

BUILDING A WORLD OF DIFFERENCE

12 January 2015

SAN ANTONIO WATER SYSTEM (SAWS) RATE ADVISORY COMMITTEE: MEETING 10

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SELECTED SPECIAL SERVICE FEES ANALYSIS

OVERVIEW

RESULTS

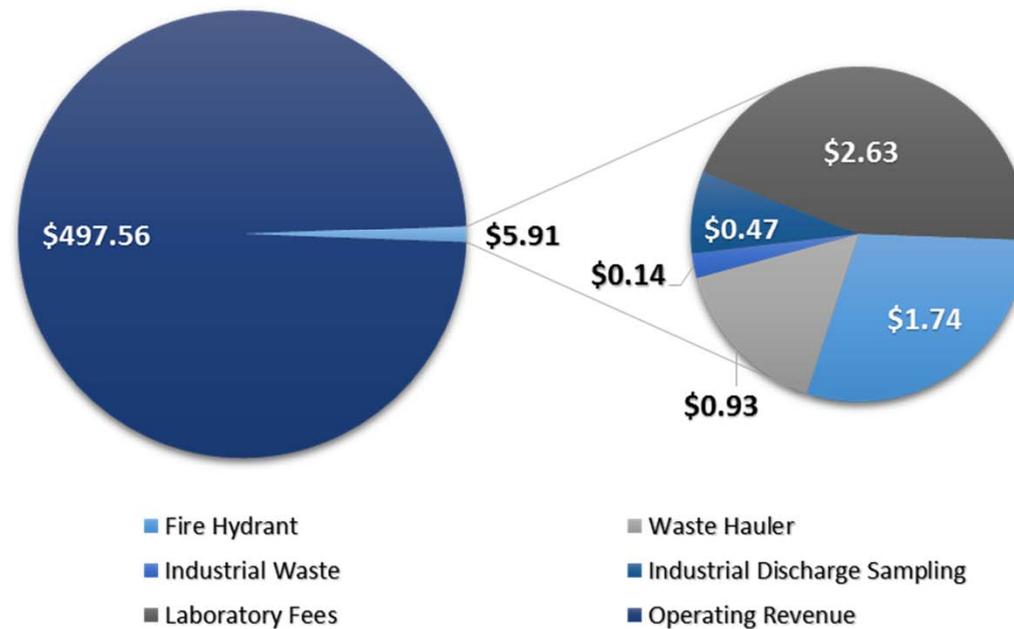
- INDUSTRIAL WASTE PERMIT
- INDUSTRIAL DISCHARGE SAMPLING
- LIQUID WASTE HAULER
- FIRE HYDRANT METER
- LABORATORY TESTS

PURPOSE

The purpose of the presentation is to present the proposed fees for the selected SAWS special services.

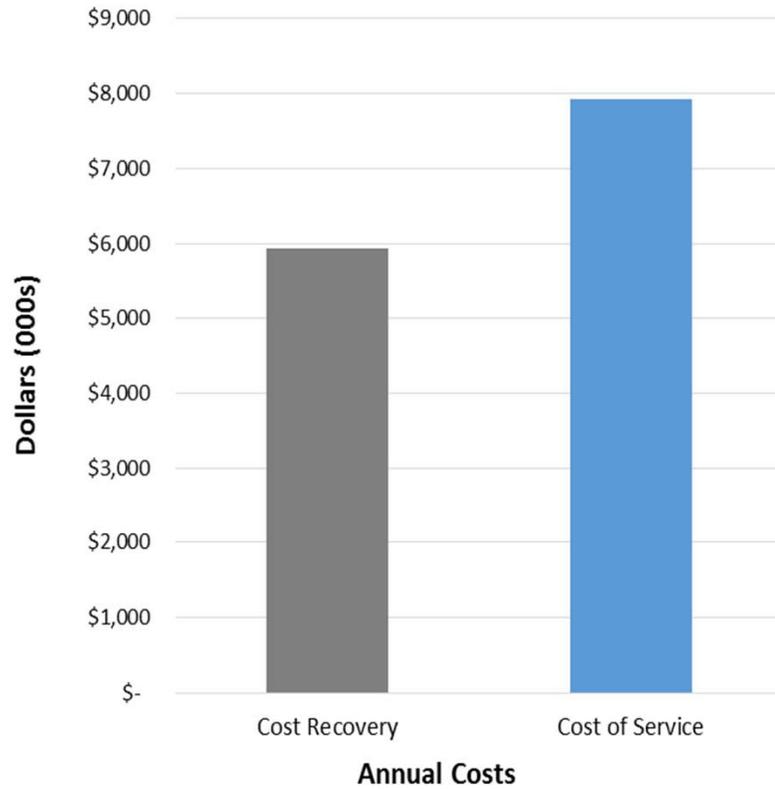
COST RECOVERY FOR SELECTED SPECIAL SERVICES ACCOUNT ≈ 1% OF SAWS OPERATING REVENUE

