



## **CITY OF ROLLINGWOOD UTILITY COMMISSION AGENDA**

**Tuesday, December 01, 2020**

In accordance with an order of the Office of the Governor issued March 16, 2020, the Utility Commission of the City of Rollingwood will conduct a video conference and telephonic meeting in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). The meeting will be held on Tuesday, December 1, 2020 at 5:00 PM. The public may watch this meeting live and have the opportunity to comment via audio devices at the link below. The public may also participate in this meeting by dialing one of the toll-free numbers below and entering the meeting ID and Passcode.

<https://us02web.zoom.us/j/88641344548?pwd=T01YRisvVII McHB2YnVpZW52dkhLUT09>

Meeting ID: 886 4134 4548

Passcode: 2020

Toll-Free Numbers: (833) 548-0276 or (833) 548-0282

The public will be permitted to offer public comments via their audio devices when logged in to the meeting or telephonically by calling in as provided by the agenda and as permitted by the presiding officer during the meeting. Written questions or comments may be submitted up two hours before the meeting. A video recording of the meeting will be made and will be posted to the City’s website and available to the public in accordance with the Texas Public Information Act upon written request.

### **CALL UTILITY COMMISSION MEETING TO ORDER**

1. Roll Call

### **PUBLIC COMMENTS**

Citizens wishing to address the Utility Commission for items not on the agenda will be received at this time. Please limit comments to 3 minutes. In accordance with the Open Meetings Act, the Utility Commission is restricted from discussing or taking action on items not listed on the agenda.

Citizens who wish to address the Utility Commission with regard to matters on the agenda will be received at the time the item is considered.

### **CONSENT AGENDA**

All Consent Agenda items listed are considered to be routine by the Utility Commission and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a

Board Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.

2. Discussion and possible action on the minutes from the October 6, 2020 Utility Commission meeting.

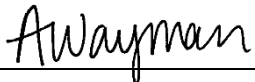
### **REGULAR AGENDA**

3. Discussion and possible action on a quote from Nelisa Heddin to perform a study of the City's LUE assignment and policy.
4. Discussion and possible action on a quote from Nelisa Heddin to perform a water rate study.
5. Presentation, discussion and possible action on a scope of services for easement location and identification from WSB Engineering.
6. Update on the electronic water meter test program.
7. Update on the fire hydrant testing and painting project.

### **ADJOURNMENT OF MEETING**

#### **CERTIFICATION OF POSTING**

I hereby certify that the above Notice of Meeting was posted on the bulletin board at the Rollingwood Municipal Building, in Rollingwood, Texas and to the City website at [www.rollingwoodtx.gov](http://www.rollingwoodtx.gov) on Tuesday, November 24, 2020 at 10:30 a.m.



Ashley Wayman, City Secretary

#### **NOTICE -**

The City of Rollingwood is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please contact the City Secretary, at (512) 327-1838 for information. Hearing-impaired or speech-disabled persons equipped with telecommunication devices for the deaf may call (512) 272-9116 or may utilize the stateside Relay Texas Program at 1-800-735-2988.

The Utility Commission will announce that it will go into executive session, if necessary, to deliberate any matter listed on this agenda for which an exception to open meetings requirements permits such closed deliberation, including but not limited to consultation with the city's attorney(s) pursuant to Texas Local Government Code section 551.071, as announced at the time of the closed session.

Consultation with legal counsel pursuant to section 551.071 of the Texas Local Government Code;  
discussion of personnel matters pursuant to section 551.074 of the Texas Local Government Code;  
real estate acquisition pursuant to section 551.072 of the Texas Local Government Code;  
prospective gifts pursuant to section 551.073 of the Texas Local Government Code;  
security personnel and device pursuant to section 551.076 of the Texas Local Government Code;  
and/or economic development pursuant to section 551.087 of the Texas Local Government Code.  
Action, if any, will be taken in open session.



## **CITY OF ROLLINGWOOD UTILITY COMMISSION MINUTES**

**Tuesday, October 06, 2020**

On October 6, 2020 at 5:00 p.m., the Utility Commission of the City of Rollingwood, Texas held a regular meeting, open to the public, via video conference and telephone in accordance with an order of the Office of the Governor issued March 16, 2020. The public was able to watch this meeting live and had the opportunity to comment via audio devices at the following link:

<https://meetings.ipvideotalk.com/154631881>

The public was also able to participate in this meeting by dialing one of the following numbers: 1(617) 315-8088 or toll free at 1(888) 330-2489 and entering the Meeting ID: 154631881

The public was permitted to offer public comments via their audio devices when logged in to the meeting or telephonically by calling in as provided by the agenda and as permitted by the presiding officer during the meeting. A video recording of the meeting was made and posted to the City's website and available to the public in accordance with the Texas Public Information Act upon written request. The following items were discussed:

### **CALL UTILITY COMMISSION MEETING TO ORDER**

#### **1. Roll Call**

**Acting Chair Jonathan Miller called the meeting to order at 5:00 p.m.**

**Present Members:** Acting Chair Jonathan Miller, William Teten, Ronald Hasso, Phil Dixon, Christopher Meakin and Clark Wilson.

**Also Present:** City Administrator Amber Lewis, Council Member Sara Hutson, and Assistant City Administrator Ashley Wayman.

### **PUBLIC COMMENTS**

There were no public comments.

### **CONSENT AGENDA**

All Consent Agenda items listed are considered to be routine by the Utility Commission and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a Board Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.

2. Discussion and possible action on the minutes from the September 1, 2020 Utility Commission meeting.

**Jonathan Miller motioned to approve the minutes from the September 1, 2020 Utility Commission meeting. William Teten seconded the motion.**

**The motion passed 6-0.**

### **REGULAR AGENDA**

3. Discussion and possible action to elect a Chair for the Utility Commission.

City Administrator Amber Lewis explained that William Teten has expressed that he has a demanding schedule and would like to stay on the Utility Commission but step down as Chair.

Jonathan Miller volunteered to serve as the Utility Commission Chair or nominate someone else if they want to serve as the Chair.

**Clark Wilson motioned to elect Jonathan Miller as the Chair of the Utility Commission. Ronald Hasso seconded the motion.**

**The motion passed 5-0 with one abstention.**

4. Discussion and possible action to further evaluate and make a recommendation regarding the stand-by fee option of the wastewater rate study.

Nelisa Heddin discussed the recommendations regarding the wastewater rate study that were made to the City Council and that the stand-by fee option came up as something that the City Council would like the Utility Commission to look into further. She discussed the stand-by fee options in detail and answered questions of the commission.

The commission discussed options for charging this fee.

**Christopher Meakin motioned that, for this coming year, the debt burden be applied to houses that are disconnected and a reconnect fee is charged. Clark Wilson seconded the motion.**

Phil Dixon clarified that it is a monthly fee multiplied by the number of months that the house is disconnected.

The commission further discussed the reconnect fee.

**Christopher Meakin restated his motion to state that a reconnect fee is to be charged when wastewater is reconnected and will be equal to the debt service fee, it will be paid upon reconnection, and this will go into effect at the time that the Council implements this part of the wastewater rate study. Clark Wilson seconded the motion.**

Phil Dixon clarified that the charge will be based on the actual number of months that service was disconnected.

**The motion passed 5-0.**

5. Update on the status of the Electronic Water Meter Testing Program.

The commission discussed the update regarding the Electronic Water Meter Testing Program.

