

GULF COAST WATER AUTHORITY  
FY 2020 REVISED RATE ORDER

RECITALS

**WHEREAS**, the Gulf Coast Water Authority (the "Authority"), is a conservation and reclamation district under the provisions of Section 59, Article XVI of the Texas Constitution created and operating under the provisions Chapter 712, Acts of the 59<sup>th</sup> Legislature, Regular Session, 1965 (originally codified as Article 8280-339, Vernon's Texas Civil Statutes), as amended; and

**WHEREAS**, the Board of Directors of the Authority has determined it necessary and prudent to adjust its rates for the sale of water;

**NOW THEREFORE**, be it ordered by the Board of Directors of the Gulf Coast Water Authority that:

ARTICLE I: FINDINGS; APPLICABILITY; EFFECTIVE DATE.

Section 1.01: Findings. Each of the recitals stated in this Rate Order are hereby adopted as findings of fact of the Board of Directors. All statutory and contractual requirements and conditions have been met for the establishment of fees, rates, and charges under this Rate Order.

Section 1.02: Applicability. This Rate Order shall be applicable to all sales of water, except for irrigation water contracts used in conjunction with agricultural use.

Section 1.02: Effective Date: Prior Resolutions or Orders. This Rate Order shall be effective immediately, provided, however, that the water rates provided for by this Order shall apply to all water delivered on or after September 1, 2019.

ARTICLE II: DEFINITIONS; INTERPRETATIONS; REFERENCES

Section 2.01: Definitions. The following terms used in this Rate Order shall have the following meanings:

"Authority" is defined in the recitals hereto and includes the legal successors or assigns of the Gulf Coast Water Authority.

"Raw Water" means and includes all untreated surface water diverted from Brazos River, Jones Creek, Oyster Creek, Chocolate Bayou, Mustang Bayou, and Hall's Bayou, to which the Authority has rights, powers, and authority under or evidenced by Certificate of Adjudication Nos. 12-5168, 12-5322, and 12-5171, and Water Permit No's 5169 and 5357, as amended, issued by the Texas Commission on Environmental Quality or its predecessors.

"Treated Surface Water" means water that is treated and produced by the Thomas Mackey Surface Water Treatment Plant in Texas City, Texas;

"Water Contracts" means all contracts of the Authority to deliver water, and includes any amendments or supplements to any Raw Water or Treated Surface Water Contract, and any substantially similar

contract or contracts hereafter entered into by the Authority with any customer relative to the sale of water (other than irrigation water contracts).

"Water Rates" shall mean the rates set forth in Attachment A hereof applicable to the sale of water to customers.

Section 2.02: Interpretations. The article, section, and subsection headings of this Rate Order are included herein for convenience of reference purposes only and shall not constitute a part of this Rate Order or affect its interpretation in any respect. Except where the context otherwise requires, words imparting the singular number shall include the plural and vice versa. References to an entity refer to the legal successors of such entity, and to the board of directors, officers, or other officials of such entity where appropriate.

Section 2.03: References. Any reference in this Rate Order to a document shall mean such document and all exhibits thereto as amended or supplemented from time to time.

### ARTICLE III: WATER RATES

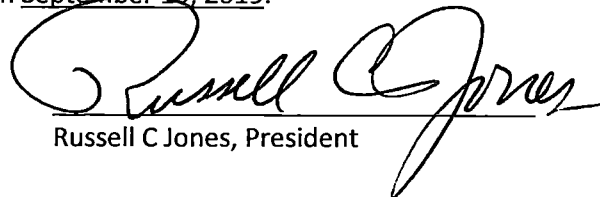
Section 3.01: Water Rates. Unless otherwise agreed in writing, the Water Rates shall be as stated in Exhibit A, attached hereto.

Section 3.02: Water Contracts. The various provisions of the Water Contracts shall govern all matters other than the prevailing rate for the sale of water, including but not limited to quality, quantity, diversion rates, diversion points, operations, repairs, maintenance, resales or exchanges, metering, billing, payment, credits against the Water Rates, collections, late fees, penalties and interest, shortages or water and force majeure, in respect of the sale of water thereunder. In the event that any provision of this Rate Order is in conflict with any provision of a Water Contract then the terms and provisions of this Rate Order shall control only with respect to the prevailing Water Rate, and the Water Contract shall control with respect to any other matter.

### ARTICLE IV: FUTURE AMENDMENTS

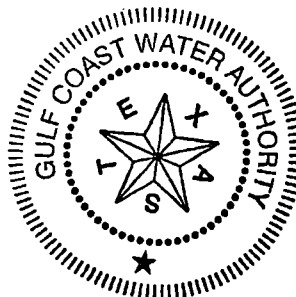
Section 4.01: Future Amendments. As determined necessary by the Authority, the Authority reserves the right to amend from time to time: (1) the Water Rates, charges and fees contained in this Rate Order; and (2) any other terms and provisions of this Rate Order.

PASSED AND APPROVED by the Board of Directors on September 19, 2019.

  
Russell C Jones, President

ATTEST: 

(SEAL)





Gulf Coast Water Authority

## EXHIBIT A 2020 WATER RATES

| <u>CANAL- System A &amp; B</u> | <u>O&amp;M</u> | <u>Capital</u> | <u>Stored Water</u> | <u>Stored Water</u><br><u>- Pecan</u><br><u>Grove</u> | <u>Option Water</u> |
|--------------------------------|----------------|----------------|---------------------|---|---------------------|
|--------------------------------|----------------|----------------|---------------------|---|---------------------|

|       |       |       |       |        |       |
|-------|-------|-------|-------|--------|-------|
| Rates | 99.70 | 57.39 | 92.89 | 284.45 | 50.00 |
|-------|-------|-------|-------|--------|-------|

| <u>CANAL- Chocolate Bayou</u> | <u>O&amp;M</u> | <u>Capital</u> | <u>Stored Water</u> |
|-------------------------------|----------------|----------------|---------------------|
|-------------------------------|----------------|----------------|---------------------|

|       |        |        |       |
|-------|--------|--------|-------|
| Rates | 171.53 | 134.97 | 80.89 |
|-------|--------|--------|-------|

| <u>INTERRUPTIBLE WATER</u> | <u>Interruptible</u><br><u>Rates</u> |
|----------------------------|--------------------------------------|
|----------------------------|--------------------------------------|

|   |        |
|---|--------|
| Silvercreek Community Association       | 315.04 |
| Sugar Creek Country Club                | 378.94 |
| Mainland Concrete                       | 249.98 |
| First Colony Community Services (Fluor) | 268.77 |
| First Colony Commons                    | 249.98 |
| Riverbend Country Club                  | 249.98 |
| Diamond K                               | 249.98 |
| Mag Creek Country Club                  | 249.98 |
| Texas City Golf Course                  | 249.98 |

| <u>Thomas Mackey Water Treatment Plant Rates</u> | <u>Raw Water</u> | <u>Capital</u> | <u>O&amp;M</u> |
|--|------------------|----------------|----------------|
|--|------------------|----------------|----------------|

|       |        |        |        |
|-------|--------|--------|--------|
| Rates | 323.55 | 185.19 | 694.55 |
|-------|--------|--------|--------|

| <u>Texas City Reservoir Rates</u> | <u>Raw Water</u> | <u>O&amp;M</u> | <u>Capital</u> | <u>Bonds</u>                         |                |  |
|-----------------------------------|------------------|----------------|----------------|--------------------------------------|----------------|--|
|                                   |                  |                |                | <u>Industrial</u><br><u>Division</u> | <u>Ashland</u> | <u>Water</u><br><u>Treatment</u><br><u>Plant</u> |

|       |        |       |       |       |       |       |
|-------|--------|-------|-------|-------|-------|-------|
| Rates | 249.98 | 17.53 | 26.65 | 30.75 | 30.75 | 29.39 |
|-------|--------|-------|-------|-------|-------|-------|

| <u>Texas City Industrial Rates</u> | <u>Power</u> | <u>Raw Water</u> | <u>O&amp;M</u> | <u>Capital</u> | <u>Bonds</u>      |                   |
|------------------------------------|--------------|------------------|----------------|----------------|-------------------|-------------------|
|                                    |              |                  |                |                | <u>Texas City</u> | <u>Industrial</u> |

|       |       |        |       |        |     |       |
|-------|-------|--------|-------|--------|-----|-------|
| Rates | 29.97 | 232.91 | 55.16 | 104.06 | N/A | 51.52 |
|-------|-------|--------|-------|--------|-----|-------|

### SPOT RAW WATER-(TRUCKED)

\$1,000 minimum up to first million and \$500 per half million thereafter.

\*All rates are calculated in \$/MG.



Gulf Coast Water Authority

**SUPPLEMENT TO EXHIBIT A  
2020 WATER RATES**

**RAW WATER**

| <b><u>CANAL SYSTEM A&amp;B</u></b>      | <b>CONTRACT QUANTITY</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>(MGD)</u></b>      | <b><u>(\$/MG)</u></b> |
| Industrial Division                     | 112.7620                 | 249.98                |
| Ascend Performance Materials            | 17.8660                  | 249.98                |
| Ft. Bend WCID#2                         | 4.0000                   | 249.98                |
| Missouri City                           | 15.0000                  | 249.98                |
| Pecan Grove                             | 2.3524                   | 441.54                |
| Sugar Land                              | 10.0000                  | 249.98                |
| Underground Storage                     | 1.6000                   | 249.98                |
| <b><u>CHOCOLATE BAYOU</u></b>           |                          |                       |
| INEOS Olefins and Polymers              | 24.0000                  | 387.39                |
| <b><u>OPTION WATER</u></b>              |                          |                       |
| Sugar Land                              | 10.0000                  | 50.00                 |
| Ft. Bend WCID #2                        | 6.5000                   | 50.00                 |
| Pearland                                | 10.0000                  | 50.00                 |
| <b><u>INTERRUPTIBLE WATER</u></b>       |                          |                       |
| Silvercreek Community Association       | 0.0000                   | 315.04                |
| Sugar Creek Country Club                | 0.2098                   | 378.94                |
| Mainland Concrete                       | 0.0329                   | 249.98                |
| First Colony Community Services (Fluor) | 0.0803                   | 268.77                |
| First Colony Commons                    | 0.0384                   | 249.98                |
| Riverbend Country Club                  | 0.1370                   | 249.98                |
| Diamond K                               | 0.0580                   | 249.98                |
| Mag Creek Country Club                  | 0.4930                   | 249.98                |
| Texas City Golf Course                  | 0.1095                   | 249.98                |

**SPOT RAW WATER-(TRUCKED)**

\$1,000 minimum up to first million and \$500 per half million thereafter.



Gulf Coast Water Authority

**SUPPLEMENT TO EXHIBIT A  
2020 WATER RATES**

**RAW WATER - TEXAS CITY RESERVOIR (TCR)**

|                                     | RAW WATER |         | O & M    |         | CAPITAL  |         | *BONDS   |         | AVERAGE COST PER<br>(MG) BASED ON<br>CONTRACT QUANTITIES |         |
|-------------------------------------|-----------|---------|----------|---------|----------|---------|----------|---------|--|---------|
|                                     | CONTRACT  |         | CONTRACT |         | CONTRACT |         | CONTRACT |         | CONTRACT   |         |
|                                     | (MGD)     | (\$/MG) | (MGD)    | (\$/MG) | (MGD)    | (\$/MG) | (MGD)    | (\$/MG) | (MGD)  | (\$/MG) |
| Industrial Division                 | 60.0620   | 249.98  | 60.0620  | 17.53   | 60.0620  | 26.65   | 60.0620  | 30.75   | 60.0620  | 324.91  |
| Ashland                             | 1.0000    | 249.98  | 1.0000   | 17.53   | 1.0000   | 26.65   | 1.0000   | 30.75   | 1.0000   | 321.91  |
| Thomas Mackey Water Treatment Plant | 49.7000   | 249.98  | 49.7000  | 17.53   | 49.7000  | 26.65   | 49.7000  | 29.39   | 49.7000  | 323.55  |



Gulf Coast Water Authority

**SUPPLEMENT TO EXHIBIT A  
2020 WATER RATES**

**RAW WATER - TEXAS CITY INDUSTRIAL (TCI)**

|                            | POWER              |         | RAW WATER         |         | O & M             |         | CAPITAL           |         | BONDS             |         | AVERAGE COST PER<br>(MG) BASED ON<br>CONTRACT QUANTITIES |         |
|----------------------------|--------------------|---------|-------------------|---------|-------------------|---------|-------------------|---------|-------------------|---------|--|---------|
|                            | ESTIMATED<br>(MGD) | (\$/MG) | CONTRACT<br>(MGD) | (\$/MG) | CONTRACT<br>(MGD) | (\$/MG) | CONTRACT<br>(MGD) | (\$/MG) | CONTRACT<br>(MGD) | (\$/MG) | CONTRACT<br>(MGD)  | (\$/MG) |
| Dow                        | 6.2247             | 29.97   | 12.3910           | 323.91  | 12.3910           | 55.16   | 12.3910           | 104.06  | 12.3910           | 51.52   | 12.3910  | 549.70  |
| Eastman                    | 1.9414             | 29.97   | 8.5420            | 323.91  | 8.5420            | 55.16   | 8.5420            | 104.06  | 8.5420            | 51.52   | 8.5420   | 541.46  |
| Valero                     | 3.9607             | 29.97   | 6.5100            | 323.91  | 6.5100            | 55.16   | 6.5100            | 104.06  | 6.5100            | 51.52   | 6.5100   | 552.88  |
| Blanchard Refining Company | 28.9003            | 29.97   | 34.6000           | 323.91  | 34.6000           | 55.16   | 34.6000           | 104.06  | 32.6000           | 51.52   | 34.6000  | 550.69  |
| Texas City (Highway 146)   | N/A                | N/A     | 0.0190            | 323.91  | 0.0190            | 55.16   | 0.0190            | 104.06  | N/A               | N/A     | 0.0190   | 483.13  |



**SUPPLEMENT TO EXHIBIT A  
2020 WATER RATES**

**THOMAS MACKEY WATER TREATMENT PLANT**

|             | RESERVE CAPACITY |                              |                            | O & M<br>ESTIMATED<br>METERED WATER |                | COST BASED ON<br>ESTIMATED METERED<br>WATER |                |
|-------------|------------------|------------------------------|----------------------------|-------------------------------------|----------------|---|----------------|
|             | <u>(MGD)</u>     | <u>RAW WATER<br/>(\$/MG)</u> | <u>CAPITAL<br/>(\$/MG)</u> | <u>(MGD)</u>                        | <u>(\$/MG)</u> | <u>(MGD)</u>                                | <u>(\$/MG)</u> |
| Texas City  | 11.5050          | 323.55                       | 185.19                     | 6.5500                              | 694.55         | 6.5500                                      | 1,592.49       |
| La Marque   | 2.7800           | 323.55                       | 185.19                     | 2.6000                              | 694.55         | 2.6000                                      | 1,241.90       |
| WCID #1     | 4.1650           | 323.55                       | 185.19                     | 2.2180                              | 694.55         | 2.2180                                      | 1,654.39       |
| Bacliff     | 1.1900           | 323.55                       | 185.19                     | 0.6110                              | 694.55         | 0.6110                                      | 1,690.00       |
| Bayview     | 0.3880           | 323.55                       | 185.19                     | 0.1150                              | 694.55         | 0.1150                                      | 2,417.60       |
| WCID #12    | 1.0430           | 323.55                       | 185.19                     | 0.7120                              | 694.55         | 0.7120                                      | 1,444.06       |
| San Leon    | 1.7850           | 323.55                       | 185.19                     | 0.6500                              | 694.55         | 0.6500                                      | 2,097.36       |
| League City | 2.5440           | 323.55                       | 185.19                     | 1.5000                              | 694.55         | 1.5000                                      | 1,561.64       |
| Galveston   | 20.9900          | 323.55                       | 185.19                     | 11.7500                             | 694.55         | 11.7500                                     | 1,607.74       |
| Hitchcock   | 1.5000           | 323.55                       | 185.19                     | 0.8000                              | 694.55         | 0.8000                                      | 1,652.95       |
| WCID #8     | 1.0000           | 323.55                       | 185.19                     | 0.5750                              | 694.55         | 0.5750                                      | 1,583.64       |
| MUD #12     | 0.4500           | 323.55                       | 185.19                     | 0.2500                              | 694.55         | 0.2500                                      | 1,614.69       |
| FWSD #6     | 0.3600           | 323.55                       | 185.19                     | 0.2200                              | 694.55         | 0.2200                                      | 1,531.21       |