

City of Champaign, Illinois
Minutes of Meeting

Stormwater Utility Fee Advisory & Technical Committees Meeting

April 11, 2011

Advisory Committee Members Present: Donald Agin, Eliana Brown, Clif Carey, Steve Cochran, James Creighton, Karen Foster, Jim Jesso, Vic McIntosh, Jim Spencer, Anna Maria Watkin

Advisory Committee Members Absent: Charles Allen, Jim Bustard, David Tomlinson

Technical Committee Members Present: Leslie Lundy

Technical Committee Members Absent: Shawn Luesse, Lorrie Pearson, Mark Toalson

City Staff Present: Dennis Schmidt, Jamie Vermillion, Roland White

Consultants Present: Keith Readling– AMEC Earth & Environmental

*Note: Staff has been notified two individuals will no longer be serving on the Stormwater Utility Fee Advisory & Technical Committees. Andrew Proctor (Technical Committee) has relocated and Chris Hamelburg (Advisory Committee) has resigned.

Call to Order

The meeting was called to order at 4:02 p.m.

Minutes

The minutes from March 14, 2011 were approved.

Member Inquiries/Staff Follow-up

At the March 14, 2011 meeting, McIntosh made an inquiry to staff regarding Bloomington and Normal's administrative expenses for their respective stormwater utility programs. The full response to this inquiry is included in the April 11, 2011 Advisory Committee Meeting Packet.

Brown announced that on Wednesday, April 13, 2011, the University of Illinois and the MS4 Stormwater Technical Committee are sponsoring a Green Infrastructure Maintenance Conference at the iHotel. Registration is at 8:30 a.m. Lunch is free and the keynote speaker, James Patchett from the Conservation Design Forum will be speaking at 12:45 p.m. The Conference ends at 3:45 p.m.

Stormwater Management User Fee Credits and Incentives

Readling made a presentation describing credits and incentives for stormwater utility programs.

Brown asked if most communities with stormwater utility fees have maintenance agreements that need to be signed. Readling responded that most communities do have agreements concerning credits. Brown followed up by asking if communities typically have agreements pertaining to incentives. Readling indicated that maintenance agreements are much less common for incentive programs.

Foster asked if developers could receive credits for incorporating low impact development, if the City adopted a prescribed credit program. Schmidt answered by explaining that both a prescribed and menu-based credit program could be utilized to encourage developers to incorporate low impact development into their projects. Schmidt speculated that a prescribed credit program would work better because the credit could be customized for individual situations. However, a menu-based program could also work to encourage low impact development because the developer would be given a percentage credit for each feature included into the development.

McIntosh asked how the City would encourage developers to incorporate low impact development into their projects, if they do not receive a credit for it. Schmidt explained that the developer may use the green infrastructure as a way to market the properties and attract buyers into the subdivision.

Foster asked if the drainage pond near Target is an example of a BMP (Best Management Practice). Schmidt responded that a stormwater detention basin could be a BMP. He further detailed that a number of things could be considered BMPs, i.e. a filtration strip that helps clean the water out, etc. Foster followed up by asking if the Target and old Circuit City property has one property owner. White indicated he believed there are two or three property owners for that area. Foster then asked how a credit would be applied if one BMP benefitted more than one property owner. Schmidt explained that a series of parcels could all utilize and be given a credit for one BMP. McIntosh commented that all parcels making up the Market Place Shopping Center drain into one detention pond. Schmidt pointed out that all of the Parkland parcels also drain into one detention pond. White mentioned that before a credit would be given, though, it would have to be verified that all stormwater runoff produced by the property drained into the detention basin and not somewhere else.

Creighton asked how engineers would be able to determine how much of a property's stormwater runoff drained into a detention basin. Schmidt explained that a property's site plan would contain that information. Creighton then asked if there would be a lot of administrative work to determine a property's runoff pattern. Schmidt explained that City staff reviews a site plan for all proposed developments, so that data is readily available. He noted that the City may not have all of the site plans for some of the older subdivisions, but the City has all drainage site plans for properties developed in the last 10-15 years.

Cochran asked if there is a maintenance reporting requirement for developments where a detention pond is present. White acknowledged there is a requirement in the City Code to annually inspect all detention basins. However, personnel currently do not monitor it. He further explained that many commercial users build detention basins and do not keep up on maintenance. Many residential subdivisions keep up on the aesthetics of the basins, but not the functionality of the basin. Cochran again asked if property owners are required to submit basin maintenance reports on a regular schedule. White stated that property owners are required by City Code to provide maintenance reports, however the City presently does not enforce this requirement.