City Administrator Amber Lewis gave an update regarding the fire hydrant testing and painting project.

**ADJOURNMENT OF MEETING**

The meeting was adjourned at 5:49 p.m.

Minutes Adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
**Jonathan Miller, Chair**

**ATTEST:**

\_\_\_\_\_  
**Ashley Wayman, City Secretary**

# Professional Proposal

## Professional Proposal

City of Rollingwood, Texas

Water and Wastewater Utility  
LUE Determination Proposal

November 30, 2020



**Nelisa Heddin Consulting, LLC**

P.O. Box 341855

Lakeway, TX 78734

(512) 589-1028

[nheddin@nelisaheddinconsulting.com](mailto:nheddin@nelisaheddinconsulting.com)

## EXECUTIVE SUMMARY

Nelisa Heddin Consulting, LLC (NH Consulting) is pleased to provide the City of Rollingwood (“City”) with a proposal for a LUE determination analysis City’s Water and Wastewater Utility. NH Consulting will work with the City to develop rate recommendations which will assure adequate revenues for operations and capital improvements on a self-sustaining basis, while considering the economic impact on the Utility’s customers, taking into consideration the cost of providing the services. ***NH Consulting offers the City of Rollingwood unparalleled expertise in the performance of cost of service and rate design analysis.***

NH Consulting is a financial and management consulting firm specializing in meeting the needs of municipal utilities.

NH Consulting intends to provide the City with a comprehensive package of services to enable the City to more efficiently manage its utilities and fully evaluate the City’s utility rate structure.

The following proposal identifies the project team’s qualifications and outlines our approach to the project.

The project team believes that the successful completion of this project will be dependent on the following requirements:

- A project manager who clearly understands the City’s operating environment including long-term and short-term goals and is committed to helping the City identify strategies to achieving those goals
- A project manager who is committed to providing value-added services to the City that go beyond simply the performance of a rate study, but assisting the City in planning for the future of its Utilities
- A project manager who is experienced in the performance of and specializing in cost of service and rate design studies for numerous entities throughout the U.S and is a recognized expert in the industry having testified before the State Office of Administrative Hearings and the State Legislature
- Responsiveness and constant communication with the City

As outlined in this proposal, NH Consulting is uniquely qualified to meet each of these requirements.

# Executive Summary



## WORK PLAN

### Living Unit Equivalents

The City utilizes a metric called a “Living Unit Equivalent” (LUE) for the purposes of billing base fees for services to commercial customers. Each commercial customer is assigned an LUE factor which is then multiplied by the City’s base fee per LUE. The intent of an LUE is to compare or normalize residential and commercial customers on a like or equal basis. The industry has adopted an LUE as a measurement that converts commercial customers to a like measure on scale of residential (living unit) connections.

### Project Approach

While the use of LUEs is common in the industry, the means in which to determine an LUE varies across utilities. Some ways of determining an LUE include meter size, historical use, type of use, and square footage. Each method is valid and has benefits and draw backs which must be evaluated and considered in order to identify the methodology that is most appropriate for each community. The goal of the LUE determinant is to achieve equity among customers while at the same time be easy to understand by customers and to implement by City staff.

It is the understanding of the project team that the LUE factors currently used by the City were determined many years ago and have not been updated or evaluated since. Further, it is the understanding of the project team that the City does not have an internal process to determine or assign LUE factors to new commercial connections. As such, the proposed engagement would:

1. Determine an appropriate methodology to utilize in assigning LUE factors.
2. Evaluate the City’s existing connections and assign LUE factors to all commercial customers using the new methodology.
3. Develop an SOP for the City which would be utilized by City staff to assign LUE factors to new connections.

NH Consulting will develop LUE determinants based upon a variety of available factors including meter size, historical use, type of use and square footage. Each factor will be compared with the available alternatives and the City’s currently assigned factors. NH Consulting will also compare the annual revenue recovery from each alternative. NH Consulting will present the available options to the City and will provide a detailed discussion of the pros and cons of each option for consideration and selection by the Utility Commission and City Council. Once the desired option has been selected, NH Consulting will provide the City with final LUE assignments for the City’s existing connections and will also provide an SOP to be utilized by City staff in the future for assigning LUE factors to future connections.



## Proposed Fees

**NH Consulting proposes to perform the services described herein for a guaranteed-not-to exceed fee of \$3,640.** The City would be billed monthly based upon percentage of completion, with the final payment to be due upon delivery of final report and presentation of findings. The project budget and scope of services presented herein reflect the project team's understanding of the City's specific needs. *The project team is willing to negotiate price based on an adjusted scope of services to meet the City's specific needs and budgetary limitations if deemed necessary.*

# Proposed Fees



## NELISA HEDDIN CONSULTING, LLC PROFILE

NH Consulting is a management consulting firm specializing in the financial planning and management of municipal utilities. NH Consulting works closely with each client to develop strategic, individualized solutions. We provide a full range of services to meet our clients' complex needs including cost of service and rate design studies, impact fee analysis, and budgeting assistance.

NH Consulting works closely with each client to thoroughly understand their unique needs, goals, issues and challenges and develops strategic solutions customized to address the individualized needs of each client.

Services provided by NH Consulting include:

- Cost of Service and Rate Design Studies
- Comprehensive Fee Analysis
- Indirect Cost Allocation Studies
- Impact Fee Analysis
- Pro Forma Analysis
- Bond Issuance Support
- Annual and Long Term Operational Budgeting
- Cost Benefit Analysis
- Comparative Benchmarking Analysis
- Financial Planning and Modeling
- Financial Planning and Modeling
- Financial Planning and Budgeting for CIP Programs
- Public Education Programs
- Service Area Valuations
- Feasibility Analysis
- Regionalization Planning and Implementation
- Expert Witness Testimony
- Legislative Support
- Billing System Reviews and Implementation

### Strategic – Innovative - Excellence

Nelisa Heddin, president of NH Consulting, is Past Chair of the Texas AWWA Rates and Charges Sub-Committee, and is still actively involved in this professional organization. Ms. Heddin brings the most innovative solutions in the industry to each of her clients – allowing her to develop customized strategies to meet each of her clients needs.

Firm Profile



## PROJECT TEAM PROFILE

### NELISA HEDDIN, PROJECT MANAGER

Ms. Heddin will serve as the project manager for this engagement, bringing over 19 years in utility rate design to this engagement. Ms. Heddin will be performing the financial analysis and will responsible for the overall quality control for this engagement.

Ms. Heddin is an industry expert in financial planning and management for municipal utilities, specializing in cost of service and rate design studies, impact fee analysis, cost benefit analysis, and annual and long-term budgeting. Ms. Heddin has over 19 years experience in providing consulting services to utilities of all sizes throughout the Southwest. She is a Past-Chair of the Texas AWWA Rates and Charges Sub-committee and has been invited to speak at numerous industry functions regarding cost of service issues, rate design, water loss and capital financing.

