

ORDINANCE No.

Revise sewer and stormwater rates, charges and fees in accordance with the FY 2020-21 Sewer User Rate Study (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Mayor's Proposed Budget for the Bureau of Environmental Services for Fiscal Year 2020-2021 requires adjustments to sewer and stormwater rates, charges and fees for the 12-month period beginning July 1, 2020.
2. Sewer and stormwater rates, charges and fees need to be adjusted to pay the operating and maintenance costs, capital costs and debt service of the City's sanitary sewer and stormwater drainage system.
3. In accordance with policies adopted by City Council, the proposed adjustments to sewer and stormwater rates, charges and fees are based upon cost of service principles, ensuring equity by charging ratepayers according to the amount of sewer and stormwater service they use.
4. The proposed sewer and stormwater rates, charges and fees are consolidated into a comprehensive schedule as set forth in Exhibit A of this Ordinance. The consolidated schedule does not preclude the establishment and/or continuation of charges and fees by resolution, ordinance, Code provision or administrative rule not otherwise specified in this Ordinance.

NOW, THEREFORE, the Council directs:

- a. The Council adopts sewer and stormwater rates, charges and fees in accordance with the Fiscal Year 2020-2021 Sewer User Rate Study, as set forth in the attached Exhibit A; and
- b. This Ordinance is binding city policy.

Passed by the Council:
Mayor Ted Wheeler

Prepared by: Ken Bartocci
Date prepared: 5-5-2020

Cost object - ord

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

395
 Agenda No.
ORDINANCE NO.
 Title

Revise sewer and stormwater rates, charges and fees in accordance with the FY 2020-21 Sewer User Rate Study (Ordinance)

INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler	CLERK USE: DATE FILED <u>5/12/20</u>
COMMISSIONER APPROVAL Mayor—Finance & Administration - Wheeler	Digitally signed by Sonia Schmanski Date: 2020.05.11 19:38:43 -07'00'
Position 1/Utilities - Fritz	Mary Hull Caballero Auditor of the City of Portland
Position 2/Works - Vacant	Digitally signed by Keelan McClymont Date: 2020.05.12 21:43:05 -07'00'
Position 3/Affairs - Hardesty	By: <u>Keelan McClymont</u> Deputy
Position 4/Safety - Eudaly	ACTION TAKEN:
BUREAU APPROVAL Bureau Environmental Services Bureau Head: Michael Jordan	Digitally signed by Michael Jordan Date: 2020.05.11 12:59:53 -07'00'
Prepared by: Ken Bartocci Date Prepared: May 5, 2020	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: Eric Shaffner required for contract, code, easement, franchise, comp plan, charter	Digitally signed by Eric Shaffner Date: 2020.05.08 12:16:37 -07'00'
Council Meeting Date <u>5/21/20</u>	

AGENDA
TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>2:15 PM</u> Total amount of time needed: _____ per CB((for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz	
2. Vacant	2. Vacant	
3. Hardesty	3. Hardesty	
4. Eudaly	4. Eudaly	
Wheeler	Wheeler	