Total Operating Revenue and Selected Special Services Breakdown
\$ in millions



CURRENT FEES < OVERALL COST OF SERVICE

2014 Selected Services Cost Recovery



Special Services Cost Recovery Matrix



INDUSTRIAL WASTE PERMIT FEES OVERVIEW

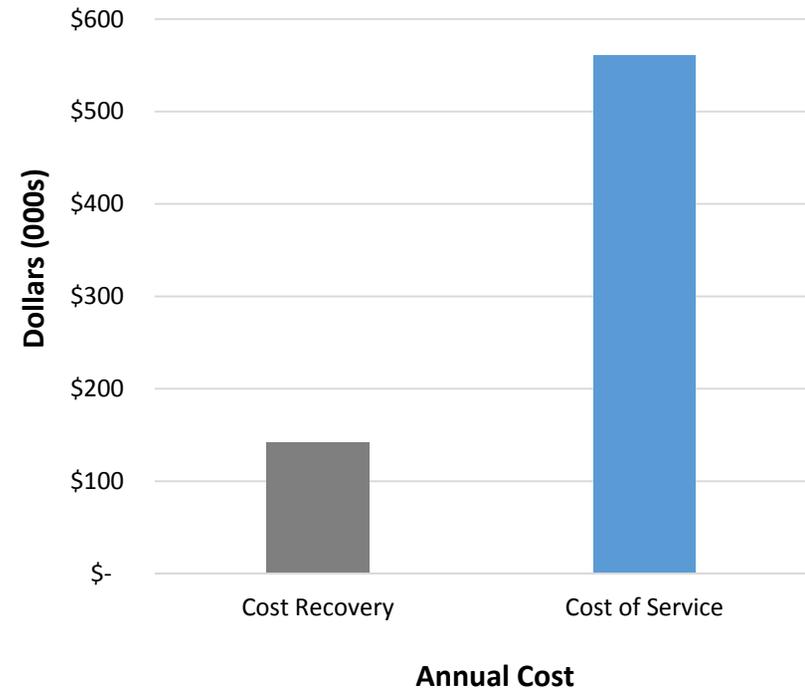
- **PURPOSE:** To recover the costs for the administration of the industrial waste permitting program
- **TARGETED CUSTOMERS:** All industrial waste customers
 - Categorical customers are subject to Categorical Pretreatment Standards as defined by the EPA
 - Categorical customer inspections are more extensive
 - Regulatory requirements drive these costs

INDUSTRIAL WASTE PERMIT CURRENT FEES

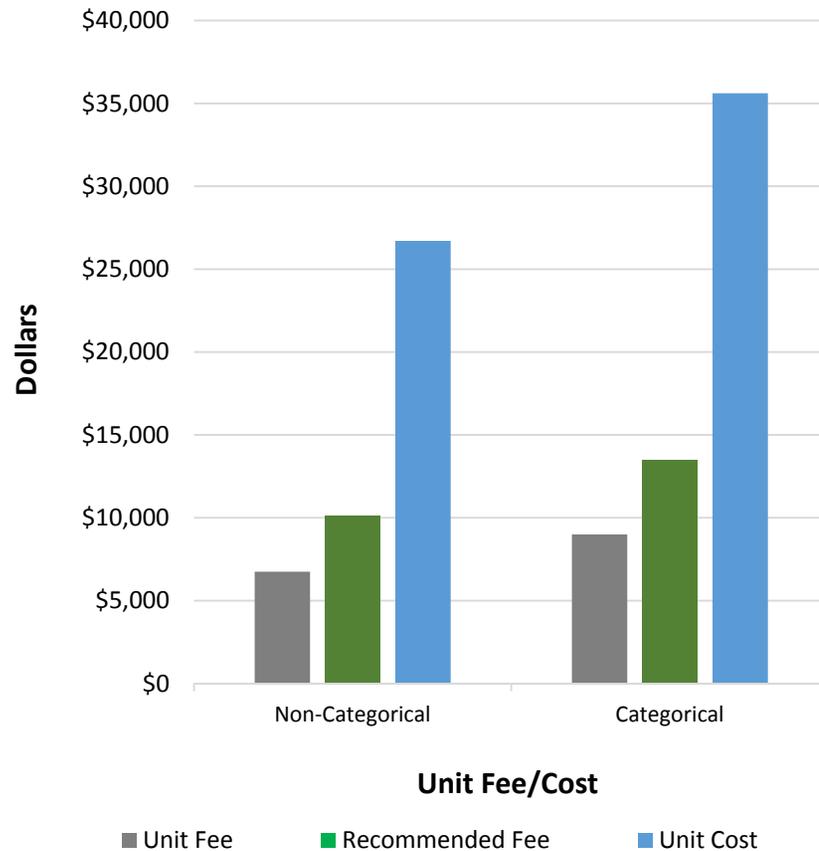
CURRENT FEES (5-year):

