

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN THAT A JOINT MEETING OF THE ABILENE CITY COUNCIL AND THE WEST CENTRAL TEXAS MUNICIPAL WATER DISTRICT WILL BE HELD IN THE BASEMENT CONFERENCE ROOM OF CITY HALL ON THURSDAY, SEPTEMBER 29, 1983 AT 9:00 A.M. FOR THE PURPOSE OF CONSIDERING THE FOLLOWING AGENDA.

AGENDA

1. Call to Order.
2. Invocation.
3. Introduction and brief discussion of bond issue.
4. Review Coordinated Water Study.
5. Water Usage from Hubbard.
6. Long Range Water Supply.
7. Sewer Effluent for Irrigation.
8. Outside Water Contracts.
9. Pending and Contemplated Litigation.
10. Adjourn.

CERTIFICATION

I HEREBY CERTIFY THAT THE ABOVE NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARD AT THE CITY HALL OF THE CITY OF ABILENE, TEXAS, ON THE 26TH DAY OF SEPTEMBER, 1983, AT 9:00 A.M.


CITY SECRETARY

* Correction: This was a meeting of the City Council with some members of the West Central Texas Municipal Water District invited. This was not a joint meeting of the two entities.

SPECIAL WORK SESSION OF THE CITY COUNCIL
THURSDAY, SEPTEMBER 29, 1983 - 9:00 A.M.

THE CITY COUNCIL OF THE CITY OF ABILENE,
TEXAS, BASEMENT CONFERENCE ROOM

The City Council of the City of Abilene, Texas met in a Special Work Session, Thursday, September 29, 1983, at 9:00 a.m. in the City Hall Basement Conference Room with the Abilene appointees of the West Central Texas Municipal Water District present as shown below.

City Council: Elbert E. Hall, Mayor and Presiding
 Julian Bridges, Councilman
 Billye Proctor-Shaw, Councilwoman
 Carlos Rodriguez, Councilman
 A. E. Fogle, Jr., Councilman
 Welton Robinson, Councilman
 Harold Nixon, Councilman

City Staff: Ed Seegmiller, City Manager
 Diane Bishop, Assistant to Director of Water Utilities
 Harvey Cargill, Jr., City Attorney
 Dwayne Hargesheimer, Director of Water Utilities
 Gary Landers, First Assistant City Attorney
 Roy McDaniel, Assistant City Manager
 Patricia Patton, City Secretary

W.C.T.M.W.D.: Syd Niblo, Chairman
 Andy Anderson, Board Member
 Ken Murphy, Board Member
 Seaton Higginbotham, Board Member
 Martin Cleveland, General Manager

Freese and
Nichols: Jim Nichols, President
 John Cook, Vice President
 Bob Gooch, Vice President

Councilman Fogle gave the invocation.

Mayor Hall began the meeting with a brief history of events and Abilene's participation in the West Central Texas Municipal Water District (hereinafter referred to as "Water District"). He explained that a great deal of time has been spent in the past looking at projects and the City has been under some notice that at some point in time, the City will need an additional water supply. It is imperative that each member of the Council know as much as possible about the history of the City's water supply, projects and studies, and that the Council establish some time table for decision making.

Ed Seegmiller stated the goal of today's meeting is to tie together the combined efforts of all of the available resources, look at all the alternatives, carefully review the alternatives, and establish a time table to finally bring together the proposed completion of an additional water supply. The Council has discussed, over the past few years, that at least by mid-1985, a decision on a new water source should be made. In order to meet that date, all the studies, decisions, alternatives, and problems would have to be concluded prior to 1985. At least four members of the Council will be present until April, 1985, when the decision is made. It was recommended the Council not wait a significant time beyond mid-1985 since the availability of water sources are depleting quickly.

Dwayne Hargesheimer gave a presentation relevant to the history of water usage from Hubbard Lake and briefed the Council on the "Study of Coordinated Operation of Existing Raw Water Supply Sources - 1980" conducted by the firm of Freese and Nichols, Consulting Engineers. Three main objectives of the study were (1) How to

obtain more yield from the system; (2) How to save operation costs; and (3) How to protect the quality of the water; which were mutual interests of the City and Water District. The study resulted in operating guidelines, which presently govern the City's water supply operations.

Mayor Hall asked the members of the Water District to respond to the City's present coordinated water use of the two water sources, Ft. Phantom Lake and Hubbard Lake and if such use is favorable to the Water District. Each member expressed to the Council their perception of the situation and suggested that a better relationship be built between the City of Abilene and the three other member cities of Albany, Anson, and Breckenridge. They further suggested that the need for an additional water source was not only an Abilene need, but a need for all of West Texas and it should be approached in that manner. Also, that some frustrations could have been alleviated if the Abilene representation on the Water District Board had not rotated so often.

Roy McDaniel began his presentation regarding financing of the current operating system and possibilities for future water supply systems. He researched the history of the Water District from its inception and determined responsibilities of both the Water District and the City of Abilene. The results of his research were documented in a report addressed to City Manager Ed Seegmiller and the General Manager of the Water District, dated October 31, 1980. He then reviewed his findings with the Council.

