

FORT WORTH WATER UTILITY



# FY 2023 RECOMMENDED BUDGET

August 12, 2022

**Dana Burghdoff**  
Assistant City Manager

**Chris Harder**  
Water Director  
1002 AP

**Mary Gugliuzza**  
Media Relations  
Coordinator  
1 AP

**Kara Shuror**  
Deputy Director  
293 AP

**Shannon Dunne**  
Assistant Director  
Plant Operations  
233 AP

**Wendy Chi-Babulal**  
Assistant Director  
Strategic Operations  
57 AP

**Laura Wilson**  
Deputy Director  
417 AP

**Jerry Pressley**  
Assistant Director  
Customer Care  
200 AP

**Jan Hale**  
Assistant Director  
Management Services  
93 AP

**Roy Teal**  
Assistant Director  
Field Operations  
380 AP

**Tony Sholola**  
Assistant Director  
Capital Delivery  
37 AP

# REGIONAL SYSTEM OVERVIEW

## Population served:

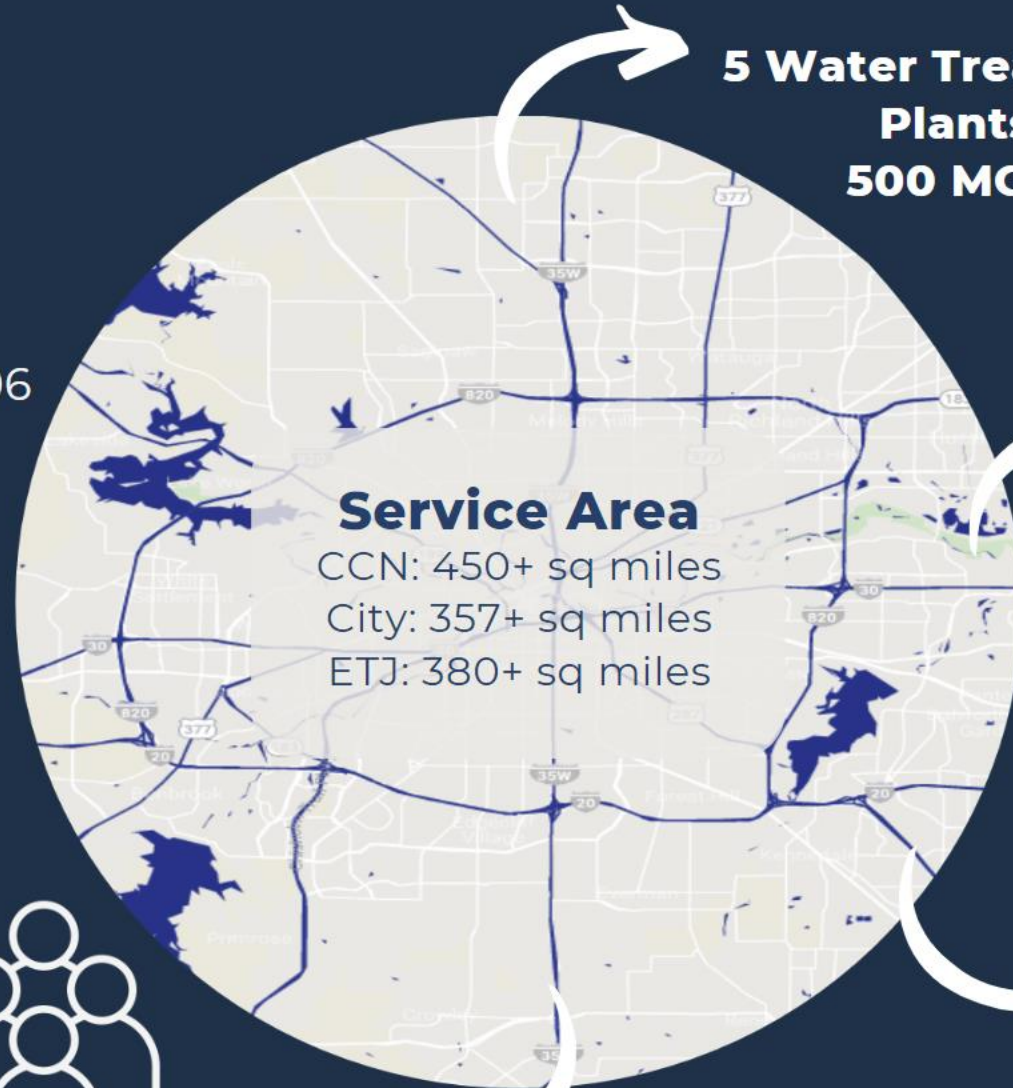
- Fort Worth Retail: 958,692 (270k+ accounts)
- Wholesale Water: 430,796 (33 entities)
- Wholesale Wastewater: 350,006 (23 entities)

