

**CITY OF GRAND PRAIRIE
SCOPE OF SERVICES
STORM WATER UTILITY FEE REVIEW
MARCH 10, 2025**

PROJECT UNDERSTANDING

The City of Grand Prairie (City) established a stormwater utility fee to fund the costs necessary for drainage maintenance and improvements throughout the City. Freese and Nichols (FNI) understands that City staff has determined that the current fee does not generate the revenues needed to meet the objectives of the Stormwater Utility (SWU). The City has requested FNI to conduct a cost of service evaluation and to identify potential fee increases to properly fund the SWU. The City has also requested an evaluation of fee credits for non-residential properties.

SCOPE OF BASIC SERVICES**A1. Review Policies and Goals**

FNI will conduct an initial meeting with the City to discuss the overall project approach and review key topics for the stormwater utility. Example policy issue topics include:

- a) Stormwater services (e.g., compliance, O&M, engineering, CIP)
- b) Approach to assessing utility fee to individual properties (e.g., impervious area, percent imperviousness)
- c) Rate adjustment frequency (e.g., annual, 5-year)
- d) Property owner incentives to minimize their impact on the drainage system (e.g., fee credits)
- e) Exemptions for certain property owners, as allowed by law
- f) Public outreach goals

A2. Cost of Service Evaluation

FNI will meet with the City up to three times to develop a five-year program strategy for stormwater management in the City. Cost projections may be compiled and/or developed from a variety of sources, including:

- a) Infrastructure data inventory

FNI will determine the electronic data that the City has compiled for their stormwater infrastructure and compare it to the data needed to manage the stormwater system, such as two-foot topography, stream studies or master plans, FEMA floodplain data, GIS mapping and inventory of infrastructure, and public complaint databases. FNI will identify data gaps and provide general recommendations for data inventory improvements to support effective management of the City's stormwater system.

- b) Regulatory compliance

FNI will review available documentation provided by the City related to stormwater compliance obligations affecting the City.

- c) Storm system operations and maintenance

General review of maintenance planning and implementation of maintenance activities. The assessment will include a high-level assessment of available equipment, staff and procedures. FNI will provide general recommendations for maintenance program improvements to support effective management of the City's stormwater system.

d) Capital improvement project ranking and implementation

Review existing available studies and master plans to identify non-implemented capital improvement projects. Review available CIP ranking spreadsheets, including implemented projects and expected future implementation of CIPs. The assessment will identify gaps in the process, non-implemented CIPs, lack of identified CIPs, availability of a ranking process or funding for CIP implementation.

A3. Revenue Assessment

FNI will input information from Tasks A1 and A2 into FNI's Stormwater Utility Rate Model to identify optimal fee options to meet the City's goals. Variations to the implementation schedule, rates, residential tier structure, exemptions, growth rate, inflation, and costs supported by stormwater utility revenues will be evaluated through the rate model. FNI will develop a 5-year plan, allowing for rate increases at City-preferred frequencies (annual, one-time, etc.)

FNI will meet with City Staff to develop up to three fee rate/service level options for City Council consideration. FNI will develop a presentation to present the stormwater utility fee options, along with staff's recommended selection, to City Council in one meeting.

A4. Comparison of Storm Water Utility Fees for Other Cities

FNI will coordinate with the City to select up to ten comparison cities for FNI to study to inform the stormwater utility fee analysis.

FNI will conduct research into the rates and fee structures of the comparison cities selected by the City. FNI will develop summary information to show the City's considered rate and structure options relative to the selected comparison cities. Examples will be provided for typical residential, small business, and large business properties. This option can be used to inform the fee structure basis.

FNI will conduct research into publicly available stormwater revenues and budget allocations for the comparison cities selected by the City.. FNI will develop summary information to show the City's considered revenues and budget allocations for the stormwater services relative to the selected comparison cities. This option can be used to inform the cost of service evaluation and the revenue assessment.

A5. Billing Integration

FNI will coordinate with City staff to provide a batch upload file for the City to integrate the stormwater utility billing data into the City's utility billing system. FNI will verify unique identifiers exist for each property assessed a stormwater utility fee to allow for ongoing maintenance of the appropriate stormwater utility fee between the City's GIS and utility billing system. FNI will participate in one virtual coordination meeting with utility billing representatives to design the batch upload data structure for the City's upload action.

A6. Draft Ordinance and Fee Schedule

FNI will develop a draft stormwater utility ordinance, as necessary, and draft fee schedule for Council adoption. FNI will develop a draft public notice for each, as necessary. The City will be responsible for publishing the final public notices in a publication of general circulation in the area three times beginning at least 30 days prior to a public hearing. The public hearing must be held prior to the vote by City Council.

A7. City Council Meeting for Utility Ordinance and Fee Schedule Adoption

FNI will attend up to two City Council meetings when the Stormwater Utility Ordinance (if modified) and Fee Schedule are scheduled to be considered for adoption. FNI will be available upon request from the City staff to address Council or community questions about the Ordinance (if modified) and/or Fee Schedule. Each public hearing can be held immediately prior to the Council vote.

A8. Storm Water Utility Report

FNI will deliver a report that documents the basis and approach for the development of the City's stormwater utility fee update. FNI will provide the City with up to three hard copies and one electronic file of the draft stormwater utility report upon completion of the project. Upon receipt of the City's final comments, FNI will finalize the report and deliver up to five hard copies and one electronic file to the City.

COMPENSATION

FNI provide the Basic Services outlined above for a lump sum total of Seventy Eight Thousand Nine Hundred Dollars (\$78,900).

ADDITIONAL SERVICES

As requested, FNI can provide the following services for an additional fee upon request of the City. FNI will coordinate with the City to establish the scope and fee estimate for any additional services and will not proceed until authorized by the City.

Impervious Area Review/Update

FNI will request an export of the impervious area dataset currently maintained by the City and review the classifications and impervious areas to check for errors and inconsistencies. FNI will delineate the impervious area on parcels that are missing impervious area and for parcels that need their impervious area updated. Such impervious area delineations will be based on readily available satellite imagery at the time of the Notice to Proceed. The updated dataset will be included in the calculations for the revenue assessment and a final export will be sent to the City at the end of the project.