

DALLAS WATER UTILITIES

DEPARTMENT MISSION

To provide water and wastewater services vital to the health and safety of Dallas citizens and our customers, as well as to the City's efforts toward economic development, environmental protection and enhancement of quality of life. Water Utilities is a City-owned enterprise providing regional water and wastewater services, and works in support of the goals of the City of Dallas, while striving to provide excellent response to the needs of our customers at a fair and reasonable cost through our operations, customer service, maintenance, and support functions.

PROGRAM DESCRIPTION

Business and Customer Operations

Provides accounting, financial, and budget support to the Water Utilities Department; and provides customer relations, billings, credit and collections activities, customer information, and all meter associated services to the water, wastewater and storm water utility customers. Manage the collection of various revenues from special collections.

Water Operations

Responsible for operating and maintaining the City's potable water system which includes the raw water impoundments, purification plants, pumping facilities and distribution system. In addition, this program provides for the management of wholesale water and wastewater services to other governmental entities within the utility's service area.

Wastewater Operations

Responsible for collecting, transporting, controlling the discharge of, and treating domestic and industrial wastes; and maintaining treatment plants and pipelines in the wastewater system.

Capital Improvement Operations

Plans, designs, constructs and inspects the capital projects needed to provide customers with water and wastewater facilities to meet the growth of the community, extension of water lines and wastewater mains, modification of facilities to meet changes in State and Federal regulatory requirements (Environmental Protection Agency Administrative Orders, Safe Drinking Water Act treatment parameters and Clean Water Act discharge limitations), and the rehabilitation and replacement of deteriorated or obsolete facilities.

Support Operations

Provides direction on all technical and financial decisions for the department as a whole, as well as, direction on internal controls and internal/external reporting and management of the day to day operations. Responsible for long range planning for the department and the rate setting process. A new program area added to the department, will have as its' sole responsibility, to set up a more aggressive conservation program for the City.

DALLAS WATER UTILITIES

PROGRAM DESCRIPTION (CONTINUED)

Their functions will include, making changes to current water usage procedures, informing and educating the public of their need to conserve water, implementing incentive programs to reduce water usage, with an overall objective of reducing water usage during the peak day demand period. This new program area will enhance and reinforce the current conservation program.

General Expense and Debt Service

Provides overall financial support to the department in areas where the expenditures are not directly tied to the day-to-day operational and overhead aspects of the department. All such expenditures require special monitoring and control. Key items within General Expense and Debt Service include street rental, transfer to the construction funds, general fund cost reimbursement and debt service commitments.

OBJECTIVES FOR FY 2003-2004

- Address the need of our aging infrastructure by increased maintenance to repair aging facilities and by adding funding to the capital budget to reduce the replacement life of aging facilities
- Meet the growth challenges of the City of Dallas which place increased water demands on the water and wastewater system from both existing and new customers
- Continue aggressive conservation program for the City of Dallas to reduce our projected peak day demand by 5% over the next two years
- Meet new regulatory requirements mandating construction of costly facilities and additional chemicals used to treat water and wastewater while maintaining the high quality of water and service the City and its wholesale customers have experienced in the past
- Perform preventive maintenance on 100% of DWU's pumping and treatment equipment to optimize efficiency, extend the life of the facilities and prevent major repair costs that could lead to plant shutdown and potential permit violation
- Properly dispose of biosolids from the City's two wastewater treatment plants to comply with permit requirements and to reduce odor
- Increase the connected water supply by constructing Phase III of the pipeline to connect Lake Fork water supply
- Set fees and charges to fully recover cost of services provided

DALLAS WATER UTILITIES

MAJOR BUDGET ITEMS

- Add 96.6 regular FTEs, 26.1 overtime FTEs and \$5,087,315 to establish leak detection crews, inflow and infiltration crews, staff the new ozonation facility, and staff customer service areas to expand service to the citizens of Dallas
- Add \$6,203,295 for power and chemical costs due to increased cost for electrical power and increased regulatory requirements from various government authorities and bringing online a new sludge thickening facility and Ozone Disinfection Treatment Facility
- Add \$610,409 for debt service payment on November 2003 issuance of Equipment Notes to purchase replacement fleet and a Customer Response Management System module for Special Collections
- Add \$62,400 for the reimbursement to Business Development and Procurement Services for Good Faith Effort consolidation
- Increase Storm Water reimbursement by \$224,825 to achieve full cost recovery
- Save \$1,099,667 by implementing Service Incentive Pay program that is consistent with the State mandated Uniform Service Incentive Pay program
- Save \$172,278 from improved procurement of various supplies and materials
- Save \$1,219,858 as a result of transitioning Employee Health Benefits to a Catastrophic Coverage Program with a Preventive Care component
- Save \$582,951 as a result of changes in fleet maintenance operations
- Delete 3.0 temporary help FTEs and \$76,650 eliminating the use of the City's Temporary Help Services
- Delete \$95,000 for payment to Development Services. Costs associated with water activities are fully recovered as a result of reorganization by Development Services
- Decrease by \$3,025,357 the transfer to capital construction; \$40,717,000 to be transferred to capital construction
- Includes \$3,110,099 for non-fleet equipment required for daily water and wastewater system operation and maintenance
- Debt service requirements are met and allow a reduction of \$1,307,553

