

## CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

Item Creation Date: 2/8/2019

HPW - 20DWO34 - 2019 O&M Budget- Coastal Water Authority (CWA) - Trinity River Water Conveyance Project

Agenda Item#:

### **Background:**

### **RECOMMENDATION:**

Approve the 2019 Operations and Maintenance Budget for the Trinity River Water Conveyance Project operated by the Coastal Water Authority in the amount of \$20,535,900.00.

### **NOTICE/JUSTIFICATION:**

The Coastal Water Authority ("CWA") operates the raw water transportation system for the City of Houston ("City"). CWA plays an essential role in the City's program of increased surface water use. CWA owns, operates, and maintains 36 miles of canals as part of the CWA raw water conveyance system. It also maintains the Trinity River intake pumping facility, the Lynchburg pumping facility, and the Bayport booster pumping facility (collectively, the "Trinity River Water Conveyance Project").

On May 28, 1968, the City and CWA entered into a contract ("Initial Contract") pursuant to which the City agreed to pay the annual costs and expenses incurred by CWA for maintenance, operation, and repair of the Trinity River Water Conveyance Project. The Initial Contract was amended and restated by a new contract approved by City Council on June 15, 1995 by City Ordinance #95-676 ("Amended Contract").

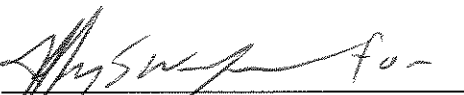
Section 205 of the Amended Contract requires CWA to prepare and submit to the City an annual operating budget for the Trinity River Water Conveyance Project. CWA presented the City with the proposed 2019 operations and maintenance ("O&M") budget for the Trinity River Water Conveyance Project in the amount of \$20,535,900.00. This budget reflects a funding increase of \$563,700.00 as compared to the 2018 budget of \$19,972,200.00 that was approved by City Council on February 7, 2018, Motion Number 2018 0063. Houston Public Works met with CWA officials to review the submitted budget and concluded that the budget presented by CWA is reasonable given the work proposed.

The funds are allocated in the HPW budget according to CWA's annual budget submittal during the month of October. CWA's Fiscal Year 2019 starts on January 1, 2019 and ends on December 31, 2019. Six months of CWA's budget are allocated to the City's FY19 Budget (January 2019 to June 2019), and the remaining six months are allocated to the City's FY20 Budget (July 2019-December 2019). Payments made to CWA are based upon documented actual monthly O&M expenditures.

It is recommended that City Council approve the 2019 CWA O&M budget for the Trinity River Water Conveyance Project in the amount of \$20,535,900.00.

### **FISCAL NOTE:**

Funding for this item is included in the FY19 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.



Carol Ellinger Haddock, P.E., Director  
Houston Public Works

### **Prior Council Action:**

Motion No. 2018-0063, February 7, 2018  
Ordinance No. 95-676, June 15, 1995

### **Amount of Funding:**

\$20,535,900.00 From Fund No. 8300 - Water and Sewer System Operating Fund

\$10,267,950.00 Allocation for FY19 (January 2019 - June 2019)  
\$10,267,950.00 Allocation for FY20 (July 2019 - December 2019)

**Contact Information:**

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**ATTACHMENTS:**

<b>Description</b>	<b>Type</b>
SAP Document, Form A and Form 3	Backup Material
FY19 Cost Analysis	Backup Material
2019 Annual Budget	Backup Material
Prior Coversheet and Ordinance	Backup Material
Trinity River Water Conveyance Contract	Backup Material
annual fees	Backup Material
funding docs	Financial Information