

Stormwater Stakeholders Advisory Group Minutes

February 1, 2016 (5:00-7:00PM)

400 South Main Street, Blacksburg Motor Company Conference Room (BMC1)

Stakeholder Group Members Present

Susan Anderson, Blacksburg Town Council

John Bush, Blacksburg Town Council

Joe Meredith, VT Corporate Research Center

Lindsay West, Resident

Carolyn Howard, Draper Aden Associates

Andrew Kassoff, EEE Consulting, Chair

Not Present

Donna Gresh, HH Hunt Inc., Vice-Chair

Town Staff Present

Kafi Howard, Town Engineer

Randy Formica, Acting Director of Engineering and GIS

Katherine Smith, GIS

Others Present

John Burke, Environmental Program Manager - Town of Christiansburg

Dayton Poff, GIS – Town of Christiansburg

Javad Torabinejad, Citizen

Welcome and Introductions

The meeting began at 5:08 pm. Staff handed out packets containing information for the presentation to each of the committee members. Introductions for GIS staff and Christiansburg staff were made. There were no citizens present during the public comment period. Kafi Howard (staff) gave an overview of the goals of this meeting. The primary goal was to bring the committee up to speed with what has occurred since the committee's final recommendations in January of 2014. The goal to keep this one-year review down to five meetings was identified and the presentation was started.

Review of Final Recommendations and Adopted Ordinance

Staff produced a presentation outlining all of the final recommendations that were the product of the Stormwater Stakeholders Committee's final recommendations in 2014. The presentation outlined how each of the recommendations were codified in the stormwater utility ordinance and highlighted any variation from the recommendations. Additional details regarding the definitions of single family residence and non-single family residences were provided in the presentation, such as:

“Single Family Residence was defined as containing at least one, but no more than four residences (or dwelling units and accessory uses) per parcel. Such property may include houses, townhomes, duplexes, triplexes, quadruplexes and mobile homes.

Multifamily Residential is defined as development containing more than four residences or accessory units per parcel.

Undeveloped property is exempt from fees as long as impervious is less than 300 sq. ft.”

A committee member asked to verify that the bills followed the meter. Staff responded with, “Yes, in most cases this is what occurred. There were some instances where no meters were present or the meter customer was billed for multiple units, but the overall concept of following the meter was reflected in the implementation.” A few questions regarding how the single family with multiple units were billed were asked.

Summary of Feedback from Citizens

Staff presented a summary of input from citizens. Over 700 calls and office visits resulted in a variety of concerns from citizens. The top concerns were:

1. *Townhomes/accessory apartments not fairly charged.*
2. *Rural Community – no runoff & no benefits.*
3. *Urban areas – stormwater is already poorly managed & there are existing flooding problems.*
4. *Gravel roads are pervious & should not trigger a fee.*
5. *Others simply were not interested in paying.*

The committee asked a few questions about the townhomes and accessory apartment concerns. Staff explained that the predominant concerns were regarding the issue of small size homes being charged a fee that was not proportional to their impact. Certain residential uses, townhome & duplexes share the same roof and citizens felt that the additional dwellings did not increase the impact.

Two examples were shown, one of a townhome community that got billed individually with yet another bill for the commonly owned parking area. A committee member asked why the Town was charging for both the homes and the parking; the committee had done the calculations prior and felt that the charge for the homes should cover the commonly owned parking as well. Staff responded that when the implementation of the utility occurred, there was not a good formula to determine which common areas should be charged and which should be waived. To avoid making a subjective call on all commonly owned areas, the Town simply charged everyone for the homes and also for the common areas.

A committee member suggested that we provide a formula to resolve the issue. The member asked staff to review how many sites this affected and to try to calculate the following formula as a potential way to determine how to handle the common area. The formula was:

If the common area (impervious) was greater than the residential area (impervious), then the common area shall receive a separate bill for the common area stormwater impact.

If the common area (impervious) was less than the residential area (impervious), then the impacts of the common area is assumed to be covered by the individual fees and shall be waived.

