Minneapolis
Park & Recreation Board

Stormwater Investment Approach

Stormwater Overview

- Stormwater is rain or melting snow that flows over the ground surface and does not soak into the ground
- Stormwater runoff is loaded with pollutants (oils, metals, trash, road salt, etc) and excess nutrients
- Most storm drains in Minneapolis discharge stormwater directly to local water bodies
- 500 miles of stormwater pipes in Minneapolis

(Graphic by MPCA)

Stormwater Impacts to Minneapolis Parks

- Stormwater runoff discharges into water bodies we manage
- Negatively impacts water quality, harms fish and wildlife, and causes erosion
- Can create unsafe water conditions for recreation
- Can damage trails, shorelines and bridges

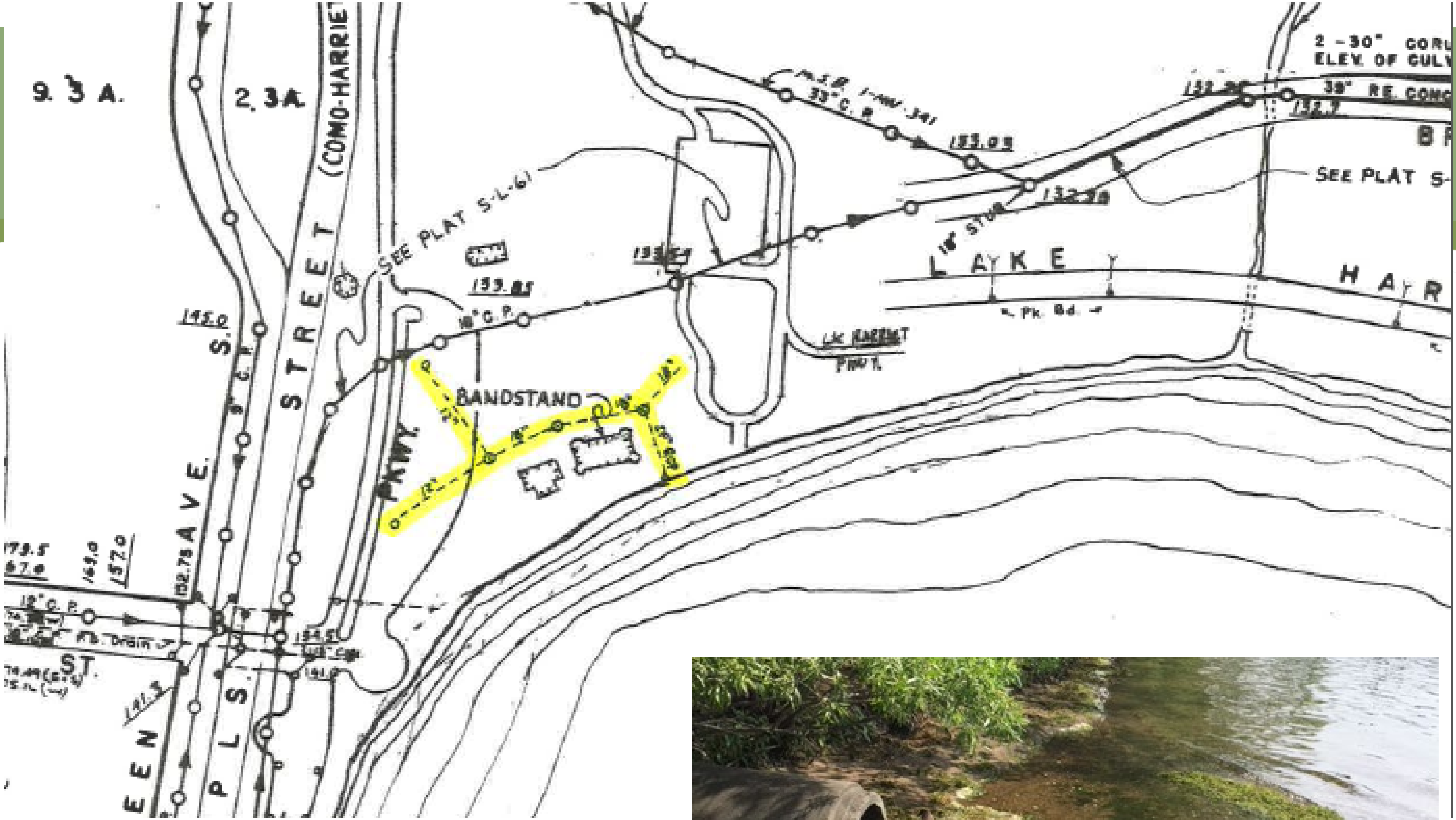
Federal Stormwater Permit

- MPRB and City of Minneapolis jointly hold a permit required by Federal Clean Water Act: ***NPDES (National Pollutant Discharge Elimination System) permit***
- MPRB part of permit due to storm sewer system ownership
- Regulates non-point source pollution

