



Control Number: 46808



Item Number: 1

Addendum StartPage: 0



46808

RECEIVED

January 20, 2017

Public Utility Commission of Texas
Attention: Filing Clerk
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

2017 JAN 27 AM 10:42

PUBLIC UTILITY COMMISSION
FILING CLERK

RE: Application from the City of Fort Worth to Amend CCN No. 12311 for Southfork Estates in Tarrant County, Texas

The City of Fort Worth was approached by Crowley 96, LLC to serve water and sanitary sewer for Southfork Estates, Blocks A through P (67 lots), located on the east of Old Cleburne-Crowley Road Junction, west of South Eagle Drive, and south of Old Cleburne-Crowley Road. This property is in the Antonio Fernandez Survey, Abstract No 506, in Tarrant County. The City of Fort Worth has the utility agreement for the sale of treated water.

The City of Fort Worth is filing this application on behalf of Crowley 96, LLC, the property owner/developer. We are enclosing the original application to amend the Fort Worth CCN along with 6 copies of the application and a CD containing data files. Included are:

- Utility agreement for Southfork Estates.
- A location map.
- CCN area map in 2 miles radius.
- A preliminary plat.
- Inspection report.
- The list of certified operators.
- Customer statistics - water and wastewater sales, and meters in service.
- Independent Auditor's Report.
- Retail water and sewer rates.
- List of water providers in 2 miles buffer.
- List of property owners - 25 acres or more.

Please let me know if you need additional information. Thank you.

Sincerely,

John Carman
Director, Water Department, City of Fort Worth
200 Texas Street, Fort Worth, Texas 76102

Cc: Chris Harder, P.E.
Wendy Chi-Babulal, EMBA, P.E.
Victor Tornado, P.E.
Md M Rashid, P.E.
Nowzar Dinyarian, P.E.



1964 • 1993 • 2011

WATER DEPARTMENT
ENGINEERING AND CAPITAL IMPROVEMENTS

THE CITY OF FORT WORTH ★ 1000 THROCKMORTON STREET ★ FORT WORTH, TEXAS 76102
817-392-8240 ★ FAX 817-392-8195

Printed on recycled paper

80804



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Docket Number: **46808**

(this number will be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original, shall be filed with

Public Utility Commission of Texas
Attention: Filing Clerk
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

RECEIVED
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FILING CLERK

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

Table of Contents

Purpose of Application	2
1. Applicant Information.....	2
2. Location Information.....	3
3. Map Requirements.....	5
4. New System Information or Utilities Requesting a CCN for the First Time	5
5. Existing System Information	6
6. Financial Information	9
7. Notice Requirements.....	10
OATH.....	12
Notice for Publication	13
Notice to Neighboring Systems, Landowners and Cities.....	15
Notice to Customers of IOUs in Proposed Area	17

80804

Historical Balance Sheets	19
Historical Income Statement.....	20
Historical Expenses Statement	21
Projected Balance Sheets	22
Projected Income Statement	23
Projected Expenses Statement.....	24
Projected Sources And Uses Of Cash Statements	25

Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Purpose of Application		
<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s) <u>12311</u>	
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s) <u>N/A</u>	

1. Applicant Information

Applicant	
Utility name: City of Fort Worth	
Certificate number: 600128862	
Street address (City/ST/ZIP/Code): 1000 Throckmorton Street, Fort Worth/Texas/76102	
Mailing address(City/ST/ZIP/Code): 1000 Throckmorton Street, Fort Worth/Texas/76102	
Utility Phone Number and Fax: (817) 392-5020	
Contact information	
Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.	
Name: John Robert Carman	Title: Director, Water Department
Mailing address: 1000 Throckmorton Street, Fort Worth, Texas 76102	
Email: John.Carman@fortworthtexas.gov	Phone and Fax: (817) 392-5020
List all counties in which service is proposed: Denton	

A. Check the appropriate box and provide information regarding the legal status of the applicant:

- ☐ Investor Owned Utility ☐ Individual ☐ Partnership
- ☐ Home or Property Owners Association ☐ For-profit Corporation
- ☐ Non-profit, member-owned, member-controlled cooperative corporation
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
- ☒ Municipality ☐ District ☐ Other - Please explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: N/A
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

2. Location Information

- A. Are there people already living in the proposed area? ☐ Yes ☒ No
- If YES, are any currently receiving utility service? ☐ Yes ☐ No
- If YES, from WHOM? N/A

B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

☒ Yes ☐ No

.If YES, provide the following:

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

☐ Yes ☒ No

If YES, within the corporate limits of: N/A

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

N/A

D. Is any portion of the proposed service area inside another utility's CCN area?

☐ Yes ☒ No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

Single certification, the decertification has been completed through the P.U.C process case#

2B – I, ii, iii, iv. Demonstrating need for service

**SOUTHFORK ESTATES
CITY OF FT WORTH ETJ
TARRANT COUNTY, TEXAS**

2B. NEED FOR SERVICE

1. The proposed service area addition comprises an undeveloped 84-acre tract located south of Fort Worth and North of Crowley, Texas. More specifically, the site is north of FM 1187, south of and adjacent to West Cleburne-Crowley Road, and west of South Eagle Drive in the City of Fort Worth ETJ.

The current owner wishes to develop the property, but it is unserved regarding sewer. The tract lies outside the current Fort Worth CNN Service Area limits. The City is in the planning process of expanding the service area to encompass the subject tract as well as adjacent and more remote watershed areas. The request for service to be provided by Fort Worth has been made by the property owner;

Crowley 96, LLC
121 Northwest Newton Street
Burleson, Texas 76208

2. Economic need for service is driven by proposed development of the property. The owner is in the preliminary platting process of the City of Fort Worth to subdivide the property into a 419 lot single-family residence subdivision.
3. Regarding environmental need, the proposed lot sizes are not adequate to construct separate septic systems for each residence. Centralized sanitary collection and conveyance facilities are proposed. These facilities will be tied into the City of Fort Worth's sanitary sewer system.

RESOLUTION No. 1507-109

RESOLUTION DETERMINING NEED AND AUTHORIZING NEGOTIATIONS AND ACTIONS PERTAINING TO TRANSFERRING OWNERSHIP AND CONTROL OF A PORTION OF THE JOHNSON COUNTY SPECIAL UTILITY DISTRICT'S CCN AND SETTLEMENT AGREEMENT WITH CROWLEY 96, LLC FOR THE SOUTHFORK ESTATES SUBDIVISION

Certificate of Resolution

District: JOHNSON COUNTY SPECIAL UTILITY DISTRICT (District)

Date of Adoption: July 21, 2015

The undersigned officer of the District certifies the following facts:

1. JCSUD (the District), is a retail public utility as defined by Texas Water Code § 13.002 (19), providing retail water service pursuant to TCEQ CCN No. 10081 in Ellis, Hill, Johnson and Tarrant Counties, Texas; and
2. No proceeding for repeal of Senate Bill 5 as passed by the 78th Legislature, Regular Session, of the State of Texas and signed by the Governor on June 20, 2003 to create the District is pending.
3. The Bylaws of the District do not limit the power of the board of directors to pass the resolutions below.
4. The undersigned is authorized to make and sign this certificate.
5. The undersigned keeps the records and minutes of the proceedings of the board of directors of the District, and the resolutions below are an accurate reproduction of the ones made in those proceedings. They have not been amended, modified, or rescinded and are now in full force and effect.
6. This resolution is duly adopted on the Date of Adoption. The regular scheduled meeting of the board of directors was held in accordance with law and the bylaws of the District, and a quorum was present.

WHEREAS, the developer and the District desire to enter into a settlement agreement whereby the CCN transfers to Fort Worth and the developer pays the District a lump sum amount as settlement for the stranded cost value as determined by the District.

BE IT RESOLVED, that Johnson County Special Utility District hereby officially determines that it is in the best interest of the District to enter into an agreement with Crowley 96, LLC and the City of Fort Worth, to transfer the CCN related to the development known as Southfork Estates.

IT IS FURTHER RESOLVED, that Crowley 96, LLC will pay the District as determined by the number of lots platted according to the approved preliminary plat or final plat, whichever is greater, and applied to Exhibit A "Present Value Connection 2015" calculation. Said lump sum payment will be paid within 10 days of the preliminary plat approval. A "true-up" will apply if the final plat reflects a different number of lots.

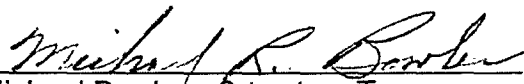
IT IS FURTHER RESOLVED, that Terry Kelley, General Manager of the District is authorized and directed to enter into agreement with Crowley 96, LLC and the City of Fort Worth and to execute such documents as may be necessary to effectuate the settlement and the transfer of ownership and control of that portion of the District's CCN.

IT IS FURTHER RESOLVED, that any action taken by the General Manager subsequent to this date with regard to contracting with professional services, attorneys, and title companies for the documents and other items needed by Johnson County Special Utility District from time to time in connection with this project, is hereby ratified and confirmed.

ADOPTED by the Board of Directors of Johnson County Special Utility District on this the 21st day of July, 2015.


Tommy Webb, President

ATTEST:


Michael Bowles, Secretary-Treasurer


Terry Kelley, General Manager

PRESENT VALUE CONNECTION 2015					
Year	Annual Fixed Cost per Connection	Lost Equivalent Connections	Lost Revenue	Compounded Present Value Interest	Present Value
		290			
2015	\$ 301.35	15	\$ 4,520.19	98.08%	\$ 4,433.30
2016	\$ 194.67	40	\$ 7,786.84	96.19%	\$ 7,490.34
2017	\$ 174.91	90	\$ 15,741.73	94.34%	\$ 14,851.25
2018	\$ 171.81	140	\$ 24,053.02	92.53%	\$ 22,256.16
2019	\$ 167.77	180	\$ 30,198.25	90.75%	\$ 27,405.18
2020	\$ 145.93	210	\$ 30,644.84	89.01%	\$ 27,275.86
2021	\$ 142.80	240	\$ 34,272.81	87.30%	\$ 29,918.58
2022	\$ 134.93	260	\$ 35,082.00	85.62%	\$ 30,036.25
2023	\$ 101.52	280	\$ 28,424.89	83.97%	\$ 23,868.79
2024	\$ 82.15	290	\$ 23,822.95	82.36%	\$ 19,619.93
2025	\$ 81.74	290	\$ 23,705.31	80.77%	\$ 19,147.74
2026	\$ 81.48	290	\$ 23,628.92	79.22%	\$ 18,719.14
2027	\$ 81.17	290	\$ 23,537.89	77.70%	\$ 18,288.57
2028	\$ 81.13	290	\$ 23,527.96	76.20%	\$ 17,929.44
2029	\$ 80.93	290	\$ 23,469.17	74.74%	\$ 17,540.83
2030	\$ 80.79	290	\$ 23,430.28	73.30%	\$ 17,175.14
2031	\$ 80.78	290	\$ 23,426.50	71.89%	\$ 16,842.26
2032	\$ 49.82	290	\$ 14,449.00	70.51%	\$ 10,188.28
2033	\$ 50.28	290	\$ 14,582.16	69.16%	\$ 10,084.52
2034	\$ 50.75	290	\$ 14,716.54	67.83%	\$ 9,981.81
2035	\$ 51.21	290	\$ 14,852.16	66.52%	\$ 9,880.14
2036	\$ 51.69	290	\$ 14,989.03	65.24%	\$ 9,779.51
2037	\$ 52.16	290	\$ 15,127.16	63.99%	\$ 9,679.91
2038	\$ 52.64	290	\$ 15,266.56	62.76%	\$ 9,581.32
2039	\$ 53.13	290	\$ 15,407.25	61.55%	\$ 9,483.74
2040	\$ 53.59	290	\$ 15,540.92	60.37%	\$ 9,382.13
2041	\$ 54.08	290	\$ 15,684.14	59.21%	\$ 9,286.57
2042	\$ 54.58	290	\$ 15,828.67	58.07%	\$ 9,191.99
2043	\$ 55.08	290	\$ 15,974.54	56.96%	\$ 9,098.37
2044	\$ 55.59	290	\$ 16,121.76	55.86%	\$ 9,005.70
2045	\$ 56.10	290	\$ 16,270.33	54.79%	\$ 8,913.98
2046	\$ 56.62	290	\$ 16,420.26	53.73%	\$ 8,823.19
2047	\$ 57.14	290	\$ 16,571.59	52.70%	\$ 8,733.33
2048	\$ 57.67	290	\$ 16,724.30	51.69%	\$ 8,644.38
Discount		Present Value 5/8" Meter Connection			\$ 492,537.61
Rate	1.96%	Present Value per Single Connection			\$ 1,698.41

3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
- B. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
 - iii. following verifiable natural and man-made landmarks; or
 - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area.
- D. Provide separate and additional maps of the proposed area(s) to show the following:
 - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
 - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

Note: Failure to provide adequate mapping information may result in the delay or possible denial of your application.

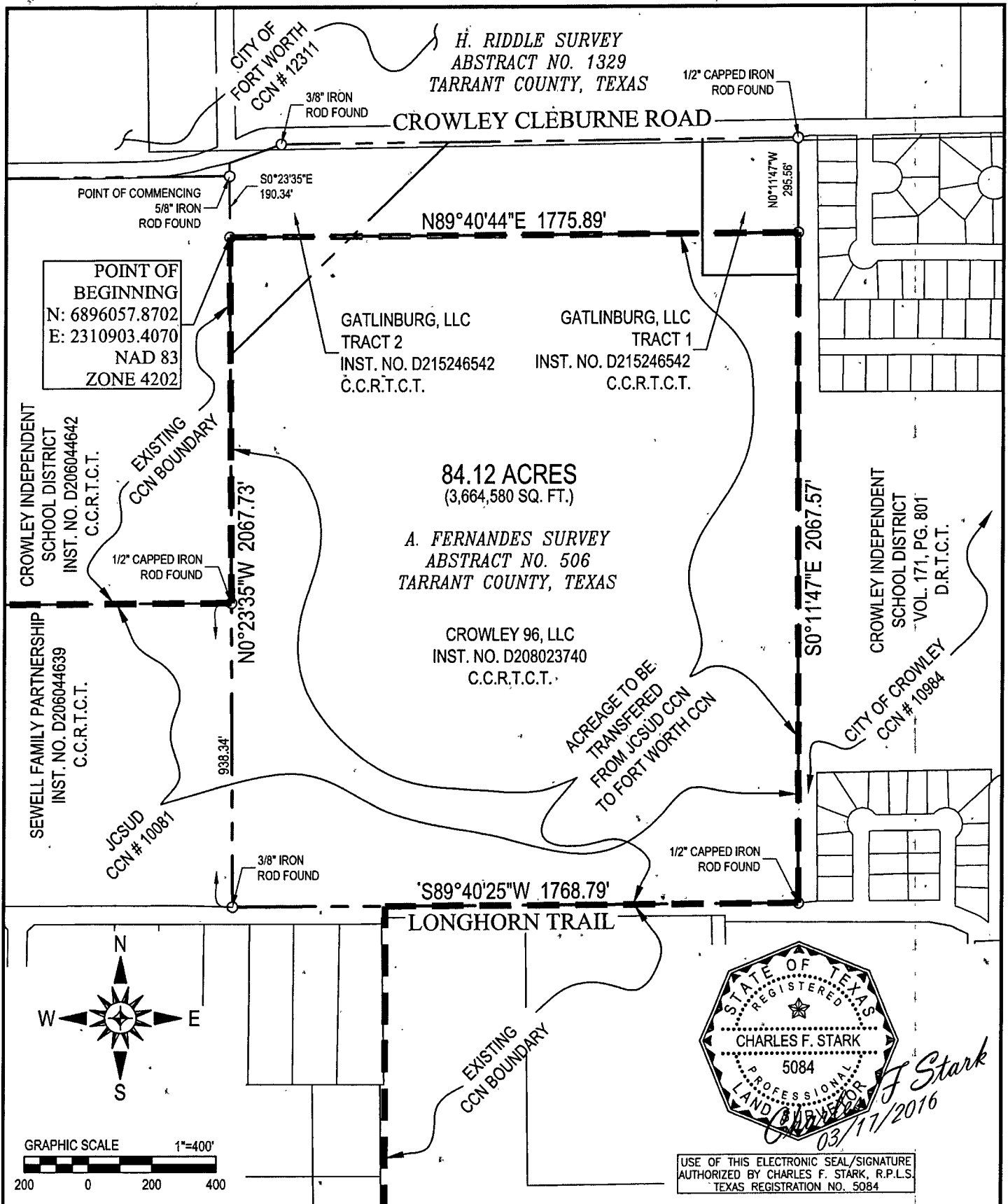
Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

4. New System Information or Utilities Requesting a CCN for the First Time

- A. Please provide the following information:
 - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
 - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
 - iii. copies of written responses from each system or evidence that they did not reply; and
 - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? ☐ Yes ☐ No

3. Map Requirements



PROPOSED CCN TRANSFER
JOHNSON COUNTY SPECIAL UTILITY DISTRICT TO CITY OF FORT WORTH

84.12 acres situated in the ANTONIO FERNANDEZ SURVEY, ABSTRACT No. 506, Tarrant County, Texas, being a portion of that certain tract of land described in deed to Crowley 96, LLC, recorded in County Clerk's File No. D208023740, County Clerk Records, Tarrant County, Texas and a portion of those certain tracts of land described in deed as Tract 1 and Tract 2, to Gattlinburg, LLC, recorded in County Clerk's File No. D215246542, County Clerk Records, Tarrant County, Texas, said 84.12 acres being more particularly described, as follows:

COMMENCING at a 5/8" iron rod found in the south line of Cleburne - Crowley Road (Right-of-Way varies), in west line of said Crowley 96, LLC, tract, at the northeast corner of that certain tract of land described in deed to the Crowley Independent School District, recorded in County Clerk's File No. D206044642, County Clerk Records, Tarrant County, Texas;

THENCE S 00°23'35" E, along the west line of said Crowley 96, LLC, tract, a distance of 190.34 feet to the POINT OF BEGINNING of the herein described 84.12 acre tract;

THENCE N 89°40'44" E, along the current Johnson County Special Utility District CCN line, a distance of 1775.89 feet to a point in the east line of said Crowley 96, LLC, tract, at the northeast corner of the herein described 84.12 acre tract, from which a 1/2" capped iron rod found at the northeast corner of said Crowley 96, LLC, tract, bears N 00°11'47" W, a distance of 295.56 feet, for reference;

THENCE S 00°11'47" E, along the east line of said Crowley 96, LLC, tract, a distance 2067.57 feet to a 1/2" capped iron rod found in the north line of Longhorn Trail (Right-of-Way varies), at the southeast corner of said Crowley 96, LLC, tract;

THENCE S 89°40'25" W, along the north line of said Longhorn Trail, a distance of 1768.79 feet to a 3/8" iron rod found at the southwest corner of said Crowley 96, LLC, tract and the southeast corner of the certain tract of land described in deed to Sewell Family Partnership, recorded in Clerk's File No. D206044639, County Clerk Records, Tarrant County, Texas;

THENCE N 00°23'55" W, leaving the north line of said Longhorn Trail, along the west line of said Crowley 96, LLC, tract, at a distance of 938.34 feet, passing a 1/2" capped iron rod found at the southeast corner of said Crowley Independent School District tract, and continuing along the west line of said Crowley 96, LLC, tract, in all, a distance of 2067.73 feet to the POINT OF BEGINNING and containing 84.12 acres (36,64,580 square feet) of land, more or less.



