

Utilities

Water Division



Norman Utilities Authority

March 2010

Water as an Enterprise Fund

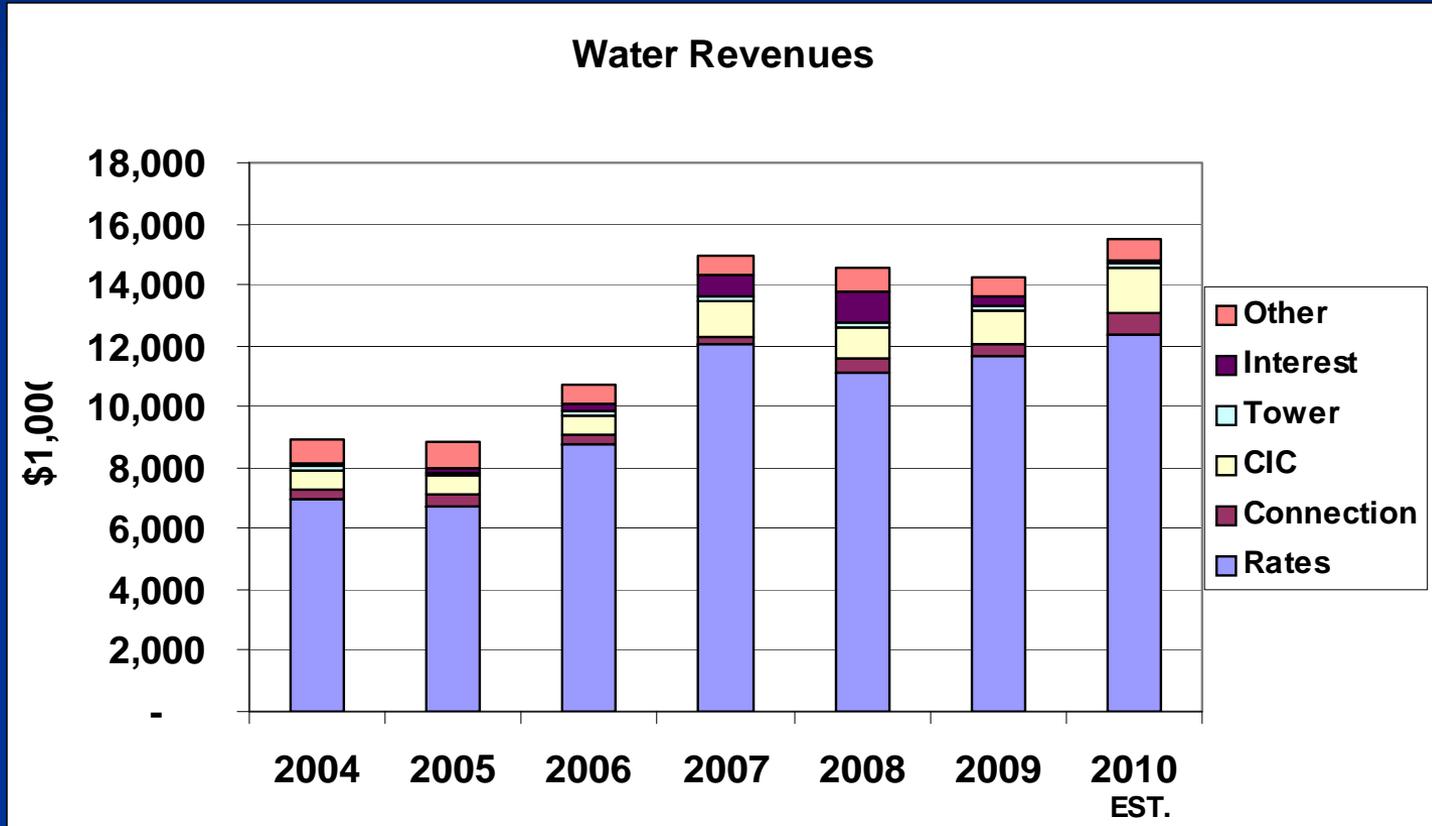


- 24/7 365 days a year
- 4.5+ billion gallons produced/yr

- 530 miles of pipelines
- 170,000 water quality tests per year



Water Fund Revenues



2006 Rate Increase

- ☑ Arsenic project – Replace 15 wells for source of supply
 - ☑ Mandate from EPA/ODEQ
- Taste and Odor Solution
- ☑ Three projects from the Water Distribution Model
 - ☑ Small part of 2003 Engineering Study recommendations
- ☑ Resurfacing water storage tanks
- ☑ Urban Service Area Water Lines
- ☑ \$100,000 for five years – Iron pipe replacement

2006 Rate Increase

- ☑ Water Treatment Plant Projects
 - ☑ Filter media, sludge disposal, emergency generator, pre-disinfection (EPA/ODEQ required), lime slakers
- ☑ Meter replacement program
- ☑ 1.5 mile of raw water line from Lake Thunderbird

Water Line Replacements

Hot Soil

☑ 2006

- Ripple Ave.
- Sparkle St.
- Glisten Ct.
- Cascade

☑ 2007

- Glisten Ct.
- Nicole Circle
- Bart Connor Dr.

Hot Soil

☑ 2008

- Nicole Circle
- Nicole

☑ 2009

- Rockcreek Rd.
- Bart Conner Ct.

Water Line Replacements

Urban Service Area

☑ 2006

- Ridge Rd.
- Mimosa Dr.
- Crawford Ct.
- Dale St.

