



City of Pflugerville

Legislation Text

File #: 2024-0660, **Version:** 1

Approving an agreement for the Transfer of Water Certificate of Convenience and Necessity Service Area (Property Within City's Extraterritorial Jurisdiction) between the City and Manville Water Supply Corporation, and authorizing the City Manager to execute same.

The City has been engaged in intermittent negotiations with the developer at 18909 Weiss Lane (at the southwest corner of Weiss and Kelly Lane) and Manville WSC for water Certificate of Convenience and Necessity (CCN) transfers since 2022. The developer for this property originally reached out to the City to transfer to the City's water CCN after they were notified by Manville WSC that they did not have sufficient water to serve the development. The City has been working with the developer to evaluate the feasibility and finalize all agreements with Manville WSC before preparing the transfer documentation to be sent to the Public Utility Commission (PUC).

After evaluating the area to be served with this transfer, it was determined that the City has sufficient capacity in our water system to serve the development requesting the CCN transfer. Staff have worked with this developer on the various components that would need to be completed for them to receive water service from the City which will include the extension of water lines along Weiss Lane to the corner of Kelly Lane which will tie into the City's extension of distribution lines that will be constructed as part of the Kelly Lane Phase 3 project.

City staff have also been working with the City's legal team as well as the legal teams of the developer and Manville WSC to complete the agreements for the developer to reimburse Manville WSC for the CCN transfer with their loss of revenue as well as the agreement that allows for the City to serve this area. All fees required to be paid for this CCN transfer are being paid by the developer requesting the transfer; however, the City must review and consent to the transfer before filing the CCN transfer with the PUC.

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.

This CCN transfer will meet the City's Strategic Goals of Economic Development and Infrastructure by planning for growth that will maintain a high quality of life for future residents along the Weiss Lane corridor and also preparing the City's infrastructure for future growth by extending the City's water CCN along Weiss Lane which allows for proper looping of the City's water system and provides a more robust water distribution network within this portion of the service area.

Deadline for City Council Action

Consideration is requested on July 9, 2024

Funding Expected: Revenue Expenditure N/A

Budgeted Item: Yes ___ No ___ N/A X

Amount: N/A

1295 Form Required? Yes ___ No X

Legal Review Required: N/A ___ Required X Date Completed: 5/23/2024

Supporting documents attached:

Water CCN Transfer Agreement - 18909 Weiss Lane

Recommended Action

Approve an agreement for the Transfer of Water Certificate of Convenience and Necessity Service Area (Property Within City's Extraterritorial Jurisdiction) between the City and Manville Water Supply Corporation and authorizing the City Manager to execute same.