

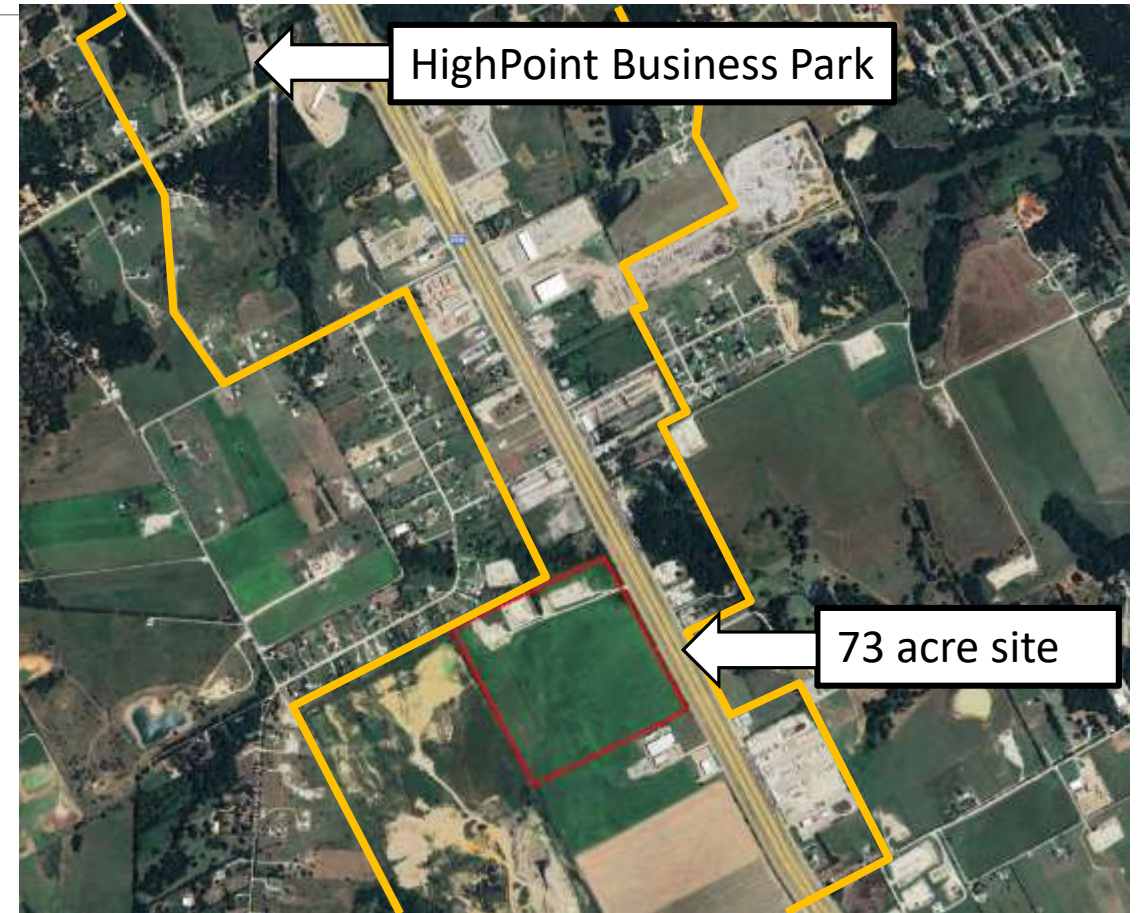
Bethany Water

BURLESON CITY COUNCIL

9/23/2024

Bethany Water

- Sourced from multiple wells and JCSUD
- Current capacity is 1.9 million gallons
 - Over 1 million gallons available
- Approximately 73 acre site in Bethany Water CCN
- Undeveloped due to Bethany Water infrastructure
- All desired industrial prospects that have considered the site pass due to lack of water pressure for fire suppression, restricting buildings to 6,000 square feet
- Adjacent industrial companies have expressed a desire to expand once water pressure will support fire suppression



Development Obstacle

- Bethany has studied the necessary upgrades to serve industrial users in this area
- The total cost for Bethany to upsize the line is \$3 million
- Bethany is committed to contribute \$800,000 toward the project
- Staff proposes to match Bethany's contribution of \$800,000
- Future area development will be responsible for remainder of the cost
- Will increase pressure only, will not increase capacity



