



Stormwater Utility

Frequently Asked Questions

Why is a Stormwater Utility being created?

Many areas in our community are subject to chronic flooding which impacts our residents' quality of life and our businesses' ability to operate without interruption. When severe flooding-related events occur, they cause millions of dollars of damage to public and private property and require the use of Village resources that are needed for other purposes. The good news is that there are solutions to these problems, and the impact of these events can be lessened or eliminated over time if the resources necessary to address them are made available to the Village.

Currently, the Village does not have a revenue source to pay for the cost of maintaining and improving the stormwater management system. As it stands, the Village relies on a limited amount of gas and electric use tax revenue—money intended to pay for critically important road and bridge repair—to pay for stormwater maintenance projects. That means that less money is available to spend on the Village's street projects, and no money is available to pay for stormwater *improvement* projects which, if undertaken, would provide meaningful flooding relief to our community.

Under the new funding approach, the Village will rely on a monthly fee to pay for stormwater management system projects. The fee will be calculated based on each property's impact on the stormwater system. Shifting to a stormwater utility system is designed to:

- Create a user fee system in which property owners pay for their portion of the stormwater system's expenses, since all properties benefit from the system.
- Provide a predictable and sustainable funding source to properly maintain the stormwater system.
- Increase awareness about the Village's stormwater management system.

Many communities in the United States have opted for a stormwater utility to fund their stormwater programs. Since every property generates runoff and benefits from the infrastructure in place, the utility model represents a fair method of collecting revenue from those who place a demand on the stormwater management system. Communities in Illinois that have adopted stormwater utilities include Aurora, Bloomington, Downers Grove, Highland Park, Moline, Normal, Rock Island, Rolling Meadows, and Urbana.

What is stormwater?

All water is not the same.

- Tap water comes from a faucet and is used for drinking, bathing, cooking, and household purposes.
- Wastewater is water that has been used, as for washing clothes or flushing the toilet.
- Stormwater originates from rain or melting snow, or from other activities involving outdoor water use, such as car washing. Water that falls on an impervious surface and does not soak into the ground becomes runoff, and either flows directly into surface waterways or is channeled into storm sewers that eventually discharge into local water bodies.

What is an impervious surface?

An **impervious** surface is any area within a parcel which prevents or significantly impedes the infiltration of stormwater into the soil. Examples of impervious surfaces include:

- Parking lots
- Roofs
- Driveways
- Patios
- Sidewalks
- Swimming pools
- Gravel and stone areas

When pervious areas (natural soil) are built on or paved, increased amounts of runoff are generated, placing an increased demand on the stormwater system.

What is the difference between the stormwater system and sanitary sewer system?

Water flowing through the sanitary sewer system is transported through collection systems and treated before it is released into the environment. Stormwater flows in large amounts directly into ponds and streams, streets, parking lots, etc. It is not treated like sanitary discharge.

Why does stormwater have to be managed?

Without proper stormwater management, rain events may result in flooding on roads and properties throughout the Village, leading to property damage and dangerous road conditions. Stormwater runoff must be channeled through a system of pipes, ditches, catch basins, and storm drains before being safely discharged into local streams and rivers. Note that even if a specific property has never flooded, the stormwater that flows from the property still contributes to the overall flow and must be managed so that it does not cause flooding downstream on property or roads.

Why should I care about stormwater?

Any property is likely to generate runoff in a severe rain storm, even if the ground is able to absorb water in a normal rain event. Everyone in the community benefits from adequate, properly functioning

drainage and flood control systems, which decrease the likelihood of flooding, erosion, and the amount of pollutants discharged in surface and stormwater runoff.

I do not have storm sewers or other stormwater related infrastructure on my street. Why should I pay the fee?

As with all public infrastructure, the stormwater system benefits all residents since everyone uses the Village's streets and, consequently, benefits from stormwater control. Properties not connected to the Village's storm sewers still create stormwater runoff that impacts properties and the system downstream. In addition, the funds generated from the stormwater fee might potentially be used to pay for a future stormwater project that directly benefits the properties that do not currently have any infrastructure in place. Therefore, since all residents benefit either directly or indirectly from the stormwater system, everyone must pay to improve and maintain it.

How is stormwater regulated?

The Village's stormwater system is regulated by local, county, state, and federal entities. The Village is required to manage the stormwater system at a level that ensures compliance with the federal Clean Water Act and in accordance with Cook and Lake County stormwater regulations.

What is the Village doing to address stormwater?

In addition to maintenance operations such as street sweeping, inspection and cleaning of stormwater inlets, and repair and replacement of stormwater mains, the Village has hired an engineering firm to prepare a Stormwater Master Plan which is available on the Village's website (www.wheelingil.gov).

The Plan provides recommendations for how the stormwater system should be managed, identifies the areas in Wheeling subject to chronic flooding, and provides the Village Board with suggestions for a number of flood relief projects that the Village may want to consider funding in the future.

How are the fees determined?

The fees are based on the amount of impervious surface located on each parcel in the Village (regardless of the total area of the parcel). The fees are calculated based on the number of Equivalent Runoff Units (ERU) generated by each parcel. One ERU is equal to 3,000 square feet of impervious area—the average amount of impervious area located on single-family residential properties in Wheeling.

Single-family residential properties will be charged for one ERU each month.

All other non-single-family parcels (i.e. commercial, industrial, etc.) will be charged based on the actual amount of impervious area located on the parcel.

The ERU method is used by many stormwater utilities throughout the United States because it is one of the most equitable ways of raising revenue for stormwater projects. By calculating the amount of impervious area on each parcel in Wheeling, the Village can more equitably tie the fee each property pays to the amount of stormwater the property generates.

What are the fees?

