



Austin, Texas



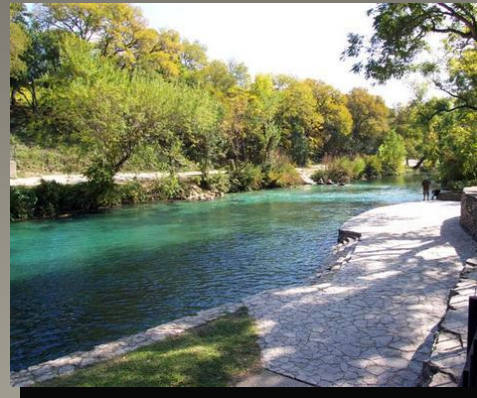
Dallas, Texas



Houston, Texas



Laredo, Texas



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Espey Consultants, Inc.

Environmental & Engineering Services

Drainage Utility Assessment Interim Report

Presented to:

The City of Sunset Valley, Texas

July 6, 2010

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What is a Drainage Utility?

■ User-Fee based Funding System

■ Fees are Based on Run-Off Characteristics, not Property Value

- Impervious Cover, i.e.-rooftops, driveways, parking

■ Revenue is Collected as a New Line Item on City Utilities Monthly Bill

■ Revenue Can be Used to Support All Elements of Municipal Drainage/Stormwater Management

- CIP
- O&M
- EPA/TCEQ MS4 Compliance



Drainage Utility Advantages

- Provides Stable, Long-Term Program Funding
- Equitable-Fees Based on Runoff Characteristics, not Property Value
- Reduces Competition for General Fund
 - Provides Alternative Revenue Stream
 - Revenue Bonds vs. GO Bonds



Project Progress

- Land Data Evaluation
- Utility Rate Structure
- Revenue Estimates
- Enterprise Fund Budget Model



DRAINAGE UTILITY IMPLEMENTATION PROCESS

Drainage Program Cost Analysis

Revenue Needs

Budget Analysis Multi-year Plan

\$/ERU

Rate Development
•Land Parcel Assessment
•Billing Unit Alternatives

Revenue Projections

P
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Ordinance Adoption
•Utility
•Fee

