



Legislation Text

File #: 17-1164, **Version:** 2

Ordinance No. 17-69 amending sections of article 8 (Stormwater Enterprise) of Chapter 14 (municipal enterprises) of the Code of the City of Colorado Springs 2001, as amended, pertaining to the stormwater enterprise and stormwater service fees.

Presenter:

Tom Florczak, Deputy City Attorney

Summary:

This ordinance amends the existing City Code relating to the City's Stormwater Enterprise. The amendments would authorize re-establishment and collection of stormwater fees, beginning July 1, 2018, on all developed or improved property within the City, with different rates for residential dwelling units and non-residential property. The fees generated would be received by the City's stormwater enterprise, to be used only for the construction, improvement, operation and maintenance of the City's public stormwater system, including costs related to compliance with regulatory permits, court orders, and IGAs entered into before June 1, 2016. The ordinance would take effect only if approved by the voters at the special municipal election to be held on November 7, 2017.

Previous Council Action:

This subject was conceptually discussed with City Council at the Mayor-Council work session held on June 9, 2017 and at subsequent planning lunch meetings.

Background:

The City must conduct a professional stormwater program with three (3) primary elements: (1) it must conduct a program that complies with its Municipal Separate Storm Sewer System Permit (MS4 Permit) issued by the state of Colorado and which is subject to state and US EPA requirements, (2) it must have a capital program to construct stormwater facilities to protect and preserve life and property, and to meet its project and other commitments under an intergovernmental agreement entered into with Pueblo County in April 2016, and (3) it must maintain and operate the City's stormwater infrastructure system, which includes 300 miles of open drainage channels, 500 miles of storm sewer piping and 90 detention/water quality basins.

Council has been advised by City staff that, among the various options for funding, the recommended method for funding the stormwater program is through a stormwater enterprise funded with special service fees. The City already has City Code provisions establishing a stormwater enterprise, although the service fees were eliminated in 2010.

Though there is no legal requirement to present the question of imposing service fees, Council indicated it preferred the matter be presented to the public. Consequently, section 2 of the ordinance provides that it shall not be deemed finally adopted, and therefore effective, until and unless approved by a majority of the electors voting thereon at the special municipal election held on

November 7, 2017.

Financial Implications:

If the ordinance is passed by Council and the corresponding ballot question approved by the voters, the City will be permitted to begin collecting stormwater fees on July 1, 2018, which is estimated to produce revenues of approximately \$18 Million. Most cities across the country fund their stormwater programs through such service fees. By funding stormwater in this manner, it would eliminate the program's heavy dependence on the general fund

Board/Commission Recommendation:

N/A

Stakeholder Process:

The Mayor and City Council have discussed the concept of this proposed measure publicly at the June 9, 2017 Council - Mayor retreat, and during subsequent planning lunch meetings.

Alternatives:

Without implementing stormwater service fees to fund the stormwater program, the City would need to use general fund monies and existing resources to undertake all of the required stormwater obligations. This would likely reduce funds available for other City services, including potentially critical services such as Police and Fire.

Proposed Motion:

Move to approve an ordinance amending sections of Article 8 (Stormwater Enterprise) of Chapter 14 (Municipal Enterprises) of the Code of the City of Colorado Springs 2001, as amended, pertaining to the stormwater enterprise and stormwater service fees.

N/A