

# STORM WATER UTILITY FEE

## Revised Methodology – Account Summary

**Background:** The Storm Water Utility Fee was established by City Council in 1993 to fund various storm water management and operational services related to our federal storm sewer system permit. During FY 2014, TCI launched a comprehensive study to migrate the existing fee structure to a model based on impervious cover.

- Impervious cover has a direct relationship with storm water runoff volume and rate and is the best measure of drainage system usage
- Current fee structure does not fully take into account the impact properties have on the drainage system since it is currently based on lot size and land use and includes “rate caps”
- The current fee was last increased in FY 2008; however, service needs and costs have continued to rise



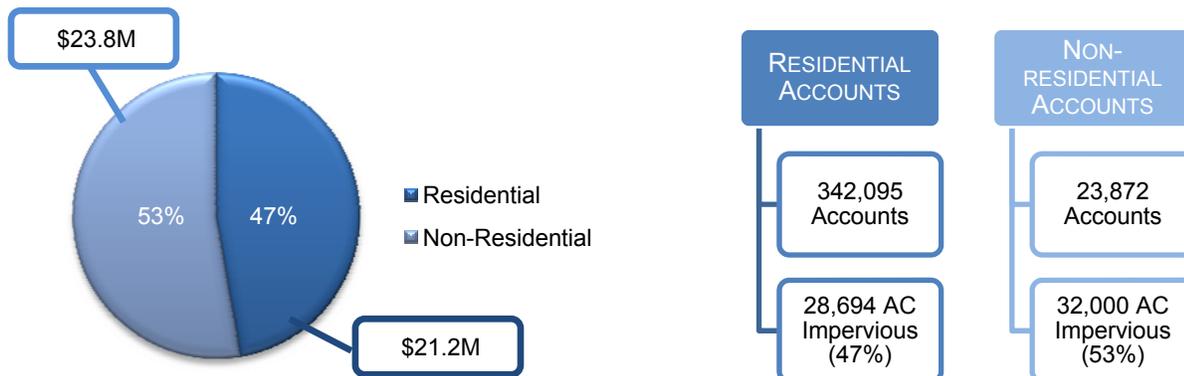
The goal of the revised rate structure is to improve rate-payer equity, recover funding needs, and to promote storm water best management practices.

**Revenue Requirements:** A five-year rate plan has been developed. As a result of stakeholder feedback, increased revenue requirements and corresponding service improvements have been phased-in over three years to help mitigate rate increases. The increase in revenue needs shown in Fiscal Years 2019 and 2020 is solely due to inflationary costs.

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Total Revenue Requirement</b>	\$ 40,731,080	\$ 45,039,274	\$ 48,160,795	\$ 50,191,265	\$ 51,173,541	\$ 52,180,610
<b>Year to Year Change</b>	\$ (202,399)	\$ 4,308,194	\$ 3,121,521	\$ 2,030,470	\$ 982,276	\$ 1,007,069
<b>Year to Year % Change</b>	-0.5%	10.6%	6.9%	4.2%	2.0%	2.0%

Note: The revised fee will be effective January 1, 2016 and it is anticipated that only \$43.5M will be collected; however, the rates established in FY2016 will correlate to the full \$45M.

**Budget Model:** TCI has forecasted a revenue need of approximately \$45M for FY 2016. The budget allocation for residential and non-residential accounts will be split in proportion to the amount of impervious area for each user class as illustrated below.