BES Fiscal Year 2020-2021 Rate Ordinance Exhibit A

Rate Name	FY 2020-2021 Rate	Unit Type
A) Sanitary Sewer System User Service Charges and Discounts		
1) Residential Users		
1a) Sanitary Sewer Services	\$11.55	per 100 cubic feet of water consumption
1b) Low Income Discount	-\$38.30	per month for eligible single family ratepayers only
1c) Extremely Low Income Discount	-\$61.28	per month for eligible single family ratepayers only
2) Non-Residential, Commercial, Industrial, and Institutional Users		
2a) Special Meter Charge	\$50.00	per special meter bill
2b) Sanitary Sewer Services	\$11.365	per 100 cubic feet of water consumption
2c) Clean Water Discharge	\$1.200	per 100 cubic feet of discharged clean water
2d) Publicly-Owned Drinking Fountain or Single-Pass Waste Fountain	\$0.001	per 100 cubic feet of discharged water
3) Industrial Extra-Strength Discharger		
3a) Biochemical Oxygen Demand	\$0.900	per pound (allowable concentration - 300 mg/liter)
3b) Suspended Solids	\$1.206	per pound (allowable concentration - 350 mg/liter)
B) Drainage/Stormwater Management User Service Charges and Discounts		
1) Residential Users		
1a) Single Family and Duplexes		
1ai) Off-Site Charge	\$19.54	per user account per month
1aii) On-Site Charge	\$10.51	per user account per month
1b) 3-Plex and 4-Plex Residences		
1bi) Off-Site Charge	\$8.14	per dwelling unit per month
1bii) On-Site Charge	\$4.38	per dwelling unit per month
1c) Developments of 5 or More Units		
1ci) Off-Site Charge	\$8.14	per 1,000 square feet of impervious area per month
1cii) On-Site Charge	\$4.38	per 1,000 square feet of impervious area per month
2) Non-Residential Users		
2a) Off-Site Charge	\$8.52	per 1,000 square feet of impervious area per month
2b) On-Site Charge	\$4.58	per 1,000 square feet of impervious area per month
C) Discounts		
Clean River Rewards - user fee discounts as much as 100% of the monthly on-site stormwater management charge for private on-site facilities that manage stormwater runoff, and 100% of the monthly on-site stormwater management charge for Drainage District residents and businesses.		
D) Willamette River/Portland Harbor Superfund Charges		
1) Sanitary Volume Component	\$0.12	per 100 cubic feet of water consumption
2) Impervious Area Component	\$0.32	per 1,000 square feet of impervious area per month
Note: These rates apply to all users, residential and non-residential. The impervious area component is calculated for the following classes of residential users based on the following class-average values of impervious area:		
<i>Single Family and Duplex Residences</i>	<i>2,400</i>	<i>square feet of impervious area per parcel</i>
<i>3-Plex and 4-Plex Residences</i>	<i>1,000</i>	<i>square feet of impervious area per unit</i>

BES Fiscal Year 2020-2021 Rate Ordinance Exhibit A

Rate Name	FY 2020-2021 Rate	Unit Type
E) System Development and Connection Charges		
1) Sanitary System		
1a) Development Charge	\$7,235.00	per equivalent dwelling unit
2) Stormwater Management System		
2a) Single Family or Duplex Residence	\$1,167.00	per parcel
2b) 3-Plex Residential Development	\$1,347.00	per parcel
2c) 4-Plex Residential Development	\$1,847.00	per parcel
2d) All Other Developments		
2di) Impervious Area Component	\$243.00	per 1,000 square feet of impervious area
2dii) Frontage Component	\$7.76	per linear foot of frontage
2diii) Trip Generation Component	\$4.28	per daily vehicle trip
3) Connection Charges		
3a) Line Charge	\$1.91	per square foot within the zone of benefit
3b) Branch Charge	\$7,103.00	per branch used
4) Sanitary Sewer Conversion Charges		
4a) Residential (Single Family, Duplex, 3-Plex, and 4-Plex)		
4ai) Branch Charge	\$7,103.00	per branch used
4b) Commercial (All Other Users)		
4bi) Simple Sewer Extensions	\$3.18	per square foot
4bii) Complex Sewer Extensions	\$6.53	per square foot
5) System Development Charge Exemptions		
5a) Affordable Housing	Qualified affordable housing developments will be exempt from all or part of required sanitary and stormwater system development charges.	
5b) Accessory Dwelling Units	Qualified Accessory Dwelling Units (ADUs) will be exempt from required sanitary and stormwater system development charges.	