In 1959, the City entered into a contract with the Water District and established a date of initial availability clause regarding the water supply line from Hubbard Lake to Abilene. At that time, the date of initial availability was defined as the day the supply line to serve the City was complete and water was available. Also, that once the date of initial availability occurred, the City would revolve to a take-or-pay contract, specifying that for a cost of \$47,494 per month, the City would be entitled to receive 431,766,100 gallons of water per month. Between that time to currently, the water contract was amended several times, due to water rates and power costs, and the date of initial availability redefined. The date of initial availability currently states that said date shall not become effective as to any city until the governing body of that city passes an ordinance or resolution informing the District that it is ready to take water from the District. The first water was delivered by the Water District to the City in 1974.

The current financial plan calls for the Water District and City to be out of debt by mid 1990's and the City or Water District should be able to issue bonds under any provision desirable. The Water District has no responsibility to be the City's financing vehicle for a future water supply, unless the City and Water District chose to do so.

Further affects on the Water District were discussed if the date of initial availability is declared under the current situation. It is apparent that it would be very difficult for the Water District to continue functioning under the current situation and suggested that much consideration and discussion should be given to the date chosen. The Council was made aware that when the date of initial availability is declared, the Water District would cease to levy a tax and the cost for water could increase from the present .11¢ per thousand to approximately .30¢ per thousand.

The current situation was discussed further and it was explained that a situation now exists where Ft. Phantom Lake is nearing its maximum yield and the City will soon need to decide on a date of initial availability. It appears there are three alternatives available: (1) continue operations as in the past; (2) invoke

the date of initial availability; or (3) use the coordinated operation plan. It was concluded that the staff would follow the coordinated operation plan for water supply unless the Council instructed them otherwise, and in time of need, the City could obtain water from Hubbard at a cost.

Martin Cleveland informed the Council that the Water District has been losing revenues due to the termination of some water contracts. If the Water District continues with the current schedules, certain operation cost problems are predicted. At some point in the immediate future, discussions should take place concerning the date of initial availability and possibly an increase in water costs. The Council will need to take steps soon to try to satisfy some of the problems if, in fact, the Water District is going to be a method of financing the long-range plan. However, it is not intended for the Council to make a decision today.

The staff introduced the members present from the engineering firm of Freese and Nichols and Bob Gooch, Vice President, began his presentation of a review of the past water studies and the basis of the conclusions of the most recent study on the Coordinated Operation Plan. He emphasized that the studies were conducted jointly, both for the City and the Water District and the results presented and reviewed jointly to both organizations.

The available yields from the two water sources were discussed. The available supply is predicted to diminish from 1980 to 2030 from the available sources that the City currently uses. He stressed the importance of the water availability and the difference in the availability during normal times and in drought times. Approximately in the year 2004 or 2005, the demand and yield will climax, and probable projections indicate the City will need an additional supply by that time. If the coordinated operation plan is not followed, it would bring that climax together in approximately 1995.

Three possible alternatives for an additional surface water supply are:

- (1) To take water from Possum Kingdom Reservoir;
- (2) To develop a new site on the Clear Fork, called the Cedar Ridge Site;
- (3) To divert water from the Clear Fork of the Brazos into the Hubbard Creek Reservoir in the same fashion as presently done at Ft. Phantom.

Possum Kingdom water is presently not suitable quality for a municipal water system and the plans proposed by the Federal Government Corps of Engineers to improve the quality were discussed. At this time, it is not encouraging that Abilene could economically receive the water is required.

The quality of the water at the Cedar Ridge Site is also questionable based on the U.S. Geological Survey. Freese and Nichols is currently studying, with the assistance of the Brazos River Authorities, the identification of the sources of contamination of the upper Clear Fork, with the idea the quality can be improved. Costs are projected for the Clear Fork diversion, based on 1980 figures, \$68,000,000; and the Cedar Ridge Site, \$82,000,000, also on 1980 figures.

The existing water commitments of the four member cities were discussed along with future water requirements. Two additional alternatives were discussed: (1) Using Possum Kingdom water after a treatment process; and (2) The use of sewer effluent.

John Cook, Vice President Freese and Nichols, explained two proposals for study that could be conducted described as follows.

