

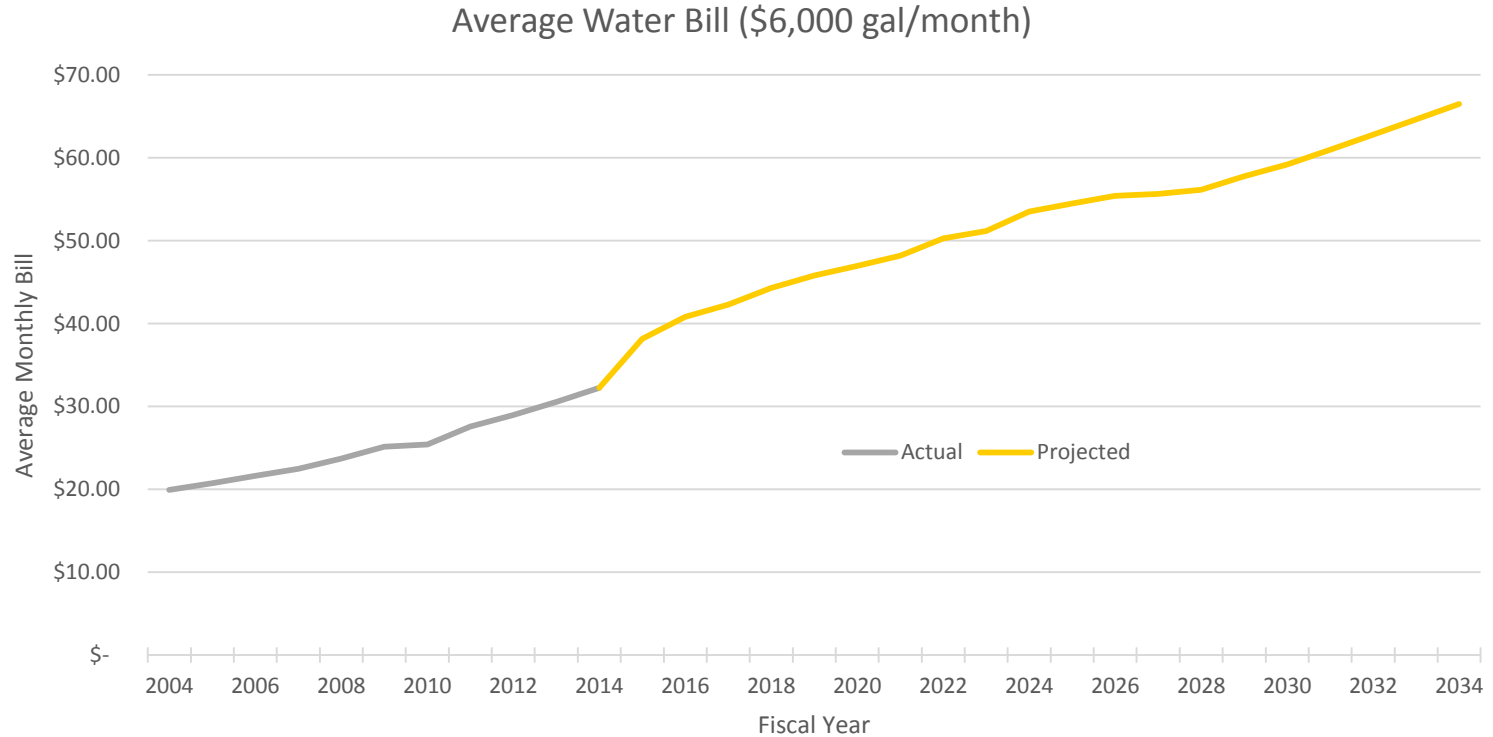
Water Rate - Debt



Council Presentation
March 24, 2015



Current Rate Projection





Discover, Discuss, Decide





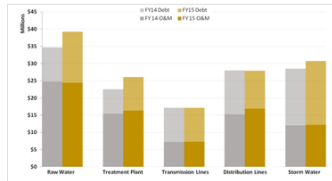
Rate Review Schedule

Date	Topic
March 10, 2015	Projected Rate Water System Components Utility Bill Breakdown Costs – Operation and Maintenance (O&M)
March 24, 2015	Costs - Current and Future Debt
March 31, 2015	Consumption Trends Customer Trends Inclined Block Rate
April 14, 2015	Rate Model Rate Calculations
April 21, 2015	Additional Week of Discovery
April 28, 2014	Additional Week of Discovery
May 12, 2015	Alternatives Evaluated
May 19, 2015	Additional Alternatives Evaluated 1
May 26, 2015	Additional Alternatives Evaluated 2
June 9, 2015	First Reading Proposed Rate
June 16, 2015	Adoption of New Rate

