

Austin Water Oversight Committee Meeting Transcript (AWOC) – 2/23/2022

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[1:32:10 PM]

>> Good afternoon, colleagues, the first item on our agenda is to call this meeting to order, I will call this meeting of the Austin oversight committee to order at 1:32 P.M. As a quorum of three is present. Our first item is public communication and I've been told that we do not have any registered speakers. We do not have any public comment at this time. So our next item is the approval of minutes from the January 20, 2022 meeting. Is there a motion for approval? Councilmember kitchen moves approval and second by councilmember pool. Any discussion? All in favor? All right. That passes unanimously. Thank you. Councilmember alter has joined us. So our next item on the agenda is the director's report. There will not be a director's report today, so we will move to item no. 4 on our agenda.

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Just to give some commentary here, I wanted to briefly recap the various actions council has had with staff regarding the recent water boil event that we had. We first held the special called meeting. We received a memo of the incident directly -- I think a few days after the incident. Then we also participated in a q&a session, we held additional discussions at our last week's council meeting. And at which time council add adopted a resolution led by our mayor pro tem calling for an external audit that will take a look at the five most recent incidents that we've had with our utility. Today's meeting of Austin water oversight, of course, is a continuation of that conversation as well as to ensure that -- that we are providing an opportunity for our community to learn more so that questions are answered to the extent that information is available. And, also, so that we can

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continue in our role as an oversight committee. So with that, I will welcome director Meszaros who will provide us with the latest updates on the recent boil water event.

>> Thank you, chair, we have several staff here that will be providing some content for you in terms of boil water and some of the other agenda items today. So I'll turn it over, first, to Kevin [indiscernible] Assistant director.

>> Good afternoon, chair. Councilmembers. If he with can pull up the present -- if we can pull up the presentation. I'm going to start this afternoon's presentation really with providing a little bit of an overview of the Ulrich water treatment plant and how it integrates into the water distribution system really to provide framework for a better understanding of how our overall system works. Next slide, please. Again as Greg mentioned, I'm

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the assistant director for Austin water, over environmental planning and development services area. Next slide. This is a map of our service area. There are nine major pressure Zones in our service area, those nine Zones allow us to provide water utility service incrementally higher elevations throughout our service area. Just overall, our water service area is about 556 square miles in area, we serve 243,000 connections.

>> Sorry, if I can interrupt, colleagues we are on item no. 2, item no. 2, I misspoke, thank you.

>> We have about a 540 square mile planning area, which includes the areas in the extra territorial jurisdiction and the maximum demand is about 215 million gallons per day, we have about 185 million gallons of storage in our system, next

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slide, please. This graphic provides a bit of a depiction of how our water system is interconnected, how we move water from lower elevations to higher elevations in the system. Ulrich water treatment plant is one of three water treatment plants in our system. They are -- Ulrich and Davis are depicted in kind of the lower third of this graphic, they are the two gray boxes just above lake Austin. Those two water treatment plants take raw water from lake Austin and then treat it and then pump it into the distribution system. Uniquely Hancock's water treatment plant is also identified in the slide. It takes water out of lake Travis. That's -- provides us some additional water supply diversity, so that we don't have all of our raw water supply coming from the same lake Austin reservoir source. Overall our three water treatment plants have capacity of 335 billion gallons, excuse me, 335 million gallons per day.

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Individually, that breaks down to Davis water treatment plant is 118 million gallons a day, that's about 15% of our overall treatment plant capacity. Our Ulrich water treatment plant is 167 million gallons per day, about 50% of our water treatment plant capacity, Hancock, our newest plant, 50 million-gallon a day capacity, about 15% of our all over water treatment plant capacity. Our three plants are lime softening plants. They remove hardness from the water through a precipitation process. If you look at this slide and kind of how each of the plants operate to provide service in the system, Ulrich primarily provides water service to the south and southwest Zones, but zoo provide significant amounts of water supply for the central -- excuse me, the central pressure zone. Davis on the other hand provides primary supply for north and some of our

[1:38:15 PM]

northwest Zones. It does provide some service into the central zone, but a lesser amount than Ulrich. And then Hancock then provides water primarily to the northwest Zones. We do have the ability through Hancock to drop water down, that small vertical line going from northwest a to the north zone. That's just kind of an overview about how the water kind of moves in elevation throughout our system. Next slide, please. This is a map of our overall water distribution system. This is primarily our transmission system, so these are larger diameter water transmission lines, generally in the 30-inch diameter and larger. As you can see, we have a fairly robust system overall. Our water transmission and distribution system represents about 3,700 miles of pipelines throughout our

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city. Those all work integrated to effectively distribute water from each of the plants amongst our various pressure Zones. You can see the system starts up north, around the Avery ranch subdivision in Williamson county, it extends to the east, to the east Austin reservoir near lake Walter E. Long, drops down to the southern part of our community, that last line that's shown on the slide there is around the intersection of ih 35 and state highway 45 near the hays/travis county line. Then moves west out to the Thomas springs road area, west of oak hill. All in all, our system is a highly integrated collection of pipes, pumps, plants and reservoirs and enables us to effectively provide utility service to our customers. Next slide, please. This is just a focused kind

[1:40:18 PM]

of a smaller scale of primarily the south and southwest Zones. Again, as I mentioned, Ulrich is the primary supply for the south and southwest Zones. Again, it's 167 -- 167 million-gallon a day capacity. That is our single largest water treatment plant representing about 50% of our community's potential water supply. Basically, the -- from the Ulrich median service pump station, we pump water out of Ulrich and down to center street and our pilot reservoirs, those reservoirs are capable of serving the central zone and can pump that water back to the Davis lane pump station. Separately, we can also pump water out of Ullrich directly to the Davis lane pump station, again to provide resilience and redundancy from our system.

