our ili is in an industry normal range.

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Ili varies quite a bit from system to system. Our goal is to try to maintain our ili right in the about 2.75 range. You can see in the last several years it's taken a little tick up and taken a tick down and back up again. We continue to work through that process and try to make sure that we can get that a little more reliable, a little more stable. I think our focus on the metering side of that will help a lot just so that we understand first what water is actually entering our system and have a reliable idea of that. And from there we can continue to focus on the variety of other topics that we kind of hit earlier. So that was quick. I would say the summary is, you know, our water loss emergenciment is a priority. Our water distribution health is consistent with industry standards. We realize that we can continue to focus on a and continue to want to do better. Our meter accuracy is a focus for us and improving

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that. And we expect to see a lot of benefit through our Ami project. Again, leak response time continues to be a priority and we'll be a focus for us. Leak detection and main service replacement. So with that. >> I think I got it in plus in eight minutes. I'd be glad to answer any questions. >> Ellis: I really appreciate that. I think it's interesting to see the way that the Ami meters -- I don't know if that's redone can't, Ami, but see how that conversation plays into our ability to detect leaks and for people to really understand if there's an issue going on in their home to be able to address it quickly before they get a monthly bill and they're kind of surprised to see a high number. We also have a water quality report. I don't know if that presentation is long. Or quick? >> It's really -- one minute. We just -- each quarterly meeting the council asks for water quality data so we put it in a report format. >> Ellis: Perfect. >> No unusual events since last quarter. If you have questions on

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that we're happy to answer it or go over it, whatever you prefer. >> Kitchen: I have a quick question. >> Ellis: Yeah. >> Kitchen: I think you answered it, but it might be helpful. I want to make sure you understand. There was an incident a while back -- well, few months, maybe, where there was soapy water in south Austin, can you speak to that real quickly? I think that was a 1-off incident or something? >> Yes. >> Kitchen: Okay. >> So in the performance dashboard there are two bullets that were updated, one related to zebra mussels and our mitigation strategy to clean the pipelines for Hancock. That was added there. In the summer we did copper sulfate addition and also some underwater inspections that were promising. So that will continue to be one of the end goals to rid our pipelines from zebra mussel infestation. The other bullet was -- the third bullet was the water quality event in the tangle

[12:00:11 PM]

wood forest neighborhood, sometime in January the 22nd, and that was a back flow event during fire fighting activities with Austin fire. And that was a response that we had to identify the product that was in the water. We did no drinking for about 300 residents where there is a apartment complex and school, we flushed all the lines, cleared them, did multiple testing to make sure that in-house it was safe to drink, as well as we had to use a third-party vendor. We provided water to the neighborhood on multiple events. I think it was at least two days of drinking water or bottled water. We cleared the lines. And until the customer could clear their lines and not have or experience any foaming, then we retested. All in all, I think there

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was a total of two days that they weren't able to drink any water. We responded quickly and isolated the area. So there was a lot of communication that went through. We used social media, reverse 911, door hangers, knocked on the doors. So it was an extensive outreach to ensure that public was safe, yeah. >> Kitchen: Are there any lingering issues with that? >> No. We have some follow-up with AFD on lessons learned. They did actively identify the reason why. They incorporate that into their training regiment. We did get a commitment from them that any time they use an agent or change their foaming product that we would be notified so that way we're not trying to investigate car washes. That was one of the back flow devices that car washes have, whether or not that

[12:02:11 PM]

was a source. So we are communicating better on making sure this event doesn't happen again. >> Kitchen: I did work with some of those constituents, and as far as I'm aware it's resolved. I haven't had anymore contact. Have you had anymore contact from the neighborhood? >> No. >> Kitchen: Okay. >> I think after the Friday that was very limited exposure or experience afterwards, yeah. >> Kitchen: Okay. Thank you. >> You're welcome. >> Ellis: We appreciate your ability to quickly respond to these. Any more questions? I think with that we have gotten through all of our items, and at 12:02 P.M. -- >> Kitchen: Good job. >> Ellis: Thank you. That was a lot of items to get through but we are now adjourned at 12:02 P.M. Thanks, everyone.