EPA United States Environmental Protectio Agency

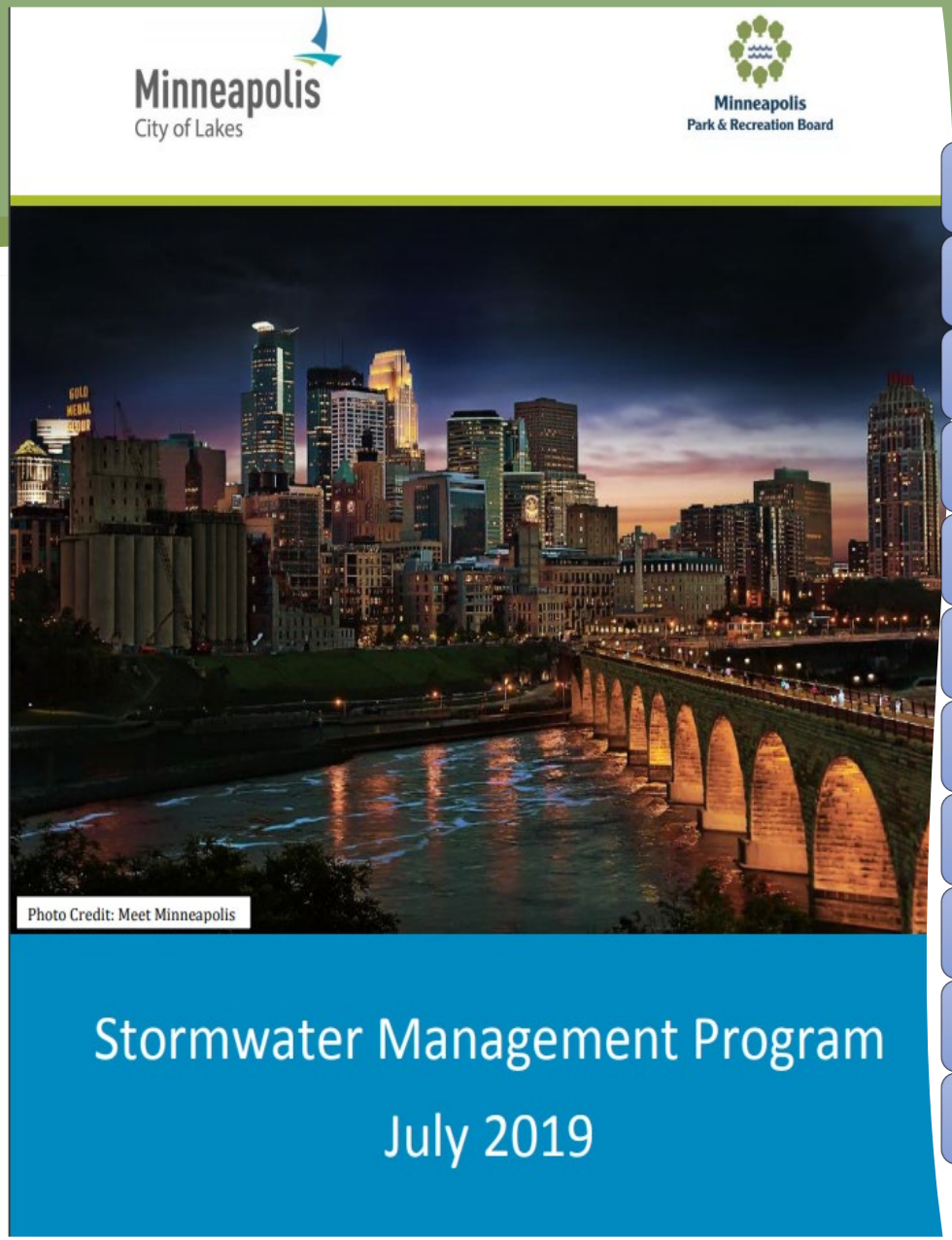
Clean Water Act

nesota Pollutio ntrol Agency



9. 3 A.
2. 3 A.
STREET (COMO-HARRIET
SEE PLAT S-L-61
BANDSTAND
18" C.P.
133.85
133.09
145.0
PKWY.
AVE.
ST.
12" C.P.
L A K E H A R
Pk. Bd.
SEE PLAT S-
2 - 30" CORU
ELEV. OF CULV

Stormwater Management Practices



- **Public Education and Outreach on Stormwater Impacts**
- **Construction Site Stormwater Runoff Control**
- **Post-Construction Stormwater Management**
- **Good Housekeeping for Municipal Operations**
- **Stormwater Discharge Monitoring and Analysis**
- **Progress Toward Waste Load Allocation for Approved TMDLs**
- **Stormwater Management Program Assessment, Modification, and Annual Reporting**
- Public Participation and Involvement
- Illicit Discharge Detection and Elimination
- Coordination and Cooperation with Other Entities
- Sanitary Sewer Reporting Requirements

http://www.ci.minneapolis.mn.us/www/groups/public/@publicworks/documents/webcontent/wcmsp-219697.pdf

How We Coordinate

The Stormwater Management Program (SWMP) is developed and administered by the City and MPRB departments that are responsible for Permit activities.

