



Paying for Stormwater – The Benefits of a Utility

Thursday, August 13th, 2015

1:00 – 2:30pm EDT

Speakers:

- **Andrew Reese, AMEC Foster Wheeler**
- **Dr. Robert D. Chandler, City of Salem, OR**
- **Sheila Dormody, City of Providence, RI**

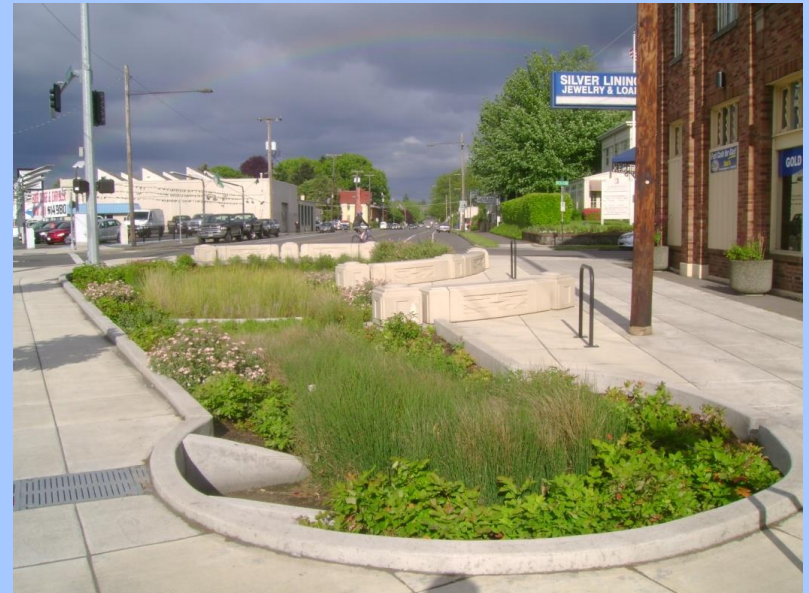
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Webcast Agenda

- **Andrew Reese**
AMEC Foster Wheeler
- **Dr. Robert D. Chandler**
City of Salem, OR
- **Sheila Dormody**
City of Providence, RI
- **Q&A session**



USEPA Webinar

Paying for Stormwater - The Benefits of a Utility

Five Steps (and some Rules) for Establishing a Regional Stormwater Utility

Andy Reese

P.E., LEED-AP

Amec Foster Wheeler

Setting up a utility is like
helping a friend.

Setting up a regional utility
is like negotiating a peace
treaty.

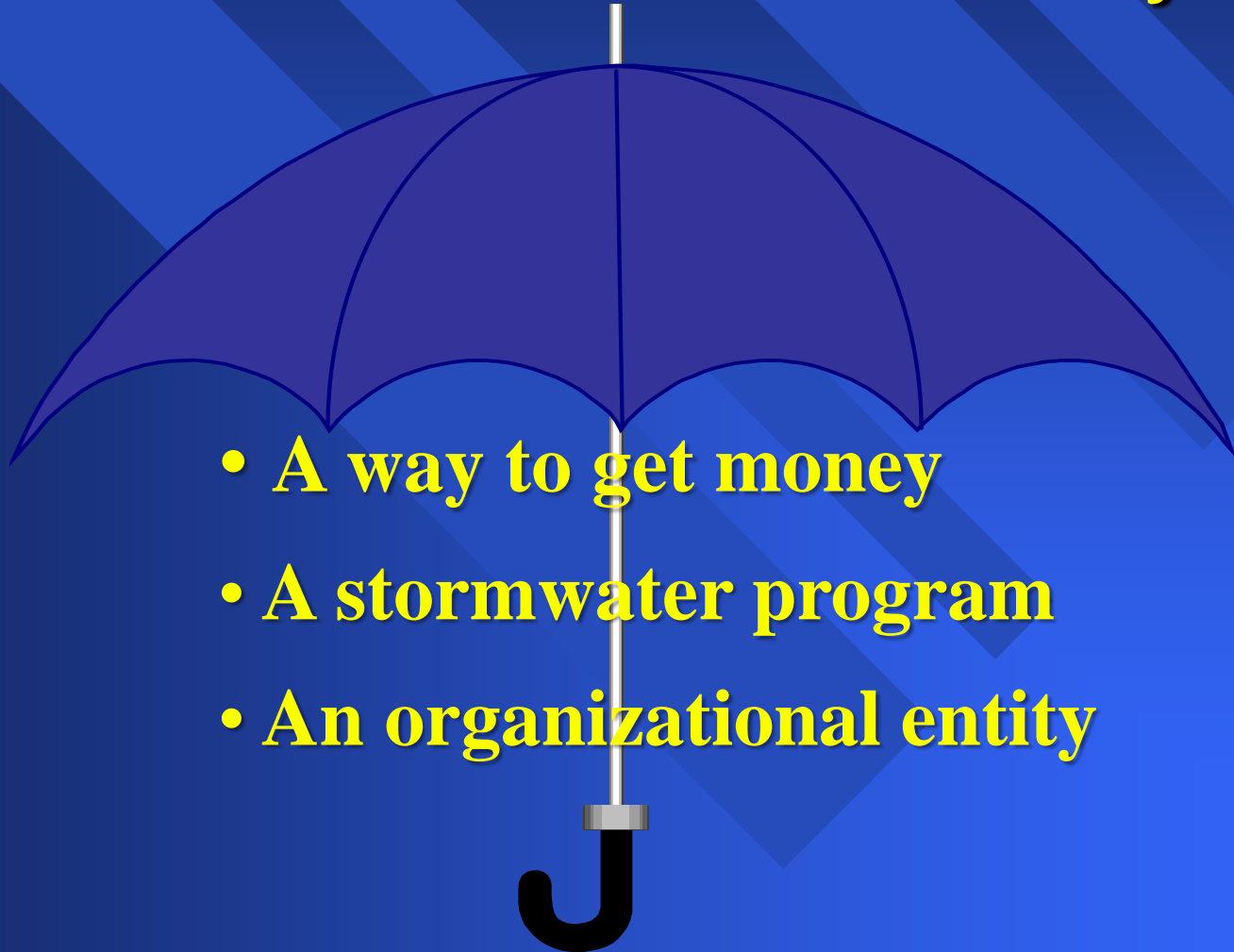
Just when you think...



Hey we're off and its smoooooth flying- isn't it grand?

You bet Cap'n What's so hard about this anyway?

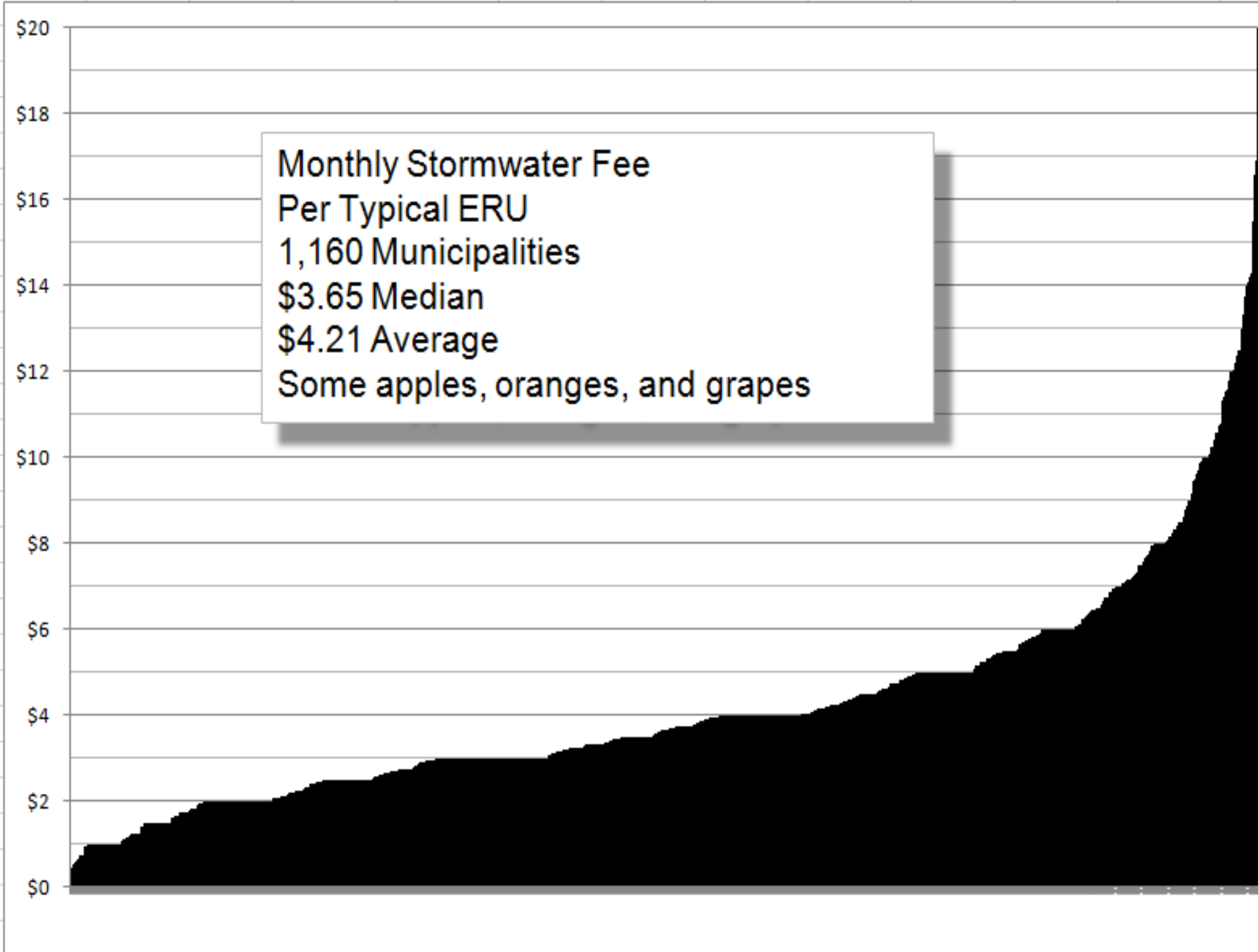
What is a Stormwater Utility?



- **A way to get money**
- **A stormwater program**
- **An organizational entity**

Four Key User Fee Benefits

- **S**table – Revenue comes in day in and out making planning and running a program far easier.
- **A**dequate – you can generate sufficient revenue to run a pretty good program while staying within many people's ability to pay range
- **F**lexible – You can fit the rate structure to support any goals within any setting.
- **E**quitable – most people think it is the most fair way to pay for stormwater.



Info on individual utilities from USEPA



US EPA Stormwater Program's Webcast Series

Financing a Municipal Stormwater Program
with Andy Reese of AMEC Earth and Environmental, Inc.



Wednesday, July 12, 2006

Two-hour audio Web broadcast

Eastern: 1:00 pm – 3:00 pm

Central: 12:00 pm – 2:00 pm

Mountain: 11:00 am – 1:00 pm

Pacific: 10:00 am – 12:00 pm

Please click on the "Launch" button below to view the archived version of the presentation.

Session Description

Municipal stormwater program managers have many options to choose from in financing their programs, from general funds to dedicated sources such as stormwater utilities. Each municipality must carefully assess each potential funding method to ensure it meets their stormwater program needs. [The National Association of Flood and Stormwater Management Agencies](#) (NAFSMA) has developed *Guidance for Municipal Stormwater Funding*, a document to help municipalities address the procedural, legal, and financial considerations in selecting and developing stormwater financing approaches.

A white, diamond-shaped maze is shown on a yellow background. A small black mouse is at the top entrance of the maze. The maze is complex, with many paths and dead ends. The text "Rule #1 – Get the process right" is overlaid in yellow on the maze. The word "process" is underlined.

Rule #1 – Get the process right

Steps in Regional Feasibility

1. Why might this be an attractive idea?
2. What would the regional agency do?
3. How would its activities be paid for?
4. How would it be governed and managed?
5. What is the process for setting it up?

Steps in Feasibility

1. Why might this be an attractive idea?
2. What would the regional agency do?
3. How would its activities be paid for?
4. How would it be governed and managed?
5. What is the process for setting it up?

Rule #2 –
have
compelling
reasons to
do this



Compelling Case for a Utility...

We are going to develop a stormwater utility because:

- .
- .
- .
- .
- .
- .

- ✓ Wastewater or Septic Pressures
- ✓ Flooding problems
- ✓ Aging infrastructure
- ✓ Development pressures
- ✓ Water quality & ecology
- ✓ Regulatory mandates
- ✓ Quality of life & aesthetics
- ✓ Source water preservation
- ✓ Preservation of property value
- ✓ Erosion of channels & creeks
- ✓ Recreation or fisheries
- ✓ Lawsuits
- ✓ Being “Green”
- ✓ Climate Change Fears

Compelling Case for a Regional Entity

We are going to develop a regional stormwater utility because:

-
-
-
-
-
-

- Economies of scale
- Better able to gain outside funding
- Watershed consistency – cross jurisdictional
- (more) Free of politics
- Better access to talent
- Local governments not focused or able
- Deal with larger streams and larger problems
- Match regulatory programs' geography

Why might this be an unattractive idea?

