



CITY OF DOVER

STORMWATER AND FLOOD RESILIENCE FUNDING COMMITTEE - MINUTES

Meeting Type: **Regular Meeting**
Meeting Location: **City Hall, First floor conference room**
Meeting Date: **Monday, March 22, 2021**
Meeting Time: **5:30 PM**

Members Present: Ken Mavrogeorge, Ray Bardwell, Marcia Gasses (left at 6:58 PM), Bill Baber, Eric George, Jan Nedelka, David Degenais, Vincent Hayes, Paul Geraci, Steve Haight, Chad Kageleiry, Allan Krans, Cynthia Walter (arrived at 5:30 PM) Dennis Shanahan (City Council, ex officio), Gretchen Young (Community Services, ex officio), John Storer (Community Services, ex officio), Peter Driscoll (Dover School District, ex officio) (left at 6 PM).

Members Not Present (excused): Otis Perry

Members Not Present (un-excused): None

Also Present: Ben Sweeney (NHDES/PREP Project Partner), Nathalie DiGeronimo (NHDES Project Partner), Abigail Lyon (PREP Project Partner), Tom Swenson (NHDES Project Partner), Martha Shiels (New England Environmental Finance Center Project Partner), Nancy Gallinaro (Portland, ME, presenter), David Cedarholm (Concord, NH, presenter)

1. CALL TO ORDER

Councilor Shanahan called the meeting to order at 5:33 PM. Meeting declared an emergency because a physical quorum is not reasonably practical based on the ongoing COVID-19 pandemic and the need to accommodate social distancing. Accommodations include remote participation.

2. ATTENDANCE (follow remote participation procedures as needed)

Councilor Shanahan called attendance (see members present listed above).

3. REVIEW AND APPROVAL OF FEBRUARY 22, 2021 MINUTES

Motion: Nedelka moved to approve the minutes as presented; Krans second

Amendment(s): correct date in minutes from previous meeting.

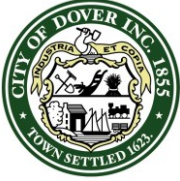
Roll Call Vote: Yes-13; No-0; Abstain-0

Motion passed unanimously

4. NEW BUSINESS

Councilor Shanahan began with a brief introduction of the two presenters, David Cedarholm, City Engineer for Concord, NH and Nancy Gallinaro, Water Resources Manager for Portland, ME, before passing it over to Sweeney to start the presentations.

A. Overview of stormwater utilities and fundamental considerations for Dover
Sweeney presented an overview of stormwater utilities and shared specific information relevant to establishing a rate structure for a potential stormwater utility using estimates considered by the Stakeholder Committee for the City of Dover's Municipal Stormwater Utility Feasibility Study back in 2010.



CITY OF DOVER

STORMWATER AND FLOOD RESILIENCE FUNDING COMMITTEE - MINUTES

Meeting Type: **Regular Meeting**
Meeting Location: **City Hall, First floor conference room**
Meeting Date: **Monday, March 22, 2021**
Meeting Time: **5:30 PM**

Kageleiry asked how roads (both municipal and private) are factored into the rate calculation for a stormwater utility. Nedelka provided context from the Dover 2010 Committee that roadways were included in the 2010 rate structure estimates because public roads are a public good and contribute a large portion of the impervious cover in the city (highway and town roads). Homeowners' associations would have been charged for their private roads.

Degenais asked for clarification on why a stormwater utility would need to be established to create a dedicated source of funding for stormwater management project. Councilor Shanahan shared that the method of collecting funds (i.e., an enterprise fund like sewer and water) is what keeps the funding separate from the General Fund.

Krans raised the concern of communities being sued after establishing a stormwater utility and asked if there were any examples in New England (NH and ME). Sweeney shared that Lewiston, ME was sued, initially, but the ultimate ruling was in the municipality's favor because they included a credit system which allowed property owners to have control over their fees (rates charged). Krans cautioned the committee that the City should prepare for legal action if we move forward with a stormwater utility.

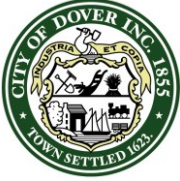
B. Exploring the feasibility of a stormwater utility in Concord, NH

Guest speaker: David Cedarholm, City Engineer, Concord, NH

Cedarholm presented an overview of the City of Concord's early efforts to explore the establishment of a stormwater utility. Concord worked with Tighe & Bond to conduct a feasibility study and established a City Working Group crossing City departments (engineering, finance, planning, and city leadership). Concord is exploring a stormwater utility to establish an equitable mechanism for raising revenue for stormwater management projects/expenses. Cedarholm emphasized that when you include tax-exempt properties, you reduce the burden on residential property owners for raising funds for stormwater projects. Concord is still in the early stages – project put on hold due to COVID-19 and economic impact. Next steps will include looking at rate structure options, determining the level of funding needed, establishing a billing and data management system, developing and adopting a stormwater utility ordinance, stakeholder outreach and education, and finally discussions with the state regarding their contribution to the fund.

