



## CITY COUNCIL AGENDA FORM

Meeting Date: July 11, 2022  
Prepared by: Rick Sailler  
Department: Public Works

Agenda item: \_\_\_\_\_  
Reviewed by: \_\_\_\_\_

**AGENDA ITEM DESCRIPTION:** Discussion/possible action regarding an update to Gulf Coast Water Authority Contract

### ATTACHMENTS FOR REFERENCE:

- |          |                                     |
|----------|-------------------------------------|
| <b>X</b> | 1. Gulf Coast Contract Renewal      |
|          | 2. Expense Summary Sheet - Original |
|          | 3. Expense Summary Sheet - Revised  |
|          | 4. Email - Dave Davis               |

### STAFF BRIEFING:

- New contract for water supply from Gulf Coast Water Authority
- Term of Contract 40 years - December 31, 2062
- Additional water supply of 1.247 MGD; increasing total to 4.027 MGD, resulting in a 31% increase of guaranteed water supply

City Engineer has reviewed and approved.

City Attorney has reviewed and approved.

Finance Director has reviewed and approved.

City Manager has reviewed and approved.

### HISTORY:

- Previously discussed with City Council on May 9, 2022
- Contract was approved by 4-1 vote but was not signed due to incorrect data.
- The Additional Water Purchase Calculation was incorrect in the Financial Summary
- No Discussion of the increase in Water Rates for O&M expenses at that time.
- Water Rates per se are not specifically covered in the Contract, only the ability to adjust.

**TARGET IMPLEMENTATION:** July 15, 2022

### SIGNIFICANT ACTION DATES:

**Date - May 9, 2022**

**Cost Details:**



# CITY COUNCIL AGENDA FORM

**ACTION:**

- |  |  |
|--|--|
| <input type="checkbox"/> Ordinance   | <input checked="" type="checkbox"/> Resolution |
| <input type="checkbox"/> Special Presentation  | <input type="checkbox"/> Proclamation          |
| <input type="checkbox"/> Finance Report  | <input type="checkbox"/> Public Hearing        |
| <input type="checkbox"/> Municode Codification   |  |
| <input checked="" type="checkbox"/> Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures |  |

<b>Budgeted</b>	
<b>Actual Bid</b>	
<b>Estimated Expenditure</b>	<b>\$226,120</b>
<b>Acct. Name(s)</b>	
<b>Line Items #</b>	
<b>Other Funding</b>	

**STAFF'S RECOMMENDATION:**

Motion to approve the new Contract with Gulf Coast Water Authority for water supply in the amount of 4.003MGD through December 31<sup>st</sup> 2062.

**FISCAL IMPACT:** The additional water quantity will increase annual payment by \$226,120 - effectively approximately \$0.286 / 1000 gallons (not including O&M rate increase)

*Current rates of \$1.19/1000 gals increase to \$1.58 / 1000 gals, due to additional capital costs and raw water costs and O&M water rate increase of \$0.18 / 1000 gals*