☑ 2007

- Abe Martin
- Twintree
- Lafayette Dr.
- Northcrest

Urban Service Area

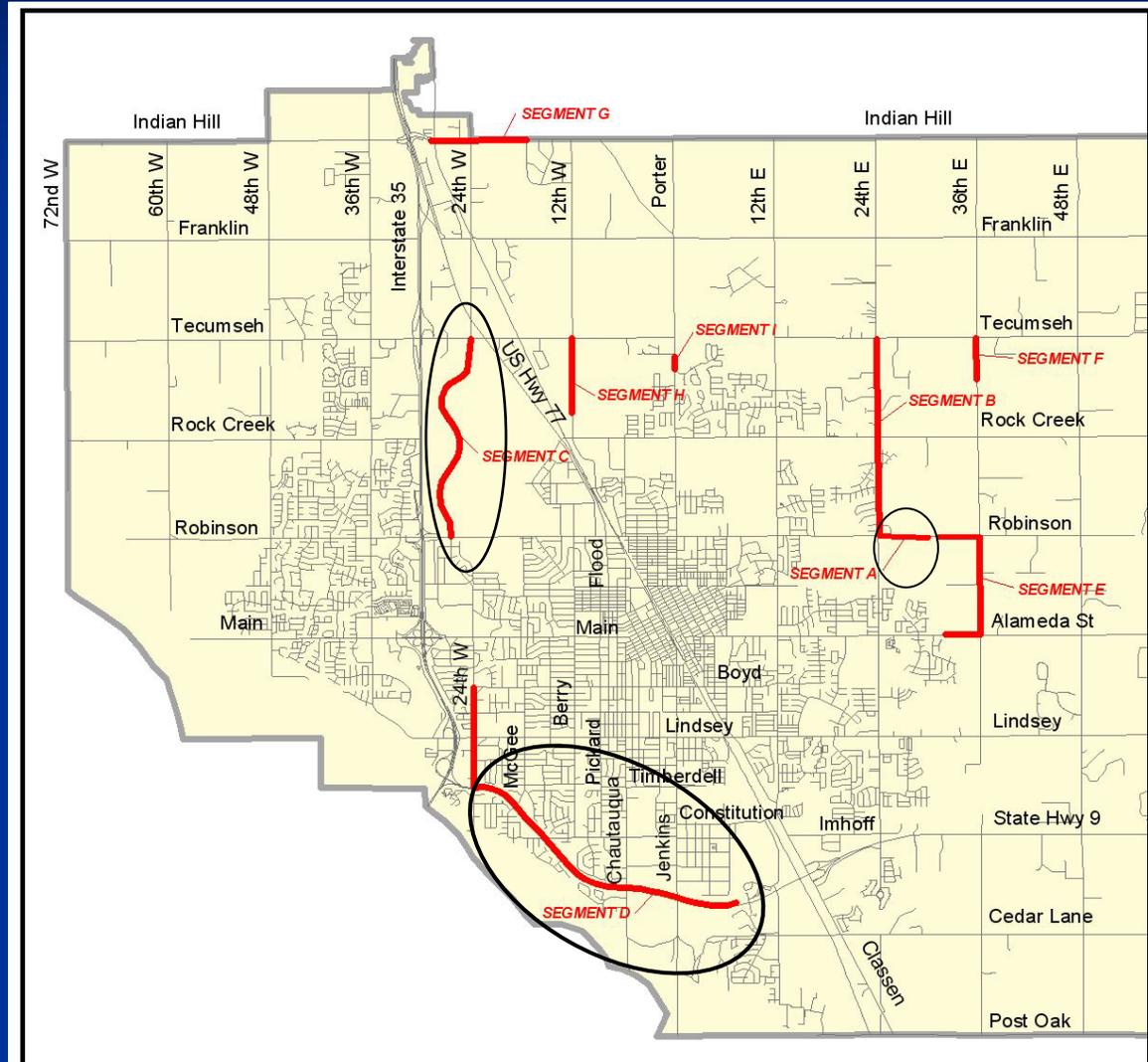
☑ 2008

- Dakota St.
- Overton Dr.
- Flood Ave.

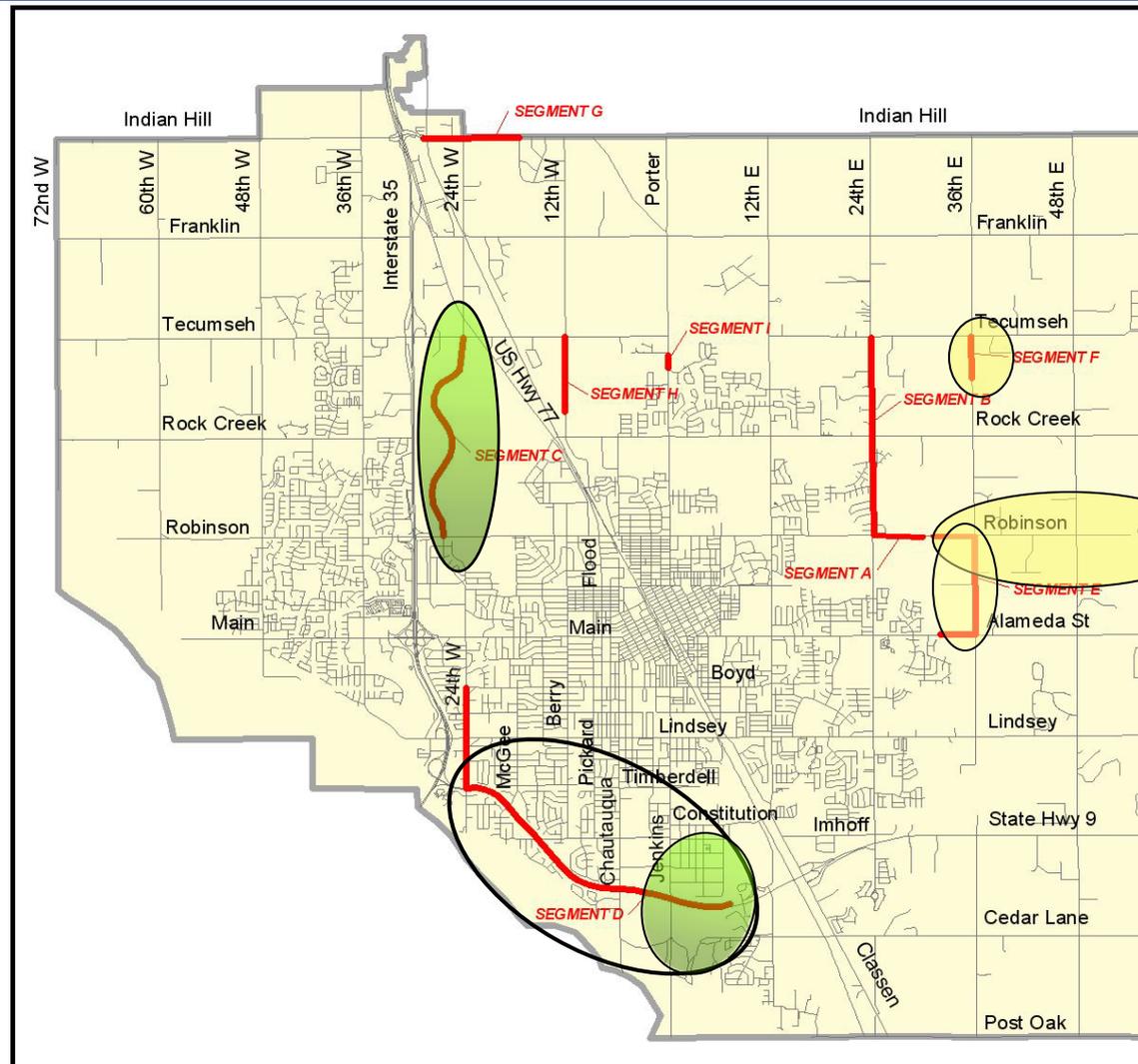
☑ 2009

- Flood Ave
- Lahoma Ave.
- Wilson St.
- Hoover St.