1. One area “bailing out” another one – “paying for another’s past sins”
2. Losing local control of zoning, land use, etc. – “big brother decides for me”
3. Building a bureaucracy - “fee creep”
4. Consistency in treatment, fairness – “getting my share”
5. Responsiveness – “who controls priorities”

Steps in Feasibility

1. Why might this be an attractive idea?
2. What would the regional agency do?
3. How would its activities be paid for?
4. How would it be governed and managed?
5. What is the process for setting it up?

and not do !!



amec
foster
wheeler

Rule #3 – meet felt needs
effectively day one



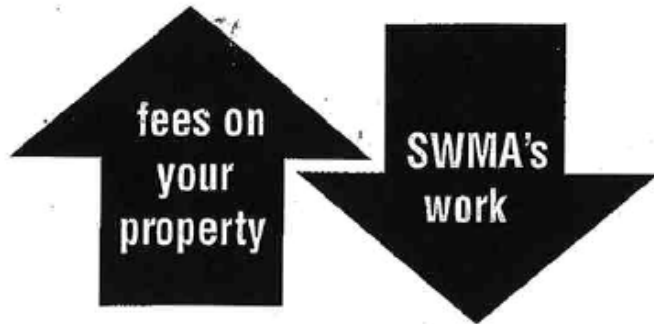
— ALERT —

The Storm Water Management Authority Wants Elected Officials to Double Fees on Your Property.

Jefferson County and our city have to receive a storm water permit from the Alabama Department of Environmental Management (ADEM). Instead of working directly with ADEM our officials pay the Storm Water Management Authority Inc. (SWMA) to get permits for residents and businesses.

SWMA collects a \$5 fee on every home and \$15 on business through our property tax bill. This fee is paid every year. Now they want to more than double these fees to \$12 on every home and \$36 on every business.

Even worse is the fact that over the past couple of years SWMA has become responsible for fewer permits. In fact when SWMA was created it was responsible to get permits for all properties 5 acres and less. Today SWMA only has to get permits for those properties 1 acres or less.



SWMA wants Millions more of our tax dollars to do less work.

Now its up to our city council members and our county commissioners to say NO to SWMA. In the upcoming weeks our officials have the opportunity to say NO to higher fees on our property and drop out of SWMA for good.

Call your County Commissioner and City Council Member and tell them to drop out of SWMA. We don't need SWMA or their higher fees.

(People Allied Now Against Corporation Energy Abuse (PANACEA), Birmingham, AL)

**SWMA collected over \$2.5 million last year
and wants over \$6 million next year.**

Great staff and
a good
program...that
just missed
the mark in
citizen minds

Which of the 68 Stormwater Functions will we Handle?

1. What will we do?
type of services
2. Where will we work (geography or program area)?
extent of service
3. How good will we do it or how much will we do?
level of service
4. How will we know we have done it?
measure of service
5. How will others know?
communication of service
6. Who sets priorities and on what basis?
fairness of service

Steps in Feasibility

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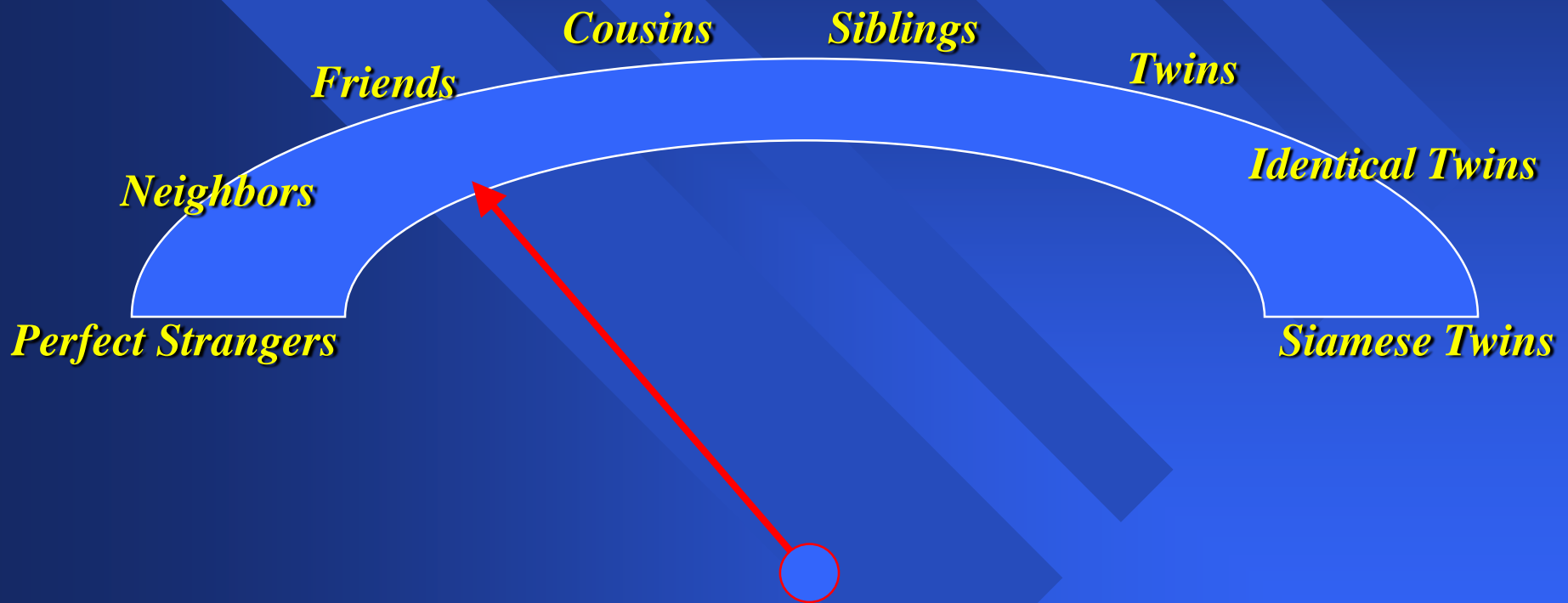


Rule #4 - There are about 256 stormwater funding methods but you need stable, adequate, equitable revenue

Steps in Feasibility

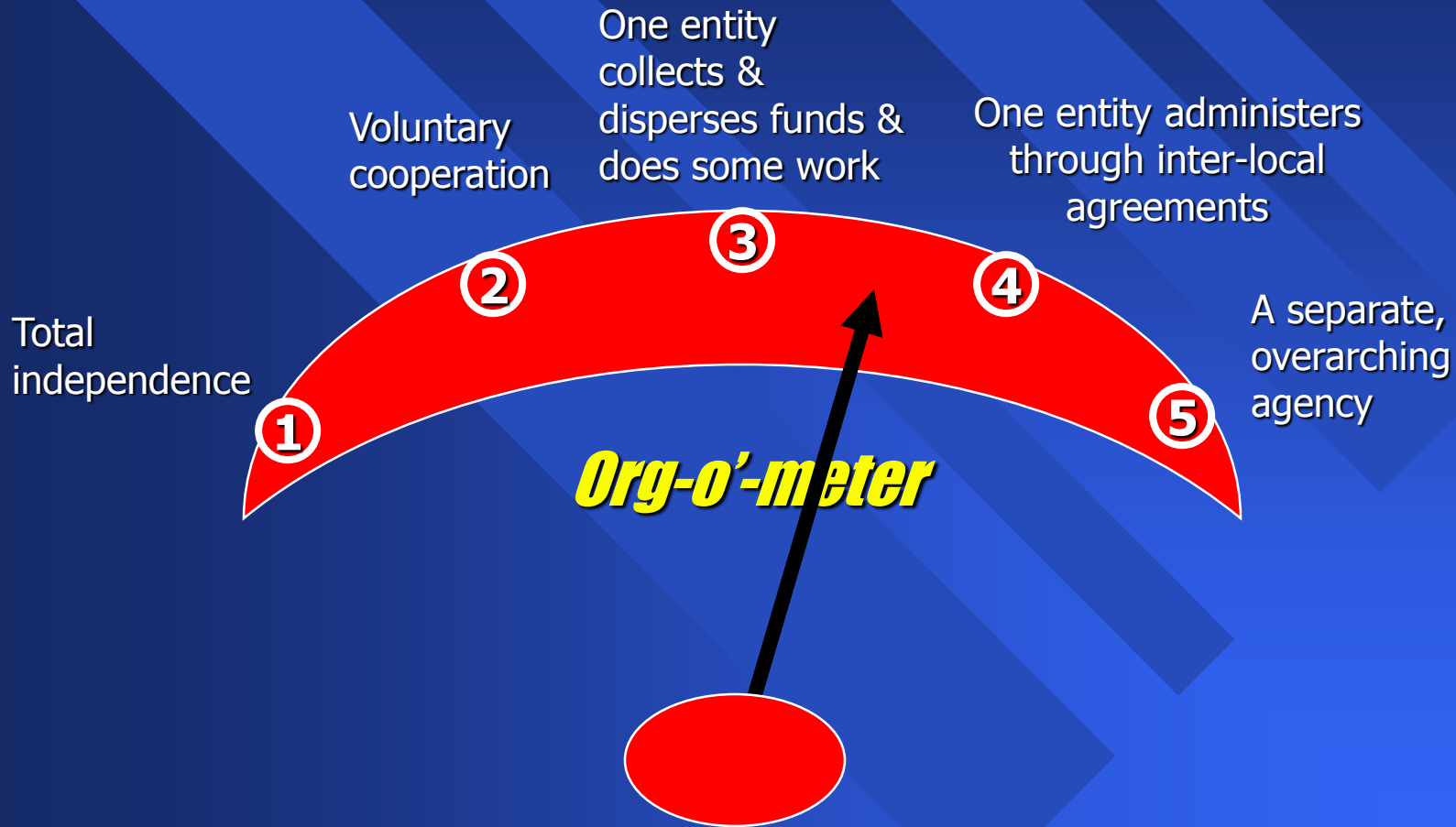
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Relationships



Rule #5 – define your relationships in writing

Organizational Options



Pros and cons for each exist

Steps in Feasibility

1. Why might this be an attractive idea?
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A question of “due diligence”

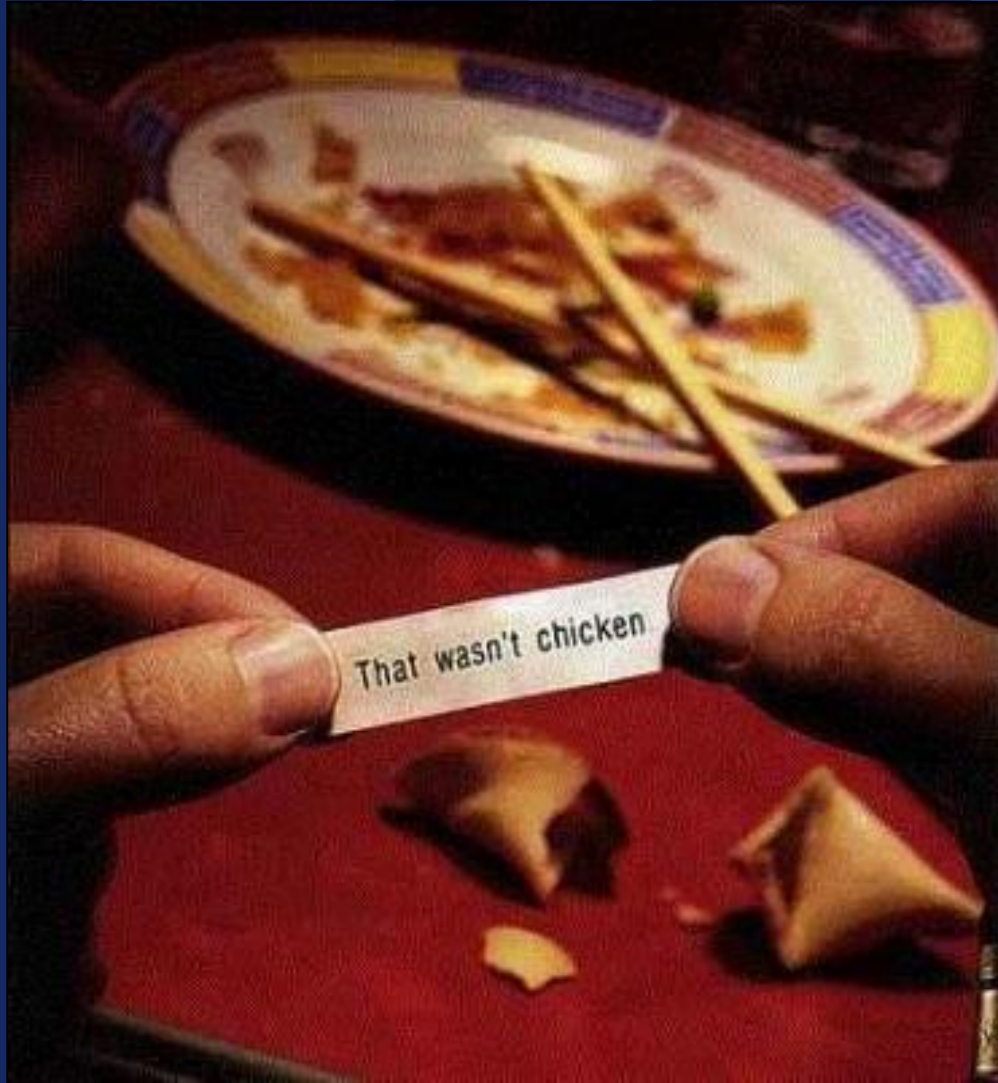
Establishing a successful regional water resource organization requires that you pay attention to five key areas of due diligence:

