



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ETJ

Item Creation Date: 9/27/2019

HPW - 20WR158 -- Untreated Water Supply Contract, Lone Star NGL Mont Belvieu LP

Agenda Item#:

Background:

SUBJECT: Untreated Water Supply Contract between the City of Houston and Lone Star NGL Mont Belvieu LP.

RECOMMENDATION: The Untreated Water Supply Contract between the City of Houston and Lone Star NGL Mont Belvieu LP be approved.

SPECIFIC EXPLANATION: Lone Star NGL Mont Belvieu LP has requested to enter into an Untreated Water Supply Contract with the City of Houston. This contract will charge rates for untreated water as specified in City of Houston Code of Ordinances, Section 47-85, currently \$0.7209 per thousand gallons.

The standard form contract contains a maximum contract amount that, if the customer exceeds by more than 10%, assesses a 5% surcharge on the consumption above the maximum.

Lone Star's maximum contract amount will be 17.28 million gallons per day (MGD), for use at its facilities located at 8774 FM 1942, Baytown, Texas 77521. Revenue is estimated to be \$4,484,574.72 annually.

The untreated water will be supplied to the Lone Star facility via the Trinity River Basin and San Jacinto River Basin.

Houston Public Works recommends the Untreated Water Supply Contract be approved.

Carol Ellinger Haddock, P. E.
Director
Houston Public Works

Contact Information:

Sharon Citino, J.D.
Planning Director
Houston Water
Phone: (832) 395-2712

ATTACHMENTS:

Description	Type
Maps	Backup Material