

FISCAL YEAR 2016-2017

# ANNUAL BUDGET

EL PASO WATER UTILITIES PUBLIC SERVICE BOARD



Water



WasteWater



Reclaimed Water

StormWater

# ANNUAL BUDGET



FISCAL YEAR 2016-2017



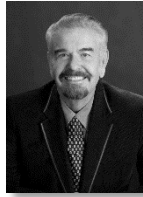
**Henry Gallardo**  
Chair



**Dr. Richard T. Schoephoerster**  
Member



**Christopher A. Antcliff**  
Vice Chair



**Bradley Roe**  
Member



**Terri Garcia**  
Secretary-Treasurer



**Dr. Kristina Mena**  
Member



**Oscar Leeser**  
Mayor,  
City of El Paso

## EXECUTIVE STAFF

**John E. Balliew, P.E.**  
President & CEO

**Marcela Navarrete, C.P.A.**  
Vice President  
Strategic Financial & Management Services

**R. Alan Shubert, P.E.**  
Vice President  
Operations & Technical Service

**Lupe Cuellar, J.D.**  
General Counsel

**Fernando Rico, P.E.**  
Utility Chief Operations Officer

**Gilbert Trejo, P.E.**  
Utility Chief Technical Officer

**Arturo Duran**  
Chief Financial Officer

**Lisa F. Rosendorf**  
Chief Communications & Government Affairs Officer

**Georgette Webber**  
Executive Secretary

## FINANCIAL & SUPPORT SERVICES STAFF

**Jeff Tepsick**  
Fiscal Operations Manager

**Ana M. Pucella**  
Budget & Management Analyst

**El Paso Water Utilities Fiscal Year 2016-17 Budget  
TABLE OF CONTENTS**

**INTRODUCTION**

How to Make the Most of this Document .....	V
A Message from the President and CEO .....	1
Organizational Chart .....	6
Distinguished Budget Presentation Award .....	7

**COMMUNITY and UTILITY PROFILE**

Service Area Profile .....	9
Geography, History and Climate .....	9
Demographics and Socioeconomic .....	10
Utility Profile .....	13
History of El Paso Water Utilities .....	13
Source of Supply .....	13
Water Conservation .....	14
Reclaimed Water .....	17
Water and Wastewater Systems .....	18
Water System Facilities .....	18
Water Quality .....	20
Wastewater System Facilities .....	20
Water and Wastewater System Map .....	23

**STRATEGIC PLAN**

Strategic Planning .....	25
Charter .....	26
Mission Statement .....	28
Vision Statement .....	28
Strategic Plan FY 2016-17 .....	27

**FINANCIAL POLICIES**

Financial Policies .....	33
Flow of Fund Policy .....	33
Capital Improvement Budget Policy .....	34
Operating Budget Policy .....	35
Budget Amendment Policy .....	36
Revenue Policy .....	36
Investment Policy .....	36
Debt Service Policy .....	37

**FINANCIAL PLAN**

Financial Plan .....	39
Budget Trend in FY 2015-16 .....	39
FY 2016-17: Meeting Future Demands .....	40
Budget Presentation and Review Schedule .....	40
Assumptions .....	40
Basis of Budgeting .....	40
FY 2016-17 Detail Budget .....	41
Revenue and Other Financing Sources .....	43
Expenditures and Other Financing Uses .....	44
Debt Service .....	45
Customer Impacts .....	46
Water and Wastewater Rate Surveys .....	48
Budget and Staffing Summaries .....	50
FY 2015-16 Summary of Receipts and Disbursements .....	50
Statement of Revenues, Expenditures and Changes in Net Position .....	51
Approved FY 2016-17 Water and Wastewater Annual Budget .....	52
Operating Budget Summary Schedules .....	53
FY 2016-17 Staffing Requirements .....	55
Five Year Financial Plan .....	56

**EI Paso Water Utilities Fiscal Year 2016-17 Budget  
TABLE OF CONTENTS**

**WATER and SEWER CAPITAL IMPROVEMENTS**

Capital Improvements Budget Policy .....	59
Budget Trends in FY 2015-16 .....	60
FY 2016-17 Meeting Future Demands .....	60
FY 2016-17 Combined Water and Wastewater CIP .....	62
FY 2016-17 Water System CIP .....	63
FY 2016-17 Water System CIP Funding Sources .....	64
FY 2016-17 Wastewater and Reclaimed Water System CIP .....	82
FY 2016-17 Wastewater and Reclaimed Water CIP Funding Sources .....	83
FY 2016-17 Capital Outlay for Light, Office and Misc. Equipment .....	94
FY 2016-17 Capital Outlay for New and Replacement Vehicle and Construction Equipment .....	95

**WATER and SEWER OPERATING BUDGET DETAIL**

Administration .....	97
Public Service Board .....	98
Executive Services .....	101
Legal Services .....	105
Communications and Government Affairs .....	109
Human Resources .....	115
Water Resources Management .....	119
Land Management .....	124
TechH <sub>2</sub> O Center and Water Conservation .....	129
Technical Services .....	134
Technical Services .....	135
Water/Wastewater Engineering .....	140
Planning and Development .....	144
Project Management .....	148
Construction Management .....	152
Operations .....	156
Water System .....	156
Water Division Office .....	157
Water Production .....	162
Robertson-Umbenhauer (Canal Street) Water Treatment Plant .....	166
Water Distribution .....	170
Jonathan W. Rogers Water Treatment Plant .....	176
Upper Valley Water Treatment Plant .....	180
Kay Bailey Hutchison Desalination Plant .....	184
Operations Support .....	188
Operations Management .....	189
Environmental Compliance and Industrial Pretreatment .....	194
Laboratory Services .....	199
Reclaimed Water System .....	203
Biosolids Management .....	207
Wastewater System .....	210
Wastewater Division Office .....	211
Wastewater Lift Station .....	215
Wastewater Collection System Maintenance .....	219

