



CITY OF EVERMAN
212 North Race Street Everman, TX 76140
STAFF REPORT

AGENDA TITLE: Discussion related to the potential creation of a storm water utility in the City of Everman

MEETING DATE: 08/01/2023

PREPARED BY: C. W. Spencer

RECOMMENDED ACTION:

General Consensus to proceed with holding public hearings, meetings, and making necessary publications.

BACKGROUND INFORMATION:

The City of Everman has a long history of drainage issues and complaints. Currently, the only means of mitigating drainage issues is through the allocation of general fund dollars, which are generated through Ad Valorem Taxes. Currently, the City of Everman does not have excess funds to be able to allocate towards special projects, mitigation, or drainage improvements.

Staff is recommending that the Everman City Council consider the creation of a Storm Water Utility. The City Attorney has outlined the process in doing so below:

The City would first have to create a municipal stormwater (drainage) utility system and declare it a public utility.

The City would have to publish notice (newspaper) stating the time and place of a public hearing to consider the proposed ordinance creating the utility. The proposed ordinance has to be published IN FULL in the notice. The notice has to be published three times before the date of the hearing with the first publication at least 30 days before the date of the hearing.

The ordinance must be adopted by a majority of the entire membership of the Council (ie not just a majority of those present).

The ordinance must state that the governing body finds:

1. That the City will establish a schedule of drainage charges against all real property in the proposed service area subject to charges under Subchapter C (Municipal Drainage Utility Systems) of Chapter 552 of the Texas Local Government Code;
2. That the City will provide drainage for all real property in the proposed service area on payment of drainage charges, except real property exempted under Subchapter C; and
3. That the City will offer drainage service on nondiscriminatory, reasonable and equitable terms.

After passage of that creation ordinance, the City can then levy a schedule of drainage charges. The City will again have to hold a public hearing on the charges. Notice for that hearing must again be published in the newspaper just like for the public hearing on the creation ordinance except that rather than the full text of the creation ordinance, this notice must include the full proposed schedule of the drainage charges.

Sample Revenue Calculations Based on Fee Amounts:

Residential Active Water Accounts - 1,581

Commercial Active Water Accounts - 160

Senior Citizen Active Water Accounts - 311

Sample #1

\$3.00 per Residential Dwelling and \$6.62 per Commercial property

Annual Stormwater Revenue: \$80,822.40

Sample #2

\$4.00 per Residential Dwelling and \$6.62 per Commercial property

Annual Stormwater Revenue: \$103,526.40

Sample #3

\$5.00 per Residential Dwelling and \$6.62 per Commercial property

Annual Stormwater Revenue: \$125,230.40

FISCAL IMPACT:

Stormwater Revenues would be restricted and only eligible to be allocated specifically towards stormwater and drainage improvements.