MPRB and Minneapolis are jointly responsible for the completion of the required Permit submittals.

Cooperative activities include **ongoing collaboration on capital improvement projects, public education, monitoring, and other program activities**

Generally, the City is responsible for managing the storm drain system and the MPRB is responsible for shoreline and lake management, but MPRB is responsible for the stormwater pipes that carry solely parkland runoff.

The Minneapolis Public Works Division of Surface Water and Sewers provides program management and completes the SWMP and annual reports.

NPDES Stormwater Services Agreement

- An agreement between **City of Minneapolis Public Works** and the **Minneapolis Park & Recreation Board** that helps both entities meet the requirements of the Permit using organizational strengths.

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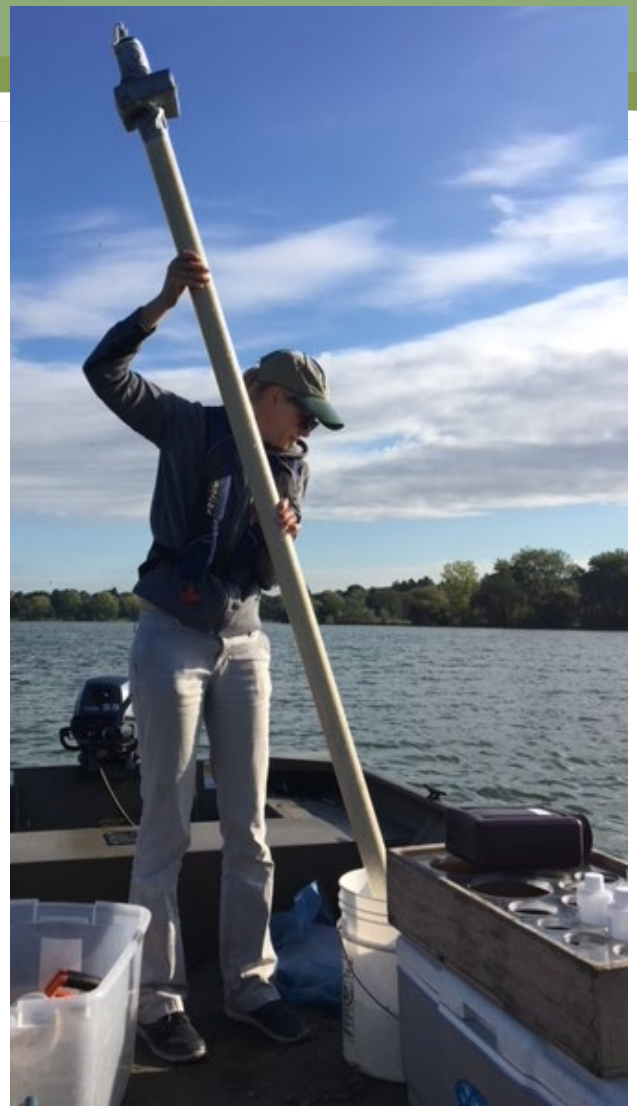
Recent Reimbursements

Year	Stormwater Agreement Reimbursement
2017	$559,297
2018	$581,000
2019	$626,365
2020	$682,021
2021	$627,128
2022	$635,245



Stormwater Utility Overview

- City of Minneapolis began collecting stormwater utility fees in 2005
- Charge property owners for management of stormwater based on the degree to which their property is covered by impervious surfaces. Previously, property owners paid a combined stormwater and sewer fee based on water usage.
- Stormwater utility fees pay for stormwater design work, construction and capital programs, street cleaning and stormwater system operations and maintenance costs. Are also used to keep City in compliance with federal NPDES (National Pollutant Discharge and Elimination System) permit.
- In 2023, will collect $45.2M in revenue.
- Use fees and fund balances to fund larger future projects (ex Central City Tunnel Project); also have bonded for large projects.
- All properties within City limits (with very few exceptions) pay a monthly stormwater utility fee. MPRB currently pays about $450K annually in Mpls SW utility fees.