**EI Paso Water Utilities Fiscal Year 2016-17 Budget  
TABLE OF CONTENTS**

Wastewater System (continued)	
John T. Hickerson Water Reclamation Facility .....	223
Haskell R. Street Wastewater Treatment Plant .....	227
Roberto R. Bustamante Wastewater Treatment Plant .....	231
Fred Hervey Water Reclamation Plant .....	235
Wastewater System Repair and Construction .....	239
Financial and Support Services .....	243
Finance .....	244
Property and Treasury Management .....	250
Customer Service .....	254
Accounting .....	258
Purchasing and Contract Administration .....	262
Meter Repair and Testing .....	267
Warehouse .....	271
Information Systems .....	275
Information Services .....	276
Instrumentation and Control .....	281
Operations Support .....	286
Fleet Maintenance .....	287
Heavy Equipment Operations .....	292
Building Maintenance .....	297
<b><u>STORMWATER UTILITY</u></b>	
Utility Profile .....	303
Facilities .....	304
Strategic Planning .....	304
Financial Policies .....	304
Flow of Funds Policy .....	304
Capital Improvements Budget and Operating Budget Policy .....	305
Revenue Policy .....	305
Investment Policy .....	305
Debt Service Policy .....	306
Financial Plan .....	306
Budget Trends in FY 2015-16 .....	306
FY 2016-17: Meeting Future Demands .....	306
Basis of Budgeting .....	306
Basic Assumptions .....	307
FY 2016-17 Detail Budget .....	307
Revenues and Other Financing Sources .....	308
Expenditures and Other Financing Uses .....	308
Debt Service .....	309
Selected Stormwater Utility Financial Data .....	311
FY 2015-16 Summary of Receipts and Disbursements .....	311
Statement of Revenues, Expenditures and Changes in Net Position .....	312
Approved FY 2016-17 Stormwater Annual Budget .....	313
Operating Budget by Object .....	314
FY 2016-17 Staffing Requirements .....	215

**EI Paso Water Utilities Fiscal Year FY 2016-17 Budget  
TABLE OF CONTENTS**

---

**STORMWATER UTILITY** (continued)

Five Year Financial Plan .....	316
FY 2016-17 Stormwater System CIP Funding Sources .....	317
FY 2016-17 Stormwater Capital Outlay for New and Replacement Vehicle and Construction Equipment .....	326

**STORMWATER OPERATIONS OPERATING BUDGET DETAIL**

Organization Chart .....	327
Stormwater Management .....	328
Stormwater Engineering .....	333
Stormwater Code Compliance .....	337

**STATISTICAL**

Selected Financial and System Data, Last 10 Years .....	341
---	-----

**APPENDIX**

Glossary of Key Terms and Abbreviations .....	349
Index of Acronyms .....	352
EPWU Guide to Operating Budget Accounts .....	354



## HOW TO MAKE THE MOST OF THIS DOCUMENT

This budget book is intended to provide a clear, understandable financial plan that can be used by the rate paying citizens of the City of El Paso, including the Public Service Board. Inside is a guide for the operating activities for Fiscal Year 2016-17 (March 1, 2016 to February 28, 2017) as well as a cash flow summary of all capital improvement projects, broken down as follows:

<b>Introduction:</b>	Message from the President and CEO; EPWU Organization Structure; Government Finance Officers Association Distinguished Budget Presentation Award
<b>Community and Utility Profile:</b>	Summary of El Paso Water Utilities service area system
<b>Strategic Plan:</b>	Summary of Public Service Board's guiding plans
<b>Financial Policies:</b>	Summary of the Water and Wastewater Utility's financial policies
<b>Financial Plan:</b>	Fiscal year 2016-17 budget overview of the Water and Wastewater Utility
<b>Capital Improvements:</b>	Summary and project-by-project description of all design, planning, and construction projects intended to create, maintain, or improve Water and Wastewater Utility assets
<b>Operating Budget Detail:</b>	Explicit presentation of each of the Water and Wastewater Utility's subcomponent business units, including FY 2016-17 approved budgeted appropriations, major accomplishments from the previous fiscal year, objectives for FY 2016-17, section's integrated strategic planning map, and quantifiable performance measures to ensure these goals and objectives are being met
<b>Stormwater Utility:</b>	Review of the goals and objectives for FY2016-17, the detail operational budget and the capital improvement budget
<b>Statistical:</b>	Ten year summary of selected financial water, wastewater, and stormwater system data
<b>Appendix:</b>	Glossary of key terms, an index of acronyms and a detailed schedule of EPWU operating and maintenance budget account classifications

Any additional financial, legal, or other policy information, or for complete copies of the Annual Budget, Annual Report, Comprehensive Annual Financial Report, Rules and Regulations, or other documents may be requested directly from the Utility by calling (915) 594-5548 or (915) 594-5501 [fax (915) 594-5699] or by writing the Utility at:

El Paso Water Utilities/Public Service Board  
Post Office Box 511 Department 1D  
El Paso, Texas 79961-0511

or visit at: [www.epwu.org](http://www.epwu.org)