Fee Name	Unit Fee	Unit Type
F. Building Plan Review Fees Based on Type of Review		
1) One or Two Family Residential Structures	\$639	per application
2) Revisions/Recheck Fees for Residential Permits	\$213	per application
3) Structures Auxiliary to or Interior Modifications of One or Two Family Residential Dwelling Units Submitted on a Separate Application	\$213	per application
4) Tenant Improvements in and Additions to Commercial Buildings		
4a) Environmental Review	\$426	per application
4b) Source Control Review	\$426	per application

BES Fiscal Year 2020-2021 Rate Ordinance Exhibit A

Fee Name	Unit Fee	Unit Type
5) Commercial Buildings (other than those listed in other categories above)		
5a) Environmental Review	\$1,278	per application
5b) Source Control Review	\$639	per application
6) Commercial Permit Revisions/Recheck with Management Approval (Additional Checksheet Required)		
6a) Environmental Review	\$426	per review
6b) Source Control Review	\$426	per review
7) Over-the-Counter Hourly Rate, Billable in 15 Minute Increments for a Maximum of One Hour.		
7a) Environmental Review	\$213	per hour
7b) Source Control Review	\$213	per hour
8) Commercial Stormwater Facility Inspection		
8a) Up to Two Facilities	\$1,171	per application
8b) Each Additional Facility	\$213	per facility
9) Residential Stormwater Facility Inspection	\$586	per application
10) Fee for Major Projects Group (Assigned by Bureau of Development Services)	\$20,000	per project
G. Land Use Review Fees		
1) Adjustment Review		
1a) Existing House/Duplex	\$311	per application
1b) All Other Projects	\$389	per application
2) Central City Master Plans	\$2,333	per application
3) Comprehensive Natural Resource Management Plan & Amendments		
3a) Type I	\$700	per application
3b) Type II	\$1,400	per application
3c) Type III	\$2,333	per application
4) Comprehensive Plan Map Amendment w/Zone Map Amendment		
4a) Tier A	\$1,128	per application
4b) Tier B	\$1,128	per application
4c) Tier C	\$1,750	per application
5) Conditional Use		
5a) Type Ix	\$233	per application
5b) Type II	\$311	per application
5c) Type III – New	\$933	per application
5d) Type III – Existing	\$467	per application
6) Design/Historic Resource Review		
6a) Tier D	\$428	per application
6b) Tier F	\$428	per application
6c) Tier G	\$1,633	per application
7) Environmental Review/River Review		
7a) Resource Enhancement/PLA/Public Rec Trails	\$622	per application

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Fee Name	Unit Fee	Unit Type
7b) Existing House/Duplex	\$661	per application
7c) All Other Projects	\$1,633	per application
8) Environmental Review Protection Zone	\$1,750	per application
9) Environmental Violation Review/River Review Violation		
9a) Type II Required	\$933	per application
9b) Type III Required	\$933	per application
9c) Columbia South Shore Plan District (CSSPD)	\$933	per application
9d) CSSPD, Undividable Lot with Existing Single Dwelling Unit	\$933	per application
9e) Undividable Lot with Existing Single Dwelling Unit	\$933	per application
10) Greenway		
10a) Existing House Duplex or Simple Non-Residential or Mixed Use	\$661	per application
10b) All Other Projects	\$1,633	per application
11) Impact Mitigation Plan		
11a) Amendment (Minor)	\$2,333	per application
11b) Implementation	\$2,333	per application
11c) New/Amendment (Major)	\$2,333	per application
11d) Amendment (Use)	\$2,333	per application
12) Land Division Review		
12a) Type Ix	\$622	per application
12b) Type IIx	\$1,400	per application
12c) Type III	\$4,044	per application
13) 2 to 3 Lot Land Division with Concurrent Environmental Review	\$1,400	per application
14) 4 or More Lot Land Division with Concurrent Environmental Review	\$5,832	per application
15) Land Division Amendment Review (All Types)	\$311	per application
16) Land Division Final Plat Review/Final Development Plan Review		
16a) If Preliminary Was Type Ix with No Street	\$311	per application
16b) If Preliminary Was Type Ix or IIx with a Street	\$700	per application
16c) If Preliminary Was Type IIx with No Street	\$350	per application
16d) If Preliminary Was Type III	\$1,400	per application
17) Lot Consolidation	\$350	per application
18) Master Plan		
18a) Minor Amendments to Master Plans	\$700	per application
18b) New Master Plans or Major Amendments to Master Plans	\$2,333	per application
19) Non-Conforming Situation Review	\$233	per application
20) Planned Development Bonus Review	\$2,955	per application
21) Planned Development Review – All Other	\$2,955	per application
22) Planned Development Amendment	\$467	per application
23) Planned Unit Development Amendment	\$467	per application

