12th Biennial Governor's Conference
on the Management of the Illinois River System
OCTOBER 20–22, 2009 Peoria, Illinois

Session C-2
Local Community Actions: You Can Do It Too!

Stormwater Utilities: A Source of Funding For Stormwater Management Issues

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Town of Normal

Stormwater Utility
(5-Step)Program Development

1. Feasibility Study
2. Develop program with Stakeholder Groups
   Neighborhood Associations
   Businesses, Organizations
   Churches
3. Meet with key potential ratepayers
4. Finalize program goals and financing methods
5. Develop and pass *Stormwater Utility Ordinance*

Step 1: Utility Feasibility Study

- Kickoff meeting with Town staff to discuss goals and objectives.
- Written summary of financial information (as provided by the Town).
- Staff interviews and written interview summaries.
- Written summary of existing stormwater program issues, needs and problems.
- Written summary of ERU analysis, with example illustrations of GIS mapping with impervious surface calculations.
- Funding Feasibility Study (DRAFT and FINAL)
- Presentation of Study to Town Council.

Step 2: Stakeholder Involvement

- Advisory Committee Process (SWAC Meetings)
- Determine appropriate program costs (5-year budget)
- Public feedback
- Work with Town Council to establish funding mechanism
- Implement funding mechanism
- Enact stormwater program objectives

SWAC Process

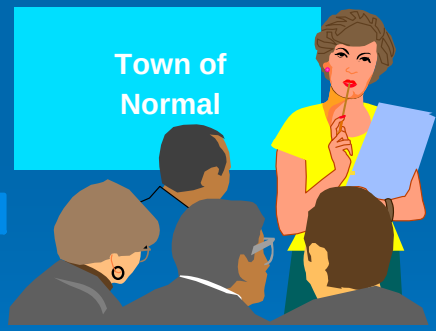
- Storm Water Advisory Committee (SWAC)
  - Recommended by funding feasibility study
  - Consisted of over 20 members
    - Neighbors Association of Normal (NAN)
    - Churches
    - Local businesses
    - Local universities and colleges
    - Schools
    - Town of Normal staff
  - Met 4 times (December 2005 – March 2006)