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From the Davis lane pump station, we can pump up to the southwest pressure zone, so southwest a and B and C. There are a number of reservoirs in southwest area, including luthen lane, slaughter lane, Thomas springs road, oak hill area. So -- then as I mentioned earlier, Davis water treatment plant is also able to provide some service in the central zone, but much less volume than we can get out of Ullrich plant. Next slide. Finally, I want to leave you with just a bit of -- some projects that we're working on overall to improve and enhance the resiliency and efficiency over which we can provide service throughout the city. There are five groups of projects that are -- that we're working on to try to, again, continue to enhance our water transmission system. Just in order, we've got the Mcneil transmission -- Mcneil road transmission

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main. That is shown in the box labeled number 1 up there the a the top. That's about a 1.6-mile transmission main. It's a 72-inch diameter, a very large transmission main. Intended to enhance our ability to move water from our Hancox plant down to the north seen. Second are the southwest pressure zone resiliency projects. In the box 2 in the west part of town in the Orange and pink areas in the southwest. Ultimately, that would be a project to provide a two million gallon elevated storage tank in our southwest B pressure zone. Also it would provide a two mile, 24-inch transmission line to help provide resiliency to that area and then some southwest a zone pump station improvements as well. The third group of projects is our southwest ih 35 and far south pressure zone projects. Those are box 3 on that

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graphic at the very southern part of our system. That's to build a 3 million-gallon elevated storage tank. Just east of I-35 to meet some growth needs for that extreme part of our system. The fourth set of projects is our Davis water treatment plant medium service transmission line. That's a very ambitious

project. Probably be conducted in two phases. 6.5 miles of 84-inch water transmission line. That primarily goal is to be able to help move water out of our Davis water treatment plant into the central zone, so that's one of the opportunities to help alleviate some of the burden on the Ullrich plant in the central zone. Then finally, the north pressure zone enhancements. There's a series of six projects in that box number 5. And, again, those projects, the north pressure -- excuse me, that area, the service area, continues to grow. There's an opportunity --

[1:44:19 PM]

opportunities in those areas for us to do -- I think there's six individual projects to be able to better move water from west to east in that area. All told, these projects are about \$300 million worth of investment and would likely take place -- we're already in various stages of planning and design, but it will probably take us in the 15 to 20 years to execute all of those projects, they are quite considerable. So with that, that concludes the -- the present -- the prepared part of the presentation, so I'm available to answer questions or we can -- as you like.

>> Fuentes: Thank you. Thank you. Colleagues, thank you for -- for going over, doing a more in-depth overview of the Ullrich plant. It came to light at our last council meeting in part of mayor pro tem alter's resolution was the unique role that Ullrich plays in our distribution center system and so it's important for us to kind of have an

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overview of what that looks like. I want to thank councilmember tovo for joining us today, colleagues, any questions? Mayor pro tem?

>> Alter: Thank you. I just wanted to make sure that I was understanding the numbers for how much Davis served. And Hancox, I had them both at 15% with wildly different numbers.

>> Repeat that, I'm sorry.

>> Can you tell me the millions of gallons served out of Davis and Hancox, I thought they were the same percentage -- I was trying to understand what you said.

>> Tovo: Davis water treatment plant capacity is 118 million gallons per day.

>> Alter: Okay.

>> That's about 35% of our total production capability. Ullrich is 167. And that's right at 50% of our total production capability. And then Hancox is 50 mgd, about 15%, these are round

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numbers.

>> Okay.

>> Alter: So we've been talking about this a lot. So today you didn't talk about -- you talked about sort of the system in general. Can you talk a little bit about -- about changes at Ullrich that are being implemented right now due to the after action report for the 2020 boil water notice or the 2018 boil water notice?

>> Certainly. I may have to ask for a little bit of help from the crowd here. But generally speaking following the after action report, from winter storm uri, we looked at a variety of different projects. Many of them focused on hardening the Ullrich plant specifically, particularly with related -- with respect to power supply. I might actually ask Shea to come on up and talk a little bit more to the specifics, but we have done some work.

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We are already in the throes of completely some work on Ullrich, of updating some gear at the low service pump station and then we have a variety of other projects that we've been working on with Austin energy. I will get Shea to jump in.

