



*Stormwater Utility
Frequently Asked Questions*

July, 2018

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 Frequently Asked Questions – July, 2018

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General Stormwater Information/Education

1. What is stormwater runoff?

Stormwater runoff is rainwater and snowmelt that “runs off” the surface of the ground. Stormwater falling on hard surfaces (i.e., rooftops, parking lots, driveways, etc.) runs off at a much faster rate and at a greater volume than it would from wooded or large grassy areas. This runoff flows quickly through storm drain pipes into local streams and ditches. It can flood streets and erode stream banks. Runoff also picks up pollutants such as grit, oil, and heavy metals from automobiles, pesticides and fertilizers from lawns, and sediment from bare spots. Unlike sanitary sewers that go to a treatment plant, most stormwater is discharged directly to local water bodies without any treatment.

2. What is an impervious surface?

An impervious surface is composed of any material that significantly impedes or prevents natural infiltration of water into the soil. Impervious surfaces include, but are not limited to, rooftops, streets, parking areas, and any concrete, asphalt, or compacted gravel surface. A property’s impervious area is the most significant factor affecting the quality and quantity of stormwater runoff.

3. Why stormwater is a concern/why is it important to manage stormwater runoff?

As precipitation falls on agricultural and undeveloped areas, it is primarily absorbed into the ground or slowly runs off into streams, rivers, or other water bodies. However, development resulting in increased impervious surfaces prevents water from being absorbed and creates a faster rate of runoff. If left unchecked, this development often causes localized flooding or other water quantity or quality issues. Stormwater is managed to protect homes, properties, the environment, streams, and rivers from damage due to flooding, pooling, erosion, and harmful pollutants. Stormwater runoff must be channeled through a system of pipes, culverts, ditches, swales, catch basins, and storm drains before being safely discharged into local streams and rivers. Even if your property has never flooded, the stormwater that flows off your property must be managed so that it does not contribute to flooding in areas downstream.

Additionally, as stormwater seeps into the ground or “runs off” to lower areas, it makes its way into streams, lakes, and other water bodies. On its way, runoff can pick up and carry many pollutants, including fertilizers, pesticides, pet wastes, sediments, oils, salts, trace metals, grass clippings, leaves, and litter. Polluted stormwater runoff can be generated anywhere people use or alter the land, such as farms, yards, roofs, driveways, construction sites, and roadways. Most stormwater is discharged directly to local water bodies without any treatment. Management of this stormwater pollution is critical to protecting water quality within the local watershed and beyond.

4. What is the City’s responsibility in regards to management of stormwater?

The City is responsible for managing all aspects of stormwater within its jurisdiction. The City operates and maintains drainage facilities that are located within the public right-of-way or public easements. The City also shares responsibilities with each property owner for the quality of stormwater runoff that is allowed to discharge to natural streams. The City does not maintain

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stormwater management facilities that are located on private property or that fall under the jurisdiction of other governmental jurisdictions.

5. What is the City currently doing about stormwater pollution and volume problems?

Historically, the City has performed maintenance of the stormwater collection system, which includes cleaning, repair, and replacement of the City's stormwater infrastructure. As a result of Federal and State mandates, the City also regulates the effects of stormwater runoff from new development.

6. How does the City currently pay for its stormwater services?

Stormwater services are currently funded from revenue derived from property taxes collected by the City. Stormwater must compete for these funds with other City services such as parks, roads, fire, police, etc. Due to the high demand on the General Fund over the past several years, the City has not been able to set aside sufficient funds to adequately address all the City's stormwater needs. The backlog of stormwater projects has grown and will continue to build as the City grows, unless a dedicated funding source is established.

Stormwater Utility

7. What is a stormwater utility?

A stormwater utility is an organizational and financial entity that establishes a program and dedicated funding source specifically for stormwater management activities throughout the City of East Liverpool. Businesses and residents within the City of East Liverpool will pay a stormwater fee based on the stormwater runoff that their property contributes to the stormwater management system. The revenue is exclusively used for maintenance and improvement of the City's stormwater system, including routine maintenance, development of drainage plans, implementation of flood control measures, funding of capital improvement projects, and enforcement of state mandated stormwater activities.