- **Categorical Customers (73): \$9,000**
- **Non-Categorical Customers (24): \$6,750**
- **50% fee increase in FY 2012**

2014 Industrial Waste Permit



INDUSTRIAL WASTE PERMIT PROPOSED FEES



PROPOSED FEES:

- 50% fees increase in 2016
- Categorical: \$13,500
- Non-Categorical: \$10,125
- Indexed Increase: Annual Consumer Price Index (CPI) adjustments starting in FY 2017 until COS is recovered

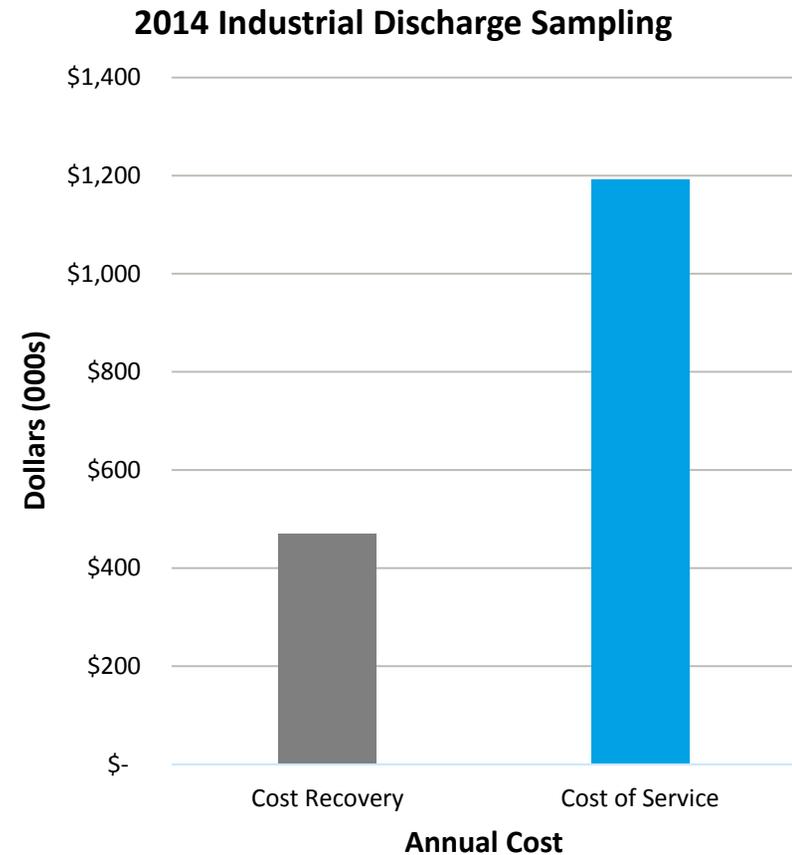
INDUSTRIAL DISCHARGE SAMPLING FEES OVERVIEW

- **PURPOSE:** To recover the costs for the sampling of industrial user discharges
- **TARGETED CUSTOMERS:** All industrial waste customers
 - SIU customers are subject to EPA pretreatment standards and/or discharge a significant amount of industrial wastewater
 - Required SIU customer testing requirements are more extensive
 - Fee based on the recovery of sampling costs

INDUSTRIAL DISCHARGE SAMPLING CURRENT FEES

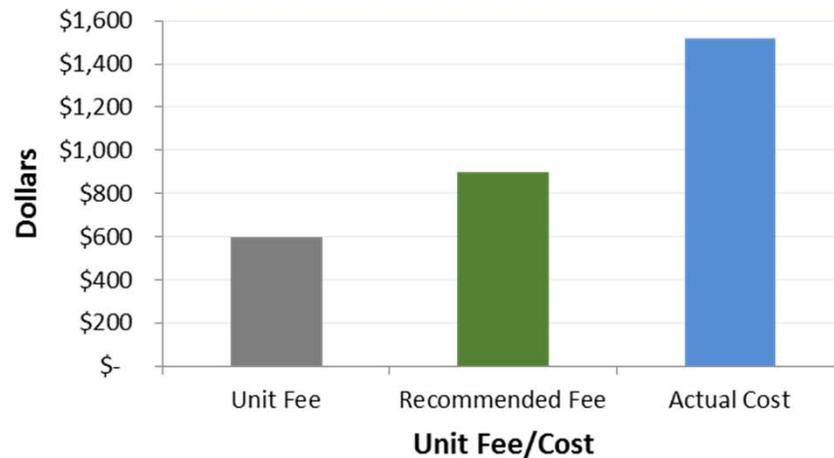
CURRENT FEES:

