AN ORDINANCE TO BE ENTITLED

AN ORDINANCE TO AMEND ARTICLE U, UTILITY SERVICE FEES, TO PROVIDE FOR STORMWATER UTILITY USER FEES; TO PROVIDE FOR EFFECTIVE DATES; TO REPEAL ALL ORDINANCES IN CONFLICT HEREWITH AND FOR OTHER PURPOSES.

<u>BE IT ORDAINED</u> by the Mayor and Aldermen of the City of Savannah, Georgia, in regular meeting of Council assembled, and pursuant to lawful authority thereof:

<u>SECTION 1</u>: That Article U, Utility Service Fees, of the 2026 Revenue Ordinance be amended by enacting a new Section 14, Stormwater Fees, as follows:

Section 14. STORMWATER FEES

Stormwater Utility User Fee Charges. The following shall constitute the stormwater user fee charges for properties located inside the City.

(A) GENERALLY

The City presently owns and operates stormwater management systems and facilities, which have been developed over many years. The future usefulness and operational function of the existing stormwater management systems and facilities owned and operated by the City, and the additions and improvements thereto, rests on the ability of the City to effectively manage, protect, control, regulate, use, and enhance stormwater systems and facilities within the City in concert with the management of other water resources within the City. In order to do so, the City must have both a stormwater management program as well as an adequate and stable funding strategy for its stormwater management program operation and drainage-related capital improvement needs. Therefore, it is appropriate for the City to establish a Stormwater Utility and impose a stormwater user fee charge upon improved properties that may receive the benefit, either directly or indirectly, of regulatory compliant stormwater services from the City.

Stormwater user fee charge revenue shall be used only for the operating expenses, retirement of debt, and/or capital investments of the Stormwater Utility. However, other forms of revenue and/or financial resources, not accounted for in the stormwater user fee revenue, may be allocated as deemed appropriate by the City, to provide supplemental funding to the stormwater management program and stormwater management services. The financial analysis of the stormwater management program performed by the City's consultant properly defines the program's problems, needs, goals, priorities as well as an appropriate funding strategy.

The cost of operating and maintaining the City's stormwater management system and the funding of necessary repairs, replacements, improvements and extensions thereof should,

to the extent practicable, be allocated in relationship to the services provided by the City's stormwater management program and the demand imposed by improved property on the City's drainage system and stormwater management program.

It is practical and equitable to allocate the cost of stormwater management among the owners and/or tenants of improved properties in proportion to the demands the properties impose on the City's stormwater management systems and facilities which result in services to such properties and the owners and/or tenants thereof. The fair and equitable apportionment of costs via the stormwater user fee charge correlates to the stormwater management services, provided directly or indirectly, to that property and the runoff demand that the property imposes on the public drainage system and the City stormwater management program. The imposition of a stormwater user fee charge is the most equitable means to allocate the costs to users of the stormwater management services and to generate revenue to implement the defined level of service for the City's stormwater management program.

The presence and amount of impervious surfaces on each improved property is the most important factor influencing the stormwater runoff contribution of that property; the corresponding demand the property imposes on the stormwater management program; and the cost of providing stormwater management services to that property by the City. Therefore, the amount of impervious surface on each property is the most significant parameter for calculating a periodic stormwater user fee charge; and the City deems it appropriate to impose a stormwater user fee charge upon all improved properties that may discharge, directly or indirectly, into the public drainage system whether the property is private or public in nature.

A schedule of stormwater user fee charges based primarily on the amount of impervious surface located on each improved property is an equitable means of allocating the cost of stormwater management services through the City. Stormwater user fee charges may be designed with specific modifiers to further enhance customer equity, as well as customer understanding of the user fee charge rate structure while at the same time minimizing the City's customer account management and maintenance efforts.

