

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 provided their recommendation to MSD's Board of Trustees in September 2018, and it was accepted. Prior to providing their recommendation, they hosted a series of public hearings to obtain public feedback about the Stormwater Capital Rate and to review the funding proposal. To assist with their review, the Rate Commission had rate experts, legal counsel, and other technical experts working at their direction.

In November 2018, the Trustees approved an ordinance allowing St. Louis city and St. Louis county voters to consider the Stormwater Capital Rate in April 2019. If approved by voters with a simple majority (51 percent), the Stormwater Capital Rate would fund projects to address erosion and local/regional flooding.

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