



# City of Chattanooga

## Water Quality Program Rate Study

### Recommended Rate Structure & Programs

City Council Public Works Committee Brochure

May 29, 2018

#### Current Program Status

The Water Quality Program includes 150 employees who meet the needs of the Municipal Separate Storm Sewer System (MS4) NPDES Permit, provide drainage and flood control and development services. The Water Quality Fee is assessed on annual property tax bills.

- Current Rate: \$115.20 per ERU annually
- Current Projected Fiscal Year (FY) 2018 Gross Revenue: \$21,033,255

#### Existing Programs

##### Stormwater Management Program Elements

- Public Education and Outreach
- Public Involvement/Participation
- Illicit Discharge Detection & Elimination
- MS4 Mapping
- Illicit Discharge Education & Training
- Field Screening Program
- Limitation of Sanitary Sewer Seepage
- Construction Site Stormwater Runoff Control
- Permanent Stormwater Management in New & Redevelopment
- Pollution Prevention/Good Housekeeping for Municipal Operation

##### Stormwater Monitoring Program

- Wet Weather Monitoring
- Monitoring Parameters
- In-Stream Ambient Monitoring
- Biological Monitoring
- Watershed Characterization
- Field Sampling & Screening
- Industrial Monitoring Program
- Pesticide, Herbicide, & Fertilizer Program
- Monitoring MS4 Activities

#### Stormwater Regulations Board Sessions and Recommendation

- Educational Session held April 16, 2018
- Work Session held May 14, 2018
- Public Hearing held May 17, 2018
- On May 21, 2018 the board voted unanimously to recommend the following rate structure and programs.



## Recommended Programs

To meet permitted mandates and provide the expected level of service to our citizens the following rate structure and programs are recommended for FY 2019 through FY 2023:

### New and Expanded Activities (5 year average costs)

- Perform CIP projects to address TMDL's for \$2.0 Million per year
- Expand program for Green Infrastructure Maintenance for \$0.5 Million per year
- Increase Drainage Infrastructure projects by \$1.0 Million per year
- New Program for Maintenance of Residential Detention Ponds for \$1 Million per year
- Increase Land Development Fees to decrease level of subsidy from WQ fees.
- Fund WQ CIP with available funds per year: \$3.5 Million to \$10.2 Million during first 5 years

## Recommended Rate Structure

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<i>Calculated Rate/ERU/Year</i>	<b>\$115.20</b>	<b>\$126.49</b>	<b>\$138.78</b>	<b>\$152.33</b>	<b>\$167.22</b>	<b>\$183.54</b>
<i>Annual Rate Increase</i>	<b>0.00%</b>	<b>9.80%</b>	<b>9.71%</b>	<b>9.77%</b>	<b>9.77%</b>	<b>9.76%</b>
<i>Water Quality Fee, Gross Revenue</i>	\$20,960,000	\$23,040,000	\$25,320,000	\$27,830,000	\$30,590,000	\$33,620,000
<i>Land Disturbance Permit Fee, Gross Revenue</i>	\$73,255	\$362,400	\$362,400	\$362,400	\$362,400	\$362,400
<i>Total Gross Revenue</i>	<b>\$21,033,255</b>	<b>\$23,402,400</b>	<b>\$25,682,400</b>	<b>\$28,192,400</b>	<b>\$30,952,400</b>	<b>\$33,982,400</b>
<i>Operating Expenses</i>	\$20,020,000	\$19,870,000	\$22,130,000	\$22,360,000	\$23,510,000	\$23,700,000
<i>Capital Projects Cost</i>	<b>\$1,013,255</b>	<b>\$3,532,400</b>	<b>\$3,552,400</b>	<b>\$5,832,400</b>	<b>\$7,442,400</b>	<b>\$10,282,400</b>

## Recommended Land Disturbance Permit Fee Schedule

Permit/Activity	Fee
Simple residential	\$250 min. (up to 1 acre of disturbed area)
Complex	\$250 per acre or part thereof
Revision after second review (each)	\$1,000
Post-issued revision (each)	\$1,000
Variance or Infeasibility Request	\$1,375
Bonds/Letter of credit (each)	\$675
Driveway Tile/Culvert Sized by City (each)	\$500
As-Built Survey/Certification Review (each)	\$675
Grading only	\$250 per acre or part thereof
Timber Removal Permit	\$250 per acre or part thereof
Tree Ordinance (each)	\$500

The recommended rate structure provides the level of service needed to meet regulatory requirements, share permit fee costs with the development community, minimize the addition of new employees and provide a fair and reasonable rate for our citizens.