City of Rowlett

Special Meeting Agenda

City Council

4000 Main Street
Rowlett, TX 75088
www.rowlett.com

City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6115 or write 4000 Main Street, Rowlett, Texas, 75088, at least 48 hours in advance of the meeting.

Tuesday, December 8, 2015 **5:30 P.M.** **Annex Building – 4004 Main Street**

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

1. CALL TO ORDER

2. WORK SESSION (5:30 P.M.) * Times listed are approximate.

2A. Discuss comparative rate analysis for the Utility System and status of audit. (90 minutes)

3. CONSENT AGENDA

3A. Consider action approving an Interlocal Cooperation Agreement between Rockwall County and the City of Rowlett regarding municipal judge services.

4. ADJOURNMENT

Laura Hallmark

Laura Hallmark, City Secretary

I certify that the above notice of meeting was posted on the bulletin boards located inside and outside the doors of the Municipal Center, 4000 Main Street, Rowlett, Texas, as well as on the City's website (www.rowlett.com) on the 4th day of December 2015, by 5:00 p.m.

City of Rowlett

Staff Report

4000 Main Street
P.O. Box 99
Rowlett, TX 75030-0099
www.rowlett.com

AGENDA DATE: 12/08/15 **AGENDA ITEM**: 2A

TITLE

Discuss comparative rate analysis for the Utility System and status of audit. (90 minutes)

STAFF REPRESENTATIVE

Brian Funderburk, City Manager

SUMMARY

Customers all across North Texas had a bit of sticker shock this summer when they began seeing the impact of outside irrigation after four years of drought and water restrictions. Like many cities in North Texas, Rowlett used multiple media tools to help customers understand their water bill, read their water meter, and use good irrigation practices. The purpose of this item is to continue the dialogue about the water system focusing on a comparative rate analysis of other North Texas Municipal Water District (NTMWD) cities.

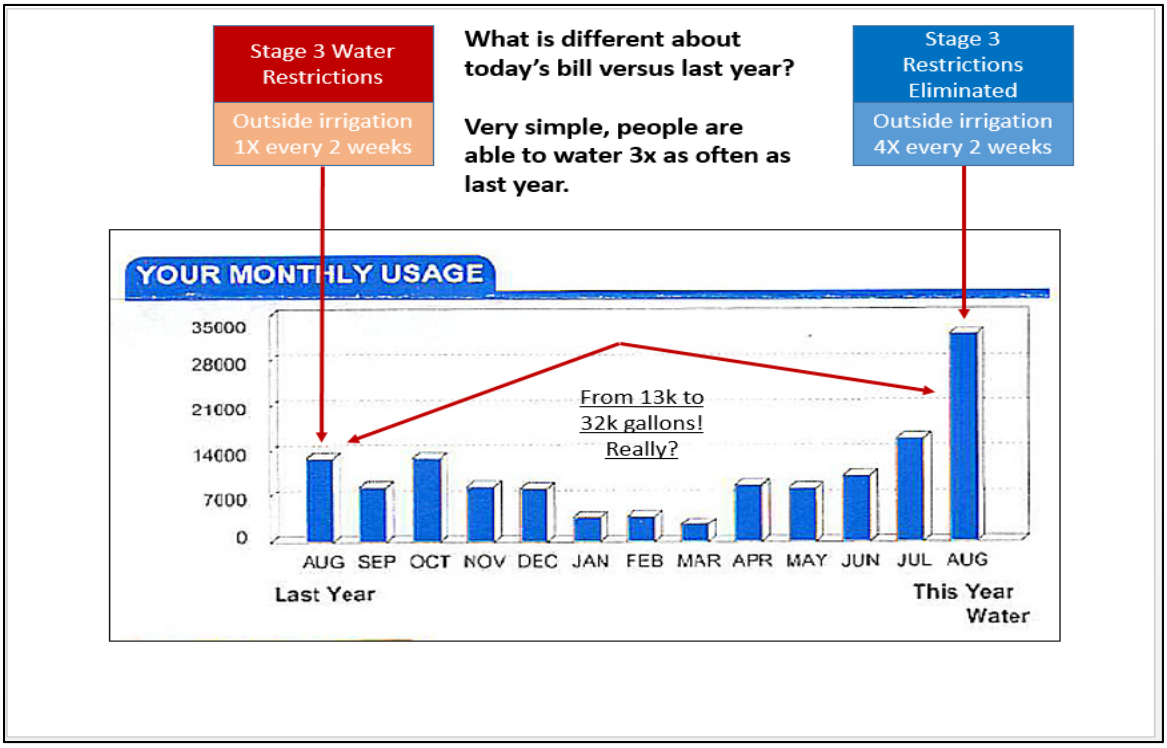
BACKGROUND INFORMATION

The City Council met on October 13, 2015, to discuss customers' concerns regarding water usage and billing practices. At that meeting, Council expressed interest in analyzing Rowlett's water rate structure compared to other NTMWD cities and to have an audit conducted on City water meters and billing processes.

DISCUSSION

As indicated previously, customers all across North Texas had a bit of sticker shock this summer when they began seeing the impact of outside irrigation after four years of drought and three years of water restrictions. Member and customer cities of the (NTMWD) met on September 17, 2015, and spent a significant amount of time addressing the problem of how to explain to people that they are using the same amount of water that they did before the drought when the cost of that water is much higher. Further complicating this issue is that customers receive a bill that has a thirteen month graph clearly showing they didn't use that much water last year (see Chart One below). The truth is that it is not an apples-to-apples comparison because customers were only allowed to water once every two weeks under Stage 3 Water Restrictions whereas now they can water twice per week. That's three times (**3X**) more often than last year. The reaction to a higher bill with a notably higher amount of usage is the single biggest factor why this conversation is being had with our customers. Ultimately, it is about education, and truthfully, cities in North Texas were not prepared to explain the conflux of annual rate increases with the elimination of drought related water restrictions. With rare exceptions, people really are using the water; however, they are paying much more for the same usage five years later.

Chart One



On October 13, 2015, the City Council met to discuss customers' concerns regarding water usage and billing practices. In the staff report outlining the factors impacting this issue, City staff included news coverage and social media, rate changes since FY2009, articles about bad meters in other communities, impact of leaks, irrigation systems and swimming pools, and an analysis of the amount of water delivered by NTMWD and billed by the City of Rowlett. At that meeting, Council expressed interest in analyzing Rowlett's water rate structure compared to other North Texas Municipal Water District cities and to have an audit conducted on City water meters and billing processes. As a result, the staff report from October 13, 2015, will not be repeated here but is included in the overall packet as Attachment One. This discussion will then focus on the comparative rate analysis and the audit will be discussed in January once complete.

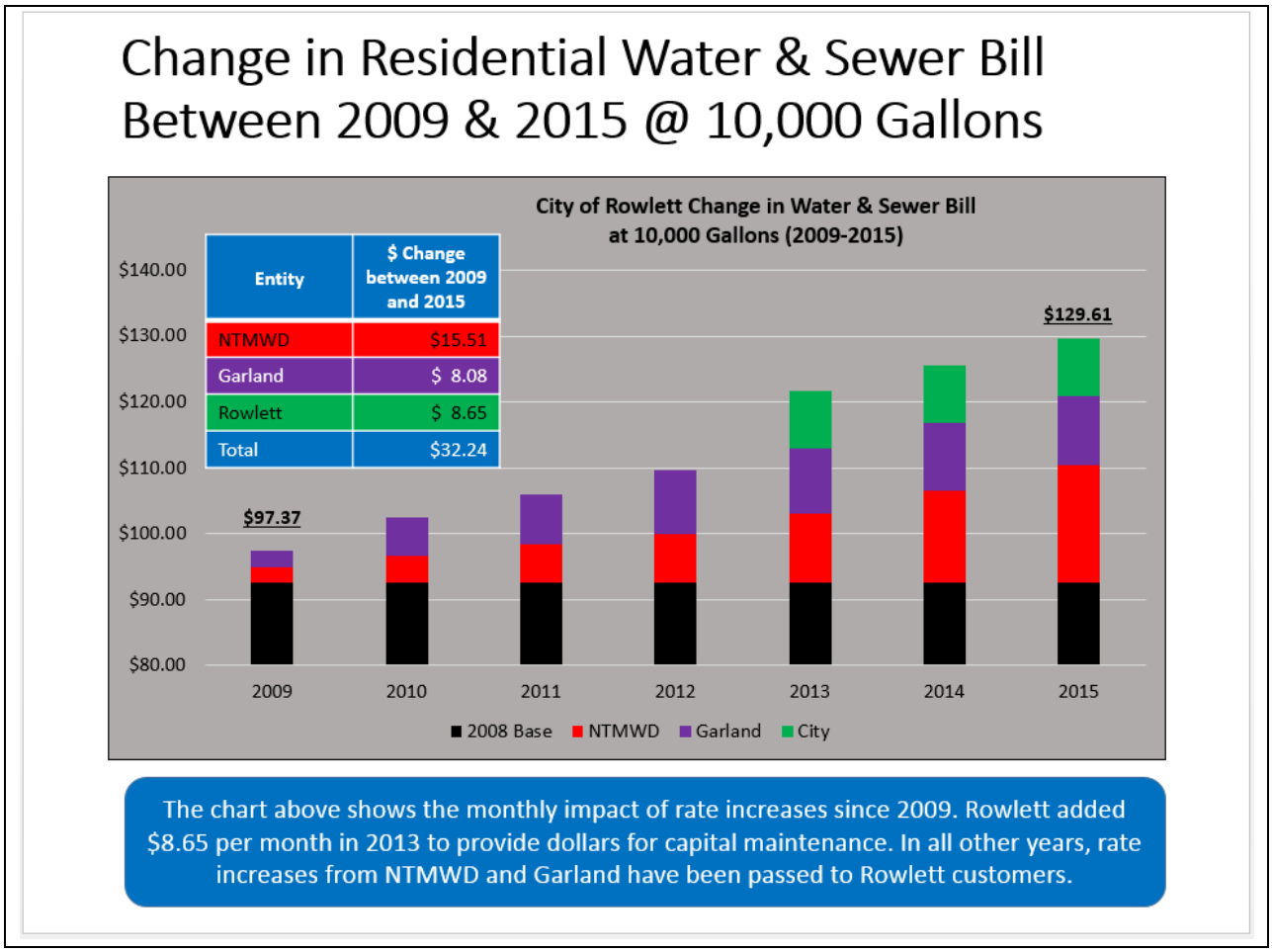
Comparative Rate Analysis

For many years, Rowlett has directly passed on rate increases from NTMWD (water) and the City of Garland (sewer). The rate increases from NTMWD, in particular, took a sharp turn four years ago when they began financing improvements to add a new water line from Lake Texoma and the Wylie Water Treatment Plant because of the zebra mussel infestation and a federal law that prohibits transporting invasive species across state lines (Lacey Act). NTMWD spent over $400 million to fix this problem. This was an important project because Lake Texoma represents 28 percent of NTMWD total water capacity.