DALLAS WATER UTILITIES

MAJOR BUDGET ITEMS (CONTINUED)

- Increase retail rates by 11.3%

Adopted Rate Adjustment Impact to Residential Water and Sewer Bills

<u>Customer Usage in Range</u>	<u>Average Bill at Current Rates</u>	<u>Adopted Increase</u>	<u>Number of Customers Impacted</u>	<u>% of Customers in Range</u>
0 to 4,000 gallons	\$12.36	\$1.59	70,093	29.0%
4,001 to 10,000 gallons	\$31.08	\$3.01	111,182	46.0%
10,001 to 15,000 gallons	\$42.86	\$3.87	31,421	13.0%
Above 15,000 gallons (Includes conservation tier rate)	\$97.65	\$7.63	<u>29,004</u>	<u>12.0%</u>
Total			241,700	100.0%

Bill based on water use and maximum sewer usage of 6,700 gallon Winter Months Average
 Data based on January 2002 through December 2002 usage

DALLAS WATER UTILITIES

MAJOR BUDGET ITEMS (CONTINUED)

- Adopted fee changes for FY 2003-04

ADOPTED FEE CHANGES EFFECTIVE OCTOBER 1, 2003

	<u>Existing Fee</u>	<u>Adopted Fee</u>
<u>Service Charges and Fees</u>		
1 Convenience Fee for Pay Stations and ePay	\$0.37	\$1.00
2 Customer Charge for General Service Separate Billing	\$7.52	\$10.00
3 Cust Chg for Gen Svc Separate Billing Standard	\$7.92	\$10.50
4 Monthly Fire Hydrant Service Charge Prompt Pay	\$15.00	\$41.91
5 Monthly Fire Hydrant Service Charge Standard Pay	\$15.79	\$44.12
<u>Deposits (Revenue Neutral)</u>		
6 Residential Security Deposit for 5/8 & 3/4 inch meter	\$40.00	\$80.00
7 Residential Security Deposit for 1 inch meter	\$70.00	\$100.00
8 Residential Security Deposit for 1-1/2 inch meter	\$80.00	\$120.00
9 Residential Security Deposit for 2 inch & larger meter	\$110.00	\$160.00
10 Residential Security Deposit for twice discontinued svc	\$40.00	\$80.00
11 Portable Meter Security Deposit	\$700.00	\$1,000.00
<u>Meter Related Fees</u>		
12 Discontinuance Fee	\$8.25	\$25.00
13 Meter Inspection Verification Fee	\$5.50	\$15.00
<u>Development Related Fees *</u>		
14 Wastewater Installations (Basic Service)	\$2,350.00	\$2,210.00
15 Installation 3/4" Water Service (Basic Service)	\$1,275.00	\$1,908.00
16 Installation 1" Water Service	\$1,315.00	\$1,928.00
17 Installation 1.5" Water Service	\$1,700.00	\$2,138.00
18 Installation 2" Water Service	\$1,860.00	\$2,488.00
19 Connecting Existing 3/4" Water Service	\$300.00	\$675.00
20 Connecting Existing 1" Water Service	\$375.00	\$725.00
21 Connecting Existing 1.5" Water Service	\$575.00	\$1,225.00
22 Connecting Existing 2" Water Service	\$800.00	\$1,275.00

DALLAS WATER UTILITIES

	FY 2001-02 Actual	FY 2002-03 Budget	FY 2002-03 Estimate	FY 2003-04 Adopted
BEGINNING FUND BALANCE	41,665,609	35,048,212	35,048,212	35,048,212
REVENUES				
Treated Water - Total Retail	133,356,591	153,148,474	139,328,212	159,450,602
Treated Water - Total Wholesale	53,358,351	56,753,442	54,283,432	57,598,410
Wastewater - Total Retail	123,406,434	134,904,577	126,524,327	145,076,056
Wastewater - Total Wholesale	6,841,143	7,185,730	7,297,995	8,142,507
All Remaining Revenues	15,939,949	19,393,639	17,987,087	19,369,477
TOTAL REVENUES	332,902,468	371,385,862	345,421,053	389,637,052
EXPENDITURES (By Program)				
Business and Customer Operations	16,163,320	19,773,667	19,920,613	23,203,033
Water Operations	70,271,515	76,863,518	76,385,981	84,477,030
Wastewater Operations	51,245,694	48,861,175	47,237,249	51,752,680
Capital Improvement Operations	10,712,857	9,763,590	9,132,484	9,859,079
Support Operations	6,974,989	6,197,314	6,748,491	6,573,677
General Expense and Debt Service	184,151,490	209,926,598	185,996,235	206,631,553
TOTAL EXPENDITURES	339,519,865	371,385,862	345,421,053	382,497,052
ENDING FUND BALANCE	35,048,212	35,048,212	35,048,212	42,188,212
EXPENDITURES (By Category)				
Salaries and Benefits	80,744,640	73,399,266	75,477,693	77,573,366
Supplies and Materials	50,345,455	59,431,361	55,196,952	66,201,310
Other Services and Charges	209,410,549	239,237,953	215,695,786	238,085,780
Capital Outlays	1,241,337	1,521,689	1,399,517	3,230,099
Reimbursements	(2,222,116)	(2,204,407)	(2,348,895)	(2,593,503)
TOTAL	339,519,865	371,385,862	345,421,053	382,497,052