Water Model Development Plan - Revised



Water Model Development Plan - Revised



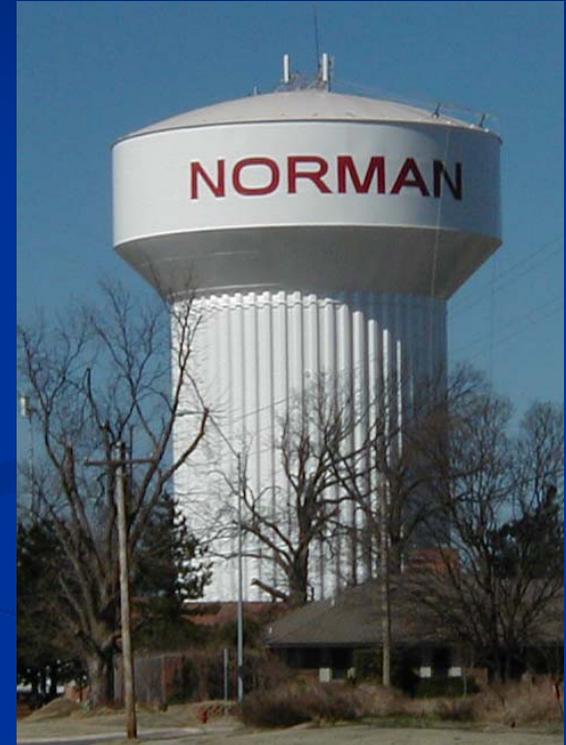
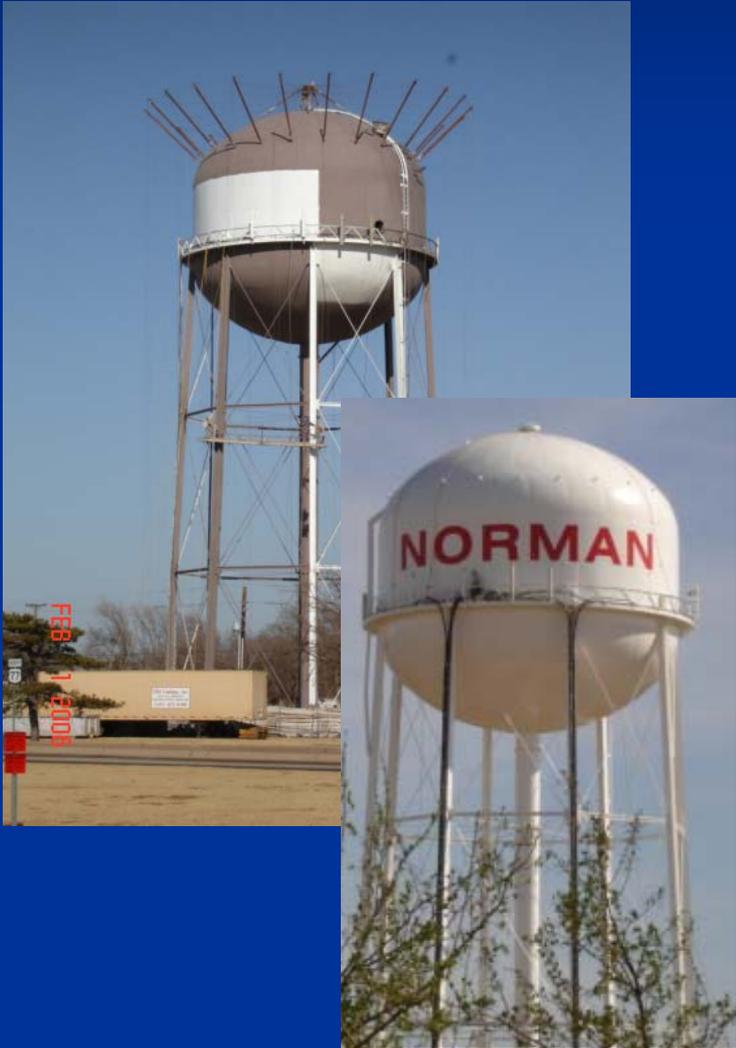
Well Work

- ☑ Well #3 replaced
- ☑ 3 New wells (#41,42,43) working, connected
- ☑ Well #31 Arsenic treatment Project, working
- ☑ 6 New wells (#44 – 49) Drilled, tested, piped and waiting final regulatory approval
- ☑ 10 New Wells (#50-61) Drilled, tested, waiting for well houses and piping to system

New Wells



Water Tower Painting



Water Treatment Plant Rehabilitation

- Water Treatment Plant Loan
 - ARRA through OWRB \$14 mil (\$2 mil grant)
- New Clarifier
- Filter Rehab.
- Generator
- Chemical Feed
- Electrical upgrade

