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Presentation Summary

- **Stormwater Utility Overview**
- **Feasibility Study Update Results and Recommendations**
- **Stormwater Utility Implementation Tasks Remaining and Anticipated Schedule**

Stormwater Utility Overview

- Purpose:

- Provide a Dedicated Revenue Source for Stormwater Related Projects
- Improve Equitability of Stormwater Funding
- Address New Regulatory Requirements While Minimizing Property Tax Impacts
- Protect and Enhance City Rivers, Lakes and Waterways

- Scope:

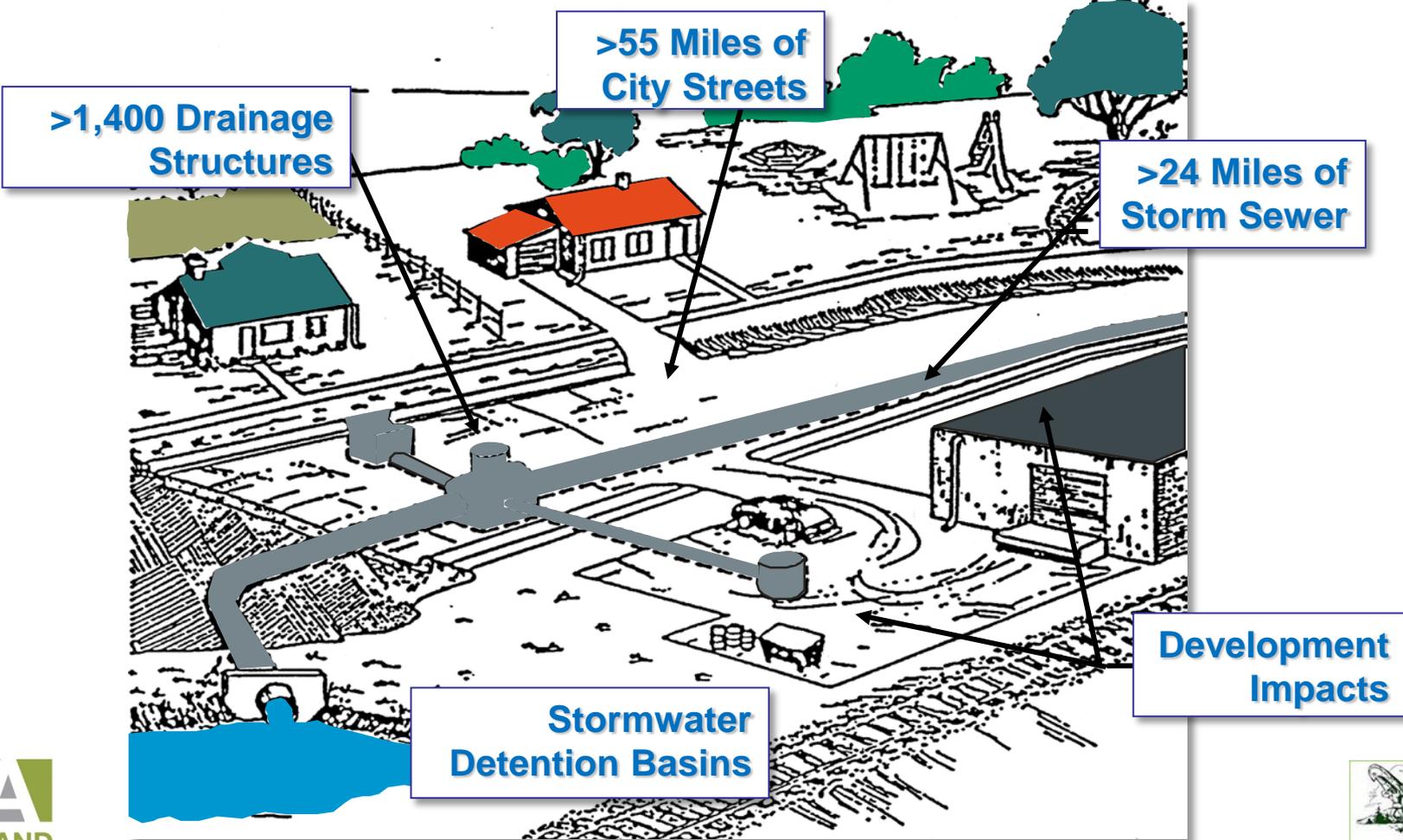
- Task Force
- Feasibility Study
 - Identify Stormwater Needs/Budget
 - Impervious Area Delineation
 - Potential Stormwater Utility Rates
 - Compare Impacts on Specific Parcels
 - Feasibility Study Update

