Stormwater Utility Fee Advisory / Technical Committee Meeting

January 10, 2011
4 – 5:30 p.m.

January 10, 2011 Meeting Agenda

1. Minutes (December 13, 2010)
2. Member Inquiries / Staff Follow-up
3. Stormwater Management – Unfunded Needs
4. Public Participation
5. Next Meeting (February 14, 2011)
6. Adjourn

City of CHAMPAIGN

Stormwater Utility Fee Advisory Technical Committee Meeting

January 10, 2011

Agenda Item 1
Minutes
December 13, 2010

City of CHAMPAIGN

City of Champaign, Illinois
Minutes of Meeting

Stormwater Utility Fee Advisory & Technical Committees Meeting

December 13, 2010

Advisory Committee Members Present: Donald Agin, Charles Allen, Eliana Brown, Clif Carey, Steve Cochran, James Creighton, Karen Foster, Jim Jesso, Vic McIntosh

Advisory Committee Members Absent: Jim Bustard, Chris Hamelburg, Jim Spencer, David Tomlinson, Anna Maria Watkin

Technical Committee Members Present: Shawn Luesse, Leslie Lundy, Lorrie Pearson, Andrew Proctor

Technical Committee Members Absent: Mark Toalson

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

Consultants Present: Greg Kacvinsky – Foth Infrastructure & Environmental

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Call to Order
The meeting was called to order at 4:03 p.m.

Minutes
The minutes from November 8, 2010 were approved.

Member Inquiries
None.

Champaign's Existing Stormwater Management Program (Part 2)
Richard Schnuer, Finance Director, made a presentation describing the existing revenue sources for the Stormwater Management Program.

Carey asked if the General Fund Transfer is equal to the costs of the storm sewer sump pump connection program and the storm sewer rehab program. Additionally, he asked if there is a list of projects that need to be completed in the two aforementioned programs. Schnuer explained that there is no longer a one to one relationship between the General Fund Transfer and the cost of the projects to be completed. The General Fund Transfer increases annually based upon the inflation figure used in the annual Capital Improvement Plan update and currently the transfer amount is less than the cost of the projects. Schmidt indicated there is a backlog of projects in the sump pump connection and storm sewer rehab programs.

Foster asked if the Build America Bond program were to end in December 2010, would the City continue to receive the subsidy through the length of the City's 2010 bond issue. Schnuer stated the City would still receive the subsidy.

Creighton asked if the Build America Bond program is extended, would the City continue to apply for the bonds. Schnuer explained that he would recommend using the Build America Bond program to the extent to which the City were to issue more bonds, which is somewhat limited in the near future due to concerns with the City's debt capacity.

Jesso asked how Schnuer determines whether the City can take on additional debt. Schnuer explained that he looks at a variety of factors with the most important being the City's cash flow (how much money the City is generating and how much the City wants to spend). Schnuer explained that the City does not have sufficient revenue to issue another $10 million in bonds if debt service were to be paid with resources of the Stormwater Management Fund, as all resources of that Fund were depleted when the last bonds were issued.

Cochran asked if the bonds always go to 20-year maturity. Schnuer explained that the City generally issues bonds with a final maturity of 20 years, but not always. Also, the City "called" two bond issues (the 1997 and 1998 bonds) last year because the interest rate being paid was higher than current market rates. The City refinanced those bond issues, similar to refinancing a mortgage note. Cochran followed up by asking if the City considers a call only when it would save a certain percentage. Schnuer indicated that the City does not use a rule of thumb, and that the savings in dollars is more important to him than the savings in percentages when considering a bond call.

Creighton asked if funds will become available when the Lamar Project and Healey Street Detention Basin are paid off. Schnuer indicated that despite the debt reduction, the money was dedicated to other projects funded by the 2010 bond issue, so no additional funding will be available.

Jesso asked if $700,000 was the amount saved in the 2009 bond calling. Schnuer indicated that $6-$7 million of outstanding debt was retired resulting in $700,000 in savings in the next seven years.

Schmidt asked which projects the 2010 bond issuance financed. Schnuer indicated the bonds financed Boneyard Creek 2nd Street Reach, the John Street Storm Sewer and the Washington Street East Storm Sewer Project. These bonds also freed up money for the engineering study for Washington Street West and for property acquisition.

