

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 meter associated services to the water, wastewater and storm water utility customers. Responsible for special collection activity, material services, long range budget planning and rate setting services.

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. Also responsible for long range water supply planning.

Wastewater Operations

Responsible for operating and maintaining wastewater treatment plants, infrastructure and levees to ensure the City's ability to comply with the requirements of EPA and TCEQ. Also responsible for the collection and transportation of domestic and industrial wastes, including internal pipe inspections, cleaning, rehabilitation and replacement, detection and repair of inflow and infiltration, and flow monitoring.

Capital Improvement Operations

Plans, designs, constructs and inspects the capital projects needed to provide 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 and the rehabilitation and replacement of deteriorated or obsolete facilities.

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PROGRAM DESCRIPTION (CONTINUED)

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. Manages the City's water conservation efforts. This includes 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 program area will implement the 5-year strategic plan.

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 2004-2005

- Improve quality of life by addressing the needs of our aging infrastructure through increased maintenance, repair and replacement of aging facilities
- Continue to pursue long range water supply needs to meet the growth challenges of the City of Dallas which place increased water demands on water supply as well as water and wastewater systems
- To improve the quality of life by enhancing treatment processes and operations to reduce odors at the City's wastewater treatment plants
- Implement an aggressive conservation program and move forward with recommendations of the strategic plan to reduce our per capita consumption
- To aggressively identify and pursue opportunities for grants and rebates on eligible projects to reduce costs
- To set fees and charges to fully recover cost of services provided
- Enhance automation to provide high quality customer service through development of an asset management system and replacement of the customer billing system

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MAJOR BUDGET ITEMS

- Add 20.4 regular FTEs and \$853,732 to maintain current level of service
- Add 5.1 regular FTEs, 1.0 overtime FTE and \$1,015,269 for the new ozonation facility at Bachman Water Treatment Plant to comply with federal regulations
- Add 1.6 regular FTEs and \$304,690 to support infrastructure projects and to assist in the maintenance of the City's Graphical Information System
- Add 16.8 regular FTEs, .8 overtime FTE and \$1,284,577 to increase in-house design of standard projects and to meet increasing demands for the replacement of aging water and wastewater mains
- Add 7.2 regular FTEs and \$380,047 to add positions in maintenance and emergency response to reduce average response time from 91.1 minutes to a goal of 60 minutes and avoid an increase in overtime
- Add 1.6 regular FTEs and \$1,389,701 (fully reimbursed) for increased cost related to enhancements in Special Collections for audit of Short Term Motor Vehicle rental tax, research of security alarms and collection of payments and administration of billing and collection of EMS fees
- Add 0.8 regular FTE, 7.0 overtime FTEs and \$610,521 for additional overtime to provide adequate funding for shift work and to develop a database to track maintenance history as required by the State
- Add 1.0 overtime FTE and \$50,474 for increased cost of maintenance to maintain current level of service
- Add \$2,431,007 for increased electrical cost
- Add \$149,556 for increased cost of fleet services
- Add \$1,302,651 for contractual obligations for operation and maintenance of raw water resources (lakes)
- Add \$1,382,970 for costs associated with armed security services at the water and wastewater treatment plant facilities
- Includes \$2,000,000 for Payment in Lieu of Taxes (PILOT) to support economic initiatives of the city. This funding will assist with development within areas where infrastructure is inadequate or nonexistent. It will have a 0.7 percent increase impact on water rates
- Increase Capital Construction Transfer by \$3,530,427
- Add \$1,300,000 for contractor service fees for the billing, collection, and reporting of emergency ambulance fees, to be fully reimbursed by the Office of Financial Services

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MAJOR BUDGET ITEMS (CONTINUED)

- Add \$140,959 reimbursement from Office of Financial Services for payment to Special Collections for software upgrades to existing payment collection centers
- Add \$941,537 for increased cost of employee health benefits
- Debt service requirements are met and require an increase of \$13,242,152
- Increase retail revenues by 7.9%
- Increase residential rates by 5.9%