8. Why a stormwater is utility needed?

The City has implemented a stormwater fee, rather than raise property taxes or cut services, in order to ensure East Liverpool's stormwater programs are funded in a manner that is fair, understandable, implementable, and sustainable. The funds will help to address and enforce the unfunded mandate from the Ohio Environmental Protection Agency's NPDES Phase II stormwater regulations, which are part of the Federal Clean Water Act passed by the US Congress in 1972.

Historically, the allocation of funds has not been sufficient to address all of the City's stormwater service needs. The administration and City Council, along with the support of engineering and stormwater professionals, have carefully studied how to generate the revenue necessary to allow the City to address these concerns. There is no relationship between property value and runoff, so property taxes are not the most equitable way to pay for stormwater services. For example, a high-rise building and a shopping mall may have similar value and pay similar property taxes. However, the shopping center produces more runoff because of the amount of parking and rooftops. After careful consideration, it was determined that the most equitable method of generating revenue was a stormwater utility. The stormwater that leaves a property as runoff ultimately drains into a City-

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maintained drainage facility. A fee is assessed because this runoff contributes to the need for operation, maintenance, and capital improvements of the stormwater management system to prevent and correct stormwater runoff problems.

9. Do other cities have a stormwater fee?

Yes. Over 100 communities in Ohio and thousands around the country have a stormwater fee, including communities such as Elyria, Avon and some counties have formed joint districts.

10. Why has the City chosen to implement a separate fee for stormwater management?

By establishing a dedicated funding source through stormwater utility fees, the City can ensure that the revenue required to manage, maintain, and improve the stormwater system is available. A stormwater utility program enables the City to take a proactive rather than reactive approach to stormwater management. The funds raised through the stormwater fee allow the City to provide an increased level of system maintenance and repair that is necessary to support the aging infrastructure in the City. In addition, the utility fee enables the City to begin constructing the necessary capital improvement projects to reduce the risk to public health and safety that arise due to inadequate stormwater management facilities. The fees will support the development of a comprehensive stormwater master plan that will guide future management of stormwater within the City limits.

11. How can the City establish this program without a vote?

This is not a tax. This is a user fee just like a water and sewer user fee, in which each user of the system pays based on their use or contribution. Each property owner will pay based on the amount of stormwater runoff a property contributes to the system. Under State Law, cities are permitted to set up a user fee for water, sanitary sewer and/or stormwater by a vote of City Council. A referendum or vote of the people is not required.

Development of Stormwater Utility

12. How did the City develop the stormwater utility?

The vast availability of existing stormwater utilities provided the City with a well-established, reliable framework to use in development of the stormwater utility. A team of engineers, stormwater experts, and Councilmen worked together to tailor the program to best meet the City of East Liverpool's specific needs and goals. The City utilized the example of existing programs in conjunction with knowledge on the City's existing stormwater management system, population, land use, projected growth, etc., in order to create a program that will best serve the City and its property owners.

13. What is an Equivalent Residential Unit (ERU), and how was it calculated?

An Equivalent Residential Unit (ERU) is the average impervious surface area (measured in square feet) of all residential properties in the City. That amount is 7,773 square feet. The ERU was determined by performing detailed measurements of impervious surfaces contained on a sufficient

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sampling of residential properties throughout the City. The resulting data was analyzed and the average impervious surface value for the data set determined the ERU value.

14. How is the stormwater fee calculated for residential properties?

The ERU for the City of East Liverpool was determined to be 7,773 square feet. On average, each residential parcel within the City contributes 1 ERU of runoff to the stormwater system, and therefore each residential parcel will be responsible for paying a fee for one ERU per month. This formula is the standard used across the country to make the calculation and has been deemed legally defensible in courts across the country.

The City next examined its Capital Improvement Fund and Operation and Maintenance Plan in order to determine the funding required per year to properly support the stormwater management system. This value was divided by the anticipated number of ERU's within the City, both residential and calculated non-residential.

The rate of charge will be \$7.00 per ERU per month for the year 2019, \$6.50 per ERU for 2020, \$6.00 per ERU for 2021, \$5.50 per ERU for 2022, and \$5.00 per ERU in 2023. The rate will be evaluated on an annual basis to evaluate if increases are necessary based on inflation, unexpected costs, updated mandates, unanticipated increases in demand, etc.