Stormwater Utility Fee
Schmidt gave a presentation introducing the fundamentals of a stormwater utility fee.

Foster asked if the impervious area on all multi-family residences will be individually measured. Schmidt indicated that the City plans on measuring all multi-family residential properties.

Jesso asked if they will go out and physically measure the impervious area on all properties in the City. Schmidt indicated that aerial photography, GIS and field verification will be utilized to measure impervious area.

Creighton asked if City-owned properties such as the Public Works building will pay a stormwater utility fee. Schmidt indicated that if the City of Champaign follows the practice of other communities, the City will be billed for City-owned properties.

Foster asked if developed properties that have already paid a fee in the price of their lot for drainage will be required to pay the stormwater utility fee (in effect being charged twice). Schmidt indicated that a decision on this situation has not been made and the topic will be discussed further with the Advisory Committee at a future meeting.

Brown asked if any communities that already have a stormwater utility fee have a combined sanitary/storm sewer system. Schmidt will follow up on this question and provide an answer at the January meeting.

Creighton asked if there is a benefit in considering a stormwater utility a tax versus a fee. If the utility is considered a fee, the revenue generated would be allocated only to stormwater. A tax could be dispensed anywhere.

Agin, asked if the dollars currently funding the stormwater program (sales tax, property tax, etc.) could be directed somewhere else if a fee is adopted. Schmidt responded that the current revenue sources could be directed elsewhere.

Survey Form Results – Existing Expenditures
Schmidt reported the results of the Existing (Budgeted) Expenditures Survey completed by committee members.

Public Participation
There were no questions or comments made by the public.

Next Meeting
McIntosh announced the next meeting will be held January 10, 2011 at 4 p.m.

Adjourn
The meeting was adjourned at 5:43 p.m.

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Stormwater Utility Fee Advisory Committee meetings

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Click on "Stormwater Utility Fee" under "Timely Topics"

Stormwater Utility Fee Advisory Technical Committee Meeting

January 10, 2011

Agenda Item 2
Member Inquiries / Staff Follow-up

City of CHAMPAIGN

Dennis Schmidt - RE: Combined Sewer Communities and Stormwater Utilities

From: "Kacvinsky, Greg" <Greg.Kacvinsky@Foth.com>
To: Dennis Schmidt <SCHMIDDJ@ci.champaign.il.us>
Date: 12/14/2010 1:27 PM
Subject: RE: Combined Sewer Communities and Stormwater Utilities
CC: "Noel, Douglas C" <douglas.noel@amec.com>

To my knowledge, that is correct.

Regards,

Greg

Gregory P. Kacvinsky, P.E., Senior Project Manager

Foth Infrastructure & Environment, LLC

1610 Broadmoor Drive

Champaign, Illinois 61821

Front Desk (217) 352-4169 / Fax (217) 352-0085

Direct (217) 353-7344

http://www.foth.com

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From: Dennis Schmidt [mailto:SCHMIDDJ@ci.champaign.il.us]
Sent: Tuesday, December 14, 2010 11:29 AM
To: Kacvinsky, Greg
Cc: Noel, Douglas C
Subject: Re: Combined Sewer Communities and Stormwater Utilities

Greg - Thanks for the information. One clarifying question...the other five communities that were listed on my slide Highland Park, Moline, Morton, Normal and Rolling Meadows are communities that have a stormwater utility and not a CSO permit. Is that correct? Dennis

>>> "Kacvinsky, Greg" <Greg.Kacvinsky@Foth.com> 12/14/2010 7:56 AM >>>

Dennis,

As a follow-up to Eliana's question about communities with CSO permits who have (or are looking to implement) stormwater utilities, I offer the following information:

· In Illinois, communities that have stormwater utilities ***and*** a CSO permit are:

o Rock Island

o Bloomington

o Aurora

· The following Illinois communities are considering (or have previously considered) adoption of a stormwater utility ***and*** have a CSO permit:

o Peoria

o Decatur

To clarify this issue for Eliana, the three communities listed above that have stormwater utilities and a CSO permit did not create their stormwater utilities solely to meet their regulatory commitments. Instead, they use a portion of their stormwater utility budget to help limit wet weather flows to their combined sewers. This may consist of sewer separation projects and stormwater BMPs to promote infiltration (and thus reduce runoff to the combined sewer system). The majority of funds that these communities have for CSO abatement programs come from their wastewater revenues.

