

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	20766	Agenda Number	14.
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Meeting Date:	1/17/2013	Department:	Austin Water Utility
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Subject

Approve an ordinance regarding the revised rates and tariff proposed by PK-RE Development Company, Inc., in its Statement of Intent dated September 19, 2012, for water and wastewater service provided to its customers in the corporate limits of the City of Austin located in the area known as Greenshores on Lake Austin.

Amount and Source of Funding

There is no unanticipated fiscal impact.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	November 8, 2012, Council approved suspending the implementation of proposed rates for a 90-day period.
For More Information:	Bart Jennings, 972-0118; Denise Avery, 972-0104
Boards and Commission Action:	Approved by the Water and Wastewater Commission on a 4-1-1 vote on January 9, 2013.
MBE/WBE:	
Related Items:	

Additional Backup Information

Under Chapter 13 of the Texas Water Code, City Council is the local regulatory authority with exclusive original jurisdiction over rates for water and sewer utility services provided by non-City utilities serving areas within the City's corporate limits. PK-RE Development Company, Inc. ("PK-RE") is a water and wastewater utility with customers in the corporate limits of the City located in the area known as Greenshores on Lake Austin. On September 19, 2012, PK-RE filed a Statement of Intent to Change Rates ("Statement of Intent") that will affect its in-City customers. As the local regulatory authority, City Council has approval authority over PK-RE's rates to determine that they are just and reasonable and that, in all other respects, the rates meet state and local law.

Of the 167 customers residing in PK-RE's certified water utility service area, six are within the corporate limits of the City. These customers receive utility service from PK-RE. As required by law, PK-RE provided each affected customer 60-days prior written notice of the proposed rate changes and has advertised public notice concerning this matter.

Under its authority in Section 13.187 of the Texas Water Code, the City Council suspended PK-RE's proposed rate increase for 90 days in order to allow the City's Austin Water staff to thoroughly review and analyze the factors necessary for making a final recommendation on the proposed rate change. As the local regulatory authority, City Council is authorized by Chapter 13 of the Texas Water Code and Chapter 15-4 of the Austin City Code to approve, deny, or modify PK-RE's proposed rate change. Austin Water staff has completed its review and analysis of the rates, considering all supporting documentation, and has determined that the changed rates as proposed by PK-RE's Statement of Intent are just and reasonable for its customers in the corporate limits of the City. Austin Water staff recommends approval of the rates and tariffs as proposed by PK-RE in its Statement of Intent.