Adopted Rate Adjustment Impact to Residential Water and Sewer Bills

Customer Usage in Range	Average Bill at Current Rates	Adopted Increase	Number of Customers Impacted	% Customers in Range
0 to 4,000 gallons	\$14.37	\$1.11	61,000	25.1%
4,001 to 10,000 gallons	\$34.58	\$1.80	104,312	42.9%
10,001 to 15,000 gallons	\$46.37	\$2.33	35,283	14.5%
Above 15,000 gallons (includes conservation tier rate)	\$98.18	\$4.88	<u>42,663</u>	<u>17.5%</u>
Total			243,258	100.0%

Bill based on water use and maximum sewer usage of 6,500 gallon Winter Months Average
Data based on January 2003 through December 2003 usage

- Adopted fee changes effective October 1, 2004

<u>Development Related Fees</u>	<u>Existing Fee</u>	<u>Adopted Fee</u>
Wastewater Installations (Basic Service)	\$2,210	\$2,111
Installation ¾" Water Service (Basic Service)	\$1,908	\$2,172
Installation 1" Water Service	\$1,928	\$2,192
Installation 1.5" Water Service	\$2,138	\$2,349
Installation 2" Water Service	\$2,488	\$2,374
Connecting Existing ¾" Water Service	\$675	\$875
Connecting Existing 1" Water Service	\$725	\$925
Connecting Existing 1.5" Water Service	\$1,225	\$1,275
Connecting Existing 2" Water Service	\$1,275	\$1,335

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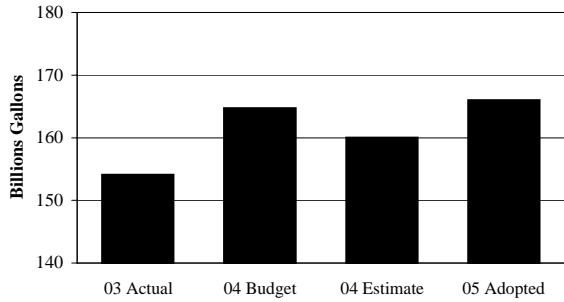
	FY 2002-03 Actual	FY 2003-04 Budget	FY 2003-04 Estimate	FY 2004-05 Adopted
BEGINNING FUND BALANCE	10,668,207	14,188,769	14,188,769	29,196,138
REVENUES				
Treated Water - Total Retail	136,318,673	159,450,602	149,375,991	174,782,892
Treated Water - Total Wholesale	56,302,445	57,598,410	58,198,130	59,005,805
Wastewater - Total Retail	122,682,006	145,076,056	135,648,742	152,758,760
Wastewater - Total Wholesale	7,817,817	8,142,507	7,824,296	7,984,310
All Remaining Revenues	10,619,998	19,369,477	19,284,243	21,437,915
TOTAL REVENUES	333,740,939	389,637,052	370,331,402	415,969,682
EXPENDITURES (By Program)				
Business and Customer Operations	14,573,794	23,203,033	21,268,006	22,569,238
Water Operations	68,877,812	84,477,030	86,330,140	91,115,224
Wastewater Operations	44,472,878	51,752,680	51,046,868	54,657,559
Capital Improvement Operations	10,865,541	9,859,079	8,865,739	10,601,654
Support Operations	5,481,658	6,573,677	6,473,312	7,189,594
General Expense and Debt Service	185,948,694	206,631,553	181,339,968	229,836,413
TOTAL EXPENDITURES	330,220,377	382,497,052	355,324,033	415,969,682
ENDING FUND BALANCE	14,188,769	21,328,769	29,196,138	29,196,138
EXPENDITURES (By Category)				
Salaries and Benefits	74,498,068	77,573,366	76,158,855	81,889,053
Supplies and Materials	56,013,089	66,201,310	63,986,756	70,395,349
Other Services and Charges	200,934,417	238,085,780	215,516,768	265,555,291
Capital Outlays	1,068,426	3,230,099	3,168,254	2,682,953
Reimbursements	(2,293,623)	(2,593,503)	(3,506,600)	(4,552,964)
TOTAL	330,220,377	382,497,052	355,324,033	415,969,682

