



# City of Park Ridge



January 11, 2016

## Stormwater Utility Final City Council Presentation



# Purpose of Tonight's Presentation

- Provide final recommendations for the Stormwater Utility (SWU)



# Study Process – Public Involvement

1. Open House #1 (8/31/15)
  - Explain SWU concept, need, and preliminary fees by zoning class
  - Answer resident questions
2. City Council Update Presentation (10/12/15)
  - Incorporate feedback from Open House
  - Formalize preliminary results and anticipated fees
  - Opportunity for resident input to Council
3. **City Council Final Presentation (1/11/16)**
  - Present final recommendations
  - Start discussion on potential implementation of SWU



# What is a Stormwater Utility?

- A Stormwater Utility (SWU) is a **fee** charged to all parcels in the City **based on** their **contribution of stormwater** runoff into the sewer system
  - More runoff = Greater chance of flooding
- What is an “impervious area”?
  - Those surfaces that prevent stormwater from infiltrating into the soil



Sidewalk/Driveways/Patios



Building Roofs



Parking Lots



# How are the fees determined?

- First step is to establish the overall program cost
- A conceptual outline of a Stormwater Master Plan has been developed
  - Projects from Citywide Sewer Study still under discussion
  - Green Infrastructure projects
    - *Examples could include adding green elements to “traditional” street projects such as developing a green alley program*
  - Stormwater Storage projects
    - *Examples include relief sewer and underground storage projects, or detention basins where open space is available*
  - Evaluation and Design Engineering of Projects over life of SWU



# How are the fees determined?

- Rationale for Stormwater Master Plan outline
  1. Projects from Citywide Sewer Study are the most studied and have been analyzed for feasibility. These projects address widespread flooding areas with severe overland flooding.
  2. Green Infrastructure projects make sense as value-added projects to other City projects, such as street reconstructions or utility projects. As stand-alone projects they have limited impact compared to flood control projects.
  3. “Stormwater Storage” projects could also be described as traditional stormwater infrastructure – relief sewers and flood storage. This is a general category that would cover a large range of potential projects.
  4. One potential element that was considered for inclusion is stormwater-related operation and maintenance costs. These costs are currently funded through sewer charges. It was decided to keep the focus of the SWU on new infrastructure projects.



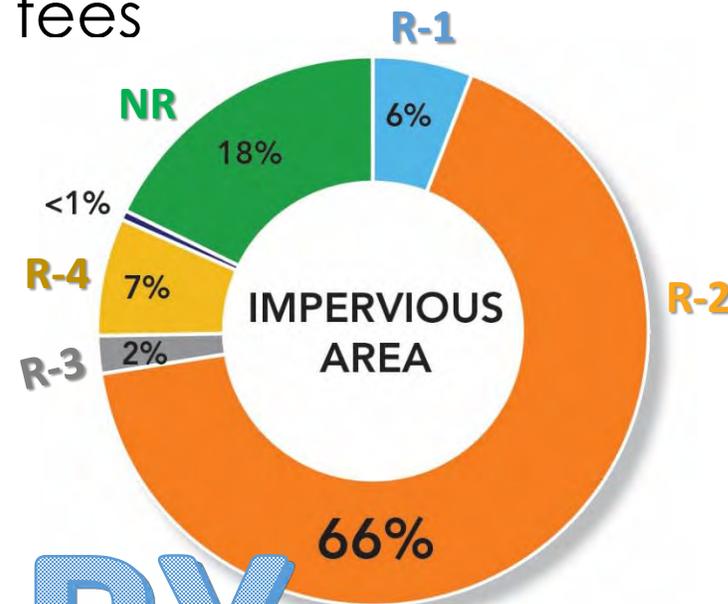
# How are the fees determined?

- Recommended funding level for the Stormwater Master Plan
  - Total estimated cost (in 2015 dollars) is **\$40 million**
  - SWU funding can be allocated to projects as recommended in Stormwater Master Plan outline, or as recommended in future studies.
- Multiple funding scenarios were evaluated by Speer Financial
- Total program cost was determined
  - Including cost of Stormwater Plan and debt service
- Costs are proportioned to each property owner based on the Equivalent Residential Unit (ERU)



# What will it cost?

- The SWU Feasibility study is in the preliminary stage
  - Preliminary fees are based on *average* impervious area, not actual
  - Any changes to the list of projects or assumed costs for the program would affect the calculated fees
- The preliminary **rate for 1 ERU is \$11 per month**
- Therefore, the preliminary *AVERAGE* fees by zoning type are:
  - R-1 = 1.4 ERU = \$15 per month
  - R-2 = 1.1 ERU = \$12 per month
  - R-3 = 1 ERU = \$11 per month
  - R-4 = 3 ERU = \$33 per month
  - R-5 = 8 ERU = \$88 per month
  - Non-residential will vary significantly



