



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 11/1/2017

20HW01 Approval of the 2018 Operations and Maintenance Budget for the Trinity River Authority.

Agenda Item#:

Background:

NOTICE/JUSTIFICATION:

The Trinity River Authority (TRA) is a conservation and reclamation district created by the 54th Legislature in 1955. Lake Livingston is managed for the benefit of City of Houston and Trinity River Authority with Houston having surface water rights to 806 million gallons per day (mgd) and the Trinity River Authority having surface water rights to 314 mgd. The Lake Livingston surface water rights are about 73% of Houston's total water rights of approximately 1.1 billion gallons per day.

The City of Houston and TRA entered into a contract under date of September 2nd, 1964, for the construction, operation and maintenance of Lake Livingston. Under the terms of the 1964 contract, the City pays for the operation and maintenance costs, along with debt service on construction bonds. The provisions of the contract remain in effect until all bonds are paid and for so long as City and TRA may take water from the Livingston reservoir. Payments made to the Trinity River Authority are based upon documented actual monthly O&M expenditures.

Section 9.16 of the contract requires that TRA submit to the City an annual budget covering these cost categories. The proposed 2018 budget by TRA is \$3,889,432.00. The budget reflects a funding increase of \$285,942.00 as compared to the 2017 budget, that was approved by City Council on January 4, 2017, Motion Number 2017-0004. Officials from the Department of Public Works and Engineering reviewed the submitted budget and concluded that the budget presented by TRA is reasonable given the work proposed.

The funds are allocated in the PWE budget the following fiscal year according to TRA's annual budget submittal during the month of October. TRA's Fiscal Year 2018 starts on December 1, 2017 and ends on November 30, 2018. Seven months of TRA's budget are allocated to the COH's FY18 Budget (December 2017 to June 2018) and the remaining five months are allocated to the COH's FY19 Budget (July 2018-November 2018).

It is recommended that City Council approve the 2018 Trinity River Authority Operations and Maintenance Budget in the amount of \$3,889,432.00

FISCAL NOTE:

Funding for this item is included in the FY2018 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ord. 2017-1078.

Carol Ellinger Haddock, P.E., Acting Director
Public Works and Engineering

Prior Council Action:

Motion No. 2017-0004, January 4, 2017

Amount of Funding:

\$3,889,432.00 From Fund No. 8300 – Water and Sewer System Operating Fund

\$2,268,835.00 Allocation for FY18 (December - June)

\$1,620,597.00 Allocation for FY19 (July – November)

Contact Information:

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Houston Water
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ATTACHMENTS:

Description

FY18 Trinity Authority Budget
Prior Year Council Motion
Prior Year RCA
TRA Contract
FY18 Budget Analysis
FY18 Form 3
SAP Document

Type

Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
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