1. Governance and inter-municipal consensus
2. Program concept and the compelling case
3. **Public and political education and support**
4. Financial policies and documents
5. Database development & accuracy and customer service

Comprehensive Work Plan: UNBRSM Initiative

| Phase 1 – Feasibility Assessment | Stakeholders | Program | Organization | Finance | Billing Systems/Management |
|----------------------------------|---|---|---|--|--|
| | <p>Identification of Municipalities for the Regional Utility Initiative</p> <p>↓</p> <p>Input from Steering & Stakeholder Committees</p> | <p>Interviews with Individual Municipal Representatives</p> <p>↓</p> <p>High Level Assessment of "Current State" of Stormwater Management</p> | <p>Evaluation of Regional Utility Framework Alternatives</p> <p>↓</p> <p>Selection of the "Best Fit" Alternative for further In-depth Evaluation</p> | <p>High Level Preliminary Estimates of Existing Program Costs</p> <p>↓</p> <p>Preliminary Assessment of User Fee Range and Revenue Generation Potential</p> | |
| Phase 2 – In-depth Planning | <p>Conduct Bi-Monthly Working Sessions with Steering Committee</p> <p>↓</p> <p>Conduct Quarterly Information Exchange Sessions with Stakeholder Committee</p> <p>↓</p> <p>Finalize Public Outreach and Involvement Plan</p> <p>↓</p> <p>Develop Public Outreach Campaign Materials</p> <p>↓</p> <p>Conduct General Stormwater Management & Coastal Resiliency Awareness</p> | <p>Conduct Asset GIS Mapping & Digitize Impervious Cover</p> <p>↓</p> <p>Compile Asset Inventory and Perform Condition Assessment</p> <p>↓</p> <p>Define Strategic Coastal Resiliency Objectives and Program Needs</p> <p>↓</p> <p>Determine Tactical Program Capital & Operational Needs for within each participating entity and across the watershed</p> <p>↓</p> <p>Determine 10-year Prioritized CIP</p> <p>↓</p> <p>Estimate O&M and Capital Program Costs of Service</p> | <p>Define Cooperative and Interactive Utility Framework</p> <p>↓</p> <p>Develop Operational, Financial, and Administrative Policies</p> <p>↓</p> <p>Finalize Regional Stormwater Authority Charter and Ordinances</p> <p>↓</p> <p>Develop operational and level of service agreements</p> <p>↓</p> <p>Develop inter-local resource sharing and cost agreements</p> <p>↓</p> <p>Develop Organizational Structure and Staffing Plan</p> | <p>Develop 10-year Revenue Requirement Projections</p> <p>↓</p> <p>Develop a Funding Plan and Financing Policies</p> <p>↓</p> <p>Develop Credits and Appeals Program Policies and Procedures</p> <p>↓</p> <p>Perform Rate Methodology Analysis and Rate Modification Analysis</p> <p>↕</p> <p>Develop Rate Schedule and Draft Rate and Stormwater Ordinances</p> | <p>Develop Billing and Collections Policies and Procedures</p> <p>↓</p> <p>Develop Parcel Data Management Database and Master Account File</p> <p>↓</p> <p>Determine Billing System and Integration Requirements</p> <p>↓</p> <p>Determine Staffing Roles and Responsibilities</p> <p>↓</p> <p>Develop Training Plan and Training Materials</p> <p>↓</p> <p>Develop Draft Policy, Procedure, and Stormwater Management Regulations Manuals</p> |
| Phase 3 - Implementation | <p>Complete Public Outreach Campaign and continue periodic ongoing outreach</p> | <p>Launch Programs, Activities, Policies, and Ordinances</p> <p>↓</p> <p>Define, Compile, and Monitor Data on Key Performance Measures</p> | <p>Complete hiring and launch the organization</p> <p>↓</p> <p>Implement all Agreements</p> | <p>Implement Accounting, Budgeting, and Funding Mechanisms</p> <p>↓</p> <p>Adopt the Rate Schedule</p> | <p>Go-Live with Utility Billing System and Collections Operations</p> <p>↓</p> <p>Launch Customer Service</p> |

Rule #6 Communicate: No surprises !!



Public Information Plan

- who is the public ?
- what is the message ?
- when is the message ?
- how is the message sent ?
- emergency response

“If we shot all the reporters in the afternoon we’d have news from hell by breakfast”

Gen. W.T. Sherman



Deal proactively with the media

Finally:
Regionalization of key services
can lead to many benefits.

Doing it right is not easy or
cheap.

Doing it wrong is really not cheap
– cause you get to do it again!

Well... that's it

Go out and conquer...

write if you feel overwhelmed...

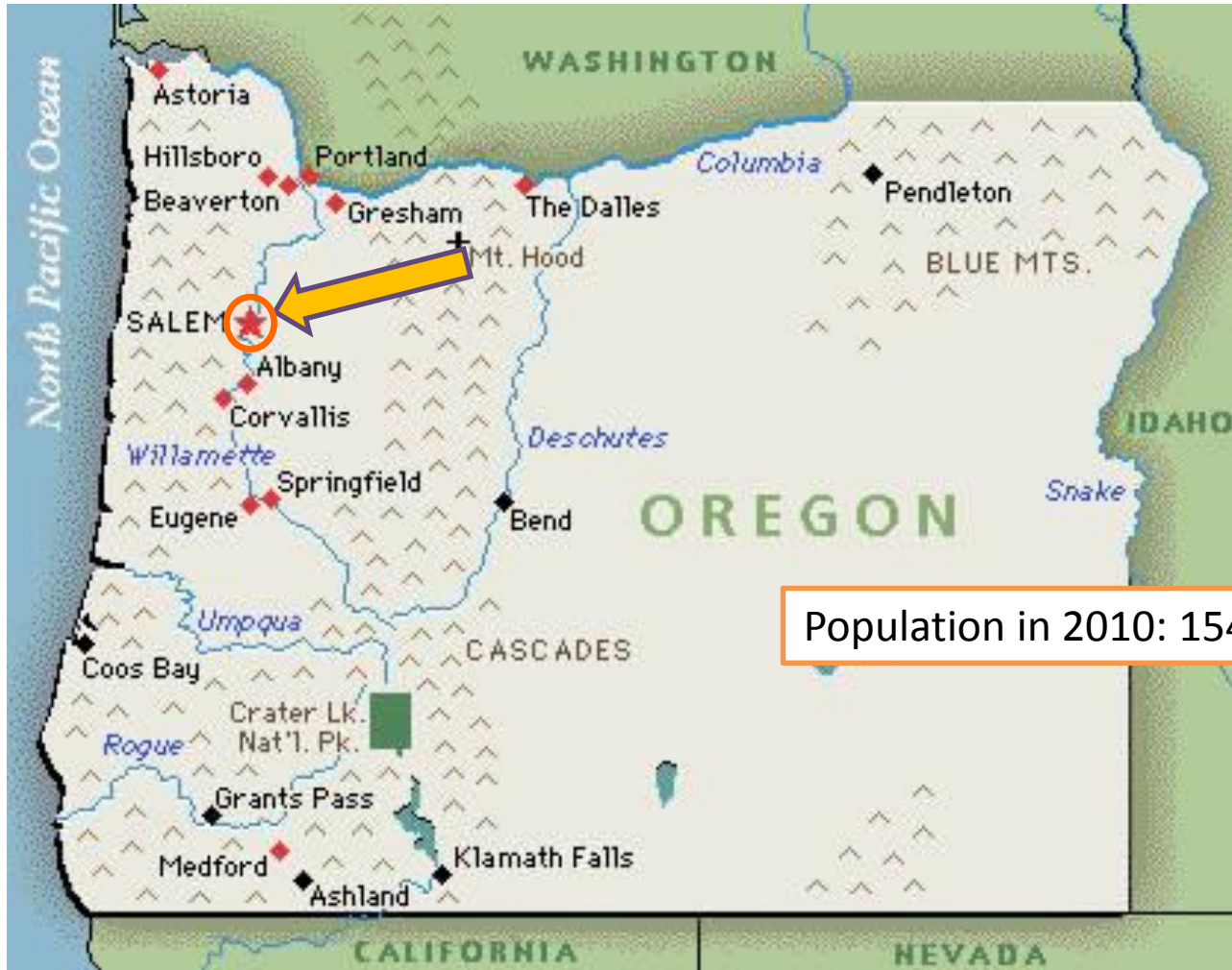
andrew.reese@amecfw.com

Why Would Anyone Try To Create a Stormwater Utility in the Midst of A Recession?

A Case Study in Salem, Oregon

Robert D. Chandler, Ph.D., P.E.
Assistant Public Works Director
City of Salem, Oregon

Salem, Oregon



Population in 2010: 154,637

Create a Utility in the Midst of Recession?

A Short History Lesson

- Feb 1983: Public Works recommends utility

\$3.60 per ESU*

* ESU = Equivalent Service Unit or 2,400 square feet of impervious surface area

Create a Utility in the Midst of Recession? A Short History Lesson

opinion

Statesman-Journal, Monday, October 3, 1983

editorials

October 3, 1983

Community can't do it all

Salem residents have a pretty respectable record when it comes to taking care of the building blocks of the community—roads, sewers and such. But we cannot afford to do everything at once. Something has to wait, and what may have to wait for now is the city storm drain system.

The Salem City Council is meeting today to review a management plan and financing plan for renovating the system of drainage ditches and pipes that handle the winter storm water.

There is no argument that the city has deferred improvements on the system for years, but the delays have been less out of neglect than simply a decision on how scarce resources would be spent. Other problems demanded attention first.

To make up for lost investment in that storm drain network, a master plan has been devised that has three key elements.

The centerpiece is a 30-year, \$31-million proposal to deal with drainage problems in several areas of the community. One of the money-saving innovations that would be used is retention basins that catch and hold the water until the existing pipes can handle the excess. These park-like depressions are already in use in South and North Salem.

Naturally, the relatively new approach to handling storm water is plagued by an old problem: How to pay for it. All the old standbys are available: Property taxes, local improvement districts and bond sales; but the idea under consideration is a monthly surcharge on the utility bill. Homes, apartments and businesses would be assessed a charge based on property that contributes to the runoff problem. For homes, a flat rate of \$3.60 was proposed.

We think the city council would be stretching the pockets and good will of the community to the breaking point if such a surcharge were imposed

each time has passed since water and sewer bills were increased a stunning 66 percent to pay for repairs and improvements. Another increase is likely in 1984.

Like good citizen soldiers, area voters recently approved a major street construction project. Before that the voters authorized a massive sewer project. Clearly, Salem residents are willing to do their part when asked. It's up to our elected officials to exercise some discretion in their asking.

Instead of a single massive storm drain project, the city might want to look at taking care of the worst spot problems through some localized assessments.

The second element of the proposal before the city council is spending as much as \$800,000 a year to keep what we have in place in working order. As the major renovations get shoved further back, we can't afford not to spend

money to at least hold the line.

In the same spirit, the city ought to be looking at its development standards to ensure that future growth does not aggravate the existing problems. To that end, the plan suggests increasing the present 5-cents-a-square-foot development charge by a penny and a half to pay for drainage improvements in council-approved growth areas. A small cost for future home buyers means dry basements and not mini-flood plains.

If the council does embrace all the elements of the storm water plan—and we don't think it should—still is not necessary to simply shelve the document. A lot of the plan can be used as the city explores problems in specific sectors of the community.

The drafters of the plan put together a fine proposal. Unfortunately, the community cannot afford to do everything at once.