Chart Two below shows the impact of those rate increases on residential customers using 10,000 gallons a month. Annual changes from NTMWD account for nearly half (48%) of the overall increase with Garland (sewer) and Rowlett totaling 25 and 27 percent respectively. The point that

staff wants to make with this chart is that the Utility bill has increased every year even during the drought.

Chart Two



Rowlett's rate structure compared to other NTMWD cities

Rowlett customers do complain about the City's water bill. These complaints sometimes are referenced as a comparison of other locations our customers have lived, even other NTMWD cities. Today, many complaints stem from the high cost of the minimum water bill even when very few gallons are actually used.

In an analysis of other NTMWD cities, City staff was able to isolate several factors impacting the water and sewer portion of the bill. It is surprising how little consistency there is between cities; however, that being said, there are several common themes as follows:

Water-

1. 75% or 9 of the 13 NTMWD Member Cities include 1,000-3,000 gallons in the base water rate.
2. 100% or 13 of the 13 NTMWD Cities now have "tiered" water rate structures to encourage water conservation. While this lowers the base rate, it shifts the burden of rate paying to

those who use more but adds substantial risk for revenue purposes on elements out of local control (i.e. weather and/or NTMWD mandated water restrictions).

3. Other than point one and two, city rates and practices vary significantly.

Sewer-

1. Roughly half of the NTMWD Member Cities use winter averaging which sets individual “caps” on sewer usage to represent the amount of water used when there is no outside irrigation, typically December-March although practices between NTMWD Member Cities vary.
2. Of the remaining Cities, most have caps at or around 8,000-12,000 gallons per month (Rowlett is 10,000 gallons).

In comparing the base rate for water and sewer services, Rowlett has the highest base rate when compared to NTMWD Member Cities as shown in Chart Three. However, by 25,000 gallons, Rowlett’s water and sewer bill represents the average of other NTMWD Member Cities as shown in Chart Four. At higher volumes, Rowlett drops below the average and Plano and Mesquite pass Rowlett as seen in Charts Five and Six.

Chart Three

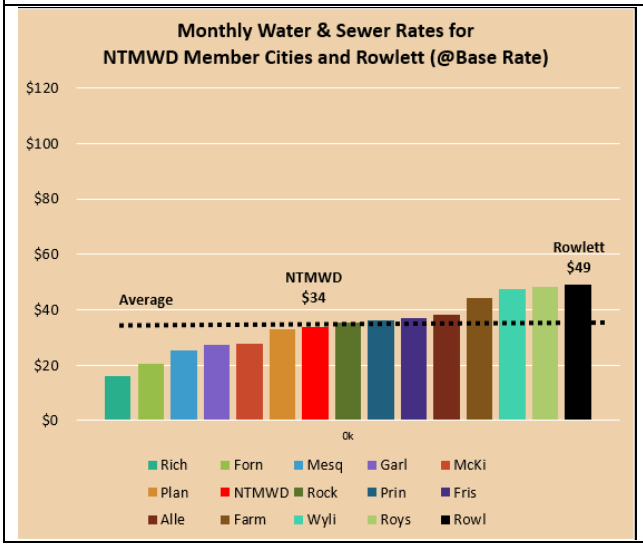


Chart Four

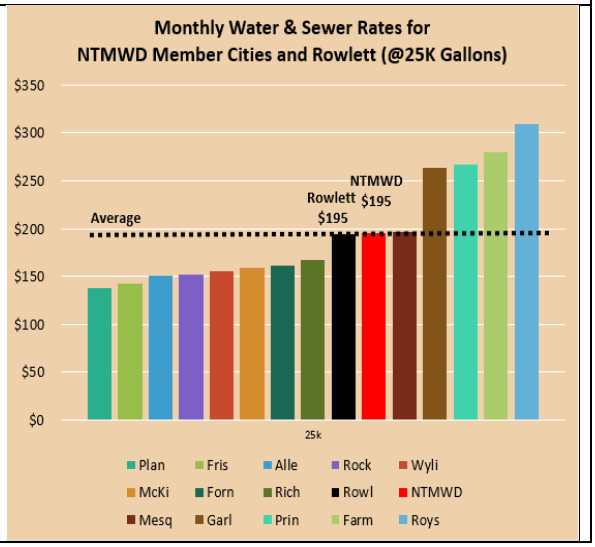
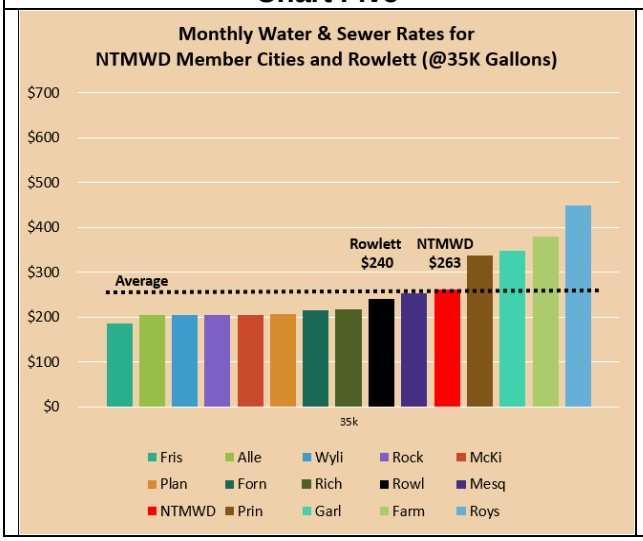
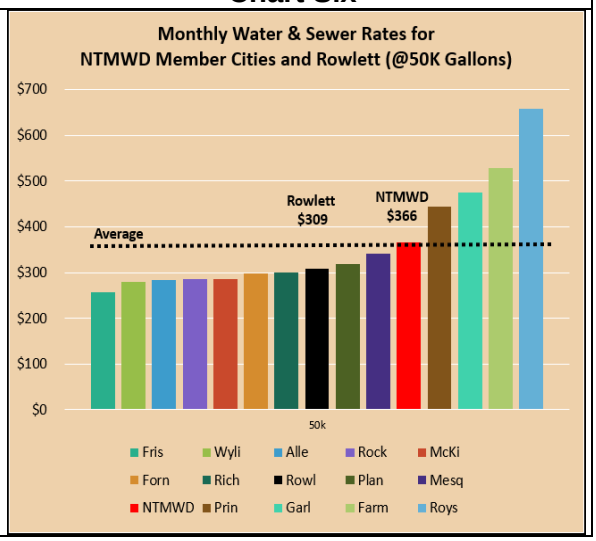


Chart Five	Chart Six
	

There are several factors that influence the particular rate structure for NTMWD Cities. In May 2015, the NTMWD lifted a three-year Stage 3 Water Restrictions ban and implemented a new water conservation policy that had been developed in April of 2014. There are two key specific provisions that stress the NTMWD water conservation strategy. First, section 7.5.1 of the water conservation plan instituted “compulsory landscape and water management measures”, the most significant of which limits outdoor landscape watering to no more than two days per week. While this promotes conservation, it has an impact on revenue. Second, NTMWD has encouraged its member cities to adopt “tiered” rate structures to promote water conservation based on the Texas Commission on Environmental Quality’s (TCEQ) Rule 288.2(a)(1)(H), of Title 30, Part 1, Chapter 288, Subchapter B, of the Texas Administrative Code which requires the adoption of “a water rate structure which is not ‘promotional,’ i.e., a rate structure which is cost-based and which does not encourage the excessive use of water”.

Rowlett has had a two-tier water rate structure for many years. Under its current policy, Rowlett charges $4.07 for the first 25,000 gallons and $4.57 for each 1,000 gallons above that. While TCEQ does not mandate what the water rate structure must be, most NTMWD Member Cities and some Customer Cities have taken NTMWD’s lead in adopting multiple tiers. Chart Seven below shows how the cities of Plano, Garland, NTMWD Member Cities Average, Sachse and Rowlett have chosen to address TCEQ’s non “promotional” water rate structure in the NTMWD water conservation plan.

