

Proposed Drainage Utility Fee (DUF) Ordinance Changes: Public Hearing

Aug 4, 2016

Presentation Outline

- 1) Credits for Voluntary Stormwater Control Measures (SCMs)
- 2) Garage Apartment Billing Adjustment
- 3) Exemption Billing Clarification

Report on potential for Credits - Ordinance Requirement

§ 15-2-10 - ANNUAL REPORT.

The director shall provide an annual report of the drainage utility revenues, expenses, and programs to the city council. The annual report shall include findings on the impact of green infrastructure on drainage and recommended strategies that could allow utility customers to reduce the drainage charge by reducing their property's impact on drainage. The recommended strategies shall address the potential for credits or discounts for innovative stormwater controls that exceed land development requirements and/or detention and water quality treatment minimum requirements.

Evaluation of Potential Stormwater Control Measures (SCMs) Incentives

- **Benchmarking**

- Of 48 communities benchmarked, about 2/3 have credits, 1/3 have rebates
- Two TX Cities with recent DUF changes
 - Houston – By volume, \$0.10/barrel/month
 - San Antonio – By water quality volume, up to 30% of charge, commercial only

- **Equity and Cost of Service Assessment**

- EPA study recently quantified limited flood benefits from Green Infrastructure
- Austin's Brentwood study showed on-site SCMs had relatively small flood control benefits and high costs
- On-site SCMs generally accepted to have water quality benefits, but little flood control benefits
 - Capacity may not be available in back-to-back storms
 - Cost of Service benefit to Drainage Utility expected to be very small
- Some properties have large stormwater storage beyond legal requirements

