



Massachusetts Municipal Association

MMA BEST PRACTICES SERIES

Recommendations for Effective Local Government Administration and Management from MMA Policy Committees

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MMA Policy Committee on Energy and the Environment

Best Practice Recommendation: Financing Separate Storm Sewer Systems (MS4) Stormwater Permit Work

BEST PRACTICE: To meet increasing demands on stormwater systems, municipalities can sustainably finance stormwater management by creating a Stormwater Utility Enterprise Fund to address MS4 and general water infrastructure costs.

Cities and towns continue to face the direct impact of increased flooding, storm surges, new precipitation patterns, and groundwater level changes, among other environmental threats. Further, laws and regulations at the state and federal levels require municipalities with storm drain systems to manage and control stormwater discharges. As municipalities grapple with the many challenges brought on by climate change, they are advised to consider seeking new funding sources for stormwater through the creation of a stormwater utility.

Municipalities should consider the following when pursuing a stormwater utility enterprise fund:

- **Use the Department of Public Works.** Create a Stormwater Utility Division within the Department of Public Works and involve a GIS Department or specialist to develop a map where residents can view their impervious surface areas. Impervious surfaces are generally manmade and consist of structures, driveways, walkways, patios, parking lots, etc.
- **Explore and explain funding mechanisms.**
 - Can funds be used for other purposes? Fees gathered by the utility can only be spent on work for the MS4 permit, not for other municipal uses.
 - What is the most equitable way to distribute costs in the community? Fees may be based on impervious area per parcel.
 - Can property owners have portions of the fee waived for practicing effective water stewardship? Create a list of credits (abatements) for residents and businesses that use practices such as rain barrels, gravel driveways, rain gardens, or stormwater subsurface structures that aid stormwater flows.
 - Who will contribute? With a stormwater utility, all tax exempt entities will pay their share

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and contribute to management of municipal water systems, not just private property owners who currently foot the bill.

- Allow a phase-in period. Consider adding a stormwater utility line to the trash/sewer/water bill without a fee to get residents' attention for more education. Set a start date in the next fiscal year for the stormwater enterprise utility fee to go into effect, with enough time to allow tax exempt entities and large commercial areas to budget for the change and for the municipal finance team time to implement necessary adjustments.
- Emphasize the environmental benefits to addressing stormwater sustainably, before climate change gets worse. Safe stormwater practices can help mitigate flooding, clean up pollutants, and maintain a safe and healthy environment.
- Prioritize outreach and education to residents.
 - Create a Stormwater Utility website. Discuss and propose the framework for an enterprise fund utility and gather feedback.
 - Hire a consultant or create an ad-hoc committee of elected officials and professionals to distribute information, answer questions, or create fact sheets.
 - Hold public forums, and use community access radio and TV stations if possible. Consider holding forums at different times of day and different days of the week to reach more residents.
 - Highlight that keeping groundwater and drinking water clean is a priority of both municipal officials and members of the community.

Resources:

- Town of Franklin's [Stormwater website](#)
- Massachusetts Department of Environmental Protection's [Massachusetts Stormwater Handbook and Stormwater Standards](#)
- [Municipal Vulnerability Preparedness \(MVP\) program](#)
- Massachusetts Emergency Management Agency: [Local Hazard Mitigation Plan](#)