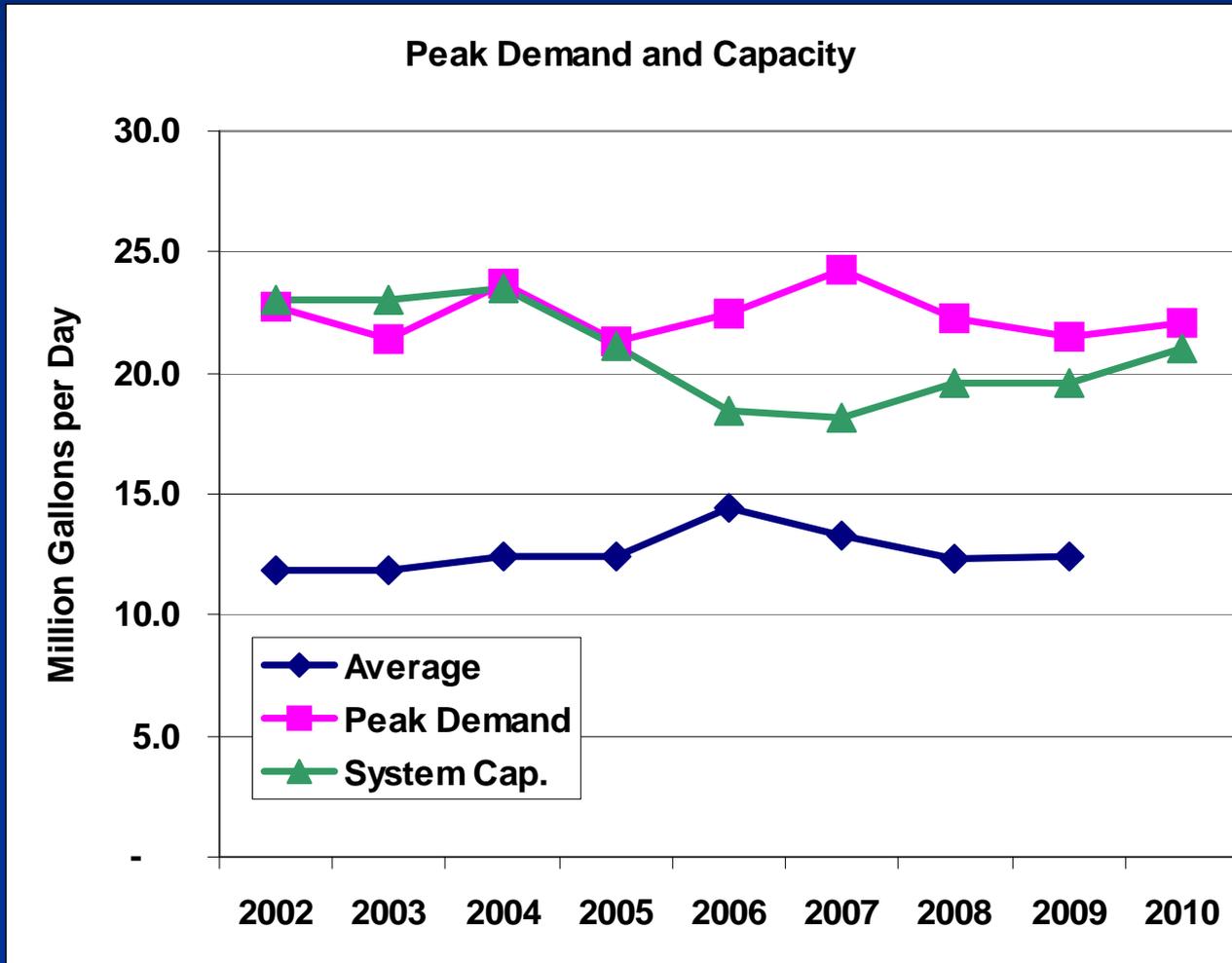
New Clarifier Under Construction



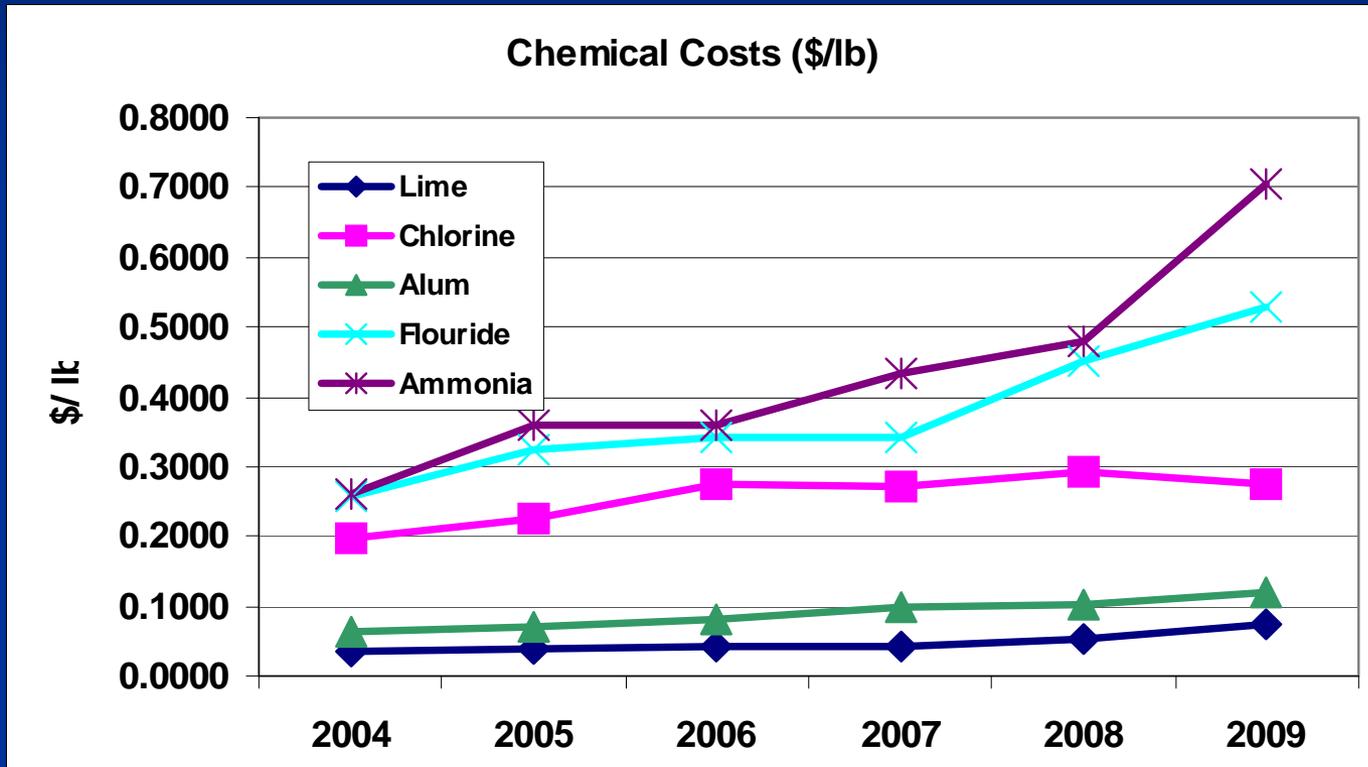
Replacement Filters



System Demand and Capacity



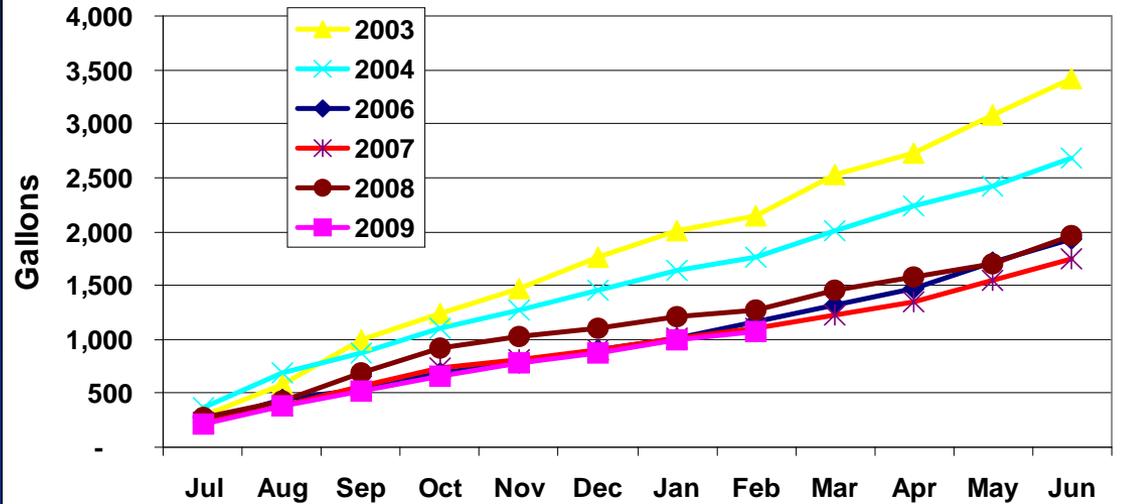
Chemical Costs



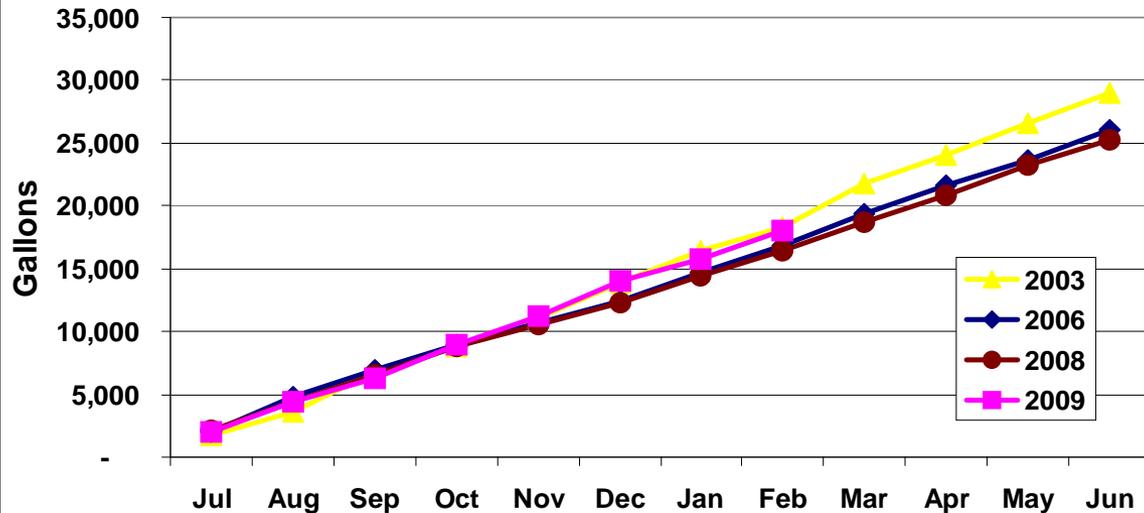
Chemical costs increased 54% overall (\$550,000) since 2006

Fuel

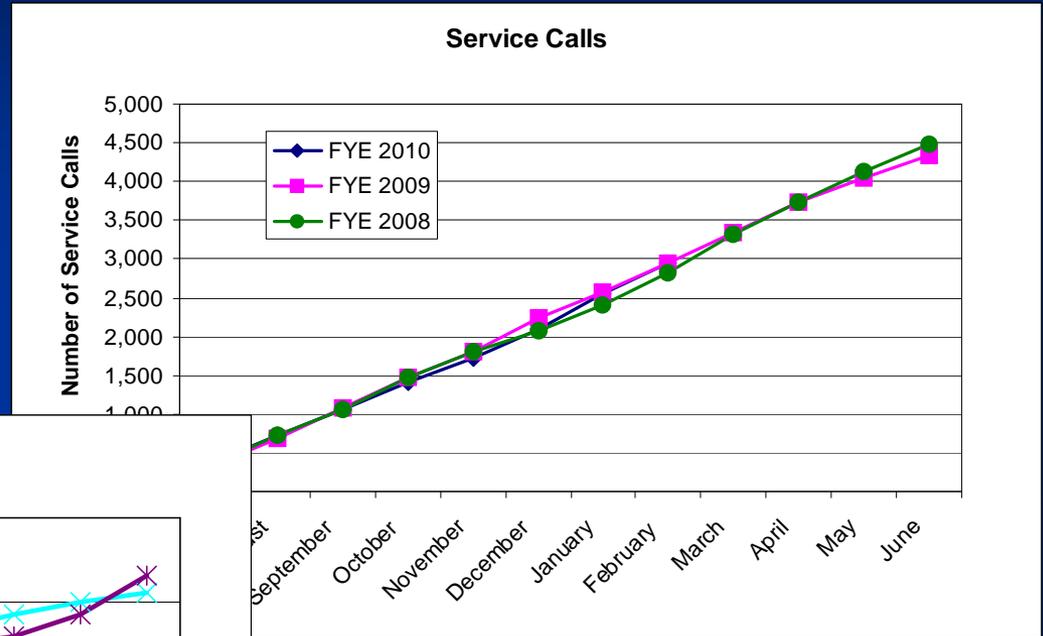
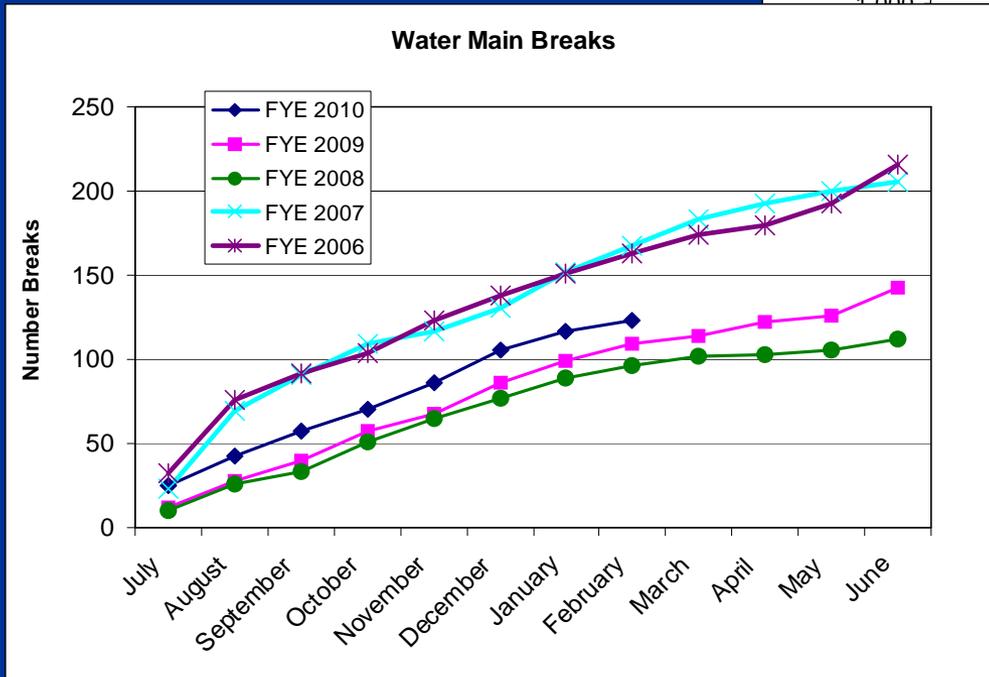
Water Cumulative Fuel Consumption



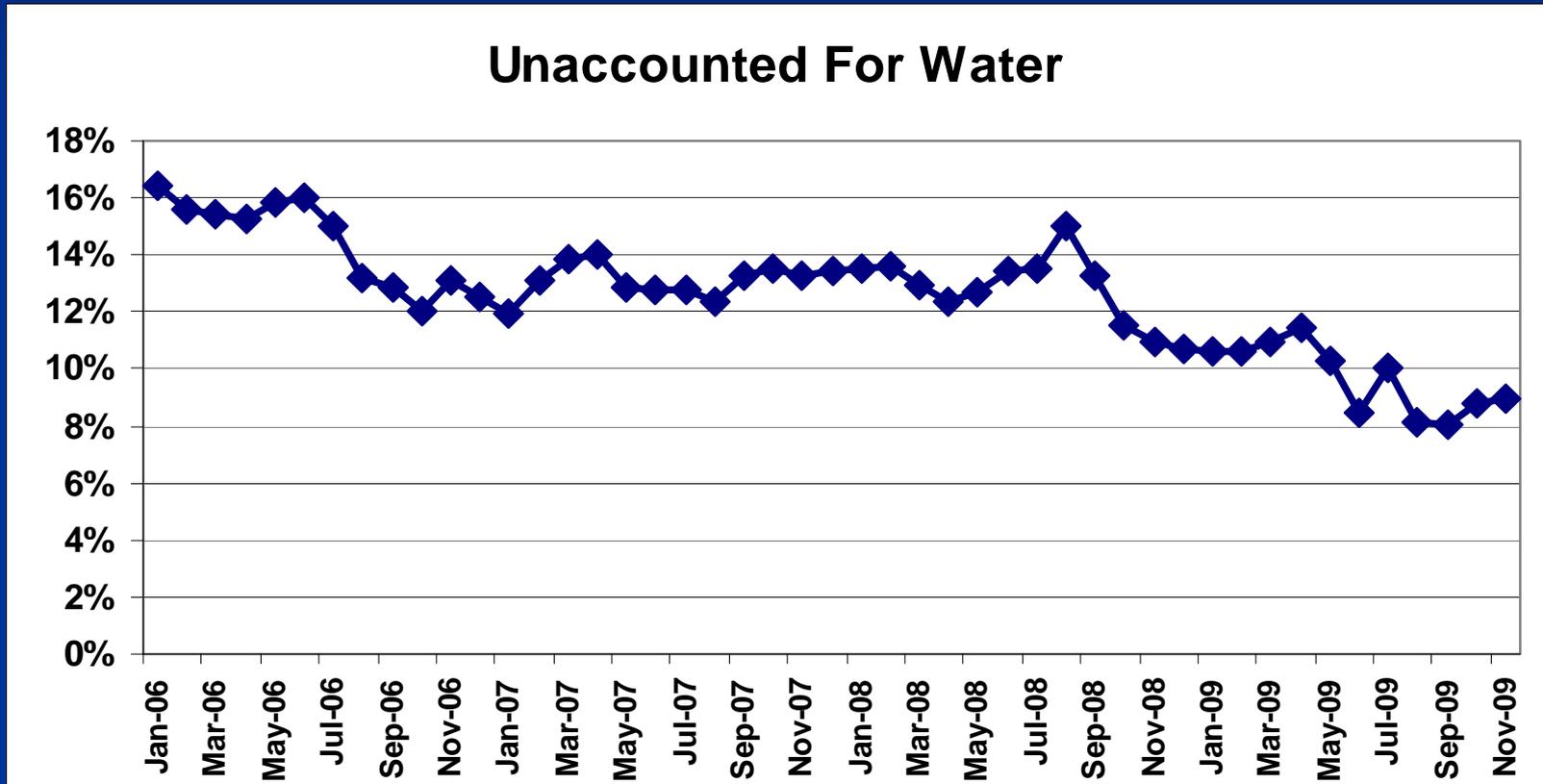
Water Line Maintenance Cumulative Fuel Consumption



