



STAFF REPORT

MEETING DATE: March 11, 2025

TITLE:

Consider and act on Resolution No. R-2025-17, regarding an amendment to the Master CCN Transfer Agreement between the City of Bastrop and Aqua Water Supply Corporation for the transfer of the Aqua WSC CCN to the City of Bastrop for the Valverde Development.

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo-Trevino, ICMA-CM, CPM, City Manager

BACKGROUND/HISTORY:

The development, now known as Valverde, was originally named NEU Communities and was also known as Viridian for a period of time. This development is currently situated in the Aqua WSC CCN for water utility services. A Certificate of Convenience and Necessity (CCN) boundary is issued by the Public Utility Commission of Texas (PUCT). It authorizes a utility to provide water and/or sewer service to a specific area.

On December 14, 2020, the City issued a Will Serve Letter to NEU Communities (aka Valverde) stating that the development was located within the City of Bastrop's Wastewater CCN and that domestic water services could be provided from the City to the development through the wholesale agreement process between Aqua WSC and the City of Bastrop.

Thereafter, the City approved a Development Agreement on July 13, 2021, with Viridian/Continental Homes (aka Valverde), in the Development Agreement, Section 6.06 Water Service, stated that the City agreed it would have (or will have contracted for) sufficient water capacity to serve the Project (approximately 1,600 LUE's).

Finally, on May 26, 2022, Valverde submitted their first preliminary plat, which is a part of a series of plats for the development, to the City of Bastrop which stated the development would be provided water service by the City of Bastrop via water line extensions provided by the developer from the existing water tank on the south side of SH 71.

To date, the formal process for transferring the water utility CCN from Aqua WSC to the City of Bastrop has not yet been completed because the City was waiting on the formal approval of the Valverde Public Improvement District (PID) before proceeding with the execution of this CCN transfer agreement. The PID was approved by the Council on March 4, 2025. Therefore, Staff is now bringing forward this Resolution to complete the formal CCN Transfer process between the City of Bastrop and Aqua WSC to serve Valverde.

FISCAL IMPACT:

The total cost for the CNN Transfer Agreement will be \$5,180,000.00, with \$3,280,000.00 being the cost for the transfer of the CCN and \$1,900,000.00 being the cost assessed from Aqua for the pro-rata share of Aqua's 24-inch water line that was intended to serve the Valverde Development.

RECOMMENDATION:

Take action on Resolution No. R-2025-17, regarding an amendment to the Master CCN Transfer Agreement between the City of Bastrop and Aqua Water Supply Corporation for the transfer of the Aqua WSC CCN to the City of Bastrop for the Valverde Development.

ATTACHMENTS:

1. Resolution No. R-2025-17
2. Attachment A – Exhibit “E”, Valverde Amendment to the Master CCN Agreement with Aqua WSC