Chart Seven

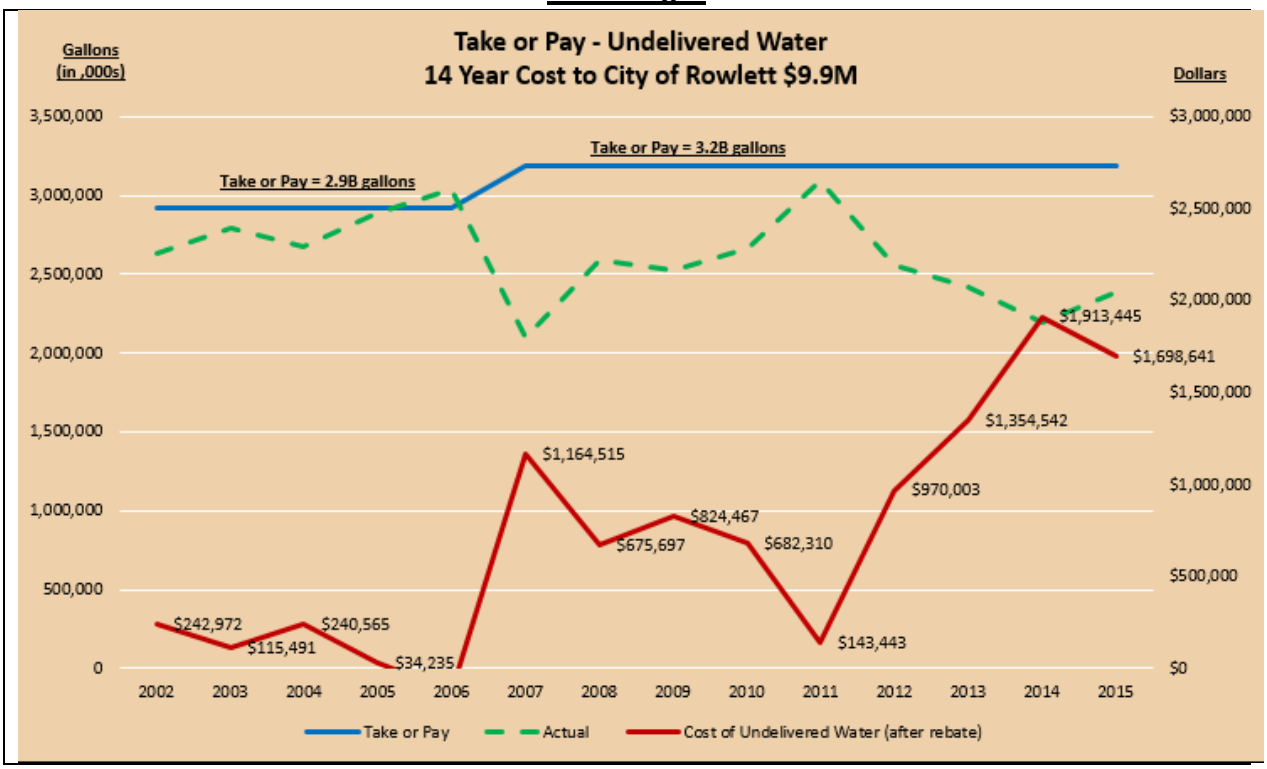
Comparative Monthly Water Only Rates for Selected Cities					
Rate Component (gallons)	Plano (Member City)	Garland (Member City)	NTMWD (Member Avg)	Sachse (Customer City)	Rowlett (Customer City)
Base Rate	1,000	0	1,000	0	0
Tier 1	1,001-5,000	0-3,000	1,001-10,000	0-10,000	0-25,000
Tier 2	5,001-20,000	3,001-15,000	10,001-18,000	10,001-15,000	25,001+
Tier 3	20,001-30,000	15,001+	18,001-27,000	15,001-20,000	
Tier 4	30,001+		27,001-35,000	20,001-30,000	
Tier 5			35,001-68,000	30,001+	
Cost @ 0k	**$20.48**	**$21.20**	**$15.87**	**$12.31**	**$31.26**
Cost @ 10k	**$38.38**	**$70.28**	**$54.01**	**$54.91**	**$71.96**
Cost @ 25k	**$100.33**	**$180.73**	**$136.09**	**$150.56**	**$133.01**
Cost @ 50k	**$281.28**	**$391.23**	**$294.20**	**$358.01**	**$247.26**

As shown in Chart Three above, Rowlett clearly has the highest base rate when compared against the 13 NTMWD Member Cities; however, because of the "tiered" rate structure implemented by these cities, Rowlett's rate meets the NTMWD Member Cities average at 25,000 gallons (Chart Four above) and continues to move below the average as the volume continues to increase. While there are many factors that drive decisions about rates, City staff wants to address two specific issues that have contributed to the reason that Rowlett's base rate is higher.

First, and most relevant, is that Rowlett opted to pass along annual rate increases from NTMWD (water) and Garland (sewer) over the past few years in the base rate. Chart Two above shows the impact of those annual increases each year for customers using 10,000 gallons. The main reason Rowlett opted to pass along the increases in the base rate rather than the volume rate is simply due to uncertainty regarding the Stage 3 Water Restrictions. As it is, Rowlett lost money every year during the drought; however, if the City had passed on cost increases through the volume rate, the losses may have been more severe because usage was below historical levels. The bottom line is that the City no longer has adequate reserves to sustain the revenue loss from lower sales. The combination of the length of the drought, severity of the water restrictions, and above normal precipitation at least in the current year, has led to financial losses in the utility system for three straight years. This has also led to a reduction in the bond rating on the City's water & sewer utility bonds by S&P from AA- to A+. Moody's Investing Services did not downgrade the bond rating but opted to add a "negative outlook" to its current rating of Aa3. Rowlett needs to improve its financial position over the next two years to strengthen the system.

Second, as indicated above, there are multiple factors that influence water ratemaking. As indicated earlier in this report, with few exceptions, it is surprising how little consistency there is between NTMWD Member Cities. However, one item that influences all cities is the "take-or-pay" provision in the water contract with NTMWD. Under the contract, which includes both "member" and "customer" cities and smaller districts, retail water suppliers must pay for the highest amount of water used in a given year. For Rowlett, the drought in 2006 caused its "minimum" to increase from 2.9 billion gallons to 3.2 billion gallons. Over the past 14 years, the amount of water paid for versus actually used (i.e. undelivered water) cost Rowlett ratepayers $9.9 million (see Chart Eight below).

Chart Eight



Audit Update

As indicated above, on October 13, 2015, the City Council expressed interest in having an audit conducted on City water meters and the billing processes. At that time, City staff informed Council that a statistically valid sample would require 68 water meters to be tested. Since that meeting, staff has engaged the City's independent auditor, Weaver & Tidwell, to audit the meter reading and billing system for the 68 selected accounts. In addition, staff has developed an agreement with the City of Garland to perform the testing. As part of the agreement, Rowlett will test 68 of Garland's water meters.

As of Friday, December 4, 2015, the random sample of water meters was selected by Weaver & Tidwell. In addition, staff has provided access to the meter reading and billing history of the 68

accounts so that Weaver & Tidwell can walk the usage and charges from the initial water meter reading files through the final billing statement files. This work is currently in progress.

With regard to the water meter testing, Rowlett has tested 25 of the 68 water meters pulled by the City of Garland. In addition, Rowlett has sent 25 water meters to Garland for testing. Staff expects that the audit and the water meter testing will be complete later in December; therefore, the results of the audit should be available for the January 5, 2016 Council meeting.

Policy Implications

A natural question to ask is what happens when the City lowers the base rate and increases the volume rate. Quite simply, it shifts more of the cost burden to those who use more water, benefitting those who use very little water. On the other hand, it increases the risk that factors outside the City's control (i.e. weather and NTMWD water restrictions) could impact revenue.

As indicated above, in the past four years, Rowlett has applied rate increases from NTMWD (water) and Garland (Sewer) directly to the base rate. This increase totals $13.67 per month split between water and sewer at $12.01 and $1.66 respectively. The current base rate is $49.09 which is $15.57 above the NTMWD Member Cities Average of $33.52. If the City moved the increases from NTMWD and Garland from the base rate to the volume rate, it would change the base rate to $35.42 between water and sewer at $19.25 and $16.17 respectively, right in the middle of the 13 NTMWD Member Cities. As other cities have done, Rowlett could also include the first 1,000 gallons of water in the base rate.

One other thought about base rates. It is not uncommon for municipal utilities to calculate their base rates upon fixed costs and use the volume rate to accommodate the cost of purchasing and distributing the water through the system. If the City included debt service and its capital maintenance program as "fixed costs", the combined monthly base rate would need to be $31.70. For comparative purposes, the NTMWD Member Cities Average is $33.52 and, as noted above, if we based it strictly on the increases over the last four years that were added to the base rate, that new rate would be $35.42.

If Council is interested in re-evaluating the water and sewer rate structure, City staff will bring back several options to consider. For the purposes of the next meeting on this issue, staff would like direction on the following:

1. Is Council interested in a rate structure option with a lower base rate?
2. If the answer to #1 is yes, would Council be interested in including some amount of water (i.e. 1,000 gallons, 2,000 gallons, etc.) in the base rate?
3. If the answer to #1 is yes, would Council be interested adding additional tiers to its current two-tiered structure or changing the amount where the second tier kicks in (i.e. 15,000 gallons versus 25,000 gallons)?
4. Although not discussed in this staff report, would Council be interested in considering a policy that would provide assistance to ratepayers who have a documented water leak on a basis not to exceed once a year or two year period.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Information only. No action required.

ATTACHMENTS

Attachment 1 – Staff Report from October 13, 2015 Council Work Session
Attachment 2 – Frequently Asked Questions: Wholesale Water Rates and Water Supply Contract from North Texas Municipal Water District dated November 17, 2015

Rowlett TEXAS

City of Rowlett

Staff Report

4000 Main Street
P.O. Box 99
Rowlett, TX 75030-0099
www.rowlett.com

AGENDA DATE: 10/13/15 **AGENDA ITEM**: 3A

TITLE

Discuss customers' concerns regarding water usage and billing practices. (45 minutes)

STAFF REPRESENTATIVE

Brian Funderburk, City Manager

SUMMARY

Customers all across North Texas have had a bit of sticker shock this summer when they began seeing the impact of outside irrigation after four years of water restrictions. The purpose of this item is to provide an explanation of why this is such a hot topic this year and to explain what the City of Rowlett is doing to help customers understand their bill.