The existence of privately owned and maintained on-site stormwater control facilities, activities or assets which reduce, or otherwise mitigate, the impact of a particular property on the City's stormwater management program, and the Stormwater Utility's cost of providing stormwater management services, programs, and/or stormwater management systems and facilities, should be taken into account to reduce the user fee charge on that property in the form of a credit, and such credit should be conditioned upon continuing provision of such services, systems, facilities, activities or assets in a manner complying with the standards and codes as determined by the Stormwater Utility. Credits for privately owned and maintained stormwater management systems, facilities, activities or assets shall be generally proportional to the effect that such systems have on the reduction and mitigation of the stormwater runoff impacts from the property.

By means of this Ordinance, the City will enact a stormwater user fee rate structure and a procedure for the establishment of a stormwater user fee charge billing rate related to the provision of stormwater management services.

(B) DEFINITIONS

Credit means a reduction in the amount of a customer's stormwater user fee charge in recognition of a customer's efforts to mitigate stormwater runoff impacts that developed property has on the City stormwater management program services and systems, and/or the efforts of a customer to offset the City's cost for implementation of stormwater management program related activities.

Dwelling Unit shall mean a structure, regardless of the type or method of construction, which contains one or more bedrooms, a bathroom, and cooking facilities, designed for occupancy by one or more persons.

Equivalent Residential Unit (ERU) means the stormwater user fee charge billing unit increment related to the median horizontal impervious area footprint of 2,500 square feet for a typical single family residential dwelling unit within the City.

Improved Property (or developed property) shall mean property altered from its natural state by construction or installation of more than 400 square feet of impervious area.

Manufactured Home Park shall mean a common development (with a single property owner or entity) of more than one factory-built or pre-fabricated housing structures that have been partially or entirely assembled at another location and moved into the development.

Multi-Family Residential (MFR) shall mean a developed property containing one or more than two dwelling units in or attaches thereto, situated upon a single lot of record. MFR properties shall not include improved property containing structures used primarily for non-residential purposes and as defined herein or vacant/undeveloped property.

Stormwater user fee charge means the periodic user fee charge for the provision of stormwater management services. This term shall exclude special charges to the owners and/or tenants of particular properties for services, systems or facilities related to stormwater management, including, but not limited to, charges for development plan review, inspection of development projects, and other stormwater management related services provided by the City for which a corresponding fee is collected for the service rendered.

(C) STORMWATER USER FEE CHARGES

The Stormwater Utility shall impose a stormwater user fee charge on all developed properties within the service area in accordance with the provisions of this Ordinance. It shall be the policy of the City that user fee charges for stormwater management services to be provided by the Stormwater Utility in the designated service area shall be equitably derived through methods which have a demonstrable relationship to the varied demands and impacts imposed on the stormwater management services by individual properties and/or the level of service rendered by, or resulting from, the provision of stormwater management services by the City.

The basis for calculation of the stormwater user fee charge for developed properties within the City is established in this Ordinance. The City shall determine the amount of impervious area and other pertinent factors as may be needed for the fair, reasonable and equitable allocation of the costs to deliver stormwater management services and to calculate the stormwater user fee charges for developed properties in the City.

Stormwater user fee charges shall be structured so as to bear a reasonable connection, or rational nexus, to the cost of providing stormwater management services. User fee charges shall be in addition to other charges and/or fees employed for stormwater management within the incorporated areas of the City as defined herein.

The stormwater user fee charges shall accrue beginning July 1, 2026.

(1) Stormwater User Fee Charge Billing Rates

Stormwater user fee rates shall generally be based upon the total amount of impervious area associated with developed properties within the City as impervious surface bears a reasonable correlation to the demand the property places on the City's stormwater management program, the stormwater services provided by the City and the benefits derived by the property as a result of the provision of services.

Gravel and compacted soil driveways, parking areas, and roads on developed property will be considered impervious surfaces and included in the customer's user fee calculation because of the hydrologic response characteristics of these materials.

The stormwater user fee charge rate shall be annually established by official action of the City Council. All properties shall be billed periodically for stormwater services on a schedule established by the Mayor and Aldermen.

(D) PARCEL CLASSIFICATIONS

(1) Detached Single-Family Residential Parcels

Detached Single-Family Residential (DSFR) Parcels shall mean developed property containing one residential structure with no more than two dwelling units in or attached thereto, situated upon a single lot of record. Improved property may be classified as DSFR even if supplemental accessory structures are present such as garages, carports, storage buildings, guesthouses, servants or caretakers quarters, cottages or barns, or the presence of a commercial use within the residence, as long as such use does not result in significant

additional amounts of impervious surfaces, as determined by the governing body or its designee.

DSFR properties shall not include improved property containing structures used primarily for non-residential purposes and as defined herein; manufactured homes located within manufactured home parks where the land is owned by someone other than the owners of the manufactured homes; residential condominium developments with more than two units; group homes, or vacant/undeveloped property.

DSFR developed parcels will be charged stormwater fees based upon the impervious area measured on the parcel rounded down to the nearest hundredth square foot. Once the impervious area is measured the parcel will be placed in one of four tiers for the purpose of billing stormwater fees. Any DSFR home exceeding 10,000 square feet of impervious area will be billed on their measured impervious area rounded down to the nearest 100 square feet and converted to ERUs. The number of billable ERUs will be determined by dividing the impervious area by the ERU definition of 2,500 square feet. The bi-monthly bill is then determined by multiplying the total ERUs by the bi-monthly fee of \$9.50 per ERU.

DSFR Stormwater Tiers and Fees

Tier	Minimum SQFT	Maximum SQFT	Stormwater User Fee (per month)	Stormwater User Fee (bi-monthly)
Tier	400	1,500	\$2.09	\$4.18
1				
Tier	1,501	4,000	\$4.75	\$9.50
2				
Tier	4,001	5,500	\$8.35	\$16.70
3				
Tier	5,501	10,000	\$12.35	\$24.70
4				

(2) Non-Single Family Residential Parcels

Non-Single Family Residential (NSFR) parcels shall mean a developed parcel of land that consists of various non-residential land uses including, but not limited to: (1) multifamily, commercial (including mixed commercial & residential), office/institutional, public, transportation, industrial, manufacturing and storage buildings and facilities; (2) parking lots, parks, public and private schools, universities and hospitals; (3) streets, roads, water and wastewater treatment plants; and (4) any other form of use not specifically defined as a DSFR.

NSFR developed parcels will be billed based on their measured impervious area rounded down to the nearest 100 square feet and converted to ERUs. The number of billable ERUs will be determined by dividing the impervious area by the ERU definition of 2,500 square

feet. The bi-monthly bill is then determined by multiplying the total ERUs by the bi-monthly fee of \$9.50 per ERU.

(3) Undeveloped Parcels

Undeveloped Parcels (UP) means land in its unaltered natural condition or which is modified to such a minimal degree as to have a Hydrologic Response comparable to land in an unaltered natural condition shall be deemed undeveloped. For purposes of this Section, undeveloped land includes property altered from its natural condition by the existence and/or installation of less than four hundred (400) square feet of impervious area. Undeveloped land shall be assigned o ERUs and will not be charged a stormwater user fee.

(E) STORMWATER USER FEE CHARGE EXEMPTIONS

Except as provided in this section or otherwise provided by law, no developed public or private property located in the incorporated area of the City, containing 400 or more square feet of impervious surface, shall be exempt from the stormwater user fee charges. Publicly owned developed property of the Federal and State governments, their departments, agencies, boards, commissions, and authorities, shall not be exempt from stormwater user fee charges under this section. The stormwater user fee charge is not a tax and no exception, offset, or other reduction in stormwater user fee charges shall be granted based on tax status or other condition unrelated to the Stormwater Utility's cost of providing stormwater management program services and facilities. Exemptions to the stormwater user fee charges are as follows:

Linear railroad rights-of-way (i.e. tracks, rails, rail bed) outside of the defined rail yard limits shall be exempt from stormwater user fee charges. This exemption is in recognition of State law and the routine drainage system maintenance and capital construction activities undertaken by the railroad company associated with rights-of-way and drainage conveyance systems. However, railroad stations, rail yards, maintenance buildings, and/or other improved property used for railroad operations shall not be exempt from stormwater user fee charges.

