

**WORKSHOP  
OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD SHORES, TEXAS  
TUESDAY, MAY 22, 2007 AT 5:00 P.M.  
CWS CIVIC CENTER, 4111 COTTONWOOD DRIVE  
COTTONWOOD SHORES, TEXAS**

**MINUTES**

1. Call to Order by Mayor Breen at 5:05 p.m. She announced that a typo was discovered in the posted Open Meetings Notice Agenda regarding the year. City Attorney advised it was all right to proceed as a workshop where no votes will be cast.
2. Roll Call by City Secretary Capps. He reported the following members present, with a vacancy in Place 1, constituting a quorum: Sylvia Breen, Mayor; Lee Hildebrand, Pro. Tem; Councilmember, Place 4; Ray Whitis, Councilmember, Place 2; Shirley Adams, Councilmember, Place 3; and Keith Patschke, Councilmember, Place 5.
3. Discuss Water Rates.
  - A. Deficient in the Utility Fund caused by payment of the Anderson lawsuit legal fees and by failing to adopt a water rate increase to meet LCRA January rate increase.
  - B. Water Budget Analysis and Water Rate Projections presented by Councilmember Elect Donald Orr
  - C. Revise Water Rates for Commercial and outside city limits (Attached as Exhibit A)
  - D. Provide for Budget Amendment at next meeting
4. Discuss Water Plant Options
  - A. Sell Water Plant to City of Marble Falls and we purchase the water Wholesale from them or sell the whole system
  - B. Build Water Plant with or without financial help from developers
5. Adjournment  
Motion by Councilmember Adams, Councilmember Hildebrand that we adjourn (7:04p.m.)

  
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Sylvia Breen, Mayor

Attest

  
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Larry Joe Capps, City Secretary

# Workshop 2 Water and Sewer Rate Results

<b>Water</b>		Water Revenue Based on April 2007 Actuals =	\$ 15,427.40
		Model Calculation - April 2007 Usage =	\$ 19,134.85 24.0%
<b>Residential Water Rates</b>		<b>Inside City Limits</b>	<b>Outside City Limits</b>
Minimum		26.00	40.00
Over 2,000 Gals		3.00	4.00
Over 5,000 Gals		3.20	4.25
Over 8,000 Gals		3.40	4.50
Over 12,000 Gals		3.70	4.75
Over 20,000 Gals		4.20	5.25
Over 30,000 Gals		4.50	5.75
Tap Fee - 3/4" meter - Lots Under 5500 SqFt:	\$1,500.00		\$ 3,000.00
Tap Fee - 3/4" meter - Lots Over 5500 SqFt:	\$2,000.00		\$ 3,250.00
Tap Fee for 1 inch meter:	\$2,000.00		\$ 3,250.00
Tap Fee for 1.5 inch meter:	\$2,500.00		\$ 3,500.00
Tap Fee for 2 inch meter:	\$3,000.00		\$ 3,500.00
In April each year, water rates may be modified by the US-DOC Consumer Price Index (CPI) for the previous year.			
<b>Commercial Water Rates</b>		<b>Inside City Limits</b>	<b>Outside City Limits</b>
Minimum		40.00	47.00
Over 2,000 Gals		3.30	4.00
Over 5,000 Gals		3.50	4.25
Over 8,000 Gals		3.70	4.50
Over 12,000 Gals		4.00	4.75
Over 20,000 Gals		4.40	5.25
Over 30,000 Gals		4.70	5.75
Tap Fee - 3/4" meter - Lots Under 5500 SqFt:	\$1,500.00		\$ 3,000.00
Tap Fee - 3/4" meter - Lots Over 5500 SqFt:	\$2,000.00		\$ 3,250.00
Tap Fee for 1 inch meter:	\$2,000.00		\$ 3,250.00
Tap Fee for 1.5 inch meter:	\$2,500.00		\$ 3,500.00
Tap Fee for 2 inch meter:	\$3,000.00		\$ 3,500.00
<b>Sewer</b>		Water Revenue April 2007 Actuals =	\$ 14,936.75
		Model Calculation - April 2007 Usage =	\$ 16,583.92 11.0%
<b>Residential Sewer Rates</b>		<b>Inside City Limits</b>	<b>Outside City Limits</b>
Minimum		24.00	35.00
Over 2,000 Gals		2.75	3.25
Tap Fee - Lots Under 5500 SqFt:	\$1,500.00		\$ 3,000.00
Tap Fee - Lots Over 5500 SqFt:	\$3,000.00		\$ 3,000.00
In April each year, sewer rates may be modified by the US-DOC Consumer Price Index (CPI) for the previous year.			
<b>Commercial Sewer Rates</b>		<b>Inside City Limits</b>	<b>Outside City Limits</b>
Minimum		30.00	40.00
Over 2,000 Gals		2.75	3.25
Tap Fee:	\$3,000.00		\$ 3,000.00
<b>Residential Grinder Pump System (Includes Tap Fee)</b>			
Inside City Limits		\$4,000.00	
Outside City Limits		\$4,500.00	
<b>Commercial Grinder Pump Systems</b>			
Will be determined by type of business and LUEs			

# Cottonwood Shores Composite Water Rate Model - Workshop 2

## Actual April Usage Data

Residential - Inside City			
Base Charge	26.00	Over Gals	18.2%
Tier 1 Charge per Unit	-	0	
Tier 2 Charge per Unit	3.00	2,000	9.1%
Tier 3 Charge per Unit	3.20	5,000	16.4%
Tier 4 Charge per Unit	3.40	8,000	17.2%
Tier 5 Charge per Unit	3.70	12,000	12.1%
Tier 6 Charge per Unit	4.20	20,000	10.5%
Tier 7 Charge per Unit	4.50	30,000	18.4%
Unit	1,000.00	Gallons	

Residential - Outside City			
Base Charge	40.00	Over Gals	33.3%
Tier 1 Charge per Unit	-	0	
Tier 2 Charge per Unit	4.00	2,000	29.0%
Tier 3 Charge per Unit	4.25	5,000	37.1%
Tier 4 Charge per Unit	4.50	8,000	38.5%
Tier 5 Charge per Unit	4.75	12,000	26.7%
Tier 6 Charge per Unit	5.25	20,000	23.5%
Tier 7 Charge per Unit	5.75	30,000	35.3%
Unit	1,000.00	Gallons	

Commercial - Inside City			
Base Charge	40.00	Over Gals	25.0%
Tier 1 Charge per Unit	-	0	
Tier 2 Charge per Unit	3.30	2,000	15.8%
Tier 3 Charge per Unit	3.50	5,000	22.8%
Tier 4 Charge per Unit	3.70	8,000	17.5%
Tier 5 Charge per Unit	4.00	12,000	19.4%
Tier 6 Charge per Unit	4.40	20,000	15.8%
Tier 7 Charge per Unit	4.70	30,000	23.7%
Unit	1,000.00	Gallons	

Commercial - Outside City			
Base Charge	47.00	Over Gals	17.5%
Tier 1 Charge per Unit	-	0	
Tier 2 Charge per Unit	4.00	2,000	19.4%
Tier 3 Charge per Unit	4.25	5,000	26.9%
Tier 4 Charge per Unit	4.50	8,000	28.6%
Tier 5 Charge per Unit	4.75	12,000	25.0%
Tier 6 Charge per Unit	5.25	20,000	23.5%
Tier 7 Charge per Unit	5.75	30,000	22.3%
Unit	1,000.00	Gallons	

Revenue Totals	Revenue By Category	Water By Category	Number Of Customers	Average Bill Per User	Average Residential User Increase \$
JW April Actuals	15,427.40	2,267,000			
Total Model Revenues	19,134.85	2,430,036	478	40.03	5.97
Residential - Inside City	15,571.29	2,077,313	412	37.79	
Res. - Inside City - Old Rates	12,716.79				Present
Residential - Outside City	1,830.76	190,736	34	53.85	Average Residential
Commercial - Inside City	1,306.66	120,990	26	60.26	Bill
Commercial - Outside City	426.14	40,998	6	71.02	\$ 30.87

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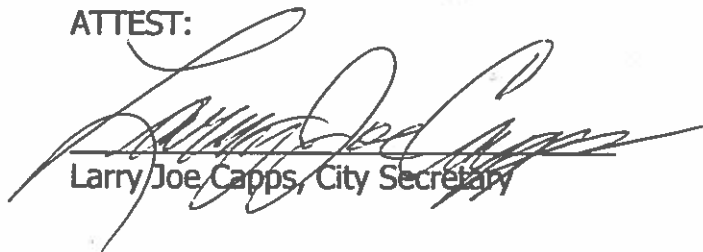
**Agenda**

1. Call to Order
2. Roll Call
3. Discuss Water Rates
4. Discuss Water Plant Options
5. Adjournment

I certify that the above notice was posted at City Hall, 3808 Cottonwood Drive, Cottonwood Shores, Texas on this the 18<sup>th</sup> day of May, 2007 at 4:00 p.m.

  
Sylvia H. Breen, Mayor

ATTEST:

  
Larry Joe Capps, City Secretary

