



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of March 29, 2016  
Action Item for the City Council Meeting of April 12, 2016

**DATE:** February 23, 2016

**TO:** Ronald L. Olson, City Manager

**FROM:** Dan Grimsbo, Interim Assistant Director of Treatment, Utilities  
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Approval of the Mary Rhodes Phase II Pipeline Operations and Maintenance Agreement

### **CAPTION:**

Resolution authorizing the City Manager or designee to execute an Operations and Maintenance Agreement with Lavaca-Navidad River Authority (LNRA) to maintain the Mary Rhodes Phase II easements, as well as, operate and maintain the pipeline and related facilities for a total initial operating budget of \$345,000 dollars.

### **PURPOSE:**

The purpose of this agenda item is to obtain authority to execute an agreement with Lavaca-Navidad River Authority for operation and maintenance of the Mary Rhodes Pipeline Phase II.

### **BACKGROUND AND FINDINGS:**

In 1992, the City entered into an option agreement for the purchase of up to 35,000 acre-feet per year of water rights from the Garwood Irrigation Company. Use of the water requires routing transmission facilities from the Colorado River to the Mary Rhodes Pipeline at a point just downstream of Lake Texana.

The City is constructing a fifty-four inch (54") water pipeline and related facilities from a diversion site on the Colorado River near Bay City Texas, approximately forty-two (42) miles to a connection point on LNRA property, where it will connect to the LNRA Facilities for delivery into the City's Mary Rhodes Pipeline.

For ease of remote operations, the City desires that LNRA operate and maintain Mary Rhodes Phase II Pipeline in conjunction with Mary Rhodes Phase I Pipeline.

### **ALTERNATIVES:**

Not applicable

**OTHER CONSIDERATIONS:**

None

**CONFORMITY TO CITY POLICY:**

The proposed agreement conforms to City policies and procedures for executing an agreement. This agreement is in compliance with Texas Government Code Chapter 791 regarding Interlocal Cooperation Contracts.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

Utility Department  
Legal Department

**FINANCIAL IMPACT:**

x Operating                      Revenue                      Capital                      Not applicable

<b>Fiscal Year: 2015-2016</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$350,000.00		\$350,000.00
Encumbered/ Expended Amount				
This item		\$345,000.00		\$345,000.00
BALANCE		\$5,000.00		\$5,000.00

**Comments:** Expenses resulting from this agreement will be funded from Water Fund.

**RECOMMENDATION:**

Staff recommends approval of the resolution as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Mary Rhodes Phase II Pipeline Operation and Maintenance Agreement