- Significant Industrial User (SIU) Customers (94): \$600 per sample (4 samples/year)
- Non-SIU (NSIU) Customers (3,538): \$5.76 per month
- 50% increase in FY 2012

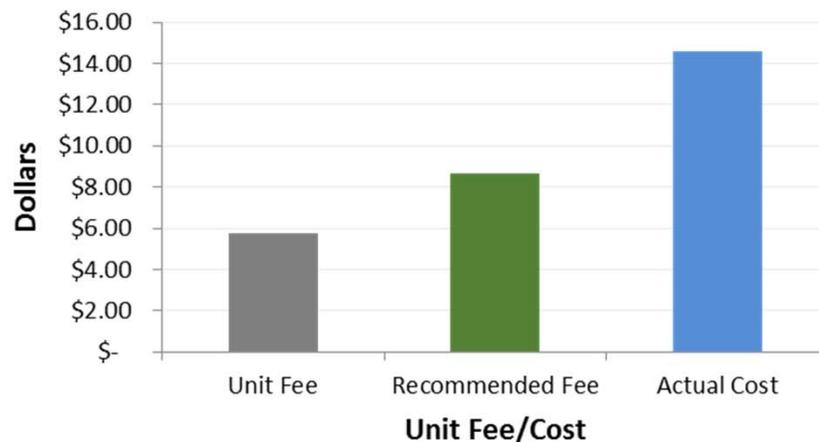


INDUSTRIAL DISCHARGE SAMPLING PROPOSED FEES

SIU Sampling Fee



NSIU Sampling Fee



PROPOSED FEES:

- 50% fees increase in 2016
- SIU: \$900 per sample
- NSIU: \$8.64 per month
- Indexed Increase: Annual Consumer Price Index (CPI) adjustments starting in FY 2017 until COS is recovered

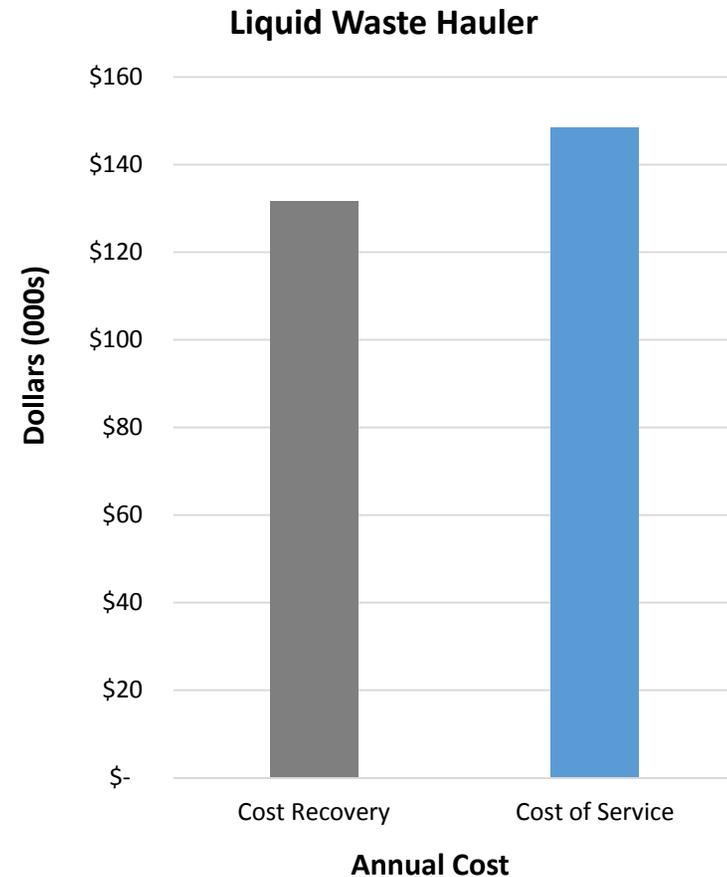
LIQUID WASTE HAULER ADMINISTRATIVE FEES OVERVIEW

- **PURPOSE:** To recover the cost of the administration of the liquid waste transportation program
- **TARGETED CUSTOMERS:** All liquid waste transporters
 - Comprised of the labor and equipment required for inspections
 - Basis of the fees are the frequency of activities (number of inspections and manifest books required)

