

City of Bryant

## 2025 Stormwater Rate Study

### Municipal Funding Committee Presentation

May 2025



Updated: May 13 2025

# Agenda



- Background on Stormwater Management and Utilities
- Stormwater Fee Calculation Methodology
- Stormwater Rate Plan Scenarios
- Presentation Summary



The background of the slide is a photograph of industrial machinery, likely part of a water treatment or pumping system. It features large pipes, valves, and a prominent electric motor. The entire image is covered with a semi-transparent blue filter. Centered over this image is the title text in white.

# **BACKGROUND ON STORMWATER UTILITIES**

# Facts about Stormwater Management



- Urbanization and development had a significant impact how water moves after storm events
- EPA has issued regulations requiring cities to create and implement comprehensive stormwater management plans
- These regulations and increasing urbanization have led to higher stormwater-related costs
- In past cities have mostly absorbed stormwater costs in utility and general funds
- As costs continue to rise, cities are increasingly establishing separate utilities to finance and manage stormwater operations

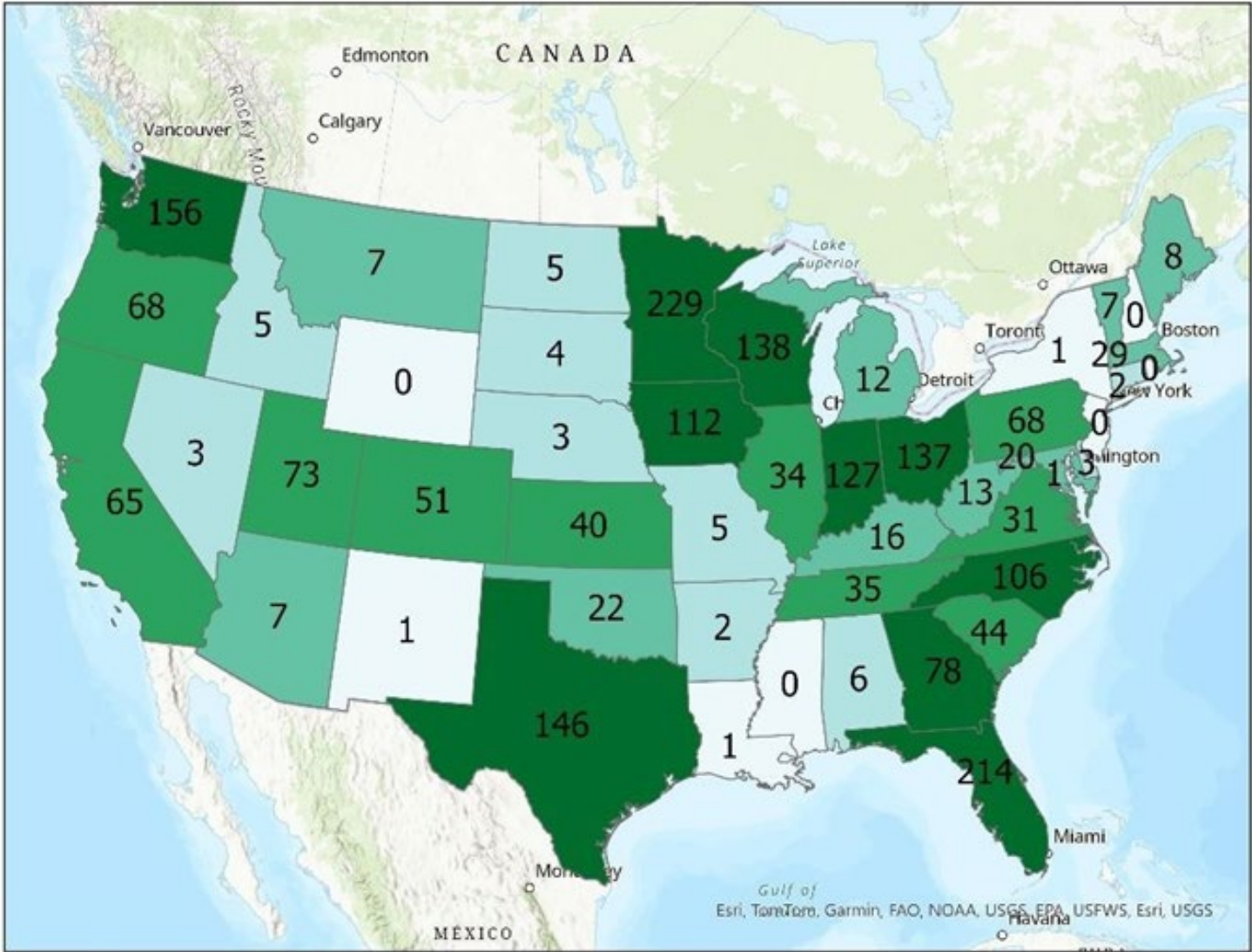
# Facts about Stormwater Utilities



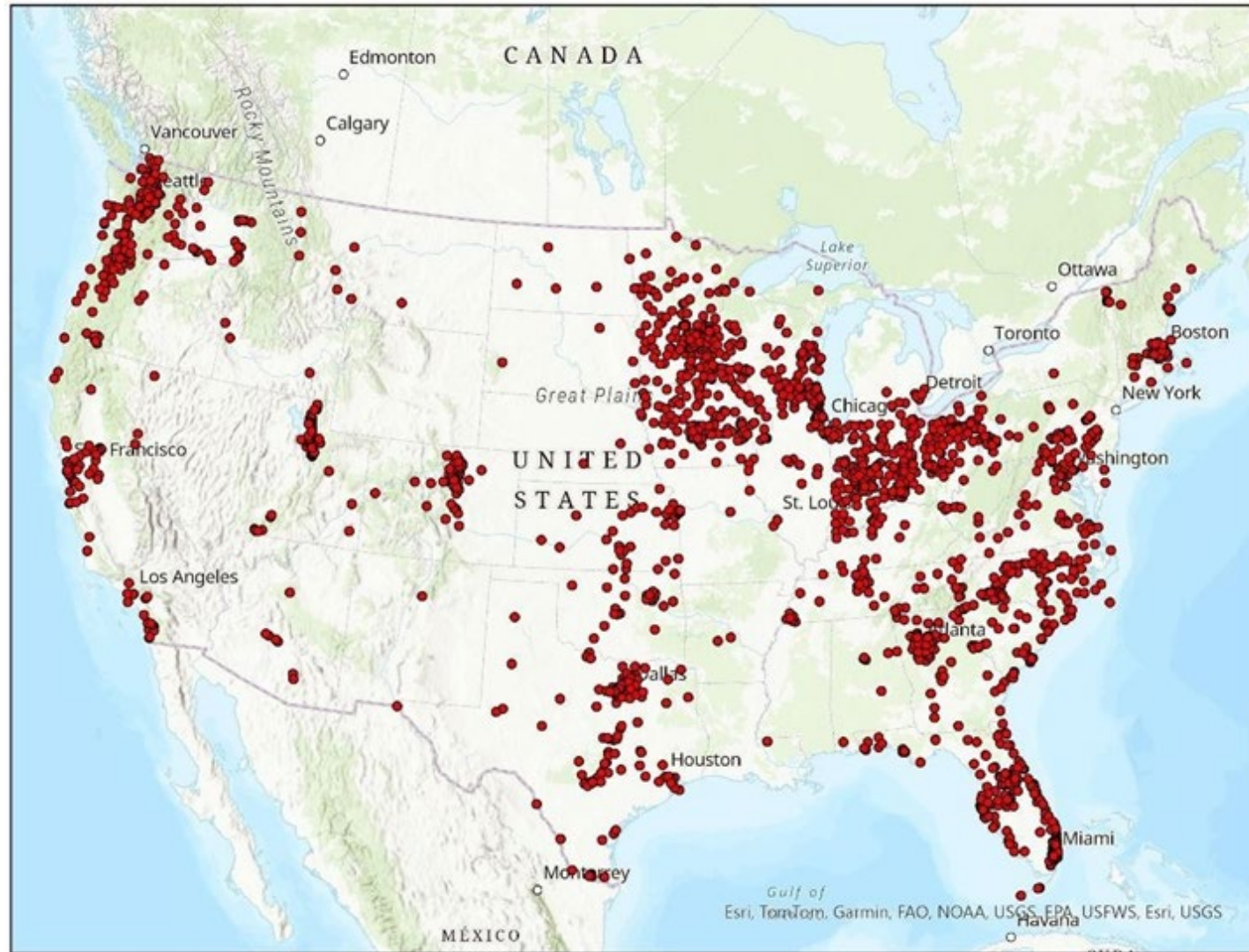
- Latest Stormwater Utility Survey conducted by Western Kentucky University in 2024 identifies **2,135** stormwater utilities (SWUs) located in 42 U.S. states and DC
- Most SWUs are located in Florida, Texas, Pacific Northwest and Upper Midwest
- At least 9 states have 100 or more SWUs
- Minnesota has the highest number of SWUs - 229
- Arkansas has only 2 SWUs (City of Bryant and City of Hot Springs)
- Residential monthly fees in the U.S. range from \$0 to \$46.71
- National average monthly single-family residential fee is \$6.19



