

***FINAL***

**COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT  
2012 ANNUAL BUDGET**





## COASTAL WATER AUTHORITY

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November 9, 2011

The Honorable Annise D. Parker, Mayor  
Members of the City Council  
City of Houston  
P. O. Box 1562  
Houston, Texas 77251-1562

**RE: 2012 ANNUAL BUDGET  
TRINITY RIVER WATER CONVEYANCE PROJECT**

Mayor Parker and Members of the City Council:

In compliance with provisions of the Operating Contract between the City of Houston (the City) and the Coastal Water Authority (CWA), the Board of Directors respectfully submits the 2012 Calendar Year Budget for the Trinity River Water Conveyance Project for your consideration and approval.

The CWA 2012 Proposed Budget is \$21,606,672, an increase of about \$1,065,000 from the 2011 Budget. The 2012 Budget supports CWA's expected delivery of 207.5 billion gallons of water for the City's water system and its customers. This increase of about 7% in water demand is reflective of the forecasted continuation of the impact of drought conditions in the Houston region extending into 2012. A significant portion of the budget increase is to fund, for twelve months, the requirements of contracting with NRG for Utility-Grade Backup Electric Power for emergency situations to comply with Senate Bill 361. An additional \$1,232,400 is incorporated in the 2012 Budget to fund this service contract that began June 1, 2011 for all of next year.

The Authority's Board of Directors instructed its management team to identify activities where costs could be reduced and still allow CWA to meet its obligations to the City. That review resulted in the Board of Directors, over the past few months, approving several new contracts that will provide savings for Fiscal Year 2012 and beyond. These recent Board actions resulted in:

- The Authority's new electricity procurement contract for a three year contract period that achieved an energy rate reduction of about 25%.
- A new office space lease was approved to begin March, 2012, that will result in a 20% reduction in annual costs.
- A new employee medical insurance contract that achieved a lower annual cost with a change in the terms of the coverage.
- An agreement with the City of Houston's Legal Department that will utilize the Department's staff expertise on issues unique to the Authority's Trinity River System Facilities and will reduce the amount of services required by the Authority's contracted Legal Counsel.



The Honorable Annise D. Parker, Mayor  
Members of the City Council  
2012 Annual Budget, Trinity River  
November 9, 2011  
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These cost saving activities provide an opportunity to offset some of the increases in the Authority's electricity and pre-treatment chemical budget that resulted from the increase in water delivery demands at the City's Water Purification Treatment Plants.

The proposed 2012 Budget is the product of several meetings and discussions between representatives of the City's Department of Public Works and Engineering and the Authority's operational and management staff members.

The proposed budget provides minimal contingencies in the event of unanticipated occurrences. The failure of high-cost equipment or severe weather conditions that damage the system may result in a supplemental funding request. In such an event, the request would be documented as to need and coordinated with the Department of Public Works and Engineering.

The members of the Board of Directors wish to express their appreciation to everyone involved in this Project, especially those City employees of the Department of Public Works & Engineering and the Legal Department for their cooperation and assistance in furthering the CWA Project as a major contributory resource for the Houston Combined Utility System. We look forward to continued efforts in planning and providing for the further growth of the City of Houston's water requirements.

Sincerely,



D. Wayne Klotz, P.E.  
President, Board of Directors

Attachment



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COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
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2012 ANNUAL BUDGET

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COASTAL WATER AUTHORITY  
 TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
 BUDGET SUMMARY  
 2012 ANNUAL BUDGET

<u>APPLICATION OF FUNDS</u>	<u>2011 BUDGET</u>	<u>2011 PROJECTED</u>	<u>2012 BUDGET</u>
Field Expenditures (1)	\$20,541,804	\$20,117,000	\$21,606,672
Capital Outlay	400,000	0	400,000
Debt Service	5,168,714	5,168,714	5,148,885
Total Expenditures	<u>26,110,518</u>	<u>25,285,714</u>	<u>27,155,557</u>
Ending Fund Balances (2)	5,135,451	5,135,451	5,401,668
Total Applications	<u>31,245,969</u>	<u>30,421,165</u>	<u>32,557,225</u>
 <u>SOURCE OF FUNDS</u>			
Beginning Fund Balances (2)	4,647,415	4,647,415	5,135,451
Investment Income - Operations	5,900	5,000	2,400
Other Income	130,000	160,000	120,000
Subtotal Sources	<u>4,783,315</u>	<u>4,812,415</u>	<u>5,257,851</u>
Capital Funding - Construction	400,000	0	400,000
Debt Service Revenue - City	5,168,714	5,168,714	5,148,885
Subtotal	<u>10,352,029</u>	<u>9,981,129</u>	<u>10,806,736</u>
System Revenue - Project	<u>\$20,893,940</u>	<u>\$20,440,036</u>	<u>\$21,750,489</u>

(1) Includes assets purchased

(2) Project Fund only.



