CONTRACTS & AGREEMENTS

Temporary Consent to Assignment between
Brazos River Authority,
City of Sugar Land,
and
Dow Chemical Company

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Temporary Consent to Assign between Brazos River Authority and City of Sugar Land and Water Supply Agreement between Dow Chemical Company and City of Sugar Land



CITY OF SUGAR LAND

Background

- Brazos River Authority Water Contract
- Initial agreement signed 11/2010
 - Amended in 2012
- 6,388 ac-ft/ 5.7MGD if taken in equal amounts over 1 year
- Contract year begins Sept. 1
- Current system rate is \$74.00/ ac-ft
- Take or Pay Contract
 - \$472,712 in Contract Year 2018

Background

- Water is planned for future Fort Bend
 Subsidence District conversion requirements
- City was approached by BRA to lease 2018 contract water
- Dow Chemical Company
- Assignment for Contract year 2018
- No future commitments
- Was temporarily assigned in 2011 to GCWA and Hansen Sand

Temporary Assignment Agreements

- 1. Temporary Consent to Assign with BRA
 - BRA consents to temporary assignment
 - Allows for alternative diversion point
 - 6,388 ac-ft for industrial purposes
- 2. Water Supply Agreement with Dow
 - Rate will be \$74/ac-ft
 - Lump payment within 30 days
 - Facilitate releases with BRA directly

Temporary Assignment Agreements

- 6,388 ac-ft totaling \$472,712
- Any revenue collected will be returned to the Surface Water Fund.

Recommendation

Staff recommends approval of the Temporary Consent to Assign between the Brazos River Authority and the City of Sugar Land. Staff also recommends approval of the Water Supply Agreement between Dow Chemical Company and the City of Sugar Land.