

**CITY OF MINERAL WELLS
DRAINAGE UTILITY
MARCH 2017**

1. What is a Drainage Utility?

A Drainage Utility is a user-fee based funding mechanism for municipal drainage management services. The fee is similar to municipal water, wastewater, and solid waste services.

There are over sixty (60) municipal drainage utilities in the state of Texas. Drainage Utility implementation and operation are governed by State laws. Drainage Utility revenue must be managed in a protected account and can only be used for drainage management purposes.

2. What are Drainage Utility fees based on?

Fees are assigned to property parcels based on storm-water runoff characteristics, not property value.

3. How much is the fee?

The initial monthly billing rate will be \$2.50 per water meter. At the outset, each property will only be charged for one water meter during the initial phase – in period. The fee will remain at this level until the Comprehensive Drainage Study and Rate Study are completed. The City Council will review the Drainage Utility process and fees as part of the annual budget process.

The City Council sets and modifies the drainage fees based upon the overall needs of the City.

4. How will the fee be collected?

The fee will be included on the City's monthly utility billing statement along with water, wastewater, and solid waste collection fees.

5. What is the reason for a Comprehensive Drainage Study?

A Comprehensive Drainage Utility Study will be undertaken to: 1) assess the City's funding needs for flood reduction construction projects and for an improved drainage infrastructure operations and maintenance program, and 2) to establish ongoing Drainage Utility customer monthly billing rates required to support the City's drainage management program funding needs to provide better life safety and property protection drainage services.

6. What will customers receive for their monthly fee?

The revenue from this new fee will enable the City to fund the approximately \$200,000 Comprehensive Drainage Study as well as several drainage management projects that have been on hold, and will support an improved, dedicated operation and maintenance program for proactive cleaning and rehabilitation/replacement of the aging drainage infrastructure system.

7. Will the Utility solve all of the drainage problems in Mineral Wells?

The City plans to systematically address existing drainage and water quality problems as well as establish improved design standards for future drainage infrastructure. However, the City cannot afford to immediately fund solutions for all of the known problems. Priorities will be established by the City Council, and the timing for the start of individual projects will be based on revenues collected and other financial factors that must be considered.

8. When will the fee go into effect?

The fee will be effective with the March 2017 City utility billing statement.