

Austin Water Oversight Committee (AWOC) meeting Transcript – 2/8/2024

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Today I'll go ahead. I'm Leslie pool and I'm chair of the Austin water oversight committee. I'll go ahead and call this meeting to order. It's Thursday, February 8th, 2024 130. We are on west second street in chambers. I see that council member Allison alter has signed in remotely. I understand mayor Watson will join us remotely as well. I am not sure if council member Ryan alter will be joining us today, but if he does, we will see him. We do not have any speakers. Is that correct? Great. All right. We are called to order. No public communication. I'd like to take a motion on, I guess maybe council member Allison alter can offer approval of minutes. November 28th, 2023. The special called meeting of the Austin water oversight committee. Thank you. Council member, for that motion. I will second, do you have any changes or corrections

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have any changes or corrections to make to those minutes? Thank you. So much. Those minutes are approved with no objections. We'll move right on to briefings and we'll start with with, the director's report on innovations, events and awards and upcoming recommendations for council and the record can note that council member Ryan alter has joined us now. Good to see you. Council member. Hello, director. Good afternoon. >> I'd like to provide you some updates on activities at Austin water. Beyond the specific items that we'll be discussing on the agenda today. First I want to recognize the efforts of Austin water staff to prepare for winter weather and respond to the freeze event last month. I've heard people say that this event was less severe than past events because there wasn't significant precipitation. But I assure you that three days below freezing is a significant test of our readiness. Our teams and facilities were ready and performed very well throughout the event. We prepared our

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the event. We prepared our plants, staged generators for our lift and pump stations, put crews on standby, and staged vehicles. Our emergency management team monitored the weather and moved into more alert operational conditions as the event unfolded. We stayed in constant communication with other departments and city management and participated in city press conferences where we stressed the things people can do in their own homes to be prepared. As everything thawed, we activated additional crews and contractors to repair pipe breaks. In short, the system worked and I couldn't be more proud of how far we've come in. Being proactive and prepared for winter weather. Looking out to the horizon, we continue to make progress on our work in employee recruiting and retention. Our current vacancy rate is a little over 10, and we only have one vacancy older than one year, and our staff have been positively impacted by the city's recent market studies. I know you have a particular interest in the water treatment plants. We currently have 19 vacancies out of 100 water treatment plant

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of 100 water treatment plant positions, so while that's better than a year ago, it continues to be an area of focus for us. I recently had an update on the plant training program that we're developing and implementing, and I'm pleased to see that the program is well received by staff, with even experienced staff requesting to participate. On the financial side, we are deep into budget planning for fiscal year 25, including updating our five year capital plan. We have also kicked off our cost of service study, which includes a public involvement committee, and we have representatives from all areas of our community on that committee, and we value their engagement and feedback as we work through the process to recommend rate changes for the fiscal year 25 budget, we also had a very successful debt defeasance transaction last month, which will save us \$62 million in debt service over the next three years. As coming up on the radar, we have several important items coming for council approval. Last fall, we reissued the solicitation for the construction manager at risk

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the construction manager at risk for the \$900 million expansion and improvements project at the walnut creek wastewater plant. We are currently reviewing proposals and expect to bring our selection to council in may. We are working through a facility master plan to identify our long term needs for personnel facilities across our system. Like many utilities, our personnel buildings are aged and require attention and we want to be thoughtful about where we invest for the future. Plans include a new north service center, a new south service center, and a new water operations control center. We are working closely with the city's strategic facility governance team, and later this month, council will consider approval of the contract for architectural services to redesign our administrative building. We continue

to focus on resiliency in our treatment plants and pump stations, and we will be bringing forward an rca for resiliency improvements project at the Hancock's water treatment plant next month. We appreciate council's support for these items, and if you have any

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these items, and if you have any questions or concerns, please let us know. Thank you. >> Thanks so much. I understand the mayor is trying to join us and so if there is anyone who can offer some additional assistance to make that happen, that would be really great. So questions? Yes. Council member Alison alter. Good afternoon and thank you for that report, director Olsen. >> I, I wanted to drill down into the vacancy rates that you mentioned. So you said you had a current vacancy rate for, department wide of 10% and 19 out of 100 for the water treatment plant positions. As you know, one of the areas of particular interest is Ulrich and what the vacancy rate is for that it was still above 30% the last time we had a meeting and discussed this. So what is the vacancy rate for Ulrich at this point? >> The vacancy rate at Ulrich

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>> The vacancy rate at Ulrich today is seven positions out of 35, which is about 20. Thank you. >> So I'm pleased to see that improvement. That still sounds like a lot. For such an important plant. Can you speak? You know, we're going to get to this a little bit in the next, one of the next presentations, but I it looked like some of those efforts were kind of closed out. And I just want to understand what we're doing, you know, specifically for the Ulrich. Vacancies. If those other things are sort of closed out, I would like to understand what else we're trying to implement. >> Well, we're we are really working on the training program that I spoke about, because that's an important tool for retention for us. >> And we are we have implemented the, cost of or the market studies. And so we've

