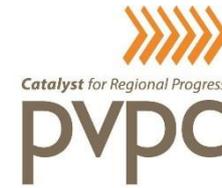


Town of Agawam Stormwater System Assessment and Utility/Fee Planning Project



Citizen Advisory Task Force Meeting #6



February 6, 2018



Agenda

- 6⁰⁰ - 6²⁰p:** **Public Engagement Update**
- 6²⁰ - 7⁰⁰p:** **Stormwater Education Video**
- ▶ Draft script outline
 - ▶ Key messages
- 7⁰⁰ - 7¹⁰p:** **Break**
- 7¹⁰ - 7⁵⁵p:** **Final Report**
- ▶ Review of draft outline
 - ▶ Review of Task Force feedback
 - ▶ Recommendations
- 7⁵⁵ - 8⁰⁰p:** **Next Steps**



Public Engagement Update

Recent Activities

- ▶ Outreach meetings thus far:
 - ▶ Seniors - October 30, 2017 luncheon (discussed at Task Force Mtg. #5)
 - ▶ Religious organizations – January 9, 2018
 - ▶ Business organizations – January 16, 2018

- ▶ *Note: responses to the feedback and questions related to the above meetings and on the following slides will be provided in the meeting summaries and the final study report.*



Public Engagement Update

Recent Activities

► Religious Organizations:

- Attendees: Lighthouse, Agawam United Methodist Church, Bethany Assembly of God, Agawam Congregational Church, Redeeming the Time Ministries/First Baptist Church, and Sacred Heart Parish

► Feedback from Religious Organizations:

- Can you explore exemptions for nonprofits and churches on this fee?
- As churches, we reach out to help the community in so many ways already. How can we possibly absorb these costs for stormwater?
- There is no "just" in this cost. What it means is that we will no longer be able to provide certain services to the community.
- How do you plan to enforce the payment of a fee?
- What are the annual financial goals of the utility and what are the objectives of the program? You need to be much more specific about what you are trying to do with this new fee.
- What is DPW's total budget and what percent of this is currently dedicated to stormwater?
- Discussion of specific problem areas.



Public Engagement Update

Recent Activities

► Businesses:

- Attendees: Feeding Hills Farm, Colvest Group, J.R. Sweeping Service, Sarat Ford, Valenti Real Estate, Coriwald LLC, Six Flags New England, Allied Flooring and Paint

► Feedback from Businesses:

- My property drains to a wetland. Don't believe any drainage goes into Town system. Then state throws drainage onto my property. Would I have to pay?
- What about farms and open space, will those properties be charged under the stormwater utility? They are contributing to stormwater too.
- Are there communities that have split tax rate and also stormwater utility?
- Businesses pay tax, but do not get trash pick up. How is that fair?
- Why don't we just raise property taxes enough to get the \$2 to \$3 million needed for stormwater?
- But if you keep it in property taxes, that means there are property owners using the system that don't pay for it. What we could consider is maybe shifting the rate so that there is less of a burden on businesses.



Public Engagement Update

Recent Activities

▶ Feedback from Businesses (cont'd):

- ▶ I am looking at \$20,000 for an annual stormwater fee when you account for all the parcels that make up my business. I don't disagree with the idea of what you are suggesting because it is the Town's infrastructure and we need to take care of it. As a business owner, I am constantly improving my property. The Town needs to tend to its infrastructure. But what's next? Drinking water? At what point can we not afford it?
- ▶ I have brooks on my farm that go to nowhere. First thing I think about is what can I tear down? That way I find ways to reduce property taxes and the stormwater utility.
- ▶ When this comes to the City Council, is that the time to bring up the possibility of exemptions, refinements in rates? When does that negotiation come into play?



Public Engagement Update

Recent Activities

► Major Take Away Points

► Religious Organizations:

- Fairness: not paying for stormwater now, but provide many other services and benefits to the community
- Affordability: membership is on the decline

► Businesses:

- Fairness: already pay more with a split tax rate
- Fairness: not all properties drain to the storm system

- These points will be discussed in the public meeting summaries and in the final study report.



