



# Quarterly Presentation

Budget/Rates, City Contributions & Open Space

John E. Balliew, P.E.

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# Big needs require bold solutions (that cost money)

EPWater proposed its budget and rates to the Public Service Board in late November. Major budget drivers:

- **Flood control** to reduce storm hazards
- **Reliability** through rehabilitation and system improvements
- **Resiliency** to keep systems operational during extreme weather events
- **Securing our water future** with new water supplies
- **Growth** of system to serve new developments

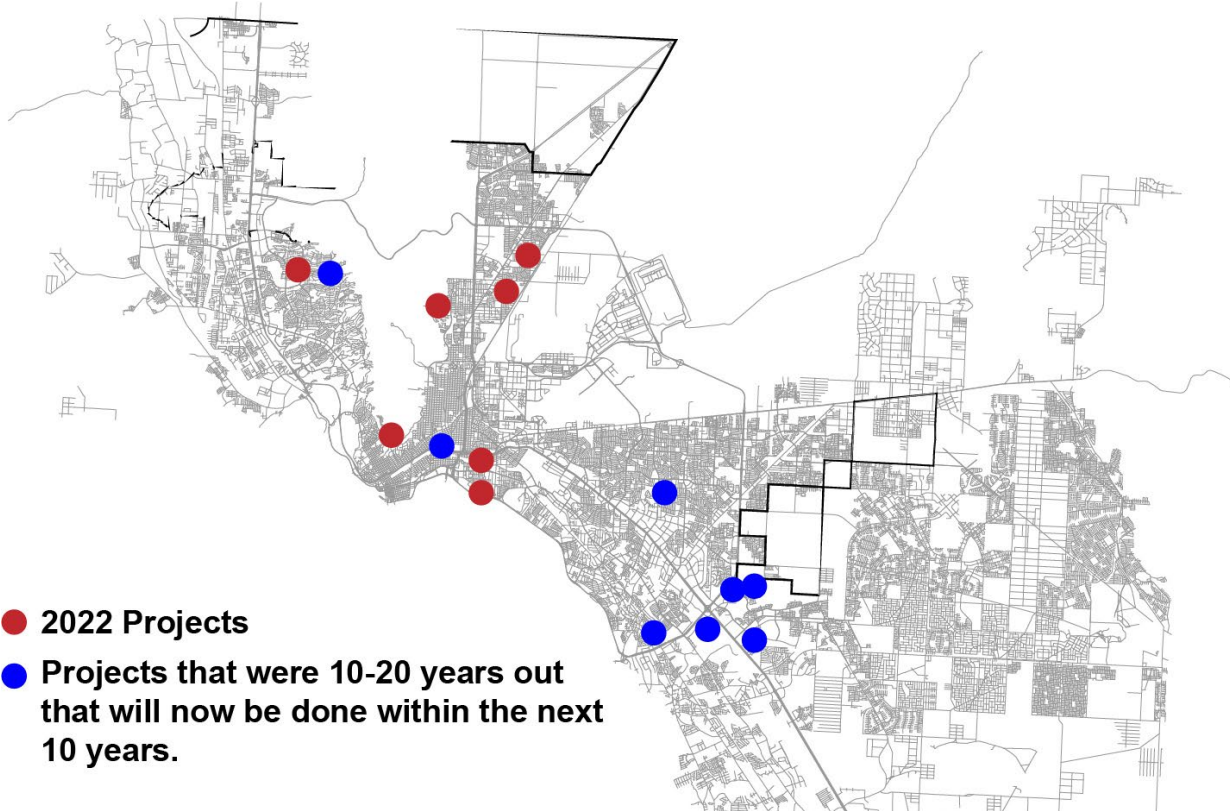
# Stormwater Budget and Fees

# PSB considered two options for stormwater infrastructure improvements

- Alternative 1 – Continue current pace of stormwater master plan implementation with completion estimated in 20 years.
- Alternative 2 – Compress master plan into 10 years.

