



Memorandum

To: Honorable Mayor Maso and Members of the Frisco City Council

cc: George Purefoy, City Manager

From: Paul Knippel, Director of Engineering Services

Date: May 15, 2012

Subject: Consider and act upon adoption of a Resolution authorizing the City Manager to execute a Reclaimed Water Use Agreement by and between the City of Frisco and Phillips Creek Ranch Community Association

Action Requested: Staff requests that City Council consider and act upon adoption of a Resolution authorizing the City Manager to execute a Reclaimed Water Use Agreement by and between the City of Frisco and Phillips Creek Ranch (PCR).

Background Information: Phillips Creek Ranch desires to use City of Frisco wastewater treatment plant effluent (reclaimed water) for landscape irrigation along Stonebrook Parkway, Lone Star Ranch Parkway, and other common areas within the development. Through separate agreement between PCR and the City, PCR is responsible for installation and maintenance of landscaping along portions of Stonebrook Parkway and Lone Star Ranch Parkway.

Main points of the agreement are as follows:

- PCR shall fund and install the infrastructure necessary for the delivery of the water to their site.
- PCR shall pay a minimum of \$37,500 for the first 50 million gallons annually. The rate for usage beyond 50 million gallons is \$0.75 per 1,000 gallons. The agreement provides for periodic rate increases after the first five years.
- The maximum annual delivery shall not exceed 150 million gallons.

Alternatives: The City Council could consider the following alternatives:

- Approval of Resolution to authorize City Manager to execute the Agreement;
- Input towards the discussion as desired;
- Deny approval of Resolution;

Financial Considerations: Cost of master meters and maintenance of off-site facilities shall be absorbed within city operations budget.

Legal Review: This agreement has been reviewed and approved by the City Attorney's office.

Supporting Documents:

- Agreement
- Resolution

Staff Recommendation: Staff recommends the City Council adopt this Resolution authorizing the City Manager to execute the Reclaimed Water Use Agreement by and between the City of Frisco and PCR Community Association, Inc.