# Number of SWUs by State



# U.S. Stormwater Utilities



## Bryant Stormwater Utility Background

- City charges a flat fee of \$3.00/mo. for residential and \$6.00/mo. for non-residential customers.
- Senior citizens are exempt.
- Current rates collect \$300,000 annually (not enough to cover Stormwater Fund operating expenses)
- City has identified over **\$95** million of long-term unfunded stormwater capital improvements to address flooding issues
- City wants its stormwater fund to become self-sufficient in the future
- Combination of above factors results in need to implement a new long-term rate plan



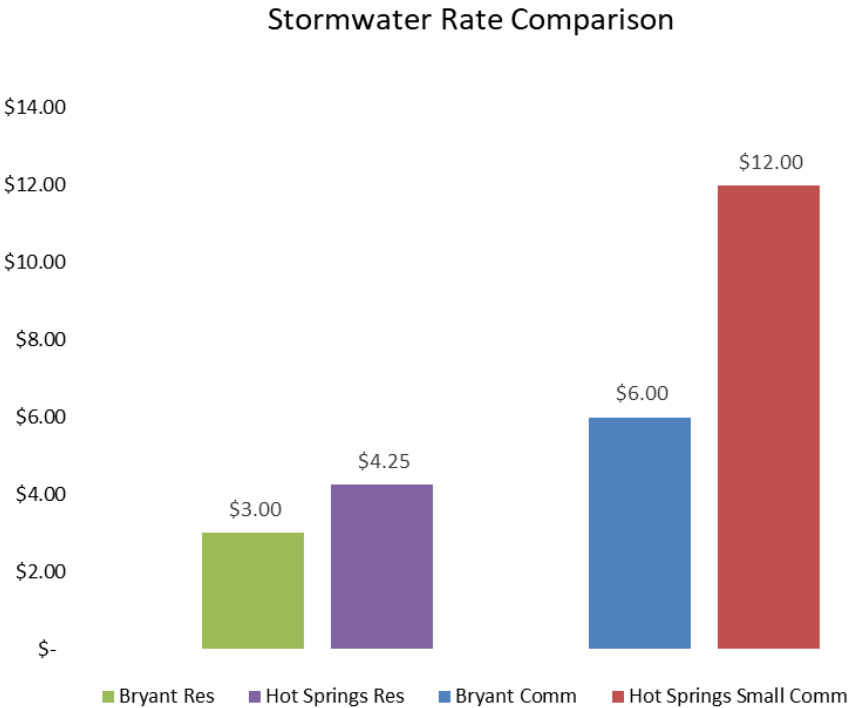


# Current Monthly Stormwater Charges in Arkansas



CITY OF BRYANT	
Residential (fixed fee)	\$3.00
Commercial (fixed fee)	\$6.00

CITY OF HOT SPRINGS	
Residential (fixed fee)	\$4.25
Commercial (fee is based on Impervious Surface Area* (sq. ft.))	
0—9,999	\$12.00
10,000—49,999	\$36.00
50,000—99,999	\$90.00
100,000—249,999	\$210.00
250,000—Above	\$450.00