PSB provided direction to finalize budget documents based on Alternative 2.

# Stormwater priority investments



- 2022 Projects
- Projects that were 10-20 years out that will now be done within the next 10 years.

# Proposed budget impact on stormwater fees FY2022-23

FY 2021-22  
**\$48.7M**



FY 2022-23  
**\$91.8M**

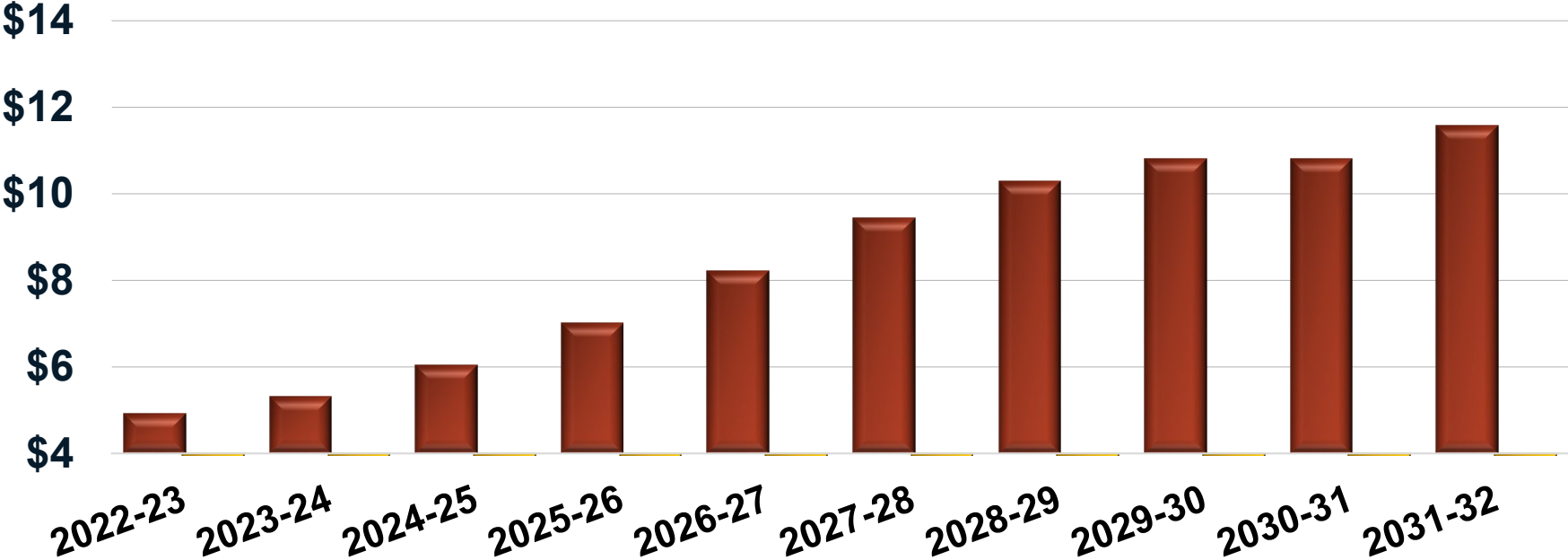
	<b>Current Monthly Fee</b>	<b>Proposed Fee</b> 9% fee increase	<b>Change</b>
<b>Residential</b> Typical 1201-3000 sq. ft.	\$4.51	\$4.92	\$0.41
<b>Commercial</b> Fast Food Restaurant (11,123 sq. ft. approx. ¼ acre).	\$25.58	\$27.86	\$2.28
<b>Commercial</b> Car Dealership (176,068 sq. ft. approx. 4 acres)	\$404.96	\$441.05	\$36.09