Advisory Committee (SWAC) Process

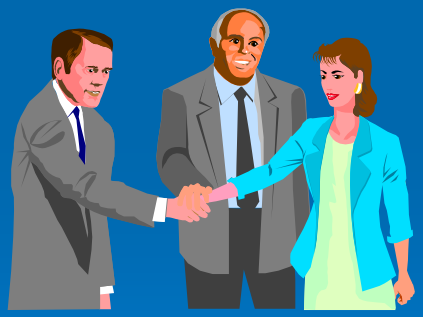
Draft Policy Paper

Discuss Policy Paper

Draft Policy Statement

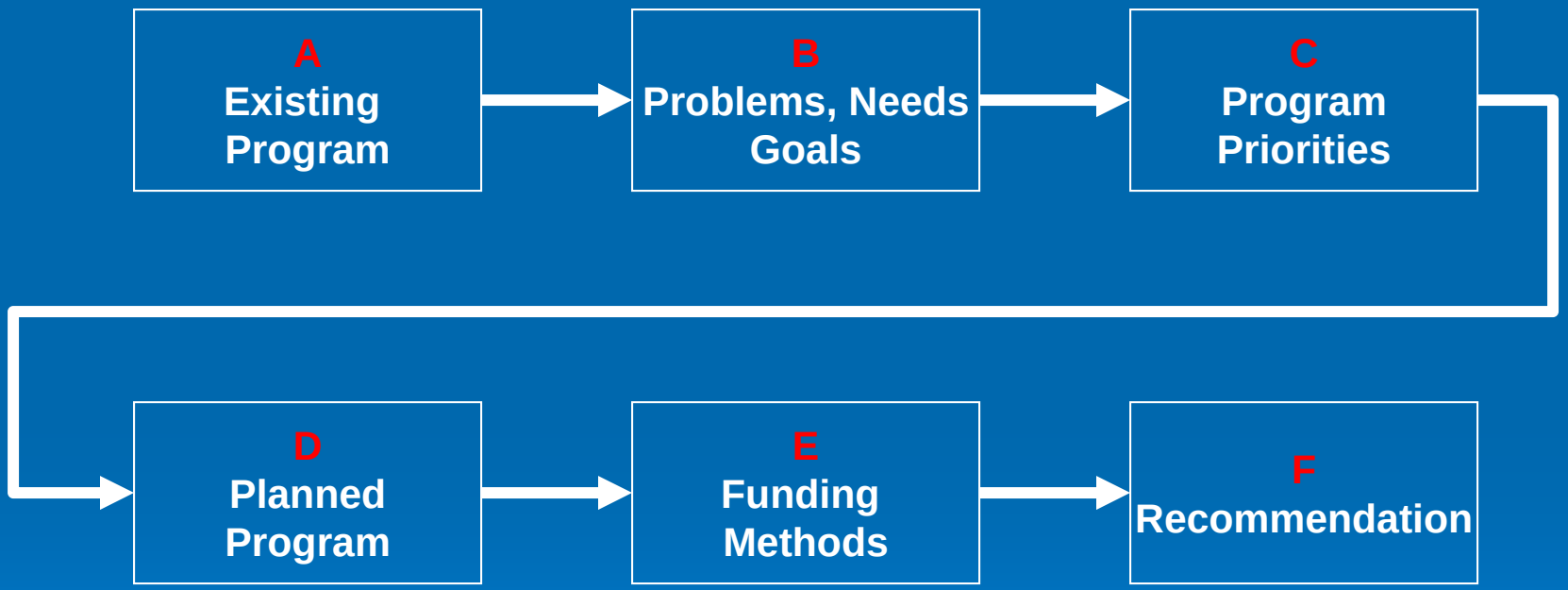


Discuss Policy Statement



Agree on Policy Statement

SWAC Process: Meeting Topics



A: Existing Program
Stormwater Management in Normal

- Site Plan Review
  - Review engineering drawings for new developments
- Planning / Design / Construction
  - Plan / Design regional stormwater management systems
  - Stormwater Master Plan development
  - Design and construction of capital improvements
- Enforcement
  - Site inspection (i.e. erosion control enforcement)
- Administration
  - Town Engineering and Public Works staff

A: Existing Program
Stormwater Management in Normal

- NPDES Phase II (Stormwater) Permit
  - New stormwater regulations (federal mandate)
  - New required activities (Best Management Practices):
    - Public education / public involvement
    - Erosion control
    - Pollution inspection and prevention
    - Post-development stormwater management
    - Changes in operations at municipal facilities
    - New enforcement requirements
  - Recordkeeping and annual reporting

B: Problems, Needs, and Goals

- Proactive approach to stormwater management
  - Protect public safety
    - Reduce flood potential
    - Careful planning for new land development
  - Meet new regulatory requirements
    - NPDES Phase II Permit
  - Keep up with system maintenance needs
    - Repair eroded drainage channels
    - Inlet and catch basin cleaning
  - Focus on environmental sustainability

B: Problems, Needs, and Goals SWAC Exercise

- Part 1: Identify stormwater issues of importance
  - Round Robin style
  - Issues written on Post-Its by meeting facilitators

- Part 2: Pick priority issues
  - Put a mark beside the five stormwater program issues that in your opinion should be the top priorities
  - Circle the mark for you r top priority

C: Program Priorities
SWAC Process

Town of Normal
Stormwater Program
Prioritization Exercise - SWAC Meeting #2

Stormwater Program Element (Rank)	Description	Votes
1	Public education - make people aware of existing problems	12
2	Identify funding options for stormwater program	10
3	Create problem area map to show locations/types of existing problems	9
4	Locate and identify (map) existing stormwater system	8
5 (t)	Incentives for public entities and private landowners to improve stormwater quality	4
5 (t)	Develop solutions and respective costs (stormwater master plan, CIP)	4
5 (t)	Clarify roles between sanitary and stormwater authorities - BNWRD vs. Town of Normal	4
5 (t)	Promote "Green" concept for buildings (e.g. LEED)	4
9 (t)	Address system components that have had "deferred maintenance" - bring up to current standards	3
9 (t)	Meet NPDES regulatory requirements and Notice of Intent (NOI) commitments	3
9 (t)	Ensure stormwater funding method is equitable	3

