

Surface Water
Drainage Utility System
(SDUS) Fee Ordinance
City of McKinney
Engineering



- MONEY MAGAZINE 2014 -

Why the fee change?

- Existing stormwater concerns and recent changes to the stormwater management ordinance show the need for increased revenues to address the review, maintenance and installation of creek improvements
- Increasing the SDUS fee is proposed to help recover the costs

Ordinance Revision Public Notification

- Published in the McKinney Courier Gazette three consecutive Sundays.
 - March 1, 2015
 - March 8, 2015
 - March 15, 2015

Earlier Public Meetings Notifications

- Letter mailed to property and owner address for;
 - 100 commercial/industrial customers
 - 41 multi-family residential customers
- Meetings were also announced via;
 - News Release
 - Dallas Morning News
 - McKinney Courier Gazette
 - City [webpage](#)
 - City eNewsletter

Public Meeting Summary

- Staff held 4 meetings
 - 2 primarily for commercial/industrial customers
 - 1 primarily for multi-family residential customers
 - 1 for MEDC BREP
- 27 customers were in attendance, and the meetings were open to all who wished to attend

Earlier Public Meeting Comments

- The primary input received was reluctant acceptance of the increase and appreciation for the credit program

Revenue to cover costs

- \$8.4 million per year per Jeans Creek example
 - McKinney has ~300 miles of creeks
 - \$1.4 million per mile
 - Assuming a 50 year build-out
 - \$9.00/SFLUE per month (w/o cap)
 - With EHSB in place, this effort level is not anticipated



Before



After

Calculation of cost

- Jeans Creek Stabilization example
 - From US 380 to just south of Rockhill Road

Approximately 2 miles

- Eight improvement projects
 - 4 residential
 - 3 commercial
 - 1 residential & commercial
 - 2,430 linear feet repaired



Before



After

- Average cost of \$1.4 million/stream mile
- Erosion Hazard Setback (EHSB) easements were not in place at the time of development

Residential proposed fee

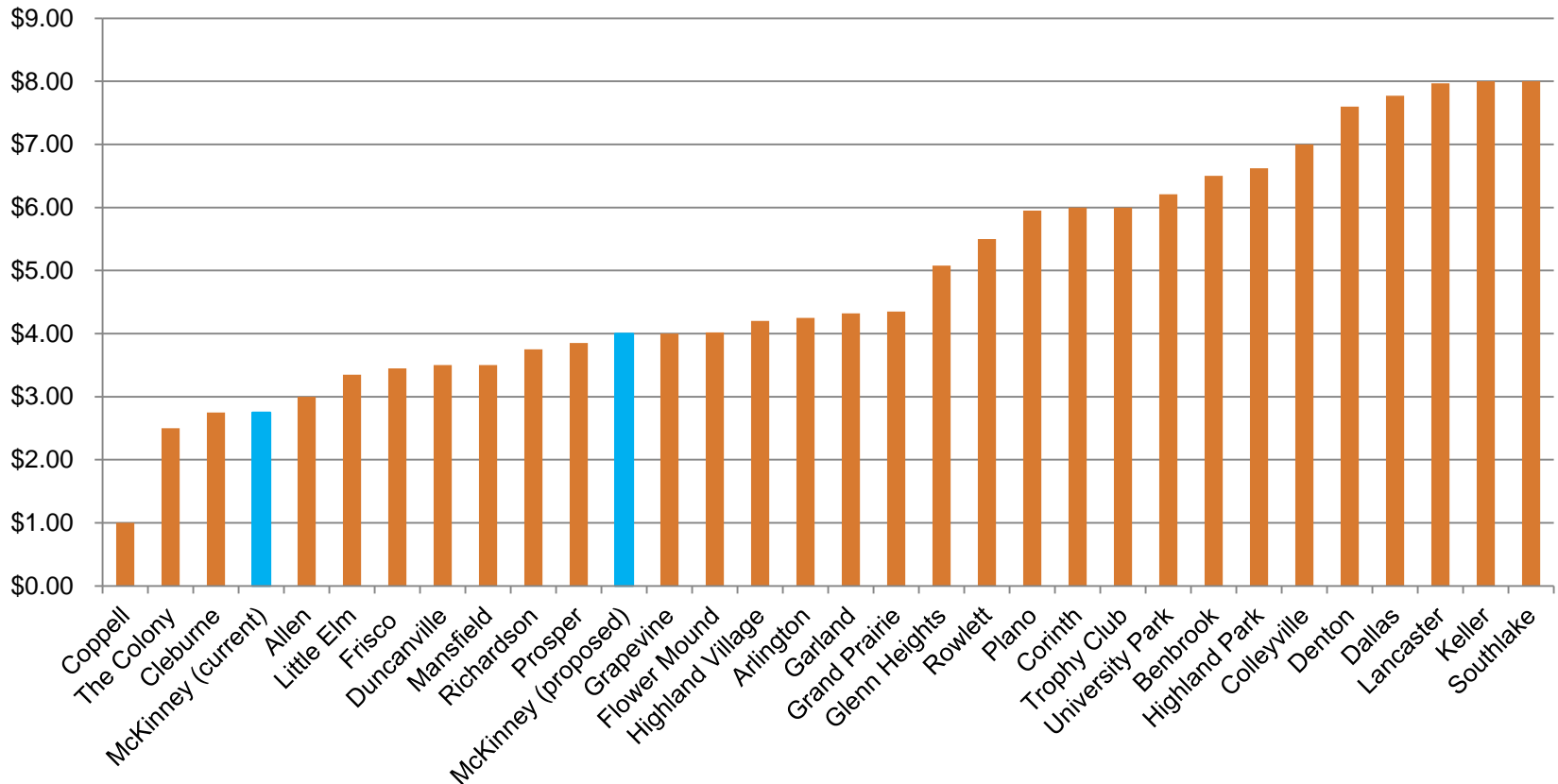
- Single-family Residential
 - \$4.00 flat
- Multifamily Residential
 - \$4.00/SFLUE (1 SFLUE = 3,000 sf) = \$1.33/1,000 sf
 - Calculate multifamily based on SFLUE instead of living units*