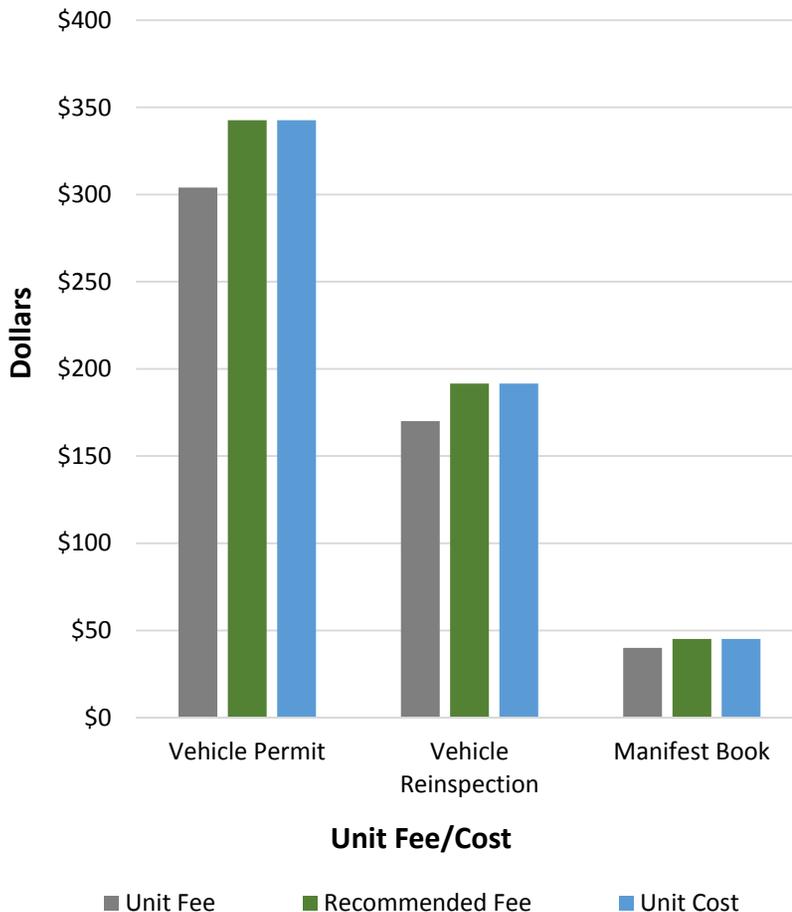
LIQUID WASTE HAULER CURRENT ADMINISTRATIVE FEES

CURRENT FEES:

- Annual Permit: \$304
- Vehicle Reinspection: \$170
- Manifest Book: \$40



LIQUID WASTE HAULER PROPOSED ADMINISTRATIVE FEES



PROPOSED FEE:

- Increase fees to cover full cost of service in FY 2016
- Annual Permit: \$343
- Vehicle Inspection: \$192
- Manifest Book: \$45
- Indexed Increase: Annual Consumer Price Index (CPI) adjustments starting in FY 2017 until COS is recovered