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
FACTS AND ASSUMPTIONS  
2012 ANNUAL BUDGET

FACTS

1. The 2012 budget is prepared on a cash basis.
2. Trinity River books and records consist of four funds, which are the Conveyance System Development Fund, the Special Contingency Fund, the Debt Service Fund, and the Project Fund.
3. The required fund balances have been reflected at the minimum balances per the various bond resolutions and applicable contract terms.
4. Trinity River is charged with direct salary and costs as well as an allocation of certain general items based upon an overall budgeted payroll allocation of 62%.
5. The 2012 budget reflects the full year impact of complying with SB361 as it relates to emergency electrical reliability at the two pump stations.

ASSUMPTIONS

1. Salaries anticipates funding the employee benefits of two field retirees.
2. The 2012 budget anticipates staffing to support continuation of previous activities along with the additional requirements requested in the contract amendments.
3. Utility expense anticipates a net increase in electrical costs after a decrease in the contract rate for electricity effective July 2012, is offset with a higher water demand forecast.
4. Capital Outlay for 2012 includes contingency for emergency pump and/or motor repair.



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COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
RECONCILIATION OF 2011 BUDGET TO 2012 BUDGET

	2011 Budget to 2012 Budget
2011 Budget	<u>\$20,541,804</u>
Field Salaries	(6,720)
Electricity Contract (Increased Water Volume)	91,671
Materials & Supplies (Reliability Service Contract - Fuel)	246,325
Contract Labor & Equipment (Reliability Service Contract)	896,400
Administrative Expense	(27,177)
General Operating Expenses (Property & Employee Insurance)	(37,761)
Engineering, Legal & Professional	<u>(97,870)</u>
Subtotal	<u>1,064,868</u>
2012 Budget	<u><u>\$21,606,672</u></u>



COASTAL WATER AUTHORITY  
 TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
 STATEMENT OF REVENUES AND EXPENDITURES  
 2012 ANNUAL BUDGET

	2011 BUDGET	2011 PROJECTED	2012 BUDGET
<b>REVENUES</b>			
Funds provided by City of Houston	\$26,062,654	\$25,608,750	\$26,899,374
Interest on Investments	5,900	5,000	2,400
Service Revenues(SJRA)	110,000	100,000	100,000
Other	20,000	60,000	20,000
Total Revenue	<u>26,198,554</u>	<u>25,773,750</u>	<u>27,021,774</u>
<b>EXPENDITURES</b>			
Field Salaries	2,943,506	2,940,000	2,936,786
Materials & Supplies	2,128,295	2,100,000	2,374,620
Contract Labor & Equipment (1)	2,862,700	1,675,000	3,759,100
Utilities	8,864,126	9,792,000	8,955,797
Administrative Expenses	1,385,819	1,380,000	1,358,642
General Operating Expenses	1,746,098	1,650,000	1,708,337
Engineering, Legal & Professional	611,260	580,000	513,390
Subtotal	<u>20,541,804</u>	<u>20,117,000</u>	<u>21,606,672</u>
Bond Interest Expense	3,638,714	3,638,714	3,568,885
Bond Principal Retirement	1,530,000	1,530,000	1,580,000
Debt Service	<u>5,168,714</u>	<u>5,168,714</u>	<u>5,148,885</u>
Construction Program	400,000	0	400,000
Capital Outlay	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total Expenditures	<u>26,110,518</u>	<u>25,285,714</u>	<u>27,155,557</u>
Net Increase (Decrease) in Operating Fund Balances	(2) <u>\$88,036</u>	<u>\$488,036</u>	(3) <u>(\$133,783)</u>

(1) Includes assets purchased.

(2) Net of \$400,000 equity in fixed assets and \$488,036 increased equity in fund balances.

(3) Net of \$400,000 equity in fixed assets and \$266,217 increased equity in fund balances.