Foster asked how the pond at Robeson Meadows differs from the detention basin in front of Target. White explained they are functionally the same. They both temporarily detain water and meter it out over time through an outlet device, which mitigates the peak flow that causes fast, rapid flooding in the hours or day after a storm.

Schmidt commented that in addition to the materials in the presentation on credit programs nationwide, information is included in the meeting packet regarding stormwater credit programs for Illinois communities.

McIntosh asked when a credit program has to be instituted. Readling explained that most communities with credit programs establish the credits upon startup of the stormwater utility fee. Some communities, however, may not have their credit program finalized at startup, so they may make the credit retroactive to the first bill. Other communities may begin a stormwater utility fee with no credit program and then after four or five years, they may refine the program by adding credits.

Brown asked how a community can have a stormwater utility fee without a credit program. Readling indicated the fees in those communities are not legal and have not been challenged.

Watkin mentioned that some Illinois credit programs are very complex and others, such as Highland Park are very simple. Schmidt indicated that information from Highland Park may not be very reliable because staff has had difficulty extracting information from them.

Creighton asked if the City wants to generate between \$2 and \$3 million, would a 20% credit be accounted for citywide or would it be a loss of revenue. Readling explained that the credit is accounted for by making a careful estimate to determine the revenue impact of the credit program. In the estimate, the consultant will try to take into account how much revenue will not be collected because of credits and incentives. Then, the rate will be crafted with that in mind. Schmidt added that in the cost estimates provided at the February 14, 2011 meeting, there were administrative expenditures showing a cost associated with a credit program. However, this was an estimate and it will need to be adjusted as the credit/incentive program is further developed. Additionally, Schmidt

explained that any credits given would decrease dollars available for stormwater activities.

Creighton asked if an incentive program could also include disconnecting foundation tiles from the storm drain. Schmidt explained that would be a rather unique incentive. He was inclined to say that disconnecting the tiles would not be part of the City of Champaign's credit or incentive program. He explained that if a property owner were to disconnect basement tiles, it would probably have a more significant impact on the stormwater system because in all likelihood the foundation water would be pumped to the storm sewer system.

Carey asked if there are credit programs where the credit percentages change based upon whether a BMP is an initial cost or a retrofit cost. Reading said he thinks a program could do that, but he has not seen it.

McIntosh asked if cities could have incentives and not credits and still be a legal stormwater utility fee. Reading speculated that if a stormwater utility fee program only had incentives, the utility would not be legal and could be challenged.

Surveys

McIntosh encouraged Committee Members to complete the surveys distributed by staff.

Public Participation

Nancy Taylor with John Street Watershed addressed the Advisory and Technical Committees. Taylor pointed out that a goal of the credit program for the stormwater utility fee was behavior modification on the part of the resident. Taylor asked Reading if a certain credit or incentive activity is more or less successful as far as residents' participation and residents' satisfaction. Taylor then mentioned that Reading's presentation illustrated how a property could not make their money back by retrofitting a property with something like a detention basin. Currently, the University of Illinois is repaving the shuttle lot. Taylor asked if they could save money in the long run if they put permeable pavement in or gain benefits from water quality. Taylor also mentioned that in Philadelphia, public outreach started in schools and extended from there in order to get property owner involvement and support.

Reading explained that incentive programs which target residential ratepayers are typically very well received and barriers to entry are very low. Credit programs, however, have fewer participants because usually the only property owners that find it financially beneficial are those who own properties which are currently under development (because they can incorporate BMPs into the development) or those property owners who already have a detention basin present on their property. Reading indicated that the most successful credit programs are those with a simple application process. Reading described how Philadelphia's public outreach has been in development for more than thirty years. The outreach has gained attention because they recently changed their rate structure and were challenged by a number of property owners.

McIntosh reported that he and Schmidt presented information to Council regarding the stormwater utility fee at the March 29, 2011 Council Meeting. He indicated that Council was very interested and receptive of the information on the stormwater utility fee brought before them.

Next Meeting

McIntosh announced the next meeting will be held May 9, 2011 at 4 p.m. in Council Chambers of the City Building.

Adjourn

The meeting was adjourned at 5:34 p.m.