



City of Pflugerville

Legislation Text

File #: 2021-1127, **Version:** 1

Discussion regarding Water Certificate of Convenience and Necessity in the Extra Territorial Jurisdiction of Pflugerville.

In the past, the City has worked with Manville Water Supply Corporation (Manville) to transfer Water Certificate of Convenience and Necessity (CCN) area to Pflugerville so that the City could provide retail water service to it's citizens. A CCN grants a CCN holder the exclusive right to provide retail water or sewer utility service to an identified geographic area. Chapter 13 of the Texas Water Code requires a CCN holder to provide continuous and adequate service to the area within its CCN boundary.

The latest CCN transfer, including 2,829 acres from Manville to the City, was approved by the Texas Public Utility Commission in 2021 following an Agreement for the Transfer of Water Certificate of Convenience and Necessity Service Area that was executed in December 2019 and later amended in August 2020 (Agreement). The transfer included only area but no infrastructure or property acquisition. In accordance with the terms of the Agreement, the City compensated Manville for the transfer of 2,604.97 acres of the total 2,829 acres at \$1,400/ acre.

During discussions and negotiations regarding the latest transfer, Manville and the City discussed the future transfer of additional area within the Extra Territorial Jurisdiction (ETJ), where it made sense from a continuity of service for the City to be the retail provider. In the 2020 Water Master Plan, the City defined a water service area that was used for planning purposes to support the build-out scenario for the City's future water system. The additional transfer of CCN in portions of the City's ETJ that has been contemplated with Manville was planned for given the prior discussion.

This item will allow for discussion and direction from Council on how to proceed with an Agreement between the City and Manville for the transfer of Water CCN area within the City's ETJ.

Prior City Council Action

On November 11, 2019, the City Council approved an agreement with Manville Water Supply Corporation (WSC) for acquisition of water Certificates of Convenience and Necessity (CCN) areas within the city limits.

On August 25, 2020, the City Council approved an Amended And Restated Agreement For The Transfer Of Water Certificate Of Convenience And Necessity Service Area (Property Within City Limits) with Manville Water Supply Corporation (WSC).

Funding Expected: N/A

Budgeted Item: N/A

Amount: N/A

1295 Form Required? No

Legal Review Required: N/A

Recommended Action

Discuss only.