**Tasks
Completed in
2009**

- Stormwater Utility Implementation
 - Open House for the public
 - Rate Study
 - Billing System Review
 - Master Account File
 - Stormwater Utility Ordinance & Credit Policy

**Tasks Yet to
Complete**

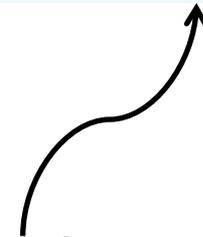
City Drainage System Represents Increasing Share of Tax Burden



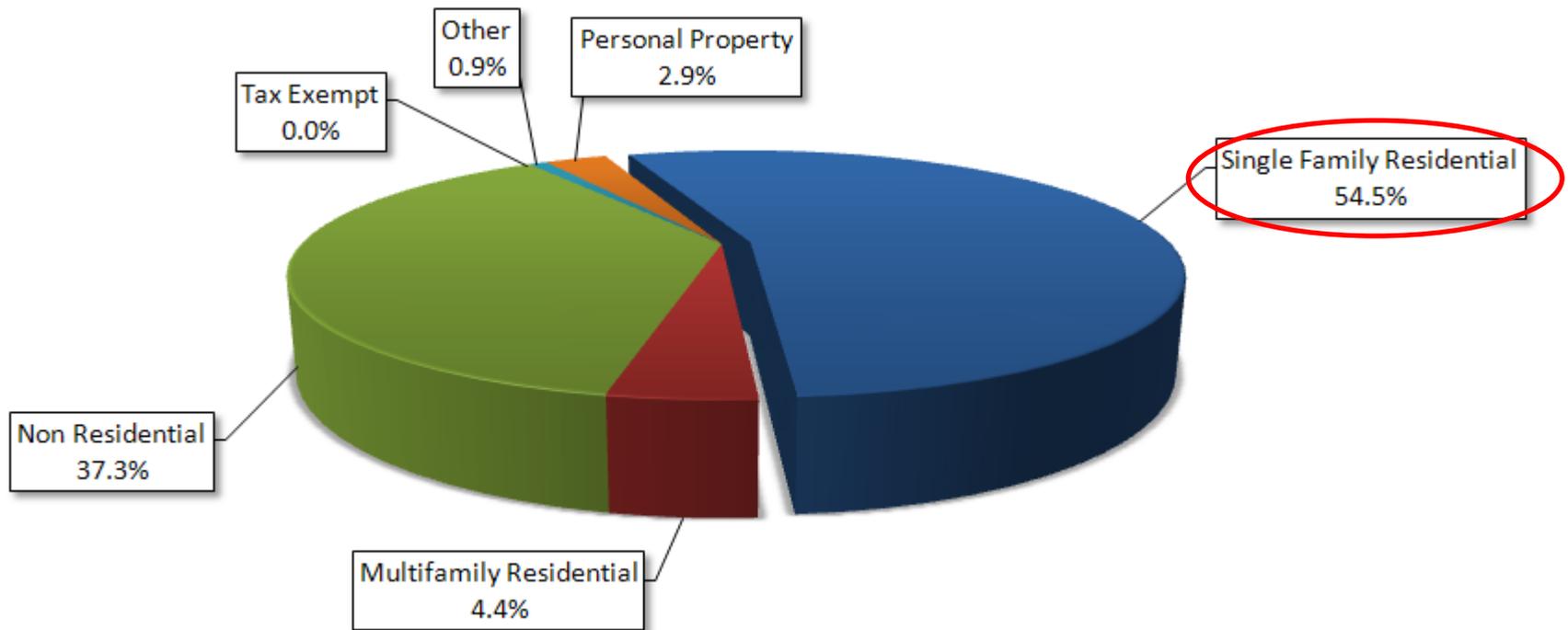
City Stormwater Permit Requirements

- Public Education and Outreach
- Public Involvement/Participation
- Illicit Discharge Detection Program
- Construction Site Erosion Control
- Post-Construction Stormwater Management
- Pollution Prevention Program
 - ▣ Good-Housekeeping Practices for City Operations
- Stormwater Quality Management
 - ▣ 20% Reduction of TSS
- Storm Sewer System Map
- Annual Report

