

MEDIA RELEASE

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FOR IMMEDIATE RELEASE

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Candidates briefed on Agawam stormwater program and funding

What level of service makes sense for the Town of Agawam's stormwater management program? And what is the best way to fund this program? These were the key questions discussed at a briefing for local political candidates who joined members of the Stormwater Advisory Task Force, Public Works officials, Pioneer Valley Planning Commission's Patty Gambarini, and Amec Foster Wheeler's Rich Niles on Monday night. The briefing aimed to inform attendees about the ongoing Stormwater Funding Feasibility Study that will continue into the first half of 2018.

Mayor Richard Cohen opened the meeting with remarks emphasizing the importance of the study, which will present recommendations on managing and funding Agawam's stormwater program. These recommendations will help officials make choices that will in turn allow for more integrated planning for the stormwater program.

The evening's presenter, Niles explained that Agawam's stormwater system is extensive, with 4,757 street drains (aka catch basins), 122 miles of drain pipe, and 2,352 manholes that convey storm flows to the Town's 512 outfalls discharging to waterways. Parts of the drainage system are clearly old (pre-1960s), but much of the system is of unknown age. Town Engineer Michelle Chase remarked that with the special camera now available to explore the drainage system more thoroughly, Public Works is finding many old pipes, clogged pipes, and failing pipes that need maintenance. While the Town has always managed this system and there are some important improvement projects under way at Arnold Street, Meadow Street, and South Park Terrace, there has been a lot of deferred maintenance over the years that puts Public Works in a reactive rather than a proactive or sustainable mode when it comes to caring for the system.

On top of properly managing the Town's existing system, there are state and federal stormwater permit requirements that seek to reduce polluted storm flows from reaching rivers and streams. Activities related to permit compliance are compelling the Town to invest more in stormwater management that is resulting in additional costs.

Niles noted that the \$173,000 for the stormwater program in the fiscal year 2017 budget was dedicated to permit compliance. This is essentially a subset of the actual program cost, however. "If you take a more holistic and functional look at the budget, accounting

for system operations and maintenance, engineering and planning, and capital improvement projects, a more accurate figure for the stormwater program expenditures in fiscal year 2017 is about \$893,000," explained Niles.

With many stormwater challenges facing the Town, including aging infrastructure, flooding, and erosion, Niles indicated that it is important to think about what level of service makes sense for the Town's stormwater program. A minimal level of service, he noted, would maintain the status quo and be minimally compliant, but would not address known problem areas or necessary capital improvements. A moderate level of service would allow for improvements above the existing program, and a high level of service would allow for significant improvements in a more condensed timeframe. "Some communities have chosen to do an exceptional level of service and they are able to solve problems aggressively," he noted.

Niles then laid out two preliminary budget options showing a five-year program of growth, one assuming a moderate level of service, and the other a higher level of service. At the moderate level of service, the average annual stormwater budget is estimated to be \$1.9 million, and the average annual budget at the higher level of service is estimated to be \$2.1 million. These are budget estimates that take into account all stormwater related work (existing and future needs), and allow for important growth in capacity for capital improvement projects, noted Niles.

To fund the stormwater program, there are a few primary options with several additional options to provide supplementary revenue:

- Continue to use property taxes from the General Fund. To meet future costs defined at the moderate level of service, however, this would require a tax increase of 1.8%.
- Create a Municipal Water Infrastructure Investment Fund, a tool that some municipalities have used to create a dedicated funding source to support their water infrastructure (drinking, waste, and stormwater). Funding would come from a surcharge of up to 3% on property taxes.
- Establish a stormwater utility, where a user fee is charged based on the amount of impervious cover on a property. (Impervious cover is the hard surfaces draining to the stormwater system, especially rooftops, driveways, and parking lots.) The more impervious cover on a property, the higher the fee, making payment proportional to the demand placed on the drainage system due to increased stormwater runoff. Under this option, all developed properties pay their proportionate share, including tax exempt properties.

Niles noted that the first two funding options are based entirely on property value, while the third option generates funding based on use of stormwater system services. "The other important thing about a stormwater utility," explained Niles, "is that it creates

an adequate and stable source of funding with flexibility and the ability for properties to receive credit for good stormwater management, for example."

Concluding the presentation to candidates on Monday night, Niles used examples of several specific properties in Town to show an analysis of impervious cover and potential stormwater utility fees. All of these examples, and other materials can be viewed on the Stormwater Advisory Task Force web page at: <http://agawam.ma.us/SW-TaskForce>. Niles also emphasized that the analysis is preliminary and everyone should understand the difference between funding a stormwater program with a higher level of service through taxes versus a stormwater utility fee. Additionally, this is an ongoing evaluation and additional public engagement activities are planned to inform the public and solicit input.

The Stormwater Advisory Task Force will be further exploring these approaches to fund the stormwater program and the idea of a stormwater utility and will present recommendations to the City Council for their consideration in several months time. This work the project is financed with funds from the Environmental Protection Agency (EPA) to the Massachusetts Department of Environmental Protection (the Department) under a Section 319 competitive grant.