Monthly fees will be charged according to the following schedule:

Single Family Residential Rate: One ERU, or \$2.00 per month.

Non Single Family Residential Rate: Two dollars (\$2.00) per ERU (i.e. 3,000 square feet) based on actual impervious area. For example, a commercial property with 9,000 square feet of impervious area would pay \$6.00 per month for 3 ERUs (9,000 S.F./3,000 S.F. = 3 ERUs).

Isn't this just another tax?

No. The stormwater utility fee is a user fee. Although the fee is a cost to property owners, it is not a tax on the value of the property. The stormwater utility fee is collected to pay or defray current costs associated with stormwater management in Wheeling. This is similar to the Village collecting fees for ambulance service or building permits.

How does the Village determine how much impervious surface is located on each property?

The amount of impervious area on each property is calculated based on aerial photography and the Village's Geographic Information System (GIS). The GIS system allows the Village to accurately measure and calculate the amount of impervious area created by every parcel in Wheeling.

Who will pay the fees?

All parcels within the Village of Wheeling are subject to the monthly stormwater fee.

Do churches, schools and nonprofit organizations have to pay the fee?

Yes, churches, schools, and nonprofit organizations will pay a stormwater utility fee. The program is based on customers paying a fee to the Village for stormwater management services provided to the property.

How did the Village determine that the stormwater fee should be \$2.00 per ERU?

The Village relied on the Stormwater Master Plan to identify the cost of projects that need to be implemented to provide relief to residents and businesses, as well as the costs necessary to operate and maintain the stormwater system. Taking these costs into consideration, the Village determined that \$2.00 per ERU was an appropriate fee to provide the starting point necessary to address Wheeling's long-term flood relief goals.

How will the money generated by the stormwater fee be used?

The Stormwater Master Plan identifies over \$48 million of stormwater improvement projects for the Village Board to consider funding over the next several years. The improvements are prioritized into High, Medium, and Low categories based on a set of objective criteria which includes the cost of each project and the benefits that would result. In addition to flood improvement projects, the Plan

identifies approximately \$800,000 of annual operating expenses the Village will need to fund in the future to maintain the stormwater system.

To ensure that as much revenue as possible is used for stormwater improvement projects, the Village plans to spend 75% of the money generated by the stormwater fee on projects that provide relief from flooding to impacted properties in the Village. The remaining funds (i.e. no more than 25% annually) will be used to pay for operating costs the Village incurs to maintain the stormwater management system. Stormwater utility fee revenue will be earmarked for stormwater system related costs and will not be used for any other purpose.

How much revenue will the Village's stormwater utility fee provide?

We estimate that the Village's stormwater utility fee will generate approximately \$542,000 annually in revenue. Of this amount, \$406,000 would be available each year to pay for stormwater improvement projects and \$136,000 would be used for maintenance of the stormwater system.

When will the utility be started?

The stormwater utility will become effective on January 1, 2016 and will first appear on water bills in either February or March of 2016, depending on which water billing cycle your home or business is included in.

How will the stormwater fee be billed?

The stormwater utility fee will be added to the bi-monthly (i.e. every 2 months) water and sewer bill you are already receiving, and will appear as a separate line item on the bill. The Village will include stormwater charges on the utility bills beginning with the bills that are mailed in February and March of 2016.

What if I do not currently receive a water and sewer bill from the Village?

Some areas of the community are not currently receiving water and sewer bills from the Village of Wheeling because they receive water or sewer services from other sources. In late August, these areas will begin receiving stormwater bills bi-monthly (i.e. every 2 months) from the Village. Each single-family residence will be billed \$4.00 per bi-monthly billing cycle for the stormwater fee.

To whom will the bills be sent?

Since all parcels in the Village of Wheeling are subject to the fees, there will be a bill for each parcel. Generally speaking, stormwater bills will be sent to existing water billing customers. For those parcels that do not have water or sewer service, the bills will be sent to the owner of record.

Who is responsible for paying the bills?

The water billing customer or property owner is responsible for paying the bill. As is the case with water and sewer charges, if a renter fails to pay their bill, the owner of the property will ultimately be responsible for the charges.

What happens if the bill is not paid in full?

In the event the party responsible for the payment of the stormwater utility fee makes a payment insufficient to pay the total amount required by the common utility bill, the payment will be applied on a proportional basis to the water, sewer, and stormwater fees. If the balance for the water charges remains unpaid for 30 days, the Village may shut off water service. The Village may also place a lien against the property.

What is the plan for increasing the fees in the future?

The Village Board will determine what the stormwater fee will be each year as part of the municipal budget review and approval process. Increases to the fee will occur as necessary to ensure that the Village has sufficient funds on hand to pay for current and future operating and capital needs. Following this plan will allow the Village to fund the stormwater system in a manner consistent with the Stormwater Master Plan.

Will the Village issue bonds for future stormwater improvements?

The Village may issue bonds in the future to pay for needed capital improvements to the stormwater infrastructure system. If the Village does issue bonds, it would use stormwater fee revenue to pay the principal and interest payments on the bonds. As a result, there would be no impact to the Village's property tax levy.

How will staffing levels be affected by the utility?

The Village does not have any plans to hire additional staff at this time.

What is the process for appealing decisions that affect the stormwater fee?

Decisions affecting stormwater fees including the classification of the parcel, the amount of impervious area, and the calculation of the stormwater utility fee will be made by the Village's Finance Director. Residents may appeal the decision of the Finance Director by submitting a written appeal to the Village Manager. Decisions by the Village Manager are final.

How can I get more information on the stormwater utility program?

For more information about the Village's new stormwater utility program, please feel free to email us at stormwater@wheelingil.gov, or call us at 847-459-2607. We are happy to answer any questions you have.