>> Good afternoon, my name is Shea [indiscernible] The assistant director for engineering services. So the -- the projects that Kevin referred to, we have the low service pump station, electrical feed project under construction right now, that is overall electrical resiliency project that we have been working on with Austin energy. The 2018 flood resulted in poly mer feed systems being installed at Ullrich, there are currently going into construction at Davis and Hancox. The zebra mussel event resulted in the -- in the

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eqz system being installed, which is a chemical feed zoom for zebra mussel control and a longer term project to do copper ion for zebra mussel control at Ullrich, at all three plants. And the after winter storm uri our focus was on -- resiliency, cold weather resiliency like Kevin talked about, as well as electrical resilience efforts with Austin energy. They are working on a number of improvements to the bee creek substation that serves Ullrich.

>> Alter: Thank you and the electrical resiliency example that you gave first. I know that we need to improve that post uri, but am I correct that was already in the works before uri happened?

>> Yes.

>> Alter: Okay -- that -- we had approved a contract in December or January.

>> That's right.

>> Alter: Just wasn't finished yet when the storm hit.

>> That's right. You approved the

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construction contract for the low service pump station electrical feed renewal project in January of 2021.

>> Okay. Chair, are we going to be talking about any additional information that we know at this point? About the recent incident? Or is this to believe point in the agenda to talk about it.

>> Fuentes: This is the item to talk about if there is any new information about the boil water incident. From my understanding staff does not have any new information to share. But of course we could ask the director to speak to that.

>> Thank you. We did distribute an updated q&a to the council today. At least Heather that's correct, isn't it? Yes. So that documented questions that were asked from the dais during the work session on Thursday. Or excuse me, last Tuesday. As well as -- adding

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additional q&a content from other questions that were posted or enhanced so you do have an updated q&a. We do have a planned session next week to talk about the specific scata questions that were asked. We felt as communicated to you on thus that questions involving critical infrastructure and potential cybersecurity risk that those are best to be addressed in a closed session and we're gearing up for that with y'all on Tuesday. And then there's a series of questions that were asked that are connected to our investigatory processes on the actions that were taken by various staff on duty during the event, those will be provided when we complete the investigation process itself. And as I indicated on

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Thursday, we anticipated that being approximately two weeks and we're on course for that schedule. That will put us probably completing our investigatory reporting by the end of next week or thereabouts and then there will be other opportunities to go into more detail holistically of what transpired operationally during that time and how we can tie together alarms and actions and data logs and employee interviews into a more complete picture.

>> Councilmember kitchen.

>> Kitchen: So I'm just trying to recall the scope of the analysis that you just mentioned that will be ready in I guess end of next week or whatever you just said in terms of time. Does that -- that should also include

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recommendations, correct?

>> Yes. Although we will -- do I think additional work on after action recommendations.

>> Kitchen: Okay you.

>> But I think we'll have a sense of all of those in a pretty good way when we complete that process. We shared some of those in the q&a already, steps that we have taken, you know, to meet with all of the staff, to enhance alarms, to have more -- more notices of turbidity data outside of the operation staff on duty. Some of those actions have happened or are happening now. But again there may be other recommended steps, including things that we have talked about also in the q&a about strengthening training or filling vacancies. There are, I think, besides infrastructure and scata

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changes, probably other steps that we would want to take on just strengthening the staff side of this.

>> Kitchen: Okay. Then the Tuesday executive work session will give us the opportunity to get into some detail with regard to the systems.

>> Specifically scata, questions like what is the alarm, did the alarms go off, what is controlled and not controlled. There are a handful of questions, maybe four or five or thereabouts, planning to provide some input on that. Not going to have the whole investigation completed and --

>> Kitchen: I'm not asking that. I think that the opportunity on Tuesday because, you know, part of what people have asked about and we're all concerned about, is there an opportunity to strengthen the use of those systems from a technology standpoint or process, you know, workflow process standpoint.

[1:54:46 PM]

I think that will provide us a good opportunity to have that conversation. Then, of course, the -- you know, the changes, the recommendations, the kinds of things that you all will end up making is something that's very important for the public to understand. So thank you.

>> Yes.

>> Fuentes: Thank you. Colleagues, I did want to draw your attention to the fact that there was the updated q&a memo sent as part of our committee backup. That was emailed this morning at 8:19 A.M. It's extensive, 13 pages, looks to be comprehensive in providing responses to the questions that were posed during last week's special called meeting. Any other questions? Councilmember tovo?

>> Tovo: Chair, I would just ask our city staff -- I'm not sure if it's posted on the backup, but if they could also make sure that it gets distributed to the council at large so those of us not on the committee also get it. I don't believe that I got an email this morning.

>> Yes, please, if we can have that posted.

[1:55:47 PM]

>> We will take those steps.

>> Tovo: Thank you so much, director Meszaros .

>> Mayor pro tem?

>> Alter: If I'm understanding correctly, we will have that report out at the end of next week. Is the plan to bring that presentation to council? We don't have another awoc meeting until may. So I'm just curious --

>> What was your question?

>> Alter: I don't know if we have to duplicate what's happening at the main council meeting and at awoc, but we don't have another meeting until may, so I wanted to get a sense of what the plan was in terms of when that report comes out, in terms of opportunities for public discussion of it.

