



DATE: July 21, 2026
TO: Chair Nootz and City Commissioners
FROM: Grant Gager, City Manager
RE: Staff Report for Ordinance 3069

Recommendation and Summary

Staff recommends the Commission conduct the first reading of Ordinance No. 3069 re-establishing Chapter 19 of the Livingston Municipal Code to provide authority to collect storm sewer system charges. The Commission may do so using the following motion:

"I move to approve the first reading of Ordinance No. 3069 re-establishing Chapter 19 of the Livingston Municipal Code and authorize the Chair to sign."

The reasons for the recommendation are as follows:

- The City has been working on the development of a storm water funding program since 2023.
- Montana Code Annotated provides authority to establish rates and collect charges to operate and maintain a storm sewer system.

Introduction and History

The Livingston City Commission has indicated a desire to evaluate the creation of a mechanism to fund the management of stormwater in Livingston in preparation for regulatory requirements requiring treatment of stormwater. In April 2023, the City Engineer presented the findings of the Preliminary Engineering Report to the City Commission. In December 2024, AE2S and Headwaters presented the Stormwater Utility Feasibility Study to the City Commission which contained several recommendations to proceed.

Since the December 2024 presentation, City staff has worked to advance the recommendations in the feasibility study, as directed by the Commission.

Analysis

Montana Code Annotated (MCA) 7-13-4304 allows the governing body of a municipality operating a municipal storm sewer system to fix and collect rates and charges for the services, facilities, and



benefits directly or indirectly afforded by the system. MCA 7-13-4304 further allows the City to create a surcharge on any equitable basis of measuring the use and benefits of the facilities and services. The proposed ordinance establishes the municipal code authorization to fix and collect such storm sewer system charges.

Fiscal Impact

This ordinance establishes the authority to fix and collect rates and charges. The rates will be set by separate resolution. Therefore, there is no fiscal impact to this approval.

Strategic Alignment

Growth Policy Strategy 9.1.2.2. encourages the City to “explore the creation of a stormwater utility” while Strategy 9.1.2.1. encourages the City to “reduce the risk of flooding and pollution threats through proactive and innovate stormwater management programs.”

Attachments

- Attachment A: Ordinance 3069
- Attachment B: [Preliminary Engineering Report](#)
- Attachment C: [Stormwater Utility Feasibility Study](#)