



**Town of Agawam, MA  
Stormwater System Assessment and Utility/Fee Planning**

**Citizen Advisory Task Force Meeting #4  
October 11, 2017**

**Meeting Summary**

**Meeting Date:** Wednesday October 11, 2017

**Time:** 6:00 to 8:00 p.m.

**Location:** Agawam Senior Center, 954 Main St, Agawam, MA

**Prepared by:** Rich Niles (Amec Foster Wheeler)  
Patty Gambarini (Pioneer Valley Planning Commission)

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Attached for reference are the attendee sign-in sheet and meeting agenda. The meeting notes below include a listing of the next steps for the project, followed by a summary of key discussion points from meeting #4.

**Next Steps:**

- Continue funding discussion with stormwater utility credits
- Develop draft stormwater utility ordinance
- Develop draft study report outline
- Continue to engage public through press releases and future meetings
- Plan for Task Force Meeting #5 in December

**Summary:**

**1. Review of Task Force Meeting #3**

Rich Niles presented a summary of Task Force Meeting #3. The third meeting focused on a stormwater utility as a potential funding approach for Agawam's stormwater program; the analysis of Agawam's GIS and land use data; and the preliminary funding analysis. The concept of a stormwater utility was presented with examples from other communities in Massachusetts that have established stormwater utilities. The analysis of Agawam's data was used to evaluate impervious cover per parcel as a basis for an assumed rate structure and funding approach.

Two example rate structure approaches were presented for comparison with two different levels of service for the stormwater program. Specific sample properties in Town were evaluated using these approaches and levels of service to illustrate the potential fees under a stormwater utility.



Comparisons were also provided that demonstrated the impacts of funding the stormwater program needs on the basis of taxes versus a stormwater utility fee. The Task Force provided valuable feedback during Meeting #3 that will assist with public engagement messaging.

## 2. Public Engagement Update

A brief update on public engagement activities was provided and focused on the September 25, 2017 public meeting (refer to the public meeting summary for more information). Key questions and feedback from the September 25<sup>th</sup> meeting were discussed with the Task Force to help understand broader public opinions and how to best conduct future engagement activities.

A press release was issued on September 27<sup>th</sup> and the PVPC will continue to work on materials to support the Public Engagement Plan with planned focus group meetings to be held with senior citizens, religious organizations and the West of the River Chamber of Commerce. Patty Gambarini informed the Task Force of public education materials that were being developed, such as door hangers related to public works maintenance activities (e.g., street sweeping and catch basin cleaning). Task Force members suggested opportunities to make stormwater work more visible, such as posting signs at DPW stormwater projects that say “a DPW project to improve the storm drain system” or “a DPW project to control flooding and erosion”, for example.

## 3. Stormwater Utilities Funding Approach and Policies

Rich Niles presented an overview of the key components of a stormwater utility as a funding approach for stormwater programs. Rate methodologies, rate structures and stormwater billing units were discussed to provide the Task Force with an understanding of how stormwater utilities are typically structured.

Rate Methodology: Rate methodologies were discussed and examples provided to illustrate how the rate methodology can recognize the difference in development characteristics of properties and their impact on the stormwater management system. The Task Force was then asked to indicate their preference on a rate methodology and the results are summarized below.

Preference on Rate Methodology	# Votes
1. Intensity of development	0
2. Land use	0
3. Impervious area only	6
4. Gross parcel area (similar to Chicopee)	0
5. Impervious area and gross area	3

A Task Force member asked: “Do any towns have different billing units for residential versus businesses?” Rich Niles noted that for the rate methodology to be considered equitable, it should treat all properties the same and it is not typical to charge residential properties on a different basis than businesses. This can be seen as setting arbitrary fees with no underlying rationale, which can be challenged in court. The same Task Force member commented: “This seems a little tough and unfair, especially when you consider that businesses are required to have a certain number of parking spaces.” The rate structure and potential rate modifiers can be used to account (in some part) for differences in property types and to balance equity. This can be refined once

the rate methodology is established. For example, the Town can consider supporting waivers from zoning requirements to allow pavers or other pervious options for parking spaces.