Charles F. Stark
03/17/2016

USE OF THIS ELECTRONIC SEAL/SIGNATURE
AUTHORIZED BY CHARLES F. STARK, R.P.L.S.
TEXAS REGISTRATION NO. 5084

B
Barron-Stark-Swift
Consulting Engineers
Together

6221 Southwest Boulevard, Suite 100
Fort Worth, Texas 76132
(O) 817.231.8100 (F) 817.231.8144
Texas Registered Engineering Firm F-10998
Texas Registered Survey Firm F-10158800
www.barronstark.com

Exhibit
Proposed CCN Transfer
Johnson County Special Utility District to City of Fort Worth
84.12 Acres Situated in the A. FERNANDES SURVEY, Abstract No. 506
Tarrant County, Texas

PROJECT No. 282-8305

DATE: 03/17/16

SHEET

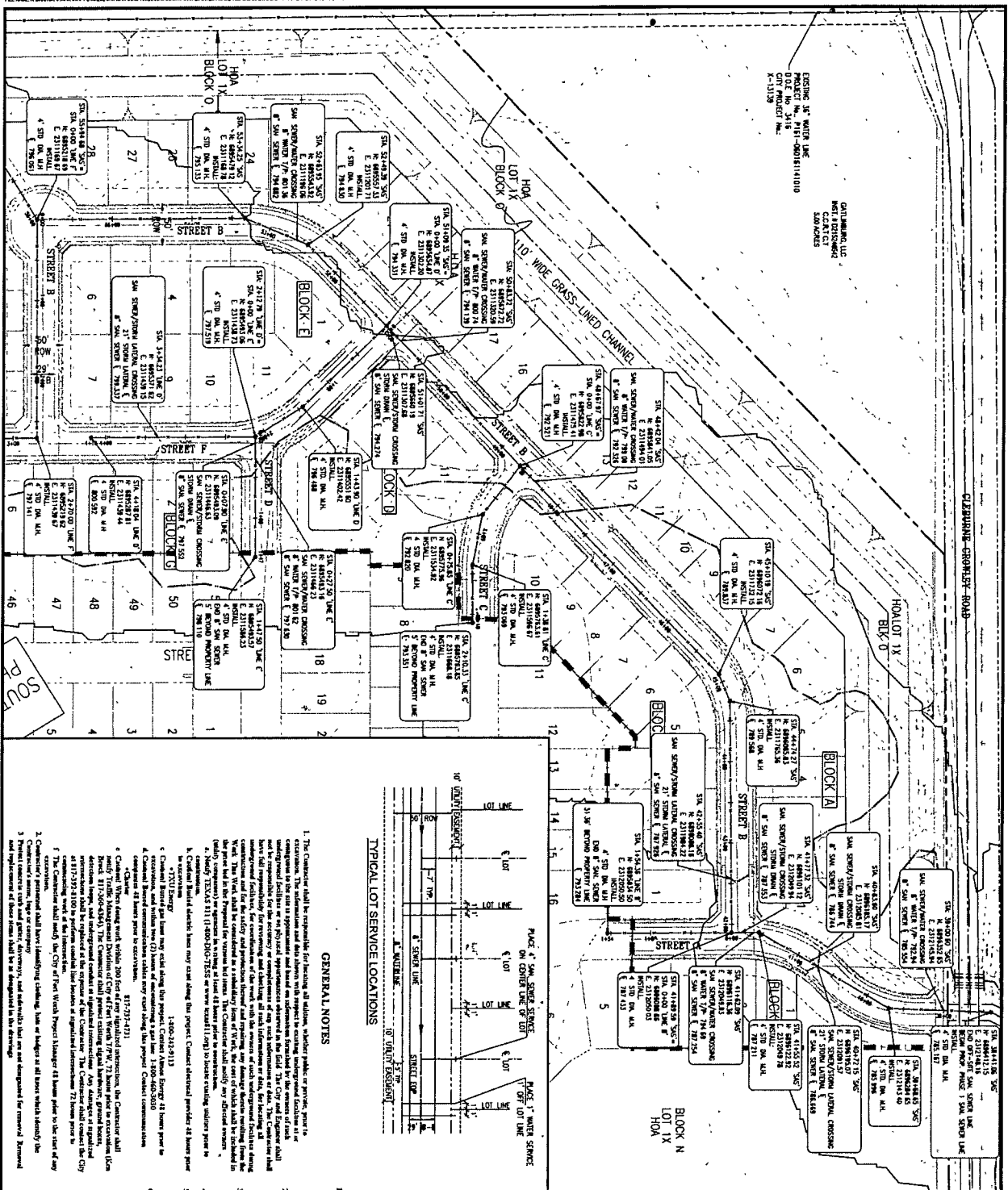
2 of 2

**SOUTHFORK ESTATES
CITY OF FT WORTH ETJ
TARRANT COUNTY, TEXAS**

3C. SERVICE AREA DESCRIPTION

The proposed service area addition comprises an undeveloped 84-acre tract located south of Fort Worth and North of Crowley, Texas. More specifically, the site is north of FM 1187, south of and adjacent to West Cleburne-Crowley Road, and west of South Eagle Drive in the City of Fort Worth ETJ.

Topography generally slopes south to north with approximately 20 – 25 feet of relief.



GENERAL NOTES

[illegible]

GENERAL UTILITY NOTES

[illegible]

SANITARY SEWER GENERAL NOTES

1. Verify that all connections to the standby server system are for standby.
2. Verify only **standby** **DATAFILE** for any different **DATAFILE** connection.
3. The **Customer** will be liable for all damages to properties, losses, and destruction from back-up, which may result during the installation of the new tape and/or abandonment of existing tape. The **Customer** will be responsible for any data loss when available. The **Customer** will be responsible for all data up associated with existing data sets.
4. For all standby server services components at installation, provide a hydraulic slide in accordance with the details.
5. All proposed error from most available information 5' short overall clearance between all sections.

WARNING TO CONTRACTOR:









CALL 1-800-344-8377 (TOLL-FREE) OR OTHER UTILITY LOCATING SERVICES 24 HOURS PRIOR TO CONSTRUCTION ACTIVITY. BARRON, STARK & SWEET CONSULTING ENGINEERS, LP IS NOT RESPONSIBLE FOR KNOWING ALL EXISTING UTILITIES OR DETERMINING EXACT LOCATIONS OF UTILITIES ON DRAWING.

WARNING

49 HOURS PRIOR TO BEGINNING EXCAVATION	SECOND DIGRESS NUMBER FORT WORTH WATER DEPT. FORT WORTH TRANS. & PW TOL ENERGY ATINOS CHARTER 1-800-395-0140 817-382-6286 1-800-292-9718 1-800-542-8113 1-800-460-3030 817-757-4731
--	--

CAUTION *****

DESIGNED UTILITIES AND UNDERGROUND FACILITIES OF THESE PLANS HAVE BEEN LOCATED FROM REFERENCE INFORMATION AND AS-BUILT PLANS. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO VERIFY HORIZONTAL AND VERTICAL LOCATION OF ALL EXISTING UTILITIES PRIOR TO CONSTRUCTION. THE CONTRACTOR SHALL TAKE NECESSARY PRECAUTIONS TO PROTECT ALL EXISTING UTILITIES AND SHALL BE RESPONSIBLE FOR ANY DAMAGE TO SAID UTILITIES. THE CONTRACTOR SHALL NOTIFY ALL UTILITY COMPANIES PRIOR TO CONSTRUCTION.

LEGEND	
SYMBOL	DESCRIPTION
	DRAINING AND WARE
	DRINKING AND HYDRATION
	DRINKING AND FOOD STORAGE
	WATER STORAGE WITHIN
	WATER TREATMENT
	WATER WASTE
	RECHARGE
	SPENDING OVER BUDGET

PHASE 1 SANITARY SEWER
OVER ALL LAYOUT (1 OF 2)

SOUTHFORK ESTATES PHASE I
FT. WORTH ETL TARRANT COUNTY, TEXAS

FOR INTERVIEW ONLY

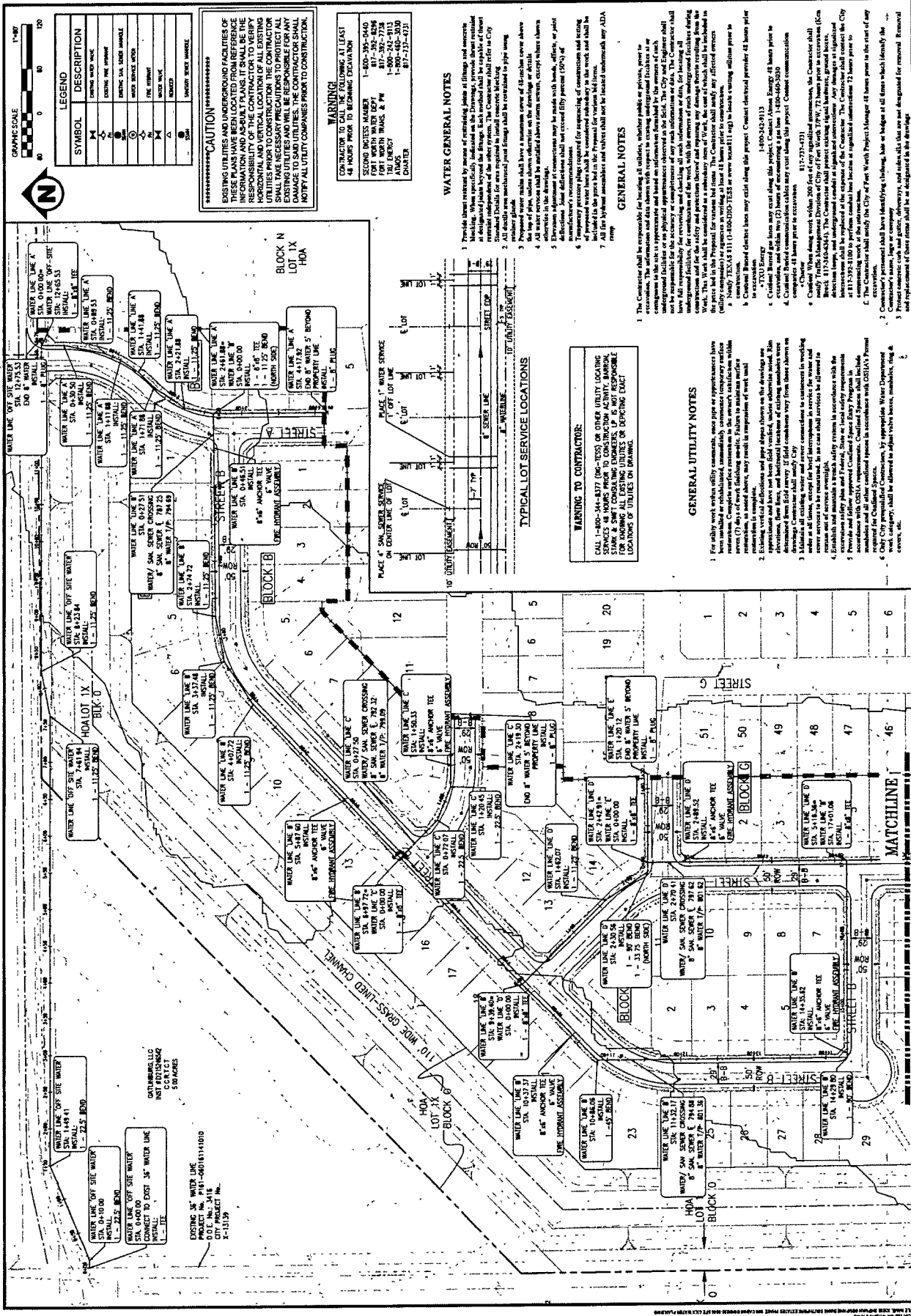
B
Barron•Stark•Swift
Consulting Engineers

REVISIONS

[illegible]

CLEAR No.	28
PRODUCT No.	934
DESIGN	JO
DRAWN	BB
CHECKED	JO
DATE	2/28/71

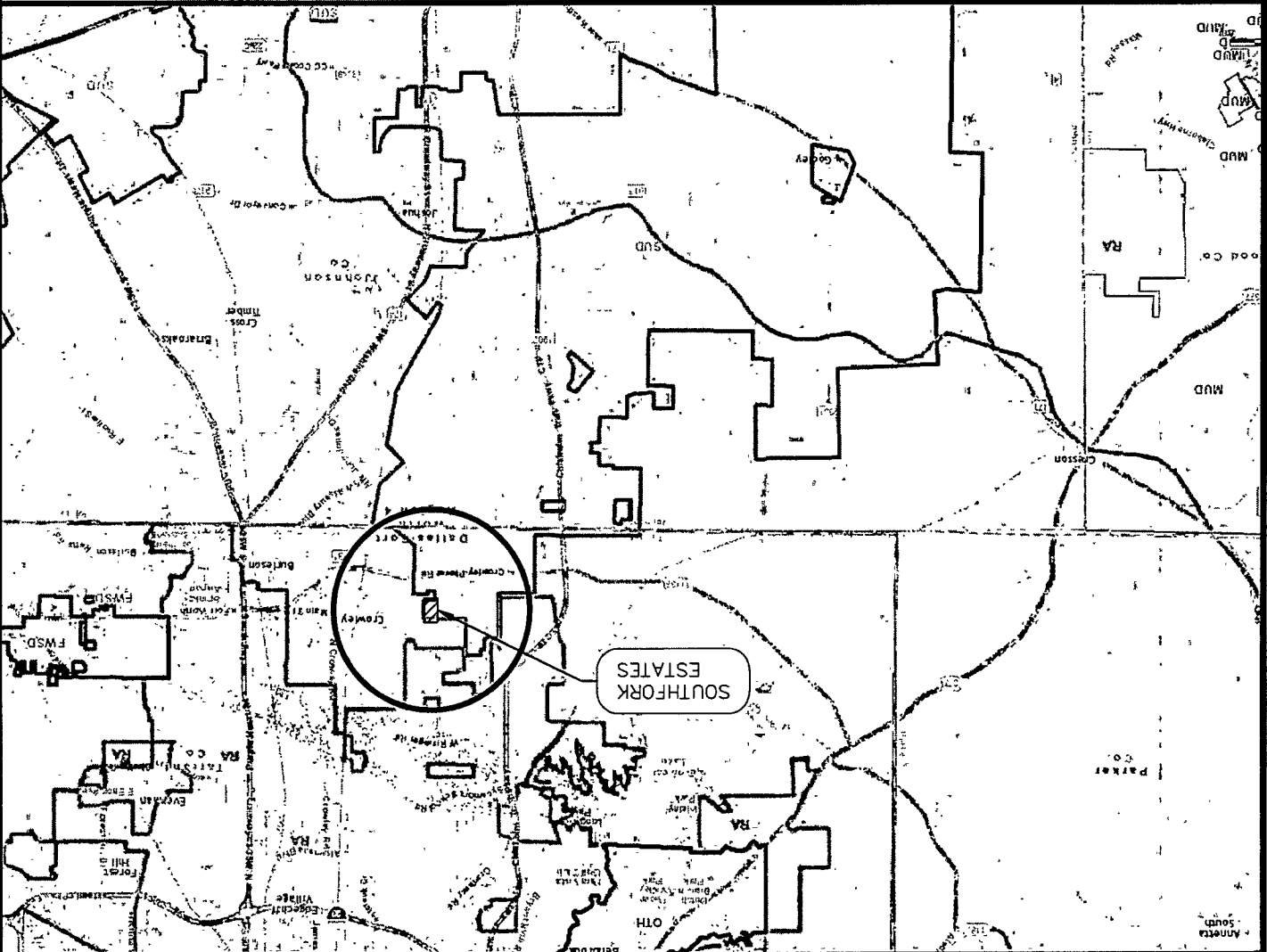
SHEET
CX.X



4A. New System Information or Utilities Requesting a CCN for the first time

- i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
- ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
- iii. copies of written responses from each system or evidence that they did not reply; and

- 00000000**



32-51265-106
District Camp Viewer
Washington 27

https://gisweb.ceq.texas.gov/arcgis/rest/services/WaterControl/MapServer

[illegible]

GRAPHIC SCALE, 1"=10000'



Mark Westfall

From: Nguyễn, Kristy <Kristy.Nguyen@puc.texas.gov>
Sent: Thursday, November 19, 2015 1:03 PM
To: Cynthia Swift
Cc: Fuentes, Lisa; Montes, Tracy; Horton Jr, Gary
Subject: RE: Southfork Estates

Hi Cynthia,

The distance ranges from 285 feet to 301 feet starting at the intersection of Old Cleburne Crowley Rd and Cleburne Crowley Rd. heading east towards Eagle Dr.

Let me know if that helps,
Kristy
512/936-7375 (direct)

From: Cynthia Swift [<mailto:cynthias@glbarron.com>]
Sent: Tuesday, November 10, 2015 3:09 PM
To: Fuentes, Lisa <Lisa.Fuentes@puc.texas.gov>
Subject: FW: Southfork Estates

Good Afternoon Lisa,
Just following up on the request below.

From: Cynthia Swift
Sent: Thursday, November 05, 2015 9:25 AM
To: 'Fuentes, Lisa'
Subject: Southfork Estates

Good Morning Lisa,

Attached is a project located in the City of Fort Worth. It is situated in 2 CCN's, City of Fort Worth and Johnson County Special Utility District.

This email is a request for PUC mapping to verify the distance from the Johnson County CCN line to Old Cleburne Crowley Road as shown on the attached and also if it runs parallel to the right of way.

Thank you !!

Cynthia

Cynthia Swift

Project Manager

Barron • Stark • Swift Consulting Engineers

6221 Southwest Blvd, Ste. 100

Fort Worth, TX 76132

cynthias@barronstark.com

Direct Office 817.231.8114

This email, and attachments thereto, is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination, or other use of, or taking any action in

[illegible]

Water CCN Service Areas

**SOUTH FORK ESTATES
PROPERTY BOUNDARY**

1:9,028

0	0.075	0.15	0.3 mi
0	0.075	0.15	0.3 mi

0.4 km

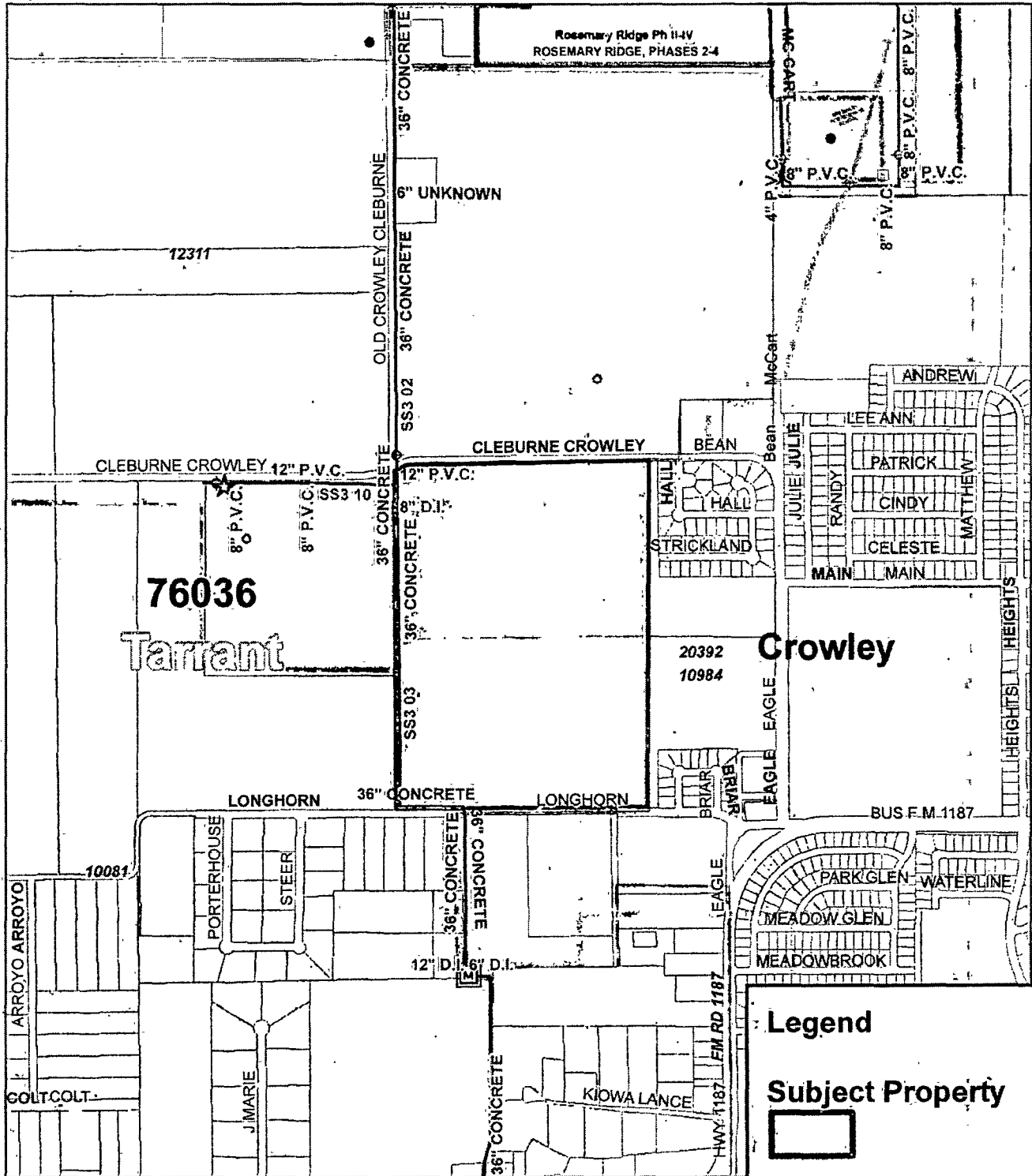
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Swis (Thailand),



Rosemary Development
Crowley, TX 76036



For general purpose only. Contact City of Fort Worth Department of Engineering at 817-392-8426 to get plain information for design or construction purposes.
Maps with aerial and contour information are prohibited from reproduction and distribution without prior consent from the North Central Texas Council of Governments



NAD 1983 StatePlane_Texas_North_Central_FIPS_4202_Feet 1 inch equals 700 feet

\\Fww\cfs01\Water\Groups\Engineering\Development\Availability

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SURVEYOR THE CITY OF FORT WORTH ASSUMES NO RESPONSIBILITY
FOR THE ACCURACY OF SAID DATA.

