




City of Park Ridge
Committee of the Whole
Stormwater Utilities
September 8, 2014



Why Stormwater?

- Forsaken service
 - System is on-call 24/7
 - Out of sight / out of mind
 - Not seen as a key service by many
- Impacts
 - Personal safety
 - Property damage
 - Service disruption
 - Pollution of streams



Stormwater Funding



Annual Budget

Time

program-driven funding level

fee-based funding

tax-based funding

maximum possible planned program



Why Stormwater Utilities?

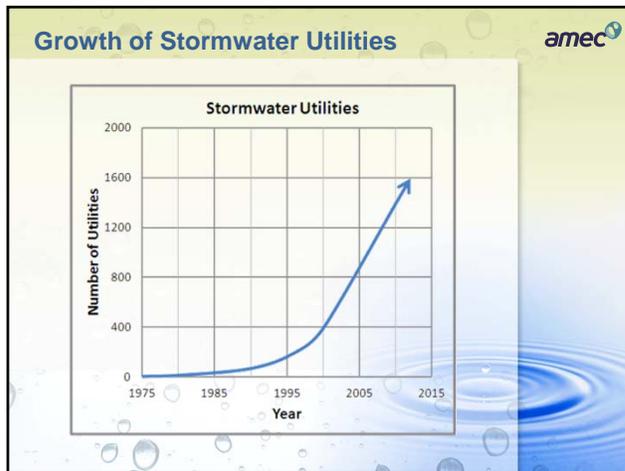
- Expansion of local government roles
- Changing stormwater programs
- Other prevailing priorities competing for general fund dollars - police, schools, etc
- Shift away from general taxes to fees and demand-based funding for infrastructure
- Success of other enterprise funds – water, solid waste, waste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

Why Stormwater Utilities?

Stormwater utility revenue is:

- Equitable – charges based on demand placed on the program / system
- Stable – reliable level of funding – not subject to multiple demands
- Adequate – program driven funding levels – can plan service level increases
- Flexible – single method – mix of methods

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What Is A Stormwater Utility?

A stormwater utility can be any or all of the following:

- A funding method
- A program concept
- An organizational entity

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Infrastructure Program Fees

- Consumption - based fees:
 - Water
 - Sewer
 - Electric
- Capacity - based fees:
 - Cable
 - Local telephone
 - Stormwater

Why Capacity Based?

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- Unpredictability of rainfall
- Need for sustainable cash flow
- Impracticality of metering runoff
- Need a simple basis for billing
 - Reflects the relative contribution / demand for service
 - Easy to explain / understand
 - Defensible in court

Rate Basis

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- Developing parcels ⇒ increased imperviousness
⇒ increased runoff
⇒ increased demand
- Rock Island decision

Absorbed into soil / evaporation
Runoff into stream

Forest: 80-90% (absorbed), 10-20% (runoff)
Residential: 50-60% (absorbed), 40-50% (runoff)
Urban: 0-10% (absorbed), 90-100% (runoff)

Imperviousness

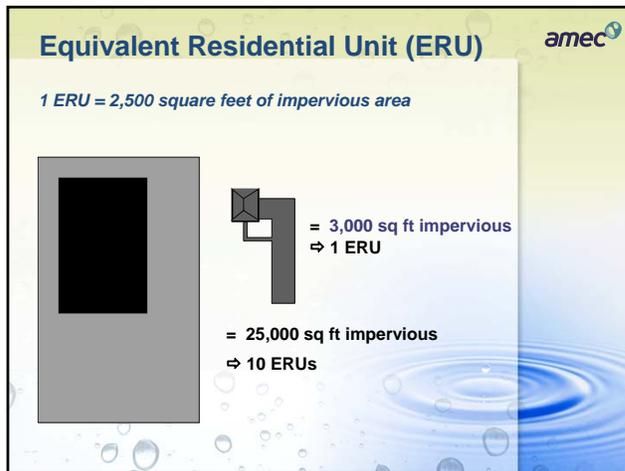
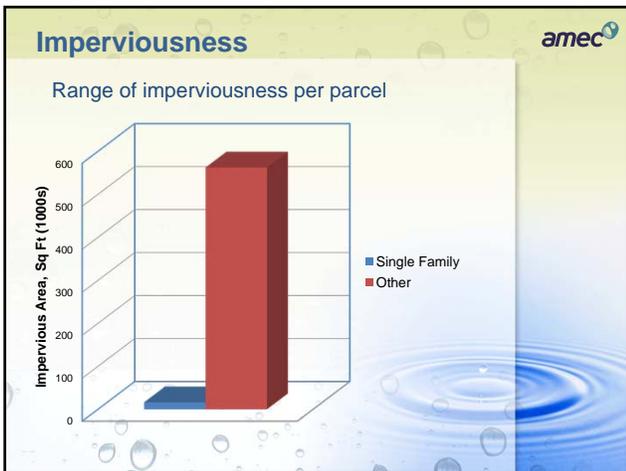
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Imperviousness

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Village of Westmont
Single Family Residential Imperviousness

Mean = 3,000
Median = 2,950
Max = 15,265



Revenue Potential

"Rule of Thumb"

For every \$1 dollar per month per house (and appropriate charges to non-residences), a stormwater utility can typically generate about \$20 to \$40 per acre per year.

An illustration of a man in a white shirt and dark pants, scratching his head with his right hand, looking thoughtful or confused.

- ### Illinois Stormwater Rates
- Lowest residential rate = \$1.95 / month
 - Highest rate = \$21.83 / month (first bills in July)
 - Most have flat rates for single family
 - Some have tiers for single family
 - Most have credit programs
 - A few have incentive programs

Illinois Stormwater Rates

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Single Family Residential Rates

Municipality	Monthly Rate*
Aurora	\$ 3.45
Bloomington	\$ 4.35
Highland Park	\$ 6.00
Moline	\$ 3.75
Champaign	\$ 5.24
Downers Grove	\$ 8.94
Morton	\$ 5.03
Normal	\$ 4.60
Richton Park	\$ 5.63
Rock Island	\$ 3.95
Rolling Meadows	\$ 3.36
Urbana	\$ 4.94
Winnetka	\$ 21.83

*Based on average single family property (ERU)

Stormwater credit programs

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What are credits?

- A stormwater credit is a reduction in stormwater fees charged to a qualifying property in return for implementing qualifying on-site drainage controls
- Acknowledgement that on-site stormwater management may:
 - Reduce the City's operational costs
 - Reduce the City's compliance costs
 - Reduce the City's capital costs

Stormwater credit programs

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How do credits work?

- Direct reduction of service charges
- Applied after service charges are calculated
- Must be applied for
 - Criteria set by the City
 - Maintenance of stormwater controls required
- On-going
 - Some expire periodically
 - Failure to report may cause revocation

Statutory authority

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- Two approaches in Illinois
 - Home Rule
 - *Church of Peace v City of Rock Island*
 - Illinois Compiled Statutes
 - 65 ILCS 5/11-139-1
 - 65 ILCS 5/11-141-7
 - *Conner v City of Elmhurst*
- Alternative approaches
 - Statewide enabling legislation
 - Special legislation (DuPage / Peoria Counties)

Rock Island lawsuit 

- Definition of taxes and fees
 - > A tax raises revenue for the general and non-specific purposes of government
 - > A fee raises revenue to be used for a specific purpose, such as for stormwater management
- Three court criteria: tax v. fee
 - > Regulatory nature
 - > Rational nexus
 - > Voluntary nature

Stormwater Utility Components 

- Expenditure plan
- Revenue plan
- Billing plan
- Outreach & education plan



Questions ?



Contact Information

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