



Meeting Minutes

City Council Workshop

Thursday, August 1, 2024

10:00 AM

Council Chambers

FY 2025 Budget Workshop: Including Water and Wastewater

***This meeting will begin following the conclusion of the Special City Council Meeting.**

A. Mayor Paulette Guajardo to call the meeting to order.

Mayor Guajardo called the meeting to order at 12:35 p.m.

B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers

City Secretary Rebecca Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers: Deputy City Manager Michael Rodriguez, City Attorney Miles Risley and City Secretary Rebecca Huerta

Note: Council Member Barrera attended by video conference. City Manager Peter Zanon arrived at 12:40 p.m.

Present 9 - Paulette Guajardo, Roland Barrera, Gil Hernandez, Michael Hunter, Sylvia Campos, Dan Suckley, Everett Roy, Mike Pusley, and Jim Klein

BRIEFINGS:

1. [24-1243](#) FY 2025 Budget Workshop: Water and Wastewater Proposed Operating and Capital Budgets, and Proposed Utility Rates for FY 2025

Chief Operating Officer of Corpus Christi Water (CCW) Drew Molly presented information on the following topics: FY 2024-2025 proposed budget table of contents; Corpus Christi Water; mission statement; organizational structure; surface water sources; Inner Harbor Seawater Desalination Treatment Plant; about Corpus Christi Water; FY 2024 achievements-wastewater; consent decree; FY 2025 proposed budget wastewater fund: \$113.5M; year-over-year costs; wastewater services; wastewater FY 2024 CIP progress; FY 2025 wastewater proposed CIP: \$182.7M; wastewater FY 2025 proposed CIP; FY25 proposed water and wastewater rates; stakeholder engagement; FY 2024 achievements-water; FY 2025 proposed budget water fund: \$175.5M; year-over-year costs; water services; FY 2025 drought surcharge exemption fund; water FY 2024 CIP progress; water FY 2024 CIP progress-delays; water FY 2025 proposed CIP: \$517.2M; water FY 2025 proposed CIP; water FY 2023 annual billed usage; estimated FY 2023 raw water allocation; and large volume customers.

Principal Consultant of NewGen Strategies & Solutions Andy McCartney presented information on the following topics: agenda; 2025 project team; current clients; approach to FY 2025 rates; FY 2025 proposed rates-wastewater rate structure; FY 2025 proposed wastewater rates; FY 2025 results for total wastewater system; FY 2025 proposed rates-inside city limits-residential; FY 2025 proposed rates-inside city limit-commercial; FY 2025 proposed rates-outside city limit-residential; FY 2025 proposed rates-outside city limit-commercial; FY 2025 proposed rates-water rate structure; water system functionalization; starting point last year for retail water-FY 2024 analysis; starting point last year for retail water-FY24 COS vs. revenues from 2023 rates; FY 2025 results for retail water system-FY 2025 analysis; FY 2025 results for retail water system-water-COS vs. revenues; FY 2025 proposed water rates; FY 2025 proposed retail rates-inside city limit minimum charge; FY 2025 proposed retail rates-outside city limit minimum charge; FY 2025 proposed retail rates-inside and outside city limit volume charges; FY 2025 proposed rates-public agency (wholesale) treated water; FY 2025 proposed rates-wholesale raw water only; FY 2025 proposed rates-municipal (wholesale) raw water only; FY 2025 proposed rates-residential; FY 2025 proposed rates-commercial (typical restaurant); FY 2025 proposed rates-irrigation; FY 2025 proposed rates-large volume; and FY 2025 proposed rates-wholesale treated.

Council Members, City Manager Peter Zanoni, COO Molly, Mr. McCartney, Assistant Director of Support Services for Utilities Reba George, and Assistant Director of CCW-Finance & Administration Kamil Taras discussed the following topics: the size of the water meters are based on the flow capacity of the meter; approximately 2,400 residents have one-inch meters; the amount of water loss tracked by CCW as water line repairs are improved; for CCW to consider incentivizing more established industries to decrease their water consumption; a concern about the percentage of operating budget for water and wastewater that goes to debt service; the purpose of the tier levels is to bring all water users to their cost of service; and a request for a cost analysis that shows cost versus usage of water for both treated and raw water.

C. Adjournment

There being no further business, Mayor Guajardo adjourned this meeting at 2:56 p.m.