Storm drain system may have to wait

“Something has to wait, and what may have to wait for now is the city storm drain system”

“We think the city council would be stretching the pockets and good will of the community to the breaking point if such a surcharge were imposed now....”

“The drafters of the plan put together a fine proposal. Unfortunately, the community cannot afford to do everything at once.”

‘We just talk about communists’

Create a Utility in the Midst of Recession?

A Short History Lesson

- Feb 1992

City OKs Rainwater Tax

- Without the new tax, money for the city's storm drainage system would dry up in less than two years, city officials have said.....
- Statesman Journal (Salem, Oregon) June 1987

- Jun 1987: Council creates utility (unanimously)

committee recommends utility

hold

\$3.60 per ESU*

committee recommends utility

committee

\$0.75 per ESU

committee recommends utility

* ESU = Equivalent Service Unit or 2,400 square feet of impervious surface area

Create a Utility in the Midst of Recession?

A Short History Lesson

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- Statesman Journal (Salem, Oregon)

- Jun 1987: Council creates utility

- Sep 1987: Utility takes effect

'Rain Tax' up against opposition in Salem

Salem - The city of Salem's attempt to tax Oregon's most abundant commodity—rain—has run into a torrent of opposition from local businesses....

The Bulletin (Bend, Oregon) January 1988

Create a Utility in the Midst of Recession?

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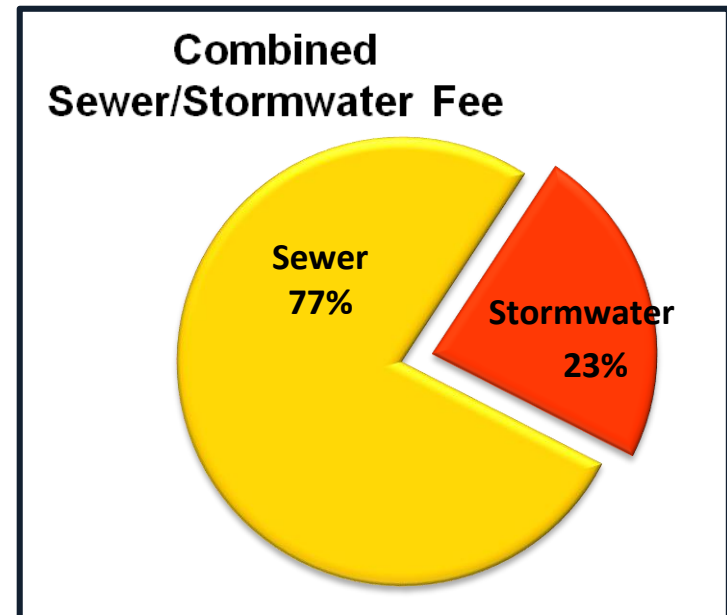
One of the problems with this new utility has been a misunderstanding of its purpose and its true cost. The euphemistic name that has been placed on this revenue source has certainly not lent credibility to its implementation....

City Manager Report to Council, February 1988

Create a Utility in the Midst of Recession?

The Reason Why

- Major water/wastewater projects completed
- NPDES Stormwater Permit in late 2010
- Stormwater a significant percentage of total wastewater bill
- Stormwater utility no longer novel concept

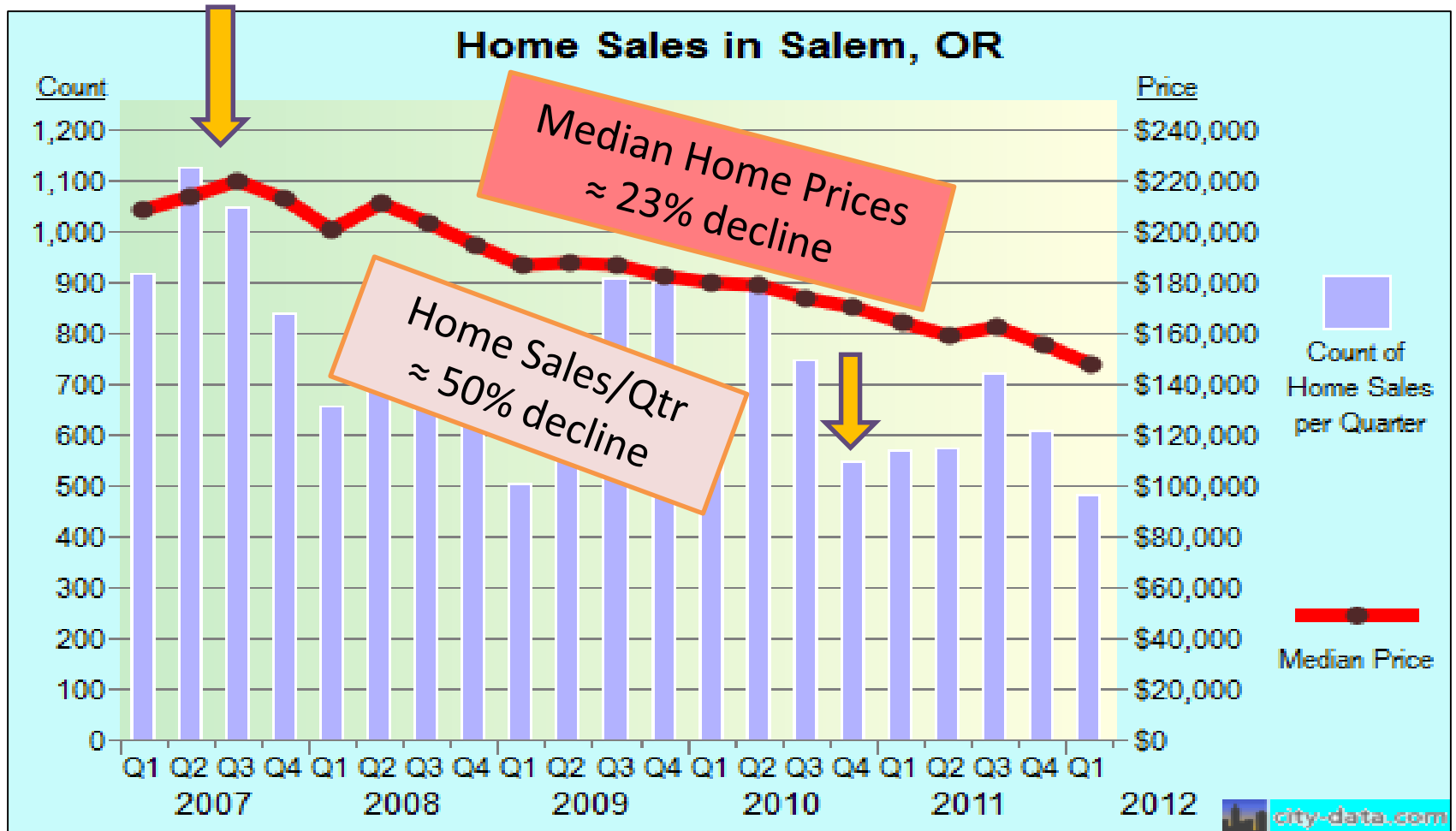


Create a Utility in the Midst of Recession?

The Reason **Why Not**

- Unemployment in Salem Metro Area: **10.7%**
- Housing backlog: **12.8 months**
- Oregon ranked **47th** in nation for job growth

Create a Utility in the Midst of Recession? The Reason Why Not



Source: <http://www.city-data.com/city/Salem-Oregon.html>

Create a Utility in the Midst of Recession?

The Starting Block

- Determine area of “Equivalent Dwelling Unit”
3,000 square feet/EDU
- Determine total number of EDUs Salem
 $90,000 \leq \text{EDUs} \leq 110,000$

Create a Utility in the Midst of Recession?

The Starting Block

- Determine area of “Equivalent Dwelling Unit”
3,000 square feet/EDU
- Determine total number of EDUs Salem
 $90,000 \leq \text{EDUs} \leq 110,000$
- Calculate dollar value per EDU
~ \$10M Stormwater Program/100,000 EDUs
~ \$100/EDU per year
~ \$8.30/EDU per month

Create a Utility in the Midst of Recession?

The Starting Block

| City | Monthly Rate /EDU (July 2010) | Salem Initial Rate/EDU |
|---|--|-------------------------------|
| Keizer | \$ 3.83 | |
| Hillsboro | \$ 4.75 | |
| Corvallis | \$ 5.48 | |
| Medford | \$ 5.60 | |
| Clean Water Services¹ | \$ 6.25 | |
| Vancouver | \$ 6.95 | |
| Gresham | \$ 8.60 | |
| Eugene | \$ 9.82 | |
| Springfield | \$11.32 | |
| Portland | \$21.79 | |

¹Clean Water Services includes the cities of: Beaverton, Tigard, Tualatin, Hillsboro, King City, Forest Grove, Sherwood, Cornelius, Banks, Gaston, Durham, and North Plains

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Create a Utility in the Midst of Recession?

The Run

Community Engagement – 12+ months

- 19 Neighborhood Associations
- 7 Trade/Business Organizations
- 6 Community Groups
- 7 Citizen Boards/Committees
- 6 Government Agencies
- 5 City Council Meetings
- Multiple interested individuals/businesses

Create a Utility in the Midst of Recession?

The Run

Community Engagement - Examples

- Salem-Keizer School District
 - 66 total accounts: ↑\$21,000/mo (↑50%)
- Local Area Grocery Chain
 - Four stores + HQ: ↑\$1,150/mo (↑100%)
- Salem Area Car Dealers Association
 - Large dealership: ↑\$560/mo (↑300%)
- Nonprofit Organizations
 - Large church: ↑\$1,000/mo (↑10X)

Create a Utility in the Midst of Recession?

The Run

Make the feedback count

- Delayed initial implementation
Jan 2011 (original) →

Create a Utility in the Midst of Recession?

The Run

Make the feedback count

- Delayed initial implementation
Jan 2011 (original) → Jan 2013 (impl. date)
- Phased implementation
None (original) →

Create a Utility in the Midst of Recession?

The Run

Make the feedback count

- Delayed initial implementation
Jan 2011 (original) → Jan 2013 (impl. date)
- Phased implementation
None (original) → 2013-2016 (4 rate adjustments)
- Added a “Stormwater Base Charge”

Create a Utility in the Midst of Recession?

The Run

Stormwater Base Charge

- Street sweeping
- Billing/Account maintenance
- Bad debt collection
- 24/7 Public Works Dispatch
- Public Street impervious surface area

Create a Utility in the Midst of Recession?

The Run

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Create a Utility in the Midst of Recession?

The Run

| City | Monthly Rate /EDU (July 2010) | Salem Final Rate/EDU |
|-----------------------------------|----------------------------------|----------------------|
| Keizer | \$ 3.83 | |
| Hillsboro | \$ 4.75 | \$ 5.00 |
| Corvallis | \$ 5.48 | ↕ |
| Medford | \$ 5.60 | \$ 6.00 |
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| Gresham | \$ 8.60 | |
| Eugene | \$ 9.82 | |
| Springfield | \$11.32 | \$15.00 |
| Portland | \$21.79 | \$18.00 |

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Create a Utility in the Midst of Recession?

The Finish Line

- Sep 2009: Public Works initially recommend utility
- Jan 2010: Council Work Session
- Sep 2010: Council Work Session
- Oct 2010: Public Hearing
- Dec 2010: Public Hearing (continued)

December 6, 2010: Council Votes

Ordinance passed 6-2 (one abstention)

- Jan 2013: Utility takes effect

Create a Utility in the Midst of Recession?

The Finish Line

OPINION

Editorial page editor: Dick Hughes

Opinion pages constitute a modern town square, where readers should find a variety of viewpoints — ones that will challenge their own as well as complement their own. Columns, letters, guest opinions, blogs, Sound Off posts and cartoons represent the views of their authors. Editorials — Our Viewpoint — represent the composite view of the Statesman Journal Editorial Board and are the institutional voice of the newspaper.

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SalemEd@StatesmanJournal.com

“Rain is free, but getting rid of it is expensive. Last week the Salem City Council acted responsibly by voting to gradually make those costs more equitable. It was a good decision and one that reflects the tough times that local businesses still face.”

“Overall, taxpayers are the winner because, in many ways, the city's handling of this issue has exemplified local government at its best.”

...and one
...the tough times that
...local businesses still face.
The council created a stormwater utility that will take effect no

...ations, busi-
...groups and others. Staff
members conducted more than
50 meetings, which were noteworthy for their civil give-and-take.
■ The council had a robust

The Salem Council...
the current economy and
businesses operate. Now is
time to impose higher costs
on businesses. The council decided
the new system will take
effect after the Salem-area unemployment rate drops to 7.5 percent for one quarter of the year — three consecutive months — or Jan. 1, 2013, whichever occurs first.
And then the rates will be phased in over three years, with the stormwater utility in full

car on a
The ground will sink
of the pollutants before the water seeps into streams. Similarly, an increasing number of commercial operations, from car washes to office buildings, have installed systems for recycling water and separating out the oil and other pollutants.