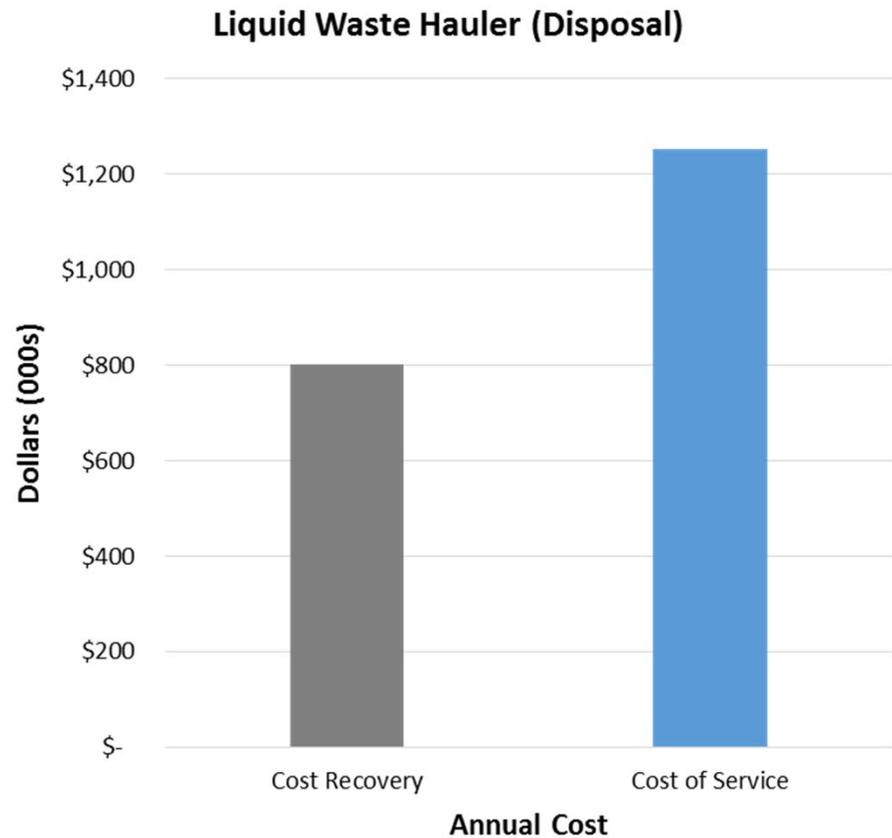
LIQUID WASTE HAULER DISPOSAL FEE OVERVIEW

- **PURPOSE:** To recover the cost of disposing of hauled liquid waste
- **TARGETED CUSTOMERS:** All liquid waste transporters
 - Comprised of treatment, O&M, and overhead costs
 - Basis of the fees are the volume of waste and the concentration waste loadings (BOD/TSS)

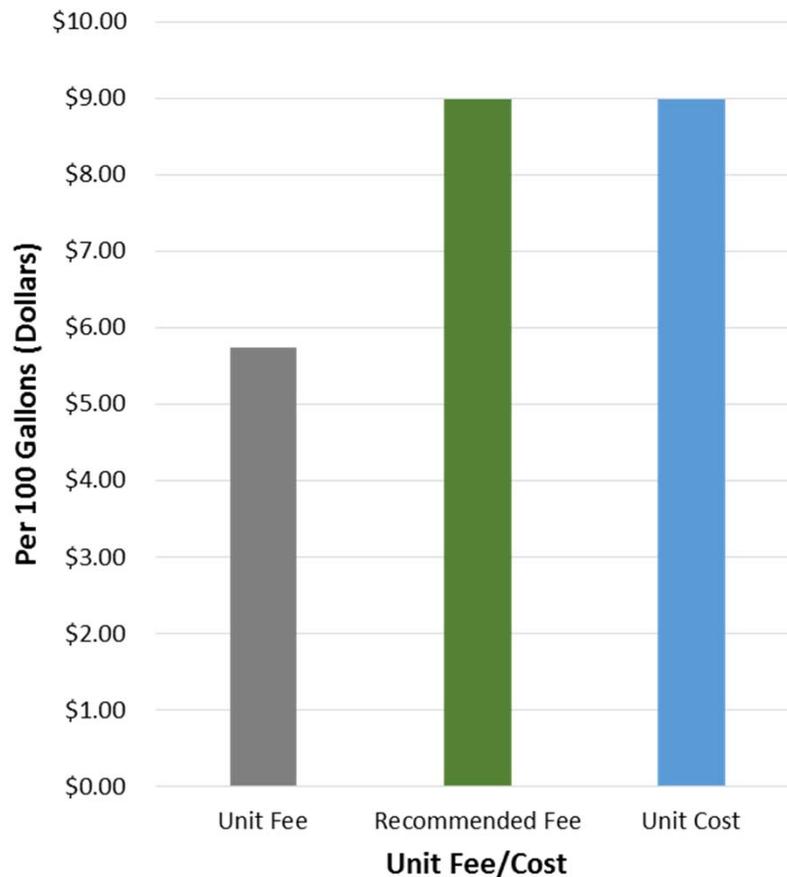
LIQUID WASTE HAULER CURRENT DISPOSAL FEE

CURRENT FEE:

- \$5.74 per 100 gallons



LIQUID WASTE HAULER PROPOSED DISPOSAL FEE



PROPOSED FEE:

- \$8.99 per 100 gallons
- Implement annual fee increases that coincide with the level of annual TSS, BOD, and flow increases
- Indexed Increase: Annual Consumer Price Index (CPI) adjustments starting in FY 2017 until COS is recovered

