	City Coun	cil	
	Agenda Memo		
	CITY OF ABILEN	E	
		City Council	
TO:	David A. Vela, Interim City Manager	Meeting Date: April 23, 2015	
FROM:	Tommy O'Brien, Executive Director of Water Utilities		
SUBJECT:	Written Resolution Authorizing the City Manager or Interim City Manager to Negotiate and		
	Execute an Agreement with the Johnson County Special Utility District for the Purchase of Raw		
	Water For The Second Stage Short-Term Drought Strategy		

#### **GENERAL INFORMATION**

Due to the continuing drought, the City is implementing its second stage short-term drought strategy. One of the main projects is to deliver raw water from Possum Kingdom Lake (PK) to Abilene. To accomplish this it is necessary for Abilene to temporarily purchase raw water from the Johnson County Special Utility District (JCSUD). JCSUD has the rights to raw water pursuant to a raw water agreement with the Brazos River Authority (BRA). The JCSUD raw water right will be transferred to PK for delivery to Abilene through the use of BRA's existing raw water transmission system, the West Central Texas Municipal Water District's (WCTMWD) existing raw water transmission system, and Abilene's pipeline being constructed to connect the BRA and WCTMWD systems. JCSUD raw water will be treated at Abilene's Roughing Facility being constructed in Breckenridge.

The JCSUD "**Temporary Assignment Agreement**" provides Abilene with an annual supply of 4,000 Acre-Feet (AF) (approximately 3.6 MGD) of raw water. The anticipated negotiated annual cost for 4,000 AF is approximately \$305,800.

City staff and its consulting engineer are finalizing discussions with other entities for the temporary purchase of additional raw water so at least a total of 14 MGD of raw water will be available. Once discussions have been finalized, then agreements for additional raw water will be prepared and presented to the City Council for consideration. It will also be necessary to enter into a second "Water Transportation Agreement" with BRA for BRA to transport additional water that will be secured. The second Water Transportation Agreement with BRA will be presented to the City Council for consideration at a future Council Meeting.

## FUNDING/FISCAL IMPACT

The proposed agreement will require Abilene's annual reimbursement for the purchase of the raw water. This annual cost is considered an operation and maintenance cost which would total approximately \$305,800 to purchase 3.6 MGD annually. Such cost will be included with the Water Department's annual budget.

## STAFF RECOMMENDATION

Staff recommends approval of written resolution.

## ATTACHEMNT

Written Resolution.

Prepared by:		Disposition by City Council
		□ Approved Ord/Res#
Name <u>Tommy O'Brien</u>		Denied
Title <u>Executive Director of Water Utilities</u>	Item No. 6.1	• Other
		City Secretary

#### RESOLUTION NO.

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS AUTHORIZING THE CITY MANAGER OR INTERIM CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH THE JOHNSON COUNTY SPECIAL UTILTY DISTRICT FOR THE PURCHASE OF RAW WATER FOR THE SECOND STAGE SHORT-TERM DROUGHT STRATEGY

WHEREAS, in response to the on-going drought and as part of the City of Abilene's (Abilene) overall second stage, short-term drought response strategy, the City is implementing Possum Kingdom Lake (PK) as a raw water supply that will provide 4 to 14 million gallons of raw water per day to the City of Abilene; and

WHEREAS, to accomplish this it is necessary for Abilene to temporarily purchase raw water from the Johnson County Special Utility District (JCSUD) for the eventual transfer of this raw water to PK, and the use of Brazos River Authority's (BRA) existing raw water transmission system to transport the raw water from PK to Abilene's pipeline being constructed to convey the raw water to Abilene's Roughing Facility; and

**WHEREAS**, in order for Abilene to temporarily purchase water from JCSUD it is necessary to enter into a Temporary Assignment Agreement to provide Abilene with an annual supply of 4,000 Acre-Feet (AF) (approximately 3.6 MGD) of raw water; and

**WHEREAS**, a water transportation agreement will eventually be necessary to allow the BRA to transport water from PK to Abilene's pipeline which will convey the raw water to Abilene's roughing facility.

# NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

Part 1: The City Manager or Interim City Manager is hereby authorized to negotiate and execute a Temporary Assignment Agreement with the Johnson County Special Utility District as is necessary for the temporary purchase of raw water as a temporary supply for the City of Abilene.

# ADOPTED this 23<sup>th</sup> day of April, 2015.

ATTEST:

Danette Dunlap, City Secretary

Norman Archibald, Mayor

APPROVED:

T. Daniel Santee, City Attorney

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