PHASE I WASTEWATER REUSE - TOTAL COST \$20,200 (including misc. expense-\$1,250)

- Task 1 Review the capacity of the existing wastewater treatment facilities. The present capabilities of the wastewater treatment plant, including the existing oxidation ponds and land treatment facilities will be evaluated. Cost-\$1,600
- Task 2 Project the quantity and quality of wastewater return flows through the year 2030. This information will be developed for the present treatment facilities. In addition, at least three alternative advanced treatment facilities will be considered. These will include additional land treatment facilities, additional biological treatment facilities, and physical/chemical advanced wastewater treatment processes. Compare the incremental of increase in water supply available from wastewater reuse with the need for future supplemental water supply. Cost-\$3,350
- Task 3 Estimate the impact of the return flows at the various quality levels on the yield and quality of Lake Fort Phantom Hill. Cost-\$2,700
- Task 4 Estimate the probable construction cost and annual operating cost for the most feasible alternatives developed under Task No. 2. Cost-\$4,350
- Task 5 Prepare a report recommending the wastewater treatment processes most suitable for wastewater reclamation and reuse for the City of Abilene. A review will be made of comparable domestic wastewater reuse projects currently in operation or planning at other locations. Present this report to the City in conference with the staff and in a workshop meeting with the City Council. Cost-\$6,950

PHASE II BRACKISH WATER SUPPLY - TOTAL COST \$15,450 (including misc. expense-\$850)

If the City desires, the engineer will investigate the feasibility of developing drinking water quality supplies from existing brackish water sources. The following scope of work is indicated.

- Task 1 Determine the available sources of brackish water. Evaluate the potential yield and quality from the most attractive alternative. Determine the level of mineral removal required for each alternative. Compare the incremental increase in water supply available from demineralization with the need for future supplemental water supply. Cost-\$2,550
- Task 2 Determine the treatment methods for demineralization which are currently feasible. Based on a preliminary cost and feasibility screening, select the most suitable treatment procedure. Consideration will be given to the disposal of brine solutions produced during the demineralization process. Cost-\$3,550
- Task 3 Estimate the probable construction and annual operating cost for the most feasible treatment alternative and the three most attractive water sources. Cost-\$2,150
- Task 4 Prepare a report recommending the best alternatives for supplemental water supply from brackish water sources. Compare the alternatives with conventional water supply operations previously evaluated. A re-review will be made of comparable demineralization projects currently in operation or planning at other locations. Present this report to the City through staff conferences and in workshop format with the City Council. Cost-\$6,350

Estimated completion is six to eight months.

Roy McDaniel explained the water and sewer revenue bonds and the possibilities of funding a future water supply alone or in conjunction with the Water District.

Councilman Bridges moved to adopt the proposed time table as presented below. The motion was seconded by Councilman Nixon and the motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor-Shaw, Councilmen Rodriguez, Fogle, Robinson, Nixon and Mayor Hall.

NAYS: None.

TIME TABLE

Receive Clear Fork Study.....	June 1984
Receive Brackish Water & Sewer Effluent Study.....	June 1984
Review Alternatives.....	Latter part of '84 and early '85
Decision on next water source.....	Jan-April '85
Water rights discussions (TX Water Comm. Brazos River Authorities).....	1985
Estimated Bond Sale.....	1994-1998
Begin Construction.....	1995-1998
Water District Debts Paid Off.....	1993
City Utility Debts Paid Off.....	1995

Councilman Bridges moved to authorize Freese and Nichols, Consulting Engineers, to conduct a study of alternative water sources, Phase I - WASTEWATER REUSE. The motion was seconded by Councilman Fogle and the motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor-Shaw, Councilmen Rodriguez, Fogle, and Mayor Hall.

NAYS: Councilmen Robinson and Nixon.

Councilman Bridges moved to authorize Freese and Nichols to conduct a study of alternative water source, Phase II - BRACKISH WATER SUPPLY. The motion was seconded by Councilman Nixon and the motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor-Shaw, Councilmen Rodriguez, Fogle, Robinson, Nixon and Mayor Hall.

NAYS: None.

Bob Gooch explained that if in the future, a better alternative became available, Freese and Nichols would notify the City and consult with Ed Seegmiller for direction. At this point, however, the firm members do not foresee any revolutionary breakthroughs that could develop anytime within the next ten years.

It was decided the City Council should meet more often with the members of the Water District and work closer with them to build the relationship. It was suggested that some of the meetings with the Council and Water District be held with other member cities, or their representatives, to also build that relationship.

Gary Landers presented to the Council a briefing on the current water supply corporation contracts outside the City limits. Consideration should be given to the contracts due to the fact the users will shortly be reaching their maximum allocated amounts of water. Depending on the decision for the future water supply, it is a possibility new contracts should be considered for a shorter period of time. At this point, it is the legal staff's recommendation that the Council continue the policy of not selling additional water to outside water supply corporations, and that soon the Council will need to address a formal request for additional water by View-Caps Water Supply Corporation (dated August 1, 1983).

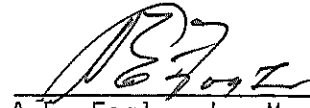
Mayor Hall asked each member of the Council to discuss the bond election of September 24, 1983, and express their feelings on its outcome.

Following the discussion of the recent bond election, Mayor Hall recessed the Council into executive session to consider pending and contemplated litigation.

The Council reconvened with no action taken during the executive session. There being no further business, the meeting was adjourned at 2:20 p.m.



Patricia Patton
City Secretary



A.E. Fogle, Jr. Mayor Pro Tempore