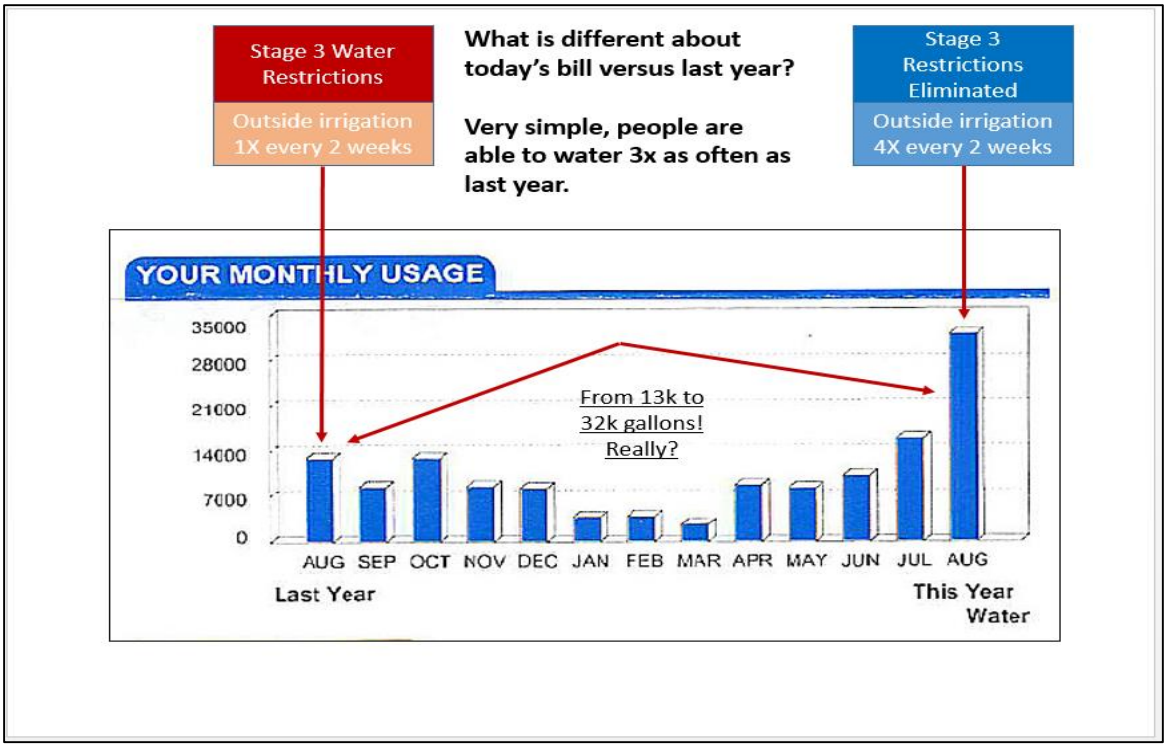
BACKGROUND INFORMATION

N/A

DISCUSSION

Customers all across North Texas have had a bit of sticker shock this summer when they began seeing the impact of outside irrigation after four years of drought and three years of water restrictions. Member and customer cities of the North Texas Municipal Water District (NTMWD) met on September 17, 2015, and spent a significant amount of time addressing the problem of how to explain to people that they are using the same amount of water that they did before the drought when the cost of that water is much higher. Add to that, customers receive a bill that has a thirteen month graph showing they didn't use that much water last year (see Chart One below). The truth is that you can't compare apples to apples when you look at last year's usage because customers were only allowed to water once every two weeks under Stage 3 Water Restrictions and now they can water twice per week. That's three times (**3X**) more often than last year. This is about education, and truthfully, cities in North Texas were not prepared to explain the conflux of annual rate increases with the elimination of drought related water restrictions.

Chart One

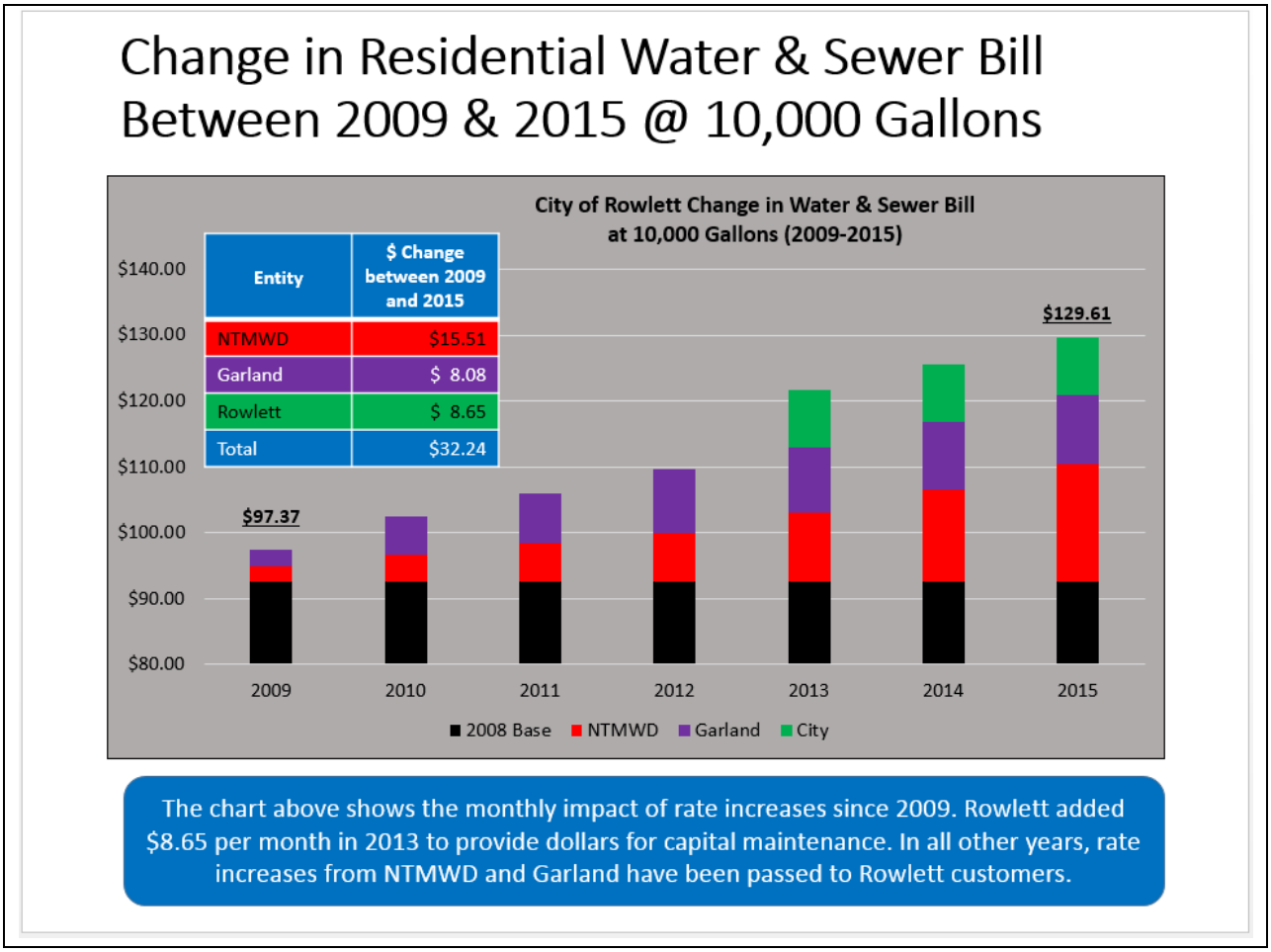


This phenomena is not just limited to North Texas. On Wednesday, September 23, 2015, a news station ran a clip with a customer questioning why his bill was so high compared to last year. And on Thursday, September 24th, Channel 4 Fox had a similar news story featuring Rowlett. For Rowlett customers, four years of drought combined with significant annual increases passed thru from the North Texas Municipal Water District (water), the City of Garland (sewer) and the City of Rowlett (water & sewer infrastructure) over the past five years has created the confusion. But, with rare exceptions, people really are using the water; however, they are paying much more for the same usage five years later.

You can see from Chart Two below that customers who use 10,000 gallons a month are paying $32.24 per month more in 2015. Annual changes from NTMWD account for nearly half (48%) of the overall increase with Garland (sewer) and Rowlett totaling 25% and 27% respectively.

The point we want to make with this chart is that the bill has increased every year even during the drought. While Garland's increase has not been very high, customers should remember that much of NTMWD's increase in the past three to four years has been due to the cost of adding a new water line from Lake Texoma because of the zebra mussel infestation and a federal law that prohibits transporting invasive species such as these across state lines. NTMWD spent over $400 million to fix this problem. This was an important project because Lake Texoma represents 28% of NTMWD total water capacity.

Chart Two



News Coverage and Social Media

There are many reasons why water is such a big issue this year but the single biggest issue is that people haven't used this much water in three to four years. Therefore, higher usage combined with rate increases every year equals sticker shock. And, what makes it so daunting to educate our customers is that people are not necessarily interested in knowing that every other city in the area is facing the same issue – they are demanding answers about "their" bill. This isn't isolated to just a few people, pretty much everyone is using and paying more this year than in the past few years.

In the Sunday, September 20, 2015, edition of the Dallas Morning News, staff writer Kristen Taketa wrote an article entitled *Bills hit high water mark* which you can find at this link http://www.dallasnews.com/news/metro/20150919-skyrocketing-water-bills-have-north-texas-cities-double-checking-meters.ece. The article indicated that many cities are checking and re-checking residential water meters because of doubt raised by customers regarding the amount of their water usage. Cities named in the article, Dallas, Garland, Plano, and Richardson, have all dramatically increased the number of water meters that they have re-read and/or pulled for

testing. In addition, “they have inspected houses for leaks, recalculated bills by hand and even walked residents through their usage history to help them see why the figures are so high”.

The Dallas Observer had a great article on Thursday, September 24, 2015, by staff writer Eric Nicholson who wrote an article entitled *Long Live Expensive Water*. You can find the article at this link http://www.dallasobserver.com/news/long-live-expensive-water-7620329. The first paragraph includes this statement below.

> *The late-summer Sturm und Drang over high water rates made it to the Dallas City Council this week, where Dallas Water Utilities Director Jody Puckett explained that, calm down, your water meter’s fine, you probably don’t have a leak, you just probably forgot during the weird monsoons of spring and early summer how much it costs to dump thousands of gallons of water per month onto your lawn. That and the fact that water rates have increased significantly over the past few years*.

The article went on to say that the loudest outcry over the water bills has been in the northern suburbs served by the NTMWD. Specific cities named were Richardson, Garland, and Plano. In addition, the article indicates why the NTMWD is raising its rates, namely to meet future capacity and to pay for the zebra mussel improvements in Lake Texoma. One other statement was made in the article which was interesting.