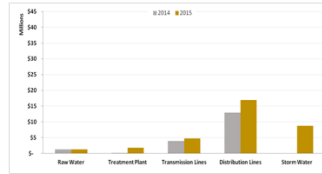


Calculation for Unit Cost

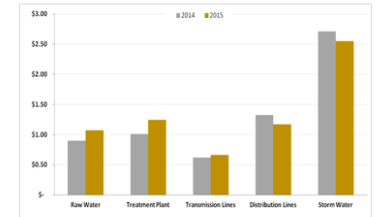
Cost



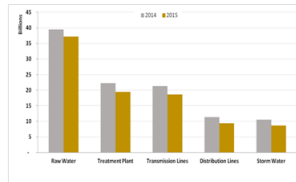
Adjustments



Unit Cost

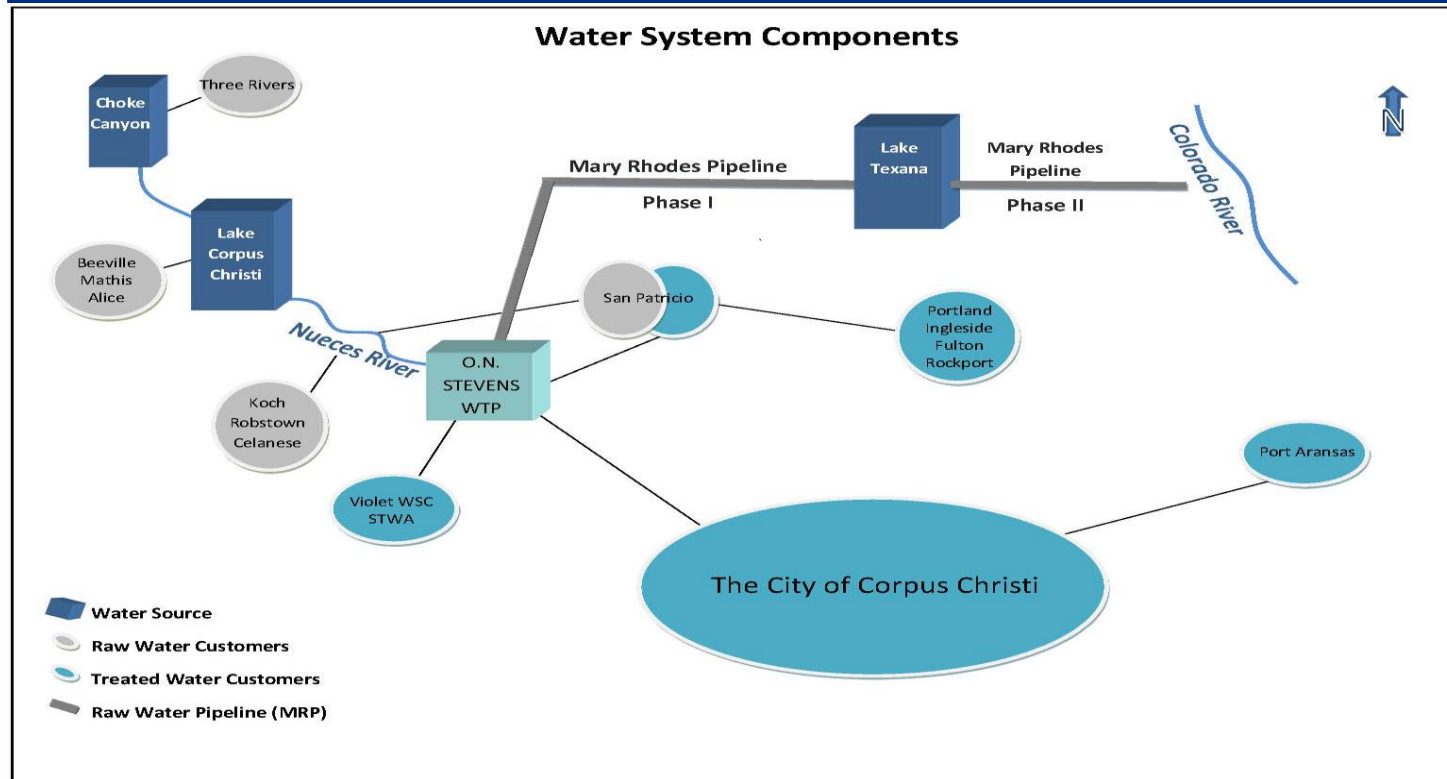


Volume



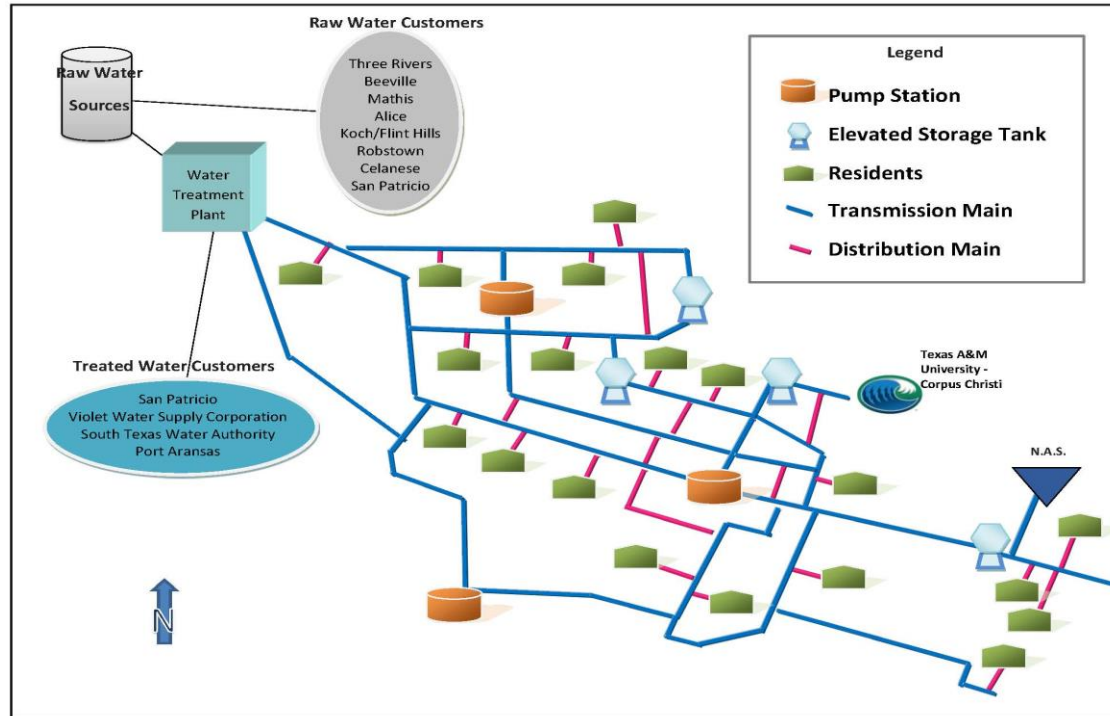


Water System Components





Water System Components





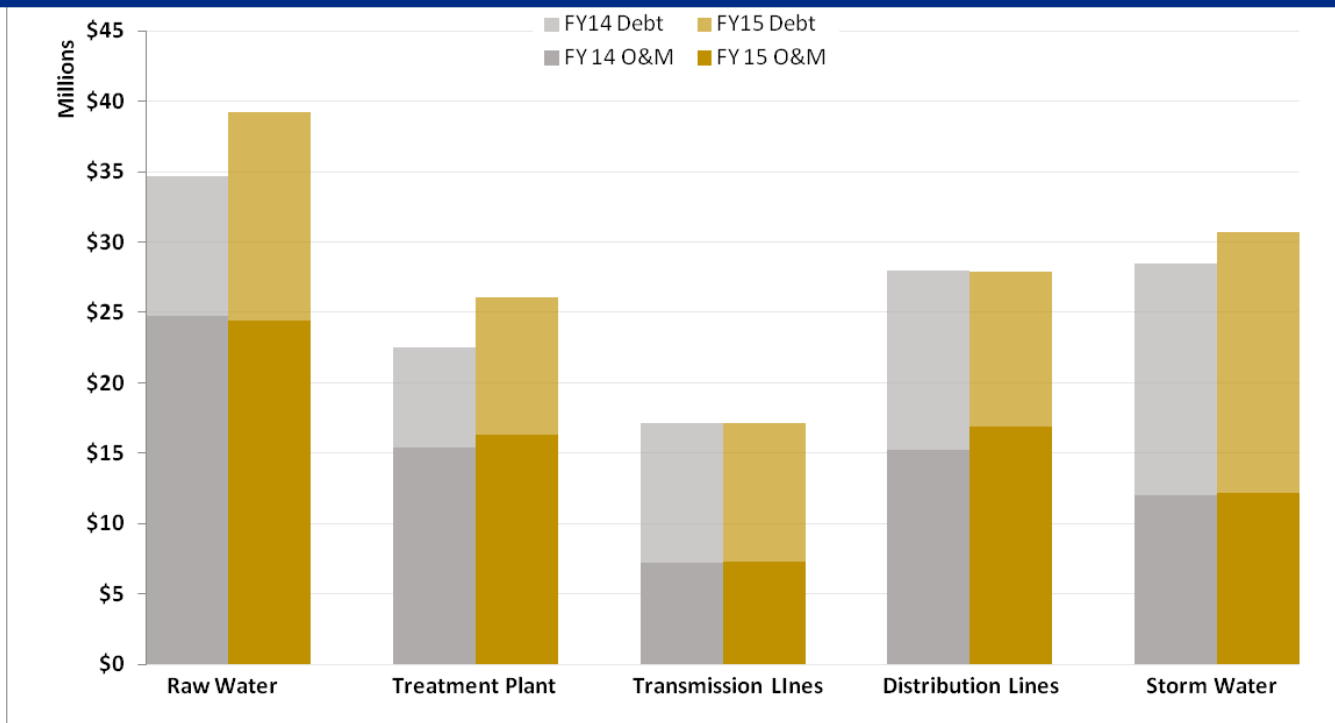
Utility Bill Breakdown

	Raw Water	Treatment	Transmission	Distribution	Stormwater
Inside City Limits					
Residential and Commercial	•	•	•	•	•
Outside City Limits					
Residential and Commercial	•	•	•	•	
Industrial customers	•	•	•		
Port Aransas & Violet Water Supply Corporation	•	•	•		
San Patricio Municipal Water District	•				
South Texas Water Authority	•	•			
Raw Water Customers	•				