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
RECONCILIATION OF FUND ACTIVITY  
2012 ANNUAL BUDGET

	CONVEYANCE SYSTEM DEVELOPMENT FUND	* SPECIAL CONTINGENCY FUND
Beginning Balance	<u>\$400,000</u>	<u>\$3,000,000</u>
Service Revenue	0	0
Interest Earnings	400	0
Transfer - Interest	(400)	0
Other Revenue	0	0
Expenses	0	0
Debt Service	0	0
Capital Outlay	(400,000)	0
Net Activity	<u>(400,000)</u>	<u>0</u>
Ending Balance	<u><u>\$0</u></u>	<u><u>\$3,000,000</u></u>

\* Interest Earnings are transferred to Special Projects Equity Fund per Contract requirements.



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
RECONCILIATION OF FUND ACTIVITY  
2012 ANNUAL BUDGET

	<u>DEBT SERVICE</u>	<u>PROJECT FUND</u>	<u>TOTAL TRINITY RIVER CONVEYANCE PROJECT FUND</u>
Beginning Balance	<u>\$0</u>	<u>\$5,135,451</u>	<u>\$8,535,451</u>
Service Revenue	5,148,885	21,750,489	26,899,374
Interest Earnings	0	2,000	2,400
Transfer - Interest	0	400	0
Other Revenue	0	120,000	120,000
Expenses	0	(21,606,672)	(21,606,672)
Debt Service	(5,148,885)	0	(5,148,885)
Capital Outlay	0	0	(400,000)
Net Activity	<u>0</u>	<u>266,217</u>	<u>(133,783)</u>
Ending Balance	<u><u>\$0</u></u>	<u><u>\$5,401,668</u></u>	<u><u>\$8,401,668</u></u>



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COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
WATER DEMAND FORECAST  
2012 ANNUAL BUDGET

	<u>2011 BUDGET</u>	<u>2011 PROJECTED</u>	<u>2012 BUDGET</u>
Gallons (in thousands)	<u>194,020,800</u>	<u>224,301,400</u>	<u>207,514,000</u>



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
INVESTMENT AND OTHER INCOME  
2012 ANNUAL BUDGET

INVESTMENT INCOME

Average Cash and Investments	\$2,350,000
Average Effective Interest Rate	0.10%
Total	<u>\$2,400</u>

OTHER INCOME

Project Fund - Other	20,000
Total	<u>\$20,000</u>

Service Revenue (SJRA)

Other-San Jacinto River Authority	100,000
Total	<u>\$100,000</u>



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TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
SUMMARY OF GENERAL AND ADMINISTRATIVE EXPENDITURES  
2012 ANNUAL BUDGET

<u>GENERAL AND ADMINISTRATIVE EXPENDITURES</u>	<u>2011 BUDGET</u>	<u>2011 PROJECTED</u>	<u>2012 BUDGET</u>
ADMINISTRATIVE	\$1,385,819	\$1,380,000	\$1,358,642
GENERAL OPERATING (Insurance)	1,746,098	1,650,000	1,708,337
ENGINEERING, LEGAL & PROFESSIONAL	<u>611,260</u>	<u>580,000</u>	<u>513,390</u>
Total	<u>\$3,743,177</u>	<u>\$3,610,000</u>	<u>\$3,580,369</u>



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TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
ADMINISTRATIVE EXPENSES  
2012 ANNUAL BUDGET

Administrative Salaries	\$511,810 (1)
Pension Plan Contribution (11.8% of total compensation)	406,934
Payroll Taxes (7.65% of total compensation)	263,818
Furniture and Equipment: Maintenance	1,240 (2)
Office Lease and Utilities	119,040 (2)
Office Supplies	8,680 (2)
Travel, Meetings and Parking	4,960 (2)
Directors Compensation	9,300 (2)
Printing and Reproduction	1,860 (2)
Telephone	13,640 (2)
Vehicle: Gas & Maintenance	3,720 (2)
Miscellaneous	13,640 (2) (3)
	<u>\$1,358,642</u>

- (1) Allocated based upon office payroll estimate of 62%.
- (2) Allocation based upon total payroll estimate of 62%.
- (3) Includes payroll and courier services.

