

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: El Paso Water Utilities: Submitted May 3, 2007

AGENDA DATE: Regular Agenda – May 22, 2007

The El Paso Water Utilities is requesting this matter be placed on the City Council Agenda (Regular Agenda) for May 22. The City Attorney's office is expected to review the Resolution and provide any comments as necessary.

CONTACT PERSON/PHONE: Robert D. Andron 
General Counsel, PSB
(915) 594-5506

DISTRICT(S) AFFECTED: District #5

SUBJECT:

That the Mayor be authorized to sign a resolution of the El Paso City Council accepting the transfer of all the assets and liabilities of the Homestead Municipal Utility District into the El Paso Water and Wastewater System pursuant to Senate Bill 1810, 79th Texas Legislature. (District 5) [El Paso Water Utilities Public Service Board, Robert D. Andron, (915) 594-5506]

BACKGROUND/DISCUSSION:

Discussion of the what, why, where when and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

On January 31, 2005, the Board of Directors of the Homestead Municipal Utility District (District) made written request to the El Paso Water Utilities (EPWU) that EPWU take all necessary action to dissolve the District and transfer all its assets and liabilities to the City of El Paso, El Paso Water Utilities. In coordination with the District's desire, EPWU sponsored legislation in the 79th Texas Legislature to enact a law authorizing the dissolution of the District and transfer of all of its assets and liabilities to the City of El Paso, El Paso Water Utility.

On January 6, 2006, the Board of Directors of the District enacted a Resolution requesting the Texas Environmental Commission dissolve the District which resolution further stated that all of the District's assets and liabilities were ready to be transferred to the City of El Paso for incorporation into the City's water and wastewater system.

On January 11, 2006, the El Paso Water Utilities Public Service Board passed and approved a Resolution authorizing the General Manager, on behalf of the EPWU to take all necessary action to accomplish the dissolution and absorption of the assets and liabilities of the District into the El Paso Water System; and,

(continued on following page)

The District entered into an Agreement with EPWU on April 28, 2006 for the Operation, Administration and Management of the Water Services of the District during the pendency of the dissolution and absorption. The United States Department of Justice issued a letter pursuant to Section 5 of the Voting Rights Act that it did not object to the dissolution of the District.

The Texas Commission on Environmental Quality will issue its Order of Dissolution of the District after the City has accepted the transfer of assets and liabilities into the City's water and wastewater system.

PRIOR COUNCIL ACTION

Has the Council previously considered this item or closely related one?

In 2002, the City accepted the transfer of all the assets and liabilities of the El Paso County Water Control and Improvement District --Westway.

AMOUNT AND SOURCE OF FUNDING

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

None

BOARD / COMMISSION ACTION:

On January 11, 2006, by the El Paso Water Utilities Public Service Board passed and approved a Resolution authorizing the General Manager, on behalf of the EPWU to take all necessary action to accomplish the dissolution and absorption of the assets and liability of the District into the El Paso Water System.

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____

FINANCE(if required) _____

DEPARTMENT HEAD: _____
(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

AUTHORIZING THE MAYOR TO SIGN A RESOLUTION OF THE EL PASO CITY COUNCIL ACCEPTING THE TRANSFER OF ALL THE ASSETS AND LIABILITIES OF THE HOMESTEAD MUNICIPAL UTILITY DISTRICT INTO THE EL PASO WATER AND WASTEWATER SYSTEM PURSUANT TO SENATE BILL 1810, 79TH TEXAS LEGISLATURE. (District 5)

WHEREAS, January 31, 2005, the Board of Directors of the Homestead Municipal Utility District (District) made written request to the El Paso Water Utilities (EPWU) that EPWU take all necessary action to dissolve the District and transfer all its assets and liabilities to the City of El Paso, El Paso Water Utilities; and,

WHEREAS, in coordination with the District's desire, EPWU sponsored legislation in the 79th Texas Legislature to enact a law authorizing the dissolution of the District and transfer of all of its assets and liabilities to the City of El Paso, El Paso Water Utility; and,