Stormwater Education Video

Task Force Input

► General information:

- ▶ Moonshadow Media and Amec Foster Wheeler to develop video
- ▶ 2-3 minute video to inform and engage the public
- ▶ Use voice-over narration, interviews, and footage of current stormwater infrastructure to present key messages
- ▶ 1 day of on-site filming, plus motion graphic/animation
- ▶ Example videos: [Return of the Tides: The Herring River Restoration Project](#)
[Perspectives on the Land](#)

► Preliminary outline:

1. Stormwater system and needs (45 sec.)
 2. Funding gap (25 sec.)
 3. Funding options (40 sec.)
 4. Decision process (15 sec.)
-



Stormwater Education Video

Task Force Input

▶ Draft script outline:

1. Stormwater system and needs (45 sec.)

- ▶ Introduction, maps, photos, footage of Agawam's infrastructure
- ▶ Current activities, problem areas (flooding), and challenges
- ▶ Interviews with Agawam residents and DPW

2. Funding gap (25 sec.)

- ▶ Current level of funding
- ▶ Estimated level of investment needed
- ▶ Use charts, tables, and example projects to illustrate work that will be done

3. Funding options (40 sec.)

- ▶ Tax versus fee approach
- ▶ Benefits of a stormwater fee



Stormwater Education Video

Task Force Input

▶ Draft script outline (cont'd):

4. Decision process (15 sec.)

- ▶ Process with Town Council
- ▶ Closing remarks (Mayor)

▶ Key messages (brainstorm):

1. Stormwater system and needs
2. Funding gap
3. Funding options (fairness)
4. Decision process

▶ Additional support needed:

- ▶ Volunteers for interviews
 - ▶ Active projects or infrastructure for footage
 - ▶ Review process
-



Break



Final Report

Draft Outline



1. Introduction
 - 1.1 Study Approach and Goals
 - 1.2 Citizen Advisory Task Force
2. Current Stormwater Program
 - 2.1 Stormwater System
 - 2.2 Summary of Existing Activities and Regulatory Requirements
 - 2.3 Resources and Expenditures
3. Stormwater Program Needs and Challenges
 - 3.1 Existing and Future Needs
 - 3.2 Stormwater Program Priorities
4. Proposed Future Stormwater Program
 - 4.1 Estimated Future Expenditures
 - 4.2 Level of Service Evaluation
5. Funding Options
 - 5.1 Stormwater Program Funding Options
 - 5.2 Overview of Stormwater Utilities
 - 5.3 Task Force and Public Feedback

The Task Force will have an opportunity to review the draft report.

Final Report

Draft Outline



6. Data Analysis
 - 6.1 Impervious Surface Update
 - 6.2 Parcel Data and Stormwater Billing Units
7. Stormwater Utility Funding Evaluation
 - 7.1 Rate Methodology
 - 7.2 Revenue Analysis
 - 7.3 Credits and Other Policy Considerations
 - 7.4 Task Force Feedback
8. Public Engagement Activities
 - 8.1 Activities Completed
 - 8.2 Ongoing and Future Activities
9. Agawam Draft Stormwater Utility Ordinance
10. Final Recommendations and Road Map
 - 11.1 Task Force Recommendations
 - 11.2 Future Policy Considerations
 - 11.3 Road Map for Next Steps

Appendices: cost analysis backup, public outreach materials, press releases, and meeting summaries.



