

**UNIVERSAL CITY**  
*Gateway to Randolph AFB* Est. 1960



# 2023 UPDATE OF WATER, WASTEWATER, & STORMWATER RATES

City Council Briefing  
City of Universal City  
July 6, 2022



# BACKGROUND

## ▪ Wastewater

- SARA wholesale residential charges are increasing by approximately 14.1% in 2023 for each residential customer. Continued increases of about 10.9% for FY24 followed by an increase of 5% in FY25.
- SARA commercial rate increases will be 1.5% in 2023. Future years rate increases are generally 5% or less.
- SARA treatment expenses are expected to increase by about \$405,000 between FY 22 and FY 27 (or a 35% increase).

# BACKGROUND

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## ▪ Wastewater

- CCMA wholesale treatment expenses are expected increase by 9% in FY 23 and increase about 3.5% per year thereafter. This increase is due in part to rate increases and growth in customers.
- Money has been included for wastewater rehab projects (\$250,000 in 2023 – increasing to \$300,000 in 2025).
- Funds were included for Public Works Yard capital improvements in all years (\$78,000/year).
- Cost of other commodities (gas, electricity, materials) have increased drastically over the past year.

# BACKGROUND

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## ▪ Water

- Ongoing projects are being funded through current bond money.
- Three additional tanks (Plant #8, #9 and #10) will be cash funded from cellular water tank revenue.
- Additional money has been included for water rehab projects (\$250,000 in 2023 – increasing to \$300,000 in 2025).
- Funds were included for Public Works Yard capital improvements in all years (\$22,000/year).
- New debt (\$222,600/year) for Well #12 Replacement and Well Site 10 & 11 Ground Tank Replacement, and land acquisition.

# WATER & WASTEWATER CIP

Project Name		Source of Funding	Estimated Project Cost by Year					Five-Year CIP Total
			2023	2024	2025	2026	2027	
Water	Old PW Yard Capital Improvements	Cash	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 110,000
Water	GST Plant #8 Repainting	Tank	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000
Water	GST Plant #9 Repainting	Tank	\$ -	\$ -	\$ -	\$ -	\$ 245,000	\$ 245,000
Water	GST Plant #10 Repainting	Tank	\$ -	\$ 209,000	\$ -	\$ -	\$ -	\$ 209,000
Water	Water Rehab Projects	Cash	\$ 250,000	\$ 250,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,400,000
Water	Well #12 Replacement	Debt	Included in Planned 2023 Debt Issuance					
Water	Well Site 10 & 11 Ground Storage Tank	Debt	Included in Planned 2023 Debt Issuance					
Water	Land Acquisition	Debt	Included in Planned 2023 Debt Issuance					
Wastewater	Wastewater Sewer Line Upgrade	Debt	Included in Planned 2023 Debt Issuance					
Wastewater	Old PW Yard Capital Improvements	Cash	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 390,000
Wastewater	WW Rehab	Cash	\$ 250,000	\$ 250,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,400,000

