

Drainage Utility System Workshop

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Municipal Drainage Utility Systems Act

- Local Government Code Title 13. Water and Utilities, Subtitle A. Municipal Water and Utilities, Chapter 552. Municipal Utilities, Subchapter C. Municipal Drainage Utility Systems (Sec. 552.041-552.054)
- Formerly LGC Chapter 402 (Reference in Code of Ordinances Chapter 90)
- "Drainage system" means the drainage owned or controlled in whole or in part by the municipality and dedicated to the service of benefitted property, including provisions for additions to the system.
- "User" means the person or entity who owns or occupies a benefitted property.

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- "Benefitted property" means an improved lot or tract to which drainage service is made available under this subchapter.
- "Public utility" means a drainage service that is regularly provided by the municipality through municipal property dedicated to that service to the users of benefitted property within the service area and that is based on:
 - (A) an established schedule of charges;
 - (B) the use of the police power to implement the service; and
 - (C) nondiscriminatory, reasonable, and equitable terms as declared under this subchapter.

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- "Service area" means the municipal boundaries and any other land areas outside the municipal boundaries which, as a result of topography or hydraulics, contribute overland flow into the watersheds served by the drainage system of a municipality; provided, however, that in no event may a service area extend farther than the boundaries of a municipality's current extraterritorial jurisdiction, nor, except as provided by Section 552.0451, may a service area of one municipality extend into the boundaries of another municipality. The service area is to be established in the ordinance establishing the drainage utility. Provided, that no municipality shall extend a service area outside of its municipal boundaries except. . . .

Schertz Drainage Utility System Background

The Schertz Drainage Department began in 2003 with a single crew consisting of a Foreman and a worker. They worked diligently to keep the City's drainage infrastructure maintained with a single pickup truck and two open cab tractors. Over time, the department grew slowly, adding workers and upgrading equipment such as enclosed tractors and bigger shredders to keep up with growing infrastructure.



Schertz Drainage Utility System Background



Today, the department has grown to 8 personnel; a Supervisor, two Worker II's and 5 Worker I's. Equipment has expanded as well, having multiple trucks, tractors, shredders, mowers and specialized equipment such as a boom mower. The department continues to provide essential services to the City, maintaining and managing City drainage infrastructure.

Schertz Drainage Utility Rate History

- Ordinance 03-F-11: Establishes Drainage Utility System.
- Living Unit Equivalent (LUE) based on average lot size of 7550 sq ft.

Fiscal Year	Ordinance	Fee Per LUE
FY 2003-04 to FY 2007-08	03-F-17	\$2.10
FY 2008-09 to FY 2011-12	08-M-43	\$3.80
FY 2012-13 to Current FY	12-M-22	\$5.20

Schertz Drainage Utility Project History

- **Scenic Hills/Greenridge Year 2017**
 - Drainage Fund
- **Lower Seguin Road Culvert 2017**
 - Drainage Fund
- **East Dietz Creek De-silting 2018**
 - Drainage Fund
- **2018 Drainage Projects 2018-2021**
 - 45% General Fund, 55% Drainage
- **FM 78 South Channel 2023- Present**
 - General Fund
- **Drainage Fund Balance – Currently \$723,000**

FY 2020-21 To Current FY Drainage Fund Analysis

FY 2020-21

- Revenue: \$1,277,838
- Budget: \$1,497,913
- Actual Exp: \$1,210,097

FY 2021-22

- Revenue: \$1,291,653
- Budget: \$1,272,024
- Actual Exp: \$1,047,412

FY 2022-23

- Revenue: \$1,285,422
- Budget: \$1,438,907
- Actual Exp: \$1,534,784

FY 2023-24

- Revenue: \$1,368,771
- Budget: \$1,594,207
- Actual Exp: \$1,444,324

FY 2024-25

- Revenue: \$1,516,000 (Estimated)
- Budget: \$1,635,862

Current FY Budgeted Expenses: \$898,244

Current FY Budgeted Capital Cost: \$637,618

- Capital Cost Includes: Vehicle & Equipment Replacement (Street Sweeper), Professional Services (Projects), Land & Easement Budgeted Funds

