

**AN ORDINANCE AMENDING CHAPTER 53:
STORMWATER MANAGEMENT DEPARTMENT
CITY OF FORT WAYNE, CODE OF ORDINANCES**

WHEREAS, the Common Council of the City of Fort Wayne, Indiana ("Council") established the Fort Wayne Stormwater Utility in 1991 and last approved a stormwater service fee rate adjustment on October 25, 2005, which became effective on January 1, 2006; and

WHEREAS, the Fort Wayne Stormwater Utility has developed a Capital Improvements Plan (CIP) that includes drainage projects to protect homes and public property, to improve public health and safety, and to comply with federal stormwater quality regulations; and

WHEREAS, Umbaugh and Associates was hired by Fort Wayne City Utilities to analyze the Stormwater Utility's proposed Capital Improvements Plan and projected revenues, in order to arrive at a stormwater rate that will generate sufficient funds to meet the fiscal needs of the Stormwater Utility including:

- (A) Payment of all legal and other necessary expenses incident to the operation of the utility;
- (B) Provision of a sinking fund, a debt service reserve, adequate money for working capital and making system extensions and replacements to the extent not provided for through depreciation;
- (C) Meeting the financial obligations of the Stormwater Utility's CIP; and
- (D) Compliance with the water quality improvement provisions of the National Pollutant Discharge Elimination System (NPDES) Stormwater Phase II program of the Clean Water Act.

WHEREAS, after reviewing a cost of service study conducted by Umbaugh and Associates, the Board of Stormwater Management of the City of Fort Wayne found that the existing rates and charges for the use of services rendered by the Fort Wayne Stormwater Utility do not produce sufficient revenue

1 to fund the Stormwater Utility, including but not limited to those costs related to
2 the Utility's CIP; and

3
4 **WHEREAS**, the Board of Stormwater Management ("Board"), on March
5 8, 2017 after holding a Public Hearing, resolved that an adjustment in the
6 Stormwater Utility fee is necessary to provide sufficient revenue to maintain the
7 Stormwater Utility property in a sound physical and financial condition to render
8 adequate and efficient service and to fund the Utility's CIP, which adjustments
9 will produce a fair and just rate for such services and improvements; and

10 **WHEREAS**, the Board recommends that the Council adjust the existing
11 stormwater utility rates and charges in three phases with the first phase to be
12 effective on July 1, 2017 and subsequent phases to become effective on July 1,
13 2018 and July 1, 2019.

14 **NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL**
15 **OF THE CITY OF FORT WAYNE, INDIANA:**

16 **SECTION 1.** That the Common Council of the City of Fort Wayne,
17 Indiana approves and orders the following schedule of rates and charges be
18 inserted in Chapter 53 of the Fort Wayne Code of Ordinances in place of the
19 current schedule.

20 **SECTION 2.** The following code sections are amended as set out
21 below:

22 **Sec. 53.56 STORMWATER RATE ESTABLISHMENT PROCEDURES**

23
24 (A) The stormwater service rate for residential properties shall be as follows:

Rate per month per ERU	Effective Date
\$ 4.40	July 1, 2017
\$ 5.15	July 1, 2018
\$ 5.90	July 1, 2019

(B) The stormwater service rate for non-residential properties shall be as follows:

Rate per month per ERU	Effective Date
\$ 3.85	July 1, 2017
\$ 4.25	July 1, 2018
\$ 4.75	July 1, 2019

For the purpose of this chapter, a month shall be considered to be a period of 25 days up through 35 days depending on billing cycles. Any billings for stormwater service outside this time shall be on a per diem basis.

(C) These stormwater rates are designed to recover the cost of rendering stormwater service to the users of the stormwater system, and shall be the basis for assessment of the City's stormwater service charge. These rates are established so as to maintain adequate fund reserves to provide for reasonably expected variations in the cost of providing services, as well as variations in the demand for services.

Sec. 53.57 RATE STRUCTURE AND CALCULATION

(A) For the purposes stated in §53.02 and subsequent, there is hereby assessed a stormwater service charge to each user situated within the corporate limits of the city who contributes directly or indirectly to the stormwater system of the city, in an amount as determined below.

(B) For any such property, lot, parcel of land, building or premises which contributes directly or indirectly to the stormwater system of the city, such charge shall be based upon the quantity of impervious area situated thereon.