SWAC Process
Policy Issue Paper #1 – Mission Statement

- The mission of the community's stormwater management program is to enhance public health, safety, and the environment in order to protect lives and property and provide for a better quality of life. *(from Policy Issue Paper #1)*

SWAC Process
Policy Issue Paper #2 – Service Charge

- The Town of Normal must have a dedicated source of revenue from which to fund its stormwater management program in order to meet its stormwater management program mission. It has been determined that the primary source of program revenue should be a service charge. *(from Policy Issue Paper #2)*

SWAC Process
Policy Issue Paper #3 – Credit Program

- A system of credits will be implemented to provide non-residential customers the means by which to lower their stormwater utility bill in recognition of the customer reducing the burden on the Town's stormwater management program that the property would otherwise create. *(from Policy Issue Paper #3)*

SWAC Process
Policy Issue Paper #4 – Flat Residential Rate

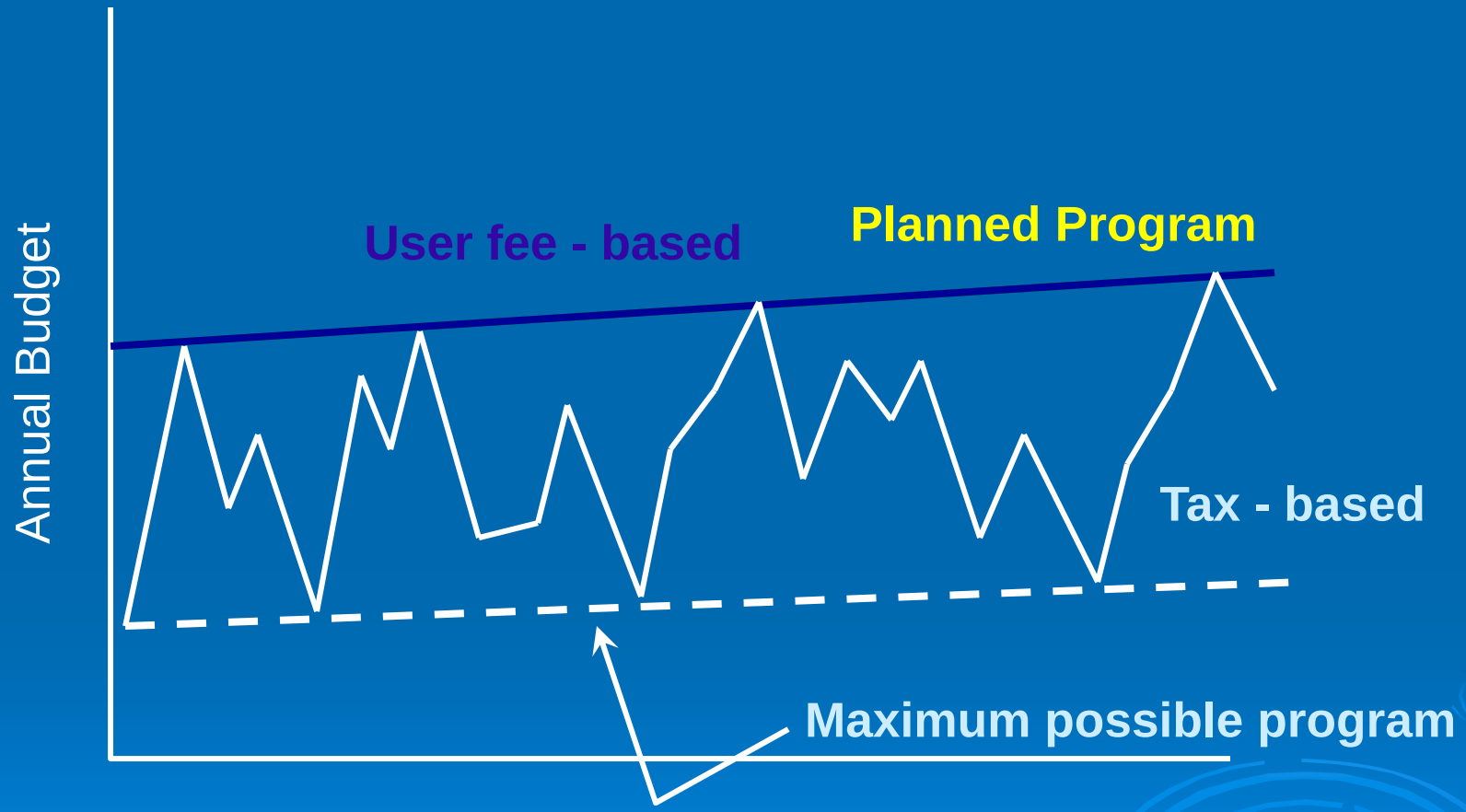
- There will be a single flat rate (as opposed to a tiered rate) charged to owners of single-family residential properties. *(from Policy Issue Paper #4)*

