



AUTHORIZE GEORGETOWN CCN TRANSFER AGREEMENT

RS-26-082

May 19, 2026

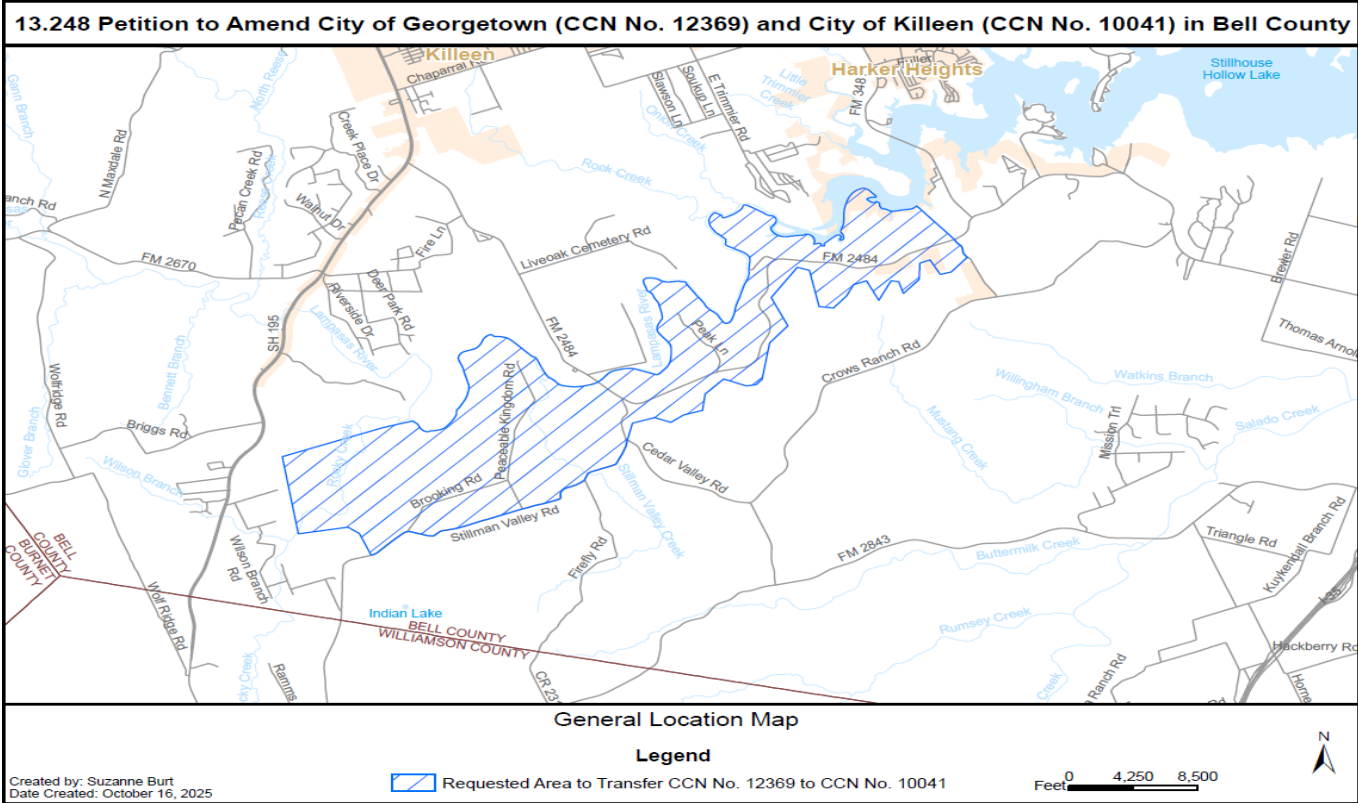
Background and Findings

- A water certificate of convenience and necessity (CCN) grants a water purveyor the exclusive right to provide retail water utility service to an identified geographic area.
- On December 15, 2020, the City Council directed staff to review transferring a portion of the Georgetown retail water CCN service area within the City of Killeen Extraterritorial Jurisdiction.
- Since August 2021, the City has been working with Freese and Nichols, Inc. to evaluate water infrastructure needs to extend the City's water service area south into Georgetown's CCN.

Background and Findings

- On March 21, 2023, city staff briefed Council on the results of this evaluation and Council gave a Motion of Direction to move forward on a future CCN transfer.
- On August 20, 2025, Georgetown briefed Killeen's staff on their CCN transfer project. Georgetown proposed selling to Killeen a large portion of their northern CCN that includes 27.4 miles of pipe and 256 customers.
- Killeen offered to enter discussions for a smaller area of Georgetown's CCN that is identical to Killeen's proposed 2023 CCN transfer area which includes approximately 8,669 acres.

Proposed CCN Area



Background and Findings

- Georgetown hired NewGen Strategies and Solutions to perform a statutory compensation analysis of Killeen's proposed CCN transfer area.
- NewGen's analysis found that no additional consideration is due for the decertification of the CCN transfer area other than payment by Killeen of Georgetown's direct costs of \$5,804.67.
- Georgetown has submitted a retail water CCN service area transfer agreement for Council's consideration and approval.

Recommendation

- Staff recommend that the City Council authorize the City Manager, or designee, to execute a retail water certificate of convenience and necessity service transfer agreement with the City of Georgetown in the amount of \$5,804.67.