# RATE CHANGES

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## ▪ Recommended

### ○ Wastewater

- 15% increase in demand charge; 6% increase in volume rate

### ○ Water

- 10% increase in demand charge; 6% increase in volume rate

## ▪ Alternative

### ○ Wastewater

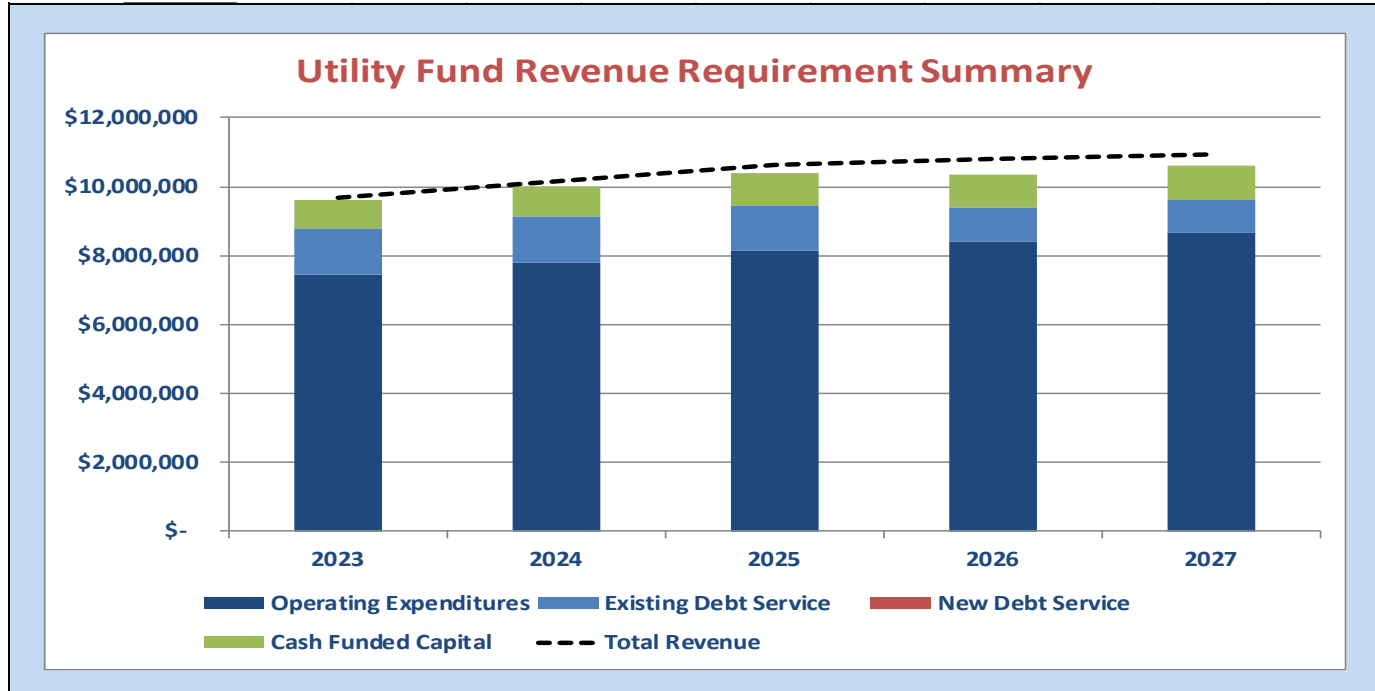
- 10% increase in demand charge; 10% increase in volume rate

### ○ Water

- 10% increase in demand charge; 10% increase in volume rate

# WATER/WASTEWATER FUND

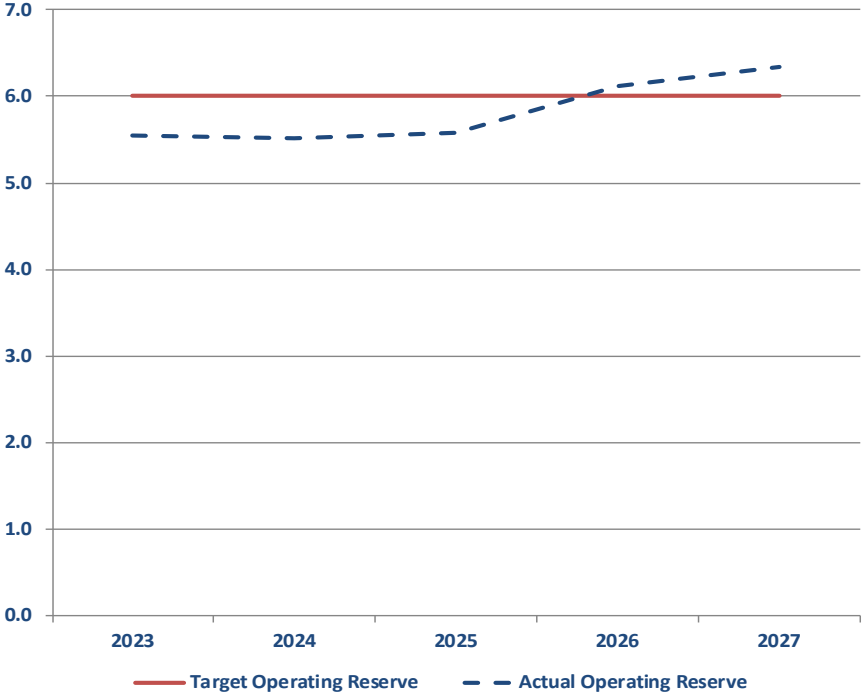
The proposed rate increase for FY23 results in an increase of \$7.49/month for a residential customer with 10,000 gals. of W use & 6,000 gals. of WW use.



