



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ETJ

Item Creation Date: 1/31/2020

HPW - 20WR200 – Untreated Water Reservation Contract / Gulf Coast Water Authority

Agenda Item#:

Background:

SUBJECT: Untreated Water Reservation Contract between the City of Houston and the Gulf Coast Water Authority.

RECOMMENDATION: Adopt an Ordinance approving and authorizing the Untreated Water Reservation Contract between the City of Houston (City) and the Gulf Coast Water Authority (Authority).

SPECIFIC EXPLANATION: Pursuant to a Cost Sharing Agreement between the City and the Authority (Restated and Amended), approved by City Council on May 16, 2001, by Ordinance 2001-0417, and amended on August 15, 2007, by Ordinance 2007-0927, for the construction and operation of the Southeast Water Purification Plant and the delivery of raw water from Houston to the Authority, the City delivers to the Authority 31.5 million gallons of untreated surface water per day.

Additionally, the City and the Authority entered into a Replacement Water Line Capacity and Cost Sharing Agreement for the New Galveston Line project that was approved by City Council on March 23, 2016, by Ordinance 2016-0200 and amended on January 8, 2020, by Ordinance 2020-0021. The cost sharing agreement for the design and construction of a new transmission line will deliver treated water from the Southeast Water Purification Plant to the Authority.

At this time, the Authority desires to obtain 20 million gallons of untreated surface water from the City for the benefit of the City of League City. The new transmission line will be utilized to deliver the additional water in the future. This Untreated Water Reservation Contract between the City and Gulf Coast Water Authority sets forth the terms and conditions under which the City is willing to reserve and deliver to the Authority this additional water.

Initially, the Authority will pay an annual reservation fee to secure the reservation. This fee will be 10% of the untreated water contract rate specified in the City of Houston Code of Ordinances, Section 47-85, times the contract quantity while the southeast transmission line is being built. After the transmission line has been completed, the Authority will begin paying 25% of the raw water rate times the contract quantity. Additionally, the Authority will be financially responsible for its share of any future Southeast Water Purification Plant expansion necessary to increase its rated production capacity by at least 20 MGD, in accordance with the terms and conditions of the Cost Sharing Agreements.

DocuSigned by:

A blue ink signature of Carol Ellinger Haddock.

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Carol Ellinger Haddock, P. E.

Director

Houston Public Works

Prior Council Action:

Ordinance No. 2001-0417, dated May 16, 2001

Ordinance No. 2007-0927, dated August 15, 2007

Ordinance No. 2016-0200, dated March 23, 2016

Ordinance No. 2020-0021, dated January 8, 2020

Amount of Funding:

No funding required.

Contact Information:

Sharon Citino, J.D.

Planning Director

Houston Water

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ATTACHMENTS:

Description	Type
Reservation Fee Calculation	Backup Material
Prior Council Action	Backup Material
2001 Agreement	Backup Material
2007 Amendment	Backup Material
2016 Agreement	Backup Material