



City of Pflugerville

Legislation Text

File #: 2023-1020, Version: 1

Approving a wholesale wastewater agreement with Lakeside Municipal Utility District # 3 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 Lakeside MUD # 3 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 X

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: 10/6/23

Supporting documents attached:

Wholesale Wastewater Agreement - Lakeside MUD # 3

Recommended Action

City staff recommends approving a wholesale wastewater agreement with Lakeside Municipal Utility District # 3 for wholesale wastewater conveyance and treatment services, and authorizing the City

Manager to execute the same.