

IMPACT STATEMENT

Legislation title: Amend City Code to clarify sewer billing authority and criteria (Ordinance; amend Code Chapter 17.36)

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Purpose of proposed legislation and background information:

The Bureau of Environmental Services (BES) protects public health, water quality and the environment. It provides sewer and stormwater collection and treatment services to accommodate Portland's current and future needs. BES protects the quality of surface and ground waters and conducts activities that plan and promote healthy ecosystems in our watersheds.

This ordinance clarifies BES sewer billing authority and criteria by making two sets of amendments to Portland City Code (PCC) Chapter 17.36. First, the ordinance makes changes to Code that clarify which of a property's impervious areas will be subject to BES stormwater management charges. Second, the ordinance amends Code to clarify the authority of BES with regard to sewer billing and the criteria used for determining whether to make an adjustment to a customer's utility account.

As background on the first set of Code changes, the PCC authorizes BES to collect charges related to connection to and use of the public sewer and drainage system. Funding for BES to provide stormwater management services partially derives from stormwater management charges included in sewer customers' quarterly sewer bills. PCC 17.36.050 F currently provides that a customer's stormwater management charge is based on the user's proportionate share of City stormwater management services as estimated by the amount of impervious area on the user's property.

Existing PCC section 17.36.020 I, adopted via Ordinance No. 185870 (effective February 22, 2013) and amended by Ordinance No. 186902 (effective December 26, 2014), classifies certain types of surfaces as impervious for billing purposes and explicitly excludes other impervious areas from BES billing. The amendments in Exhibit A to this ordinance clarify that language and modify its location within the Code.

As for background regarding the second set of Code changes that this ordinance makes, the Portland Water Bureau (PWB) collects BES sewer user charges billed to customers on behalf of BES. Although PWB currently has explicit Code authority to "make adjustments, pay refunds or waive fees and charges where it is deemed necessary for the proper conduct of the business of the [Water] Bureau," (PCC 21.16.120), BES does not have similar explicit authority to sometimes make adjustments to customers' utility accounts.

There are times when it would be fair, appropriate, and necessary for the proper conduct of the business of BES to make an adjustment to a customer's utility account; yet under current law, BES must sometimes rely on PWB Code authority to respond to its customers fairly and appropriately. For example, BES sometimes suspects that a sewer customer has a sewer that does not meet specified design standards (i.e., is nonconforming), and consequently BES requires the customer to hire a qualified professional to determine if the connection is nonconforming. Sometimes it is determined that the customer's connection to the sewer system was a conforming one. In such instances, BES would like to have the authority to make an adjustment of up to \$500 to a ratepayer's utility account to help reimburse reasonable expenses BES asked the customer to incur.

It would be appropriate for BES to have explicit Code authority make an adjustment of up to \$500 to a ratepayer's utility account when doing so is necessary for the proper conduct of the business of BES, regardless of whether doing so is also necessary for the proper conduct of the business of PWB. This ordinance gives BES the Code authority to make adjustments that PWB already has.

Financial and budgetary impacts:

No budget changes or additional costs are expected to result from this Ordinance. In addition, the Code changes will not require additional staff time of existing employees to be implemented. This Ordinance does not impose new substantive requirements for the bureau to implement.

Community impacts and community involvement:

The proposed Code changes will benefit all BES ratepayers by clarifying the authority of BES with regard to sewer billing and the criteria used for determining whether to make adjustments. This ordinance also clarifies which of a property's impervious areas will be subject to BES stormwater management charges. This will serve to reduce surprises on the part of customers. This ordinance also gives clear authority to BES to make adjustments to the utility accounts of BES customers, regardless of whether doing so is also necessary for the proper conduct of the business of PWB.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount