



## Legislation Text

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**File #:** Ord. 2017-50(b), **Version:** 1

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**AGENDA CAPTION:**

Consider approval of Ordinance 2017-50, on the second of two readings, increasing drainage utility rates as authorized by Section 86.505 of the San Marcos City Code; including procedural provisions.

**Meeting date:** September 5, 2017 - Public Hearing and 1<sup>st</sup> Reading  
September 19, 2017 - 2<sup>nd</sup> Reading

**Department:** Finance-Heather Hurlbert, Finance Director

**Funds Required:**

**Account Number:**

**Funds Available:**

**Account Name:**

**CITY COUNCIL GOAL:** Maintain Fiscal Responsibility

**COMPREHENSIVE PLAN ELEMENT(s):** *Environmental and Resource Protection*

**BACKGROUND:**

During the FY18 budget workshops, City Council requested modeling of rates that would support funding for all identified drainage projects over the next 5 years. The 10-year CIP plan was reviewed and all identified drainage projects were included in the plan. These projects along with operational and capital expenses needed to support storm water collection and the continued implementation of the MS4 program were included in the modeling. The rate model indicated that a 15% rate increase each year for the next 5 years is required to support the operational expenses and debt service needed for the identified projects.

This rate adjustment will increase the residential rates for small lots by 86 cents, medium lots by \$1.37, and large lots by \$1.57 per month.