## Water, Wastewater & Reclaimed services:

- 3,800 miles of water distribution
- 3,712 miles of sewer collection
- 11.5 miles of reclaimed distribution



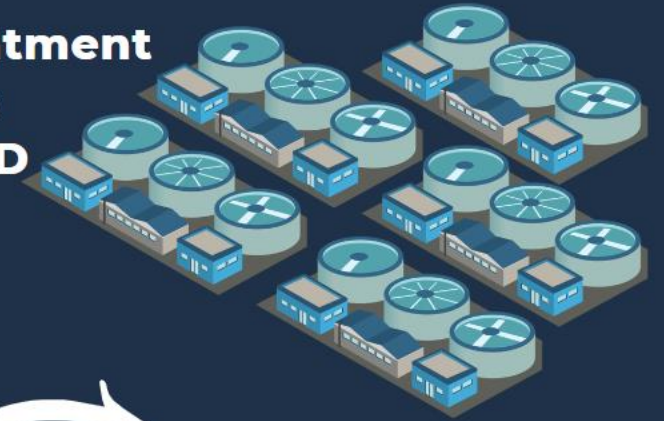
**1,002 Employees**



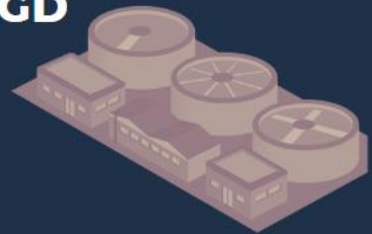
### Service Area

CCN: 450+ sq miles  
City: 357+ sq miles  
ETJ: 380+ sq miles

**5 Water Treatment Plants**  
**500 MGD**



**1 Water Reclamation Facility**  
**166 MGD**



**287,000+ Metered Connections**



# FY 2023 UTILITY BUDGET COMPONENTS

**No Retail  
Rate  
Increases  
0%**

**Fund  
Partner  
Agency  
Increases**

**Address  
Inflation**



# FY 2023 RECOMMENDED BUDGET SUMMARY

**+4.86%**

	FY2022 Adopted	FY2023 Recommended	Change
<b>Water Revenue</b>	288,144,178	301,867,261	13,723,083
<b>Reclaimed Revenue</b>	600,000	700,000	100,000
<b>Wastewater Revenue</b>	202,837,863	212,884,199	10,046,336
	<b>491,582,041</b>	<b>515,451,460</b>	<b>23,869,419</b>
<b>Water Expenditure</b>	288,144,178	301,867,261	13,723,083
<b>Reclaimed Expenditure</b>	600,000	700,000	100,000
<b>Wastewater Expenditure</b>	202,837,863	212,884,199	10,046,336
	<b>491,582,041</b>	<b>515,451,460</b>	<b>23,869,419</b>

# FY 2023 SIGNIFICANT CHANGES

	FY2022 Adopted	FY2023 Recommended	Change
Inflation	15,331,400	27,318,086	11,986,686
Growth and Capital Investment	102,861,666	106,958,313	4,096,647
Partner Agencies and Allocations	112,598,663	121,755,313	9,156,650
	<b>230,791,729</b>	<b>256,031,711</b>	<b>25,239,982</b>

