

**City Council Meeting
Agenda Item
Data Sheet**

Item # 11c.

Meeting Date: 12-08-09

First Reading Date: _____

Topic:

Consider and take action on approving an amendment to the September 1, 1987 Revised Water Supply Agreement, as revised by the Galveston County Water Control and Improvement District No. 1.

Background:

On August 11, 2009, Council approved the amendment to the September 1, 1987 Revised Water Supply Agreement between the City of League City and Galveston County Water Control and Improvement District No. 1 (GCWCID#1). The agreement was reviewed and passed by the Board of Directors with GCWCID#1 at their meeting held on October 19, 2009, however, with notable changes. The City Attorney has reviewed the latest changes and there are essentially three (3) substantive differences between what Council previously approved and what the GCWCID#1 Board has approved. The following differences were noted:

- 1) First, they have defined what they regard as "excess water" and stipulate that it's whatever remains after their per-day consumption is deducted from 2.937 MGD. They also provide that if their pressure falls below 40 psi, they have the right to curtail the sale of water to the City. The contract which the City Council approved stated that if the District had excess water available, they would be obligated to sell to the City so long as the combined City and District usage did not exceed 85% of the District's contracted capacity with GCWA (4.2 MGD).
- 2) The price has gone up from \$1.50 per 1,000 gallons to \$1.95 per 1,000 gallons.
- 3) The contract is terminable by either party upon a 30-day written notification. The contract which City Council approved provided that the agreement would remain in place until the City notified the District that the City was receiving the necessary amount of potable water from the Houston SEWPP via the to-be-built Beamer Road take point.

Attached for your review is a copy of the agreement that Council approved on August 11, 2009, as well as the most recent version sent by GCWCID#1.

Origination:

Rich Oller, Director of Utilities/Public Works

Attachment:

1. Memorandum from Arnold Polanco, City Attorney (with changes in agreement highlighted)
2. August 11, 2009 Council Agenda Item w/Agreement
3. Agreement received from GCWCID#1 Board of Directors

Recommendation:

Staff requests council directive.

FUNDING

(X) NOT APPLICABLE

Signed [Signature] 11/20/09
Staff Member Date

Approved by [Signature] 11/24/09
City Administrator Date

Party(ies) responsible for placing this item on agenda: Rich Oller, P.E., Director of Utilities/Public Works

ACTION TAKEN BY COUNCIL

**CITY OF LEAGUE CITY
RECEIVED**

JAN 05 2010

**OFFICE OF
CITY SECRETARY**