(C) All properties having impervious area within the city will be assigned a number of equivalent residential units (ERUs), with all properties having impervious surface being assigned at least one (1) ERU.

1 (1) Residential properties. A monthly charge for stormwater service
2 rendered to residential properties shall be charged to each account within
3 the city limits according to the service address. All residential properties are
4 hereby assigned one (1) ERU. This fee shall apply to all residential
5 properties as defined herein. Residential properties may apply for credits as
6 outlined at §53.60. Based on the granting of a credit, a residential property
7 may pay for less than one (1) ERU. However, in no case shall a residential
8 property pay for less than 35% of the gross stormwater bill owed before
credits were applied.

9 (2) Non-residential properties. Non-residential properties will be assigned a
10 number of ERUs based upon the property's individually measured
11 impervious area (in square feet) divided by 2,500 square feet (one ERU).
12 The division will be calculated to the first decimal place.

13 (3) For the purposes of quantifying the discharge of non-polluted
14 groundwater into the stormwater management system via sump pumps,
15 geothermal heating and cooling systems or similar devices, one (1)
16 equivalent residential unit (ERU) shall be equal to 7,667 gallons per month.

17 (4) Only whole ERUs shall be used in determining the assignment of gross
18 ERUs to a property. All rounding necessary to reach the appropriate whole
19 ERU shall be done according to mathematical convention (0 – 0.4 rounded
20 down to nearest whole ERU; 0.5 – 0.9 rounded up to nearest whole ERU).

21 (D) There shall be no exceptions or exemptions from the assignment of gross
22 stormwater ERUs.

23
24 **SECTION 3.** Except for the foregoing amendments, the remaining
25 sections of Chapter 53 of the City of Fort Wayne, Indiana, Code of Ordinances
26 shall remain in full force and effect.

27 **SECTION 4.** All ordinances or parts of ordinances in conflict
28 herewith are hereby repealed, and the existing schedule of water rates
29
30

1 and charges shall remain in full force and effect until the schedule of rates
2 and charges fixed by this ordinance shall be approved by the Common
3 Council and Mayor of the City of Fort Wayne, Indiana.

4 **SECTION 5.** This Ordinance shall be in full force and effect from and
5 after its passage and any and all necessary approval by the Mayor and due legal
6 publication thereof.

7
8
9 _____
Council Member

10 Approved as to form and legality

11
12 _____
13 Carol Helton, City Attorney

CITY COUNCIL MEMORANDUM

TO: Members of Common Council
FROM: Justin Brugger
DATE: March 8, 2017
SUBJECT: Ordinance Adjusting Stormwater Utility Rates
CC: Kumar Menon



Council Districts Impacted: All

Council Introduction Date: March 14, 2017

Attached, please find an ordinance adjusting rates charged to residential and non-residential customers of the Fort Wayne stormwater utility. These adjustments, proposed to be implemented in three phases, have been recommended by the Board of Stormwater Management via Resolution 104-3-8-17-1, which was adopted following a public hearing on March 8, 2017. The first phase is proposed to become effective July 1, 2017, with subsequent phases effective on July 1, 2018, and July 1, 2019.

These proposed rate adjustments are essential to funding drainage improvement projects, as well as protection of public health and safety through the ongoing operation and maintenance of Fort Wayne's stormwater management system. The stormwater utility has identified 30 high-priority drainage projects to be funded by the increased revenue over the next five years. Eighty-five percent of these projects will take place in residential areas, with the remaining 15 percent in non-residential areas. The selection and prioritization of projects is based in large part on concerns expressed by utility customers; and, our investment in these projects will protect neighborhoods, homes, businesses and public infrastructure.

**BOARD OF STORMWATER MANAGEMENT
CITY OF FORT WAYNE, INDIANA**

**RESOLUTION NO. 104-3-8-17-1
ADJUSTING THE FEES AND CHARGES OF THE FORT WAYNE
STORMWATER UTILITY**

WHEREAS, the Board of Stormwater Management is charged by City Code with recommending Stormwater Utility rates and charges to the Common Council of the City of Fort Wayne and last did so on October 19th, 2005 when the Board approved a resolution recommending that the basic monthly stormwater service charge per ERU be set at \$3.65 per equivalent residential unit (ERU); and