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COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
OFFICE SALARY ALLOCATION  
2012 ANNUAL BUDGET

Executive Director

Chief Financial Officer

Accountant

Accountant

Accountant

Accountant

Accountant

Secretary

Base Office Salaries	<u>\$825,500</u>
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Total Office Salaries	<u>825,500</u>
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Office Allocation Factor (1)	62%
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Trinity River Office Salaries	<u><u>\$511,810</u></u>
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(1) Based upon 2011 cost records.



COASTAL WATER AUTHORITY  
 TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
 GENERAL OPERATING EXPENSES  
 2012 ANNUAL BUDGET

INSURANCE PREMIUM DESCRIPTION

Property Insurance	\$407,514	(1)	(5)	
Property - Primary Flood	6,867	(2)	(5)	
Texas Commercial Policy (General Liability)	105,300	(3)	(5)	(7)
Watercraft Policy	17,590	(2)	(4)	
Public Official & Employees Liability	37,541	(3)	(4)	(7)
Notary Public Omissions	33	(2)	(4)	
Public Employee Fidelity Bond	319	(2)	(4)	
Pension - Fidelity Bond	103	(3)	(4)	
Pension - Fiduciary Responsibility	2,677	(3)	(4)	
Medical Insurance	894,462	(3)	(6)	(7)
Contract Equipment/Difference in Conditions	15,702	(3)	(5)	
Boiler and Machinery	16,298	(3)	(5)	
Public Official Position (Director Fidelity)	714	(3)	(4)	
Automobile Insurance	43,207	(3)	(5)	
Workers Compensation	81,929	(3)	(5)	(7)
Dental Insurance	41,646	(3)	(5)	(7)
Combined Group Life/Short & Long Term Disability	36,435	(3)	(5)	(7)
	<u>\$1,708,337</u>			

- (1) Allocated based upon total insurable value of 89%.
- (2) Coverage 100% specific for Trinity River.
- (3) Allocated based upon total payroll estimate of 62%.
- (4) Assumes no rate increase.
- (5) Assumes 2% annualized rate increase.
- (6) Assumes 5% annualized rate increase.
- (7) Assumes full employment.

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TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
ENGINEERING, LEGAL AND PROFESSIONAL EXPENSES  
2012 ANNUAL BUDGET

Engineering Services	\$250,000 (1)
Legal Services	150,000 (3)
Accounting & Auditing	40,920 (2)
U.S. Geological Fee	15,550 (1)
Computer Maintenance	53,320 (2)
Miscellaneous Bank Fees	3,600 (3)
	<u>\$513,390</u>

(1) Based upon specific services.

(2) Allocated based upon total payroll estimate of 62%.

(3) Based upon specific and allocated services.



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COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
SUMMARY OF FIELD EXPENDITURES  
2012 ANNUAL BUDGET

<u>FIELD EXPENDITURES</u>	<u>2011 BUDGET</u>	<u>2011 PROJECTED</u>	<u>2012 BUDGET</u>
SALARIES	\$2,943,506	\$2,940,000	\$2,936,786
MATERIALS & SUPPLIES	2,128,295	2,100,000	2,374,620
CONTRACT LABOR AND EQUIPMENT	2,862,700	1,675,000	3,759,100
UTILITIES	8,864,126	9,792,000	8,955,797
Total	<u>\$16,798,627</u>	<u>\$16,507,000</u>	<u>\$18,026,303</u>

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COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
FIELD EXPENDITURES BY LOCATION  
2012 ANNUAL BUDGET

<u>LOCATIONS</u>	<u>FIELD SALARIES</u>	<u>MATERIALS AND SUPPLIES</u>	<u>CONTRACT LABOR AND EQUIPMENT</u>	<u>UTILITIES</u>	<u>LOCATION TOTAL</u>
Trinity River Pump Station	\$580,201	\$209,400	\$1,249,600	\$2,958,300	\$4,997,501
Maintenance Station	200,309	309,200	25,600	28,700	563,809
Main Canal	378,154	24,000	0	0	402,154
Cedar Point Lateral	291,125	21,500	0	1,750	314,375
Lynchburg Reservoir	79,322	10,000	0	0	89,322
Lynchburg Pump Station	1,048,052	1,772,720	2,383,700	5,959,847	11,164,319
Distribution System	329,137	27,800	100,200	7,200	464,337
Bayport Reservoir	30,486	0	0	0	30,486
	<u>\$2,936,786</u>	<u>\$2,374,620</u>	<u>\$3,759,100</u>	<u>\$8,955,797</u>	<u>\$18,026,303</u>