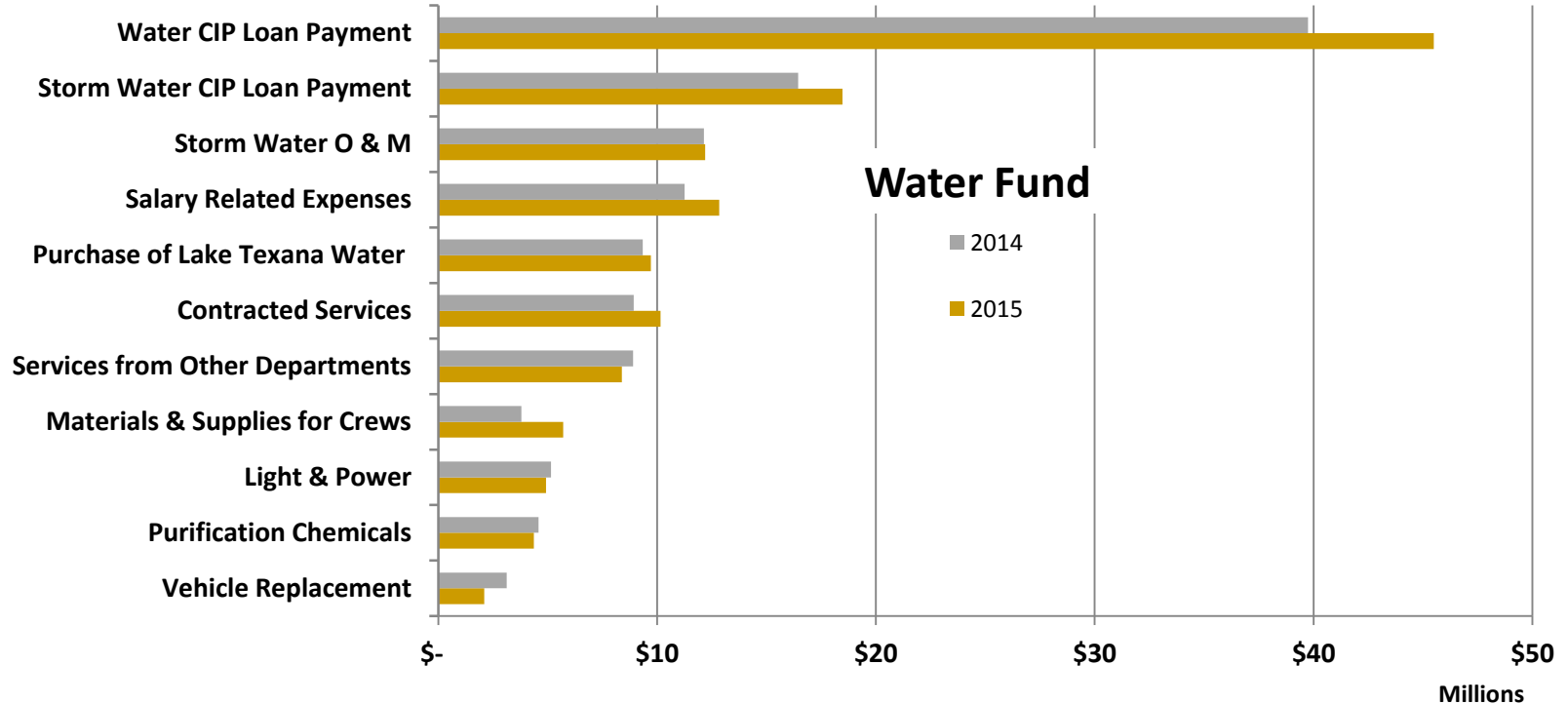
Costs

(Cost – Adjustments) = Unit Cost
Volume





Water Fund





Capital Improvements Program (CIP) Debt Service

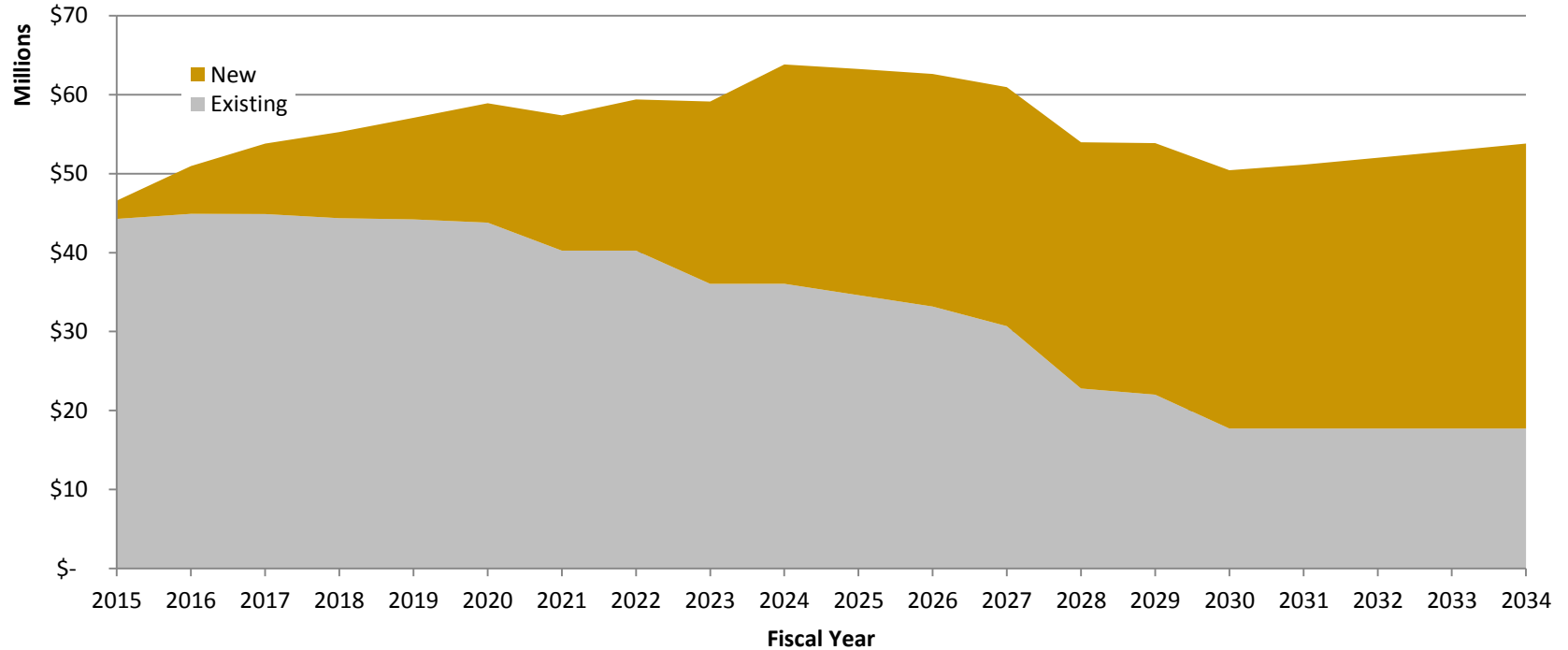


Assumptions

- Term of bonds = 30 years
- Interest Rate = 5%
- Project cost escalation = 1.5 %
- Debt Coverage = 1.15