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market studies. And so we've seen a positive impact on our staff pay and we're continuing to work on kind of the career progression, work and, and, and so sort of all of the there's not maybe one thing that we're doing, but we're continuing to, you know, all of that work continues to be a work in progress that we're that we're focused on. And the, the, we had had a couple of open houses where we, provided, our recruiting staff at the plant to welcome folks into the plant, give them a brief tour and then help them apply on the spot. And those were successful for us. So we're looking at scheduling, additional open houses like that in the future as well. >> Are there any, you know, resources you need from council or from other departments that would facilitate a continued

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would facilitate a continued reduction in that vacancy rate, particularly at that treatment plant? >> I, I think that the things that we are doing are having an effect, and I recognize that it may not be as fast as we would like, but, but I feel, that we are demonstrating that we are able to bring that vacancy rate down and that we need to continue to focus on these strategies that are working for us. And I don't think we need any additional resource beyond what we've already allocated. >> Thank you. I would ask that, you know, to the extent that you have the final report for the audit, on today's or in terms of the quarterly report that you make the vacancy rate for Ulrich , part of your your manager's report or director's report, to this committee, please do that. >> Thank you. Thank you. >> Any other questions? And we're continuing to work to get the. And there is the mayor. Excellent. Mayor welcome.

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Excellent. Mayor welcome. Thanks. >> Sorry to be late. >> No worries. The link stuff happens to us all at one time or another. So you are now inoculated to that? >> Good. That's what I needed. Thank you, madam chair. >> Director roalson is that it for the director's report? >> That concludes my report. >> Very good. We will move now to item number three, which is the Austin water external review . Final closeout report on implementation of recommend actions. >> And you, you get me again for this one. But I will point out that we have quite the collection of Austin water experts here in the room with us today. So we will call on them as needed. So just about a year ago, we had our February Austin water oversight committee meeting of 2023, and that was our first report out on the external review. And I'm very

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external review. And I'm very pleased to be able to, provide an update today that demonstrates that all of the recommendations that we accepted are either completed or or are well underway. I do want to stress, and I think council member Allison Walters comments reflect this, that that none of this is work that is done and gone. This is all, this is work that goes on. It's part of what we do every day, from now into forever. And so I want to I want to just, express my commitment as director to continuing the momentum on these items that that will be discussing. You know, we categorized these, recommendations into buckets, like employee and leadership development, operations and engineering, public information, emergency management, sops and training. Those are all key areas of focus and priority for me as director. So we will we

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me as director. So we will we will continue our work and we have have briefing scheduled for this committee that will touch on this ongoing work as we go forward. So when we last provided an update to you in November, we had, 33 recommendations that were implemented, 14 been underway, and two that were planned that we hadn't quite kicked off yet. And as of today, they, 41 recommendations are implemented and eight are underway. So just to highlight some of our recent, newly implemented recommendations. Burns on the employee and leadership development, the recommendation was to continue to advocate for increased operator salaries and, as you as you know, a year ago, we implemented a temporary 10% retention bonus for eligible staff that was intended to,

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staff that was intended to, bridge the gap between where we were at that time and all of this work that we have done over the last year related to compensation. And so that. Retention bonus will expire at the end of this year. We have worked with the city's human resources department to implement, numerous retention strategies, including a retention stipend for new staff, safety incentive pay, licensure incentive pay, some rezoning activities, which is where we go and look at folks who haven't had a job change in a while. So they haven't had their salary looked at in a while. And we had a number of folks within Austin water who were positively impacted by that work. Job description changes. And then, hrd completed three market studies in it, engineering and the citywide study that positively impacted a lot of Austin water staff as well. So this this concludes all the pending comp activities. But again, you know, the work of

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again, you know, the work of making sure that our staff are fairly compensated has never done, in operations and engineering, we complete. The back wash performance evaluation and established an sop for that work for all three water plants. We reviewed our cip with our operations staff to make sure that they had an opportunity to participate in that process. And , and, and that they know how going forward, they can get their input into the cip process. And then Ann, alongside that, we did some training for our the what the cip, how our cip process works with operations staff. And then on emergency management, we have identified scenarios that could present water quality and treatment issues and updated our emergency response plan. And we

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emergency response plan. And we have additional response plans for wildfire, pfas and oil spills that have been that have been drafted and incorporated on the sops and training side. We've implemented focused training on operations for new staff. I referred to that in my director's remarks. And, and we will continue to roll that out. And complete the development of that training over this coming year. We have have, done one regulatory and water quality training at all three water plants. And the oil spill response plan, the, the, the pipeline operator, magellan has a big responsibility for that. And so we're working closely with them, and they have they are they have completed their updates to that plan and we're satisfied with that. So in terms of our remaining recommendations that are underway, you know,

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that are underway, you know, certainly as it relates to recruiting retention and training, we will continue to report out on those to you all. And we'll continue to report out on the my atx water, which is the rollout of our Ami program. And and certainly any other topics as needed so that, that is the update for the external review. >> Any questions for our director? Council member Alison alter? >> Thank you. Director, I you know, I first want to thank, UT and the center for water and environment for, helping us to conduct the audit in the first place. And really appreciate the way in which Austin water has collaborated, and worked hard to demonstrate implementation and move these pieces forward. This is really a key aspect of how we maintain our resilience, and are