Staff will do the calculation and provide the results at the next meeting. The results will detail:

1. The number of sites this impacts; and
2. The total change in revenue this would result in for the stormwater utility.

Utility Revenue and Expenditures

Staff presented the total revenue collected by the utility in the first year of collection. The collection rate was very high at 99.22%, which resulted in a total of \$ 1,026,314 dollars in revenue. This number is slightly lower than originally projected in 2014 by the committee due to the impacts of Montgomery County schools being designated as an MS4, and the Blacksburg Airport being incorporated in the Virginia Tech's MS4. This removed those entities from the revenue stream.

Staff reviewed how the current expenditures line up with the committee proposed expenditures in 2014. The only significant changes were the cost of administration. This increased due to the hiring of a stormwater inspector. Most other categories fell below the proposed values due to a conservative approach in budgeting of the utility. The CIP improvement costs are also a bit higher than projected. Committee members requested an update on what projects were being funded by the stormwater utility and would like to have a presentation provided to them at a future meeting. Staff stated that the Giles Road project was under design and would be glad to bring some material to a meeting to show the group.

A committee member asked if street sweeping is currently included in the stormwater operating budget. Staff replied that, no, the street sweeper is currently funded under the General Fund. The member asked if the cost of street sweeping activities could be estimated and brought back to the group for informational purposes.

Funding Equity between Classifications of the Stormwater Utility

Staff provided information regarding the funding sources for the stormwater utility. A chart was shown illustrating that the single family sector provides 43% of the funding and the non-single family sector provides 57% of the funding. A committee member reminded the group that the original goal was to have the funding to be close to 50/50 from each sector and that the numbers show that it is close. The non-single family sector only has 679 bills associated with it, while the single family has 6247 bills.

Additional information regarding an analysis of the stormwater utility revenue showed that while the non-single family sector paid more into the revenue stream, the unit cost per ERU (3300 sq ft) of impervious was \$59.99 and the unit cost for residential ERU was \$75.95. Therefore the unit cost for the non-single family sector was lower than for residential. A brief discussion regarding whether this was an acceptable difference ensued. Some committee members felt that the discount to the commercial sector may be appropriate because of the following:

1. They are a significantly smaller group,
2. They have significantly larger bill amounts; and
3. They are the job creators.

Staff referenced a sheet in the packet which shows how many bills were in each tier of the non-single family sector. Some of the highest tiers only have 3-4 entities paying into them.

Further information regarding the impacts of the use of the Equivalent Residential Unit on all residential types up to 4 units per parcel was discussed. Originally the ERU was calculated using only single family *detached* structures, but then it was applied to single family homes, townhomes, duplexes, triplexes and other non-traditional home types. This resulted in a lowering of the median value for residential impervious from 3300 to 3059.

A committee member asked if a reduction in fee for these non-traditional single family types would have an impact on the total revenue. Staff detailed that these non-traditional single family types make up for 24% of the total single family group. A reduction would have a significant impact to revenue earned. There would need to be some kind of balancing of revenues so that the Town would not end up having to raise rates sooner than expected.

Staff also outlined areas in the non-single family tier system that could use some review. The tier ranges jump from 90,000 – 100,000 for a single group to 100,000 – 200,000 in the next group. If some of these tiers were stretched out into more categories, it could bring in a bit more revenue. Committee members asked staff to look at the impact of stretching out some of the tiers and provide some numbers at the next meeting.

The information that was to be gathered was repeated to the group:

1. Evaluation of HOA common area with the proposed formula (above) and provide information on impact on revenue.
2. Evaluation of the non-single family tiers if, instead of using the “round down” method, a median or high value were used, and its impact on revenue.
3. Evaluation of the tiers and stretch out some of the larger tiers into smaller groups and determine how it would affect revenue.
4. Information regarding the Town’s street sweeping program and its cost.
5. The credit structure was outlined as a topic for future discussion.

The meeting wrapped up with scheduling the next four meetings. Two weeks from this meeting is a holiday, Presidents Day, so the next meeting is scheduled the following week on February 22, 2016 at the Blacksburg Motor Company at 5:00 PM. Staff agreed to send a reminder out to all committee members.

Adjourn

The meeting was adjourned at 7:08 PM.