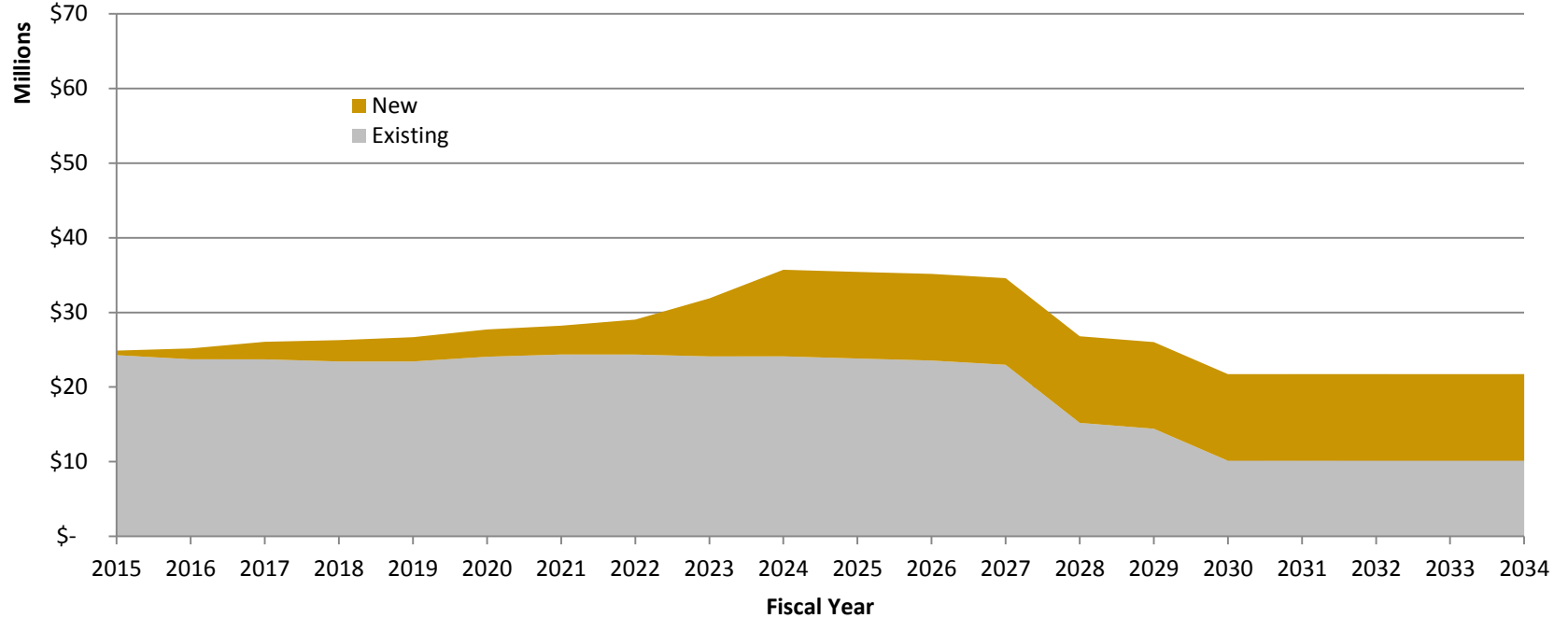


Water Fund





Raw Water



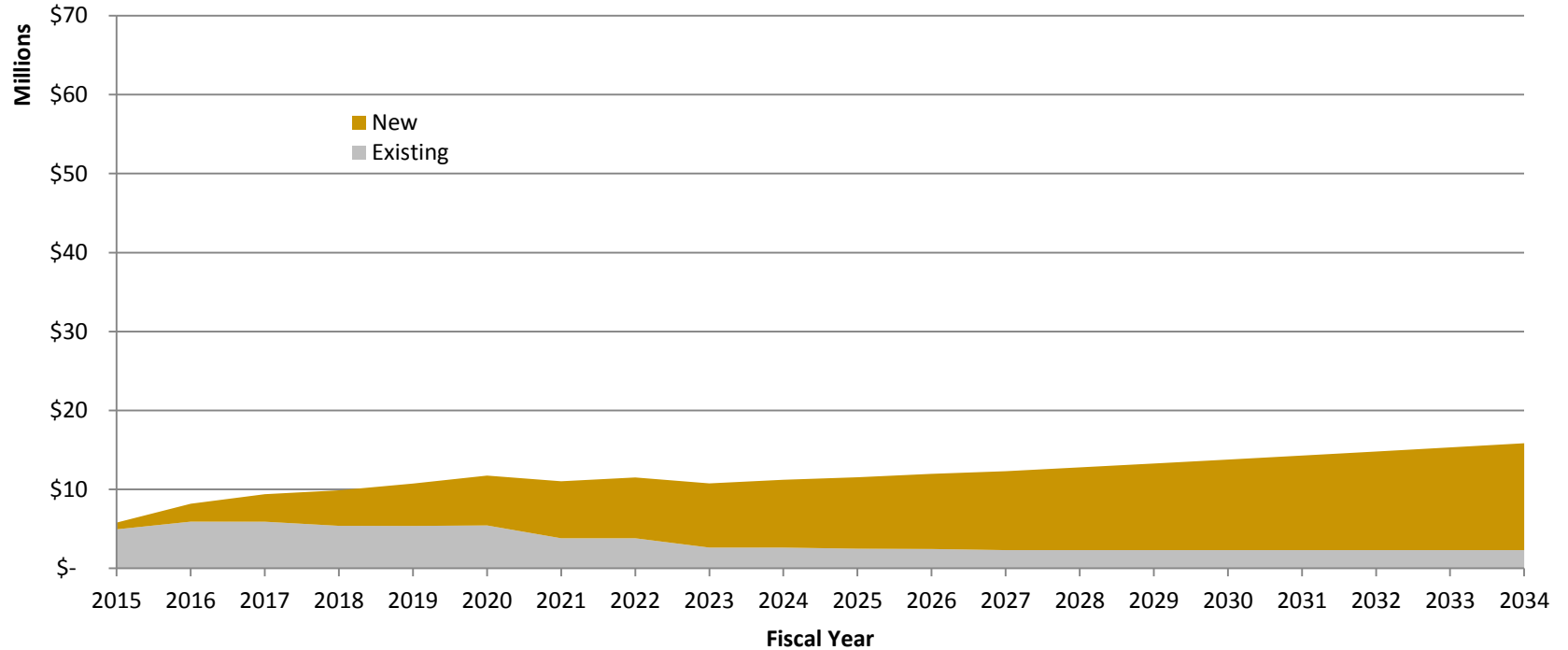


Raw Water CIP

	Cost (\$M)	2015				2020					2025				2030			2034
Mary Rhodes Phase 1 Segment 1 unit Installation	\$ 13																	
Wesley Seale Instrumentation	\$ 15																	
Corpus Christi Operating System Infrastructure Improvements	\$ 10																	
City of Corpus Christi Desalination Program	\$ 2																	
Choke Canyon Dam	\$ 4																	
Future water supplies	\$ 113																	



Treatment



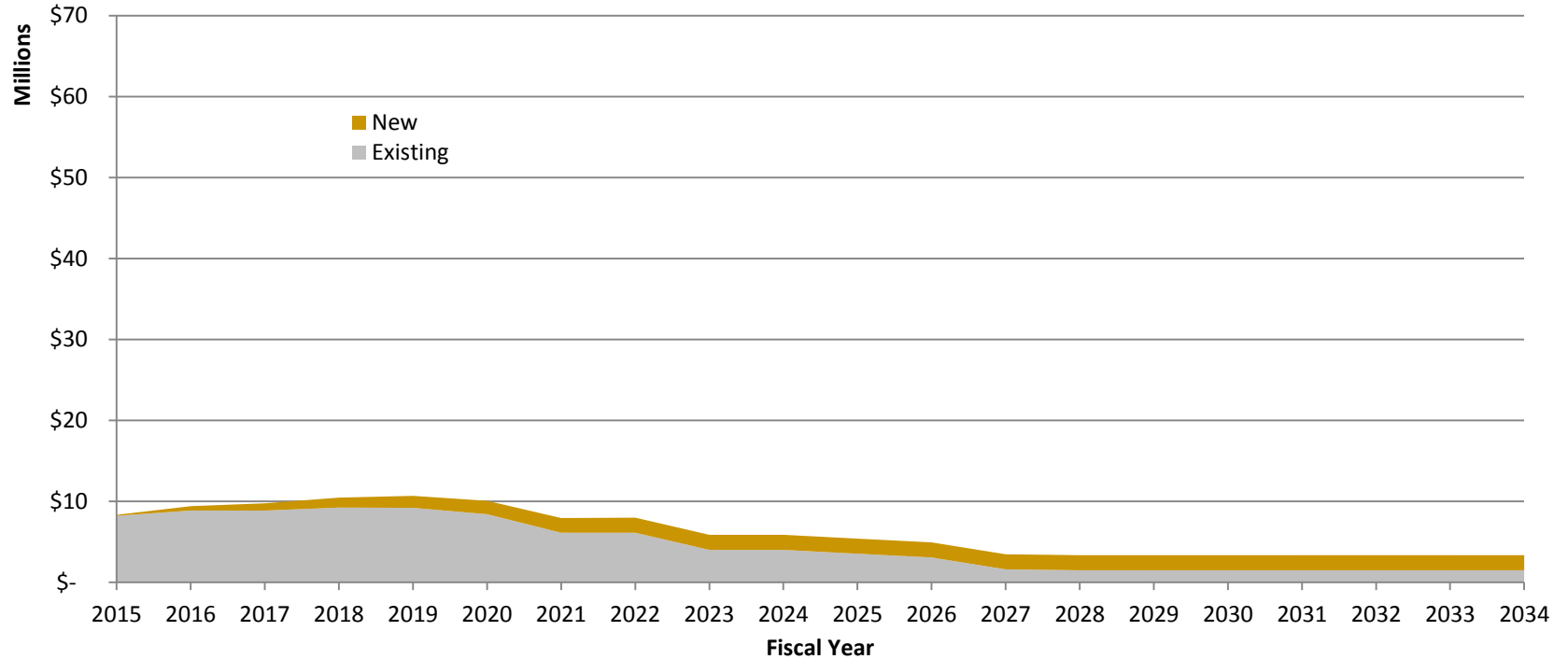


Treatment CIP

	Cost (\$M)	2015				2020					2025					2030				2034
Nueces River Pump Station Improvments	21																			
ONS WTP Alum & Floride Facilities Replacement	3																			
ONS WTP Raw Water Influent Improvements (Supply)	21																			
Atlee Cunningham WTP Phase 1 - (20 MGD)	9																			
ONS WTP Chlorine Storage and handling facilities impr	7																			
ONS WTP Alternative Power - Generator #4	1																			
ONS WTP Interim Sludge Management Improvements	1																			
ONS WTP Polymer (LAS) Facilities Replacement	4																			
ONS WTP Improvements to Presedimentation Basin	1																			
ONS WTP Electrical Distribution Improvements	5																			
ONS WTP Site Infrastructure Improvements	10																			
ONS WTP Clear Well #3	25																			
ONS WTP Solids Handling Facilities	3																			
ONS WTP relocate AEP Transmission	2																			
ONS WTP High Service Pump Station #3& Clear Well No 1 repair	27																			
ONS WTP Treatment and Pump Station Improvements	68																			
ONS WTP Construct Monofill on site	1																			



