

permits, material, labor, and equipment, and upon the ability of the District to finance the cost of the Projects and other System facilities through the actual sale of the District's Bonds and (ii) subject to all present and future valid laws, orders, rules, and regulations of the United States of America, the State of Texas, and any regulatory body having jurisdiction.

(c) Title to Water; Indemnification. Title to all treated water supplied to each Contracting Party shall be in the District up to each Point of Delivery, at which point title shall pass to the receiving Contracting Party. The District and each of the Contracting Parties shall save and hold each other party harmless from all claims, demands, and causes of action which may be asserted by anyone on account of the transportation and delivery of said water while title remains in such party. Notwithstanding any other provision of this Contract, it is specifically provided that water obtained or resulting from the wastewater treatment operations of any Contracting Party shall be under the sole and exclusive dominion, control, and ownership of such Contracting Party and the District shall have no right, title, or interest in or claim against such water of any nature whatsoever.

(d) Payments Solely From Revenues. The District shall never have the right to demand payment by any Initial Contracting Party of any obligations assumed by it or imposed on it under and by virtue of this Contract from funds raised or to be raised by taxes, and the obligations under this Contract shall

never be construed to be a debt of such kind as to require any of the Initial Contracting Parties to levy and collect a tax to discharge such obligation.

(e) Operating Expenses of Initial Contracting Parties.

Each of the Initial Contracting Parties represents and covenants that all payments to be made by it under this Contract shall constitute reasonable and necessary "operating expenses" of its waterworks system, in accordance with Vernon's Ann. Tex. Civ. St. Articles 1113 and 4413(32c). It is further recognized that the waterworks system of each Initial Contracting Party is presently combined with its sewer system in accordance with law for operating and financing purposes. Each of the Initial Contracting Parties, respectively, represents and has determined that the treated water supply to be obtained from the System, including the Projects and other System facilities, is absolutely necessary and essential to the present and future operation of its waterworks system and is the only available and adequate source of supply of treated water therefor. Accordingly, the payments required by this Contract to be made by each Initial Contracting Party shall constitute reasonable and necessary operating expenses of its waterworks system and shall be made as provided by law, including the aforesaid Articles 1113 and 4413(32c). In accordance with said Article 1113, such payments shall have priority over the payment of principal of and interest on all bonds and other

similar obligations heretofore or hereafter issued by any Initial Contracting Party.

(f) Initial Contracting Parties' Rates For Water and Sewer System Services. Each of the Initial Contracting Parties agrees throughout the term of this Contract to continuously operate and maintain its combined waterworks and sewer system, and to fix and collect such rates and charges for water and sewer services to be supplied by its combined waterworks and sewer system as aforesaid as will produce revenues in an amount equal to at least (i) all of its payments under this Contract and (ii) all other amounts required to be paid from said revenues by law and the provisions of the ordinances or resolutions authorizing its revenue bonds or other obligations now or hereafter outstanding.

(g) Initial Contracting Parties' Unconditional Obligations. Recognizing the fact that the Initial Contracting Parties urgently require the facilities and services of the System, and that such facilities and services are essential and necessary for actual use and for standby purposes, and recognizing the fact that the District will use payments received from the Initial Contracting Parties to pay and secure the Bonds, it is hereby agreed that each of the Initial Contracting Parties shall be unconditionally obligated to pay, without

offset or deduction, its proportionate share of each Annual Requirement, as provided and determined by this Contract (including the obligations for paying for "minimums" as described in Section 9 (c) hereof), regardless of whether or not the District actually acquires, constructs, or completes the Projects or other System facilities or is actually delivering water from the System to any Contracting Party, or whether or not any Contracting Party actually receives or uses water from the System whether due to Force Majeure or otherwise, and regardless of any other provisions of this or any other contract or agreement between any of the parties hereto. This covenant by the Initial Contracting Parties shall be for the benefit of, and enforceable by, the owners of the Bonds as well as the District.

Section 11. FORCE MAJEURE. If by reason of force majeure any party hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, other than the obligation of each Contracting Party to make the payments required under Section 9 of this Contract, then if such party shall give notice and full particulars of such force majeure in writing to the other parties within a reasonable time after occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such

party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas, or any Civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply, or on account of any other causes not reasonably within the control of the party claiming such inability.

Section 12. INSURANCE. The District agrees to carry and arrange for fire, casualty, public liability, and/or other insurance, including self insurance, on the System for purposes and in amounts which, as determined by the District, ordinarily would be carried by a privately owned utility company owning and operating such facilities, except that the District shall not be required to provide liability insurance except to insure itself against risk of loss due to claims for which it can, in the opinion of the District's legal counsel, be liable under the Texas Tort Claims Act or any similar law or judicial decision. Such insurance will provide, to the extent feasible and practicable, for the restoration of damaged or destroyed

properties and equipment, to minimize the interruption of the services of such facilities. All premiums for such insurance shall constitute an Operation and Maintenance Expense of the System.

Section 13. TERM AND EFFECT OF CONTRACT. (a) This Contract shall, upon execution by the District and all of the Initial Contracting Parties, be effective as of the Contract Date, and this Contract shall continue in force and effect until all Bonds and all interest thereon shall have been paid or provided for, and thereafter shall continue in force and effect during the entire useful life of the System. The requirement for making the Annual Payments as prescribed in Section 9 of this Contract shall commence as of October 1, 1988. Until October 1, 1988, payments for treated water shall continue to be made to the District by the Initial Contracting Parties in accordance with the eleven separate existing treated water supply contracts, and amendments thereto, between the District and the Initial Contracting Parties.

(b) It is specifically agreed and understood that this Contract, as of the Contract Date, will supersede all of the contracts, agreements, and arrangements between each of the parties hereto with respect to the System and treated water from the System and the Bonds, and that this Contract, as of the Contract Date, will completely amend and supersede all such contracts, agreements, and arrangements with respect to the

System and treated water from the System and the Bonds, and will constitute the sole agreement between the parties hereto or any of them with respect to the System and treated water from the System and the Bonds; and all such previous contracts, agreements, and arrangements shall be void and shall be of no force or effect, except for payments due and liabilities accrued thereunder prior to October 1, 1988, and except as provided in subsections (a) and (c), of this Section 13, and except that the "AGREEMENT BETWEEN THE NORTH TEXAS MUNICIPAL WATER DISTRICT AND THE CITY OF MCKINNEY FOR AN ADDITIONAL POINT OF DELIVERY", authorized by said City's resolution adopted September 2, 1986, and the District's resolution adopted December 18, 1986, shall be and remain in full force and effect until its expiration, and said City shall make payments to the District thereunder in addition to those required under this Contract, with such additional payments to be treated and applied as "other revenues" in accordance with Section 9(b) of this Contract.

(c) It is recognized by the parties to this Contract that the eleven previous treated water supply contracts, and amendments thereto, between the District and the Initial Contracting Parties, respectively, which are being amended hereby, together with the proceedings relating thereto, previously have been submitted to an Attorney General of Texas, along with bonds of the District heretofore issued, as provided in the District

Act, and that an Attorney General, in his certificates and opinions relating to such bonds, found that such contracts were made in accordance with the Constitution and laws of the State of Texas, and that they are valid and enforceable in accordance with their terms and provisions. Further, an Attorney General approved each of such contracts, with the effect that pursuant to the provisions of the District Act such contracts "shall be valid and binding and shall be incontestable for any cause". In order to protect the rights of the owners of the Bonds and the parties to this Contract, it is specifically agreed and understood by the parties to this Contract that, any provisions of this Contract to the contrary notwithstanding, if for any reason whatsoever this Contract, or any part of this Contract significantly affecting the rights of the owners of the Bonds, should be held to be invalid or unconstitutional, or in contravention of any law or any constitutional provisions, then the foregoing contracts shall be construed and deemed to be and to have been in full force and effect at all times to the extent required to protect the rights of the owners of the Bonds and the parties to such contracts. It is further agreed and understood by the parties to this Contract that this Contract is amendatory in nature and is not intended to, and does not, abrogate the rights of the owners of any Bonds, and is not intended to, and does not, affect adversely in any way the security therefor, but is intended to and does confirm the



security therefor, substantially restate, clarify, carry forward, update, improve, and extend the provisions of the previous contracts.

Section 14. MODIFICATION. No change or modification of this Contract shall be made which will affect adversely the prompt payment when due of all moneys required to be paid by any Contracting Party under the terms of this Contract or any similar contract, and no such change shall be effective which would cause a violation of any provisions of any Bond Resolution. No change or modification of this Contract shall be made without the written consent of all parties hereto.

Section 15. REGULATORY BODIES AND LAWS. This Contract is subject to all applicable Federal and State laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having or asserting jurisdiction, but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum having jurisdiction.

Section 16. NOTICES. Unless otherwise provided herein, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by any party to any other party must be in writing and may be

given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party, or by prepaid telegram when appropriate, addressed to the party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to the District, to:

North Texas Municipal Water District  
P. O. Drawer C  
Wylie, Texas 75098

If to the Initial Contracting Parties, as follows:

City of Farmersville  
303 S. Main  
Farmersville, Texas 75031

City of Forney  
101 E. Main Street  
Forney, Texas 75126

City of Garland  
200 N. Fifth Street  
P. O. Box 469002  
Garland, Texas 75040

City of McKinney  
P. O. Box 517  
McKinney, Texas 75069

City of Mesquite  
711 N. Galloway  
Mesquite, Texas 75149

City of Plano  
P. O. Box 860358  
Plano, Texas 75086-0358

City of Princeton  
306 N. Front Street  
Princeton, Texas 75077

City of Richardson  
411 W. Arapaho Road  
Richardson, Texas 75080

City of Rockwall  
205 W. Rusk  
Rockwall, Texas 75087

City of Royse City  
P. O. Drawer A  
Royse City, Texas 75089

City of Wylie  
P. O. Box 428  
Wylie, Texas 75098

The parties hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days' written notice to the other parties hereto.

Section 17. SEVERABILITY. The parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses, or words of this Contract or the application of such sections, subsections, provisions, clauses, or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional,

under the laws or constitutions of the State of Texas or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality, or contravention shall not affect any other sections, subsections, provisions, clauses, or words of this Contract or the application of such sections, subsections, provisions, clauses, or words to any other situation or circumstance, and it is intended that this Contract shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause, or word had not been included herein, and the rights and obligations of the parties hereto shall be construed and remain in force accordingly.

Section 18. REMEDIES UPON DEFAULT. It is not intended hereby to specify (and this Contract shall not be considered as specifying) an exclusive remedy for any default, but all such other remedies (other than termination) existing at law or in equity may be availed of by any party hereto and shall be cumulative. Recognizing however, that the District's undertaking to provide and maintain a supply of water hereunder is an obligation, failure in the performance of which cannot be adequately compensated in money damages alone, the District agrees, in the event of any default on its part, that each Contracting Party shall have available to it the equitable remedy of mandamus and specific performance in addition to any

other legal or equitable remedies (other than termination) which may also be available. Recognizing that failure in the performance of any Initial Contracting Party's obligations hereunder could not be adequately compensated in money damages alone, each Initial Contracting Party agrees in the event of any default on its part that the District shall have available to it the equitable remedy of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination) which may also be available to the District. No waiver or waivers of any breach or default (or any breaches or defaults) by any party hereto or of performance by any other party of any duty or obligation hereunder shall be deemed a waiver thereof in the future, nor shall any such waiver or waivers be deemed or construed to be waiver of subsequent breaches or defaults of any kind, character, or description, under any circumstances.

Section 19. VENUE. All amounts due under this Contract, including, but not limited to, payments due under this Contract or damages for the breach of this Contract, shall be paid and be due in Collin County, Texas, which is the County in which the principal administrative offices of the District are located. It is specifically agreed among the parties to this Contract that Collin County, Texas, is a principal place of performance of this Contract; and in the event that any legal

proceeding is brought to enforce this Contract or any provision hereof, the same shall be brought in Collin County, Texas.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written, which is the date of this Contract.

NORTH TEXAS MUNICIPAL WATER DISTRICT

BY   
President, Board of Directors

ATTEST:

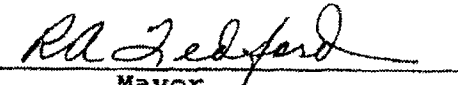
  
Secretary, Board of Directors

APPROVED AS TO FORM AND LEGALITY:

  
Attorneys for the District

(DISTRICT SEAL)

CITY OF FARMERSVILLE, TEXAS

BY   
Mayor

ATTEST:

  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

Joe Austin  
City Attorney

(CITY SEAL)

CITY OF FORNEY, TEXAS

Don T. Cates  
Mayor

ATTEST:

Shelly Green  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

Robert R. Hillard  
City Attorney

(CITY SEAL)

CITY OF GARLAND, TEXAS

Ruth Nicholson  
Mayor

ATTEST:


Alice Church  
City Secretary

APPROVED AS TO FORM AND LEGALITY:


Charles H. Harty  
City Attorney

(CITY SEAL)


CITY OF MCKINNEY, TEXAS

BY   
Mayor

ATTEST:

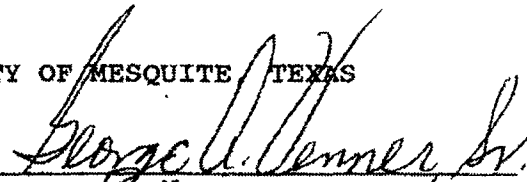
  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

  
City Attorney

(CITY SEAL)


CITY OF MESQUITE, TEXAS

BY   
Mayor

ATTEST:

  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

  
City Attorney

(CITY SEAL)

CITY OF PLANO, TEXAS

BY   
Mayor



ATTEST:

Jackie Blakely  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

Larry Adams  
City Attorney

(CITY SEAL)

CITY OF PRINCETON, TEXAS

BY Mary K. Edwards  
Mayor

ATTEST:

Winnie Price  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

Mark P. P.  
City Attorney

(CITY SEAL)

CITY OF RICHARDSON, TEXAS

BY Charles Spanner  
Mayor

ATTEST:

Paula Miller  
City Secretary

APPROVED AS TO FORM AND LEGALITY

Peter S. Smith  
City Attorney

(CITY SEAL)

CITY OF ROCKWALL, TEXAS

BY *John R. Miller*  
Mayor

ATTEST:

*Mary A. Nichols*  
City Secretary

APPROVED AS TO FORM AND LEGALITY

*Robert*  
City Attorney

(CITY SEAL)

CITY OF ROYSE CITY, TEXAS

*Ann D. Beckner*  
Mayor

ATTEST:

*Doris Williams*  
City Secretary

APPROVED AS TO FORM AND LEGALITY:

*Robert*  
City Attorney

(CITY SEAL)

CITY OF WYLIE, TEXAS

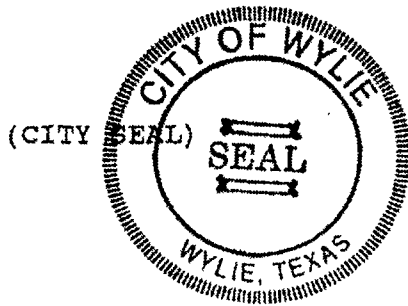
*[Signature]*  
Mayor

ATTEST:

Carolyn Jones  
City Secretary

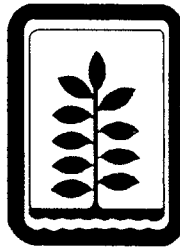
APPROVED AS TO FORM AND LEGALITY

Robert L. Dillard III  
City Attorney *PD*



# **ATTACHMENT C**

**North Texas Municipal Water District's  
September 29, 2017 Announcement of  
FY2018 Rate Increase to Petitioners**



**NORTH TEXAS MUNICIPAL  
WATER DISTRICT**

*Regional Service Through Unity*

September 29, 2017

Mr. Bryan Bradford  
City Manager  
City of Garland  
P. O. Box 469002  
Garland, TX 75046-9002

RE: 2017-18 Annual Budget Charges

Dear Mr. Bradford:

The 2017-18 Annual Budget was approved by the NTMWD Board of Directors at the September 2017 Board Meeting. The water rate is being adjusted from \$2.53 to \$2.78 per 1,000 gallons, the excess water rate is being adjusted from 41.0¢ to 40.0¢ per 1,000 gallons and the City's Minimum Annual Demand is 13,721,955,000 gallons for 2017-18. Enclosed are the 2017-18 Budget Summary and Billing Schedules for the following charges:

- |                         |                  |
|-------------------------|------------------|
| • Regional Water System | \$ 38,147,034.90 |
|-------------------------|------------------|

The NTMWD Board of Director's goal is to continue to provide an effective, responsible level of service while maintaining a reasonable cost to the cities. Your continued cooperation and support will allow the District to maintain an excellent level of service.

Mr. Bryan Bradford  
City Manager  
City of Garland  
September 29, 2017, Page Two

Should you have any questions or need additional information, please contact Erik Felthous, Finance Manager, by email at [efelthous@ntmwd.com](mailto:efelthous@ntmwd.com).

Sincerely,



THOMAS W. KULA  
Executive Director / General Manager

TWK/EAF/df  
Enclosures

cc: Don Gordon, Director, NTMWD  
Jack May, Director, NTMWD  
Matt Watson, Director of Finance  
Wes Kucera, Managing Director of Water & Wastewater Utilities

**REGIONAL WATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

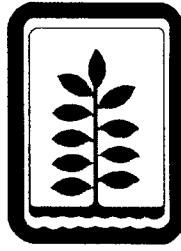
	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Treated Water Sales							
Members	\$ 179,481,426	\$ 209,429,504	\$ 240,426,209	\$ 233,740,290	-2.8%	\$ 264,183,739	9.9%
Customers	36,337,799	43,114,579	49,026,772	48,832,124	-0.4%	55,208,745	12.6%
Retail Customers	24,120	21,688	23,000	18,160	-21.0%	20,000	-13.0%
Raw Water Sales	4,168	2,086	3,400	2,700	-20.6%	2,780	-18.2%
Total	215,847,513	252,567,857	289,479,381	282,593,274	-2.4%	319,415,265	10.3%
Other Charges							
Administrative	3,616,760	5,068,955	4,775,460	4,775,460	0.0%	4,111,990	-13.9%
IT Services	48,610	130,197	832,695	814,370	-2.2%	1,011,760	21.5%
Laboratory	1,934,300	2,133,305	2,325,340	2,325,340	0.0%	1,891,990	-18.6%
Maintenance & Technical Services	799,998	1,087,468	999,150	1,337,950	33.9%	1,103,500	10.4%
Permitting	-	538,555	580,775	580,775	0.0%	364,525	-37.2%
Regulatory Compliance	-	240,115	637,825	637,825	0.0%	242,030	-62.1%
Research & Development	689,180	590,935	667,485	667,485	0.0%	585,090	-12.3%
Safety	-	-	-	-	na	397,980	na
Inspectors	1,707,853	1,899,884	1,850,000	2,083,000	12.6%	2,090,000	13.0%
Other	471,972	780,965	322,859	862,366	167.1%	367,711	13.9%
Total	9,268,673	12,470,379	12,991,589	14,084,571	8.4%	12,166,576	-6.4%
Interest Income	15,891	80,182	61,000	133,925	119.5%	144,000	136.1%
Total	\$ 225,132,077	\$ 265,118,418	\$ 302,531,970	\$ 296,811,770	-1.9%	\$ 331,725,840	9.6%
<b>Expenditures:</b>							
Personnel							
Salaries & Wages	22,883,618	26,363,934	30,535,865	29,683,535	-2.8%	32,815,570	7.5%
Other	10,933,919	12,483,943	13,120,395	13,074,955	-0.3%	14,007,855	6.8%
Total	33,817,537	38,847,878	43,656,260	42,758,490	-2.1%	46,823,425	7.3%
Supplies							
Fuel	449,201	346,034	423,340	386,715	-8.7%	451,690	6.7%
Chemicals	17,725,800	19,864,911	24,591,620	21,806,405	-11.3%	25,385,285	3.2%
Other	3,423,438	5,058,555	6,200,655	6,223,130	0.4%	5,848,085	-5.7%
Total	21,598,439	25,269,500	31,215,615	28,416,250	-9.0%	31,685,060	1.5%
Services							
Power	17,280,686	13,116,950	18,922,870	14,946,625	-21.0%	16,541,160	-12.6%
Water Purchases	6,909,337	2,662,651	6,703,495	3,945,120	-41.1%	5,614,880	-16.2%
Other	15,364,755	20,238,718	22,690,720	24,073,745	6.1%	24,291,095	7.1%
Total	39,554,778	36,018,320	48,317,085	42,965,490	-11.1%	46,447,135	-3.9%
Capital Outlay	1,571,925	2,770,231	3,233,275	3,015,225	-6.7%	2,272,500	-29.7%
Escrow - Rsv for Maint	50,000	-	50,000	50,000	0.0%	50,000	0.0%
Capital Improvement Fund	34,200,000	76,902,555	63,600,000	67,255,000	5.7%	68,185,000	7.2%
Debt Service	93,856,244	85,053,349	111,780,750	111,769,840	0.0%	136,128,740	21.8%
Special Projects	18,259	-	643,330	546,330	-15.1%	95,000	-85.2%
Total	\$ 224,667,182	\$ 264,861,832	\$ 302,496,315	\$ 296,776,625	-1.9%	\$ 331,686,860	9.6%
Revenues Over / (Under) Expenditures	464,895	256,586	35,655	35,145	na	38,980	na

# REGIONAL WATER SYSTEM MEMBERS

## 2017-18 BILLING SCHEDULE

	ALLEN	FARMERSVILLE	FORNEY	FRISCO	GARLAND	MCKINNEY	MESQUITE	PLANO	PRINCETON	RICHARDSON	ROCKWALL	ROYSE CITY	WYLIE	TOTAL
MINIMUM ANNUAL DEMAND (1,000 Gal)	6,011,208	280,467	1,849,256	10,225,090	13,721,955	10,762,780	8,297,666	26,719,809	485,886	11,019,311	3,330,881	448,255	1,877,558	95,030,122
OCTOBER	\$1,392,591.24	\$64,973.26	\$428,410.68	\$2,368,807.20	\$3,178,914.90	\$2,493,370.40	\$1,922,288.48	\$6,190,079.02	\$112,559.08	\$2,552,796.58	\$771,644.18	\$103,842.90	\$434,963.24	\$22,015,241.16
NOVEMBER	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,080.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
DECEMBER	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
JANUARY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
FEBRUARY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
MARCH	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
APRIL	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
MAY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
JUNE	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
JULY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
AUGUST	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
SEPTEMBER	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
TOTAL	15,711,158.24	779,698.26	5,140,931.68	28,425,750.20	38,147,034.90	29,920,528.40	23,067,511.48	74,281,069.02	1,350,763.08	30,633,684.58	9,259,849.18	1,246,148.90	5,219,611.24	264,183,739.16





**NORTH TEXAS MUNICIPAL  
WATER DISTRICT**

*Regional Service Through Unity*

September 29, 2017

Mr. Cliff Keheley  
City Manager  
City of Mesquite  
P. O. Box 850137  
Mesquite, TX 75185-0137

RE: 2017-18 Annual Budget Charges

Dear Mr. Keheley:

The 2017-18 Annual Budget was approved by the NTMWD Board of Directors at the September 2017 Board Meeting. The water rate is being adjusted from \$2.53 to \$2.78 per 1,000 gallons, the excess water rate is being adjusted from 41.0¢ to 40.0¢ per 1,000 gallons and the City's Minimum Annual Demand is 8,297,666,000 gallons for 2017-18. Enclosed are the 2017-18 Budget Summary and Billing Schedules for the following charges:

• Regional Water System	\$ 23,067,511.48
• Regional Wastewater System	\$ 9,128,040.00
• Lower East Fork Interceptor	\$ 1,451,924.00
• Wastewater Pretreatment Program	\$ 201,641.00

The NTMWD Board of Director's goal is to continue to provide an effective, responsible level of service while maintaining a reasonable cost to the cities. Your continued cooperation and support will allow the District to maintain an excellent level of service.

Mr. Cliff Keheley  
City Manager  
City of Mesquite  
September 29, 2017, Page Two

Should you have any questions or need additional information, please contact Erik Felthous, Finance Manager by email at [efelthous@ntmwd.com](mailto:efelthous@ntmwd.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas W. Kula". The signature is fluid and cursive, with the first name "Thomas" being more prominent.

THOMAS W. KULA  
Executive Director / General Manager

TWK/EAF/df  
Enclosures

cc: Terry Sam Anderson, Director, NTMWD  
David Paschall, Director, NTMWD  
Debbie Mol, Director of Finance

**REGIONAL WATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Treated Water Sales.							
Members	\$ 179,481,426	\$ 209,429,504	\$ 240,426,209	\$ 233,740,290	-2.8%	\$ 264,183,739	9.9%
Customers	36,337,799	43,114,579	49,026,772	48,832,124	-0.4%	55,208,745	12.6%
Retail Customers	24,120	21,688	23,000	18,160	-21.0%	20,000	-13.0%
Raw Water Sales	4,168	2,086	3,400	2,700	-20.6%	2,780	-18.2%
Total	215,847,513	252,567,857	289,479,381	282,593,274	-2.4%	319,415,265	10.3%
Other Charges							
Administrative	3,616,760	5,068,955	4,775,460	4,775,460	0.0%	4,111,990	-13.9%
IT Services	48,610	130,197	832,695	814,370	-2.2%	1,011,760	21.5%
Laboratory	1,934,300	2,133,305	2,325,340	2,325,340	0.0%	1,891,990	-18.6%
Maintenance & Technical Services	799,998	1,087,468	999,150	1,337,950	33.9%	1,103,500	10.4%
Permitting	-	538,555	580,775	580,775	0.0%	364,525	-37.2%
Regulatory Compliance	-	240,115	637,825	637,825	0.0%	242,030	-62.1%
Research & Development	689,180	590,935	667,485	667,485	0.0%	585,090	-12.3%
Safety	-	-	-	-	na	397,980	na
Inspectors	1,707,853	1,899,884	1,850,000	2,083,000	12.6%	2,090,000	13.0%
Other	471,972	780,965	322,859	862,366	167.1%	367,711	13.9%
Total	9,268,673	12,470,379	12,991,589	14,084,571	8.4%	12,166,576	-6.4%
Interest Income	15,891	80,182	61,000	133,925	119.5%	144,000	136.1%
Total	\$ 225,132,077	\$ 265,118,418	\$ 302,531,970	\$ 296,811,770	-1.9%	\$ 331,725,840	9.6%
<b>Expenditures:</b>							
Personnel							
Salaries & Wages	22,883,618	26,363,934	30,535,865	29,683,535	-2.8%	32,815,570	7.5%
Other	10,933,919	12,483,943	13,120,395	13,074,955	-0.3%	14,007,855	6.8%
Total	33,817,537	38,847,878	43,656,260	42,758,490	-2.1%	46,823,425	7.3%
Supplies:							
Fuel	449,201	346,034	423,340	386,715	-8.7%	451,690	6.7%
Chemicals	17,725,800	19,864,911	24,591,620	21,806,405	-11.3%	25,385,285	3.2%
Other	3,423,438	5,058,555	6,200,655	6,223,130	0.4%	5,848,085	-5.7%
Total	21,598,439	25,269,500	31,215,615	28,416,250	-9.0%	31,685,060	1.5%
Services:							
Power	17,280,686	13,116,950	18,922,870	14,946,625	-21.0%	16,541,160	-12.6%
Water Purchases	6,909,337	2,662,651	6,703,495	3,945,120	-41.1%	5,614,880	-18.2%
Other	15,364,755	20,238,718	22,690,720	24,073,745	6.1%	24,291,095	7.1%
Total	39,554,778	36,018,320	48,317,085	42,965,490	-11.1%	46,447,135	-3.9%
Capital Outlay	1,571,925	2,770,231	3,233,275	3,015,225	-6.7%	2,272,500	-29.7%
Escrow - Rsv for Maint	50,000	-	50,000	50,000	0.0%	50,000	0.0%
Capital Improvement Fund	34,200,000	76,902,555	63,600,000	67,255,000	5.7%	68,185,000	7.2%
Debt Service	93,856,244	85,053,349	111,780,750	111,769,840	0.0%	136,128,740	21.8%
Special Projects	18,259	-	643,330	546,330	-15.1%	95,000	-85.2%
Total	\$ 224,667,182	\$ 264,861,832	\$ 302,496,315	\$ 296,776,625	-1.9%	\$ 331,686,860	9.6%
Revenues Over / (Under) Expenditures	464,895	256,586	35,655	35,145	na	38,980	na

# REGIONAL WATER SYSTEM MEMBERS

## 2017-18 BILLING SCHEDULE

	ALLEN	FARMERSVILLE	FORNEY	FRISCO	GARLAND	MCKINNEY	MESQUITE	PLANO	PRINCETON	RICHARDSON	ROCKWALL	ROYSE CITY	WYLIE	TOTAL
MINIMUM ANNUAL DEMAND (1,000 Gal)	6,011,208	280,467	1,849,256	10,225,090	13,721,955	10,762,780	8,297,666	26,719,809	485,886	11,019,311	3,330,881	448,255	1,877,558	95,030,122
OCTOBER	\$1,392,591 24	\$64,973 26	\$428,410 68	\$2,368,807 20	\$3,178,914 90	\$2,493,370 40	\$1,922,288 48	\$6,190,079 02	\$112,559 08	\$2,552,796 58	\$771,644 18	\$103,842 90	\$434,963 24	\$22,015,241 16
NOVEMBER	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
DECEMBER	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
JANUARY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
FEBRUARY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
MARCH	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
APRIL	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
MAY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
JUNE	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
JULY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
AUGUST	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
SEPTEMBER	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
TOTAL	16,711,158 24	779,698 26	5,140,931 68	28,425,750 20	38,147,034 90	29,920,528 40	23,067,511 48	74,281,069 02	1,350,763 08	30,633,684 58	9,259,849 18	1,246,148 90	5,219,611 24	264,183,739 16

**REGIONAL WASTEWATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Wastewater Sales							
Members	\$ 44,570,547	\$ 52,019,552	\$ 56,737,310	\$ 56,423,300	-0.55%	\$ 62,156,830	9.6%
Customers	1,662,027	2,237,238	1,688,970	1,561,130	-7.57%	1,721,500	1.9%
Total	46,232,574	54,256,789	58,426,280	57,984,430	-0.76%	63,878,330	9.3%
Other Charges							
Other	430,570	615,427	464,800	662,290	42.49%	580,470	24.9%
Total	430,570	615,427	464,800	662,290	42.49%	580,470	24.9%
Interest Income	3,525	24,493	19,715	31,575	60.16%	40,525	105.6%
Total	<u>\$ 46,666,669</u>	<u>\$ 54,896,710</u>	<u>\$ 58,910,795</u>	<u>\$ 58,678,295</u>	-0.39%	<u>\$ 64,499,325</u>	9.5%
<b>Expenditures:</b>							
Personnel							
Salaries & Wages	6,190,664	6,966,529	7,447,735	7,336,370	-1.50%	8,081,040	8.5%
Other	3,277,309	3,316,684	3,706,680	3,639,740	-1.81%	3,699,840	-0.2%
Total	9,467,974	10,283,213	11,154,415	10,976,110	-1.60%	11,780,880	5.6%
Supplies							
Fuel	619,982	435,262	500,495	390,495	-21.98%	593,690	18.6%
Chemicals	4,692,375	4,852,383	4,868,495	4,614,135	-5.22%	4,886,285	0.4%
Other	1,650,532	2,922,505	2,162,585	2,662,485	23.12%	2,785,540	28.8%
Total	6,962,888	8,210,150	7,531,575	7,667,115	1.80%	8,265,515	9.7%
Services							
Power	3,254,943	2,788,573	3,108,000	2,775,795	-10.69%	2,960,000	-4.8%
Other	9,371,924	12,616,172	13,080,230	13,402,630	2.46%	13,301,425	1.7%
Total	12,626,867	15,404,745	16,188,230	16,178,425	-0.06%	16,261,425	0.5%
Capital Outlay	910,885	2,133,701	1,081,700	1,134,270	4.86%	1,623,500	50.1%
Escrow - Rsv for Maint	100,000	100,000	-	-	na	-	na
Capital Improvement Fund	-	630,630	-	-	na	-	na
Debt Service	16,597,305	18,134,270	22,699,875	22,699,375	0.00%	26,568,005	17.0%
Special Projects	751	-	255,000	23,000	-90.98%	-	-100.0%
Total	<u>\$ 46,666,669</u>	<u>\$ 54,896,710</u>	<u>\$ 58,910,795</u>	<u>\$ 58,678,295</u>	-0.39%	<u>\$ 64,499,325</u>	9.5%
Revenues Over / (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	na	<u>-</u>	na

**REGIONAL WASTEWATER SYSTEM  
MEMBER CITY CHARGES  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
<b><u>Member City Charges:</u></b>					
Allen	\$ 4,144,843	\$ 4,561,141	\$ 5,135,063	\$ 5,207,768	\$ 5,742,710
Forney	1,227,299	1,522,571	1,533,326	1,493,097	1,646,469
Frisco	1,718,346	2,025,456	2,122,516	2,425,614	2,674,772
Heath	589,467	811,786	751,263	807,955	890,948
McKinney	8,311,189	9,614,868	10,321,215	10,374,128	11,439,759
Mesquite	6,322,642	7,968,638	8,423,187	8,277,750	9,128,040
Plano	14,710,024	16,653,164	18,578,956	18,251,915	20,126,753
Princeton	360,924	442,887	494,602	488,134	538,274
Prosper	606,392	733,680	812,843	926,648	1,021,833
Richardson	4,763,972	5,688,739	6,269,321	5,917,567	6,525,420
Rockwall	966,922	1,083,525	1,176,726	1,066,797	1,176,378
Seagoville	848,529	913,097	1,118,292	1,185,927	1,245,474
Total	<u>\$ 44,570,547</u>	<u>\$ 52,019,552</u>	<u>\$ 56,737,310</u>	<u>\$ 56,423,300</u>	<u>\$ 62,156,830</u>
	-	-	-	-	-
Cost per 1,000	\$ 1.44	\$ 1.54	\$ 1.89	\$ 2.01	\$ 2.11
<b><u>Flows (1,000):</u></b>					
Allen	2,888,347	2,953,688	2,715,178	2,596,578	2,726,407
Forney	855,247	985,981	810,750	744,454	781,677
Frisco	1,197,435	1,311,638	1,122,286	1,209,404	1,269,874
Heath	410,772	525,694	397,232	402,844	422,986
McKinney	5,791,679	6,226,363	5,457,369	5,172,510	5,431,136
Mesquite	4,405,954	5,160,303	4,453,782	4,127,262	4,333,625
Plano	10,250,728	10,784,198	9,823,671	9,100,352	9,555,370
Princeton	251,511	286,803	261,522	243,382	255,551
Prosper	422,566	475,114	429,793	462,024	485,125
Richardson	3,319,789	3,683,894	3,314,920	2,950,482	3,098,006
Rockwall	673,803	701,665	622,197	531,902	558,497
Seagoville	591,300	591,300	591,300	591,300	591,300
Total	<u>31,059,131</u>	<u>33,686,641</u>	<u>30,000,000</u>	<u>28,132,494</u>	<u>29,509,554</u>

# REGIONAL WASTEWATER SYSTEM

## 2017-18 BILLING SCHEDULE

	ALLEN	FORNEY	FRISCO	HEATH	MCKINNEY	MESQUITE	PLANO	PRINCETON	PROSPER	RICHARDSON	ROCKWALL	SEAGOVILLE	TOTAL
OCTOBER	\$957,110	\$274,409	\$445,792	\$148,488	\$1,906,619	\$1,521,340	\$3,354,453	\$89,704	\$170,303	\$1,087,570	\$196,058	\$207,574	\$10,359,420
NOVEMBER	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
DECEMBER	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JANUARY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
FEBRUARY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
MARCH	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
APRIL	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
MAY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JUNE	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JULY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
AUGUST	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
TOTAL	<u>\$5,742,710</u>	<u>\$1,646,469</u>	<u>\$2,674,772</u>	<u>\$890,948</u>	<u>\$11,439,759</u>	<u>\$9,128,040</u>	<u>\$20,126,753</u>	<u>\$538,274</u>	<u>\$1,021,833</u>	<u>\$6,525,420</u>	<u>\$1,176,378</u>	<u>\$1,245,474</u>	<u>\$62,156,830</u>

**SEWER SYSTEM  
DETAIL LISTING  
503 LOWER EAST FORK INTERCEPTOR  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
<b>Revenues:</b>					
Sewer Sales					
Water Facilities	-	-	-	- na	- na
Sewer Facilities	-	-	-	- na	- na
Interceptor Facilities	\$ 1,629,227	\$ 1,570,994	\$ 1,712,335	\$ 1,711,185 -0.07%	\$ 1,856,430 8.4%
Total	1,629,227	1,570,994	1,712,335	1,711,185 -0.07%	1,856,430 8.4%
Other Charges.					
Effluent	-	-	-	- na	- na
Lease	-	-	-	- na	- na
Pretreatment	-	-	-	- na	- na
Debt Acquisition	-	-	-	- na	- na
Other	687	775	-	- na	- na
Total	687	775	-	- na	- na
Interest Income	54	194	75	985 1213.3%	1,035 1280.0%
Total	\$ 1,629,968	\$ 1,571,963	\$ 1,712,410	\$ 1,712,170 0.0%	\$ 1,857,465 8.5%
<b>Expenditures:</b>					
Personnel					
Salaries & Wages	16,024	9,152	9,075	9,075 0.0%	- -100.0%
Other	7,037	945	5,195	4,905 -5.6%	- -100.0%
Total	23,061	10,097	14,270	13,980 -2.0%	- -100.0%
Supplies.					
Fuel	-	-	-	- na	- na
Chemicals	54,226	85,901	73,820	52,950 -28.3%	63,790 -13.6%
Other	4,064	7,600	25,725	21,110 -17.9%	27,350 6.3%
Total	58,290	93,501	99,545	74,060 -25.6%	91,140 -8.4%
Services					
Power	36,712	33,632	45,000	26,300 -41.6%	27,500 -38.9%
Other	78,395	143,378	279,095	324,045 16.1%	319,590 14.5%
Total	115,107	177,009	324,095	350,345 8.1%	347,090 7.1%
Capital Outlay	-	-	-	- na	- na
Escrow					
Reserve for Maintenance	2,000	2,000	-	- na	- na
Prev Maint Escrow	-	-	-	- na	115,000 na
Total	2,000	2,000	-	- na	115,000 na
Capital Improvement Fund	-	-	-	- na	- na
Debt Service	1,431,510	1,289,355	1,274,500	1,273,785 -0.1%	1,304,235 2.3%
Special Projects	-	-	-	- na	- na
Total	\$ 1,629,968	\$ 1,571,963	\$ 1,712,410	\$ 1,712,170 0.0%	\$ 1,857,465 8.5%
Revenues Over/(Under) Expenditures	-	-	-	- na	- na



SEWER SYSTEM  
DETAIL LISTING  
503 LOWER EAST FORK INTERCEPTOR  
September 28, 2017

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
420000-4015 - Mesquite	\$ 1,274,227	\$ 1,228,682	\$ 1,339,226	\$ 1,338,327	\$ 1,451,924
420000-4026 - Seagoville	355,000	342,312	373,109	372,858	404,506
Total	\$ 1,629,227	\$ 1,570,994	\$ 1,712,335	\$ 1,711,185	\$ 1,856,430
	-	-	-	-	-
Annual Flow (1,000).					
Mesquite	2,711,950	2,711,950	2,711,950	2,711,950	2,711,950
Seagoville	755,550	755,550	755,550	755,550	755,550
Total	3,467,500	3,467,500	3,467,500	3,467,500	3,467,500
			100.000%	100.000%	100.000%

LOWER EAST FORK INTERCEPTOR

2017-18 BILLING SCHEDULE

	<u>MESQUITE</u>	<u>SEAGOVILLE</u>	<u>TOTAL</u>
OCTOBER	\$241,984	\$67,416	\$309,400
NOVEMBER	120,994	33,709	154,703
DECEMBER	120,994	33,709	154,703
JANUARY	120,994	33,709	154,703
FEBRUARY	120,994	33,709	154,703
MARCH	120,994	33,709	154,703
APRIL	120,994	33,709	154,703
MAY	120,994	33,709	154,703
JUNE	120,994	33,709	154,703
JULY	120,994	33,709	154,703
AUGUST	<u>120,994</u>	<u>33,709</u>	<u>154,703</u>
TOTAL	<u><u>\$1,451,924</u></u>	<u><u>\$404,506</u></u>	<u><u>\$1,856,430</u></u>

SEWER SYSTEM  
DETAIL LISTING  
604 WASTEWATER PRETREATMENT PROGRAM  
September 28, 2017

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
<b>Revenues:</b>					
Sewer Sales:					
Water Facilities	-	-	-	- na	- na
Sewer Facilities	-	-	-	- na	- na
Interceptor Facilities	-	-	-	- na	- na
Total	-	-	-	- na	- na
Other Charges					
Effluent	-	-	-	- na	- na
Lease	-	-	-	- na	- na
Pretreatment	\$ 663,011	\$ 755,648	\$ 965,255	\$ 961,400 -0.4%	\$ 947,715 -1.5%
Debt Acquisition	-	-	-	- na	- na
Other	158	19,191	-	- na	- na
Total	663,169	774,839	965,255	961,400 -0.4%	947,715 -1.5%
Interest Income	72	576	445	1,280 187.6%	1,345 202.2%
Total	<u>\$ 663,241</u>	<u>\$ 775,415</u>	<u>\$ 965,700</u>	<u>\$ 962,680 -0.3%</u>	<u>\$ 949,060 -1.7%</u>
<b>Expenditures:</b>					
Personnel:					
Salaries & Wages	338,184	408,347	428,655	424,470 -1.0%	450,140 5.0%
Other	150,404	160,734	206,090	184,745 -10.4%	199,455 -3.2%
Total	488,588	569,081	634,745	609,215 -4.0%	649,595 2.3%
Supplies:					
Fuel	5,076	2,650	5,785	4,785 -17.3%	6,840 18.2%
Chemicals	-	-	-	- na	- na
Other	23,487	44,007	52,825	35,675 -32.5%	48,315 -8.5%
Total	28,563	46,657	58,610	40,460 -31.0%	55,155 -5.9%
Services					
Power	-	-	-	- na	- na
Other	146,090	159,676	272,345	313,005 14.9%	244,310 -10.3%
Total	146,090	159,676	272,345	313,005 14.9%	244,310 -10.3%
Capital Outlay	-	-	-	- na	- na
Escrow:					
Reserve for Maintenance	-	-	-	- na	- na
Equipment Replacement	-	-	-	- na	- na
Total	-	-	-	- na	- na
Capital Improvement Fund	-	-	-	- na	- na
Debt Service	-	-	-	- na	- na
Special Projects	-	-	-	- na	- na
Total	<u>\$ 663,241</u>	<u>\$ 775,415</u>	<u>\$ 965,700</u>	<u>\$ 962,680 -0.3%</u>	<u>\$ 949,060 -1.7%</u>
Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>- na</u>	<u>- na</u>

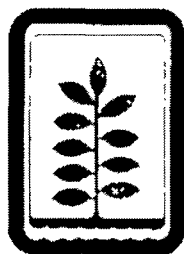
SEWER SYSTEM  
DETAIL LISTING  
604 WASTEWATER PRETREATMENT PROGRAM  
September 28, 2017

	2014-15	2015-16	2016-17	2016-17	2017-18			
	ACTUAL	ACTUAL	BUDGET	AMENDED	PROPOSED			
420000-4001 - Allen	\$ 35,237	\$ 39,389	\$ 60,486	\$ 62,223	\$ 80,657			
420000-4008 - Forney	22,255	24,877	35,283	41,482	40,328			
420000-4009 - Frisco	13,909	12,439	15,121	14,641	13,443			
420000-4014 - McKinney	124,257	145,118	183,978	191,548	192,680			
420000-4015 - Mesquite	157,639	186,580	226,822	219,609	201,641			
420000-4018 - Plano	24,109	26,950	35,283	31,721	29,126			
420000-4021 - Rockwall	22,255	25,914	45,364	48,802	53,771			
420000-4026 - Seagoville	33,382	37,316	45,364	43,922	40,328			
420000-4028 - Sunnyvale	22,255	24,877	30,243	29,281	26,886			
420000-4029 - Terrell	139,093	155,483	189,019	183,008	168,035			
420000-4031 - Wylie	68,620	76,705	98,292	95,163	100,820			
Total	\$ 663,011	\$ 755,648	\$ 965,255	\$ 961,400	\$ 947,715			
	-	-	-	-	-			
User Months.								
Allen	38	38	48	6.3%	51	6.5%	72	8.5%
Forney	24	24	28	3.7%	34	4.3%	36	4.3%
Frisco	15	12	12	1.6%	12	1.5%	12	1.4%
McKinney	134	140	146	19.1%	157	19.9%	172	20.3%
Mesquite	170	180	180	23.5%	180	22.8%	180	21.3%
Plano	26	26	28	3.7%	26	3.3%	26	3.1%
Rockwall	24	25	36	4.7%	40	5.1%	48	5.7%
Seagoville	36	36	36	4.7%	36	4.6%	36	4.3%
Sunnyvale	24	24	24	3.1%	24	3.0%	24	2.8%
Terrell	150	150	150	19.6%	150	19.0%	150	17.7%
Wylie	74	74	78	10.2%	78	9.9%	90	10.6%
Total	715	729	766	100%	788	100%	846	100%

# WASTEWATER PRETREATMENT PROGRAM

## 2017-18 BILLING SCHEDULE

	<u>ALLEN</u>	<u>FORNEY</u>	<u>FRISCO</u>	<u>MCKINNEY</u>	<u>MESQUITE</u>	<u>PLANO</u>	<u>ROCKWALL</u>	<u>SEAGOVILLE</u>	<u>SUNNYVALE</u>	<u>TERRELL</u>	<u>WYLIE</u>	<u>TOTAL</u>
OCTOBER	\$13,437	\$6,718	\$2,233	\$32,110	\$33,601	\$4,846	\$8,961	\$6,718	\$4,476	\$28,005	\$16,800	\$157,905
NOVEMBER	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
DECEMBER	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
JANUARY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
FEBRUARY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
MARCH	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
APRIL	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
MAY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
JUNE	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
JULY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
AUGUST	<u>6,722</u>	<u>3,361</u>	<u>1,121</u>	<u>16,057</u>	<u>16,804</u>	<u>2,428</u>	<u>4,481</u>	<u>3,361</u>	<u>2,241</u>	<u>14,003</u>	<u>8,402</u>	<u>78,981</u>
TOTAL	<u>\$80,657</u>	<u>\$40,328</u>	<u>\$13,443</u>	<u>\$192,680</u>	<u>\$201,641</u>	<u>\$29,126</u>	<u>\$53,771</u>	<u>\$40,328</u>	<u>\$26,886</u>	<u>\$168,035</u>	<u>\$100,820</u>	<u>\$947,715</u>



## NORTH TEXAS MUNICIPAL WATER DISTRICT

*Regional Service Through Unity*

September 29, 2017

Mr. Bruce Glasscock  
City Manager  
City of Plano  
P. O. Box 860358  
Plano, TX 75086-0358

RE: 2017-18 Annual Budget Charges

Dear Mr. Glasscock:

The 2017-18 Annual Budget was approved by the NTMWD Board of Directors at the September 2017 Board Meeting. The water rate is being adjusted from \$2.53 to \$2.78 per 1,000 gallons, the excess water rate is being adjusted from 41.0¢ to 40.0¢ per 1,000 gallons and the City's Minimum Annual Demand is 26,719,809,000 gallons for 2017-18. Enclosed are the 2017-18 Budget Summary and Billing Schedules for the following charges:

• Regional Water System	\$ 74,281,069.02
• Regional Wastewater System	\$ 20,126,753.00
• Upper East Fork Interceptor System	\$ 13,723,076.00
• Regional Solid Waste System	\$ 9,074,795.00
• Plano Water Transmission Facilities	\$ 8,870.00
• Wastewater Pretreatment Program	\$ 29,126.00

The NTMWD Board of Director's goal is to continue to provide an effective, responsible level of service while maintaining a reasonable cost to the cities. Your continued cooperation and support will allow the District to maintain an excellent level of service.

Mr. Bruce Glasscock  
City Manager  
City of Plano  
September 29, 2017, Page Two

Should you have any questions or need additional information, please contact Erik Felthous, Finance Manager by email at [efelthous@ntmwd.com](mailto:efelthous@ntmwd.com).

Sincerely,

  
THOMAS W. KULA  
Executive Director / General Manager

TWK/EAf/dtf  
Enclosures

cc: Phil Dyer, Director, NTMWD  
Rod Hogan, Director, NTMWD  
Denise Tacke, Finance Director  
Karen Rhodes-Whitley, Director of Budget and Research

**REGIONAL WATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Treated Water Sales:							
Members	\$ 179,481,426	\$ 209,429,504	\$ 240,426,209	\$ 233,740,290	-2.8%	\$ 264,183,739	9.8%
Customers	36,337,799	43,114,579	49,026,772	48,832,124	-0.4%	55,208,745	12.8%
Retail Customers	24,120	21,688	23,000	18,160	-21.0%	20,000	-13.0%
Raw Water Sales	4,168	2,086	3,400	2,700	-20.6%	2,780	-18.2%
Total	215,847,513	252,567,857	289,479,381	282,593,274	-2.4%	319,415,265	10.3%
Other Charges:							
Administrative	3,616,760	5,068,955	4,775,460	4,775,460	0.0%	4,111,990	-13.9%
IT Services	46,610	130,197	832,695	814,370	2.2%	1,011,760	21.5%
Laboratory	1,934,300	2,133,305	2,325,340	2,325,340	0.0%	1,891,990	-18.6%
Maintenance & Technical Services	799,998	1,087,468	999,150	1,337,950	33.8%	1,103,500	10.4%
Permitting	-	538,555	580,775	580,775	0.0%	364,525	-37.2%
Regulatory Compliance	-	240,115	637,825	637,825	0.0%	242,030	-82.1%
Research & Development	689,180	590,935	667,485	667,485	0.0%	585,090	-12.3%
Safety	-	-	-	-	na	397,980	na
Inspectors	1,707,653	1,899,884	1,850,000	2,083,000	12.8%	2,090,000	13.0%
Other	471,972	780,865	322,859	862,386	167.1%	387,711	13.9%
Total	9,268,673	12,470,379	12,991,589	14,084,571	8.4%	12,166,578	-6.4%
Interest Income	15,891	80,182	61,000	133,925	119.5%	144,000	136.1%
Total	\$ 225,132,077	\$ 265,118,418	\$ 302,531,970	\$ 296,611,770	-1.8%	\$ 331,725,840	9.6%
<b>Expenditures:</b>							
Personnel:							
Salaries & Wages	22,883,618	26,363,934	30,535,865	29,683,535	-2.8%	32,815,570	7.8%
Other	10,933,919	12,483,943	13,120,395	13,074,955	-0.3%	14,007,855	8.8%
Total	33,817,537	38,847,878	43,656,260	42,758,490	-2.1%	46,823,425	7.3%
Supplies:							
Fuel	449,201	346,034	423,340	388,715	-8.7%	451,690	6.7%
Chemicals	17,725,800	19,884,911	24,591,620	21,806,405	-11.3%	25,385,285	3.2%
Other	3,423,438	5,056,555	6,200,855	6,223,130	0.4%	5,848,085	-3.7%
Total	21,598,439	25,288,500	31,215,615	28,416,250	-9.0%	31,685,060	1.5%
Services:							
Power	17,280,688	13,118,950	18,922,870	14,946,625	-21.0%	16,541,160	-12.6%
Water Purchases	6,909,337	2,662,651	6,703,495	3,945,120	-41.1%	5,614,880	-16.2%
Other	15,364,755	20,238,718	22,690,720	24,073,745	6.1%	24,291,095	7.1%
Total	39,554,778	36,018,320	48,317,085	42,965,490	-11.1%	46,447,135	-3.9%
Capital Outlay	1,571,925	2,770,231	3,233,275	3,015,225	-6.7%	2,272,500	-29.7%
Escrow - Rsv for Maint	50,000	-	50,000	50,000	0.0%	50,000	0.0%
Capital Improvement Fund	34,200,000	76,902,555	63,600,000	67,255,000	5.7%	68,185,000	7.2%
Debt Service	93,856,244	85,053,349	111,780,750	111,769,840	0.0%	136,128,740	21.8%
Special Projects	18,259	-	643,330	546,330	-15.1%	95,000	-85.2%
Total	\$ 224,667,182	\$ 264,861,832	\$ 302,486,315	\$ 296,776,625	-1.8%	\$ 331,686,860	9.6%
Revenues Over / (Under) Expenditures	484,895	256,586	35,655	35,145	na	38,980	na



# REGIONAL WATER SYSTEM MEMBERS

## 2017-18 BILLING SCHEDULE

	ALLEN	FARMERSVILLE	FORNEY	FRISCO	GARLAND	MCKINNEY	MESQUITE	PLANO	PRINCETON	RICHARDSON	ROCKWALL	ROYSE CITY	WYLIE	TOTAL
MINIMUM ANNUAL DEMAND (1,000 Gal)	6,011,208	280,467	1,849,256	10,225,090	13,721,955	10,762,760	8,297,666	26,719,809	485,886	11,019,311	3,330,881	448,255	1,877,558	95,030,122
OCTOBER	\$1,392,581.24	\$64,973.26	\$428,410.68	\$2,368,807.20	\$3,178,914.90	\$2,493,370.40	\$1,922,288.48	\$6,190,070.02	\$112,559.08	\$2,552,796.58	\$771,644.18	\$103,842.90	\$434,963.24	\$22,015,241.16
NOVEMBER	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
DECEMBER	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
JANUARY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
FEBRUARY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
MARCH	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
APRIL	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
MAY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
JUNE	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
JULY	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
AUGUST	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
SEPTEMBER	1,392,597.00	64,975.00	428,411.00	2,368,813.00	3,178,920.00	2,493,378.00	1,922,293.00	6,190,090.00	112,564.00	2,552,808.00	771,655.00	103,846.00	434,968.00	22,015,318.00
TOTAL	16,711,158.24	779,698.26	5,140,931.68	28,425,750.20	38,147,034.90	29,920,528.40	23,087,511.48	74,281,069.02	1,350,783.08	30,833,684.58	9,259,849.18	1,246,148.90	5,219,611.24	264,183,739.16

**REGIONAL WASTEWATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2016-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b><u>Revenues:</u></b>							
Wastewater Sales:							
Members	\$ 44,570,547	\$ 52,019,552	\$ 56,737,310	\$ 56,423,300	-0.55%	\$ 62,156,830	9.6%
Customers	1,662,027	2,237,238	1,688,970	1,561,130	-7.57%	1,721,500	1.9%
Total	46,232,574	54,256,789	58,426,280	57,984,430	-0.78%	63,878,330	9.3%
Other Charges:							
Other	430,570	615,427	464,800	662,290	42.49%	580,470	24.9%
Total	430,570	615,427	464,800	662,290	42.49%	580,470	24.9%
Interest Income	3,525	24,493	19,715	31,575	60.18%	40,525	105.6%
Total	<u>\$ 46,666,669</u>	<u>\$ 54,896,710</u>	<u>\$ 58,910,795</u>	<u>\$ 58,678,295</u>	-0.39%	<u>\$ 64,499,325</u>	9.5%
<b><u>Expenditures:</u></b>							
Personnel:							
Salaries & Wages	6,190,664	6,966,529	7,447,735	7,336,370	-1.50%	8,081,040	8.5%
Other	3,277,309	3,316,684	3,708,680	3,639,740	-1.81%	3,699,840	-0.2%
Total	9,467,974	10,283,213	11,156,415	10,976,110	-1.60%	11,780,880	5.6%
Supplies:							
Fuel	619,982	435,262	500,495	390,495	-21.98%	593,690	18.6%
Chemicals	4,692,375	4,852,383	4,868,495	4,614,135	-5.22%	4,886,285	0.4%
Other	1,650,532	2,922,505	2,162,585	2,682,485	23.12%	2,785,540	28.6%
Total	6,962,888	8,210,150	7,531,575	7,687,115	1.80%	8,265,515	9.7%
Services:							
Power	3,254,943	2,788,573	3,108,000	2,775,795	-10.69%	2,960,000	-4.6%
Other	9,371,924	12,616,172	13,080,230	13,402,630	2.48%	13,301,425	1.7%
Total	12,626,867	15,404,745	16,188,230	16,178,425	-0.06%	16,261,425	0.5%
Capital Outlay	910,855	2,133,701	1,081,700	1,134,270	4.86%	1,623,500	50.1%
Escrow - Rsv for Maint	100,000	100,000	-	-	na	-	na
Capital Improvement Fund	-	630,630	-	-	na	-	na
Debt Service	16,597,305	18,134,270	22,699,875	22,699,375	0.00%	26,566,005	17.0%
Special Projects	751	-	255,000	23,000	-90.98%	-	-100.0%
Total	<u>\$ 46,666,669</u>	<u>\$ 54,896,710</u>	<u>\$ 58,910,795</u>	<u>\$ 58,678,295</u>	-0.39%	<u>\$ 64,499,325</u>	9.5%
Revenues Over / (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	na	<u>-</u>	na

**REGIONAL WASTEWATER SYSTEM  
MEMBER CITY CHARGES  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
<b><u>Member City Charges:</u></b>					
Allen	\$ 4,144,843	\$ 4,561,141	\$ 5,135,063	\$ 5,207,768	\$ 5,742,710
Forney	1,227,299	1,522,571	1,533,326	1,493,097	1,646,469
Frisco	1,718,346	2,025,456	2,122,516	2,425,614	2,674,772
Heath	589,467	811,786	751,263	807,955	890,948
McKinney	8,311,189	9,614,868	10,321,215	10,374,128	11,439,759
Mesquite	6,322,642	7,968,638	8,423,187	8,277,750	9,128,040
Plano	14,710,024	16,653,164	18,578,956	18,251,915	20,126,753
Princeton	360,924	442,887	494,602	488,134	538,274
Prosper	606,392	733,680	812,843	926,648	1,021,833
Richardson	4,763,972	5,688,739	6,269,321	5,917,567	6,525,420
Rockwall	966,922	1,083,525	1,176,726	1,066,797	1,176,378
Seagoville	848,529	913,097	1,118,292	1,185,927	1,245,474
<b>Total</b>	<b>\$ 44,570,547</b>	<b>\$ 52,019,552</b>	<b>\$ 56,737,310</b>	<b>\$ 56,423,300</b>	<b>\$ 62,156,830</b>
<b>Cost per 1,000</b>	<b>\$ 1.44</b>	<b>\$ 1.54</b>	<b>\$ 1.89</b>	<b>\$ 2.01</b>	<b>\$ 2.11</b>

**Flows (1,000):**

Allen	2,888,347	2,953,688	2,715,178	9.051%	2,596,578	9.230%	2,726,407	9.239%
Forney	855,247	985,981	810,750	2.703%	744,454	2.646%	781,677	2.649%
Frisco	1,197,435	1,311,638	1,122,286	3.741%	1,209,404	4.299%	1,269,874	4.303%
Heath	410,772	525,694	397,232	1.324%	402,844	1.432%	422,986	1.433%
McKinney	5,791,679	6,226,363	5,457,369	18.191%	5,172,510	18.396%	5,431,136	18.405%
Mesquite	4,405,954	5,160,303	4,453,782	14.846%	4,127,262	14.671%	4,333,625	14.685%
Plano	10,250,728	10,784,198	9,823,671	32.746%	9,100,352	32.348%	9,555,370	32.381%
Princeton	251,511	286,803	261,522	0.872%	243,382	0.865%	255,551	0.868%
Prosper	422,566	475,114	429,793	1.433%	462,024	1.642%	485,125	1.644%
Richardson	3,319,789	3,683,894	3,314,920	11.050%	2,950,482	10.488%	3,098,006	10.498%
Rockwall	673,803	701,665	622,197	2.074%	531,902	1.891%	558,497	1.893%
Seagoville	591,300	591,300	591,300	1.971%	591,300	2.102%	591,300	2.004%
<b>Total</b>	<b>31,059,131</b>	<b>33,686,641</b>	<b>30,000,000</b>	<b>100.000%</b>	<b>28,132,494</b>	<b>100.000%</b>	<b>29,509,554</b>	<b>100.000%</b>

# REGIONAL WASTEWATER SYSTEM

## 2017-18 BILLING SCHEDULE

	ALLEN	FORNEY	FRISCO	HEATH	MCKINNEY	MESQUITE	PLANO	PRINCETON	PROSPER	RICHARDSON	ROCKWALL	SEAGOVILLE	TOTAL
OCTOBER	\$957,110	\$274,409	\$445,792	\$148,488	\$1,906,619	\$1,521,340	\$3,354,453	\$89,704	\$170,303	\$1,087,570	\$198,058	\$207,574	\$10,359,420
NOVEMBER	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
DECEMBER	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JANUARY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
FEBRUARY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
MARCH	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
APRIL	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
MAY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JUNE	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JULY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
AUGUST	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
TOTAL	<u>\$5,742,710</u>	<u>\$1,646,469</u>	<u>\$2,674,772</u>	<u>\$890,948</u>	<u>\$11,439,759</u>	<u>\$9,128,040</u>	<u>\$20,126,753</u>	<u>\$538,274</u>	<u>\$1,021,833</u>	<u>\$6,525,420</u>	<u>\$1,178,378</u>	<u>\$1,245,474</u>	<u>\$62,156,830</u>

**UPPER EAST FORK INTERCEPTOR SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Wastewater Sales:							
Members	\$ 20,667,336	\$ 23,318,567	\$ 27,771,295	\$ 27,779,175	0.0%	\$ 31,805,395	14.5%
Customers	992,176	1,329,447	1,117,780	974,580	-12.8%	1,208,830	8.0%
Total	21,659,512	24,648,014	28,889,075	28,753,755	-0.5%	33,012,225	14.3%
Transfer from PM Escrow	-	-	-	-	na	845,450	na
Other	20,741	164,258	114,125	169,015	48.1%	195,480	71.3%
Interest Income	1,136	5,852	3,655	36,085	687.3%	20,775	468.4%
Total	\$ 21,681,389	\$ 24,818,124	\$ 29,006,855	\$ 28,958,855	-0.2%	\$ 34,073,930	17.5%
<b>Expenditures:</b>							
Personnel:							
Salaries & Wages	540,312	982,771	1,191,565	1,137,035	-4.6%	1,271,060	8.7%
Other	318,671	531,874	479,635	486,195	1.4%	618,475	28.9%
Total	858,983	1,514,646	1,671,220	1,623,230	-2.9%	1,889,535	13.1%
Supplies:							
Fuel	25,133	37,171	45,675	45,675	0.0%	43,080	-5.7%
Chemicals	1,559,923	1,837,137	2,246,850	2,134,600	-5.0%	2,153,310	-4.2%
Other	285,183	530,199	481,690	550,680	14.3%	587,270	17.8%
Total	1,870,239	2,404,507	2,774,215	2,730,955	-1.6%	2,763,660	-0.4%
Services:							
Power	1,552,481	1,463,178	1,500,000	1,311,000	-12.6%	1,375,000	-8.3%
Other	3,106,048	3,420,768	5,229,810	4,543,500	-13.1%	4,651,175	-11.1%
Total	4,658,529	4,883,945	6,729,810	5,854,500	-13.0%	6,026,175	-10.5%
Capital Outlay	49,567	405,461	231,000	150,610	-34.8%	290,000	25.5%
Escrow:							
Preventative Maintenance	-	-	-	1,000,000	na	-	na
Rsv for Maintenance	-	-	-	-	na	-	na
Total	-	-	-	1,000,000	na	-	na
Capital Improvement Fund	500,000	2,593,620	-	-	na	200,000	na
Debt Service	13,744,050	13,015,945	17,550,610	17,549,560	0.0%	22,904,560	30.5%
Special Projects	-	-	50,000	50,000	0.0%	-	-100.0%
Total	\$ 21,681,389	\$ 24,818,124	\$ 29,006,855	\$ 28,958,855	-0.2%	\$ 34,073,930	17.5%
Revenues Over/(Under) Expenditures	-	-	-	-	na	-	na

**UPPER EAST FORK INTERCEPTOR SYSTEM  
MEMBER CITY CHARGES  
September 28, 2017**

	<b>2014-15 ACTUAL</b>	<b>2015-16 ACTUAL</b>	<b>2016-17 BUDGET</b>	<b>2016-17 AMENDED</b>	<b>2017-18 PROPOSED</b>
<b><u>Member City Charges:</u></b>					
Allen	\$ 2,558,988	\$ 2,786,032	\$ 3,392,516	\$ 3,415,803	\$ 3,915,567
Frisco	1,060,875	1,237,190	1,402,256	1,590,973	1,823,747
McKinney	5,131,204	5,872,944	6,818,784	6,804,446	7,800,001
Plano	9,081,765	10,172,072	12,274,320	11,971,529	13,723,076
Princeton	222,835	270,519	326,762	320,169	367,013
Prosper	470,513	500,929	663,559	698,630	762,711
Richardson	2,141,157	2,478,880	2,893,098	2,977,625	3,413,280
<b>Total</b>	<b>\$ 20,667,336</b>	<b>\$ 23,318,567</b>	<b>\$ 27,771,295</b>	<b>\$ 27,779,175</b>	<b>\$ 31,805,385</b>
	-	-	-	-	-
<b>Cost per 1,000</b>	<b>\$ 0.89</b>	<b>\$ 0.94</b>	<b>\$ 1.25</b>	<b>\$ 1.32</b>	<b>\$ 1.44</b>

**Flows (1,000):**

Allen	2,888,347	2,953,688	2,715,178	12.216%	2,596,578	12.296%	2,726,407	12.311%
Frisco	1,197,435	1,311,838	1,122,286	5.049%	1,209,404	5.727%	1,268,874	5.734%
McKinney	5,791,679	6,226,363	5,457,369	24.553%	5,172,510	24.495%	5,431,136	24.524%
Plano	10,250,728	10,784,198	9,823,671	44.188%	9,100,352	43.095%	9,555,370	43.147%
Princeton	251,511	286,803	261,522	1.177%	243,382	1.153%	255,551	1.154%
Prosper	531,075	531,075	531,075	2.380%	531,075	2.516%	531,075	2.388%
Richardson	2,416,767	2,628,064	2,315,471	10.418%	2,263,490	10.719%	2,376,665	10.732%
<b>Total</b>	<b>23,327,542</b>	<b>24,721,828</b>	<b>22,226,572</b>	<b>100.000%</b>	<b>21,116,791</b>	<b>100.000%</b>	<b>22,146,078</b>	<b>100.000%</b>

# UPPER EAST FORK INTERCEPTOR SYSTEM

## 2017-18 BILLING SCHEDULE

	<u>ALLEN</u>	<u>FRISCO</u>	<u>MCKINNEY</u>	<u>PLANO</u>	<u>PRINCETON</u>	<u>PROSPER</u>	<u>RICHARDSON</u>	<u>TOTAL</u>
OCTOBER	\$652,587	\$303,957	\$1,299,991	\$2,287,176	\$61,163	\$127,111	\$568,880	\$5,300,865
NOVEMBER	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
DECEMBER	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
JANUARY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
FEBRUARY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
MARCH	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
APRIL	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
MAY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
JUNE	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
JULY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
AUGUST	<u>326,298</u>	<u>151,979</u>	<u>650,001</u>	<u>1,143,590</u>	<u>30,585</u>	<u>63,560</u>	<u>284,440</u>	<u>2,650,453</u>
TOTAL	<u>\$3,915,567</u>	<u>\$1,823,747</u>	<u>\$7,800,001</u>	<u>\$13,723,076</u>	<u>\$367,013</u>	<u>\$762,711</u>	<u>\$3,413,280</u>	<u>\$31,805,395</u>

**REGIONAL SOLID WASTE SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Solid Waste Sales:							
Members	\$ 22,135,926	\$ 23,313,045	\$ 25,546,290	\$ 25,166,815	-1.5%	\$ 25,856,330	1.2%
Customers	3,229,927	4,402,391	3,423,500	5,503,675	60.8%	5,467,725	59.7%
Total	25,365,853	27,715,436	28,969,790	30,670,490	5.9%	31,324,055	8.1%
Other Charges:							
Sludge Disposal	2,614,709	2,835,493	2,604,000	2,898,460	11.3%	3,132,800	20.3%
Composting	439,258	472,902	479,400	574,400	19.8%	586,800	22.4%
Other	191,095	181,312	605,170	929,500	53.6%	787,750	30.2%
Total	3,445,062	3,489,706	3,688,570	4,402,360	19.4%	4,507,450	22.2%
Interest Income	1,246	8,404	8,050	15,910	97.0%	18,630	131.4%
Total	\$ 28,812,161	\$ 31,213,546	\$ 32,666,410	\$ 35,088,760	7.4%	\$ 35,850,135	9.7%
<b>Expenditures:</b>							
Personnel:							
Salaries & Wages	6,405,083	6,883,772	6,554,935	7,221,300	10.2%	7,304,235	11.4%
Other	2,861,030	3,191,457	3,375,400	3,388,380	0.3%	3,456,525	2.4%
Total	9,266,113	9,875,230	9,930,335	10,609,680	6.8%	10,760,760	8.4%
Supplies:							
Fuel	2,220,135	1,700,012	1,928,685	1,485,235	-23.0%	2,212,780	14.7%
Chemicals	35,842	38,002	36,000	89,500	146.0%	162,500	351.4%
Other	1,541,428	1,929,073	1,828,340	1,899,710	-7.0%	1,847,460	1.0%
Total	3,797,405	3,667,086	3,793,025	3,274,445	-13.7%	4,222,740	11.3%
Services:							
Power	158,421	178,731	187,580	185,610	-1.1%	141,000	-24.6%
Other	4,845,574	6,323,988	5,404,920	7,118,485	31.7%	6,118,730	13.2%
Total	5,003,995	6,502,719	5,592,500	7,304,095	30.8%	6,259,730	11.8%
Capital Outlay	3,850,483	4,355,691	5,859,855	4,405,415	-24.8%	4,726,600	-18.3%
Escrow:							
Rsv for Maint	50,000	50,000	50,000	50,000	0.0%	50,000	0.0%
Equip Replacement	1,000,000	600,000	50,000	50,000	0.0%	1,681,765	3293.5%
Total	1,050,000	650,000	100,000	100,000	0.0%	1,731,765	1631.8%
Capital Improvement Fund	1,622,000	980,000	1,200,000	3,779,500	215.0%	1,380,000	13.3%
Debt Service	4,222,165	5,182,820	6,150,715	5,617,625	-8.7%	6,748,540	9.7%
Special Projects	-	-	40,000	-	-100.0%	40,000	0.0%
Total	\$ 28,812,161	\$ 31,213,546	\$ 32,666,410	\$ 35,088,760	7.4%	\$ 35,850,135	9.7%
Revenues Over / (Under) Expenditures	-	-	-	-	NS	-	NS



**REGIONAL SOLID WASTE SYSTEM  
MEMBER CITY CHARGES  
September 28, 2017**

	<b>2014-16 ACTUAL</b>	<b>2015-16 ACTUAL</b>	<b>2016-17 BUDGET</b>	<b>2016-17 AMENDED</b>	<b>2017-18 PROPOSED</b>
<b><u>Member City Charges:</u></b>					
Allen	\$ 2,152,276	\$ 2,270,690	\$ 2,350,088	\$ 2,472,493	\$ 2,539,834
Frisco	3,626,201	3,846,652	4,680,439	4,342,065	4,646,915
McKinney	5,001,834	4,958,917	6,007,375	5,328,636	5,452,259
Plano	7,659,694	8,310,401	8,429,861	8,929,927	9,074,795
Richardson	3,696,921	3,926,383	4,078,527	4,093,694	4,142,527
<b>Total</b>	<b>\$ 22,135,926</b>	<b>\$ 23,313,045</b>	<b>\$ 25,546,290</b>	<b>\$ 25,168,815</b>	<b>\$ 25,856,330</b>
<b>Cost per Ton</b>	<b>\$ 36.12</b>	<b>\$ 36.62</b>	<b>\$ 38.25</b>	<b>\$ 38.39</b>	<b>\$ 38.25</b>
<b><u>Billing Tons:</u></b>					
Allen	59,591	62,009	61,447	64,408	66,408
Frisco	100,371	105,051	122,378	113,110	121,501
McKinney	138,468	135,425	157,073	138,810	142,558
Plano	212,070	226,949	220,413	232,623	237,275
Richardson	102,357	107,223	108,640	108,640	108,313
<b>Total</b>	<b>612,877</b>	<b>636,657</b>	<b>667,951</b>	<b>655,591</b>	<b>676,055</b>

**Regional Solid Waste System  
Member Charge Allocation**

September 28, 2017

**I. Bond Service Component - Contributing Weight**

**A. Actual Tons 5 Year Average Tons**

	Allen	Frisco	McKinney	Plano	Richardson	Total
FY12	53,960	79,154	117,587	180,569	86,740	518,010
FY13	53,445	80,723	123,928	189,673	88,485	536,254
FY14	55,142	86,152	127,467	206,079	90,028	564,868
FY15	59,591	100,371	138,488	212,070	102,357	612,877
FY16	62,009	105,051	135,425	226,949	107,223	636,657
Average	56,829	90,290	128,579	203,068	94,967	573,733

**B. 25% of Largest Year Tons**

	Allen	Frisco	McKinney	Plano	Richardson
Year	FY16	FY16	FY15	FY16	FY00
Tons	62,009	105,051	138,488	226,949	117,032
25%	15,502	26,263	34,622	56,737	29,258

**C. Greater of 5 Year Average Tons or 25% of Largest Year Tons**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Tons	56,829	90,290	128,579	203,068	94,967	573,733
Allocation	9.9052%	15.7373%	22.4109%	35.3942%	16.5524%	100.0000%

**II. Operations and Maintenance Component - Estimated Contributing Weight**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Tons	66,408	121,501	142,558	237,275	108,313	676,055
Allocation	9.8229%	17.9721%	21.0867%	35.0970%	16.0213%	100.0000%

**III. FY18 Budget Member Charges**

**A. Components**

	Bond	O&M	Total
Expenditures	\$ 6,748,540	\$ 29,101,595	\$ 35,850,135
Other Revenues	\$ (6,748,540)	\$ (3,245,265)	\$ (9,993,805)
Total	\$ -	\$ 25,856,330	\$ 25,856,330

**B. Bond Service Component Charge**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Allocation	9.9052%	15.7373%	22.4109%	35.3942%	16.5524%	100.0000%
Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**C. Operations & Maintenance Component Charge**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Allocation	9.8229%	17.9721%	21.0867%	35.0970%	16.0213%	100.0000%
Charges	\$ 2,539,834	\$ 4,646,915	\$ 5,452,259	\$ 9,074,795	\$ 4,142,528	\$ 25,856,330

**D. Total Charges**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
O&M	\$ 2,539,834	\$ 4,646,915	\$ 5,452,259	\$ 9,074,795	\$ 4,142,528	\$ 25,856,330
Total	\$ 2,539,834	\$ 4,646,915	\$ 5,452,259	\$ 9,074,795	\$ 4,142,528	\$ 25,856,330

# REGIONAL SOLID WASTE SYSTEM

## 2017-18 BILLING SCHEDULE

	<u>ALLEN</u>	<u>FRISCO</u>	<u>MCKINNEY</u>	<u>PLANO</u>	<u>RICHARDSON</u>	<u>TOTAL</u>
OCTOBER	\$423,304	\$774,485	\$908,709	\$1,512,465	\$690,417	\$4,309,380
NOVEMBER	211,653	387,243	454,355	756,233	345,211	2,154,695
DECEMBER	211,653	387,243	454,355	756,233	345,211	2,154,695
JANUARY	211,653	387,243	454,355	756,233	345,211	2,154,695
FEBRUARY	211,653	387,243	454,355	756,233	345,211	2,154,695
MARCH	211,653	387,243	454,355	756,233	345,211	2,154,695
APRIL	211,653	387,243	454,355	756,233	345,211	2,154,695
MAY	211,653	387,243	454,355	756,233	345,211	2,154,695
JUNE	211,653	387,243	454,355	756,233	345,211	2,154,695
JULY	211,653	387,243	454,355	756,233	345,211	2,154,695
AUGUST	<u>211,653</u>	<u>387,243</u>	<u>454,355</u>	<u>756,233</u>	<u>345,211</u>	<u>2,154,695</u>
TOTAL	<u>\$2,539,834</u>	<u>\$4,646,915</u>	<u>\$5,452,259</u>	<u>\$9,074,795</u>	<u>\$4,142,527</u>	<u>\$25,856,330</u>

**SEWER SYSTEM  
DETAIL LISTING  
202 PLANO WATER TRANSMISSION FACILITIES  
September 28, 2017**

	<u>2014-15 ACTUAL</u>	<u>2015-16 ACTUAL</u>	<u>2016-17 BUDGET</u>	<u>2016-17 AMENDED</u>	<u>2017-18 PROPOSED</u>
<b>Revenues:</b>					
Sewer Sales:					
Water Facilities	\$ 823,886	\$ 745,234	\$ 247,660	\$ 247,630 0.0%	\$ 8,870 -98.4%
Sewer Facilities	-	-	-	- ns	- ns
Interceptor Facilities	-	-	-	- ns	- ns
Total	823,886	745,234	247,660	247,630 0.0%	8,870 -98.4%
Other Charges:					
Effluent	-	-	-	- ns	- ns
Lease	-	-	-	- ns	- ns
Pretreatment	-	-	-	- ns	- ns
Debt Acquisition	-	-	-	- ns	- ns
Other	-	-	-	- ns	- ns
Total	-	-	-	- ns	- ns
Interest Income	20	102	75	100 33.3%	105 40.0%
Total	<u>\$ 823,906</u>	<u>\$ 745,336</u>	<u>\$ 247,735</u>	<u>\$ 247,730 0.0%</u>	<u>\$ 8,975 -98.4%</u>
<b>Expenditures:</b>					
Personnel:					
Salaries & Wages	-	-	-	- ns	- ns
Other	-	-	-	- ns	- ns
Total	-	-	-	- ns	- ns
Supplies:					
Fuel	-	-	-	- ns	- ns
Chemicals	-	-	-	- ns	- ns
Other	-	-	1,000	1,000 0.0%	1,000 0.0%
Total	-	-	1,000	1,000 0.0%	1,000 0.0%
Services:					
Power	-	-	-	- ns	- ns
Other	226	1	3,495	3,490 -0.1%	3,465 -0.8%
Total	226	1	3,495	3,490 -0.1%	3,465 -0.8%
Capital Outlay	-	-	-	- ns	- ns
Escrow:					
Reserve for Maintenance	-	-	-	- ns	- ns
Equipment Replacement	-	-	-	- ns	- ns
Total	-	-	-	- ns	- ns
Capital Improvement Fund	-	-	-	- ns	- ns
Debt Service	823,660	745,335	243,240	243,240 0.0%	4,510 -98.1%
Special Projects	-	-	-	- ns	- ns
Total	<u>\$ 823,906</u>	<u>\$ 745,336</u>	<u>\$ 247,735</u>	<u>\$ 247,730 0.0%</u>	<u>\$ 8,975 -98.4%</u>
Revenues Over / (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>- ns</u>	<u>- ns</u>

PLANO WATER TRANSMISSION FACILITIES

2017-18 BILLING SCHEDULE

OCTOBER	\$1,470
NOVEMBER	740
DECEMBER	740
JANUARY	740
FEBRUARY	740
MARCH	740
APRIL	740
MAY	740
JUNE	740
JULY	740
AUGUST	<u>740</u>
TOTAL	<u><u>\$8,870</u></u>

**SEWER SYSTEM  
DETAIL LISTING  
604 WASTEWATER PRETREATMENT PROGRAM  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
<b>Revenues:</b>					
Sewer Sales:					
Water Facilities	-	-	-	- na	- na
Sewer Facilities	-	-	-	- na	- na
Interceptor Facilities	-	-	-	- na	- na
Total	-	-	-	- na	- na
Other Charges:					
Effluent	-	-	-	- na	- na
Lease	-	-	-	- na	- na
Pretreatment	\$ 663,011	\$ 755,648	\$ 985,255	\$ 961,400 -0.4%	\$ 947,715 -1.8%
Debt Acquisition	-	-	-	- na	- na
Other	158	19,191	-	- na	- na
Total	663,169	774,839	985,255	961,400 -0.4%	947,715 -1.8%
Interest Income	72	576	445	1,280 187.6%	1,345 202.2%
Total	<u>\$ 663,241</u>	<u>\$ 775,415</u>	<u>\$ 985,700</u>	<u>\$ 962,680 -0.3%</u>	<u>\$ 949,060 -1.7%</u>
<b>Expenditures:</b>					
Personnel:					
Salaries & Wages	338,184	408,347	428,855	424,470 -1.0%	450,140 5.0%
Other	150,404	160,734	208,090	184,745 -10.4%	199,455 -1.7%
Total	488,588	569,081	634,745	609,215 -4.0%	649,595 2.3%
Supplies:					
Fuel	5,076	2,850	5,785	4,785 -17.3%	6,840 18.2%
Chemicals	-	-	-	- na	- na
Other	23,487	44,007	52,825	35,675 -32.5%	48,315 -9.5%
Total	28,563	46,857	58,610	40,460 -31.0%	55,155 -5.8%
Services:					
Power	-	-	-	- na	- na
Other	146,090	159,676	272,345	313,005 14.9%	244,310 -10.3%
Total	146,090	159,676	272,345	313,005 14.9%	244,310 -10.3%
Capital Outlay	-	-	-	- na	- na
Escrow:					
Reserve for Maintenance	-	-	-	- na	- na
Equipment Replacement	-	-	-	- na	- na
Total	-	-	-	- na	- na
Capital Improvement Fund	-	-	-	- na	- na
Debt Service	-	-	-	- na	- na
Special Projects	-	-	-	- na	- na
Total	<u>\$ 663,241</u>	<u>\$ 775,415</u>	<u>\$ 985,700</u>	<u>\$ 962,680 -0.3%</u>	<u>\$ 949,060 -1.7%</u>
Revenues Over/(Under) Expenditures	-	-	-	- na	- na

**SEWER SYSTEM  
DETAIL LISTING  
804 WASTEWATER PRETREATMENT PROGRAM  
September 28, 2017**

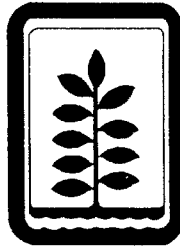
	<b>2014-15 ACTUAL</b>	<b>2015-16 ACTUAL</b>	<b>2016-17 BUDGET</b>	<b>2016-17 AMENDED</b>	<b>2017-18 PROPOSED</b>	
420000-4001 - Allen	\$ 35,237	\$ 39,389	\$ 60,486	\$ 62,223	\$ 80,857	
420000-4008 - Forney	22,255	24,877	35,283	41,482	40,328	
420000-4009 - Frisco	13,909	12,439	15,121	14,641	13,443	
420000-4014 - McKinney	124,257	145,118	183,978	191,548	192,880	
420000-4015 - Mesquite	157,839	186,580	228,822	219,809	201,841	
420000-4016 - Plano	24,109	28,950	35,283	31,721	29,126	
420000-4021 - Rockwall	22,255	25,914	45,364	48,802	53,771	
420000-4026 - Seagoville	33,382	37,316	45,364	43,922	40,328	
420000-4028 - Sunnyvale	22,255	24,877	30,243	29,281	26,886	
420000-4029 - Terrell	139,093	155,483	189,019	183,008	168,035	
420000-4031 - Wylie	88,820	76,705	98,292	95,163	100,820	
<b>Total</b>	<b>\$ 663,011</b>	<b>\$ 755,648</b>	<b>\$ 965,255</b>	<b>\$ 981,400</b>	<b>\$ 947,715</b>	
<b>User Months:</b>						
Allen	38	38	48	51	72	8.5%
Forney	24	24	28	34	36	4.3%
Frisco	15	12	12	12	12	1.4%
McKinney	134	140	146	157	172	20.3%
Mesquite	170	180	180	180	180	21.3%
Plano	26	26	26	26	26	3.1%
Rockwall	24	25	38	40	48	5.7%
Seagoville	36	36	36	36	36	4.3%
Sunnyvale	24	24	24	24	24	2.6%
Terrell	150	150	150	150	150	17.7%
Wylie	74	74	78	78	90	10.0%
<b>Total</b>	<b>715</b>	<b>729</b>	<b>766</b>	<b>788</b>	<b>846</b>	<b>100%</b>

# WASTEWATER PRETREATMENT PROGRAM

## 2017-18 BILLING SCHEDULE

	<u>ALLEN</u>	<u>FORNEY</u>	<u>FRISCO</u>	<u>MCKINNEY</u>	<u>MESQUITE</u>	<u>PLANO</u>	<u>ROCKWALL</u>	<u>SEAGOVILLE</u>	<u>SUNNYVALE</u>	<u>TERRELL</u>	<u>WYLIE</u>	<u>TOTAL</u>
OCTOBER	\$13,437	\$6,718	\$2,233	\$32,110	\$33,601	\$4,846	\$8,961	\$6,718	\$4,476	\$28,005	\$16,800	\$157,905
NOVEMBER	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
DECEMBER	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
JANUARY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
FEBRUARY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
MARCH	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
APRIL	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
MAY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
JUNE	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
JULY	6,722	3,361	1,121	16,057	16,804	2,428	4,481	3,361	2,241	14,003	8,402	78,981
AUGUST	<u>6,722</u>	<u>3,361</u>	<u>1,121</u>	<u>16,057</u>	<u>16,804</u>	<u>2,428</u>	<u>4,481</u>	<u>3,361</u>	<u>2,241</u>	<u>14,003</u>	<u>8,402</u>	<u>78,981</u>
TOTAL	<u>\$80,657</u>	<u>\$40,328</u>	<u>\$13,443</u>	<u>\$192,680</u>	<u>\$201,641</u>	<u>\$29,126</u>	<u>\$53,771</u>	<u>\$40,328</u>	<u>\$26,886</u>	<u>\$168,035</u>	<u>\$100,820</u>	<u>\$947,715</u>





**NORTH TEXAS MUNICIPAL  
WATER DISTRICT**

*Regional Service Through Unity*

September 29, 2017

Mr. Dan Johnson  
City Manager  
City of Richardson  
P. O. Box 830309  
Richardson, TX 75083

RE: 2017-18 Annual Budget Charges

Dear Mr. Johnson:

The 2017-18 Annual Budget was approved by the NTMWD Board of Directors at the September 2017 Board Meeting. The water rate is being adjusted from \$2.53 to \$2.78 per 1,000 gallons, the excess water rate is being adjusted from 41.0¢ to 40.0¢ per 1,000 gallons and the City's Minimum Annual Demand is 11,019,311,000 gallons for 2017-18. Enclosed are the 2017-18 Budget Summary and Billing Schedules for the following charges:

• Regional Water System	\$ 30,633,684.58
• Regional Wastewater System	\$ 6,525,420.00
• Upper East Fork Interceptor System	\$ 3,413,280.00
• Regional Solid Waste System	\$ 4,142,527.00

The NTMWD Board of Director's goal is to continue to provide an effective, responsible level of service while maintaining a reasonable cost to the cities. Your continued cooperation and support will allow the District to maintain an excellent level of service.

Mr. Dan Johnson  
City Manager  
City of Richardson  
September 29, 2017, Page Two

Should you have any questions or need additional information, please contact Erik Felthous, Finance Manager, by email at [efelthous@ntmwd.com](mailto:efelthous@ntmwd.com)

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas W. Kula', with a stylized flourish at the end.

THOMAS W. KULA  
Executive Director / General Manager

TWK/EAF/dtf  
Enclosures

cc: John Murphy, Director, NTMWD  
John Sweeden, Director, NTMWD  
Keith Dagen, Director of Finance

**REGIONAL WATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Treated Water Sales							
Members	\$ 179,481,426	\$ 209,429,504	\$ 240,426,209	\$ 233,740,290	-2.8%	\$ 264,183,739	9.9%
Customers	36,337,799	43,114,579	49,026,772	48,832,124	-0.4%	55,208,745	12.6%
Retail Customers	24,120	21,688	23,000	18,160	-21.0%	20,000	-13.0%
Raw Water Sales	4,168	2,086	3,400	2,700	-20.6%	2,780	-18.2%
Total	215,847,513	252,567,857	289,479,381	282,593,274	-2.4%	319,415,265	10.3%
Other Charges							
Administrative	3,616,760	5,068,955	4,775,460	4,775,460	0.0%	4,111,990	-13.9%
IT Services	48,610	130,197	832,695	814,370	-2.2%	1,011,760	21.5%
Laboratory	1,934,300	2,133,305	2,325,340	2,325,340	0.0%	1,891,990	-18.6%
Maintenance & Technical Services	799,998	1,087,468	999,150	1,337,950	33.9%	1,103,500	10.4%
Permitting	-	538,555	580,775	580,775	0.0%	364,525	-37.2%
Regulatory Compliance	-	240,115	637,825	637,825	0.0%	242,030	-62.1%
Research & Development	689,180	590,935	667,485	667,485	0.0%	585,090	-12.3%
Safety	-	-	-	-	na	397,980	na
Inspectors	1,707,853	1,899,884	1,850,000	2,083,000	12.6%	2,090,000	13.0%
Other	471,972	780,965	322,859	862,366	167.1%	367,711	13.9%
Total	9,268,673	12,470,379	12,991,589	14,084,571	8.4%	12,166,576	-8.4%
Interest Income	15,891	80,182	61,000	133,925	119.5%	144,000	136.1%
Total	\$ 225,132,077	\$ 265,118,418	\$ 302,531,970	\$ 296,811,770	-1.9%	\$ 331,725,840	9.6%
<b>Expenditures:</b>							
Personnel							
Salaries & Wages	22,883,618	26,363,934	30,535,865	29,683,535	-2.8%	32,815,570	7.5%
Other	10,933,919	12,483,943	13,120,395	13,074,955	-0.3%	14,007,855	8.8%
Total	33,817,537	38,847,878	43,656,260	42,758,490	-2.1%	46,823,425	7.3%
Supplies							
Fuel	449,201	346,034	423,340	386,715	-8.7%	451,690	6.7%
Chemicals	17,725,800	19,864,911	24,591,620	21,806,405	-11.3%	25,385,285	3.2%
Other	3,423,438	5,058,555	6,200,655	6,223,130	0.4%	5,848,085	-5.7%
Total	21,598,439	25,269,500	31,215,615	28,416,250	-9.0%	31,685,060	1.5%
Services							
Power	17,280,686	13,116,950	18,922,870	14,946,625	-21.0%	16,541,160	-12.6%
Water Purchases	6,909,337	2,662,651	6,703,495	3,945,120	-41.1%	5,614,880	-16.2%
Other	15,364,755	20,238,718	22,690,720	24,073,745	6.1%	24,291,095	7.1%
Total	39,554,778	36,018,320	48,317,085	42,965,490	-11.1%	46,447,135	-3.9%
Capital Outlay	1,571,925	2,770,231	3,233,275	3,015,225	-6.7%	2,272,500	-29.7%
Escrow - Rsv for Maint	50,000	-	50,000	50,000	0.0%	50,000	0.0%
Capital Improvement Fund	34,200,000	76,902,555	63,600,000	67,255,000	5.7%	68,185,000	7.2%
Debt Service	93,856,244	85,053,349	111,780,750	111,769,840	0.0%	136,128,740	21.8%
Special Projects	18,259	-	643,330	546,330	-15.1%	95,000	-85.2%
Total	\$ 224,667,182	\$ 264,861,832	\$ 302,496,315	\$ 296,776,625	-1.9%	\$ 331,686,860	9.8%
Revenues Over / (Under) Expenditures	464,895	256,586	35,655	35,145	na	38,980	na

# REGIONAL WATER SYSTEM MEMBERS

## 2017-18 BILLING SCHEDULE

	ALLEN	FARMERSVILLE	FORNEY	FRISCO	GARLAND	MCKINNEY	MESQUITE	PLANO	PRINCETON	RICHARDSON	ROCKWALL	ROYSE CITY	WYLIE	TOTAL
MINIMUM ANNUAL DEMAND (1,000 Gal)	5,011,208	280,467	1,849,256	10,225,090	13,721,955	10,762,780	8,297,666	26,719,809	485,886	11,019,311	3,330,881	448,255	1,877,558	95,030,122
OCTOBER	\$1,392,591 24	\$64,973 26	\$428,410 68	\$2,368,807 20	\$3,178,914 90	\$2,493,370 40	\$1,922,288 48	\$6,190,079 02	\$112,559 08	\$2,552,796 58	\$771,644 18	\$103,842 90	\$434,963 24	\$22,015,241 16
NOVEMBER	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
DECEMBER	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
JANUARY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
FEBRUARY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
MARCH	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
APRIL	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
MAY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
JUNE	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
JULY	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
AUGUST	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
SEPTEMBER	1,392,597 00	64,975 00	428,411 00	2,368,813 00	3,178,920 00	2,493,378 00	1,922,293 00	6,190,090 00	112,564 00	2,552,808 00	771,655 00	103,846 00	434,968 00	22,015,318 00
TOTAL	16,711,158 24	779,698 26	5,140,931 68	28,425,750 20	38,147,034 90	29,920,528 40	23,067,511 48	74,281,069 02	1,350,763 08	30,633,684 58	9,259,849 18	1,246,148 90	5,219,611 24	264,183,739 16

**REGIONAL WASTEWATER SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Wastewater Sales.							
Members	\$ 44,570,547	\$ 52,019,552	\$ 56,737,310	\$ 56,423,300	-0.55%	\$ 62,156,830	9.6%
Customers	1,662,027	2,237,238	1,688,970	1,561,130	-7.57%	1,721,500	1.9%
Total	46,232,574	54,256,789	58,426,280	57,984,430	-0.76%	63,878,330	9.3%
Other Charges							
Other	430,570	615,427	464,800	662,290	42.49%	580,470	24.9%
Total	430,570	615,427	464,800	662,290	42.49%	580,470	24.9%
Interest Income	3,525	24,493	19,715	31,575	60.16%	40,525	105.6%
Total	<u>\$ 46,666,669</u>	<u>\$ 54,896,710</u>	<u>\$ 58,910,795</u>	<u>\$ 58,678,295</u>	-0.39%	<u>\$ 64,499,325</u>	9.5%
<b>Expenditures:</b>							
Personnel:							
Salaries & Wages	6,190,664	6,966,529	7,447,735	7,336,370	-1.50%	8,081,040	8.5%
Other	3,277,309	3,316,684	3,706,680	3,639,740	-1.81%	3,699,840	-0.2%
Total	9,467,974	10,283,213	11,154,415	10,976,110	-1.60%	11,780,880	5.6%
Supplies.							
Fuel	619,982	435,262	500,495	390,495	-21.98%	593,690	18.6%
Chemicals	4,692,375	4,852,383	4,868,495	4,614,135	-5.22%	4,886,285	0.4%
Other	1,650,532	2,922,505	2,162,585	2,662,485	23.12%	2,785,540	28.8%
Total	6,962,888	8,210,150	7,531,575	7,667,115	1.80%	8,265,515	9.7%
Services:							
Power	3,254,943	2,788,573	3,108,000	2,775,795	-10.69%	2,960,000	-4.8%
Other	9,371,924	12,616,172	13,080,230	13,402,630	2.46%	13,301,425	1.7%
Total	12,626,867	15,404,745	16,188,230	16,178,425	-0.06%	16,261,425	0.5%
Capital Outlay	910,885	2,133,701	1,081,700	1,134,270	4.86%	1,623,500	50.1%
Escrow - Rsv for Maint	100,000	100,000	-	-	na	-	na
Capital Improvement Fund	-	630,630	-	-	na	-	na
Debt Service	16,597,305	18,134,270	22,699,875	22,699,375	0.00%	26,568,005	17.0%
Special Projects	751	-	255,000	23,000	-90.98%	-	-100.0%
Total	<u>\$ 46,666,669</u>	<u>\$ 54,896,710</u>	<u>\$ 58,910,795</u>	<u>\$ 58,678,295</u>	-0.39%	<u>\$ 64,499,325</u>	9.5%
Revenues Over / (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	na	<u>-</u>	na

**REGIONAL WASTEWATER SYSTEM  
MEMBER CITY CHARGES  
September 28, 2017**

	<b>2014-15 ACTUAL</b>	<b>2015-16 ACTUAL</b>	<b>2016-17 BUDGET</b>	<b>2016-17 AMENDED</b>	<b>2017-18 PROPOSED</b>
<b>Member City Charges:</b>					
Allen	\$ 4,144,843	\$ 4,561,141	\$ 5,135,063	\$ 5,207,768	\$ 5,742,710
Forney	1,227,299	1,522,571	1,533,326	1,493,097	1,646,469
Frisco	1,718,346	2,025,456	2,122,516	2,425,614	2,674,772
Heath	589,467	811,786	751,263	807,955	890,948
McKinney	8,311,189	9,614,868	10,321,215	10,374,128	11,439,759
Mesquite	6,322,642	7,968,638	8,423,187	8,277,750	9,128,040
Plano	14,710,024	16,653,164	18,578,956	18,251,915	20,126,753
Princeton	360,924	442,887	494,602	488,134	538,274
Prosper	606,392	733,680	812,843	926,648	1,021,833
Richardson	4,763,972	5,688,739	6,269,321	5,917,567	6,525,420
Rockwall	966,922	1,083,525	1,176,726	1,066,797	1,176,378
Seagoville	848,529	913,097	1,118,292	1,185,927	1,245,474
Total	<u>\$ 44,570,547</u>	<u>\$ 52,019,552</u>	<u>\$ 56,737,310</u>	<u>\$ 56,423,300</u>	<u>\$ 62,156,830</u>
Cost per 1,000	\$ 1.44	\$ 1.54	\$ 1.89	\$ 2.01	\$ 2.11

**Flows (1,000):**

Allen	2,888,347	2,953,688	2,715,178	9.051%	2,596,578	9.230%	2,726,407	9.239%
Forney	855,247	985,981	810,750	2.703%	744,454	2.646%	781,677	2.649%
Frisco	1,197,435	1,311,638	1,122,286	3.741%	1,209,404	4.299%	1,269,874	4.303%
Heath	410,772	525,694	397,232	1.324%	402,844	1.432%	422,986	1.433%
McKinney	5,791,679	6,226,363	5,457,369	18.191%	5,172,510	18.386%	5,431,136	18.405%
Mesquite	4,405,954	5,160,303	4,453,782	14.846%	4,127,262	14.671%	4,333,625	14.685%
Plano	10,250,728	10,784,198	9,823,671	32.746%	9,100,352	32.348%	9,555,370	32.381%
Princeton	251,511	286,803	261,522	0.872%	243,382	0.865%	255,551	0.866%
Prosper	422,566	475,114	429,793	1.433%	462,024	1.642%	485,125	1.644%
Richardson	3,319,789	3,683,894	3,314,920	11.050%	2,950,482	10.488%	3,098,006	10.498%
Rockwall	673,803	701,665	622,197	2.074%	531,902	1.891%	558,497	1.893%
Seagoville	591,300	591,300	591,300	1.971%	591,300	2.102%	591,300	2.004%
Total	<u>31,059,131</u>	<u>33,686,641</u>	<u>30,000,000</u>	<u>100.000%</u>	<u>28,132,494</u>	<u>100.000%</u>	<u>29,509,554</u>	<u>100.000%</u>

# REGIONAL WASTEWATER SYSTEM

## 2017-18 BILLING SCHEDULE

	ALLEN	FORNEY	FRISCO	HEATH	MCKINNEY	MESQUITE	PLANO	PRINCETON	PROSPER	RICHARDSON	ROCKWALL	SEAGOVILLE	TOTAL
OCTOBER	\$957,110	\$274,409	\$445,792	\$148,488	\$1,906,619	\$1,521,340	\$3,354,453	\$89,704	\$170,303	\$1,087,570	\$196,058	\$207,574	\$10,359,420
NOVEMBER	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
DECEMBER	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JANUARY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
FEBRUARY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
MARCH	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
APRIL	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
MAY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JUNE	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
JULY	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
AUGUST	478,560	137,206	222,898	74,246	953,314	760,670	1,677,230	44,857	85,153	543,785	98,032	103,790	\$5,179,741
TOTAL	<u>\$5,742,710</u>	<u>\$1,646,469</u>	<u>\$2,674,772</u>	<u>\$890,948</u>	<u>\$11,439,759</u>	<u>\$9,128,040</u>	<u>\$20,126,753</u>	<u>\$538,274</u>	<u>\$1,021,833</u>	<u>\$6,525,420</u>	<u>\$1,176,378</u>	<u>\$1,245,474</u>	<u>\$62,156,830</u>

UPPER EAST FORK INTERCEPTOR SYSTEM  
BUDGET SUMMARY  
September 28, 2017

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Wastewater Sales							
Members	\$ 20,667,336	\$ 23,318,567	\$ 27,771,295	\$ 27,779,175	0.0%	\$ 31,805,395	14.5%
Customers	992,176	1,329,447	1,117,780	974,580	-12.8%	1,206,830	8.0%
Total	21,659,512	24,648,014	28,889,075	28,753,755	-0.5%	33,012,225	14.3%
Transfer from PM Escrow	-	-	-	-	na	845,450	na
Other	20,741	164,258	114,125	169,015	48.1%	195,480	71.3%
Interest Income	1,136	5,852	3,655	36,085	887.3%	20,775	468.4%
Total	<u>\$ 21,681,389</u>	<u>\$ 24,818,124</u>	<u>\$ 29,006,855</u>	<u>\$ 28,958,855</u>	-0.2%	<u>\$ 34,073,930</u>	17.5%
<b>Expenditures:</b>							
Personnel:							
Salaries & Wages	540,312	982,771	1,191,585	1,137,035	-4.6%	1,271,060	6.7%
Other	318,671	531,874	479,635	486,195	1.4%	618,475	28.9%
Total	858,983	1,514,646	1,671,220	1,623,230	-2.9%	1,889,535	13.1%
Supplies							
Fuel	25,133	37,171	45,675	45,675	0.0%	43,080	-5.7%
Chemicals	1,559,923	1,837,137	2,246,850	2,134,600	-5.0%	2,153,310	-4.2%
Other	285,183	530,199	481,690	550,680	14.3%	567,270	17.8%
Total	1,870,239	2,404,507	2,774,215	2,730,955	-1.6%	2,763,660	-0.4%
Services:							
Power	1,552,481	1,463,178	1,500,000	1,311,000	-12.6%	1,375,000	-8.3%
Other	3,106,048	3,420,768	5,229,810	4,543,500	-13.1%	4,651,175	-11.1%
Total	4,658,529	4,883,945	6,729,810	5,854,500	-13.0%	6,026,175	-10.5%
Capital Outlay	49,587	405,461	231,000	150,610	-34.8%	290,000	25.5%
Escrow							
Preventative Maintenance	-	-	-	1,000,000	na	-	na
Rsv for Maintenance	-	-	-	-	na	-	na
Total	-	-	-	1,000,000	na	-	na
Capital Improvement Fund	500,000	2,593,620	-	-	na	200,000	na
Debt Service	13,744,050	13,015,945	17,550,610	17,549,560	0.0%	22,904,560	30.5%
Special Projects	-	-	50,000	50,000	0.0%	-	-100.0%
Total	<u>\$ 21,681,389</u>	<u>\$ 24,818,124</u>	<u>\$ 29,006,855</u>	<u>\$ 28,958,855</u>	-0.2%	<u>\$ 34,073,930</u>	17.5%
Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	na	<u>-</u>	na



**UPPER EAST FORK INTERCEPTOR SYSTEM**  
**MEMBER CITY CHARGES**  
September 28, 2017

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED
<b>Member City Charges:</b>					
Allen	\$ 2,558,988	\$ 2,786,032	\$ 3,392,516	\$ 3,415,803	\$ 3,915,567
Frisco	1,060,875	1,237,190	1,402,256	1,590,973	1,823,747
McKinney	5,131,204	5,872,944	6,818,784	6,804,446	7,800,001
Plano	9,081,765	10,172,072	12,274,320	11,971,529	13,723,076
Princeton	222,835	270,519	326,762	320,169	367,013
Prosper	470,513	500,929	663,559	698,630	762,711
Richardson	2,141,157	2,478,880	2,893,098	2,977,625	3,413,280
Total	<u>\$ 20,667,336</u>	<u>\$ 23,318,567</u>	<u>\$ 27,771,295</u>	<u>\$ 27,779,175</u>	<u>\$ 31,805,395</u>
	-	-	-	-	-
Cost per 1,000	\$ 0.89	\$ 0.94	\$ 1.25	\$ 1.32	\$ 1.44

**Flows (1,000):**

Allen	2,888,347	2,953,688	2,715,178	12.216%	2,596,578	12.296%	2,726,407	12.311%
Frisco	1,197,435	1,311,638	1,122,286	5.049%	1,209,404	5.727%	1,269,874	5.734%
McKinney	5,791,679	6,226,363	5,457,369	24.553%	5,172,510	24.495%	5,431,136	24.524%
Plano	10,250,728	10,784,198	9,823,671	44.198%	9,100,352	43.095%	9,555,370	43.147%
Princeton	251,511	286,803	261,522	1.177%	243,382	1.153%	255,551	1.154%
Prosper	531,075	531,075	531,075	2.389%	531,075	2.515%	531,075	2.398%
Richardson	2,416,767	2,628,064	2,315,471	10.418%	2,263,490	10.719%	2,376,665	10.732%
Total	<u>23,327,542</u>	<u>24,721,829</u>	<u>22,226,572</u>	100.000%	<u>21,116,791</u>	100.000%	<u>22,146,078</u>	100.000%

# UPPER EAST FORK INTERCEPTOR SYSTEM

## 2017-18 BILLING SCHEDULE

	<u>ALLEN</u>	<u>FRISCO</u>	<u>MCKINNEY</u>	<u>PLANO</u>	<u>PRINCETON</u>	<u>PROSPER</u>	<u>RICHARDSON</u>	<u>TOTAL</u>
OCTOBER	\$652,587	\$303,957	\$1,299,991	\$2,287,176	\$61,163	\$127,111	\$568,880	\$5,300,865
NOVEMBER	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
DECEMBER	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
JANUARY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
FEBRUARY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
MARCH	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
APRIL	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
MAY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
JUNE	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
JULY	326,298	151,979	650,001	1,143,590	30,585	63,560	284,440	2,650,453
AUGUST	<u>326,298</u>	<u>151,979</u>	<u>650,001</u>	<u>1,143,590</u>	<u>30,585</u>	<u>63,560</u>	<u>284,440</u>	<u>2,650,453</u>
TOTAL	<u>\$3,915,567</u>	<u>\$1,823,747</u>	<u>\$7,800,001</u>	<u>\$13,723,076</u>	<u>\$367,013</u>	<u>\$762,711</u>	<u>\$3,413,280</u>	<u>\$31,805,395</u>

**REGIONAL SOLID WASTE SYSTEM  
BUDGET SUMMARY  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 Budget Change	2017-18 PROPOSED	2017-18 Budget Change
<b>Revenues:</b>							
Solid Waste Sales							
Members	\$ 22,135,926	\$ 23,313,045	\$ 25,546,290	\$ 25,166,815	-1.5%	\$ 25,856,330	1.2%
Customers	3,229,927	4,402,391	3,423,500	5,503,675	60.8%	5,467,725	59.7%
Total	25,365,853	27,715,436	28,969,790	30,670,490	5.9%	31,324,055	8.1%
Other Charges							
Sludge Disposal	2,814,709	2,835,493	2,604,000	2,898,460	11.3%	3,132,900	20.3%
Composting	439,258	472,902	479,400	574,400	19.8%	586,800	22.4%
Other	191,095	181,312	605,170	929,500	53.6%	787,750	30.2%
Total	3,445,062	3,489,706	3,688,570	4,402,360	19.4%	4,507,450	22.2%
Interest Income	1,246	8,404	8,050	15,910	97.6%	18,630	131.4%
Total	<u>\$ 28,812,161</u>	<u>\$ 31,213,546</u>	<u>\$ 32,666,410</u>	<u>\$ 35,088,760</u>	7.4%	<u>\$ 35,850,135</u>	9.7%
<b>Expenditures:</b>							
Personnel							
Salaries & Wages	6,405,083	6,683,772	6,554,935	7,221,300	10.2%	7,304,235	11.4%
Other	2,861,030	3,191,457	3,375,400	3,386,380	0.3%	3,456,525	2.4%
Total	9,266,113	9,875,230	9,930,335	10,607,680	6.8%	10,760,760	8.4%
Supplies							
Fuel	2,220,135	1,700,012	1,928,665	1,485,235	-23.0%	2,212,780	14.7%
Chemicals	35,842	38,002	36,000	89,500	148.6%	162,500	351.4%
Other	1,541,428	1,929,073	1,828,340	1,699,710	-7.0%	1,847,460	1.0%
Total	3,797,405	3,667,086	3,793,005	3,274,445	-13.7%	4,222,740	11.3%
Services							
Power	158,421	178,731	187,580	185,610	-1.1%	141,000	-24.8%
Other	4,845,574	6,323,988	5,404,920	7,118,485	31.7%	6,118,730	13.2%
Total	5,003,995	6,502,719	5,592,500	7,304,095	30.6%	6,259,730	11.9%
Capital Outlay	3,850,483	4,355,691	5,859,855	4,405,415	-24.8%	4,726,600	-19.3%
Escrow							
Rsv for Maint	50,000	50,000	50,000	50,000	0.0%	50,000	0.0%
Equip Replacement	1,000,000	600,000	50,000	50,000	0.0%	1,681,765	3263.5%
Total	1,050,000	650,000	100,000	100,000	0.0%	1,731,765	1631.8%
Capital Improvement Fund	1,622,000	980,000	1,200,000	3,779,500	215.0%	1,360,000	13.3%
Debt Service	4,222,165	5,182,820	6,150,715	5,617,625	-8.7%	6,748,540	9.7%
Special Projects	-	-	40,000	-	-100.0%	40,000	0.0%
Total	<u>\$ 28,812,161</u>	<u>\$ 31,213,546</u>	<u>\$ 32,666,410</u>	<u>\$ 35,088,760</u>	7.4%	<u>\$ 35,850,135</u>	9.7%
Revenues Over / (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	na	<u>-</u>	na

**REGIONAL SOLID WASTE SYSTEM  
MEMBER CITY CHARGES  
September 28, 2017**

	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2017-18 PROPOSED			
<u>Member City Charges:</u>								
Allen	\$ 2,152,276	\$ 2,270,690	\$ 2,350,088	\$ 2,472,493	\$ 2,539,834			
Frisco	3,625,201	3,846,652	4,680,439	4,342,065	4,646,915			
McKinney	5,001,834	4,958,917	6,007,375	5,328,636	5,452,259			
Plano	7,659,694	8,310,401	8,429,861	8,929,927	9,074,795			
Richardson	3,696,921	3,926,383	4,078,527	4,093,694	4,142,527			
Total	<u>\$ 22,135,926</u>	<u>\$ 23,313,045</u>	<u>\$ 25,546,290</u>	<u>\$ 25,166,815</u>	<u>\$ 25,856,330</u>			
	-	-	-	-	-			
Cost per Ton	\$ 36.12	\$ 36.62	\$ 38.25	\$ 38.39	\$ 38.25			
<u>Billing Tons:</u>								
Allen	59,591	62,009	61,447	9.199%	64,408	9.824%	66,408	9.823%
Frisco	100,371	105,051	122,378	18.321%	113,110	17.253%	121,501	17.972%
McKinney	138,488	135,425	157,073	23.516%	138,810	21.173%	142,558	21.087%
Plano	212,070	226,949	220,413	32.998%	232,623	35.483%	237,275	35.097%
Richardson	102,357	107,223	106,640	15.985%	106,640	16.268%	108,313	16.021%
Total	<u>612,877</u>	<u>636,657</u>	<u>667,951</u>	100.000%	<u>655,591</u>	100.000%	<u>676,055</u>	100.000%

**Regional Solid Waste System  
Member Charge Allocation**

September 28, 2017

**I. Bond Service Component - Contributing Weight**

**A. Actual Tons 5 Year Average Tons**

	Allen	Frisco	McKinney	Plano	Richardson	Total
FY12	53,960	79,154	117,587	180,569	86,740	518,010
FY13	53,445	80,723	123,928	189,673	88,485	536,254
FY14	55,142	86,152	127,467	206,079	90,028	564,868
FY15	59,591	100,371	138,488	212,070	102,357	612,877
FY16	62,009	105,051	135,425	226,949	107,223	636,657
Average	56,829	90,290	128,579	203,068	94,967	573,733

**B. 25% of Largest Year Tons**

	Allen	Frisco	McKinney	Plano	Richardson
Year	FY16	FY16	FY15	FY16	FY00
Tons	62,009	105,051	138,488	226,949	117,032
25%	15,502	26,263	34,622	56,737	29,258

**C. Greater of 5 Year Average Tons or 25% of Largest Year Tons**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Tons	56,829	90,290	128,579	203,068	94,967	573,733
Allocation	9.9052%	15.7373%	22.4109%	35.3942%	16.5524%	100.0000%

**II. Operations and Maintenance Component - Estimated Contributing Weight**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Tons	66,408	121,501	142,558	237,275	108,313	676,055
Allocation	9.8229%	17.9721%	21.0867%	35.0970%	16.0213%	100.0000%

**III. FY18 Budget Member Charges**

**A. Components**

	Bond	O&M	Total
Expenditures	\$ 6,748,540	\$ 29,101,595	\$ 35,850,135
Other Revenues	\$ (6,748,540)	\$ (3,245,265)	\$ (9,993,805)
Total	\$ -	\$ 25,856,330	\$ 25,856,330

**B. Bond Service Component Charge**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Allocation	9.9052%	15.7373%	22.4109%	35.3942%	16.5524%	100.0000%
Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**C. Operations & Maintenance Component Charge**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Allocation	9.8229%	17.9721%	21.0867%	35.0970%	16.0213%	100.0000%
Charges	\$ 2,539,834	\$ 4,646,915	\$ 5,452,259	\$ 9,074,795	\$ 4,142,528	\$ 25,856,330

**D. Total Charges**

	Allen	Frisco	McKinney	Plano	Richardson	Total
Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
O&M	\$ 2,539,834	\$ 4,646,915	\$ 5,452,259	\$ 9,074,795	\$ 4,142,528	\$ 25,856,330
Total	\$ 2,539,834	\$ 4,646,915	\$ 5,452,259	\$ 9,074,795	\$ 4,142,528	\$ 25,856,330

# REGIONAL SOLID WASTE SYSTEM

## 2017-18 BILLING SCHEDULE

	<u>ALLEN</u>	<u>FRISCO</u>	<u>MCKINNEY</u>	<u>PLANO</u>	<u>RICHARDSON</u>	<u>TOTAL</u>
OCTOBER	\$423,304	\$774,485	\$908,709	\$1,512,465	\$690,417	\$4,309,380
NOVEMBER	211,653	387,243	454,355	756,233	345,211	2,154,695
DECEMBER	211,653	387,243	454,355	756,233	345,211	2,154,695
JANUARY	211,653	387,243	454,355	756,233	345,211	2,154,695
FEBRUARY	211,653	387,243	454,355	756,233	345,211	2,154,695
MARCH	211,653	387,243	454,355	756,233	345,211	2,154,695
APRIL	211,653	387,243	454,355	756,233	345,211	2,154,695
MAY	211,653	387,243	454,355	756,233	345,211	2,154,695
JUNE	211,653	387,243	454,355	756,233	345,211	2,154,695
JULY	211,653	387,243	454,355	756,233	345,211	2,154,695
AUGUST	<u>211,653</u>	<u>387,243</u>	<u>454,355</u>	<u>756,233</u>	<u>345,211</u>	<u>2,154,695</u>
TOTAL	<u>\$2,539,834</u>	<u>\$4,646,915</u>	<u>\$5,452,259</u>	<u>\$9,074,795</u>	<u>\$4,142,527</u>	<u>\$25,856,330</u>

# **ATTACHMENT D**

## **City of Garland's 2015 Bond Rating**

## Fitch Rates Garland, Texas' Water and Sewer Bank Note 'AA'; Outlook Stable

September 17, 2015 04 21 PM Eastern Daylight Time

AUSTIN, Texas--(BUSINESS WIRE)--Fitch Ratings has assigned an 'AA' rating to the bank notes corresponding to the city of Garland, Texas (the city) water and sewer commercial paper notes as follows

--Approximately \$90 million series 2015

In addition, Fitch affirms the 'AA' rating on the following outstanding bonds

-- \$108.8 million water and sewer system revenue bonds series 2007, 2008, 2009, 2010, 2011, 2011A, and 2012 at 'AA',

--\$28.9 million water and sewer system revenue refunding and improvement bonds, series 2013 at 'AA', and

--\$35.9 million water and sewer system revenue refunding and improvement bonds, new series 2014 at 'AA'

The Rating Outlook is Stable

### SECURITY

All bonds are payable from a pledge of the net revenues of the city's water and sewer system (the system). The outstanding prior lien bonds are senior to the new series 2014 bonds. With issuance in 2014 of the new lien bonds the prior lien was closed. The bank notes represent a fourth lien on system revenues and are subordinate to the outstanding prior lien bonds, the new series 2014 bonds, and certificates of obligation issued by the city secured by a lien on and pledge of system net revenues.

### KEY RATING DRIVERS

**SATISFACTORY FINANCIAL METRICS** System financial performance (specifically as it relates to debt service coverage [DSC], days cash, and free cash flow [FCF]) has weakened over the last several years, driven by escalating purchased water and debt service costs.

**WHOLESALE COST AND RATE PRESSURES** The city's dependence on its wholesale water provider North Texas Municipal Water District (NTMWD) creates cost pressure outside of the utility's direct control. Rates hikes generally have kept pace with rising water costs, but additional system rate adjustments to accommodate wholesaler and debt service cost increases could reduce affordability over the medium term.

**INCREASING DEBT LEVELS** Direct system debt per-customer levels become elevated above the 'AA' median when taking into consideration planned debt to support capital projects. System debt levels are further pressured by off-balance-sheet debt of NTMWD.

**ASSURED SUPPLY** The system has assured water supply through 2030 from its long-term, perpetual contract with NTMWD.

**MATURE DALLAS METRO SUBURB** The city is part of the larger Dallas-Fort Worth-Arlington (DFW) metropolitan statistical area (MSA) economy and employment base. Anchored by manufacturing and distribution, Garland's overall economic base remains sound.

### RATING SENSITIVITIES

**DETERIORATION OF FINANCIAL MARGINS** Weakening financial metrics could negatively impact the rating. Achieving improved financial metrics as outlined in management's system forecasts will be key to maintaining the rating.

### CREDIT PROFILE

The water system serves approximately 68,000 city customers and purchases its water on a wholesale basis under a perpetual contract from NTMWD. Existing and projected water supplies from NTMWD reportedly are sufficient to meet all customer demands through 2030. The wastewater system serves around 66,000 customers within the city as well as portions of five other cities, including the city of Dallas.

### WEAKENED FINANCIAL PERFORMANCE

System operations have been pressured by increasing debt service and purchased water costs, and financial metrics are now below Fitch's 'AA' median category medians. Since fiscal 2012 the city's purchased water rate has increased on average 11% annually and NTMWD rates are anticipated to continue increasing by 7%-11% annually through fiscal 2021. Also impacting the system were drought-related water use restrictions implemented late in fiscal 2011 which remained in place until May 1, 2015. Reduced water demand in fiscal 2014 and into 2015 led to usage that fell short of projections.



Audited fiscal 2014 results point to senior lien annual DSC declining to 1.8x (1.4x net of transfers out) from a high of 3.0x in fiscal 2011. All-in DSC, which includes about \$18 million in outstanding general obligation debt along with \$35 million in subordinate lien bonds, dropped to 1.5x (1x net of transfers out) for the year from a good 2.4x in fiscal 2011. These reduced coverage levels fall short of Fitch's 'AA' category median levels of 1.8x DSC on an all-in basis including transfers.

Fiscal 2015 estimates point to all-in DSC weakening further to 1.4x, while DSC on the closed senior lien grows to 2.2x due to declining annual requirements. Liquidity, which showed some improvement in fiscals 2012 and 2013, registering at 187 and 172 days of cash on hand, respectively, dipped to 155 days in fiscal 2014. Given capital needs are anticipated to be entirely debt-funded, cash balances, which are weak for the 'AA' category, are expected to remain at similar levels over the forecast period.

#### SOME IMPROVEMENT IN FINANCES ANTICIPATED

Through the fiscal 2016-2019 forecast period all-in DSC gradually improves from 1.6x in 2016 to 1.8x by 2018 before dropping to a still adequate 1.5x in fiscal 2019. The forecast incorporates increased debt carrying costs associated with financing the capital plan, rising operating expenses, and water rate increases of 9%-15% as well as more modest 1.5%-2.0% sewer rate adjustments.

Senior lien DSC over the forecast period grows from 2.6x to 2.9x as a result of declining annual debt service. All liens on system revenues (without general government backing) are rated on par, reflecting the small amounts of subordinate bonds outstanding (16% of total debt burden) and the nominal distinction in coverage between the two liens. The ratings may diverge in the future if these factors change.

#### ABOVE-AVERAGE TRANSFER TO GENERAL FUND

Fitch notes that transfers out of the system are high - averaging 11% of operating revenue over the past five fiscal years - and are projected to increase to about 14% over the forecast period. Transfers out of the system combined with limited surplus cash from operations after payment of operating and debt service costs have left a minimal amount of free cash flow (FCF) available to cover depreciation expense. FCF for fiscal 2014 fell to just 5%, down from 91% in fiscal 2011 and well under the 'AA' median of 94%.

#### INCREASING WHOLESALE WATER RATES

Water costs associated with the NTMWD contract increased 14% in fiscal 2013 and 10% in fiscal years 2014 and 2015. NTMWD rates are expected to rise from 7%-11% annually through 2021, driven by the need for regulatory upgrades. The city has raised its own water rates in an effort to keep up with rising purchased water costs, increasing rates by 9.2% in fiscal 2013, and by 10.5% each in fiscal years 2014 and 2015. Purchased water costs make up approximately 40% of fiscal 2014 operating expenses and this figure is expected to grow to 52% by fiscal 2019. Despite raising user charges, operating revenues only increased by 4% and 2% in fiscal years 2013 and 2014, respectively, while operating expenses grew by 6.3% and 5% over the same period.

#### RATE FLEXIBILITY DIMINISHING

The monthly bill at \$78.80 (assuming usage of 7,500 gallons per month for water and 6,000 gallons per month for sewer) is the highest in the Dallas/Fort Worth Metroplex and currently registers at around 1.8% of median household income (MHI). Rates still fall under Fitch's 2% of MHI affordability threshold but are forecast to grow to 2.4% of MHI by 2019 with planned rate increases.

#### GROWING DEBT BURDEN

The system's fiscal 2015-2019 capital improvement plan (CIP) totals \$173 million and will be entirely debt-financed, a negative credit consideration. The city is using a planned \$90 million commercial paper (CP) program to finance a significant portion of the CIP, followed by \$125 million in CP in 2018. Approximately 70% of the CIP addresses sewer system improvements that will ensure compliance with new and enhanced regulatory and operational standards while the remaining 30% is for water system improvements.

Direct system debt per customer of \$1,823 aligns closely to the 'AA' category median of \$1,934, but debt-to-net plant is high at 59% compared to the 'AA' median of 50%. Debt levels are projected to grow to \$2,232 within five years, exceeding the 'AA' median of \$2,049. Further, system debt levels increase by approximately 44% when off-balance-sheet debt of NTMWD is included, pushing system debt levels well above the category 'AA' rating median. Positively, the system benefits from very rapid amortization, with principal payout at 74% and 100% in 10 and 20 years, respectively.

#### MATURE, STABLE ECONOMIC BASE

Garland (general obligation bonds rated 'AAA' by Fitch with a Stable Outlook) benefits from its location within the DFW MSA. Manufacturing and distribution remain the city's primary economic engines, and the city's industrial market reportedly is the second largest in the DFW metroplex. City wealth levels are on par with state and national levels. April 2015 unemployment is favorable at 3.8%, compared to the state's 4.2% and the nation's 5.4%. The individual poverty rate of 16.2% is just slightly higher than the U.S. and lower than the state.

#### BANK NOTES RATING

Fitch has reviewed the interest rates, cure periods and amortization schedules specified in the documents governing the bank notes. Under the terms of the revolving credit agreement, the city is required to amortize bank note amounts over a period of approximately three years. While the terms of potential bank notes could pressure the system's financial performance if the entire CP authorization were to become bank notes for a sustained period of time, Fitch believes that the system's financial profile and its implied market access to take out such notes with long-term debt mitigate this concern.

Additional information is available at '[www.fitchratings.com](http://www.fitchratings.com)'

In addition to the sources of information identified in Fitch's Revenue-Supported Rating Criteria, this action was additionally informed by information from Creditscope and the Municipal Advisory Council of Texas

#### Applicable Criteria

Revenue-Supported Rating Criteria (pub 16 Jun 2014)

[https://www.fitchratings.com/creditedesk/reports/report\\_frame.cfm?rpt\\_id=750012](https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=750012)

U S Water and Sewer Revenue Bond Rating Criteria (pub 03 Sep 2015)

[https://www.fitchratings.com/creditedesk/reports/report\\_frame.cfm?rpt\\_id=869223](https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=869223)

#### Additional Disclosures

Dodd-Frank Rating Information Disclosure Form

[https://www.fitchratings.com/creditedesk/press\\_releases/content/ndf\\_frame.cfm?pr\\_id=990954](https://www.fitchratings.com/creditedesk/press_releases/content/ndf_frame.cfm?pr_id=990954)

#### Solicitation Status

[https://www.fitchratings.com/gws/en/disclosure/solicitation?pr\\_id=990954](https://www.fitchratings.com/gws/en/disclosure/solicitation?pr_id=990954)

#### Endorsement Policy

[https://www.fitchratings.com/sp/creditedesk/PolicyRegulation\\_faces?context=2&detail=31](https://www.fitchratings.com/sp/creditedesk/PolicyRegulation_faces?context=2&detail=31)

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# **ATTACHMENT E**

**Settlement Agreement between North Texas  
Municipal Water District, National Wildlife  
Federation, and Lone Star Chapter of the  
Sierra Club, effective August 28, 2014**

SETTLEMENT AGREEMENT BETWEEN  
NORTH TEXAS MUNICIPAL WATER DISTRICT,  
NATIONAL WILDLIFE FEDERATION, AND LONE STAR CHAPTER OF THE  
SIERRA CLUB

THIS SETTLEMENT AGREEMENT is made and entered into as of August 28, 2014 (the "Effective Date"), by and between the North Texas Municipal Water District (the "District"), the National Wildlife Federation ("NWF"), and the Lone Star Chapter of the Sierra Club (the "Sierra Club"). The District, NWF, and Sierra Club are also referred to herein individually as a "Party", or collectively as the "Parties."

**RECITALS**

WHEREAS on December 29, 2006, the District filed Application No. 12151 (the "TCEQ Application") with the Texas Commission on Environmental Quality ("TCEQ") to appropriate state water in the Red River Basin for the Lower Bois d'Aie Creek Reservoir Project and to authorize an interbasin transfer of state water to the Trinity River and Sulphur River basins (the "Reservoir Project"),

WHEREAS, the District is pursuing the Reservoir Project to meet the current and future water supply needs of its member cities and customers ("Member Cities and Customers") for whom the District supplies potable water,

WHEREAS, the District filed with the U.S. Army Corps of Engineers ("USACE") a Clean Water Act Section 404 permit application (the "USACE Application") on July 1, 2008 for the Reservoir Project,

WHEREAS, NWF and Sierra Club each filed comments and requested a contested case hearing on the TCEQ Application,

WHEREAS, the Executive Director of TCEQ has found the TCEQ Application to be administratively complete, has prepared a draft permit, and recommends that TCEQ grant the TCEQ Application,

WHEREAS, the District, NWF, and Sierra Club have agreed upon measures to address concerns regarding the TCEQ Application that caused NWF and Sierra Club to file requests for a contested case hearing,

WHEREAS, the District believes that it is in its interest and the public interest for TCEQ to issue draft Water Use Permit No. 12151 (the "Draft Permit") with certain special conditions as agreed upon between the District, NWF, and Sierra Club, and NWF and Sierra Club agree to not oppose the issuance of the Draft Permit if it includes the agreed-upon special conditions and if the District implements the measures included in this Settlement Agreement, and

*Settlement Agreement between District, NWF, and Sierra Club*

**WHEREAS**, based on the agreements set out herein, NWF and Sierra Club wish to withdraw their respective comments and hearing requests with respect to the TCEQ Application, and to abstain from further challenging, protesting, or contesting the TCEQ Application or the USACE Application for the associated Reservoir Project, except to the extent provided for in this Settlement Agreement.

**NOW THEREFORE**, for good and valuable consideration, the sufficiency and adequacy of which the Parties acknowledge by their execution of this Settlement Agreement, and in consideration of the mutual promises and covenants contained in this Settlement Agreement, including the recitals set forth above which are hereby incorporated for all purposes, the Parties agree as follows:

**AGREEMENT**

- A. The District, without acknowledging or admitting the validity of any of NWF's or Sierra Club's concerns or comments relating to the TCEQ Application, agrees as follows:

1. Ongoing Collaboration

The District, in order to maintain the collaborative relationship established with NWF and Sierra Club through the negotiation and execution of this Settlement Agreement, will continue to regularly communicate and coordinate with NWF and Sierra Club regarding the Reservoir Project and its water conservation, water quality, and mitigation efforts. By this coordination and communication, the District seeks to collaborate with NWF and Sierra Club to ensure that any actions the District pursues will have minimal environmental impacts, and in the event of such impacts, the District will continue to pursue mitigation so as to ensure such impacts are sufficiently offset.

With specific reference to water conservation, the District will keep NWF and Sierra Club notified of, and will invite representatives of NWF and Sierra Club to attend, meetings, presentations, or symposiums held for, or hosted with, the District, its Member Cities and Customers, and to provide an opportunity for NWF and Sierra Club to afford feedback to the District and make recommendations to the District regarding such meetings, presentations, or symposiums, and the water conservation measures being addressed.

2. Revisions to Draft Permit, Draft Monitoring Plan, Draft Accounting Plan, and Draft Mitigation Plan

This Settlement Agreement contemplates certain revisions to the Draft Permit, the draft monitoring plan, and the draft accounting plan. The District agrees to use its best efforts to pursue TCEQ's approval of any such revisions to such documents within a reasonable time, as agreed upon by the Parties, but, in any event, prior to the time that the TCEQ considers whether to refer the District's application to the State Office of Administrative Hearings for a contested case hearing.

*Settlement Agreement between District, NWF, and Sierra Club*

This Settlement Agreement also contemplates revisions to the mitigation plan to be implemented through the USACE permitting process in order to incorporate quantified targets for mitigation of adverse impacts to stream habitats resulting from the Reservoir Project. Those revisions are still under development at the time of the execution of this Settlement Agreement. The District agrees to seek and support the approval of, and to implement, mitigation measures providing at least as much mitigation for each category of affected habitat as set out in the January 2014 draft of the mitigation plan, with the addition of specific quantified targets for mitigation of adverse impacts to stream habitats, which are to be based on a quantification of the habitat value of streams adversely affected by the Reservoir Project. The District further agrees to develop those revisions in good faith, based on the representations made to NWF and Sierra Club, and to provide NWF and Sierra Club at least fourteen (14) days to review and comment on the revised draft mitigation plan before it is presented to the USACE for review.

Copies of the revised Draft Permit and the revised monitoring plan, both revised as agreed upon by the Parties, are included as Exhibit 1 and Exhibit 2, respectively, and are incorporated herein. The revised accounting plan is still under development and the District agrees that the revised accounting plan it submits to TCEQ for approval will be consistent with Exhibit 1.

