



# City of Pflugerville

## Legislation Text

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File #: 2023-1019, Version: 1

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Approving a wholesale wastewater agreement with Kelly Lane WCID # 2 for wholesale wastewater conveyance and treatment services, and authorizing the City Manager to execute the same.

As the City of Pflugerville has moved away from providing operations and maintenance services to the various Municipal Utility Districts (MUDs) within the City's ETJ, we have been negotiating with the MUDs to update their agreements with the City to reflect a purely wholesale wastewater service for the Districts that we serve. As the previous agreements were tied within the Development Agreements, there was a benefit to having the wholesale wastewater services that the City provides be contained within a single instrument in lieu of being within the original Development Agreements.

After numerous rounds of negotiating with Kelly Lane WCID # 2 and their legal counsel, staff and the City's legal counsel have come to an agreement that is reflective of the new relationship that the City will have with these Districts. This updated wholesale wastewater agreement has been updated to reflect the updates to the City's rate studies and is more comparable to similar MUDs that we are working with to provide wholesale wastewater services. This agreement also allows for the City to update the MUD's wholesale wastewater rate in a more collaborative manner and does not prevent the City from increasing the wholesale wastewater rate as needed without the consent of the District.

This agreement has been reviewed and approved by both the City's legal counsel and the additional legal counsel that have been working exclusively on the District agreements for the City over the past 2 years.

### Prior City Council Action

NA

### Deadline for City Council Action

Action is requested on October 24, 2023

**Funding Expected:** Revenue  Expenditure  N/A

**Budgeted Item:** Yes  No  N/A

**Amount:** N/A

**1295 Form Required?** Yes  No

**Legal Review Required:** N/A  Required  Date Completed: 10/6/23

### Supporting documents attached:

Wholesale Wastewater Agreement - Kelly Lane WCID # 2

### Recommended Action

City staff recommends approving a wholesale wastewater agreement with Kelly Lane WCID # 2 for wholesale wastewater conveyance and treatment services, and authorizing the City Manager to execute the same.

