

Department of Public Works

Drainage Utility Charge Ordinance Amendment



Council Presentation

August 29, 2023

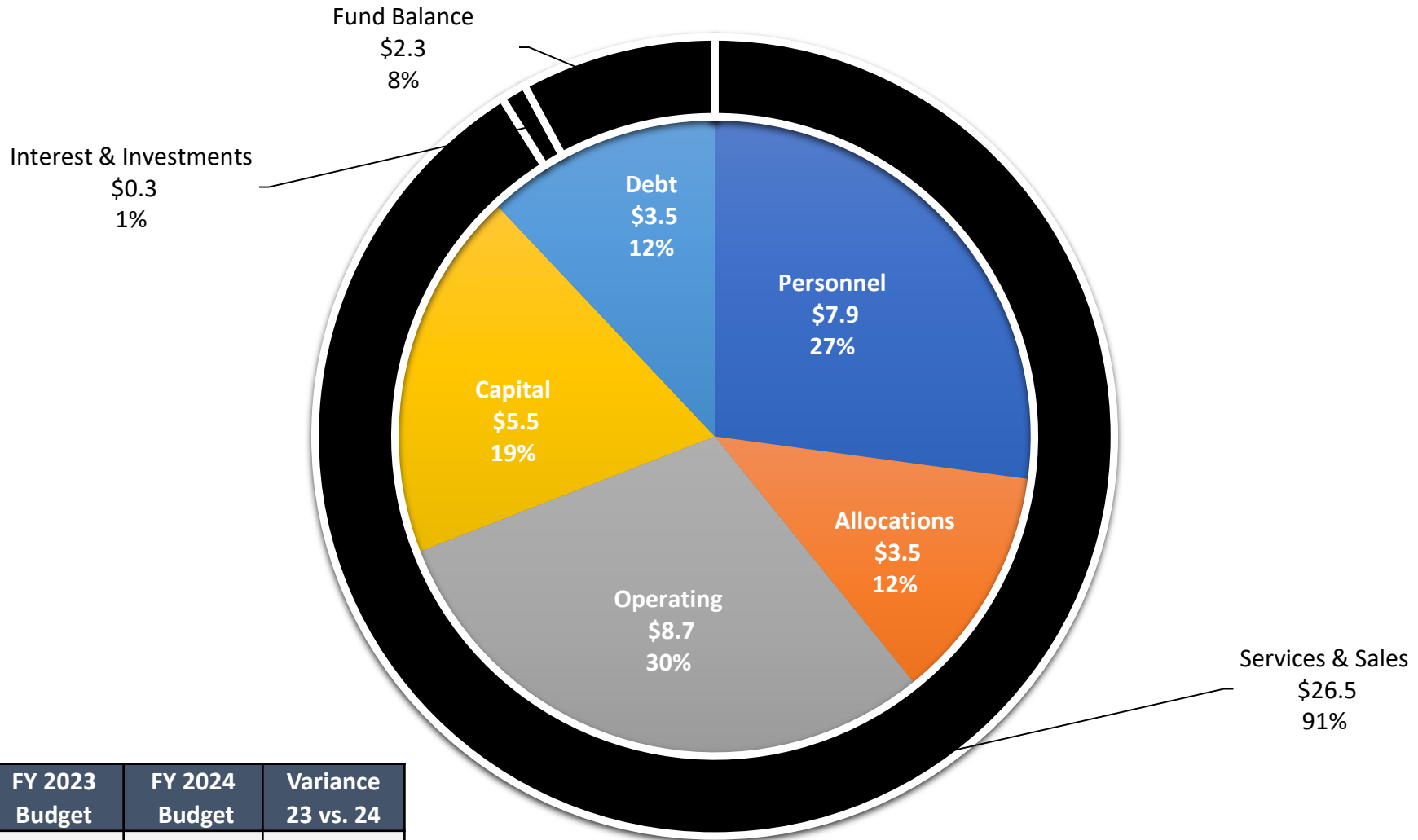
Drainage Utility Fee Background

- AKA “Storm Water Fee”
- Established as a stand-alone utility fee in September 2021
- Went into effect for customers January 1, 2022
 - Estimated revenue from proposed rate: \$26.5 million
- Debt obligations and planned storm water enhancements require a newly leveraged fee for residential and non-residential customers



