

WHY A STORMWATER CAPITAL RATE?



Although MSD is not a flood plain manager and does not own creeks and streams, customers call MSD asking for help with flooding and erosion because they have nowhere else to turn. MSD believes it is in the best position to help, and has been developing a funding solution that would allow it to provide these much-needed comprehensive stormwater services to our community. The proposed Stormwater Capital Rate is an impervious surface rate that would fund MSD's Stormwater Capital Improvement Program. As flooding and erosion are directly impacted by the volume of stormwater runoff created by impervious surfaces which cannot absorb water, each customer would pay based upon the amount of impervious area on their property.

BY THE NUMBERS

100 The percent of impervious surfaces that cause stormwater runoff. Concrete, blacktop, and the footprint of a house are examples of impervious surfaces, meaning they do not absorb water. If you have surfaces like these on your property (most people do!), you contribute to runoff that can lead to flooding and erosion.

500 The approximate number of currently-known flooding and erosion issues in the MSD service area. These are private property issues caused by stormwater runoff, beyond the technical and financial capabilities of most homeowners to address.

\$27 The total dollars the average homeowner would pay each year for the impervious surfaces on their property with the Stormwater Capital Rate. Most commonly, **\$2.25** (less than the cost of a cup of coffee!) would be added to customers' monthly MSD sewer bill.

\$30,000,000 The dollar amount the Stormwater Capital Rate would generate each year to fund MSD's Stormwater Capital Improvement Program. These funds would allow MSD to provide comprehensive stormwater services that would include: **Property buyouts, rainscaping, natural creek bank stabilization, and stormwater drainage systems installation.**

A HELPFUL HISTORY

In 2008, MSD began providing comprehensive stormwater services through the enactment of an impervious area fee. In 2010, the fee was declared unconstitutional by the St. Louis County Circuit Court and comprehensive stormwater services were stopped. The Circuit Court decision was later affirmed by the Missouri Court of Appeals in 2012 and the Missouri Supreme Court in 2013. Recognizing legal challenges created by the Supreme Court ruling, MSD continued efforts to provide comprehensive stormwater services for its customers through a **strategic, two-step approach.**

MORE ON BACK

A TWO-STEP APPROACH

STEP 1: PROPOSITION S (2016)

In April 2016, voters approved MSD's Proposition S, which equalized operations and maintenance services for the public stormwater sewer system. This allowed MSD to correct stormwater sewer problems throughout its service area. However, flooding and erosion issues caused by stormwater runoff remain unfunded and unaddressed - they are private property issues.

STEP 2: STORMWATER CAPITAL RATE (2018)

The Stormwater Capital Rate was proposed to MSD's independent Rate Commission on February 26, 2018. This impervious surface charge would fund MSD's Stormwater Capital Improvement Program, which would enable MSD to address localized flooding and erosion issues that many property owners are unable resolve on their own.

WHO WOULD BE IMPACTED?

All public and private property within MSD's service area, including properties owned by governmental or nonprofit entities and those not receiving MSD sanitary sewer services, would be subject to the Stormwater Capital Rate, if approved. Levee districts currently in contractual agreements with MSD would be exempt, as these districts already provide stormwater services for their residents. All creeks and streams would remain privately owned; local municipalities would retain floodplain management responsibilities. The Stormwater Capital Improvement Program is not a solution for large-scale flood events that our area has historically seen from major rivers, such as the recent flooding of the Meramec River in 2015 and 2017.

WHAT HAPPENS NEXT?

The Rate Commission has up to 165 days to provide their recommendation to MSD's Board of Trustees. During that time, they will host a series of public hearings to review the funding proposal. To assist with their review, the Rate Commission has rate experts, legal counsel, and other technical experts working at their direction. As part of the review process, the Rate Commission will host several public meetings, the sole purpose of which is to hear public feedback about the Stormwater Capital Rate. The schedule for the review process and associated public hearings/meetings will be developed and published to www.STLMSD.com/ratecommission

Once a recommendation from the Rate Commission is received, the Board of Trustees may approve, modify, or reject the proposal. However, modification or rejection of the proposal is only allowed within narrow parameters laid out in MSD's voter approved Charter. If the Board of Trustees approves the recommendation, final implementation of the Stormwater Capital Rate would be dependent on voter approval. The earliest such a proposition would be presented to area voters is April 2019.

For more information on the Stormwater Capital Rate Proposal, the Rate Commission, and to see public hearing/meeting schedule as announced, please visit www.STLMSD.com/ratecommission

**"By working
together,
MSD can help."**

- MSD Executive Director,
Brian Hoelscher