



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/3/2024

Item Creation Date: 10/14/2024

HPW-20FMS97 Trinity River Authority Interlocal Agreement

Agenda Item#: 42.

Summary:

ORDINANCE approving an Interlocal Agreement between the City of Houston and TRINITY RIVER AUTHORITY of TEXAS to provide temporary financial assistance for emergency repairs to Lake Livingston Dam - \$52,875,000.00 - Enterprise Fund

Background:

SUBJECT: Approval of an Interlocal Agreement between the City of Houston and Trinity River Authority of Texas to provide temporary financial assistance for emergency repairs to Lake Livingston Dam.

RECOMMENDATION: Approve an Ordinance approving an Interlocal Agreement between the City of Houston and Trinity River Authority of Texas to provide temporary financial assistance for emergency repairs to Lake Livingston Dam.

SPECIFIC EXPLANATION: Lake Livingston (Lake) is a water supply reservoir located in portions of Houston, Madison, Polk, San Jacinto, Trinity and Walker counties in southeast Texas. As the last lake on the Trinity River before it reaches the Gulf of Mexico, it receives all releases from every upstream water supply and flood control reservoir in the Trinity River Basin.

The City of Houston and TRA jointly developed the reservoir, as governed by a Contract executed September 2, 1964. In accordance with the Contract, the Lake is owned and operated by the Trinity River Authority (TRA) and the City holds a 70% share of water rights in the Lake. The supply of raw water from the Trinity River watershed supports all three of the City's surface water purification plants as well as the industrial raw water customers supplied by the Coastal Water Authority.

During the Spring 2024, the Trinity River watershed experienced a historic amount of rain which resulted in record releases through the Lake Livingston Dam. Once the lake returned to its normal pool elevation, TRA discovered that the dam's spillway had been damaged by those releases. In response to the dam's condition and in accordance with their Emergency Action Plan, TRA issued a declaration of a "potential failure watch" in coordination with relevant Federal and State agencies and entered into emergency contracts to implement emergency protective measures.

The cost of the emergency protective measures, currently estimated at \$45 million, exceeds the cash reserves available to TRA. While TRA is pursuing claims through the Federal Emergency Management Agency, such assistance is provided on a reimbursement basis and not available to satisfy the cash flow necessary to pay vendors for work performed. TRA has requested the City to provide temporary financial assistance to ensure timely payment of vendors performing the emergency work.

Under the proposed Interlocal Agreement, the City would pay the TRA \$7,875,000.00, which is 70% of the estimated non-federal cost share for the emergency work. The City would also provide TRA with up to an additional \$45,000,000.00 of temporary financial assistance to be repaid to the City not later than June 30, 2026. The temporary financial assistance transfers are not recorded as expenses and do not consume spending authority.

The City assumes no liability for the emergency work undertaken by TRA.

FISCAL NOTE: Funding for the item is included in the FY2025 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:

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11/25/2024
Randall V. Macchi
Director, Houston Public Works

Estimated Spending Authority:			
Department	FY2025	Out Years	Total
Houston Public Works	\$7,875,000.00	\$0.00	\$7,875,000.00

Amount and Source of Funding:

\$52,875,000.00

Combined Utility System General Purpose Fund
Fund 8305

Contact Information:

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ATTACHMENTS:

Description	Type
Interlocal Agreement	Contract/Exhibit
Financial Documents	Financial Information