>> Once the report is finalized, we would release it, I think probably send it to the council, via some kind of correspondence. Redacting, if there's anything of -- of a, you know, critical

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infrastructure nature. But a big part of this report will be, you know, more on steps taken or not taken by staff and -- and at least that -- that was our plan. I don't -- we don't have a briefing scheduled for the council right now. But I'm sure that could -- that could occur at future work sessions or council meetings or however the council best decided they wanted to do that.

>> Alter: Thank you. Maybe our chair can work out what would be better at the full council or if we need to have a special called meeting -- is that yes. We will be discussing that towards the end of today's meeting. So I would love to get some feedback on that. Councilmember pool?

>> Pool: I was also wondering if any of the individual councilmembers if their community wanted to have a town hall where Austin water could come and answer questions directly from the public in probably a smaller venue than maybe city hall at one of the rec centers or something, which is where I've done mine in the past, if that's something that we could maybe arrange for and then

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it could, you know, I mean it may be more opportunities for you to be out in the public to directly with the residents as opposed to us, you know, basic fielding the questions, it would give the residents an actual opportunity to direct the questions to you all. Something that I think would be really, really helpful to my colleagues and me if that's something that Austin water would be willing to contemplate?

>> I think yes if council if they have thoughts about how we can assist in that, we would certainly be open to that.

>> Pool: I think we're kind of at a place where we're asking the questions and you all are responding and we are getting questions from the community. But what's missing is them being able to sit in the same room with y'all and ask some questions. You know, kind of have a format along those lines. I think that may be the next step that we would like to take instead of everybody focusing on the council being the interlocutor, I

[1:58:50 PM]

would like the citizens to have access.

>> Fuentes: That's a great recommendation. We do have a recommendation that we will hear shortly in a few minutes, that might be an opportunity to also provide direction. Next up we're going to move to a presentation by Randy Jenkins on bill credit to Austin water customers.

>> Hi, good afternoon, councilmembers and oversight committee members, thank you for having us this afternoon. As mentioned, my name is Randi Jenkins, assistant director of customer experience for Austin water. Next slide, please. Assistant director. In response to the immense frustration felt by our customers that we certainly share at Austin water, we are proposing a recommended good will bill credit. At the account level.

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For residential, multi-family cap customers as well as multi-family and commercial customers. So we did a lot of number crunching and utilized historical average for February consumption. In taking that

February consumption at each account level for residential, multi-family and commercial between 40 and 50% of that historical February consumption is the recommended bill credit. So the gallonage equal for residential and multi-family cap is a \$10 account level credit. Mamies \$75 credit and commercial a \$50 credit. Multi-family 75. I know several customers have come up about wastewater averaging and leak adjustments. Staff has substantially reviewed our wastewater averaging calculation and

[indiscernible] Adjustments that we received to date. In comparison to winter storm uri, there's really no

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comparison. We are seeing numbers, you know, right now for submitted leak adjustments, about 100 customers that have submitted for that based out of our winter weather in early February as opposed to winter storm uri, we were in tens of thousands of customers reaching out for assistance, we are handling those leak adjustments and wastewater averaging calculations manually already to date. So our proposal just a straight account level credit in these amounts for all of our customers. Next slide, please. So with that, I will open up for any questions that you may have for us.

>> Fuentes: Any questions, colleagues? Okay, thank you. Next I would like to make a motion to lay out my recommendation for discussion. Is there a second?

[2:01:53 PM]

>> Seconded.

>> Thank you, vice chair kitchen. Colleagues, I would like to turn your attention to the resolution provided to us today. This item would direct the city manager to explore few different mitigation options to address the impacts from the recent boil water event. First the resolution would direct the city manager to provide options to address any adverse water bill impacts experienced by Austin water customers. Seems like it's a very small percentage as what was just shared. This is -- this action is similar to winter storm uri, but we know that winter storm uri is much smaller in scale in terms of the lent and duration of the event. Second would also direct the city manager to explore the potential of reallocating existing funds from within the Austin water budget to serve as an investment in the utility's wastewater infrastructure. The potential amount should be based on the amount that could be provided to customers through utility bill relief. So I want to be sure colleagues that we have a

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clear understanding of how those relief dollars might be used instead to reinvest in the utility's capital improvement plan. What we know is that winter storm uri exposed our vulnerable our community is when it comes to extreme weather events and the breakdown in infrastructure. But this most recent boil water event exposed the IST examining vulnerabilities -- existing voltabilities within our water treatment plants. We need all of the information laid out before us before we can make a determination on the best use of city dollars at this point in time. With your support today, this recommendation would be included in the March 3rd council agenda with the direction to come back to us with the recommendations on March 24th. Any comments or questions? This would be what staff just shared ensuring there is an option for those who

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had any adverse impacts, we know we are in a water, wastewater averaging period, we tonto be sure to offer a goodwill credit. But also what it would look like if we used those dollars to reinvest in the infrastructure. So having those options laid out for us to have that conversation as a full council would come back to us. Yes, mayor pro tem?