See costs, benefits

The stormwater utility will

Create a Utility in the Midst of Recession?

Getting to the Awards Platform

Between December 2010 & January 2013

- Validated customer service database
 - Updated public information material
 - Developed rate credit protocols
 - Completed Cost of Service Analysis!
 - Got a rate increase!
 - Changed our billing format!
 - Re-engaged key customers *and* elected officials
-

Create a Utility in the Midst of Recession? Getting to the Award Platform

A Storm Water “Bombshell” Tax is
Scheduled to be phased in starting January
....unless YOU stop it



Water conservation efforts by the citizens of Salem resulted in lost revenues for the City. In an answer to their good deeds the City is coming after Commercial Property Owners to maintain their bloated budgets.

The City of Salem is planning to adjust charges to all properties to process rain water runoff as a means to stabilize their revenue stream. Per the City's "Establishing a Stormwater Rate – Final Report" dated October 210, rates will increase an estimated **18% for small commercial properties** and **151% for large commercial properties**.

http://www.cityofsalem.net/Departments/PublicWorks/Pages/sw_utility.aspx

It will place a great burden on churches and non-profits that already generously and freely provide an enormous service to our community. Asking these organizations to fill the coffers of the City is outrageous, diverting funds from those that need it most to serve the self interest of a bureaucracy.



It is time to rise up and let your voices be heard.

Encourage your members to contract the City Council and raise their voices against the proposed rate (hidden tax) increase.

Email: citycouncil@cityofsalem.net
Address: 555 Liberty St SE, Salem OR 97301
Phone: 503-588-6255
Fax: 503-588-6354



Marion and Polk County
Fighting for Limited Government in Oregon!
For more information visit us at www.marionafp.com

[Note: Flier has been recreated from original]

“A Storm Water “Bombshell” Tax is
Scheduled to be phased in starting January 2013
....unless YOU stop it”

“In an answer to their good deeds the City
is coming after Commercial Property
Owners to maintain their bloated budgets.”

“It will place a great burden on churches and
non-profits that already generously and freely
provide an enormous service to our community.”

Create a Utility in the Midst of Recession? Getting to the Award Platform

Letter mailed to all non-SFR customers



1758 22nd St SE • Salem, OR 97302-1255 • Phone 503-588-6063 • Fax 503-588-6394

RIVER FRONT CAROUSEL
101 FRONT ST NE
SALEM OR 97301-3473

Dear Customer:

In December 2010, the Salem City Council approved an estimate of the changes you can expect to see as a result of the stormwater utility. These estimates will depend on decisions City Council makes in the future.

The purpose of creating the utility is to change how your stormwater services are funded, making it more fair and equitable to both our wastewater and stormwater customers. Once the fee is fully implemented, wastewater customers will be charged based on the wastewater requirements and stormwater customers will be charged based on stormwater services.

Initial implementation of the stormwater utility was delayed by Council until January 2013 to allow customers to plan for its implementation. Also, the stormwater and wastewater fees will be completely separated in January 2016. As a result, your wastewater fee that currently funds stormwater services will be removed and incorporated into the bill. Your new bill will itemize how your payments are allocated.

The stormwater utility fee will have two components: (1) A stormwater base fee that supports street sweeping, dispatch services, customer service, and other services; and (2) An impervious surface charge that is related to each customer's total rooftop, driveway, and parking area. Impervious surface is measured in Equivalent Dwelling Units (EDU), where one EDU is equal to 3,000 square feet. This letter includes a map of your property showing areas determined to be impervious (buildings, asphalt, concrete, and gravel).

Please review the information and the maps and contact us if you have any questions or if further review is necessary to ensure your property is accurately represented.

| Customer | | Estimated Monthly Bill | |
|-------------|-----------------------|---|---|
| Customer ID | Impervious Area (EDU) | Current 2012 Wastewater + Stormwater Bill | Projected 2013 Wastewater + Stormwater Bill |
| AC103168 | 4.0 | \$85.07 | \$91.61 |

Note: The estimate provided above is an approximation that is for planning purposes only. City Council will establish the actual stormwater rates for 2013 and 2014 in late 2012.

If you would like additional information regarding the stormwater utility, please visit our website: <http://www.cityofsalem.net/stormwaterutility>. You may also call 503-588-6211 or e-mail Zach Diehl at zdiehl@cityofsalem.net or Mike Gotterba at mgotterba@cityofsalem.net.

Si necesita ayuda para comprender esta información, por favor llame 503-588-6211. If you need help understanding this information, please call 503-588-6211.

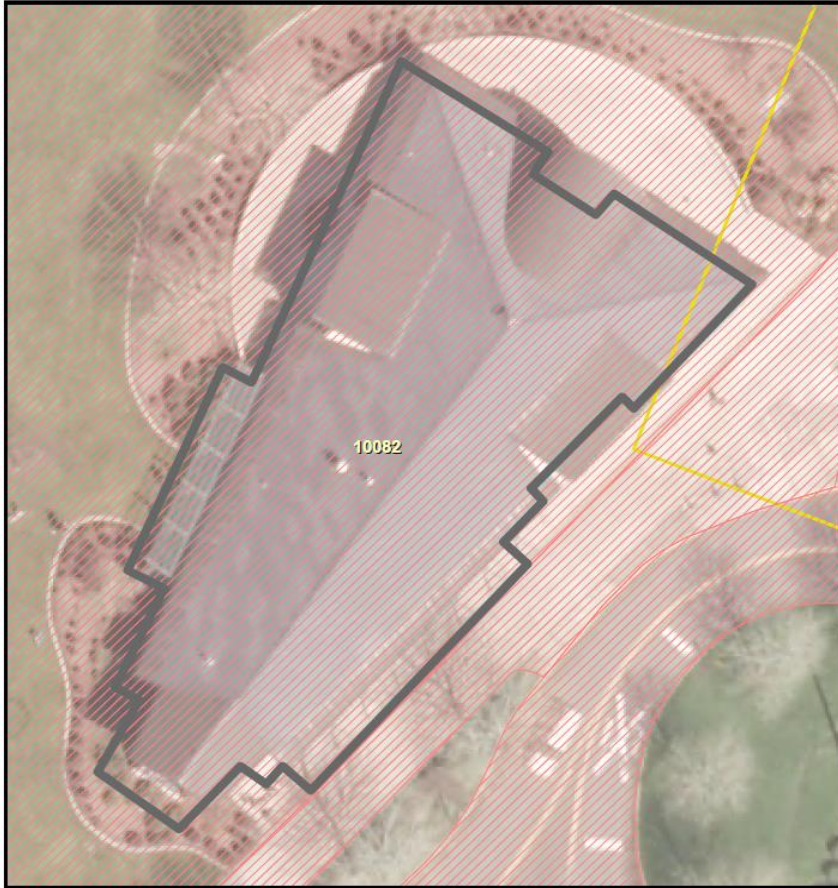
“The purpose of creating the utility is to change how your stormwater services are funded, making it more fair and equitable to both our wastewater and stormwater customers.”

“Initial implementation...delayed until January 2013 Stormwater fee will be phased in over time New bills will itemize how payments are allocated”

Impervious Area Determination
Current 2012 Monthly Bill
Estimated 2013 Monthly Bill

Create a Utility in the Midst of Recession? Getting to the Award Platform

RIVER FRONT CAROUSEL





Account Address: 101 FRONT ST SE
Customer ID: AC103168
Impervious Area: 11,966 sq ft. (4 EDU)

N:\IPW\Impervious\Non_Res_Notification_Maps.mxd



1 in = 23 ft

Legend

-  Ownership Parcel
-  Impervious Areas

Letters to all Non-SFR customers

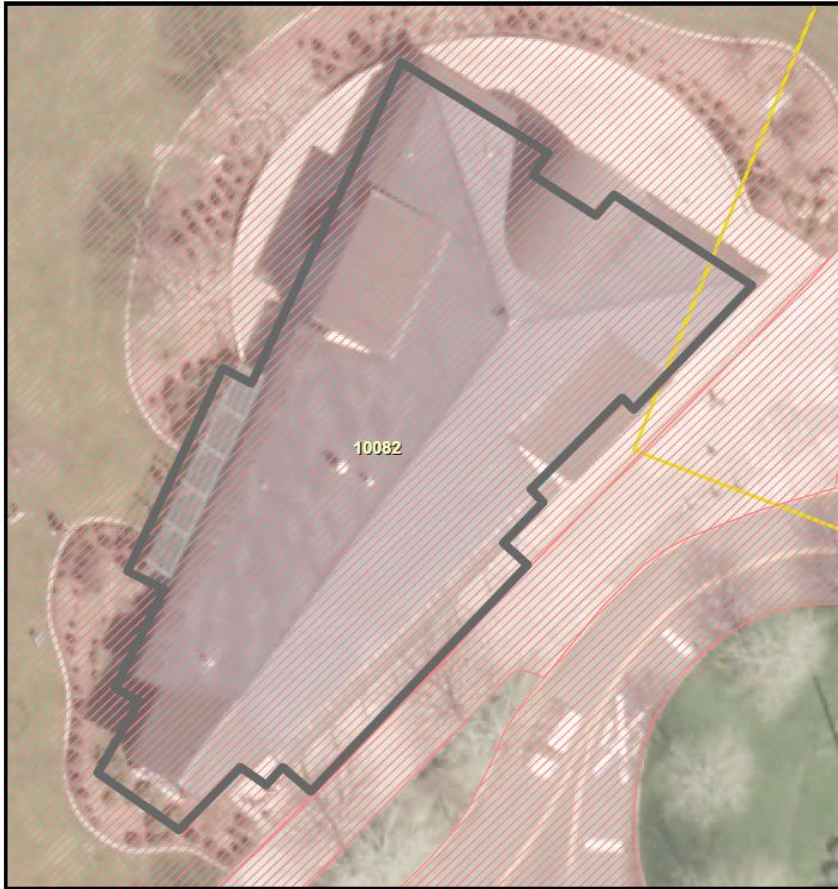
Mailed October 2012

Approx. 3,527 letters

After 30 days:

Create a Utility in the Midst of Recession? Getting to the Award Platform

RIVER FRONT CAROUSEL





Account Address: 101 FRONT ST SE
Customer ID: AC103168
Impervious Area: 11,966 sq ft. (4 EDU)

N:\IPW\Impervious\Non_Res_Notification_Maps.mxd



1 in = 23 ft

Legend

-  Ownership Parcel
-  Impervious Areas

Letters to all Non-SFR customers

Mailed October 2012

Approx. 3,527 letters

After 30 days: **107 contacts**

- 53 requested further into
- 35 map/account changes
- 3 request Spanish version
- 16 complaints*

* incl. one customer who did not believe his fee would decrease

Create a Utility in the Midst of Recession? Getting to the Awards Platform

Stormwater-only Accounts

- Recognized issue ≈ Dec 2012
- Posted ≈ 400 letters
- Delayed implementation by six months
- Still recurring issue for Customer Service

| Account Type | Total Accounts | Delinquent Accounts | Percent Current |
|-----------------|----------------|---------------------|-----------------|
| Non-Residential | 67 | 13 | 80.6% |
| Residential | 392 | 71 | 81.9% |
| Total | 459 | 84 | 81.7% |

Create a Utility in the Midst of Recession?

Lessons Learned – Part 1

If you want to create a utility [or enact a fee/tax]:

Give yourself time to:

- Review, validate, integrate, test your info/dB
- Identify & resolve policy issues
- Update public information
- Re-engage the public

As the time for implementation approaches:

- Remind your Officials & Decision Makers
- Remind the public & your customers

Create a Utility in the Midst of Recession?

Lessons Learned – Part 2

- Focus on key target audience
 - Most impacted customers
 - Chamber of Commerce
 - City Council

Create a Utility in the Midst of Recession?

Lessons Learned – Part 3

- Communications are essential
 - Timely
 - Relevant
 - Matters
- Be honest & straightforward
 - Informed dissent is always better than spun hyperbole
- It is relationships that matter

Salem, Oregon's Capital



*Robert D. Chandler, Ph.D., P.E.
Assistant Public Works Director
Salem, Oregon*

*rchandler@cityofsalem.net
503-588-6008*



CITY OF PROVIDENCE

Jorge O. Elorza, Mayor

Upper Narragansett Bay Regional Stormwater Management District Feasibility Study

Sheila Dormody, Director of Policy
sdormody@providenceri.com

Phase One Conclusions

1. We have real, growing, shared and unresolved stormwater problems
2. We can solve these problems and there will be tangible benefits
3. It will cost more than we are now spending
4. It will be more efficient and effective doing so together
5. A stormwater user fee is the best and fairest way to pay for the improvements



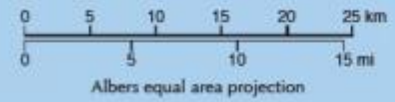
TRANSPORTATION

- Interstate; limited access highway
- Other principal highway
- Railroad
- Ferry

PHYSICAL FEATURES

- Streams
- Lakes
- Highest elevation in state (feet) +812
- The lowest elevation in Rhode Island is sea level (Atlantic Ocean).