\$ Revenue = Results

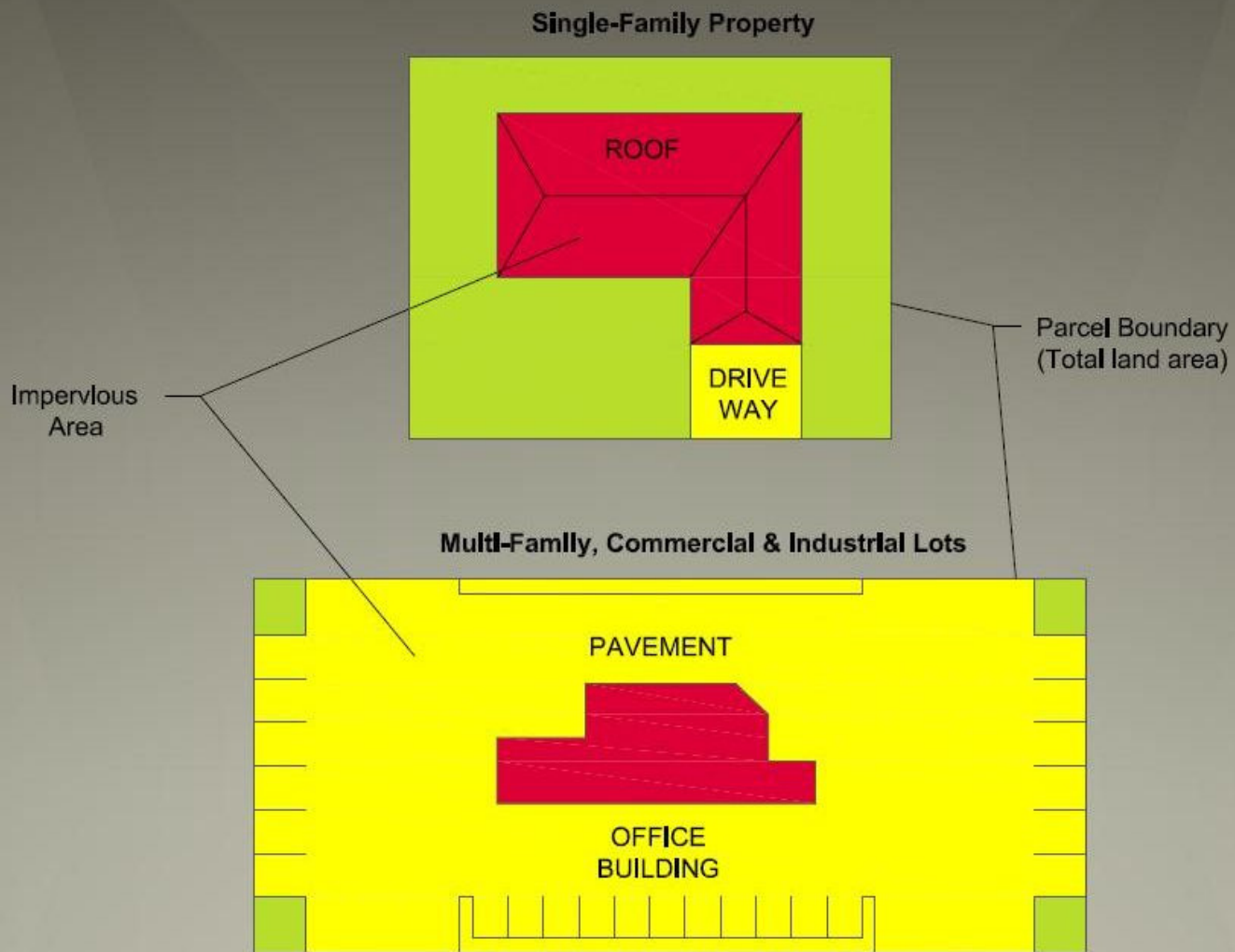
Billing System Evaluation

Billing System Implementation
•Parcel Data Verification
•Master Data File
•Staff Training

Public Information Program



UTILITY BILLING RATE BASIS



Land Data Evaluation

■ Primary Data Sources

- City Parcel Impervious Area Data
- City Parcel Area Data
- City Land Parcel Boundary GIS Map
- Ortho Imagery (2009)