> *And it's not like the suburban water rates are terribly high, even halfway through NTMWD's price-tripling. The 60,000 gallons of water that result in a $310 bill in Richardson (and a $268 bill in fellow member city McKinney, a $288 bill in Frisco and a $344 bill in Plano) would cost $411 in Dallas. In Houston it'd be $444.38. In Seattle, which we'll toss in because it has the nation's highest residential water bills, it would be $746, assuming it's the peak season and my conversion between gallons and cubic feet was correct. In Austin, whose rate structure punishes high water usage even more than Seattle, with residents paying $23.75 for every thousand gallons used above 11,000, the bill would be a rather insane $1,254. (Modest water usage is much more affordable — $2.10 total for first 2,000 gallons, plus a meter fee — so as not to discourage bathing.).*

As a side note, a Rowlett customer using 60,000 gallons would pay $290, which includes the base fee and the volume charges. That is comparable to Frisco and lower than Richardson, Plano and Dallas. Just to be fair, it is at the lower end of the spectrum where Rowlett is higher than these same cities. This is where our next water study will most likely cause the most change (i.e. lower the base rate and increase the volume rate) and it stems from Rowlett adding the increases from NTMWD during the drought years to the base rate rather than the volume rate.

As indicated previously, on Thursday, September 24, 2015, Channel 4 Fox News ran a story more specific to the City of Rowlett whereby a customer was questioning a particularly high bill. You can find the link here http://www.fox4news.com/news/24733762-story. This story, along with others like it, has struck a chord with people who “wonder” about their usage. Quite frankly, customers using 20,000 to 30,000 gallons during the summer is routine. In fact, during our last

three year "normal" period, FY2008-FY2010, 6,353 or 34.6% of all customers used 15,000 gallons or more during the summer. During FY2014, because of Stage 3 water restrictions, that number dropped to 2,528 or 13.5%.

Put a STAR by it - One of the best news stories staff has seen this summer was done by Channel 5 NBCDFW and was run on October 8, 2015, which you can find here at http://www.nbcdfw.com/news/local/Frisco-Informs-Residents-About-Water-Bills_Dallas-Fort-Worth-331181991.html regarding water concerns Frisco has been hearing from their customers. However, it is a longer YouTube video, which you can find here https://www.youtube.com/watch?v=EltF4uphhh4&sns=em that does a seriously credible job explaining all of the issues from water meter testing to the impact of sprinkler systems to the billing system. It is 6:49 minutes long but is seriously worth watching.

In addition to the news, social media has taken off like a rocket. In some cases, a single post on Facebook has resulted in several hundred comments. Clearly it is a hot topic. Much of the information posted is not based on reality and reflects a general lack of knowledge about how much water they are really using. But, what customers are in tune with is "sticker shock" - their bill is much higher than they have seen in several years.

As a result, on September 14, 2015, the City Manager published the results of an informal study (Attachment Two) of water customer bills on Facebook to help answer the two biggest questions/statements we have heard this year, 1) my water bill has never been this high and 2) my usage has never been this high. In the post, the City Manager acknowledged that statement number one is accurate because the City has passed on significant cost increases over the past five years from the North Texas Municipal Water District (NTMWD) from which we purchase our water and smaller increases from the City of Garland who treats our sewer (see Chart Two above). However, with regard to statement #2, research determined that 70% of those whose accounts were reviewed by the City have shown multiple occasions in previous years where they have used the same amount of water or even higher. The results of the study can be found here at http://www.rowlett.com/WaterUsageStudy.

So, what is causing most people to question the amount of water they are using? It is simple, this is the first summer in three years that we haven't been under water restrictions. Last year at this time, people were only allowed to water once every two weeks. Now, customers can water twice each week. That is three more times every two weeks than last year. Therefore, when you look at the graph on your Rowlett water bill (see Chart One above), it shows last year's usage when we were under Stage 3 Water Restrictions. You cannot get an accurate representation of your usage by comparing to last year's water bill. Instead, for most long-time residents, you have to go back before the drought restrictions, which started in 2011.

Articles of Bad Meters in other Communities

Several individuals have posted, blogged or referenced stories about bad meters in other communities. On Facebook, there have been posts about the replacement of water meters in

Chicago, Illinois. The reporter from the September 24, 2015, Channel 4 Fox News story referenced meter issues in Port Orange, Florida. Atlanta, Georgia has been another fan favorite to point fingers at. You can pretty much use Google to find many such articles.

The truth is that these incidences bear no reference to Rowlett. We have a regular replacement program and we don't currently have any meters over 15 years old. Age obsolescence, the reason most water meters begin acting up, is the reason why we have a water meter replacement program with a maximum age target of 12-years.

The water meter problem in Port Orange, Florida was an age obsolescence issue. Our Assistant City Manager, Jim Proce knows the individual hired to fix this problem. In this case, Port Orange had no maintenance plan and all of their Sensus brand meters were well over 15 years old. In addition, 6,000 of them were not working at all which resulted in the collection of base charges but no volume, perhaps as long as a decade. That was not a "Sensus" problem, this was a "city maintenance" problem. Mr. Proce confirmed this with the director in Port Orange at that time who is a City Manager currently in another city. This individual indicated that Port Orange had a history of not funding maintenance.

The problem in Atlanta had two issues, mismatched equipment and broken equipment. You can find the article here http://www.cnn.com/2011/US/03/01/water.bills.war/. The details are below but again, it was not a "meter" problem.

- Mismatched equipment; if one component was a 3/4" (the meter base) and another was 1" (the electronic reader) this could result in a consistent more than doubling of the reading simply because a 1" can provide more than twice a ¾" can provide, so putting a 1" MXU on a 3/4" meter results in a doubled reading, but it would not be intermittent it would be consistent. We do not have that problem. Atlanta had almost 1000 meters that had this mismatch problem. Again we do not.
- Nine percent of their meters were broken equipment that went undetected for a while. When they fixed it new meter accuracy resulted in complaints. Get water for free and when you have to pay there is a sticker shock.

In a press release by the City of Atlanta, which you can find here: https://www.atlantawatershed.org/newsroom/press-releases/department-of-watershed-management-corrects-irrigation-billing-rate-issues-refunds-to-impacted-irrigation-meter-customers/, they stated that the incorrect billing was primarily due to human error, not the meter.

> *The incorrect billing for the irrigation customers occurred because of human error, not by any technical, automatic meter reading (AMR) or systems glitch. The Department of Watershed Management has made significant, well-documented improvements to its metering and billing systems, and it is committed to continual enhancements to Atlanta's water resources and facilities. Specifically, the billing improvements include two-person authorization controls, additional rate entry cards, a post-input review, self-audit measures, and other more rigorous and accurate procedures for entering new and changed rates.*

Finally, the article about the City of Aurora, Illinois, a Chicago suburb, Aurora had issues with the fully automated smart meters. The article, entitled *Another suburb reports problems with digital water meters* was published in the Chicago Tribune on July 25, 2015, which you can find here: https://smartmeternewsupdates.wordpress.com/2015/07/25/another-suburb-reports-problems-with-digital-water-meters/. In the Aurora case, the City used Sensus meters; however, the article references another suburb, Tinley Park, which used a different brand of digital meter but resulting in the same issues. Essentially, what the two cities found were strange readings where patterns could not be determined. In Aurora's case, Sensus investigated these meters and found that water had gotten into the electronic equipment of these water meters. Sensus has since said that they are beefing up the waterproofing on future digital readers.

Generally, AMR systems with non-mechanical meters (the fully automated smart meters) have had problems where used. These meters have no moving parts, bad seals, and, if it gets wet, the electronic equipment does not work or it reads wildly. If our digital reading device, called an MXU, is faulty, we can read the physical meter. Please note that Rowlett does have 60 of these "iperle" meters that were purchased in 2011. None of them are reading unusually high readings at this time; however, staff is monitoring those meters to detect any unusual anomalies.

Leaks, Swimming Pools and the Unexplained

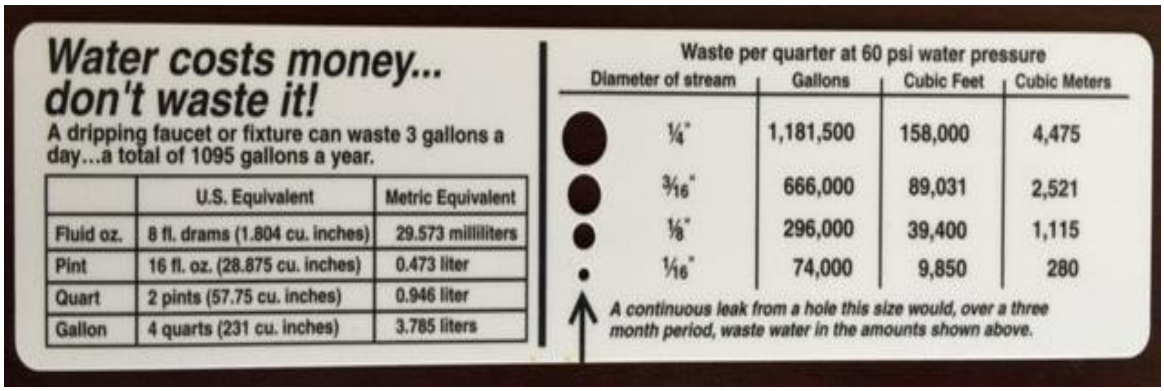
While staff has fielded many complaints about the "cost" of water this summer, there have been a few that had an exceptionally high amount of usage that may or may not be explained by a leaky toilet, broken sprinkler head, or a myriad of other issues. In one case, a customer used 80,000 gallons when he normally uses about 3,000-4,000 gallons. In this case, we notified him that we believed he had a leak which he later confirmed. In other cases, such as the one highlighted in the Channel 4 Fox News report on September 24, 2015, we pulled and tested the meter confirming that it was operating within manufacturer specifications. In such cases, we normally would suspect a leak but when the customer indicates that they have had a plumber check for a leak and there was none to be found, what do we do? Ultimately, we have to rely on our water meters and this is where the rubber meets the road - our customers don't agree. We can offer our customers terms, such as a payment schedule over 3-6 months to pay the bill but when the customer is adamant that they didn't use that much and our meter tests indicate that the meter is operating properly, we simply have no other choice but to deny the customer an adjustment.