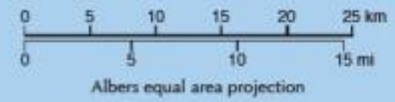
CONNECTICUT



MASSACHUSETTS



CONNECTICUT



MASSACHUSETTS



Rhode Island Sound

ATLANTIC OCEAN

Block Island Sound

New Shoreham Block Island

NY

NY

Woonsocket

Pascoag

Jerimoth Hill +812

Pawtucket

North Providence
Providence

East Providence

Cranston

West Warwick

Warwick

Warren

Bristol

East Greenwich

Tiverton

Portsmouth

Newport

Sakonnet Point

Hope Valley

Kingston

Wakefield

Westerly

Point Judith

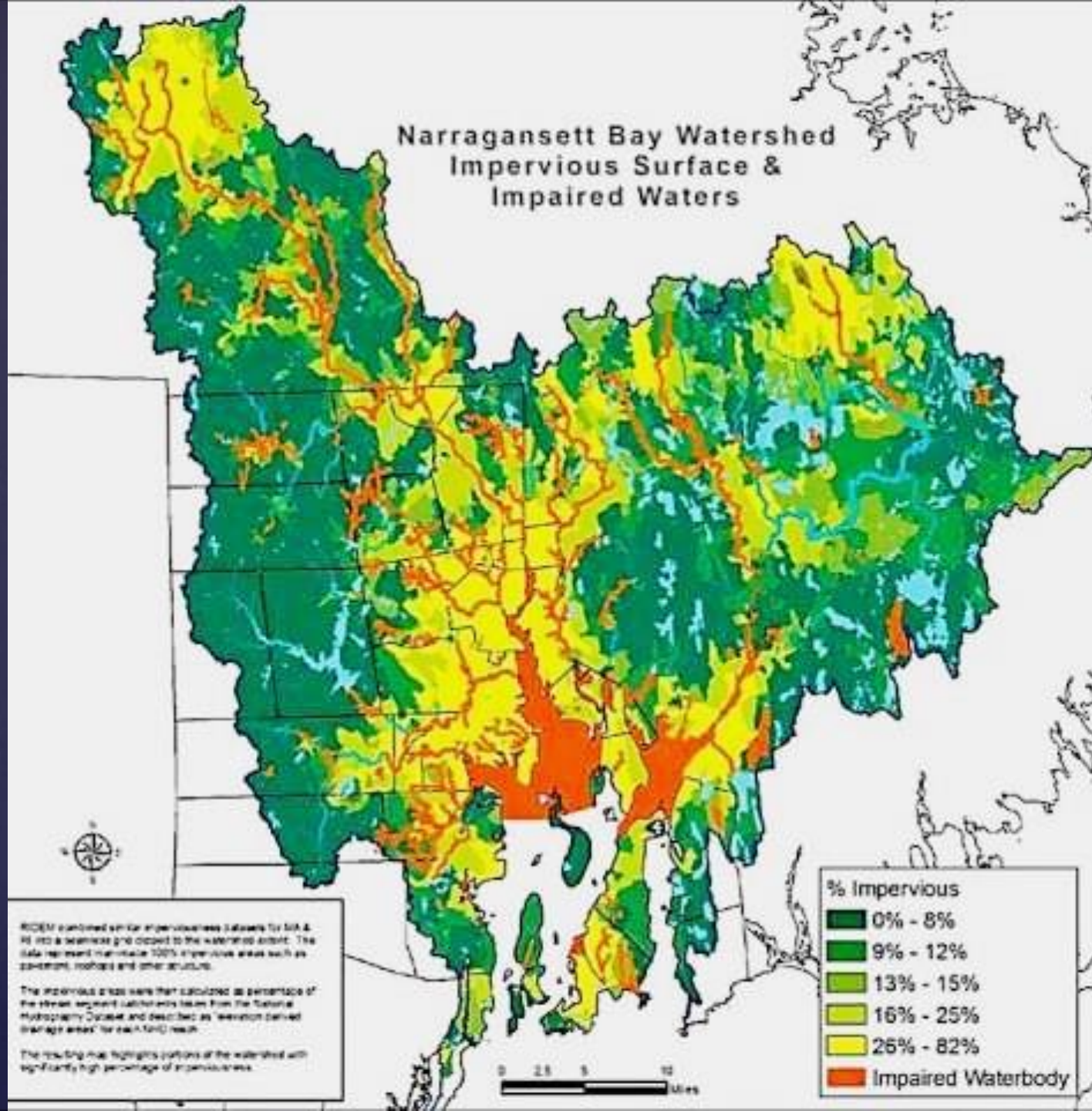
Napatree Point



New Shoreham Block Island

New Shoreham Block Island

Narragansett Bay Watershed Impervious Surface & Impaired Waters



RCEM contained soil imperviousness values for MA & RI into a seamless grid clipped to the watershed extent. The data represent near-total 100% impervious areas such as pavements, roofs and other structures.

The impervious areas were then calculated as percentage of the stream segment catchments based from the National Hydrography Dataset and described as "stream derived drainage areas" for each land reach.

The resulting map highlights portions of the watershed with significantly high percentage of imperviousness.

0 2.5 5 10 Miles

Sustainability Goals

Waste

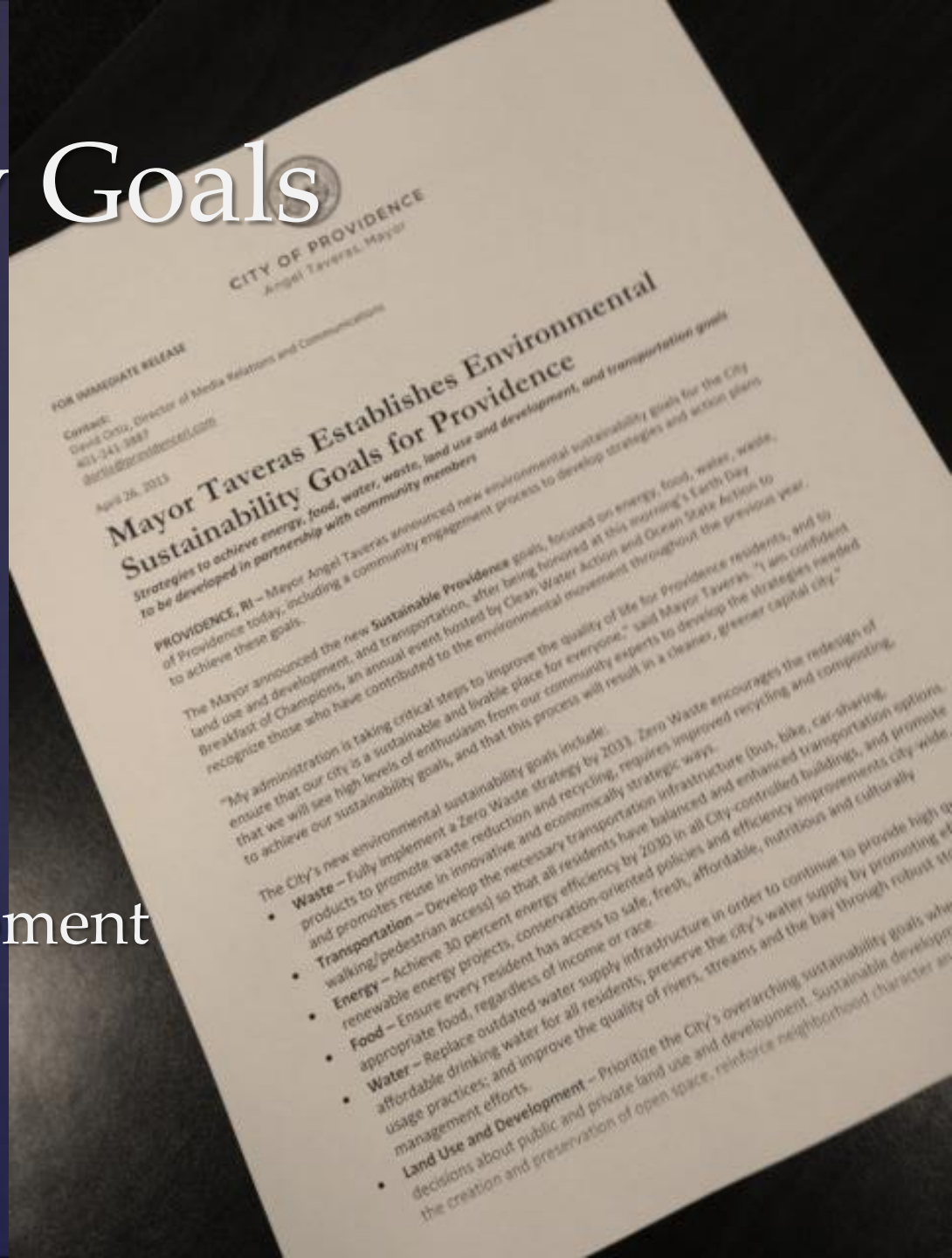
Transportation

Energy

Food

Water

Land Use and Development



CITY OF PROVIDENCE
Angel Taveras, Mayor

FOR IMMEDIATE RELEASE
Contact:
David Otto, Director of Media Relations and Communications
401-341-3887
otto@dprovidenceRI.com

April 26, 2013

Mayor Taveras Establishes Environmental Sustainability Goals for Providence

Strategies to achieve energy, food, water, waste, land use and development, and transportation goals to be developed in partnership with community members

PROVIDENCE, RI – Mayor Angel Taveras announced new environmental sustainability goals for the City of Providence today, including a community engagement process to develop strategies and action plans to achieve these goals.

The Mayor announced the new Sustainable Providence goals, focused on energy, food, water, waste, land use and development, and transportation, after being honored at this morning's Earth Day Breakfast of Champions, an annual event hosted by Clean Water Action and Ocean State Action to recognize those who have contributed to the environmental movement throughout the previous year.

"My administration is taking critical steps to improve the quality of life for Providence residents, and to ensure that our city is a sustainable and livable place for everyone," said Mayor Taveras. "I am confident that we will see high levels of enthusiasm from our community experts to develop the strategies needed to achieve our sustainability goals, and that this process will result in a cleaner, greener capital city."

The City's new environmental sustainability goals include:

- **Waste** – Fully implement a Zero Waste strategy by 2033. Zero Waste encourages the redesign of products to promote waste reduction and recycling, requires improved recycling and composting, and promotes reuse in innovative and economically strategic ways.
- **Transportation** – Develop the necessary transportation infrastructure (bus, bike, car-sharing, walking/pedestrian access) so that all residents have balanced and enhanced transportation options.
- **Energy** – Achieve 30 percent energy efficiency by 2030 in all City-controlled buildings, and promote renewable energy projects, conservation-oriented policies and efficiency improvements city-wide.
- **Food** – Ensure every resident has access to safe, fresh, affordable, nutritious and culturally appropriate food, regardless of income or race.
- **Water** – Replace outdated water supply infrastructure in order to continue to provide high quality, affordable drinking water for all residents; preserve the city's water supply by promoting efficient usage practices; and improve the quality of rivers, streams and the bay through robust management efforts.
- **Land Use and Development** – Prioritize the City's overarching sustainability goals when decisions about public and private land use and development. Sustainable development includes the creation and preservation of open space, reinforce neighborhood character and



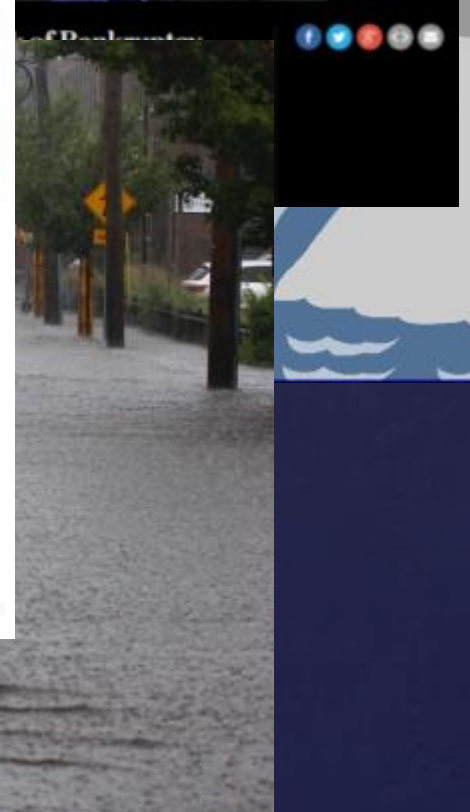
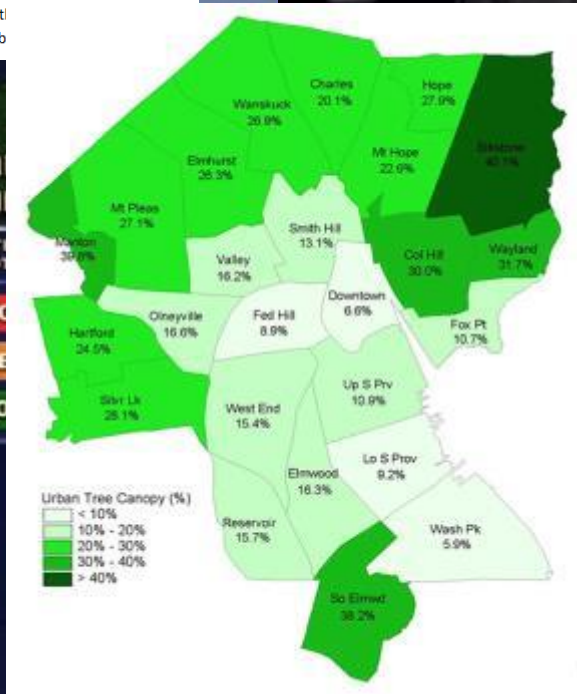
MEMO

To: Arianne Lynch, Deputy Chief of Staff
 From: Bill Bombard, Acting Director Department of
 Re: Storm Water Management

A Storm Water Management District Has the Time to Catch Up

Introduction

A storm water management district must maintain the infrastructure necessary to handle the volume of water that will be generated by the new development. Work to catch up on the infrastructure necessary to handle the volume of water that will be generated by the new development.