Drainage Fund Projections - 5 Year

Expenditure Type	Expanded Project - Personnel	FY 2025-26	2026-27	2027-28	2028-29	2029-30
Personnel	Existing Personnel Budget	\$571,592	\$600,172	\$630,180	\$661,689	\$694,774
Personnel	Drainage Worker I (3 Full Time Employees)	\$223,677	\$234,861	\$246,604	\$258,934	\$271,881
Personnel	Drainage Worker II (1 Full Time Employee)	\$84,149	\$88,356	\$92,774	\$92,774	\$92,774
Personnel	Crew Leader (1 Full Time Employee)		\$103,604	\$108,784	\$114,223	\$119,935
Personnel	Drainage Worker I (3 Full Time Employees)			\$223,677	\$234,861	\$246,604
Personnel	Floodplain & Stormwater Manager (1 Full Time Employee)	\$100,104	\$105,109	\$110,365	\$115,883	\$121,677
Total		\$979,522	\$1,132,102	\$1,412,384	\$1,478,364	\$1,547,645

Expenditure Type	Expanded Program - O&M	FY 2025-26	2026-27	2027-28	2028-29	2029-30
O&M	Current O&M	\$271,000	\$284,550	\$298,778	\$298,778	\$298,778
O&M	O&M Increase w/ Additional Personnel	\$100,000	\$255,000	\$367,750	\$436,138	\$457,944
Total		\$371,000	\$539,550	\$666,528	\$734,916	\$756,722

Drainage Fund Projections - 5 Year

Expenditure	Expanded Program - Capital Costs	FY 2025-26	2026-27	2027-28	2028-29	2029-30
Yearly Capital Expense	Land/ROW/Easement Purchase	\$250,000	\$250,000	\$100,000	\$100,000	\$100,000
Other Expenses	Non-operating, Fund Charges/Tranfers, legal/Accounting Services	\$593,270	\$622,934	\$654,080	\$654,080	\$654,080
Capital Cost - Land	Property Purchase			\$500,000		
Capital Cost - Equipment	Drainage UTV	\$30,000.00				
Capital Cost - Equipment	Haul Trailer	\$40,000.00				
Capital Cost - Equipment	Drainage Haul Truck (2.5 Ton, Crew Cab, 4x4, Flat Bed)	\$90,000.00				
Capital Cost - Equipment	Crew Truck (1 Ton, Crew Cab, 4x4)	\$90,000.00				
Capital Cost - Equipment	Supervisor Truck (3/4 Ton, Crew Cab, 4x4)		\$75,000.00			
Capital Cost - Equipment	Street Sweeper				\$375,000	
Capital Cost - Equipment	Maintainer		\$350,000			
Capital Cost - Equipment	Drainage Dump Trailer				\$90,000	
Capitl Cost - Equipment Replacement	Yearly Vehicle/Equipment Replacement Contribution	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Project	Master Drainage Plan	\$125,000	\$125,000			
Professional Services	Engineering Services	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Professional Services	Drainage Rate Study					\$10,000
Total		\$1,468,270	\$1,672,934	1504080	\$1,469,080	\$1,014,080