Transmission



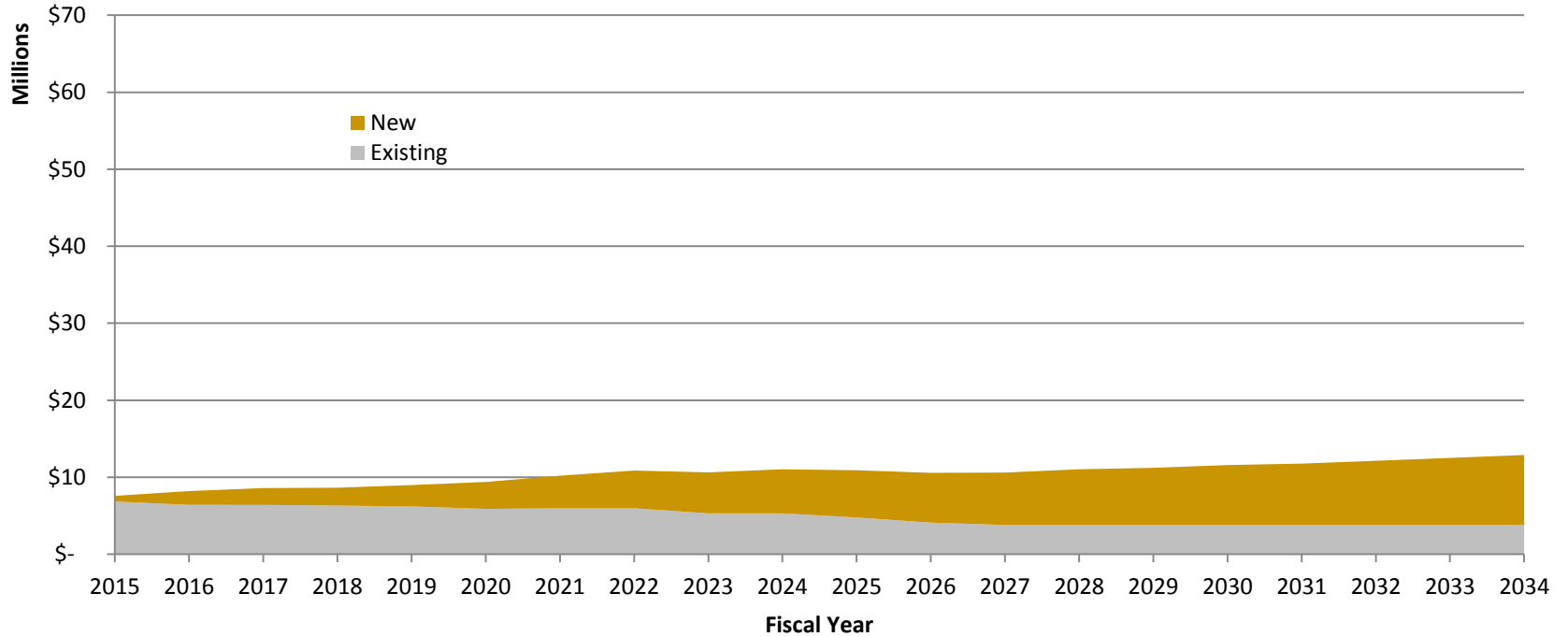


Transmission CIP

	Cost (\$M)	2015				2020					2025				2030				2034
Water Transmission Infrastructure Cathodic Protection Improv	2																		
Elevated Storage Tanks city-wide (ACR)	26																		