Gasses emphasized the importance of whatever funding structure is established, that the City is encouraging improvements in stormwater in concert.

Kageleiry inquired further about an example – Concord Hotel – that Cedarholm presented asking if the stormwater utility formula Concord is considering would benefit urban



CITY OF DOVER

STORMWATER AND FLOOD RESILIENCE FUNDING COMMITTEE - MINUTES

Meeting Type: **Regular Meeting**
Meeting Location: **City Hall, First floor conference room**
Meeting Date: **Monday, March 22, 2021**
Meeting Time: **5:30 PM**

development (i.e., buildings with high levels and small footprints). Cedarholm responded that it would likely be different for each property, but a stormwater utility program would encourage forward and innovative thinking for stormwater management. Redevelopment provides opportunities for design updates to existing stormwater management. Kageleiry cautioned that this approach would disadvantage an industrial property that has a similar assessment for taxes (like the hotel example), but a larger footprint. Baber reminded the committee that the whole concept is to make a funding structure that is equitable and based on contribution.

Storer following up on Gasses point, added that as soon as you start to charge people you create an incentive for them to educate themselves about ways to reduce runoff (and the potential for credit reductions in the fee). Kageleiry asked about the process for credits. Mavrogeorge compared the approach to the trash bags in Dover – pay for trash bags as a way to incentivize recycling. A stormwater utility fee with a credit function could incentivize a property to install a stormwater system to reduce runoff and reduce fee.

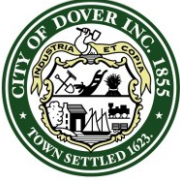
Councilor Shanahan reiterated the importance of keeping the equitable component of a utility at the forefront of our minds for the remainder of the presentations and for future meetings and presentations on other funding options.

C. Establishing a stormwater utility in Portland, ME

Guest speaker: Nancy Gallinaro, Water Resources Manager, Portland, ME

Gallinaro provided an overview on the approach and implementation of a stormwater utility in Portland, ME back in 2016. Portland explored a utility to assist with compliance for an EPA administrative order and a consent order. In response to Krans' comment about preparing for lawsuits, Gallinaro shared that Portland has not faced any legal action since establishing their utility but agreed it's important to keep an eye on the legal side of things. Ultimately the goal of the Portland utility was a healthier environment, fair billing system, and accountable investments for stormwater system improvements and maintenance. Money savings was a key message for Portland through automatic savings on water and sewer bill (previous funding for stormwater management), as well as the opportunity to reduce a fee by reducing the impervious cover area on a property. Portland has not seen many residents take advantage of the credit reductions, but the City plans to increase outreach to residents, so they are aware of this incentive.

Kageleiry asked if Sweeney and the project team can estimate what the administration costs would be for the City of Dover and asked about what additional costs might be borne by setting up a new utility. Gallinaro offered to send numbers to Sweeney.



CITY OF DOVER

STORMWATER AND FLOOD RESILIENCE FUNDING COMMITTEE - MINUTES

Meeting Type: **Regular Meeting**
Meeting Location: **City Hall, First floor conference room**
Meeting Date: **Monday, March 22, 2021**
Meeting Time: **5:30 PM**

Krans asked for more clarification on whether a utility would mean a reduction in property tax for an individual property. Cedarholm said yes, but for residential or smaller business properties the reduction will be small because the stormwater utility fee will be small (e.g., \$25 annually) and might not be noticed by a property owner (compared with a higher taxed property). Cedarholm added that a stormwater utility is not a reduction in the General Fund but a reallocation of funds that would normally go to stormwater management.

Kageleiry raised concerns about selling a stormwater utility to residential developments who are nowhere near a stormwater system. Storer emphasized the importance of communicating the City's responsibility to the Great Bay Total Nitrogen General Permit and how incentivizing private property owners to reduce runoff is a huge incentive for the City.

Geraci raised concerns about experiencing similar pushback from residents as the City Council faced when the idea of a city-wide mask mandate was suggested. Ultimately the decision was to table the issue and feels that may be the case if a stormwater utility is proposed – the issue may be tabled, and the General Fund will still be the default. Geraci suggested a separate line item in a water and sewer bill may be easier to adjust to.

Bardwell asked Gallinaro about the percentage of stormwater treated in Portland using the utility. Gallinaro shared that Portland is installing green infrastructure, large developments are implementing low impact development techniques, there is an aggressive street sweeping and catch basin cleaning program, and more. Gallinaro emphasized the importance of innovation.

Mavrogeorge emphasized the importance of messaging, sharing that even a drop of water that hits a gravel road is stormwater and needs maintenance and would hate for a utility to not be considered because of a messaging concern.

5. CITIZEN'S FORUM

None present.

6. CONFIRM NEXT MEETING DATE, TOPIC, AND HOMEWORK ASSIGNMENTS

Next meeting is scheduled for April 26, 2021 at 5:30 PM and will focus on fees and development charges.

7. ADJOURN

Councilor Shanahan declared the meeting adjourned.