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
SUMMARY OF FIELD SALARIES BY LOCATION  
2012 ANNUAL BUDGET

<u>LOCATION</u>	<u>BASE COMPENSATION</u>	<u>RETIREE PAY (1)</u>	<u>3% OVERTIME (2)</u>	<u>TOTAL</u>
Trinity River Pump Station	\$514,758	\$50,000	\$15,443	\$580,201
Maintenance Station	194,475	0	5,834	200,309
Main Canal	367,140	0	11,014	378,154
Cedar Point Lateral	282,646	0	8,479	291,125
Lynchburg Reservoir	77,012	0	2,310	79,322
Lynchburg Pump Station	1,017,526	0	30,526	1,048,052
Distribution System	319,550	0	9,587	329,137
Bayport Reservoir	29,598	0	888	30,486
	<u>\$2,802,705</u>	<u>\$50,000</u>	<u>\$84,081</u>	<u>\$2,936,786</u>

(1) Allows for employee benefit payments to retirees.

(2) Provides for minimum overtime.



COASTAL WATER AUTHORITY  
 TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
 ANALYSIS OF BASE FIELD SALARIES BY FUNCTION AND LOCATION  
 2012 ANNUAL BUDGET

<u>LOCATION AND FUNCTION</u>	<u># OF EMPLOYEES</u>	<u>MAN HOURS (4)</u>	<u>AVG. RATE PER HOUR</u>	<u>BASE SALARIES</u>
<b>MANAGEMENT (1)</b>				
Trinity River Pump Station	0.200	416	\$65.65	\$27,310
Maintenance Station	0.150	312	65.65	20,483
Main Canal	0.200	416	65.65	27,310
Cedar Point Lateral	0.150	312	65.65	20,483
Lynchburg Reservoir	0.100	208	65.65	13,655
Lynchburg Pump Station	0.300	624	65.65	40,966
Distribution System	0.200	416	65.65	27,310
Bayport Reservoir	0.000	0	65.65	0
Subtotal	<u>1.300</u>	<u>2,704</u>	<u>65.65</u>	<u>177,517</u>
<b>SUPERVISORY PERSONNEL (2)</b>				
Trinity River Pump Station	0.600	1,248	50.00	62,400
Maintenance Station	0.400	832	50.00	41,600
Main Canal	0.400	832	50.00	41,600
Cedar Point Lateral	0.350	728	50.00	36,400
Lynchburg Reservoir	0.100	208	50.00	10,400
Lynchburg Pump Station	1.350	2,808	50.00	140,400
Distribution System	0.800	1,664	50.00	83,200
Bayport Reservoir	0.070	146	50.00	7,300
Subtotal	<u>4.070</u>	<u>8,466</u>	<u>50.00</u>	<u>423,300</u>
<b>ALL OTHER PERSONNEL (3)</b>				
Trinity River Pump Station	7.625	15,860	26.80	425,048
Maintenance Station	2.375	4,940	26.80	132,392
Main Canal	5.350	11,128	26.80	298,230
Cedar Point Lateral	4.050	8,424	26.80	225,763
Lynchburg Reservoir	0.950	1,976	26.80	52,957
Lynchburg Pump Station	15.000	31,200	26.80	836,160
Distribution System	3.750	7,800	26.80	209,040
Bayport Reservoir	0.400	832	26.80	22,298
Subtotal	<u>39.500</u>	<u>82,160</u>	<u>26.80</u>	<u>2,201,888</u>
Total Base Salaries	<u>44.870</u>	<u>93,330</u>	<u>\$30.03</u>	<u>\$2,802,705</u>

(1) Includes Manager of Operations and Production, as well as Manager of Security.

(2) Includes Superintendents, Master Electrician, Administrator OPM, and Purchasing Agent.

(3) Includes Foremen, Electricians and Operators for construction, electrical, maintenance, and all routine operating functions.

(4) Estimated number of employees at 2,080 hours per year.