■ 295 Land Parcels Evaluated

- 265 Single-Family
- 30 Commercial

■ Impervious Area and Land Area Compiled

- Single-Family- 25% of Total IA, 58% LA
- Commercial- 75% of Total IA, 42% LA

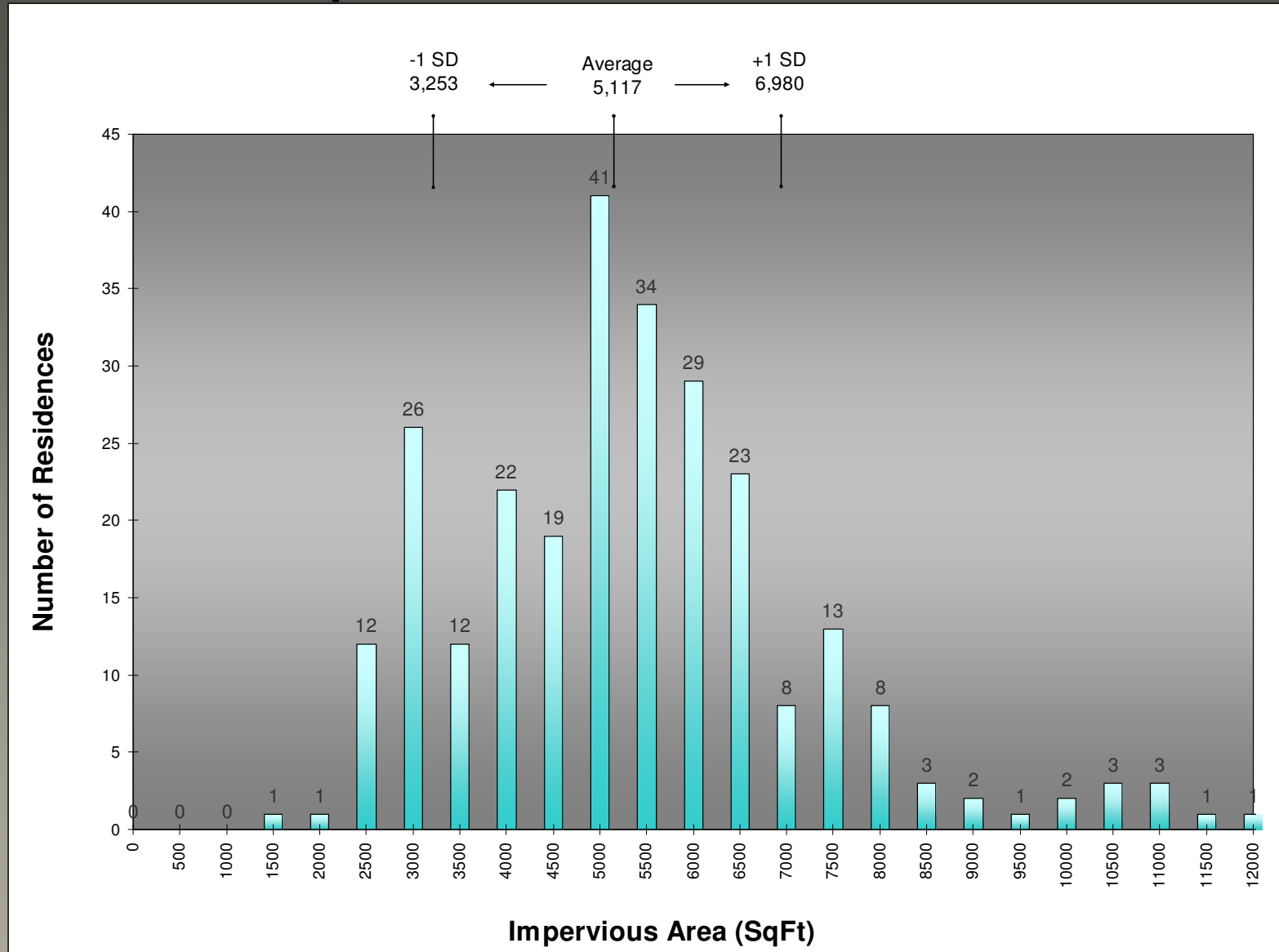


Land Data Summary

	Total Parcels	Average Impervious Area (SqFt)	Total Impervious Area (SqFt)	Average Parcel Size (SqFt)	Total Land Area (SqFt)	Average Percentage of Impervious Cover
Single-Family	265	5,117	1,355,880	46,128	12,223,790	11%
I ≤ 3,253 ft ²	44	2,646	116,424	13,593	598,073	19%
II 3,253-6,980 ft ²	184	5,035	926,485	44,904	8,262,370	11%
III 6,980 ft ² - 11,966 ft ²	37	8,459	312,971	90,901	3,363,347	9%
Non-Residential	30	134,031	4,020,939	296,977	8,909,297	45%
Civic	1	89,000	89,000	469,795	469,795	19%
Commercial	22	169,877	3,737,300	307,010	6,754,216	55%
Multifamily	1	186,360	186,360	937,796	937,796	20%
Park	6	1,380	8,279	124,582	747,490	1%
Total	295	18,227	5,376,819	71,638	21,133,087	25%



SF Impervious Area Distribution



Utility Rate Structure

- Impervious Area Basis

- ERU Value-3,350 square feet IA

- Single-Family: Three Tiered

- Tier 1 “Small” 0.55 ERU, <3,253 sq ft IA
- Tier 2 “Average” 1.0 ERU, 3,253-6,980 sq ft IA
- Tier 3 “Large” 1.7 ERU, >6,980 sq ft IA



Total Utility Billing Units (ERUs)

■ Single-Family

- (Number of Parcels) x (Billing Unit Value)
- 0.55, 1.0, or 1.7 ERU
- 417 ERU

■ Commercial

- (4,020,939 sq ft IA) / (3,350 sq ft/ERU)
- 1,200 ERU

■ Total Billing Units

- 1,617 ERU



AISD Properties

Burger Center & Bus Barn

- 2,046,124 sq ft IA
- 611 ERU

Sunset Valley Elementary School

- 59,965 sq ft IA
- 18 ERU

39% Revenue Increase



City of Sunset Valley Utility Revenue Estimate

Monthly Billing Unit Rate	Annual Revenue
\$4	\$77,600
\$5	\$97,000
\$6	\$116,400

Current Texas Utility Rates Average ~\$4/mo ERU
Does Not Include AISD Property



Central Texas Monthly Billing Rates

City	Residential ERU
Schertz	\$3.80
San Antonio	\$4.25
San Marcos	\$3.96
Austin	\$7.75
Georgetown	\$4.25
College Station	\$5.00



Next Steps

- Implementation Go/No Go Decision
- Identify Drainage Management Funding Needs
- Set Monthly Billing Rates
- Public Outreach
- Migrate Customer Data Into Billing System
- Develop Utility Ordinances
- Conduct Public Hearings
- Initiate Revenue Collection

