

BOARD OF ALDERMEN

ITEM NO. D(3)

AGENDA ITEM ABSTRACT

MEETING DATE: March 19, 2002

SUBJECT: Chapel Hill's Stormwater Utility Report

DEPARTMENT: PLANNING	PUBLIC HEARING: YES ___ NO <u>X</u> ___
ATTACHMENTS: A. Town of Chapel Hill's 2-11-02 agenda regarding the Storm Water Utility Development and Implementation Study Committee Report B. Carrboro Board of Aldermen Minutes April 20, 1999	FOR INFORMATION CONTACT: Roy M. Williford, 918-7325

PURPOSE:

The purpose of this item is to provide the Board of Aldermen with a report on Chapel Hill's effort to establish a stormwater utility.

SUMMARY:

The Town of Chapel Hill received an agenda item on February 11, 2002 entitled "Manager's Follow-up Report on Recommendations of the Stormwater Utility Development and Implementation Study Committee". This report provided the Town Council with a two step strategy for developing a stormwater utility. The first step involves soliciting Statements of Qualification, appropriating \$15,000 to hire a consultant, based on experience and qualifications, to prepare a pro forma business plan and recommendations. The recommendations and pro forma business plan includes the following elements:

- Organizational structure
- Program functions and required resources
- Basic operating costs
- Estimated short-term annual costs for program startup
- Estimated long-term annual costs for continuing operations
- Billing and collection mechanism
- Utility fee to be assessed and basis for assessment
- Implementation schedule
- Policy, public information, and legal considerations
- Administration options: Town or Orange Water and Sewer Authority

The report and recommendations associated with step one are anticipated to be in place for presentation to the Council in June 2002. This report should provide information for the Council to consider in making a decision about whether or not to proceed with step two.

The second step, subject to the Council's direction from step one, will involve the establishment of a specific Stormwater Management Program and Stormwater Utility.

The Chapel Hill Town Council adopted both resolutions contained in the attached agenda item (Attachment A), which authorized their town manager to proceed with step one "Soliciting Statements of

Qualification” and the appropriation of \$15,000. The Town of Carrboro has not been included as participant in the formation of a Chapel Hill Stormwater Utility which is in keeping with the discussion contained in the Aldermen’s 4/20/99 minutes (Attachment B). The Chapel Hill Town Council did add and adopt a supplemental resolution establishing an intergovernmental stormwater management workgroup to further cooperative efforts among Chapel Hill, Carrboro, Orange County, UNC and OWASA.

RECOMMENDATION:

The administration recommends that the Board of Aldermen receive the report regarding Chapel Hill’s effort to establish a stormwater utility.