



## Legislation Details (With Text)

<b>File #:</b>	O-1819-27	<b>Version:</b>	1	<b>Name:</b>	Stormwater Utility Rate Ordinance
<b>Type:</b>	Ordinance	<b>Status:</b>	Passed		
<b>File created:</b>	1/3/2019	<b>In control:</b>	City Council		
<b>On agenda:</b>	1/22/2019	<b>Final action:</b>	1/22/2019		
<b>Title:</b>	CONSIDERATION OF ORDINANCE O-1819-27 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA ADDING SECTION 21-118 OF CHAPTER 21 OF THE CODE OF ORDINANCES OF THE CITY OF NORMAN, OKLAHOMA, CONTINGENT ON VOTER APPROVAL OF ORDINANCE O-1819-28, ESTABLISHING THE MONTHLY RATES TO FUND A STORMWATER UTILITY OF: THREE DOLLARS AND ZERO CENTS (\$3.00) FOR A RESIDENTIAL PROPERTY WITH A LIVING AREA LESS THAN OR EQUAL TO ONE THOUSAND ONE HUNDRED AND NINETY-SIX SQUARE FEET; SIX DOLLARS AND ZERO CENTS (\$6.00) FOR A RESIDENTIAL PROPERTY WITH A LIVING AREA OF ONE THOUSAND ONE HUNDRED AND NINETY SEVEN TO ONE THOUSAND NINE HUNDRED AND EIGHTY-THREE SQUARE FEET; NINE DOLLARS AND ZERO CENTS (\$9.00) FOR A RESIDENTIAL PROPERTY WITH A LIVING AREA GREATER THAN ONE THOUSAND NINE HUNDRED AND EIGHTY THREE SQUARE FEET; PROVIDING FOR A THIRTY PERCENT (30%) REDUCTION IN THE RATE FOR QUALIFYING LOW-INCOME RESIDENCES; TWELVE DOLLARS (\$12.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA THAT IS LESS THAN SIXTY-THREE HUNDREDTHS (0.63) OF AN ACRE; FORTY-FIVE DOLLARS (\$45.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA BETWEEN SIXTY-THREE HUNDREDTHS (0.63) ACRE AND TWO AND ELEVEN HUNDREDTHS (2.11) ACRES; EIGHTY DOLLARS (\$80.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA BETWEEN TWO AND TWELVE HUNDREDTHS (2.12) ACRES AND THIRTEEN AND NINETY-SEVEN HUNDREDTHS (13.97) ACRES; ONE HUNDRED SIXTY DOLLARS (\$160.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA EXCEEDING THIRTEEN AND NINETY SEVEN HUNDREDTHS (13.97) ACRES; CHANGING THE TITLE OF ARTICLE V TO STORMWATER UTILITY; AMENDING SECTION 21-501 AND ADDING SECTIONS 21-502, 21-503 AND 21-504; PROVIDING AN ADMINISTRATIVE APPEALS PROCESS FOR A PARTICULAR PARCEL; ADDING ARTICLE VI ENTITLED PENALTY AND SECTION 21-601 PROVIDING PENALTIES FOR VIOLATIONS OF THE CHAPTER; PROVIDING AN EFFECTIVE DATE FOR SAID RATES SUBJECT TO VOTER APPROVAL; AND PROVIDING FOR THE SEVERABILITY THEREOF.				

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**Attachments:** 1. Text file, 2. O-1819-27 Clean, 3. O-1819-27 annotated, 4. Alternative B Rate Structure

Date	Ver.	Action By	Action	Result
1/22/2019	1	City Council		
1/22/2019	1	City Council		
1/22/2019	1	City Council		
1/8/2019	1	City Council		

CONSIDERATION OF ORDINANCE O-1819-27 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA ADDING SECTION 21-118 OF CHAPTER 21 OF THE CODE OF ORDINANCES OF THE CITY OF NORMAN, OKLAHOMA, CONTINGENT ON VOTER APPROVAL OF ORDINANCE O-1819-28, ESTABLISHING THE MONTHLY RATES TO FUND A STORMWATER UTILITY OF: THREE DOLLARS AND ZERO CENTS (\$3.00) FOR A RESIDENTIAL PROPERTY WITH A LIVING AREA LESS THAN OR EQUAL TO ONE

