

Duncanville City Council Meeting Minutes

Special Regular Meeting

Monday, July 18, 2022

CALL TO ORDER

A special meeting of the Duncanville City Council was called to order on Monday, July 18, 2022, at 6:00 p.m. in the Council Briefing Room at City Hall with a quorum to wit:

COUNCIL PRESENT:

Mayor Barry L. Gordon via ZOOM
Mayor Pro Tem At-Large Patrick Harvey
Councilmember Joe Veracruz
Councilmember Don McBurnett
Councilmember Jeremy Koontz
Councilmember Karen Cherry
Councilmember Greg Contreras

1. CALL TO ORDER

2. RECEIVE PUBLIC COMMENTS.

To submit a comment via email and for your comments to be read, the following information is required:

- Submit a comment by 4:00 p.m. on Monday, July 18, 2022.
- Email citysecretary@duncanville.com
- Email title: Public Comment – July 18th.
- First and Last Name; and address.
- *The City Secretary will still set a two-minute time limit on the comments as they are read.*

Joe Cole, 434 E Mona Ave – submitted a comment on wastewater and usage.

Gilbert Cavello, 703 San Juan Dr. – submitted a comment on AMI and sewage charges.

Betty Taylor, 422 Oleander St. – submitted a comment on water rates.

Cecilia Bradley, 426 Wesley Ln. – submitted a comment water rates.

3. RECEIVE A PRESENTATION AND DISCUSSION ON A WATER/WASTEWATER RATE STUDY FROM WILLDAN FINANCIAL SERVICES.

City Manager spoke and introduced Managing Director Atmore who introduced Dan Jackson, from Willdan.

City Council concluded to offer a Senior discount. Staff will bring back information on the borrowing of monies presented in scenario two.

Notes on Rate Plan Scenario II

- Assumes approximately half of 10-year \$53.5 MM CIP is funded through long term debt
 - 20 years
 - 4.0% interest
- Continues 5-year rate plan with no change in fundamental rate structure
- Results in nominally lower rate adjustments over 5-year period



Total Cost of Service – Scenarios I and II

Scenario I		Operating Expenses	Transfer	Capital Cost Transfers	Debt Service	Total Cost of Service
		TOTAL Utility				
	2023	\$ 13,633,326	\$ 2,356,736	\$ 8,350,877	\$ -	\$ 24,340,940
	2024	15,114,653	2,356,736	7,572,167	-	25,043,556
	2025	16,816,131	2,356,736	6,012,500	-	25,185,367
	2026	18,072,719	2,356,736	5,393,333	-	25,822,788
	2027	18,676,767	2,356,736	6,252,500	-	27,286,003
	2028	19,593,462	2,356,736	6,500,000	-	28,450,198
	2029	20,556,464	2,356,736	4,850,000	-	27,763,200
	2030	21,568,164	2,356,736	4,850,000	-	28,774,900
	2031	22,631,081	2,356,736	4,850,000	-	29,837,817
2032	23,747,865	2,356,736	4,850,000	-	30,954,601	

Scenario II		Operating Expenses	Transfer	Capital Cost Transfers	Debt Service	Total Cost of Service
		TOTAL Utility				
	2023	\$ 13,633,326	\$ 2,356,736	\$ 3,875,000	\$ -	\$ 19,865,062
	2024	15,114,653	2,356,736	3,875,000	448,060	21,794,449
	2025	16,816,131	2,356,736	3,875,000	448,060	23,495,927
	2026	18,072,719	2,356,736	3,875,000	448,060	24,752,515
	2027	18,676,767	2,356,736	3,875,000	897,681	25,806,184
	2028	19,593,462	2,356,736	2,675,000	897,681	25,522,879
	2029	20,556,464	2,356,736	2,675,000	897,681	26,485,881
	2030	21,568,164	2,356,736	2,675,000	1,306,428	27,906,328
	2031	22,631,081	2,356,736	2,675,000	1,306,428	28,969,245
	2032	23,747,865	2,356,736	2,675,000	1,715,174	30,494,776



Recommended Rate Plan – Scenario II



The rate plan results in lesser water rate adjustments.

No change in wastewater adjustments.

	Current	October 2022	October 2023	October 2024	October 2025	October 2026
Water Rates -- Residential						
Monthly Min Charge -- 1st 1,000 Gal	\$ 14.00	\$ 15.68	\$ 17.56	\$ 19.49	\$ 21.44	\$ 23.59
Volume Rate Per 1,000 Gal						
1,001 7,000	3.76	4.21	4.72	5.24	5.76	6.33
7,001 15,000	4.85	5.43	6.08	6.75	7.43	8.17
15,001 30,000	5.98	6.70	7.50	8.33	9.16	10.08
30,001 Above	7.09	7.94	8.89	9.87	10.86	11.95
Water Rates -- Commercial						
Monthly Min Charge -- 1st 1,000 Gal	14.00	15.68	17.56	19.49	21.44	23.59
Volume Rate Per 1,000 Gal						
1,001 7,000	3.38	3.79	4.24	4.71	5.18	5.69
7,001 15,000	4.41	4.94	5.53	6.14	6.75	7.43
15,001 30,000	5.45	6.10	6.84	7.59	8.35	9.18
30,001 Above	5.45	6.10	6.84	7.59	8.35	9.18
Wastewater Rates -- Residential						
Monthly Min Charge -- 1st 1,000 Gal	19.25	20.79	22.45	23.58	24.75	25.99
1,001 Above	8.22	8.88	9.59	10.07	10.57	11.10
Wastewater Rates -- Commercial						
Monthly Min Charge -- 1st 1,000 Gal	9.07	9.80	10.58	11.11	11.66	12.25
1,001 Above	9.07	9.80	10.58	11.11	11.66	12.25

Impact on Monthly Bills | Scenario I and II



	Current	October 2022	October 2023	October 2024	October 2025	October 2026
Residential Monthly Bill						
3,000 Gal W, 3,000 Gal WW						
Scenario I	\$ 57.21	\$ 63.29	\$ 69.84	\$ 75.87	\$ 82.24	\$ 88.90
Scenario II	57.21	62.65	68.62	73.67	78.86	84.45
Difference		(0.65)	(1.22)	(2.20)	(3.38)	(4.45)
6,000 Gal W, 5,000 Gal WW						
Scenario I	84.93	94.02	103.81	112.87	122.43	132.43
Scenario II	84.93	93.04	101.95	109.51	117.27	125.65
Difference		(0.98)	(1.86)	(3.35)	(5.16)	(6.78)
10,000 Gal W, 5,000 Gal WW						
Scenario I	103.24	115.08	127.81	140.23	153.35	167.06
Scenario II	103.24	113.54	124.92	135.01	145.32	156.50
Difference		(1.53)	(2.89)	(5.22)	(8.03)	(10.56)
Commercial Monthly Bill						
25,000 Gal W; 25,000 Gal WW						
Scenario I	350.81	387.56	427.12	463.12	501.11	540.83
Scenario II	350.81	383.84	420.10	450.44	481.60	515.18
Difference		(3.72)	(7.02)	(12.67)	(19.50)	(25.64)

WILLDAN

Senior Citizens Rate



Some cities have implemented special rates for senior citizens.

Typical discount is 10%, but the discounts can vary widely.

Benefit: it minimizes the burden of increased costs on seniors, many of whom are on fixed incomes

Challenge: it requires a 3-4% additional increase on non-seniors to make up the lost revenue

Monthly Water and Wastewater Charges
Senior Citizens Rate

	Current	October 2022
Residential Monthly Bill		
3,000 Gal W, 3,000 Gal WW		
Residential – Scenario I	\$ 57.21	\$ 63.29
Residential – Scenario I with Senior Rate	57.21	65.82
Senior Citizens Rate	57.21	59.24
6,000 Gal W, 5,000 Gal WW		
Residential – Scenario I	84.93	94.02
Residential – Scenario I with Senior Rate	84.93	97.78
Senior Citizens Rate	84.93	88.00

7. ADJOURNMENT

The meeting was adjourned at 7:30 p.m.

APPROVED:

MAYOR

ATTEST:

CITY SECRETARY