



June 9, 2022

# UPDATE ON WATER AND SEWER RATE STUDY CITY OF GEORGETOWN, TEXAS



# SUMMARY INTRODUCTION

---

- FY 2022 Objectives:
  - ✓ Focus on Revenue Adequacy – Operations and Capital Needs
  - ✓ Fiscal Policy Compliance or Review
  - ✓ Fairness in Rate Setting
- Key Elements Included
  - Growth
    - Increases demand for services
  - Added Projects and Operational Expenses
    - Partially from Growth and Partially from Inflationary Pressures

# CAPITAL PLAN SUMMARY

Water CIP	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Updated	\$ 119,616,667	\$ 26,775,000	\$ 9,208,333	\$ 1,925,000	\$ 199,425,000
Previous	67,375,000	23,925,000	4,675,000	4,675,000	7,975,000
<i>Variance</i>	<i>\$ 52,241,667</i>	<i>\$ 2,850,000</i>	<i>\$ 4,533,333</i>	<i>(\$ 2,750,000)</i>	<i>\$ 191,450,000</i>

Wastewater CIP	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Updated	\$ 82,191,666	\$ 16,800,000	\$ 250,983,333	\$ 21,450,000	\$ 19,090,000
Previous	62,095,000	38,005,000	2,805,000	22,605,000	2,805,000
<i>Variance</i>	<i>\$ 20,096,666</i>	<i>(\$ 21,205,000)</i>	<i>\$ 248,178,333</i>	<i>(\$ 1,155,000)</i>	<i>\$ 16,285,000</i>

Total	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Updated	\$ 201,808,332	\$ 43,575,000	\$ 260,191,667	\$ 23,375,000	\$ 218,515,000
Previous	129,470,000	61,930,000	7,480,000	27,280,000	10,780,000
<i>Variance</i>	<i>\$ 72,338,332</i>	<i>(\$ 18,355,000)</i>	<i>\$ 252,711,667</i>	<i>(\$ 3,905,000)</i>	<i>\$ 207,735,000</i>