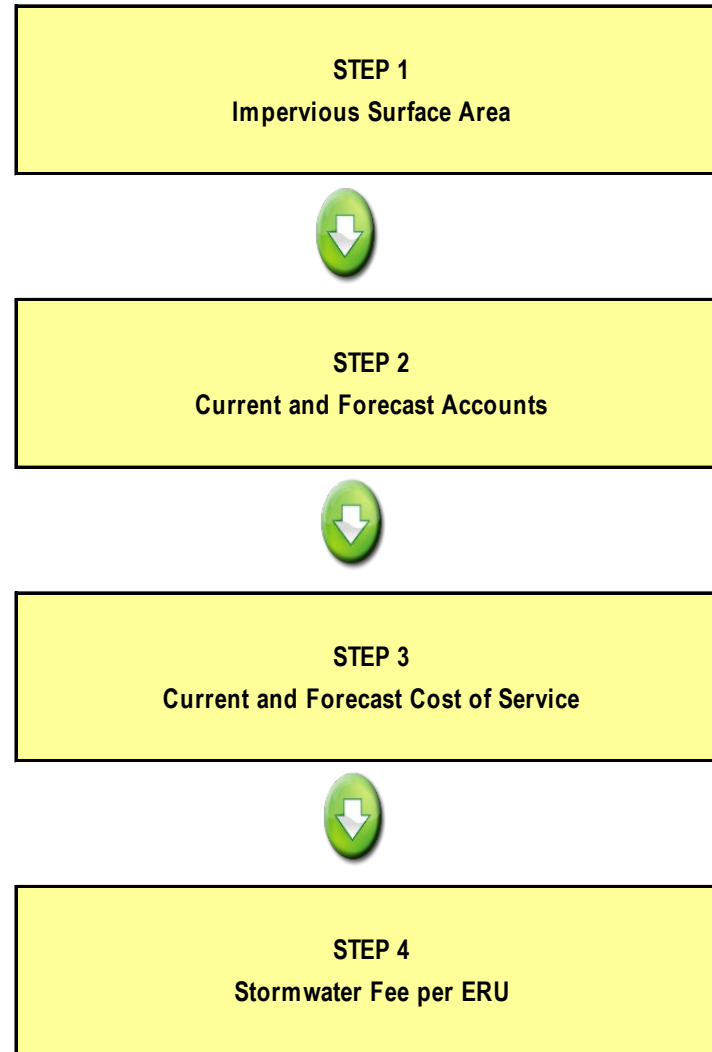


\*Impervious surface area (ISA) refers to areas of land that are covered by hard, non-porous surfaces (e.g. pavement, concrete, or rooftops), which prevent or significantly limit the absorption of water into the ground.

The background of the slide is a photograph of an industrial facility, likely a water treatment plant. It features large, complex machinery with multiple large pipes, valves, and cylindrical components. The scene is brightly lit, possibly by large windows on the right side. The entire image is overlaid with a semi-transparent blue filter.