Final Report

Review of Task Force Feedback

“We need a better stormwater management program because:”

- ▶ Aging infrastructure – 5 votes
- ▶ Flooding problems – 5 votes
- ▶ Erosion of channels and streams – 4 votes
- ▶ Water quality problems – 3 votes
- ▶ Wastewater or septic pressures – 3 votes
- ▶ Drinking water protection – 3 votes
- ▶ Compliance requirements – 2 votes
- ▶ Preserve recreation or fisheries – 2 votes
- ▶ Ecological concerns – 2 votes
- ▶ Understanding of the stormwater system / data quality – 1 vote
- ▶ Beach closures or swimming restrictions – 0 votes
- ▶ Preservation of property value – 0 votes
- ▶ Development pressures – 0 votes
- ▶ Prevent lawsuits – 0 votes

Everyone got 5
votes

Final Report

Review of Task Force Feedback



► Rate Methodology for Stormwater Fee

Preference on Rate Methodology	# Votes
1. Intensity of development	0
2. Land use	0
3. Impervious area only	6
4. Gross parcel area (similar to Chicopee)	0
5. Impervious area and gross area	3

- In general, the Task Force felt that the basic rate methodology should use impervious area and there should be some consideration for the stormwater runoff from the gross (undeveloped) area of properties.

Final Report

Review of Task Force Feedback



► Rate Structure for Stormwater Fee

Preference on Rate Structure	# Votes
1. Flat Rate (1,000 sf of IA)	3
2. Flat Rate with Modifiers	4
3. ERU (3,250 sf of IA)	0
4. ERU with Tiers	1
5. ERU with Rate Modifiers	1

- Option 6: 75% IA and 25% gross area broken into different categories.
- In general, the Task Force preferred a flat rate with potential modifiers to recognize differences in properties.

Final Report

Review of Task Force Feedback



► Billing Method for Stormwater Fee

Preference on Billing Method	# Votes
1. With Tax Bill	0
2. Public Utility Bill (w/water & sewer)	8
3. Private Utility Bill	0
4. Stand-alone Bill	1
5. Other/No Vote	0

- The Task Force preferred billing for stormwater with the existing public utility bill for water and sewer.

Final Report

Review of Task Force Feedback



► Credits for Stormwater Fee

Everyone voted once for each credit type

Credit Types	# Votes
1. Water quantity management	16
2. Water quality management	12
3. Small user credits (tailored to small IA properties)	5
4. Education*	0
5. NPDES discharge permit	0
6. Other	0

*There was some interest in exploring potential education credits in the future.

Final Report

Review of Task Force Feedback



► Credits for Stormwater Fee

Maximum Credit	# Votes
30%	5
40%	1
50%	7
70%	1

Everyone voted once



Stormwater Program

Stormwater Asset Replacement Value

Something to keep in mind as we discuss the appropriate Level of Service (LOS) and annual program costs.

The American Water Works Association is a trade group that prepares manuals and best practice guidance for public water utilities.

Based on life expectancy of pipes and related infrastructure, they recommend that utility operators invest 1-2% of the value of their assets in annual maintenance (older systems at the higher end) and 1-2% in capital replacement or capital reserves.

A rough estimate of the replacement value of Agawam's existing stormwater infrastructure is **\$150M.**

- ▶ For O&M at 1% - \$1.5M/yr.
- ▶ For Capital at 1% - \$1.5M/yr.

\$3M is a reasonable LOS and a goal for program growth

Agawam Storm Drain Infrastructure:

- ▶ 512 Outfalls
- ▶ 4,757 catch basins
- ▶ 2,352 manholes
- ▶ 121.5 miles drain pipe
- ▶ 3.2 miles culverts



Stormwater Program

Moderate and Higher Level of Service

- ▶ \$1,926,209 – moderate level of service
 - ▶ \$880,138 – net increase
 - ▶ \$250K for capital projects
- ▶ \$2,149,800 – higher level of service
 - ▶ \$1,103,729 – net increase
 - ▶ Additional \$250K for capital projects starting in FY '21

Preliminary Estimate (higher level of service):

