



Recommendation for Action

File #: 20-2120, **Agenda Item #:** 10.

5/21/2020

Posting Language

Approve a resolution relating to negotiation of an amendment of the City's Strategic Partnership Agreement with the Shady Hollow Municipal Utility District.

Lead Department

Management Services.

Fiscal Note

There is no fiscal impact.

Prior Council Action:

September 26, 2013 - Council conducted a public hearing regarding the Strategic Partnership Agreement between the City of Austin and Shady Hollow Municipal Utility District (MUD) in accordance with procedural requirements of Section 43.0751 of the Texas Local Government Code. The public hearing was conducted and the motion to close the public hearing was approved on Council Member Spelman's motion, Council Member Martinez' second on a 7-0 vote.

October 3, 2013 - Council conducted a public hearing to consider an ordinance adopting a Strategic Partnership Agreement between the City of Austin and Shady Hollow Municipal Utility District (MUD), and regarding future full purpose annexation. The public hearing was conducted and the motion to close the public hearing and approve the first reading of the ordinance was approved on Mayor Pro Tem Cole's motion, Council Member Morrison's second on a 7-0 vote.

November 21, 2013 - Council approved Ordinance No. 20131121-070 adopting a Strategic Partnership Agreement between the City of Austin and Shady Hollow Municipal Utility District (MUD). The item was approved on Council Member Spelman's motion, Council Member Martinez' second on a 7-0 vote.

For More Information:

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Additional Backup Information:

Pursuant to the Strategic Partnership Agreement (SPA), the City acquired ownership and control of the District's water and wastewater system on April 2, 2018, and has since made capital improvements to the system. The Austin Fire Department leases and fully occupies a fire station funded and owned by the District, and currently provides the bulk of the District's fire service. At a minimum, issues which need to be addressed in a negotiated amendment to the SPA are the use and disposition of the District's fire station, compensation to the City for fire service to District residents, and the ownership of the District's former water and wastewater system. This proposed resolution directs the City Manager to negotiate with representatives of the District to

amend the SPA to accomplish to the greatest degree practical the purposes and objectives of the SPA with the exception of full-purpose annexation.

Strategic Outcome(s):

Safety.