Over the past couple of months, we have conducted a series of rereads and we have pulled meters for testing. In the case of rereads, it wasn't until September before the number of requests far exceeded such requests for the same period last year. At the time of this memorandum, we still have 130 reread requests outstanding for a total of 235 just for September. While this seems high compared to last year, it represents only 1.2% of the total 19,000 accounts we have in the City.

Month	2014	2015	% Change
July	24	25	4%
August	18	23	28%
September*	25	105	320%
***As of September 29, 2015, we have 130 additional requests to reread water meters not included in the 105 completed so far in September.**			

Water leaks are a serious problem and can actually go unseen by the naked eye. People assume that if they use a high amount of water, they would be able to see it. This is not necessarily true. For example, soaker hoses are recommended to run about 30-60 minutes depending upon temperature and how arid the ground is. Unless you have an automatic timer, it is easy to lose track of time and forget about it for a longer period than desired and the gallons add up. The more interesting fact is that the water doesn't run down the street and the next day, you can't tell you've watered.

An actual "leak", can be much worse than forgetting to turn off the soaker hose and add up to hundreds of thousands of gallons. The graphic below is a ruler from www.txsmartscape.com that we purchased many years ago but the math doesn't change. Even a small leak of 1/8" could use nearly 100,000 gallons a month and a larger leak of 1/4" could add up to almost 400,000 gallons a month.



Toilets

Leaky toilets can use a surprising amount of water and go virtually undetected. One resident, who typically uses about 5,000 gallons per month, saw his August and September bill jump to 19,400 and 56,200 respectively. The customer did not "see" any obvious leaks in his house or yard and assumed that the reading from the water meter was incorrect. The problem with most toilet leaks is that they can be intermittent and residents will not always know that the toilet is continuously running. In some cases, toilet leaks can stick at times while working fine at other times making it difficult to detect during customer requested rereads and leak checks by Rowlett staff.

Whether it comes from a leak or actual use, in some cases we have incurred the expense to pull and test a meter. So far since July, we have tested eleven meters and have two others in the queue to be tested.

Location	Year Installed	Volume		
		High	Mid	Low
Woodlands	2013	100.1%	100.0%	99.0%
Melcer	2013	100.1%	100.0%	96.0%
Dartmouth	2005	99.1%	99.0%	92.0%
Ardis	**2014**	98.6%	**97.8%**	**59.6%**
Cabbot Cove	**2012**	**102.4%**	101.0%	91.0%
Conlin	2012	100.2%	100.0%	100.0%
Merritt	2012	100.1%	100.0%	98.0%
Sea Breeze	2013	100.0%	101.0%	100.0%
Oak Lane	2014	100.2%	101.1%	100.8%
Southbay Circle	2003	100.3%	100.0%	90.0%
Standard		98.5%-101.5%	98.5%-101.5%	90.0%-101.5%
Note: two meters out of the eleven tested failed and have been replaced. In such cases, we make an adjustment for the customer because the meter failed - even though the failures typically result in less water being charged to the customer.				

Swimming Pools

Likewise, swimming pools can use an astounding amount of water even without a leak. According to Seametrics (www.seametrics.com/blog/water-conservation-facts/), in an article *entitled 50 Amazing Water Conservation Facts You Should Know*, "a swimming pool naturally loses about 1,000 gallons…a month to evaporation". In addition, they point out that just "a 7 mph wind at the surface of the pool can increase evaporation losses 300 percent". Add in other factors prevalent in North Texas, sunlight, lack of humidity, high temperatures for extended periods of time, and you have a recipe for a considerable amount of usage. This is supported by American Leak Detection, Inc., (http://www.americanleakdetection.com/how-much-water-evaporates-from-a-pool-each-day.php) who state in an article entitled *How much water evaporates from a pool each day* that "on average, swimming pools lose about a quarter of an inch of water each day, yet variations in wind intensity, humidity and sunlight can drastically change water loss rates". Scientific American, Inc., (http://www.scientificamerican.com/article/top-10-water-wasters/), in an article entitled *Top 10 Water Wasters: From Washing Dishes to Watering the Desert* say that "…because most pools have automatic refillers, owners often fail to notice the loss until their next bill arrives.

When swimming pools do have a leak, water losses can be much worse. Like other infrastructure, pools develop cracks in their foundations, linear tears and pipe damage over time. Add in a four year drought in North Texas and there may be more leaky swimming pools than homeowners realize.

Regardless of the reason for swimming pool water losses, whether leaks or evaporation, water usage can be remarkably high. The table below shows how many gallons a pool can lose at various inches and the cost of that water.

Pool Size	Surface Area	Gallons Lost per Month			
		0.25" Per Day	0.50" Per Day	0.75" Per Day	1.00" Per Day
Small (12x24)	288	1,346	2,693	4,039	5,386
Medium (16x32)	512	2,394	4,788	7,181	9,575
Large (20x40)	800	3,740	7,481	11,221	14,961
Olympic (82x164)	13,448	62,874	125,748	188,621	251,495
Note[1]: A typical 16x32 backyard swimming pool with an average depth of 5 feet holds 19,200 gallons. Note[2]: Every 1,000 gallons of water loss costs $4.07; therefore, even normal evaporation of 5,000 to 10,000 gallons per month would add $20.35-$40.70 to a customers' monthly water bill.					

Next Steps

We have added this Work Session item for Council to provide time for a short presentation and an opportunity for Council to ask questions about customer water usage and billing practices. In addition, we have several more items as follows:

- Public Education – There are two key pieces of information we have prepared to help customers better understand their water usage and what factors are driving the higher costs this summer.

    1. A Frequently Asked Questions (FAQ) guide will help customers answer questions about their water bill, what factors are driving the higher costs this summer, and what they can do to lower their water usage and save money. The FAQ has been published on Facebook and the City's website.
    2. We have prepared a series of videos that have already been published on the City's Facebook site and website. This series of videos teach our customers how to read their own water meter, how to determine how much time they are watering their yard, and what impact the relaxation of water restrictions last year had on this year.

- Public Integrity and Transparency – With regard to meter accuracy and billing integrity, we have a two prong approach we are taking as listed below.

    1. We have scheduled a meeting with Garland to negotiate a reciprocal agreement to test each other's water meters. In a true random test, 68 "tests" (i.e. meters) provides a 90% confidence rate that what you find in the test, you would find in the field. The results will be published.
    2. We will engage our independent auditor, Weaver & Tidwell to "audit" the same 68 meters from the meter readings through the billing system. Our goal is to provide assurance that what is being read in the field is what is being billed to the customer.

They are able to do that work in October and anticipate a quick turnaround. They also have the software necessary to develop the random sample of the 68 water meters.

- Customer Service – We will continue to reread meters upon request and meet with customers to explain their bills.

Finally, next year we will get ahead of this issue and start publishing and republishing video and other educational notices regarding water usage to tune our customers in to the upcoming summer and ways they can save water.

FINANCIAL/BUDGET IMPLICATIONS

N/A

RECOMMENDED ACTION

Information only. No action recommended.

ATTACHMENTS

Attachment One – Frequently Asked Questions Regarding Water Bill
Attachment Two – Results of Informal Study of Customer Water Bills

North Texas Municipal Water District (NTMWD)

Frequently Asked Questions: Wholesale Water Rates and Water Supply Contract

What is the role of the NTMWD in providing water to the region?

The North Texas Municipal Water District (NTMWD) is a non-profit, wholesale water provider serving many cities and communities northeast and east of Dallas. In the 1950s, ten cities joined together to form the NTMWD to collectively fund a regional water system that would support their future needs. Three other Member Cities joined years later. The cities recognized the benefit of sharing costs – saving each city the cost of independently funding complex pipelines and facilities to serve their residents. The Member Cities agreed to pay the same wholesale water rate regardless of size, location or proximity to the infrastructure or water sources.

What are the benefits of a regional system?

To serve a large region consisting of many cities or towns, the total costs of building and operating a water system can be spread over a greater population. If each individual city had to build, maintain and operate its own water system, they would have greater costs to be covered by fewer customers. The NTMWD regional system allows the cities to benefit from cost-sharing with other participating cities and communities to meet current and future residents' water service needs.

Who are the NTMWD Member Cities and Customers?

Water System Member Cities

Allen (1998)
Farmersville
Forney
Frisco (2001)
Garland
McKinney
Mesquite
Plano
Princeton
Richardson (1973)
Rockwall
Royse City
Wylie

Water System Customers

Ables Springs WSC
Bonham
Caddo Basin SUD
Cash SUD
College Mound SUD
Copeville SUD
Crandall (Kaufman Four-One)
East Fork SUD
Fairview
Fate
Forney Lake WSC
Gastonia-Scurry SUD
GTUA
Josephine
Kaufman
Kaufman Four-One
Lavon SUD
Little Elm
Lucas
Melissa
Milligan WSC
Mt. Zion WSC
Murphy
Nevada WSC
North Collin WSC
Parker
Prosper
Rose Hill SUD
Rowlett
Sachse
Seis Lagos UD
Sunnyvale
Terrell
Wylie N.E. SUD

WSC = Water Supply Corporation SUD = Special Utility District UD = Utility District

What are the differences between the NTMWD Member Cities and Customers?

