

Memorandum



CITY OF DALLAS

DATE November 13, 2009

TO **Members of the Transportation and Environment Committee:**
Linda L. Koop (Chair), Sheffie Kadane (Vice Chair), Jerry Allen, Tennell Atkins,
Carolyn R. Davis, Angela Hunt, Delia Jasso, Pauline Medrano, Ron Natinsky

SUBJECT Stormwater Fees for Cemeteries

You are scheduled to receive a briefing on stormwater fees for cemeteries at your November 16, 2009 meeting. Attached is a copy of the briefing for your review.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read 'Jill Jordan'.

Jill A. Jordan, P.E.
Assistant City Manager

Attachment

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Thomas P. Perkins, Jr., City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge
Ryan S. Evans, First Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Forest E. Turner, Assistant City Manager
David Cook, Chief Financial Officer
Jeanne Chipperfield, Director, Financial Services
Edward Scott, Director, Controller's Office
Helena Stevens-Thompson, Assistant to the City Manager – Council Office
Rick Galceran, P.E., Director, Public Works and Transportation

Stormwater Fees for Cemeteries

Presented to

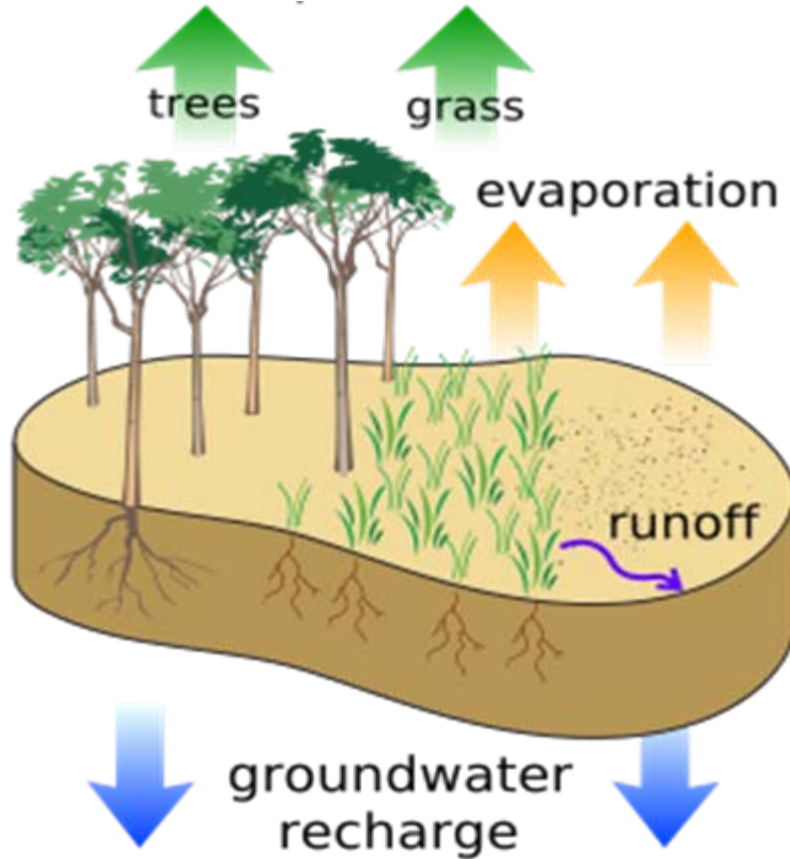
Transportation and Environment Committee
November 16, 2009



Purpose

- Background on stormwater fees
- Fees for cemeteries
- Option for consideration
- Next Steps

Stormwater Runoff



Runoff is generated by **all** land

Evolution of the Stormwater Fee

- In 1990 the federal government promulgated the first phase of stormwater regulations for large cities
- In response, the Dallas City Council established the Storm Drainage Management Fund (commonly referred to as the “Stormwater Fee”) to provide a dedicated funding source for:
 - Expenses in support of compliance with these federal (and subsequent state) regulations
 - Expenses related to maintenance of the flood protection system (levees, natural and man-made drainage channels, and local drainage systems)

Evolution of the Stormwater Fee

continued

Implemented in 1990 and adjusted six times since

- 1994
- 2000
- 2003
- 2004
- 2008
- 2009

Stormwater Fee

Based on amount of runoff generated

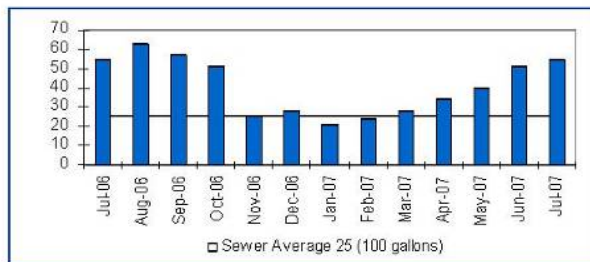
Assessed monthly to all real property unless exempted by law

Billed and collected by Pay1 unified billing system

UTILITY

Service from 6/6/07 to 7/6/07 for 30 days

Service Provided	Meter Number	Read Previous	Read 7/6/07	Usage in 100 Gallons	Usage Charge	Base Charge	Total
Water	454804	21,373	21,428	55	8.36	3.61	\$11.97
Sewer (lesser of sewer average 25 and metered usage 55)				25	18.81	3.23	\$22.04
Sanitation Collection Fee (incl 8.25% Tax)							\$19.36
Storm Water Fee							\$3.99
Utility Charges							\$57.36



charge for sewer also includes cleaning the sewer system to minimize blockage.

