

# Bristol Stormwater Management Steering Committee



*“Municipal Stormwater Management Program and Enterprise Fund  
Feasibility Study”*

*Meeting #3  
September 19, 2016*

## TOWN OF BRISTOL

R.I. Dept. of Environmental Management  
Horsley Witten Group  
AMEC Foster Wheeler  
Blue Sky Engineering



**BRISTOL**  
*Rhode Island*

# **MEETING AGENDA**

## **September 19, 2016**



- |                    |                                                                 |
|--------------------|-----------------------------------------------------------------|
| <b>6:30 – 6:45</b> | <b>Welcome and Review of Previous Meetings</b>                  |
| <b>6:45 – 7:15</b> | <b>Feedback on Draft Report</b>                                 |
| <b>7:15 – 7:30</b> | <b>BREAK</b>                                                    |
| <b>7:30 – 8:00</b> | <b>Implementation Plan/Policy Consideration/Draft Ordinance</b> |
| <b>8:00 – 8:15</b> | <b>Re-cap of Meeting and Closing</b>                            |
| <b>8:15</b>        | <b>Adjourn</b>                                                  |

# Key Points from Second Meeting



- Additional revenue need: \$500,000 annually
- Level of Service: minimum necessary to make progress
- New RIDEM MS4 permit being developed but too early to estimate added costs
- Stormwater Management Enterprise Fund (SMEF) being explored in lieu of tax increase
- Currently, single family homes pay 66% of the taxes attributed to stormwater but account for only 46% impervious surfaces causing most runoff
- Need to understand and consider impact to business

# Future Stormwater Program Costs

## Estimated Needs\*



|                                                             |                     |
|-------------------------------------------------------------|---------------------|
| • Public involvement & outreach                             | 6,000               |
| • Illicit discharge detection & elimination                 | 20,000              |
| • Pre- and Post Construction Site Stormwater Mgmt.          | 35,000              |
| • Pollution Prevention – sweeping and catch basin cleaning  | 350,000             |
| • GIS mapping of stormwater structures                      | 20,000              |
| • Administration                                            | 35,000              |
| • MS4 annual report & TMDL program                          | 21,500              |
| • DPW stormwater operations and materials                   | 95,000              |
| • Contracted services (consulting, contractor, engineering) | 175,000             |
| • Major drainage projects                                   | <u>\$ 600,000</u>   |
| <b>Total</b>                                                | <b>\$ 1,357,000</b> |