# COMPLETED MAJOR INITIATIVES

## MYH2O BENEFITS

### Reduces Operating Expense

New metering and communications network eliminate manual processes resulting in reduced labor and contractual expenses

### Improves Billing Accuracy and Revenue Recovery

Meter exchanges enable accurate meter reads that fully recover the cost of services provided and systems automate manual billing processes, eliminating human error

### Enhances Customer Experience and Improves Transparency

Promotes self service through updated platforms and processes; provides information, education, and granular use data to customers and utility to help manage use

### Reduces Water Loss

Enables the identification of real and apparent losses both before and after the meter through enhanced data analytics



# COMPLETED MAJOR INITIATIVES

## BIOSOLIDS

### Facility Fully Operational

New biosolids processing facility undergoing startup testing and verification

### Partnering with Synagro for Distribution

Currently producing a pelletized product for marketing and distribution

### Reduces Operating Expense

New facility is more efficient, reducing long-term costs of biosolids processing











# ONGOING MAJOR INITIATIVES

## Water Distribution System

Condition Score by Pipe Type (Miles of Main)

	0-2	2-4	4-6	6-8	8-10
 PVC	1598	274	21	2	0
 Ductile Iron	2	454	79	15	2
 Unknown	2	10	292	111	261
 Concrete	43	328	5	1	0
 Cast Iron	1	2	156	100	95
 Other	11	17	10	3	0

## CAST IRON REPLACEMENT

1940s and 1950s vintage pipeline becomes brittle and has a high break rate; Risk modeling is identifying needed replacements and the Utility is prioritizing this work.