STORM WATER FUND

FY 2024 PROPOSED BUDGET: \$29.1M



Fund 4300 Storm Water	FY 2022 Actuals	FY 2023 Budget	FY 2024 Budget	Variance 23 vs. 24
Revenues	\$19.2	\$23.1	\$29.1	\$6.0
Expenditures	\$16.2	\$23.2	\$29.1	\$5.9

FY 2023-2027 Five-Year Enhancement Forecast

PROPOSED IMPROVEMENTS	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Inlet Cleaning and Inspection Crew Enhancement FY 23: Add one 7.0 FTE crew and capital equipment	○				
Emergency Storm Water Infrastructure Improvements FY 23: Funding for emergency capital storm water projects	○				
Staff Professional & Technical Development Training FY 23: Funding for technical staff training and certifications	○				
In-House Street Sweeping Program Enhancements FY 24: Purchase 2 Street Sweepers & Add 5 Sweeper Operators FY 25: Purchase 2 Street Sweepers & Add 2 Sweeper Operators FY 26: Purchase 3 Street Sweepers & Add 4 Sweeper Operators		○	○	○	
Minor Channel Maintenance Service Enhancement FY 24: Add one 8 FTE crew and capital equipment FY 25: Add one 8 FTE crew and capital equipment		○	○		
FY24 One-Time Pump Station Improvements FY25+ Vegetation Management Targeted ROW Herbicide Program FY 24: Add one 2.0 FTE crew and capital equipment		○			
Maintenance of Storm Water Lines Service Enhancement FY 26: Add one 16.0 FTE crew and capital equipment				○	

FY 2022-2027 Service Enhancement Forecast

STORM WATER SERVICES		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Storm Water Inlet Cleaning & Maintenance ¹		3.5 years	1.3 years	1.3 years	1.3 years	1.3 years	1.3 years
Vegetation Management ROW Mowing ²		20x	20x	20x	20x	20x	20x
In-House Street Sweeping Program ² (Non-Existent Prior to FY 2022)	Neighborhoods	2x	2x	2x	3x	4x	4x
	Collectors	2x	4x	6x	8x	10x	12x
	Arterials	8x	8x	10x	10x	10x	12x
Minor Channel ("Bar Ditches") Cleaning & Maintenance ¹		As Requested	As Requested	6 years	3 years	3 years	3 years
Major Channel / Natural Creek Way Restoration & Maintenance ¹		2.0 years	2.0 years	2.0 years	2.0 years	2.0 years	2.0 years
CCTV of 679 Miles of Underground System \$850k/Year		N/A	N/A	35 Miles	35.0 Miles	35.0 Miles	35.0 Miles

Note: (1) Cycle length; (2) Cycles per year.

FY 2023-2027 Five-Year Forecast

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Base Program	\$ 16.0 M	\$ 20.04 M	\$ 22.49 M	\$ 29.63 M	\$ 34.37 M	\$ 38.12 M
Improvements	\$ 2.00 M	\$ 2.93 M	\$ 6.66 M	\$ 4.74 M	\$ 3.75 M	\$ 2.00 M
Total	\$ 18.00 M	\$ 22.97 M	\$ 29.15 M	\$ 34.37 M	\$ 38.12 M	\$ 40.12M
Residential Rate Tier 1	\$ 4.59	\$ 5.77	\$ 6.63	\$ 7.74	\$ 8.69	\$ 9.63
Residential Rate Tier 2	\$ 6.12	\$ 7.69	\$ 8.84	\$ 10.32	\$ 11.59	\$ 12.84
Residential Rate Tier 3	\$ 10.71	\$ 13.46	\$ 15.47	\$ 18.06	\$ 20.28	\$ 22.47
Non-Residential Rate	\$ 6.12 per ERU	\$ 7.69 per ERU	\$ 8.84 per ERU	\$ 10.32 per ERU	\$ 11.59 per ERU	\$ 12.84 per ERU

* ERU = Equivalent Residential Unit

Recommendations

Staff recommends approval of the amended
Drainage Utility Fee as presented.