### Expertise You Can Rely On – Quality You Can Trust

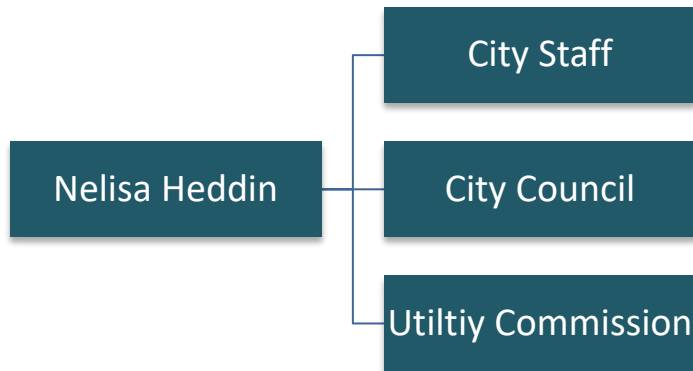
NH Consulting assigns a single project manager who services as project manager and analyst for each engagement – this ensures continuity throughout each engagement. Nelisa Heddin, the proposed project manager for this engagement, is a leading expert in cost of service and rate design studies, having worked for entities across the United States such as the Cities of Dallas, Phoenix, Tucson, Little Rock, Webster, Pflugerville, and Georgetown.

# Project Team Profile



## Organizational Chart

Nelisa Heddin, president of NH Consulting, will be working directly with the City on this engagement. While administrative staff may be utilized to some degree to assist in some areas such as data entry, Ms. Heddin will perform the financial analysis, write the report and will work directly with the City. It is the perspective of NH Consulting that the City must have direct access to the expert in this field rather than staff who have limited experience. As such, the organizational chart for this engagement is very simple:



## Nelisa Heddin

President

### Professional Background

Nelisa Heddin is an industry expert in financial planning and management for water and wastewater utilities; specializing in cost of service and rate design studies, impact fee analysis, cost benefit analysis, and annual and long-term budgeting. Ms. Heddin has over 16 years experience in providing consulting services to utilities of all sizes throughout the Southwest. Ms. Heddin has a Masters of Business Administration with a specialty in Finance. She is a Past-Chair of the Texas AWWA Rates and Charges Subcommittee and has been invited to speak at numerous industry functions regarding water and wastewater rates, rate design, water loss, and capital financing.

### Education

B.S., Biology, New Mexico State University, 1996  
MBA, Finance, New Mexico State University, 1999

### Professional Affiliations

American Water Works Association  
Past Chairman Texas AWWA Rates and Charges Subcommittee  
Texas Municipal League  
Texas Government Financial Officers Association

### Sample of Relevant Project Experience

#### Cost of Service and Rate Design Projects

Bistone Municipal WSC  
City of Alamo Heights, Texas  
City of Bastrop, Texas  
City of Bonham, Texas  
City of Burnet, Texas  
City of Cameron, Texas  
City of Copperas Cove, Texas  
City of Corinth, Texas  
City of Cuero, Texas  
City of Del Rio, Texas  
City of Friendswood, Texas  
City of Garland, Texas  
City of Gladewater, Texas  
City of Horseshoe Bay, Texas  
City of Idabel, Oklahoma  
City of Krum, Texas  
City of Lago Vista, Texas  
City of Leon Valley, Texas  
City of Little Rock, Arkansas  
City of Lindale, Texas  
City of Mexia, Texas  
City of Midland, Texas  
City of Missouri City, Texas  
City of Moulton, Texas  
City of Murphy, Texas  
City of New Madrid, Missouri

City of North Lake, Texas  
City of Pecos, Texas  
City of Pflugerville, Texas  
City of Phoenix, Arizona  
City of Richmond, Texas  
City of Selma, Texas  
City of Southside Place, Texas  
City of Sweet Water, Texas  
City of Webster, Texas  
City of Wortham, Texas  
Eldorado Area WSD  
Fair Management, LC  
Gorforth SUD  
La Ventana Utilities  
MB Wastewater Services, LLC  
Quail Valley Utility District  
Southern Crossing Utilities  
Travis County WCID #17  
West Travis County Public Utility Agency  
Whiterock Water Supply Corporation

# Resume



Impact Fee Studies

West Travis County Public Utility Agency	City of Burnet, Texas
City of Southside Place, Texas	City of Corinth, Texas
City of Cuero, Texas	City of Missouri City, Texas
City of Bastrop, Texas	

Valuation Analysis

Central Texas UDC	U.S. Navy	Green Valley SUD
West Travis County Public Utility Agency	City of Dallas, Texas	City of Fort Worth, Texas

Operations and Management Reviews

Quail Valley Utility District	City of Bastrop, Texas	City of Gladewater, Texas
City of Waco, Texas	City of Uvalde, Texas	City of Galveston, Texas

Other Projects

Central Texas UDC - Facilities Acquisition Negotiations	City of Bee Cave - Litigation Support and Expert Witness Testimony
City of Georgetown/ Chisholm Trail SUD - Regionalization Feasibility	La Ventana - Litigation Support and Expert Witness Testimony
City of Georgetown - Contract Assignment Consents	White Bluff Rate Payers - Litigation Support and Expert Witness Testimony
City of Lakeway – Review of Utility Rates of Lakeway MUD	Canyon Lake Rate Payers – Litigation Support and Expert Witness Testimony

**Publications and Presentations**

Texas H2O, November/December 2004, “Finding the Water: How to Cope with HB3338”  
Office of Rural Community Affairs, 2004 – Water Related Training for Local Leaders  
Texas Water, 2004 – Professional Paper - Water Audits, Water Loss and HB3338  
Texas Rural Water Association Annual Conference 2002– Presentation – Encroachment Issues  
Incode Education Forum, 2007 – Selling Utility Rate Studies  
Texas Water, 2006 – Water Loss Determination  
Munis Education Forum, 2006 – Utility Rate Analysis  
Incode Education Forum, 2006 – Utility Rate Analysis  
TAWWA Rate Seminar, 2010 - Utility Rate Analysis  
GFOAT, 2005 – Capital Financing Seminar  
GFOAT Gulf-Coast Chapter, 2005 – Presentation – The GFO's Water Challenges

## References

### West Travis County Public Utility Agency Financial Manager Cost of Service and Rate Design Study

<b>Project Description</b>	Nelisa Heddin became familiar with the West Travis County water and wastewater systems beginning in 2007 during a contested proceeding between the Lower Colorado River Authority (LCRA) and the City of Bee Cave and eventually testified on the equitability of the rates implemented by the LCRA before the State Office of Administrative Hearings (SOAH). Ultimately, the City of Bee Cave along with Travis County MUD #3 and Hays County ended up purchasing the systems and created the West Travis County Public Utility Agency (Agency) to own and operate the systems. Ms. Heddin assisted in the acquisition of the systems and the transition of the operation of the systems to the Agency. Ms. Heddin served as the Financial Manager for the Agency assisting with budgeting, revenue tracking, and the many challenges associated with this large, regional system through 2014. Ms. Heddin has completed 4 cost of service and rate design studies for the Agency, with the most recent analysis completed in May, 2019.
<b>Project Completion</b>	2012 – present
<b>Project Highlights</b>	Financial Manager Annual Budgeting Impact Fee Analysis Wholesale Rate Analysis Cost of Service and Rate Design Capital Improvement Planning Public Education
<b>Contact</b>	Jennifer Riechers West Travis County Public Utility Agency General Manager (512) 263-0100  12117 Bee Cave Rd. Building 3, Suite 120 Bee Cave, Texas 78738 <a href="mailto:jriechers@wtcpua.org">jriechers@wtcpua.org</a>

