



**Item From Council
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 31
AGENDA DATE: Thu 05/19/2005
PAGE: 1 of 1**

Item From Council

Posting Language: Approve an ordinance on second reading authorizing the City Manager to negotiate and execute an amendment to the Consent Agreement with the Northwest Austin Municipal Utility District No. 1 (Canyon Creek) to approve a monthly credit on water and wastewater bills per single family lot for customers located inside the District, which represents a 50% credit of the District's average annual debt service on current outstanding district debt; amending Ordinance No. 040913-05, the Fiscal Year 2004-2005 Fee Ordinance, relating to water and wastewater rate credit per single family lot for customers located inside the District; and waiving the requirements of the City Code Section 2-5-2 relating to economic impact statements, Section 2-5-45 relating to rate change public hearing, Section 15-9-4 relating to public notice of a proposed rate or classification change, and Section 25-9-253 relating to board and commission review.

Proposed meeting date: THU 05/19/2005

Sponsor: Mayor Will Wynn

Co-sponsor 1: Mayor Pro Tem Jackie Goodman

**Co-sponsor 2: Council Member Brewster
McCracken**

Date by which the City Manager is requested to report back to Council:

Draft Resolution/Ordinance attached:

Item # 39



MEMORANDUM

TO: Toby Futrell, City Manager
FROM: Greg Canally, Budget Officer *gdc*
DATE: May 12, 2005
SUBJECT: Northwest Austin Municipal Utility District No. 1

Item # 39 on the May 12, 2005 Council Agenda is to approve an ordinance authorizing the City Manager to negotiate and execute an amendment to the Consent Agreement with the Northwest Austin Municipal Utility District No. 1 (Canyon Creek) to approve a monthly credit on water and wastewater bills per single family lot for customers located inside the District, which represents a 50% credit of the District's average annual debt service on current outstanding district debt; amending Ordinance No. 040913-05, the Fiscal Year 2004-2005 Fee Ordinance, relating to water and wastewater rate credit per single family lot for customers located inside the District; and waiving the requirements of the City Code Section 2-5-2 relating to economic impact statements, Section 2-5-45 relating to rate change public hearing, Section 15-9-4 relating to public notice of a proposed rate or classification change, and Section 25-9-253 relating to board and commission review. The anticipated annual fiscal impact of this item will be \$576,567 until 2026. Although the fee ordinance will need an amendment, a budget amendment is not required.

ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE FOURTH AMENDMENT TO THE CONSENT AGREEMENT WITH THE NORTHWEST AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1 TO ESTABLISH A MONTHLY CREDIT ON WATER AND WASTEWATER BILLS FOR CERTAIN CUSTOMERS; AMENDING ORDINANCE NO. 040913-05 TO ESTABLISH THE WATER AND WASTEWATER CREDIT; AND WAIVING THE REQUIREMENTS OF CITY CODE SECTION 2-5-2 RELATING TO ECONOMIC IMPACT STATEMENTS, SECTION 2-5-45 RELATING TO A RATE CHANGE PUBLIC HEARING, SECTION 15-9-4 RELATING TO PUBLIC NOTICE OF A PROPOSED RATE OR CLASSIFICATION CHANGE, AND SECTION 25-9-253 RELATING TO BOARD AND COMMISSION REVIEW.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The city council authorizes the city manager to negotiate and execute a Fourth Amendment to the Agreement Concerning Creation and Operation of the Northwest Austin Municipality Utility District No. 1 (Amendment to Consent Agreement) to approve a monthly credit of \$37.68 on water and wastewater utility bills for each single family lot for customers located inside the district, which represents a 50 percent credit of the district's average annual debt service on current outstanding district debt.

PART 2. The council amends the Fiscal Year 2004-2005 Fee Schedule, Exhibit "A" of Ordinance No. 040913-05, to add the following to the Austin Water Utility fee schedule:

Water and Wastewater Rate Credit

Each single-family residential customer located within the Northwest Austin Municipal Utility District No. 1 receives a monthly adjustment subtracting \$37.68 from their water and wastewater bills. If the individual customer's monthly total of the water and wastewater bill is less than \$37.68, no carryover shall be allowed. This adjustment will continue until the current bond indebtedness of the District is retired or September 1, 2026, whichever is earlier.

PART 3. The rates in this ordinance take effect on the first billing cycle after the parties have executed the Amendment to the Consent Agreement.

PART 4. In adopting the rates in this ordinance, the council waives the requirements of City Code Section 2-5-2 (*Economic Impact Statement*), City Code Section 2-5-45 (*Public Hearing on Determination of City Utility and Garbage Rates*), City Code Section 15-9-4 (*Changes to Rate Schedule or Classification*), and City Code Section 25-9-253 (*Board and Commission Review; Council Action*).

PART 5. This ordinance takes effect on _____, 2005.

PASSED AND APPROVED

_____, 2005 §
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 § _____
 Will Wynn
 Mayor

APPROVED: _____
 David Allan Smith
 City Attorney

ATTEST: _____
 Shirley A. Brown
 City Clerk