# Saving on Stormwater: An Unexpected Guide to Balancing Your Budget

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# How Can this Picture Save You \$100,000 Annually?



STORMWATER RETENTION CELL





Stormwater Management is a Major Expense

Municipalities underestimate the amount of annual stormwater-related expenses

Example:

City of Urbana

- Property Tax Revenue: \$7.31 million
- > Budget for Stormwater: \$800K
- Estimated Stormwater Management Expenses: \$1.7 million
- > 23% of Property Taxes



Stormwater Management is Non-Discretionary

### Stormwater volume must be managed

In Illinois, floods are the leading cause of damage to property

### Stormwater *pollution* must be managed

 Federal and State Municipal Separate Storm Sewer (MS4) Permit Requirements



# Stormwater Management is Inefficient

#### Cost is Separated from the Source

- Landowners are encouraged to send stormwater to municipal sewers (i.e. curb and gutter requirements)
- Places cost on community, not landowner
- Tax Dollars Used for Large Scale Infrastructure to Collect and Clean Runoff
- Tax Dollars Used to Undo Damage to Groundwater and Natural Resources



# **Strategies for Increasing Efficiency**

### Strategy 1:

De-Centralize MS4 Permit Compliance

### Strategy 2:

**Create a Stormwater Utility** 



### **STRATEGY 1:**

### De-Centralize MS4 Permit Compliance

- Background on Municipal Separate Storm Sewer Systems (MS4s)
- IEPA Statewide MS4 Permit: Requires Best Management Practices
  - Five General Categories to Include in Plan:
    - Public Outreach and Education
    - Elicit Discharge Elimination
    - Construction Site Runoff Control
    - Post-Construction Runoff Control
    - Pollution Prevention Measures



# Target Action: Reducing Cost of "Pollution Prevention"

- <u>Typical</u> Pollution Prevention BMP:
  - Street Sweeping
- <u>Alternative</u> Pollution Prevention BMP:
  - On-Site Stormwater Infiltration; Reduce Street Sweeping
- Savings: \$40,000-\$170,000 per year
  - Examples: Naperville, Aurora



### Street Sweeping: City of Naperville FY08-09: **\$210,000**





### .....or On-Site Retention Cost Shifts to Developer



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## **IEPA** *Prefers* **On-Site Retention**

- June 2010: IEPA report urging local governments to focus MS4 permit compliance on green infrastructure practices—such as on-site retention
- August 2010: USEPA report urging onsite retention as an MS4 practice



**Legal Authority:** 65 ILCS 5/11-13-1

- Authority to "regulate and determine the area of open spaces, within and surrounding such buildings," and "set standards to which . . . structures shall conform."
- Expressly authorized to use authority to address "the hazards to persons and damage to property resulting from the accumulation or runoff of storm or flood waters."



## Simple Tactic: Adjust Landscaping Requirements

#### Tactic:

Shift Landscaping Requirements in Zoning Code to Focus on Stormwater Retention

#### **Benefits:**

- Landscaping Requirements Provide Perfect Mechanism for Increasing On-Site Retention (i.e. Rain Gardens, Bio-Swales)
- Developer already required to set aside areas for landscaping



### Examples: From New York . . .



NYC Department of City Planning

06.18.07



#### STORMWATER RETENTION CELLS (Bioswales)

Precedent images



#### Advantages

- Natural irrigation better ensures planting remains lush and green
- Lower plant material replacement costs
- Most stormwater absorbed on site, less taxation on city sewers
- Natural filter for oil, heavy metals and other pollutants
- Lushness of planting island discourages pedestrian crossing