Since many, but not all, capital improvements on a combined sewer system fall under the wastewater category (such as CSO treatment/disinfection and new separate sanitary sewer construction), it would not be appropriate (or legal) to use stormwater utility funds for those improvements.

If you or Eliana have any follow-up questions to this, please let me or Doug know.

Regards,

Greg

Gregory P. Kacvinsky, P.E., Senior Project Manager

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Stormwater Utility Fee Advisory Technical Committee Meeting

January 10, 2011

Agenda Item 3
Stormwater Management
Unfunded Needs

City of CHAMPAIGN

Background Information

- Expenditure, Revenue, and Billing Plan for a SWUF
- Expenditure Plan
- Existing Expenditures (Oct. & Nov.) – Funded Needs
- Unfunded Needs - January
- Prioritized Needs
  - Funded Needs
  - Unfunded Needs
- Expenditure Plan - February

Questions?

City of CHAMPAIGN

Unfunded Needs - Categories

1. Capital Improvements
2. Private Stormwater Detention Basins
3. Channel Maintenance
4. Storm Sewer Rehabilitation
5. Stormwater Quality

Unfunded Needs - Categories

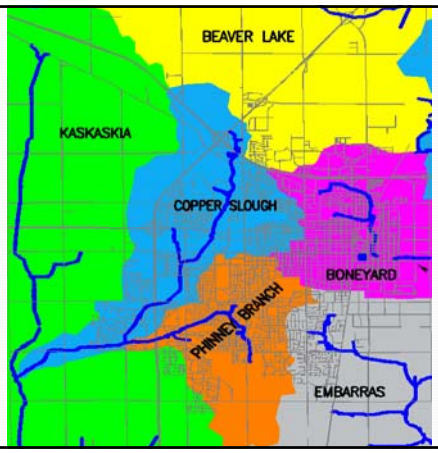
- Probably Not All
- Invite Input

Capital Improvements – Types of Unfunded Needs

1. Quantified Stormwater Needs
   - Problem Identified
   - Problem Defined
   - Solution Determined
   - Solution – Cost – Priority
   - Solution – Unfunded

   Quantified Needs Summarized – Watershed Master Plans
   Figures 1, 2, and 3 – Green
2. Un-Quantified Stormwater Needs
   - Problem Identified
   - No Problem Definition
   - No Solution Determined

   Un-Quantified – Illustrated
   Figures 1, 2, and 3 – Orange and Blue



Watershed Master Plans
Typical Scope of Work

1. Inventory Infrastructure
   - What? Where? Condition?
2. Identify Infrastructure Deficiencies
   - Where are the problems?
3. Identify Capital Improvement Needs
   - Description, cost estimate, priority
   - List of capital needs
4. Funding?

Watershed Master Plans

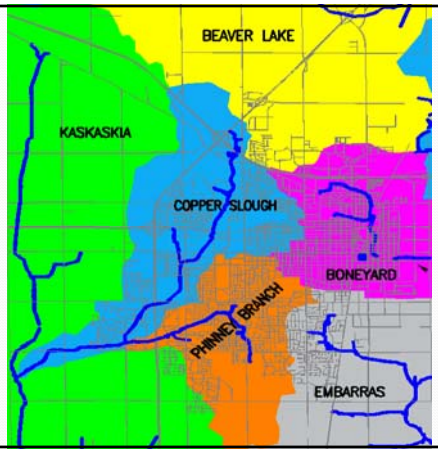
1. Advisory Committee – stake holders in the watershed
2. Public Meetings
3. Master Plan – Document
4. Council Approval
5. City's Website