0 500 1,000 2,000 Feet



Legend

Subject Property



Domestic

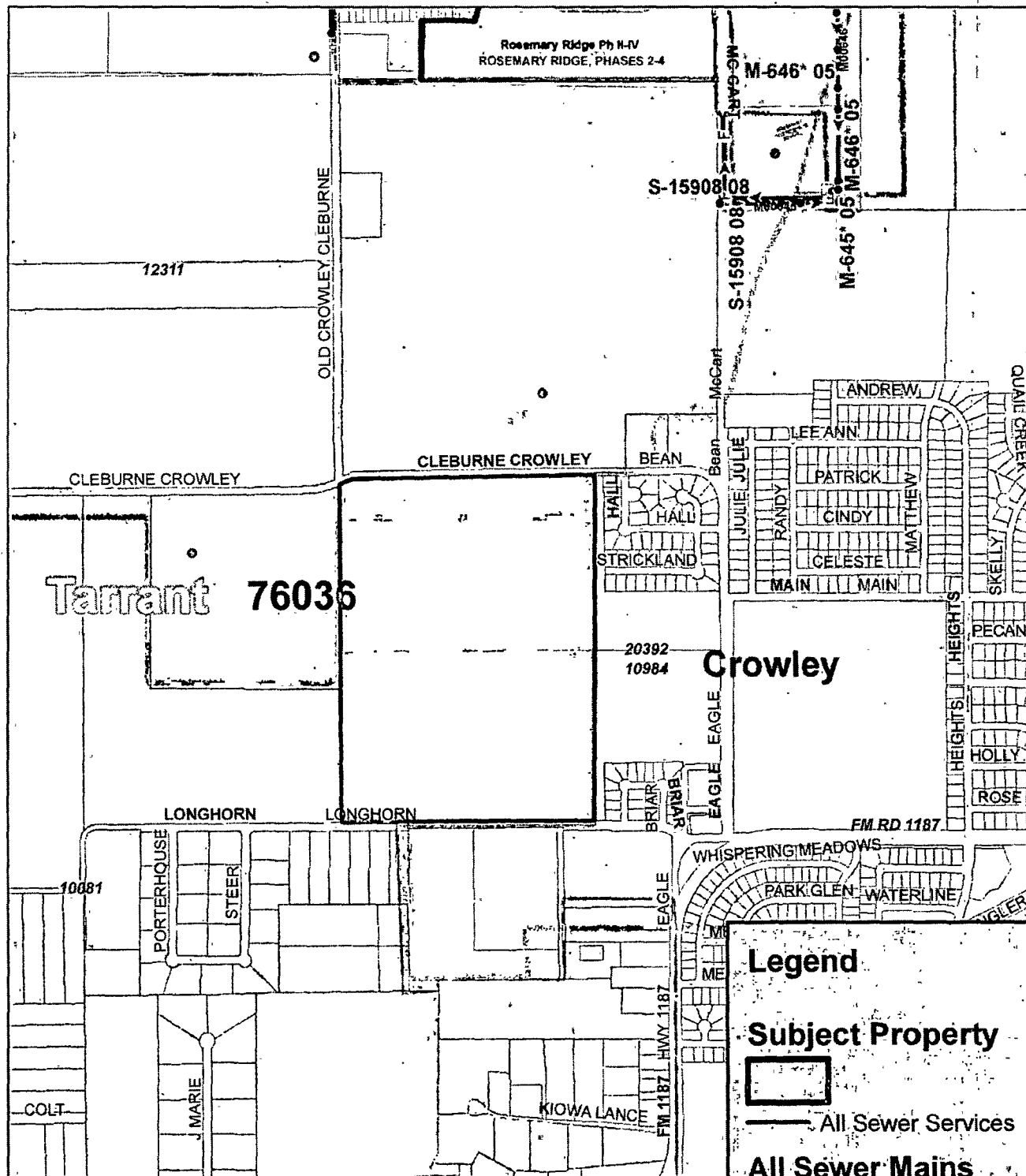
Fire

Irrigation

All Water Mains



Rosemary Development Crowley, TX 76036



NAD 1983 StatePlane, Texas North Central FIPS 4202, Feet 1 inch equals 700 feet

\\Fww\cfs01\Water\Groups\Engineering\Development\Availability

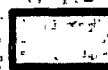
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FOR THE ACCURACY OF SAID DATA.

0 500 1,000 2,000 Feet



Legend

Subject Property



— All Sewer Services

All Sewer Mains STYLE

→ Gravity

→ LP Low Pressure

→ F Force

For general purpose only. Contact City of Fort Worth Department of Engineering at 817-392-8426 to get plan information for design or construction purposes.
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CITY COUNCIL AGENDA



COUNCIL ACTION: Approved on 8/23/2016

DATE: 8/23/2016 **REFERENCE NO.:** **G-18798 **LOG NAME:** 6060SOUTHFORK CONTRACTS CCN-OUTSIDE CITY WATER

CODE: G **TYPE:** CONSENT **PUBLIC HEARING:** NO

SUBJECT: Authorize Application for Transfer of Part of Certificate of Convenience and Necessity No. 10081 to the City and Authorize Agreement with Crowley 96 LLC, for the Provision of Water/Sewer Service at 1.25 Times the Retail Rate to Serve South Forks Estates Preliminary Plat, PP-15-065 Pursuant to City Code Section 35-60b, Uses Outside City, Located South of Cleburne Crowley Road West of Crowley City Limits (Extra-Territorial Jurisdiction/Tarrant County) (South of COUNCIL DISTRICT 6)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the application to the Public Utility Commission for Transfer of Part of Certificate of Convenience and Necessity No. 10081 to the City; and
2. Authorize the execution of an Agreement with Crowley 96 LLC, for provision of water/sewer service at 1.25 times the retail rate to South Forks Estates Preliminary Plat, PP-15-065 Pursuant to City Code Section 35-60b, Uses Outside City, located west of Crowley City Limits.

DISCUSSION:

The South Fork Estates Development consists of a 96 acre parcel of land located south of Cleburne Crowley Road, west of Crowley City Limits and north of Longhorn Trail in the City of Fort Worth, Tarrant County. The development is currently within the Johnson County Special Utility District (JCSUD) Water Certificate of Convenience and Necessity (CCN) No. 10081 as issued by the Public Utility Commission (PUC). The CCN authorizes JCSUD to be the sole provider of potable water service within the CCN areas.

Crowley 96 LLC, Developer of South Fork Estates, requested Fort Worth to provide water service to the development. However, JCSUD holds the water CCN. On July 21, 2015, the JCSUD adopted Resolution No. 1507-109 authorizing the transfer of ownership and control of a portion of the JCSUD's CCN and a Settlement Agreement with Crowley 96 LLC, for the South Fork Estates subdivision. Crowley 96 LLC, has agreed to be responsible for the full acquisition costs of the CCN to the JCSUD to be held in escrow to allow for the transfer of the portion of the development located within the JCSUD CCN and in the City's Extra-Territorial Jurisdiction (ETJ) to the City. After Crowley 96 LLC, compensates JCSUD, the Water Department will submit an application for transfer. Upon approval by TCEQ, the City will be authorized to provide retail water service to the South Fork Estates Development. Since this development is located within the ETJ, upon City Council approval, service will be provided to the development at 1.25 times the City's retail rates.

On November 10, 2015, Crowley 96 LLC, submitted preliminary plat PP-15-065. The preliminary plat was approved by the City Plan Commission on February 25, 2016.

The project is located south of COUNCIL DISTRICT 6, Mapsco 117L and 117T.

FISCAL INFORMATION/CERTIFICATION:

The Director of Finance certifies that the Water and Sewer Department will be responsible for the collection of revenue due to the City.

TO

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
------	---------------	---------	------------	---------	----------	-------------	----------------------------	--------

FROM

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
------	---------------	---------	------------	---------	----------	-------------	----------------------------	--------

Submitted for City Manager's Office by: Jay Chapa (5804)

Originating Department Head: John Carman (8246)

Additional Information Contact: Esteban Perez (8428)

ATTACHMENTS

Certificate of Interested Parties - Crowley 96.pdf

PP-15-065.pdf

Southfork Estates_Map.pdf



May 29, 2015

dshipman@shipmanco.com

Attn: David Shipman Jr.
121 NW Newton Street
Burleson, TX 76028

**AVAILABILITY OF WATER AND SANITARY SEWER FACILITIES TO SERVE:
Rosemary Development Crowley, TX 76036 (Mapsco Grid #117K, 117L, 117P, 117Q)**

Dear Mr. Shipman,

Water and sanitary sewer service may be available to the subject property under the terms and conditions of the City of Fort Worth's standard policies and regulations relating to provision of water and sewer service. The developer will be responsible for all costs associated with service to the subject property.

Currently, there is no water available to service the subject site. Prior to the preconstruction meeting for project, the developer will need to provide Fort Worth Water Department the agreement letter from Johnson Special Utility District to relinquish CCN. The Certificate of Convenience and Necessity (CCN) boundary has to be adjusted via Public Utility Commission. Currently the property is not within Fort City limits. Developer will also have to submit application for the "Outside City Limit water and sewer services" that requires to go before City Council for approval. Once City Council approves, the residents will be able to get water and sewer services from Fort Worth at a higher water rate of 125%. Please see corresponding exhibit indicating the location of available water line.

Continuing, there is no sanitary sewer available to service the subject site. The developer will have to extend sewer to service every proposed platted lots. The proposed development will be allowed to get sewer service as soon as the required expansions and necessary improvements on existing lift station is completed and accepted per the accepted sewer study and Lift Station Design Report. Please see the corresponding exhibit indicating available sanitary sewer. Building permits will not be released on any of the residential lots until the expansion and improvement are completed on the existing lift station.

Prior to submitting preliminary plat for the propose development, the water and sewer study will have to be accepted.

A CFA or miscellaneous project will be required if the distance from water or sewer lines are greater than 54 feet; water meters or taps that are larger than 2-inches.

Enclosed are water and sewer maps for your information. If you need additional information, please call me at 817-392-8369.

Yours very truly,

Soon Wong, P.E.
Engineering and Fiscal Services Division
Fort Worth Water Department
T 817-392-8369
F 817-392-8195

Fort Worth Attachment: water and sewer maps
XC: Availability file



**WATER DEPARTMENT
ENGINEERING AND CAPITAL IMPROVEMENTS**

THE CITY OF FORT WORTH • 1000 THROCKMORTON STREET • FORT WORTH, TEXAS 76102
817-392-8240 • FAX 817-392-8195

i. If yes, please provide documentation of the denial of service and go to c.

ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.

C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

NA.

D. Date of plat approval, if required: _____
 Approved by: N/A

E. Date Plans & Specifications submitted to the TCEQ for approval:
N/A Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.

F. Date construction is scheduled to commence: _____

G. Date service is scheduled to commence: _____

5. Existing System Information

A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.

i. Water system(s): TCEQ Public Water System identification number(s):

2	2	0	0	0	1	2														

ii. Sewer system(s): TCEQ Discharge Permit number(s)

W	Q	1	0	4	9	4	-	0	1	3
---	---	---	---	---	---	---	---	---	---	---

W	Q									
---	---	--	--	--	--	--	--	--	--	--

W	Q									
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W	Q									
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W	Q									
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W	Q									
---	---	--	--	--	--	--	--	--	--	--

- iii. Date of last TCEQ water and/or sewer system inspection(s): 1/10/2013
- iv. Attach a copy of the most recent TCEQ water and/or sewer inspection report letter(s).
- v. For each system deficiency listed in the TCEQ inspection report letter; attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

B. Provide the following information about the utility's certified water and/or sewer operators

Name	Classes	License Number
Separate sheets included		

- Attach additional sheet(s) if necessary -

C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?

- ☐ Yes
- ☒ No

Attach a copy of the 85% rule compliance document filed with the TCEQ if the system is operating at 85% or greater of the TCEQ's minimum standard capacity requirements.

D. In the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial documentation and reflect the number of service requests identified in Question 2.b in the application.

TCEQ Water System			TCEQ Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter			Residential	0	419
1" meter or larger			Commercial	0	0
Non-Metered			Industrial	0	0

TCEQ Water System			TCEQ Sewer System		
Other:			Other:		
Total Water			Total Sewer		

E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

The sewer service will be provided by the City of Fort Worth.

F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

N/A

G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i. ☐ No, (skip the rest of this question and go to #6)

ii. ☒ Yes, Water

Purchased on a ☒ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
Tarrant Regional Water District	100.00%

5. Existing System Information

G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

There is not adequate room to type a response on the application at page 8, section G. Section G is listed below.

G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

Response is provided below.

The effect of granting of an amendment will increase land value through access to surface water provider. This will also allow regionalization, since City of Fort Worth water system is already serving the area.

**SOUTHFORK ESTATES
CITY OF FT WORTH ETJ
TARRANT COUNTY, TEXAS**

EFFECT OF GRANTING AN AMENDMENT

1. The granting of the amendment will allow the landowner to realize the best and highest use of the property. The property is located in an area that is experiencing significant growth and is situated in the trending direction of utility extensions and improvements by the City.

The inclusion of the property is in keeping with the City's ongoing planning regarding extending its facilities to serve watershed areas within its ETJ. As part of the development project, a 21" sewer main approximately 3900 feet in length will be constructed to tie into the City's existing Rosemary Ridge Lift Station located at the S.H. Crowley Intermediate School on McCart Avenue. The offsite sewer is shown on the attached exhibit labeled "Off-Site sanitary sewer Overall layout & Existing features".

The sewer main is sized to handle flows from the subject tract as well as other properties within the watershed. In continuation of the City's regionalization of the area, the lift station will be removed following design and construction of the Crowley Relief Sewer.

2. The City currently provides water service to the area. There is no sanitary sewer service available to the property. Provision of sanitary service will allow for the economical and planned development of the property.
3. The only landowners in the proposed CCN Amendment comprise the landowner on whose behalf this application is being submitted.

Water Source	% of Total Treatment
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
N/A	0.00%
	0.00%
	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service:

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density; and
- ii. the land use of the requested area.

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

Increased land value

6. Financial Information

A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:

- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
- ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates

should correlate to the projected growth in connections, shown on the projected profit and loss statement.

- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.

B. For existing water and/or sewer systems:

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
- ii. Attach a proposed rate schedule or tariff.

❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**

C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.

D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

7. Notice Requirements

- A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.
- B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.
- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.
- F. Notice For Publication:
The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. Notice To Neighboring Utilities:
 - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
 - ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.

H. Notice to Customers:

Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.

- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.

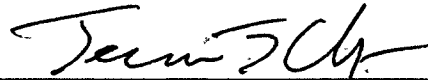
OATH

STATE OF Texas
COUNTY OF Tarrant

I, Jesus J. Chapa, being duly sworn, file this application as Assistant City Manager, City of Fort Worth (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended from its original form.

I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.



AFFIANT

(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
This day _____ of _____ 20 _____

SEAL

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES _____

Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO
PROVIDE WATER/SEWER UTILITY SERVICE IN

TARRANT

COUNTY(IES), TEXAS

Name of Applicant City of Fort Worth has filed an application for a
CCN to obtain or amend CCN No. (s) 12311 and to
decertify a portion(s) of N/A with the
(Name of Decertified Utility)

Public Utility commission of Texas to provide

water and sewer

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in TARRANT

County
(ies).

The proposed utility service area is located approximately 12 miles south
[direction] of downtown Fort Worth, [City or Town] Texas, and is
generally bounded on the north by RIDDLE, HIRAM SURVEY Abstr 1329 Tract 1 HOMESITE; on the east by
FERNANDEZ, ANTONIO SURVEY Abstr 506 Tract 4B; on the south by 1755 LONGHORN Trl; and on the west by FERNANDEZ, ANTONIO SURVEY Abstr 506 Tract 3A

See enclosed map of the proposed service area.

The total area being requested includes approximately 84 acres and 0
current customers.

A copy of the proposed service area map is available at (Utility Address and Phone
Number): attached

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should file with the PUC at the following address:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea información en Español, puede llamar al 1-888-782-8477

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Tarrant

COUNTY(IES), TEXAS

To: City of Crowley Date Notice Mailed 20
(Neighboring System, Landowner or City)

617 FM 1187 E

(Address)

Crowley

Texas

76036

City

State

Zip

Name of Applicant City of Fort Worth has filed an application for a
CCN to obtain or amend CCN No. (s) 12311 and to
decertify a portion(s) of N/A with the
(Name of Decertified Utility)

Public Utility Commission of Texas to provide

water and sewer

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in Tarrant

County(ies).

The proposed utility service area is located approximately 12 miles Southwest
[direction] of downtown Fort Worth, [City or Town] Texas, and is
generally bounded on the north by RIDDLE, HIRAM SURVEY Abstr 1329 Tract 1 HOMESITE; on the east by
FERNANDEZ, ANTONIO SURVEY Abstr 506 Tract 4B; on the south by 1755 LONGHORN Trl; and on the west by FERNANDEZ, ANTONIO SURVEY Abstr 506 Tract 3A

See enclosed map of the proposed service area.

The total area being requested includes approximately 84 acres and 0
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A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO
PROVIDE WATER/SEWER UTILITY SERVICE IN

TARRANT COUNTY(IES), TEXAS

Dear Customer: _____ Date Notice Mailed _____ 20 _____

Name of Applicant City of Fort Worth has filed an application for a
CCN to obtain or amend CCN No. (s) 12311 and to
decertify a portion(s) of N/A with the
(Name of Decertified Utility)

Public Utility commission of Texas to provide water and sewer
(specify 1) water or 2) sewer or 3) water & sewer)
utility service in TARRANT County(ies).

The proposed utility service area is located approximately 12 miles south
[direction] of downtown Fort Worth , [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone
Number): attached

The current utility rates which were first effective on separate sheets attached 20 _____

Monthly Flat Rate of \$ _____ Per connection

-OR-

Monthly Base Rate Including per _____ gallons
connection for:

5/8" meter \$ _____

1" meter \$ _____

1 1/2" meter \$ _____

2" meter \$ _____

Other \$ _____

Gallorage charge of \$ _____ Per 1,000
Gallons above minimum (same for all meters sizes)

Miscellaneous Fees

Regulatory Assessment

Tap Fee (Average Actual Cost)

Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

Late fee

Returned Check charge

Customer Deposit (\$50.00 max)

Meter test fee

(Actual Cost not Exceed \$25.00)

Other Fees

1%
\$
\$
\$
\$
\$
\$5.00 or 10%
\$
\$
\$
\$

Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

IF A HEARING IS HELD, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
LONGTERM LIABILITIES						
Notes Payable, Long-term						
Other						
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO						
EQUITY TO TOTAL ASSETS						

HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
LONGTERM LIABILITIES						
Notes Payable, Long-term						
Other						
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO						
EQUITY TO TOTAL ASSETS						

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income						
Depreciation (if Funded)						
Loan Proceeds						
Other						
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
TOTAL USES						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation , or Reserve						
Interest						
TOTAL						
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest						
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS						

Utility Agreement, M & C

RESOLUTION No. 1507-109

RESOLUTION DETERMINING NEED AND AUTHORIZING NEGOTIATIONS AND ACTIONS PERTAINING TO TRANSFERRING OWNERSHIP AND CONTROL OF A PORTION OF THE JOHNSON COUNTY SPECIAL UTILITY DISTRICT'S CCN AND SETTLEMENT AGREEMENT WITH CROWLEY 96, LLC FOR THE SOUTHFORK ESTATES SUBDIVISION

Certificate of Resolution

District: JOHNSON COUNTY SPECIAL UTILITY DISTRICT (District)

Date of Adoption: July 21, 2015

The undersigned officer of the District certifies the following facts:

1. JCSUD (the District), is a retail public utility as defined by Texas Water Code § 13.002 (19), providing retail water service pursuant to TCEQ CCN No. 10081 in Ellis, Hill, Johnson and Tarrant Counties, Texas; and
2. No proceeding for repeal of Senate Bill 5 as passed by the 78th Legislature, Regular Session, of the State of Texas and signed by the Governor on June 20, 2003 to create the District is pending.
3. The Bylaws of the District do not limit the power of the board of directors to pass the resolutions below.
4. The undersigned is authorized to make and sign this certificate.
5. The undersigned keeps the records and minutes of the proceedings of the board of directors of the District, and the resolutions below are an accurate reproduction of the ones made in those proceedings. They have not been amended, modified, or rescinded and are now in full force and effect.
6. This resolution is duly adopted on the Date of Adoption. The regular scheduled meeting of the board of directors was held in accordance with law and the bylaws of the District, and a quorum was present.

WHEREAS, the developer and the District desire to enter into a settlement agreement whereby the CCN transfers to Fort Worth and the developer pays the District a lump sum amount as settlement for the stranded cost value as determined by the District.

BE IT RESOLVED, that Johnson County Special Utility District hereby officially determines that it is in the best interest of the District to enter into an agreement with Crowley 96, LLC and the City of Fort Worth, to transfer the CCN related to the development known as Southfork Estates.

IT IS FURTHER RESOLVED, that Crowley 96, LLC will pay the District as determined by the number of lots platted according to the approved preliminary plat or final plat, whichever is greater, and applied to Exhibit A "Present Value Connection 2015" calculation. Said lump sum payment will be paid within 10 days of the preliminary plat approval. A "true-up" will apply if the final plat reflects a different number of lots.

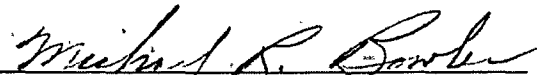
IT IS FURTHER RESOLVED, that Terry Kelley, General Manager of the District is authorized and directed to enter into agreement with Crowley 96, LLC and the City of Fort Worth and to execute such documents as may be necessary to effectuate the settlement and the transfer of ownership and control of that portion of the District's CCN.

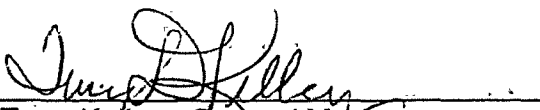
IT IS FURTHER RESOLVED, that any action taken by the General Manager subsequent to this date with regard to contracting with professional services, attorneys, and title companies for the documents and other items needed by Johnson County Special Utility District from time to time in connection with this project, is hereby ratified and confirmed.

ADOPTED by the Board of Directors of Johnson County Special Utility District on this the 21st day of July, 2015.


