



Legislation Text

File #: 2018-5432, **Version:** 1

Consider a resolution authorizing the Mayor to execute the Fourth Amendment to the Master Contract for the financing, construction and operation of the BCRUA Regional Water Treatment and Distribution Project.

During the preliminary legal review of our upcoming current SWIFT Loan application, BCRUA's bond counsel has determined that the existing Master Contract language only authorizes Phase 1 related debt issuance. Since our current SWIFT Loan application mostly relates to Phase 2 debt, it will be necessary for the Board and all three city councils to amend the Master Agreement to add the necessary authorizations. The amendment includes a new exhibit, Exhibit D-1, which outlines a total of \$23,797,657 (not including debt issuance costs and \$5,000 incremental bond unit costing) in direct Phase 2 expenditures. Please note that the Round Rock portion of \$6,708,560 is being paid out of the balance of Round Rock's remaining Phase 1A savings, so they will not be participating in this current SWIFT Loan Cycle. The remaining \$17,089,097 constitutes Leander's and Cedar Park's Phase 2 shares, most of which will be funded by the current SWIFT Loan application. It should also be noted that Leander's SWIFT Loan application will not include their \$1,970,096 share of the \$4,597,657 total cost for "Phase 2 Electrical Improvement Construction & Construction Phase Services." That will require separate action and approval by Leander's city council, at a later date. Leander's upcoming SWIFT Loan application will only cover their share of costs for Phase 2 "Planning and Design Services" and "Land Rights" (Deferred Loan Option). Planning and design service costs will also include Leander's portion of the Phase 1D water treatment capacity expansion. As a final note, we will need to update the existing Exhibit D to the Master Agreement to reflect final expense allocations related to all Phase 1A savings, as well as incorporating the Phase 1D capacity expansion (30 MGD to 42 MGD) that is being incorporated into the Phase 2 Final Design and Construction Project. I anticipate that this can be accomplished in late 2018, or early 2019, after we complete closeout of the original Phase 1A regional water treatment plant construction project. The breakdown of funding sources necessary to complete Phase 2 Final Design, Phase 2 Land Rights Acquisitions, and Initial Electrical Improvement Construction and Construction Phase Services (not including the Phase 1D treatment facility expansion component), is as follows:

\$ 6,708,560 Round Rock Phase 1A Savings

\$ 6,891,801 Cedar Park 2018 SWIFT Loan Application

\$ 8,227,200 Leander 2018 SWIFT Loan Application

\$ 1,970,096 Leander Cash Funded (Subject to City Council Authorization at a later date)

\$23,797,657 Total Authorized Phase 2 Expenses in Master Agreement Amendment #4 Exhibit D
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Cost: \$6,708,560

Source of Funds: Regional Water Fund