Street Sweeping
Leaf Collection
Catch Basin Cleaning
Maintenance

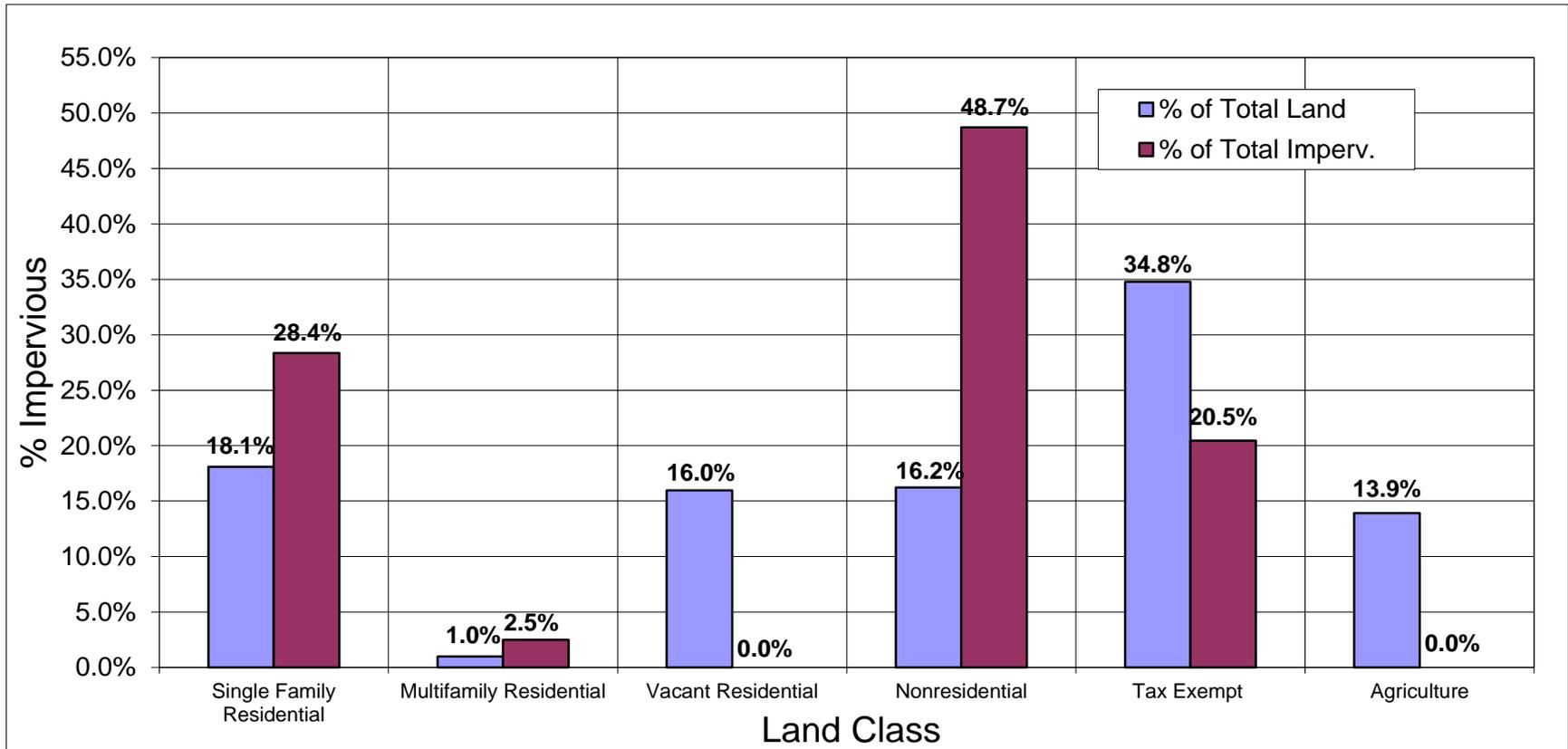


Tax-Based System Places Larger Burden On Residential Sector



Proportional Share of Stormwater System Funding

Impervious Percentages Show Disproportion In Payment for Services



Stormwater Fees Would Be Based On “Equivalent Runoff Units” (ERU’s)

ERU

Represents the average fee for services necessary to manage stormwater for the average single family residential customer