# CAPITAL PLAN - TOP PROJECT CHANGES (IN MILLIONS)

---

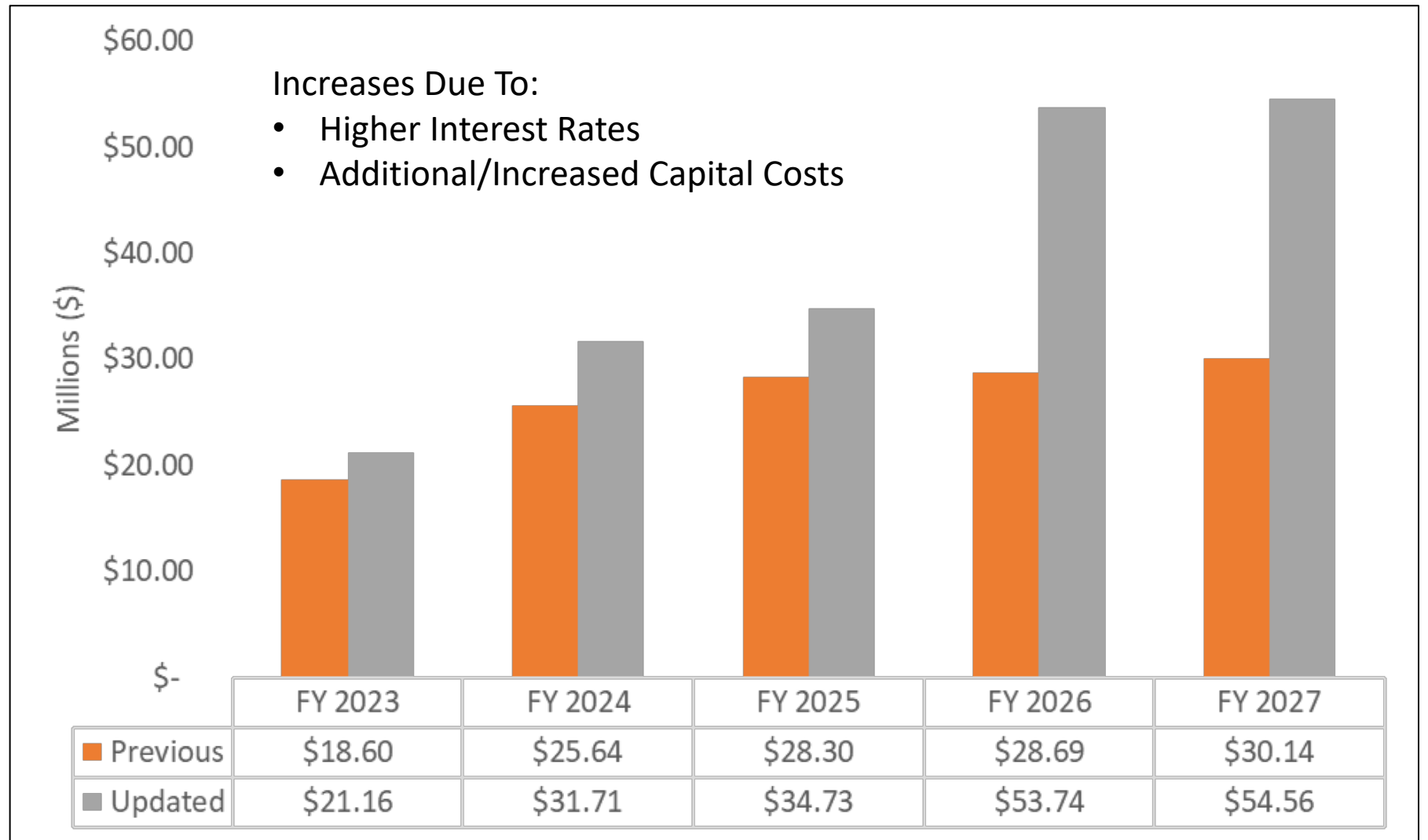
## Water

- Groundwater Supply from East
  - New in 2027 = \$195.3
- Other New/Added Projects
  - Total = \$ 50.5
- Increase to Existing
  - Total = \$ 2.5
- Total Increase = \$ 248.3

## Wastewater

- Pecan Branch WWTP Expansion
  - Additional Costs = \$ 119.8
  - New Total = \$ 160.0
- New/Added Projects
  - Total = \$ 76.6
- Other Increase to Existing
  - Total = \$ 65.8
- Total Increase = \$ 262.2

