

## MEMORANDUM

**TO:** City Council

**FROM:** Joseph A. Melder, City Manager

**RE:** Revenue Ordinance Amendment – Stormwater Utility Rate Ordinance

**DATE:** November 18, 2025

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The purpose of this memo is to provide background information for the subject item above.

On December 19, 2024, the City of Savannah City Council adopted the Stormwater Utility Enterprise Fund Ordinance to establish the “Stormwater Utility Enterprise Fund” and cost center within the City Finance and Accounting Systems, and to provide for a future revenue mechanism to fund the City of Savannah Stormwater Department. Implementation of the Stormwater Utility Enterprise Fund created a foundation that would enable the City to transition the Stormwater Department Finances from a governmental fund type activity to a business fund type activity whereby expenses are tracked and future revenues would be directed solely to the operation of the Stormwater Department, similar to the existing City of Savannah Water & Sewer Enterprise Fund.

The City Stormwater Department staff has been working with its consultant team (Stantec Consulting Services) over the last ~15 months on the development of a service delivery plan and financial strategy for future operation under a proposed Stormwater Utility funded by a user fee system. The Stormwater Utility Rate Ordinance (First Reading on 11/25/25) codifies the specific components of the Stormwater Utility inclusive of General Information; Definitions; Stormwater User Fee Charges and Billing Rates; Parcel Classifications; Stormwater User Fee Charge Exemptions; Stormwater User Fee Credits; Stormwater Inspections; Stormwater User Fee Charge Billing, Delinquencies, and Collections; Billing Appeals and Hearings. If the Stormwater Utility Rate Ordinance is adopted by City Council, the City will be authorized to implement a Stormwater User Fee System and charge the fee to customers of developed property in accordance with the provisions of this Rate Ordinance beginning **July 1, 2026**.

If adopted, the Stormwater Utility Rate Ordinance narrative should be incorporated into the Revenue Ordinance under ARTICLE U. UTILITY SERVICE FEES; Section 14. STORMWATER FEES (New), as directed by the City Attorney. Please contact me with any questions regarding the contents of this memo.

END OF MEMORANDUM