



**City of Austin
Austin Water Utility**



**Commission Joint Committee
Project Overview**
March 2014

During FY 2012, the City Council passed Resolution No. 20110922-052 which directed the City Manager to work with a Joint Subcommittee of the Water and Wastewater Commission, Resource Management Commission, and the Impact Fee Advisory Committee, with input from the public, to develop recommendations for short-term and long-term financial plans to strengthen the financial stability of the Austin Water Utility. The Joint Subcommittee completed their work in May 2012 with the development of specific short and long-term recommendations for Austin Water's financial and rate design policies. Water rates implementing these recommendations went into effect in February 2013.

The City Manager has authorized the reconvening of the Joint Subcommittee in 2014 to assist Austin Water in reviewing its financial and rate forecasts for 2015, developing recommendations on additional financial and rate policies to further strengthen Austin Water's financial stability.

The current work of the 2014 Joint Subcommittee will include the following:

- Review of financial forecasts for FY 2015-19
- Review of alternative rate design options to strengthen Austin Water's financial position and reduce revenue volatility
- Review of possible implementation of automatic drought rates tied to water conservation restriction stages or lake levels
- Review of Austin Water budgeted expenses and provide recommendations on any potential cost savings
- Development of recommendations on a new business model for Austin Water which includes continued advancement of water conservation while still funding the Utility at a level that will maintain the high level of services and financial stability

Over the next several months, the joint subcommittee will be meeting to discuss these topics. Meeting schedules and information will be provided on the City's Austin Water website.