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maintain our resilience, and are prepared for future issues, and hopefully not disasters. I do have a couple of questions that I wanted to, go through. So one of the issues that we had had, highlighted in the audit was that there was a preventative maintenance backlog. And Ed you identified, I think, that there were contracts, that you were emergency contracts or things that you had mobilized to be able to address that backlog. Can you provide us a status on the backlog as well, where that is at? >> I'll have to get you the actual data on that. But my understanding is that we, are addressing our backlog of preventative maintenance. Okay. My understanding is that we've addressed our backlog of preventative maintenance. Okay >> If you can just double check that and if it's different than

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that and if it's different than that, if you can let me know. That's great. That's what I wanted to make sure. So that's the answer I prefer, but I just want to check there's a difference between having contracts for it and actually having addressed it. Thank you. So you noted that there was a pending expiration of their attention bonuses for the 10. Obviously that is going to create some uncertainty. And angst among our staff. Can you speak at all to the plans for the fiscal year 25 budget or how you're

thinking about that and working with the city manager to move us forward there? I. Think that it will. >> I'll need to circle back with you on that, because we are in the very preliminary stages of working through budget discussions with the city manager's office. And so I think it's a little early for me to talk about how that will, will all, unfold. But our last communication with staff, when

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communication with staff, when we extended the 10, bonus, indicated that it would go through fiscal year 24. So that's where we stand for right now. And, as we continue to implement the compensation, you know, the market studies that that hrd has done, we continue to communicate with staff about that. >> Thank you. I'll just express this for whatever it's worth, that I really hope that we can, continue to rejuvenate our staff appropriately, for the work that they're doing. It's very critical, obviously, for our water system, etc. Their, can you please, in your director's report at the appropriate time, report to awoc about the partnership for safe water self-assessment. In particularly Ulrich, but also the other plants, you know, as that process moves forward. And I think that's something that this

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think that's something that this committee really needs to be apprized of at the appropriate time. Thank you. >> Yes, I agree, we intend to provide you a briefing specifically on the partnership for safe water. >> Thank you. And then in the backup you mentioned, new operations and maintenance position that was going to help with cross training. Is that position filled or or just out for applications? >> I do not think that position is filled yet, but I will confirm. >> Okay. If you could let me know that would be great. And then for the discussion on the intermittent versus the continuous polymer feed, I believe there was a memo on it, but I don't remember what the answer was. Can you remind us where we landed on that? >> Yes, the we did an evaluation, for the everyone on the committee, the we feed polymer in order to help our plants better address high turbidity events like what we experienced in the floods of 2018. And our practices to feed it all the time in order to keep

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it all the time in order to keep our, staff, you. Know, keep the systems and the staff prepped and ready to, you know, really ramp it up when we need it. And we looked at the pros and cons of intermittent use versus continuous use. And the recommendation was to maintain continuous use. >> Great. Thank you. That's what I that's what I thought. And then there was a key part that has been put into water forward, which is sort of some of these water quality scenarios. Can you speak a little bit to how those will be incorporated into water forward? And I also wanted to just, ask how you're planning to engage with the community wildfire preparedness plan process that's about to launch. >> Sure. I'm gonna I'm gonna

phone a friend on on both of those items. So Marissa flores Gonzalez, who is our water resources team lead, will can address how we will, incorporate the water quality issues into

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the water quality issues into water forward. >> Thank you. >> So there are a couple of, really dated external review recommends actions. One of them is looking at, extreme events and the occurrence of those extreme events in the future, as well as, potential implication on water quality. To address that, we're both working with UT to better outline the frequency probability and occurrence of future extreme events and will also be doing krems water quality modeling to look at impacts on the basin of potential future scenarios of climate, as well as other scenarios that could impact our source water quality. To address that, we'll be looking at a variety of strategy studies. In addition to that will be, including best management

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including best management practices related to land conservation. As a part of the Waterford plan update, there are other related activities that are covered outside of water forward that will also be addressing potential future water quality impacts. >> Thank you. That was really important for a lot of the water advocates to really understand that we were going to be very, probing those water quality aspects from those extreme events. So thank you for the clarification. >> Any other questions? >> I think we have a second part of the question on, I see Anna standing up council member alder, would you, restate your question? >> Sure. >> So there's a community wildfire preparedness plan, sort of the next update of that that's launching this year. And I was wondering about how you're planning to engage. And if you don't have that answer, I can just say that I would like you to engage it hasn't fully launched yet, so you may not know too much deeply about it,

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know too much deeply about it, but I think it's really important that Austin water is engaged in those conversations between the water quality lands and your treatment plants. Being in the wui. >> Yes. Thank you, council member alter for that question. I am Anna o'brien, assistant director of business services at Austin water. There are really two components to wildfire preparedness for Austin water. Our emergency management team coordinates planning, training and preparation activities across the utility. And very importantly, our wildlands division manages lands and does specific work to prepare for wild lands for wildfire fires that could occur on our property . So I will alert both of those teams to the assessment that you have mentioned and make sure that we are connected appropriately with that

work. Thank you. >> It's about to launch. It hasn't fully launched yet, so you may not be aware of it yet.
>> My best guess is they're already on top of it, but I'll make sure that they know about it.

