



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: March 1, 2023
PREPARED BY: Scott Dunlop, Director
DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion and possible action on a Stormwater Drainage Fee Program. *(Presented by Raftelis)*

BACKGROUND/SUMMARY:

Included in the FY 22-23 was the cost for the city to conduct a drainage study and propose a drainage fee. Begun in May 2022, Raftelis began work on a stormwater drainage fee program. They have completed large portions of the data collection and model and are at a point now that the City Council’s direction is needed on how to proceed.

This drainage fee, if implemented, would be a dedicated revenue source for the Public Works Department to fund drainage improvements, hire employees, and purchase equipment like a street sweeper, gradall, dump truck, and vac truck. As currently modeled, a single-family home would have monthly drainage fee of \$6.50, which is based on the average amount of impervious cover on a single-family lot (2,734 sf). One single family home is an “Equivalent Residential Unit (ERU)”. For non-single family lots, the actual amount of impervious cover will be measured and the drainage fee is a multiple of the ERU, so a property with 62,882 sf of impervious cover is 23 ERUs and would have monthly drainage fee of \$149.50.

As currently modeled, the proposed fee in includes \$150,000 for our engineers to conduct a Drainage Master Plan for the city to identify drainage capital improvement projects and costs. The following years in the model have placeholder amounts for capital projects, usually \$300,000 plus another \$100,000 for small projects.

1. Can we move forward with these placeholder cost which would be more defined after the Drainage Master Plan is complete or would the City Council prefer to fund the cost of the Drainage Master Plan out of General Fund revenues in an upcoming FY, then have the drainage fund reimburse the General Fund once it’s implemented?

Funding the Drainage Master Plan in an upcoming FY, then plugging those projects and costs into the model will provide the most accurate drainage fee but would push out implementation of the fee probably into late 2024 or early 2025. Using placeholder CIP costs could get the fee implemented this fiscal year and then once the Drainage Master Plan is complete the fee would be updated if necessary.

2. With the current proposed fee of \$6.50/month on a single-family home, does the City Council want to move forward with the drainage fee, whether or not it’s implemented this FY or later?

If the City Council would like to continue the drainage fee study and program, we will come back to you with Ordinances and policies for approval and implementation. Also, depending on the guidance on Question 1, the \$6.50 monthly fee (ERU) may be revised.

LEGAL REVIEW: Not Applicable
FISCAL IMPACT: No
PRESENTATION: Yes
ATTACHMENTS: Yes

- Stormwater Utility Feasibility Study

STAFF RECOMMENDATION:

It is the city staff’s recommendation that the City Council discuss and provide feedback on the proposed stormwater drainage fee

PLANNING & ZONING COMMISSION: **Recommend Approval** **Disapproval** **None**