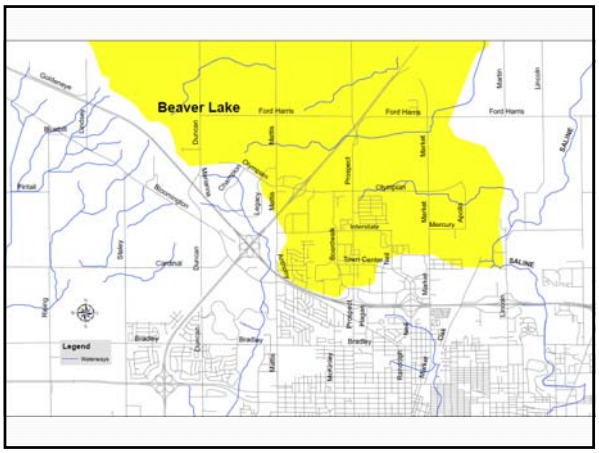
Master Plans

Watersheds	Completed
Beaver Lake	2008
Boneyard Creek	1999
Phinney Branch	1996
Copper Slough	2007
Kaskaskia	-
Embarras	-

Watershed Master Plan - Review

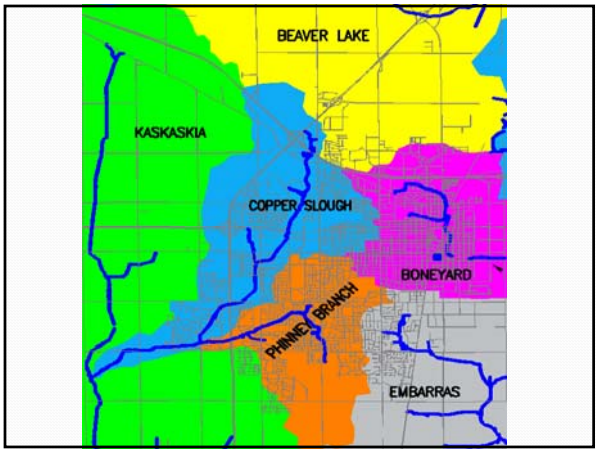
1. Problems in the watersheds have been analyzed
2. Solutions have been developed
3. Some solutions have been built
4. Other solutions are unfunded

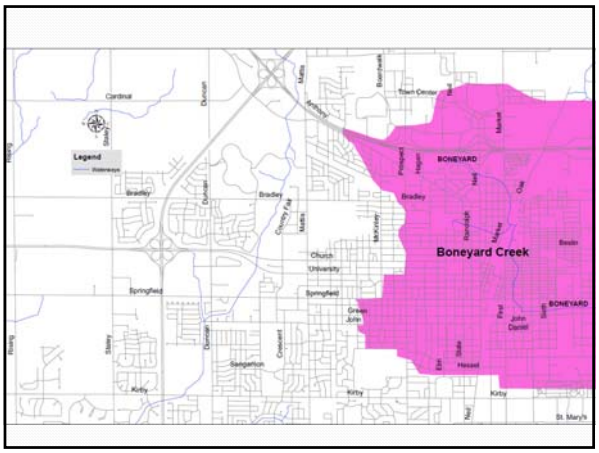




Beaver Lake Watershed Master Plan

- Original Master Plan – 1998
- Master Plan – updated 2008
- Goal – Identify drainage deficiencies before development
- Master Plan – Deficiencies
  - Channel Improvements – needed
  - Additional Detention – needed
- No Un-funded Needs Identified
- All needs will be addressed as development takes place
- Illustrates importance – overall drainage plan prior to development - Kaskaskia



