



**DRAINAGE UTILITY
RATE STRUCTURE**

OR-19-013

July 16, 2019

Background

- City Council established the drainage utility and the drainage utility fund on October 9, 2001. At that time the drainage rates were based only on classification of residential and non-residential use
- The current drainage rates are based on both zoning and parcel size. This methodology was adopted by City Council on September 13, 2005
- Recent court cases have supported drainage rates based on a more detailed methodology utilizing impervious cover

Proposed Drainage Utility Rate

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- **Drainage Rate = \$6 x ERU**
 - ▣ Drainage charge per ERU = \$6.00
 - ▣ $ERU = \text{Impervious Cover Area in square feet} / 3,027$
 - ▣ Average residential impervious cover is 3,027 square feet
- Residential drainage rates do not change
 - ▣ Multi-family with 3 or more units charged as non-residential
- Non-residential users can reduce rates by up to 40% with best management practices

Non-Residential BMP Credit Options

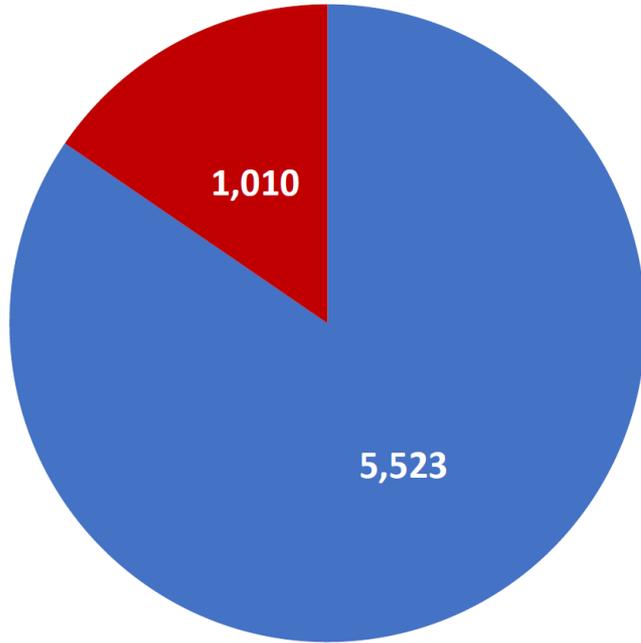
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- Best Management Practices for fee reduction up to 40%
 - ▣ Voluntary Community Cleanup Program (onsite or downstream)
 - ▣ Parking Lot Sweeping Program
 - ▣ Rainwater Harvesting
 - ▣ Riparian Preservation
 - ▣ Bioretention/ Rain Garden
 - ▣ Multi-stage Detention
 - ▣ Retention Pond
 - ▣ Green Roofs

Non-Residential Change in Rates

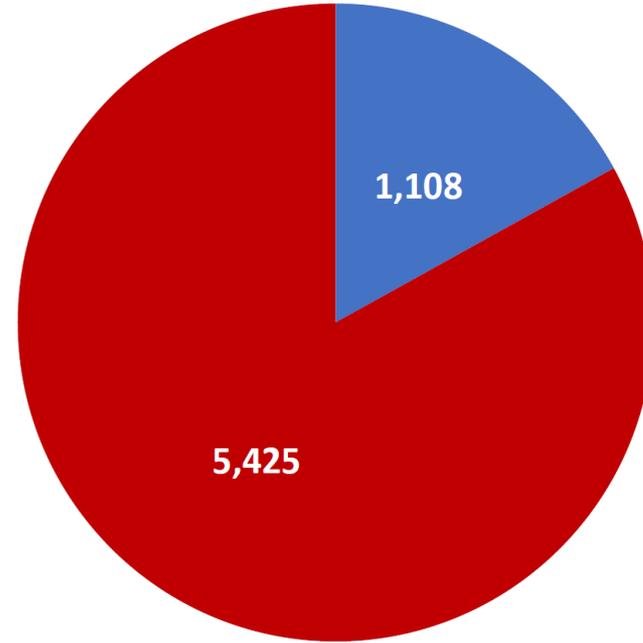
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STANDARD FEE