### City of Southside Place, Texas Cost of Service and Rate Design Study

<b>Project Description</b>	In 2008, Nelisa Heddin conducted a Cost of Service and Rate Design study for the City of Southside Place. The analysis evaluated the cost of providing services to residential and commercial customers and made recommendations to adjustments in rates based upon those costs. Ms. Heddin was asked to return in 2014 to conduct a follow-up study; she is scheduled to present recommendations to City Council in May, 2014.
<b>Project Completion</b>	2008, 2014
<b>Project Highlights</b>	Cost of Service and Rate Design Transitional Implementation Plan Capital Improvement Planning
<b>Contact</b>	David Moss City of Southside Place, Texas City Manager (713) 668-2341  6309 Edloe Ave Houston, Texas 77005 <a href="mailto:citymgr@southside-place.org">citymgr@southside-place.org</a>

### City of Webster, Texas

#### Cost of Service and Rate Design Study

<b>Project Description</b>	Nelisa Heddin started working with the City of Webster in 2004 when she conducted a Cost of Service and Rate Design study for the City. At that time, the City was not charging residential customers for water and wastewater services – they had a “live free in Webster campaign.” During the post-9/11 economic downturn, the City could no longer utilize tax-revenues to subsidize their utilities. Ms. Heddin worked closely with City staff to develop a transitional implementation plan which would slowly increase rates over time to achieve cost of service. Ms. Heddin has been asked to assist the City in subsequent studies in 2007 and 2013.
<b>Project Completion</b>	2004, 2007 and 2013
<b>Project Highlights</b>	Cost of Service and Rate Design Transitional Implementation Plan Capital Improvement Planning Public Education
<b>Contact</b>	Mike Rodgers, CPA City of Webster, Texas Director of Finance (281) 316-4102  101 Pennsylvania Ave Webster, Texas 77598 <a href="mailto:mrogers@cityofwebster.com">mrogers@cityofwebster.com</a>

### City of Corinth, Texas

#### Cost of Service and Rate Design Study

<b>Project Description</b>	In 2006, Nelisa Heddin conducted a Cost of Service and Rate Design study for the City of Corinth. As the City had difficulty getting rate recommendations passed in the past, Ms. Heddin worked closely with City staff to develop strategies that would ensure adoption by the City’s elected officials and acceptance by the public. The analysis had to consider substantial capital improvements required on the system and developed rates to recover the revenues necessary to keep the system in compliance. Since the original analysis, Ms. Heddin has been invited to assist the City in evaluating rates in 2007, 2008, 2009, 2010 and 2013.
<b>Project Completion</b>	2006, 2007, 2008, 2009, 2010 and 2014
<b>Project Highlights</b>	Cost of Service and Rate Design Benchmarking Analysis Transitional Implementation Plan Capital Improvement Planning
<b>Contact</b>	Lee Ann Bunselmeyer City of Corinth, Texas Director of Finance (940) 498-3280  3300 Corinth Parkway Corinth, Texas 76208 <a href="mailto:lbunselmeyer@cityofcorinth.com">lbunselmeyer@cityofcorinth.com</a>



# Professional Proposal

## Professional Proposal

City of Rollingwood, Texas

Water Utility

Cost of Service and Rate Design Study Proposal

November 30, 2020



**Nelisa Heddin Consulting, LLC**

P.O. Box 341855

Lakeway, TX 78734

(512) 589-1028

[nheddin@nelisaheddinconsulting.com](mailto:nheddin@nelisaheddinconsulting.com)

## EXECUTIVE SUMMARY

Nelisa Heddin Consulting, LLC (NH Consulting) is pleased to provide the City of Rollingwood (“City”) with a proposal for a cost of service and rate design study for the City’s Water Utility. NH Consulting will work with the City to develop rate recommendations which will assure adequate revenues for operations and capital improvements on a self-sustaining basis, while considering the economic impact on the Utility’s customers, taking into consideration the cost of providing the services. ***NH Consulting offers the City of Rollingwood unparalleled expertise in the performance of cost of service and rate design analysis.***

NH Consulting is a financial and management consulting firm specializing in meeting the needs of municipal utilities.

NH Consulting intends to provide the City with a comprehensive package of services to enable the City to more efficiently manage its utilities and fully evaluate the City’s utility rate structure.

The following proposal identifies the project team’s qualifications and outlines our approach to the project.

The project team believes that the successful completion of this project will be dependent on the following requirements:

- A project manager who clearly understands the City’s operating environment including long-term and short-term goals and is committed to helping the City identify strategies to achieving those goals
- A project manager who is committed to providing value-added services to the City that go beyond simply the performance of a rate study, but assisting the City in planning for the future of its Utilities
- A project manager who is experienced in the performance of and specializing in cost of service and rate design studies for numerous entities throughout the U.S and is a recognized expert in the industry having testified before the State Office of Administrative Hearings and the State Legislature
- Responsiveness and constant communication with the City

As outlined in this proposal, NH Consulting is uniquely qualified to meet each of these requirements.

# Executive Summary



## PROJECT APPROACH

### *Analysis of Water Fund Finances and Water Rates*

“Inflation and resulting cost impacts on water utility customers, as well as increased public awareness of the need for conservation and more effective use of natural resources, together with the need to provide proper price signals, have challenged utility managers to continue providing high-quality service to water utility customers on an equitable and fair cost basis.”<sup>1</sup> There are many State and Federal regulations surrounding water and wastewater rates. Chapter 13 of the Texas Water Code states, “rates shall not be unreasonably preferential, prejudicial, or discriminatory but shall be sufficient, equitable, and consistent in application to each class of consumers.” Special care must be taken during the development of water and wastewater rates to ensure that the rates developed are in accordance with this statute.

NH Consulting utilizes a cost of service rate design methodology, called the base-extra capacity method, which is endorsed by the American Water Works Association (AWWA). “The AWWA Rates and Charges Subcommittee does not endorse any substantial departure from cost-of-service based rates to achieve social objectives.”<sup>1</sup> The AWWA emphasizes the importance of using sound cost-of-service principles while setting rates.

The development of water rates utilizing the base-extra capacity method involves four primary steps:

#### **1) Determination of Annual Revenue Requirements for the Study Period**

It is particularly important that all costs associated with providing service are included in the revenue requirement. This includes direct costs such as those required to pump and treat water, as well as indirect costs such as allocations for administrative overhead incurred by other Town departments. It is imperative that the costs included in the revenue requirements are within the confines of State and Federal regulations.

There are two primary approaches to the development of revenue requirements, the “cash-needs” approach, and the “utility” approach. The “cash-needs” approach ensures that the revenues generated by the utility cover the cash needs of the utility, including debt obligations, as they come due, whereas the “utility” basis does not consider debt obligations. The primary difference is that the “utility” basis considers depreciation rather than debt. NH Consulting will work closely with Town staff to determine the approach which is most appropriate in meeting the Town’s needs.

