

# City of Springfield - Greene County, Missouri



## Stormwater Management Task Force Meeting Notes - February 28, 2013

### Welcome & Introductions

The Springfield/Greene County, Missouri Stormwater Management Task Force met in the Greene County Public Safety Center. The meeting commenced at 5:00pm. Task Force Co-chairs Dan Hoy and Fred Palmerton welcomed the task force members and community members in attendance. Those present included the following.

### Task Force

Brain Perdue  
Fred Palmerton  
Geoffrey Butler  
Chris Carson  
Tiffany Frey  
Casey Haynes  
Bill Bretall

Rick Scarlet  
Matthew Pierson  
Dana Elwell  
King Coltrin  
Fred Schlegel  
Dan Hoy  
Chris Macioce

Daniel Beckman  
Eric Dove  
Patrick Harrington  
Stacey Armstrong  
Ronda Headland  
Tom Kisse  
Tom DeWitt

Absent: Aaron Wahlquist, Karen Spence, Jerany Jackson, Dave Murray, Patty Hamilton, Erik Fjeseth, Andy Hosmer, Harlan Hill, Matt Bailey

### City and County Staff

Carrie Lamb  
Vanessa Brandon  
Tim Smith  
Chris Coulter

Barbara Lucks  
Justin Foss  
Sheila Shockey  
Fred Marty

Kimberly White  
Tim Davis  
Kevin Barnes  
Jan Millington

### Visitors

Milton Dickensheet

Mike Pessina

Roddy Rogers

### Minutes

Minutes from the last meeting were approved.

### Presentations

Sheila Shockey gave a brief presentation summarizing the meeting packet. She reviewed the task force's charge and the status of each item of the charge. Tonight will focus on what investments should be made in stormwater management and what source(s) of funding are desired. Next meetings will focus on principles to guide the program and how to communicate the recommendations to the public. She

reviewed the priorities established by the task force, with reducing injury/death due to flooding and protecting water quality being the top priorities.

Sheila explained the revenue and expenditure assumptions that were used in developing the five funding scenarios. The revenue needs for water quality mandates are based on MS4 permit costs we are certain about and costs for TMDL planning, but not implementation. Capital costs were based on continuing the current level of funding for flood risk reduction (about \$6 million/year) and a 200-year infrastructure lifecycle replacement (\$2.5 million/year).

The Wilson/Jordan and Pearson TMDL lawsuit has been dismissed and the USEPA will be developing new TMDLs. TMDL planning cost is to fund monitoring and study to work cooperatively with USEPA on developing new ones. The TMDLs currently in place are for the James and Little Sac River. Those on the horizon are the new Wilson, Jordan, and Pearson TMDLs and potentially others. Staff put together a list of projects that are multi-objective, meeting two or three of the objectives of water quality protection, minimizing flood risk, and infrastructure replacement. Maps of the City and County proposed projects lists were shown.

Todd Wagner discussed Renew Jordan Creek as an example project on the list that meets multiple objectives. This project includes multiple projects throughout the Jordan Creek watershed, and will incorporate community input and partnerships. It includes bridge replacements, channel work, such as stream daylighting, and regional detention basins. The feasibility study with the U.S. Army Corps of Engineers has been completed and determined that detention basins and flood protection of Euticals pharmaceutical plant meet the criteria for Corps funding. That would be one piece of the overall Renew Jordan Creek project. Todd showed renderings of what daylighting Jordan Creek in the downtown area could look like. It would provide flood protection and economic development. Another part of the project is the brownfields environmental cleanup in West Meadows. With local match, we've been able to leverage USEPA funds. It will incorporate riparian corridor improvements and a trail. Todd also showed a rendering of a bridge replacement with a pedestrian underpass. Similar example projects include Antelope Creek in Lincoln and Cherry Creek in Denver. The entire project cost range is \$75-\$100 million but would likely occur over a long time period of 15-20 years.

### **Guiding Principles Survey Results**

Sheila reviewed the results of surveys taken by the task force members establishing guiding principles, and discussed how the various funding sources compare to those results. There was agreement on the following:

- A permanent, dedicated funding source should be put in place to cover the costs of required programs and maintenance activities.
- The funding source for ongoing and required costs should be reliable and not fluctuate greatly from year to year.
- A capital funding source should have a sunset and specific project list identified.

Fifty-nine percent (59%) said the funding of stormwater management should be linked directly to the amount of runoff a property produces. Those who cause more of the problem, pay more for stormwater management services. This would point to a user fee for a funding source.

## Presentation on Funding Scenarios

Sheila explained the assumptions used in the user fee scenario: Start receiving revenue in second half of 2014; \$150,000 to set up the utility and \$40,000 annual cost to administer; gradual increase from \$1.00 to \$2.00/month/ERU; 20% reduction in revenue for incentives/credits.

She presented a chart summarizing and comparing all 5 scenarios.

Scenario #1: 1/10 cent + 1/8 cent sales tax (sunset 1/8<sup>th</sup> after 7 years)

Scenario #2: Property tax increase 9 mils + 1/8 cent (sunset 1/8 cent after 7 years)

Scenario #3: Property tax only – increase 20.7 mils

Scenario #4: ¼ cent sales tax

Scenario #5: \$1-\$2/month ERU user fee + 1/8 cent sales tax (sunset it after 7 years)

All provide a similar amount of revenue, so would fund the same program levels with the exception of ¼ cent which would provide more capital and lifecycle replacement funding. With scenario #5, examples of what that user fee impact would be on churches, businesses, and the City and County were shown.

The 1/10<sup>th</sup> cent to ¼ cent options would represent an approximate 1-3% increase in the overall sales tax rate. The two property tax increase scenarios would increase tax on \$120,000 value by 2% and 4% respectively.