#### STORMWATER RETENTION CELL

Interior landscaping





# ... to Glenview, Illinois





Parking Lot Landscaping Ordinance & Design Guidelines







#### **Design Guidelines Bioswale and Rain Garden Design**

- Bioswales convey stormwater from surface 1. parking lots and the surface runoff is filtered and cleaned through native wetland plantings. Bioswales improve water quality by cooling runoff, slowing down runoff and cleaning runoff. Bioswales are encouraged to be designed with approval from the Engineering Division. The vegetation should be a mix of plantings appropriate for the location.
- Flood-tolerant plants should be used which 2. will remain healthy when used in bioswales.
- Porous parking lot materials are encouraged 3. to be used as part of the overall parking lot plan.
- Rain gardens are depressed areas that 4. absorb excess water and slow down the water's flow with native vegetation to release stormwater gradually. Rain gardens are encouraged to be designed with approval from the Engineering Division. Rain gardens provide benefits such as:
  - Filtering sediment from storm a. events at an on-site location close to the source of the run-off
  - Reducing flow of pollutants from b. run-off
  - Improving natural aesthetics of c. impervious areas
  - d. Encourage biodiversity





ok

Bioswales incorporate native wetland plantings for stormwater drainage(1, 3)



Porous parking lot materials incorporated as part of the overall parking lot plan allow storm water to be absorbed gradually (4) 8



### **A Lasting Model for Eliminating Waste**

- Require *Developer* to
  Control Stormwater
- Build Requirement into Code; Eliminate Conflicts
- Reduce Municipal
  Services





# **STRATEGY 2:** Create a Stormwater Utility

- Like water or electricity, landowners pay a fee for use of the municipality's storm sewer system
- Fee based on the amount of runoff the landowner creates (i.e. amount of impervious surface)

#### > Benefits:

- Connect Cost to Source
- Encourage efficient development
- Provide a fund for proactive management



## Step-by-Step for Stormwater Utilities

- 1. Scope and feasibility studies
- 2. Educate public early and often
- 3. Identify budget for stormwater management
- 4. Identify amount of impervious area connected to storm sewers
- 5. Set a fee rate for each unit of impervious area based on total budget
  - Equivalent Residential Unit (ERU)
- 6. Draft an ordinance, take a vote



# Characteristics of Stormwater Utility Fees

- Fees are dedicated solely to stormwater management program
  - > Create separate fund
- Fees designed to cover annual budget
- Fees based on amount of stormwater runoff.
- "Opt-out" option if stormwater runoff is reduced or eliminated



# Legal Support for Stormwater Utilities

- Church of Peace v. City of Rock Island, 357
  Ill.App.3d 471 (2005)
  - Distinguishes Fee from Tax
- > 65 ILCS 5/11-139-8
  - "The corporate authorities of any municipality... may charge the inhabitants thereof a reasonable compensation for the use and service of the ... sewerage system and to establish rates for that purpose."



### Why a Stormwater Utility?

- Stormwater is a major, non-discretionary expense
- > Use of tax revenue is unfair and inefficient
- Utility structure promotes efficient management
  - Encourages on-site retention
  - Allows for proactive projects, Green
    Infrastructure



### **Typical Rates**

#### Single Family Residential Rates In Illinois City Monthly Rate

Aurora	\$ 3.45
Bloomington	\$ 4.35
Highland Park	\$ 4.00
Moline	\$ 3.75
Morton	\$ 4.74
Normal	\$ 4.60
Richton Park	\$ 5.63
Rock Island	\$ 3.72
Rolling Meadows	\$ 2.76
Champaign	\$ 5.24



# Case Study: City of Urbana, IL

#### **Proposed Stormwater Management Program:**

- Increase the frequency of stormwater infrastructure inspections
- Comply with the National Pollutant Discharge System (NPDES) permit for municipal separate storm sewer systems (MS4s)
- > Update the 30 year old Stormwater Master Plan,
- Increase funding levels for infrastructure repairs and capital improvement projects.
- Expected Annual Stormwater Program Expenses:
  \$1.7 million/ year



### **Stormwater Utility Feasibility Study**



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# Set Utility Rates

- Single family residence or duplex
  - Flat fee of \$61.80/year
- Equivalent Residential Unit (ERU) is 3,100 square feet of impervious surface.
   ERU rate: \$5.15/month
- > Examples of Annual User Fees:
  - > Single Family Home \$59 -\$62
  - Small Business \$235 \$255
  - > Apartment Complex \$7680 \$8220



Key to Success: Public Involvement

> Numerous Public Meetings

> On-line information and explanation

- Village of Downers Grove Example
  - Videos
  - Copies of Feasibility Study



# Conclusion





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