



MEMORANDUM

TO: Mayor Laurel L. Prussing and Members of the City Council
FROM: William R. Gray, Public Works Director
Gale L. Jamison, Assistant City Engineer
Bradley M. Bennett, Civil Engineer
DATE: February 18, 2010
RE: Storm Water Utility Feasibility Study

Introduction

A storm water utility is a way to fund the cost of municipal storm water management services. A storm water utility operates similar to an electric, water, or wastewater utility. Properties within the city pay for storm water management services based on the amount of runoff generated from each property. Residents and businesses are charged a utility fee for the services provided based on the amount of impervious surface on their property.

Public Works Staff presented information on storm water utilities on July 13, 2009 to the Committee of the Whole. Mike Hall, the Public Works Director, from the Town of Normal made a presentation to the Committee of the Whole on November 9, 2009 on his community's experience with developing and implementing a storm water utility.

The first step in the storm water utility creation process would be to complete a feasibility study that would establish goals and priorities, review program needs and resources, review funding sources, generate proposed utility fee structure and establish a stakeholder input group for the utility. An implementation stage would be required after the feasibility study was completed and approved by the City Council before the utility is created.

Recommended Action

The Public Works Department requests direction from the City Council on proceeding with a feasibility study for creating a storm water utility. If the City Council decides to proceed with the storm water utility feasibility study, the Public Works Department would prepare a request for proposals to select a consultant and prepare a budget amendment ordinance for the feasibility study.

Background and Facts

The City of Urbana's storm water management system includes 129 miles of pipe ranging in diameter from 6-inches to 120-inches, 7,773 manholes and inlets, and two regional storm water detention basins.

The estimated replacement cost of the City's storm water management infrastructure is \$129 million dollars. The City budgeted \$371,360 in the 2009-2010 fiscal year for the operation and maintenance of that infrastructure. Storm water management activities are currently funded out of the City's general revenues.

The City's existing storm water management program includes the following services and activities:

- Capital construction projects (Windsor Road)
- Storm sewer pipe, manhole and inlet repair or replacement
- Ditch grading and mowing
- Vine Street Viaduct Pump Station operation and maintenance
- Storm sewer pipe, manhole, and inlet cleaning
- Boneyard Creek and Saline Branch inspection and maintenance
- Regional detention facility maintenance
- Hazardous sump pump discharge elimination program
- Responding to citizen drainage concerns and property flooding issues
- Compliance with State and Federal storm water regulations

The City is required to comply with Phase II of the National Pollutant Discharge Elimination System (NPDES) Storm Water Program that is administered by the Illinois Environmental Protection Agency (IEPA). The IEPA issues the City a NPDES Phase II Permit that applies to storm water discharges from storm sewers and drainage ways within the City's jurisdiction for a permit period of five years. As a condition of the Phase II permit the City must adopt and implement six minimum control measures to improve the water quality of its storm water discharges.

The federal EPA is presently reviewing the Phase II permit program and may make significant and costly revisions to the program beginning in 2012. Potential revisions to the Phase II permit program include post-construction best management practices for new development and redevelopment to improve water quality off these sites and new more stringent control measures. The draft revisions to the Phase II permit program should be completed by the end of 2011 and available for public comment.

Inadequate funding of the storm water management system can result in broken and collapsed pipes, manholes, and inlets; increased flooding of streets and private property; decreased water quality in local streams, creeks, and lakes; non-compliance with State and Federal storm water regulations; and diversion of resources from the General Fund and Sewer Benefit Tax.

Storm water system repairs and prioritized improvement projects that currently have no funding committed to them presently include:

Repairs or Project Description	Estimated Cost
Storm Sewer Lining Backlog List	\$429,000
Hartle Avenue Storm Sewer Improvement	\$50,000
Tremont Street Storm Sewer Improvement	\$29,000
Iowa Street Storm Sewer Improvement	\$99,000
Main Street Storm Sewer Improvement	\$796,000
Washington Street Storm Sewer Improvement	\$224,000
Linview Avenue Storm Sewer Improvement	\$498,000
Totals	\$2,125,000

A storm water utility could fund storm water system cleaning, storm water system televising, street sweeping, existing infrastructure repairs, ditch grading and mowing, regional detention facility maintenance, Vine Street pump station operation and maintenance, new storm water system infrastructure construction, a hazardous sump pump discharge abatement program, a rain barrel reimbursement program, a rain garden reimbursement program, green infrastructure incentives for new development, stream and rain gauge monitoring, Boneyard Creek maintenance, water quality public education and involvement efforts, erosion control plan review and site inspections, storm water master plan, and Engineering Division staff time committed to the storm water system.

A storm water utility allows for the implementation of an effective storm water program, provides a dedicated funding source, funds mandated state and federal programs, provides an equitable fee schedule to implement programs, and frees up general fund revenue currently directed towards storm water system maintenance for other capital improvements. The Illinois communities of Normal, Bloomington, Rantoul, Morton, Moline, Aurora, Highland Park, Rolling Meadows, and Rock Island have adopted storm water utilities. Champaign, O'Fallon, Peoria, Saint Joseph, and Saint Charles are presently considering implementing storm water utilities.

Fiscal Impact

The estimated cost of the storm water utility feasibility study is \$100,000 to \$115,000. The Public Works Department recommends borrowing the funds for the feasibility study from the Sewer Benefit Tax and/or Capital Replacement and Improvement to be repaid once the storm water utility begins generating revenues.

The implementation phase of the storm water utility includes creation of the master account system and establishing the billing system. The estimated cost of the implementation phase of the storm water utility is \$65,000 to \$85,000. However higher costs for the implementation phase might be incurred if an existing billing system cannot be utilized for fee collection and a new billing system for the storm water utility has to be created.