City of Savannah streets and rights-of-way shall be exempt from stormwater user fee charges. The Stormwater Utility shall not charge the City a user fee charge for the impervious surface associated with City's streets and other impervious surfaces within the rights-of-way of the City's municipal street system. This exemption is granted in recognition of the in-kind service provide by the City's General Fund, which allows the Stormwater Utility to utilize the City's existing streets, curbs, gutters, drainage ways and ditches, storm sewers, culverts, inlets, catch basins, pipes, head walls and other structures, natural and man-made, within and owned by the City which controls, diverts, and conveys surface water for the purposes of collecting, diverting, transporting and controlling surface runoff and storm waters. All other developed property owned by the City shall be subject to the imposition of stormwater user fee charges in accordance with this section.

Chatham County roads and rights-of-way on the County Road System located within the City limits shall be exempt from stormwater user fee charges since Chatham County has the legal responsibility to perform all drainage system maintenance and capital construction activities with respect to such roads and rights-of-way. This exemption is in recognition of the drainage system maintenance and capital construction responsibilities undertaken by Chatham County, which assists the Stormwater Utility. All other developed property owned by Chatham County that is within the service area shall be subject to the imposition of stormwater user fee charges in accordance with this section.

Georgia Department of Transportation (GDOT) highways, Federal Interstates, and rights-of-way on the State Highway System within the City limits shall be exempt from stormwater user fee charges. This exemption is in recognition of routine drainage system maintenance, NPDES regulatory compliance, and capital construction activities undertaken by GDOT in association with GDOT rights-of-way road and drainage conveyance systems, which assist the Stormwater Utility. However, offices, maintenance buildings, and/or other developed property used for GDOT purposes shall not be exempt from stormwater user fee charges.

(F) STORMWATER USER FEE CREDITS

The Stormwater Utility Manager may grant credits or adjustments based on the technical and procedural criteria set forth in the <u>City of Savannah Stormwater Utility Credit Manual</u> (or Credit Manual), which is incorporated into this section by reference and made a part hereof. Copies of the Credit Manual will be maintained by and made available by the Stormwater Utility Manager. To the extent practicable, credits against stormwater user fee charges shall be provided for on-site stormwater control systems and activities constructed, operated, maintained and performed to the City's standards by public and private property owners and/or tenants which eliminate, mitigate or compensate for the impact that the property may have upon the public stormwater management systems and facilities or stormwater management program.

A stormwater user fee charge credit shall be determined based upon meeting all technical requirements, standards and criteria contained in the Credit Manual. The amount of credit, or reduction of the stormwater user fee charge, shall be in accordance with the criteria contained in the Credit Manual.

Any credit allowed against the stormwater user fee charge is conditioned on continuing compliance, including proper future maintenance of the stormwater management systems and facilities with design and performance standards as stated in the Credit Manual and upon continuing provision of the controls, systems, facilities, services, and activities provided, operated, and maintained by the customer. The Stormwater Utility Manager may revoke a credit at any time for noncompliance with applicable standards and criteria as established in the Credit Manual or this section.

Customers may apply for credits and/or adjustments in accordance with the Credit Manual. In order to obtain a credit, the customer must submit an application to the City on forms provided by the Stormwater Utility Manager for such purpose, and in accordance with the procedures outlined in the Credit Manual. The application for any credit or adjustment must be in writing and must include the information necessary to establish eligibility for the credit or adjustment and be in the format described in the Credit Manual. The customer's public utility account must be paid and current prior to review and approval of a Stormwater Utility credit application by the City. Incomplete applications will not be accepted for consideration and processing. When an application for a credit is deemed complete and is approved by the Stormwater Utility Manager, the credit shall be applied to the stormwater user fee in accordance with the terms defined in the Credit Manual.

