CITY OF FARGO

Upcoming Changes to Storm Water Utility Fees

January 2019

The City of Fargo is proposing to transition from a flat storm water rate to a fee based on the demand each parcel places on the storm water system beginning in January 2019.

In 1998 the City of Fargo implemented a storm water utility and rates with flat fees for residential and non-residential utility customers. Rates have not increased since 2002. However, in that time frame the City's storm water infrastructure expanded significantly. As an example, Fargo's storm lift station infrastructure doubled from 40 to more than 80 total stations due to ongoing development and growth. The storm water system is also comprised of miles of pipes, ditches and multiple detention ponds which are designed to safely convey runoff away from properties and discharge it to the river.

It currently costs approximately $5 million annually to maintain and repair the City's aging storm water system infrastructure. The proposed fee structure change will allow the City to adequately fund the storm water system's ongoing maintenance today and into the future.

HOW WILL THIS CHANGE AFFECT MY UTILITY BILL?

The City of Fargo currently charges a flat rate of $3 per water meter per month for residential properties and $15 per month for each non-residential property, regardless of each property's size or its impact on storm water runoff. A residential property owner's monthly utility bill would increase by $1 under the proposed change, to a total storm water fee of $4 per month. Large non-residential properties or properties with substantial amounts of paved area would notice the most substantial change to their storm water fee. (See reverse for details.)

WHY DOES THE CITY CHARGE A STORM WATER FEE?

When graded parcels, structures, and impervious or paved surfaces, such as parking lots, do not allow rain or snowmelt to enter the ground, the precipitation enters the City's storm water system.

Storm water fees that are considered representative of the cost of service provided to each parcel are based on several considerations, including:

- Size of an individual lot/parcel
- Land use (commercial, agriculture, residential, etc.)
- Amount of impervious surface area (paved surfaces cause rain or snowmelt to enter the City's storm system)

STORM WATER FEE CHANGES SCHEDULE

The City of Fargo is updating its storm water ordinance to reflect the new storm water utility fees and streamline how fees are collected.

- **Oct. 8, 2018:** Storm Water Utility Ordinance update received and filed by City Commission
- **Oct. 22, 2018:** First reading of Storm Water Ordinance update at City Commission
- **Oct. 30, 2018:** Storm Water Fee Changes Public Meeting, 5:30 p.m. at Downtown Fargo Public Library
- **Nov. 5, 2018:** Second and final reading of Ordinance update, City Commission acts on Resolution of Rates
- **Jan. 1, 2019:** Proposed implementation date for Storm Water Fee changes

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VISIT OUR WEBSITE FOR ADDITIONAL INFORMATION

fargond.gov/city-government/departments/engineering/storm-sewer-utilities

You can find additional information about the storm water system and rates, as well as a storm water utility map that includes personalized information about each parcel. You can also pay your utility bill or sign up to establish automatic bill pay.

SINGLE FAMILY RESIDENTIAL MONTHLY STORM WATER UTILITY FLAT RATE

CURRENT
$3.00 (Beginning 2002)

PROPOSED
$4.00 (Beginning January 2019)

NON-RESIDENTIAL MONTHLY STORM WATER UTILITY RATE

Non-residential properties' fees shall be based on a calculation established by the City which considers both a parcel's total area and impervious surface area percentage with a proposed minimum of $8.00.

CURRENT
$15.00 (Beginning 2002)

PROPOSED
Fee dependent on property storm water usage
(Beginning January 2019)

For larger and more intensely developed parcels that exceed the minimum $8.00 fee, the table below illustrates how the City of Fargo will use the gross area and amount of impervious area on non-residential properties to calculate each parcel's monthly storm water rate.

IMPERVIOUS % Portion of the property that is impervious (building or pavement) as determined by site plans and aerial imagery taken every three years.	**RATE ($ / 1,000 SQ FT)** Unit rate (dollars per 1,000 sq-ft) based on the impervious area. Rate = 0.6188 x Impervious % - 0.0159	**MONTHLY FEE ($) FOR A 4 ACRE PROPERTY** Monthly storm water charge for an individual property. Fee = Area x Rate
10%	$0.046	$8.00
20%	$0.108	$18.79
40%	$0.232	$40.35
60%	$0.355	$61.91
80%	$0.479	$83.47

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NOTE: The City of Fargo plans to implement a credit policy along with the new fee structure to allow larger and more impacted non-residential storm water users to apply to reduce their fee for service based on storm water controls that an individual parcel may install during future development or redevelopment which exceed the City's existing storm water management policies.