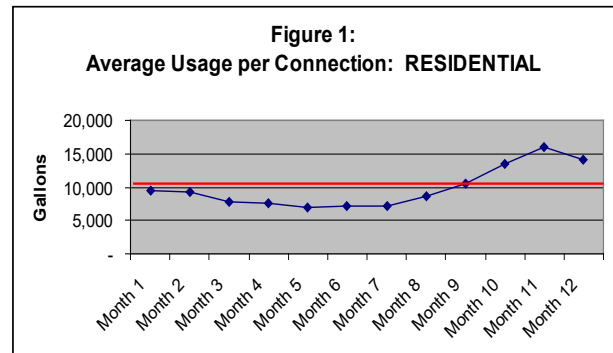
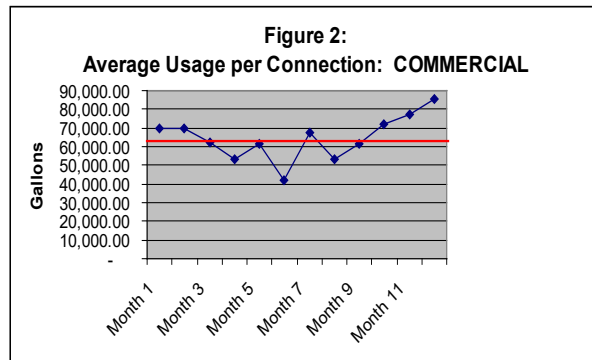
#### **2) Functionalize Revenue Requirements into Cost Components**

Chapter 290 of the Texas Administrative Code outlines strict guidelines that the water utility must abide by while providing retail water services. These guidelines outline specific requirements for items such as minimal system capacities. Thus, the Town must maintain the infrastructure to meet these requirements. Infrastructure capacity requirements are determined by the number of connections that the system serves, and the size of each connection as well as the usage patterns of those customers. Water utilities are designed to handle times of peak usage, such as summer months when residents are irrigating heavily.

<sup>1</sup> American Water Works Association M1 Manual, Water Rates, Fourth Edition, 1991.



Even though the utility may have average usage at a certain level, it must have the capacity to serve customers at a level that is much greater, in order to meet peaking demands. Figures 1 and 2 demonstrate different usage patterns of residential and commercial customers that may occur on a water utility.



According to the AWWA, “a water utility is required to supply water in total amounts and at such rates of use desired by the customer. A utility incurs costs in relationship to the various expenditure requirements caused by meeting those customer needs. Since the needs for total volume of supply and peak rates of use vary among customers, the costs to the utility of providing service also vary among customers or classes of customers.”<sup>2</sup> In other words, there are significant cost implications to the ability a utility system must have to meet peaking patterns. Therefore, one must have an in-depth understanding of the Utility’s expenses in order to allocate them properly into functional cost components.

NH Consulting uses a base-extra capacity methodology to functionalize costs into the following components, as defined by the AWWA in the M1 Manual:

- **Base Costs** – costs that tend to vary with the total quantity of water used plus those O&M expenses and capital costs associated with service to customers under average load conditions, without the elements of cost incurred to meet water use variations and resulting peaks in demand.
- **Extra Capacity Costs** – costs associated with meeting rate-of-use requirements in excess of average and include O&M expenses and capital costs for system capacity beyond that required for average rate of use.
- **Customer Costs** – those costs associated with serving customers, irrespective of the amount or rate of water use.
- **Direct Fire Protection Costs** – those costs that are applicable solely to the fire-protection function.

### 3) Allocation of Cost Components into Customer Classes

Special care must be taken in the selection of customer classifications. In setting customer classes, one must consider service characteristics, demand patterns, and whether service is provided both inside and outside city limits. Customers grouped in the same classification must utilize water for similar purposes and in similar patterns.

The utilization of the base-extra capacity methodology requires an in-depth analysis of customer usage patterns in order to gain a thorough understanding of the demand factors imposed by each customer classification. While setting appropriate customer classifications, the customer’s average and peak usage must be examined.

The ultimate goal of the customer usage analysis is to distribute cost components (base costs, extra-capacity costs, customer costs, and direct fire protection costs) to customer classes based on their specific usage patterns.

<sup>2</sup> American Water Works Association M1 Manual, Water Rates, Fourth Edition, 1991.

#### **4) Design Water Rates**

Water rate design is often a daunting and complex task. The primary consideration is to recover from each customer class, within practical limits, the cost to serve that customer class. However, special care must be taken to ensure that rates are equitable among customer classes, and that customers do not experience “rate shock” because of the new rate structure. In addition, it is important to realize that there are many political and policy influences on the rates charged by a water utility. Water rates must also send appropriate pricing signals to the utility’s customers. Many rate options exist, including: Minimum bill by meter size; Minimum bill by customer class; Volumetric rate by meter size; Volumetric rate by customer class; Conservation rates; Inclining block rates; Declining block rates; Uniform block pricing; Conservation incentives; Marginal cost rates; Unmetered rates; Direct fire-protection rates. The goals of the individual utility must be taken into consideration while evaluating each water rate option.

## WORK PLAN

The Project Team has put together a work plan that accomplishes the four steps of rate design and accomplishes the goals/objectives outlined by the Town. NH Consulting's general approach to rate design is to first thoroughly understand the goals of the Utility and design rates which meet those goals. The Project Team will discuss rate design options and project goals with the Town in a kick-off meeting, which will set the tone and direction of the project.

Task Number	Task Name	Description	Deliverable (if any)
1	<b>Revenue Requirement Determination</b>	Development of Revenue Requirements for the base-year utilizing historical actual costs, Town budgets, debt service schedules, capital improvement plans and information/input from Town staff.	Detailed schedule outlining the base-year revenue requirement and the basis of development, assumptions, and adjustments will be provided to and reviewed with Town staff in a work-paper document. Base year revenue requirements will be relied upon to develop five-year revenue requirements.
2	<b>Allocation of Revenue Requirements Between Utilities</b>	Base-year Revenue Requirements will then be allocated between the utilities based upon a variety of cost-causation factors. NH Consulting will rely upon input from Town staff to ensure appropriate allocations have been made.	A detailed schedule which allocates the Revenue Requirements between the three utilities and the allocation factors utilized for each line-item will be identified and provided to Town staff in a work-paper document. The project team will seek approval of the allocations. The results of this analysis will be incorporated into the five-year Revenue Requirement projections for each utility.
3	<b>Development of Five-Year Revenue Requirement Forecast</b>	Once the base year revenue requirements for the test year have been developed, NH Consulting will work with Town staff to develop a five-year projection of revenue requirements for each utility. Known and measurable changes such as capital improvements, future debt issues and process changes, will be taken into account. The project team will work closely with Town staff project these costs into the five-year planning period considering elements including, but not limited to, inflation, personnel changes, growth impacts, etc. Existing costs will be determined as well as the costs for the proposed CIP. O&M reserves repair and replacement reserves and debt service reserves	Detailed schedules outlining the five-year projection and the basic assumptions used to make those projections. These schedules will likely be included in the final report of the study.