Distribution



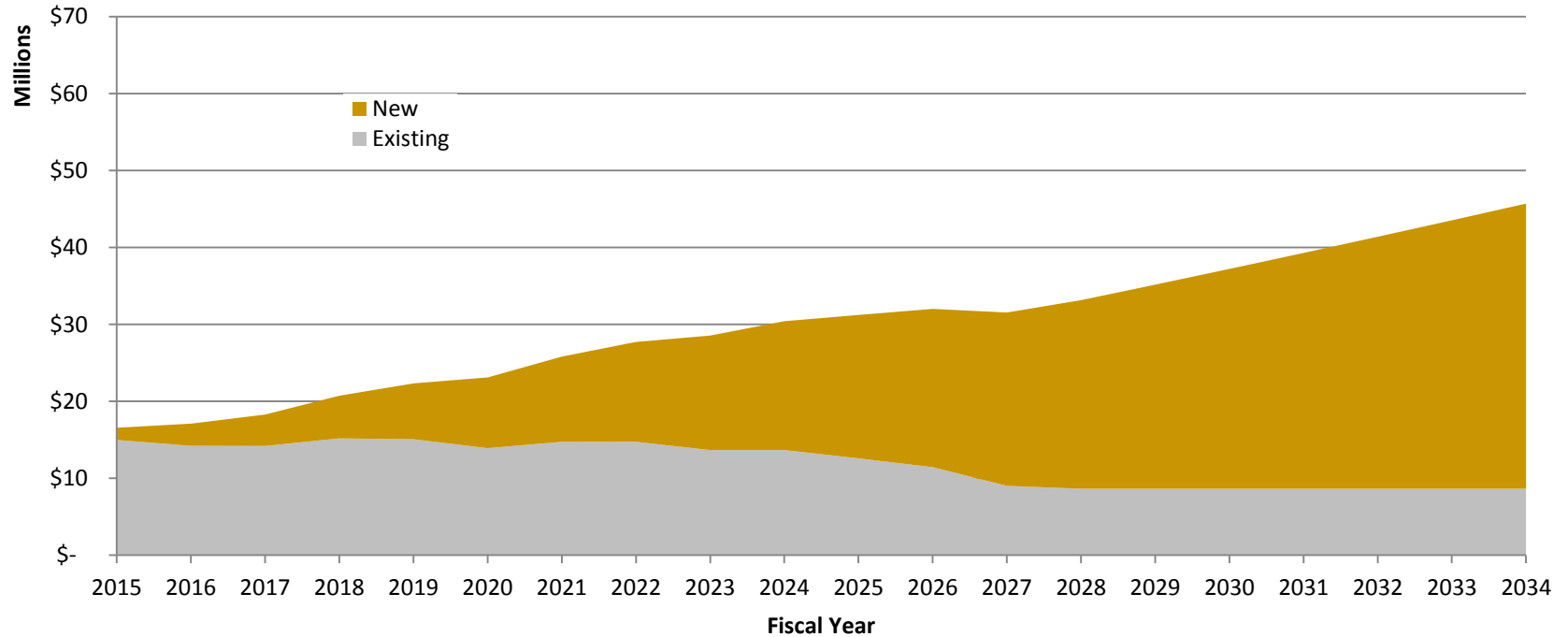


Distribution CIP

	Cost (\$M)	2015				2020					2025					2030				2034	
Programmed Water Line Service Life Extension	88																				
Utility Developer Participation	1																				
NAS Water Distribution Infrastructure Improvements	5																				
Water Program Management	2																				
Bond 2008	2																				
Bond 2012	13																				
Future Bond	131																				
Water Meter & Automated Meter Reading replacements	6																				
Water System Master Plan Development	1																				
Utility Building Expansion	16																				



Storm Water Fund

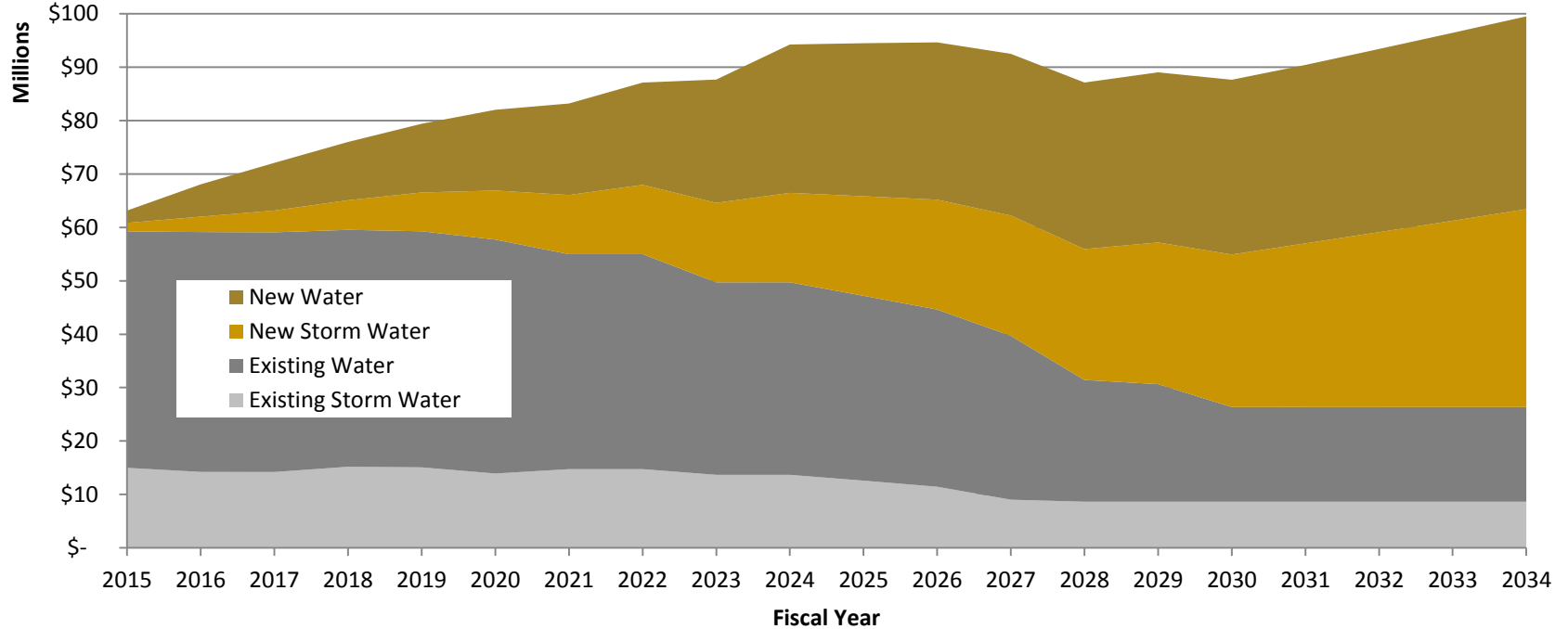




Storm Water CIP

	Cost (\$M)	2015				2020				2025				2030			2034
Lifecycle Pipe Rehabilitation & Replacement	15																
Bridge Rehabilitation	12																
Golihar Outfall Repairs	2																
Coles & Ropes Park Implementation Plan Remediation	1																
IDIQ Major Ditch Improvements	12																
Lifecycle Curb & Gutter Replacement	14																
Storm Water Drainage Master Plan	3																
Drainage Channel Excavation - Master Channel No. 31	2																
Schanen Ditch Improvements	6																
Utility Building Expansion	2																
Unanticipated Stormwater Capital Requirements	11																
Utility Developer Participation	2																
Oso Creek Basin Draining Relief	2																
Major Outfalls Assessment	7																
La Volla Creek Channel Excavation, Phase 2	5																
La Volla Creek Channel Excavation, Phase 1	2																
Bond 2012	21																
Future Street Bond Support	257																
Egyptian and Meadowbrook USACE Mitigation	2																
Future Drainage Projects	185																

Water + Storm Water Debt





Questions?