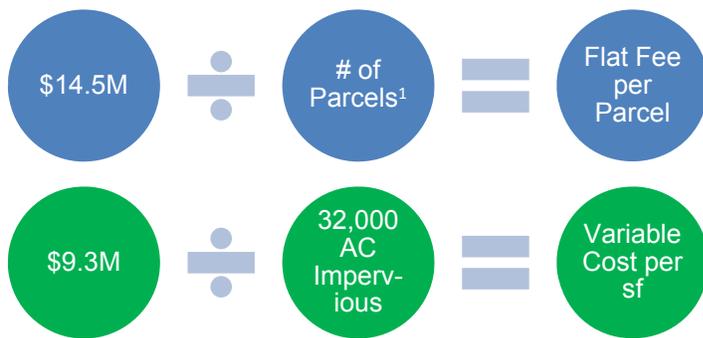
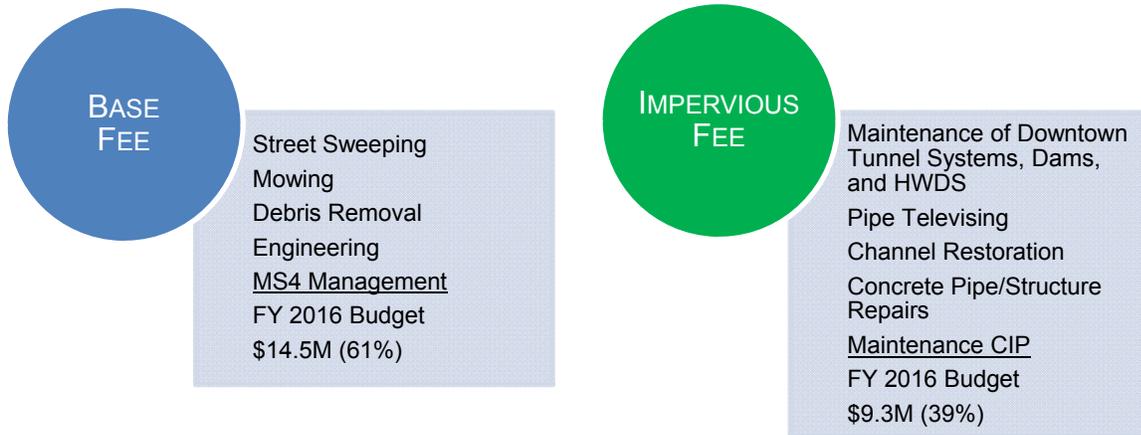
**Non-Residential Accounts:** Residential Accounts have very similar land use characteristics unlike Non-Residential Accounts; therefore, the rate structure was developed differently. A flat, per account monthly “Base Fee” will be assessed among all non-residential benefitted properties and a monthly “Impervious Fee” will be assessed on a cost per square foot. The “Impervious Fee” will include multiple tiers based



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upon the percent of impervious area or “development intensity”. This dual approach reduces the cost per square foot of impervious area which significantly reduces potential monthly fees from the rate structure proposed in 2014. Examples of base and impervious services are listed below along with the FY 2016 budget amount proportional to non-residential accounts.



### NON-RESIDENTIAL ACCOUNTS:

BASE FEE: FLAT \$55.77 / MO

IMPERVIOUS FEE: VARIES PER SITE

#### DEVELOPMENT INTENSITY TIERS

≤20% IC = \$0.25 / 1,000 sf

>20%-40% IC = \$0.37 / 1,000 sf

>40%-65% IC = \$0.50 / 1,000 sf

>65% IC = \$0.62 / 1,000 sf

<sup>1</sup>In some cases there are multiple accounts located on one land parcel, only one Base Fee will be assessed per land parcel.

- *Top 10 Accounts* monthly fees reduced by up to 83% from the previous proposal in 2014
- 24 accounts with monthly fee greater than \$1,000 as opposed to 202 accounts with the previous proposal in 2014 (15 of the 24 accounts are less than \$2,000)
- 27.4% of accounts remain at or below current fee
- 71.3% of accounts increase <\$100 per month
- 1.1% of accounts increase between \$100 and \$500 per month
- 0.2% of accounts increase >\$500 per month

### TOP 10 ACCOUNTS<sup>1</sup>

	<u>REVISED</u>	<u>PREVIOUS</u>
Port SA	\$19,600	\$61,200
Ft. Sam Houston	\$13,600	\$77,100
AT&T Center (County)	\$4,100	\$10,000
Sea World	\$4,000	\$12,300
Toyota	\$3,900	\$24,000
Port SA	\$3,700	\$11,300
Southwest Research	\$3,600	\$14,900
SA Airport (City)	\$3,400	\$8,400
Lackland AFB	\$2,800	\$13,100
SA Airport (City)	\$1,800	\$4,600

<sup>1</sup>Entities may have multiple accounts in addition to those listed.