# STUDY METHODOLOGY

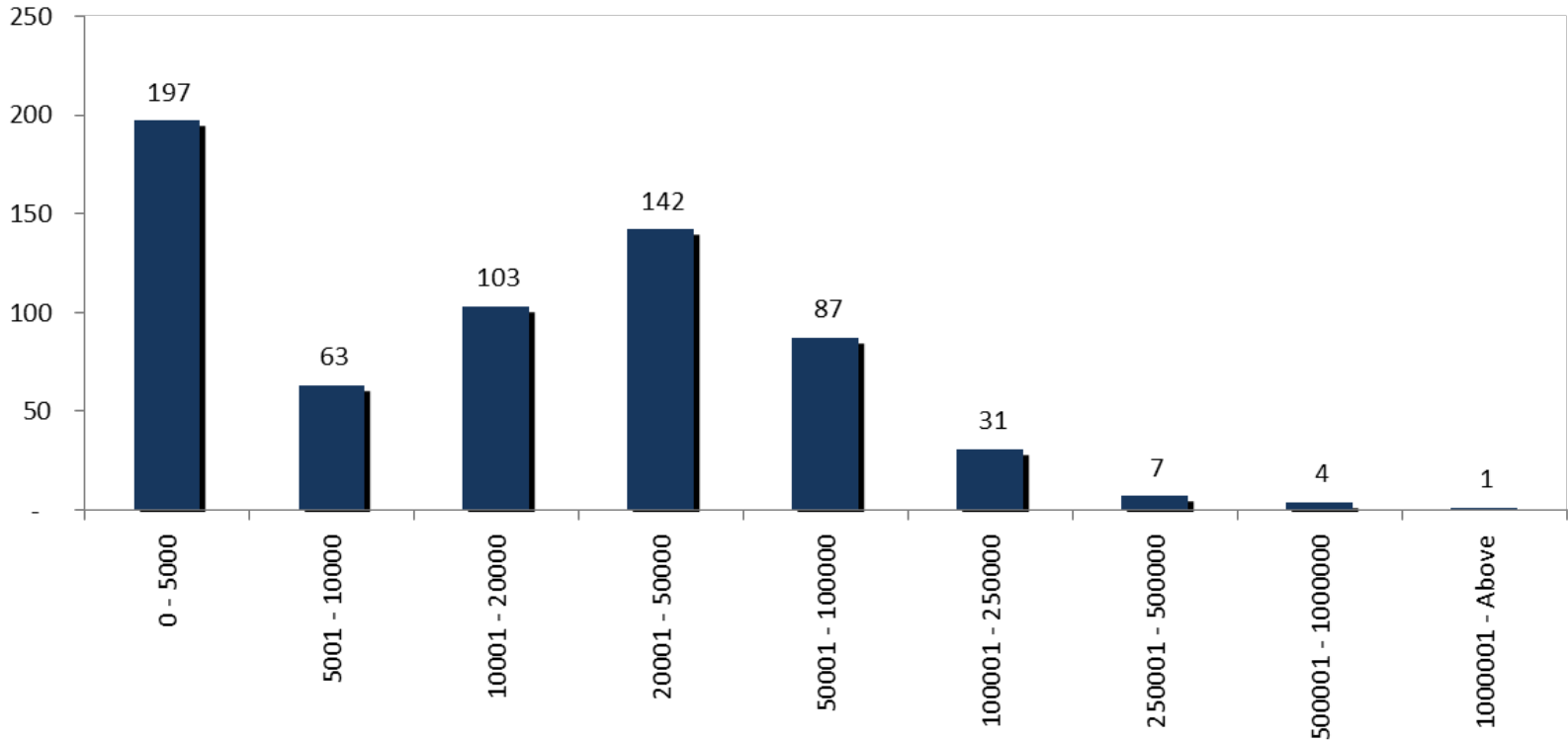
# Stormwater Fee Calculation Methodology