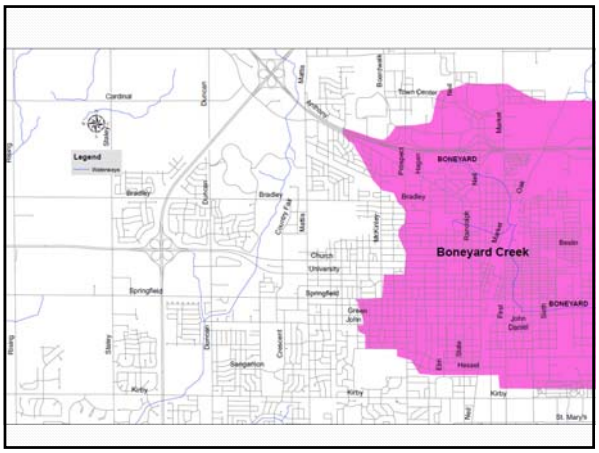


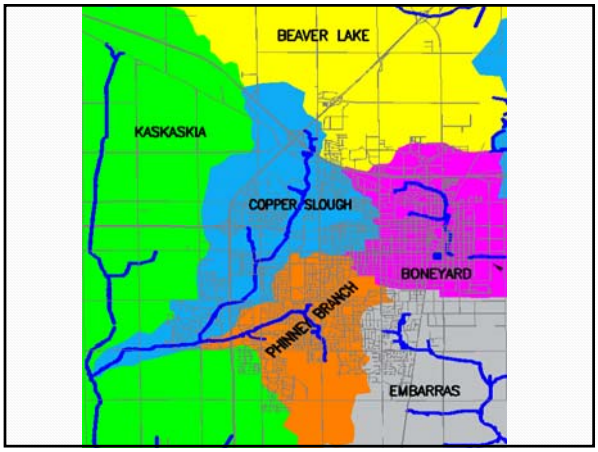
Boneyard Creek Watershed Master Plan

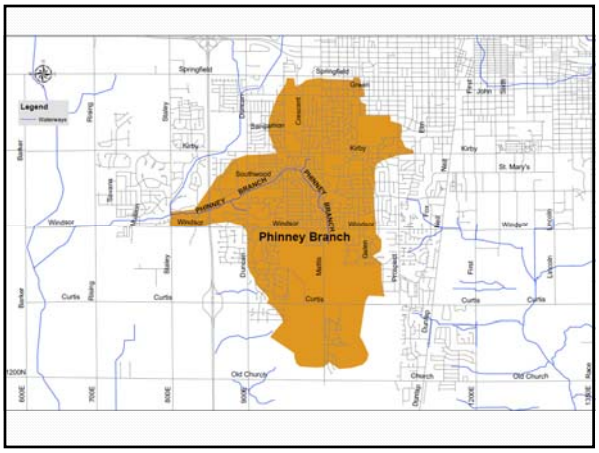
- Original Master Plan – 1998
- Recommended improvements – divided into 7 phases
- Phases 1 & 2 – completed - $43.5M

Boneyard Creek Watershed Master Plan

- Original Master Plan – 1998
- Recommended improvements – divided into 7 phases
- Phases 1 & 2 – completed - $43.5M
- 5 Phases remain - $15.3M unfunded

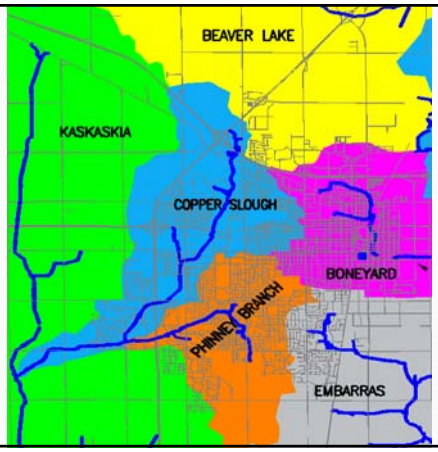

Legend
Boneyard Creek
BONEYARD
Cardinal
Duncan
Bradley
Springfield
Church
University
Green
John
Sangamon
Kirby
St. Mary's

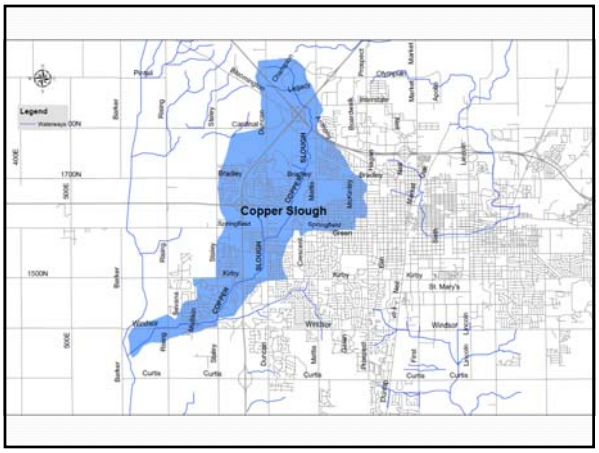

BEAVER LAKE
KASKASKIA
COPPER SLOUGH
BONEYARD
PHINNEY BRANCH
EMBARRAS


Legend
Phinney Branch
PHINNEY BRANCH
Southwood
Windsor
Springfield
Sangamon
Kirby
St. Mary's
Curtis
Old Church
Church