# ONGOING MAJOR INITIATIVES

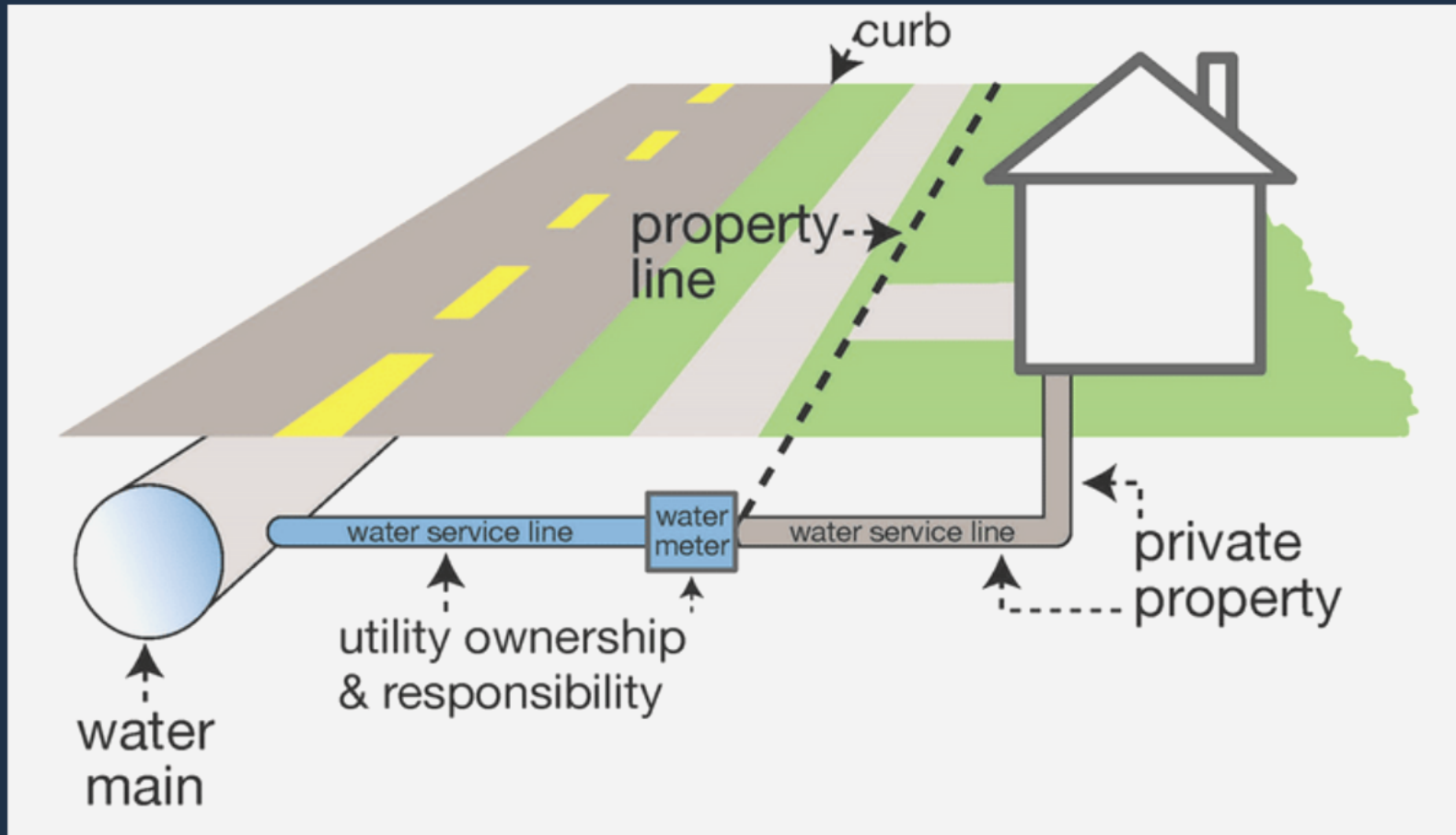


## WEATHERIZATION (SB3)

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Utility has identified critical facilities and developed an emergency preparedness plan that includes approx. \$82M in capital improvements

# ONGOING MAJOR INITIATIVES



## LEAD LINE REPLACEMENT

Inventory of system complete;  
Utility has applied for EPA grant to replace identified Lead Service Lines

## MARY'S CREEK WRF

Final draft issued by TCEQ in March 2020. Settlement agreement with TRWD executed. Anticipate final permit from TCEQ in next few weeks.