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it. >> Great. Thank you so much. And I really do want to just underscore that I appreciate the seriousness with which Austin water has taken the audit and implementing all of the different pieces here, and I hope we can continue, to make these investments to ensure our water quality and availability. Thank you. >> Thank you. >> Any other questions? I think we're good. Thank you. Director Roalson. Anything else on item three? All right. Well, we will move on to item four, which is water forward updates. And I'm really excited to introduce this presentation. Item four is a crucial element in the water forward plan. As our city prepares to keep pace with growth, drought, and climate change, the council and Austin water utility have been working on these policies and programs for a long time, and today, Austin water will be briefing us on their

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briefing us on their recommendations for the city's reclaimed water infrastructure and possible funding strategies. And before you start, I think the mayor had a couple of comments. He wanted to make a few. Can you pull up there? There we go. Now we can see the mayor on the screen. Mayor, did you have some things you wanted to say? >> Just very, very briefly. What I would like to say is that, along the lines of what you just said, I think that this how we implement water forward will be definitive about how we address climate and how we address the future of this city when it comes to water and the presentation that we're getting ready to look at is exciting to me because it builds on so much that this city has done with regard to water, especially over the last 25 years, which is what I'm most familiar with in terms of what we've done. And, you know, I'm going to say it this way often, Austin is kind of on

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way often, Austin is kind of on the cutting edge of different things. I remember when we first created the green energy program, back in the late 90s, early 2000, we were on the cutting edge, and it has led us to be it's caused us to be leaders on a national level when it comes to green energy. I think what you're going to see with the purple choice, purple pipe, purple water, whatever we're going to call this, but that is going to also put us in a leadership position and sometimes we end up almost taking for granted how well we're doing and how we're building on those kinds of things. And I think we just need to pause and say, as we get ready to hear this. And after we hear it to our director and to the Austin water staff, thank you for keeping us on the cutting edge. This implementation is going to be paramount, and I'm real pleased

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paramount, and I'm real pleased to, be part of what we're really addressing. One of the biggest climate issues of our time. And putting Austin on the forefront. So thank you for letting me say a few words about this. But more importantly, thank you to, Austin water for what they're doing. Thank you, mayor, and I join you in that excitement. >> And I like what's on the main screen here with water forward reuse strategies. One city, one water, a plan for the next hundred years. Director Roalson, we headed off to you. >> Thank you. I, I share your enthusiasm and excitement about this this topic today. And also your kudos for Austin water staff there. There are not very many water utilities that have 100 year plan and so we're we're very proud of that. And it's something that we work on every day. What are the things that we can do right now to better position us for 100 years from now? And so we're we're

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now? And so we're we're constantly making the future, possible in the work that we're doing today. And so I'm, with that, I'll just I'll get right into it. So we'll start with a brief overview just to, make sure we're all jumping off from the same point on on water forward on the work that we have done up until now. And then how we're looking forward. We'll focus today on our reuse strategies and the importance of reclaimed water to our 100 year plan. We know the community is having. And the council and Austin water and all of our partners, business partners are having a lot of conversations and concerns around affordability. So we're going to talk today about some of the steps that we plan to take to help address the affordability concerns. So that we can successfully implement these, water strategies that we need to have in place for central Texas to be livable 100 years from

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to be livable 100 years from now. And then 2024 is a big year for Austin water and for all of these efforts. And so we'll talk a little bit about those key activities. So water forward is our 100 year integrated water resources plan. It was adopted unanimously by council in November of 2018. And we have been moving forward on a diverse set of water management strategies. That address growth, drought and climate change for our sustainable, resilient, equitable and affordable water. Future so a brief overview view of Austin's water. The Colorado river is, it runs right through the center of Austin and it is the heart of both our community and our water supply. So we take water from, Lakes Travis and Austin and treated at three water treatment plants. We distribute it to three about our

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distribute it to three about our service area to our customers. We then collect their wastewater, treat it at a number of wastewater plants. But two large regional plants, and discharge it back into the Colorado river. And so when we are talking about our centralized reclaim system, we're talking about taking treated effluent highly treated effluent from our wastewater plants, pumping it back into a centralized distribution system so that that water can be used for our fit for purpose. So it can be used for non-drinking water needs like irrigation, like cooling towers, like flushing toilets. And so we'll talk about that and then we'll also talk about our decentralize reuse strategies. So when we talk about the importance of reclaimed water, we have we have very senior water rights to the water in the Colorado river. Run a run of river rights. We also have contract with lcra for stored water. And that gives us up to 325,000 acre feet per day for per year. Excuse me. And 25

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for per year. Excuse me. And 25 years ago, as the as the mayor alluded to, we as a city recognized the need to shore up our contracts with lcra and we entered into an additional contract with them, which we paid \$100 million for in 1999. And, and that reserves additional water for us and we will trigger payments once our water usage reaches 201,000 acre feet per year, two years in a row. Now, when we signed that contract, we thought it would be 2015 to 2020 when we would hit that trigger. And as a testament to the work our community has done, that each of us have done in our own homes to reduce our water use and to really embrace conservation. We used 175,000 acre feet last year. So, anything that we can do to, to to conserve water and to reuse the water we already have, not only does that stretch our water supplies, but it also has a

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supplies, but it also has a significant financial impact for us in avoiding those, those payments. So as we think about water forward and our guiding principles, we update this on a five year cycle. We will be bringing council the updated plan for 24 later this year. And we have a number of guiding principles that, that may look familiar to you. These are these are principles that we see in a lot of a lot of the city plans. So when we talk about one city, one water, we are very well integrated with the other departments and all of the planning work that Austin is doing around sustainability and resiliency. And you'll also see on here protecting the Colorado river, reducing our operational risks and focusing. On our local supplies. So those are key key principles for us as we think about what our best value strategies are going forward. And as I mentioned, we're we're well integrated with, with all of the work going on across the city and, and the three legged

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city and, and the three legged stool of sustainability and equity, affordability and reliability and resiliency. So what we're really talking about when we talk about water forward , it's shorthand for planning for uncertainty. So we know that we have tremendous population growth happening in central Texas. And we know we have climate change. These are happening right now all around us. And so when we look at planning for our water future, what we are looking for is what are the strategies that we can implement today that work for the broadest set of possible future outcomes? And then we revisit that on a five year cycle, really on a constant cycle. But we will republish our results on a five year cycle where we are looking at what are the strategies that best bridge, these possible future outcomes. And, you know, just to drive

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And, you know, just to drive home, the, the point that this is happening now, you can look at the combined storage of Lakes Buchanan and Travis. This is the entire history of the lake since they were built. We hear a lot about the drought of the 50s. That was the drought of record for a really long time. You can see that deep dip on the left hand side of the graph, and then another deep dip in the 60s. And then we had a sustained period of very favorable conditions in our, in our Lakes. Until the drought of 2008 to 2016. And that is now our drought of record. And so when we look at these, these strategies, not only are we looking at quantity of water to serve our population in the future, we're also looking at what are our strategies to bridge these periods of deep drought. And that is where reclaimed water, plays a really significant role for us. And as I mentioned, water forward has a number of

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water forward has a number of different strategies because we're looking at how do we address a lot of different possible future conditions. We have supply side strategies. So right now we get all of our water from the Colorado river. So we want to look at what are ways we can diversify our supply. We have conservation. So those are demand side strategies . How do we reduce our demand. Those are really the conservation landscape transformation. All of those kinds of strategies. And then we have our reuse strategies, which is our switch hitter. Because it's a supply of, of water molecules that we can deliver to people's homes and businesses. It's also a concern serves our existing supply because every drop of reclaimed water that we use is less potable water. That's being used at that location. So these all work together here, as a comprehensive set of strategies and, and, you know, just to just to think about, you know, why

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to think about, you know, why now, why why this focus in 2024 on really building the momentum around reclaimed water? You know, when we look back to what Austin looked like when we signed that agreement with lcra in 1999, it it looks a lot different. I know I don't have to remind anybody here about that. So just the, the affordability, the reliability and resiliency and the environmental sustainability, really is the is the crux of the value of reuse for us. So this is not new work. This is work that we've been leading up to for a long time. And and Austin water and the city of Austin are leading the way. The central library uses reclaimed water, permitting. And development center actually has a black water recycling system. Austin energy headquarters flushes toilets with reclaimed water and many other developments around

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many other developments around Austin are already using reclaimed water. Either for collecting rainwater for reuse in a dual plumbing system, and air conditioning condensate connecting to the city's centralized reclaimed water system. Or all of the above. So we know it works. Oh, and you may be wondering, why the purple? Well, we have a we have a color coding system in the water business, and reclaimed water is purple. So anywhere you go, you see pipes painted purple. Those are reclaimed water, reclaimed water pipes. So we'll hit first some of our implementation highlights. We have already implemented the on site water reuse regulatory framework and incentives. Those were approved by council in 2021, and we had a voluntary reclaim connection incentive at that time. We are already having new developments. Do water benchmarking, on site water

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benchmarking, on site water reuse, extending to the reclaimed water. And we'll talk a little bit about who is currently required to connect and who who will be required to connect under the amendments to code that are coming to you in March. And we've made significant investments in our central reclaimed, system as well. This kind of hits the high points of the work that we've done since we started the reclaimed water initiative back in 95 and 96. About about those those dollar values don't line up exactly with the years, but we have \$100 million of projects we've completed. That's it's pipe and infrastructure in the ground. \$984 million of current ongoing reclaimed water projects . And then in our planned, cip Erp, we have \$203 million of future projects. So this is an ongoing life cycle of investment in order to build and extend the

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in order to build and extend the centralized reclaim system. And this is what, \$193 million of investment looks like. So you can see the two purple boxes are our treatment plants, walnut creek wastewater plant

and south Austin regional wastewater plant . And then all of those miles of reclaimed water lines that extend from there. You can see we serve the airport. We serve downtown, we have quite a bit of reclaimed water pipe in the Mueller neighborhood. And there the gap that you see, kind of through Travis heights and Bouldin creek. We're closing that now with projects that are in construction, in design and construction. And we serve a lot of parks. The parks department uses reclaimed water for irrigation in, in their parks and the golf courses. So so we are heavily invested in, in reclaimed water. So as we look forward for our reuse

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forward for our reuse strategies, I want to say right up front, as I mentioned earlier, that affordability incentives are a big part of this plan because we recognize that there is a benefit to our entire community to getting this reclaimed, these reclaimed infrastructure built getting these projects built. And so we want to make sure that we can make it possible, we will continue to expand our centralized reclaim system. As I mentioned, there are also opportunities for community scale reclaimed water, whether that's taking water from an existing collection system or perhaps a new development that doesn't connect to the centralized wastewater collection system, but instead builds a local wastewater plant and then reuses that reclaimed water right there. And their community. And then there's on site water capture and reuse. So this is where, developments, commercial and mixed use developments collect rainwater,