		will be established to coincide with the Town's financial policies.	
4	<b>Functionalization of Revenue Requirements</b>	Once revenue requirements have been determined and projected for the five-year study period, NH Consulting will functionalize each cost component into functional categories, based on that cost. Cost components for the water utility will be further functionalized into base, extra-capacity, and customer cost categories. Wastewater components will be functionalized into flow, treatment, and customer cost categories.	Cost functionalization work-paper schedules will be reviewed with Town staff and will be relied upon for the allocation of costs to customer classes.
5	<b>Customer Demand Analysis</b>	<p>NH Consulting will next examine the historical usage patterns of the Town's current customer classes and will evaluate possible new customer classifications.</p> <p>NH Consulting will examine the usage patterns of the customer classes to determine their average and peak usage. The customer demand analysis is not only useful in cost allocations, it also enables the utility to make future revenue projections, as well as serve as a tool in water resource planning. In addition, NH Consulting will use this analysis to review the Town's current customer classifications as to appropriateness.</p>	Historical customer demands, average use, and peaking patterns will be provided to Town staff in detailed work-papers for review and incorporation into the customer cost allocations and future use projections.
6	<b>Customer Count and Demand Projections</b>	The next step in the analysis is to project future customer growth. NH Consulting will examine historical growth patterns, and discuss future growth with the Town's utility and planning departments to make this projection. In addition, NH Consulting will analyze historical usage patterns and customer growth projections to project usage for the five-year study period.	Future projections of customer count and demands will be reviewed with Town staff. The final report will summarize these projections and the basic assumptions utilized in making these projections.
7	<b>Allocation of Cost Components to Customer Classes</b>	Once NH Consulting has accurately functionalized costs into cost components and has analyzed customer demands, NH Consulting will be able to allocate costs to customer classes based on their usage patterns, and thus relative demands they place on utilities.	Detailed work-papers allocating costs to customer classes will be reviewed with Town staff. The final report will summarize the results of the cost allocation analysis.
8	<b>Rate Design</b>	The previous steps have allocated	The final rate design work

		costs to customer classes based on their system demands and have projected customer demands, and thus billing units, into the future. The final step of the analysis is to design rates for the utilities. NH Consulting will first determine cost-of-service based rates for each customer class. Additionally, NH Consulting will provide alternative rate design options if deemed necessary. The ultimate rates recommended by the project team will be fair and equitable among customers; fully recover the costs associated with providing services; and will meet the goals of the Town as defined in the project kick-off meeting.	papers will be reviewed with Town staff. The recommended rate design will be incorporated into the final report.
9	<b>Preliminary Draft Report</b>	NH Consulting will prepare a preliminary draft report for the Town that discusses the methodology used during the analyses, the critical assumptions made by the project team, and findings and recommendations. The project team will present the draft report to Town staff for comment.	A draft report will be provided to Town staff for comment/edits. Unless otherwise requested by the Town, the draft report will be provided in an electronic, PDF format.
10	<b>Issuance of Final Report</b>	NH Consulting will incorporate the Town's comments into the draft report, and will issue a final report to the Town. This report would include an executive summary, which documents the findings and recommendations in a clear and concise manner.	The project team will provide the Town with the final report.
11	<b>Presentation of Findings</b>	NH Consulting will present findings in up to two regularly scheduled or special called meetings/workshops or public hearings. The project team will educate the Council and/or the public on the methodology, findings, and recommendations of the project.	NH Consulting typically presents findings with a Power-Point presentation, or similar format as deemed appropriate.

NH Consulting will seek to have a clear understanding of Utility Commission and City Council's expectations and receive input prior to development of final recommendations.



## Additional Scenarios

It has been the experience of NH Consulting that in order for officials to be able to make the best-informed decisions pertaining to the future of the utility, it may be necessary to run multiple “what-if” scenarios for consideration. These scenarios may include rates with or without future funding for CIP projects, or scenarios looking at different levels of base fees versus volumetric fees, or scenarios evaluating potential changes to customer classifications. NH Consulting will work with the City to identify if any alternative “what-if” scenarios are necessary, and if they are, NH Consulting will commit to running these scenarios as necessary in order to ensure the City has all the information necessary to make informed decisions.

## Meetings and Development of Materials

NH Consulting considers the role of consultant to the City of Rollingwood to consist of more than simply developing a rate mode and writing a report. Rather, NH Consulting considers its role as one of guiding the City through the process of considering and evaluating changes to its wastewater utility rates. This role includes not just running numbers and writing a report, but also attending meetings with City staff, City Council, and the Utility Commission, providing guidance on the best way to approach policy initiatives, listening to the City Council and Utility Commission and the public and incorporating their thoughts and concerns into the model, and assisting with the development of materials and communications with the public and even the ordinance to be adopted.

It is extremely important to NH Consulting that the City receives the time and assistance it needs to determine the most appropriate path forward for the City’s wastewater utility. NH Consulting will not only develop rates and write a report, but will guarantee assistance to the City in the other elements involved including public communications and even discussing implementation of final rates with the City’s billing company. NH Consulting will also be available anytime during the five-year study period to assist with any future questions pertaining to the rates and recommendations.

As such, this proposal does not limit the number of meetings with City staff, the City Council or the Utility Commission – but instead, NH Consulting will commit to doing whatever is necessary to get the job done and see that the City is able to adopt changes to its rates as necessary.

## Proposed Fees

**NH Consulting proposes to perform the services described herein for a guaranteed-not-to exceed fee of \$10,870.** The City would be billed monthly based upon percentage of completion, with the final payment to be due upon delivery of final report and presentation of findings. The project budget and scope of services presented herein reflect the project team's understanding of the City's specific needs. *The project team is willing to negotiate price based on an adjusted scope of services to meet the City's specific needs and budgetary limitations if deemed necessary.*

# Proposed Fees





## NELISA HEDDIN CONSULTING, LLC PROFILE

NH Consulting is a management consulting firm specializing in the financial planning and management of municipal utilities. NH Consulting works closely with each client to develop strategic, individualized solutions. We provide a full range of services to meet our clients' complex needs including cost of service and rate design studies, impact fee analysis, and budgeting assistance.

NH Consulting works closely with each client to thoroughly understand their unique needs, goals, issues and challenges and develops strategic solutions customized to address the individualized needs of each client.

Services provided by NH Consulting include:

- Cost of Service and Rate Design Studies
- Comprehensive Fee Analysis
- Indirect Cost Allocation Studies
- Impact Fee Analysis
- Pro Forma Analysis
- Bond Issuance Support
- Annual and Long Term Operational Budgeting
- Cost Benefit Analysis
- Comparative Benchmarking Analysis
- Financial Planning and Modeling
- Financial Planning and Modeling
- Financial Planning and Budgeting for CIP Programs
- Public Education Programs
- Service Area Valuations
- Feasibility Analysis
- Regionalization Planning and Implementation
- Expert Witness Testimony
- Legislative Support
- Billing System Reviews and Implementation

### Strategic – Innovative - Excellence

Nelisa Heddin, president of NH Consulting, is Past Chair of the Texas AWWA Rates and Charges Sub-Committee, and is still actively involved in this professional organization. Ms. Heddin brings the most innovative solutions in the industry to each of her clients – allowing her to develop customized strategies to meet each of her clients needs.

# Firm Profile



## PROJECT TEAM PROFILE

### NELISA HEDDIN, PROJECT MANAGER

Ms. Heddin will serve as the project manager for this engagement, bringing over 19 years in utility rate design to this engagement. Ms. Heddin will be performing the financial analysis and will responsible for the overall quality control for this engagement.

Ms. Heddin is an industry expert in financial planning and management for municipal utilities, specializing in cost of service and rate design studies, impact fee analysis, cost benefit analysis, and annual and long-term budgeting. Ms. Heddin has over 19 years experience in providing consulting services to utilities of all sizes throughout the Southwest. She is a Past-Chair of the Texas AWWA Rates and Charges Sub-committee and has been invited to speak at numerous industry functions regarding cost of service issues, rate design, water loss and capital financing.

