

## FAQ’s Proposed FY24 Stormwater Utility Fee Increase

### 1. Why is Stormwater Management requesting a fee increase and what will the fee increase be used for?

The mission of the Stormwater Management program is to “Protect People and Property from Harmful Stormwater Runoff”. The Stormwater utility fee is what pays for the work efforts of MAINTAINING the existing system of drainage pipes and channels to function as originally designed, IMPROVING the drainage system through construction of projects to reduce flooding and channel erosion hazards, WARNING the community of flooding and erosion hazards that cannot be addressed in the near term, and REVIEWING development for compliance with City stormwater standards.

The increase will provide the capacity to sell an estimated \$160 million in bonds, with a focus on accelerating the delivery of high priority, large-scale capital flood mitigation improvements, to more aggressively protect people and property from flood risk.

The increase will also allow Stormwater to more aggressively maintain and address its growing and aging drainage infrastructure throughout the city. Maintenance service levels will increase for culvert and drainage pipe inspection, cleaning, and repair, and channel maintenance over a 5-year implementation timeframe.

The capital flood mitigation improvements and maintenance service level improvements will provide the following benefits:

Benefits	
Reduce flooding and emergency response	✓
More effective Asset Management	✓
Increase maintenance service levels reducing the need for costly capital projects	✓
Improve public safety and quality of life	✓
Save the City and residents money	✓

### 2. How much is the proposed fee increase?

A 15% increase to the Stormwater Utility fee is proposed. The proposed Fiscal Year 2024 fee increase of 15% provides an annual revenue increase of \$5.9 million for a portion of FY24 once the increase goes into effect on January 1, 2024; which will then be an increase of \$7.7 million during the full fiscal year of 2025.

**3. How are Stormwater fees calculated for residential property, and how does the proposed fee increase impact the rates for residential property?**

Low Occupancy residential property, such as one-family or two-family properties, are calculated based on the total estimated impervious area determined by residential square footage. The Equivalent Residential Unit (ERU) is used to determine the number of billing units on each type of residential properties. The median single-family residential parcel in Fort Worth has been determined to have approximately 2,600 square feet of impervious area or hard surface or one (1) ERU. Low Occupancy residential properties are placed in one of four tiers depending on square footage.

The current fees for Low Occupancy residential properties range from \$2.88 per month for small homes to \$11.50 per month for large homes. The proposed 15% increase would adjust residential rates to \$3.31 per month for small homes to \$13.23 per month for large homes. See the table below for more information.

Low Occupancy Billing Tier	Billing Unit - Equivalent Residential Units (ERU)	Billing Basis	Current Monthly Rate	Proposed Monthly Rate, Effective January 1, 2024
Tier 1	0.5 ERU	Up to 1,300 square feet	\$2.88	\$3.31
Tier 2	1.0 ERU	1,300 to 2,475 square feet	\$5.75	\$6.61
Tier 3	1.5 ERU	2,476 to 3,394 square feet	\$8.63	\$9.92
Tier 4	2.0 ERU	3,394+ square feet	\$11.50	\$13.23

**4. How are Stormwater fees calculated for High Occupancy Residential/Non-Residential Property such commercial and industrial properties and apartments, and what is the impact of the proposed fee increase?**

High Occupancy Residential/Non-Residential Property such commercial and industrial properties and apartment fees are based on the amount of actual impervious surface area on the property determined through a review of site plans and aerial photography. Impervious surfaces are hard surface areas such as rooftops on buildings, sidewalks, driveways and parking lots. Impervious surface area is divided by the standard Equivalent Residential Unit (ERU) of 2,600 square feet to determine the number of billing units on the property. The number of billing units is multiplied by the standard ERU rate, currently at \$5.75, proposed at \$6.61.

For example, the fee for a small commercial property with a total hard surface area of 26,000 square feet is currently \$57.50 monthly and is proposed to change to \$66.10 per month, to be effective January 1, 2024, calculated as follows:

$$26,000 \text{ square feet} \div 2,600 \text{ square feet/ERU} = 10 \text{ billing units}$$

$$10 \text{ billing units} \times \$6.61 \text{ per month/ERU} = \$66.10 \text{ per month}$$

	Billing Unit – Equivalent Residential Units (ERU)	Basis	Existing Monthly Rate	Proposed Monthly Rate, Effective January 1, 2024
High Occupancy Residential/Non-Residential Property	Per Billing Unit (ERU)	2,600 square feet of impervious surface per ERU billing unit	\$5.75 per ERU	\$6.61 per ERU

## **5. How are Stormwater utility fees collected?**

Stormwater utility fees are collected through the monthly City of Fort Worth Water bill. On the billing statement, there is a separate line item indicating the Stormwater monthly fee. The Stormwater utility fees are paid directly into the Stormwater Fund, which is a completely separate fund from the city's general budget that is used exclusively for the purpose of fulfilling the Stormwater Program's mission.

## **6. When adopted by City Council, when would the fee increase take effect?**

The fee increase would take effect on January 1, 2024 and would appear on the January water bill.

## **7. What is the timeline for City Council to vote on and adopt the proposed fee increase?**

City Council voted in September, 2023 to approve the City's FY24 Budget, with the proposed Stormwater fee increase as part of that budget. A separate public hearing will be held on October 31, 2023, for Council to adopt the associated Stormwater Utility Fee increased rates.

## **8. How can I provide my feedback on the proposed Stormwater fee increase?**

You may provide feedback online at [FWConnection@FortWorthTexas.gov](mailto:FWConnection@FortWorthTexas.gov).