Water

- Replace outdated water supply infrastructure in order to continue to provide high quality, affordable drinking water for all residents;
- Preserve the city's water supply by promoting efficient usage practices; and
- Improve the quality of rivers, streams and the bay through robust stormwater management efforts.

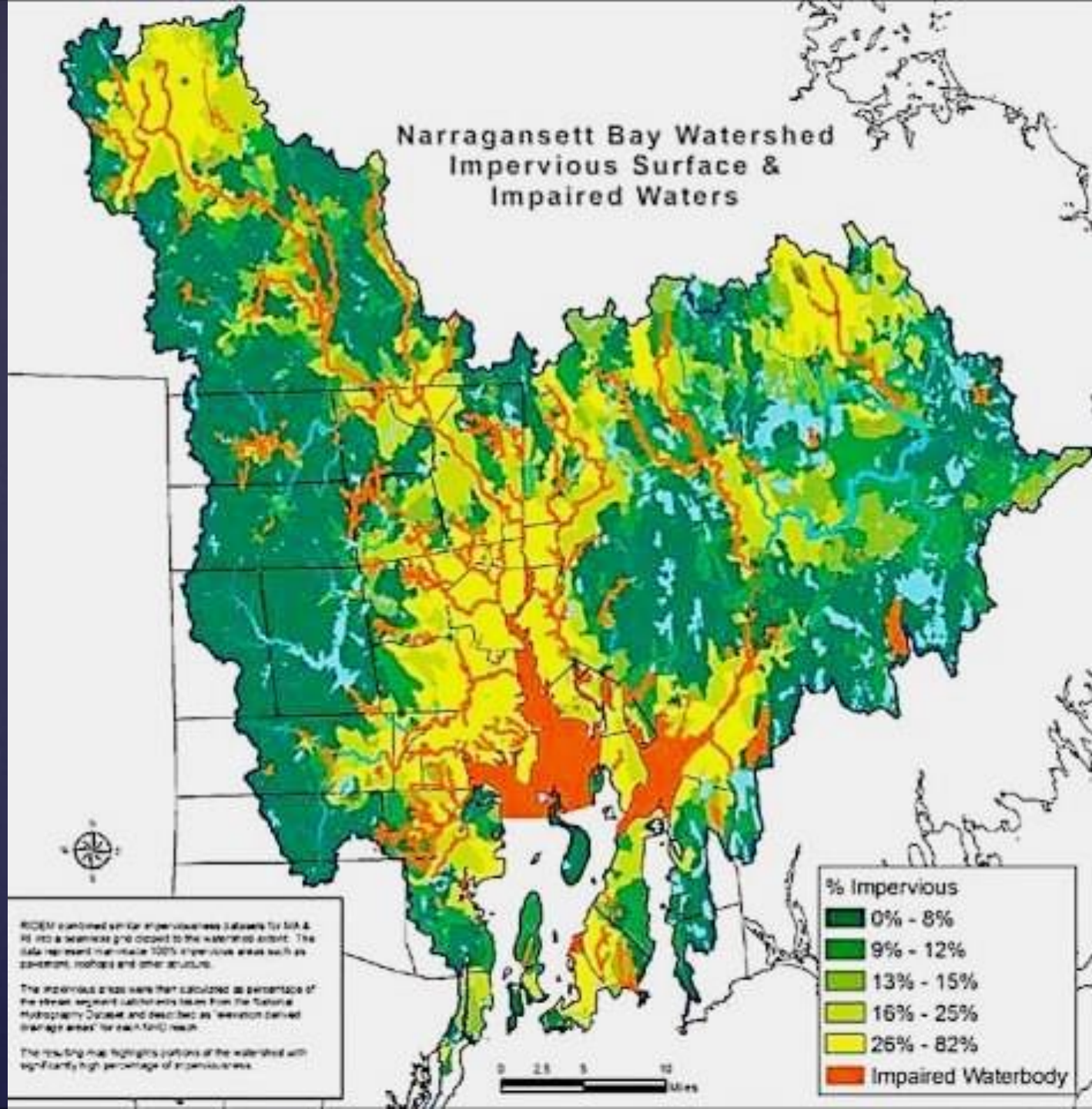
**SUSTAINABLE
PROVIDENCE**

September 2014
Office of Sustainability
Environmental Sustainability Task Force



Angel Taveras, Mayor
City of Providence

Narragansett Bay Watershed Impervious Surface & Impaired Waters



RCEM combined aerial imperviousness datasets for MA & RI into a seamless grid clipped to the watershed extent. The data represent near-total 100% impervious areas such as pavements, rooftops and other structures.

The impervious areas were then calculated as percentage of the stream segment catchments based from the National Hydrography Dataset and described as "stream derived drainage areas" for each land reach.

The resulting map highlights portions of the watershed with significantly high percentage of imperviousness.

0 2.5 5 10 Miles

After the Storm

Taking Action to Prevent
Flooding and Clean Up Our
Waterways

October 25, 2012

Save The Bay, Providence

Developing Regional Solutions to Regional Problems

Exploring Stormwater
Utility Districts

December 4, 2012
Save The Bay, Providence

Funding Options

- Property Taxes/General Fund
- Bonds
- Grants

OR

Designated Stormwater Fee
Based on the Contribution to the Problem

Stormwater Fee

- Stable
- Adequate
- Flexible
- Equitable



Phased Approach

- Preliminary Meetings and Fundraising
- Phase One – Does a regional approach to stormwater management based on user fees make sense?
- Phase Two – Continue exploring regional approach: Assess needs, Develop Structure, Scope and Governance of the Utility
- Phase Three - Implementation

Participants and Partners

- Project Steering Committee (each municipality, Department of Environmental Management, Department of Transportation, Narragansett Bay Commission)
- Stakeholders (property owners, businesses, non-profit institutions, developers, environmental groups)
- State Agencies and EPA Region One
- Grassroots campaign



Phase One Goal: Does a Stormwater Management District Make Sense for us?

- Define compelling reasons to create a stormwater district
- Describe what's currently being done and its costs
- Describe priorities for enhancing stormwater management and costs
- Evaluate revenue potential via a stormwater utility
- Identify any “show stoppers”



Aging Infrastructure,
Flooding, and
Property Damage

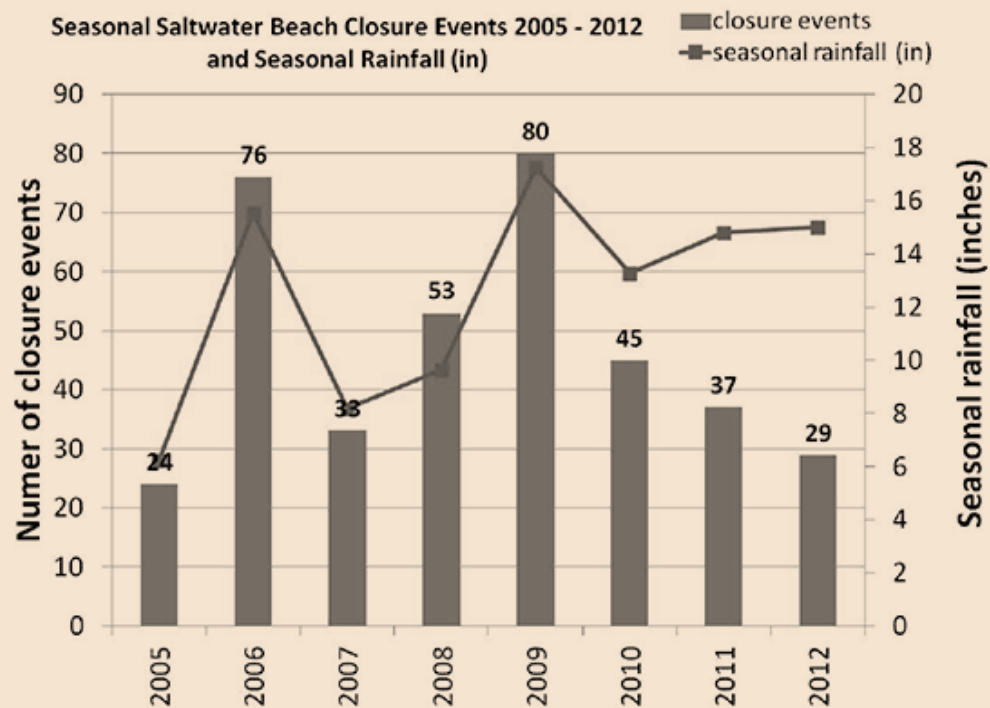
Polluted Waters



Quality of Life & Aesthetics



Seasonal Saltwater Beach Closure Events 2005 - 2012
and Seasonal Rainfall (in)



Regionally Averaged Annual Precipitation 1948-2007

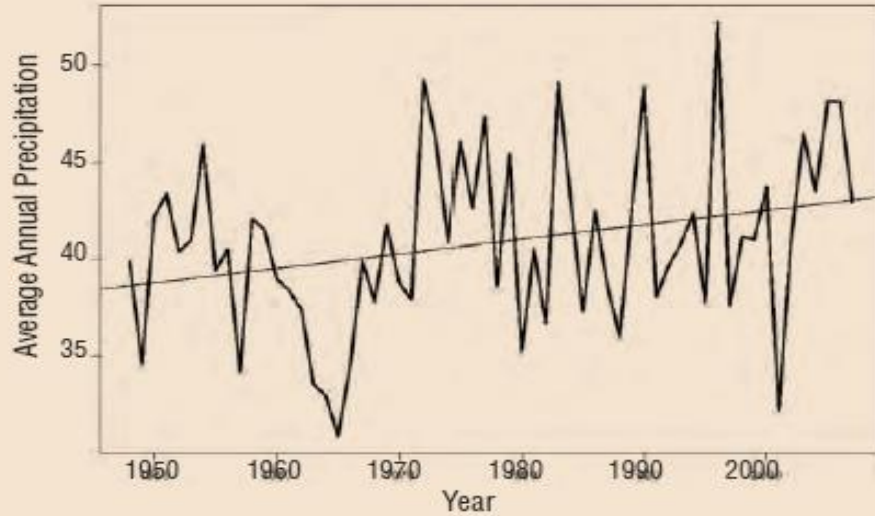


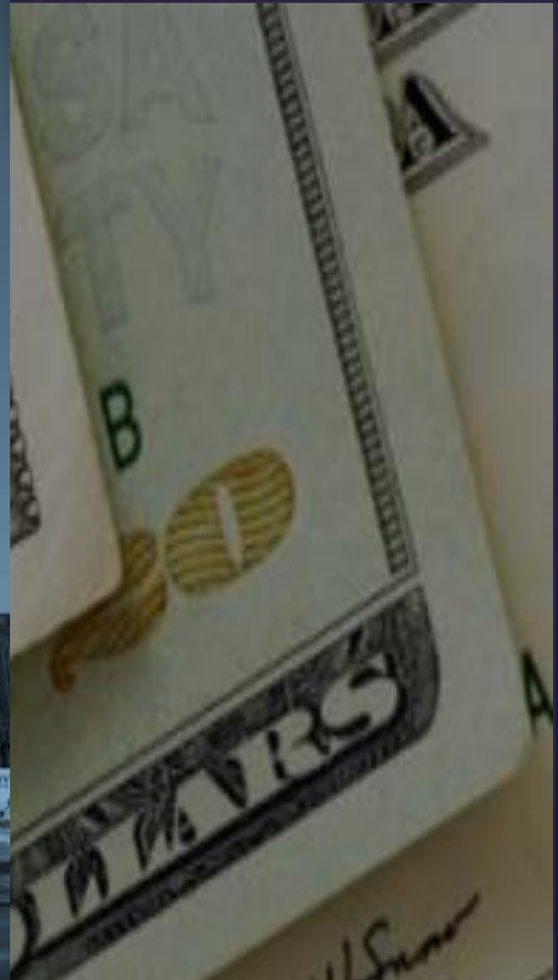
Figure 3. Time series of regionally averaged annual precipitation from 1948 – 2007. Regional average is weighted by the size of each climate division in the Northeast.