■ Increase ■ Decrease

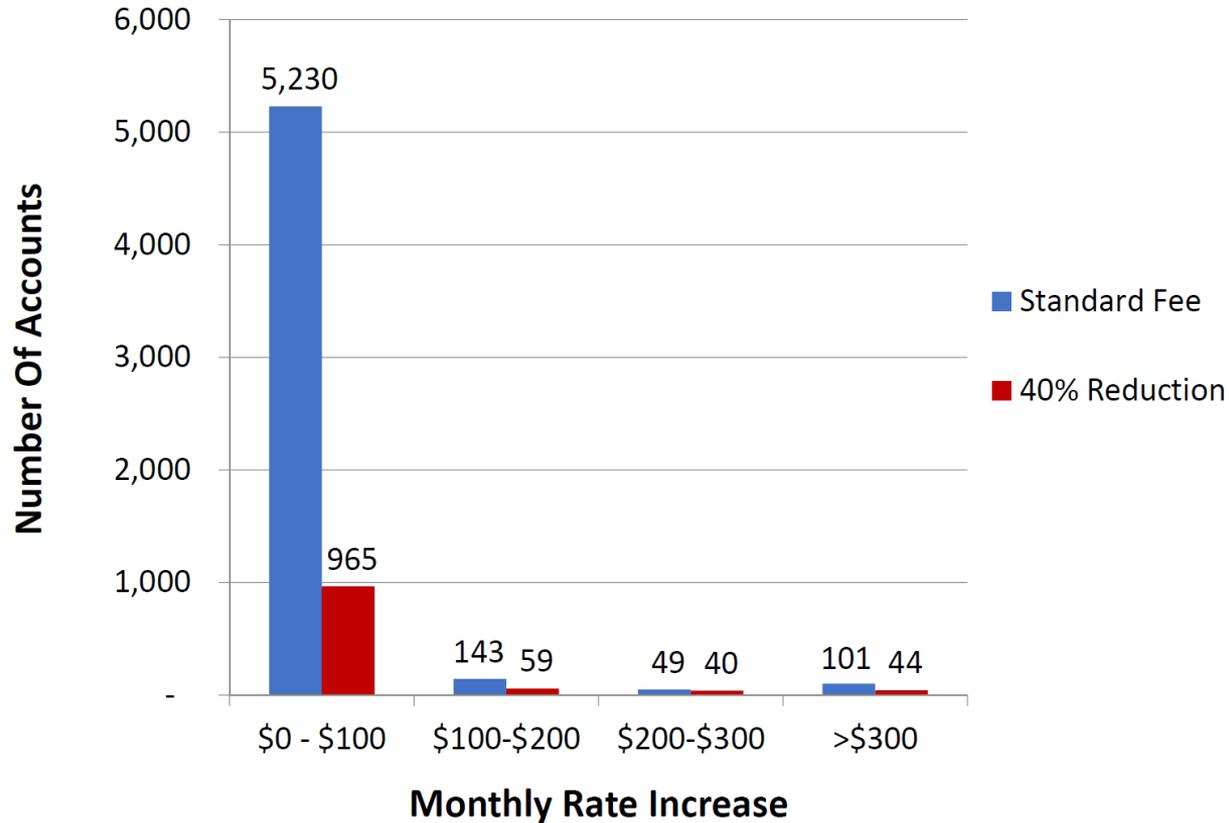
40% REDUCTION



■ Increase ■ Decrease

Non-Residential Monthly Fee Increase

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Drainage Utility Rate Implementation

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- The implementation process will take approximately six months
 - ▣ Non-residential users may implement BMPs and apply for credits during this time period
- The revised fee would be effective in Spring 2020.
 - ▣ Collections would continue under the current fee structure in the interim

Alternatives

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- ❑ Continue discussion on the topic
- ❑ Amend proposed ordinance
- ❑ Continue collecting drainage fees under the current fee structure
- ❑ Adopt the proposed ordinance establishing a Drainage Utility Fee based on impervious cover

Recommendation

- City staff recommends that the City Council adopt the ordinance amending Chapter 32, Drainage Utility which will change the methodology of the drainage utility rates based on the impervious surface of an Equivalent Residential Unit