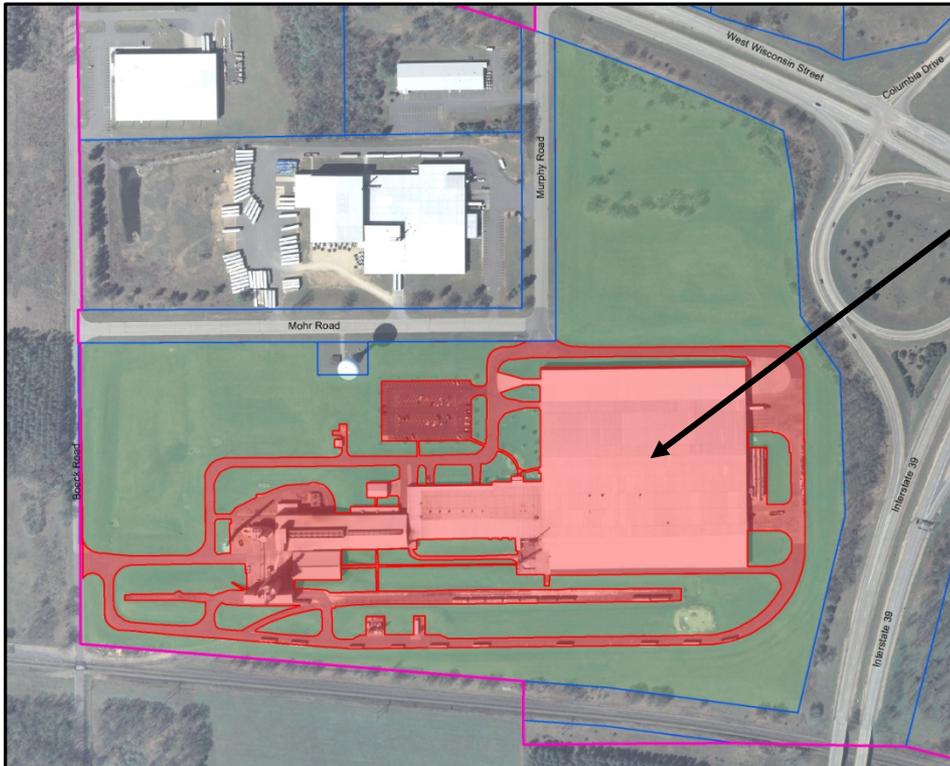


Impervious Area = 1 ERU = 3,274 sq. ft.

Average of 368 Randomly Selected Parcels Measured

“Average” Single Family Residential Parcel

Nonresidential Fees Would Be Based on Measured Impervious Areas



Impervious Area =
981,218 sq. ft.

1 ERU = 3,274 sq. ft.

ERU's = $\frac{981,218 \text{ sq. ft.}}{3,274 \text{ sq. ft.}}$
= 299.7 ERU's

Cardinal Glass Property

Rate Per ERU Based On Revenue Needs Divided By Total ERU's

2014 Est. Stormwater Budget = \$205,500

**Total ERU's = 8,683
(Assumes 10% Credit Reduction)**

**Rate / ERU = \$205,500 / 8,683
= \$23.67 / ERU / Year
= \$1.97 / ERU / Mo.**

**Cardinal Glass Would Pay
\$23.67 x 299.7 ERU's = \$7,093/Yr**

**Average Cost per ERU/Year for
76 Wis. Utilities = \$53.65**

Alternative Rate Structures Considered:

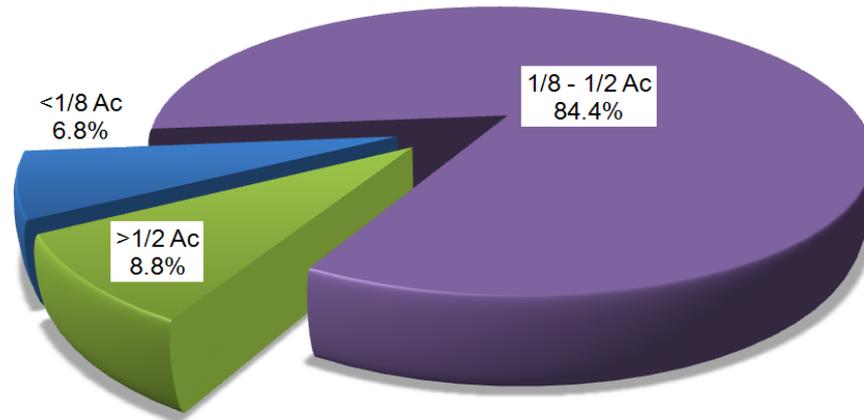
- **Flat Rate Single Family Residential**
Each Parcel = 1.0 ERU
- **Tiered Rate Single Family Residential (Recommended)**
 - Tier 1 = 0.7 ERU (< 1/8 acre)
 - Tier 2 = 1.0 ERU (1/8 acre – 1/2 acre)
 - Tier 3 = 1.3 ERU (> 1/2 acre)

