

Drainage Utility Public Meetings

January 18 & 19, 2017

1. Is this fee continuous? Will fee go on forever?

The fee is a monthly fee that will appear on your utility bill. The fee is proposed to be continued until sufficient funds are collected for the identified projects.

2. What are the projected earnings in the first year?

Based on a \$1.50 monthly base rate, we expect to collect \$1.386 million.

3. What is District 1 doing?

A list of drainage projects can be found on line at www.mcallen.net.

4. Why not raise the tax rate by \$0.02 instead of the drainage fee?

The City is considering various options to fund the drainage improvements, the Drainage Utility fee is one of those options. The Drainage Utility fee establishes a fund that will be used directly towards drainage infrastructure. If a tax is established, the funds are not specifically marked for drainage infrastructure.

5. Why penalize people who provide their own drainage retention?

All subdivisions must comply with the City's detention requirements. The Drainage Utility fee is not a penalty; the funds will be used towards making much needed improvements in our City. When the City deploys manpower and equipment during a storm event, everyone pays.

6. When will city start collecting?

The effective date will be decided at the January 8, 2018 Commission meeting; we are estimating a start date of March 2018.

7. How does the City get to the point where drainage is a problem? No one saw this coming?

The City has been aware of the drainage needs and available funding sources. The City maintains a master drainage plan that identifies the needed improvements. However, there is not sufficient revenues in the general fund to cover all these improvements. Previous funding resources show a declining trend, and the drainage concerns persist.

8. Why have the meeting during holidays and with short notice to public? Why not hold the meetings in January?

The two public meetings were advertised on November 29, 2017 and December 3, 2017. The Official Public Hearing will be held on January 8, 2018. It was advertised 30 days in advance of the meeting.

9. You calculated 2700 ERU, how did you calculate that?

The Equivalent Residential Unit (ERU) was calculated using Hidalgo County Appraisal District Data to obtain an average impervious cover from all single family residential lots in our city and added an average driveway area of 600 sf. Pools, sidewalks and sheds were excluded from this area.

10. Has the city surveyed large commercial owners for their concerns?
No, the City has not directly contacted commercial property owners.
11. Isn't this considered an Impact fee?
No, the purpose of the ordinance is to classify drainage as a utility similar to water and wastewater. The fee will be used for improvements related to drainage infrastructure. In the future, if Commission continues with the fee, it can be used towards maintenance of the drainage infrastructure.
12. Is fee going to department salary?
No, the fee is designated towards infrastructure improvements.
13. Is Austin going to pitch in?
The fee is a local fee. However, we are also actively pursuing drainage grants that are funded by FEMA and administered through the State of Texas.
14. Would we see potential State/Federal grants?
City staff is actively pursuing drainage grants to assist with funding our drainage needs.
15. How was this funded before?
Drainage improvements were funded through the general fund or bonds.
16. Is this only an informative session? Is this already set stone?
The public meetings are informative sessions to deliver information to our residents and to receive feedback. The official public hearing will be held on January 8, 2018, at which time, the City Commission will deliberate and take action on the item.
17. Will the runoff (extra water that will be drained) be held in holding ponds/ditches?
How will the City handle this water?
Some of the drainage improvements projects include widening existing ditches and building more holding ponds.
18. Anything planned for Lark Landing Subdivision? Any beautification, similar to Nolana?
Request for additional landscaping at the drainage ditch was forwarded to Keep McAllen Beautiful personnel.
19. Why is project on Highland not shown on the plan?
This project is not on the list because a funding source has already been identified and the improvement will be completed in the next several months.

20. The fee is going to be a burden on elderly, fixed-income individuals. Are there any exceptions for this fee for veterans, seniors, etc?
No, the only exemptions that are considered at this time, are those required by State statute.
21. I have a commercial lot, but is not in use, I don't pay utility bills now, how would I be billed for the drainage fee of my impervious cover?
A drainage only account will be established.
22. Why isn't there an end date to the fee on the ordinance?
Local government code allows the City Commission to evaluate the continuation of the fee after 5 years of continuous operation of the system. The City Commission may continue the fee until sufficient funds are collected for the identified projects, then can decide whether to continue the existing fee, raise, lower, or discontinue it.
23. What are we doing for new properties?
New properties will be assessed the fee as they become occupied.
24. Bond rates are at an all time low right now. Why not just take care of these projects with bond monies?
25. Drainage District No. 1 already assesses fees. What is the Drainage District doing for McAllen?
26. How was division determined for money raised from Bonds and Drainage Utility Fee?
The recommendation was made by staff to the City Commission. The Drainage Utility Fee would allow for funds to be used to towards maintenance (if Commission approves the continuation of the fee) of the drainage system, while the Bond funds would not.
27. Have you identified real estate that needs to be acquired for the Storm Water Regional Detention Facilities (RDF's)?
There are several areas identified on the plan, please reference the master plan on the website, www.mcallen.net.
28. Who will be in charge of money?
Various City Departments will be responsible. The Finance Department will establish a drainage fund, while Public Works will be responsible for the collection of the fees. The Engineering Department is responsible for designing and managing the construction projects.
29. What will be done with the extra money in the general fund?
The City Manager makes recommendations on an annual basis to the City Commission as to the distribution of the general fund.

30. Are other sources of income strictly for Drainage (TIRZ, BOND, GRANTS)?

The TIRZ was established to provide a revenue source for drainage improvements within its defined area. Grant funds that are received are dedicated towards specific projects. However, the other sources described in the presentation are proposed sources of revenue. They have not yet been dedicated for drainage projects on the master plan.

31. Are TIRZ funds for all infrastructure or just drainage?

TIRZ 2a that was established to fund drainage improvement projects within its specified area.