E: Funding Methods

Why user fees?

- Expansion of local government roles
- Changing stormwater programs
- Other prevailing priorities competing for general fund dollars - police, schools, etc
- Shift away from general taxes to fees and demand-based funding - solid waste, waste water
- Failure of other funding methods

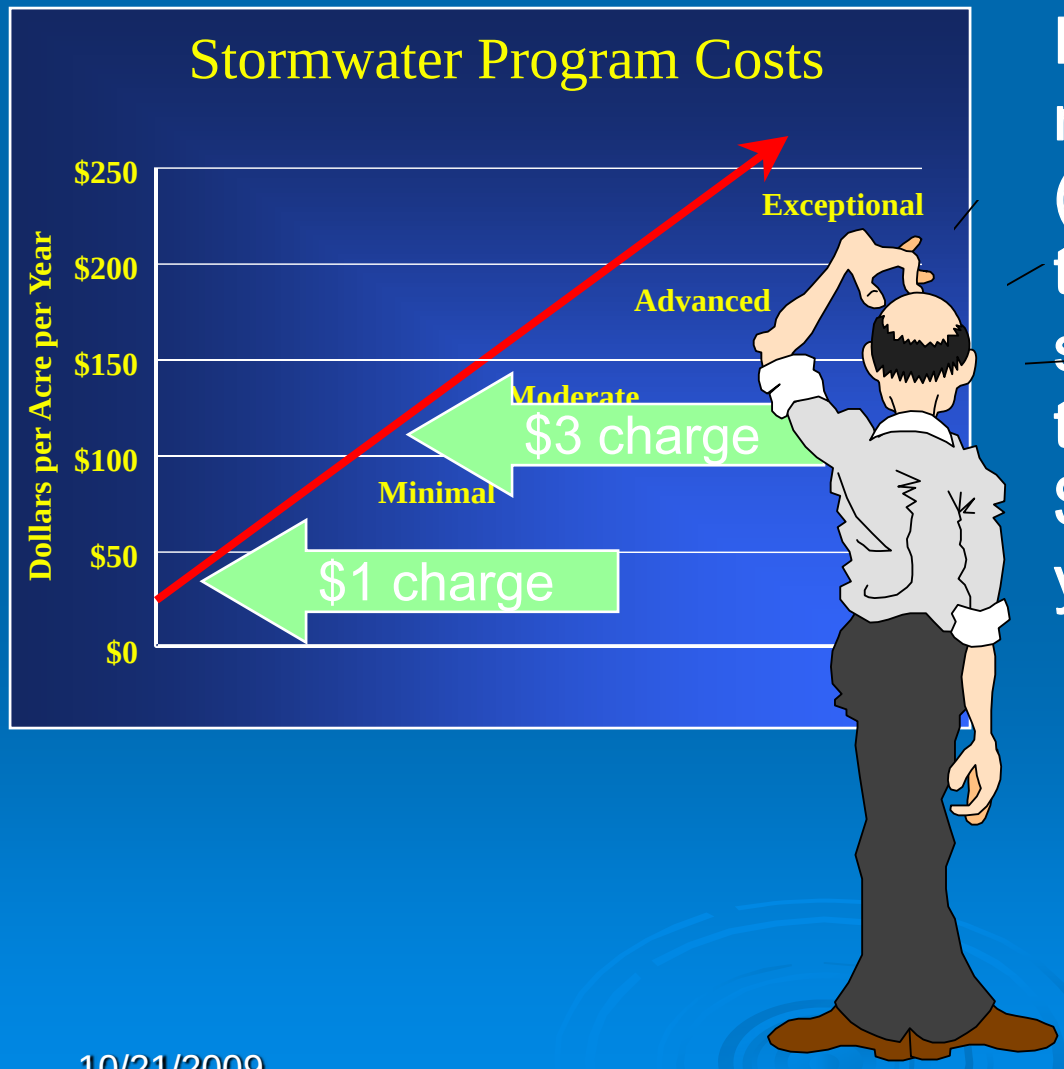
User fee vs. tax funding



Storm Water Utility

- **S**table – reliable level of funding allows planning
  – not subject to multiple demands
- **A**dequate – program-driven funding levels
  – planned increases in service levels
- **F**lexible – single method or mix of funding methods
  – can include special districts
- **E**quitable – property owners pay based on demand they place on the program / system

How a fee is calculated



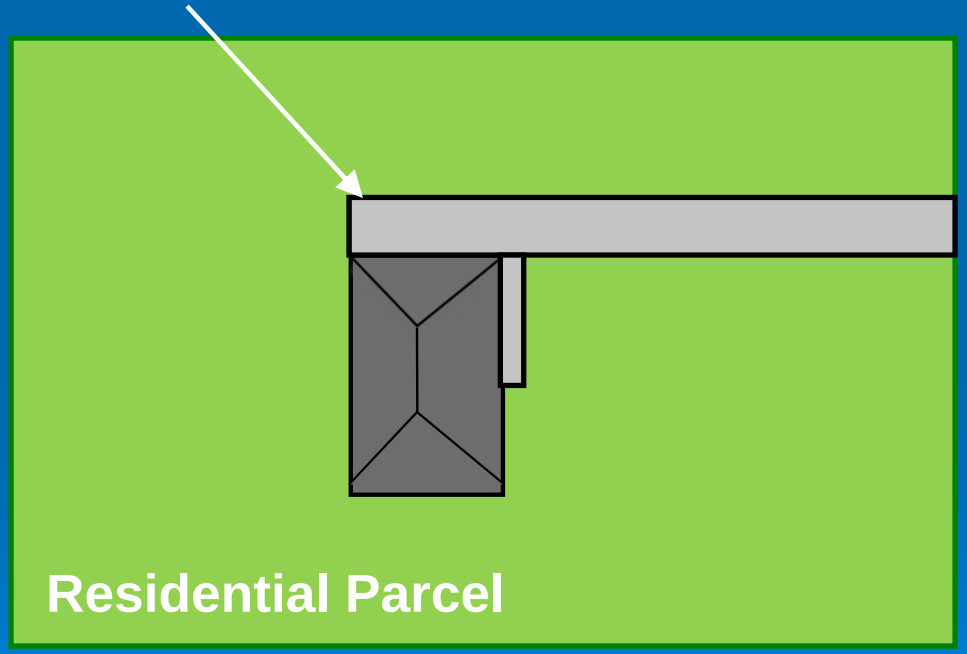
For every $1 dollar per month per house (and appropriate charges to non-residences), a stormwater utility can typically generate about $25 to $50 per acre per year.

