



MEMORANDUM

To: Mayor and City Council

From: Kent Collins, P.E., Director of Public Works

Date: March 24, 2020

Reference: Drainage Utility District

General Information:

- The City is responsible for maintaining conveyance in streams
- The City is responsible for maintaining storm drain infrastructure located in drainage easements
- The City needs to implement drainage improvement projects to preserve conveyance and maintain drainage infrastructure
- The Drainage Utility District generates revenue for the operation and maintenance of the drainage system
- Staff and consultant Dan Jackson with Wildan presented background and rate model information on September 24, 2019, January 14, 2020 and February 25, 2020.
- Notices of the public hearing were published in the local newspaper in compliance with State Law.
- This public hearing is to consider adopting a new Drainage Utility District Ordinance and rate model.

Introduction:

Consider approval of an Ordinance amending the Code of Ordinances Chapter 9 “General Regulations”, Article 9-11 “Municipal Drainage Utility Systems”, Section 9-22-1 through 9-22-7, repealing it in its entirety and replacing with a new Article 9-22, “Municipal Drainage Utility Systems”. This item will result in an updated Drainage Utility District Ordinance, with a rate model that will be adopted as part of the Master Fee Schedule and effective October 1, 2020. Changes in the fee, which are assessed via the utility bill, would begin after that.

Analysis:

The City of Coppell established a Municipal Drainage Utility District in 2004 to offset the cost of implementing Phase II of Stormwater Regulations for small cities. Over time, the drainage needs within the City have changed, storm intensities and frequency of significant rainfall events has increased. Throughout the years and with these changes, the rate structure for the Drainage Utility

District has remained unchanged. In order to maintain conveyance in streams and provide proper operation and maintenance of stormwater systems (storm drain pipes, inlets, culverts, outfalls, and associated headwalls/structures), an increase in funding is needed. Examples of activities that are needed include street sweeping, removal of fallen trees in streams, creek mowing, stream repairs on public property, stormwater program activities, erosion protection, and capital projects to stabilize conveyance and repair infrastructure. With the limitations placed on cities to increase general fund revenue, dedicated utility fund increases are needed.

Staff and the rate consultant (Dan Jackson with Wildan) will present a proposed rate model for the Drainage Utility District to cover the project and maintenance needs. The proposed rate model is based upon the impervious area of existing and future development in Coppell. It was developed to meet the funding needs to properly operate and maintain the drainage infrastructure and, in some instances, streams. The proposed rate model is presented based on feedback received from the City Council during three previous meetings. The draft report from November 2019 is attached, along with the presentation from the most recent work session held on February 11, 2020. The presentation includes updated tables and graphics that reflect the earlier discussions with the City Council.

By State Law, this item is a public hearing, and was advertised three time prior to the Public Hearing date, with the first advertisement occurring at least 30 days prior to the date of the Public Hearing. If the Ordinance is approved, staff will develop and implement a communication plan to prepare residential and commercial properties of the upcoming changes.

Legal Review:

The City Attorney prepared the ordinance.

Fiscal Impact:

There is no fiscal impact related to this item. The draft rate model would be considered for adoption in a future meeting and proposed to be effective October 1, 2020. If the rate increase is approved, the fiscal impact in Fiscal Year 2020-21 would be an increase of approximately \$275,000.

Recommendation:

The Public Works Department recommends approval of the ordinance.