



# City Council Agenda Item Summary Report

**Meeting Date:** September 7, 2021

**Submitted by:** Jon Thatcher, City Attorney

<b>Consent</b>	<b>Public Hearing</b>	<b>Action Item X</b>
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**Item Title:** Discuss and consider a Resolution approving an Agreement Designating Retail Water Service Territory and Transferring Facilities and Customers with the City of Mesquite.

**How this item ties-in with the City’s Mission, Vision and Values:** The City of Forney is accountable for effective and efficient delivery of service to its citizens.

### Summary Statement

On September 22, 2020, the Cities of Forney and Mesquite executed a Memorandum of Understanding for the purpose of defining expectations and responsibilities related to Mesquite’s acquisition of Markout Water Supply Corporation. As part of the MOU, the cities agreed that Forney would take over the water service rights to area currently in its corporate city limits, including the Grayhawk subdivision.

The City of Mesquite has recently closed on the acquisition of Markout and has commenced its water services to the area with the help of Forney through a water transportation agreement. Mesquite will continue to serve the old Markout service area including the area within the City of Forney corporate limits until the City is able to provide the facilities to connect to the area in the city limits, at which time, the area will become part of Forney’s service area. As part of the MOU, Mesquite has agreed to provide funding (minimum of \$150,000) to the City of Forney to construct the necessary water facilities to connect to the area within the city limits.

Once the agreement is considered for approval by the Cities of Forney and Mesquite, the agreement will be submitted to the PUC for their consideration and approval.

Staff recommends approval of the ordinance.