Category	Current fee	Proposed fee
Single-family residential	\$2.75	\$4.00
Multi-family residential	\$2.75/unit*	\$1.33/1,000 sf imp.
	Current SFLUE = 2,343 sf	Proposed SFLUE = 3,000 sf

*some multifamily residential properties may be incorrectly classified as non-residential and are being billed up to \$200/mo.

Fee and fee schedule: Residential

Residential Monthly Stormwater Utility Charge for Selected Cities
(10,000 sq. ft. lot / 3,500 sq. ft. impervious area)



Residential proposed fee

- Multifamily Residential

Category per IS	Units	Impervious surface (SF)	Current fee \$2.75/unit	Proposed fee \$1.33/1,000 sf	Change
Large MF	510	1,009,981	\$1,402.50	\$1,348.00	-\$54.50
Average MF	200	324,256	\$550.00	\$436.00	-\$114.00
Small MF	48	47,014	\$132.00	\$64.00	-\$68.00

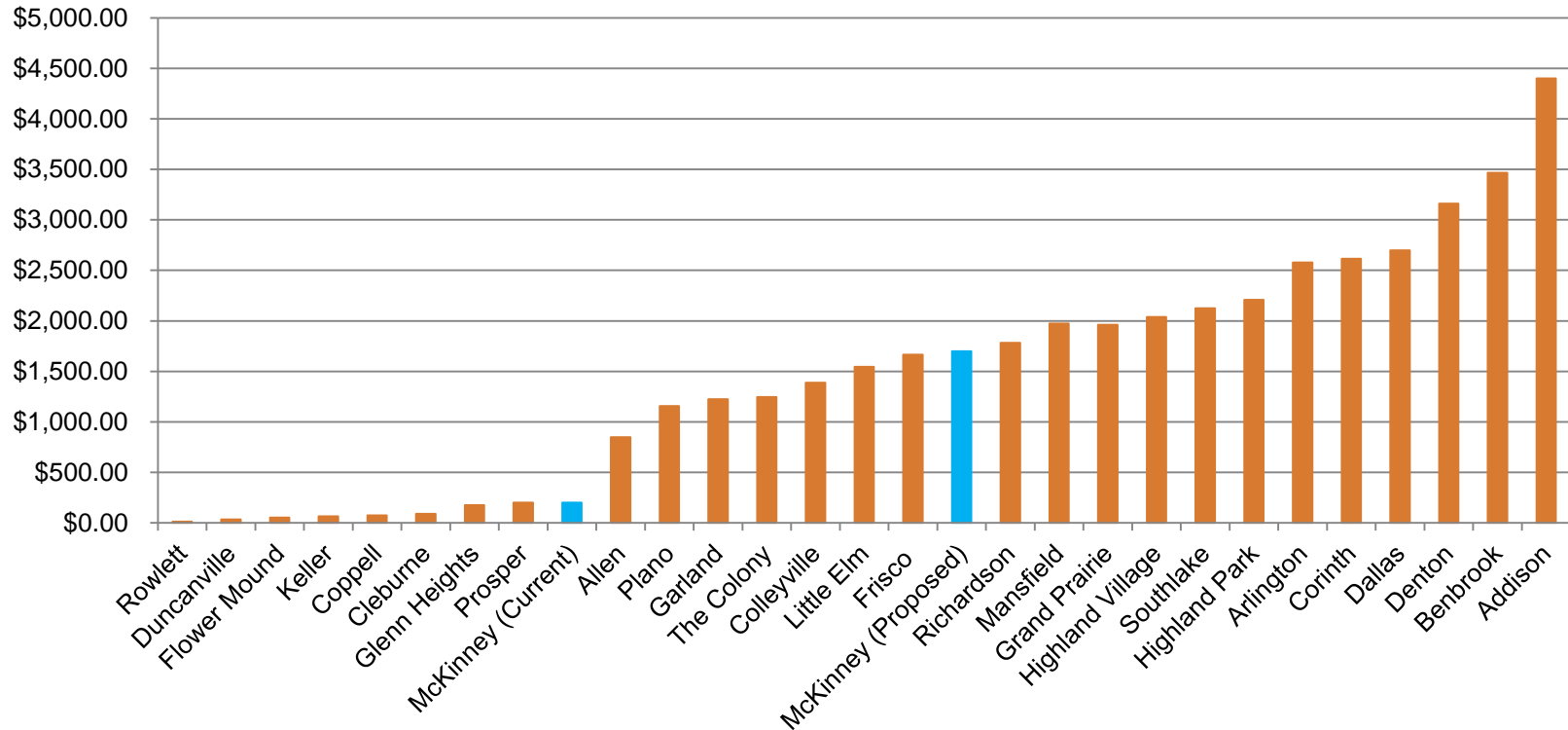
Commercial proposed fee

- Commercial/industrial
 - \$3.00/SFLUE (1 SFLUE = 3,000 sf) = \$1.00/1,000 sf
 - Remove \$200 cap*
 - Introduce a stormwater credit program to offset cost

Category	Impervious surface	Current fee \$1.17/1,000 sf \$200 cap	Proposed fee \$1.00/1,000 sf No cap	Change
Large Commercial	1,699,170	\$200*	\$1,699.17	\$1,499.17
Medium Commercial	141,000	\$165.00	\$141.00	-\$24.00
Small Commercial	37,000	\$43.29	\$37.00	-\$6.29

Fee and fee schedule: Commercial

Large Commercial Monthly Stormwater Utility Charge for Selected Cities (56.8426 acres/1,699,170 ft. impervious surface/469,170 sq. ft. building)



Revenue generated

- Current Annual Revenue
 - \$1.9 million
- Proposed Annual Revenue
 - \$3.6 million
 - Single-family Residential = \$2 M (55% of total)
 - Multifamily Residential = \$340,000 (9% of total)
 - Commercial/Industrial = \$1.3 M (36% of total)

Stormwater credit program

- The proposed stormwater credit program allows users to offset SDUS fees by maintaining stormwater best management practices (BMPs) on their property
- The proposed program includes possible reductions up to 40% for BMPs that provide a benefit to the stormwater drainage utility system

Stormwater credit program

- Proposed stormwater credit BMPs

BMP	Maximum Percent BMP Credit Allowable
Voluntary community creek cleanup	5
Detention/retention facilities	5
Aeration Fountain	5
Parking lot sweeping	5
Riparian preservation	10
Multi-stage Detention	15
Extended Detention	20
Permanent Structural Controls	40
Zero Discharge	40

Next Steps

- Upon approval, begin implementation on May 1, 2015
- Notify commercial, industrial and non-residential customers of rate change
- Notify commercial and industrial customers of credit program and policy