# DEBT PAYMENTS



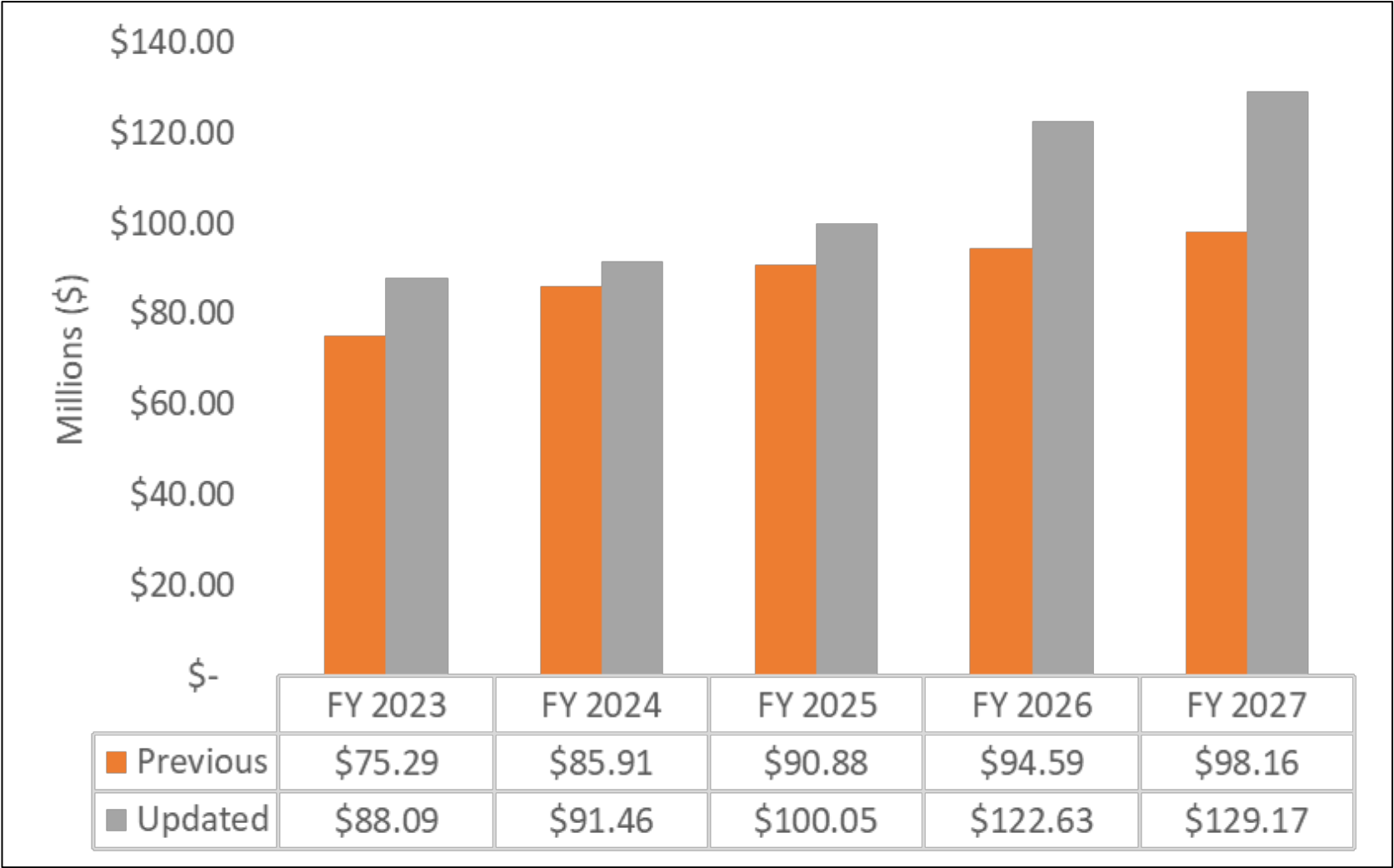
# GROWTH AND IMPACT FEES

Growth (LUEs)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>Water</b>					
Updated	5,000	5,000	5,000	5,000	5,000
Previous	4,500	4,000	4,000	4,000	4,000
Variance	500	1,000	1,000	1,000	1,000
<b>Wastewater</b>					
Updated	3,000	3,000	2,500	2,500	2,500
Previous	2,500	2,500	2,500	2,000	2,000
Variance	500	500	0	500	500

Impact Fees (\$/LUE)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>Water</b>					
Updated	\$ 5,000	\$ 6,000	\$ 6,500	\$ 7,000	\$ 7,500
Previous	5,000	5,000	5,000	5,000	5,000
Variance	\$ 0	\$ 1,000	\$ 1,500	\$ 2,000	\$ 2,500
<b>Wastewater</b>					
Updated	\$ 3,115	\$ 3,115	\$ 3,115	\$ 4,000	\$ 4,000
Previous	3,115	3,115	3,115	3,115	3,115
Variance	\$ 0	\$ 0	\$ 0	\$ 885	\$ 885

