

For Immediate Release

October 29, 2020

City of Plano Statement on North Texas Municipal Water District Member City Water Contract Agreement



The City of Plano is delighted the North Texas Municipal Water District's member cities came together and forged a unified agreement on a contract that will benefit generations to come.

The new water contract signed by all 13 member cities addresses a long standing issue Plano raised more than a decade ago. Under the old contract, Plano, along with Garland, Mesquite and Richardson paid tens of millions of dollars at the expense of our taxpayers for water we did not use. Member cities paid according to a "take or pay" system that was based on our greatest single year of use. That level could not be reduced, regardless of whether or not the city uses the entire amount of water it paid for. The greatest use of water for Plano was in 2001, a time when water conservation was not anticipated. Years of drought and the successful adoption of water conservation strategies have changed the amount and way water is used; and it was unlikely the cities would ever again use the minimums that were set by their greatest annual usage.

Under the new unified agreement, member cities are no longer locked into “take or pay.” Instead of highest annual usage, rates will transition over time to a 5-year rolling average. The new agreement will create a system that incentivizes conservation and provides significant long term or “generational” savings for member cities who conserve while ensuring the long-term financial health of the water district. This new agreement strengthens our region.

The City of Plano extends our deep appreciation to our fellow member cities who came together to forge an agreement. It obviously wasn't easy. The old contract could not be changed without the unanimous agreement of all 13 member cities. Everyone had to give a little. But in the end, after several years of negotiations, everyone shared a common desire to unify to implement a new rate structure that is fair and equitable to all. We sincerely appreciate the hard work and time everyone put into this process. We are unified on a path toward the future, which is bright, full of promise, and will provide water security for our City and region.

We also express our gratitude and appreciation to all the North Texas Municipal Water District board members who served as Plano's representatives through the years. They include Ron Kelley and Phil Dyer, who currently serve on the board and past board members James “Rod” Hogan, Shep Stahel, Jerry E. Yancey, Alex R. Schell, III, Scott Ahlstrom, David McCall, Jr., D.B. Dickson, and A.R. Schell, Jr.

We appreciate the hard work of the Public Utility Commission of Texas (PUCT) in shepherding our case over the last four years, focusing on the important issues raised by the parties, and strongly encouraging all 13 member cities, along with the NTMWD, to reach a mutually beneficial settlement.

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About Plano

Plano, Texas, is the largest city in Collin County with a population of 285,190 as of January 2020. Incorporated in 1873, the city is located 20 miles north of Dallas. Niche and AreaVibes recently named Plano as one of the Best Cities to Live in America. Forbes designated Plano one of America's safest cities. The City offers a high quality of life that includes nationally recognized schools, award-winning parks, and sustainability initiatives and a wide variety of multi-cultural neighborhoods appealing to families, young singles and retirees. Plano is home to the headquarters or regional operations of major corporations such as Toyota, Liberty Mutual, JPMorgan Chase Boeing Global Services, Fannie Mae, FedEx Office, JC Penney, Rent-A-Center, Cinemark Holdings, Denbury Resources and Alliance Data Systems. Our dynamic community features excellent restaurants, vibrant shopping and entertainment venues, a lively historic downtown district and active local arts scene. Easy access to DART light rail and major highways makes Plano a convenient place to live, work and visit. To learn more about Plano, go to our website at plano.gov.