# Stormwater Fees - Texas city benchmarks

for the Typical Residential Customer

City	Residential Average Fee
Austin	\$10.09
Arlington	\$7.50
Lubbock	\$7.30
Dallas	\$7.06
Fort Worth	\$5.75
Houston	\$5.08
San Antonio	\$4.94
El Paso (Proposed)	\$4.92
Grand Prairie	\$4.69
El Paso (Current)	\$4.51
Plano	\$3.92
Abilene	\$3.33
Amarillo	\$2.61

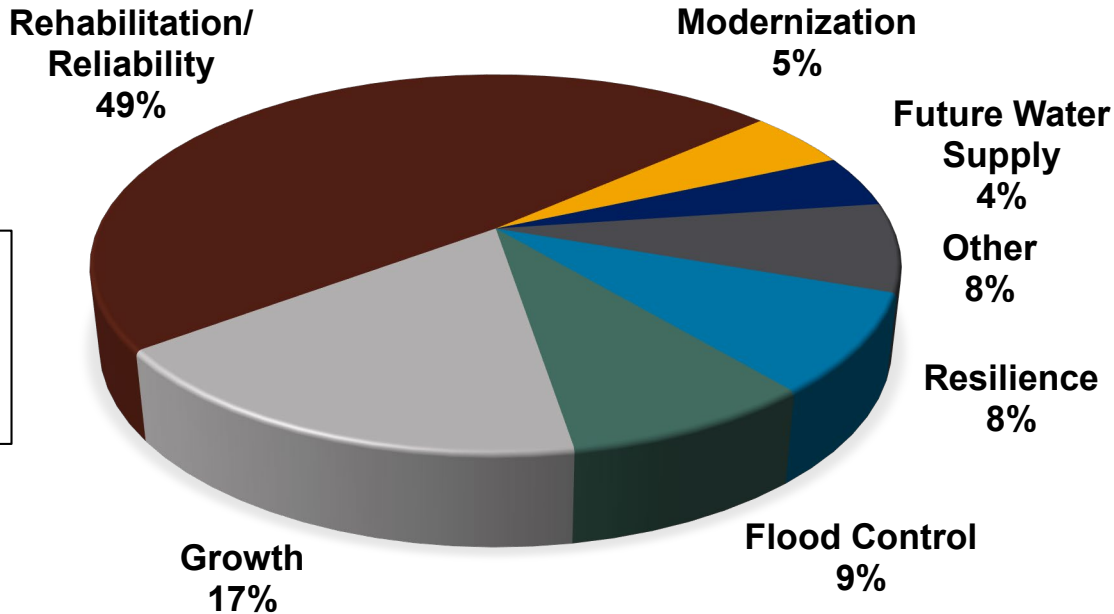
# Ten-year outlook for Stormwater Fees





# Water/Wastewater Budget and Fees

# Rehabilitation for reliability is the top budget driver in CIP



**Capital Budget**  
**\$583 Million**

# Assessments point to needed rehabilitation of water and wastewater infrastructure

## Water/Wastewater Pipelines



## Pump stations



## Water Storage

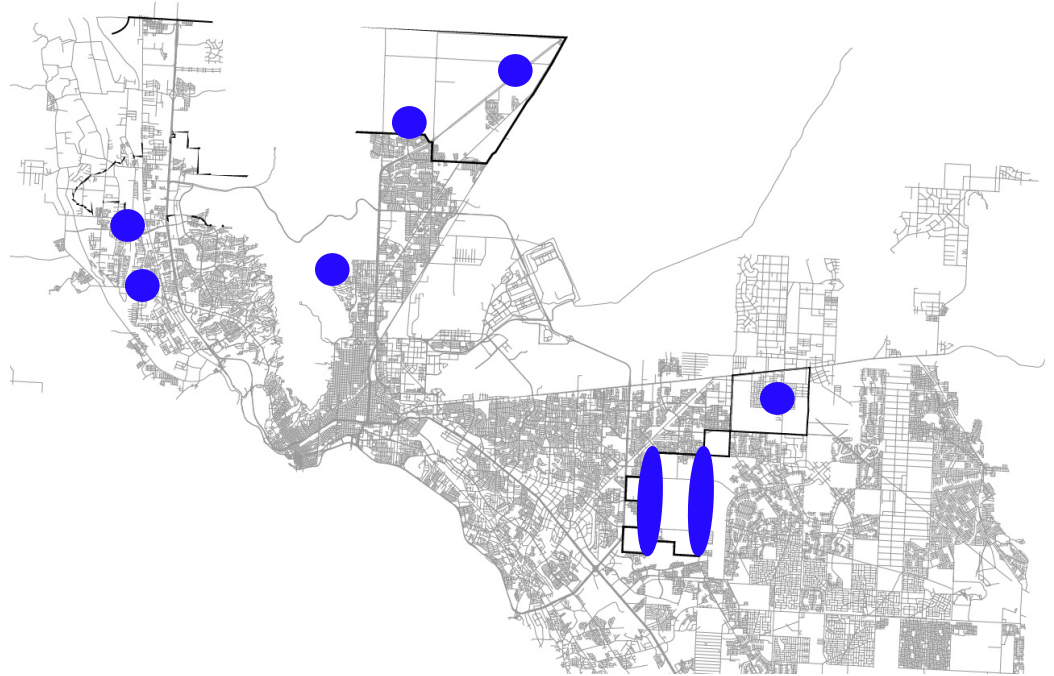


## Water and Wastewater Treatment Plants



# System extensions to meet the needs of growing areas

- New pump stations in West and East El Paso
- New conveyance systems across the city
- Other growth needs include treatment plant expansions, meters, fire hydrants and more