### Expertise You Can Rely On – Quality You Can Trust

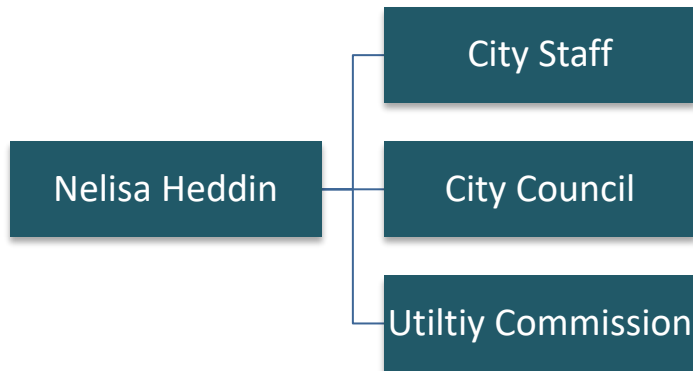
NH Consulting assigns a single project manager who services as project manager and analyst for each engagement – this ensures continuity throughout each engagement. Nelisa Heddin, the proposed project manager for this engagement, is a leading expert in cost of service and rate design studies, having worked for entities across the United States such as the Cities of Dallas, Phoenix, Tucson, Little Rock, Webster, Pflugerville, and Georgetown.

# Project Team Profile



## Organizational Chart

Nelisa Heddin, president of NH Consulting, will be working directly with the City on this engagement. While administrative staff may be utilized to some degree to assist in some areas such as data entry, Ms. Heddin will perform the financial analysis, write the report and will work directly with the City. It is the perspective of NH Consulting that the City must have direct access to the expert in this field rather than staff who have limited experience. As such, the organizational chart for this engagement is very simple:



## Nelisa Heddin

President

### Professional Background

Nelisa Heddin is an industry expert in financial planning and management for water and wastewater utilities; specializing in cost of service and rate design studies, impact fee analysis, cost benefit analysis, and annual and long-term budgeting. Ms. Heddin has over 16 years experience in providing consulting services to utilities of all sizes throughout the Southwest. Ms. Heddin has a Masters of Business Administration with a specialty in Finance. She is a Past-Chair of the Texas AWWA Rates and Charges Subcommittee and has been invited to speak at numerous industry functions regarding water and wastewater rates, rate design, water loss, and capital financing.

### Education

B.S., Biology, New Mexico State University, 1996  
MBA, Finance, New Mexico State University, 1999

### Professional Affiliations

American Water Works Association  
Past Chairman Texas AWWA Rates and Charges Subcommittee  
Texas Municipal League  
Texas Government Financial Officers Association

### Sample of Relevant Project Experience

#### Cost of Service and Rate Design Projects

Bistone Municipal WSC  
City of Alamo Heights, Texas  
City of Bastrop, Texas  
City of Bonham, Texas  
City of Burnet, Texas  
City of Cameron, Texas  
City of Copperas Cove, Texas  
City of Corinth, Texas  
City of Cuero, Texas  
City of Del Rio, Texas  
City of Friendswood, Texas  
City of Garland, Texas  
City of Gladewater, Texas  
City of Horseshoe Bay, Texas  
City of Idabel, Oklahoma  
City of Krum, Texas  
City of Lago Vista, Texas  
City of Leon Valley, Texas  
City of Little Rock, Arkansas  
City of Lindale, Texas  
City of Mexia, Texas  
City of Midland, Texas  
City of Missouri City, Texas  
City of Moulton, Texas  
City of Murphy, Texas  
City of New Madrid, Missouri

City of North Lake, Texas  
City of Pecos, Texas  
City of Pflugerville, Texas  
City of Phoenix, Arizona  
City of Richmond, Texas  
City of Selma, Texas  
City of Southside Place, Texas  
City of Sweet Water, Texas  
City of Webster, Texas  
City of Wortham, Texas  
Eldorado Area WSD  
Fair Management, LC  
Gorforth SUD  
La Ventana Utilities  
MB Wastewater Services, LLC  
Quail Valley Utility District  
Southern Crossing Utilities  
Travis County WCID #17  
West Travis County Public Utility Agency  
Whiterock Water Supply Corporation

# Resume



Impact Fee Studies

West Travis County Public Utility Agency	City of Burnet, Texas
City of Southside Place, Texas	City of Corinth, Texas
City of Cuero, Texas	City of Missouri City, Texas
City of Bastrop, Texas	

Valuation Analysis

Central Texas UDC	U.S. Navy	Green Valley SUD
West Travis County Public Utility Agency	City of Dallas, Texas	City of Fort Worth, Texas

Operations and Management Reviews

Quail Valley Utility District	City of Bastrop, Texas	City of Gladewater, Texas
City of Waco, Texas	City of Uvalde, Texas	City of Galveston, Texas

Other Projects

Central Texas UDC - Facilities Acquisition Negotiations	City of Bee Cave - Litigation Support and Expert Witness Testimony
City of Georgetown/ Chisholm Trail SUD - Regionalization Feasibility	La Ventana - Litigation Support and Expert Witness Testimony
City of Georgetown - Contract Assignment Consents	White Bluff Rate Payers - Litigation Support and Expert Witness Testimony
City of Lakeway – Review of Utility Rates of Lakeway MUD	Canyon Lake Rate Payers – Litigation Support and Expert Witness Testimony

**Publications and Presentations**

Texas H2O, November/December 2004, “Finding the Water: How to Cope with HB3338”  
Office of Rural Community Affairs, 2004 – Water Related Training for Local Leaders  
Texas Water, 2004 – Professional Paper - Water Audits, Water Loss and HB3338  
Texas Rural Water Association Annual Conference 2002– Presentation – Encroachment Issues  
Incode Education Forum, 2007 – Selling Utility Rate Studies  
Texas Water, 2006 – Water Loss Determination  
Munis Education Forum, 2006 – Utility Rate Analysis  
Incode Education Forum, 2006 – Utility Rate Analysis  
TAWWA Rate Seminar, 2010 - Utility Rate Analysis  
GFOAT, 2005 – Capital Financing Seminar  
GFOAT Gulf-Coast Chapter, 2005 – Presentation – The GFO's Water Challenges



## References

### West Travis County Public Utility Agency

#### Financial Manager

#### Cost of Service and Rate Design Study

<b>Project Description</b>	Nelisa Heddin became familiar with the West Travis County water and wastewater systems beginning in 2007 during a contested proceeding between the Lower Colorado River Authority (LCRA) and the City of Bee Cave and eventually testified on the equitability of the rates implemented by the LCRA before the State Office of Administrative Hearings (SOAH). Ultimately, the City of Bee Cave along with Travis County MUD #3 and Hays County ended up purchasing the systems and created the West Travis County Public Utility Agency (Agency) to own and operate the systems. Ms. Heddin assisted in the acquisition of the systems and the transition of the operation of the systems to the Agency. Ms. Heddin served as the Financial Manager for the Agency assisting with budgeting, revenue tracking, and the many challenges associated with this large, regional system through 2014. Ms. Heddin has completed 4 cost of service and rate design studies for the Agency, with the most recent analysis completed in May, 2019.
<b>Project Completion</b>	2012 – present
<b>Project Highlights</b>	Financial Manager Annual Budgeting Impact Fee Analysis Wholesale Rate Analysis Cost of Service and Rate Design Capital Improvement Planning Public Education
<b>Contact</b>	Jennifer Riechers West Travis County Public Utility Agency General Manager (512) 263-0100  12117 Bee Cave Rd. Building 3, Suite 120 Bee Cave, Texas 78738 <a href="mailto:jriechers@wtcpua.org">jriechers@wtcpua.org</a>

