



# City of Greensburg Stormwater Utility

## FREQUENTLY ASKED QUESTIONS

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### What is a stormwater utility?

A stormwater utility is a dedicated funding source for stormwater programs and projects. Indiana law allows municipalities to collect user fees necessary to manage the capital improvement and operational expenses associated with stormwater management. Funding is provided through a user fee like water and wastewater services. The City of Greensburg adopted a stormwater utility in the fall of 2021 and will begin collecting fees in the spring of 2022.

### Why is a stormwater utility fee necessary?

When it rains or snow melts, runoff from impervious surfaces (rooftops, parking lots, driveways, etc.) drains into the stormwater system (storm sewers, ditches, swales, etc.). As stormwater flows overland, it picks up pollutants (nutrients, bacteria, oil and grease, etc.) that have accumulated on these surfaces. The more impervious surface there is, the greater the volume of runoff and pollutants that the stormwater system must manage. The stormwater utility fee is used to:

1. Pay for ongoing maintenance, repair, replacement and improvement of the existing and future stormwater and flood protection system, and
2. Pay for increased cost to comply with state and federal stormwater quality requirements.

### What is the stormwater utility fee and how was the fee determined?

The rate used to calculate stormwater fees is based on the amount of impervious surface for each parcel. Much like a “kilowatt” serves as the basis for electrical utility, the “Equivalent Residential Unit” or ERU, is the base unit for the stormwater utility. In the City of Greensburg, an ERU is the average area of impervious surface of a single-family residential parcel which equals 3,000 square feet.

The stormwater utility fee is paid by every property owner and is based on three categories of rate payers: residential, nonresidential and unimproved properties. The fee for residential property is a flat rate of \$3.50 per residential unit or one ERU. Nonresidential properties each pay multiples of one ERU based on actual impervious, but subject to one ERU minimum.

1	Residential: Single-family, Duplex, Triplex, Mobile Homes, Condominiums	\$3.50 per month (1 ERU)
2	Nonresidential: Commercial, Industrial, Tax Exempt, Apartments, Residential Common Areas	\$3.50 per each ERU (3,000 square feet) of impervious area; subject to 1 ERU minimum
3	Unimproved Properties (all property classes)	\$1.15 per month (0.33 ERU)

## **What can I do to reduce my stormwater utility fee?**

The City of Greensburg has adopted a credit manual for nonresidential property owners to reduce their stormwater utility fee in exchange for their efforts to reduce the impacts of stormwater runoff from their property on the public infrastructure and waterways. More information on credits for the stormwater utility can be found on the city webpage.

## **What are the benefits of a stormwater utility?**

*Benefits from the perspective of the elected officials and senior staff responsible for annual funding of the stormwater program:*

- Dedicated Funding Source – revenues generated by stormwater utilities create a dedicated source of funding for stormwater programs and projects.
- Supplemental Funding Source – stormwater utility revenues can be used to replace current general fund/ad valorem tax funding which enables the tax-based funding to be used for other community needs.
- Sustainable Revenues – revenues generated by stormwater utilities are constant and tend to gradually increase with the community's growth.
- Bondable Revenue Stream – bonds for capital improvements can be issued to facilitate constructing stormwater management facilities because the revenues generated by stormwater utilities can be used to pay back bonds.

*Benefits from the perspective of staff responsible for the daily operations of the stormwater program:*

- Programmatic Stability – stormwater utilities provide stable revenue and support staff stability, continued levels of maintenance operations, and continuity in Capital Improvement Project (CIP) programs.
- Long-Term View – stormwater managers can adopt a longer view in planning for capital investments, undertaking maintenance enhancement, and developing staff since they are not operating in a year-to-year funding environment with no certainty of follow-on funding in successive years.
- Facilitation of NPDES Compliance – communities regulated under the Federal NPDES Stormwater Permitting Program, are more readily able to comply with the specific permit conditions requiring the development of funding for annual operation of the Stormwater Management Program that is contained in their MS4 Permits.

*Benefits from the perspective of the public:*

- Improvements to the Drainage System - maintenance and improvements, reduced flooding and improved public safety.
- Improved Water Quality for Recreation – activities that involve direct human interaction with water such as swimming, boating, and sport-fishing.
- Improved Livability and Quality of Life – national surveys conducted about the factors that are most important in choosing a place to live consistently include “clean water”. Clean rivers, streams, and lakes benefit the livability of a community and the standard of living for current and future generations.