## Discussion of Scenarios

Sheila asked the task force if they want to get rid of any of the 5 scenarios.

**There was consensus to eliminate the scenarios with property tax as the funding source.**

Sheila asked for thoughts on the ¼ cent sales tax. She noted that it would prevent Parks from getting additional funding unless a portion of it has a sunset. (1/8<sup>th</sup> cent sales tax permanent, 1/8 cent sales tax with sunset for capital.)

*Question:* What is the probability of approval of the ¼ cent by voters?

*Response:* Think it would be difficult. Voter education would be necessary.

*Comment:* All of the scenarios will be hard to sell. Need to explain the need and then explain the funding source as simply as possible. With sales tax, the voters will need to understand that the visitors also pay it. Springfield is a regional destination. That's a plus to sales tax scenario.

*Comment:* If you build impervious, you should pay. User fee is easy to explain – everyone pays. Those who have invested in a higher level stormwater management service would pay less on the credit system.

*Comment:* What about the impact on churches?

*Response:* They contribute to the problem too so they should pay.

*Comment:* It makes sense for visitors to help pay for a commodity that they use like highways. Visitors don't utilize the stormwater system to the same extent as a citizen.

*Response:* The connection between visitors and sales tax includes keeping roads free of flooding, and water quality. If that connection is not as strong, you're just passing the buck rather than having those using it pay for it.

*Comment:* A temporary funding source for a permanent problem doesn't make sense. Infrastructure won't last 200 years.

*Comment:* Makes most sense long-term to do a utility because it's the only one that builds in the motivation to invest in good stormwater management up front. Incentivize for a long-term change in better stormwater management practices.

*Comment:* Before even taking it to the voters, would need to craft the credits so that each individual property owner would know what their cost would be before voting for it.

*City/County Response:* We've done a lot of the background work on that already. Experts have told us the expected loss in revenue from credits which are only about 5%. The number of properties that would be eligible for credits is a small percentage of the total number of parcels. Tim Smith provided history on why we've done background work on a user fee. He said the County knew the 2006 parks/stormwater tax would sunset in 5 years so we funded a user fee study in anticipation that it may be one potential funding source when the tax sunset occurred in 2012.

*Question:* Are there credits for residential? *Response:* yes

*Comment:* Our economy is growing and we'll continue to be a regional destination. Those who visit do benefit from infrastructure maintenance and water quality. We need to emphasize that if we move forward with a sales tax.

*Question:* Would raising rates in the future if we have a utility have to go to the voters?

*Response:* Yes, due to legal precedence.

*Comment:* Iowa has a drainage district with a drainage tax that is billed through the assessor. It's \$10/year. That's a good value for having the storm system available for sump pump connection to keep basement from flooding.

*Comment:* The term utility may have a negative connotation. Calling it a user fee would be better because you are paying to use the stormwater system by the amount you contribute to the system.

*Comment:* Other communities have used the terms stormwater fee or water quality fee.

*Comment:* If we don't pass a funding source and get sued by the USEPA for not fulfilling mandates, where would the funding for those mandates come from? General fund?

*Comment:* Citizens will know what their monthly user fee will be and it doesn't fluctuate. Sales tax fluctuates based on what you spend. User fees are more known and easier to budget for than a sales tax.

**There was consensus among the Task force members that 1/8th cent sales tax for capital projects should sunset.**

*Question:* Would utility require hiring more staff? We assume 0.5 FTE to handle billing/questions.

*Question:* Would credits be one-time or ongoing?

*Staff Answer:* Could be some of both. Example credits we looked at were basins, education, maintenance which would be ongoing but may fluctuate for example if your education efforts decrease.

Information was handed out from the Chamber about their perspective on the impact of the different funding sources.

*Comment:* Non-profits and churches would be hit hardest by a user fee.

*Comment:* Incentive to go above and beyond on stormwater requirements will be driven by buyer/tenant desire for environmentally-friendly development regardless of incentives. We are starting to see more of that practice.

*Comment:* Cost share program may incentivize more than a user fee credit would.

*Comment:* In 1993, we got a lot of push back and negative press from churches and educational institutions on the user fee that was put on the ballot.

*Question:* How were those challenges dealt with in Lenexa and Overland Park?

*Staff Response:* It was in Kansas so the user fee didn't have to be voted on. We got businesses to help pass a sales tax at the same time so the user fee didn't have to be as high. Lenexa created Rain to Recreation as the program name for the user fee.

*Comment:* In commercial real estate, whether the user fee is on a utility bill or the property tax bill will make a difference on how it's passed on to tenants.

*Comment:* A utility/user fee can be packaged in a way to make it easier to sell. It could be called a pollution prevention fee, water quality fee, etc.

*Comment:* Being able to potentially incentivize maintenance is a pro of the user fee.

*Comment:* No matter the land use, the site can be designed to have minimal runoff and keep the user fee low. The user fee would incentivize that type of design.

**Sheila asked the Task Force members to vote on the source of funding for ongoing program costs. It was a tie vote: Utility – 9. Sales tax – 9.**

Sheila gave the task force a homework assignment. Over the next month until next meeting, ask as many people as you can whether they prefer a sales tax or user fee.

*Request:* Bring an example of how another community packaged and explained/sold their user fee to the voters.

Tim Smith reiterated that the ¼ cent and 1/8th cent sales tax compete with Park's interests, whereas the 1/10th cent sales tax doesn't because Parks isn't able to get the 1/10<sup>th</sup> of a cent sales tax by statute because it's authorized for water quality only. The ¼ and 1/8th cent sales tax are part of the ½ cent sales tax statutorily authorized for parks or stormwater.

**Next Steps and Closing Remarks**

The meeting was adjourned at 7:00 p.m.