

EXPLANATION: Matter underlined is new; matter in brackets and stricken [--] is material to be repealed.

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING RENO MUNICIPAL CODE TITLE 12 ENTITLED "PUBLIC WORKS AND UTILITIES, ADDING CHAPTER 12.17. STORMWATER UTILITY, CREATING A STORMWATER UTILITY, ESABLISHING THE AMOUNT AND BASIS FOR THE STORMWATER UTILITY FEE, TOGETHER WITH MATTERS WHICH PERTAIN TO OR ARE NECESSARILY CONNECTED THERETO.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF RENO DOES ORDAIN:

SECTION 1: Section 12.17 of the Reno Municipal Code is hereby added to read as follows:

CHAPTER 12.17. Stormwater Utility

ARTICLE I. IN GENERAL

Sec. 12.17.010. Definitions.

The following terms have the meanings ascribed to them in this chapter:

City means the City of Reno, Nevada.

Common Area means property which is privately owned by an individual or an entity such as a homeowner association or property owners' association, but is available for use by all tenants, groups of tenants, or their invitees within a residential or commercial development.

Developed land means an altered parcel of land that contains impervious surfaces, improved land without structures, and land on which improvements are made from its natural state.

Drainage System (Stormwater Drainage System) means the system of natural and constructed devices for collecting and transporting or treating stormwater. It includes, but is not limited to, structural drainage systems that transfer, control, convey or otherwise influence the movement of storm water runoff such as open swales, flume, ravine, gully, ditches, streams, creeks, wetlands, detention or retention basins, ponds, drainage ways, catch basins, pipes, inlets, storm sewers, drains, culverts, junction boxes, bridges, head walls and other stormwater facilities or improvements that affect the quality and quantity of stormwater located within the City. Stormwater Conveyance Systems shall have the same meaning as Drainage System.

Equivalent Residential Unit (ERU) means a unit of measure of impervious surface (in square feet) that represents the impervious surface area on the average Single Family Residential Parcel in the underlying jurisdiction as a unit of comparison. One (1) ERU shall mean for the purposes of this Chapter 3,500 square feet of impervious surface.

Impervious Surface means any surface which because of its material composition or compacted nature impedes or prevents natural infiltration of stormwater into the soil which includes but is not limited to:

roofs, roof extensions, balconies, decks, including wooden slatted decks, athletic courts, swimming pools, excluding the water area of swimming pools, sidewalks, walkways, patios, private driveways, parking lots, parking areas, access extensions, alleys and any concrete, stone, brick, asphalt, or other paved, engineered, or compacted earth or gravel surfaces that prevent or significantly impede the natural infiltration of storm water into the soil.

Impervious Surface Area means the number of square feet of horizontal surface covered by impervious surfaces.

Low Impact Development (LID) means systems and practices that use or mimic natural processes that result in the infiltration, evapotranspiration or use of stormwater in order to protect water quality and associated aquatic habitat.

Natural State means existing undeveloped land where the soil and vegetation characteristics have not been substantially modified or disturbed by human activities and the hydrologic function is in an unaltered or natural condition.

Non-Single Family Residential (NSFR) Property means all properties within the service area, other than single family residential properties. Parcel(s) on which the common area is located shall be classified as non-single family residential property

Parcel means the property as shown on the tax records of Washoe County.

Property Owner (owner) means the owner of the real property as shown on the tax records of Washoe County.

Service Area/Jurisdiction means all land within the City of Reno.

Single Family Residential Parcel/Property means a parcel designed and/or used to house not more than one single family residential structure used as a single family dwelling and whose primary use is as a single family residence.

Stormwater means surface runoff and drainage associated with rainstorm events and snow melt.

Stormwater Program means an identified set of measures and activities designed to protect, restore and/or manage stormwater quality by controlling and/or reducing pollutants and to reduce and/or manage stormwater quantity by controlling velocity, volume, and rate.

Stormwater Utility means an organizational structure that is responsible for funding, administering, and operating the City's stormwater program, and that is supported through a rate structure based on the impervious surface area found on land parcels located within the service area.

Stormwater Utility Fee means a stormwater program service charge and interest generated by those charges, applicable to a land parcel, which generally reflects the impact on or demand for stormwater program services provided by the City to properly control and manage stormwater runoff quantity and/or quality associated with the land parcel. The Stormwater Utility fee will vary from one land parcel to another based on the Impervious Surface.