# Residential & Commercial Proposed Bill Impact ¾” Meter

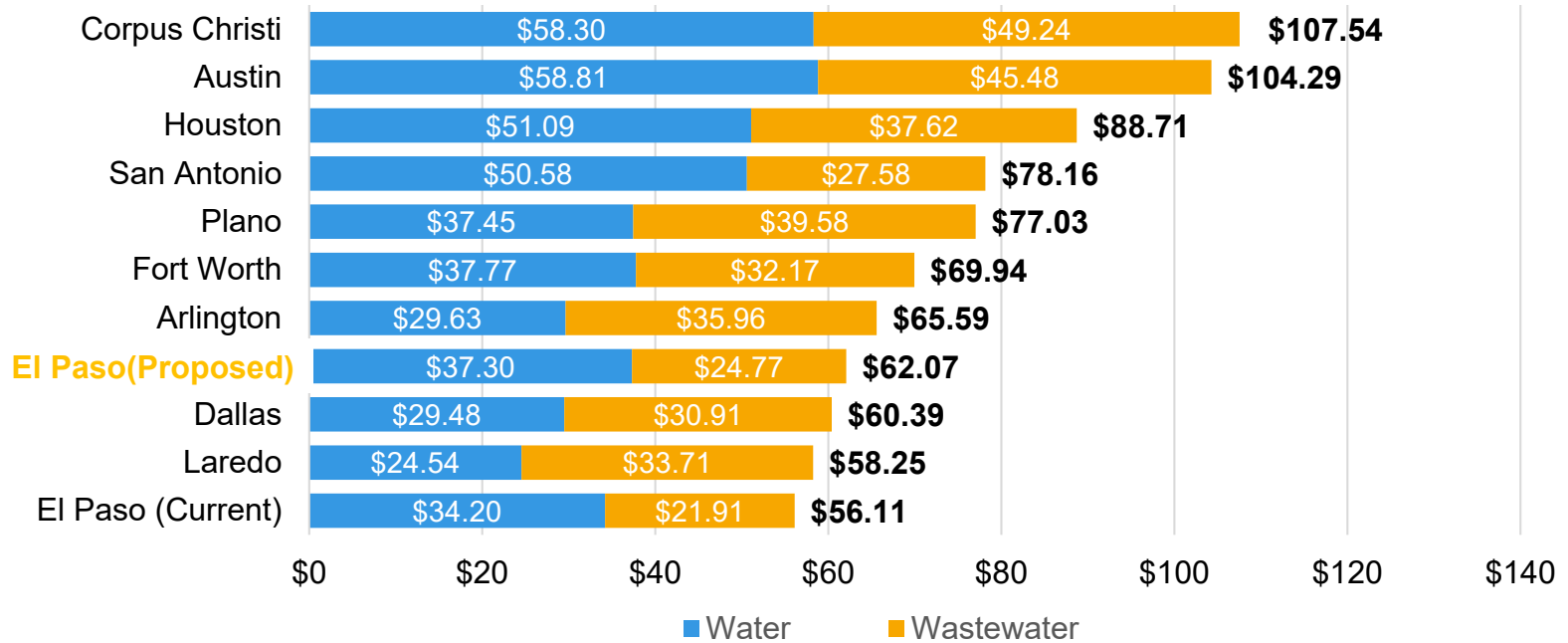


Water & Wastewater	Current Monthly bill	Proposed	Change
<b>Residential (10 ccfs)</b>	\$56.11	\$62.07	\$5.96