(G) STORMWATER INSPECTIONS

The Stormwater Utility shall provide periodic inspection, testing, or engineering assessment of privately owned stormwater management systems and facilities to ascertain that said facilities are functioning as designed and approved. After reasonable notice to the property owner, the Stormwater Utility may provide for remedial maintenance of said private facilities based upon the severity of stormwater problems and potential hazard to the public health, safety, and welfare and the environment. In cases where such remedial maintenance is required, the condition necessitating such maintenance shall be considered a public nuisance, subject to abatement in accordance with the City's nuisance abatement procedures as set forth in Chapter 2, NUISANCES, of the City of Savannah Code of Ordinances. Upon entry of a final Order finding a nuisance and directing its repair by the property owner, if the owner fails to make repairs within a reasonable time, the City may enter upon the private property and perform repairs to the stormwater management systems and facilities and shall bill the owner or property owner association or any tenant(s) or persons exercising possession and control of the private system or facility for the costs of such maintenance, and impose a lien in rem against the property(ies) to enforce collection of any nuisance abatement expenses incurred by the City for repairs, which enforcement function is separate and distinct from the City of Savannah Stormwater Utility user fees as defined herein.

(H) STORMWATER USER FEE CHARGE BILLING, DELINQUENCIES AND COLLECTIONS, AND ADJUSTMENTS

(1) Billing

The City shall bill the utility customer account holder or the property owner, as identified from City public utility billing database information, Chatham County Tax Digest, and other public records of the City and/or Chatham County, and the entity receiving the bill shall be obligated to pay the applicable stormwater user fee charge in a similar manner to other City utility services (*i.e.*, water, sewer, sanitation, etc.).

The stormwater user fee charge will be billed and collected on a combined utility bill and collected along with other City utility services. If and when the account is closed or becomes delinquent, the bills for unpaid previous service as well as for current service shall be reverted to the property owner. With respect to the application of payments received by the City for any and all utility services, such payment shall be applied to stormwater charges first and water charges last.

Customers that do not have another utility service shall receive a utility bill with stormwater user fees only or shall be billed via another method and frequency established by the City.

The City reserves the right to bill the stormwater user fee charge to either the property owner or the utility customer account holder (*i.e.*, the tenant) as described below:

The City shall reserve the right to bill the landlord or property owner for stormwater services where accurate and equitable apportionment of the user fee charges to multiple tenant accounts on a parcel is not practical as determined by the City, and/or to facilitate efficient billing and collection of customer stormwater user fee charges from multiple tenants.

The City shall have the authority to bill the property owner's tenant for the stormwater user fee charge in situations where the tenant has opened an account with the City for public utility services, however, the property owner shall remain ultimately liable for payment of the stormwater user fee charge imposed on the property and the utility accounts associated with that property.

In situations where an individual utility account holder is billed monthly for utility services on behalf of a property owner, the City may require that the landlord or property owner enter into an agreement with the City to remit payment for any unpaid stormwater user fee charges that are incurred during the City's fiscal year.

Frequency of the billing of stormwater user fee charges shall be specified by the Mayor and Aldermen.

Failure of the customer to receive a utility bill or a stormwater user fee charge shall not be justification for nonpayment. Regardless of the party to whom the bill is initially directed, the property owner of each developed property subject to stormwater user fee charges shall be ultimately obligated to pay stormwater user fee charges and any interest on delinquent stormwater user fee charge payments.

If a property is unbilled, or if no bill is sent for a particular tract of developed property, the Stormwater Utility may back bill for a period of up to three (3) years but shall not be entitled to any interest or any delinquency charges during the back-billed period.

(2) Delinquencies and Collections

The stormwater user fee charge shall be billed and collected as an integral part of the City's billing for other utility services and the customer may not elect to separate such fee from the remainder of the utility bill for nonpayment. If the customer fails to include payment of the stormwater user fee charge portion of the utility bill when the utility bill is paid, or otherwise separates the stormwater user fee charge from the remainder of the bill for nonpayment, the entire billing will be in default notwithstanding any other payment made towards the bill, and, in addition to all other remedies which the City may have for nonpayment, any or all other utility services, including water service, may be terminated on the date printed on the bill in accordance with the procedures established in the City Code of Ordinances for such termination. Acceptance and retention by the City of any portion of the utility bill shall not constitute a waiver of the foregoing provisions.

All user fees not paid by the due date are subject to the late payment charge in accordance with City policy for other utilities. In addition, all costs of collection, including attorney's fees and court costs, will be added.

