

RECOMMENDATION: That City Council:

1. Consider the proposed ordinance on first reading and set it for public hearing on Saturday, April 13, 2024; and
2. After hearing public testimony, set for second reading and final passage on May 1, 2024, with budget adoption.

BACKGROUND: On May 4, 2017, the City Council adopted an ordinance to enact the framework of a Stormwater Utility (SWU) at a rate of \$140 per billing unit to provide a dedicated funding source to more equitably distribute the increasing costs of recent state and federal Chesapeake Bay protection mandates that require the implementation of costly infrastructure associated with stormwater management. Over the past several years, impacts due to climate change have led to more frequent, intense storm events which have increased city wide flooding concerns and further exacerbated existing storm sewer capacity issues. The City created the Flood Action Alexandria initiative to address flooding issues.

DISCUSSION: Continuing the City Council's directive to be more aggressive in funding and constructing storm sewer projects and being consistent with the Stormwater Utility and Flood Mitigation Advisory Group's recommendation, an increase in the SWU fee from \$308.70 per billing unit to \$324.10 per billing unit is proposed for FY 2025. The increased rate would generate a total of \$19.7M in funding annually, which would fund operating costs, accelerate storm sewer capacity projects, spot improvements, stream and channel maintenance, and storm sewer maintenance projects.

FISCAL IMPACT: The proposed 5% increase would generate additional revenue totaling approximately \$1 million annually.

ATTACHMENTS:

Attachment 1: Stormwater Utility Ordinance Cover

Attachment 2: Revised Article C, Chapter 6 of Stormwater Utility Ordinance

STAFF:

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