



MEMORANDUM

PUBLIC WORKS DEPARTMENT

To: Mayor and City Council

Through: Ben Williamson, City Manager

From: Ray Silva-Reyes, Director of Public Works

CC: Jawaria Tareen, Deputy City Manager
Kevin McCoy, Chief of Police - Managing Director

Date: January 13, 2026

Subject: Water and Wastewater Line Replacement CIP Program

This memo is intended to serve as an executive summary for the Water and Wastewater Line Replacement Capital Improvement Program (CIP). This CIP item is a key project within the City's ongoing investment in aging water and wastewater infrastructure, intended to improve system reliability, reduce service disruptions, and address known capacity and condition deficiencies. As part of this effort, the City has identified critical water and wastewater lines.

As part of this effort, in October 2025, the City implemented water and wastewater rate adjustments to begin addressing long-deferred reinvestment needs within the utility system. Water and wastewater rates in Farmers Branch had not been comprehensively adjusted for approximately ten years, despite steadily increasing wholesale water and wastewater costs imposed by regional providers, including the Trinity River Authority and Dallas Water Utilities. During this period, external supply and treatment costs continued to rise while local rates remained relatively flat, creating a growing structural gap between revenues and the true cost of service.

Birkhoff, Hendricks & Carter, L.L.P. (Consultant) completed a comprehensive evaluation of the City of Farmers Branch's existing water distribution and wastewater collection systems to develop a prioritized CIP for 1-year, 5-year, and 20-year planning horizons. Targeted replacement of these assets is critical to reducing the risk of system failures,

minimizing service disruptions, protecting environmental resources, and maintaining regulatory compliance. Given the system's age, size, and complexity, the pipeline replacement effort is expected to occur over approximately 20 years, consistent with industry best practices for utility asset lifecycle management. The analysis incorporated City-provided utility records, GIS data, service histories, and the City's current Water, Wastewater, and Street CIPs to ensure coordination with planned roadway improvements and operational priorities.

For both systems, matrix-based scoring tools were developed to objectively rank individual pipeline segments. Water lines were evaluated using a Water Line Condition Index, considering factors such as pipe age, material, service history, coordination with street projects, system criticality, and construction feasibility. Wastewater lines were evaluated using a Sanitary Sewer Line Condition Index, incorporating criteria similar to those used in the new Water CIP, along with CCTV condition data and alignment with the new Water CIP. These indices enabled the City to prioritize projects by risk, condition, and cost-effectiveness, while aligning improvements across utilities.

The resulting 2026 CIP identifies targeted water and wastewater rehabilitation and replacement projects to be designed and constructed during the 2026 fiscal year. Projects are grouped into three phases to allow concurrent construction by multiple contractors, improving delivery efficiency and minimizing disruption. The total estimated capital cost for the 2026 CIP is approximately \$13.0 million, consisting of \$7.9 million for water system improvements and \$5.1 million for wastewater system improvements, distributed across Phases 1, 2, and 3.

This CIP provides the City with a defensible, data-driven framework for infrastructure investment, supports coordination with street reconstruction efforts, and prioritizes the most critical utility needs. City staff plans to present the 2026 CIP and a Professional Services Agreement for design, bidding, and construction administration to the City Council in February 2026.

Following the study phase, Public Works will begin the design process with the Consultant for the first set of annual water and wastewater line replacement projects. Construction is expected to begin in late 2026. This Capital Improvement Plan will help prioritize projects for the next 20 years. The Consultant has provided a technical memo that provides further details on the utility prioritization list, costs, and utility maps. The Public Works Department will execute the design and construction of aging infrastructure in accordance with the 5-year CIP outlined in the technical memorandum.