



## Legislation Text

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**File #:** Ord. 2018-30(b), **Version:** 1

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### **AGENDA CAPTION:**

Consider approval of Ordinance 2018-30, 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 18, 2018

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

### **Amount & Source of Funding**

**Funds Required:** Click or tap here to enter text.

**Account Number:** Click or tap here to enter text.

**Funds Available:** Click or tap here to enter text.

**Account Name:** Click or tap here to enter text.

### **Fiscal Note:**

**Prior Council Action:** Click or tap here to enter text.

**City Council Strategic Initiative:** [Please select from the dropdown menu below]

Stormwater

Choose an item.

Choose an item.

**Comprehensive Plan Element (s):** [Please select the Plan element(s) and Goal # from dropdown menu below]

- ☐ Economic Development - Choose an item.
- ☐ Environment & Resource Protection - Choose an item.
- ☐ Land Use - Choose an item.
- ☐ Neighborhoods & Housing - Choose an item.
- ☐ Parks, Public Spaces & Facilities - Choose an item.
- ☐ Transportation - Choose an item.
- ☐ Not Applicable

**Master Plan:** [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]

Choose an item.

**Background Information:**

During the FY18 budget workshops at the direction of City Council, staff presented modeling of rates that would support funding for operational expenses, capital expenses needed to support storm water collection, the continued implementation of the MS4 program, and all identified drainage projects in the CIP plan over the next 5 years. 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. Rates were adjusted by 15% in FY18.

A rate adjustment of 15% is recommended for FY19. The City is currently performing a comprehensive rate study and analysis and will bring back a proposed rate structure and amounts during the fiscal year for implementation in FY20.

Residential rates will be adjusted for small lots by 99 cents, medium lots by \$1.58, and large lots by \$1.81 per month. Commercial rates will be adjusted by \$1.58 per ERU per month.

**Council Committee, Board/Commission Action:**

Click or tap here to enter text.

**Alternatives:**

Click or tap here to enter text.

**Recommendation:**

Click or tap here to enter text.