>> Alter: Thank you. I appreciate the additions and changes here in you bringing this forward. I did have one question. The be it further resolved, the one that's in red. As I understood what you just said, it was like basically we have an option of whether we want to give you a rebate, this goodwill rebate, or if we want to reinvest that money to safeguard the system in some way. So I'm just wondering if we can change that into reallocation of,

[2:04:55 PM]

reallocation into, because it was a little bit confusing to me. Because I think that would reinforce what you were saying.

>> Fuentes: That makes sense. Any objections with that change? Councilmember pool?

>> Pool: Thanks, chair. I really like this recommendation. Of the investment into the infrastructure. Because the reality is the actual -- any kind of a credit would be a fairly minimal amount as I'm understanding, probably less than \$10. On the other hand it would cost the city upwards of two million to make those allocations and we could instead put that money towards the very necessary infrastructure improvements that clearly are necessary. And that we all support and would like to see accomplished. So I think this is a really great recommendation. I thank you all for bringing it forward.

>> Fuentes: Thank you. All right. Any further -- yes, director?

>> So I just would like to

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just clarify my understanding. I think we're on the same page here. But we had shared, chair, some thoughts on this that we would encourage that we not use terminology in terms of only infrastructure like physical infrastructure. That recommendations that we might bring forward that would help us reduce risk in the future based on this latest event may also include operational enhancements. So we would encourage the language -- we had suggested some language to that effect. I just emphasizing, I hope that got to you all. In terms of a suggested change to that.

>> Fuentes: Yes. Thank you, director. We will try to see if there's [indiscernible] Make any tweaks to the language.

>> Pool: Do you have any recommendation for tweaks to the language?

>> Heather, do you have the copy of it here? Basically it was just originally started off as

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capital improvements. While that certainly is possible, but I think, you know, there might be operational expenses that we would want to reinvest in, enhanced training, additional, you know, talking about vacancies. I don't know. But we just were looking to make the language as flexible as possible. And I think we had just said reallocation into the utilities operating budget or utilities five year capital improvement plan in lieu of a refund, whatever the council determined was best, we could provide those input points to the council when we come back on this resolution.

>> Gotcha, okay. Mayor pro tem?

>> Alter: We can keep what we have. I just had a suggestion based on what he said and we can consider. The city manager's directed to also provide alternative recommendations to reduce risk, which may involve a

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one-time reallocation into the utility's operating budget or the utility's five year capital improvement plan in lieu of direct bill relief to customers. Because I think that would capture the idea.

>> Fuentes: That would be definitely more in line. So I --

>> Alter: Do you want me to try to repeat that. The city manager is directed to also provide alternative recommendations to reduce risk, which may involve a one-time reallocation into the utility's operating budget or the utility's five-year capital improvement plan in lieu of direct utility bill relief to customers.

>> Fuentes: Okay. Any objections to a friendly amendment? Okay. Thank you.

>> Alter: Because technically it's already in your operating budget. I mean, the money is coming from your operating budget anyway. So I think that language --

[2:08:59 PM]

would -- allow it to --

>> Yeah.

>> Alter: -- To stay there at well.

>> Fuentes: All right. Okay. We have a motion, it's been seconded. All in favor? All right, unanimous, motion carries, thank you. Next up we're going to take up item no. 4, a briefing on emergency preparedness plan as required by Texas senate bill 3 adopted in 2021 in response to winter storm uri.

>> Excuse me, chair. Can I just provide additional direction? Sometimes when we do committee recommendations they just say they are from the committee. I think you might prefer it to be from the committee, but also to have the names of the folks on the committee and then if councilmember tovo wants to be on it so you can be listed as the sponsor. It's fine to have it be from the committee as well. But I think they ought to be able to add a little line to add the sponsors unless I'm

[2:10:01 PM]

mistaken that's violating some procedure.

>> Fuentes: Staff, is that something we can do? Yes.

>> Then councilmember tovo you're not on the committee. Would you like to be --

>> Tovo: I'm not, I would love to co-sponsor it, thank you.

>> Fuentes: Thank you for the suggestion. Okay. Thank you.

>> Okay. Good afternoon. I believe it is a new slide deck.

>> That's it, I'm Shea

[indiscernible] Assistant director for engineering services at Austin water, I will give you a brief update today on the emergency preparedness plan required by senate bill 3 passed shortly after winter storm uri about a year ago. There are -- there are three deadlines associated with senate bill 3.

[2:11:01 PM]

The first was to submit our critical load list to our various power providers and the Texas PUC. Of that deadline was November 1st, we completed that. So our main power provider is Austin energy and we have been coordinating closely with them on getting our facilities on their critical load list. Several other power providers as well. The second deadline is the emergency preparedness plan itself. This is a plan that requires water utilities to maintain 20 psi throughout the distribution system during a power outage greater than 24 hours. The plan template prepared by tceq identifies 14 available options. So our plan is due to tceq on March 1st, next week. And we are putting the finishing touches on it now.

