



## Water & Wastewater Commission Review and Recommendation

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| <b>Commission Meeting Date:</b>   | April 11, 2018   |
| <b>Council Meeting Date:</b>  | April 26, 2018   |
| <b>Department:</b>  | Planning and Zoning  |
| <b>Client:</b>  | Bart Jennings, Virginia Collier, and Kevin Critendon   |
| <b>Agenda Item</b>  |  |
| Approve an ordinance adopting the Amended and Restated Strategic Partnership Agreement (Amended SPA) between the City and the Cascades Municipal Utility District (MUD), and regarding full purpose annexation of the MUD (approximately 136 acres in southern Travis County east of IH-35 South approximately four-tenths of a mile south of the intersection of IH-35 South and Onion Creek Parkway; Council District 5). |  |
| <b>Amount and Source of Funding</b>   |  |
| Funding necessary to provide ongoing general governmental services, upon full purpose annexation, to this tract is available in the budgets of the department which will provide the services.  |  |
| <b>Purchasing Language:</b>   | N/A  |
| <b>Prior Council Action:</b>  | August 28, 2014- Council conducted a public hearing and authorized execution of a Strategic Partnership Agreement (SPA) between the City and the Cascades MUD No. 1. |
| <b>Boards and Commission Action:</b>  | April 11, 2018- To be reviewed by the Water and Wastewater Commission.   |
| <b>MBE/WBE:</b>   | N/A  |

The purpose of this Amended and Restated Strategic Partnership Agreement (Amended SPA) is to amend the terms and conditions of full purpose annexation and approve dissolution of the Cascades Municipal Utility District (MUD) in accordance with Section 43.0751 of the Texas Local Government Code. If approved by both the MUD Board and City Council, full purpose annexation and dissolution of the MUD would occur on May 7, 2018. No Capital Improvement expenditures are required by the City to provide services in compliance with state law.

#### Background

In 2013 the Texas Legislature created the Cascades MUD No. 1 conditioned on the City entering into a consent agreement with the MUD. In 2014 the City consented to the creation of the Cascades MUD and approved a SPA that deferred full purpose annexation to no sooner than December 31, 2024. The MUD is currently undeveloped and has not issued any debt. The new property owner has determined that the proposed Cascades at Onion Creek subdivision (C8J-2007-0130.03) can be developed as originally planned and without the need for a MUD and now wishes to dissolve the MUD. Approximately 40% of the proposed subdivision is currently in the City's full purpose jurisdiction and the Amended SPA will bring the remainder of the proposed subdivision into the City's full purpose jurisdiction and dissolve the MUD. Retail water and wastewater services will be provided in accordance with Austin Water's process, procedures, rules, and regulations as was agreed upon in the original Strategic Partnership Agreement. Cascades MUD has not issued any debt and therefore, upon dissolution of the MUD the City will not assume any debt.

The Cascades MUD Board will consider the Amended SPA on April 9, 2018.

#### Recommendation

City staff recommends Council approve the Amended SPA.

The Water and Wastewater commission is scheduled to consider the Amended SPA at their April 11, 2018 regular meeting.