



ACTION ITEM REPORT

Item Title: Consideration and ACTION to approve an exchange of water Certificate of Convenience and Necessity (CCN) with East Rio Hondo Water Supply Corporation authorizing the City Manager sign the necessary documents.

Recommendation:

As we are working with PUC to get the exchange of water and sewer service areas showing the prior agreements between Olmito Water Supply and the city (new dividing line FM 1575), there is an additional area we need to exchange with East Rio Hondo Water Supply. The area ERHWSC will give to the city is west and northwest of Walmart. The area the city will give to ERHWSC is to the far east side of the city and CCN almost to 43rd Road. There is a drainage ditch that forms a good boundary so we will give up the area to the east of that. Our \$13,000,000 grant and loan package is dependent on these areas being cleared up.

I recommend approval.