

Posting Language

Recommend approval for a resolution authorizing the City Manager to apply for funding from the Texas Water Development Board (TWDB) for a 20-year low-interest loan in the amount not to exceed \$25,000,000 as part of the TWDB's State Water Implementation Fund for Texas (SWIFT) loan program, for the additional cost incurred from the development and implementation of Austin Water's Advanced Metering Infrastructure (AMI) program, aka Austin's Smart Water Meter System (My ATX Water).

Lead Department

Austin Water

Client Department

Austin Water Assistant Director of Financial Services, Joseph Gonzales

Fiscal Note

Funding is contingent upon available funding in future budgets.

Prior Council Action:

April 21, 2016 - Council authorized the City Manager to apply for funding from the TWDB for a 20-year SWIFT loan, not to exceed \$80,195,000, for the development and implementation of Austin Water's AMI project.

December 7, 2017 - Council approved a consulting services contract with West Monroe Partners, LLC for advanced metering infrastructure program management.

February 20, 2020 - Council approved an amendment to the consulting services contract West Monroe Partners, LLC for three additional phases of consulting for the advanced metering infrastructure program.

March 26, 2020 – Council authorized execution of a ten-year multi-term contract with Aclara Technologies, LLC and a five-year multi-term contract with Watersmart Software, Inc. for the advanced metering infrastructure program, for total contract amounts not to exceed \$95,000,000 divided between the contractors.

On March 23, 2023 – Council Authorized amendments to two contracts for Advanced Metering Infrastructure systems, including meters, meter installation, a data platform, and customer portal with Meter Reading Holding, LLC d/b/a Aclara Technologies, LLC or Aclara Smart Grid Solutions, LLC and with Vertex U.S. Holdings, Inc., d/b/a VertexOne Software LLC or Watersmart Software, Inc. to increase the amount by \$7,934,000 for a revised total contract amount not to exceed \$103,000,000, divided between the contractors.

Council Committee, Boards and Commission Action:

March 13, 2024 - To be reviewed by the Water & Wastewater Commission.

Additional Backup Information:

This action will authorize Austin Water to apply for a new low-interest loan from the Texas Water Development Board (TWDB), not to exceed \$25,000,000 to complete Austin Water's Advanced Metering Infrastructure (AMI) project, also known as MyATX Water. This new loan through the State Water Implementation Fund for Texas (SWIFT) will supplement the prior TWDB SWIFT loan that TWDB approved for Austin Water in July 2016, that totaled \$80,195,000. Council subsequently approved related financing agreements with the Texas Water Development Board for the 2018 through 2023 loan transactions, with the final financing agreement approved by Council on July 20, 2023. Austin Water completed the final loan closing with TWDB for this initial loan on November 16, 2023.

Austin Water is seeking additional loan funding for the costs following revised project contracts that the City Council approved on March 23, 2023. Austin Water has made significant progress exchanging over 80% of its customers' meters. Austin Water expects final meter installations to be completed in 2025.

Austin Water's My ATX Water project is replacing analog water meters with mechanical water meters that contain a digital face which is connected to a wireless network. This allows the meter to be read systematically which eliminates the manual monthly meter reading. After AMI implementation, water meter reads will be collected at least daily. The near real time water usage data is made available to customers via a customer portal, so they can better monitor their water usage and be alerted to potential leaks at their property in advance of their bill.

The My ATX Water program improves Austin Water's ability to collect metering data at an increased frequency. Other programmatic improvements include minimizing labor costs and vehicle mileage needed to

support meter reading, as well as increased environmental factors from reduced traffic. Additionally, this program improves the customer experience with customer alerts and diagnostic tools that facilitates operations and maintenance activities.