

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 2213\*  
Committee Substitute Favorable 7/10/90

Short Title: Stormwater Changes/Dispute Resoln.

(Public)

Sponsors:

Referred to:

May 31, 1990

A BILL TO BE ENTITLED

AN ACT CLARIFYING THE POWER OF CITIES AND COUNTIES TO COLLECT CHARGES FOR THE USE OF STORMWATER UTILITIES, TO GIVE WATER AND SEWER AUTHORITIES THE POWER TO OPERATE AND FINANCE STORM DRAINAGE SYSTEMS, TO DIRECT THE INFRASTRUCTURE STUDY COMMISSION TO STUDY WHETHER EACH COUNTY NEEDS MULTIPLE STORMWATER DRAINAGE SYSTEMS, AND TO FUND DISPUTE RESOLUTION PROGRAMS.

The General Assembly of North Carolina enacts:

Section 1. Article 16 of Chapter 160A of the General Statutes is amended by adding a new section to read:

**"§ 160A-314.1. Authority to fix and enforce rates for stormwater and drainage systems.**

(a) A city may establish and revise from time to time schedules of rates, fees, charges, and penalties for the acquisition, construction, operation, and maintenance of stormwater and drainage systems to serve improved real property. The incidence of stormwater runoff from property is considered use by the owner of the property of a stormwater and drainage system. Before a city establishes or revises a schedule of rates, fees, charges, or penalties under this section, the city council must hold a public hearing on the issue.

Schedules of rates, fees, charges, and penalties may vary according to whether the property served is residential, commercial, or industrial property, the property's use, the size of the property, the area of impervious surfaces on the property, the quantity and

1 quality of runoff from the property, the characteristics of the watershed into which  
2 stormwater from the property drains, and other factors that affect the stormwater and  
3 drainage system. Rates, fees, and charges imposed under this section may not exceed  
4 the city's cost of providing a stormwater and drainage system. Rates, fees, and charges  
5 payable for service provided to residential property may not exceed one dollar (\$1.00) a  
6 month.

7 (b) The amount imposed for stormwater and drainage service may be billed to the  
8 property owner on the property tax bill, to the occupant of the property on the bill for  
9 water, sewer, or other enterprisory services, or to the property owner or occupant  
10 separately. If the amount imposed is included on a bill with other enterprisory services,  
11 the council may, by ordinance, specify the order in which partial payments are to be  
12 applied among the various services, to the extent allowed by bond covenants. An  
13 amount imposed under this section is not a lien on the property served.

14 (c) G.S. 160A-314 does not apply to stormwater and drainage systems. This  
15 section does not repeal any part of a local act that is inconsistent with the section."

16 Sec. 2. Article 15 of Chapter 153A of the General Statutes is amended by  
17 adding a new section to read:

18 "**§ 153A-277.1. Authority to fix and enforce rates for stormwater and drainage**  
19 **systems.**

20 (a) A county may establish and revise from time to time schedules of rates, fees,  
21 charges, and penalties for the acquisition, construction, operation, and maintenance of  
22 stormwater and drainage systems to serve improved real property. The incidence of  
23 stormwater runoff from property is considered use by the owner of the property of a  
24 stormwater and drainage system. Before a county establishes or revises a schedule of  
25 rates, fees, charges, or penalties under this section, the board of county commissioners  
26 must hold a public hearing on the issue.

27 Schedules of rates, fees, charges, and penalties may vary according to whether the  
28 property served is residential, commercial, or industrial property, the property's use, the  
29 size of the property, the area of impervious surfaces on the property, the quantity and  
30 quality of runoff from the property, the characteristics of the watershed into which  
31 stormwater from the property drains, and other factors that affect the stormwater and  
32 drainage system. Rates, fees, and charges imposed under this section may not exceed  
33 the county's cost of providing a stormwater and drainage system. Rates, fees, and  
34 charges payable for service provided to residential property may not exceed one dollar  
35 (\$1.00) a month.

36 (b) The amount imposed for stormwater and drainage service may be billed to the  
37 property owner on the property tax bill, to the occupant of the property on the bill for  
38 water, sewer, or other enterprisory services, or to the property owner or occupant  
39 separately. If the amount imposed is included on a bill with other enterprisory services,  
40 the board of commissioners may, by ordinance, specify the order in which partial  
41 payments are to be applied among the various services, to the extent allowed by bond  
42 covenants. An amount imposed under this section is not a lien on the property served.

43 (c) G.S. 153A-277 does not apply to stormwater and drainage systems. This  
44 section does not repeal any part of a local act that is inconsistent with the section."

1           Sec. 3. G.S. 160A-492 reads as rewritten:

2   "**§ 160A-492. Human relations, community action and manpower development**  
3       **programs.**

4       The governing body of any city, town, or county is hereby authorized to undertake,  
5 and to expend tax or nontax funds for, human relations, community action and  
6 manpower development programs. In undertaking and engaging in such programs, the  
7 governing body may enter into contracts with and accept loans and grants from the State  
8 or federal governments. The governing body may appoint such human relations,  
9 community action and manpower development committees or boards and citizens'  
10 committees, as it may deem necessary in carrying out such programs and activities, and  
11 may authorize the employment of personnel by such committees or boards, and may  
12 establish their duties, responsibilities, and powers. The cities and counties may jointly  
13 undertake any program or activity which they are authorized to undertake by this  
14 section. The expenses of undertaking and engaging in the human relations, community  
15 action and manpower development programs and activities authorized by this section  
16 are ~~declared to be~~ necessary expenses for which funds derived from taxation may be  
17 expended without the necessity of prior approval of the voters.

18       For the purposes of this section, a 'human relations program' ~~shall be defined as is~~ one  
19 devoted to (i) ~~to~~ the study of problems in the area of human relations, ~~or to (ii)~~ the  
20 promotion of equality of opportunity for all citizens, ~~or to (iii)~~ the promotion of  
21 understanding, respect and goodwill among all citizens, ~~or to (iv)~~ the provision of  
22 channels of communication among the races, ~~or to (v) dispute resolution,~~ (vi) encourage  
23 encouraging the employment of qualified people without regard to race, or ~~to encourage~~  
24 (vii) encouraging youth to become better trained and qualified for employment."

25           Sec. 4. G.S. 162A-2(12) reads as rewritten:

26       "(12) The term 'water system' shall mean and include all plants, systems,  
27 facilities or properties used or useful or having the present capacity for  
28 future use in connection with the supply or distribution of ~~water,~~ water  
29 or the control and drainage of stormwater runoff and any integral part  
30 thereof, including but not limited to water supply systems, water  
31 distribution systems, structural and natural stormwater and drainage  
32 systems of all types, sources of water supply including lakes,  
33 reservoirs and wells, intakes, mains, laterals, aqueducts, pumping  
34 stations, standpipes, filtration plants, purification plants, hydrants,  
35 meters, valves, and all necessary appurtenances and equipment and all  
36 properties, rights, easements and franchises relating thereto and  
37 deemed necessary or convenient by the authority for the operation  
38 thereof."

39           Sec. 5. G.S. 162A-9 reads as rewritten:

40   "**§ 162A-9. Rates and charges; contracts for water or services; deposits; delinquent**  
41       **charges.**

42       (a) Each authority shall fix, and may revise from time to time, reasonable rates,  
43 fees and other charges for the use of and for the services furnished or to be furnished by  
44 any water system or sewer system or parts thereof owned or operated by such authority.

1 Such rates, fees and charges shall not be subject to supervision or regulation by any  
2 bureau, board, commission or other agency of the State or of any political subdivision.  
3 Such rates, fees and charges shall be fixed and revised so that the revenues of the  
4 authority, together with any other available funds, will be sufficient at all times

5 (1) To pay the cost of maintaining, repairing and operating the systems or  
6 parts thereof owned or operated by the authority, including reserves for  
7 such purposes, and including provision for the payment of principal of  
8 and interest on indebtedness of a political subdivision or of political  
9 subdivisions which payment shall have been assumed by the authority,  
10 and

11 (2) To pay the principal of and the interest on all bonds issued by the  
12 authority under the provisions of this Article as the same shall become  
13 due and payable and to provide reserves therefor.

14 Notwithstanding any of the foregoing provisions of this section, the authority may enter  
15 into contracts relating to the collection, treatment or disposal of sewage or the purchase  
16 or sale of water which shall not be subject to revision except in accordance with their  
17 terms.

18 (b) In order to insure the payment of such rates, fees and charges as the same  
19 shall become due and payable, the authority may, in addition to any other remedies  
20 which it may have

21 (1) Require reasonable advance deposits to be made with it to be subject  
22 to application to the payment of delinquent rates, fees and charges, and

23 (2) At the expiration of 30 days after any such rates, fees and charges  
24 become delinquent, discontinue supplying water or the services and  
25 facilities of any water system or sewer system of the authority.

26 (c) The incidence of stormwater runoff from improved real property is  
27 considered use by the owner of the property of a stormwater and drainage system. An  
28 authority may establish schedules of rates, fees, charges, and penalties for a stormwater  
29 and drainage system that vary according to whether the property served is residential,  
30 commercial, or industrial property, the property's use, the size of the property, the area  
31 of impervious surfaces on the property, the quantity and quality of runoff from the  
32 property, the characteristics of the watershed into which stormwater from the property  
33 drains, and other factors that affect the stormwater and drainage system. Before an  
34 authority establishes or revises a schedule of rates, fees, charges, or penalties for  
35 stormwater and drainage service, it must hold a public hearing on the issue.

36 Rates, fees, and charges payable for service provided to residential property may not  
37 exceed one dollar (\$1.00) a month. An amount imposed under this subsection is not a  
38 lien on the property served."

39 Sec. 6. The State Infrastructure Needs and Local Government Financing  
40 Study Commission shall undertake a review and analysis of the need for the  
41 establishment of multiple stormwater and drainage public enterprises in each county.  
42 Its findings and recommendations on this issue shall be included in its final report to the  
43 General Assembly on or before January 15, 1991.

- 1                   Sec. 7. Sections 1 through 5 of this act shall become effective June 30, 1991.
- 2   The remaining sections of this act are effective upon ratification.