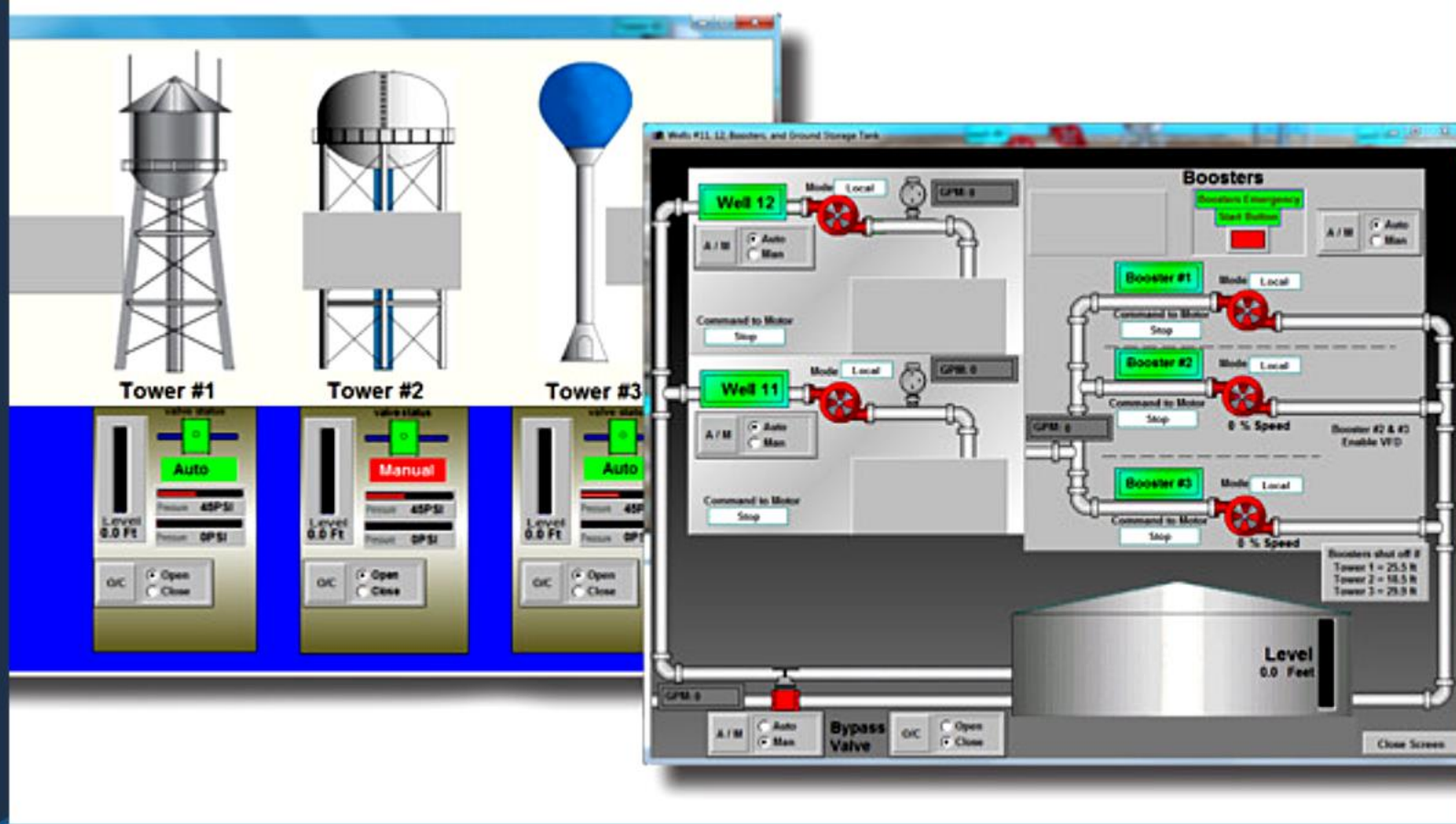


Plant design engineering will begin in 2023, construction anticipated to start in early 2025, with plant operational for summer 2028

## FY 2023 MAJOR INITIATIVES

# SCADA REPLACEMENT

\$51.8M debt issuance in 2021  
following feasibility  
assessment; RFP is expected in  
October 2022



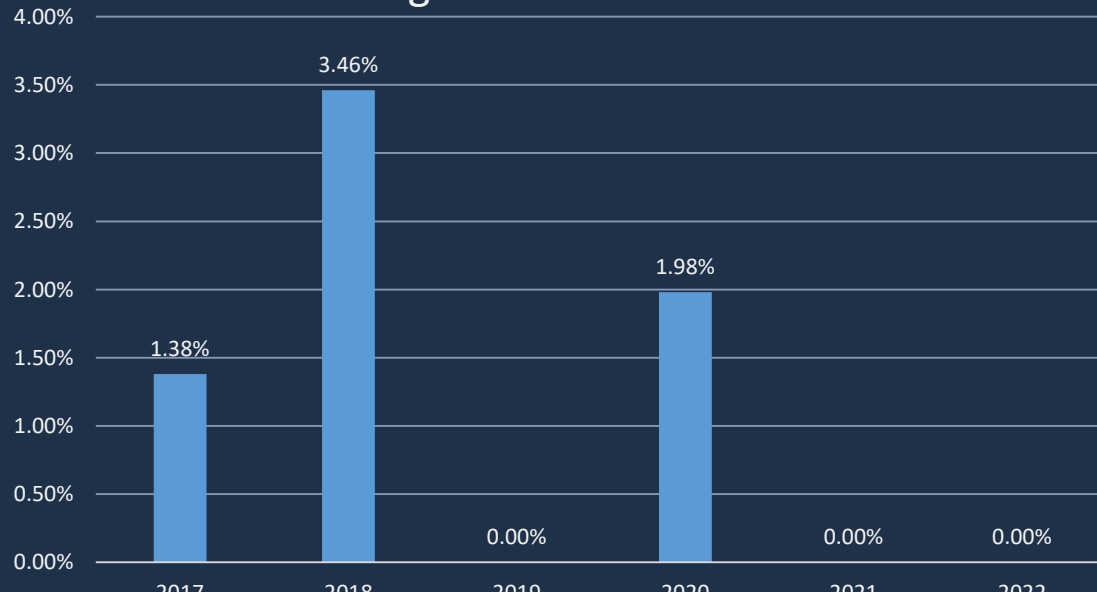
Engineering/design is expected to begin in  
fiscal year 2023 with system replacement in fiscal years  
2024 through 2026.

