



# April 20, 2021 Council Meeting

## Agenda Attachment with Recommendations

(Only items needing explanation in addition to the agenda are included)

### **Agenda Item 12: Rural Water**

**Attachments:** Proposed new agreement on website at:

<https://www.cityofsanaugustinetx.gov/citycouncil/page/city-council-regular-meeting-98>.

*Items to be verified in yellow & needs a section added for debt repayment plan tbd*

Since the original item came up on the Council Agenda at the July meeting, the Rural has maintained their current accounts as paid in full except for the \$150,000 past due amount. In the August billing cycle the City made a data entry error which has been remedied, and the account was paid today (Sept 21) for recent usages, so to the extent the Rural agreed to keep on top of leaks and usage, City Management is satisfied they are complying.

Originally, the overall intent was to start with a Water Loss Training which will benefit the Rural as well as the City; however, the agency providing training (TCEQ) has postponed our training (2x) until later this week to avoid storms which at one time looked likely to hit the area (Ida & Nicholas). Also, the Rural was not certain about the availability of a pending loan for some \$250K which could be used to pay off some or all the outstanding debt.

In any event, the Rural should propose a plan to meet the requirements. This is preferable to having one dictated by City Management. That plan should be incorporated into a new agreement between the City and the Rural Water Association.

City Management recommends at a minimum that all plant and city meters be read daily and entered into a spreadsheet so the data can be used to put light on potential losses. Hopefully the training will aid in this planning, but simply waiting for a leak to be reported or seen is not an adequate plan.

A new agreement is on the website at the listed address for inspection, but nothing should be implemented until a plan consensus is reached so that it can be incorporated.

The main issue addressed in the document so far is the term which has been modified to 5 years.

**Sample Motion:** N/A Recommend no action at this time.

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