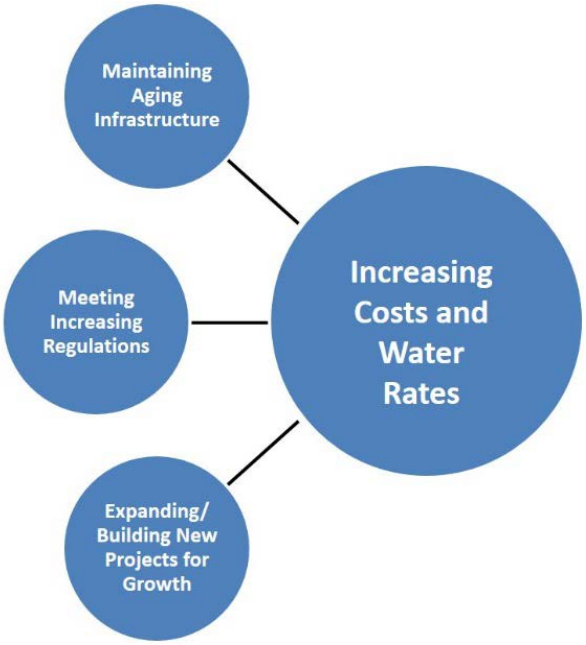
The NTMWD Member Cities appoint representatives that serve on the District Board of Directors – two representatives for cities with a population more than 5,000; one representative for cities with under 5,000 residents. NTMWD Water System Customers do not have Board representation, however the Directors are appointed to serve in the best interest of the entire region. NTMWD Customers currently pay a five-cent per thousand gallon premium on top of the Member City wholesale water rate, thus they share the proportionate costs for operating and maintaining the regional system and help repay the debt to finance capital projects.

Why are water rates projected to continue increasing?

The *Associated Press* recently reported that rising water costs is an issue facing providers nationwide, especially in drought-prone regions. See link to article below.

Water rates rising across nation:
http://www.mlive.com/news/us-world/index.ssf/2015/09/water_rates_rising_across_nati.html

The NTMWD and all water utilities are challenged with increasing costs for maintaining and rehabilitating aging infrastructure, building pipelines and reservoirs for anticipated population growth, as well as implementing new technologies to comply with changing regulatory requirements. Additionally, large water projects take years – often decades – to complete the required environmental permitting, resulting in significant upfront investments before customers receive the benefit.



While water is essential, many experts believe it has been undervalued considering the systems needed to ensure water flows from our taps 24/7. The NTMWD operates and maintains the following key components of the regional water system which serves communities in several counties and covers 2,200 square miles:

- 6 water treatment plants – 806+ million gallons per day capacity
- 566 miles of transmission pipelines
- 9 raw water pump stations
- 8 treated water pump stations
- 77 City delivery points

Despite the complexity and scope of this system, a gallon of water from NTMWD costs Cities less than one-quarter of a penny.

As our region continues to grow, the District is responsibly planning new projects to prepare for projections that the region is expected to double in population over the next 40 years.

Even with a continued focus on conservation programs to stretch existing supplies, NTMWD will need to have another major water source, the Lower Bois d'Arc Creek Reservoir (LBCR) in Fannin County, online as early as 2020. The LBCR will become part of the regional water system serving all Member Cities and Customers. Thus, each of these communities will share in this investment.

How much does population growth affect water rates?

Water has provided the essential foundation for communities in North Texas to grow over the last several decades. Cities in our region continue to make headlines for welcoming major new businesses, recognized as among the healthiest housing markets, and consistently ranking as some of the best places to live in America. A reliable water supply is critical to meet the needs of current and future generations of residents, as well as to support businesses, jobs and economic prosperity in our region. Based on population growth projections, NTMWD water demands will increase 1.5 times over the next 40 years.

NTMWD Largest Member Cities Population Growth

City	1950	1960	1970	1980	1990	2000	2010	2015
Frisco	736	1,184	1,845	3,420	6,138	33,714	116,989	145,510
Garland	10,291	38,501	81,437	138,857	180,635	215,768	226,876	232,960
McKinney	10,560	13,763	15,193	16,249	21,283	54,369	131,117	154,840
Mesquite	1,684	27,526	55,131	67,053	101,484	124,523	139,824	142,230
Plano	2,115	3,695	17,872	72,331	127,885	222,030	259,841	271,140
Richardson	1,289	16,810	48,405	72,496	74,840	91,802	99,223	102,430

NTMWD Total Population: Historical and Projected

Year	1956	1961	1974	1994	2015	2040	2070
Population Served	32,000	60,000	200,000	800,000	1,600,000	2,500,000	3,700,000

Collin County recently updated its population growth projections to include 1.3 million more residents than previous estimates. On top of future growth, the last several years of drought and required watering restrictions may have masked the full effects of recent growth on water demands.

What are the impacts of recent years of drought and conservation on water rates?

The NTMWD appreciates the commitment of all the cities and residents in north Texas to conserve water during recent years of drought. The efforts were vital to help stretch existing supplies. Without these measures, our reservoirs would have been even more severely depleted.

Fortunately, record rainfall last May refilled our reservoirs – averting prolonged water shortages in our region. However, conservation remains a key component of meeting our future water needs. We must continue to use water wisely, especially in landscapes where a large percentage of water is consumed.

The combination of watering restrictions over the last several years followed by significant spring rains means the region has consumed less water than normal. Reduced consumption has presented significant challenges for the Member Cities and Customers as they must cover ongoing fixed costs while collecting less revenues.

Once residents resumed "normal" post-drought watering schedules (with little to no restrictions in place), water consumption increased dramatically from July through October 2015. This demonstrates that Member Cities and Customers still require the system capacity to meet higher water demands when needed. The NTMWD must build and maintain the system to meet those highest potential needs.

Without outdoor watering restrictions in place, the total regional consumption from July through September 2015 was similar to pre-drought demands in 2011 as residents returned to more frequent outdoor watering patterns. The NTMWD has the responsibility to make sure the infrastructure and system is prepared to meet those peak demands today and in the future, especially since our Cities are among some of the fastest-growing in the nation.

What is the NTMWD wholesale water supply contract and the term "take or pay"?

The NTMWD must collect enough revenue to cover the regional water system fixed costs of the pipes and facilities that have been constructed to meet the highest potential water demands. Fixed costs include the repayment of bonds that have funded past projects and debt service on new projects. Other fixed costs are from ongoing operations, maintenance and rehabilitation on the system to maintain reliability and comply with environmental regulations.

Eleven Member Cities signed one water supply contract when it was last amended in 1988 – two cities signed similar contracts when they joined the District later – Allen (1998) and Frisco (2001). The contract is structured so that each City pays for its allocation of the costs for the entire regional water system based on its year of highest annual usage. This is a common cost allocation method to determine proportionate cost-sharing among regional users of a water or energy system. By cost-sharing with fellow Member Cities rather than each city building its own separate infrastructure and systems, each City has saved significantly over the last several decades.

The NTMWD has built (and issued bonds for) the infrastructure costs to meet the Cities' historic peak demands and must collect enough revenue to make the bond payments and cover ongoing maintenance costs for those pipelines and systems, regardless of the amount of water used. If any of the individual Cities had issued bonds independently to build its own system, they would have to repay that debt regardless of today's customer usage.

For fiscal year 2015-2016, the NTMWD wholesale water rate for its Member Cities is $2.29 per thousand gallons of treated water. This rate is made up of two components:

1) $1.88 per thousand gallons funds the fixed/capital costs (infrastructure), and
2) $0.41 cents per thousand gallons for the actual amount of water consumed.

Each City then determines its own end-user rates for residential, commercial and industrial customers to cover the NTMWD wholesale water costs plus the City's own system and operating costs – typically setting different rates based on tiers or levels of usage so that consumers using higher amounts pay a higher rate.

The "take or pay" term used to describe the water supply contract means that the Cities pay the fixed costs component of the wholesale water rate based on highest year of consumption, even if

in subsequent years they don't reach that same level of water use. This ensures the fixed system costs are covered regardless of the amount of water used. The Cities and Customers receive an annual rebate for the variable costs, such as chemicals and power not used for treatment and delivery, based on each City's actual consumption for that year.

Cities don't pay for "unused" water – they pay an allocation of the regional water infrastructure and system costs based upon the maximum amount of potential capacity each City needs. The Cities and Customers are paying for water service, not just the water molecules that are delivered.

Why are some Member Cities asking for a change to the water supply contract?

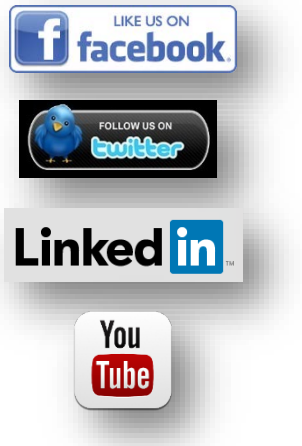
With watering restrictions and conservation resulting in reduced revenues to cover fixed costs, some Member Cities have questioned the structure of the water supply contract and are interested in exploring alternate methods for allocating the regional system costs across the Member Cities and Customers.

Because all 13 Member Cities signed the current water supply contract, it will take all 13 to discuss and agree to any changes. Previous analysis and studies related to adjusting a City's annual commitment for water system capacity have shown that lowering one City's percentage would increase the proportionate share of costs for other participating Cities.

The NTMWD supports the Cities coming together to discuss alternatives to the current water supply contract and is open to considering a change with agreement and support from the Cities.

For more information and updates, connect with the North Texas Municipal Water District online:

- www.NTMWD.com
- Facebook
- Twitter @NTMWD
- LinkedIn
- YouTube



City of Rowlett

Staff Report

4000 Main Street
P.O. Box 99
Rowlett, TX 75030-0099
www.rowlett.com

AGENDA DATE: 12/08/15 **AGENDA ITEM**: 3A

TITLE

Consider action approving an Interlocal Cooperation Agreement between Rockwall County and the City of Rowlett regarding municipal judge services.

STAFF REPRESENTATIVE

Brian Funderburk, City Manager
Mike Brodnax, Police Chief

SUMMARY

In 2009, the City of Rowlett entered into an Interlocal Agreement with Rockwall County for "Labor Day 2009 No Refusal Weekend". In 2016, Rockwall County and the City of Rowlett will join together for "No Refusal Weekend" periods throughout the year.

BACKGROUND INFORMATION

The City of Rowlett has had interlocal agreements with Rockwall County to provide "no refusal weekends since 2009. This was original intended to be for Labor Day only but has grown to include four major holidays.

DISCUSSION

Rockwall County Law Enforcement agencies are joining together to conduct "No Refusal Weekends" for the 2016 year.