15. How is the stormwater fee calculated for non-residential properties?

All non-residential properties will be billed at a rate based on their calculated number of ERU's. This is determined by dividing the total measured impervious area by the ERU value of 7,773 ft² and rounding down to the nearest whole number. For example, a commercial property with 12,000 SF of impervious surface has a calculated ERU of 2.8, and would therefore be charged 2 ERU's. To determine the monthly fee, multiply the calculated number of ERU's by the base residential rate (\$7.00 per month per ERU for the year 2018).

The impervious areas for all non-residential properties were measured using aerial photography through use of a computer mapping software program.

16. Why is the amount of impervious area the basis for calculating the rates?

Impervious areas are used because they create more runoff, increase the rate at which storm water drains from an area, and contribute a significant amount of pollutants. A property's impervious area is the most significant factor affecting the quality and quantity of stormwater runoff.

Implementation of Stormwater Utility

17. Who will pay the stormwater utility fee?

The stormwater fee will be applicable to all developed parcels within the City limits and will be included with the monthly water bill. For residential properties, the party responsible for the water billing will be responsible for the stormwater fee. Apartments are classified as non-residential property and will be billed based on calculated ERU (see question 25 for further clarification.) For non-residential properties, the parcel owner is responsible for payment of the stormwater fee. This is the case regardless of how the water service is billed for a non-residential parcel.

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18. When will the stormwater fee take effect?

City Council adopted an ordinance in November 2018 regarding the new stormwater fee. The new stormwater fees become effective December 1, 2018. Billing will begin in January 2018.

19. Will all properties have to pay?

All developed properties will be charged a stormwater fee.

Undeveloped lots will not be charged a stormwater fee. These parcels are classified as those without a water service account, with less than 1000 square feet of impervious surface, and without a shared use with an adjacent developed parcel. There are less than 1000 square feet of impervious surface on these unimproved properties, and therefore by definition the calculated ERU will be zero. In the absence of hard surfaces, the runoff contributed from these undeveloped parcels will be at a significantly lower rate and volume and of higher quality than runoff from developed parcels. This policy also simplifies billing, as these parcels do not have water service and do not receive a water service bill.

20. Why does a home or business have to pay if located in an area of town that is built-out, has an adequate storm drain system that experiences no problems, or is not directly connected to the City's drainage system?

Everyone in the city benefits from the Stormwater Utility Program. All developed properties in the City contribute stormwater to the system, so all must contribute to the cost of operating the system. A portion of the utility's revenues will be used to maintain and make improvements to the existing system. As the facilities within the city age, they require a higher level of maintenance and eventual replacement. While the existing stormwater system in one location may currently be adequate, over time the system will naturally deteriorate and will also need improvement to meet an increased demand as the City continues to grow.

While a property may not be physically connected to the drainage system in the same manner as water or sewer, the stormwater management system still provides a service to the property. The City's stormwater program improves and maintains stormwater facilities that protect properties throughout the City; it establishes design criteria/regulations that help mitigate potential stormwater problems resulting from development. The program will take steps to reduce stormwater pollutants that degrade our water quality and environment. Every property and person in the City of East Liverpool is served by these activities.

Other benefits to users include protection of properties from off-site runoff, providing safe roadways for emergency services, education and outreach for the public, particularly young people, and improvement of water quality.

21. Will this utility create additional government bureaucracy?

No. The Stormwater Utility will be operated within the City's current Service and Safety Department and a minimal portion of the funds will be used for administration.

Stormwater Utility Billing/Appeals

22. Why will the Stormwater Utility Fee be added to the water bill?

East Liverpool's water billing system currently bills all the fees for water services provided to customers of the City. The stormwater fee will be added to the water bill as a separate, monthly charge. The funds collected from the fee will be accounted for in a Stormwater Utility Fund that is separate from other City revenues. Utilizing the existing billing system and database simplifies the process for the City and users, and is the most economical mechanism. Placing the services on one bill minimizes administrative demands and costs.

23. How will the City bill properties that do not have a water meter?

The stormwater fee for developed properties with impervious area but with no water account (meter) will be billed to the property owner as a stormwater only account. This will account for a very small number of properties, if any.

24. Who will be charged for stormwater when there is a rented or leased property?

The stormwater billing for non-residential properties always is assigned to the land owner, regardless of whether the land is rented or leased to a single or multiple tenants. For residential properties, the billing will accompany the water bill.