Phinney Branch Watershed Master Plan

- Original Master Plan – 1996
- Early 1990's – Extensive overland flooding
- Master Plan Update – 2011
- Master Plan – Deficiencies
  - Channel Improvements – needed
  - Additional Detention – needed
  - Storm Sewer Improvements – needed
- Some Detention Needs Addressed
  - Ponds of Windsor
  - Liberty on the Lakes
- Unfunded Needs – Storm Sewer & Channel Improvements – Under $10M





Copper Slough Watershed Master Plan

- Master Plan – 2007
- Master Plan – Deficiencies
  - Channel Improvements – needed
  - Additional Detention – needed
  - Storm Sewer Improvements – needed
- Unfunded Needs - $31.1M
- Funded Needs - $2.1M
- Washington Street West Project
  - $8,694,000

Capital Improvements – Unfunded – Quantified Needs

Questions?

City of CHAMPAIGN

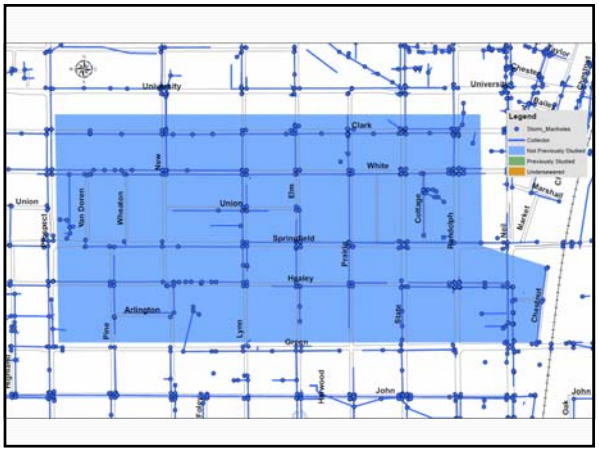
Capital Improvements Un-Quantified Stormwater Needs

- Problem Identified
- No Problem Definition
- No Solution Determined
- Unfunded

Un-Quantified Needs Illustrated – Figures 1, 2, & 3

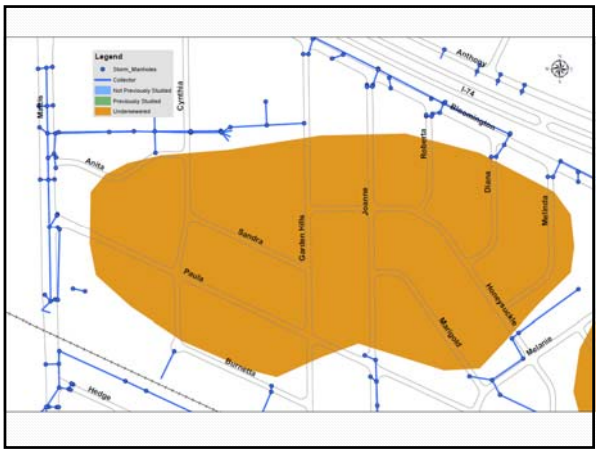
Figures 1, 2, & 3
Blue Areas

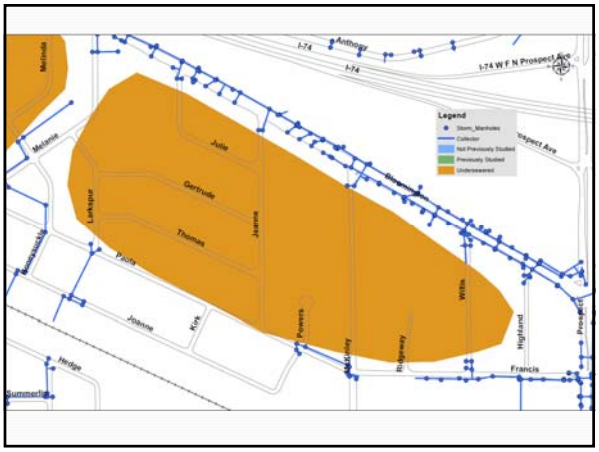
- Drainage Problem
- Problem – has NOT been defined
- No solution – no cost
- Un-quantified Problem
- Unfunded



Figures 1, 2, & 3
Orange Areas

- Drainage Problem
- Underserved Areas
- No solution – no cost
- Un-quantified Problem
- Unfunded