Unpaid stormwater user fees may also be collected by filing suit to collect on an unpaid account and by using all methods allowed by Georgia law to collect on any civil judgment obtained thereby, including enforcement of any lien resulting from any such judgment. Unless reduced to a judgment and a *writ of fieri facias* issued, the unpaid user fee charge shall not constitute a direct lien against the owner or the property.

In the event of non-payment and service cut-off, the customer must pay the bill in full, the late payment charge, a cut-off charge if applicable, and pay a deposit if it was either waived, previously refunded, or was used to make the payment, late payment charge, and/or the cut-off charge. The City Manager or his designee is authorized to negotiate a payment plan for customers that demonstrate the ability to pay. Such a payment plan can only be entered into once in a 12-month period. Failure to meet any payment date of a payment plan shall terminate the payment plan, and the City reserves the right to discontinue utility services to that customer account.

(3) Adjustments

The Stormwater Utility Manager shall administer the procedures and standards for the adjustment of the stormwater user fee charge.

If a customer believes his stormwater user fee charge amount is incorrect, the customer may seek an adjustment of the stormwater user fee charge for the account at any time by submitting the request in writing to the Stormwater Utility Manager and setting forth in detail the grounds upon which relief is sought. The customer's public utility account must be paid and current prior to consideration of an adjustment request by the City.

Customers requesting the adjustment shall be required, at their own expense, to provide accurate impervious area and other supplemental information to the Stormwater Utility Manager, including, but not limited to, a survey certified by a registered land surveyor or

a professional engineer or as otherwise allowed by the Stormwater Utility Manager. Submittal of this information will be required if the City staff cannot make a determination based on field inspection and/or review of existing City aerial photography. Failure to provide the required information within the time limits established by the Stormwater Utility Manager, as may be reasonably extended, may result in denial of the customer's adjustment request.

Once a completed adjustment request and all required information are received by the Stormwater Utility Manager, the Stormwater Utility Manager shall render a written decision.

In considering an adjustment request, the Stormwater Utility Manager shall consider whether the calculation of the stormwater user fee charge for the account is correct.

The Stormwater Utility Manager's decision shall be in writing and will be mailed to the address provided on the adjustment request, and service shall be complete upon mailing.

If the result of an adjustment is that a refund is due the applicant, the refund will be applied as a credit on the applicant's next stormwater user fee charge bill.

(I) APPEALS AND HEARINGS

(1) Appeals

An appeal to the City Manager may be taken by any customer aggrieved by any decision of the Stormwater Utility Manager. The appeal shall be taken within 30 calendar days of the written decision of the Stormwater Utility Manager by filing with the City Manager a notice of appeal in writing specifying the grounds therefor. Upon the filing of the notice of appeal, the Stormwater Utility Manager shall forthwith transmit to the City Manager all documentation constituting the record upon which the decision appealed from was taken.

(2) Hearings

The City Manager shall fix a reasonable time for hearing the appeal and give written notice to the appellant at least ten (10) calendar days prior to the hearing date. The notice shall indicate the place, date, and time of the hearing. The City Manager shall affirm, reverse, affirm in part, or reverse in part the decision of the Stormwater Utility Manager after hearing the evidence. If the decision of the Stormwater Utility Manager is reversed in whole or in part, resulting in a refund or credit due to the property owner or customer, then such refund or credit shall be calculated retroactive to the date of the initial appeal. The decision of the City Manager shall be final, and there shall be no further administrative appeal. Any person aggrieved or dissatisfied with the decision of the City Manager may file a petition for review in the Superior Court of Chatham County in accordance with O.C.G.A. Title 5, Chapter 3.

SECTION 2: This amendment shall become effective July 1, 2026.

 $\underline{\text{SECTION}}$ 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

<u>SECTION 4</u>: Should any provision of this ordinance be rendered invalid by any court of law, the remaining provisions shall continue in force and effect until amended or repealed by action of the Mayor and Aldermen.

ADOPTED AND APPROVED: This	day of
	Van R. Johnson II, Mayor
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