Tommy Webb, President

ATTEST:


Michael Bowles, Secretary-Treasurer


Terry Kelley, General Manager

PRESENT VALUE CONNECTION 2015					
Year	Annual Fixed Cost per Connection	Lost Equivalent Connections	Lost Revenue	Compounded Present Value Interest	Present Value
		290			
2015	\$ 301.35	15	\$ 4,520.19	98.08%	\$ 4,433.30
2016	\$ 194.67	40	\$ 7,786.84	96.19%	\$ 7,490.34
2017	\$ 174.91	90	\$ 15,741.73	94.34%	\$ 14,851.25
2018	\$ 171.81	140	\$ 24,053.02	92.53%	\$ 22,256.16
2019	\$ 167.77	180	\$ 30,198.25	90.75%	\$ 27,405.18
2020	\$ 145.93	210	\$ 30,644.84	89.01%	\$ 27,275.86
2021	\$ 142.80	240	\$ 34,272.81	87.30%	\$ 29,918.58
2022	\$ 134.93	260	\$ 35,082.00	85.62%	\$ 30,036.25
2023	\$ 101.52	280	\$ 28,424.89	83.97%	\$ 23,868.79
2024	\$ 82.15	290	\$ 23,822.95	82.36%	\$ 19,619.93
2025	\$ 81.74	290	\$ 23,705.31	80.77%	\$ 19,147.74
2026	\$ 81.48	290	\$ 23,628.92	79.22%	\$ 18,719.14
2027	\$ 81.17	290	\$ 23,537.89	77.70%	\$ 18,288.57
2028	\$ 81.13	290	\$ 23,527.96	76.20%	\$ 17,929.44
2029	\$ 80.93	290	\$ 23,469.17	74.74%	\$ 17,540.83
2030	\$ 80.79	290	\$ 23,430.28	73.30%	\$ 17,175.14
2031	\$ 80.78	290	\$ 23,426.50	71.89%	\$ 16,842.26
2032	\$ 49.82	290	\$ 14,449.00	70.51%	\$ 10,188.28
2033	\$ 50.28	290	\$ 14,582.16	69.16%	\$ 10,084.52
2034	\$ 50.75	290	\$ 14,716.54	67.83%	\$ 9,981.81
2035	\$ 51.21	290	\$ 14,852.16	66.52%	\$ 9,880.14
2036	\$ 51.69	290	\$ 14,989.03	65.24%	\$ 9,779.51
2037	\$ 52.16	290	\$ 15,127.16	63.99%	\$ 9,679.91
2038	\$ 52.64	290	\$ 15,266.56	62.76%	\$ 9,581.32
2039	\$ 53.13	290	\$ 15,407.25	61.55%	\$ 9,483.74
2040	\$ 53.59	290	\$ 15,540.92	60.37%	\$ 9,382.13
2041	\$ 54.08	290	\$ 15,684.14	59.21%	\$ 9,286.57
2042	\$ 54.58	290	\$ 15,828.67	58.07%	\$ 9,191.99
2043	\$ 55.08	290	\$ 15,974.54	56.96%	\$ 9,098.37
2044	\$ 55.59	290	\$ 16,121.76	55.86%	\$ 9,005.70
2045	\$ 56.10	290	\$ 16,270.33	54.79%	\$ 8,913.98
2046	\$ 56.62	290	\$ 16,420.26	53.73%	\$ 8,823.19
2047	\$ 57.14	290	\$ 16,571.59	52.70%	\$ 8,733.33
2048	\$ 57.67	290	\$ 16,724.30	51.69%	\$ 8,644.38
Discount		Present Value 5/8" Meter Connection			\$ 492,537.61
Rate 1.96%		Present Value per Single Connection			\$ 1,698.41

SETTLEMENT AGREEMENT

This settlement agreement (the "Agreement") is entered into as of the 31st day of March, 2016 (the "Effective Date"), by and between **Crowley 96, LLC** (the "Developer"), and **Johnson County Special Utility District (JCSUD)**, a conservation and reclamation district operating under and governed by the provisions of Texas Water Code Chapters 49 and 65, as amended, and Article XVI, Section 59 of the Texas Constitution ("JCSUD") (the Developer and JCSUD are collectively hereinafter referred to as the "Parties"). This Agreement evidences a binding agreement between the Parties regarding the transfer of water service to the City of Fort Worth (CITY) for a development known as the **Southfork Estates Phases 1-4** (referred to as DEVELOPMENT) situated on an 83.81 acre tract located in Tarrant County, Texas. For valuable consideration and in consideration of the agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

RECITALS

WHEREAS, the Developer is currently developing said tract and desires to have the City of Fort Worth obtain the CCN (Certificate of Convenience and Necessity) for said tract and have the supply of water service come directly from the City of Fort Worth to the Southfork Estates development since it is a requirement in order for the DEVELOPMENT to obtain service from the CITY's wastewater collection and treatment system; and

WHEREAS, JCSUD has incurred fixed costs identified with long-term commitments for water supply capacity, debt service, and other capital expense towards best management practice to improve the water system infrastructure to meet demands brought on by growth before it arrives;

WHEREAS, these cost commitments translate into stranded cost to the existing CCN holder's remaining customers when a portion of its service area is decertified and removed from the system whereby due consideration for the associated stranded cost is recoverable by the terms of this agreement; and

WHEREAS, the Parties desire to enter into this Agreement whereby the Developer will pay to JCSUD the stranded cost value calculated for the DEVELOPMENT, and by Resolution JCSUD will relinquish the CCN area to the City of Fort Worth, in turn the CITY is enabled to unilaterally apply to the TCEQ for transfer of the CCN with respect to the Development and all parties will cooperate and facilitate the release by JCSUD and transfer to Fort Worth the CCN area with respect to the DEVELOPMENT (the foregoing being herein referred to as the "CCN Modification").

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, including the recitals set forth hereinabove, the Parties agree as follows:

TERMS OF AGREEMENT

1. PAYMENT. Developer shall deliver the sum of \$540,092.97 (the "Deposit") to Cain & Associates, PC – Escrow account of Texas ("Escrow Agent"), located at 508 N. Ridgeway Drive, Cleburne, Texas 76033 (Attention: D. Scott Cain) to be held in escrow until such time as JCSUD furnishes Escrow Agent with the following (collectively, the "Deposit Release Requirements"): (a) JCSUD resolution approving the release by JCSUD and transfer to the City of Fort Worth of the CCN with respect to the Development, (b) proof of acceptance of the transfer to Fort Worth of the CCN with respect to the Development from the City of Fort Worth, and (c) proof of filing the application to TCEQ for the transfer of the CCN with respect to the Development to the City of Fort Worth.

The Deposit shall be released to JCSUD upon satisfactory proof provided to the Escrow Agent and Developer that the Deposit Release Requirements have been satisfied. JCSUD and Developer hereby acknowledge and agree that upon release of the Deposit to JCSUD, Developer may construct and install water lines and related facilities to connect directly to the City of Fort Worth's water lines and/or systems, notwithstanding final approval of the CCN release and transfer has not yet been obtained from TCEQ.

In the improbable event that TCEQ would deny the release or transfer of the CCN with respect to the Development, then JCSUD shall return the sum of \$540,092.97 to Developer within 15 days of the final and non-appealable decision of TCEQ and this Agreement shall be void and of no further effect and the agreements in place prior to the execution of this agreement shall govern as though this agreement was never entered. In said denial event, the Developer will use commercially reasonable efforts to disconnect any piping facilities made in the interim to connect to the City of Fort Worth's water lines and/or systems directly, and will look to JCSUD for water service to supply the portion of the Development in JCSUD's CCN (for as long as JCSUD is the holder of such CCN), and this Agreement shall be void and of no further effect and the agreements in place prior to the execution of this agreement shall govern as though this agreement was never entered.

2. CCN TRANSFER. By Resolution of the Board of Directors, JCSUD shall effectuate the conveyance of the referenced CCN area to the City of Fort Worth. Both parties look to the receiving jurisdictional entity, The City of Fort Worth, for the action of filing appropriate documents with TCEQ regarding the transfer of the CCN. JCSUD shall promptly execute any documents necessary to facilitate the CITY in this process.

3. ASSIGNABILITY. This Agreement shall be binding upon the Parties hereto and to their respective successors, heirs, and assigns; provide that neither JCSUD nor the Developer shall assign its rights, duties or obligation hereunder without the prior written consent of the non-assigning party hereto.

4. SEVERABILITY. If any provision contained in this Agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

5. TIME IS OF THE ESSENCE. Time shall be of the essence in this Agreement.

6. COUNTERPARTS. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original, and all of which will constitute one and the same agreement.

7. APPLICABLE LAW. This Agreement and its interpretation, performance, and enforcement shall be governed by and construed in accordance with the laws of the State of Texas.

8. VENUE. This Agreement is performable in Johnson County, Texas and any action at law or in equity brought to enforce or interpret any provision of this Agreement shall be brought in Johnson County, Texas.

9. ENTIRE AGREEMENT. This Agreement contains the entire agreement and understanding among the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, inducements or conditions, whether express or implied, oral or written, with respect to the subject matter hereof. This Agreement shall be construed as though jointly drafted by both parties.

10. AMENDMENTS. This Agreement may only be amended upon the written consent of both Parties.

11. COVENANT OF AUTHORITY. By their signatures below, the individuals signing this Agreement covenant that they have full authority to bind and otherwise compromise the interests of the party that they represent.

12. CORRESPONDENCE. Unless otherwise provided by this Agreement, all correspondence shall be delivered by certified mail, overnight courier, postage prepaid, facsimile, or hand delivery to the address of the Parties as described below or subsequently changed by written notice.

For JCSUD:

Attention: Terry D. Kelley, General Manager
Johnson County Special Utility District
P. O. Box 509
Cleburne, TX 76003

Copy to:

Scott Cain
Cain & Associates, PC
508 N. Ridgeway Drive
Cleburne, TX 76033

For Developer:

Attention: Mr. David Shipman
Crowley 96, LLC

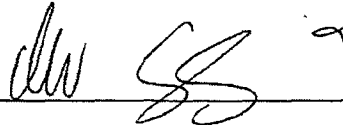
121 Northwest Newton St.
Burleson, TX 76028

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

Crowley 96, LLC
a Texas limited liability company

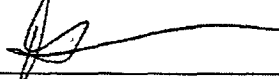
Date: 4/8/15.

By: David Shipman (or other name and address of signatory)
Crowley 96, LLC
121 Northwest Newton St.
Burleson, TX 76028

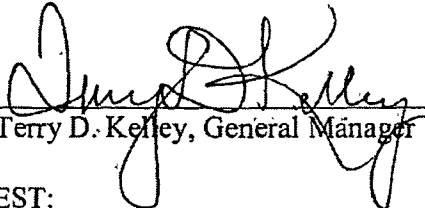
By: 

Title: Authorized Agent

ATTEST:



Secretary DAVID SHIPMAN, SR

JOHNSON COUNTY SPECIAL UTILITY DISTRICT

By: 
Terry D. Kelley, General Manager

Date: April 12, 2016

ATTEST:


Secretary

CITY COUNCIL AGENDA



COUNCIL ACTION: Approved on 8/23/2016

DATE: 8/23/2016 **REFERENCE NO.:** **G-18798 **LOG NAME:** 6060SOUTHFORK CONTRACTS CCN-OUTSIDE CITY WATER

CODE: G **TYPE:** CONSENT **PUBLIC HEARING:** NO

SUBJECT: Authorize Application for Transfer of Part of Certificate of Convenience and Necessity No. 10081 to the City and Authorize Agreement with Crowley 96 LLC, for the Provision of Water/Sewer Service at 1.25 Times the Retail Rate to Serve South Forks Estates Preliminary Plat, PP-15-065 Pursuant to City Code Section 35-60b, Uses Outside City, Located South of Cleburne Crowley Road West of Crowley City Limits (Extra-Territorial Jurisdiction/Tarrant County) (South of COUNCIL DISTRICT 6)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the application to the Public Utility Commission for Transfer of Part of Certificate of Convenience and Necessity No. 10081 to the City; and
2. Authorize the execution of an Agreement with Crowley 96 LLC, for provision of water/sewer service at 1.25 times the retail rate to South Forks Estates Preliminary Plat, PP-15-065 Pursuant to City Code, Section 35-60b, Uses Outside City, located west of Crowley City Limits.

DISCUSSION:

The South Fork Estates Development consists of a 96 acre parcel of land located south of Cleburne Crowley Road, west of Crowley City Limits and north of Longhorn Trail in the City of Fort Worth, Tarrant County. The development is currently within the Johnson County Special Utility District (JCSUD) Water Certificate of Convenience and Necessity (CCN) No. 10081 as issued by the Public Utility Commission (PUC). The CCN authorizes JCSUD to be the sole provider of potable water service within the CCN areas.

Crowley 96 LLC, Developer of South Fork Estates, requested Fort Worth to provide water service to the development. However, JCSUD holds the water CCN. On July 21, 2015, the JCSUD adopted Resolution No. 1507-109 authorizing the transfer of ownership and control of a portion of the JCSUD's CCN and a Settlement Agreement with Crowley 96 LLC, for the South Fork Estates subdivision. Crowley 96 LLC, has agreed to be responsible for the full acquisition costs of the CCN to the JCSUD to be held in escrow to allow for the transfer of the portion of the development located within the JCSUD CCN and in the City's Extra-Territorial Jurisdiction (ETJ) to the City. After Crowley 96 LLC, compensates JCSUD, the Water Department will submit an application for transfer. Upon approval by TCEQ, the City will be authorized to provide retail water service to the South Fork Estates Development. Since this development is located within the ETJ, upon City Council approval, service will be provided to the development at 1.25 times the City's retail rates.

On November 10, 2015, Crowley 96 LLC, submitted preliminary plat PP-15-065. The preliminary plat was approved by the City Plan Commission on February 25, 2016.

The project is located south of COUNCIL DISTRICT 6; Mapsco 117L and 117T.

FISCAL INFORMATION/CERTIFICATION:

The Director of Finance certifies that the Water and Sewer Department will be responsible for the collection of revenue due to the City.

TO

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
------	---------------	---------	------------	---------	----------	-------------	----------------------------	--------

FROM

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
------	---------------	---------	------------	---------	----------	-------------	----------------------------	--------

Submitted for City Manager's Office by: Jay Chapa (5804)

Originating Department Head: John Carman (8246)

Additional Information Contact: Esteban Perez (8428)

ATTACHMENTS

Certificate of Interested Parties - Crowley 96.pdf

PP-15-065.pdf

Southfork Estates Map.pdf

SETTLEMENT AGREEMENT

This settlement agreement (the "Agreement") is entered into as of the ____ day of March, 2016 (the "Effective Date"), by and between **Crowley 96, LLC** (the "Developer"), and **Johnson County Special Utility District (JCSUD)**, a conservation and reclamation district operating under and governed by the provisions of Texas Water Code Chapters 49 and 65, as amended, and Article XVI, Section 59 of the Texas Constitution ("JCSUD") (the Developer and JCSUD are collectively hereinafter referred to as the "Parties"). This Agreement evidences a binding agreement between the Parties regarding the transfer of water service to the City of Fort Worth (CITY) for a development known as the **Southfork Estates Phases 1-4** (referred to as DEVELOPMENT) situated on an 83.81 acre tract located in Tarrant County, Texas. For valuable consideration and in consideration of the agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

RECITALS

WHEREAS, the Developer is currently developing said tract and desires to have the City of Fort Worth obtain the CCN (Certificate of Convenience and Necessity) for said tract and have the supply of water service come directly from the City of Fort Worth to the Southfork Estates development since it is a requirement in order for the DEVELOPMENT to obtain service from the CITY's wastewater collection and treatment system; and

WHEREAS, JCSUD has incurred fixed costs identified with long-term commitments for water supply capacity, debt service, and other capital expense towards best management practice to improve the water system infrastructure to meet demands brought on by growth before it arrives;

WHEREAS, these cost commitments translate into stranded cost to the existing CCN holder's remaining customers when a portion of its service area is decertified and removed from the system whereby due consideration for the associated stranded cost is recoverable by the terms of this agreement; and

WHEREAS, the Parties desire to enter into this Agreement whereby the Developer will pay to JCSUD the stranded cost value calculated for the DEVELOPMENT, and by Resolution JCSUD will relinquish the CCN area to the City of Fort Worth, in turn the CITY is enabled to unilaterally apply to the TCEQ for transfer of the CCN with respect to the Development and all parties will cooperate and facilitate the release by JCSUD and transfer to Fort Worth the CCN area with respect to the DEVELOPMENT (the foregoing being herein referred to as the "CCN Modification").

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, including the recitals set forth hereinabove, the Parties agree as follows:

TERMS OF AGREEMENT

1. PAYMENT. Developer shall deliver the sum of \$540,092.97 (the "Deposit") to Cain & Associates, PC – Escrow account of Texas ("Escrow Agent"), located at 508 N. Ridgeway Drive, Cleburne, Texas 76033 (Attention: D. Scott Cain) to be held in escrow until such time as JCSUD furnishes Escrow Agent with the following (collectively, the "Deposit Release Requirements"): (a) JCSUD resolution approving the release by JCSUD and transfer to the City of Fort Worth of the CCN with respect to the Development, (b) proof of acceptance of the transfer to Fort Worth of the CCN with respect to the Development from the City of Fort Worth, and (c) proof of filing the application to TCEQ for the transfer of the CCN with respect to the Development to the City of Fort Worth.

The Deposit shall be released to JCSUD upon satisfactory proof provided to the Escrow Agent and Developer that the Deposit Release Requirements have been satisfied. JCSUD and Developer hereby acknowledge and agree that upon release of the Deposit to JCSUD, Developer may construct and install water lines and related facilities to connect directly to the City of Fort Worth's water lines and/or systems, notwithstanding final approval of the CCN release and transfer has not yet been obtained from TCEQ.

In the improbable event that TCEQ would deny the release or transfer of the CCN with respect to the Development, then JCSUD shall return the sum of \$540,092.97 to Developer within 15 days of the final and non-appealable decision of TCEQ and this Agreement shall be void and of no further effect and the agreements in place prior to the execution of this agreement shall govern as though this agreement was never entered. In said denial event, the Developer will use commercially reasonable efforts to disconnect any piping facilities made in the interim to connect to the City of Fort Worth's water lines and/or systems directly, and will look to JCSUD for water service to supply the portion of the Development in JCSUD's CCN (for as long as JCSUD is the holder of such CCN), and this Agreement shall be void and of no further effect and the agreements in place prior to the execution of this agreement shall govern as though this agreement was never entered.

2. CCN TRANSFER. By Resolution of the Board of Directors, JCSUD shall effectuate the conveyance of the referenced CCN area to the City of Fort Worth. Both parties look to the receiving jurisdictional entity, The City of Fort Worth, for the action of filing appropriate documents with TCEQ regarding the transfer of the CCN. JCSUD shall promptly execute any documents necessary to facilitate the CITY in this process.

3. ASSIGNABILITY. This Agreement shall be binding upon the Parties hereto and to their respective successors, heirs, and assigns; provide that neither JCSUD nor the Developer shall assign its rights, duties or obligation hereunder without the prior written consent of the non-assigning party hereto.

4. SEVERABILITY. If any provision contained in this Agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

5. TIME IS OF THE ESSENCE. Time shall be of the essence in this Agreement.

6. COUNTERPARTS. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original, and all of which will constitute one and the same agreement.

7. APPLICABLE LAW. This Agreement and its interpretation, performance, and enforcement shall be governed by and construed in accordance with the laws of the State of Texas.

8. VENUE. This Agreement is performable in Johnson County, Texas and any action at law or in equity brought to enforce or interpret any provision of this Agreement shall be brought in Johnson County, Texas.

9. ENTIRE AGREEMENT. This Agreement contains the entire agreement and understanding among the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, inducements or conditions, whether express or implied, oral or written, with respect to the subject matter hereof. This Agreement shall be construed as though jointly drafted by both parties.

10. AMENDMENTS. This Agreement may only be amended upon the written consent of both Parties.

11. COVENANT OF AUTHORITY. By their signatures below, the individuals signing this Agreement covenant that they have full authority to bind and otherwise compromise the interests of the party that they represent.

12. CORRESPONDENCE. Unless otherwise provided by this Agreement, all correspondence shall be delivered by certified mail, overnight courier, postage prepaid, facsimile, or hand delivery to the address of the Parties as described below or subsequently changed by written notice.

For JCSUD:

Attention: Terry D. Kelley, General Manager
Johnson County Special Utility District
P. O. Box 509
Cleburne, TX 76003

Copy to:

Scott Cain
Cain & Associates, PC
508 N. Ridgeway Drive
Cleburne, TX 76033

For Developer:

Attention: Mr. David Shipman
Crowley 96, LLC

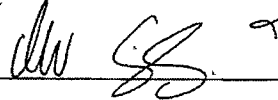
121 Northwest Newton St.
Burleson, TX 76028

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

Crowley 96, LLC
a Texas limited liability company

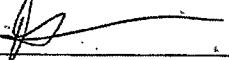
Date: 4/8/15

By: David Shipman (or other name and address of signatory)
Crowley 96, LLC
121 Northwest Newton St.
Burleson, TX 76028

By: 

Title: Authorized Agent

ATTEST:


Secretary DAVID SHIPMAN, SR.

