



City Council Agenda Item Summary Report

Meeting Date: December 17, 2019

Submitted by: Jon Thatcher, City Attorney

Consent	Public Hearing	Action Item X
Item Title: Discuss and consider a Resolution approving an Amendment to the Amended and Restated Wholesale Water Contract with Kaufman County Fresh Water Supply District No. 1-A		

How this item ties-in with the City’s Mission, Vision and Values: We are open to new ideas and acceptive to create solutions to all challenges. [Visionary].

Summary Statement

The Kaufman County Fresh Water Supply District No. 1-A (Windmill Farms) has requested an amendment to the current Amended and Restated Wholesale Water Contract to allow them to sell water outside of their district boundaries. Developers of two tracts of land known as Walden Ponds West and East located on FM 548 in Dallas extra territorial jurisdiction desire to tie into the water system from Windmill Farms. Walden Ponds East has decertified from High Point SUD’s CCN and Walden Ponds West is in the process of seeking decertification from High Point. The amendment is contingent upon the final decertification of Walden Ponds West.

The proposed amendment to the agreement allows Windmill Farms to sell water under the City’s wholesale contract to areas outside of its district boundaries. Additionally, the amendment changes the rate study basis that a City may perform to review its current wholesale customer rates from a utility basis to a cash needs basis.

The water provided by Windmill Farms to the properties outside of its district boundaries will be required to be metered separately and billed by the City at a 63% differential rate equal to the rates charged to other wholesale customers.

At this time, there is sufficient capacity for Windmill Farms to serve the additional tracts.