Drainage Fund Projections - 5 Year

Drainage Capital Improvement Projects	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-2035	Total
Wendy Swan Drainage Improvements	\$1,100,000.00							\$1,100,000.00
Kramer Farms Drainage Improvements		\$1,000,000.00						\$1,000,000.00
FM 1518 - City Park Underground Drainage Upgrade		\$2,500,000.00	\$2,000,000.00					\$4,500,000.00
Woodbridge Drainage Improvements			\$1,100,000.00					\$1,100,000.00
Portage Lane Culvert Replacement and Channel Rehabilitation			\$100,000.00	\$725,000.00				\$825,000.00
Morning Drive Culvert Replacement and Channel Rehabilitation			\$100,000.00	\$900,000.00				\$1,000,000.00
Oak Forest Channel Improvements			\$200,000.00	\$2,000,000.00				
W. Dietz Creek from Lookout to Selma				\$300,000.00	\$2,700,000.00			
W Dietz Creek Drainage Improvements: Elbel Road to City Limits					\$1,500,000.00	\$4,500,000.00		\$6,000,000.00
W Dietz Creek Drainage Improvements: Schertz Pkwy to Elbel RD						\$1,000,000.00	\$4,000,000.00	\$5,000,000.00
Northcliffe II Drainage Improvements							\$1,050,000.00	\$1,050,000.00
Lazar Parkway Drainage Improvements							\$2,500,000.00	\$2,500,000.00
W Dietz Creek Drainage Improvements: Maske to Schertz Pkwy							\$4,000,000.00	\$4,000,000.00
W Dietz Creek Drainage Improvements: Savannah Dr to Maske							\$5,000,000.00	\$5,000,000.00
W Dietz Creek Drainage Improvements - City Limits near Wiederstein to Savannah Dr							\$5,000,000.00	\$5,000,000.00
Total	\$1,100,000.00	\$3,500,000.00	\$3,500,000.00	\$3,925,000.00	\$4,200,000.00	\$5,500,000.00	\$21,550,000.00	\$38,075,000.00

Local Government Code Sec. 552.053 Exemptions

Sec. 552.053. EXEMPTIONS. (a) A governmental entity or person described by Subsection (b) and a lot or tract in which the governmental entity or person holds a freehold interest may be exempt from this subchapter and all ordinances, resolutions, and rules adopted under this subchapter.

(b) The following may be exempt:

- (1) this state;
- (2) a county;
- (3) a municipality; or
- (4) school districts and open-enrollment charter schools.

(c) The following shall be exempt from the provisions of any rules or ordinances adopted by a municipality pursuant to this Act:

- (1) property with proper construction and maintenance of a wholly sufficient and privately owned drainage system;
- (2) property held and maintained in its natural state, until such time that the property is developed and all of the public infrastructure constructed has been accepted by the municipality in which the property is located for maintenance; and
- (3) a subdivided lot, until a structure has been built on the lot and a certificate of occupancy has been issued by the municipality in which the property is located.

Local Government Code Sec. 552.053 Exemptions

(d) A municipality may exempt property owned by a religious organization that is exempt from taxation pursuant to Section 11.20, Tax Code, from all or a portion of drainage charges under this subchapter, as the governing body of the municipality considers appropriate.

(d-1) A municipality may exempt property used for cemetery purposes from drainage charges under Section 552.047 if the cemetery is closed to new interments and does not accept new burials.

(e) The following property is exempt from drainage charges under Section 552.047 and all ordinances, resolutions, and rules adopted under this subchapter:

(1) property owned by a county in which a municipality described by Section 552.044(8)(A) is located;

(2) property owned by a school district located wholly or partly in a municipality described by Section 552.044(8)(A); and

(3) property owned by a municipal housing authority of a municipality described by Section 552.044(8)(A).

Schertz Drainage Utility Current Exemptions

Sec. 90-273. - Exemptions.

- State, County, Municipal, and Federal owned parcels
- Schools
- Schertz Housing Authority
- Cemetery Lots*
- Property with properly engineered designed drainage system and maintenance of a wholly sufficient, privately owned drainage utility system;
- Property held and maintained in its natural state, until such time that the property is developed and the public structure constructed thereon has been accepted by the city for maintenance;
- A subdivided lot, until a structure has been built on the lot and a certificate of occupancy has been issued by the city;

Not currently exempted: Religious Organizations under Section 11.20 of the Tax Code

*Currently Section 552.053 states only cemeteries closed to new interments and burials are eligible to be exempt.

Next Steps

- Provide consultant assumptions needed to finalize Drainage Rate Study.
 - Personnel and O&M expansions
 - Projects
 - Exemptions
- Publish Notice (with full Ordinance Language and Proposed Fee) 3 times – first published notice shall 30 or more days before Public Hearing.
- Hold a Public Hearing for the Ordinance Revision and Proposed Fee and adopt.



COMMENTS AND QUESTIONS