



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78602

Submitted By: Gray Lahrman, Utilities Director

Council Meeting Date: 07/21/2026

Agenda Item Wording: Discussion and possible action regarding a First Amended and Restated Wastewater Facilities Agreement between the City of Dripping Springs and Cuncashca, LLC for City wastewater infrastructure improvements, including utility easements, temporary construction access, continued use and abandonment of existing drip fields, recognition of existing wastewater LUE rights, and a limited tree baseline adjustment for protected standard trees removed within the easement area for the City project.

Agenda Item Requestor: Gray Lahrman

Summary/Background: Due to delays in starting construction, expiration of the Temporary Construction Easement, and addition of a Tree Removal Credit Agreement, an amendment to the 2023 Wastewater Facilities Agreement will need to be made. During these negotiations, Cuncashca LLC has requested revisions to the agreement. Triggers for abandonment of the drip field exchange land, fencing requirements and extension of the temporary construction easement language encompass most of the modifications made to original agreement.

Lastly, the Temporary Construction Easement will be updated during this time allowing for equipment storage, staging and construction areas during the installation process of the South Collector. No changes were made to the easement language. This agreement is to now be effective until August 3, 2026.

**Commission
Recommendations:**

**Recommended
Council Actions:** City Staff recommends the Council accept the terms of the agreement and authorize the City Administrator to execute Agreement.

Attachments: Original Compared to Final version of Restated Wastewater Facilities Agreement
Final Amended and Restated Wastewater Facilities Agreement

Next Steps/Schedule: Approve Tree Removal Credit Agreement.
Execute agreement with Cuncashca LLC and begin construction on South Collector Project.