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

Submitted By: Aaron Reed, Public Works Director

Council Meeting Date: 05/16/2023

Agenda Item Wording: **Discuss and consider approval of an Assignment of Assets, Utility Easement Agreement, and Easement Agreement from Arrowhead Ranch Utility Company LLC to the City of Dripping Springs related to the Arrowhead Ranch Subdivision Wastewater Treatment Plant.**

Agenda Item Requestor: Mayor Bill Foulds Jr.

Summary/Background: In 2015 the City and TF Arrowhead entered into the Second Amended and Restated Wastewater Utility Agreement. That agreement contemplated the potential need for Temporary Wastewater Facilities and Permanent Contingent Facilities in the event the Discharge Plant was not in operation in a timely manner. The Temporary Facilities were to be owned at operated by the Developer. The Permanent Contingent Facilities were to be built and operated by the City once the Temporary Facilities reached 90% capacity in the drip fields. The Developer notified the City that it had reached 90% capacity in January of this year.

City staff issued a punch list for turnover items and staff and the Developer have been working together to get all easements and agreements in place. The Developer will assign easements for access and operations of both the wastewater plant sight and the effluent drip fields. The Developer will also assign the wastewater permit to the City of Dripping Springs.

If approved, on May 22, 2023, the City will take over operations of the Arrowhead plant and associated drip fields. City staff has verified that the plant is currently operating in compliance with the TCEQ permit. Because the permit has reached 90% capacity, the City will fund the construction of the final phase of the plant and drip fields. The design for the plant and drip fields has already been completed by the Developer.

Commission
Recommendations:

Recommended   City staff recommends approval.
Council Actions:

Attachments:

Next Steps/Schedule: