

WATER UPDATE

City of Cameron Utility Department

APRIL 2016

The City of Cameron will apply \$23,800,000 for Water and Wastewater Utility Infrastructure

The City will be receiving low interest loans sought through TWDB, Texas Water Development Board CWSRF, Clean Water State Revolving Fund and the DWSRF, Drinking Water State Revolving Fund. These programs are designed to provide cities with low interest loans to replace large water and wastewater infrastructure. The City of Cameron will receive a \$21,000,000 capital improvement loan to overhaul infrastructure for both wastewater and drinking water projects. "This is a turning point for our City," said Mayor Connie Anderle, "We are moving forward and taking action to address our current needs and to provide for the future."

In the process of the loan application, the TWDB granted the city of Cameron \$2.8 million in loan forgiveness. This is basically used as grant funds or money that the city does not have to pay back. The city had two options: 1) apply the funds toward additional infrastructure and increase the overall project total to \$23,800,000, or 2) use the loan forgiveness to lower the loan payments by \$120,000 per year.

The City Council voted to apply the additional funds toward replacing water lines and increasing the size of the wastewater plant. An additional \$2,140,000 will be applied toward replacing water lines and \$690,000 for the wastewater plant. The project had already budgeted \$3.1 million for water line replacement and the additional \$2.14 would increase the project to a sum of \$5.2 million. This will approximately replace 50 to 60% of the much needed 60 to 70 year old water lines in Cameron.

"The greatest benefit to the distribution repair crews will be the ability to isolate small areas of the distribution system with new valves. These valves will allow us to make repairs to large mains and other lines without the high pressure or water loss that we currently have. This ability will speed up the repair process and reduce the water loss." said Brandon White, Chief Water Operator. Work will also be performed on the underground water storage tank on Milam Street and both water towers will receive new shut off valves.



City Crew fix a 6" main water line on Colfax Street. The line was fixed "Hot" meaning under high pressure.

Will my rates go up?

Unfortunately yes, the city will be required to make loan payments of a little over \$1,120,000 for the next 20 years. The city council voted to use the 25/75% method to raise additional funds to make the bond payments. Twenty five percent of the overall loan payment will be accrued from tax revenue and seventy five percent from water and sewer revenue. Inside you will find a rate increase schedule to calculate your water and sewer rate and tax rate increase.

Why are these projects necessary?

In 2012 a Comprehensive Performance Evaluation of the city's water treatment facility was done by the Texas Commission on Environmental Quality (TCEQ). At the conclusion of this evaluation, TCEQ requested that a 5-year plan be developed for the city's water system. Per this request, the city employed O'Malley Engineering to evaluate the status of the city's water system and to make recommendations for long term viability. Additionally, the city also requested that O'Malley do a 5-year plan for the wastewater system.

The evaluation revealed that the water and wastewater treatment plants, the water distribution system and the wastewater collection system were at the end of their useful life expectancy (and well past their projected/designed life expectancy).

Lift Stations, what are they and why do we need them?

A lift Station is a small pump house located in a well that pumps raw waste water from one end of town to the sewer plant. When there is no natural elevation or slope to make water flow by gravity, it is necessary to move the water through these pump stations.

Cameron owns and operates 15 stations city wide and they need to be brought up to current TCEQ codes and regulations.



A budget of \$2,000,000 was set to replace or refurbish all 15 lift stations. The city will also conduct a smoke test throughout the wastewater lines to identify any cracks or breaks in the pipeline throughout the city system.

Refurbish Water Plant

In 2014 renovations were made to the water treatment plant's filtration system. The new project will include adding new screens at the river intake station, work on electrical panels, adding a generator to the intake pumps, rework pipelines coming into the water plant and refurbishing the clarifiers (water tanks that settle clay and sand). These repairs are estimated to cost \$5.4 million. Renovations will prolong the life of the water plant expectancy by 20 years. The project also intends to do a hydrological study on the water line distribution system. According to Utility Director, Jerald Brunson this will evaluate line size, pressure and allow the city to prioritize key line replacement. "The hydrological study will help us develop a plan to prioritize the three issues currently affecting our distribution system: 1) areas of low pressure/flow 2) areas that are currently deteriorated and failing on a consistent basis 3) identifying pipe that has been installed pre-1950 that is also deteriorating and needs replacing before it fails" said Brunson.

New Wastewater Plant

An estimated \$10,690,000 is budgeted for the design and construction of a new wastewater plant. The original sewer plant was built in 1957 and rehabilitated in 1987 and 1997; various improvements were also made in the years 2003-2004. In 2014 renovations were made to the aeration system and aerobic digester system to keep the plant operational until a new plant could be built.

Will this fix all of the city's water and wastewater problems?

No, based on estimates by our engineers, it would cost double the current project costs to replace the entire infrastructure in both the water distribution system and wastewater collection system. That sum is estimated at \$44,000,000. The city council, staff and engineers have determined projects that have the greatest impact on the community for reliable utility services.

Is there a plan in place to address the infrastructure issues not covered by the TWDB projects?

Yes, but not completely or all at once. The city will apply for CDBG, Community Development Block Grants through the Texas Department of Agriculture as we move forward to replace or repair additional lines as funding is available. In most cases, we receive these grants every other year.



What changes will I see at my residence or place of business?

The majority of the connections will see an improvement to "Brown Water" issues caused by replacing metal corrosive lines with PVC.

Other improvements that may be seen include:

- 1) Water distribution – Some parts of town have undersized mains. These may be replaced and pressure could be improved.
- 2) Water distribution – There are several problem areas where the pipe is failing multiple times. Several of these will be replaced.
- 3) Wastewater collection – New connections and new main lines
- 4) Lift Stations - All of our lift stations need upgrading and repair. Doing these repairs will make them more reliable.

Is my water Safe to Drink?

Absolutely, the Cameron water system has been given a "Superior Public Water System" rating by TCEQ. This designation is given based on routine inspection by TCEQ personnel and through the results of tests run on both our raw and finished water. The last inspection was completed in December of 2015. On February 29, 2016, the city was notified that our PWS continues to merit recognition as a "Superior" system.

Tax Rate increase

The tax rate will be increased 0.09 cents to make 25% of the bond debt. The other 75% is being paid for through the water and sewer rate utility increase. This is on the I&S side of property taxes and does not exempt residents who are 65 and older or have a freeze on their taxes.

Add 0.09 cents per 100 valuation of property.



Trouble Shooting Water Problems

Let us help you. The City will trouble shoot your water issues. Routinely the city flushes fire hydrants that take care of "Brown Water" which is a large percentage of demands. Report issues to City Hall 254-697-6646.

The water and sewer rate will go into effect May 1, 2016. The new rate increase will appear on your June 1, 2016 utility bill. All statements are mailed on the 1st, and due on the 10th of each month. The cutoff date is on the 20th of each month. If the 20th falls on a weekend, you may use the drop off box. If the bill is not placed in the drop off box or paid by the 20th a \$50 fee will automatically be applied to your account. Soon you will be able to pay your water bill online at www.camerontexas.net

Water & Sewer Rate Increase

MOST RESIDENTIAL SERVICES

NEW WATER RATE: 1833 CONNECTIONS

5/8" AND 3/4" METERS

Increase \$16.70

\$51.45 Minimum Charge for the First 2,000 Gallons
All in excess of 2,000 Gallons, \$3.48 per 1,000 Gallons

NEW SEWER RATE: 1896 CONNECTIONS

RESIDENTIAL RATE

Increase \$16.70

\$34.30 Minimum Charge for the First 2,000 Gallons
All in excess of 2,000 Gallons, \$1.40 per 1,000 Gallons

Larger Water Meter Sizes:

1" METER

Increase \$23.35

\$72.01 Minimum Charge for the First 3,500 Gallons
All in excess of 3,500 Gallons, \$3.48 per 1,000 Gallons

1 1/2" METER

Increase \$31.13

\$96.00 Minimum Charge for the First 5,500 Gallons
All in excess of 5,500 Gallons, \$3.48 per 1,000 Gallons

2" METER

Increase \$39.06

\$120.44 Minimum Charge for the First 6,500 Gallons
All in excess of 6,500 Gallons, \$3.48 per 1,000 Gallons

3" METER

Increase \$53.92

\$166.27 Minimum Charge for the First 8,000 Gallons
All in excess of 8,000 Gallons, \$3.48 per 1,000 Gallons

4" METER

Increase \$86.36

\$266.28 Minimum Charge for the First 15,500 Gallons
All in excess of 15,500 Gallons, \$3.48 per 1,000 Gallons

ALL OTHER COMMERCIAL SEWER RATES

LIGHT COMMERCIAL SEWER RATE:

Increase \$28.19

\$57.89 Minimum Charge for the First 2,000 Gallons
All in excess of 2,000 Gallons, \$1.40 per 1,000 Gallons

MODERATE COMMERCIAL SEWER RATE:

Increase \$33.41

\$68.61 Minimum Charge for the First 2,000 Gallons
All in excess of 2,000 Gallons, \$1.40 per 1,000 Gallons

HEAVY INDUSTRIAL COMMERCIAL SEWER RATE:

Increase \$103.53

\$212.62 Minimum Charge for the First 2,000 Gallons



Go ahead and
pour your
GREASE, FAT, or
COOKING OIL
down the drain...
I COULD USE
THE MONEY!



City of Cameron Utility Department
100 S. Houston
Cameron, Texas 76520

BULK RATE
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