**Residential Accounts:** A flat, per account monthly fee will be assessed among all residential benefitted properties and will be tiered based upon a range of impervious area. The existing residential rate structure is comprised of two tiers with approximately 90% of the accounts included in the higher rate tier of \$4.25 per month. The lower tier has a monthly fee of \$3.22. The new rate structure proposes to keep



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the monthly rate the same for these two tiers for the initial year, but introduces a third tier for those properties with a much larger amount of impervious area.

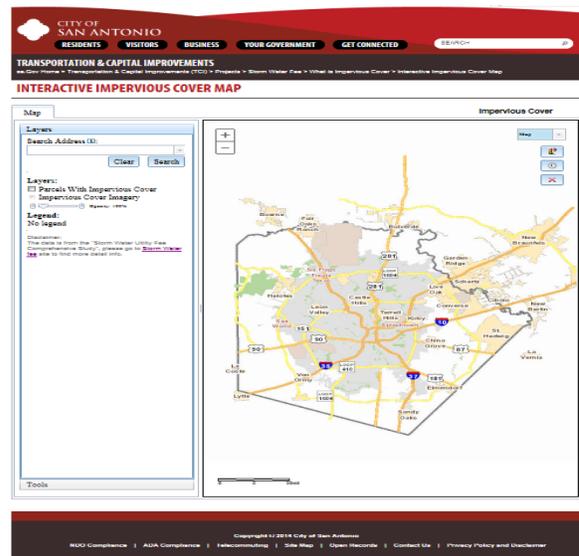


### RESIDENTIAL ACCOUNTS:

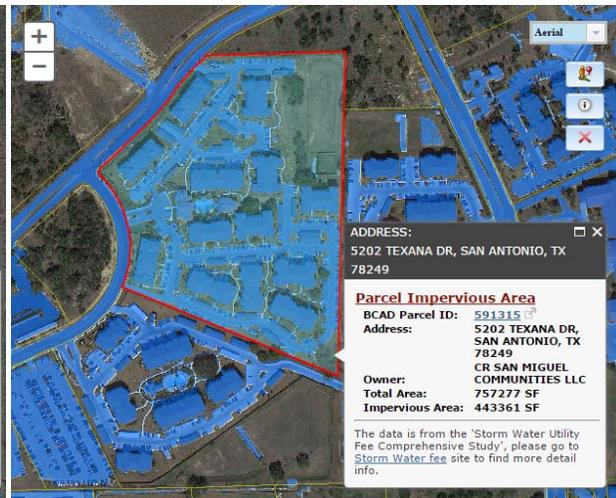
≤2,750 sf (25%)	\$3.22 / MO
>2,750-4,220 sf (50%)	\$4.25 / MO
>4,220 sf (25%)	\$8.98 / MO

- 16.4% of accounts decrease \$1.03 per month from current fee
- 55.9% of accounts remain at current fee
- 3.6% of accounts increase \$1.03 per month
- 23.7% of accounts increase \$4.73 per month

**Example Non-Residential Accounts:** An interactive Impervious Cover Map has been developed so that any customer can review the calculated impervious cover on their parcel of land. The following images are taken from the interactive map and calculations of the proposed monthly fee are below. View the interactive map at [www.sanantonio.gov/stormwaterfee](http://www.sanantonio.gov/stormwaterfee).