## FY 2023 MAJOR INITIATIVES

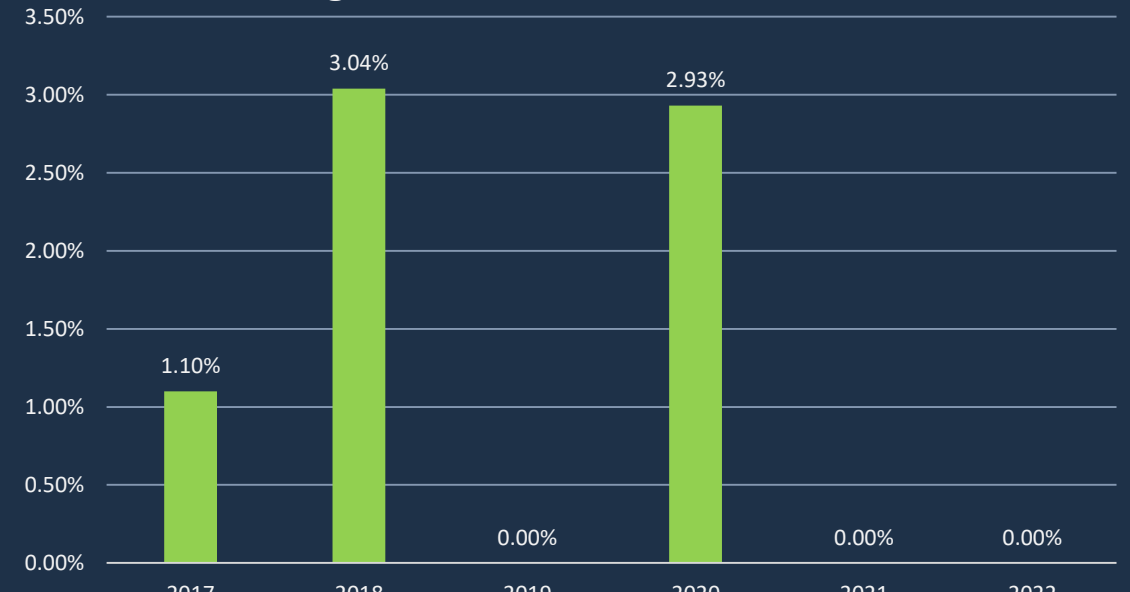
# RATE PROJECTIONS

	FY 2022 BUDGET	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED
Average Water System Rate Increase	0.00%	0.00%	2.47%	1.59%	3.72%	2.58%
Average Sewer System Rate Increase	0.00%	0.00%	2.69%	2.97%	1.51%	2.75%

Average Water Rate Increases



Average Wastewater Rate Increases



# FY 2023 UTILITY RECOMMENDED BUDGET



QUESTIONS