

STORM WATER UTILITY Q&A

Q. Why did the City of Hutchinson create a Stormwater Utility?

A. The City needs a continuous, dedicated funding source to meet growing stormwater management needs. The City is required to address new state and federal regulations regarding protecting and improving the quality of the surface water within the City. We also need to address issues regarding existing surface water management problem areas. This dedicated revenue source will enable Hutchinson to provide improved flood protection, stormwater system maintenance, water quality protection, erosion and sediment control, improved lake water quality and wetland/resource protection.

Q. Why is more funding needed for storm sewer maintenance and improvements?

A. Much of Hutchinson's storm sewer system was built decades ago when the community was much smaller. This system is often undersized in comparison to today's standards, and does not always provide protection from large, uncommon storm events. The result has been street flooding, and some yard and basement flooding during heavy rainfalls.

Q. In what areas of town is this problem occurring?

A. Hutchinson has problem areas in virtually every corner of town. Some of the most noticeable problems are in the area of the Recreation Center, in the School Road north and California Street areas, and near Northwoods Park. Some of these areas have had two or three major flood events in the past 10 years.

Q. How are fees based?

A. Fees are not based on the value of the property, but instead on the amount of runoff from a property. The more runoff created by the property due to its type or size, the greater the impact on the stormwater system, and therefore the greater the charge. All single-family and two-family Hutchinson homes would pay \$1.75/month (\$21.00/year). Commercial and industrial lots pay more, due to their higher runoff rates. For a list of charges by property type, see the chart below.

Q. How is the rate on non-single-family residential properties calculated?

A. The fees are based on analysis of the amount of stormwater generated by various types of properties. For example, commercial buildings with large parking lots will generate more stormwater runoff than a small retail building with on-street parking, therefore it will pay a higher fee. Fees for non-residential properties (and residential properties larger than a two-family) pay a fee based on their acreage and property use. Credit is given for properties that construct and maintain their own ponding, benefiting the quality and/or quantity of the surface water in Hutchinson.

Q. How will the fees be collected?

A. The fees are collected with your monthly, city utility bill just as your sanitary sewer and water charges are now collected.

Q. What is Hutchinson doing with the funds generated by the fee?

A. The fees collected can only be used for stormwater management. The dedicated funding source allows Hutchinson to complete work in many related areas:

- Repair and maintenance of existing storm sewer and ponds
- Replacement of undersized pipe, repair of breaks, blockage removal
- Street sweeping (reduces waste entering the storm sewer, river and lake)
- Surface water quality and wetland protection measures
- Crow River Dam maintenance, safety and other improvements
- Flood reduction measures

The City could issue bonds for large improvement projects with the revenue from the fees used to help with the payoff.

Q. Do other cities in Minnesota have Stormwater Utilities?

A. Yes. Below is a partial list of other cities that currently have a stormwater utility system, and the list is growing yearly. There is also a national trend for adopting a utility due to increased community needs. The ordinance that Hutchinson is using is based on the Model Ordinance used by most Minnesota cities. Other Minnesota cities using a Stormwater Utility include:

- Roseville
- Bloomington
- Eagan
- Edina
- Eden Prairie
- Delano
- Robinsdale
- Oakdale
- New Hope
- Richfield
- Fairmont
- St. Paul
- Fridley
- Shakopee
- Wayzata
- Chanhassen
- Shorewood
- Apple Valley
- Crystal
- Lakeville
- Mound
- Fergus Falls
- Moorhead
- Faribault
- Ramsey
- Bemidji
- Northfield
- Mankato

Q. How does the proposed Stormwater Utility fee for Hutchinson homeowners compare with the fee charged in other communities?

A. A survey completed of a dozen Minnesota communities in 1999 noted an average fee of \$23.45 per year. A separate survey of mostly out-state cities in 2002 noted an average fee of \$30.79. The fees in the 1999 survey ranged from approximately \$11 to almost \$48 per year, while the 2002 averages ranged from \$15 to \$60 per year. Hutchinson is proposing a year 2003 rate of \$21.00 per year (same as 2001 and 2002).

Q. Will rates increase each year?

A. The rates for single and two family residential properties are proposed to remain the same until the year 2004. Other rates are being phased-in over 3 years (2001 through 2003). All rates are proposed to be reviewed for adjustments starting in 2004. A schedule for all rates is available from the City.

Q. Since rates vary by property type and size, how can I find out what fee is being charged for my property? What if I disagree with my property's classification or size, or would like more information on ponding credits or other aspects of the utility fee?

A. Contact Pat Ebert at the Engineering Department at 320-234-4214