DALLAS WATER UTILITIES

	FY 2001-02 Actual	FY 2002-03 Budget	FY 2002-03 Estimate	FY 2003-04 Adopted
FTEs (By Type)				
Regular	1,350.1	1,349.4	1,338.3	1,446.0
Overtime	105.7	83.9	129.6	110.0
Temporary Help	1.9	3.0	1.6	0.0
Day Labor	8.0	7.1	7.1	7.1
TOTAL	1,465.7	1,443.4	1,476.6	1,563.1
FTEs (By Program)				
Business and Customer Operations	229.5	215.0	224.4	230.2
Water Operations	544.0	547.2	569.6	606.6
Wastewater Operations	496.7	504.1	506.4	538.0
Capital Improvement Operations	155.5	140.6	140.1	148.6
Support Operations	40.0	36.5	36.1	39.7
General Expense and Debt Service	0.0	0.0	0.0	0.0
TOTAL	1,465.7	1,443.4	1,476.6	1,563.1

OPERATING FUND

382,497,052

ADDITIONAL OPERATING RESOURCES

WATER PRESERVATION PROGRAM TRUST
COMMUNITY DEVELOPMENT BLOCK GRANT

40,000
20,000

TOTAL

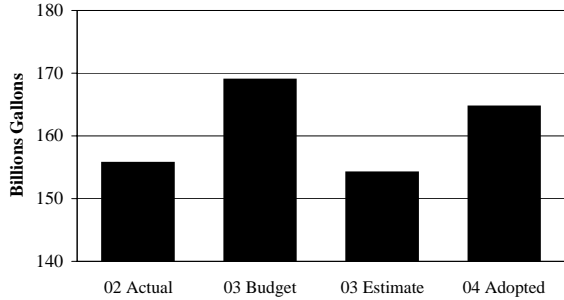
60,000

TOTAL OPERATING RESOURCES

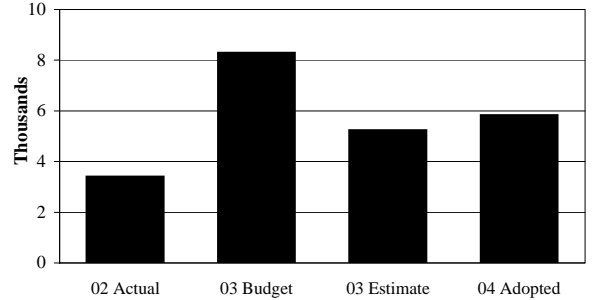
382,557,052

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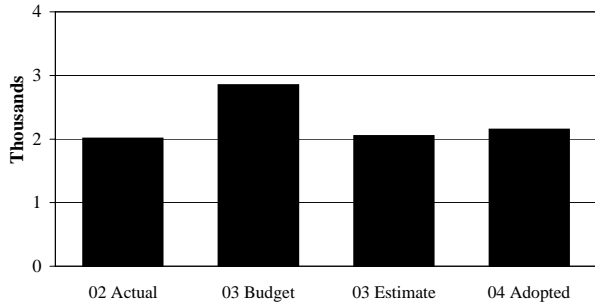
Water Consumption



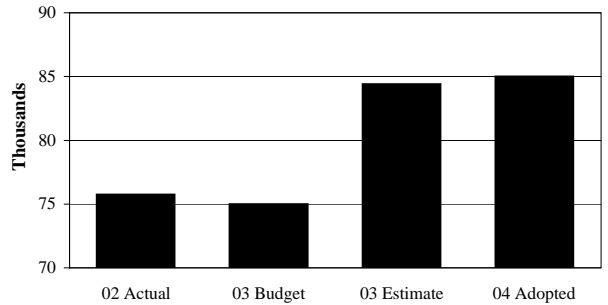
Water Main & Service Repairs



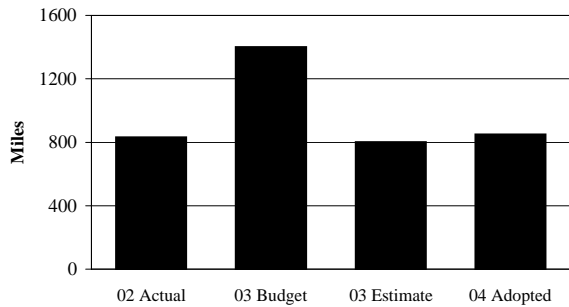
Water Service Installations



Meter Reads per FTE



Miles of Sewer Cleaned



Wastewater Treated

