CITY OF BRYAN
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# ACTION FORM
## BRYAN CITY COUNCIL

**Meeting Date** (?) 05/10/2016

**Subject Matter*** (?) Approve Resolutions in support of Aquifer Storage and Recovery (ASR) SWIFT Application
This must match rolling agenda entry

**Department of Origin*** WATER SERVICES

**Submitted By*** Jayson E. Barfknecht

**Type of Meeting*** ○ BCD ○ Special ◉ Regular

**Classification*** ○ Public Hearing ○ Consent ◉ Statutory ○ Regular

**Ordinance*** ◉ None ○ First Read ○ Second Read ○ First & Only Read

**Strategic Initiative*** ☐ Public Safety ☑ Service ☑ Economic Development ☑ Infrastructure ☑ Quality of Life

**Agenda Item Description*** Consider approving resolutions (Authorized Representative and Application Resolution) to the Texas Water Development Board (TWDB) in support of the submission of an application to the TWDB for the City of Bryan's State Water Plan project for Aquifer Storage and Recovery (ASR) for funding from the State Water Implementation Fund for Texas (SWIFT) in an amount of $18,000,000.

**Summary Statement** *

The City of Bryan's Aquifer Storage and Recovery (ASR) water management strategy is included in the Region G Water Plan to provide additional water supplies to meet the City of Bryan's projected long-term water demands. The ASR water management strategy ultimately includes, in addition to the existing Well No. 10 that is planned to be used as an ASR well, eight (8) ASR wells installed over the course of 50 years. For the next 20 years, two (2) ASR wells are recommended in addition to the existing Well No. 10 along with the necessary pumping, piping, and treatment improvements.

The ASR water management strategy allows the City of Bryan to meet the long term water needs of the City. Without the ASR water management strategy, additional wells would have to be permitted in northern Brazos County or southern Robertson County to meet the City's long term water needs. The ASR water management strategy is a less expensive water supply strategy than drilling new wells in northern Brazos County or southern Robertson County because of the ASR wells' proximity to the existing treatment, storage, and pumping facilities. The ASR water management strategy requires the permitting of the wells through the Texas Commission on Environmental Quality (TCEQ) and not the local groundwater conservation district.

On February 5, 2016, the City of Bryan submitted an abridged application to TWDB for the ASR project for TWDB to consider the project for SWIFT funding in 2016. On April 11, 2016, the City was notified and approved to submit a full application. The due date for the application is May 11, 2016. On April 25th, City staff met with TWDB staff in Austin for a pre-application meeting. Part of the application process is the approval by the City Council of the attached resolutions. With the approval of the resolutions, the application can be submitted to TWDB for it to continue evaluating the project and consider the City of Bryan for funding.

SWIFT funding is affordable ongoing financial assistance for projects in the State Water Plan. Passed by the Legislature and approved by Texas voters through a constitutional amendment, the SWIFT program helps communities develop and optimize water supplies at cost-effective rates. The program provides low-interest loans, extended repayment terms, deferral of loan repayments, and incremental repurchase terms for projects with State ownership aspects. Currently, City staff does not know the possible interest rate and payment terms of this funding. The City of Bryan will have an opportunity to review these terms, its impact to rate payers, and the potential benefit for the SWIFT program prior to closing on the loan later in the summer of 2016. The expected expenses are listed in the attachment.

The following documents are attached to the Council Action Form: Application Affidavit for Jayson Barfknecht to be the authorized representative for the City of Bryan to complete the application; application filing and authorized representative resolution for the City Council to approve by resolution the submission of the application to TWDB and assigning three firms to work with the City as our consultants for Engineering, Financial Advisor, and Bond Counsel; the abridged application as submitted on February 5, 2016; and, the estimated costs for the project. (Note: "resolutions" are State (TWDB) documents and not City of Bryan standard resolutions.)

**Staff Analysis & Recommendation** *

Staff recommends the City Council approve the attached resolutions that are to be submitted to TWDB with the application for SWIFT funding. Once financing options are discussed and shared with the City Council, the City can decide on closing the loan.

**Options** *

(In Suggested Order of Staff Preference)

1. Submit the application as proposed
2. Use conventional funding (bonds) for the project
3. Do not consider the project

**Funding Source** *

Water Fund to repay the loan if closed

**Attachments**

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|---|---|
| Application_Attachments.pdf | 3.04MB |
| Resolution Approving Application to TWDB for Financial Assistant.docx | 21.6KB |

Please detail attachments and note attachments available for viewing in City Secretary's Office:
Note: all documents are in a single pdf file

1. Application Affidavit for Jayson Barfknecht to be the authorized representative for the City of Bryan to complete the application.
2. Application Filing and Authorized Representative Resolution for the City Council to approve by resolution the submission of the application to TWDB and assigning three firms to work with the City as our consultants for Engineering, Financial Advisor, and Bond Counsel.
3. Application Resolution - Certificate of Secretary to certify the vote and members present
4. The abridged application as submitted on February 5, 2016.
5. The estimated costs for the project

**Dept. Head Signature**

JAYSON E. BARFKNECHT 05/02/16

**Deputy City Manager Signature**

Hugh R. Walker

**City Manager Signature**

Hugh R. Walker

**City Attorney Signature**

Janis K. Hampton