Climate Change



Compliance



& Cash

Current Stormwater Budgets for Participating Communities

| Municipality | Population | Land Area (mi ²) | Density (people/mi ²) | Impervious Area (acres) | Impervious Area (%) | Current Budget Est. |
|------------------|----------------|------------------------------|-----------------------------------|-------------------------|---------------------|---------------------|
| Central Falls | 19,376 | 1.3 | 14,905 | 548 | 66.4% | \$17,723 |
| Cranston | 80,387 | 28.9 | 2,782 | 6,067 | 32.8% | \$1,354,073 |
| East Providence | 47,037 | 14.0 | 3,360 | 3,292 | 36.9% | \$275,400 |
| North Providence | 32,078 | 5.8 | 5,531 | 1,667 | 44.9% | \$117,847 |
| Pawtucket | 71,148 | 8.7 | 8,178 | 3,481 | 61.4% | \$82,311 |
| Providence | 178,042 | 18.3 | 9,729 | 7,672 | 63.8% | \$1,346,343 |
| Warwick | 82,672 | 35.9 | 2,303 | 7,931 | 34.5% | \$596,729 |
| Totals | 510,740 | 112.9 | | 30,658 | | \$3.8M |

Range of Future Cost Estimates

| Municipality | Current Budget | Future Program* Initial Estimate | Future Program Assuming \$175/developed acre/year |
|--------------------------|--------------------|-------------------------------------|--|
| Central Falls (100% CSS) | \$17,723 | \$29,510 | \$134,400 |
| Cranston | \$1,354,073 | \$1,635,193 | \$2,562,560 |
| East Providence | \$275,400 | \$692,700 | \$1,500,800 |
| North Providence | \$117,847 | \$490,853 | \$649,600 |
| Pawtucket (90% CSS) | \$82,311 | \$388,237 | \$974,400 |
| Providence (65% CSS) | \$1,346,343 | \$3,315,647 | \$2,072,000 |
| Warwick | \$596,729 | \$1,177,473 | \$3,180,800 |
| Totals | \$3,790,426 | \$7,729,612 | \$11,074,560 |

Focus on:

- Flood control
- Infrastructure renewal
- Water quality protection

Preliminary Revenue Analysis

| Municipality | ERUs | Current Budget | Future Program Initial Estimate | Fee \$/ERU/Mo | Future Program \$175/dev. acre/year | Fee \$/ERU/Mo |
|------------------|----------------|--------------------|---------------------------------|---------------|-------------------------------------|---------------|
| Central Falls | 5,991 | \$53,168 | \$88,530 | \$1.23 | \$134,400 | \$1.87 |
| Cranston | 66,305 | \$1,354,073 | \$1,635,193 | \$2.06 | \$2,562,560 | \$3.22 |
| East Providence | 35,971 | \$275,400 | \$692,700 | \$1.60 | \$1,500,800 | \$3.48 |
| North Providence | 18,222 | \$117,847 | \$490,853 | \$2.24 | \$649,600 | \$2.97 |
| Pawtucket | 38,046 | \$135,743 | \$446,544 | \$0.98 | \$974,400 | \$2.13 |
| Providence | 83,839 | \$1,346,343 | \$3,315,647 | \$3.30 | \$2,072,000 | \$2.06 |
| Warwick | 86,672 | \$541,313 | \$1,094,347 | \$1.05 | \$3,180,800 | \$3.06 |
| Totals | 335,046 | \$3,823,887 | \$7,763,814 | \$1.78 | \$11,074,560 | \$2.68 |
| | | | | (avg.) | | (avg.) |

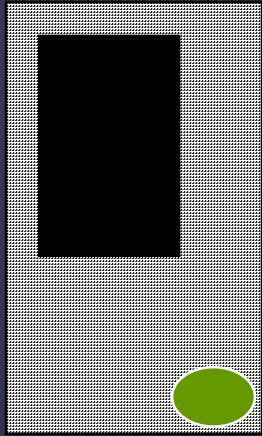
Remember. . .

- Program needs drive cost.
- The program costs need to be further defined.
- The program does not include combined sewer needs or costs.

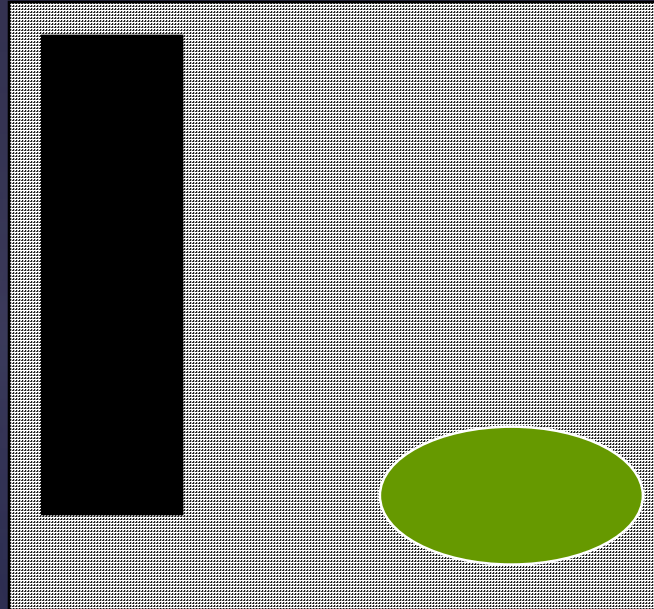
Infrastructure Upgrades, Operations, & Maintenance



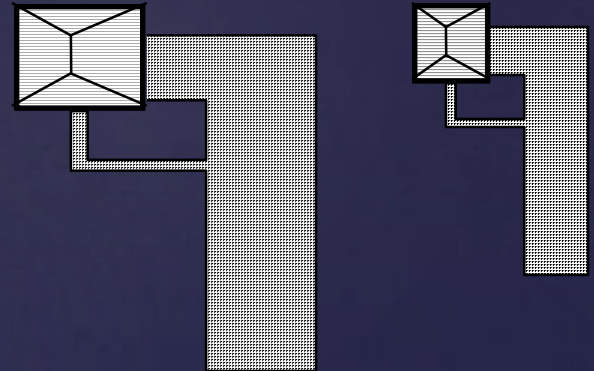
Typical Residential Properties = \$2.75/mo



Fast Food
\$40/mo
less credit



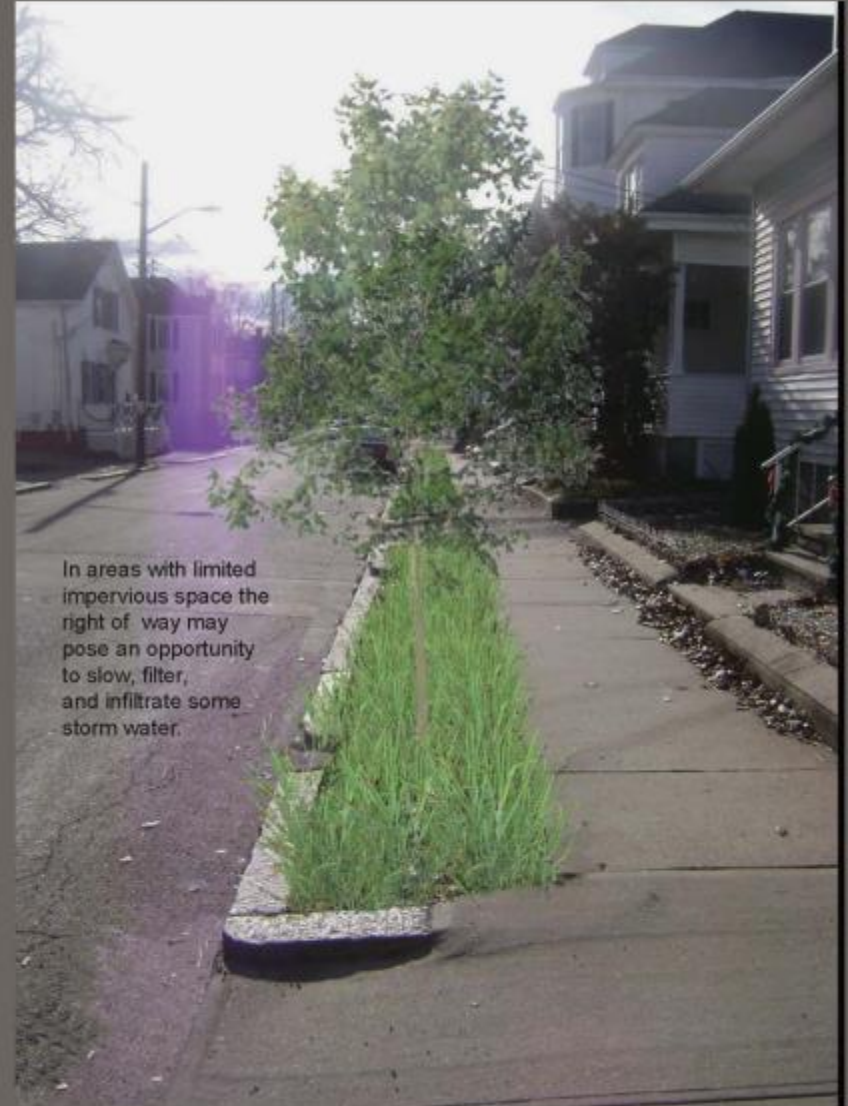
200,000 sq ft shopping
700,000 sq ft impervious
\$770/mo less credit



2 tiers residential

Large Res. Small Res.
\$4.00/mo \$1.50/mo

Green Credits





Stormwater flows over short grass and compacted soil quickly and can contribute to erosion and sediment problems.



Direct water so it may flow through vegetated areas. This can help to dissipate velocity, filter and infiltrate some storm water coming from downspouts.



Benefits of A Regional Approach

- **Address Cause of Flooding Problems**
consistent flood mitigation across the region
- **Improve Water Quality**
watershed based, multi-jurisdictional problems
- **No Need for Individual Specialized Resources**
difficult for everyone to have an “expert”
- **Interconnected Infrastructure**
combined sanitary/stormwater, separate stormwater, RIDOT, and NBC systems

Concerns to Address

- Loss of municipal control
- Stormwater management is costly
- Potential for fee creep
- Public perception
- Unforeseen challenges

No show stoppers

Phase One Conclusions

1. We have real, growing, shared and unresolved stormwater problems
2. We can solve these problems and there will be tangible benefits
3. It will cost more than we are now spending
4. It will be more efficient and effective doing so together
5. A stormwater user fee is the best and fairest way to pay for the improvements

Phase Two Tasks

1. Assess current and future operation and capital needs, and cost of services
2. Develop a funding plan for the regional utility
3. Develop an operational, financial, and administrative framework for the regional utility
4. Develop implementation plan
5. Conduct public outreach campaign



Upper Narraganset Bay Regional
Stormwater Management District Study
www.unbstormwater.org

RI Green Infrastructure Coalition
www.greeninfrastructureri.org

Sheila Dormody, Director of Policy
sdormody@providenceri.com

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Sheila Dormody

Director of Policy, Office of Mayor Jorge O. Elorza, City of Providence, RI

sdormody@providenceri.com

For questions about EPA's Green Infrastructure Webcast Series:

Emily Halter

ORISE Fellow, U.S. EPA Office of Wastewater Management

halter.emily@epa.gov

(202) 564-3324

Next Webcast – October 6, 2015

Winter Weather O&M for Green Infrastructure

- **Tom Ballestero**, Associate Professor, Director of UNH Stormwater Center
- **Brooke Asleson**, Watershed Project Manager, Metro, Minnesota Pollution Control Agency

Registration in late September

Information and registration will be posted at

http://water.epa.gov/infrastructure/greeninfrastructure/gi_training.cfm