



City of Austin

Recommendation for Action

File #: 24-4190, **Agenda Item #:** 4.

4/18/2024

Posting Language

Approve a resolution authorizing the City Manager to apply for low-interest loans in a total amount not to exceed \$25,000,000 from the Texas Water Development Board's State Water Implementation Fund for Texas to develop and implement Austin Water's Advanced Metering Infrastructure project.

Lead Department

Austin Water.

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 Texas Water Development Board (TWDB) for a 20-year State Water Implementation Fund for Texas (SWIFT) loan in an amount not to exceed \$80,195,000 for the development and implementation of Austin Water's Advanced Metering Infrastructure (AMI) project.

December 7, 2017 - Council approved a consulting services contract with West Monroe Partners, LLC for AMI project management.

February 20, 2020 - Council approved an amendment to the consulting services contract with West Monroe Partners, LLC for three additional phases of consulting for the AMI project.

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 AMI project for total contract amounts not to exceed \$95,000,000 divided between the contractors.

March 23, 2023 - Council authorized amendments to two contracts for AMI systems, including meters, meter installation, a data platform, and a 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.

For More Information:

Inquiries should be directed to Blanca Madriz, 512-972-0115, or Blanca.Madriz@austintexas.gov.

Council Committee, Boards and Commission Action:

March 13, 2024 - Recommended by the Water and Wastewater Commission on a 6-0 vote with one recusal and four absences.

Additional Backup Information:

This action will authorize Austin Water to apply for a new low-interest loan from the TWDB in an amount not to exceed \$25,000,000 to complete Austin Water's AMI project, also known as My ATX Water. This new loan through SWIFT will supplement the prior \$80,195,000 TWDB SWIFT loan approved for Austin Water in July 2016. Council subsequently approved related financing agreements with the TWDB 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 \$25,000,000 of additional SWIFT loan funds 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 facilitate operations and maintenance activities.