# EXPENSES AND PROPOSED RATES

EXCLUDES CAPITAL EXPENSES  
FROM BOND PROCEEDS OR  
IMPACT FEES

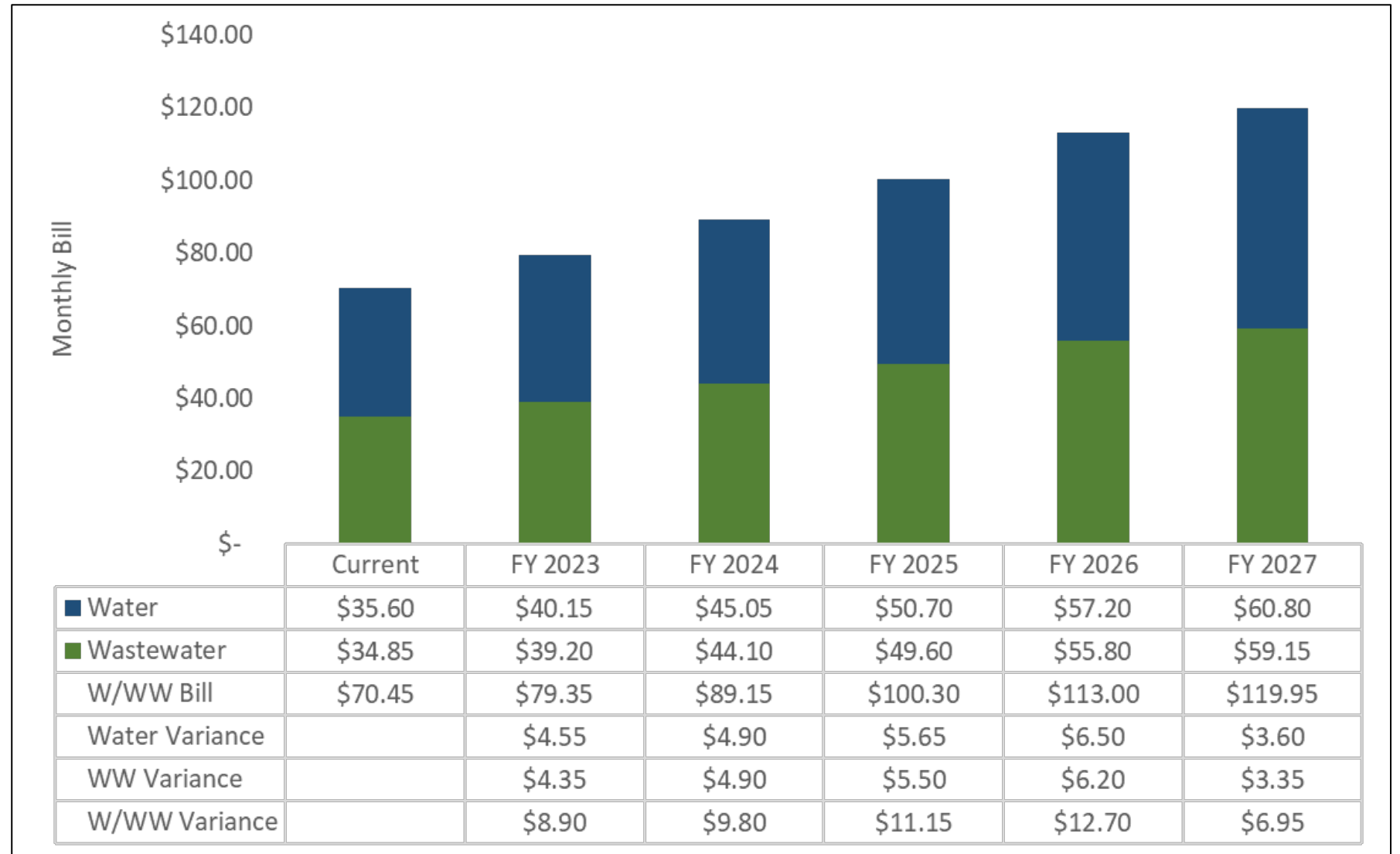


Total	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Updated	12.50%	12.50%	12.50%	12.50%	6.00%
Previous	9.00%	9.00%	0.00%	0.00%	0.00%

This includes rate design changes.