Return on Investment

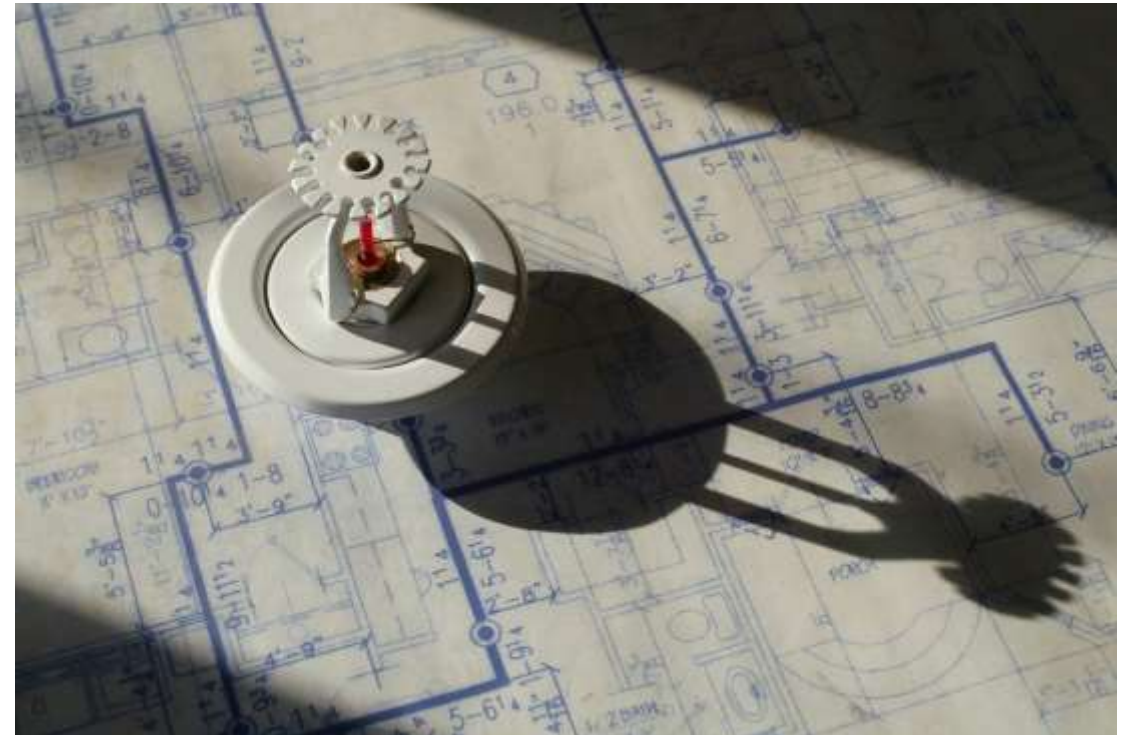
	2025 Year 1	2026 Year 2	2027 Year 3	2028 Year 4	2029 Year 5	2030 Year 6	2031 Year 7	2032 Year 8	2033 Year 9	2034 Year 10
CAPEX	\$ 35,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Appraised Value (70% of CAPEX)	\$ 24,500,000.00	\$ 25,235,000.00	\$ 25,992,050.00	\$ 26,771,811.50	\$ 27,574,965.85	\$ 28,402,214.82	\$ 29,254,281.26	\$ 30,131,909.70	\$ 31,035,866.99	\$ 31,966,943.00
Revenue										
4A Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GF Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax	\$ 154,962.50	\$ 159,611.38	\$ 164,399.72	\$ 169,331.71	\$ 174,411.66	\$ 179,644.01	\$ 185,033.33	\$ 190,584.33	\$ 196,301.86	\$ 202,190.91
Expenses										
Water Contribution	\$ (800,000.00)									
Annual	\$ (645,037.50)	\$ 159,611.38	\$ 164,399.72	\$ 169,331.71	\$ 174,411.66	\$ 179,644.01	\$ 185,033.33	\$ 190,584.33	\$ 196,301.86	\$ 202,190.91
Cumulative		\$ (485,426.13)	\$ (321,026.41)	\$ (151,694.70)	\$ 22,716.96	\$ 202,360.97	\$ 387,394.30	\$ 577,978.62	\$ 774,280.48	\$ 976,471.40

4A 10yr ROI	4A 20yr ROI
-100%	-100%
GF 10yr ROI	GF 20yr ROI
122%	420%

Performance Agreement

TERMS

- EDC commits \$800,000 toward water line project
- EDC will only make payment once line is complete and verified to provide sufficient pressure
- Bethany Water must complete the project within five years to receive contribution
- Payment will be made after testing verifies the pressure is sufficient for fire suppression



Requested Action

- *Approve a resolution ratifying the 4A Economic Development Board's action taken on the Performance Agreement between The Burleson 4A Economic Development Corporation and the Bethany Special Utility District for infrastructure to support industrial development in the City of Burleson, Texas

Questions / Comments

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