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION  
2012 ANNUAL BUDGET

LOCATION AND DESCRIPTION

<b>TRINITY RIVER PUMP STATION</b>	
Reliability Contract (NRG) Fuel	\$149,100
Air Conditioning Repair Parts	1,000
Building / Grounds Maintenance	2,000
Electrical / Instrument	8,000
Herbicides / Insecticides	2,000
Mechanical, Plumbing, Valves, etc.	7,000
Miscellaneous Supplies	2,000
Office / Administrative	1,300
Oils and Lubricants	4,000
Power Tools, Hand Tools & Equip.	1,000
Security, Fencing, Signs, etc.	1,000
Replace Flap Gates	31,000
	<u>209,400</u>
<b>MAINTENANCE STATION</b>	
Air Conditioning Repair Parts	1,000
Automotive / Equipment Repair Parts	90,000
Building / Grounds Maintenance	2,000
Diesel Fuel	114,100
Electrical / Instrument	6,000
Gasoline	49,000
Herbicides / Insecticides	2,000
Mechanical, Plumbing, Valves, etc.	1,000
Miscellaneous Supplies	4,700
Office / Administrative	2,400
Oils and Lubricants	5,000
Power Tools, Hand Tools & Equip.	5,000
Tires & Batteries	15,000
Welding Equipment & Supplies	12,000
	<u>309,200</u>
<b>MAIN CANAL</b>	
Canal Check & Gate Maint.	2,000
Electrical / Instrument	1,000
Herbicides / Insecticides	10,000
Power Tools, Hand Tools & Equip.	3,000
Road Base, Sand, Rock, Rip Rap, etc.	5,000
Security, Fencing, Signs, etc.	3,000
	<u>24,000</u>
<b>CEDAR POINT LATERAL</b>	
Electrical / Instrument	500
Herbicides / Insecticides	10,000
Miscellaneous Supplies	2,000
Power Tools, Hand Tools & Equip.	2,000
Road Base, Sand, Rock, Rip Rap, etc.	5,000
Security, Fencing, Signs, etc.	2,000
	<u>21,500</u>



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TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
ANALYSIS OF MATERIALS AND SUPPLIES BY LOCATION  
2012 ANNUAL BUDGET

LOCATION AND DESCRIPTION

<b>LYNCHBURG RESERVOIR</b>	
Building / Grounds Maintenance	2,000
Herbicides / Insecticides	3,000
Road Base, Sand, Rock, Rip Rap, etc.	5,000
	<u>10,000</u>
<b>LYNCHBURG PUMP STATION</b>	
Reliability Contract (NRG) Fuel	279,500
Air Conditioning Repair Parts	10,000
Building / Grounds Maintenance	8,000
<b>CHEMICALS:</b>	
- Chlorine	741,100
- Aqua Ammonia	353,600
- Quantity Variance	109,500
- Associated Costs - Pigtails, Adapters, etc	17,520
Sub-total - Chemicals:	<u>1,221,720</u>
Diesel Fuel	14,300
Electrical / Instrument	16,000
Gasoline	56,000
Herbicides / Insecticides	3,000
Lab Test Equip & Supplies	2,000
Mechanical, Plumbing, Valves, etc.	10,000
Miscellaneous Supplies	29,200
Office / Administrative	24,000
Oils and Lubricants	8,000
Power Tools, Hand Tools & Equip.	18,000
Variable Frequency Drive Repair Parts	70,000
Welding Equip & Supplies	3,000
	<u>1,772,720</u>
<b>DISTRIBUTION SYSTEM</b>	
Air Conditioning Repair Parts	1,000
Channel Light System	3,000
Electrical / Instrument	2,000
Herbicides / Insecticides	10,000
Mechanical, Plumbing, Valves, etc.	3,000
Miscellaneous Supplies	1,000
Oils and Lubricants	800
Power Tools, Hand Tools & Equip.	4,000
Road Base, Sand, Rock, Rip Rap, etc.	2,000
Security, Fencing, Signs, etc.	1,000
	<u>27,800</u>
Total	<u>\$2,374,620</u>



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
ANALYSIS OF CONTRACT LABOR AND EQUIPMENT BY LOCATION  
2012 ANNUAL BUDGET

LOCATION AND DESCRIPTION

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**TRINITY RIVER PUMP STATION**

Reliability Contract (NRG - Service Fee)	\$ 912,000
Contract Labor (Welders, Divers, Tech Spt, etc)	500
Major Motor Repair, 1 each	80,000
Major Pump Repair, 1 each	250,000
Annual Service Contracts:	
– Crane Test/Certification	200
– Pest Control Service	400
– Substation, Relay Testing	3,500
– Uniform Service	2,400
– Generator load testing	600
	<u>1,249,600</u>