[2:12:01 PM]

Next slide, please. So of the 14 options that are identified, we reviewed those critically and determined which ones applied to us and we are using essentially all of the options that apply to Austin water. You can broadly categorize those options as either power resiliency or resiliency in the distribution system. On the power resiliency side, we talked about the critical load designation, that part has been done. Another option that we will have in our plan is redundant electrical feeds, which all of our water plants have redundant feeds and we are working on those for -- for a few other critical facilities as well. Hardening electrical systems. A great example of this is the Davis water treatment plant new power distribution system that's currently is just finished construction and is in operation.

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And then a number of additional permanent and portable generators that will be used throughout our system, both on water -- we will use them both on water and wastewater systems, the emergency preparedness plan is specifically around water facilities. The second broad category is distribution system resiliency. So this is -- includes water storage. We did some significant calculations around our available water storage that we have and how at -- at the level of demand prescribed in the plan how much time that would give us during a system-wide power outage, so that will be included in the plan. Kevin talked earlier about the interconnectivity between pressure Zones. That's an option that tceq gives us that demonstrates our resiliency that we will have in our plan and then the emergency water restrictions, which we developed over the last year, and are available to

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us now in the event of a -- of a catastrophic power loss we can implement those emergency water use restrictions. So those are the major components of our plan and we will turn that in next week. Then we have most of these items either completed or underway and implementation is due July 1st, so we will

be able to demonstrate that many of these things are done or the things that cannot be completed by July 1st are substantially in progress. I'm happy to any questions.

>> Thank you, Ms. Raolson, once that plan is committed is that something that will be shared with our committee and with council?

>> I believe the plan has a fair amount of backup information that would be considered critical infrastructure. But we can certainly review it to determine what portions we can give us to

[2:15:06 PM]

you in the public venue than perhaps in the --

>> Thank you. Colleagues any questions? Mayor pro tem?

>> Alter: Thank you. So does this only pertain to like a winter power situation or is this supposed to be applying to all emergency preparedness?

>> This emergency preparedness plan is specifically around system-wide power outages greater than 24 hours.

>> Alter: Okay. If you had a wildfire that created the power outage, would anything be different here in the response?

>> No, it wouldn't. In fact, I would say even though that's the way the senate bill 3 was written, really all of these items we've been talking about are part of our overall resiliency to all kinds of threats. And certainly anything that created a power outage, whether it was, you know, winter weather or wildfire, these items would help us be better prepared for that.

>> Alter: Okay, thank you.

[2:16:08 PM]

>> Fuentes: Any other questions? Okay. Thank you.

>> Thank you. Our next to the last item on our agenda, item no. 5, this is a briefing on the federal water and wastewater funding from the infrastructure investment and jobs act. Colleagues, I thought this is important for us to have an understanding of available funding opportunities that will be available for us to consider and plans from the utility on what they will be applying for.

>> Good afternoon, I'm Christina Ramero. Next slide. I will be providing an overview of our legislative update. Our Texas water development board, swft and srs loans, our aggregate savings and future projects for Texas water development board

[2:17:08 PM]

funding. Iija was signed into law by president Biden on November 15th, 2021 and just to note, there's still information coming out from -- from this act and how it's going to work through the different state agencies. Per EPA, Texas is to receive an estimated \$2.9 billion over five years. If you look to the right, of this slide, you will see that \$35.44 billion is to Texas in various different programs. And so for water, the 2.9 billion will be through the Texas water development board. So 71% of those funds will be for drinking water and 29% will be for clean water. Overall, that 2.9 billion, again, spread over the five years. The bureau of reclamation is also included in the iija

[2:18:09 PM]

funding. So that's 1.66 million over the next five years. And so we are looking at that, too, for any of our reclamation projects to see if they would be eligible. Next slide, please. So today these are our swift and srf loans. Our swift loans we have three reuse projects that totaled 65 -- a little over \$65 million, those projects are fairly complete we are just waiting for the closeout from the board. For the drinking water srf loans, two currently. For north Austin reservoir and pump station and Ullrich water treatment plant pump station and electrical feed. For clean water, we have walnut creek water treatment plant, pumping and sludge thickening and

[indiscernible] Sar, we do

[2:19:09 PM]

have 266.6 million in loan commitments from the board and we are closing on those loans annually. Next slide, please. Today, this is our aggregate loan savings as of our last loan closing back in November. We have saved \$34 million in present value savings to date and we have closed on \$197.7 million from that 266.6 million commitment. So you can see our largest savings was in 2022 and that's because we had a larger loan closing for srf loans and for our swift loan. Next slide, please. This represents our future projects that we are looking at now. Looking for swift of 345 million, just an estimate for the aquifer storage and recovery.

[2:20:10 PM]

For drinking water, looking around 100 million in projects that we will be submitting to the board for our drinking water. Then for clean water, looking a little over \$100 million and those are also five projects as well as the drinking water that we will be submitting to the board and these are project information

forms that will be submitted to the board come this March in order for them to be reviewed and evaluated and ranked. Next slide, please. Now, I will open it up to any questions that you have.

>> Thank you, councilmember kitchen?