Usage Charges: usage water and sewer charges are based on volume of usage and covers variable costs such as chemicals, electric power, facility maintenance, repair of mains and repayment of bonds sold to finance construction of the systems.


Residential Sewer Charges: your monthly sewer charge is based on an average of your water use billed during the previous winter months (Dec-Mar) or your current month's water use, whichever is less.

Sanitation Collection Fee: This fee covers household garbage, collection and disposal of brush and bulky trash, dead animals and recycling.

Storm Water Fee: This fee funds the city's Storm Water utility, formed in 1991, to meet requirements of a federal mandate to control storm water pollution. The fee also pays for other routine maintenance activities that affect storm water quality

Conservation! As part of the conservation plan, lawn watering with an automated sprinkler system is prohibited from 10 a.m. to 6 p.m. from June through September.

Base Charges: base water and sewer charges covers fixed costs such as reading and maintaining the meter, account maintenance and billing, mailing the bills and processing the payments. Base



Customer Name: Customer Name & in care of name
 Account Number: 123456789
 Service Address: 1234 N Any Street

INVOICE SUMMARY	
Previous Balance	\$60.00
Payment(s)	(\$60.00)
Other Charge(s)	\$0.00
Balance Forward	\$0.00
Current Charges	
Water Charges	\$11.97
Sewer Charges	\$22.04
Sanitation Charges	\$19.36
Storm Water Charges	\$3.99
Total Current Charges	\$57.36
Total Amount Due	\$57.36



Current Cemetery Billing

- Monthly fee based on unit rate of \$0.1589 (currently \$0.1031) per 100 square feet of impervious area
- Runoff coefficient of 0.25 (treated similar to park land – by comparison, parking lots have coefficient of 0.90)
- 22 cemeteries currently in the billing system ranging in size from approx. $\frac{1}{4}$ acre to over 100 acres and corresponding monthly bills ranging from \$5 to \$4k
- \$167k (0.37%) of the FY2009-10 revenue budgeted (\$44.6M) is projected to come from cemetery accounts

Wide Range of Cemeteries



Lincoln Memorial Cemetery
Not to scale

Example of larger, active cemetery with extensive road network



Mount Olive Cemetery

Example of smaller, non-profit, inactive cemetery – no roads, buildings

Wide Range of Impervious Cover



Customer Feedback

- Several older cemeteries lack the resources to proactively maintain the properties
- Many cemeteries are “abandoned” and have no formal entity responsible for them
- Several cemeteries are at capacity and/or have not had a burial for decades

Summary of Dallas Cemeteries

- Staff researched 145 named cemeteries that resulted in **63** unique cemetery locations after removing aliases. Of the 63:
 - 22 - privately owned/operated (and in the billing system)
 - 30 - “abandoned” or without sufficient owner information
 - 9 - owned by the City/ located in parks
 - 1 - is located on Dallas ISD property (part of an administration building and in the billing system)
 - 1 - is located on federal property (Dallas/Fort Worth National Cemetery)
- Ms. Frances James, a local historical researcher, also provided a great deal of valuable information to assist in identifying older properties

Billing Issues

- Inactive and abandoned cemeteries without an “owner” are difficult to bill
- Property tax information is the foundation of our billing records
- Cemeteries are exempt from property taxes (mortuaries are not), so the “owner” information is not always accurately reflected in property tax records

Examples of Inactive Cemeteries



Collection Issues

- Significantly delinquent stormwater accounts are referred to a collection agency
- If necessary liens are placed on the property with hopes of recovery at some point in the future when the property changes ownership
- Cemetery properties remain cemeteries as long as the bodies remain per state law, so there is very little chance of recovery if a lien were to be placed on a cemetery

Option for Consideration

Establish exemption for cemeteries that meet the following criteria:

- Situated on a parcel of land designated as a cemetery (i.e., not part of a funeral home or church/temple or similar use) **and**
- Is no longer selling grave sites as of the effective date of the ordinance (this would include “abandoned” or inactive cemeteries) **OR**
- Has no paved roads

Impact

- Approval by the City Council with an effective date of January, 2010 would result in anticipated fiscal impact of up to approx. \$12k this year and \$20k annually thereafter based on current fee structure
- Use Storm Drainage Management Fund contingency to make up for exemption (the contingency is 1.5% of the fund's budget, or \$670k for FY09)
- Approximately 10 - 12 cemeteries currently billed the fee could be eligible for such an exemption if approved – the onus would be on the individual cemetery to seek the exemption

Exemptions Currently Allowed by City

Code (SEC. 2-168. STORM WATER DRAINAGE UTILITY RATES; BILLING AND

COLLECTION PROCEDURES)

“(d) The following real property is exempt from the charges prescribed in this section:

(1) real property with proper construction and maintenance of a wholly sufficient and privately owned storm water drainage system;

(2) real property owned by the city and used for municipal purposes;

(3) real property that is appraised for agricultural use on the city tax rolls; and

(4) real property owned by a state agency or by a public or private institution of higher education.”

Next Steps

- November 2009 – City Attorney’s Office prepares ordinance language for the exemption
- December 9, 2009 – Council consideration
- January, 2010 (assuming passage) - Notification to cemeteries that the exemption can be applied for (anticipate three weeks or less to verify documentation and adjust the account)

Questions / Discussion