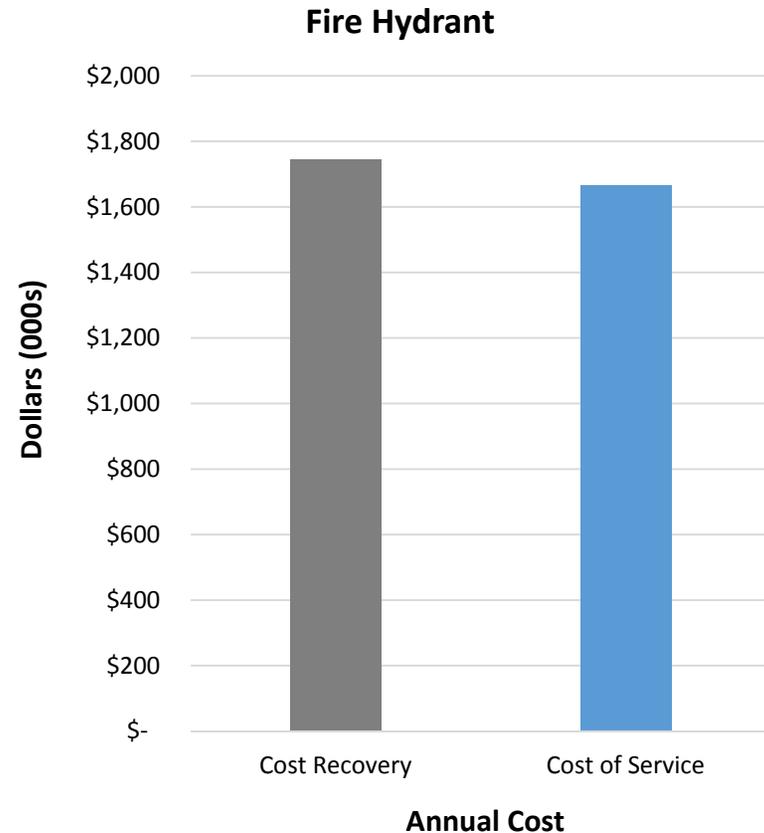
FIRE HYDRANT METER FEES OVERVIEW

- **PURPOSE:** To recover the costs for administering the meter rental program
- **TARGETED CUSTOMERS:** Construction operators
 - Compromised of equipment, administrative, and water supply costs
 - Basis of the fees are the water supply costs and customer compliance costs

FIRE HYDRANT METER CURRENT FEES

CURRENT FEES:

- **Deposit: \$910/\$1,060 (inside/outside Bexar County)**
- **Daily Availability Charge: \$6.50**
- **Water Use Charges/100 gallons**
- **Metered Water Sales: \$0.1529**
- **Water Supply Fee: \$0.1880**
- **Edwards Aquifer Authority Permit Fee: \$0.03295**



FIRE HYDRANT METER PROPOSED FEES

PROPOSED FEES:

- Maintain existing fee levels
- Change policy to increase the rate of customer compliance and payment collection
 - Customer Documentation
 - Enhanced Enforcement
 - Rental Policy Change
 - Control Installations

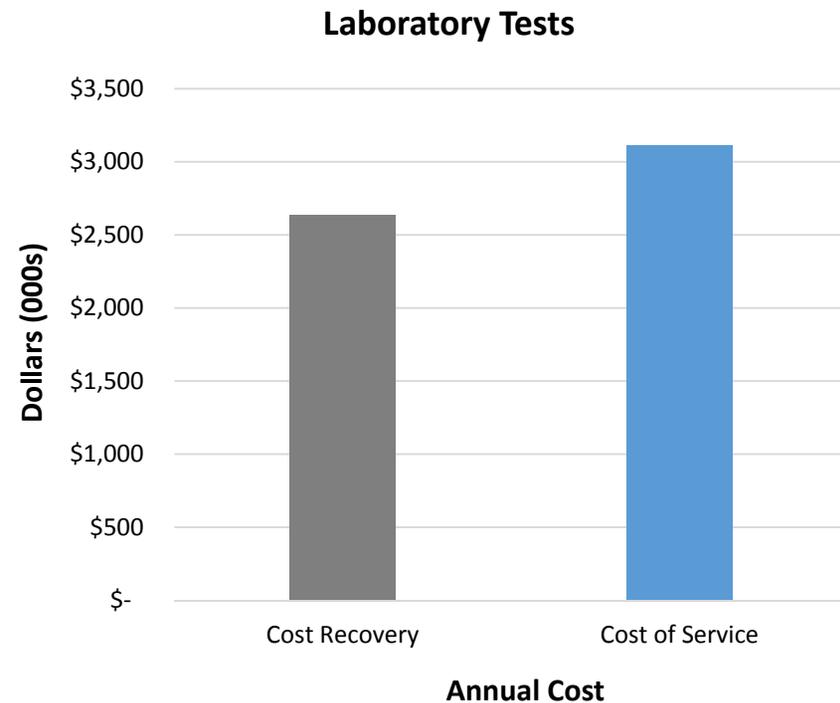
LABORATORY TESTS FEES OVERVIEW

- **PURPOSE:** To update the laboratory test fees to reflect the cost of service
- **TARGETED CUSTOMERS:** Public and private firms requiring lab services
- Compromised primarily of labor and equipment required for testing