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Fee Name	Unit Fee	Unit Type
24) Statewide Planning Goal Exception	\$778	per application
25) Zoning Map Amendment	\$1,477	per application
26) Other Unassigned Reviews		
26a) Type I/Ix	\$194	per application
26b) Type II/IIx	\$350	per application
26c) Type III	\$583	per application
27) Early Assistance, Written Info Only	\$311	per application
28) Early Assistance, Meeting and Written Info	\$467	per application
29) Pre-Application Conference	\$1,400	per conference
30) Public Works Inquiry (Written Info Only)	\$50	per inquiry
31) Hourly Rate for Land Use Services	\$156	per hour
32) Lot Confirmation		
32a) Sites without Buildings	\$233	per application
32b) Sites with House(s) or Duplex(es)	\$233	per application
32c) Sites with Other Development	\$233	per application
33) Property Line Adjustment		
33a) Site without Buildings	\$233	per application
33b) Sites with House(s) or Duplex(es)	\$544	per application
33c) Sites with Other Development	\$1,128	per application
34) Property Line Adjustment with Lot Confirmation		
34a) Site without Buildings	\$233	per application
34b) Sites with House(s) or Duplex(es)	\$544	per application
34c) Sites with Other Development	\$1,128	per application
35) Remedial Action Exempt Review		
35a) Remedial Action Exempt Review - Conference	\$1,400	per conference
35b) Remedial Action Exempt Review - Simple	\$933	per review
35c) Remedial Action Exempt Review - Complex	\$2,488	per review
H. Industrial Waste Discharge Fees		
1) Permit Base Fee by Permit Type*		
1a) CIU	\$2,796	per permit
1b) SIU	\$2,330	per permit
1c) NSIU	\$1,331	per permit
1d) NDCIU	\$200	per permit
2) Unit Fees		
2a) Alternative Discharge Control Mechanism	\$77	per year
2b) Construction Dewatering Permit	\$230	per unit
2c) Service Fee per Occurrence**	\$130	per unit
*The total permit fee is comprised of the base fee plus actual costs for enforcement and monitoring as well as a DEQ SIU fee, if applicable.		

BES Fiscal Year 2020-2021 Rate Ordinance Exhibit A

Fee Name	Unit Fee	Unit Type
**This fee is applied to such discharges not otherwise addressed in an Industrial Waste Discharge permit, in addition to other applicable charges.		
I. Street Use Permit Fees		
1) Access Permit		
1a) Type 1	\$0	per permit
1b) Type 2 - Minimum	\$1,341	per permit
1c) Type 2 - Additional per Day	\$467	per day
2) Sewer Lateral Connection or Repair Fee	\$241	per connection
3) Sewer Main Connection Fees		
3a) PBOT BOM Tap	\$419	per tap
3b) Install Standard Maintenance Hole or PBOT BOM installs Wye or Tee Fitting	\$815	per installation
3c) Sewer Main or Maintenance Hole Connection Fee	\$122	per connection
3d) Complex Sewer Connection Permit	\$1,628	per connection
4) Short Sewer Extension		
4a) Up to 50 Feet - Minimum	\$600	per permit
4b) 51 to 100 Feet - In Addition to Minimum	\$400	per permit
5) Residential Infill Permit	\$3,000	per permit
6) Basic Sewer Extension	\$3,000	per permit
7) PW Permit: *Calculator to establish base cost plus additional cost for factors per ENB-4.11, Section 5		
7a) Project Manager (Per Hour)	\$160	per hour
7b) Construction Manager (Per Hour)	\$140	per hour
7c) Engineering Technician (Per Hour)	\$124	per hour
7d) Inspector (Per Hour)	\$137	per hour
7e) Revegetation (Per Hour)	\$146	per hour
7f) Maintenance (Per Hour)	\$188	per hour
8) Complex Permit	Full Cost Recovery	per permit
9) Revegetation Inspection	\$1,076	per permit
10) Construction Warranty Fee	\$748	per permit
11) Permit Reactivation Fee	\$500	per application
12) Street Vacation	\$300	per application
13) Hourly Rate for Revegetation Natural Area Services	\$146	per hour
J. Source Control Manual and FOG Fees		
1) Source Control Manual Fees - Special Circumstances Review Application Fee	\$100	per application
2) FOG Variance Request Processing Fee	\$250	per application
3) Extra Strength Additional Sample	\$310	per sample