Functional Category	FY '18	FY '19	FY '20	FY '21	FY '22	FY '23
1. Stormwater Program Administration	\$42,176	\$66,182	\$67,236	\$67,236	\$67,236	\$67,236
2. Stormwater Operations and Maintenance	\$735,799	\$1,027,446	\$1,126,618	\$1,184,723	\$1,207,723	\$1,230,723
3. Drainage Engineering and Stormwater Management Planning	\$135,725	\$321,284	\$372,519	\$341,089	\$391,911	\$367,389
4. Regulatory Compliance / Enforcement	\$100,917	\$175,950	\$179,269	\$179,269	\$179,269	\$179,269
5. Stormwater Capital Improvement Projects and Equipment	\$31,456	\$39,619	\$289,951	\$539,951	\$539,951	\$539,951
Total	\$1,046,071	\$1,630,481	\$2,035,593	\$2,312,268	\$2,386,090	\$2,384,568



Final Report

Review of Task Force Feedback

Overall Feedback on Needs, Tax versus Fee, and Level of Service (LOS)

- ▶ There is agreement that there are stormwater needs that are not met and the current level of funding is not adequate.
- ▶ Members generally felt that a stormwater fee was a better way to distribute costs and the costs for sample residential properties seemed reasonable for both LOS and rate scenarios.
- ▶ The annual fees for a stormwater utility appear to be reasonable and the increase for a higher LOS would advance the program for little added cost.
- ▶ However, the future costs are a significant increase overall (up to 1.8% tax increase), especially when considering tax increases do not exceed 2.5% annually.
- ▶ Need to effectively engage the public and inform them of the needs and costs related to stormwater management.



Final Report

Preliminary Road Map

1. Stormwater Program Cost & 5-Year Plan

- *Update existing and future program costs*
- *Develop program 5-year plan*
- *Evaluate additional funding sources (grants, partnerships)*

2. Impervious Area Update

- *Update remaining parcels to 1,000 sf IA billing accuracy*

3. Final Cost & Rate Structure

- *Evaluate organizational structure, indirect costs, billing & credits*
- *Update funding analysis, develop cash flow model*
- *Meeting #2 w/Task Force, finalize policies & rate structure*

4. Public Engagement Activities

- *Develop Engagement Plan, outreach materials and schedule*
- *Meeting #3 w/Task Force, review Plan*
- *2-3 public information sessions*
- *Perform activities (e.g., website updates, handouts, press releases)*



Final Report

Preliminary Road Map

5. Final Analysis & Rate Study

- *Develop credit manual & update rate study*
- *Meeting #4 w/Task Force, review final analysis*
- *Meeting #2 w/Town Council, review final analysis*

6. Finalize Rate Ordinance

- *Update draft rate ordinance*
- *Present to Town Council and adopt*

7. Development of Master Account File for Billing

- *Develop final database*
- *Develop data maintenance & billing procedures guidance*

8. Customer Support Training and Trial Run of Bills

- *Develop customer service training guidance, fact sheets & FAQ*
- *Staff training for customer service*
- *Go live date TBD*

Final Report

Preliminary Road Map



For discussion purposes only

Task Description	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
0. Evaluate Funding and Apply for Grants	←→						
1. Stormwater Program Cost & 5-Year Plan		←→					
2. Impervious Area Update			←→				
3. Final Cost and Rate Structure			←→	←→			
4. Public Involvement Plan and Outreach Activities		←→	←→			←→	←→
5. Final Analysis and Rate Study				←→			
6. Finalize Rate Ordinance					←→		
7. Development of Master Account File for Billing						←→	
8. Customer Support Training and Trial Run of Bills							←→

Final Report

Recommendations



Task Force Final Recommendations (vote):

1. Do you fully support an enhanced stormwater program to meet current and future needs?
2. What is the recommended level of service?
 - A. Moderate (\$2.05M program) = \$26.08/1,000 sf impervious area
 - B. Higher (\$2.29M program) = \$29.20/1,000 sf impervious area
 - C. Other
3. Should the Town Council vote to pursue implementation of a utility?

Refer to Road Map



Next Steps

- ▶ Public engagement
 - ▶ Develop video
 - ▶ 1 public meeting TBD

- ▶ Complete study report
 - ▶ Draft report review opportunity for Task Force
 - ▶ Present report and recommendations to Town Council

- ▶ Project complete by June 30th