# Step 1: Impervious Surface Area (ISA)



Non-Residential Accounts  
Number of Accounts by ISA Range



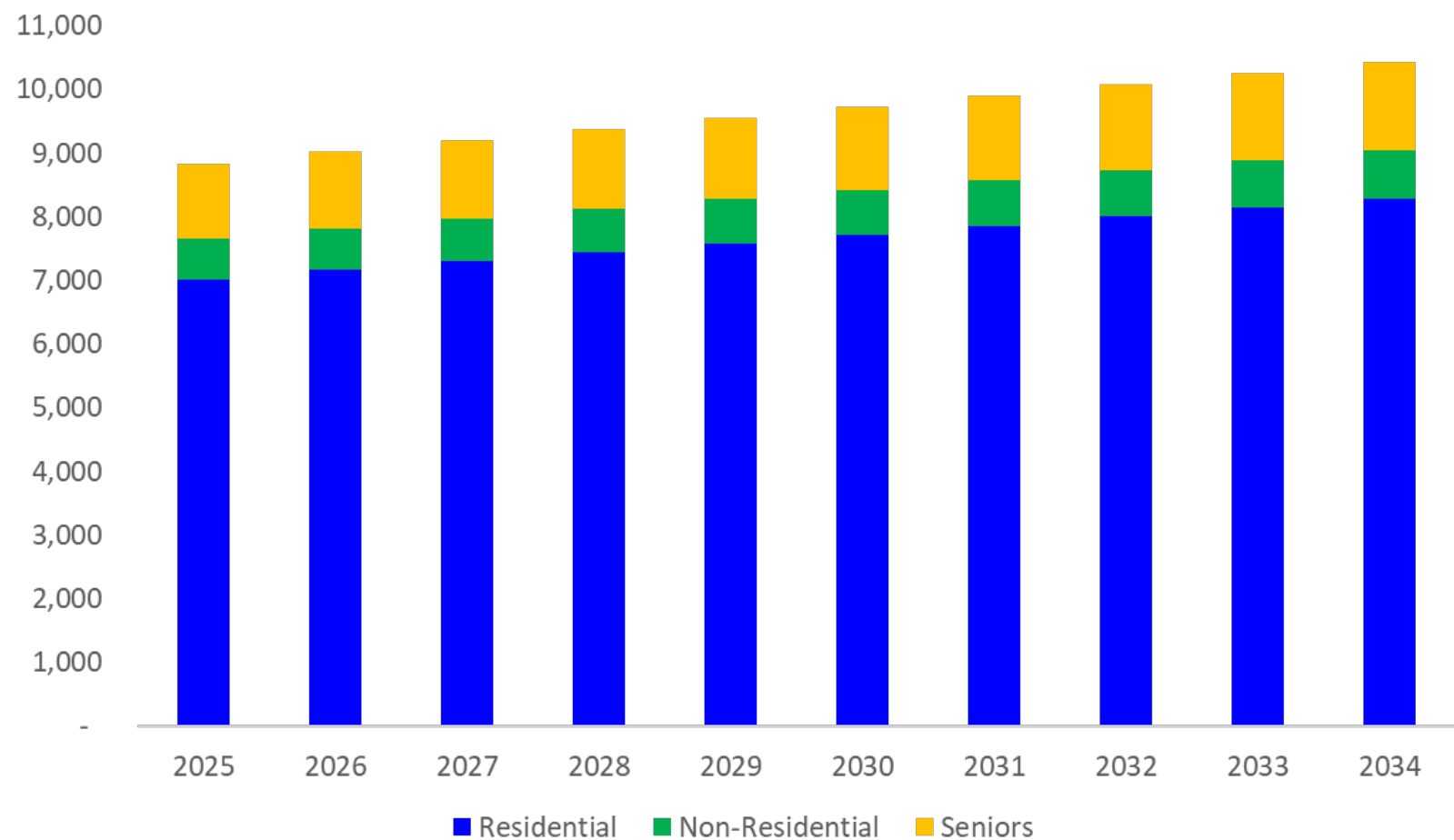
Estimated average ISA  
for residential accounts is  
3,500 sq. ft.

Total Residential  
accounts: **8,113**  
(including Senior Citizens  
accounts)

Seniors Citizens accounts  
exempt from stormwater  
fee: **1,164**

Total Non-Residential  
accounts: **635**

# Step 2: Forecast Stormwater Accounts

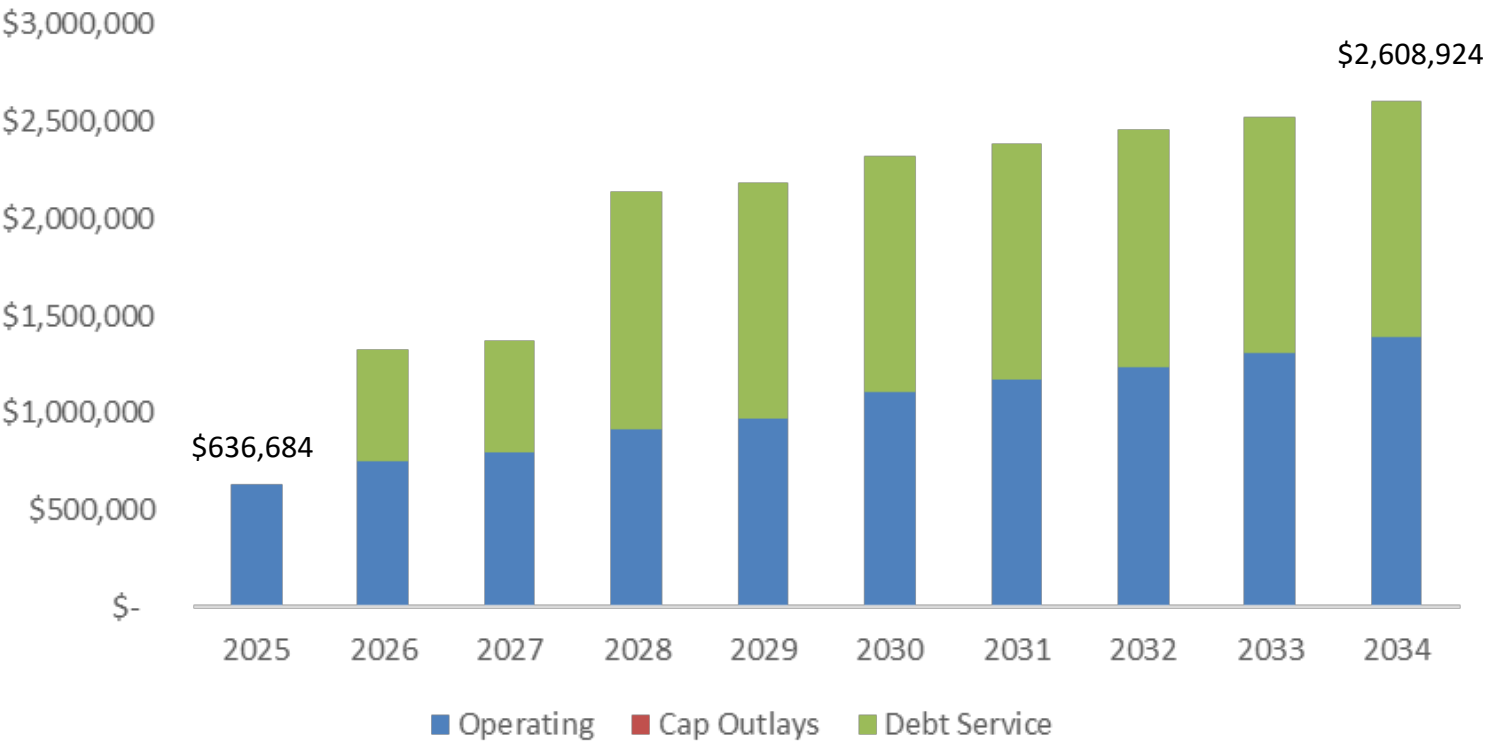


Average annual growth rate is 1.7% or 177 new accounts per year:

- 140 residential
- 13 non-residential
- 24 Senior Citizens



# Step 3: Historical and Forecast Cost of Service



Operating and personnel expenses are forecast to increase 3-5% per year (some expenses are increasing at a higher rate than others)

City will issue a \$10 million bond in 2025 and an \$11 million bond in 2027 to fund CIP.

The bonds will have a 30-year term at 4.00% APR

# Stormwater Utility UNFUNDED CIP



Boone Road at Boswell Creek Improvements	\$	532,000
Hidden Forest Subdivision Improvements		1,122,400
Hidden Creek Drive at Shoal Creek		1,979,100
Meadow Lake Subdivision Improvements		2,700,200
Hilldale Road at Owen Creek Improvements		3,186,900
Lea Circle near Hurricane Creek		3,697,700
Oak Glenn Subdivision Improvements		3,770,000
Midland Road at Owen Creek Improvements		6,092,300
Shobe Road at Unnamed Tributary to Crooked Creek		14,052,200
Cynamide Road at Hurricane Creek		16,113,000
Rodeo Drive at Shoal Creek Improvements		17,474,300
Boone Road at Hurricane Creek Improvements		24,700,700
<b>TOTAL UNFUNDED</b>		<b>95,420,800</b>