Summary
Capital Improvements – Unfunded
Two Types of Needs

1. Quantified Needs
   - Master Plans
     - Boneyard Creek (Phases 3 through 7) - $15.3M
     - Phinney Branch - $9,687,000 (will be updated -2011)
     - Copper Slough - $31,101,000
   - Kaskaskia Watershed Master Plan - $250,000

Summary
Capital Improvements – Unfunded
Two Types of Needs

2. Un-Quantified needs
   - Orange Areas – Underserved
   - Blue Areas – Drainage Problems

Capital Improvements – Unfunded Needs - Recommendations

1. Washington Street West Project - $8,694,000
2. Phinney Branch Channel Improvements - $5,342,000 – 20% Phinney Branch Drainage District
3. Boneyard Creek – Phase 3 - $7,300,000
4. Blue & Orange Areas - $200,000 annually

Unfunded Needs - Categories

1. Capital Improvements
2. Private Stormwater Detention Basins
3. Channel Maintenance
4. Storm Sewer Rehabilitation
5. Stormwater Quality

Unfunded Needs

2. Private Stormwater Detention Basins
   - Subdivision Regulations – Require New Development – Drainage Systems – Standards
   - Peak 100-Year Discharge
     - Developed property < 0.18 cubic feet per second per acre
     - Developed property ≤ undeveloped property
   - Over 200 Private Detention Basins
     - Map
   - Very Effective

Private Stormwater Detention Basin - Concerns

- Ownership – Groups (HOA & LOA) – Responsible – Private Detention Maintenance – no longer exist
- Resources – Insufficient reserves are being established – future needs
- Maintenance – As maintenance problems develop – adjacent property owners to the detention basin – contact the City

Private Stormwater Detention Basin – Recommendation

- Private Detention Basins – key - subdivision drainage
  - No action – option?
- Recommend – budgeting - $150,000 per year
  - Study
  - Council input – assist with detention basin maintenance and rehabilitation

Unfunded Needs - Categories

1. Capital Improvements
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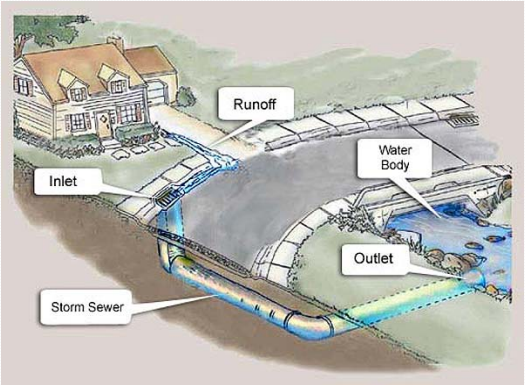

Channel Maintenance – Concerns

- Currently - $339,400 per year
- Short Term
  - More channel maintenance is needed
    - Phinney Branch – Mattis to Crescent
    - Beaver Lake – Olympian Drive
- Near Term
  - Boneyard Creek
    - 2nd Street Reach
    - Healey Street Detention Basin
    - Pipes – First to Sixth
- Long Term
  - Copper Slough Channel

Channel Maintenance – Recommendations

- Phinney Branch and Beaver Lake – $50,000 annually
- Boneyard Creek - $150,000 annually

Unfunded Needs - Categories

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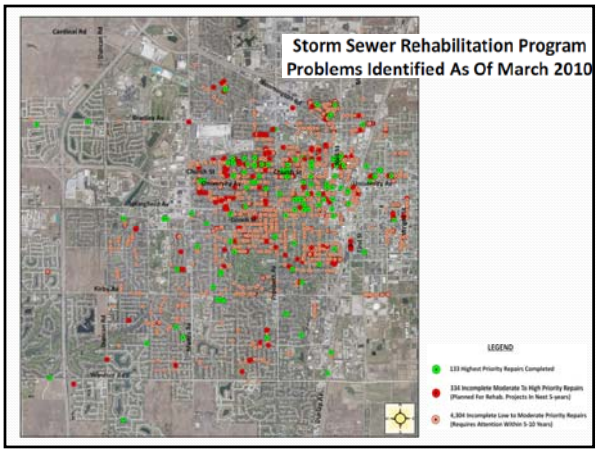

Storm Sewer Rehabilitation

- Backlog – 4,300 repairs needed – approx. $10,000,000
- $506,000 annually – 20-year backlog
- Recommendation – no additional funding