Stormwater Utility Enterprise Fund means City account used by the City reserved solely for funding the stormwater services operational, administration, maintenance, managements, indirect costs, capital improvements, debt principal and debt service.

Undeveloped Land means all land that is not altered from its natural state.

Sec. 12.17.015. Abbreviations.

The following abbreviations shall have the designated meanings:

<u>ERU</u>	<u>Equivalent Residential Unit</u>
<u>LID</u>	<u>Low Impact Development</u>
<u>M&O</u>	<u>Maintenance and Operations (M&O)</u>
<u>NSFR</u>	<u>Non-Single Family Residential</u>
<u>SCM</u>	<u>Stormwater Control Measures</u>

ARTICLE II. STORMWATER UTILITY REGULATIONS

DIVISION 1. GENERALLY

Sec. 12.17.100. Purpose and policy.

The purpose of this article is to provide a system of fees for the City's Stormwater Utility and create an identified fiscal and accounting fund for the purpose of comprehensively addressing the stormwater drainage system needs sufficient for capital outlay, debt service costs, capital improvements, and depreciation. The Stormwater Utility establishes fees at a level to fund operating costs, debt service payments, and used for

- (a) Operation and administration for maintenance, repairs, and emergency flood response.
- (b) Improvement projects designed to protect and manage water quality and quantity by controlling the level of pollutants in stormwater runoff, and the quantity and rate of stormwater conveyed to natural waterways and stormwater drainage systems.
- (c) Complying with local, state, and federal stormwater and flood control regulations and permitting.

Sec. 12.17.110. Scope.

The City's stormwater program addresses stormwater conveyance, flooding, erosion and water quality throughout the City through routine maintenance and operations (M&O), compliance with the joint National Pollutant Discharge Elimination System (NPDES) Permit, the stormwater related capital improvement program and emergency flood response.

Sec. 12.17.120. Jurisdiction (Service Area).

- (a) The jurisdiction (service area) of the Stormwater Utility shall extend to the corporate limits of the City of Reno, Nevada.
- (b) The following property shall be exempt:
 - (1) Real property held and maintained in its natural state, until such time that the property is developed and all of the public infrastructure constructed has been accepted by the City.
 - (2) Real property owned by the City constituting the drainage system, including public streets, rights-of-way, facilities, and infrastructure that provide drainage service.

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- (3) Improved highway, roadways, and public streets, not including internal roads within public facilities which are part of the State or Federal transportations system, owned and maintained by the Nevada Department of Transportation.
 - (4) Airport runways and taxiways that drain to the stormwater system, and other airport areas that drain to the sewer collections system (example: aprons managing deicing fluids).
 - (5) Railroad tracks.
 - (6) Developed land with less than four-hundred (400) square feet of impervious surface area.

Sec. 12.17.130. No effect on land owner obligations under City ordinances; no waiver of immunity.

- (a) The Stormwater Utility does not relieve private land owners, developers, other individuals and entities from their responsibility for complying with the obligations of all ordinances of the City, the laws of the State of Nevada, or Federal Laws that relate to floodplain and storm water management.
- (b) The establishment of the Stormwater Utility does not imply or warrant that a property will be free from flooding, storm water pollution, or stream erosion. The City makes no representation that drainage problems will be remedied. This Chapter does not create additional duties on the part of the City or create new liability or remedies for any flooding, stream erosion, deterioration of water quality, or other damages. Nothing in this ordinance shall be deemed to waive the City's immunity under law or reduce the need or necessity for flood insurance.

DIVISION 2. STORMWATER UTILITY FEE

Sec. 12.17.140. Purpose.

The purpose of the Stormwater Utility fee is to recover administration, operation, maintenance, emergency flood control response, repair and replacement costs, costs connected to capital improvements to the City's drainage system or any other environmental permit issued to the City.

Sec. 12.17.150. Rate Structure Parameters

The volume, rate, and pollutant loading of stormwater runoff discharged from a given lot or parcel of real property to the City's structural and natural stormwater drainage systems and facilities is directly related to the impervious surface area on that parcel. Impervious surface area is the primary parameter for the rate structure for distributing the cost of service associated with the utility, its stormwater management programs, and the operation, maintenance, repair, improvement, and extension of its stormwater drainage facilities.