LABORATORY TESTS CURRENT FEES

CURRENT FEES:

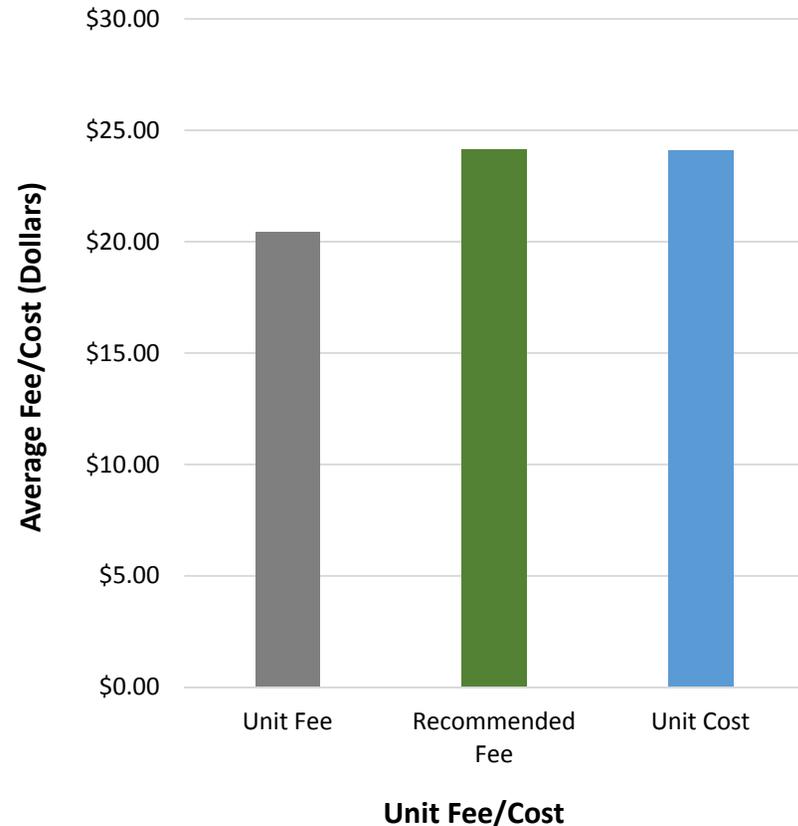
- Benchmarked against national averages
- Varies by type of test
- Average Program Fee per parameter = **\$20.42**



LABORATORY TESTS PROPOSED FEES

PROPOSED FEES:

- Increase each lab fee by 18% in FY 2016
- Average Program Fee per parameter = **\$24.15**
- Indexed Increase: Annual Consumer Price Index (CPI) adjustments starting in FY 2017 until COS is recovered



SPECIAL SERVICE FEE PROPOSAL SUMMARY

Line	Description	Current Fee	Unit Cost	Recommended Fee
	Industrial Waste Permit:			
1	Categorical Permit	\$9,000	\$35,600	\$13,500
2	Non-Categorical Permit	\$6,750	\$26,700	\$10,125
	Industrial Discharge Sampling:			
3	SIU Sampling	\$600/sample	\$1,521/sample	\$900/sample
4	NSIU Sampling	\$5.76/month	\$14.60/month	\$8.64/month
	Liquid Waste Hauler Fees:			
5	Hauler Permit	\$305	\$343	\$343
6	Hauler Re-inspection	\$170	\$192	\$192
7	Hauler Manifest book	\$40	\$45	\$45
8	Liquid Waste Hauler Disposal Fee	5.74/100 gal.	\$8.99/100 gal.	\$8.99/100 gal.
	Fire Hydrant Fees:			
9	Hydrant Deposit	\$910 Inside \$1,060 Outside	N/A	\$910 inside \$1,060 outside
10	Hydrant Rental	\$6.50/day	\$6.50/day	\$6.50/day
11	Hydrant Metered Water	\$0.374/100 gal.	\$0.374/100 gal.	Updated water rate
12	Laboratory Fees	\$20.42 Average	\$24.15 Average	\$24.15 Average

ONGOING DISCUSSION

- Outreach made to San Antonio Manufacturers Association
- Presented preliminary findings January 9
 - Industrial waste permit
 - Industrial discharge sampling
 - Laboratory test fees
- Invited more input from SAMA prior to final action
- Received questions and input to which SAWS staff is responding

QUESTIONS



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