Unfunded Needs - Categories

1. Capital Improvements
2. Private Stormwater Detention Basins
3. Channel Maintenance
4. Storm Sewer Rehabilitation
5. Stormwater Quality

Unfunded Needs

5. Stormwater Quality – Background
   - Currently - $300,000 per year
   - USEPA – Rulemaking Process
     - Goal – "Strengthen Stormwater Regulations"

EPA Initiated Stormwater Rulemaking

- Primary impetus – protect waterbodies from stormwater impact of urbanization
- Oct. 30, 2009 – Federal Register (FR) notice announcing EPA's intent to distribute questionnaires (Information Collection Request (ICR)) seeking data to inform the rulemaking from the following groups:
  - Owners, operators, developers, and contractors of developed sites
  - Owners or operators of MS4s
  - States and territories
- Jan. – Mar. 2010 – Listening Sessions input on preliminary rulemaking considerations (FR Notice published Dec. 28, 2009)
- Spring 2010- EPA expects to publish a final FR ICR notice with 30-day comment period and distribute questionnaires in the summer
- Late 2011 – EPA expects to propose a rule to be published in the FR for public comment
- Late 2012 – EPA expects to take final action

Five Preliminary Considerations for Rulemaking

1. Expand the universe of regulated discharges beyond urbanized area
2. Establish substantive post-construction requirements for new and redevelopment
3. Develop a single set of consistent requirements for all MS4s, in place of existing "Phase I" and "Phase II" rules
4. Address stormwater discharges from existing development through retrofitting
5. Consider additional requirements to further reduce stormwater impacts in the Chesapeake Bay

Five Preliminary Considerations for Rulemaking

1. Expand the universe of regulated discharges beyond urbanized area
2. Establish substantive post-construction requirements for new and redevelopment
3. Develop a singe set of consistent requirements for all MS4s, in place of existing "Phase I" and "Phase II" rules
4. Address stormwater discharges from existing development through retrofitting
5. Consider additional requirements to further reduce stormwater impacts in the Chesapeake Bay

Unfunded Needs - Recommendation

5. Stormwater Quality
   - Currently - $300,000 per year
   - USEPA – Rulemaking Process
     - Goal – "Strengthen Stormwater Regulations"
   - Recommendation – no additional funding

Unfunded Needs – Recommendations

1. Capital Improvements
   - Projects ($1,621,000 annually)
     - Washington Street West
     - Phinney Branch Channel Improvements – Crescent to Mattis
     - Boneyard Creek – Phase 3
     - $20.3 M ($1,421,000 annually – debt retirement)
     - Orange & Blue Areas - $200,000 annually

Unfunded Needs - Recommendations

2. Private Detention Basins - $150,000 annually
3. Channel Maintenance - $200,000 annually
4. Storm Sewer Rehabilitation – no additional funding
5. Stormwater Quality – no additional funding

Questions?

City of CHAMPAIGN

Survey Form
Stormwater Unfunded Needs

Listed below are unfunded stormwater needs that were identified by City staff. Please rate each activity. The ratings will be used to determine whether or not the unfunded need should be included in the "draft" Expenditure Plan for the stormwater utility fee.

A. Capital Improvement

- Washington Street West Project
- Phinney Branch Channel Improvements – Crescent to Mattis
- Boneyard Creek – Phase 3 – Oak Ash Detention Basin to University Avenue
- Definition of Blue & Orange Drainage Problems

Not Important	Low Priority	No Opinion	Moderate Priority	Top Priority
0	1	2	3	4

B. Private Stormwater Detention Basins

- Study and quantify the problem

Not Important	Low Priority	No Opinion	Moderate Priority	Top Priority
0	1	2	3	4

C. Channel Maintenance

- Do more maintenance

Not Important	Low Priority	No Opinion	Moderate Priority	Top Priority
0	1	2	3	4

D. Storm Sewer Rehabilitation

- Do more rehabilitation

Not Important	Low Priority	No Opinion	Moderate Priority	Top Priority
0	1	2	3	4

E. Stormwater Quality

- Budget for new Federal Regulations

Not Important	Low Priority	No Opinion	Moderate Priority	Top Priority
0	1	2	3	4