<b>Commercial (14 ccfs)</b>	\$90.71	\$100.46	\$9.75

9% water and 13% wastewater rate increase

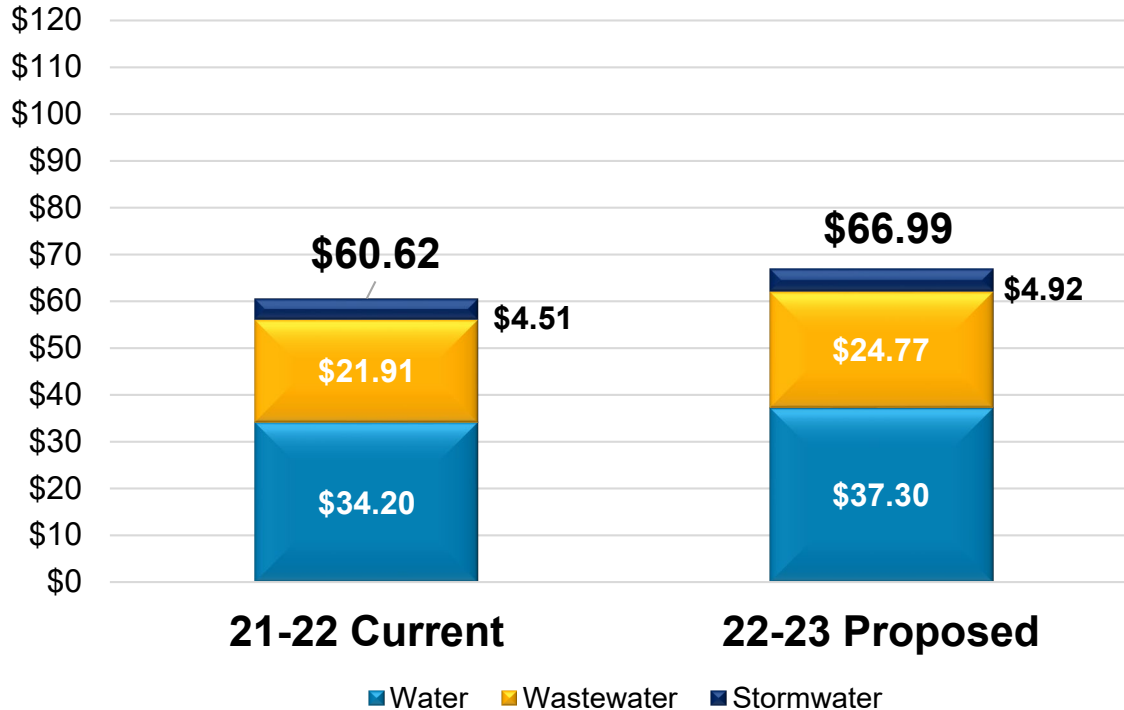
# Average Residential Water/Wastewater Bill