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# STORMWATER RATE PLAN SCENARIOS

# Non-Residential ISA Range Fee Multiplier



## CITY OF BRYANT, AR SQUARE FOOTAGE EQUIVALENT CALCULATION

Square Footage Range			
Low	High	Average	Multiplier
-	10,000	5,000	-
10,001	50,000	30,001	<b>6.00</b>
50,001	100,000	75,001	<b>15.00</b>
100,001	250,000	175,001	<b>35.00</b>
250,001	500,000	350,000	<b>70.00</b>
500,001	Above	750,000	<b>100.00</b>

A new tier-based fee structure that would use a multiplier based on the average impervious surface area in each tier

# Recommended Monthly Fees

## Scenario I – Status Quo



		Current	Jul-25	Jul-26	Jul-27	Jul-28	Jul-29
Stormwater Monthly Fees							
Residential		\$ 3.00	\$ 4.50	\$ 6.00	\$ 7.25	\$ 8.00	\$ 8.00
Seniors		-	-	-	-	-	-
Non-Residential Church/Schools							
-	10,000	6.00	13.50	18.00	21.75	24.00	24.00
10,001	50,000	6.00	26.73	72.36	130.50	144.00	144.00
50,001	100,000	6.00	66.83	180.90	326.25	360.00	360.00
100,001	250,000	6.00	155.93	422.10	761.25	840.00	840.00
250,001	500,000	6.00	311.85	844.20	1,522.50	1,680.00	1,680.00
500,001	Above	6.00	445.50	1,206.00	2,175.00	2,400.00	2,400.00

Recommend to adopt a new fee structure with fixed rates for Residential customers and tier-based rates for Non-Residential customers based on the average imperious surface area (ISA)

Full tier-based non-residential rates to be phased in over 2 years

Non-Residential fee category includes churches and schools



# Net Revenue Forecast – Scenario I



	2025	2026	2027	2028	2029	2030
Revenues	\$ 458,527	\$ 944,588	\$ 1,611,128	\$ 2,142,517	\$ 2,329,152	\$ 2,390,112
Less Cost of Service Operating Costs	636,684	753,566	796,870	922,776	975,882	1,111,803
Capital Outlays	-	-	-	-	-	-
Debt Service	-	578,301	578,301	1,214,432	1,214,432	1,214,432
Total Cost of Service	636,684	1,331,867	1,375,171	2,137,208	2,190,314	2,326,235
Net Revenues	(178,157) -38.9%	(387,280) -41.0%	235,958 14.6%	5,309 0.2%	138,838 6.0%	63,877 2.7%

If the City of Bryant adopts recommended fee increases, its Stormwater fund should become self-sufficient in 2027

# Recommended Monthly Fees

## Scenario II – Status Quo + Seniors



		Current	Jul-25	Jul-26	Jul-27	Jul-28	Jul-29
Stormwater Monthly Fees							
Residential		\$ 3.00	\$ 4.50	\$ 5.50	\$ 6.75	\$ 7.50	\$ 7.50
Seniors		-	4.50	5.50	6.75	7.50	7.50
Non-Residential Church/Schools							
-	10,000	6.00	13.50	16.50	20.25	22.50	22.50
10,001	50,000	6.00	26.73	66.33	121.50	135.00	135.00
50,001	100,000	6.00	66.83	165.83	303.75	337.50	337.50
100,001	250,000	6.00	155.93	386.93	708.75	787.50	787.50
250,001	500,000	6.00	311.85	773.85	1,417.50	1,575.00	1,575.00
500,001	Above	6.00	445.50	1,105.50	2,025.00	2,250.00	2,250.00

This scenario assumes City implements a monthly fee for Seniors that is equivalent to the residential fee.

Non-Residential fee category includes churches and schools

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# SUMMARY

# Presentation Summary

- Increasing stormwater costs are a result of urbanization and EPA regulations
- Fee adjustments are required to ensure that stormwater utility recovers (at least partially) its cost of service
- While commercial fees for larger properties are significantly higher, current fees are extremely low and significantly below cost



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## QUESTIONS & DISCUSSION