**RESTAURANT:**  
 PARCEL AREA = 1.5 AC  
 IMP AREA = 1.3 AC  
 CURRENT FEE = \$90  
 PROPOSED FEE = \$91

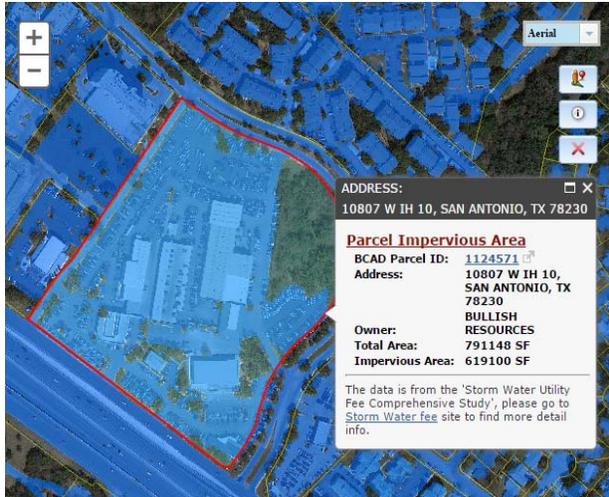


**APARTMENTS:**  
 PARCEL AREA = 17.4 AC  
 IMP AREA = 10.2 AC  
 CURRENT FEE = \$323  
 PROPOSED FEE = \$276



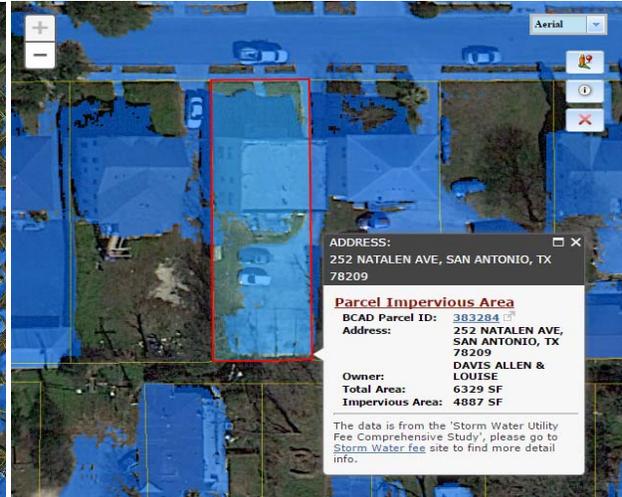
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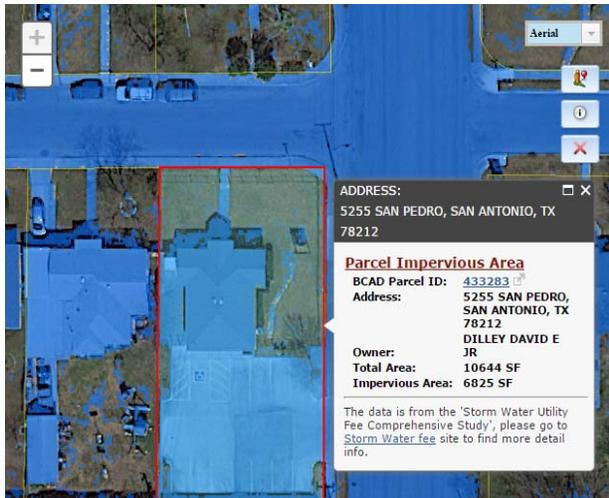
### **AUTO DEALERSHIP:**

PARCEL AREA = 18.2 AC  
 IMP AREA = 14.2 AC  
 CURRENT FEE = \$342  
 PROPOSED FEE = \$441



### **MULTI-FAMILY >2 UNITS:**

PARCEL AREA = 0.15 AC  
 IMP AREA = 0.11 AC  
 CURRENT FEE = \$7  
 PROPOSED FEE = \$59



### **OFFICE:**

PARCEL AREA = 0.24 AC  
 IMP AREA = 0.16 AC  
 CURRENT FEE = \$18  
 PROPOSED FEE = \$59



### **CITY PARK:**

PARCEL AREA = 0.40 AC  
 IMP AREA = 0.05 AC  
 CURRENT FEE = \$18  
 PROPOSED FEE = \$56

