

Developing a Stormwater Utility

Frequently Asked Questions

What is a Stormwater Utility?

A Stormwater Utility is a legal entity which provides maintenance, improvements, planning, regulation, permitting and administrative functions for the stormwater collection system. A Stormwater Utility (like other City Utilities) will provide a method of generating revenues for these necessary activities through user fees. Beech Grove established a Stormwater Utility in 2006, but policies and rates were not established. The City is now studying options and is proposing to establish policies and rates in 2014.

What is an impervious surface?

Impervious surfaces are hard surfaces which prevent or limit the natural entry of stormwater into the soil. Impervious surfaces include all hard surfaces such as rooftops, driveways, parking lots, patios, and sidewalks (concrete, asphalt and compacted gravel surfaces are included). Impervious surfaces increase stormwater runoff and may contribute to stormwater pollution.

What is stormwater runoff?

Since stormwater cannot be absorbed by impervious surfaces, the stormwater runs over the surface as stormwater runoff. Stormwater runoff must be managed through a stormwater collection system (pipes, culverts, ditches, swales, inlets, curb and gutter, detention ponds, etc.) to prevent standing water and flooding.

What are stormwater user fees?

The proposed Stormwater Utility will charge residential and non-residential customers stormwater user fees. These user fees will be billed and collected by the Beech Grove Utilities on a monthly basis from each property. The user fee will be determined according to the cost of the annual stormwater management needs for the City. These fees have been paid in the past on Marion County property tax bills. Beech Grove has separated from the Indianapolis Stormwater Utility in order to keep the revenue local.

What is an "ERU"?

An "Equivalent Residential Unit", or ERU, is a measure of the average amount of impervious surface area for a single-family residential property located in Beech Grove and will be used to assess stormwater user fees. Much like a "kilowatt" serves as the basis for electrical utility, the ERU is the base unit for a stormwater utility. Many communities across Indiana have established stormwater utilities based on the ERU. The average monthly rate across the state ranges from \$3 to \$5 per ERU.

How are residential user fees determined?

The City is currently studying options for determining user fees and more information will be available in the coming months. Single-family residential properties will likely be billed for 1 ERU per month. The fee per ERU has not yet been established.

How are non-residential user fees determined?

The City is studying fee options and the measuring of impervious surface areas will be completed over the next several months. Non-residential properties (businesses, industries, churches, schools, medical facilities, etc.) will likely be billed at a rate that is based on the amount of impervious area on their property. The fee per ERU has not yet been established.

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How is stormwater affected by increased runoff?

With increased amounts of impervious surface, more runoff is produced and it travels at higher speeds. This runoff picks up and carries pollutants to the stormwater collection system and eventually to receiving waters (lakes, ponds, rivers and streams). Large volumes of quickly flowing runoff will also erode soil, damage plants, and cause waters to become clouded and murky with sediments.

How is stormwater affected by increased pollutants?

Within urbanized areas, impervious surfaces tend to collect a variety of pollutants including cleaning products; paint; oil, grease, and toxic chemicals from automobiles; road salts; pesticides and fertilizers from lawn maintenance and gardening; pet waste; litter; and eroded sediments. Increased amount of pollutants can harm fish and wildlife, kill native plants, contaminate drinking water supplies, and make recreational areas unsafe.

Are tax-exempt properties also exempt from the stormwater fee?

No, tax exempt properties will be responsible for paying the stormwater user fee because the stormwater user fee is a utility fee and not a tax. The stormwater user fee is assessed based on impervious surface area which is directly related to the amount of stormwater runoff from the property.

Why do I have to pay a stormwater user fee?

The City is responsible for providing stormwater management facilities and services, including installation and maintenance of storm sewers, inlets and ditches, as well as ensuring that erosion and sediment controls are provided on construction sites to protect waterways.

Historically, the allocation of funds has not been sufficient to address all of the City's stormwater management needs. Although the City has done a good job providing stormwater services on a limited budget, the number of drainage projects has grown and maintenance activities have been cut back at times due to a lack of resources.

Funding is not provided by the federal or state government for these services, so the City must establish a funding source. Once the Stormwater Utility is in place, stormwater user fees will be billed and collected by the Utility on a monthly basis from properties in the City of Beech Grove. The revenue generated from the stormwater user fees can be used City-wide to improve the City in the following ways:

- Fund storm sewer maintenance and drainage improvement projects.
- Provide maintenance of the existing storm sewer collection system.
- Fund the federally mandated NPDES Phase II Stormwater Permit Program (commonly referred to as the "MS4 Program").
- Minimize off-site sediment from construction sites.
- Provide education on water quality.
- Fund routine testing and monitoring of water quality.

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- Repair ditch banks to provide stabilization.
- Reduce sediment into our waterways.

Why isn't the stormwater management program funded by tax revenues?

Tax revenues are not a reliable source of funding for stormwater management. Taxes are used to fund many City programs. By allocating existing tax revenue for stormwater, it would require cuts to other programs. Taxes are based on assessed property value which does not necessarily correspond to the property's contribution to stormwater runoff. In the instance of a stormwater user fee, based on impervious surface area, it more accurately reflects each property's contribution to stormwater runoff. Additionally, through stormwater user fees, tax exempt properties (that have impervious surfaces) will contribute a fair and equitable share towards the overall cost of the stormwater management program.

Why do I have to pay when I do not have any drainage problems?

Everyone in the City benefits from the Stormwater Management Program. If stormwater runs off your property, the City must have a program and funding to manage the increase in runoff and pollutants. Additionally, the City's program includes keeping streets from flooding, finding and removing illicit connections to the storm system, reviewing and approving drainage plans for new development to ensure that your property is protected from upstream runoff when development occurs, maintaining and expanding stormwater collection system infrastructure, and improving water quality in waterways and water bodies.

I have additional questions. Where can I get more information?

If you would like additional information on the Stormwater Utility or have specific concerns about stormwater management issues, please contact Brad Meriwether, Director of Public Works at 317-788-4982.