>> Kitchen: Yes. Just a few questions. Thank you very much. So on that last page with the aquifer storage, the amount for the aquifer storage, is that sufficient to cover the whole cost or is that a piece of it or --

>> Sure. So that is what we have currently estimated in our C.I.P. Plan, so that is from

[2:21:10 PM]

my understanding the total cost.

>> Kitchen: Okay. Then I also understood the Ami on-- [multiple voices]

>> So the aquifer storage and recovery project is still in very preliminary stages, we're going through kind of configuring a pilot evaluation and based on the results of that pilot process over the next several years, that will drive selection of the final aquifer location and then really the major investments will take place provided, you know, it still makes sense, which we think it would. That project is -- is not through any final design in any way. I would not want to communicate that that number --

>> I gotcha. That makes sense. But as far as you know right now, that's -- that's the scope of it, but you have to go through a lot more work, a whole lot more design, you have to locate where it's going to be among other things, lots of things like

[2:22:10 PM]

that, that's right, that makes sense, okay. With the Ami, I just want to make sure that I understand what you mentioned. Do we already have all of the funding identified for the complete rollout? I mean, I know we are rolling out now, we have a number of years before we are finished with the rollout. But do we need any more funds for that? From this infrastructure bill or we are already funded for that?

>> At this time, we are funded for this through the board for Ami. So we still have another two loan closings that we still have to go through.

>> Kitchen: Okay. But we've identified the funding for that.

>> Yes. I will note all of these potential projects, future projects, those are again just all estimates.

>> Kitchen: Sure.

>> Those are estimates that we have at this time. Nothing is finalized as Greg mentioned. I will add, though, for the aquifer storage and recovery, we are also looking at the reclamation dollars as well, because that is also for underground water storage.

>> Kitchen: Uh-huh, okay.

[2:23:12 PM]

All right those are my questions.

>> Fuentes: If I can question, when we apply for this funding for the Texas water board, is the process that they either say approve the full amount or deny the full amount or do they approve it and -- if it's at say a certain level, 345 million, they might say we will give you 100 million to fund this project; is that how it works?

>> It depends on the different types of loans. For swift that's funded through solely the Texas water development board using state funds. From my understanding they do not have a cap on that. But for srf, for drinking water and clean water, they do have a maximum cap per project. So for -- for drinking water, let's see ... That is ... \$44 million. For drinking water. For clean water, let's see

[2:24:14 PM]

... That is 24 million. Oh, I'm sorry, clean water 44 million and drinking water 24 million. So we look at our plan and we look and we -- we convene with our in-house Texas water development board committee that's made up of finance, of different engineers, includes an ad. And we have worked together to determine which projects would be best suited for these loans that have a chance to get invited to apply.

>> Good deal, thank you, mayor pro tem?

>> Alter: Thank you. These -- these water development board programs are a great opportunity for us to reduce our costs. I wanted to clarify. So Texas is receiving 2.9 billion but then they are putting them into revolving loan funds. Does that mean this funding is going to be there, you know, for a longer term or more useful if some way because they are doing the loans or is there a

[2:25:14 PM]

possibility that they will reduce the costs of the loan or do something using that money to actually make an investment beyond the funds current purpose?

>> In speaking with the Texas water development board regional manager we work with, he indicated at this time that they do have fy '22 allotment from that \$2.9 billion. And they look to have equal allotments throughout the five years. What they are going to do with those funds, they are going to look back at past projects that may not have gotten invited to apply; however they did make it to their state water plan. And they are going to re-evaluate those and see if -- if they can fund them. Because they do have a maximum budget as well. That they can fund for projects. So they will look at that, but they will also look at new -- new project information forms that get added to the state plan and then determine if -- how much they can fund those.

[2:26:16 PM]

>> Alter: Okay but it's adding additional seed money to the revolving --

>> Yes. We are adding on top of their funds.

[Multiple voices]

>> Yes. Traditionally, these are not grants. These are a loan instrument which means that you do pay them back. Unless you are a very impoverished community, that's typically how it would work. We anticipate these dollars would just enhance future funding, also.

>> Alter: Right, but do we have a sense of them expiring -- I mean like I'm just not familiar with them, what I have learned, that it would allow you to seed something that would go on forever. I'm not saying that's a bad investment, I'm just trying to understand it.

>> From my understanding they do have to use the funds. They will allocate those to the project and so say, for instance, you have a \$44 million project and that project is going to take maybe three or four years to complete, you will get funded from their fy 2 '2budget to fund that entire

[2:27:18 PM]

project that you would have -- that you would have put in that project information for. Fy '22.

>> At the end of eight or nine years, we are done with all of those projects, where is the 2.9 billion plus the interest?

>> So that 2.9 billion, they haven't indicated that they are going to change any of their interest rates that they currently have right now. And so that 2.9 billion, they are looking to release that on top of what they have already budgeted for the fiscal year '22. They are just adding annually on top of what they have already budgeted, the money from the actual bill itself.

>> Alter: Okay. Um ... It's an interesting thing that they are allowing that to happen over --

>> Kitchen: It's just a bigger loan fund pool, isn't it?

