City Council
Agenda Item Summary Report

Meeting Date: September 15, 2020
Submitted by: Jon Thatcher

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Item Title: Discuss and consider a Resolution authorizing the City Manager to finalize, execute and administer a Memorandum of Understanding between Forney and the City of Mesquite defining the expectations and responsibilities of Forney and Mesquite related to Mesquite’s acquisition of the Markout Water Supply Corporation water system, customers of the system, and division of the water system.

Attachments: Resolution

Item Summary:
The Markout Water Supply System Corporation Board of Directors has requested that Mesquite acquire Markout’s water supply system and customers. Markout is currently a wholesale water customer of the City of Forney. Forney desires to serve any Markout customers within the city limits of the City of Forney. Until Mesquite has designed and constructed facilities to extend its water system to connect to the current Markout water system, Mesquite will need to obtain treated water for Markout through Forney’s water system.

The proposed Memorandum of Understanding is to (1) outline the steps that both the City of Mesquite and Forney will take to evaluate and transfer the rights to provide water service to the Transfer Area from Mesquite to Forney, (2) provide consent to the assignment of the current Wholesale Water Contract from Markout to Mesquite, and (3) provide for the termination of the Wholesale Water Contract, which will give way to the execution of a Transportation Agreement with Mesquite to continue to provide water to the Markout service area acquired by Mesquite.