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developments collect rainwater, stormwater, air conditioning, condensate, greywater and then dual plumb their buildings to reuse that water inside their inside their developments. So we have developed a number of affordability ideas. And we're moving forward with, with defining these in detail. And I want to say too, that already there's, there's affordability, component that's built into the system. Because if you develop on site water reuse or you connect to the centralized reclaim system, then you don't need as large a water meter. And so you pay less to connect to the water system. Reclaimed water is charged at a lower rate. So if you use as you shift your water use from potable to reclaimed water, you pay less for that water. So those are, are, incentives, if you will,

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are, incentives, if you will, that already exist in, in the system today. So we're looking at some additional we have a, we have a voluntary incentive program right now where we will, provide grants and incentives for reuse and conservation for qualified projects. We're looking at reducing monthly fixed charges to developments that implement that. These reuse strategies. Potentially helping these projects

get into the city's expedited building permit review process. The low interest loan program, the idea there is that the financial services department would implement a low interest loan program that they would administer and that we would fund from Austin water, that would provide below market rate loans to developments that they could then pay back over time. We're also looking at cost sharing. So for the for the distances that developments need to go to, to to connect to our centralized reclaim system,

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centralized reclaim system, there's a benefit to us and to all of our community to, to make those extensions, to expand the reach of our centralized reclaim systems so we can we're looking at some cost sharing options. There and then there's some existing programs, Luz, state administered program called property assessed clean energy. And Travis county administers that program. We wrote a white paper about how that program might apply to our our reclaimed initiatives. And and water forward strategies. And so we're prepared to assist developments to go through that kind of low interest loan program as well. So all of those strategies do cost money. So we're also looking at the other side of it. How do we fund these these affordability strategies. Right now our, our our retail customers pay the community benefit charge, which funds our customer assistance program. That's \$0.15 per thousand

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That's \$0.15 per thousand gallons. We're proposing to add an additional \$0.15 per thousand gallons. That would be dedicated to the reclaimed water system expansion and on site reuse programs. Our, our customer assistance customers that are in the cap program would do not pay the cbc. And so this would not affect our most vulnerable customers. But it would provide this dedicated funding source, for the reclaimed system. We're also looking the mayor mentioned green choice, which was the Austin energy's voluntary rate program. We're looking at purple choice and purple choice plus. So this would be a voluntary rate program where our our we have a lot of members of our community who want to see these programs move forward faster. And so they can help us do that through the purple choice program. And then sometime down the down the road, we have some ideas around implementing excess

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ideas around implementing excess usage fees. So if you think about, as a residential customer, you know that if you use up to a certain amount of gallons, you pay our lowest tier of rates. If you exceed that usage, you use more. That bumps you up into a higher tier of rates. And so that's a conservation rate structure. We don't have a corollary on the commercial side. So this would be the corollary to that

where commercial developments would identify through water benchmarking what their water use should be. And then it would bump them into higher tiers of usage as they exceed that. So this is a future idea that's not ready to launch right now, but it's certainly something we want to keep in our playbook. So just to touch on what is required for developing rates right now versus what will be required, because winning on April the 1st, should the council adopt the code amendments that we will be bringing forward on March

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be bringing forward on March seventh. So right now, small developments, less than 250,000ft² are required to do water benchmarking, and they are required to connect to our centralized, reclaimed system if they are within 250ft of a reclaimed line, and then do the dual plumbing and the on site, uses such as irrigation and cooling that that that, that water can be used for large developments, with out multifamily or also required to do water benchmarking and connect to centralized reclaim if they're within 500ft. At the time that these requirements were implemented, council pulled out the multifamily. So large developments with multifamily and gave them an automatic exemption. So right now they have the same required amounts as the small developments to connect within 250ft. So what is proposed to be effective on April the 1st. And this is after we have done council charged us

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we have done council charged us to go do a study and evaluation of what these on site, what an on site water reuse system should look like. And so we did that and we selected the least, costly option, which is as I described earlier, to collect rainwater and storm water and then reuse that on site. And so that is what the code changes will be to implement those requirements. What does an on site water reuse system look like. And to require for large developments to install on site water reuse systems or connect to our centralized reclaim system? And those requirements would be the same for all large developments, whether or not they have multifamily, excluding multifamily projects that qualify for the city's affordability unlocked or state low income housing tax credit. And we will we are proposing to maintain our incentive program, which we hope we can help those

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which we hope we can help those affordable housing projects to take advantage of our incentive program to do this work. Also, at a at a more affordable cost for them. So that brings us to the council item that will be bringing on March seventh, which we are calling purple pipe day, and we would welcome, everyone to wear purple with us. I may wear purple every day until then. Just to keep up the momentum. So that will include code. Code changes that I talked about on the previous slide. The

existing incentive program, the community benefit charge, and then an exciting agreement. We have an interlocal agreement with Travis county to extend reclaimed water to the Travis county courthouse, where they are already dual plumbed. Just waiting for us to get there. So that will come to you on March 7th as well. And then we will continue to work through, the