How a fee is calculated

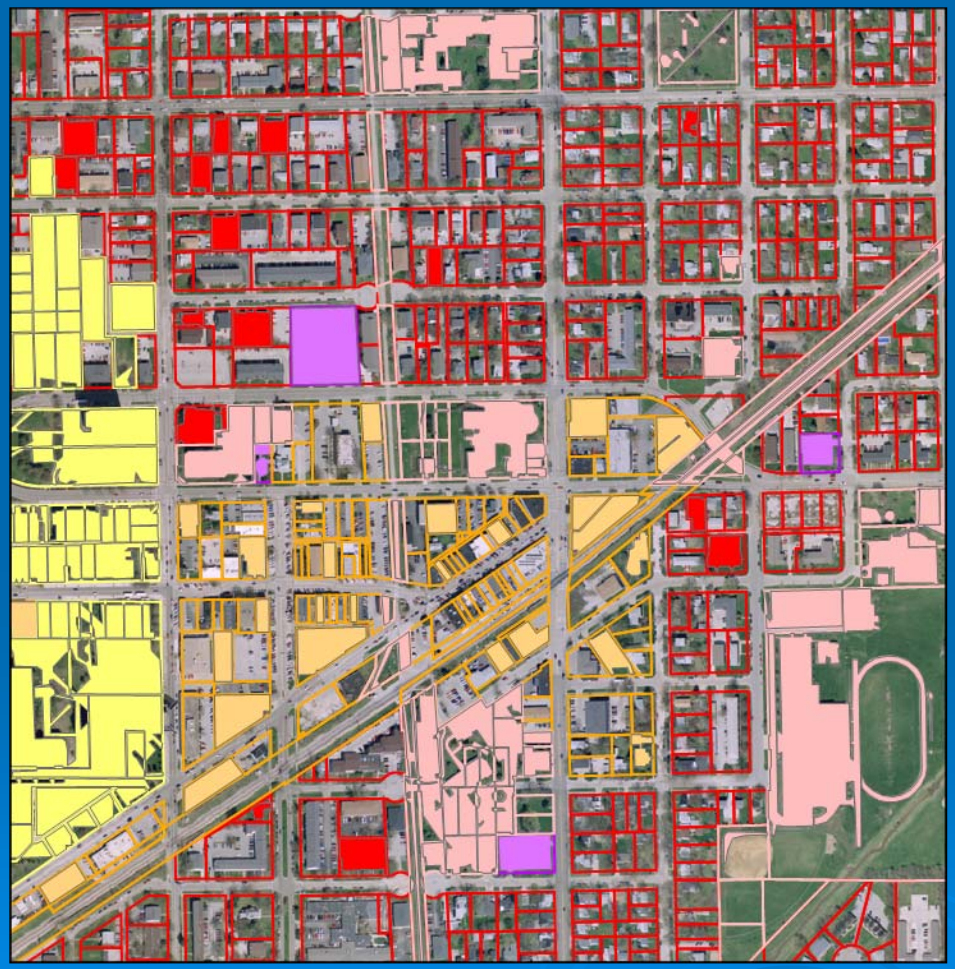
Components:
Driveway
Rooftop
Patio/Sidewalk

Impervious Area

ERU = Equivalent Residential Unit

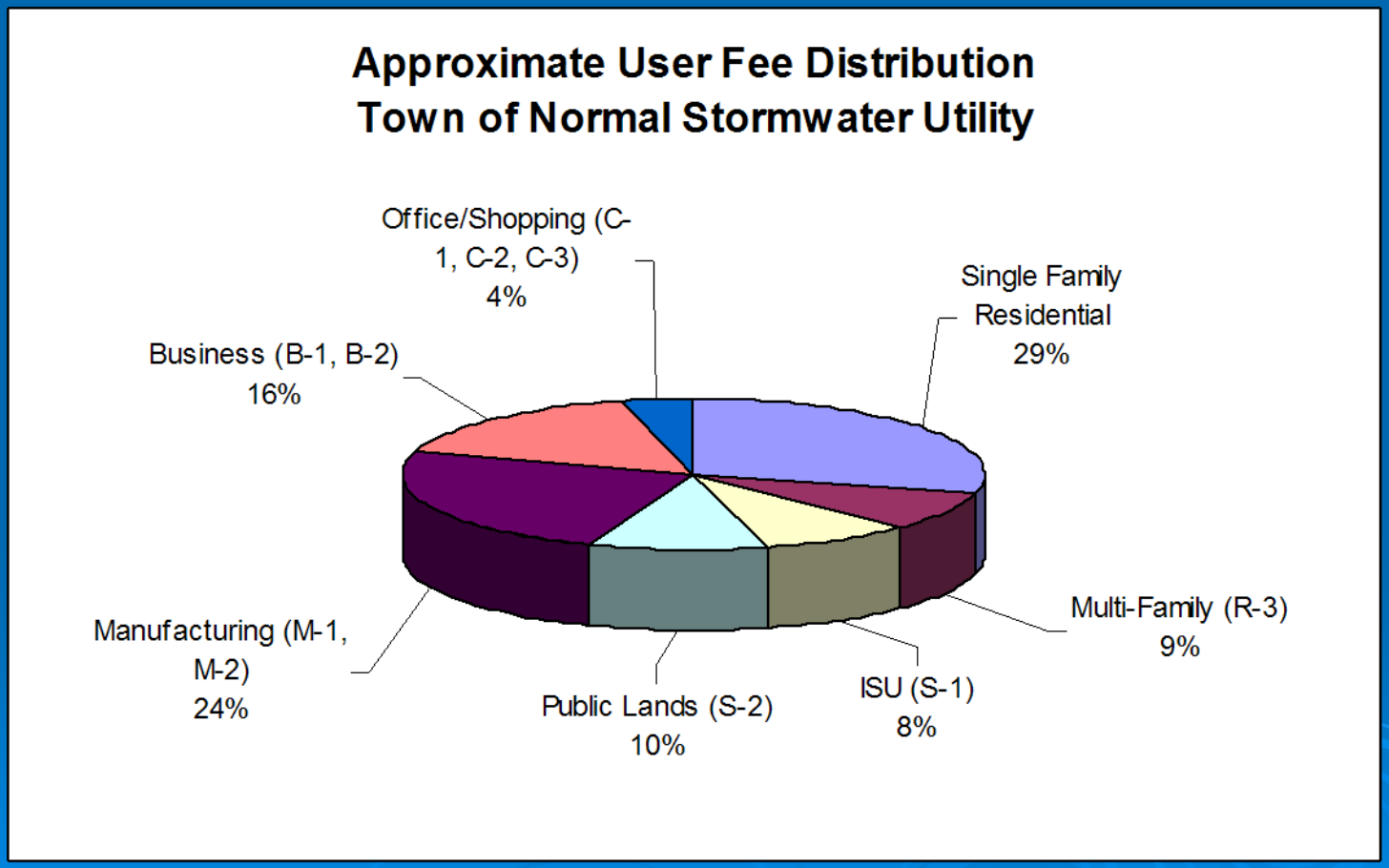


- Imperviousness is the only physical parameter per parcel
- Direct correlation to runoff and thus to demand
- Easily measured and verified
- Can set minimum threshold for billing (ERU)



- Aerial photography used to map impervious areas
- Accurate account of impervious areas for individual properties
- Sampling performed in residential areas for ERU determination
  - 1 ERU = 3,200 sq. ft.

Who Will Pay the User Fee?



Credits Allowed

- Credit programs provide rate reductions for property owners in recognition of the impact that on-site runoff control may have on the Town's stormwater management program.
- Credits are given for:
  - Peak runoff rate reduction
  - Runoff volume control
  - Water quality control

How do credits work?

- Direct reduction of service charges
- Applied after service charges are calculated
- Must be applied for;
  - Criteria set by the Town
  - Maintenance of stormwater controls required

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Storm Water Utility Ordinance:
http://www.normal.org/code/Chp7/Chp7.pdf#7.30-1

Storm Water Credit Manual:
http://www.normal.org/Files/StormwaterCreditManual.pdf

Questions