JOHNSON COUNTY SPECIAL UTILITY DISTRICT

By: _____
Terry D. Kelley, General Manager

Date: _____

ATTEST:

Secretary

CAIN
& ASSOCIATES
Attorneys at Law

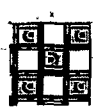
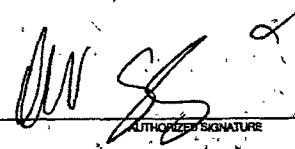
D. Scott Cain

Mark Hines
Robert J. Masteller III

RECEIPT

Date: April 8, 2016
Client: JCSUD - Shipman
Amount: \$ 540,092.97
Payment Type: check
Received by: Abbie Massey

Thank you!

BURLESON FIELDS, LLC 121 NW NEWTON DRIVE BURLESON, TEXAS 76028		SOUTHSIDE BANK www.southside.com 88-2360/1119	4085
PAY TO THE ORDER OF Cain & Associates Escrow Account		4/8/2016	
Five Hundred Forty Thousand Ninety-Two and 97/100		\$ **540,092.97	
Cain & Associates Escrow Account			DOLLARS
MEMO	JCSUD Release of CCN		
⑈004085⑈ ⑆111923607⑆ ⑈1622692⑈			

BURLESON FIELDS, LLC

Cain & Associates Escrow Account

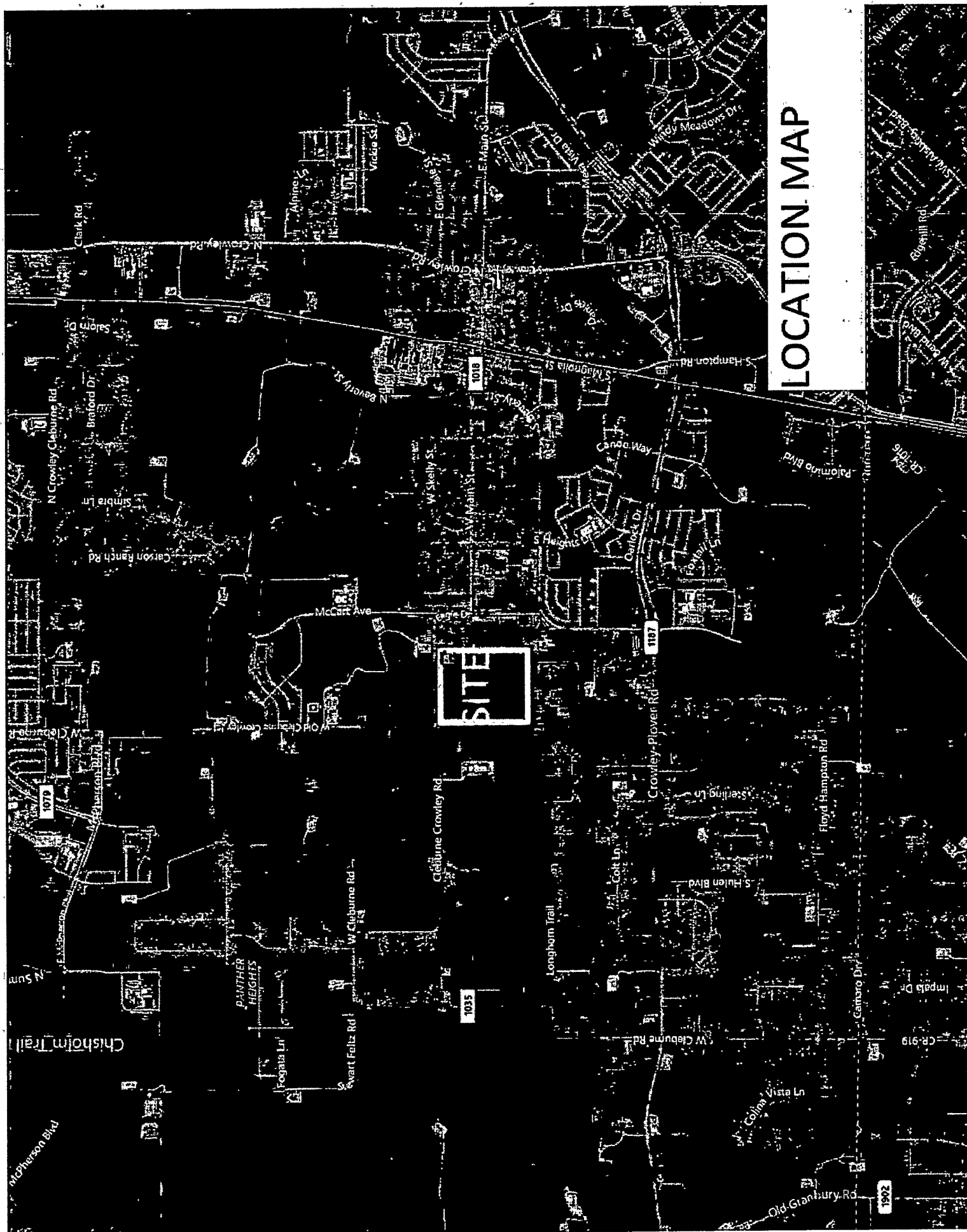
JCSUD Release of CCN

4/8/2016

540,092.97

4085

A Location Map



CCN Map in 2 miles Area

Mark Westfall

From: Nguyen, Kristy <Kristy.Nguyen@puc.texas.gov>
Sent: Thursday, November 19, 2015 1:03 PM
To: Cynthia Swift
Cc: Fuentes, Lisa; Montes, Tracy; Horton Jr, Gary
Subject: RE: Southfork Estates

Hi Cynthia,

The distance ranges from 285 feet to 301 feet starting at the intersection of Old Cleburne Crowley Rd and Cleburne Crowley Rd. heading east towards Eagle Dr.

Let me know if that helps,
Kristy
512/936-7375 (direct)

From: Cynthia Swift [<mailto:cynthias@glbarron.com>]
Sent: Tuesday, November 10, 2015 3:09 PM
To: Fuentes, Lisa <Lisa.Fuentes@puc.texas.gov>
Subject: FW: Southfork Estates

Good Afternoon Lisa,
Just following up on the request below.

From: Cynthia Swift
Sent: Thursday, November 05, 2015 9:25 AM
To: 'Fuentes, Lisa'
Subject: Southfork Estates

Good Morning Lisa,

Attached is a project located in the City of Fort Worth. It is situated in 2 CCN's, City of Fort Worth and Johnson County Special Utility District.

This email is a request for PUC mapping to verify the distance from the Johnson County CCN line to Old Cleburne Crowley Road as shown on the attached and also if it runs parallel to the right of way.

Thank you !!

Cynthia

Cynthia Swift

Project Manager

Barron • Stark • Swift Consulting Engineers

6221 Southwest Blvd, Ste. 100

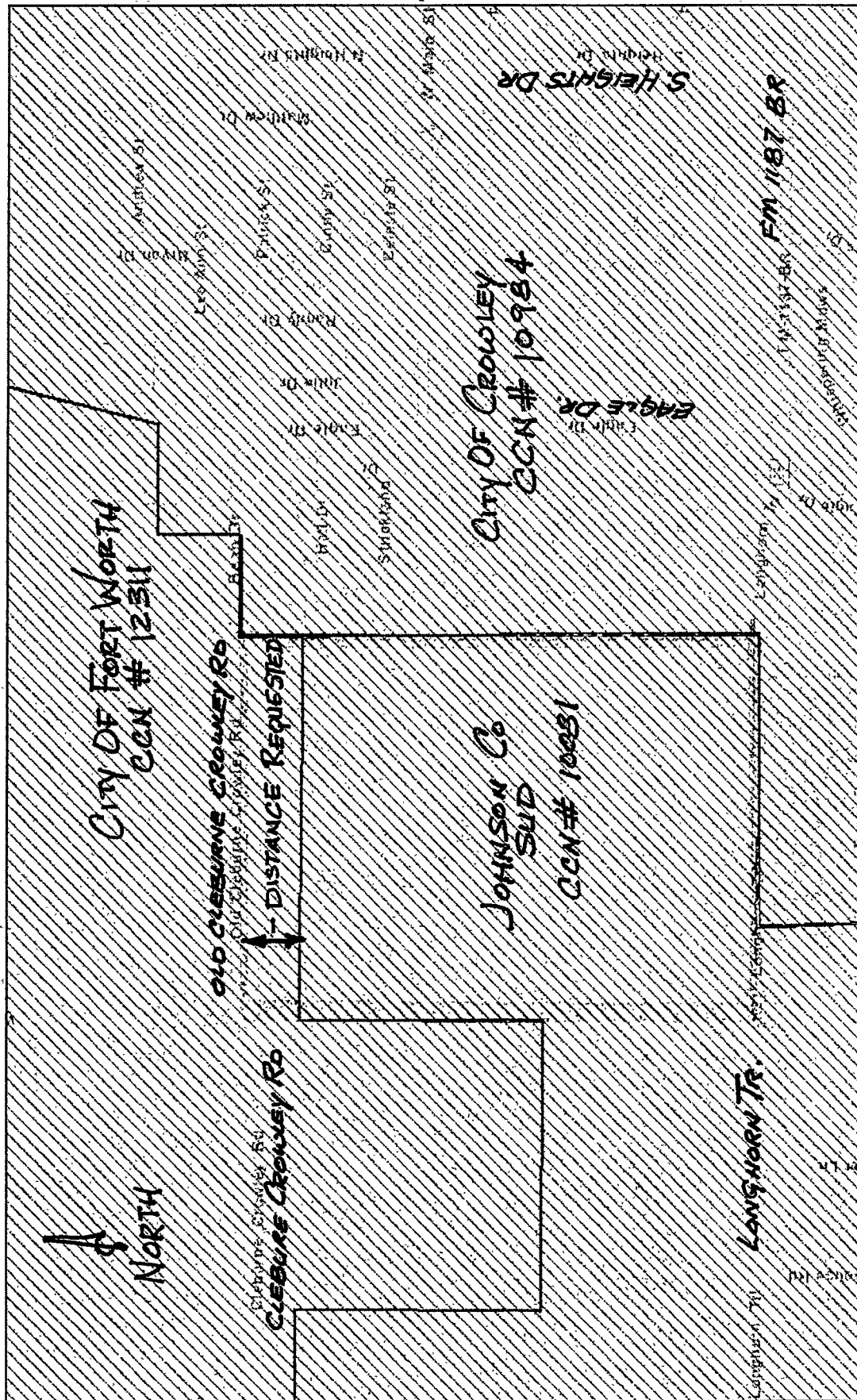
Fort Worth, TX 76132

cynthias@barronstark.com

Direct Office 817.231.8114

This email, and attachments thereto, is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination, or other use of, or taking any action in

SOUTHFORK ESTATES

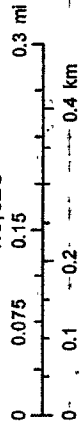


November 5, 2015

Water CCN Service Areas

SOUTHFORK ESTATES
PROPERTY BOUNDARY

1:9,028



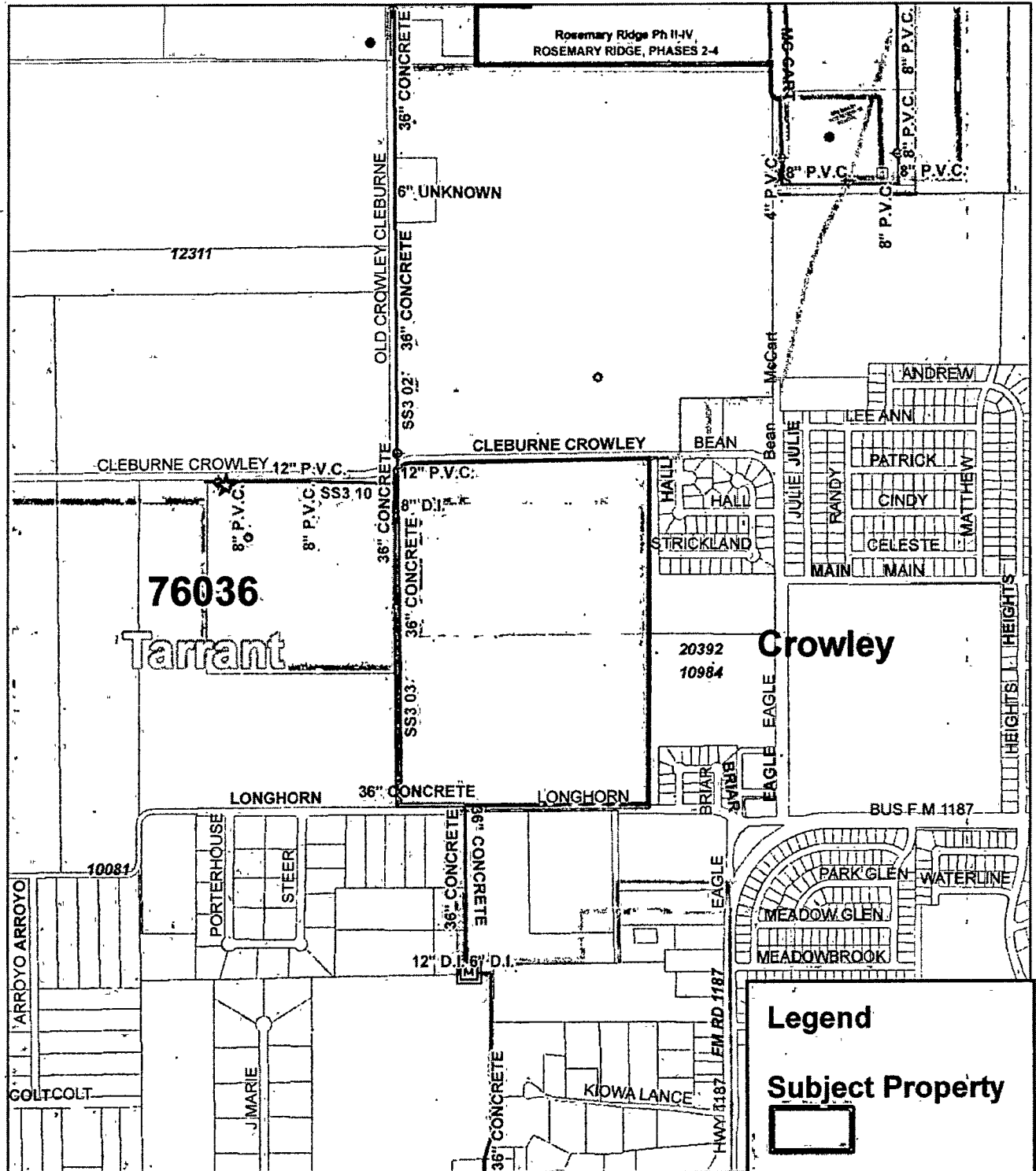
Sources: Esri, HERE, DeLorme, USGS, Intermap, Incorp. P Corp.,
INRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand).



Rosemary Development
Crowley, TX 76036



For general purpose only. Contact City of Fort Worth Department of Engineering at 817-392-8426 to get plan information for design or construction purposes.
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\\Fw\cfs01\Water\Groups\Engineering\Development\Availability

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SURVEYOR. THE CITY OF FORT WORTH ASSUMES NO RESPONSIBILITY
FOR THE ACCURACY OF SAID DATA.

0 500 1,000 2,000 Feet



Legend

Subject Property



- Domestic
- Fire
- Irrigation
- All Water Mains

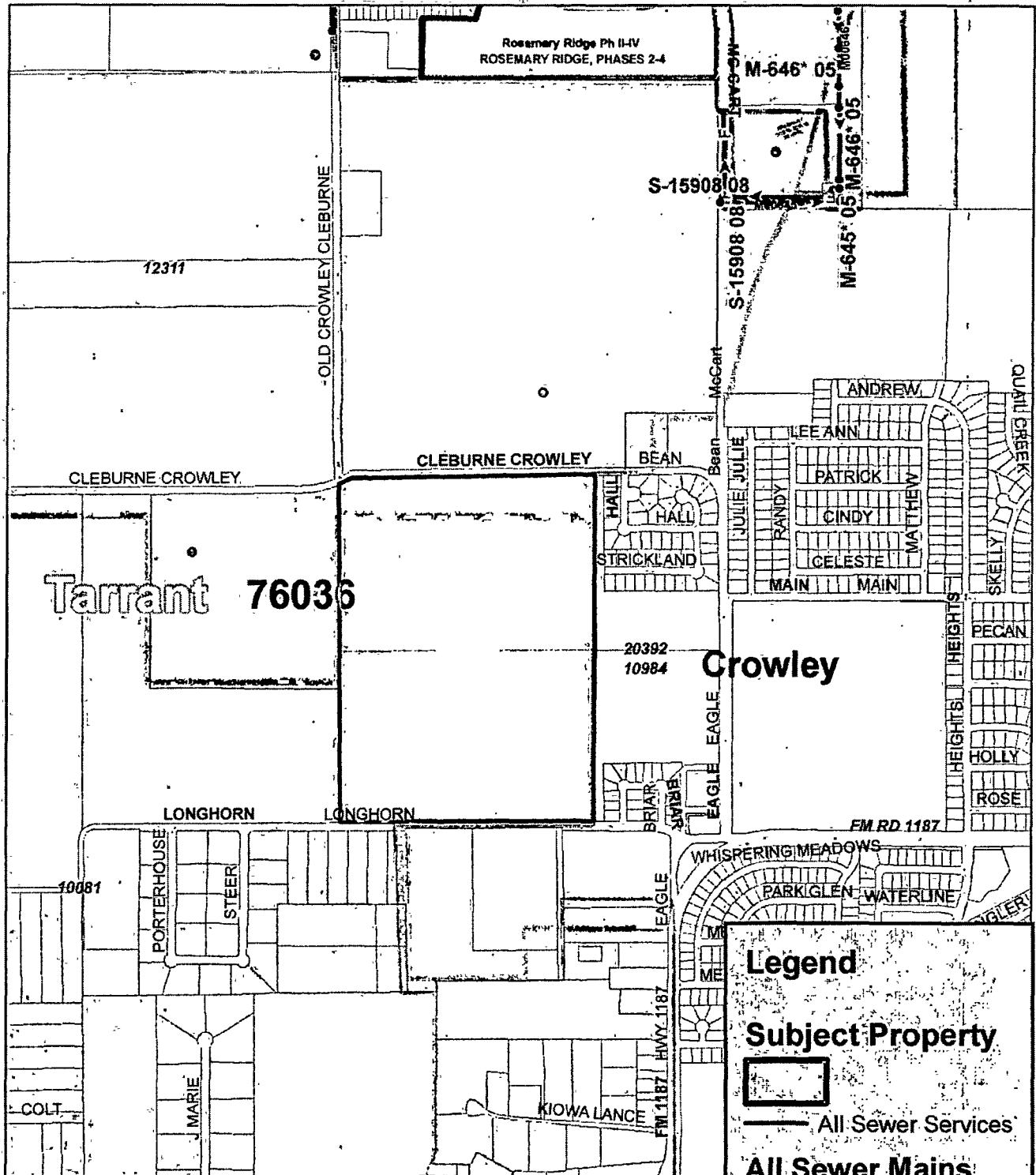
NAD 1983 StatePlane, Texas North, Central FIPS 4202 Feet 1 inch equals 700 feet



Rosemary Development Crowley, TX 76036



For general purpose only. Contact City of Fort Worth Department of Engineering at 817-392-8426 to get plan information for design or construction purposes.
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\\Fwwcfs01\Water\Groups\Engineering\Development\Availability

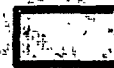
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SURVEYOR. THE CITY OF FORT WORTH ASSUMES NO RESPONSIBILITY
FOR THE ACCURACY OF SAID DATA.

0 500 1,000 2,000 Feet



Legend

Subject Property



— All Sewer Services

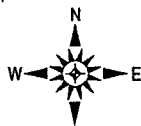
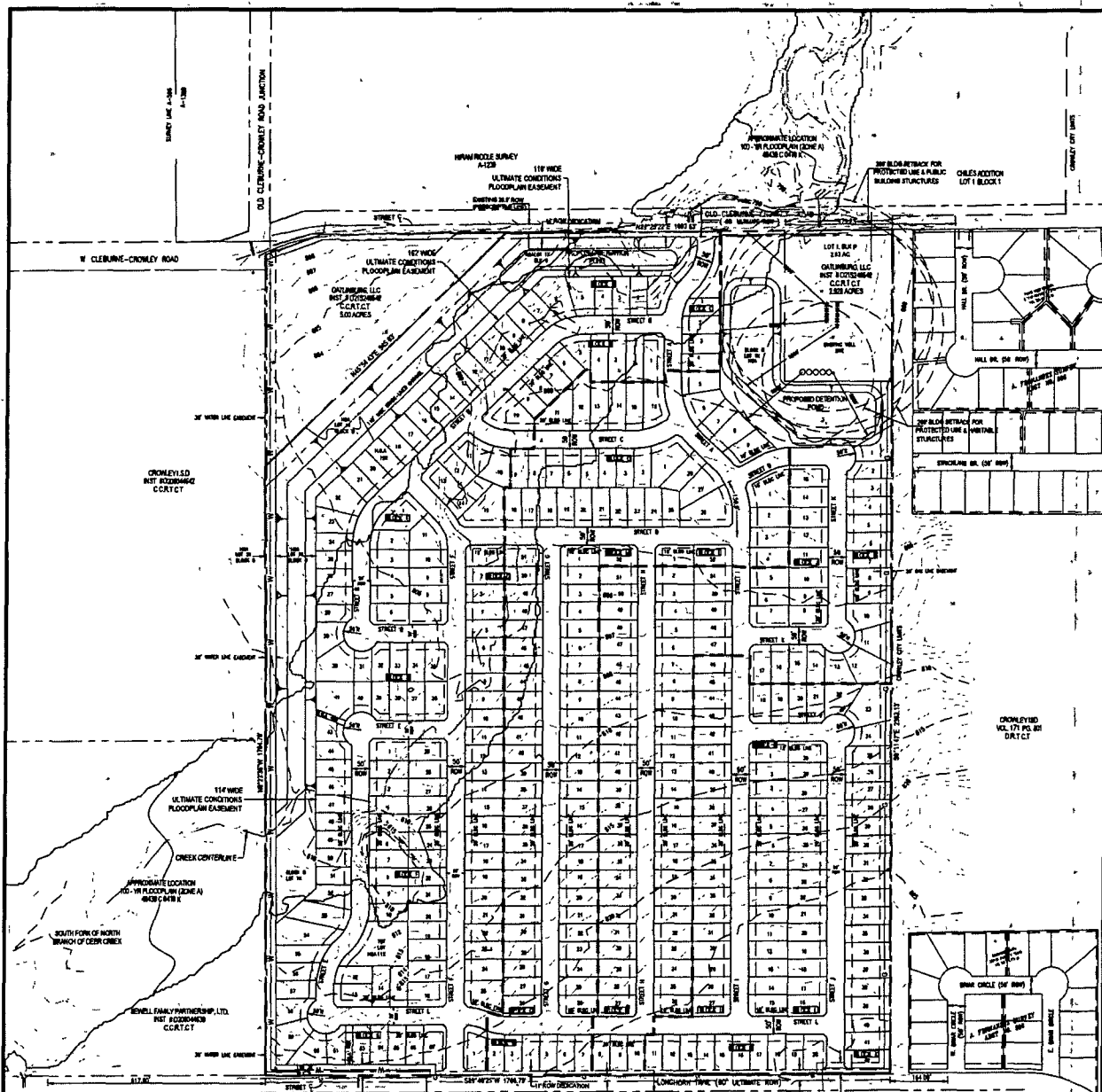
All Sewer Mains STYLE

→ Gravity

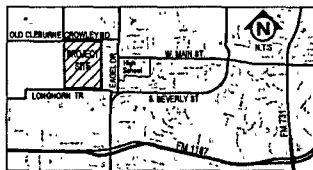
→ LP Low Pressure

→ Force

Preliminary Plat



GRAPHIC SCALE
1"=150'
150 0 150 300



PRELIMINARY PLAT SOUTHFORK ESTATES

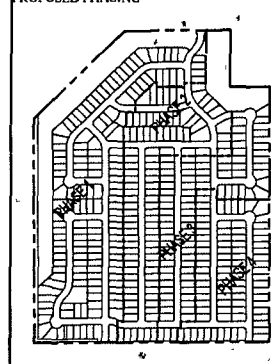
WARNERS

1. Requirement to provide street side out to adjacent undeveloped property East and West. All undeveloped property is owned by Crowley L.D. All building setbacks shall conform to the City of Fort Worth A.D. Standards.
2. Double Storage lots on Long Horn Trail.
3. Covered Mailroom accessible Block Length:
A. Block A, Lots 1-35 (1,700 feet)
B. Block A, Lots 36-47 (1,000 feet)

GENERAL NOTES

1. Water & Sewer Service by the City of Fort Worth.
2. All property located within City of Ft. Worth ETJ. All building setbacks shall conform to the City of Fort Worth A.D. Standards.
3. Typical lot number: 87 x 110'
4. 10'x10' Corner city dedication required at all street intersections.
5. The proposed Block A, Lots 1-35, 100' wide E.D. Block Plan 110' (1st Lot, Block H, Lot 1X (Crawford Pond Area) & Block G, Lots 1-35 (Crawford Pond Area and Cross Channel) and 25 (Water Easement) are "T.O.A. Private Open Space Lots" to be privately owned & maintained by the Home Owner Association.
6. Longhorn Trail is not a M.T.P. roadway, therefore no street wall is required. No residential lots adjacent to Longhorn Trail, or no street wall is required.
7. No residential driveway within this development are allowed onto Longhorn Trail Road or Old Oakhurst-Crowley Road.
8. All streets are to be built to urban street standards - Concrete Streets with Curb, Gutter and

PROPOSED PHASING



PRELIMINARY
NOT TO BE RECORDED
FOR ANY PURPOSES

CHARLES F. STARK, RPLS No. 3604

BLOCK FACE TABLE	
STREET	LENGTH
STREET A	100'
STREET B	100'
STREET C	100'
STREET D	100'
STREET E	100'
STREET F	100'
STREET G	100'
STREET H	100'
STREET I	100'
STREET J	100'
STREET K	100'
STREET L	100'
STREET M	100'
STREET N	100'
STREET O	100'
STREET P	100'
STREET Q	100'
STREET R	100'
STREET S	100'
STREET T	100'
STREET U	100'
STREET V	100'
STREET W	100'
STREET X	100'
STREET Y	100'
STREET Z	100'

LAND USE TABLE	
LAND USE	PERCENTAGE
RESIDENTIAL	100%
COMMERCIAL	0%
INDUSTRIAL	0%
OFFICE	0%
RETAIL	0%
RESTAURANT	0%
ENTERTAINMENT	0%
RECREATION	0%
RELIGIOUS	0%
EDUCATION	0%
HEALTH CARE	0%
GOVERNMENT	0%
UTILITY	0%
TRANSPORTATION	0%
OTHER	0%

PRELIMINARY PLAT SOUTHFORK ESTATES

- Lots 1-19X, 20-42X,
43-62X, 63-67, Block A
Lots 1-16, Block B
Lots 1-9, Block C
Lots 1-28, Block D
Lots 1-11, Block E
Lots 1-11X, 12-28, Block F
Lots 1-51, Block G
- Lots 1-52, Block H
Lots 1-52, Block I
Lots 1-15, Block J
Lots 1-42, Block K
Lots 1-30, Block L
Lots 1-20, Block M
Lot 1X-2X, Block N
Lot 1X, Block O
Lot 1, Block P

90.91 Acres Situated in the
ANTONIO FERNANDEZ SURVEY,
ABSTRACT NO. 306
City of Fort Worth ETJ,
Tarrant County, Texas

Barron-Stark-Swift
Consulting Engineers
Dallas

6221 Southwest Boulevard, Suite 100
Fort Worth, Texas 76132
(817) 251-8100 (F) (817) 251-8144
Texas Registered Engineering Firm F-13986
www.barronstark.com

SURVEYOR
BARRON-STARK-SWIFT
CONSULTING ENGINEERS, LP
6221 SOUTHWEST BLVD
FORT WORTH, TEXAS 76132

ENGINEER
BARRON-STARK-SWIFT
CONSULTING ENGINEERS, LP
6221 SOUTHWEST BLVD
FORT WORTH, TEXAS 76132

OWNER
CROWLEY INC. LLC
121 NORTHWEST NEWTON ST
BULLECK, TEXAS 76028

CITY OF FT WORTH FILE NO PP-015-005

PROJECT No 282-8305

SHEET 1 of 1

Inspection Report

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 10, 2013

Charly Angadicheril, Assistant Water Director
City of Fort Worth
1511 11th Avenue
Fort Worth, Texas 76102

Re: Compliance Evaluation Investigation at:
City of Fort Worth, 1511 11th Avenue, Fort Worth, Tarrant County, Texas
TCEQ ID No.: 2200012, Inv. No. 1050372, RN101424687

Dear Mr. Angadicheril:

On November 20, 2012, Daniel Long of the Texas Commission on Environmental Quality (TCEQ) D/FW Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for Public Water Supply systems. No violations were documented during the investigation. At this time, your public water supply continues to merit recognition as a "Superior" system.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Daniel Long in our D/FW Region Office at 817/588-5859.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Marshall".

Charles Marshall
Team Leader, Public Water Supply Section
D/FW Regional Office

CM/dml

cc: TCEQ-Austin

List of Operators

**STATE CERTIFICATION LIST
WATER PRODUCTION DIVISION**

Employee Name	Job Title	License	Expiration Date
Johnnidis, George	Water Systems Specialist	B SURFACE	01/09/17
Jackson, Timothy	Senior Water Systems Technician	B SURFACE	02/08/17
Griffith, William	Water Systems Superintendent	C SURFACE	02/10/17
Tackett, Carl	Senior Water Systems Mechanic	C SURFACE	02/18/17
John, Paul	Senior Water Systems Technician	A WATER	02/25/17
Rice, Charles	Water Systems Technician II	C SURFACE	03/18/17
Wilson, Kenny	Water Systems Mechanic Supervisor	C SURFACE	04/01/17
Wright, Paul	Professional Engineer	A WATER	05/24/17
Pickett, Charles A.	Water Systems Technician II	C SURFACE	05/26/17
Peterson, Joshua	Water Systems Mechanic II	C SURFACE	05/27/17
Mann, Joe	Senior Water Systems Technician	B SURFACE	06/17/17
Kwan, Eugene	Senior Water Systems Mechanic	C SURFACE	06/17/17
Leslie, Godwin	Senior Water Systems Mechanic	C SURFACE	07/06/17
Narekattu, Roy	Water Systems Technician II	C SURFACE	07/29/17
Jaikumar, Maheswari	Senior Water Systems Technician	B SURFACE	08/06/17
Philip, Bassy	Senior Water Systems Technician	B SURFACE	08/06/17
Harder, Christopher	Engineering Manager	B SURFACE	11/14/17
Battise, Russell	Quality Control Specialist	A WATER	11/20/17
Flóres, Alfredo	Water Systems Mechanic II	C SURFACE	11/22/17
Whitehouse, Joel	Senior Water Systems Technician	B SURFACE	12/04/17
Angádicheril, Charly	Assistant Water Director	A WATER	12/14/17
Beasley, Jr., James F.	Water Systems Specialist	B SURFACE	12/22/17
Tolson II, Joseph	Senior Water Systems Technician	B SURFACE	02/02/18
Travis, Bryan	Water Systems Technician I	D WATER	02/11/18
Stoner, Randy	Water Systems Technician II	C SURFACE	02/13/18
Irwin, Erik	Training Specialist	A WATER	03/16/18
Smith, John	Water Systems Technician II	C SURFACE	03/19/18
Blue, Jr., Donald	Senior Water Systems Technician	A WATER	04/18/18

Customer Statistics

CUSTOMER STATISTICS - WATER SALES

	NUMBER OF ACCOUNTS AS OF 9/30/15	% OF TOTAL ACCOUNTS	WATER BILLED MG	% WATER BILLED	TOTAL BILLING	MONTHLY AVERAGE WATER BILL**
Residential	215,555	90.47	17,149.2	31.20	\$ 84,472,425	\$32.66
Commercial	13,341	5.60	6,600.7	12.01	\$ 25,388,955	\$158.59
Commercial Apartment	1,745	0.73	3,685.6	6.71	\$ 13,657,564	\$652.22
Industrial	334	0.14	2,182.8	3.97	\$ 5,545,940	\$1,383.72
Oil & Gas	13	0.01	162.7	0.30	\$ 1,116,994	\$7,160.22
Super User	2	0.00	885.1	1.61	\$ 2,373,458	\$98,894.09
Municipalities	31	0.01	21,056	38.31	\$ 56,709,022	\$152,443.61
Fireline*	2,232	0.94	0.00	0.00	\$ 938,974	\$35.06
Irrigation	5,021	2.11	3,245.5	5.90	\$ 18,763,748	\$311.42
Total Services	238,274	100.00	54,967.2	100.0	\$ 208,967,080	
Miscellaneous Fees					\$ 10,357,060	
Tap, Extension & Lab Fees					\$ 2,671,455	
Total					\$ 221,995,595	

Sources: Retail: Ad hoc query reports from the CISCO Billing System for billing periods October 2014 through September 2015.

Retail Service Revenue for billing transaction dates October 2014 through September 2015 is \$169,035,791.42 including audit accruals for timing differences. Wholesale Service Revenue based on billing transaction dates October 2014 through September 2015 is \$59,279,413 including audit accruals for timing differences.

* Fireline not billed in volumes

**Monthly Average Bill Calculation. Total Billing divided by Number of Accounts divided by 12 months

CUSTOMER STATISTICS - WASTEWATER SALES

	NUMBER OF ACCOUNTS AS OF 9/30/15	% OF TOTAL ACCOUNTS	WASTEWATER BILLED MG	TOTAL BILLING	% OF REVENUE	MONTHLY AVERAGE WASTEWATER BILL**
Residential	213,826	93.56	10,934.3	\$ 59,309,855	41.50	\$23.11
Commercial	13,534	5.92	8,535.6	\$ 46,822,367	32.77	\$288.30
Commercial Monitored	819	0.36	456.5	\$ 1,723,845	1.21	\$175.40
Industrial	164	0.07	94.7	\$ 520,601	0.36	\$264.53
Industrial Monitored	182	0.08	1,955.4	\$ 3,188,092	2.23	\$1,459.75
Municipalities	23	0.01	12,438.4	\$ 27,357,772	19.14	\$99,122.36
Effluent	6	0.00	1,037.6	\$ 3,977,074	2.78	\$55,237.15
Total Services	228,554	100.00	35,452.4	\$ 142,899,606	100.00	
Industrial Waste Monitoring Charges				\$ 436,169		
Tap & Sewer Extension Fees				\$ 428,943		
Grease Trap & Miscellaneous Fees				\$ 324,249		
Total				\$ 144,088,967		

Sources: Retail Ad hoc query reports from the CISCO Billing System for billing periods October 2014 through September 2015
Wholesale Wholesale section monthly reports of sales to wholesale customers.

Retail Service Revenue for billing transaction dates October 2014 through September 2015 is \$131,468,652 including audit accruals for timing differences Wholesale Service Revenue based on billing transaction dates October 2014 through September 2015 is \$27,767,180 including audit accruals for timing difference

Cross References:

Wholesale Water Sales Table
Customer Service Table

**Monthly Average Bill Calculation: Total Billing divided by Number of Accounts divided by 12 months

NUMBER OF REGISTERS IN THE SYSTEM BY CLASSIFICATION¹

As of September 2015

REGISTER SIZE (INCHES)	TOTAL REGISTERS IN SERVICE
0.62 and 0.75	206,031
1	25,367
1.5	4,137
2	7,241
3	384
4	381
6	320
8	110
10	40
16	5
18	2
No Size	144
TOTAL	244,162

¹ Chart includes wholesale, fireline, deduct, blowdown flow meters and inactive accounts.

**Registers in service include inactive accounts but no private registers
only registers belonging to the City of Fort Worth

Independent Auditor's Report



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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council Members
City of Fort Worth, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Fort Worth, Texas (the "City"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Employees' Retirement Fund of the City of Fort Worth, which represents 97 percent, 97 percent, and 71 percent, respectively, of the assets, net position, and additions to net position of the fiduciary trust funds of the City. We did not audit the financial statements of the Terrell Homes, Ltd which represents 100 percent of the assets, net position, and revenues of the discretely presented component unit of the City. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Employees' Retirement Fund of the City of Fort Worth and for Terrell Homes, Ltd, is based solely on the reports of the other auditors. The financial statements of the Employees' Retirement Fund of the City of Fort Worth and the financial statements for Terrell Homes, Ltd were not audited in accordance with *Government Auditing Standards*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the

Member of
Deloitte Touche Tohmatsu

purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Fort Worth, Texas, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A to the financial statements, the City restated its beginning net position as of October 1, 2014, to reflect the impact of implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and Government Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinions are not modified with respect to these changes.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Budgetary Comparison Schedule - General Fund, the Employees' Retirement Fund - Schedule of Funding Progress, Employees' Retirement Fund - Schedule of City of Fort Worth's Contributions to the Retirement Fund - Last Ten Fiscal Years, the Employees' Retirement Fund - Projected Recognition of Deferred Outflows/(Inflows), the Employees' Retirement Fund Schedule of Changes in Net Pension Liability - Last Ten Fiscal Years, Other Postemployment Benefits - Schedule of Funding Progress and Other Postemployment Benefits - Schedule of Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fort Worth's basic financial statements. The combining and individual nonmajor fund financial statements, and the other information such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Deloitte & Touche LLP

March 25, 2016



CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)

Management's discussion and analysis (MD&A) provides a narrative overview of the financial activities and changes in the financial position of the City of Fort Worth, Texas (City), for the fiscal year ended September 30, 2015 (FY2015). The MD&A is offered here by the management of the City to the readers of its financial statements. Readers should use the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the Introductory Section of this Comprehensive Annual Financial Report (CAFR).

Financial Highlights

The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at September 30, 2015, by \$1,866,373,000 (net position). For FY2015, the City reported a deficit unrestricted net position primarily due to implementation of Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*.

The City's total net position decreased by \$1,263,633,000 in comparison with originally reported FY2014. This decrease can be attributed to the implementation of GASB Statement No. 68 which reduced total net position by \$1,529,099,000 but was offset by increases in property tax revenue, sales tax revenue, grants and contributions for both governmental activities and business-type activities.

At September 30, 2015, the City's governmental funds reported combined ending fund balances of \$642,365,000, a decrease of \$3,325,000 in comparison with FY2014. Approximately 54.0 percent of ending fund balances (\$346,741,000) is available for spending at the government's discretion (\$184,818,000 committed fund balance, \$78,428,000 assigned fund balance and \$83,495,000 unassigned fund balance).

The City's total long-term liabilities increased by \$1,489,318,000 in comparison with FY2014. The key factors in this increase occurred in the implementation of GASB Statement No. 68 for Net Pension Liability of \$1,462,039,000, the City's Other Postemployment Benefits Obligation of \$36,655,000, and \$32,351,000 of Trinity River Water District loans. During the year, long-term liabilities were reduced by principal payments of \$70,939,000 in governmental activities and \$99,086,000 in business-type activities. Additionally, the City issued \$166,540,000 of revenue bonds, \$167,162,000 of general obligation bonds, and defeased or refunded \$148,830,000 for governmental activities, and \$118,350,000 for business-type activities of existing debt.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The reporting focus of this document is on the City as a whole and on individual major funds. It is intended to present a more comprehensive view of the City's financial activities.

The basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting; meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, including capital assets and long-term obligations. The difference between the two is reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water and sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific governmental services. This statement includes all current year revenues and expenses.

The Statement of Net Position and the Statement of Activities divide the City's activities into two types:

Governmental activities – Most of the City's basic services are reported here, including general administration, debt service, public safety, municipal courts, transportation and public works, parks and community services, public library, public events and facilities, planning and development, finance, and housing and economic development. Property taxes, sales taxes, and franchise fees provide the majority of the financing for these activities.

Business-Type activities – Activities for which the City charges a fee to customers to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include water distribution and wastewater collection, municipal airports, solid waste collection and disposal, municipal parking, and stormwater utility.

Discretely Presented Component Unit – These statements also report information on the activities of a discretely presented component unit. This entity is not considered a part of the primary government.

Fund Financial Statements

The City of Fort Worth, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and are used to report more detailed information about the City's most significant activities. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Fund Financial Statements (continued)

Governmental Funds – These funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of the governmental funds financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison. The reconciliation explains the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds financial statements.

The City maintains twenty individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Debt Service Fund, and the Capital Projects Fund, which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation.

Proprietary Funds – When the City charges customers for services it provides, the activities are generally reported in proprietary funds. The City of Fort Worth maintains two different types of proprietary funds: enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, municipal airports, solid waste, municipal parking, and stormwater utility. These services are primarily provided to outside or non-governmental customers. The Municipal Golf Fund was closed during FY2015 and its operations were transferred to governmental fund types.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its equipment services, information systems, capital project services, risk management, group health and life insurance, workers' compensation insurance, and unemployment compensation.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the Water and Sewer and the Stormwater Utility Funds, which are considered to be the major proprietary funds of the City. The nonmajor enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

**CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)**

Fund Financial Statements (continued)

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City reports one Trust Fund which accounts for the assets of the City's pension plan and postemployment healthcare plan. Separate audited financial statements are available for the City's pension plan.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found directly following the Fund Financial Statements and prior to the Required Supplementary Information in this report.

Government-Wide Financial Analysis

Total assets of the City at September 30, 2015, were \$6,257,813,000 and deferred outflows were \$106,813,000 while total liabilities were \$4,404,447,000 and total deferred inflows of resources were \$93,806,000, resulting in a net position of \$1,866,373,000.

The City's net investment in capital assets was \$3,218,735,000. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports net investment in capital assets, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$82,280,000 represents resources that are subject to external restrictions on how they may be used. The City has a deficit unrestricted net position of \$1,434,642,000.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Government-Wide Financial Analysis (continued)

Condensed Schedule of Net Position (Deficit)

	Governmental Activities		Business-Type Activities		Total	
	2014*	2015	2014*	2015	2014*	2015
Current and Other Assets	\$ 828,573	\$ 809,406	\$ 698,855	\$ 629,970	\$ 1,527,428	\$ 1,439,376
Capital Assets	1,791,941	1,932,264	2,764,213	2,886,173	4,556,154	4,818,437
Total Assets	2,620,514	2,741,670	3,463,068	3,516,143	6,083,582	6,257,813
Deferred Outflows	11,538	86,661	9,461	20,152	20,999	106,813
Long-term Liabilities Outstanding	1,600,645	2,901,446	1,116,434	1,304,951	2,717,079	4,206,397
Other Liabilities	117,168	120,238	136,240	77,812	253,408	198,050
Total Liabilities	1,717,813	3,021,684	1,252,674	1,382,763	2,970,487	4,404,447
Deferred Inflows	-	78,392	4,088	15,414	4,088	93,806
Net Position (Deficit):						
Net Investment in Capital Assets	1,092,890	1,228,012	1,864,396	1,990,723	2,957,286	3,218,735
Restricted	35,983	52,358	60,917	29,922	96,900	82,280
Unrestricted	(214,634)	(1,552,115)	290,454	117,473	75,820	(1,434,642)
Total Net Position (Deficit)	\$ 914,239	\$ (271,745)	\$ 2,215,767	\$ 2,138,118	\$ 3,130,006	\$ 1,866,373

*Balances reflected in FY2014 columns are as originally reported in the FY2014 financial statements.

At September 30, 2015, the City of Fort Worth is able to report positive balances in net position for the government as a whole and business-type activities. Governmental activities report a deficit net position at year end. There was an increase in restricted net position reported in the City's governmental activities of \$16,375,000, which resulted from the increased property tax collections and an increase in impact fees collected for future development. The governmental activities' unrestricted net position balance decreased by \$1,337,481,000, mostly due to increase in other postemployment benefits, recognizing the net pension liability, and the increase in the liability for Trinity River Water District.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Government-Wide Financial Analysis (continued)

Condensed Schedule of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2014*	2015	2014	2015	2014	2015
Revenues:						
Program Revenues:						
Charges for Services	\$ 73,637	\$ 76,707	\$ 463,377	\$ 490,493	\$ 537,014	\$ 567,200
Operating Grants and Contributions	43,700	37,810	-	-	43,700	37,810
Capital Grants and Contributions	69,149	62,794	42,682	88,617	111,831	151,411
General Revenues:						
General Property Taxes	389,118	413,687	-	-	389,118	413,687
Sales Taxes	184,360	191,140	-	-	184,360	191,140
Other Local Taxes	33,439	34,888	-	-	33,439	34,888
Franchise Fees	51,205	53,129	-	-	51,205	53,129
Gas Leases and Royalties	16,500	15,717	12,989	8,372	29,489	24,089
Investment Income	8,622	6,025	6,077	3,475	14,699	9,500
Other	20,582	37,594	5,861	6,087	26,443	43,681
Total revenues	890,312	929,491	530,986	597,044	1,421,298	1,526,535
Expenses:						
General Government	182,367	202,450	-	-	182,367	202,450
Public Safety	430,481	529,188	-	-	430,481	529,188
Highways and Streets	127,113	131,535	-	-	127,113	131,535
Culture and Recreation	109,859	129,115	-	-	109,859	129,115
Health and Welfare	4,415	3,548	-	-	4,415	3,548
Urban Redevelopment and Housing	37,786	36,544	-	-	37,786	36,544
Interest and Service Charges	31,522	26,448	-	-	31,522	26,448
Water and Sewer	-	-	317,526	340,113	317,526	340,113
Municipal Airports	-	-	23,089	14,194	23,089	14,194
Solid Waste	-	-	48,420	52,586	48,420	52,586
Municipal Parking	-	-	6,649	7,602	6,649	7,602
Municipal Golf	-	-	5,396	-	5,396	-
Stormwater Utility	-	-	23,745	28,198	23,745	28,198
Total expenses	923,543	1,058,828	424,825	442,693	1,348,368	1,501,521
Special Items	-	31,490	-	-	-	31,490
Excess (Deficiency) of Revenues Over (Under) Expenses	(33,231)	(97,847)	106,161	154,351	72,930	56,504
Transfers	21,913	55,535	(21,913)	(55,535)	-	-
Changes in Net Position	(11,318)	(42,312)	84,248	98,816	72,930	56,504
Restatements	(25,124)	(1,143,672)	(5,987)	(176,465)	(31,111)	(1,320,137)
Net Position - Beginning of Year	950,681	914,239	2,137,506	2,215,767	3,088,187	3,130,006
Net Position (Deficit) - End of Year	\$ 914,239	\$ (271,745)	\$ 2,215,767	\$ 2,138,118	\$ 3,130,006	\$ 1,866,373

*FY2014 expenses for governmental activities were restated into the new FY2015 functions for comparative purposes.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Government-Wide Financial Analysis (continued)

Overall, the governmental activities change in net position totaled a decrease of \$42,312,000 as a result of current fiscal year activity. Factors that contributed to the governmental activities net position decrease were expenditures of \$1,058,828,000 exceeding revenues of \$960,981,000, net of transfers from business-type activities of \$55,535,000. Transfer from business-type activities increased \$33,622,000 compared to the prior fiscal year. This increase was due to the transfer of capital assets to governmental activities and a decrease in transfers from governmental activities of \$12,368,000 compared to FY2014. The significant increase in transfers were \$9,931,000 from the Stormwater Utility Fund for capital projects, and \$9,225,000 from Nonmajor Enterprise Funds for capital projects.

In addition, governmental expenditures increased for Public Safety by \$104,899,000 when compared to FY2014 as originally reported. This increase was primarily due to the implementation of GASB Statement No. 68 in the amount of \$139,802,000, and accompanied by a decrease in civil service wages of \$20,861,000.

Business-type activities net position increased \$98,816,000 during the current fiscal year. The major factors that contributed to the business-type activities net position increase were an increase of \$27,116,000 in charges for services and a \$45,935,000 increase in capital grants and contributions. This was offset by an increase in operating expense of \$17,868,000. The increase in capital grants and contributions was due to increases in the Water and Sewer fund for developer contributions and in the Municipal Airport Fund for grant money received for several projects during FY2015. The increase in charges for services was due to utility services provided to new customers due to the City's population increase.

Financial Analysis of the Government's Funds

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

During FY2015, The Fort Worth Fund was reclassified from being reported as a nonmajor governmental fund to being combined with the General Fund and ending fund balance was transferred. This change in nonmajor governmental fund balance was shown with a transfer out of \$25,565,000 and increased the General Fund's fund balance by the same amount.

As of the end of the current fiscal year, the City's governmental funds reported total fund balances of \$642,365,000. Approximately 19.4 percent or \$124,561,000 constitutes the General Fund's fund balance. As of September 30, 2015, the General Fund's nonspendable fund balance includes \$2,791,000 for advances to other funds, \$2,470,000 for inventories, and \$166,000 for prepaids, deposits and other. The restricted fund balance includes \$10,553,000 Park Improvements and \$1,600,000 is related to the collective bargaining agreement. The committed fund balance includes amounts of \$7,695,000 for repayment of State loans and \$14,813,000 for public events and facilities totaling \$22,508,000. The assigned fund balance of \$193,000 includes amounts for subsequent year expenditures. As of September 30, 2015, the General Fund had an unassigned fund balance of \$84,280,000.

**CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)**

Financial Analysis of the Government's Funds (continued)

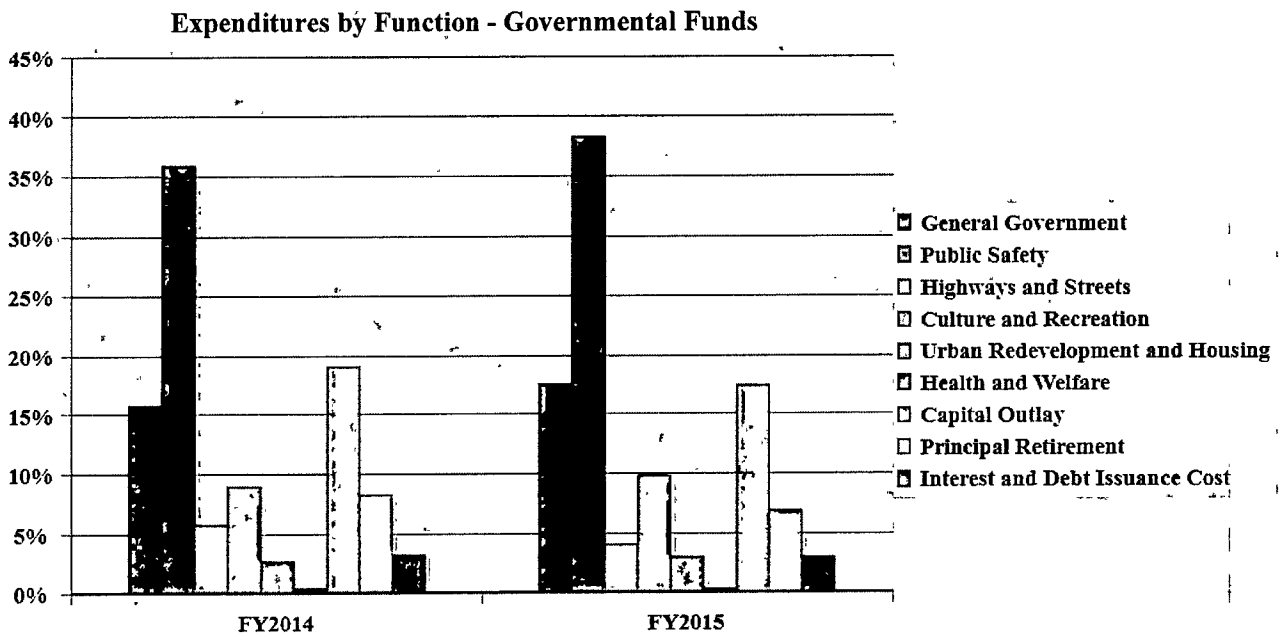
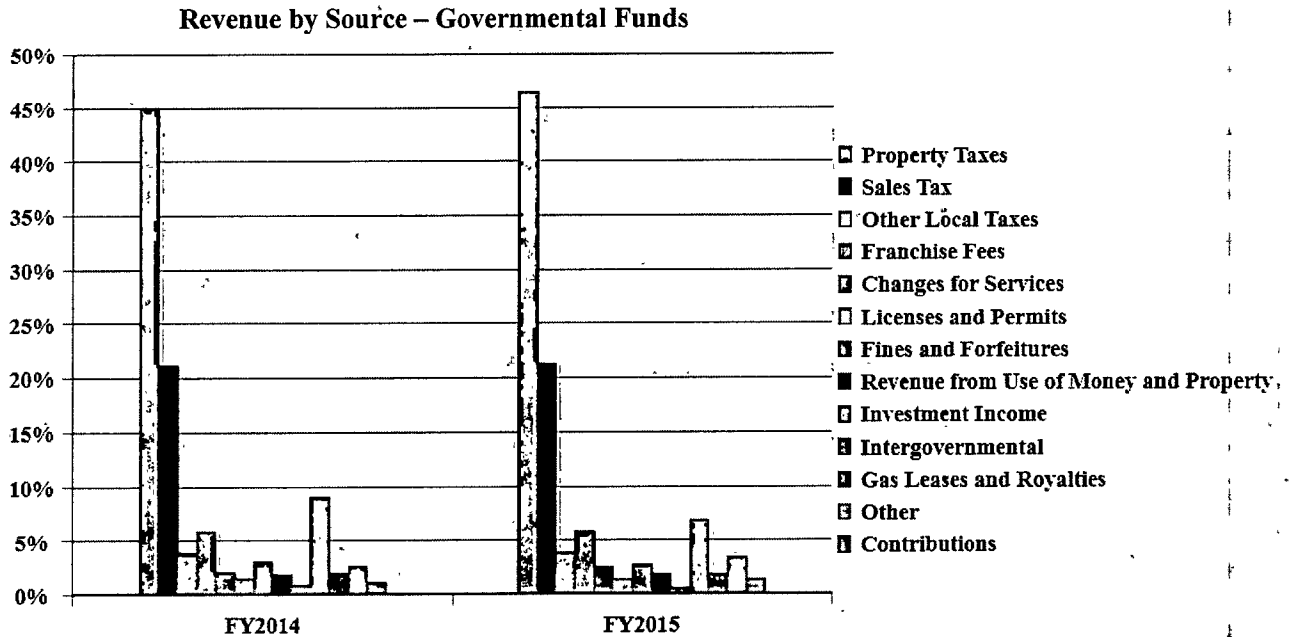
The nonmajor governmental fund balance of \$137,391,000 is 21.4 percent of total governmental fund balance and includes nonspendable fund balance of \$3,891,000, restricted fund balance of \$95,981,000, committed fund balance of \$4,372,000, assigned fund balance of \$33,932,000, and an unassigned deficit of \$785,000. The Debt Service fund has a fund balance of \$25,689,000 or 4.0 percent of total governmental fund balance of which \$17,497,000 is restricted fund balance, \$7,993,000 is committed fund balance and \$199,000 is assigned fund balance. The Capital Projects fund has a fund balance of \$354,724,000 or 55.2 percent of total governmental fund balance of which \$601,000 is nonspendable fund balance, \$160,074,000 is restricted fund balance, \$149,945,000 is committed fund balance and \$44,104,000 is assigned fund balance.

During FY2015, the City reviewed its expenditures by function for governmental funds and noted that expenditures will be more accurately reported if presented differently. In previous years, expenditures were reported based on the department(s) as the function that incurred the expenditures. The City now reports expenditures based on a more detailed function of each department, moving some expenditures into more appropriate reporting categories. For comparative purposes, the City analyzed the FY2014 expenditures according to the new functions and are as follows: General Government - \$172,149,000; Public Safety - \$389,538,000; Highways and Streets - \$62,821,000; Culture and Recreation - \$97,320,000; Health and Welfare - \$4,415,000; and Urban Redevelopment and Housing - \$28,855,000. Capital Outlay, Principal Retirement, and Interest and Debt Issuance Cost remained unchanged from FY2014:

As shown in the following charts (on the next page) for governmental funds for FY2014 and FY2015, property taxes and sales tax were the primary sources of revenue for both years, while public safety and capital outlay were the largest expenditures by function. The General Fund is the primary operating fund of the City. At the end of the current fiscal year, fund balance of the General Fund was \$124,561,000. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of \$84,280,000, represents 15.4 percent of total General Fund expenditures. The total fund balance of \$124,561,000 represents 22.7 percent of total General Fund expenditures. Fund balance in the General Fund increased by \$38,519,000. The significant change in the General Fund was the transfer in of gas well revenue trusts funds, that were previously reported as special revenue funds, ending balances in the amount of \$25,565,000.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Revenues and Expenditures – Governmental Funds



CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Financial Analysis of the Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the City's major Proprietary Funds, the Water and Sewer Fund and Stormwater Utility Fund, were \$43,033,000 and \$5,323,000, respectively, at the end of the fiscal year. Total net position in the Water and Sewer Fund increased \$52,071,000. The increase in net position was primarily due to water charges for services of \$389,188,000, which exceeded operating expenses by \$68,763,000. Total net position in the Stormwater Utility Fund decreased by \$5,053,000. The decrease in net position from operations was primarily due to net operating transfers out of \$13,654,000 exceeding total income before transfers of \$8,601,000. Other business-type activities increased the City's net position by \$51,798,000.

General Fund Budgetary Highlights

Differences between the original expenditure budget and the final amended budget resulted in a \$12,652,000 increase in appropriations and is briefly summarized as follows:

- Budget carryforwards of encumbrances resulted in an increase of \$3,296,315. Significant increases included \$2,292,414 in Transportation and Public Works for infrastructure maintenance, \$364,222 in Planning and Development primarily for software costs, \$250,290 in Library for software, and \$186,475 in Human Resources for a Class & Compensation Study.
- Other appropriation increases to the original budget were made in the amount of \$9,671,578. Significant activities which necessitated these increases included \$3,958,558 to reflect the Collective Bargaining Agreement with the Fort Worth Professional Firefighters Association, \$2,410,928 for the Police Department adjustment for salaries and benefits, \$530,607 for the public art program, and \$496,000 for the homeless initiative in Housing and Economic Development.

The City also increased budgeted revenues and other financing sources by \$7,793,764. Of this amount, \$2,312,330 was for increased transfers in that included \$742,500 for the recreational programs for the Parks and Community Services Department, \$697,896 for the transfer of operations from the Capital Project Services Fund to the General Fund, \$530,607 for the for the public arts program, and \$341,327 for the Tarrant County 911 District Radio Assistance Program.

There were no significant variances between the final amended budget and actual expenditures. Actual expenditures were \$29,518,000, or 3.21 percent less than the final amended budget primarily due to salary savings.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Capital Asset and Debt Administration

Capital Assets – The City's investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounted to \$4,818,437,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, intangibles, works of art, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$262,283,000 (5.8 percent). Major capital assets events during the current fiscal year included the following:

- The completion of Water and Sewer projects throughout the City added \$57,564,844 to capital assets.
- The completion of governmental projects throughout the City added \$105,174,742 to capital assets, while governmental capital contributions were \$52,333,055.
- The completion of drainage projects added \$21,856,556 to capital assets.
- These additions were offset by depreciation or retirement during the year.

Capital Assets, net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
Land/Right of Way	\$ 174,733	\$ 196,541	\$ 101,832	\$ 108,332	\$ 276,565	\$ 304,873
Construction in Progress	412,392	410,279	348,380	448,400	760,772	858,679
Works of Art	-	16,177	-	-	-	16,177
Buildings	181,058	204,321	93,320	87,431	274,378	291,752
Machinery and Equipment	54,766	58,032	150,607	141,787	205,373	199,819
Infrastructure	968,992	1,040,338	2,070,074	2,100,223	3,039,066	3,140,561
Intangibles	-	6,576	-	-	-	6,576
Total	\$ 1,791,941	\$ 1,932,264	\$ 2,764,213	\$ 2,886,173	\$ 4,556,154	\$ 4,818,437

Additional information on the City's capital assets can be found in Note F.

CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)

Capital Asset and Debt Administration (continued)

Long-term Liabilities – At the end of the current fiscal year, the City had total long-term liabilities of \$4,206,397,000. Of this amount, \$743,130,000 comprises debt backed by the full faith and credit of the government, and \$1,097,333,000 represents self-supported debt issues.

Long-Term Liabilities Outstanding

	Governmental Activities		Business-Type Activities		Total	
	2014*	2015	2014*	2015	2014*	2015
General Obligation Bonds	\$ 408,965	\$ 452,412	\$ -	\$ -	\$ 408,965	\$ 452,412
Revenue Bonds	-	-	898,870	882,395	898,870	882,395
Certificates of Obligation	285,545	242,290	52,375	48,428	337,920	290,718
Installment Obligation	2,370	1,620	-	-	2,370	1,620
HUD Installment Obligation	4,504	3,699	-	-	4,504	3,699
Equipment Notes Payable	39,145	-	-	-	39,145	-
Fort Worth Sports Authority	6,868	2,495	-	-	6,868	2,495
Lone Star Local Govt Corp	31,617	31,617	-	-	31,617	31,617
State Obligation - City	7,873	7,407	-	-	7,873	7,407
State Obligation - CCPD	3,058	2,878	-	-	3,058	2,878
TRWD Obligation	91,998	124,349	-	-	91,998	124,349
State Energy Conserv Loan I & II	553	-	-	-	553	-
State Energy Conserv Loan III	2,064	1,528	-	-	2,064	1,528
ESPC Phase VII	18,064	17,426	-	-	18,064	17,426
Capital Leases	1,482	1,122	-	-	1,482	1,122
Southwest Bank Loan (LDC SW Bldg.)	2,545	2,200	-	-	2,545	2,200
Lancaster Corridor Construction Loan	-	1,774	-	-	-	1,774
Trinity River Authority	-	-	5,500	4,885	5,500	4,885
ESPC Phase V	-	-	13,355	11,938	13,355	11,938
Unamort. Bond Discounts, Premiums, net	45,548	57,073	51,954	61,263	97,502	118,336
Retainage Payable	5,974	4,663	-	-	5,974	4,663
Compensated Absences	114,752	119,036	10,280	10,210	125,032	129,246
Claims Payable	38,893	37,775	-	-	38,893	37,775
Arbitrage	-	-	-	-	-	-
Landfill Postclosure Cost	-	-	4,762	5,020	4,762	5,020
Pollution Remediation Liability	-	-	3,131	7,166	3,131	7,166
Other Postemployment Benefits Obligation	430,774	464,788	67,200	69,841	497,974	534,629
Net Pension Liability	1,264,218	1,325,294	200,972	203,805	1,465,190	1,529,099
Total	\$ 2,806,810	\$ 2,901,446	\$ 1,308,399	\$ 1,304,951	\$ 4,115,209	\$ 4,206,397

*The balances at October 1, 2014 were restated to reflect the City's adoption of GASB Statement No. 68 (See Note A.16.).

**CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)**

Capital Asset and Debt Administration (continued)

Long-term Liabilities (continued)

The City's total long-term liabilities increased by \$1,489,318,000 during FY2015 mainly due to the issuance of bonds and notes in excess of principal payments made during the year. Also, the implementation of GASB Statement No. 68 resulted in the recording of a Net Pension Liability in the amount of \$1,462,039,000, the City's Other Postemployment Benefits Obligation increased by \$36,655,000, and the City added a net \$32,351,000 loan from Trinity River Water District. For governmental activities, the City made payments of principal balances for bonded debt of \$34,055,000 and \$21,365,000 on its General Obligation Bonds and its Certificates of Obligation, respectively. For business-type activities, the City made payments of principal for revenue bond debt of \$69,015,000, which included \$65,055,000 for Water and Sewer revenue bonds and \$3,960,000 for Stormwater revenue bonds.