Multifamily, Commercial, Manufacturing, Municipal

$$\frac{\text{Total Impervious Area (sq. ft.)}}{3,274 \text{ sq. ft.}} = \text{ERU's}$$

Alternative Rate Structures Considered:

Portage Residential Summary



- **Task Force Members Recommended a Tiered Rate Structure**
- **Data Does Not Appear to Support the Need for a Tiered Rate Structure**
- **Tiered Rate Structure Can Be More Difficult to Administrate and is Not Necessarily Equitable**

Potential Stormwater Utility Annual Revenue

Monthly ERU Charge	ERUs	Potential Revenue Generated
\$ 1.00	8,683	\$ 104,196
\$ 2.00	8,683	\$ 208,392
\$ 3.00	8,683	\$ 312,588
\$ 4.00	8,683	\$ 416,784
\$ 5.00	8,683	\$ 520,980
\$ 6.00	8,683	\$ 625,176

Table 2 Potential Revenue per Monthly ERU Charge

Stormwater Program Budget Scenario 1

Activity	2014	2015	2016	Average (2014- 2016)	2017	2018	2019	Average (2017- 2019)
Operation and Maintenance								
Street Sweeping	\$60,988	\$62,208	\$63,452	\$62,216	\$64,721	\$66,015	\$67,336	\$66,024
Leaf/Brush/ Grass Collection	\$18,677	\$19,051	\$19,432	\$19,053	\$19,820	\$20,217	\$20,621	\$20,219
Storm Sewer Maintenance	\$20,290	\$20,696	\$21,110	\$20,699	\$21,532	\$21,963	\$22,402	\$21,965
Capital Improvements and Planning								
Debt Service Payments (15-yr @ 3.25%)	\$69,000	\$69,000	\$69,000	\$69,000	\$89,780	\$89,780	\$89,780	\$89,780
Administrative	\$17,895	\$18,253	\$18,618	\$18,255	\$18,990	\$19,370	\$19,758	\$19,373
Initial Fund Balance	\$18,650							
Total Annual Budget	\$205,500	\$189,207	\$191,611	\$195,439	\$214,763	\$217,265	\$219,816	\$217,361
	Cost/ERU (2014-2016)			\$22.51	Cost/ERU (2017-2019)			\$24.79

Note: Costs are in given annual dollars.

Table 3 Budget Scenario 1–Projected Annual Stormwater Utility Fees

Stormwater Program Budget Scenario 2

Activity	2014	2015	2016	Average (2014- 2016)	2017	2018	2019	Average (2017- 2019)
Operation and Maintenance								
Street Sweeping	\$60,988	\$62,208	\$63,452	\$62,216	\$64,721	\$66,015	\$67,336	\$66,024
Leaf/Brush/ Grass Collection	\$18,677	\$19,051	\$19,432	\$19,053	\$19,820	\$20,217	\$20,621	\$20,219
Storm Sewer Maintenance	\$20,290	\$20,696	\$21,110	\$20,699	\$21,532	\$21,963	\$22,402	\$21,965
Capital Improvements and Planning								
	\$69,000	\$69,000	\$69,000	\$69,000	\$138,000	\$138,000	\$138,000	\$138,000
Administrative	\$17,895	\$18,253	\$18,618	\$18,255	\$18,990	\$19,370	\$19,758	\$19,373
Initial Fund Balance	\$18,650	\$0	\$0	\$6,217	\$0	\$0	\$0	\$0
Total Annual Budget	\$205,500	\$189,207	\$191,611	\$195,439	\$263,063	\$265,565	\$268,116	\$265,581
	Cost/ERU (2014-2016)			\$22.51	Cost/ERU (2017-2019)			\$30.29

Note: Costs are in given annual dollars.