**MAINTENANCE STATION**

Contract Labor (Welders, Divers, Tech Spt, etc)	10,000
Equipment Rental Services	5,000
Annual Service Contracts:	
-- Janitorial Service	3,200
-- Pest Control Service	400
– Uniform Service	6,000
– Generator load testing	1,000
	<u>25,600</u>



COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
ANALYSIS OF CONTRACT LABOR AND EQUIPMENT BY LOCATION  
2012 ANNUAL BUDGET

LOCATION AND DESCRIPTION

**LYNCHBURG PUMP STATION**

Reliability Contract (NRG - Service Fee)	1,710,000
Contract Labor (Welders, Divers, Tech Spt, etc)	1,000
Major Motor Repair, 1 each	80,000
Major Pump Repair, 1 each	190,000
Security: (Contract Guards)	135,000
Training: Safety, RMP, Hazwop, AirPk, etc	15,000
Training: Dam Safety, USACE	6,000
Refinish - Sub-station Floor	17,000
Replace Intake Screens (P201 & 202)	60,000
Annual Service Contracts:	
-- Crane Test/Certification	1,000
-- SCADA: HSQ Svc/Tech Support	6,200
-- Janitorial Service	8,400
-- MaintStar Service Agreement	2,000
-- Pager Service	2,000
-- Pest Control Service	1,100
-- Security System	1,000
-- Substation, Relay Testing (Centerpoint Requirement)	26,000
-- Uniform Service	11,000
-- VFD Component Repair	60,000
-- VFD Elec maint Contract	50,000
-- Generator load testing	1,000
	<u>2,383,700</u>

**DISTRIBUTION SYSTEM**

Annual Service Contracts:	
-- Cathodic Protection Survey Contract	100,000
-- Crane Test/Certification	200
	<u>100,200</u>

Total \$3,759,100



COASTAL WATER AUTHORITY  
 TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
 ANALYSIS OF UTILITIES BY LOCATION  
 2012 ANNUAL BUDGET

<u>ELECTRICITY</u>					
<u>LOCATION</u>	<u>KW HOURS</u>	<u>AVG. RATE HOUR (1)</u>	<u>AMOUNT</u>	<u>ALL OTHER (2)</u>	<u>TOTAL</u>
Trinity River Pump Station	39,428,000	\$0.0750	\$2,957,100	\$1,200	\$2,958,300
Maintenance Station	250,000	0.0828	20,700	8,000	28,700
Cedar Point Lateral	5,000	0.1500 (3)	750	1,000	1,750
Lynchburg Pump Station	85,526,000	0.0691	5,909,847	50,000	5,959,847
Distribution System	60,000	0.1200 (3)	7,200	0	7,200
	<u>125,269,000</u>	<u>\$0.0710</u>	<u>\$8,895,597</u>	<u>\$60,200</u>	<u>\$8,955,797</u>

(1) Includes deregulated contract rates in all facilities except Entergy service area at Trinity River Pump Station.

(2) Includes telephone, water and waste disposal services.

(3) Includes the effect of minimum charges.

**FINAL**

COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
DEBT SERVICE  
2012 ANNUAL BUDGET

	<u>(1)</u>	<u>(2)</u>	<u>TOTAL</u>
Bond Interest Expense	\$1,738,350	\$1,830,535	\$3,568,885
Bond Principal Retirement	1,300,000	280,000	1,580,000
Total Debt Service	<u>\$3,038,350</u>	<u>\$2,110,535</u>	<u>\$5,148,885</u>

(1) In 2010, CWA issued \$38,900,000 of Contract Revenue Refunding Bonds, Series 2010.

(2) In October 2004, CWA issued \$40,385,000 of Contract Revenue Bonds, Series 2004 to finance the expansion of the Trinity River Pump Station and the Lynchburg Pump Station to enable CWA to deliver the additional surface water the City of Houston has requested.



**FINAL**

COASTAL WATER AUTHORITY  
TRINITY RIVER WATER CONVEYANCE PROJECT FUNDS  
CAPITAL OUTLAYS  
2012 ANNUAL BUDGET

	CONVEYANCE SYSTEM DEVELOPMENT FUND (1)
Construction Program - Direct	\$ 400,000
Total Capital Outlays	<u>\$400,000</u>

(1) Contingency for Major Pump and Motor Repair