## Ten Largest Texas Cities Survey 2021



# Total Proposed Residential Bill

## Monthly bill will increase by \$6.37



Daily cost of water services	
Service	Cost
Water	\$1.24
Wastewater	\$0.80
Stormwater	\$0.16
<b>Total</b>	<b>\$2.20</b>

# Water conservation saves money

- **Water Supply Replacement Charge (WSRC)** waived for customers ( $\frac{3}{4}$ " meter only) who use **less than 4ccfs per month**
- In FY20-21, an average of 39,000 bills per month received the WSRC waiver of \$11.59
- \$5.2 million annually saved by high-conserving customers

$\frac{3}{4}$ " Meter Water Supply Replacement Charge

FY 20-21	FY21-22	FY22-23 (Proposed)
\$11.59	\$11.82	\$12.88

Daily cost of water services with waiver:  
\$1.80



# Customer Assistance Programs for EPWater Customers

## CARES Act Assistance 2021 Numbers



- 5,682 Customers Assisted
- Total Commitments: \$2.1M

***Ends this month***

## **NEW** Low Income Household Water Assistance Program

- Starts in January 2022 and goes through 2023
- \$3.4 Million allocated by the state to El Paso County



# EPWater will seek more than \$100 million in funding through Infrastructure bill (over 5 years)

Funding Agency	Types of Projects Funded	Dollars pursued over 5 years
Corp of Engineers	Stormwater projects	\$35 million
Bureau of Reclamation	Water supply projects	\$27 million
EPA	w/ww rehabilitation and first-time service	\$50 million
Defense Department	Fort Bliss-EPWater collaborations	\$16 million

# Annual rate consideration timeline

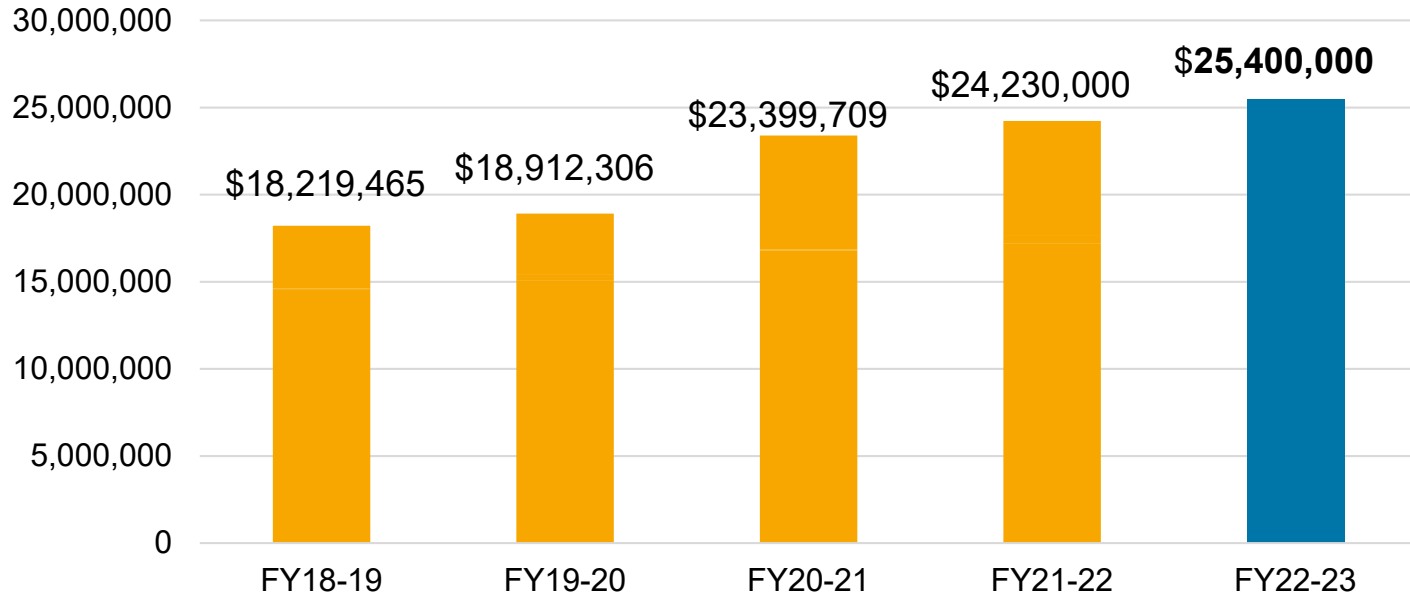


New rates go into effect in March if the PSB approves a rate increase.

# Financial and Infrastructure Contributions to the City

# EPWater payments to the City

10% of water sales - \$18.4M | City franchise fee - \$6.55M | 5% of land sales - \$500K (est.)



# New streets for El Paso neighborhoods

EPWater repaves miles of streets throughout the city

- EPWater projects typically contribute **\$5 million** worth of curb-to-curb street resurfacing annually.
- Neighborhoods benefit from improved water infrastructure and new streets



# Other contributions

- Conservation grants to parks, libraries and more
- Free use of training facility at TechH2O for City departments, staff
- Education collaboration with the zoo



# Decades of Open Space Preservation



# History of EPWater land acquisition

- Ratepayer money was used to purchase the lands in which EPWater is a trustee.
- Land was purchased specifically for groundwater rights and spacing of wells. Money generated from land sales was/is applied to the CIP.
- Under the rules, only the lands not needed for the water, wastewater and stormwater system can be sold.

# A tradition of land preservation

- Open spaces provide flood protection and promote healthy lifestyles.
- The stormwater utility ordinance specifies that 10 percent of the system's annual utility fee be allocated for such green projects.
- To date, El Paso Water has preserved **10,822.5 acres** of open space property that reduces flooding.

Franklin Mountains State Park	9,151 acres
Palisades Canyon	202.7 acres
Palisades (basin)	1.5 acres
Playa Drain	144 acres
Silver Springs	36.2 acres
Cloudview Canyon	16.9 acres
Spring Crest	23.5 acres
Lower Coronado	12.4 acres
Wildwood II Arroyo	3.5 acres
Hunt Arroyo 1	69.3 acres
Lost Dog Trail	1,001 acres
Knapp Land	158.3 acres
Canterbury	2.2 acres

# Partnerships to preserve wetlands



- EPWater acquired 372 acres of land for the Rio Bosque Wetlands Park, entered into 25-year agreement with EPCWID for water rights and installed the reclaimed water system to provide water to the park.
- Park is managed by UTEP-CERM with help from Friends for the Rio Bosque.

## Partnership with Army Corps of Engineers

Project	Project Cost	Funding
Feasibility study	\$731K	\$365K
Design	\$769K	\$500K
Environmental enhancements	\$12M	\$9M

## More wetlands created by EPWater

Feather Lake II	18.96 acres
Basin G	22.10 acres

# Partnership with Frontera Land Alliance

- Repair of damaged nature preserve at Resler Canyon arroyo to enable the public to utilize it for walking and wildlife and plant observation.
- Preserve and maintain popular Lost Dog, Lazy Cow and Roundhouse Trails as recreational areas
- Exploring this partnership as a model for future open space preservation



# New Customer Information System

# New CIS coming in early March

- Culmination of 3-Year process
- Major modernization of online service
- Pay by text, other features
- Fee-free transactions online

## Program Timeline



Blackout period of several days as one system goes down and the other goes live, and all customers will have new account number.

Thank you!