



City of Pflugerville

Legislation Text

File #: 2021-1295, **Version:** 1

Approving a Memorandum of Intent Related to the Provision of Treated Wastewater Effluent From the Brazos River Basin to the City of Pflugerville, Texas between the City of Pflugerville, the City of Round Rock, the Brazos River Authority, and the Lower Colorado River Authority and authorizing the City Manager to execute same.

The purpose of this Memorandum of Intent (MOI) is to memorialize the commitment of the Lower Colorado River Authority, Brazos River Authority, and Cities of Round Rock and Pflugerville to study the mutual benefits to the Parties available from the development of a means to transport Treated Water from the Brushy Creek East Regional Wastewater Treatment Plant (BCE) to the Colorado River Basin. Specifically, the focus will be to import water to the Colorado River Basin through sales of Treated BCE Water to Pflugerville after the Williamson County users have put the water to beneficial use and the same has been treated at the BCE, which is jointly owned by the Cities of Round Rock, Leander, Cedar Park and Austin, and operated by the City of Round Rock. This MOI is a non-binding agreement between the Parties. Until such time as the Parties negotiate, and execute, a separate binding agreement approved, as necessary, by the respective governing body of each Party, there is no binding contractual obligation by any Party.

In conjunction with the City's planned Water Treatment Plant Expansion project that is currently under design, the City has also evaluated water supply alternatives to support the future of Pflugerville. The City retained Garver to provide Owner's Representative services as the Owner's agent and liaison between the Design Consultants, Construction Contractors, Texas Commission on Environmental Quality (TCEQ), Texas Water Development Board (TWDB), and other stakeholders for the Pflugerville Water Treatment Plant Facility Expansion Project and water supply evaluation. The City is growing rapidly and needs to ensure adequate water supply for its customers within the next five to ten years as well as prepare for expansive future growth by full buildout.

The permanent water supply option to expand the City's existing pump station and raw water pipeline that conveys water from the Colorado River to Lake Pflugerville was selected as the initial option to expand water supply for Pflugerville given the City's ability to deliver the project within the projected time period and to add redundancy and resiliency to the City's existing water supply. In addition, another water supply option defined in the Water Supply Evaluation was the HB 1437 Interbasin Transfer for the City's long-term needs. This MOI allows the City to continue to consider the feasibility of this option from technical, legal, financial and permitting perspectives.

In 1999, the Texas Legislature passed House Bill 1437 (HB1437) which authorized the Lower Colorado River Authority (LCRA) to provide water to entities in Williamson County in some circumstances even if they are outside of the Lower Colorado watershed. The bill authorizes LCRA to contract up to 25,000 acre-feet of water annually to BRA to sell to Williamson County municipalities if the transfer results in "no net loss" of water to the Lower Colorado River Basin. The "no net loss" condition requires LCRA to conserve, replace, or offset an amount of water within the Lower Colorado River Basin equal to the amount contracted to Williamson County.

LCRA currently is contracted with BRA to provide water to multiple Williamson County entities. To fulfill the “no net loss” condition, water purchasers in Williamson County pay a surcharge to finance a Water Conservation Fund. The fund is used to pay for water conservation efforts in the Lower Colorado Basin that offset increased out-of-basin transfer sales, and is administered and allocated by LCRA.

The provisions in HB1437 provide a unique opportunity for the City of Pflugerville to secure a long-term, low-cost water supply. Currently, entities including Round Rock, and Georgetown are purchasing water from the Lower Colorado Basin which, upon use, is discharged into their wastewater distribution systems and routed to the Brushy Creek Regional WWTP for treatment. The Brushy Creek WWTP then discharges effluent into Brushy Creek which is located outside of the Lower Colorado watershed. It is proposed to route effluent from the Brushy Creek WWTP to the City of Pflugerville. Routing flow from Brushy Creek to Pflugerville places the water back in the Lower Colorado Basin and could provide LCRA and BRA with a solution to meeting the “no net loss” requirements of HB1437. Therefore, this arrangement holds benefits for multiple entities, providing an avenue for LCRA to sell the additional water to BRA while meeting the conditions of the governing legislation. Obtaining water supply from Brushy Creek has multiple benefits including providing a water supply that will scale with population growth in the Central TX area.

Prior City Council Action

On March 10, 2020, City Council approved a professional services agreement with Garver in the amount of \$199,820 to provide owner representative services associated with the Surface Water Treatment Plant Expansion Project including an evaluation of water supply alternatives.

On July 28, 2020, City Council received a presentation during the worksession regarding the Water Treatment Plant Expansion Alternatives Analysis including water supply alternatives.

On August 25, 2020, City Council approved a professional services supplemental agreement with Garver in the amount of \$1,220,657.00 to provide owner representative services associated with the Surface Water Treatment Plant Expansion Project which included water rights acquisition support.

On January 26, 2021, City Council approved the engagement of McCarthy & McCarthy LLP as Special Counsel for the City for the purpose of assisting staff with permits, contracts and negotiations related to obtaining additional water rights to support the future growth of Pflugerville.

On April 27, 2021, City Council approved a professional services supplemental agreement with Garver, the City's owner representative associated with the Surface Water Treatment Plant Expansion Project, in the amount of \$311,132 for professional engineering services related to an evaluation of future water supply alternatives.

On May 27, 2021, City Council received a presentation regarding the City of Pflugerville's future water supply options.

Deadline for City Council Action

Action is requested December 14, 2021

Funding Expected: Revenue Expenditure N/A

Budgeted Item: Yes No N/A

Amount: _____

1295 Form Required? Yes ___ No x

Legal Review Required: N/A ___ Required x Date Completed: 12/3/2021

Supporting documents attached:

Memorandum of Intent

Recommended Action

Approve a Memorandum of Intent Related to the Provision of Treated Wastewater Effluent From the Brazos River Basin to the City of Pflugerville, Texas between the City of Pflugerville, the City of Round Rock, the Brazos River Authority, and the Lower Colorado River Authority and authorizing the City Manager to execute same.