Through this program, warrants will be sought to draw blood from individuals who are suspected of driving while intoxicated and have refused to provide a breath or blood sample. The Rockwall County Criminal District Attorney, Kenda Culpepper, has taken the lead to plan the logistics of the event and to work out the issues related to obtaining the blood draw warrants. Rockwall County prosecutors will be on 24 hour call to assist officers in obtaining the warrants. Rowlett Municipal Judge Pam Liston has agreed to be available 24 hours a day during the weekends listed below to review and issue blood draw warrants.

During the term of this agreement, Rockwall County shall perform the "No Refusal Weekend" on four occasions as follows:

1. New Year's Day – 12:01 a.m. December 30, 2015 through 5:00 p.m. January 4, 2016;
2. Memorial Day – 12:01 a.m. May 27, 2016 through 5:00 p.m. May 31, 2016;
3. Independence Day – 12:01 a.m. July 1, 2016 through 5:00 p.m. July 5, 2016; and
4. Labor Day – 12:01 a.m. September 2, 2016 through 5:00 p.m. September 6, 2016.

The Interlocal Agreement for your consideration is between the City and Rockwall County for the use of Judge Pam Liston's service during this time period. Rockwall County will reimburse the City of Rowlett for the costs incurred, up to $2,500.

For reference, the City of Rowlett has used the same procedure for blood draw warrants for several years.

FINANCIAL/BUDGET IMPLICATIONS

The cost for Judge Liston's services will be reimbursed by Rockwall County up to an amount of $2,500.

RECOMMENDED ACTION

City staff recommends the City Council approve the Interlocal Agreement with Rockwall County.

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS, APPROVING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN ROCKWALL COUNTY AND THE CITY OF ROWLETT REGARDING MUNCIPAL JUDGE SERVICES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, portions of the City of Rowlett (City) are located within Rockwall County (County) and its citizens are represented by the Rockwall County Criminal District Attorney in criminal matters; and

WHEREAS, both the City and the County seek to protect their citizens from harm and damage to property; and

WHEREAS, the County through the Rockwall County Criminal District Attorney intends to hold a "No Refusal Weekend" four times a year wherein warrants will be sought to draw blood from individuals suspected of driving while intoxicated who have refused to provide a breath or blood sample; and

WHEREAS, the City through its municipal court of record has the authority to issue evidentiary warrants in the State of Texas under certain conditions; and

WHEREAS, the City desires to make a municipal judge available to review, consider, and sign, if appropriate, evidentiary warrants to obtain blood samples from individuals in Rockwall County suspected of driving while intoxicated for these dates:

1. New Year's Day – 12:01 a.m. December 30, 2015 through 5:00 p.m. January 4, 2016
2. Memorial Day – 12:01 a.m. May 27, 2016 through 5:00 p.m. May 31, 2016
3. Independence Day – 12:01 a.m. July 1, 2016 through 5:00 p.m. July 5, 2016
4. Labor Day – 12:01 a.m. September 2, 2016 through 5:00 p.m. September 6, 2016

WHEREAS, it is in the best interest of the citizens of Rockwall County to hold a "No Refusal Weekend"; and

WHEREAS, both the County and the City desire to enter into an Interlocal Cooperation Agreement, pursuant to Texas Government Code Chapter 791.011 (a), whereby the County and the City will agree upon the terms of said written agreement.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROWLETT, TEXAS:

Section 1: That the City Council of the City of Rowlett hereby approves an Interlocal Agreement with Rockwall County, Texas, authorizing the City's municipal judge to review and execute certain warrants; and

Section 2: That the Mayor be and is hereby authorized to execute an Interlocal Agreement with Rockwall County as provided in the Interlocal Agreement attachment which is attached hereto as Exhibit A; and

Section 3: This resolution shall become effective immediately upon its passage.

ATTACHMENT

Exhibit A – Interlocal Cooperation Agreement

INTERLOCAL COOPERATION AGREEMENT BETWEEN ROCKWALL COUNTY AND THE CITY OF ROWLETT REGARDING MUNICIPAL JUDGE SERVICES

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into by and between Rockwall County, Texas, a political subdivision of the State of Texas (*hereinafter referred to as "COUNTY")*, and the City of Rowlett, a municipal corporation of the State of Texas (*hereinafter referred to as "CITY.")*

WHEREAS, the CITY is located within the COUNTY and its citizens are represented by the Rockwall County Criminal District Attorney in criminal matters; and

WHEREAS, both the CITY and the COUNTY seek to protect their citizens from harm and damage to property; and

WHEREAS, the COUNTY through the Rockwall County Criminal District Attorney intends to hold multiple "No Refusal Weekends" during the course of the year wherein warrants will be sought to draw blood from individuals suspected of driving while intoxicated who have refused to provide a breath or blood sample; and

WHEREAS, the CITY through its municipal court has the authority to issue evidentiary warrants in the State of Texas under certain conditions; and

WHEREAS, the CITY desires to make a municipal judge available to review, consider and sign, if appropriate, evidentiary warrants to obtain blood samples from individuals in Rockwall County suspected of driving while intoxicated during the periods set forth in this Agreement; and

WHEREAS, it is in the best interest of the citizens of Rockwall County to hold "No Refusal Weekends"; and

WHEREAS, both the COUNTY and CITY desire to enter into an Interlocal Cooperation Agreement, pursuant to Texas Government Code Chapter 791.011 (a), whereby the COUNTY and the CITY will agree upon the terms of said written agreement;

NOW, THEREFORE, the COUNTY and the CITY mutually agree as follows:

I.
TERM OF AGREEMENT

A. The COUNTY and the CITY mutually agree that the term of this Agreement shall be for one (1) year commencing on the date it is formally and duly executed by both the COUNTY and the CITY.

B. During the term of this Agreement the COUNTY shall perform the "No Refusal Weekend" on four occasions as follows:

(1) New Year's Day – 12:01 a.m. December 30, 2015 through 5:00 p.m. January 4, 2016;
(2) Memorial Day – 12:01 a.m. May 27, 2016 through 5:00 p.m. May 31, 2016;
(3) Independence Day – 12:01 a.m. July 1, 2016 through 5:00 p.m. July 5, 2016; and
(4) Labor Day – 12:01 a.m. September 2, 2016 through 5:00 p.m. September 6, 2016.

C. Notwithstanding the foregoing, this Agreement may be terminated by either party by giving thirty (30) days' written notice of intent to terminate this Agreement to the other party. Any notice of intent to terminate must be delivered by deposit in the United States mail, certified, return mail receipt requested, to the other party at the addresses set out herein. Upon termination of this Agreement, neither party will have any obligations to the other party under this Agreement, except with respect to payment for services already rendered under this Agreement, but not yet paid.

II.
COUNTY RESPONSIBILITIES

The COUNTY will pay the CITY at a rate of $120.00 an hour for a total amount not to exceed $2500.00 for each of the aforementioned "No Refusal Weekend" periods, for the services of Judge Pam Liston to review, consider and sign, if appropriate, evidentiary warrants to obtain blood samples from individuals suspected of driving while intoxicated during the "No Refusal Weekend" periods. Payment of the judge's fee is specifically not made contingent upon approval of the warrant by the judge.

III.
CITY RESPONSIBILITIES

The CITY through Municipal Judge Pam Liston shall review, consider and sign, if appropriate, evidentiary warrants to obtain blood samples from individuals suspected of driving while intoxicated during the "No Refusal Weekend" periods. The CITY agrees that Judge Liston will be available to provide these services at times to be scheduled at a later date during the "No Refusal Weekend" periods. The CITY further agrees to submit an invoice to the COUNTY (c/o the Rockwall County Auditor) for the services provided by the Judge. Payment shall be made 30 days after receipt of the invoice by the Rockwall County Auditor.

IV.
GENERAL PROVISIONS

A. **General Administration:**
The COUNTY and the CITY will designate their respective representatives for the general administration of this Agreement.

B. **Alteration, Amendment or Modification:**
This Agreement may not be altered, amended, or modified except in writing signed by all parties to this Agreement.

C. **Notice:**
All notices sent pursuant to this Agreement will be in writing and must be sent by registered or certified mail, postage prepaid, return-receipt requested.

Notices sent pursuant to this Agreement will be sent to the Rockwall County Judge's Office at the following address:

County Judge
Rockwall County Judge's Office
101 East Rusk, Room 202
Rockwall, Texas 75087

Notices sent pursuant to this Agreement may be delivered or sent to the City at the following address:

Brian Funderburk
City Manager, City of Rowlett
4000 Main Street
Rowlett, Texas 75088

When notices sent pursuant to this Agreement are mailed by registered or certified mail, notices will be deemed effective three (3) days after deposit in a U.S. mail box or at a U.S. postal office.

D. **Severability:**
If any provision of this Agreement is found to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect the remaining provisions of this Agreement.

E. **Breach:**
The failure of either party to comply with the terms and conditions of this Agreement will constitute a breach of this Agreement. Either party will be entitled to any and all rights and remedies allowed under Texas law for any breach of this Agreement by the other party.

F. **Non-Waiver:**
The waiver by either party of a breach of this Agreement will not constitute a continuing waiver of such breach or of a subsequent breach of the same or a different provision. Nothing in this Agreement is intended by wither party to constitute a waiver of any immunity from suit or liability to which it is entitled under applicable law.

G. **Entire Agreement:**
This Interlocal Cooperative Agreement constitutes the entire Agreement between the COUNTY and the CITY. No other agreement, statement, or promise relating to the subject matter of this Agreement and which is not contained in this Agreement or incorporated by reference in this Agreement will be valid or binding.

H. **Terms used in Document:**
As used in this Agreement, the terms "Interlocal Cooperation Agreement", "Interlocal Agreement", "Agreement", and "Contract" are synonymous.

I. **Non-Defined Terms:**
If not specifically defined in this Agreement, words and phrases used in this Agreement will have their ordinary meaning as defined by common usage.

EXECUTED THIS 10th day of Novembe 2015.

Rockwall County

By: _____
Honorable David Sweet
Rockwall County Judge

Attest:

_____ Date: 11/10/15

EXECUTED THIS _____ day of _____ 2015.

City of Rowlett

By: _____
Mayor Todd W. Gottel
City of Rowlett

Attest:

_____ Date: _____