

CITY OF WIMBERLEY

NOTICE OF PUBLIC HEARING PROPOSED CENTRAL WASTEWATER PROJECT MODIFICATIONS

The City of Wimberley (“City”) is constructing a wastewater collection system to serve central Wimberley. This project will decrease the reliance on private septic systems, which in many cases are deteriorating. These deteriorating systems are potentially impacting the water quality of Cypress Creek, which winds through the central business district of Wimberley.

This project is funded by a Texas Water Development Board (“TWDB”) loan under the Clean Water State Revolving Fund Program. In accordance with regulations, any project financed through the Clean Water State Revolving Fund undergoes an environmental review process. As originally proposed, the City prepared the Environmental Information Document (“EID”) and obtained public input on the project in 2014. The TWDB issued a Finding of No Significant Impact (“FNSI”) following their review and after consultation with other regulatory agencies.

Since the issuance of the FNSI, the City has determined that it is in its best interest to make modifications to the project. The project is being funded through a loan from the Texas Water Development Board. Because of escalating capital costs of the total project, high annual operating costs of the plant that would need to be paid by the wastewater customers through their sewer rates, the need for future replacement capital costs, and environmental risk relative to discharge into Deer Creek, the City determined that the treatment plant and related storage tank and irrigation system would not be constructed. Rather, the City will contract with Aqua Utilities, Inc. d/b/a Aqua Texas (“Aqua”) to process the wastewater at Aqua’s existing land application permitted (non-discharge) treatment plant. In order to connect to Aqua’s system, a connecting line will be installed under Cypress Creek using a directional drill to avoid adversely impacting the creek. Additionally, Aqua will upgrade its plant to produce Type 1 effluent, which will be made available for irrigation needs by the City and improve overall water quality for the benefit of the Wimberley Valley. The cost for the City to transport the reclaimed water for irrigation is not included within the scope of this project at this time. Under this wholesale arrangement, the City will serve its customers in the new service area and retain its Certificate of Convenience and Necessity. This modification is expected to reduce the City’s financial burden and financial risks, and mitigate environmental risks by ensuring no discharge of effluent into Deer Creek, and thus into the Blanco River.

The modified project will include a new wastewater collection system, the rehabilitation and upgrade of an existing lift station, the construction of a new lift station, and the installation of approximately 6,000 linear feet of force main wastewater lines, and the installation of approximately 12,000 linear feet of gravity sewer lines. It will collect wastewater from residences and businesses in the portion of the City bounded roughly by Cypress Creek to the west, the Blanco River to the south, Blue Hole Regional Park (“Park”) to the north, and FM 3237 to the east. Wastewater will be collected and transported by gravity lines, lift stations and force mains, to a point on the west side of Cypress Creek near the Park. At this point, the line will connect to the Aqua system, the regional wastewater treatment provider, and then transported by Aqua to its existing plant for treatment.

The total project cost is estimated at \$5.4 million. The total TWDB loan amount is \$5,255,000. This loan is secured by a first lien on the net revenues of the sewer system. Accordingly, sufficient revenue must be generated to pay for debt service and operating expenses of the wastewater system. Revenues will originate from sewer customers and reclaimed water access fees and sales to the City's Parks Department. The sewer customers' rates are expected to include components for capital recovery fees and base rates (both of which are based on Living Unit Equivalent ("LUE")), plus a component based on volume. The capital recovery fee is a one-time fee to connect, is forecasted to be \$2,500 per LUE and will be spread over eight years. Because of lower annual operating costs of the system under the modified project plan, customer sewer rates are expected to be reduced compared to the rates required to be charged under the original plan. The total estimated monthly bill for a typical residential household with a monthly volume of 4,000 gallons is \$63 to \$135, with the actual amount highly dependent upon the amount the City's Parks Department pays for its access to reclaimed water.

A public hearing is required, as outlined in the TWDB Environmental Information Document and 31 TAC § 375, Subchapter B. The hearing is intended to comply with the National Environmental Policy Act ("NEPA") requirements for public participation. Projects seeking funding through the Clean Water State Revolving Fund are subject to NEPA requirements. The public hearing is provided to discuss the proposed project changes, potential environmental impacts, alternatives to the proposed changes, and the economic impact on rate payers. A description of the proposed changes, maps and aerial photographs showing the proposed changes and original project, a copy of the 2014 Environmental Information Document, and the second amendment to the Engineering Feasibility Report will be displayed at the locations described below for thirty days before the Public Hearing and will be available at the hearing.

PLEASE NOTE THIS LOCATION HAS BEEN CHANGED

The Public Hearing will now be held

At 5:30 P.M.

Tuesday, January 8, 2019

Wimberley Community Center – Johnson Hall

14068 Ranch Road 12

Wimberley, Texas 78676

Following the presentation, comments on the modifications will be received from the public. Representatives from the City of Wimberley will be available to answer questions related to the project. All interested parties are invited and encouraged to attend. Any written comments specific to the proposed modifications should be sent to Mr. Shawn Cox at the address below.

Copies of the documents will be available for public review and copying at the following locations:

Wimberley City Hall
221 Stillwater
Wimberley, Texas 78676

Wimberley Community Center
14068 RR 12
Wimberley, Texas 78676

Wimberley Village Library
400 FM 2325
Wimberley, Texas 78676

The contact for questions related to the public hearing is:

Mr. Shawn Cox, City Administrator (512-847-0025)
City of Wimberley
221 Stillwater
Wimberley, Texas 78676