



## Recommendation for Action

**File #:** 20-1923, **Agenda Item #:** 2.

5/7/2020

### **Posting Language**

Authorize negotiation and execution of an amendment to the agreement with the cities of Round Rock, Cedar Park, and Leander to increase Austin's reimbursement share related to the expansion of the Brushy Creek Regional Wastewater System in the amount of \$11,454,162 for a total contract amount not to exceed \$32,429,162.

### **Lead Department**

Austin Water.

### **Fiscal Note**

Funding is available in the Fiscal Year 2019-2020 Capital Budget of Austin Water.

### **Prior Council Action:**

July 2009 - Authorization to purchase the City's share of the Brushy Creek Regional Wastewater System from the Lower Colorado River Authority;  
September 2011 - Authorization to enter into an agreement with the Brazos River Authority for the operation and maintenance of the Brushy Creek Regional Wastewater System;  
March 2014 - Authorization to enter into contract with the City of Round Rock for expansion costs for the Southwest Interceptor;  
May 2017 - Authorization to enter into an agreement with the cities of Round Rock, Cedar Park, and Leander for the reimbursement of costs related to the expansion of the Brushy Creek Regional Wastewater System;  
August 2018 - Authorization to enter into an agreement with the City of Round Rock for the operation and maintenance of the Brushy Creek Regional Wastewater System;  
December 2018 - Authorization to enter into restated agreement with the cities of Round Rock, Cedar Park, and Leander for the reimbursement of costs related to the expansion of the Brushy Creek Regional Wastewater System.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov).

### **Council Committee, Boards and Commission Action:**

April 10, 2020 - Recommended by the Water and Wastewater Commission on Commissioner Turrieta's Motion and Vice-Chair Castleberry's 2<sup>nd</sup> on a 9-0-0-2 vote and Commissioners Parton and Schmitt were absent.

### **Additional Backup Information:**

The cities of Austin, Round Rock, Cedar Park, and Leander share ownership of the Brushy Creek Regional Wastewater System. The Austin City Council has authorized agreements with these partner cities concerning capacity, operation, maintenance, and improvements to the Southwest Interceptor of the Brushy Creek Regional Wastewater System.

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Projections indicate an anticipated increased demand for wastewater treatment as additional retail wastewater connections within each city's service areas and require an increase in capacity at the East wastewater treatment plant.

In May 2017 Council approved funding for the City's estimated proportionate share of costs related to expansion of the system. In March 2020, bids for the construction of the expansion at the East wastewater treatment plant were received and are greater than previously estimated project costs. The current Recommendation for Council Action (RCA) is requesting approval of additional funding for Austin's share of estimated expenses related to the expansion.

Although Austin's share of the total of all estimated expenses has not changed, the overall cost of construction is higher than the previous cost estimate at the time of preliminary design. Austin's proportionate share of expenses is \$32,429,162, approximately \$11,454,162 more than the previous authorization. Due to the potential for unknown conditions when working in an operating wastewater treatment facility, a 2.5% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project. Funding for the increased project costs is available in the Fiscal Year 2019-2020 Capital Budget of Austin Water.

Austin Water staff recommends approval of funding for the increased dollar amount. Staff will bring future related agreements to Council for further consideration.

**Strategic Outcome(s):**

Government that Works for All.