**Rate Structure:** Multiple rate structure options that are used by existing stormwater utilities were discussed and included: an equivalent residential unit (ERU) that represents the median impervious area for a single-family residential (SFR) property (3,250 sf in Agawam) and all residential properties are billed the same while non-residential properties are billed multiple ERUs based on their total impervious area; tiers based on ERUs for SFR properties, where small properties are billed one ERU and larger properties are billed two or more ERUs; and a flat rate such as 1,000 sf of impervious area where all properties are billed based on their total impervious area.

There are advantages and disadvantages of each rate structure in terms of accuracy, equity and complexity. There can also be additional rate structures that include rate modifiers (such as credits) for each option to recognize the difference between certain types of properties and their impact on the stormwater system. After discussing each option, the Task Force was asked to indicate their preference on a rate structure and the results are summarized below.

<b>Preference on Rate Structure</b>	<b># Votes</b>
1. Flat Rate (1,000 sf of IA)	3
2. Flat Rate with Modifiers	4
3. ERU (3,250 sf of IA)	0
4. ERU with Tiers	1
5. ERU with Rate Modifiers	1

Due to the quality of data available for Agawam, a flat rate structure provides more equity by treating all properties the same and reduces complexity by eliminating property classifications. Michelle Chase suggested the possibility of a 6th option on rate: 75% impervious and 25% gross area broken into different categories, which would be similar to the rate structure for Northampton, MA. A comment was made that apportion and distribution changes with each rate structure option, but the impervious cover and number of properties do not change.

While there was a preference for an impervious area based rate methodology and a flat rate structure, further vetting of these options will be necessary if the Town decides to move forward with implementation of a stormwater utility.

**Billing Method:** Billing system options, advantages, and disadvantages were discussed with the Task Force. The Task Force was then asked to indicate their preferred billing method and the results are summarized below.

<b>Preference on Billing Method</b>	<b># Votes</b>
1. With Tax Bill	0
2. Public Utility Bill (w/water & sewer)	8
3. Private Utility Bill	0

4. Stand-alone Bill	1
5. Other/No Vote	0

Credits: due to the time devoted to the overall discussion on preferred funding policies, there was not adequate time to discuss credits and this will be included in the agenda for Meeting #5.

#### 4. Questions and General Discussion

Throughout the meeting, the Task Force had several questions and comments that led to productive conversation around the stormwater program and how it is funded. This information is summarized below.

Question: “All options are based on impervious cover because that is the fair thing to do. I get that, but did towns ever ask, do you really want a business to be paying 8 times more than a residential property? It seems that you wouldn’t want to discourage businesses in that way.”

- Response: The idea is not to burden businesses, but to distribute costs based on runoff from impervious area. Using a flat rate approach treats all properties in a similar manner, so homes with significant impervious area will pay the same as a business with comparable impervious surfaces. When considering other funding approaches, many properties would pay the same or more if the stormwater program was funded on the basis of taxes. It is a concern, however, that costs be kept manageable for all properties and there are ways to manage these impacts in the rate structure, through capping of rate increases and allowing credits.

Question: “When something breaks down (i.e., storm drain system), if it’s an emergency, is that more expensive to fix?”

- Responses:
  - Yes, typically planned projects are competitively bid so you get a lower price.
  - Yes, emergency repairs can often cost 30 to 40% more.
  - Emergencies typically involve band-aid approaches where the repair is only short term. “You’re really just kicking the can down the road.”
  - We don’t manage stormwater in quite the way that we manage other utilities. The idea of an interruption in service when it comes to drinking water or wastewater service is different than an interruption in service with stormwater. You don’t really know that you have an interruption in service unless you are the one getting flooded.
  - The idea is to have a much more proactive program to address the issues that people are having. With more detailed inspections, we can get a much better understanding of the system and be more targeted in our response.

