

Staff Report to Council



Report From: Don Giberson, Infrastructure & Development General Manager

Meeting Date: May 20 2025

Report: ID- 04-2025
Potential Stormwater User Pay System

Recommendation

That South Huron Council receives Staff Report ID - 2025, for a Potential Stormwater User Pay System for information.

Report Overview

Purpose of Report	For Information
Council Priority Alignment	Infrastructure Investment/Asset Management Plan
Consultations	Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk
Attachment(s) to Report	None

Report Highlights

- As requested by Council, Staff have investigated the potential for a stormwater user pay system.

Context and Background

A stormwater user fee system is a method to finance stormwater management infrastructure and services by charging property owners based on the amount of impervious surfaces on their property. This system shifts the responsibility for stormwater from the general taxpayers to individual property owners, making them

directly responsible for the cost of managing stormwater runoff from their properties, aligning costs with usage and encouraging best management practices.

Stormwater fees are typically calculated based on the amount of impervious area on a property, such as roofs, driveways, and paved areas, which contribute to stormwater runoff. Some municipalities use flat fees for different property types, while others use tiered systems where rates increase based on the amount of impervious surface. Some systems use individual assessments of all impervious surfaces on each property, allowing for a more accurate reflection of the property's stormwater impact. Some municipalities offer credit programs or rebates for property owners who implement low-impact development practices, encouraging them to reduce their stormwater runoff.

There are benefits of Stormwater User Fees. Stormwater fees provide a dedicated and sustainable funding source for stormwater management projects. Fees align the cost of stormwater management with the property owners who contribute the most to stormwater runoff. The fee structure provides an incentive for property owners to reduce their stormwater runoff and minimize the risk of flooding and water pollution. By focusing on those who use the stormwater system the most, these fees can help ensure that municipal resources are used effectively.

Many municipalities, including Toronto, Mississauga, Hamilton, Kitchener and London, have implemented stormwater user fee systems. For example, Hamilton uses a stormwater fee to fund projects to reduce flooding, improve water quality, and adapt to climate change, and to ensure compliance with provincial regulations. London and Kitchener calculate rates based on property type, size, the amount of impervious area and direct access to a storm sewer.

There are a number of challenges when implementing a Stormwater User Pay System, such as data collection of property sizes / impervious areas, changes to utility billing systems, establishing appropriate costs, determining which properties the fee applies (ie. rural and urban), and public opposition especially those who are not connected to the water or wastewater.

Discussion and Staff Recommendation(s)

A storm sewer user pay system offers a targeted and equitable way for municipalities to fund stormwater management by directly charging property owners based on their contribution to the stormwater system.

However, there is considerable work involved in establishing such a system. If Council wishes to pursue a storm sewer user pay system, Staff recommend that professional services be retained; and an appropriate budget be established to fund this project.

Impact Analysis

There are no financial, legal, operational or community impacts as a result of the recommendation in this report.

Linkages

- none

Respectfully submitted,

Don Giberson, Infrastructure & Development General Manager

Report Approval Details

Document Title:	ID04-2025 Potential Stormwater User Pay System.docx
Attachments:	
Final Approval Date:	May 14, 2025

This report and all of its attachments were approved and signed as outlined below:

Alex Wolfe - May 12, 2025 - 9:22 AM

Erin Moore - May 12, 2025 - 9:31 AM

Rebekah Msuya-Collison - May 14, 2025 - 1:36 PM