



# City of Rockwall, Texas

In support of HB 2128 and SB 1097 amending Water Code Section 13.255(j) relating to single certification in incorporated or annexed areas served by investor-owned water or sewer utilities.



City of Rockwall  
*The New Horizon*

The City of Rockwall is the county seat of Rockwall County and is located approximately 20 miles from Dallas. It is located in House District 89 and Senate District 2. The estimated population of Rockwall is 36,000.

The city annexed an existing subdivision called Lake Rockwall Estates in 2009. The subdivision was originally constructed in the 1960's and today is home to approximately 2,800 low income residents. This area, when developed, was outside the city and water and wastewater services were provided by the developer of the subdivision. The utility system was sold and eventually acquired by Aqua Texas.

One of the major concerns raised by the residents during the annexation was their concern about the large water and sewer bills they were being charged by Aqua Texas. The average bill paid by a Lake Rockwall Estates resident for water service is over 3 times the rate paid by other residents.

Upon annexation, the city began discussions with the utility provider, Aqua Texas, regarding the possible purchase of the utility system. The city's goal is to provide utility services to these new residents of the city at the same rates other residents pay for the same service. The city can provide this service at a much cheaper rate than Aqua Texas and those lower rates would go into effect immediately upon acquisition of the right to serve and the physical system.

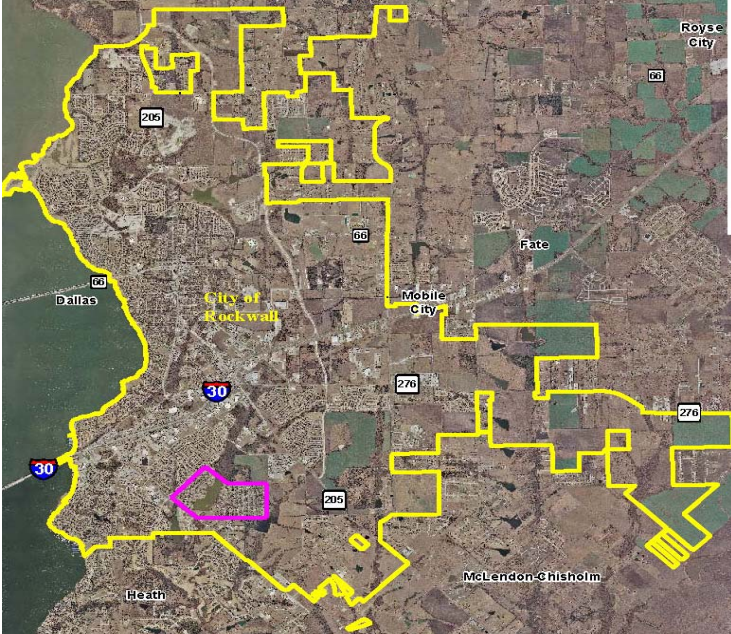
Aqua Texas has indicated that they are not interested in selling the system to the city. Acquisition of the system remains a top priority for the city. Notwithstanding other avenues that may be open to the city, clarification of the acquisition process under Section 13.225(j) of the Water Code would delineate the steps under the Water Code by which the city could acquire this type of system just as other types of systems may be acquired. Two bills, HB 2128 and SB 1097, have been filed to address this matter. The City of Rockwall supports the passage of these bills to address this issue and is ready to provide information about the specific issues experienced by the city's residents.

For questions or additional information please contact Julie Couch, City Manager, at (972) 772-6401.

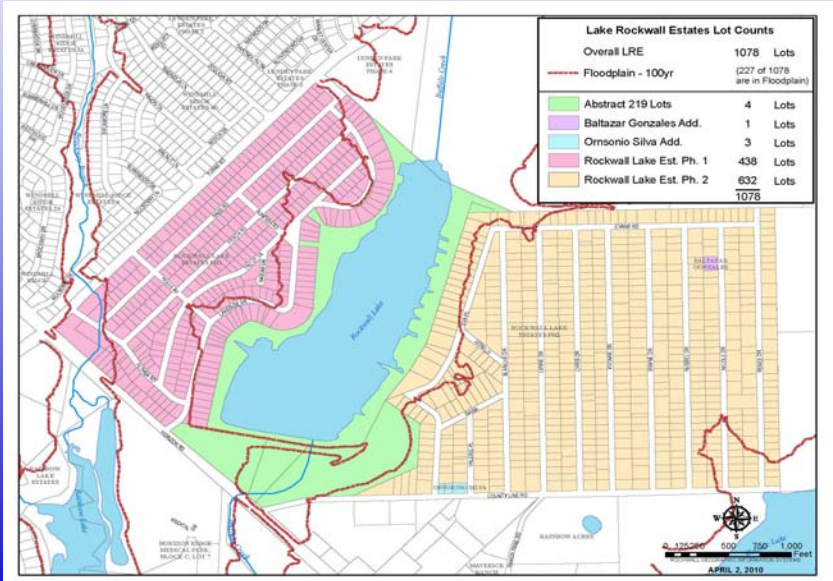
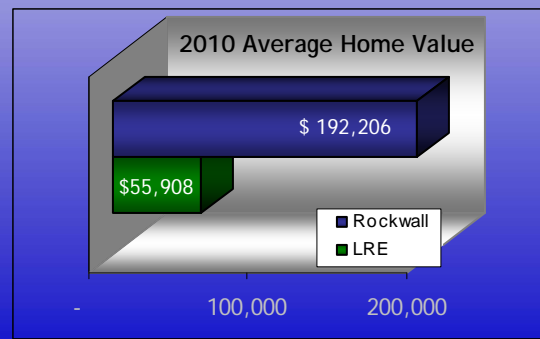
**Rockwall** is located approximately 22 miles east of Dallas on the shores of Lake Ray Hubbard and is the county seat of Rockwall County, the smallest county in Texas. With a population exceeding 36,000, the City of Rockwall was one of the fastest growing communities in the nation in the last decade.