Table 4 Budget Scenario 2—Projected Annual Stormwater Utility Fees

2014 to 2019 (2% Inflation/Yr)

Fee Would Redistribute Funding To Non-residential Properties

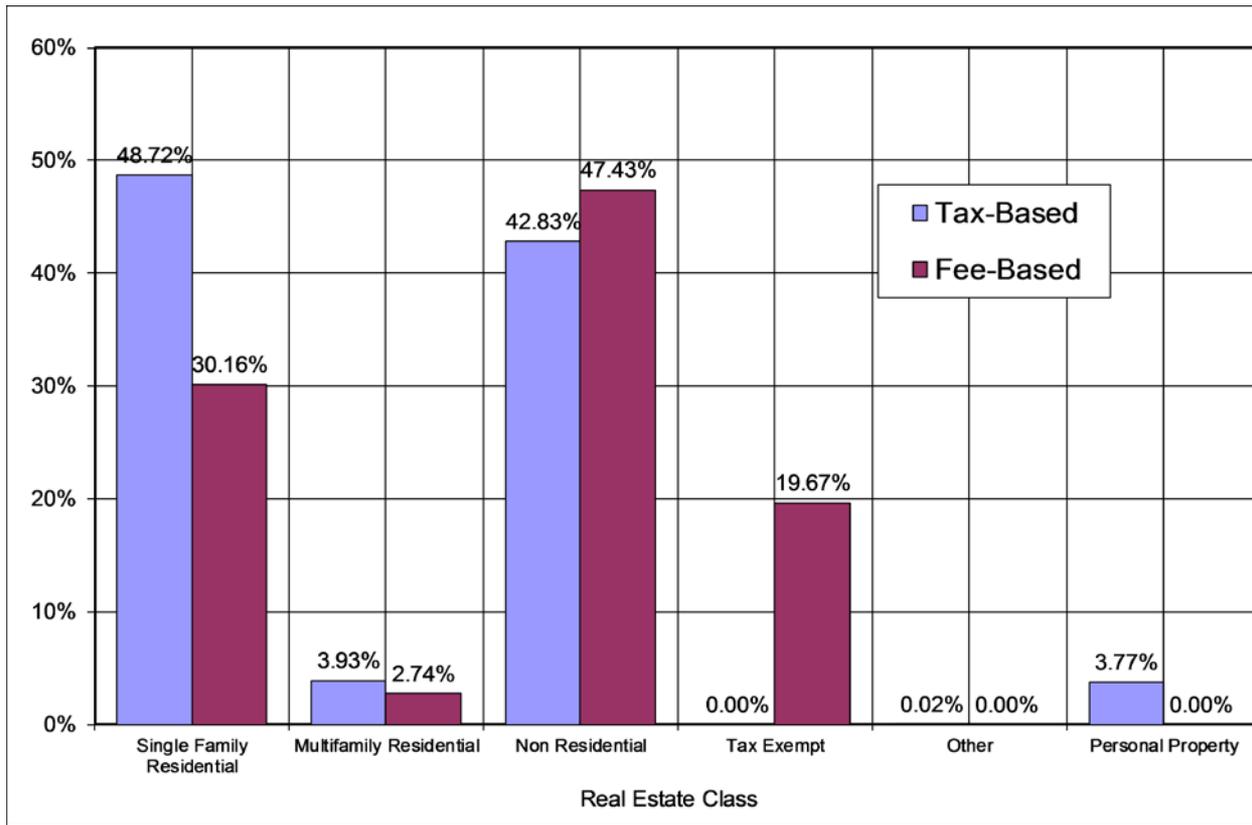
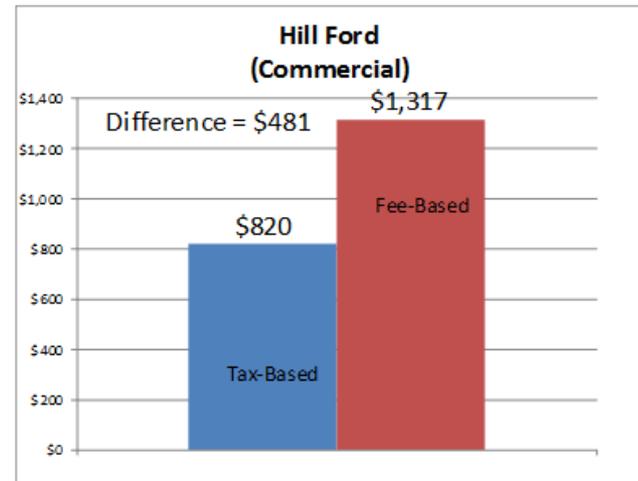
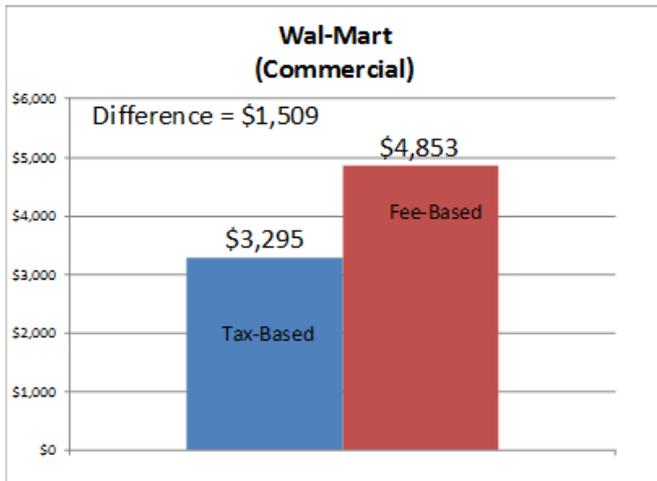
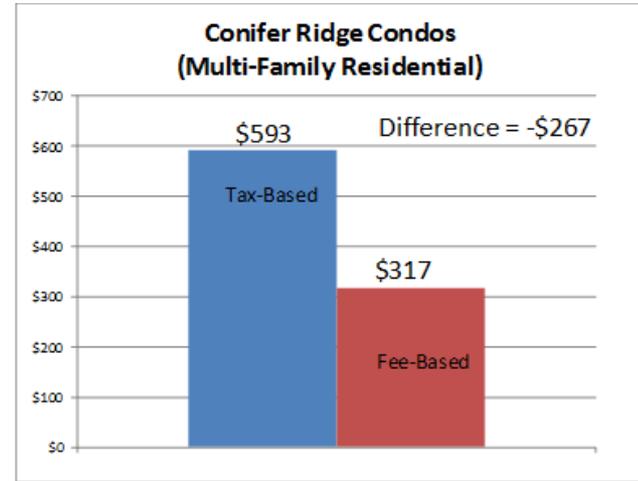
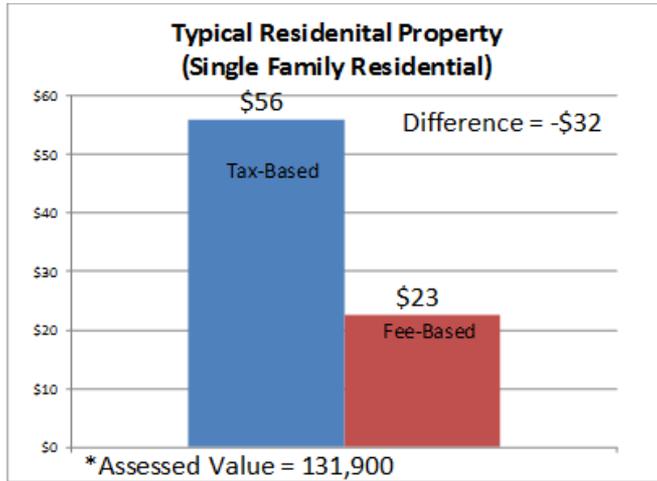
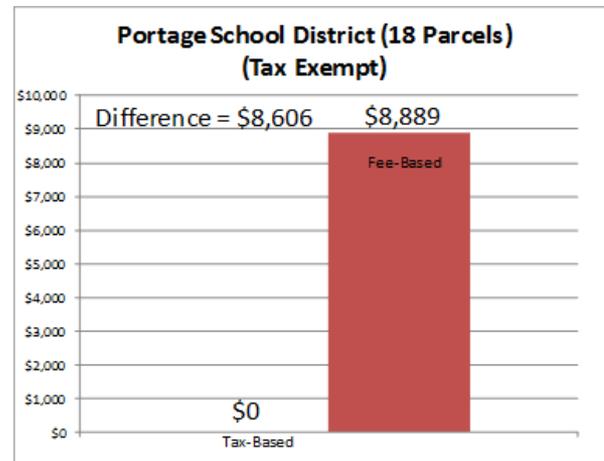
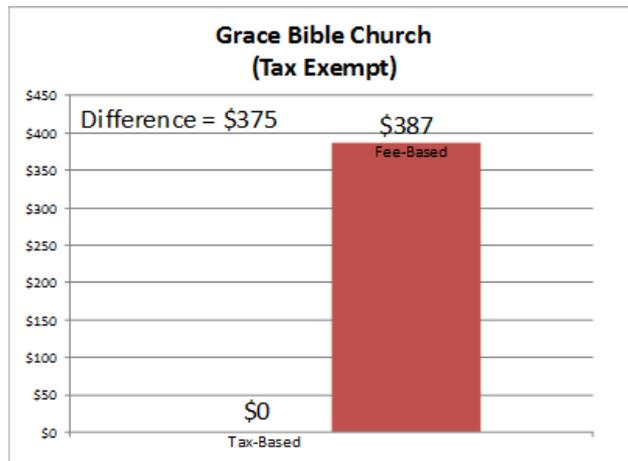
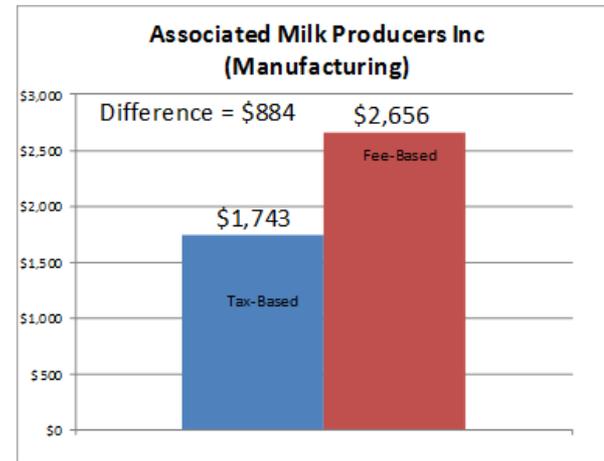
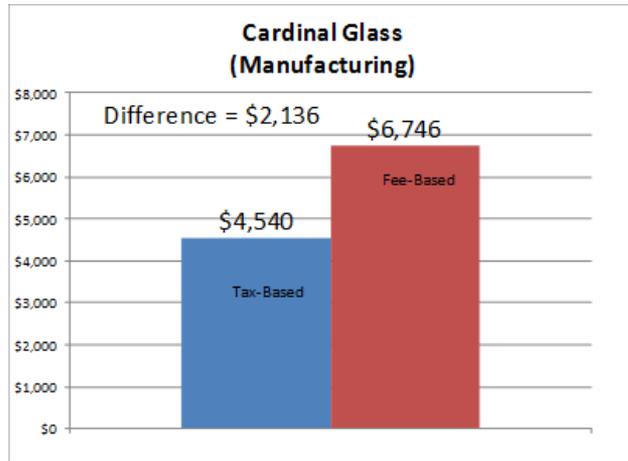


Figure 3 Reallocation of Funding Contribution by Class Under a Stormwater Utility

Estimated Impacts On Selected Properties



Estimated Impacts On Selected Properties



Task Force Recommended Credit Policy

- Education Credit Was Considered**
 - Potential for up to 100% possible maximum credit for private and public schools.**
 - This credit would be difficult to enforce and proposed budget does not support it.**

- No Credit to Properties that Do Not Discharge into City Storm Sewers**
 - DNR Permit Applies to all stormwater runoff, not just that discharged into sewers**

Task Force Recommended Credit Policy

- Include Appeal Process to ERU Determination**

- One-Time Rebate for Residential Customers that Implement Stormwater Management Devices**
 - Rain Gardens, Rain Barrels, Etc.**

- Up to 50% Reduction on O & M and Debt Service Components to Commercial/Industrial Customers with on-site Stormwater Management Devices**
 - Detention Basins, Pervious Pavement, Etc.**

Proposed Credit Policy Recommendations

- Include an appeal process**
- Education – Utility Reimburse Cost of Education Materials Used in Schools**
- Utility to Provide Information on Installing Rain Gardens, Rain Barrels**
- Up to 50% Reduction on O & M Component Only to Commercial/Industrial Customers with on-site Stormwater Management Devices**
- No Credit to Properties that Do Not Discharge into City Storm Sewers**

Anticipated Stormwater Utility Development Schedule

- ❑ **June 13, 2013 – Present Feasibility Study Update Results and Recommendations to Council**
- ❑ **September 1, 2013 - Complete Stormwater Utility Implementation Tasks**
- ❑ **January 2014 – Commence Stormwater Utility Billing**

Questions?



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