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continue to work through, the remainder of the ideas that I talked about today. As part of our fiscal year 25 budget. And so you will see those as we go through the budget process and with that, I am happy to answer any questions. That's great. >> Let's see if we can. There we go. We can see, mayor and council member Allison, alternate. Looks like council member harper-madison has joined us as well. I'll kick off with a couple of questions for you. Great what is the plan to extend the reclaimed water mains inside and outside of the urban core? Are you looking at corridors next? >> So we have similar to what we do on the water and wastewater side. >> We have long range plans for the reclaimed system. And so we are looking at I mentioned, completing the core. Those are the projects that are going on right now that will interconnect the north system with the south

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the north system with the south system, and that's going to provide us a lot more operational reliability and flexibility. And then we will continue to work on on expanding outward from there. And inward from there. So so, so that's we'll methodically work through our plan so that we can reach the kind of the highest value, densest development areas in order to make centralized, reclaimed, closer, like, more reachable from those new developments. Gotcha. >> The map shows that reclaimed water is supplied to the Miller neighborhood. Do you imagine that in the future, reclaimed water will be supplied to all the neighborhoods? And what would that look like time wise? >> Well, I think time wise it's pretty far out there. >> Okay. Because if you look at, you know, what we've accomplished since 1996 with almost \$200 million of investment, you can see that it takes a long time to get to the level of coverage that we have

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level of coverage that we have in our water and wastewater systems. And that's to me, that's really where the leaning in on the on site water reuse systems is really valuable because that's how we get we bridge that time period between, the, the build out of the centralized system and where we are now and also the local the community scale. And some of our smaller we have a number of smaller wastewater treatment plants and some areas that, as they develop, may be better served by low small local wastewater plants. And so it's sort of a, you know, we will continue to invest in our centralized reclaim system, but we will also look for those other, options cities to, augment that supply. >> And

speaking of costs and cost sharing, you mentioned cost sharing. Can you tell us more about how this would work? So so we're we are still working on the details of that, but our

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the details of that, but our concept right now is that we would, we would look at the, the above and beyond what is required by the code to perhaps 50% cost share up to a max. >> So that, you know, so that we're both between, the development that reaps the benefits of bringing reclaimed water to their development and our benefit of expanding the network. You know, that we're able to, provide a cost share in that way. So the details of, you know, is it 50? Is it 75? Is it is it a max of \$500,000? You know, those those kinds of details haven't been worked out yet, but that's sort of the, the foundational idea. >> And then the last question, it goes to additional water forward changes that we can anticipate, but I'd like to see if we could get a briefing on

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if we could get a briefing on those items at our next meeting, which I think is September 19th, been do you think that would be possible? Sure >> We're absolutely. >> Yes. >> Very good. All right. Yes council member Ryan alter, thank you very much. >> I really wonderful presentation. Love all the work you're doing. And, you know, just kind of at the outset that we, we all know we can't make more water. Right? But we can reuse it. And that's the closest thing we have to doing that. And so, so as our droughts are becoming longer and drier, I know I am very concerned about our future ability to have enough clean water for our rapidly growing city. And I thank you for the incredible work. Austin water is doing to not only help the present, but future. Austinites have the water they need when they need it, and at an affordable price. But as you identified, there's always more we can and should do to protect this vital resource.

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to protect this vital resource. And so, that's why next week I'm really excited that we're going to have, the environmental investment plan that I've put forward to not only protect our climate, but especially our water and, you know, whether it's our protecting our watersheds to keep the water clean more rapidly, deploying our local water capture, just like you talked about, building out our centralized purple pipe. You are the experts and can help us identify ways that we can do more, not only to meet but beat our water forward goals. And so, you know, we're we're not going to make any more of that water, but we can take more action to, to keep the water we have. And so I want to dive in a little bit into to something you just talked about. And when we look at community, capture and reuse, and essentially we like a package plant, right. How long? What's the life of, like, if we were to deploy, that would would

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were to deploy, that would be the thought be that, you know, this might last for 20 years and that's how long it might take the purple pipe to get there, or how do we think about the life cycle of, of that deployment versus this, the pipe infrastructure for getting there. So so when we think about the life cycle of, of any infrastructure that we build, it's really about design standards. >> So there are a lot of package plants out there that were not built. They were built to bridge a gap. That's that's not what I would envision for these plants. I would envision a solidly designed and constructed and well maintained facility, just smaller. Sure and that it would last, you know, we would expect a facility like that to last 50 to 100 years. Just like our just like our current, our big plants do. Okay >> And when you talked about the, looking forward for who based on the size of your development and, and multifamily versus not are are the I'm trying to flip to the right

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trying to flip to the right slide here, but the requirement for, the large developer payments, right now it's and I correct me if I'm wrong here right now, you have to connect to the purple pipe. If you're within 500ft. Right. But if you're a large more than 250,000ft S, that doesn't apply. You just do you if what you would normally do. >> Could you rephrase that? >> Yeah. Sorry. So do you. I guess I should say. Do you if you're within 500ft and you're a large development, then you have to connect to the purple pipe under the rule that is proposed. Correct. If you are a large development beyond the 500ft, is there any reuse requirement on you? >> One at this time? I believe the answer is no. And after April 1st, if we if council adopts the code requirement, this, large developments will be required to build an onsite water reuse system and reuse that water on site regardless of