**Lake Rockwall Estates**, located in the southern area of the City, was platted in 1956 and is 335 acres in size. The City of Rockwall initiated annexation of the area in 2006 and finalized the plan February 2009, adding an estimated 2,800 residents, 336 traditionally constructed homes and 560 mobile homes. The taxable value at the time of annexation was \$38 million.



Lake Rockwall Estates is easily considered an economically disadvantaged, primarily low-income area. Home values in the area average 244% below that within the rest of the city, as shown below.





Water and wastewater service is provided to residents of Lake Rockwall Estates from Aqua Texas. We estimate there are 797 water customers and 650 sewer customers in the area. Average monthly water usage per account is estimated to be 7,700 gallons. The chart below compares current rates for City of Rockwall water customers with Aqua Texas' existing and proposed rate structure.

5/8" Residential Water Meter	Rockwall	Aqua Texas existing	Aqua Texas proposed
@ 5,000 gal per month	\$ 15.90	\$ 63.18	\$ 73.99
@ 7,700 gal per month	\$ 22.11	\$ 72.01	\$ 86.99
@ 10,000 gal per month	\$ 27.40	\$ 79.53	\$ 98.03
@ 30,000 gal per month	\$ 104.36	\$ 144.93	\$ 194.18
Charges per 1,000 gal used			
0 – 2,000	\$ 0.00	\$ 3.27	\$ 4.81
2,001 – 12,000	\$ 2.30	\$ 3.27	\$ 4.81
> 12,000	\$ 4.02	\$ 3.27	\$ 4.81
Minimum monthly charge	\$ 9.00	\$ 46.83	\$ 49.95

According to the Aqua Texas website, one of their top priorities is "being the investment of choice among utility investors based on growth in earnings, dividends and total return to shareholders."

ROCKWALL, TX 75087-0323 LAKE PALESTINE WATER  
1317035 PWSID # TX1990011

Tel: 877.987.2782 Questions about your water/sewer service?... Contact us before the due date.  
Fax: 866.780.8292 Bill Date Total Amount Due Due Date  
June 19, 2009 \$ 181.75 July 13, 2009

1 Lancaster Avenue  
Meyersdale, PA 19010-3489 e Mail: [custserv@aquamerica.com](mailto:custserv@aquamerica.com)

Meter	Size	Billing Period	Days	Read Type	Meter Readings	Usage	Units
	5/8	06/17/09	29	Actual		13,800	Gallons
		05/19/09		Actual			

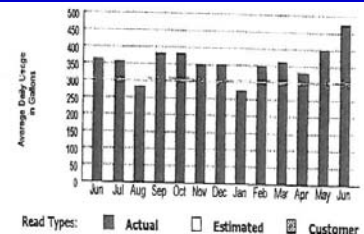
Average Daily Usage = 475 Gallons Total Days: 29 Total Usage: 13,800 Gallons



The number one concern of residents continues to be the water and wastewater rates.

This resident's bill would be \$73.25 as a City of Rockwall customer.

Amount Owed from Last Bill	\$ 178.77
Total Payments Received	178.77
Balance	0.00
Water Base Facility Charge	36.89
3,800 gallons @ \$0.00327 per gallon	45.13
Wastewater Water Charges	82.02
Wastewater Base Facility Charge	73.30
Water Case Expense Surcharge Water	2.50
Water Case Expense Surcharge Sewer	2.50
Regulatory Assessment Fee	1.55
Deferred Capital Expense Surcharge Water	9.94
Deferred Capital Expense Surcharge Sewer	9.94
Amount Due ON or BEFORE 07/13/09	\$ 181.75
Amount Due AFTER 07/13/09	\$ 197.28



Please do something for us  
Please help us!

No more AQUATX.





## The Rockwall community has embraced the citizens of Lake Rockwall Estates.

- A local church built a new community center and hosts many programs to assist residents.
- Many other organizations have held fundraisers and food drives to benefit the residents.
- The City has assisted residents addressing code enforcement issues. Improvements continue to be made in the area and redevelopment is taking place.

It is an important step for the City of Rockwall to be able to assist our residents living in Lake Rockwall Estates by providing them with water service at a cost far less than what is currently available. If the City had the ability to acquire the system, the residents' fees would be immediately reduced to the City's current rate, with no change in service. The City could then begin to improve the quality of the services provided.





## City of Rockwall

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[www.rockwall.com](http://www.rockwall.com)