

**VILLAGE BOARD AGENDA SUPPLEMENT**

<b>Meeting Date:</b>	March 23, 2021
<b>Agenda Item:</b>	Consideration of an Ordinance Amending Chapter 25 of the Libertyville, Illinois Municipal Code to Impose Stormwater Utility Fee
<b>Staff Recommendation:</b>	Approve Ordinance
<b>Staff Contact:</b>	Kelly A. Amidei, Village Administrator Nicholas A. Mostardo, Director of Finance Hart M. Passman, Village Attorney

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**Background:** On May 28, 2019, the Village Board adopted the Master Stormwater Management Plan which identified \$45.5 million (2017 dollars) in stormwater conveyance infrastructure improvements necessary to address flooding issues throughout the community. Subsequent to the adoption of the Plan, the Village Board directed staff to develop financing strategies to fund the identified projects.

On August 29, 2019, the Village Board approved a contract with NewGen Strategies and Solutions, LLC to complete a two phase stormwater utility rate study. Phase I consisted of the creation of a financial model, development of a capital plan, and identification of potential utility fee options. At the conclusion of the Phase I portion of the study, the Village Board determined that a 15 year capital plan funded by an impervious surface assessment was the most equitable and appropriate financing structure for the new stormwater utility. Phase I of the utility rate study was completed on July 21, 2020.

In Phase II of the stormwater utility rate study, the consultant and staff created a parcel-level stormwater utility fee billing database, promoted public education opportunities including virtual town hall meetings and a website, and drafted a stormwater utility fee ordinance. The Village Board also directed staff to make a policy change related to the appeals process and investigate the feasibility of a senior citizen discount. After reviewing the financial model and determining that a modest senior citizen discount would have a negligible impact on rates, staff recommends including language in the ordinance authorizing a senior citizen discount. Eligibility for this discount would be the same as for water and sanitary sewer senior discounts (65 years of age). The amount of the senior citizen discount will be determined annually as part of the Fee Ordinance and is expected to be 5% for FY 2021-2022.

At this time, the major activities associated with the utility rate study are complete and staff recommend that the Village Board consider moving forward adopting an ordinance enacting a stormwater utility fee. As discussed in prior meetings, the effective date of the stormwater utility fee will be September 1, 2021. During the intervening period between ordinance adoption and the fee effective date, staff will 1) Continue public outreach and website maintenance, 2) Make ongoing minor adjustments to the billing database to reflect updated Lake County Assessor boundary data, 3) Process appeal and credit requests, and 4) Work with the Village's utility billing software vendor to import stormwater utility fee data prior to September 1<sup>st</sup>.

Staff recommends approval of the attached ordinance enacting a stormwater utility fee.