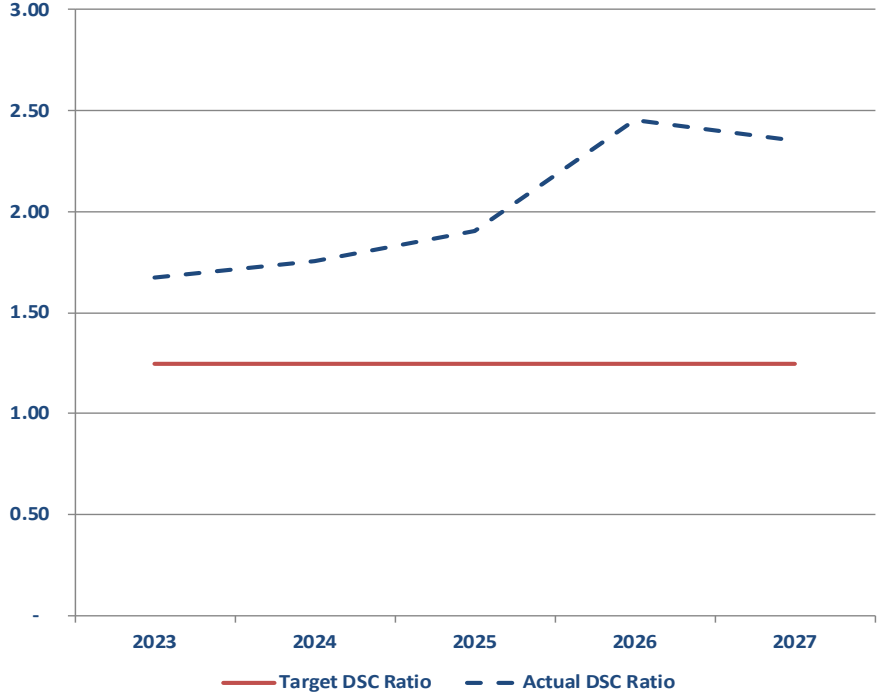
<b>Water Rate Adjustment =</b>	<b>7.3%</b>	<b>6.0%</b>	<b>5.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Wastewater Rate Adjustment =</b>	<b>9.9%</b>	<b>6.0%</b>	<b>5.0%</b>	<b>1.0%</b>	<b>1.0%</b>

# WATER/WASTEWATER FUND

### Months Operating Reserves



### Debt Service Coverage Ratio





# BACKGROUND

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## ▪ Stormwater

- There was a 5% rate increase last year.
- Past increases, have helped provide the utility with more funds for ongoing capital projects; however, project cost continue to increase.
- Goal is to fund \$250,000/year of capital projects. Projected capital spending for FY23 is \$290,500.
- Cost of other commodities have increased as well.

# RATE CHANGES

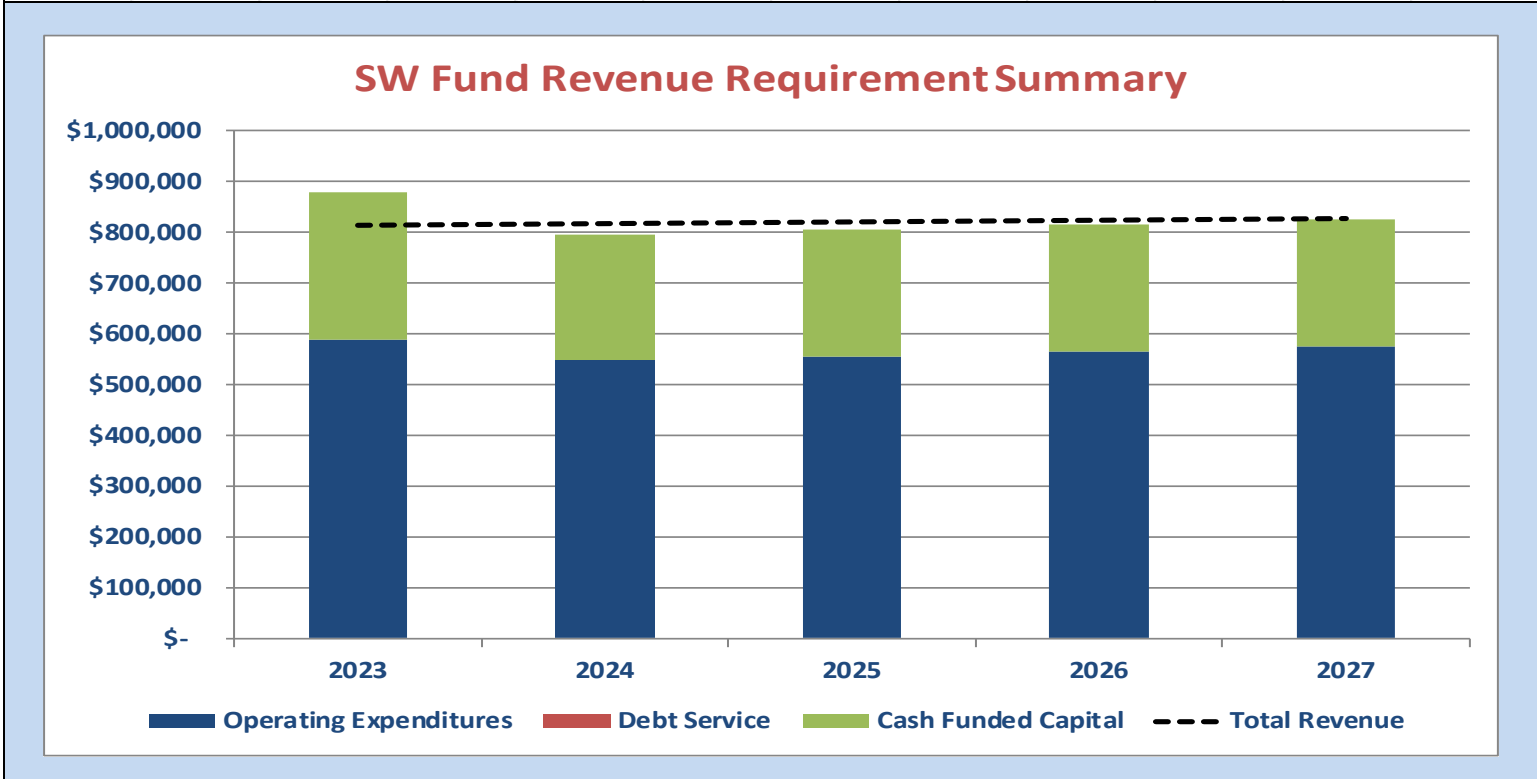
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- Recommended
  - 20% increase for FY23, no future planned rate increases
- Alternative
  - 15% increase for FY23
  - 5% increase for FY24
  - 1% increase for FY25

