



MEMORANDUM

To: Mayor & Council

From: Charles S. Cox
City Manager

Date: April 13, 2017

Subject: Trinity River Authority (TRA) Metering

Farmers Branch contracts with TRA to treat the city's wastewater. All of the city's wastewater lines connect to one TRA line on the westside of the City. Some Carrollton and Addison line flows also tie into our lines with meters at each connection point. The readings associated with these meters are deducted from the Farmers Branch bill. Unlike treated water, wastewater volume cannot be measured with a mechanical device physically installed within the pipe. Rather an electronic meter is attached to the pipe with a transducer that produces sonar (sound waves) in order to measure the flow. In order to work properly, the meter must be calibrated to account for angle of pipe installation (impacts rate of flow) and pipe construction material (impacts pipe surface resistance). The electronic meter was installed in 2007. At that time, TRA evidently was not able to provide for proper meter calibration and therefore advised the City that bills would be estimated based on using water consumption, rainfall, building permit, lift station pump readings and population data. Evidently, TRA has not updated this data (except for rate increases) since 2007.

In May 2016, TRA formally calibrated the Farmers Branch meter with the assistance of the Black & Veatch engineering firm. This change resulted in actual billed volumes increasing by 50%. Farmers Branch was notified of this change in August and began analyzing the change at that time reaching a conclusion in January 2017 that the meter

calibration and process was correct. TRA has therefore notified us that the billing back to May 2016 will result in a \$1.7 million increase in cost to Farmers Branch this fiscal year of which \$1 million will continue into FY '18 and future years. Due to this large budget impact, Farmers Branch is in the process of engaging an engineering firm to conduct an independent review of the meter installation and calibration to further verify its accuracy. A water & sewer rate increase between 5-6% will be needed in FY '18 to offset this change – in addition to scheduled rate increases sure to be proposed by both TRA and Dallas Water Utilities.

A representative from TRA will be at the April 18th Council meeting to discuss this meter issue as well as current TRA capital improvement plans. Councilwoman Reyes is the City's representative to TRA.