Stormwater Capital Rate Vote
Agenda

- MSD Overview
- Stormwater Capital Rate
- Questions
MSD System Overview & Details

- Government Utility
  - State Constitution
  - Voter Approved Charter
  - 6 Member Board of Trustees (3 City, 3 County)

- Two utilities: wastewater and stormwater

- 520 square mile service area
  - All of St. Louis City
  - 87% of St. Louis County

- ~1,300,000 customers

- 88 municipalities served

- 7 treatment plants
- 350+ million gallons/day wastewater treated
- 4,744 miles of sanitary sewers
- 1,806 miles of combined sewers
- 3,028 miles of stormwater sewers
- 4th largest sewer system in US (by miles of sewers that handle wastewater)
Stormwater
Proposition S: April 2016 & April 2019

- Voters passed Proposition S in April 2016
- The issue addressed unequal operations and maintenance of the public storm sewer funding across our service area
- On April 2, 2019, a simple majority (51%) of voters will decide if the new Proposition S will provide funds for District-wide capital projects addressing erosion and flooding
Unfunded Stormwater Issues

Localized Flooding  Erosion  Regional Flooding
Unfunded Stormwater Issues*

- ~500 stormwater issues identified, but unfunded
- Total cost: ~$500M

*As of August 2016
Potential Solutions

Property Buyouts*

*only potential solution for regional flooding
Potential Solutions
Natural Creek Bank Stabilization

Before, during Hurricane Ike

Before

After

After, during heavy rain
Potential Solutions

Rainscaping

Stormwater Drainage Systems
Stormwater Capital Rate

• If approved by voters, MSD will implement a Stormwater Capital Rate to fund a $30 million per year stormwater capital program.
  – The Stormwater Capital Rate will be based on the amount of impervious area on each customer’s property.
  – Average charge for a single family home will be $2.25 per month or $27.00 per year.
  – Tax exempt entities will be subject to the Stormwater Capital Rate.
  – Estimates are that all currently identified issues could be addressed in ~30 years.
  – Creeks, streams, etc. remain privately owned.
  – Floodplain management responsibilities remain with municipalities.
Impervious Based Rate Rationale

• Impervious area is a hardened surface – such as concrete, blacktop, a rooftop, compacted gravel – that does not absorb stormwater; and which generates stormwater runoff.

• Flooding and erosion services being proposed under the new Stormwater Capital Rate are directly impacted by the volume of stormwater runoff created by impervious area on each property.

• Fairest way to determine revenue contribution of each property is through an impervious area measurement method.

• All public and private property, including properties owned by governmental and nonprofit entities, will be subject to the Stormwater Capital Rate.
# Stormwater Capital Rate Calculation

<table>
<thead>
<tr>
<th>Customers</th>
<th>Properties/ERUs</th>
<th>Monthly Rate</th>
<th>FY22 Annual Billed Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Properties</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1: 200 - 2,000 Sq. Ft</td>
<td>120,523</td>
<td>$ 1.42</td>
<td>$ 2,050,096</td>
</tr>
<tr>
<td>Tier 2: 2,001 - 3,600 Sq. Ft</td>
<td>218,750</td>
<td>$ 2.25</td>
<td>$ 5,906,250</td>
</tr>
<tr>
<td>Tier 3: 3,601 - 6,000 Sq. Ft.</td>
<td>80,469</td>
<td>$ 3.74</td>
<td>$ 3,606,621</td>
</tr>
<tr>
<td>Tier 4: &gt;6,000 Sq. Ft.</td>
<td>27,122</td>
<td>$ 6.84</td>
<td>$ 2,226,174</td>
</tr>
<tr>
<td>Customer Assistance Program Accounts</td>
<td>6,328</td>
<td>$ 1.13</td>
<td>$ 85,428</td>
</tr>
<tr>
<td><strong>Subtotal: Residential Properties</strong></td>
<td><strong>453,192 properties</strong></td>
<td><strong>$ 13,874,569</strong></td>
<td></td>
</tr>
<tr>
<td>Non Residential &amp; Multi-Family ERUs</td>
<td>601,353 ERUs</td>
<td>$ 2.25</td>
<td>$ 16,236,531</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$ 30,111,100</strong></td>
</tr>
</tbody>
</table>

Note: Numbers of properties/ERUs are based on March 2017 GIS data, which will fluctuate.

Fiscal Year 2022 revenue is shown as the full rate that will be charged at the beginning of MSD’s Fiscal Year 2022 (July 1, 2021, through June 30, 2022).
Stormwater Implementation

- The Stormwater Capital Rate will appear on the monthly bill of MSD customers that are also billed for wastewater.

- Customers not billed for wastewater with properties containing more than 20 ERUs will be billed monthly.

- All other customers not receiving MSD wastewater services will be billed on a quarterly basis.

- The Rate Commission’s recommendation was sent to the MSD Board of Trustees in September 2018, and it was accepted.

- In November 2018, the Board approved the ordinance allowing voters to consider the Stormwater Capital Rate.

- Proposition S will be on the April 2 ballot in St. Louis City and St. Louis County.
More Information/Questions?

Sean Hadley, Manager of Public Affairs
(314) 768-6240
shadley@stlmsd.com

www.stlmsd.com/PropS

@YourMSD

Your MSD