



AGENDA MEMORANDUM

Action Item for the City Council Meeting of April 29, 2025

DATE: April 29, 2025

TO: Peter Zaroni, City Manager

FROM: Miles Risley, City Attorney
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Rejection of potential settlement with Outside City Limits ("OCL") Water Customers regarding OCL water rates for Calendar Year 2024 in Public Utility Commission Docket No. 56427

CAPTION: Motion to reject a potential Mediation Settlement with outside city limits ("OCL") water customers regarding Council-approved OCL water rates effective January 1, 2024, in Public Utility Commission Docket No. 56427

BACKGROUND AND FINDINGS:

Texas Water Code § 13.043 provides that outside-City-limits (OCL) customers of a municipal water provider may appeal OCL water rates to the Texas Public Utility Commission (PUC) by filing a petition of at least 10% of the affected customers within 90 days after the effective date of an extraterritorial rate increase. In March of 2024, OCL ratepayers appealed the City's 2024 OCL water rates to the PUC in Docket 56427 and the OCL ratepayers designated Affordable Water for Corpus Christi (AWCC) as their representative. The parties have been involved in settlement negotiations. On March 31, 2025, OCL ratepayers appealed the City's 2025 OCL water rates to the PUC in Docket 57903 and designated AWCC as their representative.

ALTERNATIVES

The alternative is to authorize a settlement of the appeal.

SUMMARY:

FISCAL IMPACT:

Funding Detail:

Fund:
Organization/Activity:
Mission Element:
Project # (CIP Only):
Account:

RECOMMENDATION:

LIST OF SUPPORTING DOCUMENTS: