



August 22, 2018

# Riverbend Water Resources District Regional Capital Needs and Comparisons



ECONOMICS

STRATEGY

STAKEHOLDERS

SUSTAINABILITY

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# Agenda



Municipal Rate Jurisdiction



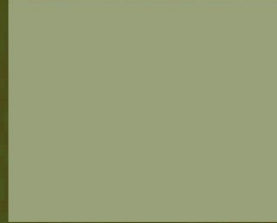
Regional Bill Comparisons



Regional Capital Needs



Questions and Discussion



# Municipal Rate Jurisdiction

# Municipal Rate Jurisdiction

## *What is my rate jurisdiction as a municipality?*

- The Texas Water Code provides that the governing body of a municipality has exclusive original jurisdiction over rates within its corporate limits.
- The code specifically states that the Commission does not have jurisdiction to regulate or supervise the rates or service of a utility owned and operation by a municipality.

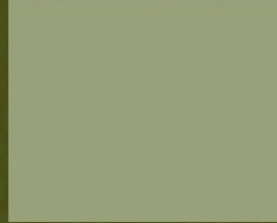
## *What does that mean for outside city customers?*

- The Code does grant appellate jurisdiction to the Commission when ratepayers reside outside of the corporate limits of the municipality.

## *How can rate action be triggered?*

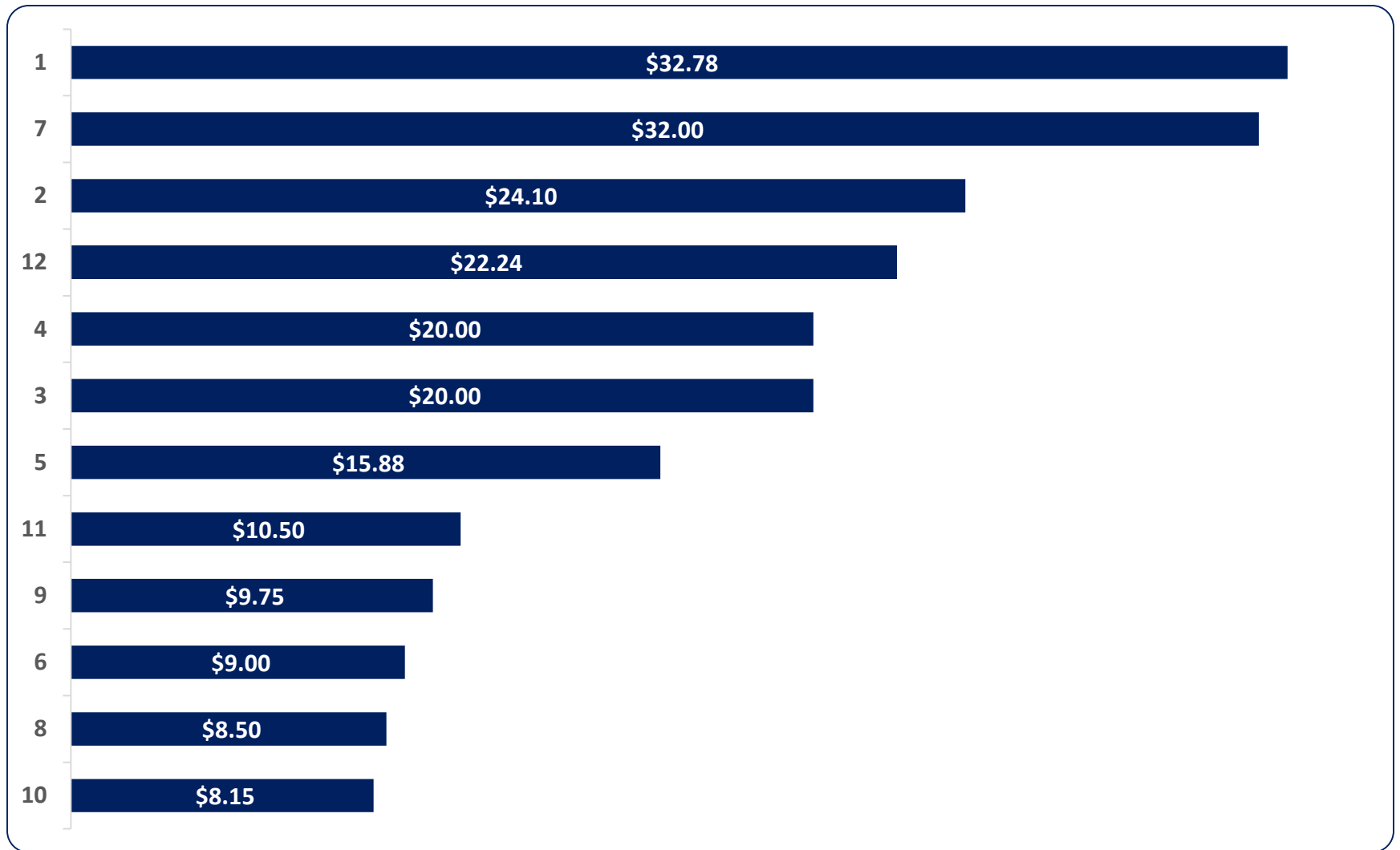
- An appeal is initiated when a petition is signed and filed by the lesser of 10,000 or 10% of ratepayers.
- The Commission will review the information available at the time the rate action was taken to determine the appropriateness of the action



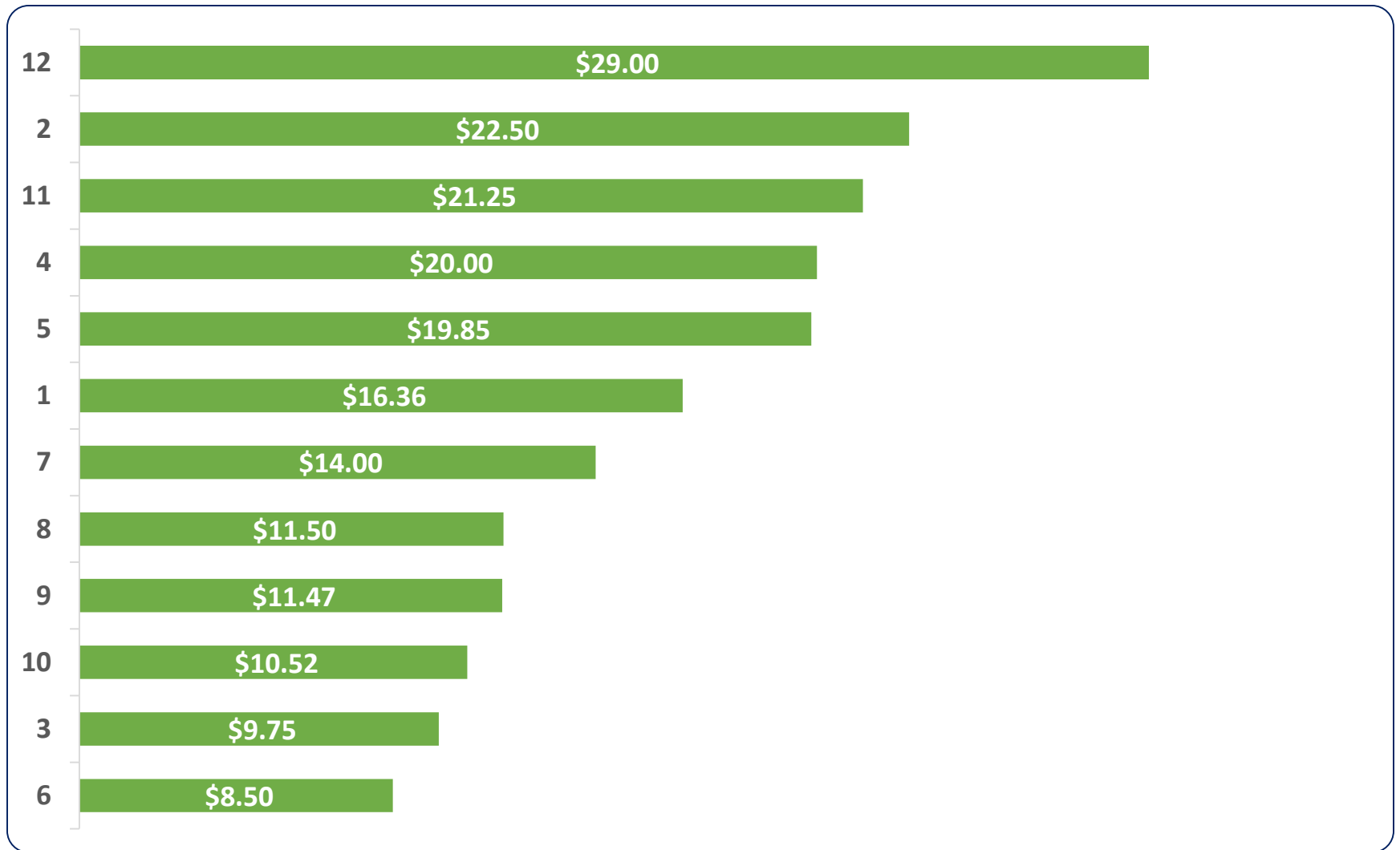


# Regional Bill Comparisons

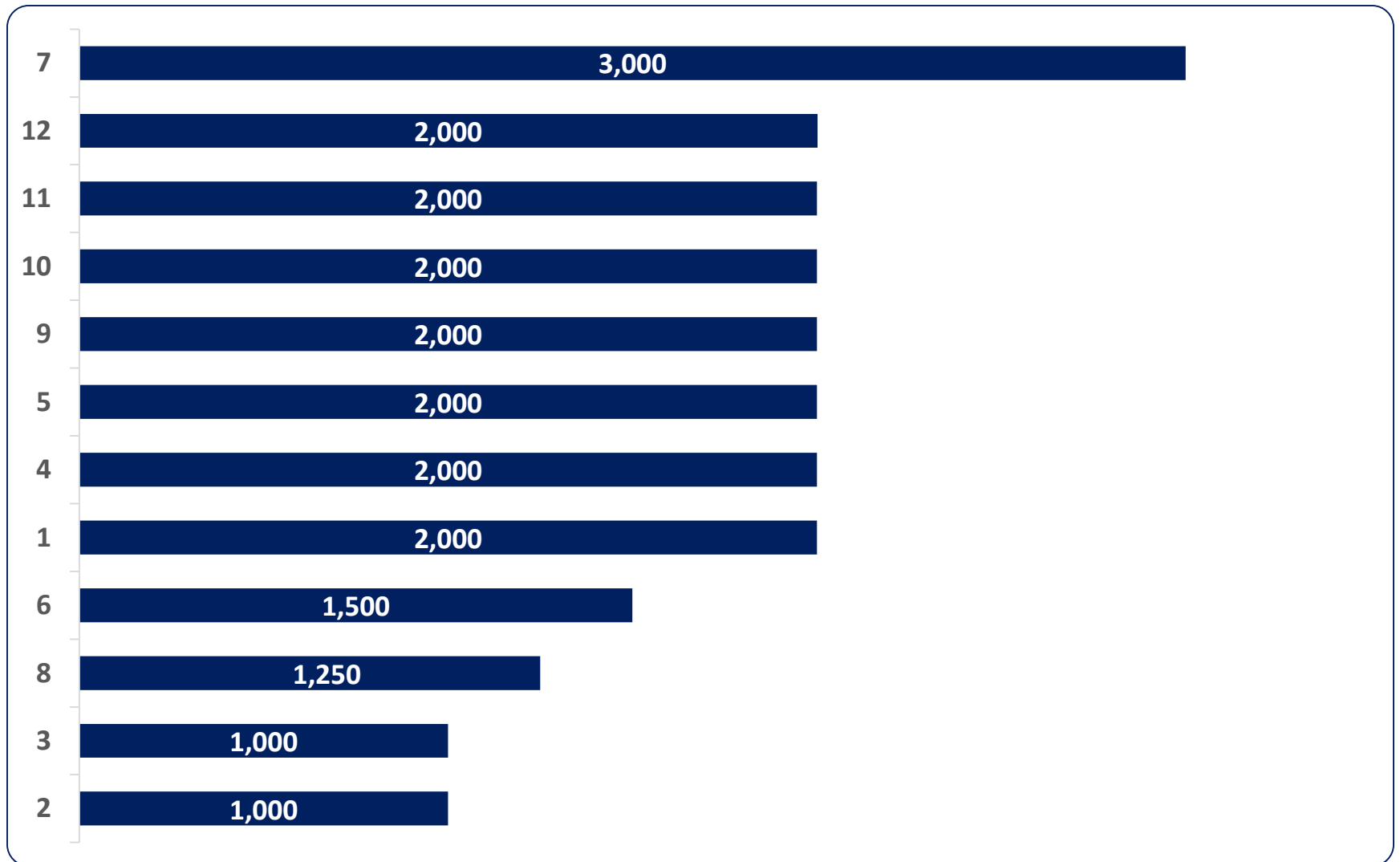
# Fixed Minimum Charge Comparison Water



# Fixed Minimum Charge Comparison Wastewater

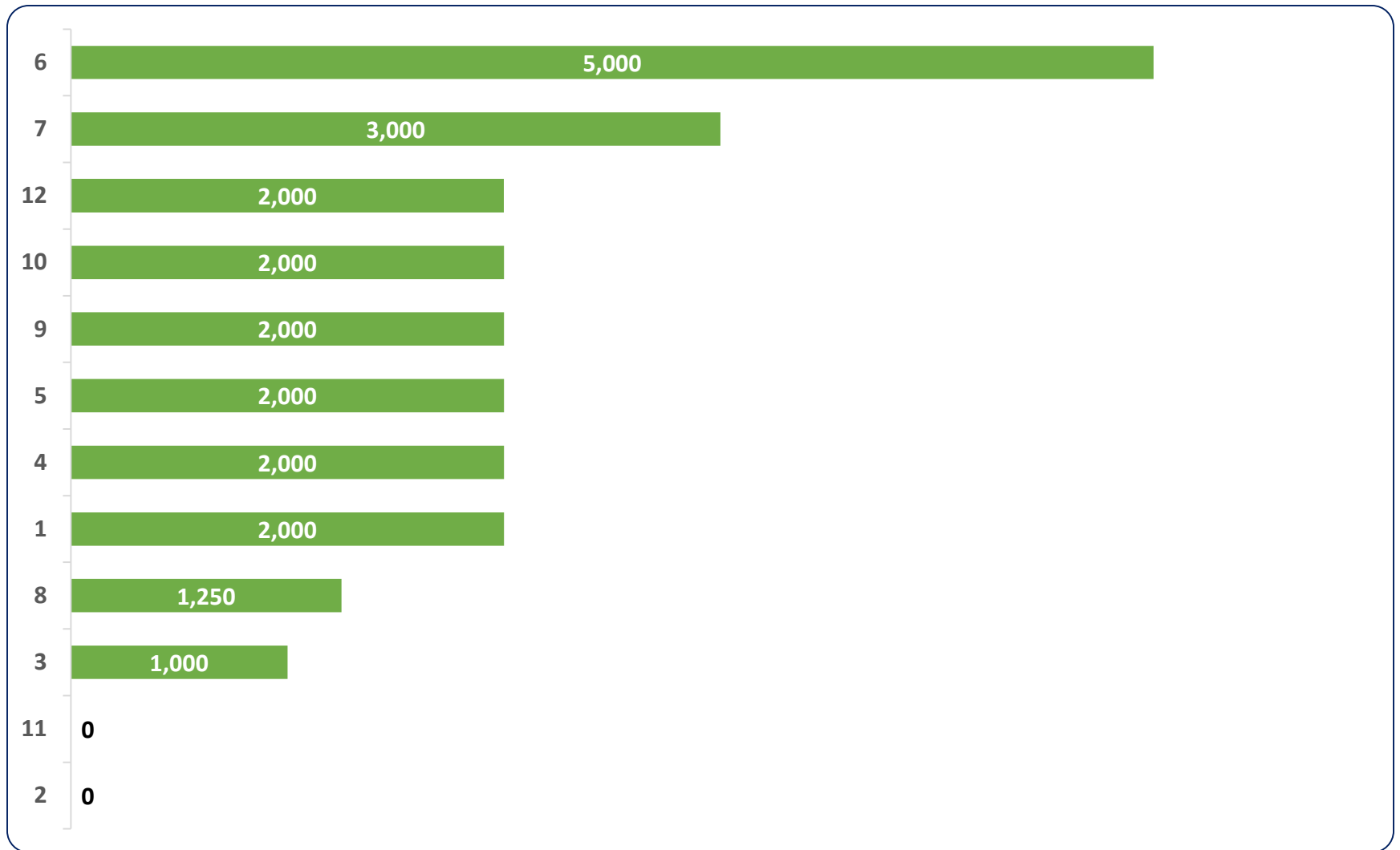


# Gallons in Fixed Minimum Water

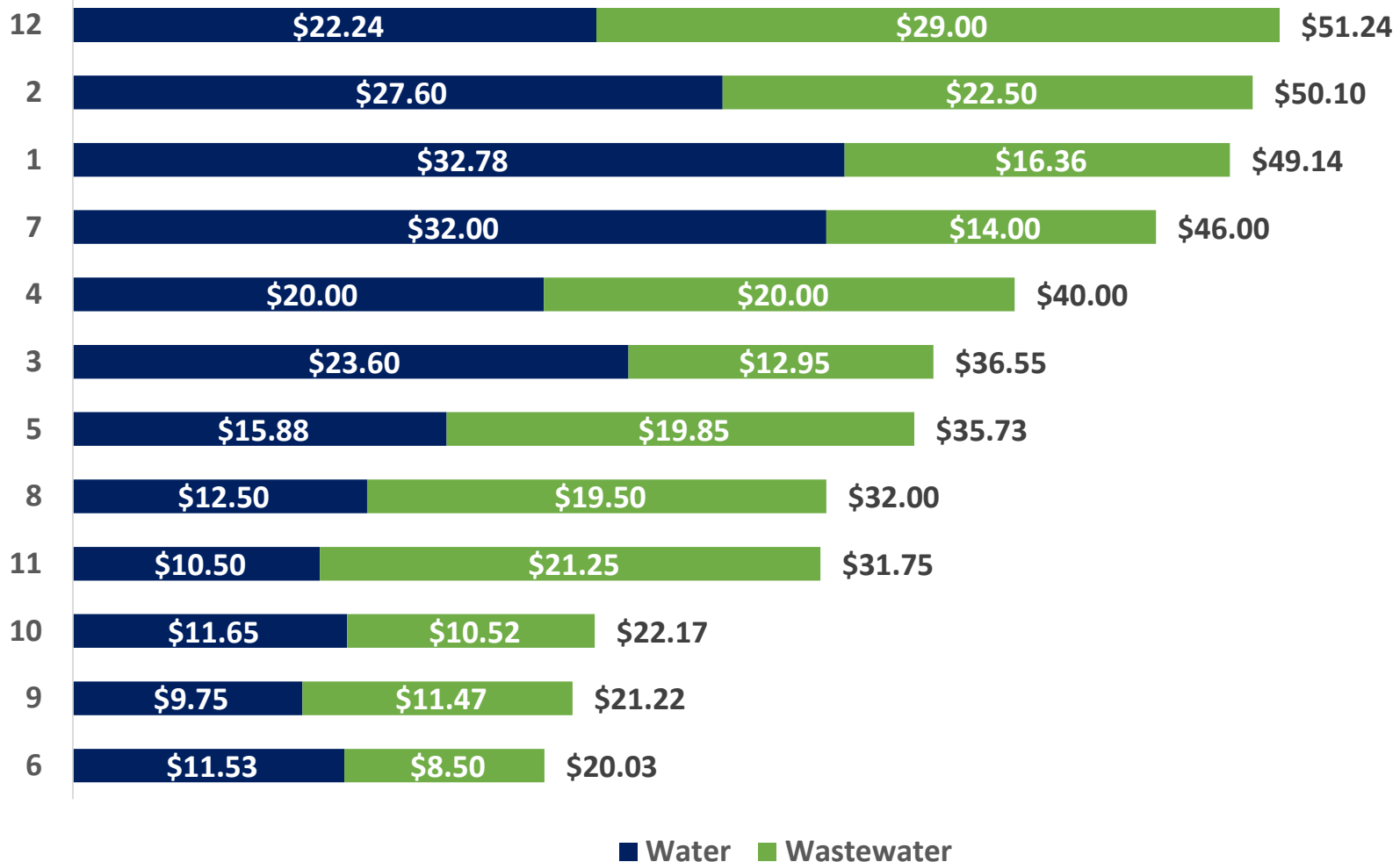




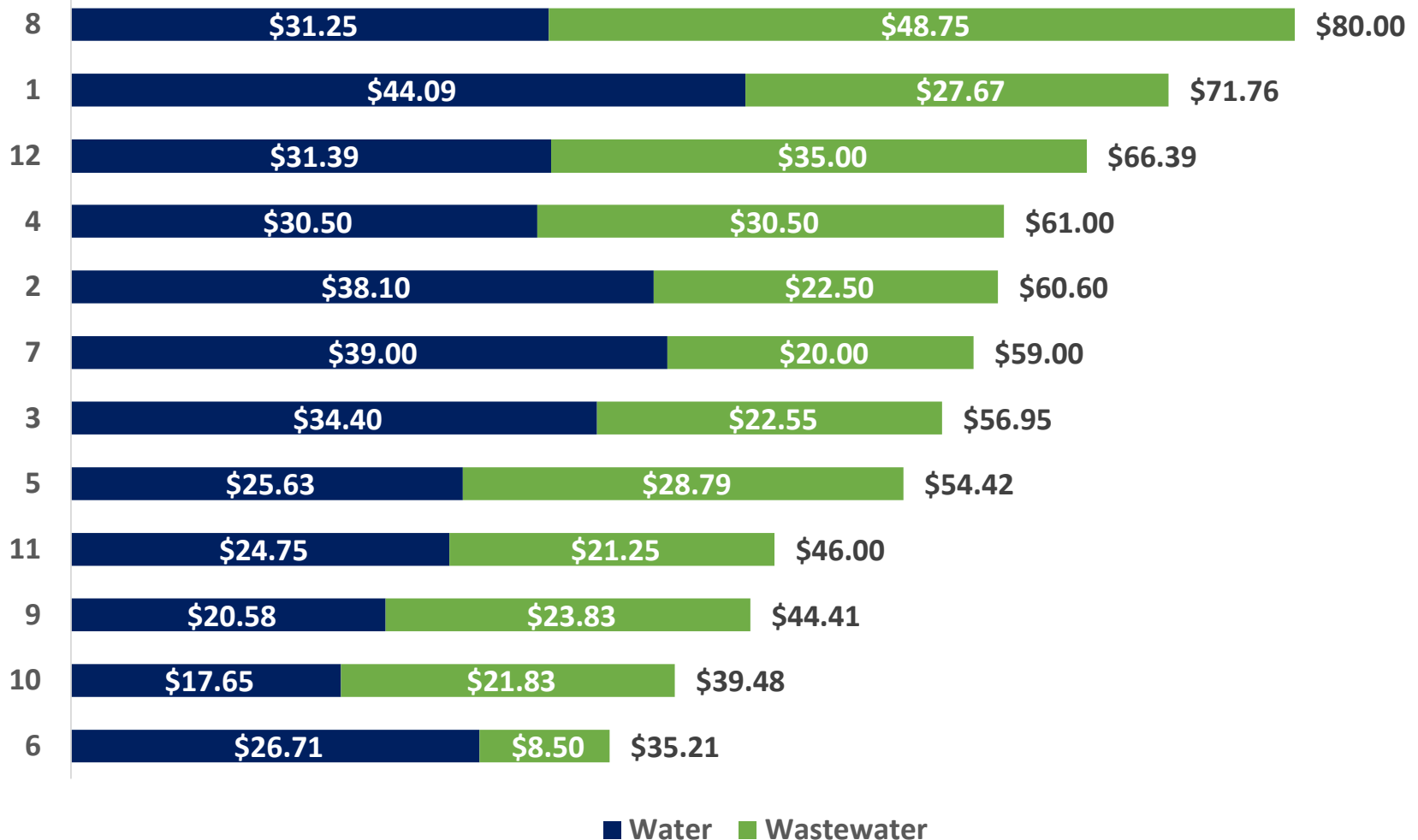
# Gallons in Fixed Minimum Wastewater



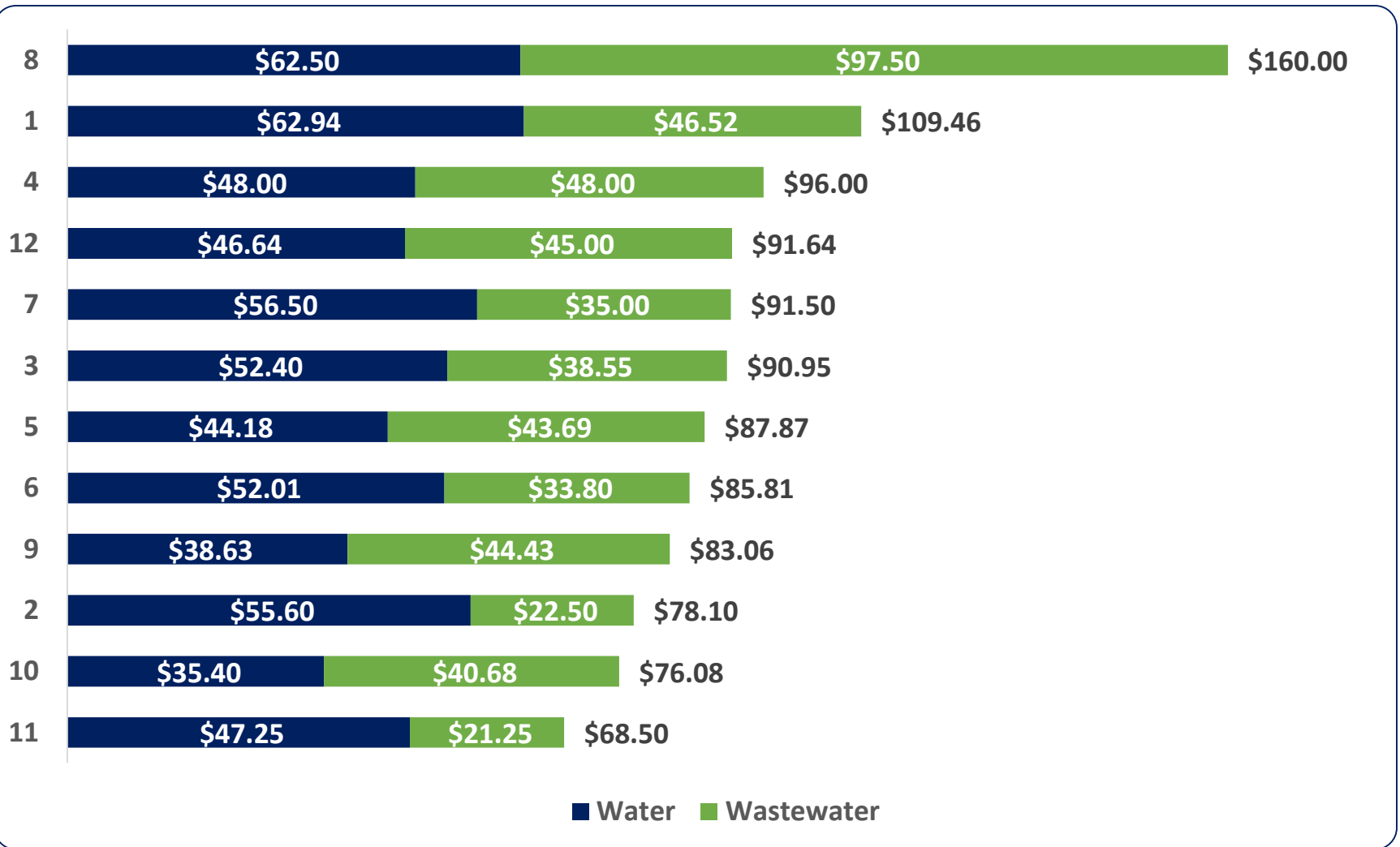
# Regional Monthly Customer Bill Comparison 2,000 Gallons

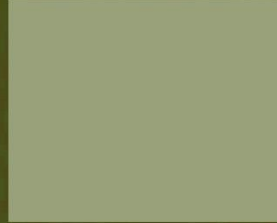


# Regional Monthly Customer Bill Comparison 5,000 Gallons



# Regional Monthly Customer Bill Comparison 10,000 Gallons





# Regional Project Financial Plan

# Financial Plan Overview

- AECOM retained by RWRD to perform cost estimate for regional projects
  - Transmission and treatment of raw water from Wright Patman Lake
  - Package water treatment plant to serve customers of RWRD
- Phasing approach implemented to mitigate rate impacts



# Phasing Approach

## Phase 1A

Raw Water Intake

Raw Water Pump Station and Access Road

Raw Water Line to New Surface Water Treatment Plant Location

Distribution Pipelines, Storage and Pumping

## Phase 1B

New Surface Water Treatment Plant (25 MGD)

Distribution Pipelines, Storage, and Pumping

## Phase 4B

Raw Water Pipeline from the IP Intake

Regional Surface Water Treatment Plant (2.5 MGD)

Distribution Pipelines, Storage and Pumping

# Capital Phasing Matrix

Phase	2019	2020	2021	2022	Total
1A	<b>Design</b>	<b>Construction</b>			
	\$13,906,232	\$68,762,579			<u>\$82,668,811</u>
1B			<b>Design</b>	<b>Construction</b>	
			\$12,484,000	\$62,420,000	<u>\$74,904,000</u>
4B			<b>Design</b>	<b>Construction</b>	
			\$2,524,996	\$12,591,446	<u>\$15,116,442</u>
<u>Total</u>	<u>\$13,906,232</u>	<u>\$68,762,579</u>	<u>\$15,008,996</u>	<u>\$75,011,446</u>	<u>\$172,689,253</u>

*(1) Original Costs given in 2018 Dollars*

*(2) Interest During Construction removed from AECOM figures*

*(3) Distribution Costs not funded at this time*

# Annual O&M Costs

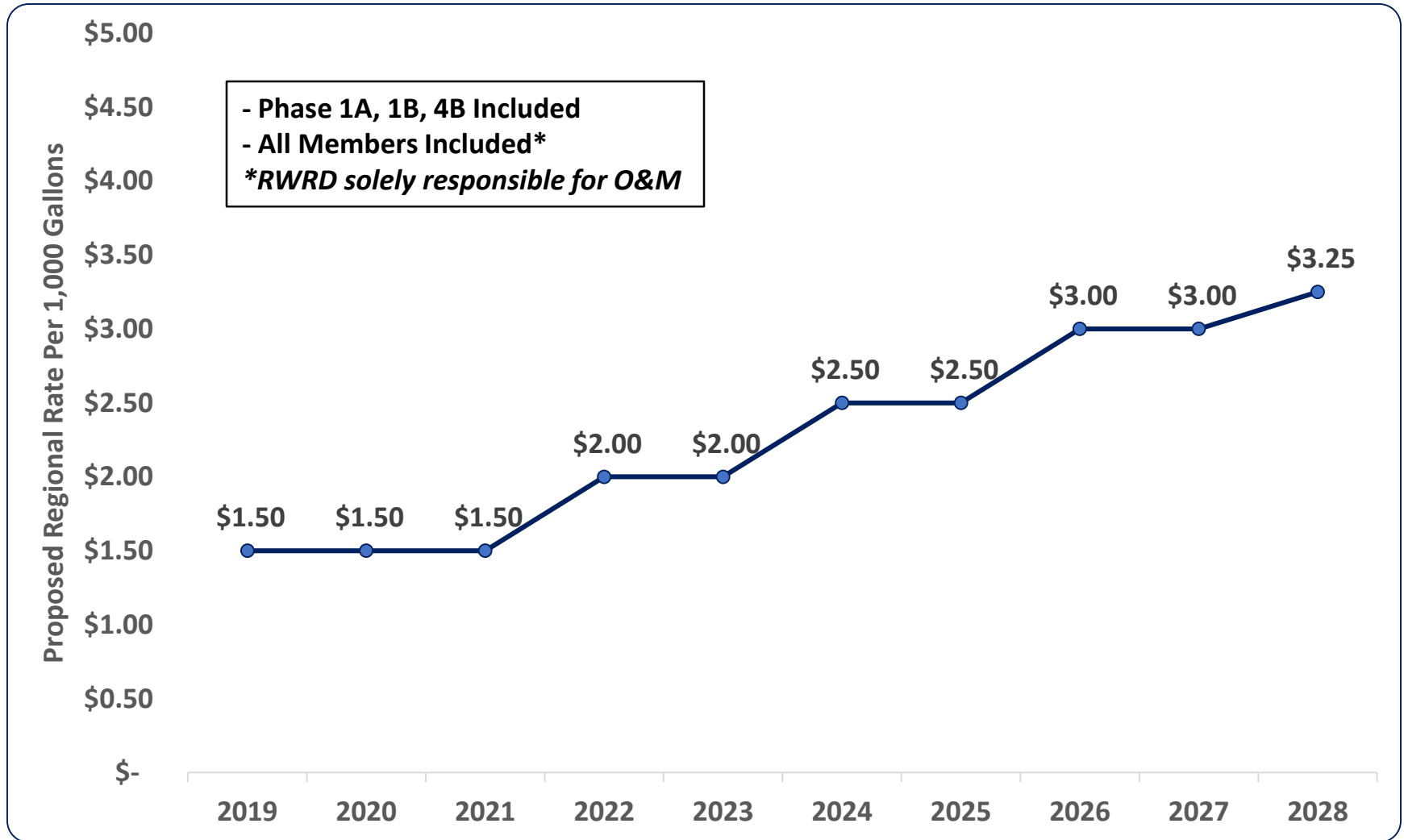
Phase 1B	Cost (2018 Dollars)
Power	\$2,561,529
Chemicals	1,168,985
Labor	997,464
<u>Sludge Disposal</u>	<u>255,241</u>
<b>Total Annual O&amp;M Costs</b>	<b>\$4,983,219</b>

Phase 4B	Cost (2018 Dollars)
Power	\$260,682
Chemicals	131,597
Labor	337,272
<u>Sludge Disposal</u>	<u>29,326</u>
<b>Total Annual O&amp;M Costs</b>	<b>\$758,877</b>

*\*Per AECOM (7/31/18)*

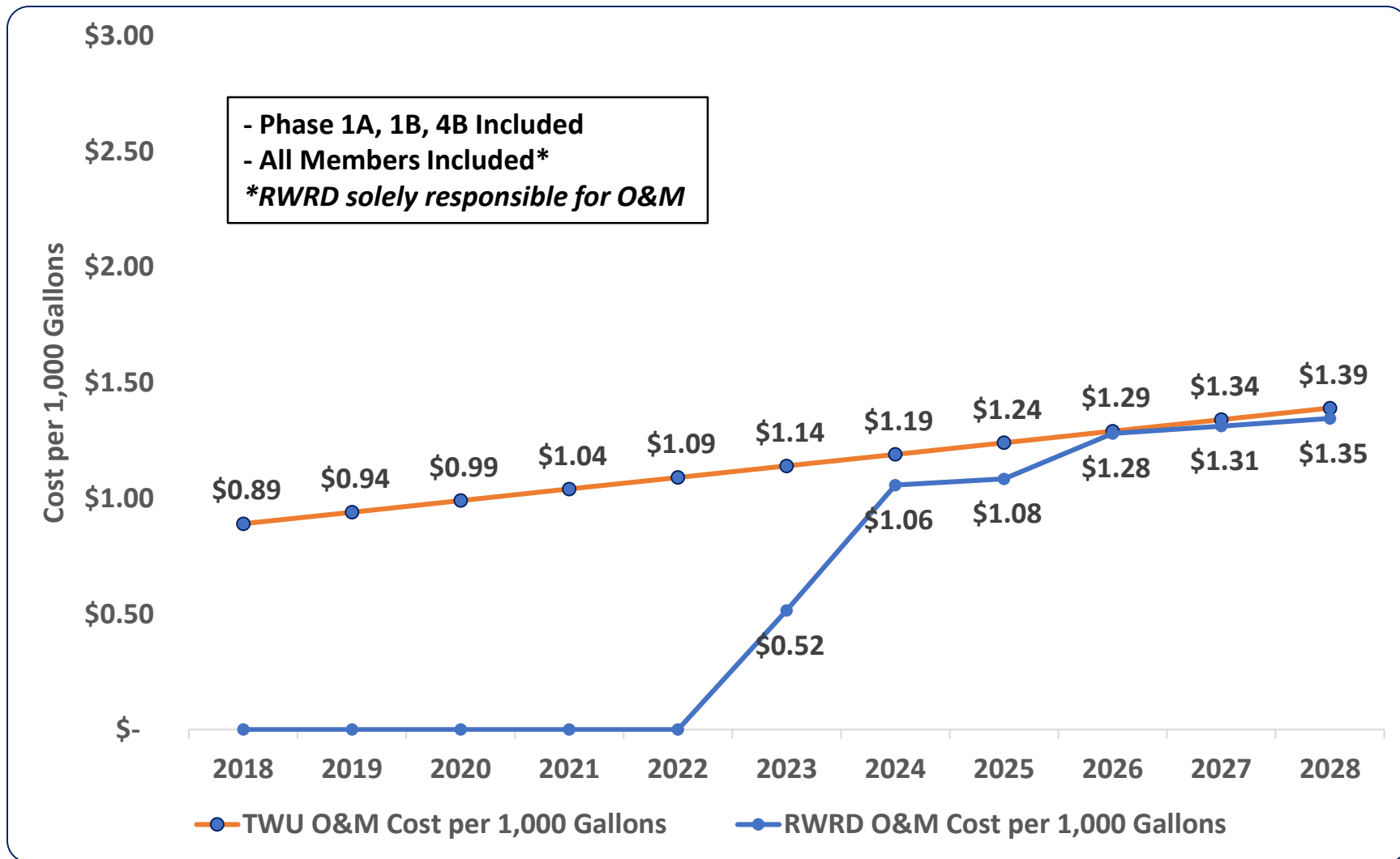
# Scenario 1 – Proposed Regional Rate

Phase 1A/1B, Phase 4B Included – All Members Included



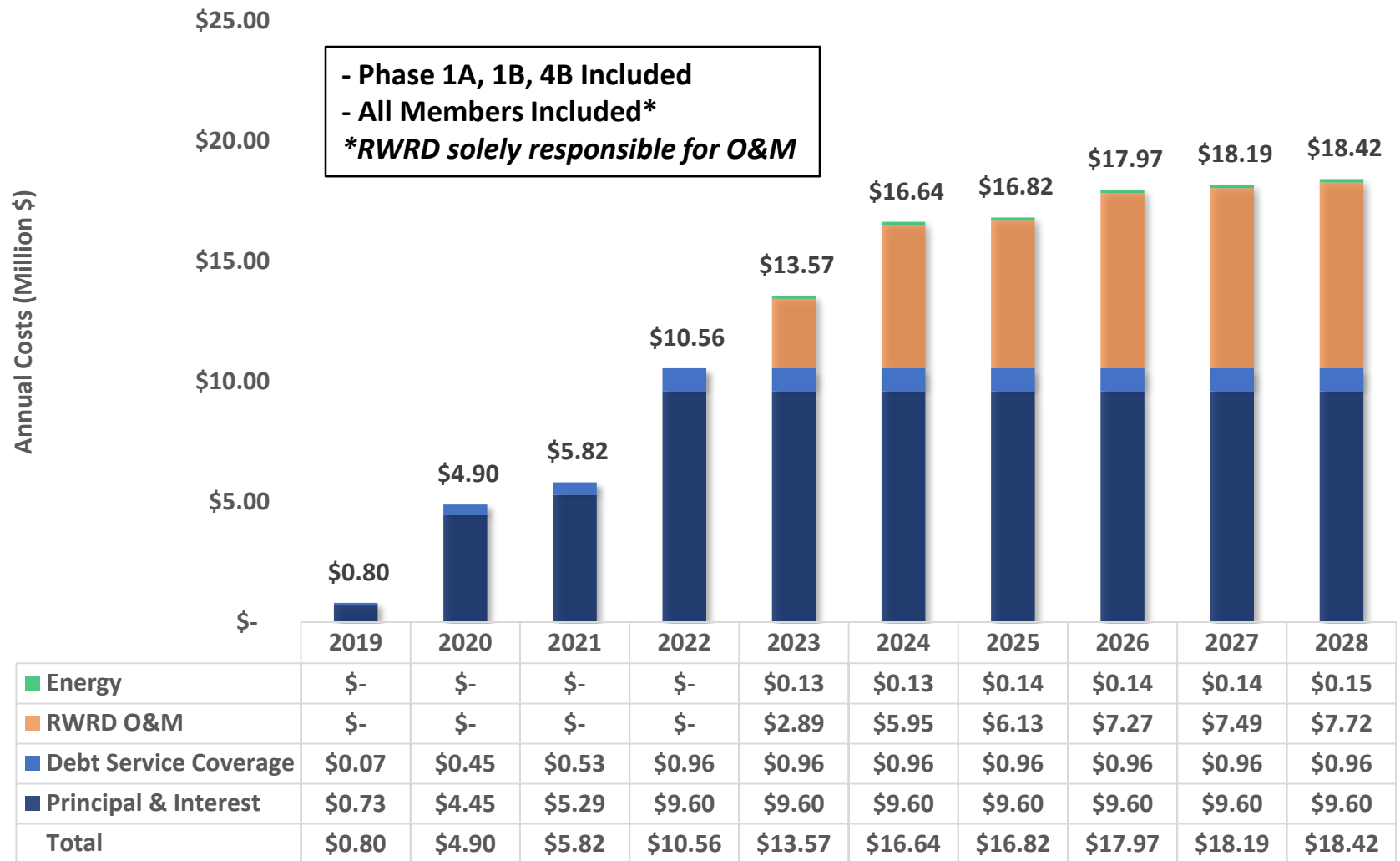
# Scenario 1 – O&M Unit Rate Comparison

Phase 1A/1B, Phase 4B Included – All Members Included



# Scenario 1 – Annual Costs

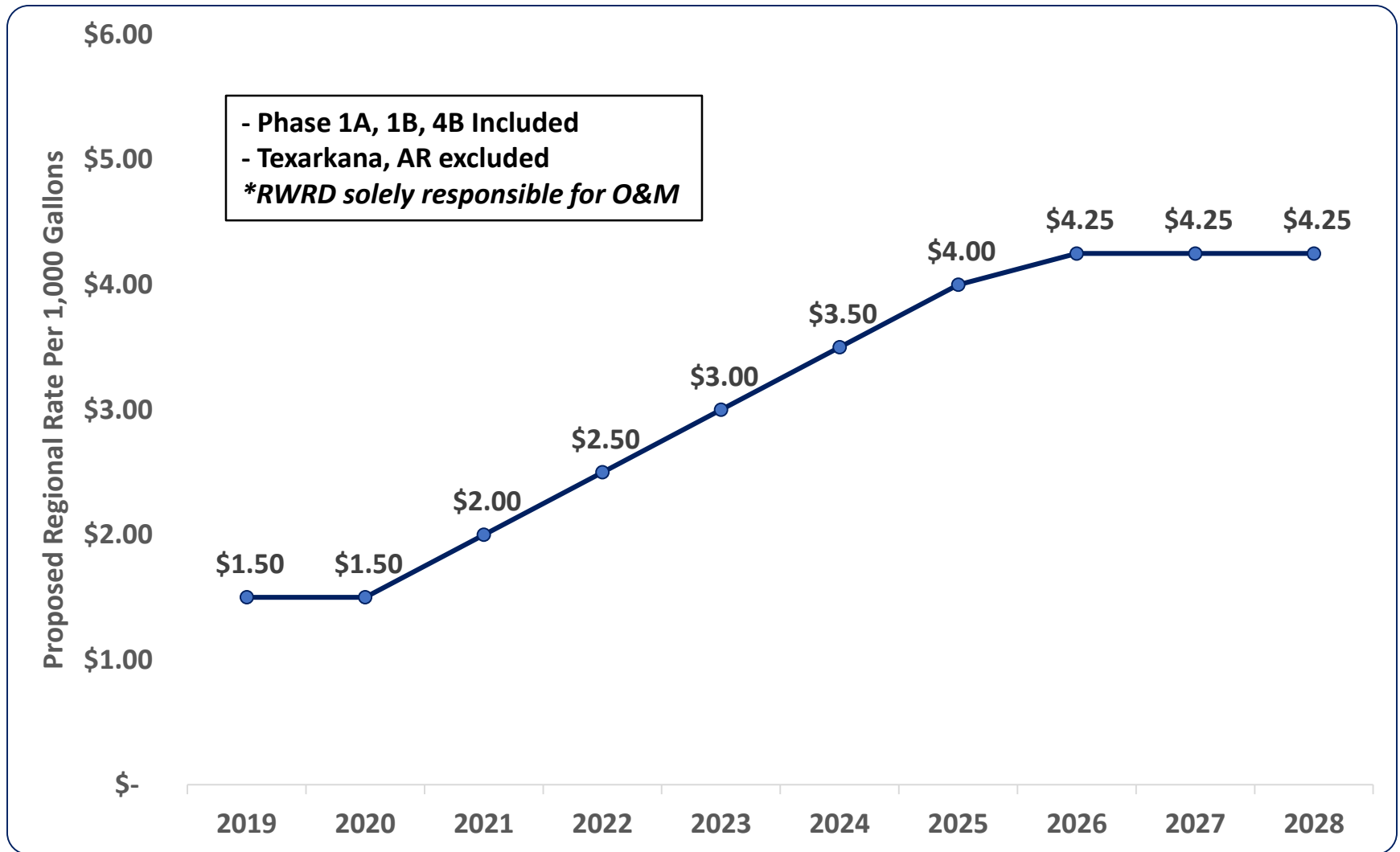
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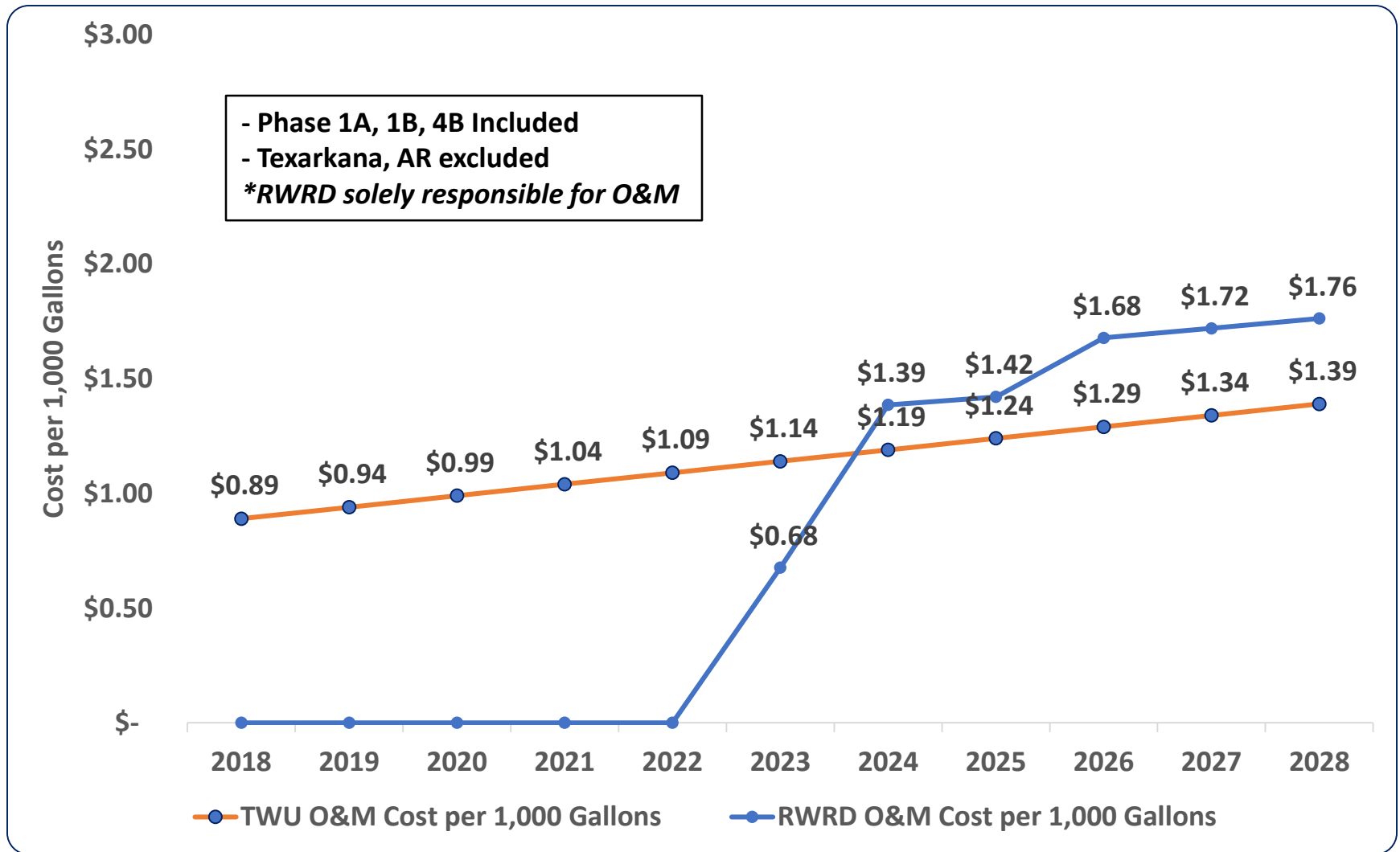
# Scenario 2 – Proposed Regional Rate

Phase 1A/1B, Phase 4B Included – Texarkana, AR Excluded



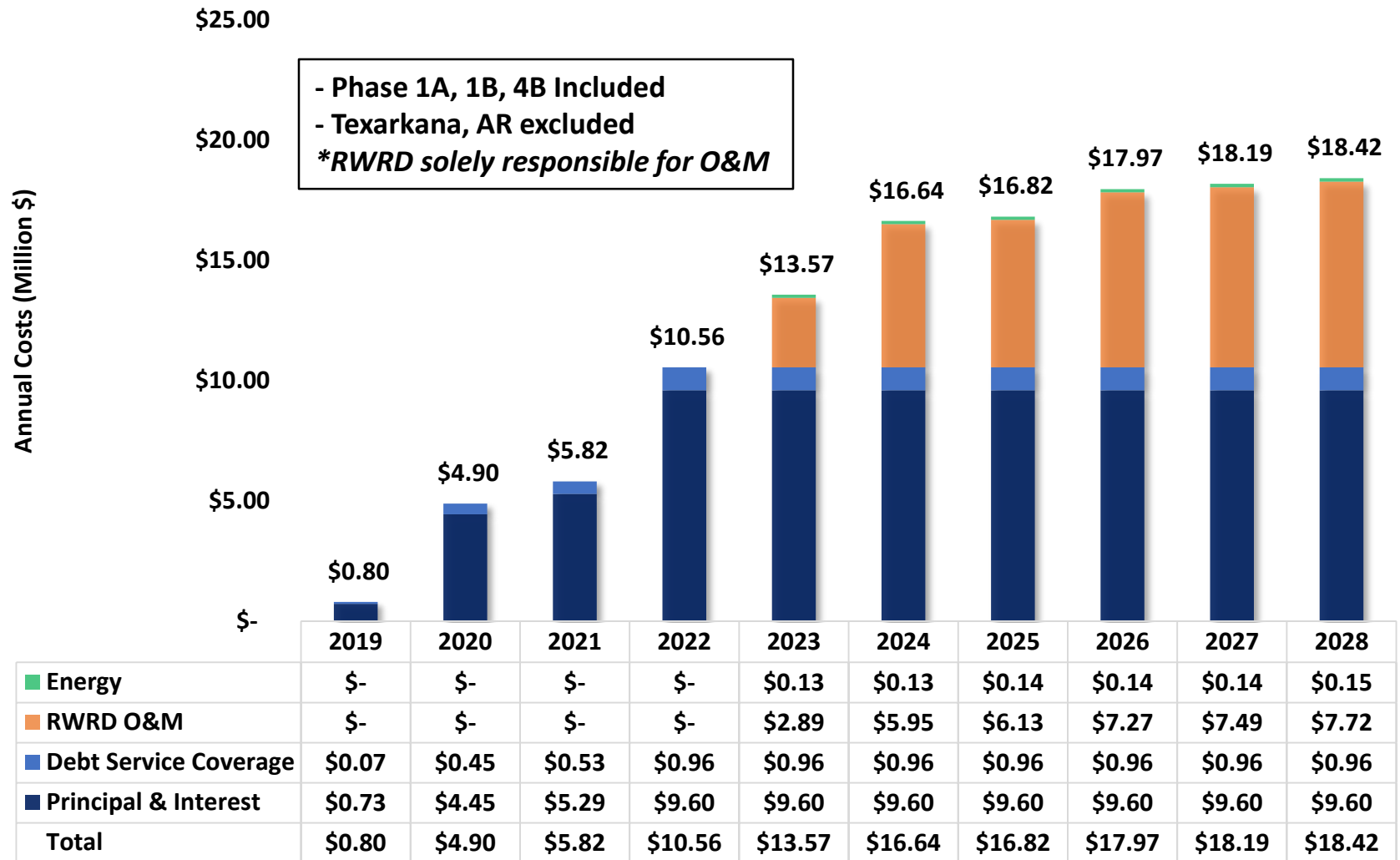
# Scenario 2 – O&M Unit Rate Comparison

Phase 1A/1B, Phase 4B Included – Texarkana, AR Excluded



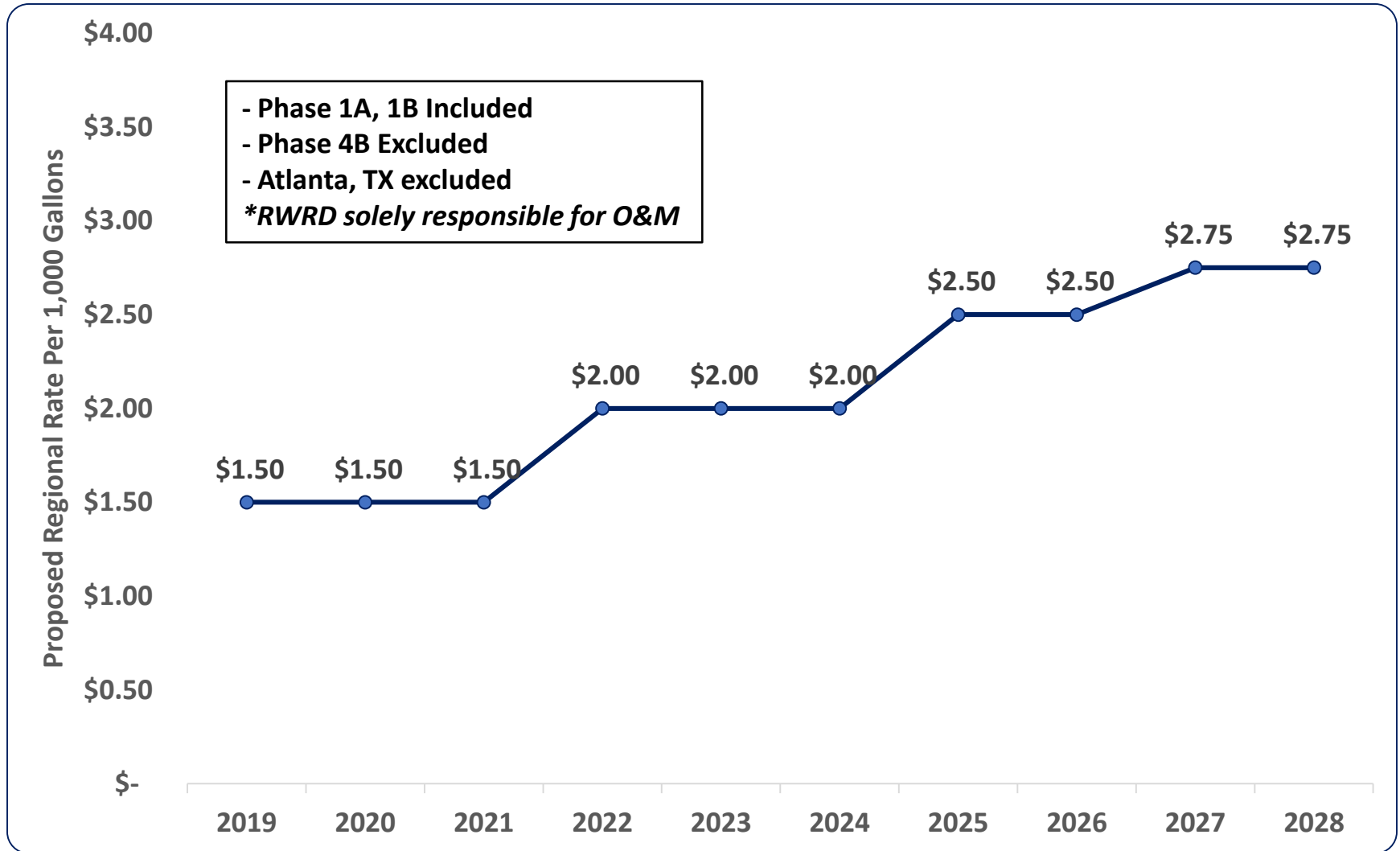
# Scenario 2 – Annual Costs

Phase 1A/1B, Phase 4B Included – Texarkana, AR Excluded



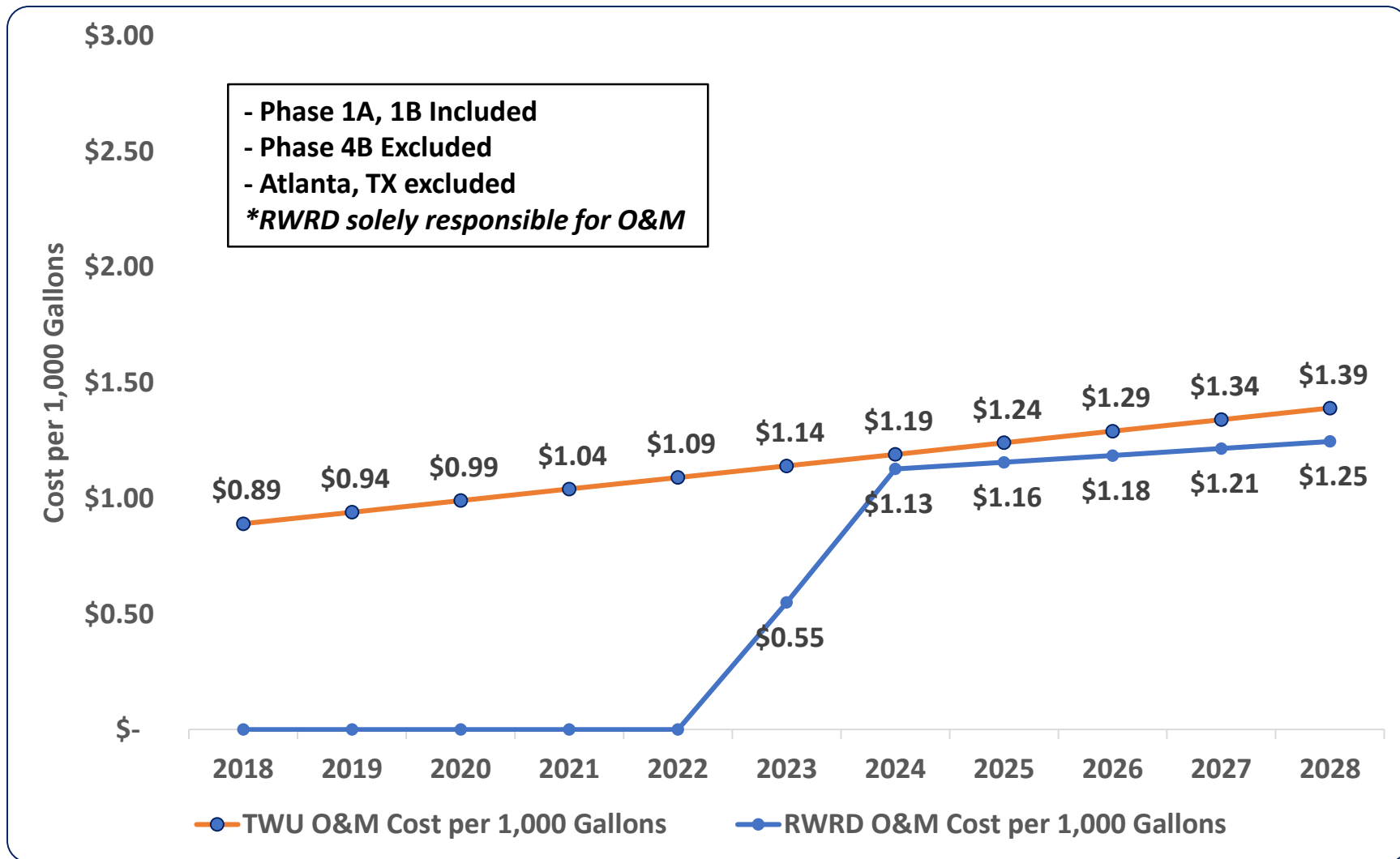
# Scenario 3 – Proposed Regional Rate

Phase 1A/1B Included, Phase 4B Excluded – Atlanta, TX Excluded



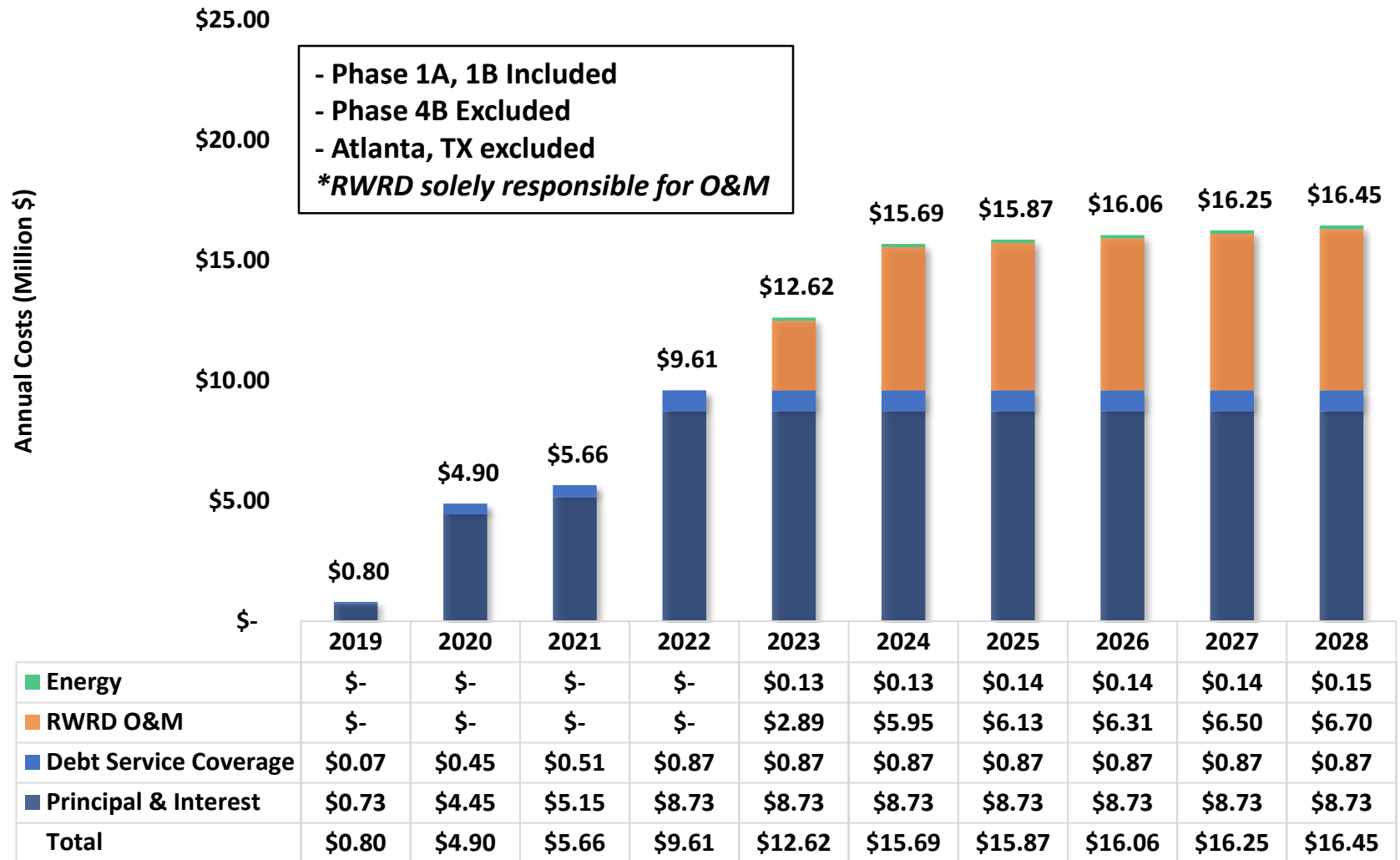
# Scenario 3 – O&M Unit Rate Comparison

Phase 1A/1B Included, Phase 4B Excluded – Atlanta, TX Excluded



# Scenario 3 – Annual Costs

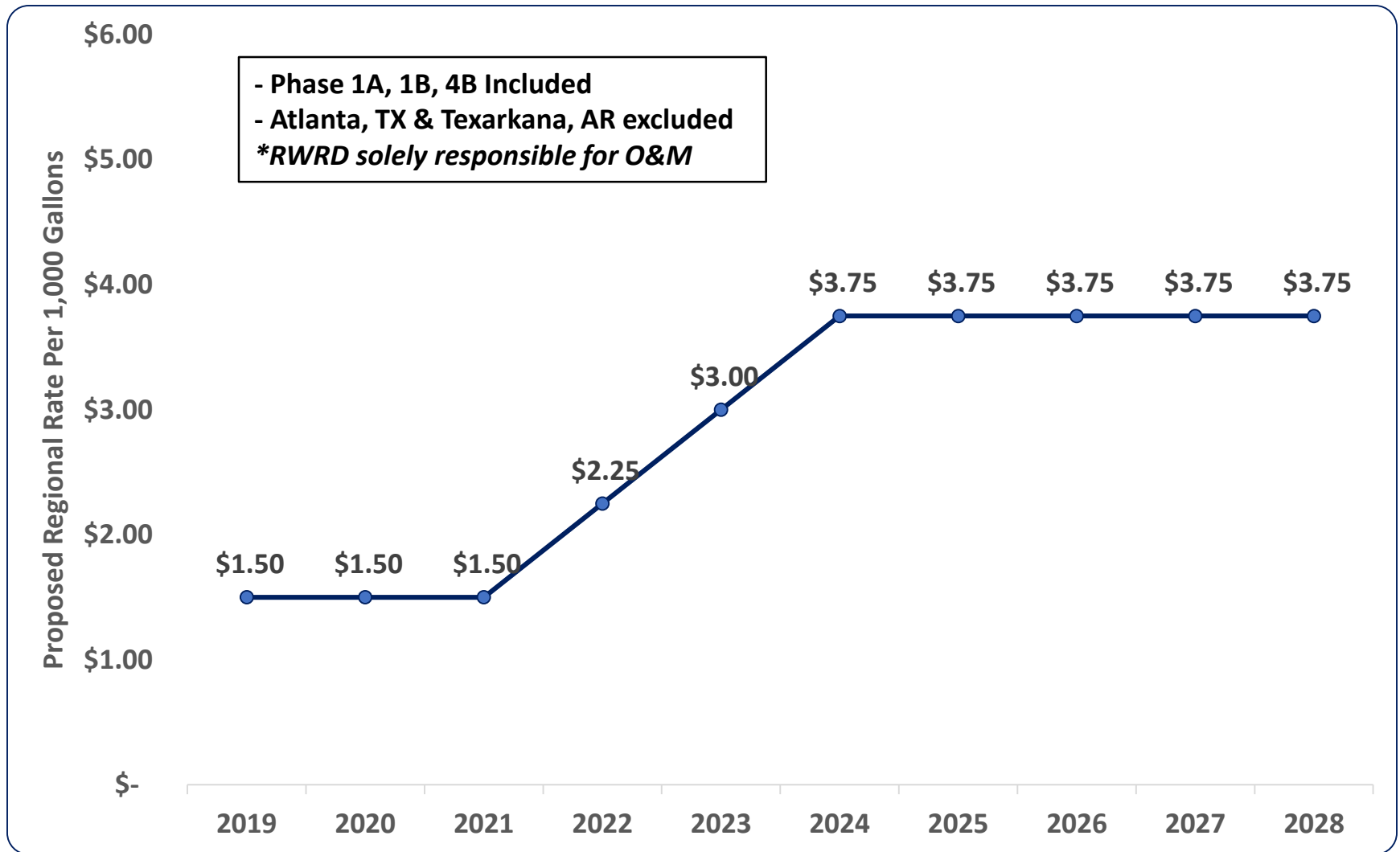
Phase 1A/1B Included, Phase 4B Excluded – Atlanta, TX Excluded





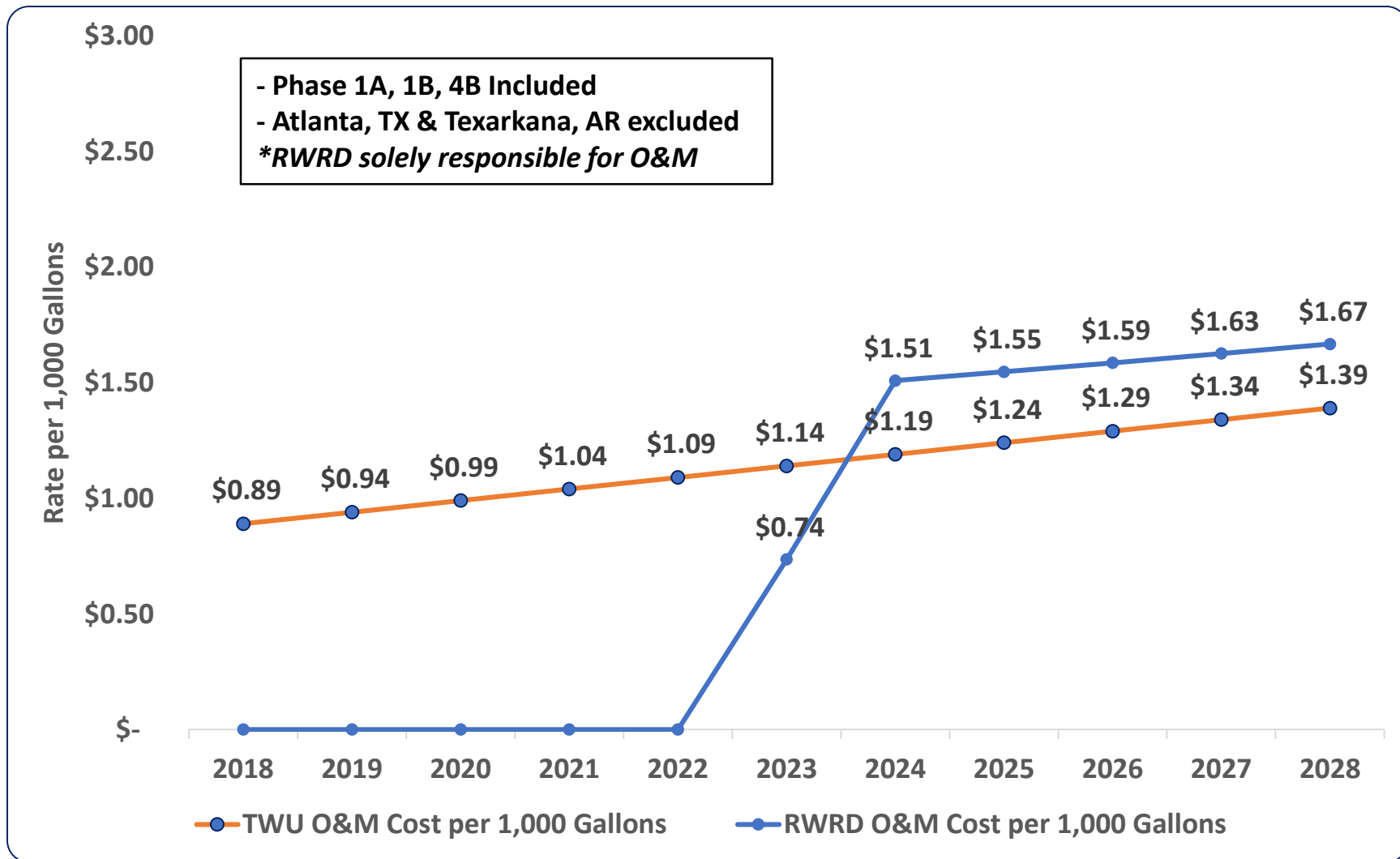
# Scenario 4 – Proposed Regional Rate

Phase 1A/1B Included, Phase 4B Excluded –  
Atlanta, TX & Texarkana, AR Excluded



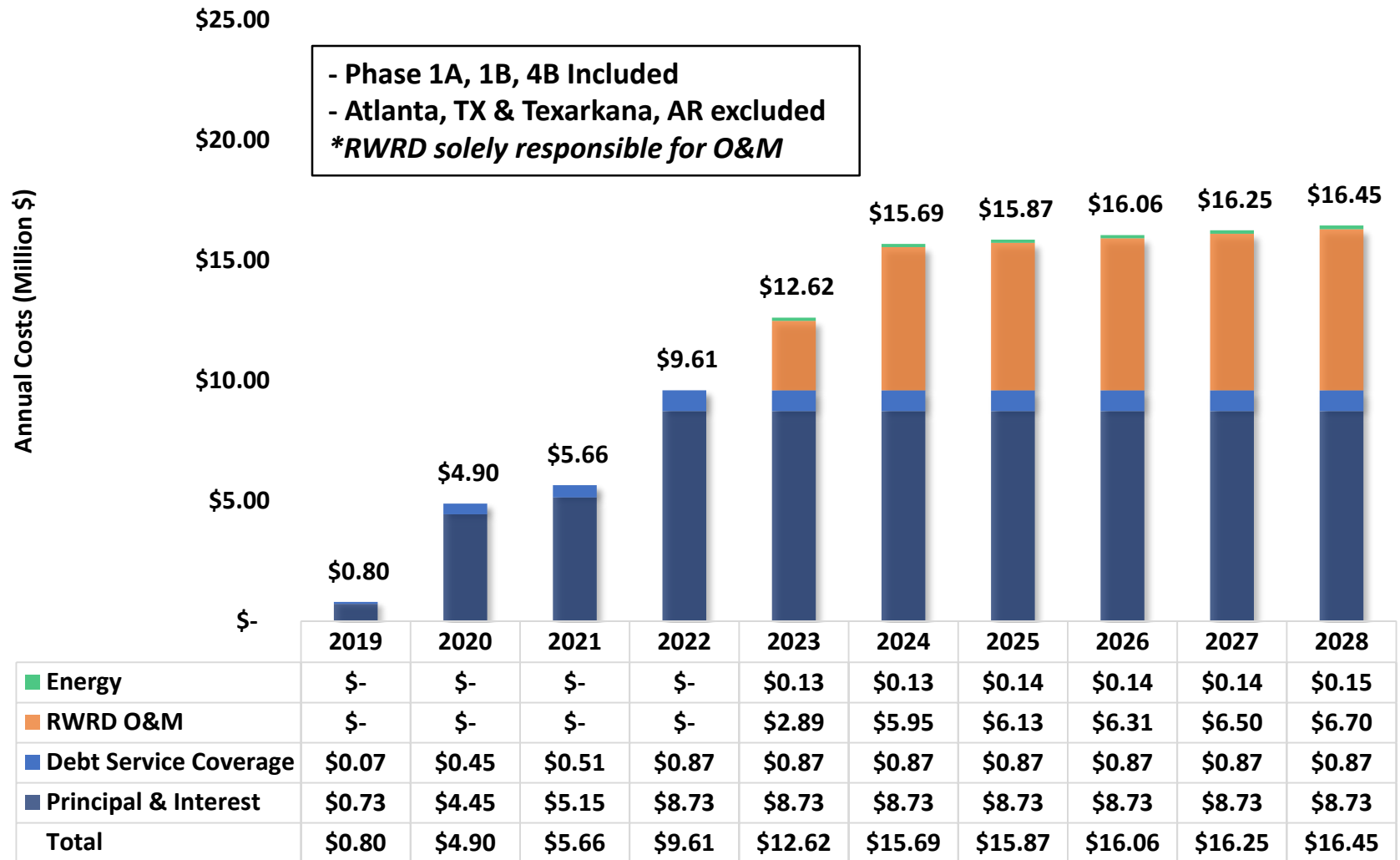
# Scenario 4 – O&M Unit Rate Comparison

Phase 1A/1B Included, Phase 4B Excluded –  
Atlanta, TX & Texarkana, AR Excluded



# Scenario 4 – Annual Costs

Phase 1A/1B Included, Phase 4B Excluded –  
Atlanta, TX & Texarkana, AR Excluded





# Questions and Discussion

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