# RATE PLAN EFFECT ON MONTHLY BILLS

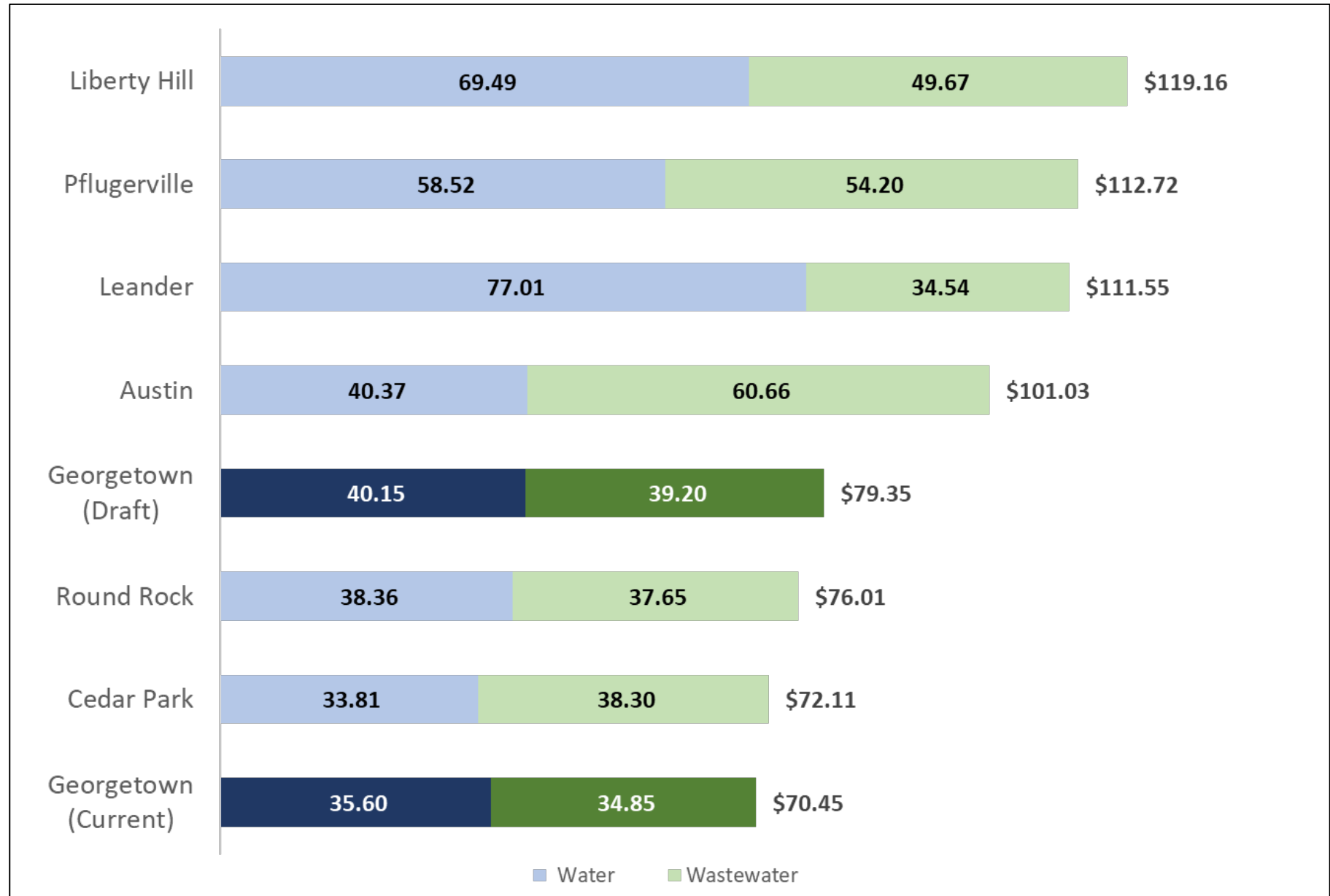
6,000 Gallon  
Residential Bill Impact  
¾" Meter Size





