

AGENDA ITEM SUMMARY SHEET

CITY OF ROLLINGWOOD, TEXAS

MEETING DATE: MAY 18, 2022

Submitted by: Brook Brown

Agenda Item __: Discussion and possible action regarding advice of legal counsel on the (1)the use of bond funds for water meter relocations, and (2) use of city funds for the relocation of water meters.

Need for action: This is a follow up to Agenda Item 22 from the April 20 Council meeting. The City was previously advised by counsel that Texas Local Government Code Chapter 552, Subsection Z, (Tx. Local Govt. Code Section 552.901-.902) provides "the full extent of authority" for a Texas city to pay for the costs of water laterals, when relocations are required by the City. See attached opinion. Section 552.901(a) states "The municipality shall assess the cost of the relocation or replacement of the lateral against the property on which the lateral is located." Section 552.901(b) then provides a process for notice to the landowner, and related procedures for the landowner's reimbursement of the city for the cost of relocating the lateral.

The question of whether the City can assume all or any part of these water meter relocation costs has arisen in connection with (1) consideration of the use of bond funds for relocation of water laterals in the pending draft water capital improvement program, and (2) whether the City may require a landowner to connect to a particular water main, or relocate a meter, where more than one main serves a premises and under what conditions, pursuant to Subsection (d) of the current City ordinance Section 34-7 - Water meter and connection policy. Subsection (d) permits the City to reimburse a portion of such costs based on "the benefit to the City resulting from relocation of the specific customer meter or service connection."

At the April 20 meeting, Council approved a request that the City seek the opinion of counsel regarding these two questions: (1) May the City use bond funds to reimburse a resident for or to pay the cost of relocating meters in connection with relocation of water lines; (2) Under Texas Local Government Code Chapter 552, Subsection Z, may the City pay from city funds all or any part of the cost of relocating a meter in connection with relocation of a water line?

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