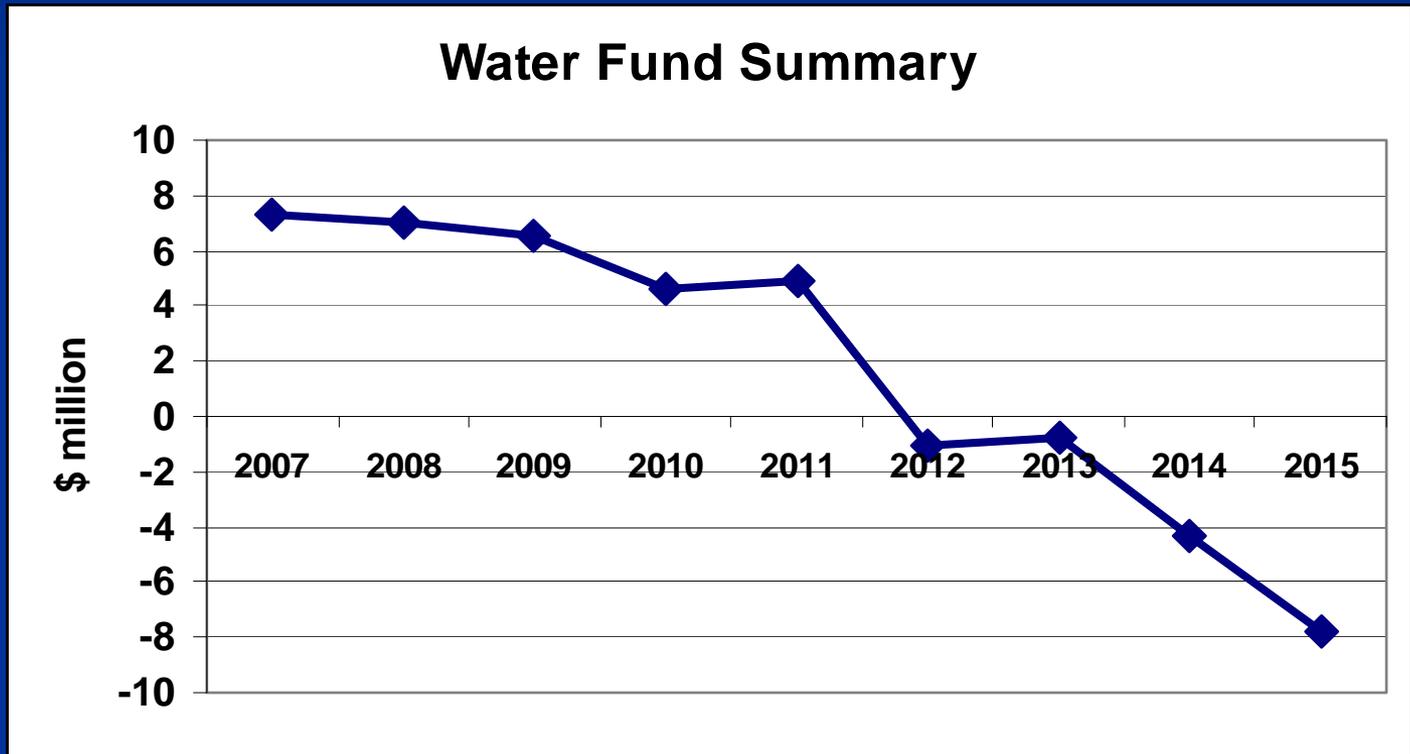
Line Maintenance



Unaccounted for Water



Water Fund Balance



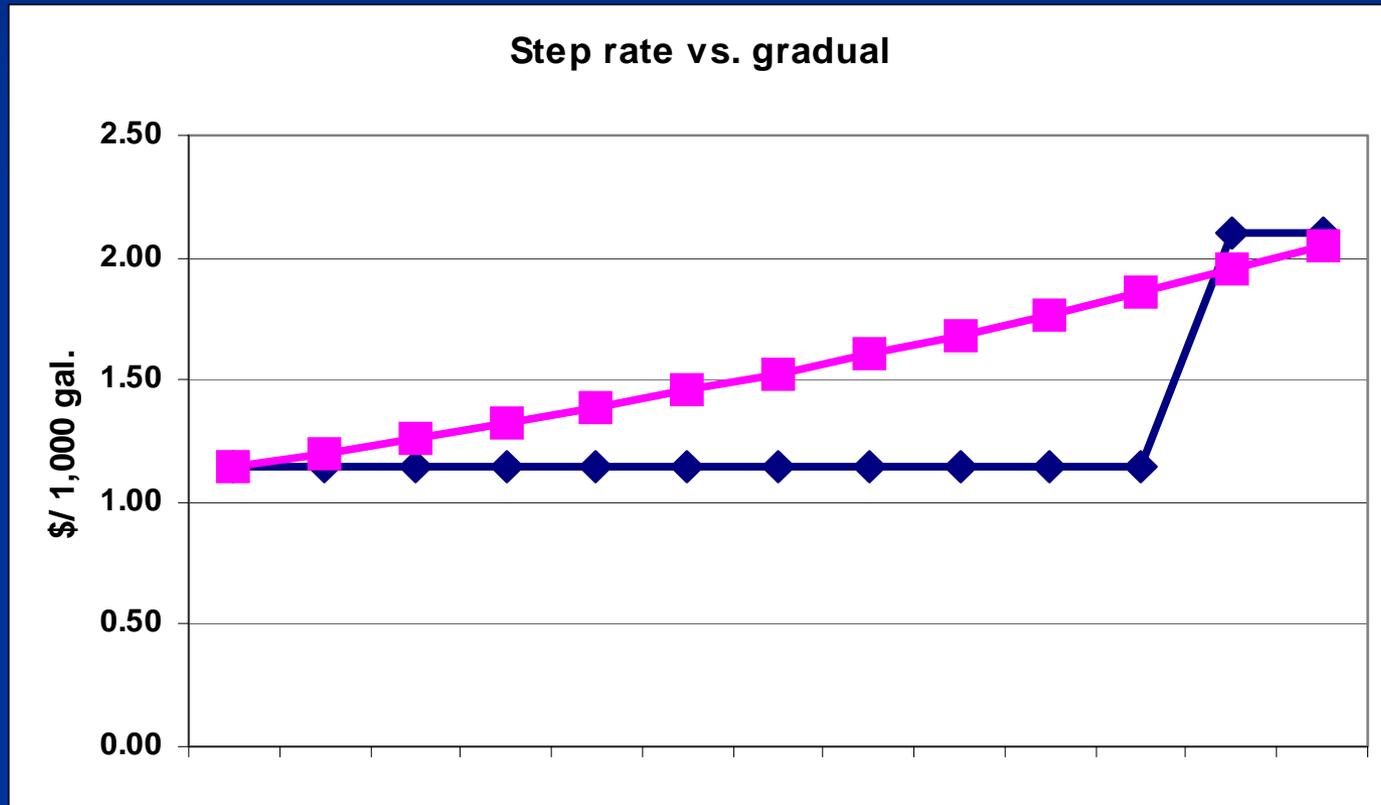
Future Capital Projects

- Taste and Odor
- Chemical Feed (continued)
- Chlorine Safety Improvements
- Raw Water Lines
- New Water Storage Tank
- Distribution Line Improvements

Water Rates

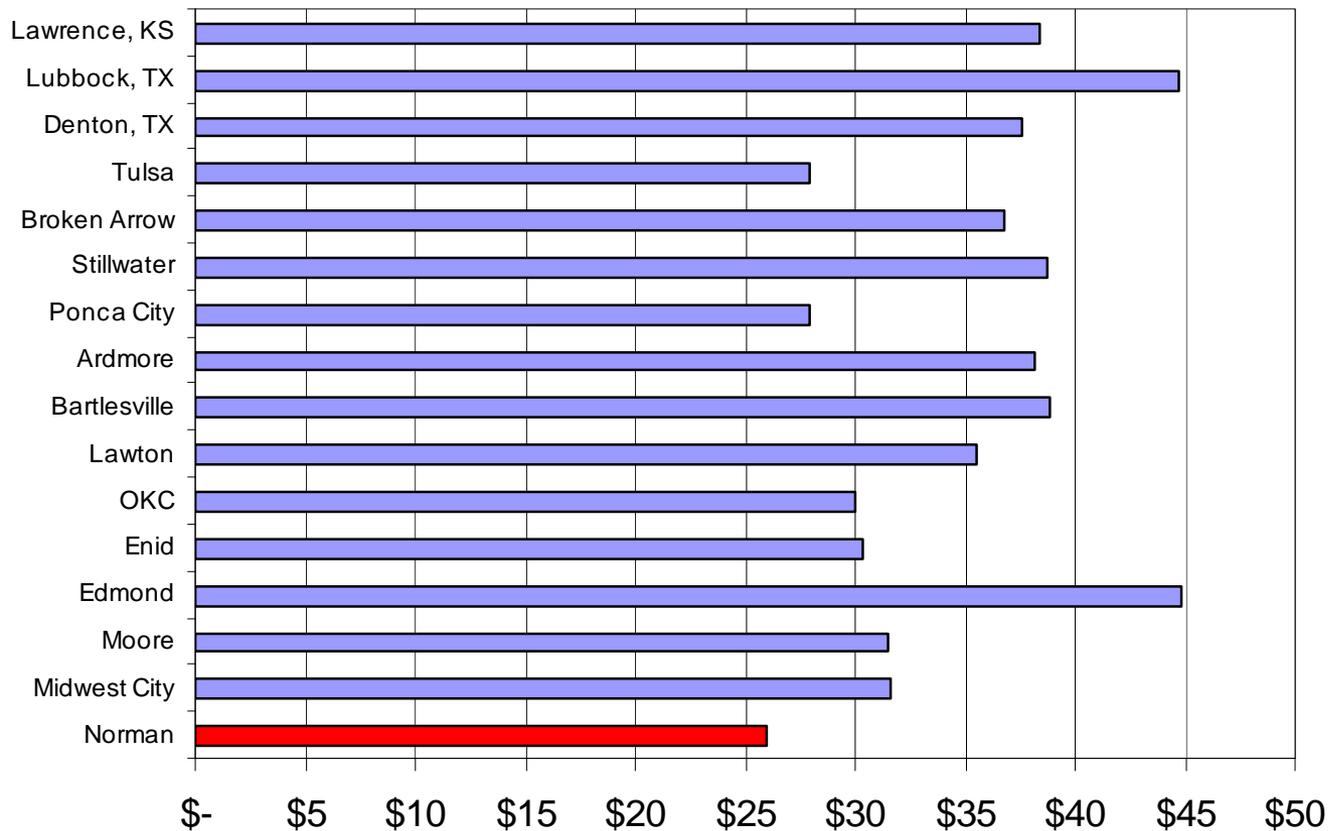
- 1995 water rate increase
- 1999 Inverted rate block adopted for conservation. Effected about 25% of residential customers
- 2006 increased water rates to current level

Rates; Step vs. Gradual



Residential Water Rates

**Residential Water
Monthly charge for 10,000 gallons**



Residential Rate Structure

- \$4.00 Base rate
- \$1.50 Capital Improvement Charge (CIC)
- 0 – 5,000 gal \$2.00 per 1,000 g
- 5,001 – 15,000 gal \$2.10 per 1,000 g
- 15,001 – 20,000gal \$2.75 per 1,000 g
- Over 20,001 gal \$4.95 per 1,000 g

Residential Customer Example

■ For 10,000 gallons	
■ Base rate	\$ 4.00
■ CIC rate	\$ 1.50
■ Commodity rate	
■ 5,000gal @ \$2.00 per	\$10.00
■ 5,000gal @ \$2.10 per	<u>\$10.50</u>
■ Total	\$26.00