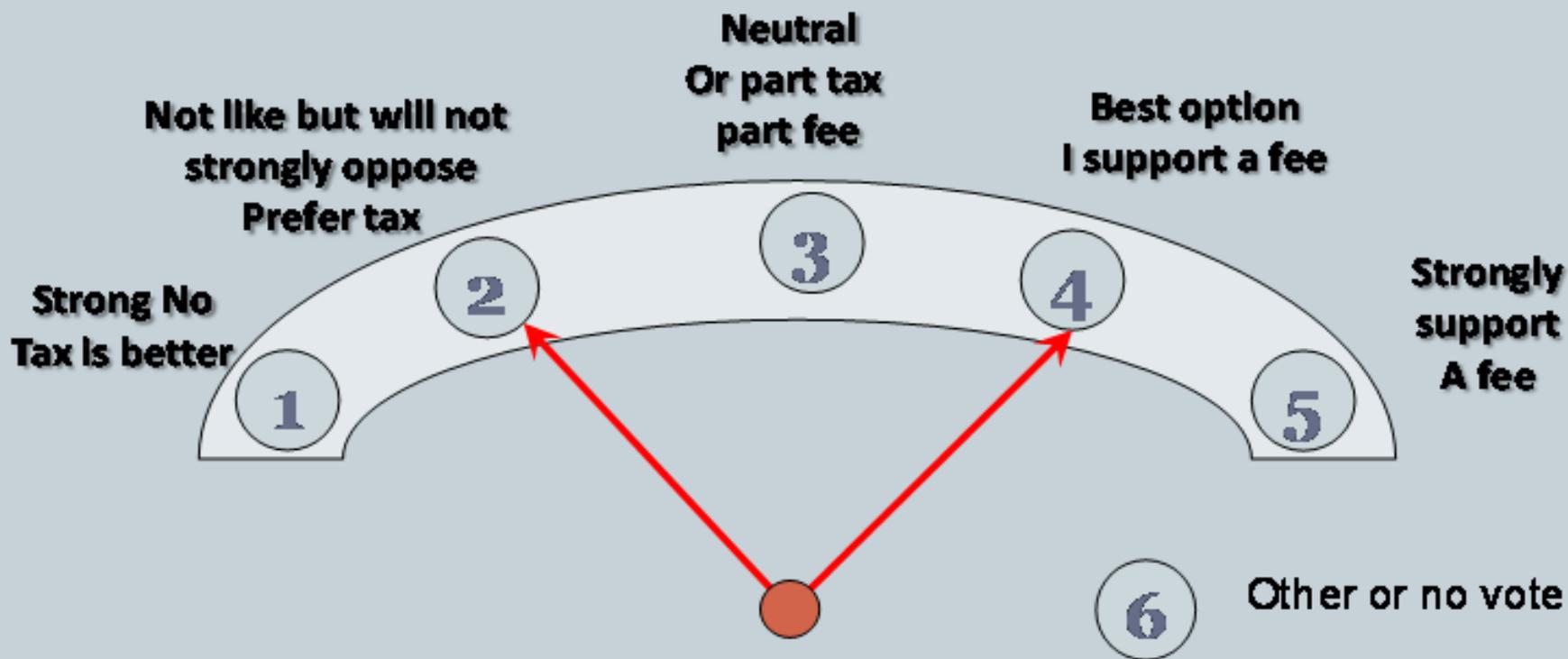
\*Annual Cost

*Note: based on existing regulatory requirements and known needs.*



**BRISTOL**  
*Rhode Island*

If we agree we need to improve the stormwater program  
What is your comfort level with a fee?



# Some Town Council Concerns/Comments Raised at Workshop – April 14, 2016



- Town must keep track of stormwater related costs. Personnel costs, equipment, capital project repayments, and other costs are budgeted from separate accounts.
- The SMEF has been presented as an operating fund, budgeted annually, but significant cost would be funded out of the capital budget and paid back over several years (not unlike the Sewer Enterprise Fund).
- Impacts to business development needs to be considered.
- Residents may simply object to the concept of another Town bill.
- How is stormwater management different from other general obligations, like schooling? Perhaps all taxpayers should share in the costs.
- Why wouldn't the SMEF fee increase annually, like taxes?
- The Tanyard Brook flooding problem needs addressing.

# Review: Stormwater Program Priorities



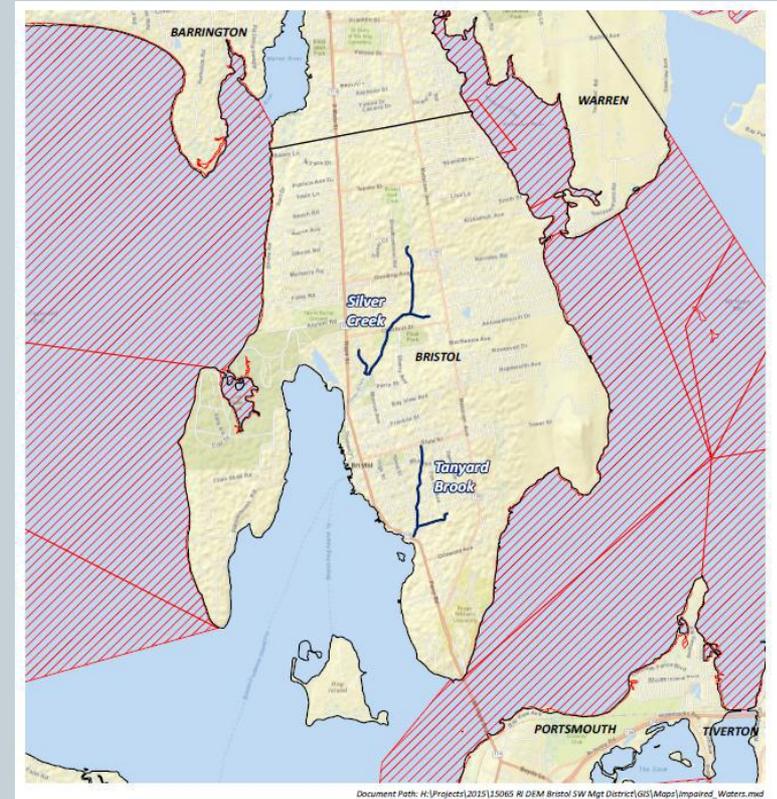
## **What Town staff have identified in the near term:**