### City of Southside Place, Texas

#### Cost of Service and Rate Design Study

<b>Project Description</b>	In 2008, Nelisa Heddin conducted a Cost of Service and Rate Design study for the City of Southside Place. The analysis evaluated the cost of providing services to residential and commercial customers and made recommendations to adjustments in rates based upon those costs. Ms. Heddin was asked to return in 2014 to conduct a follow-up study; she is scheduled to present recommendations to City Council in May, 2014.
<b>Project Completion</b>	2008, 2014
<b>Project Highlights</b>	Cost of Service and Rate Design Transitional Implementation Plan Capital Improvement Planning
<b>Contact</b>	David Moss City of Southside Place, Texas City Manager (713) 668-2341  6309 Edloe Ave Houston, Texas 77005 <a href="mailto:citymgr@southside-place.org">citymgr@southside-place.org</a>

### City of Webster, Texas Cost of Service and Rate Design Study

<b>Project Description</b>	Nelisa Heddin started working with the City of Webster in 2004 when she conducted a Cost of Service and Rate Design study for the City. At that time, the City was not charging residential customers for water and wastewater services – they had a “live free in Webster campaign.” During the post-9/11 economic downturn, the City could no longer utilize tax-revenues to subsidize their utilities. Ms. Heddin worked closely with City staff to develop a transitional implementation plan which would slowly increase rates over time to achieve cost of service. Ms. Heddin has been asked to assist the City in subsequent studies in 2007 and 2013.
<b>Project Completion</b>	2004, 2007 and 2013
<b>Project Highlights</b>	Cost of Service and Rate Design Transitional Implementation Plan Capital Improvement Planning Public Education
<b>Contact</b>	Mike Rodgers, CPA City of Webster, Texas Director of Finance (281) 316-4102  101 Pennsylvania Ave Webster, Texas 77598 <a href="mailto:mrodgers@cityofwebster.com">mrodgers@cityofwebster.com</a>

### City of Corinth, Texas Cost of Service and Rate Design Study

<b>Project Description</b>	In 2006, Nelisa Heddin conducted a Cost of Service and Rate Design study for the City of Corinth. As the City had difficulty getting rate recommendations passed in the past, Ms. Heddin worked closely with City staff to develop strategies that would ensure adoption by the City’s elected officials and acceptance by the public. The analysis had to consider substantial capital improvements required on the system and developed rates to recover the revenues necessary to keep the system in compliance. Since the original analysis, Ms. Heddin has been invited to assist the City in evaluating rates in 2007, 2008, 2009, 2010 and 2013.
<b>Project Completion</b>	2006, 2007, 2008, 2009, 2010 and 2014
<b>Project Highlights</b>	Cost of Service and Rate Design Benchmarking Analysis Transitional Implementation Plan Capital Improvement Planning
<b>Contact</b>	Lee Ann Bunselmeyer City of Corinth, Texas Director of Finance (940) 498-3280  3300 Corinth Parkway Corinth, Texas 76208 <a href="mailto:lbunselmeyer@cityofcorinth.com">lbunselmeyer@cityofcorinth.com</a>

Executive summary of the electronic meter and their status:

- Test package is 15 electronic meters (11- 5/8" and 4 -1") . Please note that COVID 19 caused the end point (sending unit) manufacturer to shut down for an extended time.
- Two 5/8" meters will be installed tomorrow which will complete the eleven 5/8" meter installs. Including the one at 4711 Timberline.
- Four 1" meters have been installed – awaiting electronic end point transfer from Badger to AWR'S system.



November 4, 2020

Dear Customer,

Congratulations on your new electronic water meter! Your new electronic meter offers the following advantages over the previous mechanical meters.

1. Meter reads are electronic instead of manual
2. Electronic meters offer a 10-year warranty
3. More accurate water reading than mechanical meters
4. Customers can view their water usage 24/7

With electronic water meters, you now have direct access to your water usage data via a mobile and desktop application called, **EyeOnWater**. The District's EyeOnWater tool provides a platform for residents to review and analyze their usage patterns. The application also offers the ability to identify and monitor potential leaks and set notification alerts.

To access the website and set up your personal account, simply click on the link below <https://eyeonwater.com/signup> and follow the instructions to create your personal account.

You will need the following to get started.

1. Zip code
2. Email address
3. Account number from your water bill

*If you do not have your water bill, you can call the water utility office at 512-402-1990  
M-TH from 8am-4:30pm, or Friday until 4pm*

You can also download the EyeOnWater app from Apple App Store or Google Play.

Below are helpful YouTube videos on how to set up and use the EyeOnWater software for both mobile and desktop applications.

Desktop: [https://www.youtube.com/watch?v=I\\_7L6fnDi\\_I](https://www.youtube.com/watch?v=I_7L6fnDi_I)

Mobile: <https://www.youtube.com/watch?v=9xzSZ0lml-s>

We encourage you to take advantage of the EyeOnWater application.

Sincerely,

The City of Rollingwood



# EyeOnWater

## See Your Water Usage

Follow these simple instructions to see your water usage information online.

**1**

**Steps to Create an EyeOnWater Account**

1. Enter your service or billing address ZIP/Postal Code.
2. Enter your account number as it appears on your water bill. Don't have a copy of your water bill? Contact your utility.
3. Enter and confirm your email address.
4. Create and confirm your password.
5. Read and accept the Terms of Use.
6. Verify your email address in the confirmation email.
7. Enjoy using EyeOnWater!

**SAMPLE WATER BILL**

Customer Name	Service Location	Account Number
JANE SMITH	123 Main Street	123456789

Service or Billing ZIP/Postal Code

Account Number

Some utilities use a customer number, others omit hyphens, trailing zeros and non-numeric characters. When in doubt, consult your utility to learn which number to use when creating an EyeOnWater account.

**Next**

Already have an account? Sign in here.

Visit <https://eyeonwater.com/signup> to create your online account. Enter your service or billing ZIP/postal code and your account number.

**4**

Welcome, please activate your water account

**Water Utility**  
to me

Hi Jane Smith,

You're almost finished signing up for online access to your Water Utility account. Please click the verification link below to activate your account and sign in.

[Click here](#) to verify your email address.

Click on the link in the email to verify your email address.

**2**

**Steps to Create an EyeOnWater Account**

1. Enter your service or billing address ZIP/Postal Code.
2. Enter your account number as it appears on your water bill. Don't have a copy of your water bill? Contact your utility.
3. Enter and confirm your email address.
4. Create and confirm your password.
5. Read and accept the Terms of Use.
6. Verify your email address in the confirmation email.
7. Enjoy using EyeOnWater!

**SAMPLE WATER BILL**

Customer Name	Service Location	Account Number
JANE SMITH	123 Main Street	123456789

Full Name

Email Address

Confirm Email Address

Password

Password Strength:

Confirm Password

☒ I have read the Terms of Use for this application and agree to the provisions.

**Next**

Already have an account? Sign in here.

Enter your name and email address. Confirm the address, and then create and confirm a password. Passwords must be 8 to 16 characters long.

**5**

**My Account**

Email Address:

Password:

**Sign In**

**Did you know?**

One in eight people worldwide do not have access to clean water, according to the World Health Organization.

After clicking the link in your email, enter your email address and password to sign in.

**3**

**Did you know?**

One in eight people worldwide do not have access to clean water, according to the World Health Organization.

We have sent a verification email to the following address, please open the link in the email and return to this app to complete the sign up process.

Email Address:

**Resend Email**

Check your email for the verification message that has just been sent.



Once you're logged in, you'll be able to view your water consumption and even set a leak alert.