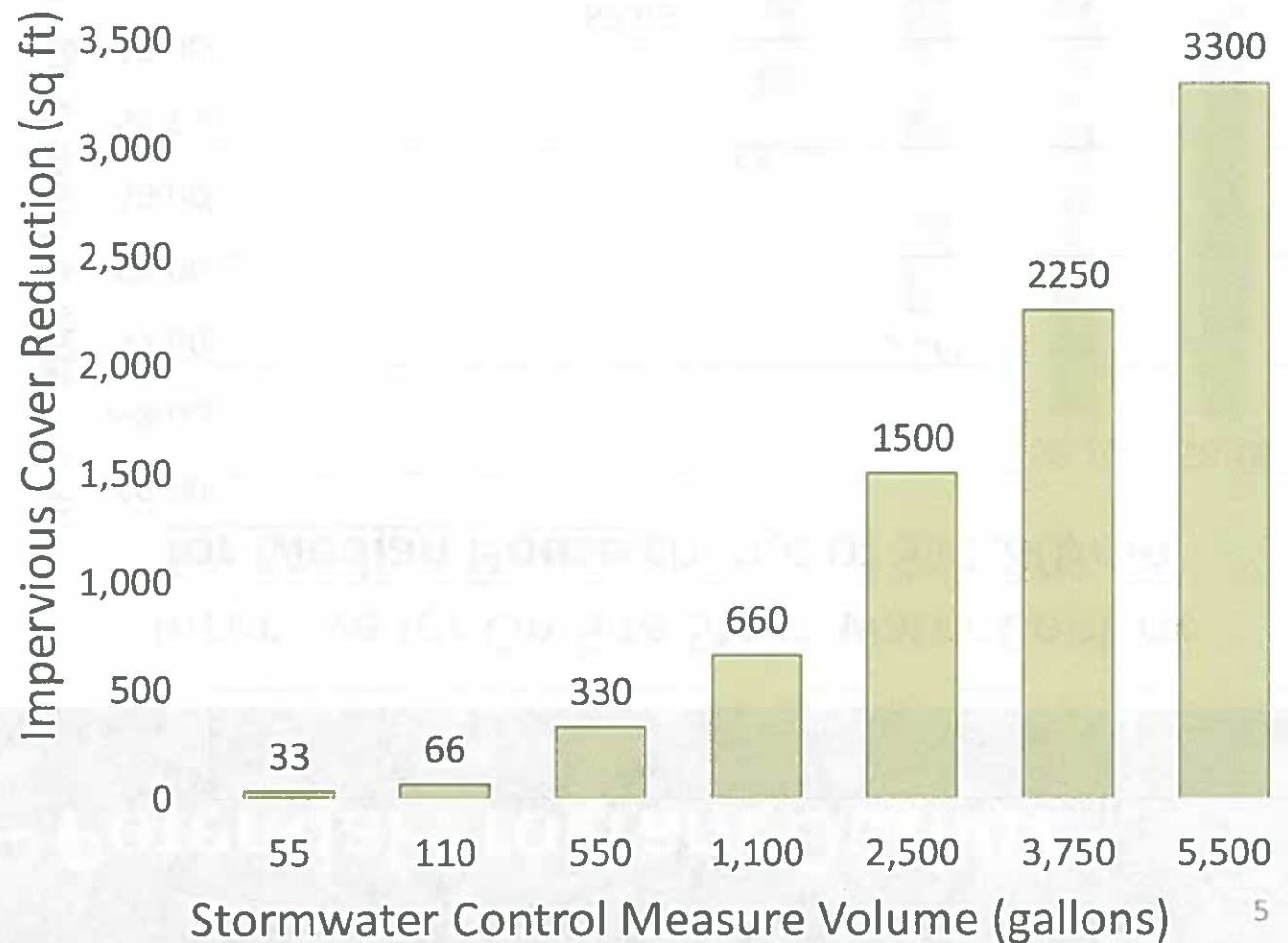
- **Proposal**

- Allow credits based on stormwater controls that exceed legal requirements, allowing up to 50% reduction of impervious cover.

Credit – Potential Program Outline

- Credit based on capture volume offsetting runoff from Impervious Cover (IC)
- 0.6 sqft of IC / gallon of SCM
- Available to all land uses
- Credit renewal every 2 years by providing proof of continued function to minimize verification efforts

Impervious Cover Reduction from Stormwater Control Measures (SCM)