- More timely fieldwork/investigations/follow-up
- Implementation/enforcement of ordinance; notification, review, inspection, follow-up
- Routine, comprehensive catch basin cleaning
- Expand scheduled maintenance and inspection
- Coordination with RIDOT
- Mt. Hope Bay/Kickemuit River TMDL implementation
- Improved public education & outreach
- Improved public information/GIS access and reporting

# Water Quality Problems



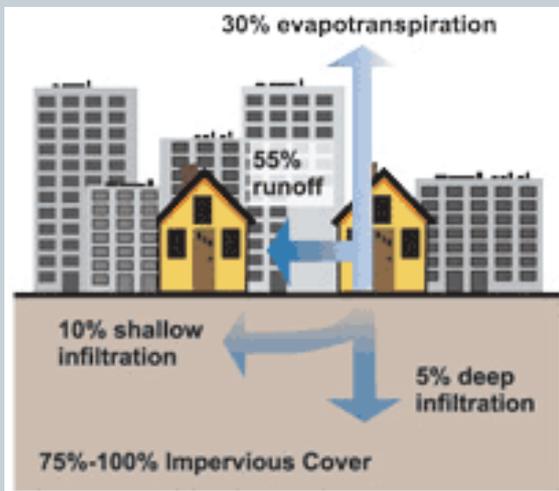
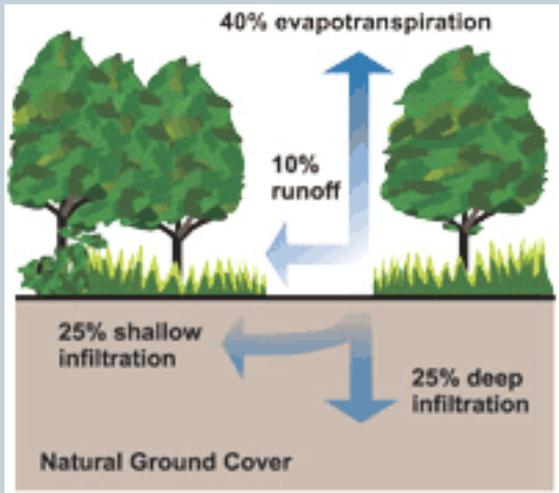
- Shellfish closures
- Wet weather bacteria-related discharges:
  - Bristol Harbor
  - Walker Cove
  - Silver Creek
  - Kickemuit River
  - Mt. Hope Bay
- Localized impacts of individual stormwater discharges
- Beach closures (historically)



## Legend

-  305(b) Waters - Impaired
-  Streams - Unassessed
-  Town Boundaries

# How does a Stormwater Enterprise Fund Work?



- Fees assigned to a parcel for services provided
- Fee is proportional to the stormwater burden on the stormwater system/program
- More impervious areas...  
...more stormwater runoff...  
...larger burden on the system...  
...larger user fee
- Therefore, even tax-exempt properties like schools contribute
- But, RI enabling statute exempts state properties
- Not a “Rain Tax” – Value of the Property is Not Considered

# Key Advantages of a Stormwater Enterprise Fund



- **It is Stable** because it is not as dependent on the vagaries of the annual budgetary process as taxes are.
- **It is Adequate** because a typical stormwater fee is based on a well thought out stormwater program to meet the needs and demands of the community, as well as other program drivers (e.g., water quality, regulations).
- **It is Flexible** because fees can be structured in multiple ways, and the program can be managed to fund activities based on changing priorities and needs.
- **It is Equitable** because the cost is borne by the user on the basis of demand placed on the drainage system.