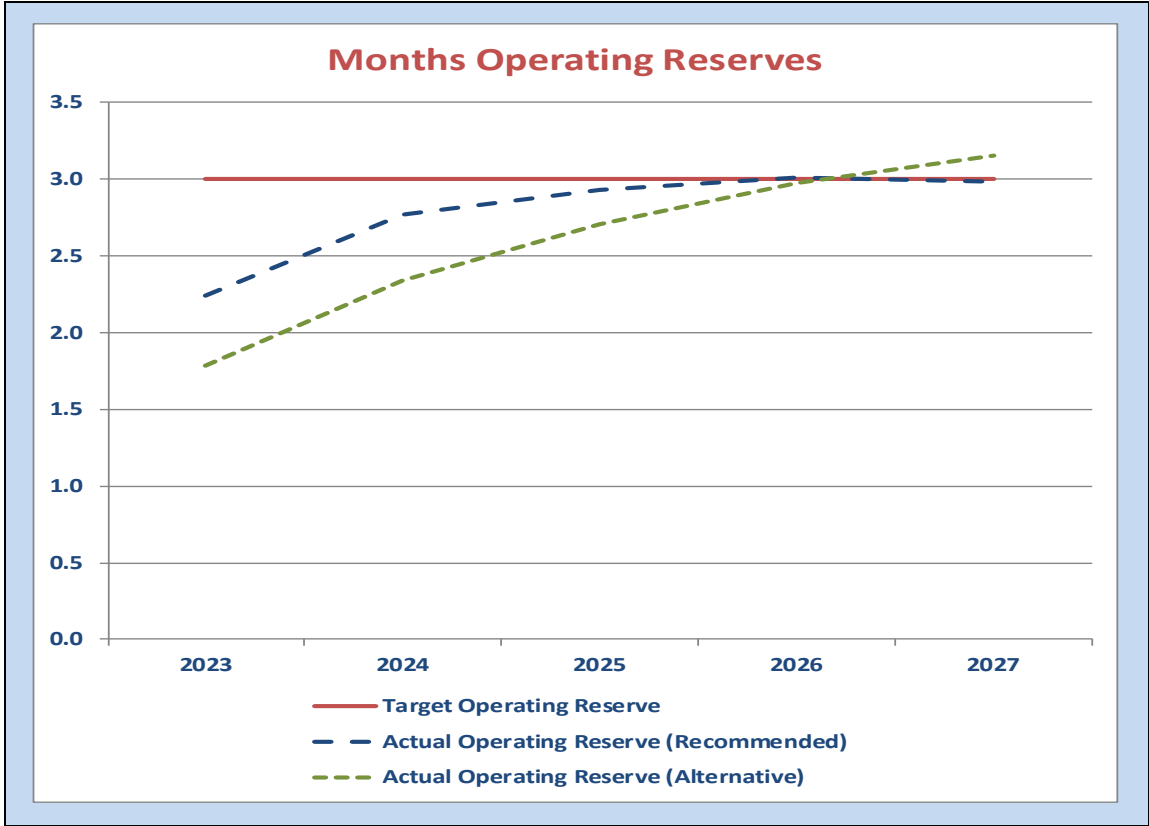
# RATE CHANGES

- With recommended change, largest SF customers bill would increase \$0.93/month to \$5.63.
- Comparable SW Charges (2021)
  - San Marcos - \$12.89
  - Schertz - \$5.20
  - Cibolo - \$5.00
  - Kyle - \$5.00
  - Round Rock - \$4.75
  - New Braunfels - \$4.59
  - Live Oak – \$4.50
  - Hutto - \$4.00

# STORMWATER FUND



# STORMWATER FUND



# QUESTIONS?

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Utility	Class	Monthly Use	Sample Monthly Bill						Change		% Change		
			2022	2023	2024	2025	2026	2027	2022-2023	2023-2024	2022-2023	2023-2024	
<b>COMBINED WATER AND SEWER</b>													
	Residential w/ 3/4" meter												
		2,500	\$ 63.51	\$ 69.80	\$ 73.94	\$ 77.53	\$ 78.39	\$ 79.24	\$ 6.29	\$ 4.14		9.9%	5.9%
		5,000	\$ 78.74	\$ 85.95	\$ 91.09	\$ 95.55	\$ 96.62	\$ 97.67	\$ 7.21	\$ 5.14		9.2%	6.0%
		7,500	\$ 95.63	\$ 103.86	\$ 110.10	\$ 115.53	\$ 116.81	\$ 118.09	\$ 8.23	\$ 6.24		8.6%	6.0%
		10,000	\$ 113.63	\$ 122.93	\$ 130.35	\$ 136.80	\$ 138.31	\$ 139.84	\$ 9.31	\$ 7.42		8.2%	6.0%
		12,500	\$ 134.30	\$ 144.86	\$ 153.63	\$ 161.25	\$ 163.03	\$ 164.84	\$ 10.56	\$ 8.77		7.9%	6.1%
		15,000	\$ 177.03	\$ 190.13	\$ 201.65	\$ 211.70	\$ 214.01	\$ 216.34	\$ 13.11	\$ 11.52		7.4%	6.1%
		20,000	\$ 328.23	\$ 350.43	\$ 371.65	\$ 390.30	\$ 394.41	\$ 398.64	\$ 22.21	\$ 21.22		6.8%	6.1%
	Commercial w/ 1" meter												
		5,000	\$ 116.86	\$ 126.91	\$ 134.47	\$ 141.01	\$ 142.56	\$ 144.13	\$ 10.06	\$ 7.56		8.6%	6.0%
		10,000	\$ 165.11	\$ 178.06	\$ 188.77	\$ 198.06	\$ 200.21	\$ 202.43	\$ 12.96	\$ 10.71		7.8%	6.0%
		25,000	\$ 309.86	\$ 331.51	\$ 351.67	\$ 369.21	\$ 373.16	\$ 377.33	\$ 21.66	\$ 20.16		7.0%	6.1%
		50,000	\$ 551.11	\$ 587.26	\$ 623.17	\$ 654.46	\$ 661.41	\$ 668.83	\$ 36.16	\$ 35.91		6.6%	6.1%
		100,000	\$ 1,033.61	\$ 1,098.76	\$ 1,166.17	\$ 1,224.96	\$ 1,237.91	\$ 1,251.83	\$ 65.16	\$ 67.41		6.3%	6.1%
		200,000	\$ 1,998.61	\$ 2,121.76	\$ 2,252.17	\$ 2,365.96	\$ 2,390.91	\$ 2,417.83	\$ 123.16	\$ 130.41		6.2%	6.1%