BES Fiscal Year 2020-2021 Rate Ordinance Exhibit A

Fee Name	Unit Fee	Unit Type
K. Stormwater Management Manual Fees		
1) Special Circumstances Application Fee	\$100	per application
2) Offsite Management Fee	\$3.70	per SF
3) Post-Issued Permit Offsite Management Fee	\$7.40	per SF
4) Manufactured Stormwater Treatment Technologies Application Fee		
4a) Application Review Fee	\$5,000	per application
4b) Third-Party Water Quality Review Fee	\$3,000	per application

IMPACT STATEMENT

Legislation title: Revise sewer and stormwater rates, charges and fees in accordance with the FY 2020-21 Sewer User Rate Study (Ordinance)

Contact name: Ken Bartocci

Contact phone: (503) 823-6022

Presenter name: Michael Jordan and Jonas Biery

Purpose of proposed legislation and background information:

This annual ordinance establishes rates, charges and fees to generate sufficient revenue for projected expenditures in FY 2020-2021. Under these proposed rates, the typical single-family residential bill is expected to increase by \$2.16 per month. Increases to each individual customer and other customer classes may vary based on actual usage and circumstances. The proposed rate ordinance will enable the Bureau to continue collecting and treating wastewater from residences and businesses; managing stormwater to prevent erosion, flooding and water quality problems; operating the combined sewer overflow (CSO) system to prevent sewage overflows into the Willamette River and Columbia Slough; and repairing and replacing inadequate public sewer lines that cause sewage overflows and basement backups.

Financial and budgetary impacts:

This rate ordinance will generate \$387 million in operating revenue to support the Mayor's FY 2020-2021 Proposed budget for the Bureau of Environmental Services. \$345 million of this estimate is from billed retail revenues for sanitary and stormwater services. The estimate reflects revenue reductions anticipated due to COVID-19 impacts.

The rate ordinance does not create costs or expenses to the City.

This legislation does not specifically create or eliminate positions in future years. Future position decisions will be made by the Council within the annual budget process.

Community impacts and community involvement:

The Portland Utility Board (PUB) began meeting on September 1, 2015 and has held public meetings at least monthly thereafter until the recent COVID-19 emergency. Among the PUB's responsibilities is acting as the bureau's Budget Advisory Committee by reviewing the bureau's operating and capital programs and budgets, the FY 2020-2021 Requested Budget and the financial impact to ratepayers of the Requested Budget. Additionally, the bureau has received input throughout the budget and ratemaking process from the Citizens' Utility Board. Should this rate ordinance pass, the typical residential monthly bill for sewer and stormwater will increase by \$2.16 or 2.85%.

100% Renewable Goal:

Revenues from rates and fees proposed by this ordinance fund the annual cost to the bureau for Renewable Energy Credit (REC) purchases, per City Council Resolution No. 36983 and the 2015 Climate Action Plan.

In addition, the Renewable Compressed Natural Gas (RCNG) facility is scheduled to be completed in fall 2020 and will allow conversion of waste to produce biogas for sale directly to NW Natural Gas. While the biogas reuse project will add assets to CBWTP that will require operation and maintenance, the facility will also generate revenue for the bureau.

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