# Summary of the Two Main Options



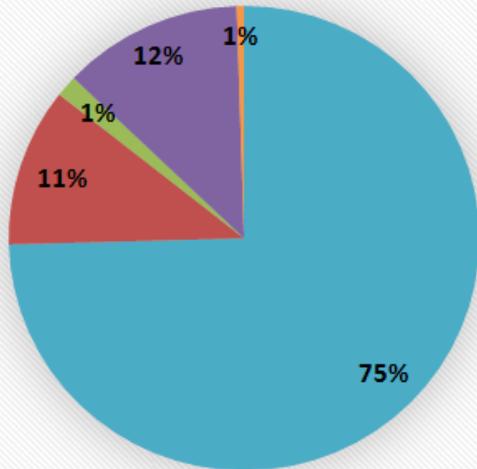
|                                | <b>General Funds</b> | <b>User-fee</b>            |
|--------------------------------|----------------------|----------------------------|
| Who Pays?                      | Taxed Properties     | Everyone Pays              |
| Basis of Contribution (\$)     | Property Value       | Impervious Cover           |
| Credits for On-site Management | None                 | Consideration of Treatment |

- Everyone pays something in the end
- Fees may provide a more equitable or flexible distribution of cost than tax revenue
- Individual homeowners pay less with fees vs. taxes

# Analysis of Properties and Impervious Area

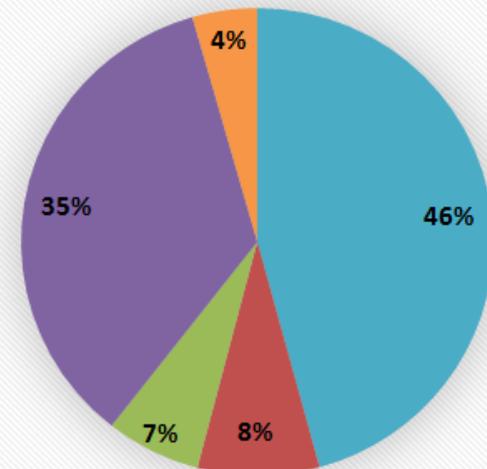


## Property Type Distribution



■ Single-Family Residential ■ Multi-Family Residential ■ Condo / Shared Area  
■ Non-Residential ■ SW Fee Exempt\*

## IA Distribution

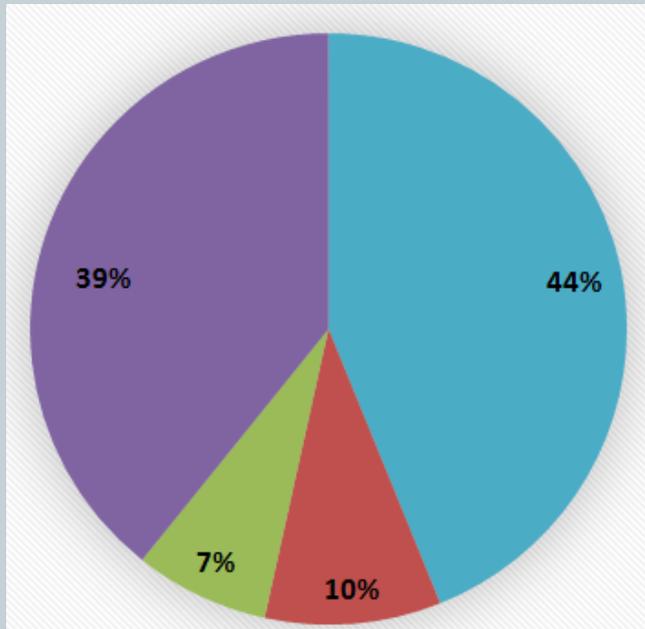


■ Single-Family Residential ■ Multi-Family Residential ■ Condo / Shared Area  
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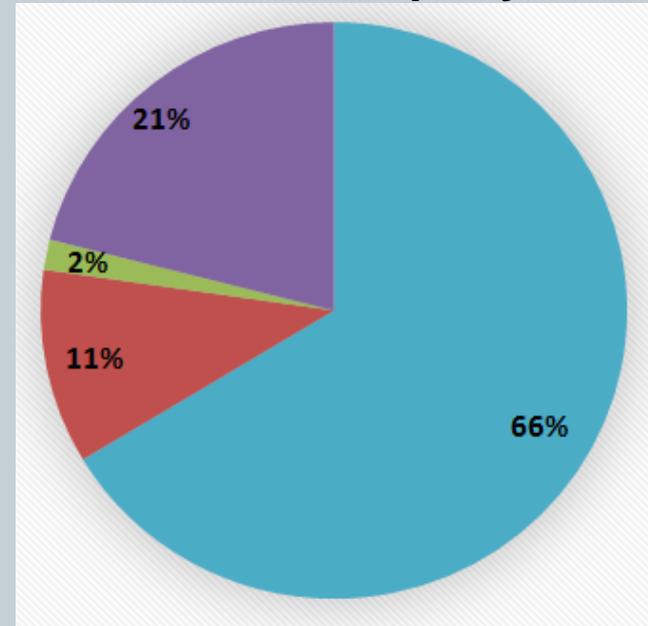
Single-family residential properties account for the majority of properties, but not the majority of impervious area.

# Revenue Distribution

## ERU Basis



## SW Based on Property Value



■ Single-Family Residential  
 ■ Multi-Family Residential  
 ■ Condo / Shared Area  
 ■ Non-Residential

|                                               |                           |
|-----------------------------------------------|---------------------------|
| <b>Single-Family Residential Property</b>     | <b>Avg. Annual Cost</b>   |
| ERU 3,250                                     | \$ 117.09                 |
| SW Based on Property Value                    | \$ 157.42                 |
| <b>Non Single-Family Residential Property</b> | <b>Avg. Annual Cost</b> ← |
| ERU 3,250                                     | \$ 1,065.66               |
| SW Based on Property Value                    | \$ 331.60                 |

Note that NSFR properties vary too widely for averages to be representative; see example property analysis.

# Fee versus Tax Example Properties



## Single-Family Residential Property Example

*Note: for illustration purposes only to show the difference in a fee versus tax approach. Actual values will vary based on final policy decisions, budget and financial evaluation.*

| MSPARCELID | IA_SqFt | Fee_ERU  | SW_Tax   |
|------------|---------|----------|----------|
| 80-66      | 2,262   | \$117.09 | \$140.32 |
| 80-68      | 2,582   | \$117.09 | \$142.32 |
| 80-70      | 2,973   | \$117.09 | \$144.65 |
| 80-71      | 2,616   | \$117.09 | \$142.59 |
| 80-72      | 2,477   | \$117.09 | \$135.07 |

# Fee versus Tax Example Properties



## Commercial Property Example

*Note: for illustration purposes only to show the difference in a fee versus tax approach. Actual values will vary based on final policy decisions, budget and financial evaluation.*

| MSPARCELID | IA_SqFt | Fee_ERU    | SW_Tax   |
|------------|---------|------------|----------|
| 94-25      | 17,609  | \$585.45   | \$196.66 |
| 94-26      | 30,606  | \$1,053.81 | \$276.80 |
| 94-27      | 21,135  | \$819.63   | \$243.60 |
| 94-29      | 33,724  | \$1,170.90 | \$72.78  |
| 94-49      | 0       | \$0.00     | \$58.89  |

# Fee versus Tax Example Properties



## Commercial Property Example

*Note: for illustration purposes only to show the difference in a fee versus tax approach. Actual values will vary based on final policy decisions, budget and financial evaluation.*

| MSPARCELID | IA_SqFt | Fee_ERU    | SW_Tax     |
|------------|---------|------------|------------|
| 9-50       | 74,080  | \$2,693.07 | \$5,897.01 |

# Possible Discussion Points - Draft Report



- Does the report adequately reflect the need for an enhanced stormwater program?
- If not, what needs are missing?
- Have we adequately identified the benefits of adopting a stormwater fee in Bristol?
- Have we identified all the obstacles?
- What are the downsides to an SMEF?
- Question posed: What opportunities do we forego by “not” proceeding timely to address stormwater needs?

