Stormwater Utility Fee & Cost Share Program Restructuring Overview
Public Utilities Serve the Community

• Purpose of a Stormwater Utility Fee
  – Capital Improvements Program (CIP) projects
  – Operations and Maintenance of the stormwater conveyance system
  – Federal/State Permit Requirements
History of the Stormwater Utility

- Late 1970’s
  - Flat rate regardless of property size
- Currently
  - Tier based system based on property size only
  - All properties 40 acre + pay the same rate ($261/month or $3133/year)
  - Tiers added and other small changes made in recent years
- December 2015
  - Proposed FY17 Fee Structure published
- Dec 2015 to date
  - Public Input and resulting changes made
- March 1, 2016
  - Infrastructure Committee Recommendation
- May and June
  - City Council Approval
- July 1st, 2016
  - Implementation of new fee structure
Purpose for change

• Equitability
  – Charged based on impervious area.

• Incentivizes Infiltration and Flood Mitigation
  – Reduced run-off
  – Increase in funding for flood mitigation CIP projects

• Simplifies administration
# Previous vs. New Fee Structure

<table>
<thead>
<tr>
<th></th>
<th>Previous</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measurement</td>
<td>Gross Parcel Area</td>
<td>Impervious Area determined by aerial survey</td>
</tr>
</tbody>
</table>
| Other Administrative Factors | • Property type  
                          | • Tenants                           | Incentive Program. |
|                       | • Contiguous parcels            |                                      |
|                       | • Vacant parcels                 |                                      |
| Cap                   | 40 acres                        | None                                 |
| Maximum Bill          | $3133/year                      | None                                 |
| Incentives            | Minimal                         | Full suite – 5 available credits     |
| Typical Residential Bill | $60/year                  | $62/year                             |
New Fee Structure

- ERU system
- 1 ERU = 0.1 acres of impervious surface
- New fee will garner $5.0m for FY17
  - Currently approx. $4m annually
  - All new revenue going to CIP projects
Outreach

• Original Proposal in late November 2015.
• 1 Public Open House
• 3 User based meetings
  • Industrial Users Group
  • Large Commercial
  • Business Community
• 2 Presentations to Infrastructure Committee
• 102 Individual Inquiries and/or Visits
• Adoption by City Council – Late May 2016
Updates from Input Received

• Slowed down the approval process
  • To allow for additional dialogue

• Multi-year transition
  • Capping large property bills
    Currently – Max bill $3133/year
    FY17 – 100 ERU Cap – Max bill $6,212.30/year – 66 lots capped
    FY18 – 200 ERU Cap – 23 lots capped
    FY19 – 300 ERU Cap - 13 lots capped
    FY20 – 400 ERU Cap - 8 lots capped
    FY21 – 500 ERU Cap - 4 lots capped
    FY22 – All lots charged their full ERU rate

• Expanded suite of incentives
  • To allow property owners more flexibility in options to reduce the fee

• Expanded BMP cost share program
  • To facilitate capital projects for BMP installations
Annual Storm Sewer Bill Comparison
(100 acres of impervious area)
<table>
<thead>
<tr>
<th>Example Property</th>
<th>Gross Area</th>
<th>FY16 Fee</th>
<th>ERUs (1 ERU = 0.1 acre impervious)</th>
<th>Rate</th>
<th>FY17 Fee</th>
<th>Actuarial Rate (FY22)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Lot</td>
<td>0.2 acres</td>
<td>$60</td>
<td>1</td>
<td>$0.1702/ERU/day</td>
<td>$62</td>
<td>$62</td>
<td>The majority of customers</td>
</tr>
<tr>
<td>Non-Residential Wooded Lot</td>
<td>5 acres</td>
<td>$1,446</td>
<td>2</td>
<td>$0.1702/ERU/day</td>
<td>$124</td>
<td>$124</td>
<td>Accounting for low impervious area</td>
</tr>
<tr>
<td>Small Commercial Lot</td>
<td>10 acres</td>
<td>$2,651</td>
<td>50</td>
<td>$0.1702/ERU/day</td>
<td>$3,106</td>
<td>$3,106</td>
<td></td>
</tr>
<tr>
<td>Large Commercial Lot</td>
<td>50 acres</td>
<td>$3,133</td>
<td>250</td>
<td>$0.1702/ERU/day</td>
<td>$6,212</td>
<td>$15,530</td>
<td>Capped at 100 ERU’s for FY17</td>
</tr>
<tr>
<td>Large Industrial Lot</td>
<td>100 acres</td>
<td>$3,133</td>
<td>500</td>
<td>$0.1702/ERU/day</td>
<td>$6,212</td>
<td>$31,061</td>
<td>Capped at 100 ERU’s for FY17</td>
</tr>
</tbody>
</table>
Example: Manufactured Home Park

- Fictitious, but representative example:
- Park: 75 acres; 350 ERU; 450 units
- By comparison, FY17 single family home, 1 ERU; $62.12/yr; $5.20/month

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Chargeable ERU’s</th>
<th>Total Property Fee</th>
<th>Annual Fee/unit</th>
<th>Monthly Fee/unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>Based on gross area; capped at 40 acres</td>
<td>$3,133.20</td>
<td>$6.96</td>
<td>$0.58</td>
</tr>
<tr>
<td>2017</td>
<td>100 ERU</td>
<td>$6,212.30</td>
<td>$13.81</td>
<td>$1.15</td>
</tr>
<tr>
<td>2018*</td>
<td>200 ERU</td>
<td>$12,424.60</td>
<td>$27.61</td>
<td>$2.30</td>
</tr>
<tr>
<td>2019*</td>
<td>300 ERU</td>
<td>$18,636.90</td>
<td>$41.42</td>
<td>$3.45</td>
</tr>
<tr>
<td>2020*</td>
<td>350 ERU</td>
<td>$21,743.05</td>
<td>$48.32</td>
<td>$4.02</td>
</tr>
</tbody>
</table>

*Doesn’t account for annual rise for inflation (typically ~3%)
Available Incentives

• Available Credits
  • Water Quality and Quantity – 40% max
  • Education Credit – 25% max (50% max for tax-exempt)
  • Discharge to a Major Waterway – 10% max
  • Pervious, Non-compacted Gravel – 25% max
  • Zero Discharge for 100-year/24hr storm – 75%

• Additive, up to 75%

• Application Process
Incentive Examples

• Infiltration Practice
  – Bioswales
  – Permeable Pavement

• Education
  – Educational Site Visits
  – Community Engagement

• Zero Discharge
Incentive Examples

• Discharge to a Major Waterway
• Pervious, Non-compacted gravel
## BMP Cost Share Program

### Changes

<table>
<thead>
<tr>
<th></th>
<th>Previously</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Funding Cap</strong></td>
<td>$2000 per project cap</td>
<td>No cap per project</td>
</tr>
<tr>
<td><strong>Match</strong></td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Focus</strong></td>
<td>Focused on residential properties</td>
<td>For all property uses</td>
</tr>
<tr>
<td><strong>Annual $ Allocation</strong></td>
<td>$25,000</td>
<td>Up to $250,000</td>
</tr>
<tr>
<td><strong>Funding Source</strong></td>
<td>Stormwater Utility</td>
<td>Stormwater Utility</td>
</tr>
<tr>
<td><strong>Documentation</strong></td>
<td>Instituted by resolution in March 2015</td>
<td>Added by Ordinance to Ch72 with Stormwater Utility Fee Structure</td>
</tr>
<tr>
<td><strong>Project Prioritization</strong></td>
<td>None</td>
<td>Based on Stormwater Masterplan priority areas</td>
</tr>
</tbody>
</table>
# BMP Cost Share Program

## 2 Track Program (draft)

<table>
<thead>
<tr>
<th></th>
<th>EZ Application</th>
<th>Full Application</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum reimbursement</td>
<td>$2,000</td>
<td>No max</td>
</tr>
<tr>
<td>Application Cycle</td>
<td>Open enrollment</td>
<td>Regular competitive review process</td>
</tr>
</tbody>
</table>
| Required paperwork     | - Project Design Check list Hyperlink (same as current)  
- Plan (to scale) detailing the design of the project  
- Storm Sewer Payor Registration Form Hyperlink (attached)  | - Project Design Check list Hyperlink (same as current)  
- Signed and Sealed Engineering Plan set detailing the design of the project  
- Storm Sewer Payor Registration Form Hyperlink (attached)  
- Signed Maintenance Agreement |
Questions?