THOUSAND ONE HUNDRED AND NINETY-SIX SQUARE FEET; SIX DOLLARS AND ZERO CENTS (\$6.00) FOR A RESIDENTIAL PROPERTY WITH A LIVING AREA OF ONE THOUSAND ONE HUNDRED AND NINETY SEVEN TO ONE THOUSAND NINE HUNDRED AND EIGHTY-THREE SQUARE FEET; NINE DOLLARS AND ZERO CENTS (\$9.00) FOR A RESIDENTIAL PROPERTY WITH A LIVING AREA GREATER THAN ONE THOUSAND NINE HUNDRED AND EIGHTY THREE SQUARE FEET; PROVIDING FOR A THIRTY PERCENT (30%) REDUCTION IN THE RATE FOR QUALIFYING LOW-INCOME RESIDENCES; TWELVE DOLLARS (\$12.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA THAT IS LESS THAN SIXTY-THREE HUNDREDTHS (0.63) OF AN ACRE; FORTY-FIVE DOLLARS (\$45.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA BETWEEN SIXTY-THREE HUNDREDTHS (0.63) ACRE AND TWO AND ELEVEN HUNDREDTHS (2.11) ACRES; EIGHTY DOLLARS (\$80.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA BETWEEN TWO AND TWELVE HUNDREDTHS (2.12) ACRES AND THIRTEEN AND NINETY-SEVEN HUNDREDTHS (13.97) ACRES; ONE HUNDRED SIXTY DOLLARS (\$160.00) FOR NON-RESIDENTIAL PROPERTY THAT HAS A PARCEL AREA EXCEEDING THIRTEEN AND NINETY SEVEN HUNDREDTHS (13.97) ACRES; CHANGING THE TITLE OF ARTICLE V TO STORMWATER UTILITY; AMENDING SECTION 21-501 AND ADDING SECTIONS 21-502, 21-503 AND 21-504; PROVIDING AN ADMINISTRATIVE APPEALS PROCESS FOR A PARTICULAR PARCEL; ADDING ARTICLE VI ENTITLED PENALTY AND SECTION 21-601 PROVIDING PENALTIES FOR VIOLATIONS OF THE CHAPTER; PROVIDING AN EFFECTIVE DATE FOR SAID RATES SUBJECT TO VOTER APPROVAL; AND PROVIDING FOR THE SEVERABILITY THEREOF.

**BACKGROUND:** In late 2005, the City of Norman undertook a comprehensive review and analysis of flooding, water quality, and erosion aimed at reducing flooding dangers, protecting water quality, enhancing the environment and advancing recreational opportunities. A Norman Stormwater Task Force was formed by the City in 2007 and studied stormwater quality and flood issues for many months. In 2009, the City accepted the Storm Water Master Plan, which, in addition to providing detailed data maps, analysis of hydrologic and hydraulic modeling, provided for enhanced maintenance of storm water infrastructure to enhance flood prevention efforts. In November 2013, the Oklahoma Department of Environmental Quality issued its final Lake Thunderbird Report for Nutrient, Turbidity and Dissolved Oxygen Total Maximum Daily Loads (the "TMDL"). The TMDL set forth maximum limits for certain pollutants that impact the water quality of Lake Thunderbird. Failure to comply with the TMDL by the City can result in sizable penalties. The City's General Fund has funded stormwater standard compliance efforts thus far, but additional funds are needed to adequately fund the City's require mandates. A stormwater utility rate is needed to provide funds for enhanced maintenance of storm water infrastructure and ensure compliance with the TMDL.

On August 23, 2016, the voters of Norman rejected a proposed stormwater utility rate (Ordinances O-1516-40 and O-1516-41).

The City formed a Norman Stormwater Citizen Committee on April 25, 2017. The Committee, made up of sixteen citizen volunteers from neighborhoods across Norman, met every two weeks over a year to learn about stormwater problems in Norman and to develop options to fund the solutions critical to addressing flooding and water pollution issues across our community. This effort culminated in recommendations to Council for a general obligation bond referendum to fund major stormwater infrastructure, and options for a utility rate structure to provide sufficient funding, in addition to General Fund allocations, to more adequately maintain stormwater infrastructure and complete initiatives that will better ensure the City complies with the TMDL. Additionally, the Committee held a number of open houses across the community to share information about the stormwater proposals and gather feedback from residents.

**DISCUSSION:** Throughout the fall of 2018, Council had a number of Council meetings, in addition to individual ward meetings, to discuss the proposals and gather feedback from constituents. The City also hired a consulting firm to assist with surveys to assess the community's likelihood of voting for a particular stormwater proposal. Based on all of this feedback and input, Ordinance O-1819-27 would amend Chapter 21 of the City's Code to add language establishing a stormwater utility as an enterprise fund and employ a tiered approach to stormwater rates as shown below:

- Residential tier 1 - First Floor Living Area - Less than 1,196 sq. ft. - Monthly Rate - \$3.00
- Residential tier 2 - First Floor Living Area - 1,197 sq. ft. - 1,983 sq. ft. - Monthly rate - \$6.00
- Residential tier 3 - First Floor Living Area - Greater than 1,983 sq. ft. - Monthly rate - \$9.00
  
- Non-Residential tier 1 - Parcel Size - Less than 0.63 acres. - Monthly Rate - \$12.00
- Non-Residential tier 2 - Parcel Size - 0.63 acres to 2.11 acres. - Monthly rate - \$45.00
- Non-Residential tier 3 - Parcel Size - 2.12 acres to 13.97 acres - Monthly rate - \$80.00
- Non-Residential tier 4 - Parcel Size - Greater than 13.97 acres - Monthly rate - \$160.00

For the residential rates, approximately 25% of residential parcels would qualify for the first tier, 50% for the second tier, and 25% for the third tier. For the non-residential rates, approximately 50% of non-residential parcels would fall into the first tier, 25% into the second tier, 20% into the third tier, and 5% into the fourth tier. If approved by the voters, the effective date for the new rates would be August 1, 2019.

**RECOMMENDATION:** Staff recommends approval of Ordinance O-1819-27 upon Second and Final Reading.