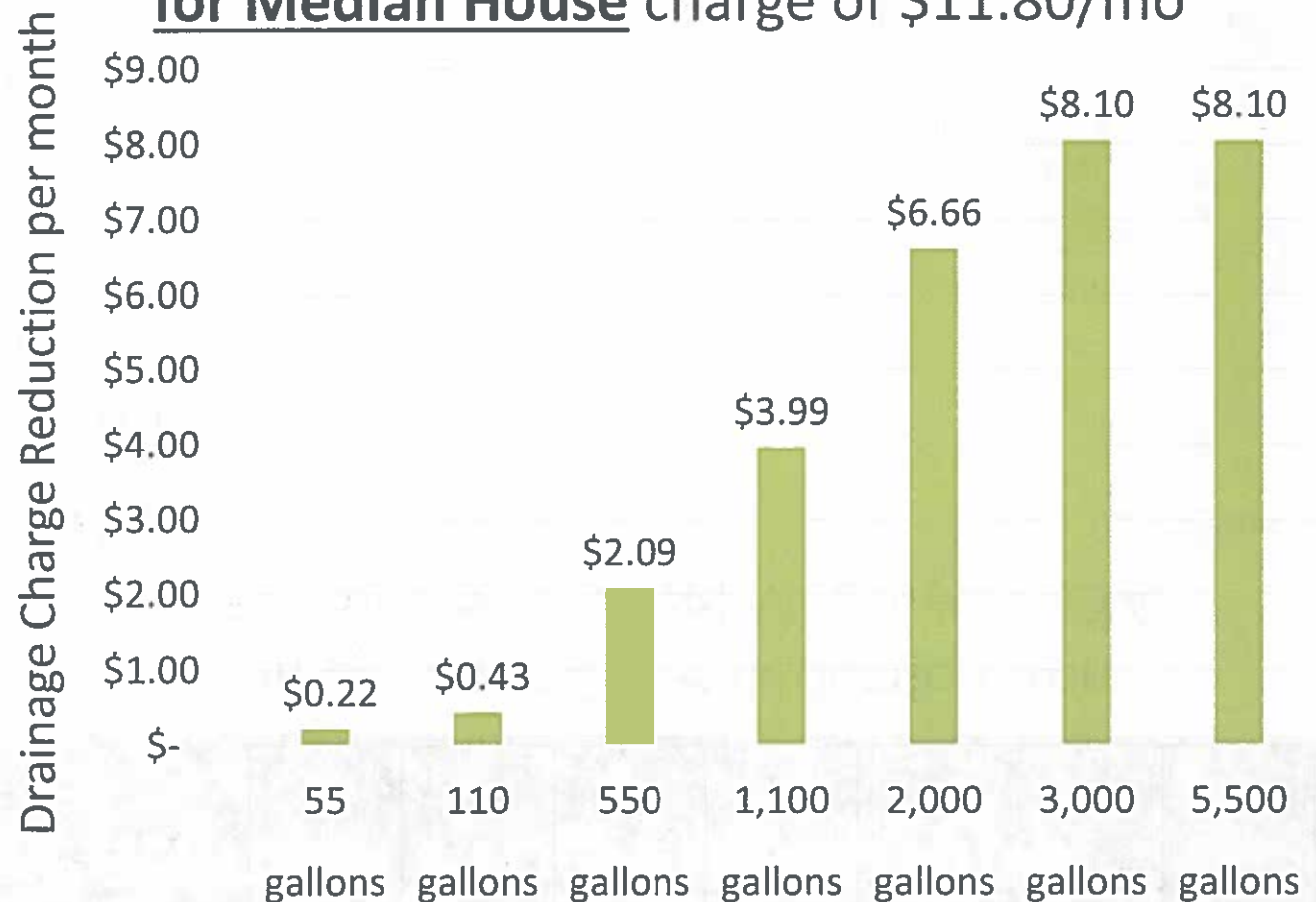
Credit – Potential Program Outline

Median House Examples

(3,100 sqft IC, 37% IC)

- Volume of one standard 55 gal Rain Barrel translates to \$0.22 per month savings
- 3,000 gal cistern could negate up to half the IC, thus 69% of the charge, though installation cost ~\$3,500

Incentive for On-Site Stormwater Control for Median House charge of \$11.80/mo



Next Steps / Timeline

- August 2016
 - Aug 4 - Council Mtg – Conduct Public Hearing on Ordinance
- September 2016
 - Initial Draft of Rules for Stormwater Control Credit Program
- October 2016
 - Stakeholder Meeting
- November 2016
 - Intra-City Staff Review
- January 2017
 - Post Rules for Public Comment
- February 2017
 - Planned start of Stormwater Control Credit Program

Proposed Ordinance Changes

2) § 15-2-8 (C) (1) – Billing (Garage Apartment Update)

- Current Status
 - If the garage apartment has a separate utility account, must pay half of drainage charge (regardless of size/impact)
- Proposal
 - Send charge to owner/main utility customer for entire property
- Advantages
 - Improves equity by not requiring smaller garage apartment to pay half
- Disadvantages
 - May deal with higher bill concerns for some customers (at the main house) unaware they were paying only half the charge

Proposed Ordinance Changes

3) § 15-2-13 – Exemptions

(Clarify treatment of various exemptions)

- Current Status
 - City Code provides drainage charge exemption if the “property is owned and occupied”. State Code requires exemption of State and Higher Education agencies, regardless of ownership or occupancy.
- Proposal
 - Rephrase City Code to better align with State Code requirements
 - Clarify same exemption for County/ISDs agencies
- Advantages
 - Removes conflict between City/State Codes
 - Provides County/ISDs same exemption as State/Higher Ed
- Disadvantages
 - Change for County/ISDs expands their exemption up to \$40k annually

Questions?

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