>> I understand that. Usually they are sort of -- with all of the cares acrimony and all of other stuff, you had to spend it by a certain date.

>> Kitchen: These are

[2:28:18 PM]

loans, this is a different kind of system.

>> Alter: I understand the system in Texas is the system. But I don't -- I mean -- perhaps the 2.9 is given to the loan funds. I don't -- I don't know if it's specified in the legislation that it's to be loan funds. But --

>> Yeah, so this does work differently. Back in 2009, the Arra funds, Arra funds if you recall, worked very differently. They provided a zero percent interest rate, rolled out very quickly, projects that were shovel ready. This is very different, not the same. Just solely acting as if you add an extra pot of money to the srf programs.

>> Alter: Or they reduce the amount of money that they put in the pot from their budget.

>> Correct.

>> In the next year or the year after.

>> Well the source of all srf is

[2:29:20 PM]

federal dollars existing and through this new program. The only solely funded state program is the swift program, which is just for water supply development-related projects or conservation. So I don't anticipate that Texas would cut back on srf funding, because it's all federal dollars now is my understanding.

>> Thank you for that clarification.

>> Thank you.

>> Any further questions? Thank you.

>> Okay, colleagues, we are on item no. 6. Future agenda items. I want to open up the discussion. I'd like to share that I no he that we have a couple of topics in the pipeline for our next committee meeting, which is not until may 25th. So we have a few months until our next scheduled meeting. For that meeting, what the topics we have on deck include an overview of the service extension request process, a briefing on the city's purple

[2:30:23 PM]

pipe program and then also we have a briefing requested by mayor pro tem for a wildfire mitigation strategies. Is there anything else to add to that list? Yes, councilmember kitchen?

>> Kitchen: If there's room. Because I think at one point we were periodically having updates on the water forward plan. So if there's room at that one or the next one, it would be helpful to have an update on the whole plan. We get a lot of really good detailed information about pieces of it like the Ami piece. But it would be helpful to -- I can't remember when we last did that. But it would probably be helpful to have just a review of the status of the whole water forward plan.

>> Understood.

>> Thank you. So we also -- even though our next committee meeting is not until may and the one after that is not until August, my office

[2:31:25 PM]

has been coordinating with our committee members' office and we'll be having a tour of the ulric plant on April 14th was the date that ended up working for everyone. That will be another time for our committee to come together for a tour. I did want to highlight that director mazzaro shared with us, we are anticipating an update of the investigation from the boil water incident. That will be shared with us in the next week or so as well as another update during the work session on Tuesday of next week, end executive session to go over a few pieces of the conversation and so we have those two things happening in addition to the investigation report, which is coming out -- I'm sorry, you said at the end of the month? I'm sorry.

>> I lost your train.

>> What was the timeline for the investigation report to be completed by?

>> We anticipated a report biff

[2:32:25 PM]

approximately the end of next week. I mean, I can't say the exact day. But we targeted about a two-week window -- no, I take that back. That was on Thursday it was two weeks. This would be week after next. By the end of week after next was about when we thought that would be wrapped up. Not next week but the week following.

>> Just to recap, we'll have another update on Tuesday's work session.

>> Right.

>> In executive session.

>> Yes.

>> And then by the end of next week, we should -- we anticipate having an investigation, report --

>> No, no. By the end of the following week.

>> So early March. So colleagues, my question to our committee if we should consider convening a committee meeting later in March or in April? Because our next committee meeting isn't scheduled until may 25th. Any thoughts or feedback? Councilmember pool?

[2:33:29 PM]

>> Pool: I'm fine with that. I mean, as long as we -- I think we're going to need to have a discussion with the full council over what comes back in the report. Yeah. I think we need to do that full council. It's helpful to have the committee to dig into more detail.

>> Councilmember, are you in favor of having another committee meeting?

>> Yes, I am. If it works for everybody. I misunderstood what you were saying. That was my fault.

>> I'm trying to get a sense if the committee is interested in us convening a committee meeting either in late March once we have a report back and once we get through spring break and south -- late March or early April for another committee meeting to go over the investigation report.

>> I'll tell you what, why don't

[2:34:31 PM]

we have the staff float a couple of dates around and then we can look at our calendars and decide. I know I've got my calendar is pretty much filled up. But there may be a little bit of space and I could maybe move things around. But if we get a sense where everybody is, it would probably be easier to make a decision on that.

>> All right. That sounds like a plan. So we will be in touch with each other's offices looking at scheduling a potential or a next committee meeting date, if that works out for everyone's schedules. And then lastly, I want to remind everyone, especially those watching today, that per mayor pro tem's policy adopted by council last week, Austin water is coordinating an external audit to review waters five recent water quality events. With that, it is now --

>> Madam chair? Austin water is not coordinating that? That is through the auditor's office just to clarify. Of course, if they ask for any assistance, we'll provide it.

[2:35:33 PM]

>> Thank you. City auditor's office is coordinating. If there is no further business, the meeting of the Austin water oversight committee is adjourned at 2:35 P.M. Thank you.