Question: “Does everything have to go out to bid or can public works fix small problems like the pipe at Westford Circle?”

- Response: That Westford Circle project is currently included as part of a capital project because it involves installation of a reinforced concrete pipe. It is not really a small project that DPW can handle. The scope of work for other projects, such as Meadow Street and South Park Terrace also will probably require hiring a contractor. A portion of the budget incorporated into the future stormwater program costs includes increased effort by DPW to address minor projects. There is also flexibility in the program, however, to hire

contractors for certain work based on the DPW workload and unforeseen issues that may arise.

Question: “How will you have the ability to do these much larger projects when you are generating just the \$2 million or so per year?”

- Response: If this is set up as an enterprise fund, the Town can have a reserve from one year to the next to complete larger projects. Also, it makes it easier for the Town to use bonds to fund projects and pay them off over time and allows access to more funding, such as grants, if there is an established enterprise fund.

Members of the Task Force noted the following comments, concerns, and questions that are circulating in the business community around the topic of a stormwater utility fee:

- Most importantly, how much is this going to cost them?
- Why do we need this and what factors into these needs?
- Is this just a “shell” game?
- How fair is this to the business community as compared to residents?
- Need transparency.
- How can we be sure that money we are putting into stormwater will go to stormwater?
- How do we avoid paying for a truck in this program that will only get used 20% of the time?
- What assurances do we have that the dollars will be used as promised?

Members of the Task Force noted the following comments, concerns, and questions that are circulating among religious organizations:

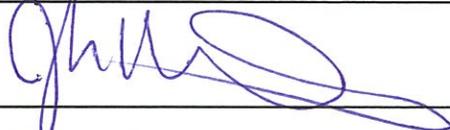
- What ability will we have to pay the fee at a time when congregations and revenues are shrinking?
- What are the credit opportunities?
- While this seems the right thing to do, there are many community services that religious organizations already provide, such as hosting meetings for scouts, AA, etc.

This is important information that needs to be discussed at upcoming public engagement activities with the business and religious communities. These are all reasonable questions and can be answered to some degree during this feasibility study. It is important, however, that people understand that the Town is at the feasibility level in this process. Part of this preliminary process is having informed discussions about how to best fund the Town’s stormwater needs. Fortunately, there is a lot of flexibility in how it can be done.



Town of Agawam, MA

Stormwater System Assessment and Utility/Fee Planning Project

Name	Organization	Title	Phone	Email	Signature
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**Stormwater System Assessment and Utility/Fee Planning Project**



**Agawam Stormwater Task Force - Meeting #4**  
**October 11, 2017**

Agawam Senior Center  
Dining Room  
954 Main Street  
Agawam, MA 01001

**Agenda:**

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|-------------------------|---|
| <b>5:45 p.m.</b>        | <b>ARRIVAL AND SIGN IN</b>  |
| <b>6:00 - 6:10 p.m.</b> | <b>REVIEW OF MEETING #3</b>   |
| <b>6:10 - 6:45 p.m.</b> | <b>PUBLIC ENGAGEMENT UPDATE</b> <ul style="list-style-type: none"><li>• Summary and feedback from September 25, 2017 workshop</li><li>• Update on ongoing and future activities</li></ul>             |
| <b>6:45 - 6:55 p.m.</b> | <b>BREAK</b>  |
| <b>6:55 - 7:25 p.m.</b> | <b>STORMWATER UTILITY FUNDING APPROACH AND POLICIES</b> <ul style="list-style-type: none"><li>• Review of rate methodologies and billing units</li><li>• Billing methods</li><li>• Feedback</li></ul> |
| <b>7:25 - 7:55 p.m.</b> | <b>STORMWATER UTILITY CREDITS</b> <ul style="list-style-type: none"><li>• Types and amounts of credits</li><li>• Examples</li><li>• Feedback</li></ul>  |
| <b>7:55 - 8:00 p.m.</b> | <b>NEXT STEPS</b>   |