

# Important Things to Know about a Stormwater Utility

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At the Town Planning Retreat in March 2014, stormwater was identified as a concern by Town Aldermen. Of particular concern to all was flooding along 4<sup>th</sup> St. The State's unfunded mandate for Spencer and other towns to meet [National Pollutant Discharge Elimination System (NPDES)] "Phase II" stormwater requirements has been postponed for the past two years, but Salisbury has already been designated, and we are advised each year that our designation is pending. From this initial discussion and a subsequent Board Workshop in May came the request for staff to conduct a stormwater utility study.

Rainfall in North Carolina provides a number of common benefits – natural irrigation for lawns and agriculture alike, recharging of aquifer systems, replenishment of ponds and lakes, and natural flows for our creeks and streams.

However, rainfall can also cause problems; in North Carolina, **stormwater runoff is the number one source of pollution to our surface water**. Significant rainfall can cause flooding and erosion, particularly if stormwater (drainage) systems are under-designed or poorly maintained.

The majority of the stormwater system within the Town of Spencer was designed and built prior to the 1960s. As such, it has limited capacity to deal with the stormwater demands of the present. As infill development, redevelopment, and additional development takes place, the limitations related to capacity are further aggravated.

## What maintenance is required regarding stormwater?

Proactive routine maintenance may include **cleaning of stormwater inlets, removing leaves from the edge of the roadways, and short and long-range planning and budgeting of stormwater improvement projects**. Additional reactive routine maintenance such as **removing obstructions from storm drains** is generally brought about as a result of a storm.

Oftentimes, maintenance has to be deferred for extended periods of time due to budgetary constraints. When that happens for too long, it leads to much more costly needs.

Remedial maintenance is generally defined as **repair and reconstruction activities**. This includes corrective repairs, replacement and/or reconstruction of segments of the stormwater management system.

As with many towns, **complete and accurate mapping** of the existing stormwater management system, along with associated rights-of-way and easements, does not exist. Without such information, it is next to impossible to develop and carry out a preventative maintenance plan.

### Why is a Stormwater Utility needed?

The present level of funding available for stormwater system needs and requirements is insufficient. If the Town intends to effectively operate and improve its stormwater systems, it **must assemble the resources to do so.**

### Why not pull stormwater utility expenses from the General Fund?

The General Fund finances town services that are not more properly accounted for by a separate accounting fund. These funds are not earmarked, and thus get prioritized generally each year among town costs and services that are not intended to be self-supporting. The Town's General Fund balance is currently healthy for its intended purpose. However, even if all of the current fund balance could be applied toward stormwater needs (which it can't be), it would still not cover the cost of needs.

The establishment of a separate Enterprise Fund like a stormwater utility permits all revenues generated to be dedicated to stormwater management activities such as education about stormwater, water quality, Phase II requirements, and addressing flooding and erosion problems.

A stormwater utility is a **steady funding mechanism**. It is equitable because it is **calculated based on the contribution to the problem of stormwater** – how much impervious surface is present. And, it provides an incentive for businesses to reduce their impervious surface.

### What activities might a stormwater utility cover?

- ❖ Capital improvements
- ❖ Public education
- ❖ Mapping of the system
- ❖ Street sweeping
- ❖ Illegal discharge detection

### Stormwater utilities are different from other utilities.

Customers want services such as power and water and pay to receive them on demand.

On the other hand, stormwater ratepayers are asked to pay to prevent things they don't want, such as water pollution and flooding.

### What is the timeline for consideration by the Board of Aldermen? Is there another opportunity for public input?

The next opportunity for public input will be at the **March 10<sup>th</sup>, 2015 regularly scheduled Board of Aldermen meeting**. The Board anticipates reviewing the data and feedback, and discussing this issue several more times before making any decision on a Stormwater Utility for Spencer.

More information about the potential Stormwater Utility can be found on our website, at [www.ci.spencer.nc.us](http://www.ci.spencer.nc.us). If you have any questions, please contact Land Management at 704-633-2231.