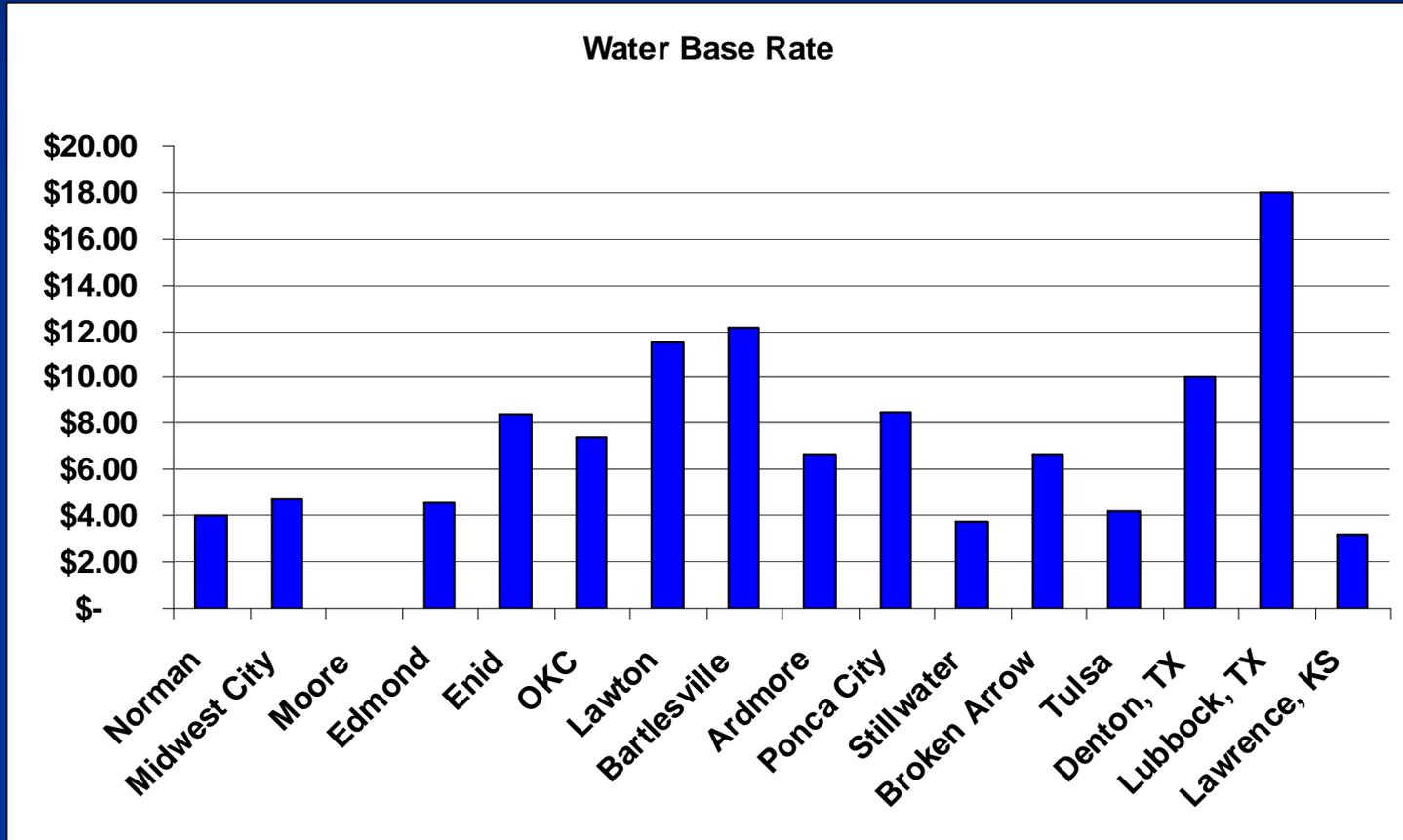
Commercial Rate Structure

- \$4.00 Base rate
- \$2.10 per 1,000 gallons

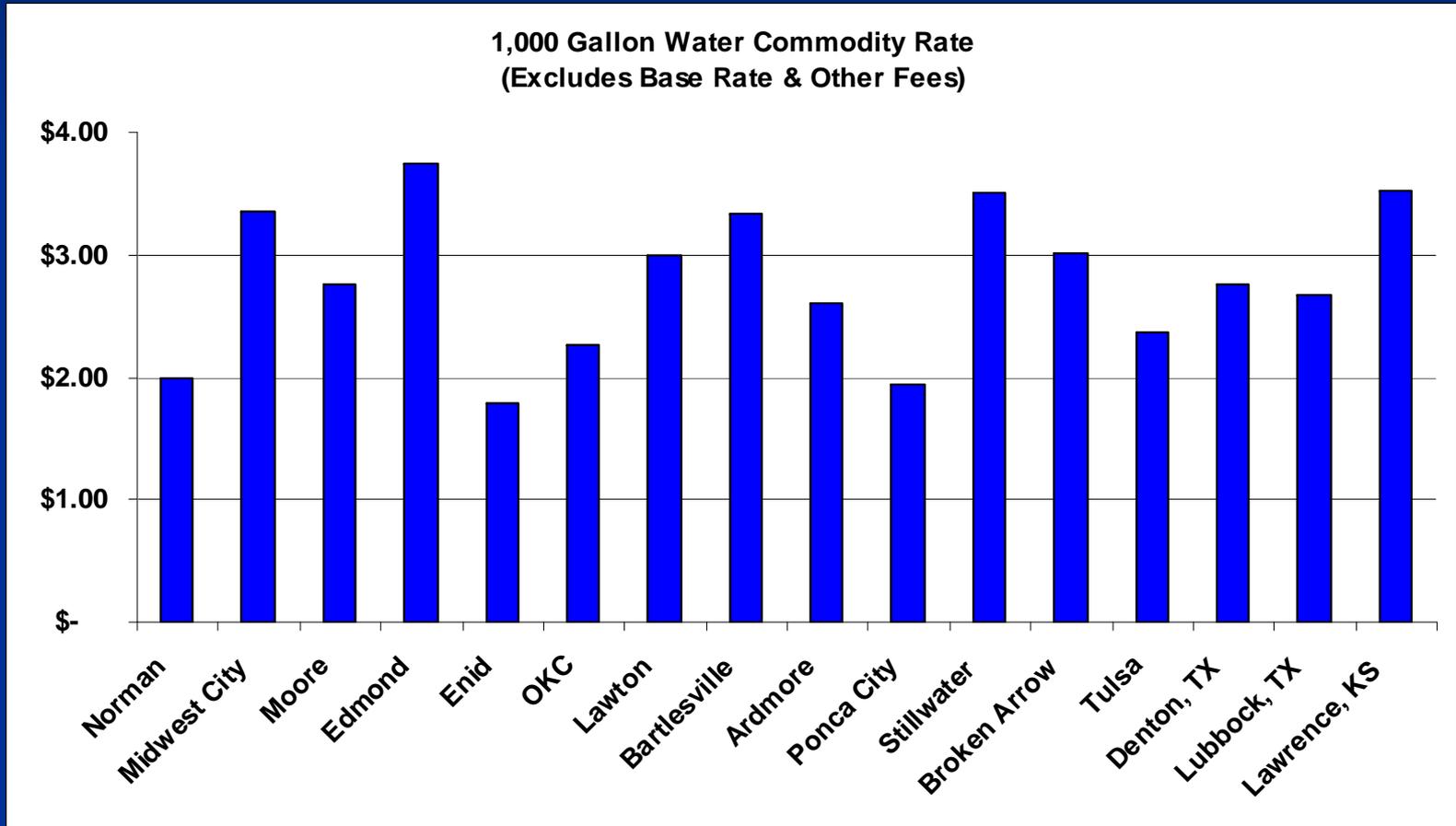
- Commercial Rate example @ 10,000 gal

Base rate	\$ 4.00
Commodity rate 10,000@ \$2.10	<u>\$21.00</u>
	\$25.00

Water Base Rate



Water Base Commodity Rate



**Make
Every
Drop Count**