Equivalent Storm Water Unit (ESU)

- City collects monthly fees based on ESUs: Equivalent Storm Water Units
- 2023 ESU rate is $14.45
- 1 ESU = $14.45 per month
- Average single family residential home pays rate of 1 ESU/month
- Fees are paid by all property owners (commercial, residential, churches, govt, etc.)
- Fee is related to square feet of impervious surface area on a property

Morris Letterman Survey Results

- Survey participants were asked about monthly utility bills. “Monthly utility bills include a stormwater fee for each household. About what percent of the stormwater fees collected in Minneapolis goes to the Minneapolis Park and Recreation Board to improve and monitor water quality In Minneapolis lakes and creeks?” Responses were:

- Less than 1% 10%
- **1 – 2% 27%**
- 3 – 4% 25%
- 5 – 7% 13%
- 8 – 10% 3%
- More than 10% 1%
- Don't know/refused 22%

(Correct answer = 1.6%)

Morris Letterman Survey Results

- Survey participants were then told that the actual percentage of stormwater fees paid is about 1.6% of the total fees collected or 1.6 cents out of every dollar. They were also told the average household pays about $14.00 a month in stormwater fees. Participants were then asked: “How much would you be willing to increase stormwater fees per household per month for the MPRB to improve and monitor water quality in Minneapolis lakes and creeks?” Responses were:

• Nothing	16%
• 50 cents	24%
• **$1.00**	**32%**
• $1.50	13%
• $2	3%
• More than $2	2%
• Don't know/refused	10%

Morris Letterman Survey Results

- If nothing was the response (n = 79; 16% of respondents), survey participants were asked “Stormwater carries pollutants and trash to lakes and creeks from streets and other sources across the city. It is the top source of pollution for Minneapolis lakes and creeks. Knowing this would you still oppose an increase to stormwater fees in Minneapolis?” Responses were:

- YES 41%
- **NO** **53%**
- Don't know/refused 6%

Financial Analysis

Estimated Revenue

	In Millions
City of Minneapolis Storm Water Fees	45.2
Percentage Increase $0.50	3.46%
Estimated Revenue Potential	1.56
Percentage Increase $0.75	5.19%
Estimated Revenue Potential	2.35
Percentage Increase $1.00	6.92%
Estimated Revenue Potential	3.13
Percentage Increase $1.25	8.65%
Estimated Revenue Potential	3.91
Percentage Increase $1.50	10.38%
Estimated Revenue Potential	4.69
Percentage Increase $1.75	12.11%
Estimated Revenue Potential	5.47
Percentage Increase $2.00	**13.84%**
Estimated Revenue Potential	**6.26**

	Estimated ESU's	Est. Rev. Potential
2023 - $0.75 Rate Increase	3,128,028	$2,346,021

Budget Overview

COST ASSESSMENTS	
START UP	**1,139,843**
ANNUAL MONITORING AND EDUCATION	800,000
ANNUAL SW UTILITY FEES	450,000
ANNUAL OPERATIONAL/ONGOING COSTS	1,837,346
TOTAL ANNUAL COSTS	**3,087,346**
FUTURE CAPITAL AND PROJECT ONGOING COSTS	
CAPITAL PROJECTS AND REHAB	1,000,000
WATER QUALITY IMPROVEMENT PROJECTS	1,000,000
FUTURE CAPITAL AND WATER QUALITY	**2,000,000**

Budget Calculations

- Built annual estimated budget based on initial proposed stormwater staffing model plus estimated annual operating expenses
- Included Stormwater Services Agreement stormwater monitoring and education expenses MPRB is incurring and reimbursed for
- Included MPRB's annual stormwater utility fees
- Calculated initial start-up fees to reflect projected initial one-time expenses
- Annual base budget ($3.087M) does not include capital expenses
- Annual base budget ($3.087M) does not include water quality improvement project expenses
- Adding annual capital expenses and water quality improvement projects brings total to more than $5M

Budget Calculations

- Demonstrate:
  - 50 cent increase is not sufficient
  - 75 cent increase could cover a phased operational budget build up; needs additional start-up allocation and future capital and water quality project increase dollars
  - $1.00 increase could meet initial operational budget estimates and provide mechanism to build fund for future capital expenses and water quality improvement projects; would need additional start-up allocation and future capital and water quality project increase dollars
  - $1.25 increase meets start-up allocation costs, operational budget estimates and provides mechanism to build fund for future capital expenses and water quality improvement projects
  - $1.50 increase meets start-up allocation costs, operational budget estimates and provides mechanism to build fund for current and future capital expenses and water quality improvement projects
  - $1.75 and $2.00 increases meet start-up allocation costs, operational budget estimates, and capital and water quality improvement project expenses

Questions?