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that water on site regardless of being within, regardless of whether or not they can collect connect to centralized. Now if they are close enough to connect to centralized, they can do either one. But in both cases they are, making sure their developments are ready to, to use reclaimed water either generated from the on site water reuse system or from the centralized reclaim system. >> And you have a note in here about the cost savings for water reuse is, he says, 10 million plus. Can you just elaborate a little bit on why we're seeing that cost savings? >> Right. And that is really about the avoiding the lcra trigger. That's our estimate that every year we avoid the trigger. We save about \$10 million dollars. And that's there's math behind that. So that's a big round number. But that's about that's the ballpark. So. So the more like kind of going back to where we started, if we can do more and accelerate that and push that even further.

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even further. >> That's about \$10 million a year. We're saving just from doing that. So that's right. We can spend it now or we can spend it later, but we're going to spend it. That's right. Okay. Well, I think the last thing that just not a question, but I to put it all in perspective for me, that gave me just a it was an eye opening. Thought that if you look at your your big chart for if we achieve everything in the water forward plan and it's to, to save or, through the demand or supply almost 350,000 acre feet, which is a third of, of lake Travis and, and for anybody who's driven out there recently, that's about how much is there right now. So if you imagine all the water currently in lake Travis that, that if we deploy the technology and the ideas that that y'all have, that's how much water we can save every year. It's that's that's amazing. So I just I

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that's amazing. So I just I can't wait to dive in more and help us get there. >> I would love to dig into those numbers with you at a later date. >> Because I'm not sure about the 350,000 number, but I will say that this is real water that we're talking about. These are real savings that really move the needle for us. Yeah. So appreciate that. Thank you. >> Council member Allison alter. >> Thank you. >> I'm really excited to see this go forward. I did want to better understand what changed between when I guess it was November when we postponed this to March. And now. Because I'm very anxious to get this implemented, I would love to understand that better. It's really about the affordability, incentives. >> The list of items that we, that I put on that slide about, you know, incentives and grants, reduced monthly fixed charges. The cost sharing really putting

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The cost sharing really putting those details together in a way that we can commit to them to our, to our business partners. So that everyone can understand the financial impacts of moving forward with this. >> Thank you. >> And then we had a putt application that went through where we were not able to achieve the votes to require this. And the argument was it wasn't up to code. If we adopt these and it's now code and they're going, you know, through their site plan process, would they still have to would they would they have to now adopt the reclaimed water or an on site water reuse? This will apply to site development permits that come in after April 1st. Okay that's unfortunate that we can't go backwards at the at the experts back there. >> And they nodded. So great. >> Well,. Thank you. I'm very excited to see us move this forward. When we adopted water forward. This was one of those areas we knew we needed to take a little bit of time. We needed

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a little bit of time. We needed to demonstrate, and we needed to provide, the incentives. And I'm very excited to see, this move forward. And I'll just say it's not just accessing the purple pipe that we're advancing with respect to using, the water reuse. There are a lot of other elements that are in our policy that as we build out and we have these policies, we're going to see those water savings. So I'm very excited about this. Thank you. >> Thank you. I really appreciate your words about taking our time to implement it and prove that it works. >> You know, the slide that we showed of all the city buildings that are using reclaimed water, right now, we know these strategies work and we've proved it. And so really appreciate all of our city departments who leaned in on this with us and made it possible for us to prove that these strategies will work. >> Thanks, mayor. Did you have any questions or anything else you wanted to offer? >> Nothing other than say thank you and I look forward to excuse me. Working with everybody on

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me. Working with everybody on this. This is, this is the implementing of. This is, a key part of our climate plan, and I really appreciate it. The director and her team and I also appreciate the question about why the delay. Part of that was so that we would be I think her answer is a great answer, so that we're in a position to be able to also address the affordability issues and prove that will work, as well. So thank you for that. Thank >> Yeah. And the affordability piece is, is super important. And I just want to make a couple of comments about that myself to add to what my colleagues are saying. And along the way also to, thank staff for the presentation and really appreciate all the efforts to propose options as, as we build out the much needed infrastructure for. But balancing the benefit of achieving water forwards greater conservation and reuse goals with the cost of that

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with the cost of that implementation. Often those are two sides of the same coin. Benefits and costs are connected and will come up short if we undermine either side. So we need to lift up both of those simultaneously, deliberately and together. We will need to be mindful of costs and yet focus on utility investments to achieve the goals that we set for ourselves. And I think this committee is well placed and prepared to press forward with these initiatives. And to support the work that staff is doing. I continue to believe that every facet of our community and every drop of water is now a key player in shaping the water supply for tomorrow. Thank you so much, director, for your presentation and to staff for all of the support that was clearly necessary to pull all this together. Are there any other comments or anything that anybody wants to say? We have one last item. And that is any,

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one last item. And that is any, any, topics that, that, committee members know that they want on our next agenda. We will have some updates on the next pieces of water forward at that meeting. Anything else? All right. For the good of the cause . No other comments. That being the case, I will adjourn this meeting of the water oversight committee at 2:36 P.M. Thank you all so much. >> Thank you. Bye bye.
[Music playing]