Sec. 12.17.160. Consumer Price Index (CPI) Increases

The Stormwater Utility fee base ERU rate is subject to an automatic increase by an amount equal to the increase of the Consumer Price Index-All Urban Consumers (CPI-U) for the west urban area, as published

by the Bureau of Labor Statistics. The measurement period shall end with the published index for December of each year and the resulting increases shall be implemented with the October billings which will be reflected in the fee resolution adopted by City Council and kept on file in the Office of the Clerk and the Finance Department.

Sec. 12.17.170. Stormwater Management Utility fee

- (a) Equivalent Residential Unit (ERU) is used as a standard billing unit to determine the fee for all properties.

STORMWATER FEE RATE	
<u>Effective Date</u>	<u>Monthly per ERU Rate</u>
<u>July 1, 2023</u>	<u>\$13.46</u>

- (b) For the purposes of determining the Stormwater Utility fee, all properties in the City shall be classified into one of the following classes and will be assigned an ERU per parcel as set forth below:

- (1) Single Family Residential Properties shall be assigned a Rate Category and assessed a stormwater utility fee based on impervious area as provided in the following table:

<u>Tier</u>	<u>Impervious Area (sqft)</u>	<u>ERUs</u>
<u>Tier 1 (Small)</u>	<u>400-2,400</u>	<u>0.6</u>
<u>Tier 2 (Medium)</u>	<u>2,401-5,000</u>	<u>1.0</u>
<u>Tier 3 (Large)</u>	<u>Over 5,000</u>	<u>1.7</u>

- (2) Non-Single Family Residential Properties (NSFRS) includes businesses, government buildings, and apartment complexes, commercial, industrial, and other similar types of properties that are considered non-single-family residential properties. The ERUs for these properties are calculated based on the measured amount of impervious area for each property. These properties are billed using the formula of total impervious area divided by one (1) ERU (three thousand five hundred (3,500) square feet of impervious area) which equals the total a number of equivalent residential units, rounded up to the next whole number.

$$\text{Total ERUs} = \frac{\text{Total Impervious Area (IA)}}{3,500 \text{ (sqft - IA)}} \text{ (Rounded to next ERU)}$$

3. Initial rates for all NSFR properties with an ERU greater than four (4) will ramp up over a three (3) year period. A NSFR property greater than four (4) ERUs will pay 33% of the full rate the first year the Stormwater Utility is implemented, 66% of the full rate the second

year, and the full rate the 3rd year and all years thereafter. The rate ramp up sunset in 2026. The rate ramp up does not apply to new development.

Sec. 12.17.180. Uses of charges collected.

Stormwater Utility service fee revenues shall be assigned and dedicated solely to the Stormwater Utility enterprise fund in the City budget and accounting system, which shall be and remain separate from other funds, and shall be used only to fund identified Stormwater Utility program activities, including but not limited to administration, operation, maintenance and replacement of the stormwater drainage system, indirect allocated costs as well as funding depreciation expense and the interest and principal payments of debt incurred for the stormwater drainage system.

DIVISION 3. BILLING, COLLECTION AND ENFORCEMENT OF STORMWATER UTILITY FEES

Sec. 12.17.190. Fees payable by property owner.

The Finance Director or the designee shall bill the property owner connected to the Stormwater Utility fee charges.

- (a) In the case of non-single family property users, billing may be rendered the lessee or lessees obligated to pay such rates and charges upon written notice delivered to the finance director and executed by both the owner and lessee; however, any such billing to a lessee shall not relieve the owners of responsibility for payment of the bill.
- (b) In the case of single family residential, billing may be rendered the tenant or tenants or property management companies obligated to pay such rates and charges upon written notice delivered to the finance director and executed by both the owner and tenant; however, any such billing to a tenant or property management companies shall not relieve the owners of responsibility for payment of the bill.

Sec. 12.17.200. Billing period.

- (a) The billing period for the charges shall be quarterly in advance and the payments shall be due and payable upon receipt of the bill and shall be delinquent if not fully paid on the last day for the quarter in which the bill is sent to the property owner by the City.
- (c) All payments for charges if not actually received at the office of the City Clerk by 5:00 p.m., or deposited in any drop box provided by the City, on the last day of any period described in subsections (a) and (b) above, shall nevertheless be deemed timely paid if postmarked on the last day of the period as provided in NRS 238.100. All payments which are not so received or postmarked by the last day of the applicable period shall be subject to the penalties provided in subsection (d) below.
- (d) There shall be added to all such charges which are delinquent a penalty of 15 percent of the charges assessed on all unpaid amounts and will be compounded each billing period.
- (e) Any penalty or portion thereof assessed pursuant to this title may be reversed or modified at the discretion of the Finance Director or their designee in accordance with established Finance Department policy.

Sec. 12.17.210. Stormwater Income Assistance Program.

- (a) If you receive a Stormwater Utility bill and are enrolled in one of the following:
- (1) the State of Nevada Welfare Division Energy Assistance Program (EAP);
 - (2) the Federal Supplemental Security Income (SSI) Program;
 - (3) Social Security Disability (SSD); or
 - (4) or another equivalent low-income program established to provide assistance for payment of utility bills
- ↳ subject to annual funding allocations and proof of eligibility, an applicant may be eligible to receive stormwater income assistance up to one half of the annual calculated Stormwater Utility fee during the applicable fiscal year.
- (b) Any assistance granted will be prorated based on the amount of time an applicant has lived at the property in the prior year.
- (c) No more than one per year per household may be provided.
- (d) Applications and additional information are available from the Finance Department.

Sec. 12.17.220. Appeals to the administrative hearing officer.

- (a) A decision relating to the imposition and/or collection of the fees and charges, including the determination of credits, provided for herein may be appealed to the administrative hearing officer by filing with the administrative hearing officer at the City Clerk's Office, within 30 calendar days after the date on which any such fees or charges are due, a written statement setting forth fully the grounds for the appeal. The administrative hearing officer may modify or reverse any such decision based on legal justification.
- (b) The hearing before the administrative hearing officer shall be conducted in accordance with the procedures specified in section 4.04.170.
- (c) The decision of the administrative hearing officer may be appealed to municipal court, unless appeal to another tribunal is required by law, within 30 calendar days after written notification of the administrative hearing officer's action by filing a statement of appeal or complaint setting forth the facts, grounds and legal justification for the appeal. Failure to file a timely appeal to court shall be deemed a waiver of any and all objections to the administrative hearing officer's decision.
- (d) Representation is limited to representation in proper persona or by an attorney who is licensed to practice law in the State of Nevada.

Sec. 12.17.230. Method of collection of delinquent charges.

- (a) All charges imposed by this chapter become a lien against the property serviced, until paid.
- (b) In addition to the foregoing, the City of Reno Finance Department may cause to have a person's delinquent charges for Stormwater Utility collected on the County's tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the County's general taxes. The City of Reno Finance Department shall have the right to collect from such person(s) four percent of the amount of the delinquent charges for Stormwater Utility to be collected on the tax roll or the amount

estimated by the County Treasurer which is necessary to collect and distribute those delinquent charges, whichever is greater.

DIVISION 3. STORMWATER CREDITS

Sec. 12.17.240. Purpose.

The City may provide credits as set forth in the City of Reno Stormwater Fee Crediting Policy Manual to reduce Stormwater Utility fees for non-single family residential properties that provide stormwater measures which control peak discharge or runoff, mitigate pollution, or decrease the City's cost of maintaining the stormwater drainage system. The manual, together with any addendum or amendments is available for review at (www.reno.gov/stormwaterutility) and at the Office of the City Clerk, and is adopted by reference and incorporated herein and made a part hereof as if set forth in full.

SECTION 2: In compliance with NRS 237.080, a Business Impact Statement was prepared and in accordance thereto, the Reno City Council hereby finds that this ordinance amendment does not impose a direct and significant economic burden upon a business, nor does it directly restrict the formation, operation or expansion of a business.

SECTION 3: This Ordinance shall be in effect July 1, 2023.

SECTION 4: The City Clerk and the Clerk of the City Council of the City of Reno are hereby authorized and directed to have this ordinance published in one issue of the Reno Gazette Journal, a newspaper printed and published in the City of Reno.

Passed and adopted this _____ day of _____, 2023, by the following vote of the Council

AYES: _____

NAYS: _____

ABSTAIN: _____ ABSENT: _____

APPROVED this _____ day of _____ 2023.

HILLARY L. SCHIEVE
MAYOR OF THE CITY OF RENO

ATTEST:

MIKKI HUNTSMAN,
CITY CLERK AND CLERK
OF THE CITY COUNCIL OF THE
CITY OF RENO, NEVADA

EFFECTIVE DATE: July 1, 2023