



Town Council Hears DEM Report on Stormwater Utility

By: Jill Connors
December 8, 2011

A study conducted by Rhode Island's Department of Environmental Management (DEM) this summer suggests that Middletown's cost for stormwater management will rise in the near future from a current annual expenditure of \$427,000 to an expected annual expense of \$924,000, according to a report presented to the Town Council during its regular monthly meeting Monday night.

"Stormwater management funding is a huge problem for municipalities," said Elizabeth Scott, RI DEM's Deputy Chief for Water Surface Protection. "But it's an issue that has to be addressed because stormwater runoff is one of the major causes of water pollution."

Scott explained that DEM is encouraging municipalities across the state to consider creating stormwater utilities. "A stormwater utility is primarily a revenue generating mechanism that allows municipalities to better manage stormwater by creating a designated fund for stormwater management," Scott explained. "Like a water or sewer utility, a stormwater utility generates revenue through user fees that are based on the amount of stormwater generated on a property. These fees are assessed by measuring the amount of impervious surface."

The most common impervious surfaces include paved parking lots and driveways, and the roof of a house or building. Based on the DEM study, the stormwater utility rate structure that Middletown would need to raise \$1 million annually for stormwater management would result in a typical Middletown homeowner paying \$50 per year in stormwater utility taxes. For comparison, Town Administrator Shawn Brown calculated that a typical homeowner would have to pay \$117 per year if the \$1 million had to be raised through property tax.

Stormwater utilities already exist in many parts of the country, but Rhode Island does not have one yet. Scott explained that a system of credits is an important part of a stormwater utility. Credits would be given for a homeowner or commercial business owner who adds more drainage to impervious surfaces or who reduces the overall amount of impervious surface. "The credit system drives physical changes in how stormwater is managed on the ground, because people have a monetary motivation," Scott said. "The more you pave, the more you pay."

DEM worked with Middletown and Westerly during the summer to conduct feasibility studies for stormwater utilities. Middletown was chosen because of the town's proactive approach to managing its stormwater. "The town of Middletown is definitely an exemplar among towns in

Rhode Island in terms of addressing the issues,” said Scott, acknowledging such infrastructure projects as the Continental Village storm drainage replacement, and the current Esplanade project.

“But there are many more watershed improvements that need to be made,” she added. In Scott’s report, she noted that a negative impact on water quality begins when there is 10-12% of impervious cover on a watershed. The DEM study found 32% impervious cover in the Bailey Brook watershed, 11% in the Upper Maidford River, 9% in the Lower Maidford, and 6.5% in Paradise Brook.

In the discussion following Scott’s presentation, Council members expressed concern over introducing a new tax during such difficult economic times. Town Administrator Shawn Brown noted that the town will be facing challenging budget cycles, and there is a responsibility to address stormwater issues particularly given new requirements from the Environmental Protection Agency that are in the process of being enforced.

“A stormwater utility is an equitable way to raise revenue in that is tied to how much impact each property has on stormwater management,” said Brown. “It’s a bit like the town’s PAYT program. Nobody wants to pay for waste removal, but since there is a cost, it needs to be tied to individual use.”