# PRELIMINARY



## What will it cost?

- Final ERU Database has been completed
  - Impervious area of every parcel has been measured and tabulated
  - 18,141 total ERU in City
  - ***Recommended cost per ERU remains at \$11/ERU***



# What funding will the SWU provide?

- Based on 18,141 ERU in the City
  - Provides \$2.4 million per year in stormwater funding
    - *(18,141 x \$11/month x 12mo/yr)*
    - *Equates to \$1 per ERU = \$218,000 per year in funding*
    - *\$1,000,000 in funding equates to \$4.60 per ERU*
    - *Credits will decrease total collected*
  - Would allow for issuance of bonds to fund larger projects
    - *Assumed 6 series of bonds to be issued over 15 years*
    - *Each bond would be repaid over 25 years*



## Other SWU Examples:

Community	Impervious Area (ft <sup>2</sup> ) of 1 ERU	Monthly Fee
Park Ridge (proposed)	2,800	\$11
Rolling Meadows	3,604	\$3.90
Highland Park	2,765	\$7.00
Downers Grove	3,300	\$9.72
Winnetka	3,400	\$21.80



# Credits and Incentives

- We recommend including a program of both incentives and credits:
  - Incentives – one time reduction in the annual SWU fee for a given property
  - Credits – semi-permanent reduction in annual SWU fee for properties with dedicated stormwater features



# Credits and Incentives - Recommendations

- **Incentives**

- Used to encourage residents and businesses to construct small projects *while minimizing City staff resources*. Example include:

- Rain Barrels
- Rain Gardens
- Permeable Pavement

- Recommended Incentive Amounts:



Rain Barrels - \$25  
Maximum \$50 per property



Rain Gardens  
Min. 100ft<sup>2</sup> - \$200  
Min 200ft<sup>2</sup> - \$350



Permeable Paving  
Min. 100ft<sup>2</sup> - \$200  
Min 200ft<sup>2</sup> - \$350



# Credits and Incentives - Recommendations

- **Credits**

- Used to encourage large property owners to construct stormwater projects, such as:
  - Stormwater Detention Basins/Vaults
  - Infiltration Basins



*Detention Vault*



*Detention Basin*

- Two types of stormwater projects could be eligible
  - Volume Reduction projects (infiltration BMPs)
  - Runoff Rate Reduction (stormwater detention)
- All projects would need to be located in dedicated, deed-restricted easements
- Credit (if approved) would be valid for 5 years, after which property owner must reapply and demonstrate that the stormwater feature is maintained and functioning



# Credits and Incentives - Recommendations

- Volume Reduction projects (infiltration BMPs)
  - Must provide a minimum storage volume of 1,000 ft<sup>3</sup>
  - Design volume = ½” runoff x Property Area
  - Credit given for providing full Design Volume = 20% of calculated SWU fee
  - A pro-rated credit amount would be given for storage volumes less than the full Design Volume
  
- Runoff Rate Reduction projects (Detention Storage)
  - Must provide a minimum storage volume of 5,000 ft<sup>3</sup>
  - Design volume = detention required for site under current City ordinance
  - Credit formula:
    - % SWU Credit =  $0.5 \times [1 - (\text{Design Volume} - \text{Storage Provided})]$
    - Providing the ordinance-required detention volume would generate a 50% SWU credit
  - Maximum credit allowed is 100% of SWU fee



# SWU Billing Details

- SWU billing would be handled by City staff
- SWU monthly fee would be a new line item on sewer & water bill
- ERU database will be provided to City for upkeep and periodic updating

PLEASE SEE REVERSE SIDE FOR ADDITIONAL UTILITY BILLING INFORMATION

NAME: ██████████  
SERVICE ADDRESS: ██████████  
ACCOUNT NUMBER: ██████████

BILL DATE: 11/30/2015

METER INFORMATION:						
PRESENT READING	READING DATE	READING TYPE	PREVIOUS READING	READING DATE	READING TYPE	USAGE (1000 Gallons)
125	10/08/2015	E	118	08/18/2015	C	7

Stormwater Utility Information		
Your Property's ERU Value	ERU Unit Cost	Assessed Fee
1.0	\$11	\$11

WATER ..... \$24.22  
UTILITY TAX ..... \$3.03  
SEWER SVC CHARGE ..... \$9.94  
FIXED SEWER CHARGE ..... \$3.35  
CHICAGO WATER ..... \$27.02  
5/8 INCH METER ..... \$9.41  
Stormwater Utility Fee.....\$11.00

TOTAL CHARGES DUE BY 12/20/2015 **\$87.97**

*Sample SWU Bill*



# Park Ridge SWU Recommendations

- The recommended funding level for the Stormwater Master Plan is \$40 million (plus debt service)
- An “*Equivalent Residential Unit*” (ERU) will be defined as 2,800 ft<sup>2</sup> of impervious area
- Each property has been assigned an ERU value based on its specific impervious area
- The recommended SWU fee is \$11 per ERU
- A credit/incentive program has been developed and is recommended to offset fees



# Questions?