25. How are properties with multiple renters, such as apartment buildings, handled?

For non-residential properties with multiple renters or businesses, the property owner will be charged a stormwater fee based on the measured amount of impervious area. Apartment buildings are classified as non-residential, and the property owner for the apartment building will receive the stormwater bill based on the impervious area of the parcel.

Residential parcels that contain multiple residential units will be billed for the number of residential units. If you are the owner of a duplex, you will be charged two billing units for the property (i.e. 2 times the base residential rate). The owner of the parcel shall be responsible for payment.

26. When will rates go up?

The current rate is approved and set for 2018. City Council also mandated that the current rate will not be reviewed until 2022. Rates will drop \$.50 each year until it reaches \$5.00. The City will annually review this rate and will make adjustments to ensure sufficient funds exist within the program to fully support the stormwater management system. These adjustments will account for inflation, increasing construction costs, updated mandates, unexpected increases in demand for services, etc. Any future changes will be continually consistent with the program's objective to fairly and justifiably charge users of the system for the stormwater services they receive.

27. What should I do if I think that my fee is not calculated correctly?

The single-family residential fee will be a flat rate for each dwelling unit, or ERU, and cannot be adjusted. The number of dwelling units on a property can be reviewed. A form to initiate review of

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the number of dwellings can be found online (www.eastliverpool.com) or at the Service Department, located within City Hall.

For non-residential properties, there is an appeals process available to dispute calculated ERU's. A form to begin the appeal is available online (www.eastliverpool.com) or at the Service/Safety Department. All appeals will be responded to with verification of the impervious area calculation by the Engineering Department and a formal response with the results. Further dispute must be accompanied by a completed Form B (also available online or at the Service/Safety Department) AND drawings/calculations signed and stamped by a Professional Surveyor, to be supplied by the user. The appeals process is handled through the Service/Safety Department (330.386.6584) and questions regarding the process can be directed there.

Stormwater Utility Funds

28. How much money does the City expect the Stormwater Utility to generate?

The stormwater utility on average will generate approximately \$350,000 per year.

29. How will the money generated by the Stormwater Utility be used?

The revenues generated by this fee will be used to fund all stormwater-related services. This includes enforcement of the City's stormwater ordinances, planning for future impacts, stormwater infrastructure maintenance and repairs, and construction of necessary capital improvement projects with associated property acquisitions. The fee will also pay for annual compliance requirements of the City's NPDES MS4 permit with the Ohio EPA.

30. How can we be sure the money raised will be used for stormwater management and not diverted to other projects?

All of the funds raised by the utility will go into a stormwater "Enterprise Fund." Under state law, money in enterprise funds can only be used for their intended purposes. The City currently has separate enterprise funds for its water and sanitary sewer utilities.

31. What are some examples of activities and projects that will be funded through the Stormwater Utility?

The activities and projects funded through the stormwater utility will be those related to the maintenance, updates, and improvement of stormwater management throughout the City. Specific activities include street sweeping, catch basin cleaning, and routine inspection of culverts, stream sections, and other areas to assess drainage problems. Sample projects include installation of new storm sewer or upsizing of existing storm sewer, stream bank stabilization, and floodplain restoration. Educational programs that promote the importance of healthy drainage systems will also be funded through the utility.

Stormwater Credits and Exemptions

32. Is there a way to reduce my stormwater bill?

All parcels are required to pay the calculated stormwater fee as described above and defined in more detail within the adopted ordinance. No credits/reductions to this baseline are available. There is an educational credit available to schools for providing stormwater management education classes to a specified percentage of students. This is the only credit available through the program.

33. Are tax-exempt properties also exempt from the stormwater fee?

No, because it is a fee – not a tax. Taxes are based on the value of the property. The stormwater fee is assessed based on the amount of impervious surface on the property (i.e. hard surfaces such as roofs, driveways and parking lots), which is directly related to the amount of runoff the property produces. The runoff generated by these impervious surfaces contributes to pollution and flooding problems and, therefore, all property owners are required to pay their share of the costs.

Further Information

34. Where can I get more information regarding the City of East Liverpool's Stormwater program and fees?

Questions regarding East Liverpool's Stormwater Utility can be directed to Brian Allen, Service Safety Director (330.386.6584 or b.allen@eastliverpool.com.) You can also obtain information online at <http://www.eastliverpool.com>.