

CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 04, 2023

AGENDA TOPIC: Consideration and Possible Action approving the first reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 13 "Utilities", Article 13.03 "Water and Sewer System", Division 3, Part II "Drought Contingency Plan" to include updated definitions, initiation and termination criteria and creating an appeal process; and amending Appendix A Fee Schedule Article A9 (v) "Water Charges – Drought Surcharge Rates"

DATE: May 4, 2023

DEPARTMENT: Public Works

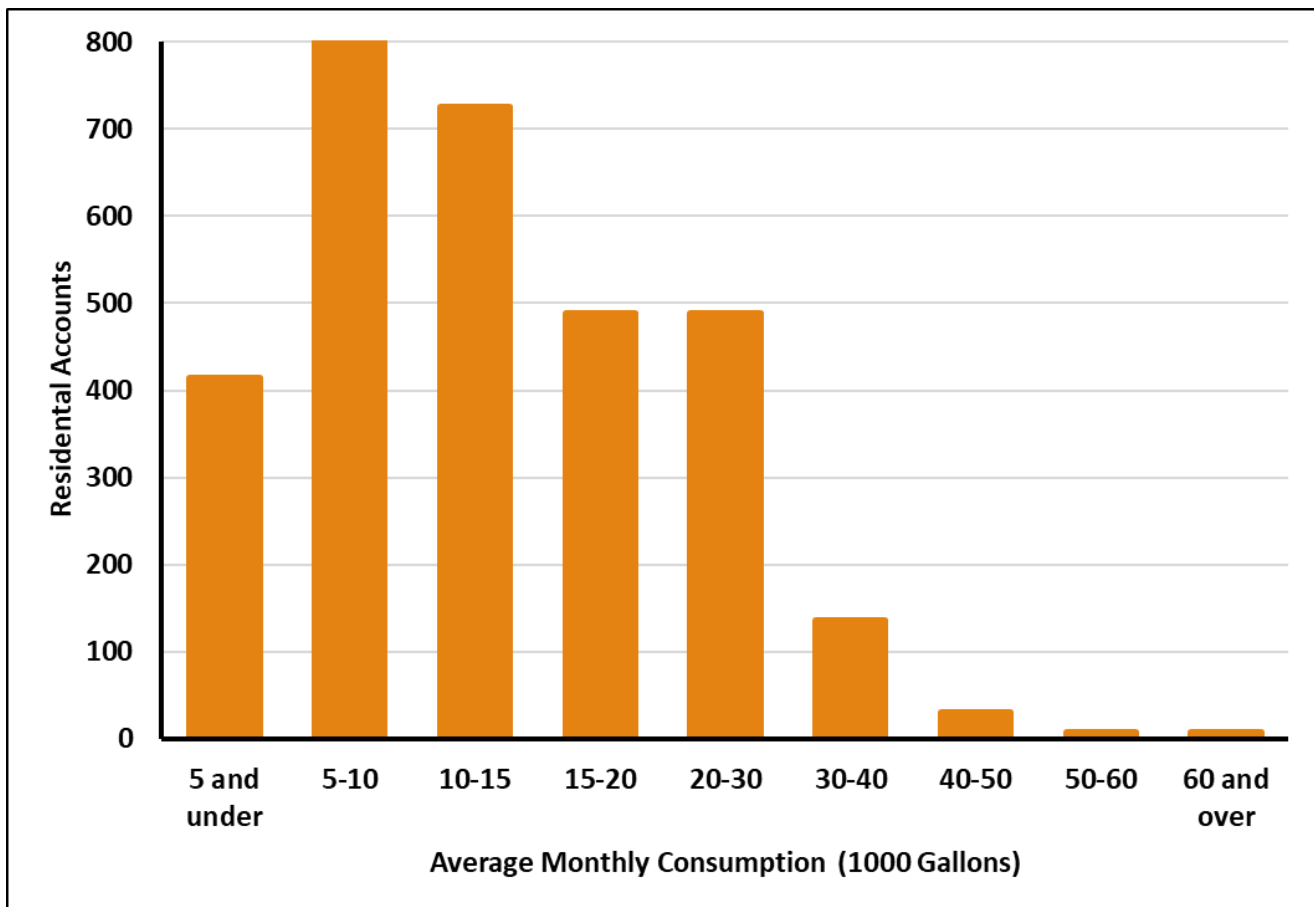
PRESENTED BY: Kelsey Delgado, Environmental Program Manager

INTRODUCTION/BACKGROUND:

In 2022, the City of Fair Oaks Ranch experienced a record-breaking drought. For the first time since the Drought Contingency Plan had been updated in 2013, Fair Oaks Ranch Utilities (FORU) initiated Drought Stage 2. In response to lessons learned from the ongoing drought, a workshop was presented to City Council on April 6, 2023, discussing possible updates to the Drought Contingency Plan's initiation triggers and restrictions which would aid in the effort to protect our infrastructure and conserve water during times of drought. The City Council provided guidance on items to include in the amended ordinance.

Proposed updates include revised definitions and updating drought stage initiations by adding Trinity Glen Rose Ground Water Conservation District (TGRGCD) as a trigger as well as raising FORU observation well height by five feet for Stages 2 and 3. Clarification of some existing restrictions is incorporated as well as including an exception to the issuance of landscape watering permits for lawns purchased within seven days prior to Stage 1 initiation. During Drought Stage 2, a new restriction has been added which limits golf course watering to effluent and non-potable irrigation well water only. A Drought Surcharge Appeal process has been defined and included in the updates which may help utility customers who experience extreme leaks with the financial burden of surcharges during drought stages.

Additionally, residential drought surcharge thresholds are proposed to be lowered to 20,000 gallons for Stage 1, 15,000 gallons for Stage 2, and 10,000 gallons for Stage 3. In 2022, residential utility customers' average (mean) consumption was 14,024 gallons per month, and the median consumption was 12,675 gallons per month. Total monthly consumption by customers ranged from 8 gallons to 113,467 gallons per month. As seen in the graphic, most residential utility customers averaged less than 20,000 gallons per month in 2022, thus the lowered drought surcharge thresholds will be used to encourage our high-water users to employ more water conservation practices. Based on 2022 consumption, approximately 669 residential utility customers, or 21.59 percent, would be impacted by the Stage 1 revised drought surcharge threshold, and 1,157 customers, or 37.34 percent, would be impacted by the Stage 2 drought surcharge threshold.



Commercial Drought Surcharges thresholds are also proposed to be included in the amended Drought Contingency Plan. For commercial accounts, drought surcharges will go into effect during Stage 1 at 50,000 gallons, Stage 2 at 40,000 gallons, and Stage 3 at 30,000 gallons.

If the City Council approves the ordinance in May, the amended Drought Contingency Plan shall be effective August 1, 2023. The delay will allow adequate time for communication with FORU customers, so they are aware of the upcoming changes. The communication plan consists of notifying news outlets, updating the City’s website, sending out newsflashes and social media posts, and including the updates in the City’s newsletter. Additionally, the City will add a utility bill insert to a monthly statement for FORU customers that will detail all Drought Contingency Plan updates.

If City Council approves this consideration item, a second reading of this ordinance will appear at the following meeting.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Furthers Strategic Action Plan Priority 3.1 to Enhance and Ensure Continuity of Reliable Water Resources in Accordance with CCN Obligations
- Better protect and preserve the City’s water resources and infrastructure.
- Conserve water during times of extreme drought to ensure all utility customers have potable water for essential uses.
- Provide surcharge relief to Fair Oaks Ranch Utility customers who experience extreme water leaks during a drought stage.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

The City Attorney has reviewed and approved the ordinance as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 13 "Utilities", Article 13.03 "Water and Sewer System", Division 3, Part II "Drought Contingency Plan" to include updated definitions, initiation and termination criteria and creating an appeal process; and amending Appendix A Fee Schedule Article A9 (v) "Water Charges – Drought Surcharge Rates".