



Meeting Minutes

City Council

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Wednesday, July 19, 2023

2:30 PM

Council Chambers

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**City Council Workshop for Water, Wastewater, and Storm Water Rate Structures**

**A. Mayor Paulette Guajardo to call the meeting to order.**

Mayor Guajardo called the meeting to order at 2:37 p.m.

**B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.**

City Secretary Rebecca Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers: City Manager Peter Zanoni, City Attorney Miles Risley and City Secretary Rebecca Huerta

**Present:** 8 - Mayor Paulette Guajardo, Council Member Roland Barrera, Council Member Gil Hernandez, Council Member Michael Hunter, Council Member Mike Pusley, Council Member Dan Suckley, Council Member Jim Klein, and Council Member Sylvia Campos

**Absent:** 1 - Council Member Everett Roy

**C. BRIEFINGS:**

1. [23-1216](#) Water, Wastewater, And Storm Water Rate Structures

City Manager Peter Zanoni stated that the City's practice is to do a rate adjustment every two years for water and wastewater. Rates are set based on the cost to deliver the water.

Assistant Director of Support Services with Utilities Treatment Reba George presented information on the following topics: water system; water customers-classes; water customers-number of accounts; water customers-billed usage; water charges-breakdown; water charges; and water rates-cost basis.

Council Members, City Manager Zanoni, and Assistant Director George discussed the following topics: a Council Member's request for a breakdown of residential users versus large volume users; residential customers are charged a minimum of 2,000 gallons for water whether used or not; the water transmission pipe is 16 inches or larger and the distribution pipe is less than 16 inches; the raw water contract includes San Patricio Water District, Flint Hills, Celanese, Beeville, Mathis and Alice; and a request to research the 10 million gallon threshold for large volume users.

Assistant Director of Support Services with Utilities Treatment Reba George presented information on the following topics: wastewater system; wastewater customers; wastewater rates-structure; and calculating a winter quarter average.

Council Members, City Manager Zanoni, Assistant Director George, and Director of Water Systems Infrastructure Wes Nebgen discussed the following topics: wastewater charges are based on water usage; a request that the wastewater fees be broken down from water fees; apartment complexes are charged as a commercial customer; a Council Member's concern that winter quarter averaging is not sufficiently calculated; the City has replaced about 40,000 to 70,000 linear feet of pipe a year; 80 percent of the water pipes are in good condition; the pipes from a meter to a home get replaced when the waterline is replaced; a suggestion to offer an incentive to homes with an instant hot water system; water leaks are repaired within 12 hours, while all leaks are repaired within 24 hours; the City prioritizes pipe replacement based on pipes that have had at least six or more breaks; and to ensure that water and wastewater rates are more accurate based on the Capital Improvement Plan (CIP).

Assistant Director of Public Works Gabriel Hinojosa presented information on the following topics: statewide storm water implementation; creating a drainage utility; current fee structure-prior vs. new approach; basis of the fee structure impervious cover; parcel types; intensity of development factor; impact of impervious area examples-singed family residential; impact of impervious area examples-non-single family residential; FY 2022-2027 service enhancements forecast fund 4300-storm water fund; FY 2023-2027 five-year enhancements forecast fund 4300-storm water fund; and FY 2023-2027 five-year forecast fund 4300-storm water fund.

Council Members, City Manager Zanoni, and Assistant Director Hinojosa discussed the following topics: the current fee system is developed on an approximate impervious surface; two full-time employees manage appeals in the parcel management system; all storm water fees are based on the state land code; a request for residential storm water rate charges versus commercial rates; a Council Member's concern that there is not enough revenue in the storm water to cover the debt service; for the City to consider capitalizing the storm water portion to include in the general bond; the City sweepers remove about 200 tons of debris per month; and to consider xeriscaping vegetated areas.

#### **D Adjournment**

There being no further business, Mayor Guajardo adjourned this meeting at 4:55 p.m.