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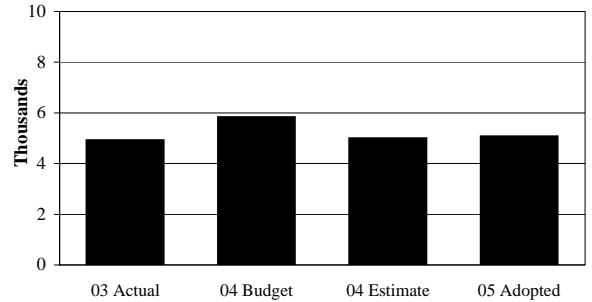
	FY 2002-03 Actual	FY 2003-04 Budget	FY 2003-04 Estimate	FY 2004-05 Adopted
FTEs (By Type)				
Regular	1,350.1	1,446.0	1,429.2	1,499.5
Overtime	105.7	110.0	123.0	119.8
Temporary Help	0.0	0.0	7.0	0.0
Day Labor	8.0	7.1	0.0	7.1
TOTAL	1,463.8	1,563.1	1,559.2	1,626.4
FTEs (By Program)				
Business and Customer Operations	229.5	230.2	238.4	241.6
Water Operations	544.0	606.6	600.2	626.1
Wastewater Operations	494.7	538.0	540.4	548.7
Capital Improvement Operations	155.6	148.6	140.1	168.5
Support Operations	40.0	39.7	40.1	41.5
General Expense and Debt Service	0.0	0.0	0.0	
TOTAL	1,463.8	1,563.1	1,559.2	1,626.4
OPERATING FUND				415,969,682
ADDITIONAL OPERATING RESOURCES				
COMMUNITY DEVELOPMENT BLOCK GRANT				20,000
WATER PRESERVATION PROGRAM TRUST				40,000
TOTAL				60,000
TOTAL OPERATING RESOURCES				416,029,682

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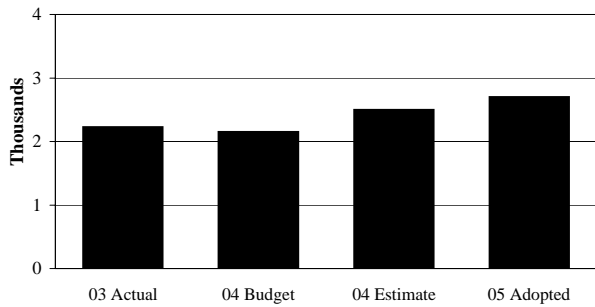
Water Consumption



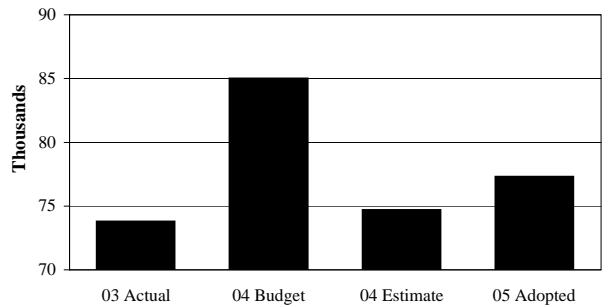
Water Main & Service Repairs



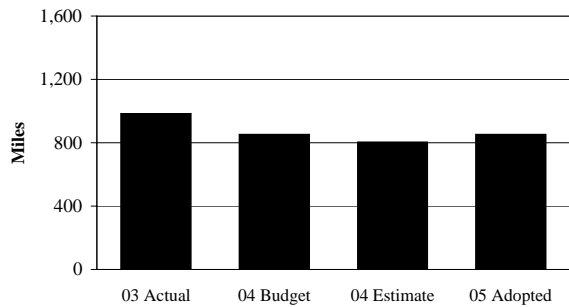
Water Service Installations



Meter Reads per FTE



Miles of Sewer Cleaned



Wastewater Treated

