Consider a roll call vote on a resolution creating a separate Stormwater Utility to better address stormwater quality and quantity management within Bend.

**Staff Review and Recommendation to Council:** Staff recommends City Council pass the resolution creating a separate Stormwater Utility.

**History:**
- Original Stormwater Management Plan adopted: April 7, 2004
- City Council adopts ISWMP: December 6, 2006
- ISWMP incorporated into NPDES Permit No. 102901: February 6, 2007
- NPDES Permit Number 102901 issued to City by DEQ: February 6, 2007
- Citizens Task Force approved by City Council: February 7, 2007

**Background:** Both surface water and underground discharges are regulated by federal and state laws. The City is required to obtain two different permits, one for the discharges to the Deschutes River (National Pollutant Discharge Elimination System (NPDES) Phase II permit), and one for underground injection (Underground Injection Control (UIC) Water Pollution Control Facility (WPCF) permit).

It is important that the City upgrade and maintain its stormwater drainage systems to provide public safety; protect property (both private and public); and meet its water quality permit and UIC regulatory requirements.

The Integrated Stormwater Management Plan (ISWMP) is the City’s first step toward formally addressing its stormwater quality needs. Best Management Practice (BMP) II-3 of the ISWMP states that the City will ensure adequate funding to implement its stormwater program, much of which is outlined in the ISWMP. The City is currently preparing a Stormwater Master Plan that includes development of a Stormwater Utility. Historically stormwater activities have been funded out of the General Fund and, to a lesser extent, the Street Division Fund.

In February 2007, as part of the Stormwater Master Planning effort, the City convened a Stormwater Utility Fee Citizen Task Force, which currently is meeting to provide input on creation of the stormwater utility fee. The Task Force, working with City staff, is currently preparing a funding structure recommendation for review and approval by the Council.

**Discussion of the Issue and Alternatives Explored:** Although the City has had a separate account for stormwater since FY 2005/06, it has not formally established a Stormwater Utility. The Council’s formal adoption of the proposed resolution formally
establishes the utility, and does not establish the fee. Due to expansive growth and new regulatory requirements, the number and complexity of stormwater activities that are required of the City far exceed current staff and funding levels. A dedicated funding source would help ensure adequate staffing and resources to meet regulatory requirements, address flooding problems, and improve and protect water quality for both the Deschutes River and groundwater, including aesthetics in Mirror Pond and throughout the City.

**Budgetary Considerations:** There are no budgetary implications in adopting the proposed resolution to create a Stormwater Utility. Once the Stormwater Citizen’s Task Force completes its review, the City Council will be presented with a recommendation for funding the Stormwater program.