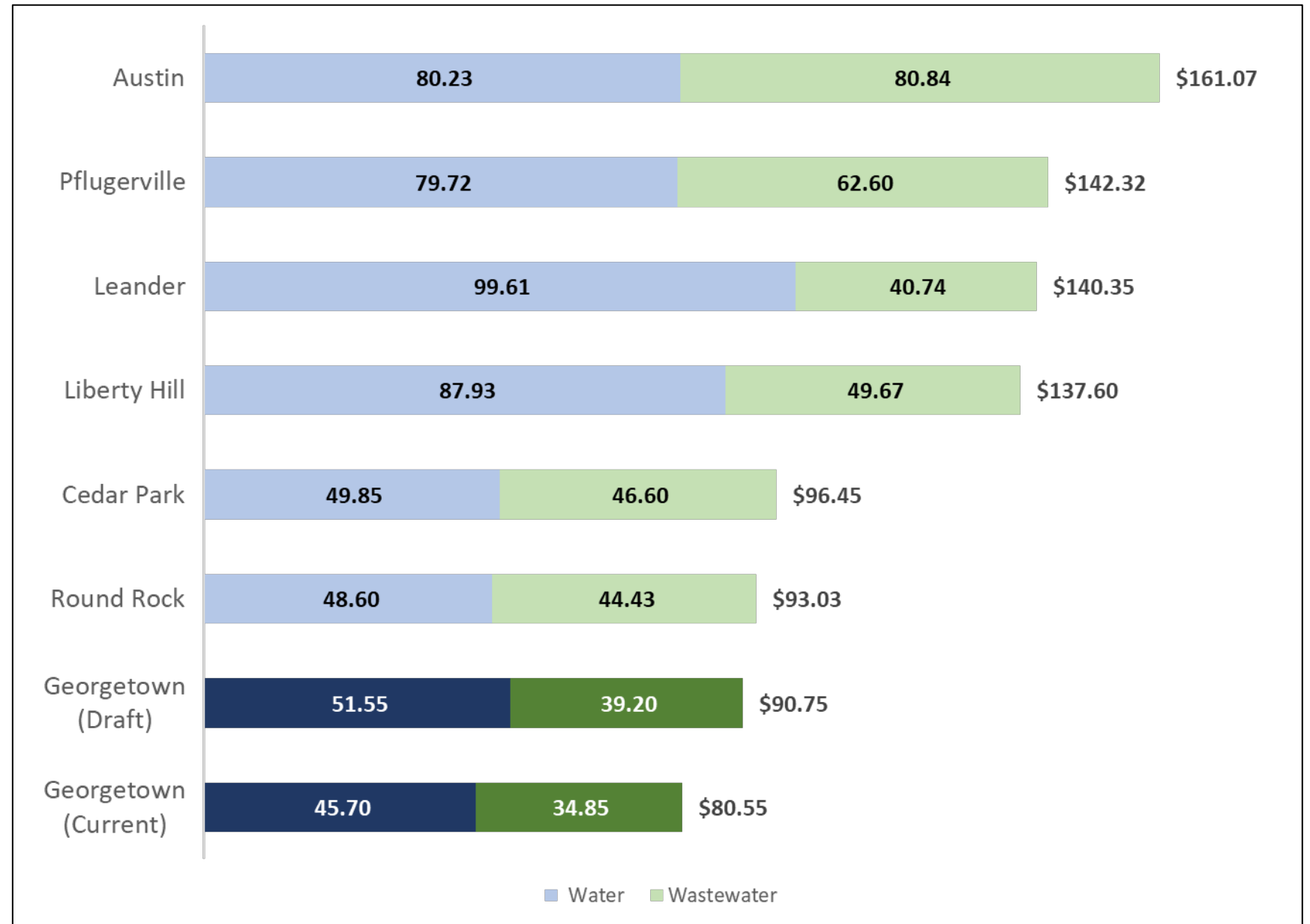
# RESIDENTIAL REGIONAL BILL COMPARISON

Customer at  
6,000 Gallons



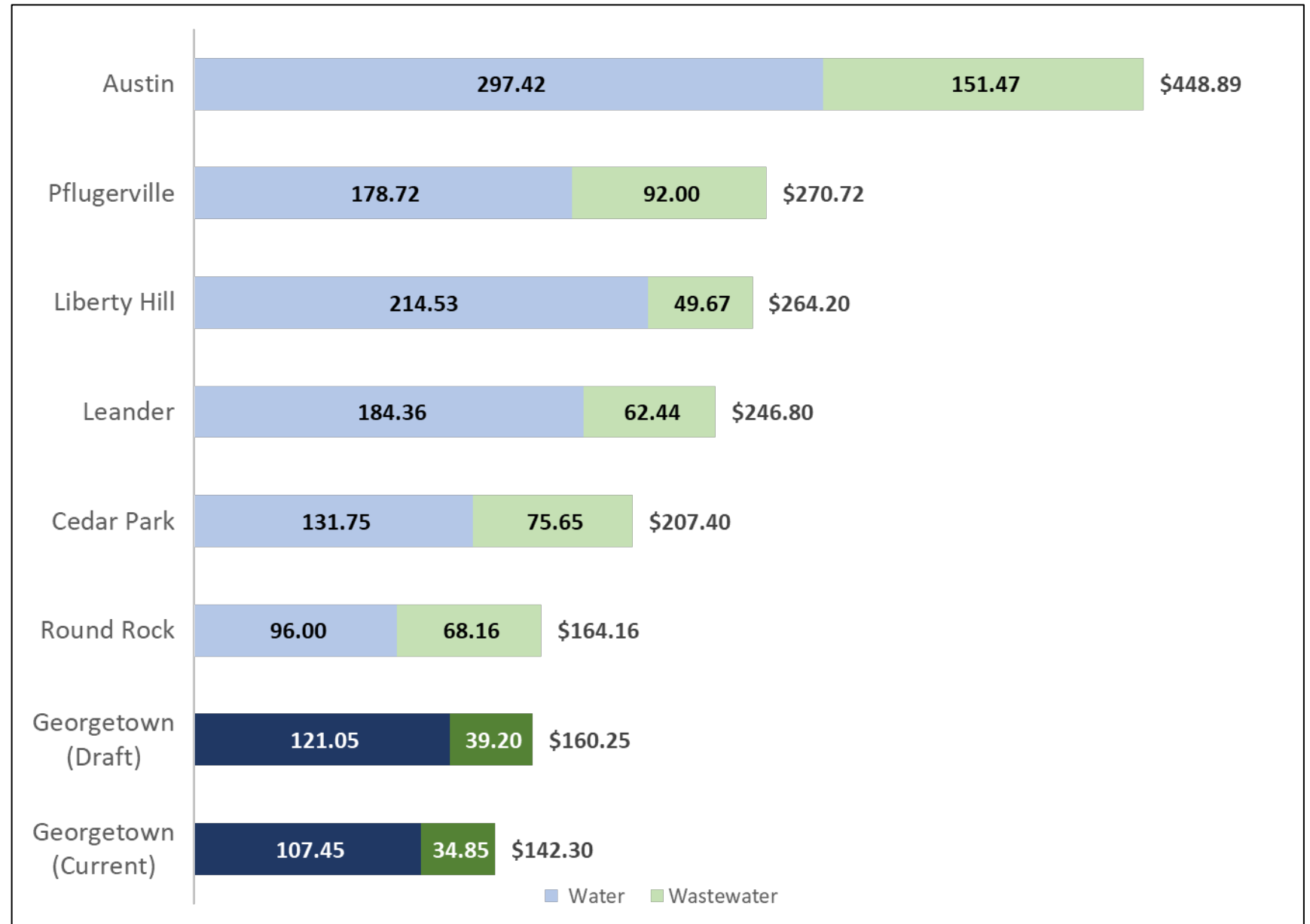
# RESIDENTIAL REGIONAL BILL COMPARISON

Customer at 10,000  
Gallons



# RESIDENTIAL REGIONAL BILL COMPARISON

Customer at 25,000  
Gallons



## NEXT STEPS



- Receive Board Guidance Here
- Council Meeting June 28
- Proposed Rate Action Timing
  - Adoption likely during budget process
  - Effective Date October 1, 2022





# THANK YOU FOR YOUR TIME

**NEWGEN STRATEGIES AND SOLUTIONS**  
**275 W. CAMPBELL ROAD, SUITE 440**  
**RICHARDSON, TEXAS 75080**

**MATTHEW B. GARRETT, MANAGING PARTNER**  
972-675-7699  
[MGARRETT@NEWGENSTRATEGIES.NET](mailto:MGARRETT@NEWGENSTRATEGIES.NET)

**MEGAN KIRKLAND, SENIOR CONSULTANT**  
972-432-6218  
[MKIRKLAND@NEWGENSTRATEGIES.NET](mailto:MKIRKLAND@NEWGENSTRATEGIES.NET)