The District acknowledges that the inclusion of the terms and conditions in the Draft Permit as incorporated in Exhibit 1 is material to the agreement of NWF and Sierra Club to unconditionally withdraw their respective hearing requests, as provided in Section B.2. below and enter into this Agreement. The District agrees to use its best efforts to ensure that the terms and conditions of the revised Draft Permit, incorporated as Exhibit 1, are included in the final permit issued to the District for the TCEQ Application. If, after NWF and Sierra Club withdraw their hearing requests, a contested case hearing is held and it appears that the issuance of a final permit for the TCEQ Application may not include the same terms and conditions as are included as Exhibit 1, the District agrees to promptly notify and coordinate with NWF and Sierra Club regarding this possibility and to afford NWF and Sierra Club the opportunity, through the District's filings and testimony, to assist the District in responding to and objecting to proposed changes to the terms and conditions of the Draft Permit that are inconsistent with the provisions of the Draft Permit included as Exhibit 1. The District acknowledges that the provisions of this paragraph are material to the agreement by NWF and Sierra Club to undertake the obligations they have agreed to in this Settlement Agreement.

3. Dedication of City of Bonham Return Flows

By contract dated December 21, 2004, the District supplies potable water to the City of Bonham ("Bonham"). Section 17(b) of the contract provides "[t]o the extent that effluent produced by [Bonham] is discharged to watercourses of the State, the right of [Bonham] to reuse such effluent produced from its wastewater treatment plant is terminated, and NTMWD shall have the right as between the parties, and pursuant to any necessary authorization of the State, to appropriate and reuse such discharged effluent."

*Settlement Agreement between District, NWF, and Sierra Club*

Given its contract rights to Bonham's return flows, the District agrees to dedicate these return flows to the environment by passing them through the proposed reservoir and dam to Bois d'Arc Creek at certain times. The District agrees that, within sixty (60) days of the final permits pursuant to the TCEQ Application and the USACE Application being issued and no longer subject to appeal, it will file, and diligently prosecute, an application seeking to appropriate return flows associated with the City of Bonham Wastewater Treatment Plant (TPDES Permit No. WQ0010070001) to the District, for use for various purposes, including for instream use protection purposes, for the Reservoir Project. The Parties acknowledge that it may be necessary to prosecute the application to appropriate Bonham return flows in stages in order to achieve an appropriation of the return flows for instream use protection purposes and the District agrees to do so, if necessary to achieve that objective. The District also agrees to file and diligently prosecute an application to add instream use protection as an authorized use for Water Use Permit No. 12151 ("Permit 12151") if such an application is necessary to achieve the purposes of this Section A.3. In particular, the District will use Bonham return flows to help comply with the subsistence flow requirements of Permit 12151. In the event Bonham return flows under the District's control exceed 1 cfs during subsistence conditions, the District agrees to dedicate, and pass downstream through the dam, for environmental flow purposes any Bonham return flows in excess of the subsistence flow requirements.

The District acknowledges that the provisions of this paragraph are material to the agreement by NWF and Sierra Club to undertake the obligations they have agreed to in this Settlement Agreement.

4. Water Conservation

- a. Within sixty (60) days of the final permits being issued pursuant to the TCEQ Application and the USACE Application and no longer subject to appeal, or earlier at the discretion of the District, the District agrees to commission a comprehensive analysis of the potential for water use reduction and efficiency in the industrial, commercial, and institutional ("ICI") sectors by ICI water users within the District's service area;
- b. Within one hundred eighty (180) days of the final permits being issued pursuant to the TCEQ Application and the USACE Application and no longer subject to appeal, or earlier at the discretion of the District, based on the findings of the ICI analysis described in Section A.4.a of this Settlement Agreement, the District agrees to develop, in cooperation with the District's Member Cities and Customers and in collaboration with ICI water users within the District's service area, a program to reduce the per unit or per capita ICI water use within the District, including the incorporation of the ICI program as an enhanced water conservation strategy in the District's Water Conservation Plan (the "District WCP"), and the setting of quantifiable targets for ICI water use reductions in the District WCP.

*Settlement Agreement between District, NWF, and Sierra Club*

- c. Within sixty (60) days of the final permits being issued pursuant to the TCEQ Application and the USACE Application and no longer subject to appeal, or earlier at the discretion of the District, the District agrees to amend the District WCP to include a goal of a minimum one percent (1%) per year reduction in Total Gallons Per Capita Per Day ("GPCD") (on a five-year rolling annual average), both with and without credit for reuse, with such annual goal to continue, as practicable, even when Total GPCD (both with and without credit for reuse) has reached 140 GPCD;
- d. Within one hundred eighty (180) days of the final permits being issued pursuant to the TCEQ Application and the USACE Application and no longer subject to appeal, or earlier at the discretion of the District, the District, working through and in cooperation with Member Cities and Customers, agrees to establish and incorporate as an enhanced water conservation strategy in the District's Model Water Conservation Plan for Member Cities and Customers, a program to provide rebates for the purchase and installation of high efficiency card- or coin-operated commercial clothes washers, as well as rebates for the purchase and installation of other high water efficiency and water conserving items, where such other rebates are determined to be cost-effective;
- e. Within sixty (60) days of the final permits being issued pursuant to the TCEQ Application and the USACE Application and no longer subject to appeal, or earlier at the discretion of the District, the District agrees to incorporate as one of the basic required water conservation strategies in the District's Model Water Conservation Plan for Member Cities and Customers the adoption of an increasing block water rate structure by those customers, so as to encourage water conservation and discourage excessive use and waste of water; and,
- f. The District agrees to commit to an ongoing annual budget for its water conservation programs that is adequate to implement the District WCP, which would, for at least the first ten (10) years following the date when final permits are issued pursuant to the TCEQ Application and the USACE Application and are no longer subject to appeal, provide funding at least as high as the current (FY 2014) dollar amount, adjusted for inflation.

The District acknowledges that the provisions of this Paragraph 4 are material to the agreement by NWF and Sierra Club to undertake the obligations they have agreed to in this Settlement Agreement.

5. Riverby Ranch Water Rights

To address and mitigate potential impacts associated with the development of the Reservoir Project, the District has proposed near-site mitigation on the 14,958.58-acre Riverby Ranch. The District acquired this property for mitigation purposes because it is uniquely suited to afford appropriate mitigation for the Reservoir Project's impacts, including the federal goal of "no overall net loss of wetlands." In addition to the real



*Settlement Agreement between District NWF, and Sierra Club*

property associated with the mitigation site, the District also acquired two water rights, Permit Nos. 4033A and 4044A, which collectively authorize the diversion of up to 9,159.332 acre-feet of water from several points on the Red River adjacent to the Riverby Ranch, for irrigation use on the Ranch (the "Riverby Water Rights"). Within ninety (90) days of the final permits being issued pursuant to the TCEQ Application and the USACE Application and no longer subject to appeal, the District agrees to file, and thereafter diligently prosecute, an application to add instream use protection as an authorized use for the Riverby Water Rights, at a location downstream of the currently authorized diversion locations.

The District's mitigation consultants, Freese & Nichols, Inc., have concluded that the water supply that could be afforded by the Riverby Water Rights may not be necessary for the long-term maintenance and management of the Riverby Ranch mitigation site, but that this artificial water supply may be useful in the initial phases of mitigation at the Riverby Ranch. The District agrees to make those water rights available, as appropriate, for the initial phases of mitigation. In the event such an artificial water supply is deemed useful beyond the initial phases of mitigation development at the Riverby Ranch, based on the results of Year 5 monitoring as required in the District's mitigation plan, the District agrees to consider, in collaboration with USACE, whether to dedicate all or a portion of the Riverby Water Rights for use in connection with the Riverby Ranch mitigation site. If the USACE determines such dedication necessary, the District agrees to dedicate, consistent with that determination, the Riverby Water Rights for mitigation purposes.

In the event the entire water supply provided by the Riverby Water Rights is determined by the USACE not to be necessary or appropriate for permanent dedication to and maintenance of the Riverby Ranch mitigation site, either through an express decision by the appropriate USACE officials or through a deemed decision, the District agrees to implement the two measures set out below. A decision that a permanent dedication is not necessary or appropriate shall be deemed to have been made if the appropriate USACE officials have not expressly determined that a permanent dedication is necessary or appropriate prior to the seventh anniversary of the date on which the permit issued pursuant to the USACE Application is no longer subject to appeal. The District agrees that, within ninety (90) days of the earlier of an express decision or a deemed decision as described in this paragraph, the District will: (1) dedicate the Riverby Water Rights to the Texas Water Trust for a term of not less than ten (10) years, to the extent such water rights are not being used for a purpose other than instream use protection by the District during such term; and (2) grant NWF or the Sierra Club, or a designee, a right of first refusal to purchase the Riverby Water Rights for instream use protection purposes if the District determines to sell such water rights.

B. NWF and Sierra Club agree to the following:

1. Ongoing Collaboration

NWF and Sierra Club, in order to maintain the collaborative relationship established with

*Settlement Agreement between District, NWF, and Sierra Club*

the District through the negotiation and execution of this Settlement Agreement, will continue to regularly communicate and coordinate with the District regarding the Reservoir Project and the District's water conservation, water quality, and mitigation efforts. By this coordination and communication, NWF and Sierra Club seek to collaborate with the District and to provide recommendations and feedback on the Reservoir Project to ensure that any actions the District pursues will have minimal environmental impacts, and in the event of such impacts, mitigation to sufficiently offset such impacts.

2. Withdraw Request for Contested Case Hearing

NWF and Sierra Club agree that they shall each execute a Notice of Withdrawal letter to TCEQ to unconditionally withdraw their respective requests for hearing on the TCEQ Application within three (3) working days of the Effective Date of this Settlement Agreement. The Notice of Withdrawal letter shall take the form of the letter attached hereto as Exhibit 3. In the event there is a contested case hearing or a court challenge on the District's TCEQ Application and if the District affords NWF and Sierra Club a reasonable opportunity, through the District's filings and evidence in the relevant proceeding, to support the inclusion of permit terms consistent with Exhibit 1, NWF and Sierra Club agree to restrict their participation in any such proceedings to assisting the District's efforts to ensure the inclusion of permit terms and conditions in any final permit issued by TCEQ that are consistent, or not inconsistent, with the terms and provisions of the Draft Permit included in Exhibit 1. NWF and Sierra Club acknowledge that the provisions of this paragraph are material to the District's agreement to undertake the obligations it has agreed to in this Settlement Agreement.

3. Agreement to Not Oppose Reservoir Project and Associated Permitting

Except as contemplated in Section B.4. of this Settlement Agreement, NWF and Sierra Club agree that they will not participate in, or fund other groups' participation in, any other proceeding before TCEQ, or any other state or federal agency, or administrative, state or federal court, for the purpose of opposing, contesting, litigating, or appealing: (1) the TCEQ Application; (2) the USACE Application and the associated Clean Water Act Section 401 Certification; and (3) the Environmental Impact Statement ("EIS") required for the USACE Application. NWF and Sierra Club acknowledge that the provisions of this paragraph are material to the District's agreement to undertake the obligations it has agreed to in this Settlement Agreement.

4. Comments and Challenge to EIS and USACE Permit; Defense of Permit Terms

NWF and Sierra Club may choose to file written comments on the draft EIS to be published in response to the USACE Application and nothing in this Settlement Agreement prevents them from doing so, subject to the terms of this Section B.4. If NWF and/or Sierra Club do file written comments, they hereby agree to provide the District any such comments on the draft EIS at least thirty (30) days in advance of the last date authorized for filing comments on the draft EIS, and to delay their filing of comments twenty-one (21) days after providing the comments to the District so that the

*Settlement Agreement between District, NWF and Sierra Club*

District may seek to address same. However, if the comment period on the draft EIS is less than ninety (90) days, those times periods shall be adjusted proportionately (e.g., if the comment period is 60 days, NWF and Sierra Club will provide a draft of comments to the District at least twenty (20) days in advance of the comment deadline and will afford the District at least fourteen (14) days to address the comments of NWF and/or Sierra Club prior to the filing of such comments). In the event the District fails to address such comments to the satisfaction of NWF or Sierra Club, NWF and Sierra Club each reserves the right to submit public comments on the draft EIS to USACE.

NWF is a national organization and Sierra Club is part of a national organization and, as a result, both have interests in broader national and regional issues that must be considered in agreeing to limit their ability to participate in litigation. NWF and Sierra Club's previously summarized agreement not to participate in, or fund participation in, any proceeding challenging the EIS or the permit issued pursuant to the USACE Application (the "USACE Permit") only applies if those documents are consistent with this Settlement Agreement and if, in the good faith judgment of NWF or Sierra Club, such a challenge is not necessary to prevent the potential creation of significant adverse precedent on important policy issues beyond the adequacy of mitigation for specific impacts related to the Reservoir Project as identified in the January 2014 draft mitigation plan. Although NWF and Sierra Club consider such an eventuality highly unlikely, because neither the EIS nor the Record of Decision is in existence at this time and because there is no way to fully anticipate what issues might be raised in those processes, it is not possible to eliminate that possibility entirely. In the interest of maintaining the collaborative relationship that has been created with the District, in the unlikely event that NWF or Sierra Club identify the potential need to pursue a challenge to the EIS or the USACE Permit, NWF and Sierra Club agree that they will notify the District as soon as reasonably possible and will make reasonable efforts to work cooperatively with the District in an attempt to resolve the issue or issues in order to avoid the filing of such a challenge. NWF and Sierra Club also reserve the right to participate in any proceeding challenging the EIS and USACE Permit to the extent the documents are inconsistent with this Settlement Agreement.

In addition to the rights to challenge the EIS or USACE Permit preserved to them in the preceding paragraph, NWF and Sierra Club may participate in any court challenge to the USACE Permit for the sole purpose of supporting the inclusion of terms consistent with Sections A.2 and A.5 of this Settlement Agreement, as such provisions relate to the mitigation plan and the implementation and maintenance of mitigation as required by USACE. NWF and Sierra Club acknowledge that the provisions of this paragraph are material to the District's agreement to undertake the obligations it has agreed to in this Settlement Agreement.

C. Additional Conditions

- 1 The Parties expressly agree that the obligations contained in this Settlement Agreement for actions beyond the agreement to pursue changes to the Draft Permit as reflected in Exhibit 1 and accompanying documents and to the mitigation plan are conditioned on the receipt by the District of final permits that are not subject to

*Settlement Agreement between District, NWF, and Sierra Club*

appeal from TCEQ and USACE regarding the TCEQ Application and USACE Application.

2. The provisions of Section B of this Settlement Agreement are critical to the District's decision to accept revisions to the Draft Permit as reflected in Exhibit 1 and to enter into this Settlement Agreement, and represent the consideration for the District's entering into this Settlement Agreement.
3. The provisions of Section A of this Settlement Agreement are critical to the decisions by NWF and Sierra Club to withdraw their hearing requests and to agree, as set out herein, to limit their ability to litigate the granting of permits pursuant to the TCEQ Application and USACE Application, and represent the consideration for NWF and Sierra Club entering into this Settlement Agreement.
4. If a permit containing provisions substantially different than those in Exhibit 1 is ultimately proposed or approved by TCEQ in response to the TCEQ Application, the District retains the right to pursue all administrative and judicial remedies to contest such a permit. If the District affords NWF and Sierra Club a reasonable opportunity, through the District's filings and evidence in the relevant proceeding, to support the inclusion of permit terms consistent with Exhibit 1, the agreement above by NWF and Sierra Club to forego opposition to the issuance of a permit consistent with Exhibit 1 shall preclude their participation in such proceedings for any purpose other than to assist the District's efforts to ensure inclusion of terms consistent with Exhibit 1, as long as the District complies with terms and conditions of this Settlement Agreement.
5. The agreement by NWF and Sierra Club herein to limit participation in any proceedings challenging the TCEQ Application and USACE Application includes a commitment by NWF and Sierra Club to not fund any individual or entity in participating in any proceedings challenging the TCEQ Application and/or the USACE Application, except in a manner that would be consistent with Section B.4 of this Settlement Agreement if NWF or Sierra Club were the entity opposing the USACE Application.
6. This Settlement Agreement shall be governed by, and construed and enforced under the laws of the State of Texas.
7. This Settlement Agreement was executed in Travis County, Texas and the obligations of each of the Parties to this Settlement Agreement shall be performed or are performable in Travis County, Texas or Collin County, Texas, as appropriate. The Parties expressly agree that all judicial proceedings to enforce any of the provisions of this Settlement Agreement shall take place in Travis County, Texas or Collin County, Texas.
8. This Settlement Agreement contains the entire agreement of the Parties with respect to the subject matter of this Settlement Agreement. No agreement, statement, or promise made by any Party or by or to any employee, agent, or

*Settlement Agreement between District, NWF, and Sierra Club*

officer of any Party, that is not contained in this Settlement Agreement shall be valid, binding, or of any force or effect. Any amendments to this Settlement Agreement must be in writing and signed by the Parties.

9. This Settlement Agreement shall be binding upon the Parties hereto and their respective successors, heirs, and representatives.
10. With the exception of any provision material to the Parties' execution of this Settlement Agreement, or to the extent it would otherwise frustrate the central purpose of this Settlement Agreement, if one or more provisions contained in this Settlement Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Settlement Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
11. The Parties agree that monetary damages for breach of this Settlement Agreement may be difficult to quantify, that under no circumstances shall monetary damages be available as a remedy for a breach of this Settlement Agreement, and that the obligations of this Settlement Agreement shall be enforceable only through injunctive or other equitable relief. Therefore, if any Party fails to perform any obligation in accordance with the terms, provisions and conditions of this Settlement Agreement, then the other Party may institute suit for specific performance against the non-performing Party to compel performance of the obligation.
12. This Settlement Agreement is based upon the active participation of the Parties. Neither the execution nor the delivery of this Settlement Agreement shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement between the Parties, except for the contractual arrangements specifically set forth in this Settlement Agreement. No Party shall have any power to assume or create any obligation on behalf of the other Party.
13. The obligations under this Settlement Agreement shall be conditioned upon the execution of the Settlement Agreement by authorized representatives of the Parties. Each person signing on behalf of the Parties hereby confirms that he/she has the authority to execute this Settlement Agreement on behalf of the Party indicated by his/her signature and to bind such Party. The Parties further agree to execute such memoranda, documents, or agreements as may be required in the future to implement this Settlement Agreement.

*[signatures on following pages]*

*Settlement Agreement between District, NWF, and Sierra Club*

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Settlement Agreement to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written, which is the Effective Date of this Settlement Agreement.

**NORTH TEXAS MUNICIPAL WATER DISTRICT**

August 28, 2014  
Date

By: Darwin Whiteside  
Darwin Whiteside, President of the Board

ATTEST:

By:

Terry Sam Anderson  
Terry Sam Anderson, Secretary of the Board

[signature on following page]

Settlement Agreement between District NWF and Sierra Club

NATIONAL WILDLIFE FEDERATION

8/27/2019  
Date

By [Signature]  
Nancy S. Jones

[signature on following page]

*Settlement agreement between District VII and Sierra Club*

LONE STAR CHAPTER OF THE SIERRA CLUB

August 27, 2014

Date

By Ken Kramer  
Ken Kramer