

## ORDINANCE No.

Establish rates for stormwater management services in the areas of the City served by Multnomah County Drainage District No. 1, Peninsula Drainage District No. 1 and Peninsula Drainage District No. 2 and commence direct billings (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Ordinance No. 174615 established an Intergovernmental Agreement effective July 1 of 2000 for provision of stormwater management services with Multnomah County Drainage District No. 1, Peninsula Drainage District No. 1 and Peninsula Drainage District No. 2 (the Districts). When the IGA was effective the City ceased direct billing for stormwater management services in the Drainage Districts.
2. The Intergovernmental Agreement was intended to establish equity between stormwater customers in the Districts and ratepayers elsewhere in the City, recognizing City-wide responsibility for managing stormwater runoff from public rights of way and complying with regulatory requirements, while also recognizing the work of the Districts in supporting City stormwater management efforts.
3. The Intergovernmental Agreement was for ten years' duration, but was intended to be renegotiated after five years and replaced with a new ten-year agreement. The City and Districts were unable to reach a new agreement, and in 2007 the City notified the Districts that the Intergovernmental Agreement would expire on June 30, 2012.
4. In order to fund stormwater management costs and establish equity between City ratepayers inside and outside the Districts it is necessary for the City, through the Bureau of Environmental Services, to resume direct billing for stormwater management services in the Districts.
5. Landowners in the Districts manage their on-site stormwater runoff through their support of District activities. Drainage District stormwater management activities also benefit the City through drainage from public rights-of-way within the Districts, and by accomodating City stormwater runoff from outside the Districts. An equitable rate structure must reflect both of these contributions.
6. An equitable rate structure should reflect the impact of billing District customers on City-wide stormwater rates.

NOW, THEREFORE, the Council directs:

- a. The Bureau of Environmental Services shall resume billing for stormwater management services within the Drainage Districts beginning on November 1, 2012.

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- b. Residential and commercial stormwater rates have been adjusted to reflect additional revenues collected within the Districts, and the new rates will be as shown in Exhibit A, and effective for all ratepayers on November 1, 2012.
  - c. Customers in the Drainage Districts will automatically receive the full 35% discount available under the Clean River Rewards stormwater discount program.
  - d. Since resuming direct billing will mean large increases in stormwater rates, and since large rate increases can impose significant burdens on residents and businesses, billings shall be at one-half of the current rate through June 30, 2013.
  - e. The Bureau of Environmental Services and Drainage Districts will enter into an Intergovernmental Agreement defining an equitable contribution by City ratepayers for Drainage District stormwater management services benefitting City ratepayers.

Passed by the Council,  
Dan Saltzman  
Commissioner of Public Affairs

**LaVonne Griffin-Valade**  
Auditor of the City of Portland  
By

James Hagerman  
August 29, 2012

Deputy

Agenda No.  
**ORDINANCE NO.**  
Title

Establish rates for stormwater management services in the areas of the City served by Multnomah County Drainage District No. 1, Peninsula Drainage District No. 1 and Peninsula Drainage District No. 2 and commence direct billings. (Ordinance)

<p><b>INTRODUCED BY</b> Commissioner/Auditor: <u>Saltzman</u></p> <p><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p> <p><b>BUREAU APPROVAL</b> Bureau: Environmental Services Bureau Head: Dean Marriott</p> <p>Prepared by: James Hagerman Date Prepared: August 29, 2012</p> <p>Financial Impact &amp; Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date <b>September 5, 2012</b></p> <p>City Attorney Approval</p>	<p>CLERK USE: DATE FILED <u>AUG 30 2012</u></p> <p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u>[Signature]</u> Deputy</p> <p><b>ACTION TAKEN:</b></p>
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<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input checked="" type="checkbox"/></p> <p>Start time: <u>3 pm</u></p> <p style="text-align: right; margin-right: 50px;">90</p> <p>Total amount of time needed: <u>45 min</u> (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input type="checkbox"/></p>
<p><b>REGULAR</b> <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz		
2. Fish	2. Fish		
3. Saltzman	<b>3.</b> Saltzman		
4. Leonard	4. Leonard		
Adams	Adams		