WHEREAS, the Fort Wayne Stormwater Utility has developed a Capital Improvements Plan (CIP) that includes drainage projects to protect homes and public property, to improve public health and safety, and to comply with federal stormwater quality regulations; and

WHEREAS, Umbaugh and Associates was hired by Fort Wayne City Utilities to analyze the Stormwater Utility's proposed Capital Improvements Plan and projected revenues, in order to arrive at a stormwater rate that will generate sufficient funds to meet the fiscal needs of the Stormwater Utility including:

- (A) Payment of all legal and other necessary expenses incident to the operation of the utility;
- (B) Provision of a sinking fund, a debt service reserve, adequate money for working capital and making system extensions and replacements to the extent not provided for through depreciation;
- (C) Meeting the financial obligations of the Stormwater Utility's CIP; and
- (D) Compliance with the water quality improvement provisions of the National Pollutant Discharge Elimination System (NPDES) Stormwater Phase II program of the Clean Water Act.

WHEREAS, the Board of Stormwater Management acknowledges that it is the responsibility of all property owners within the City to share the costs of stormwater management including the cost of federal regulatory programs intended to improve water quality; and

WHEREAS, Umbaugh and Associates has concluded that the existing rates and charges for the use of services rendered by the Fort Wayne Stormwater Utility do not produce sufficient revenue to satisfy the requirements of the Utility, including but not limited to those costs related to the Utility's CIP and regulatory compliance, and therefore recommends that the existing rates and charges should be adjusted in three phases with the first increase effective on July 1, 2017 and subsequent phases effective on July 1, 2018 and July 1, 201; and

WHEREAS, these stormwater rates are designed to recover the cost of rendering stormwater service to the users of the stormwater system, and shall be the basis for

assessment of the City's stormwater service charge. These rates are established so as to maintain adequate fund reserves to provide for reasonably expected variations in the cost of providing services, as well as variations in the demand for services.

NOW, THEREFORE, BE IT RESOLVED by the Board of Stormwater Management of the City of Fort Wayne, Indiana:

That the existing rates and charges for the use of and services rendered by the Fort Wayne Stormwater Utility do not produce sufficient revenue to:

- Pay all of the legal and other necessary expenses incident to the operation of the utility, including maintenance costs, operating charges, upkeep, repairs, depreciation, and interest charges on bonds or other obligations;
- Provide a sinking fund for the liquidation of bond or other indebtedness and a debt service fund;
- Provide adequate money for working capital and to make extensions and replacements to the extent not provided for through depreciation;
- Meet the financial obligations of the Utility's CIP including the planned construction of flood mitigation facilities in some neighborhoods; and
- Provide for compliance with the water quality improvement provisions of the National Pollutant Discharge Elimination System (NPDES) Stormwater Phase II program of the Clean Water Act;

That adjustments in the Stormwater Utility's rates and charges are necessary to provide sufficient revenue to maintain the utility property in a sound physical and financial condition to render adequate and efficient service and to fund the Utility's CIP, which increase will produce a fair and just rate for such services and improvements; and

That the Board of Stormwater Management does hereby recommend that the Common Council of the City of Fort Wayne amend Chapter 53 of the Fort Wayne Code of Ordinances to adjust the stormwater service fee according to the following schedule:

Residential stormwater fee per ERU per month

Rate per month	Effective Date
\$ 4.40 per ERU	July 1, 2017
\$ 5.15 per ERU	July 1, 2018
\$ 5.90 per ERU	July 1, 2019

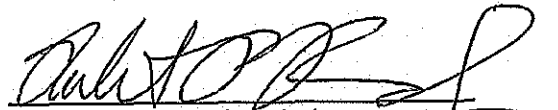
Non-residential stormwater fee per ERU per month

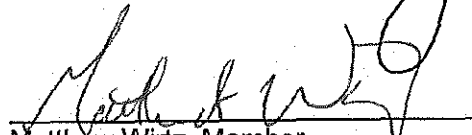
Rate per month	Effective Date
\$ 3.85 per ERU	July 1, 2017
\$ 4.25 per ERU	July 1, 2018
\$ 4.75 per ERU	July 1, 2019

Adopted and approved this 1 day of March, 2017.

Fort Wayne, Indiana
Board of Stormwater Management

BY:


Robert P. Kennedy, Chairman


Matthew Wirtz, Member

Absent
Mike Avila, Member

ATTEST:


Lyndsey Richards, Clerk