# 10-Minute Break



# Implementation Plan

## Chapter 9



### **Feedback on the Following Steps**

- Stakeholder Involvement and Public Education
- Cost/Program
- Funding Approach & Data
- Final Cost and Rate Structure
- Final Analysis
- Fee Implementation
- Public awareness and media campaign
- Timing – 18 months to first billing

# Future Policy Considerations

## Chapter 9.3



- **Rate Structure**
  - SFR – minimum flat fee
  - Multi-family and commercial – minimum flat fee or multiple, based on impervious over 3250 SF
  - Other recommendation?
- **Discharges to the Sanitary System**
- **Exemptions and Credits**
- **DOT – owned drainage systems**
- **Treatment of public properties**
- **Cost or rate increase provisions**
- **Database and billing policies**
- **Public awareness and media campaign**

# Sample Implementation Schedule

| ID | Task Name                            | Q4 16 |     |     | Q1 17 |     |     | Q2 17 |     |     | Q3 17 |     |     | Q4 17 |     |     | Q1 18 |     |     | Q2 18 |     |     |
|----|--------------------------------------|-------|-----|-----|-------|-----|-----|-------|-----|-----|-------|-----|-----|-------|-----|-----|-------|-----|-----|-------|-----|-----|
|    |                                      | Oct   | Nov | Dec | Jan   | Feb | Mar | Apr   | May | Jun | July  | Aug | Sep | Oct   | Nov | Dec | Jan   | Feb | Mar | Apr   | May | Jun |
| 1  | Preliminary Program Plan             |       |     |     | ■     | ▲   | ■   |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |
| 2  | Cost of Service                      |       |     |     |       | ▲   | ★   | ■     | ■   | ■   |       |     |     |       |     |     |       |     |     |       |     |     |
| 3  | Program Implementation Plan          |       |     |     |       |     |     |       |     |     | ■     | ■   | ■   | ▲     | ■   | ■   |       |     |     |       |     |     |
| 4  | Funding Policies                     |       |     |     | ■     | ▲   | ■   |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |
| 5  | Rate Structure                       |       |     |     |       | ■   | ▲   | ■     | ■   | ■   | ★     | ■   | ■   |       |     |     |       |     |     |       |     |     |
| 6  | Final Rate Study                     |       |     |     |       |     |     |       |     |     | ■     | ■   | ■   | ▲     | ■   | ■   |       |     |     |       |     |     |
| 7  | Rate Ordinance                       |       |     |     |       |     |     |       |     |     |       |     |     | ■     | ▲   | ■   | ★     | ■   | ■   |       |     |     |
| 8  | Database and Billing Policies        |       |     |     | ■     | ■   | ■   | ■     | ■   | ■   | ★     | ■   | ■   |       |     |     |       |     |     |       |     |     |
| 9  | Master Account File & Billing System |       |     |     |       |     |     |       |     |     | ■     | ■   | ■   |       |     |     |       |     |     |       |     |     |
| 10 | Customer Service                     |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     | ■   |
| 11 | Public Involvement Plan              |       |     |     | ■     | ▲   | ■   |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |
| 12 | General Public Awareness             | ■     | ■   | ■   | ■     | ■   | ■   | ■     | ■   | ■   | ■     | ■   | ■   | ■     | ■   | ■   |       |     |     |       |     |     |
| 13 | Public Campaign                      |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     | ■   | ■     | ■   | ■   |
| 14 | Interactive Governance Framework     |       |     |     |       |     |     |       |     |     |       |     |     | ■     | ▲   | ■   | ■     | ■   | ■   | ■     | ■   | ■   |
| 15 | Internal Management                  |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     | ■   |
| 16 | Go Live Date                         |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     |     |       |     | ■   |

★ = Key Decision Point

▲ = Meeting with Steering Committee or Town Council

# Key Ordinance Provisions - Example

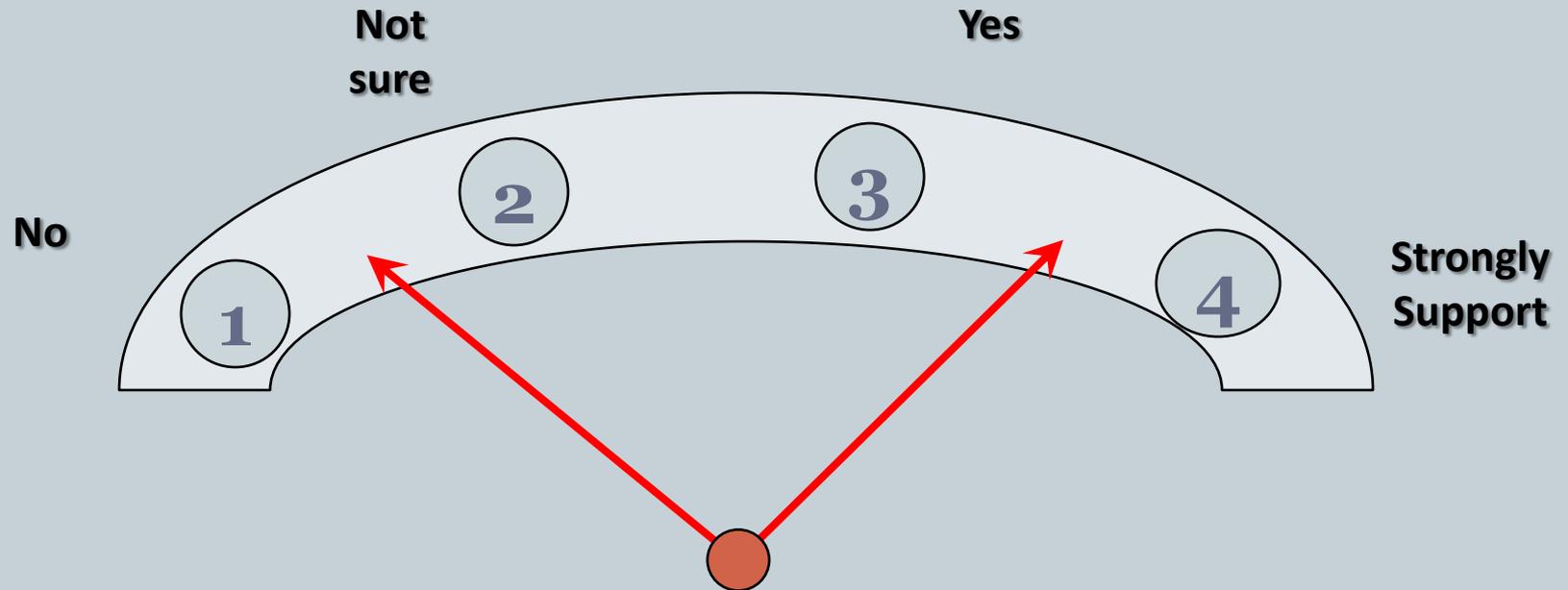


- Fee applies to owners of land which discharges stormwater
- What costs the fee is allowed to cover:
  - Operating
  - Non-Operating, such as equipment
  - Principle and interest on debt
  - Capital investments (BMPs, etc.)
  - Reserves
  - Other costs as deemed needed by the Town Council
- Establishes a review committee - responsibilities
- Fees paid quarterly? Depends on dollar amount?
- Abatements, Exemptions and Credits
  - Definitions
  - Review committee role
  - Credit manual
  - Maximum credit

# Next Step



Do I have enough comfort to support moving forward with a stormwater user fee?



# Re-cap



- Summary of tonight
- Summary notes of this meeting will be prepared
- Willingness to continue service?
- Future website for further information and updates
- Adjourn