

Township of O'Hara

Stormwater Management Fee

Council Informational Meeting

MARCH 10, 2020



Lennon, Smith, Souleret
Engineering, Inc.

Civil Engineers and Surveyors

STORMWATER UTILITY USER FEE

● Background – Why consider a fee?

- Funds for managing the storm water system General Fund based on tax revenue
- Tax funding no longer financially feasible given the severity of storm water issues and the need to comply with unfunded state and federal permitting mandates
- All properties with impervious property benefit from the Township's stormwater infrastructure with properties that have the most impervious area having the largest impact
- The Township is required to maintain stormwater infrastructure which includes compliance with state/federal regulations



WHAT INITIATED THE NEED FOR THIS USER FEE?

- **The Township is the Permittee (MS4) of the Township Stormwater System, the 2018 MS4 permit includes provisions which has increased annual expenses including but not limited to:**
 - Provisions requiring that the Township reduces the amount of pollutants during storm events and this includes construction of stormwater management facilities during this 5 year cycle (2018-2023) with new requirements anticipated in the next 5 year permit.
 - Significant anticipated capital costs for PRP implementation required by 2023
 - Future permits are anticipated to continue pollutant reduction requirements



FEE VS TAX

- **Establish a Dedicated Stormwater Fund instead of a General Fund**
- **A fee is directly relatable to the demands placed on the system. A stormwater fee, like other utility fees such as water and sanitary sewer, is based on the impact a user places upon the system**
- **All property owners who generate stormwater runoff from impervious surfaces pay a fee. This includes tax exempt properties.**
- **Fee creates equitable assessment for residential and non-residential uses.**



TYPES OF PROPERTIES

- **Single Family Residential**

- Parcels with a single individual dwelling unit
- Less than one acre in lot area

- **Large Single Family Residential**

- Parcels with a single individual dwelling
- One acre or greater in size

- **Non-Single Family Residential**

- All developed properties that do not fit Single Family Residential criteria
- Commercial, multifamily, industrial, institutional properties

- **Vacant Land**

- Properties with 400 square feet or less of impervious area



DETERMINATION OF ERU VALUE

- **ERU – Equivalent Residential Unit**

- Measure of impervious ground cover for a typical Single Family Residential Property within the Township
- Used as fee basis for assessing Non-Single Family Residential Properties
- Determined based on measurements of a 100 lot random sample of single family residential lots throughout the Township
- Based on analysis of O'Hara Township Parcels – 3,200 sf ERU is recommended



SUMMARY OF TOWNSHIP PROPERTIES

● Basis of Fee Assessment

- Single Family Residential Properties – 1 ERU
- Large Single Family Residential Properties – Based on actual impervious area, rounded to the nearest 0.5 ERU
- Non-Single Family Residential Properties – Based on actual impervious area, rounded to the nearest 0.5 ERU

Parcel Type	Number of Properties	Number of ERUs
Non Single Family	265	5,884.5
Single Family Residential	3,023	3,023
Large Single Family Residential	294	665
TOTALS	3,582	9,572.5



EVALUATION OF TOWNSHIP STORMWATER EXPENSES

- **Township expenses were categorized for evaluation, though significant overlap exists between categories. Each category addresses different aspects of overall MS4 Permit Compliance:**
 - Administration
 - Annual O&M
 - Capital Improvements
 - MS4 Permit Compliance
- **Administration**
 - Generally includes administrative salary and overhead costs associated with stormwater management.



EVALUATION OF TOWNSHIP STORMWATER EXPENSES

- **Annual Operation and Maintenance**

- Generally includes anticipated costs to improve/replace existing Township infrastructure over its anticipated lifecycle

- **Capital Improvements**

- Generally includes anticipated costs associated with capital projects to improve collection, conveyance, detention and/or treatment of stormwater runoff
- Funding for projects to address areas which experience flooding during rainfall events

- **MS4 Permit Compliance**

- Generally includes additional required permit compliance tasks not included in previous expense categories:
 - SWMP Implementation
 - PRP Plan Implementation



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 - Administration
 - Annual O&M
 - Capital Improvements
 - MS4 Permit Compliance
- **Summary of Anticipated Expenses**

Expense Category	Anticipated Annual Expenses
Administration	\$164,554
Annual O&M	\$254,263
Capital Improvements	\$320,000
MS4 Permit Compliance	\$125,000
TOTAL	\$862,817



FEE CREDITS

- **Properties with functioning PCSM BMPs should receive a credit for reduction of required fees:**
 - BMPs must have been designed to address on site impervious area. Credit should be prorated based on the portion of the site addressed by the BMP
 - BMPs must be properly maintained such that they continue to operate in accordance with their original design.
 - Sites with functioning, eligible BMPs may receive up to 50% credit



DETERMINATION OF ERU FEE AMOUNT

- Intent of study is to equitably distribute stormwater utility costs among users.
- Anticipated annual expenditures were calculated based on the presence of existing PCSM BMPs and as such determination of the per ERU fee should account for anticipated credits
- Calculations account for properties with known PCSM BMPs that will be eligible for credit
- Accounting for eligible credits the fee should be based on 8,987 ERUs
- $\$862,817 / 8,987 \text{ ERUs} = \$96.01/\text{ERU} / 12 \text{ months} = \$8.00/\text{ERU}/\text{month}$
- For Implementation: **\$8.00/ERU/month**

