



# City of Austin

## Recommendation for Action

**File #: 25-0718, Agenda Item #: 5.**

**5/8/2025**

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### **Posting Language**

Approve a resolution authorizing the City Manager to file an application with the Texas Water Development Board for a low-interest loan in an amount not to exceed \$45,000,000 from the State Water Implementation Fund for Texas loan program for Austin Water's polybutylene pipe replacement project (also known as the Municipal Conservation Project). Funding: Funding is contingent upon available funding in future Austin Water budgets.

### **Lead Department**

Austin Water.

### **Fiscal Note**

Funding is contingent upon available funding in future Austin Water budgets.

### **For More Information:**

Heather Cooke, Austin Water Chief Administrative Officer, at 512-972-0083 or Heather.Cooke@austintexas.gov.

### **Council Committee, Boards and Commission Action:**

April 16, 2025 - Recommended by the Water and Wastewater Commission on a 7-0 vote with Commissioners Marzullo, Musgrove, and Penn absent.

### **Additional Backup Information:**

This action will authorize Austin Water to file an application with the Texas Water Development Board (TWDB) for a low-interest loan in an amount not to exceed \$45,000,000 from the State Water Implementation Fund for Texas loan program for Austin Water's polybutylene pipe replacement project.

Austin Water's waterline services replacement program was established to systematically replace water service lines (the small-diameter lines that connect water mains to customer meters) in order to reduce water loss throughout Austin's distribution system. Polybutylene pipes tend to fail at a disproportionately high rate compared to other materials such as copper and high-density polyethylene (HDPE). This initiative is part of Austin Water's conservation strategy, which seeks to minimize water loss through the replacement of outdated service lines.

Since 2001, Austin Water has been proactively replacing polybutylene and polyethylene services in areas of high static pressure, using both internal forces and contractor resources. Under the amended contract that Council approved on March 27, 2025, Austin Water is replacing approximately 2,200 polybutylene and polyethylene water services with pressures exceeding 105 pounds per square inch in 62 subdivisions across Austin. Construction on this current phase of replacements is ongoing and is projected to be completed in Fall 2025.

This proposed loan from the TWDB will be used to fund an additional phase, which will replace another 6,000 polybutylene service lines across multiple Council districts. The design contract for this next phase will be

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brought to Council for consideration in Winter 2025.