In FY2015, the outstanding ad valorem tax supported debts of the City of Fort Worth are rated "Aa1" by Moody's Investors Services (Moody's) and "AA+" by Standard and Poor Ratings (S&P) and Fitch Rating Services (Fitch). The water and sewer system revenue debts are rated "Aa1" by Moody's and "AA" by S&P and Fitch.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to 2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to the assessed value of all taxable property is 1.62 percent (Stat Table 15).

Additional information on the City's long-term debt can be found in Note G.

Economic Factors and Next Year's Budgets and Rates

The overall economic outlook for the City remains positive. Sales taxes have climbed steadily since the recession ended in late 2010. Declining unemployment rates and continued population growth suggest these trends should continue well into 2016. Existing households are likely to continue spending at current rates, while new residents will add to the City's sales tax base. Population growth and steady strides in the residential real estate market support improved property tax revenues in the future while the increasing volume of building permits continues to increase the overall tax base. Demand for existing homes supports the slow but steady growth in values, which also yields more property tax revenues. Property tax revenues will be slower to materialize than sales taxes, as homes built in 2015 are added to the tax roll in 2016 and actually do not begin paying taxes until 2017. However, this revenue growth is more certain than other sources, as the lagging nature of the revenue buffers property tax revenue from short-term economic trends.

The Fiscal Year 2016 adopted budget maintains the City's property tax rate at \$0.8550 per \$100 net taxable valuation. The total appraised value of the City's property tax roll increased \$2.0 billion or 3.2 percent from the July 2014 certified roll to the July 2015 certified roll. Adjusted Net Taxable Value (which is the Net Taxable Value plus the value of incomplete properties and properties under protest), increased \$2.5 billion or 5.4 percent in the same time period across all properties within the City. Adjusted Net Taxable Value is the basis for the City's property tax revenue calculation.

**CITY OF FORT WORTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(000's omitted in tables)
(continued)**

Economic Factors and Next Year's Budgets and Rates (continued)

City staff analyzed many of the factors affecting property tax revenue, including anticipated population growth, historical change in values for residential and commercial properties, current and projected permitting data, the impact of foreclosures, as well as exemptions and protests. Staff also evaluated the allocation of the levy amount, and resulting availability of revenue for maintenance and operations (M&O), as compared to the amount available to repay the City's debt. In previous years, the City Council abided by its commitment to build capacity for capital projects by shifting a portion of the City's property tax from M&O to debt service. The City's ability to continue to shift focus from the M&O levy to debt service or pay as you go capital projects over the next five years is supported by the City's commitment to invest additional dollars in infrastructure maintenance.

For Fiscal Year 2016, the City's combined property tax rate remains at \$0.8550 per \$100 of assessed valuation with a 98.5% collection rate. Based on the M&O levy rate of \$0.6759 per \$100 of assessed valuation, the General Fund portion of the property tax rate is expected to yield approximately \$319.0 million in revenue for Fiscal Year 2016. The debt service levy rate of \$0.1791 per \$100 of assessed valuation is expected to yield approximately \$84.5 million, which will allow the repayment of all current and proposed debt obligations.

Revenue from the City's one percent of the sales tax, exclusive of the one-half percent special use tax for the Crime Control and Prevention District Fund, is projected to equal \$135.0 million, an increase of \$9.0 million or 7.1 percent from the Fiscal Year 2015 budget. This revenue is dependent on the level of wholesale and retail sales. Over the past ten years, the City's sales tax collection grew from \$92.0 million in 2006 to the anticipated amount of \$135.0 million in 2016. This represents a 47% growth over the last ten years.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, 1000 Throckmorton Street, 3rd Floor, Finance Department, Fort Worth, Texas 76102.

Retail Water and Sewer Rates

Water and Wastewater Rates

Rates are per 100 cubic feet or CCF. One CCF equals 748.1 gallons.

2016 Rates

Water Volume Rates

Customer Class	Tiers	Inside city limits	Outside city limits
Residential	First 6 CCF	\$2.07/CCF	\$2.59/CCF
	>6 to 18 CCF	\$2.96/CCF	\$3.70/CCF
	>18 to 30 CCF	\$3.69/CCF	\$4.95/CCF
	>30 CCF	\$4.44/CCF	\$5.55/CCF
Irrigation	First 50 CCF	\$2.96/CCF	\$3.70/CCF
	>50 to 100 CCF	\$3.69/CCF	\$4.95/CCF
	>100 CCF	\$4.44/CCF	\$5.55/CCF
Commercial	All volumes	\$2.71/CCF	\$3.39/CCF
Industrial	All volumes	\$2.59/CCF	\$3.24/CCF
Super User	All volumes	\$2.36/CCF	\$2.95/CCF
Gas Well Drilling	All volumes	\$5.77/CCF	\$7.21/CCF

Wastewater Volume Rates

Customer Class	Inside city limits	Outside city limits
Residential	\$3.49/CCF	\$4.36/CCF
Non-monitored Commercial and Industrial	\$4.32/CCF	\$5.40/CCF
Monitored Commercial and Industrial - volume	\$3.00/CCF	\$3.75/CCF
Monitored Commercial and Industrial - BOD	\$0.2926/lb.	\$0.3658/lb.
Monitored Commercial and Industrial - TSS	\$0.1350/lb.	\$0.1688/lb.

Monthly Service Charge

Water Service Charge		Meter Size	Wastewater Service Charge	
<i>Inside city limits</i>	<i>Outside city limits</i>		<i>Inside city limits</i>	<i>Outside city limits</i>
\$10.50	\$13.13	5/8" x 3/4"	\$6.50	\$8.13
\$19.25	\$24.06	1"	\$7.70	\$9.63
\$35.00	\$43.75	1 1/2"	\$12.75	\$15.94
\$53.50	\$66.88	2"	\$18.80	\$23.50
\$139.00	\$173.75	3"	\$46.50	\$58.13

Water Service Charge		Meter Size	Wastewater Service Charge	
<i>Inside city limits</i>	<i>Outside city limits</i>		<i>Inside city limits</i>	<i>Outside city limits</i>
\$237.00	\$296.25	4"	\$78.30	\$97.88
\$502.00	\$627.50	6"	\$164.00	\$205.00
\$875.00	\$1,093.75	8"	\$285.00	\$356.25
\$1,312	\$1,640.00	10"	\$426.25	\$532.81
N/A	N/A	12"	\$534.10	\$667.63

2017 Rates

These rates will take effect Jan. 1, 2017

Water Volume Rates

Customer Class	Tiers	Inside city limits rate	Outside city limits rate
Residential	First 6 CCF	\$2.12/CCF	\$2.65/CCF
	>6 to 18 CCF	\$2.93/CCF	\$3.66/CCF
	>18 to 30 CCF	\$3.69/CCF	\$4.61/CCF
	>30 CCF	\$4.44/CCF	\$5.55/CCF
Irrigation	First 50 CCF	\$2.96/CCF	\$3.70/CCF
	>50 to 100 CCF	\$3.56/CCF	\$4.45/CCF
	>100 CCF	\$4.44/CCF	\$5.55/CCF
Commercial	All volumes	\$2.67/CCF	\$3.34/CCF
Industrial	All volumes	\$2.55/CCF	\$3.19/CCF
Super User	All volumes	\$2.38/CCF	\$2.98/CCF
Gas Well Drilling	All volumes	\$5.85/CCF	\$7.31/CCF

Wastewater Volume Rates

Customer Class	Inside city limit rates	Outside city limit rates
Residential	\$3.62/CCF	\$4.53/CCF
Non-monitored Commercial and Industrial	\$4.23/CCF	\$5.29/CCF
Monitored Commercial and Industrial - volume	\$2.71/CCF	\$3.39/CCF
Monitored Commercial and Industrial - BOD	\$0.2929/lb.	\$0.3700/lb.
Monitored Commercial and Industrial - TSS	\$0.1558/lb.	\$0.1900/lb.

Monthly Service Charge

Water Service Charge		Meter Size	Wastewater Service Charge	
Inside City Limits	Outside City Limits		Inside City Limits	Outside City Limits
\$10.75	\$13.44	5/8" x 3/4"	\$6.50	\$8.13
\$11.00	\$13.75	3/4" x 3/4"	\$6.80	\$8.50
\$21.10	\$26.38	1"	\$9.40	\$11.75
\$39.15	\$48.94	1 1/2"	\$16.20	\$20.25
\$60.80	\$76.00	2"	\$24.30	\$30.38
\$160.10	\$200.13	3"	\$61.50	\$76.88
\$273.85	\$342.31	4"	\$104.10	\$130.13
\$580.80	\$726.00	6"	\$219.05	\$273.81
\$1,014.15	\$1,267.69	8"	\$381.35	\$476.69
\$1,519.75	\$1,899.69	10"	\$570.70	\$713.38
N/A	\$13.44	12"	\$715.10	\$893.88

View the rate report

More information on rates

- Account Fees
- Winter Quarter Average
- Reading your meter

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Fort Worth, TX 76102



CITY COUNCIL AGENDA



COUNCIL ACTION: Approved on 8/30/2016 - Ordinance No. 22374-08-2016

DATE:	8/30/2016	REFERENCE NO.:	G-18806	LOG NAME:	60RETAIL RATES 2017
CODE:	G	TYPE:	NON-CONSENT	PUBLIC HEARING:	NO
SUBJECT: Adopt Ordinance Revising Retail Water and Wastewater Rates and Charges and Amending Sections 35-56(b), (c) and (d), Article III - Charges, of Chapter 35 - Water and Sewers of the City Code, Effective January 1, 2017 (ALL COUNCIL DISTRICTS)					

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance revising retail water and wastewater rates and charges and amending Sections 35-56(b), (c) and (d), Article III - Charges, of Chapter 35 - water and sewers of the City Code, effective January 1, 2017.

DISCUSSION:

Each year the Water Department Staff conducts cost of service studies to establish annual operating revenue requirements for retail water and wastewater services. The resulting revenue requirements are shared with the informal Water and Sewer Retail Rate Structure Stakeholder Group which provides input concerning the City's fair and equitable cost allocation among the retail classes. The Stakeholder Group is made up of representatives of the Residential, Commercial, Industrial, Super User and Irrigation classes. Staff conducted four meetings with the Stakeholder Group to receive input and feedback on topics including untying Irrigation volumetric water rates from Residential rates and moving both Residential and Irrigation tier 2 rates to their cost of service, and continuing the fixed versus variable revenue recovery plan for retail water and sewer service.

The Fiscal Year 2017 cost of service studies identified a need for an increase in retail revenue requirements of 1.38 percent for the water system and 1.10 percent for the wastewater system. The recommended Water and Sewer rates include continuation of the phased implementation of increased cost recovery from fixed service charges to improve revenue stability. The primary drivers of the system revenue requirement increases are a 7.17 percent increase in the raw water rate for Fiscal Year 2017; additional debt service and pay-go cash financing to support the City Council-adopted Capital Improvement Plan and improve debt service coverage ratios; and increases in transfers to the General Fund.

To generate revenue required to meet the revenue requirements of the Water customer classes, Staff recommends small increases in the Water monthly service charges as part of the revenue stability plan. Based on the recommendations of the Stakeholder Group, Staff recommends setting the tier 2 volumetric rates for Residential and Irrigation classes at their cost of service. Increases in anticipated volumes for Commercial and Industrial customers enable a small decrease from current volumetric rates for these customer classes. The Super User class increases to its cost of service.

For sewer service, Staff again recommends increases in the monthly service charges as part of the revenue stability plan for all but the smallest two meter sizes, which would remain unchanged. Staff recommends increasing the volumetric rate charges for the Residential class and the strength charges for the Monitored Class, and decreasing the volume rate charges for the Non-Monitored and Monitored classes based on cost of service factors.

RETAIL WATER RATES

Meter Size	Current	Proposed
5/8" & 3/4"	\$10.50	\$10.75
3/4" x 3/4"	\$10.25	\$11.00
1"	\$19.25	\$21.10
1 1/2"	\$35.00	\$39.15
2"	\$53.50	\$60.80
3"	\$139.00	\$160.10
4"	\$237.00	\$273.85
6"	\$502.00	\$580.80
8"	\$875.00	\$1,014.15
10"	\$1,312.00	\$1,519.75

Customer	Per 100 Cubic Feet	Current	Proposed
Residential	First 600 CF	\$2.07	\$2.12
	600 to 1,800 CF	\$2.96	\$2.93
	1,800 to 3,000 CF	\$3.69	\$3.69
	Over 3,000 CF	\$4.44	\$4.44
Commercial	All Usage	\$2.71	\$2.67
Industrial	All Usage	\$2.59	\$2.55
Super User	All Usage	\$2.36	\$2.38
Irrigation	0 to 5,000 CF	\$2.96	\$2.96
	5,000 to 10,000 CF	\$3.69	\$3.56
	Over 10,000 CF	\$4.44	\$4.44
Gas Wells	All Usage	\$5.77	\$5.85

RETAIL WASTEWATER RATES

Meter Size	Current	Proposed
5/8" & 3/4"	\$6.50	\$6.50
3/4"	\$6.80	\$6.80
1"	\$7.70	\$9.40
1 1/2"	\$12.75	\$16.20
2"	\$18.80	\$24.30
3"	\$46.50	\$61.50
4"	\$78.30	\$104.10
6"	\$164.00	\$219.05
8"	\$285.00	\$381.35
10"	\$426.25	\$570.70
12"	\$534.10	\$715.10

Residential	Current	Proposed
Volume Charge (per 100 Cubic Feet)	\$3.49	\$3.62

Non-Monitored	Current	Proposed
Volume Charge (per 100 Cubic Feet)	\$4.32	\$4.23
Monitored Group	Current	Proposed
Volume Charge (per 100 Cubic Feet)	\$3.00	\$2.71
BOD Charge (per Pound)	\$0.2926	\$0.2929
TSS Charge (per Pound)	\$0.1350	\$0.1558
TDS Charge (per Pound) for Gas Well Drillers	\$0.0420	\$0.0420

This M&C does not request the approval of a business entity.

FISCAL INFORMATION/CERTIFICATION:

The changes proposed in this Mayor and Council Communication are anticipated to generate an additional \$3,975,316 in revenue that will be used to provide needed funding for operations and to maintain the Water and Sewer System's infrastructure. The Director of Finance certifies that the Water Department is responsible for the collection and deposit of funds due to the City.

TO

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
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FROM

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
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Submitted for City Manager's Office by: Jay Chapa (5804)

Originating Department Head: John Carman (8246)

Additional Information Contact: Robert Shook (8402)

ATTACHMENTS

60RETAIL RATES 2017 Fund Identifiers.pdf

RETAIL RATES 2017.doc

ORDINANCE NO. 22374-08-2061

AN ORDINANCE AMENDING SECTION 35-56 (b), (c) and (d) OF CHAPTER 35, "WATER AND SEWERS", OF THE CODE OF THE CITY OF FORT WORTH (2015), AS AMENDED, BY REVISING AND ADDING CERTAIN VOLUME RATES AND CHARGES; MAKING THIS ORDINANCE CUMULATIVE OF PRIOR ORDINANCES; REPEALING ALL ORDINANCES AND PROVISIONS OF THE FORT WORTH CITY CODE IN CONFLICT HERewith; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

SECTION 1.

That Section 35-56(b) of Chapter 35 of the Code of the City of Fort Worth (2015), as amended, is hereby amended to read as follows:

- (b) The following schedule of rates per month, or fraction thereof, shall be the charges to all residential and nonresidential customers for furnishing water to such customers located within the city. The residential monthly volume charge for water service shall be the charges to the residential class, as defined in this chapter, for furnishing water to residential water customers located within the city. The nonresidential monthly volume charge for water service shall be the charges to the nonresidential customer class, as defined in this chapter, for furnishing water to nonresidential water customers located within the city.

RETAIL WATER RATES

Monthly Service Charge for Water

Meter Size (inches)	Monthly charge
5/8 X 3/4	\$10.75
3/4 X 3/4	\$11.00
1	\$21.10
1-1/2	\$39.15
2	\$60.80
3	\$160.10
4	\$273.85
6	\$580.80
8	\$1,014.15
10	\$1,519.75

The monthly volume charge for water service is as follows:

Residential Customer Class

Cubic Feet	Rate
First 600 or less cubic feet of water used per month, per 100 cubic feet	\$2.12
For the next 1,200 cubic feet of water used per month, per 100 cubic feet	\$2.93
For the next 1,200 cubic feet of water used per month, per 100 cubic feet	\$3.69
For all in excess of 3,000 cubic feet of water used per month, per 100 cubic feet	\$4.44

Commercial Customer Class

Cubic Feet	Rate
All usage of water used per month, per 100 cubic feet	\$2.67

Industrial Customer Class

Cubic Feet	Rate
All usage of water used per month, per 100 cubic feet	\$2.55

Super User Customer Class

Cubic Feet	Rate
All usage of water used per month, per 100 cubic feet	\$2.38

Irrigation Meters

Cubic Feet	Rate
First 5,000 or less cubic feet of water used per month, per 100 cubic feet	\$2.96
Next 5,000 cubic feet of water used per month, per 100 cubic feet	\$3.56

For all in excess of 10,000 cubic feet of water used per month, per 100 cubic feet	\$4.44
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Gas Well Drillers

Cubic Feet	Rate
All usage of water used per month, per 100 cubic feet per month	\$5.85

The service charges set out in the foregoing schedules are based upon the amount of water used as measured by meters.

SECTION 2.

That the monthly wastewater volume rates as described in Section 35-56(c)(1) and (c)(2) of Chapter 35 of the Code of the City of Fort Worth (1986), as amended, is hereby amended to read as follows:

(1) Monthly Service Charge for Sewerage Service Only

Meter Size (inches)	Monthly charge
5/8 X 3/4	\$6.50
3/4 X 3/4	\$6.80
1	\$9.40
1-1/2	\$16.20
2	\$24.30
3	\$61.50
4	\$104.10
6	\$219.05
8	\$381.35
10	\$570.70
12	\$715.10

- (2) A monthly volume charge shall also be charged to residential customers in the amount of three dollars and sixty-two cents (\$3.62) per one hundred (100) cubic feet of water used, and to nonresidential/non-monitored customers in the amount of four dollars and twenty-three cents (\$4.23) per one hundred (100) cubic feet of water used, or wastewater produced, as more specifically set forth hereinafter.

The monthly volume charges for residential class customers will be based on the individual customer's average monthly water use during the preceding winter quarter months of December, January and February. The volumes used to compute these charges are based on the amount of water used by the residential class customer as

measured by a meter. Where no preceding winter quarter average is available from records, the director shall estimate a volume to be used for this monthly volume charge.

The monthly charges to the nonresidential/non-monitored customers will be based on total water use as measured by appropriate meters, with the provision that if a customer can prove, to the satisfaction of the director, that a significant portion of the metered water usage does not enter the sanitary sewers, the customer will be charged for only that volume entering the sewers, as determined by a method approved by the director.

SECTION 3.

That the monthly volume rates for the monitored class as described in Section 35-56(d) of Chapter 35 of the Code of the City of Fort Worth (1986), as amended, is hereby amended to read as follows:

Volume charge, per 100 cubic feet	\$2.71
BOD strength charge, per pound of BOD	\$0.2929
Suspended solids strength charge per pound of suspended solids	\$0.1558
Dissolved solids strength charge, per pound of dissolved solids (applicable to gas well drillers)	\$0.0420
Monitoring and pretreatment charge=	Total actual cost

The monitoring charge shall consist of all cost for personnel, material and equipment used to collect and analyze samples from the customer's wastewater to determine the strength of the wastewater produced and, when appropriate, to inspect pretreatment facilities, to administer pretreatment permit systems and to enforce ordinance requirements. Pretreatment requirements primarily affect industries that are subject to 40 CFR, Part 403, General Pretreatment Regulations.

This schedule shall replace all other charges previously made for industrial waste strength.

SECTION 4.

This ordinance shall be cumulative of all provisions of ordinances and of the Code of the City of Fort Worth, Texas (2015), as amended, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event conflicting provisions of such ordinances and such Code are hereby repealed.

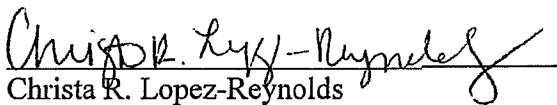
SECTION 5.

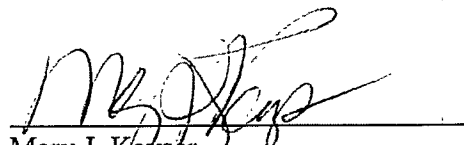
It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and, if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 6.

This ordinance shall take effect on January 1, 2017.

APPROVED AS TO FORM AND LEGALITY:


Christa R. Lopez-Reynolds
Sr. Assistant City Attorney


Mary J. Kaysner,
City Secretary

ADOPTED: August 30, 2016

EFFECTIVE: January 1, 2017

List of water providers in 2 miles buffer.

Southfork Estates - Water Providers in 2 Miles Buffer

Item #	Legal Description	CCN/District #	Address
1	City of Crowley	10984	201 E Main Street, Crowley, TX 76036
2	City of Fort Worth	12311	200 Texas Street, Fort Worth, TX 76102
3	Tarrant Regional Water District	7763500	800 E Northside Dr, Fort Worth, TX 76102

List of Property Owners – 25 acres or more

OWNERS OF 25 ACRES OR MORE

1. Crowley 96, LLC
121 Northwest Newton Street
Burleson, Texas 76208