WHEREAS, January 6, 2006, the Board of Directors of the District enacted a Resolution requesting the Texas Environmental Commission dissolve the District which resolution further stated that all of the District's assets and liabilities were ready to be transferred to the City of El Paso for incorporation into the City's water and wastewater system; and,

WHEREAS, January 11, 2006, the El Paso Water Utilities Public Service Board passed and approved a Resolution authorizing the General Manager, on behalf of the EPWU to take all necessary action to accomplish the dissolution and absorption of the assets and liabilities of the District into the El Paso Water System; and,

WHEREAS, the District entered into an Agreement with EPWU on April 28, 2006 for the Operation, Administration and Management of the Water Services of the District during the pendency of the dissolution and absorption; and,

WHEREAS, the United States Department of Justice issued a letter pursuant to Section 5 of the Voting Rights Act that it did not object to the dissolution of the District; and,

WHEREAS, the Texas Commission on Environmental Quality will issue its Order of Dissolution of the District after the City has accepted the transfer of assets and liabilities into the City's water and wastewater system; and,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Paso:

Section 1. The El Paso City Council, acting on behalf of its El Paso Water Utilities, pursuant to Legislative Action of the 79th Texas Legislature and the regulations of the Texas Commission on Environmental Quality is prepared and hereby accepts the transfer and conveyance of all assets and liabilities of the Homestead Municipal Utility District into its El Paso Water and Wastewater System.

Section 2. The General Manager of El Paso Water Utilities Public Service Board is hereby authorized to execute all documents necessary to complete the transfer and conveyance of the assets of the Homestead Municipal Utility District to the City water and wastewater system along with payment of Homestead's remaining debt, if any, from the remaining funds of the District.

3. The El Paso City Council hereby authorizes the Mayor to sign a resolution of the El Paso City Council accepting the transfer of all the assets and liabilities of the Homestead Municipal Utility District into the El Paso Water and Wastewater System pursuant to Senate Bill 1810, 79th Texas Legislature.

APPROVED AND ACCEPTED this _____ day of _____, 2007.

THE CITY OF EL PASO

ATTEST:

MAYOR

City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

City Manager Joyce Wilson
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CITY CLERK DEPT.
07 MAY 10 AM 11:29

The Texas Commission on Environmental Quality will issue its Order of Dissolution of the District after the City has accepted the transfer of assets and liabilities into the City's water and wastewater system.

ACTION REQUESTED

Approve and authorize the Mayor to sign a resolution of the El Paso City Council accepting the transfer of all the assets and liabilities of the Homestead Municipal Utility District into the El Paso Water and Wastewater System pursuant to Senate Bill 1810, 79th Texas Legislature.

REQUEST TO PLACE ITEM ON THE CITY COUNCIL AGENDA **REGULAR AGENDA: May 22, 2007**

Attached is a copy of a Resolution for the May 22, 2007 City Council Agenda. Once approved, necessary arrangements will be made with the City Clerk's Office for document distribution. The City Attorney's Office is expected to review the Resolution and provide any comments as necessary.

The El Paso Water Utilities is requesting this matter be placed on the Regular Agenda for May 22, 2007.

Please advise this office upon completion of your review and approval of the placement of this item on the City Council Agenda and I will contact the City Clerk and make arrangements to have the document packets hand-delivered to the City Clerk's Office and email backup documents as noted to those listed below. If there are any questions, please call me at 594-5607 or email bandron@epwu.org.

I plan to attend the City Council meeting. Thank you for your kind attention to this matter.

Attachments

cc: The Honorable Mayor John F. Cook (email)
City Council Representatives (email)
Pat Aduato, Deputy City Manager for Development and Infrastructure Services (email)
Diana Nunez, Executive Assistant to the Mayor (email)
Charlie McNabb, City Attorney (email)
Theresa Cullen-Garney, Deputy City Attorney (email)
Richarda Duffy-Momsen, City Clerk (hard copies & email)
Nicholas J. Costanzo, Assistant General Manager, PSB (email)
Marcela Navarrete, Chief Finance Officer, PSB (email)