From:
 Laura Hoglund

 To:
 Joelle Bodin

 Cc:
 Tom Johnson

Subject: RE: DAA Storm Water Meeting

Date: Monday, December 2, 2024 6:14:00 PM

Attachments: <u>image001.png</u>

Thank you, Joelle.

I appreciate your input and would like to clarify a few points from your email below:

- 1. Maps and Areas of Impervious Surface: Regarding the confusion about charges, I will resend the aerial maps from 2023, but with July 2024 imagery showing the calculated areas of impervious surface/ERU for each storm account. As per our last meeting, we aimed to reorganize storm utility accounts and ensure areas were accurately associated with leased accounts. I've received lease boundaries from Jana for the Sky Harbor area so far. I do have to re-review Sky Harbor due to the new hangar. I understand your concerns about the Comfort Systems utility bill not displaying the ERU value and associated parcels. I am working on changing that for every account, not just for the Duluth Airport. I will supply you with a spreadsheet and 2024 aerial maps, in the meantime.
- 2. **Storm Utility Fees**: The City of Duluth's nonresidential storm utility fees are determined based on the amount of impervious surface on the property, **not** the amount of stormwater that flows into the City's stormwater system. Even if water from certain areas flows directly into Lake Superior, the property is within the City of Duluth limits and contributes to the overall stormwater system. As, we tell other waterfront properties City of Duluth right-of-way is utilized to reach your site. Additionally, the MPCA requires the City of Duluth to manage stormwater runoff that is conveyed directly to Lake Superior/St. Louis Bay. The City also offers a 90% Waterfront Credit for the impervious surface area that is conveyed to a BMP. Sky Harbor is eligible for this Waterfront Credit; however, I have not yet seen any stormwater management plans for this area. I know Tom has brought this up several times with your team.
- 3. **BMP Installations**: I want to be clear that stormwater is <u>not treated</u> at a sewage treatment plant, so we do offer storm credit to reviewed/approved/inspected private BMPs this even applies to City of Duluth properties. I believe SEH was planning to reach out to Duluth Airport regarding the BMP that was installed, which was pointed out to Tom and me at our last meeting with you. I also, do believe I asked SEH GIS layers for lease boundaries, I will follow-up on that request.

We want to work with you on ensuring you and your leased properties storm utility accounts are accurate and receive credit where credit is due. The maps you and your team generated showing recommendations on exempt areas, I think will be helpful to review.

Tom is out sick right now, and has vacation planned this month, but I will work with him on trying to find a time to meet sooner rather than later. I will reach out to you and Jana sometime this week with the 2024 aerial maps and a spreadsheet.

Thank you!

Laura Hoglund | Utility Programs Coordinator – Storm Utility | **City of Duluth** | 411 W 1st St, Duluth, MN 55802 | O: 218-730-5084| lhoglund@duluthmn.govhttps://www.duluthmn.gov/stormutility/

From: Joelle Bodin <jbodin@duluthairport.com>
Sent: Monday, December 2, 2024 4:11 PM
To: Laura Hoglund <lhoglund@DuluthMN.gov>

Cc: Tom Johnson <tajohnson@DuluthMN.gov>

Subject: RE: DAA Storm Water Meeting

Hello Laura,

Given our most recent guidance not to pay stormwater fees because we don't know exactly what we are being charged for, I would like to meet sooner, if possible. I understand that December is busy! Paying lump sum invoices for an unspecified number of ERUs of stormwater which we know is incorrect is considered unlawful revenue diversion. We are willing to work with you to get the right information and methodology, but I would like to get working on that sooner rather than later.

The DAA has legal obligations on how airport revenues/funds can be used, and I recently learned of lawsuits that have occurred between airports and others regarding storm water fees, so I wanted to ensure that whatever solution we put in to place was legal.

One example of charges which have been deemed unlawful is if an airport is being charged ERUs for surfaces which do not flow into the City's stormwater systems for their treatment. Sky Harbor is an example of an area where there are not City stormwater systems in place (to my knowledge) that bring the water back in to a system that is treated by the City. Because this water flows into Lake Superior and not into the City's systems, we can not be charged fees for Sky Harbor. Airport/Airport Authorities simply do not have the authority to pay for what is not the airport's burden on the actual system treated by the City.

Up at DLH I think that this might be a simpler conversation. We do need to discuss areas which similarly to Sky Harbor, the water potentially does not flow into City of Duluth Stormwater systems for treatment. We also need to make sure that we are only paying for the surfaces which are not/should not be exempt, that number of ERUs is accurate, and that we are receiving appropriate credits for the BMPs already in place.

I'd rather meet to discuss the maps/methodology and issues versus sending them in advance. I hope the additional information helps!

Thank you!

Joelle N. Bodin, C.M.

Director of Finance & Administration

From: <u>Laura Hoglund</u>

To: <u>jkayser@duluthairport.com</u>

Bcc: Tom Johnson

Subject: Storm Account - 230560750-006 @ 5000 Minnesota Ave

Date: Thursday, November 2, 2023 8:57:00 AM

Attachments: <u>Impervious Surface .pdf</u>

Good morning, Jana,

This letter is to inform you that the stormwater bill will change in the next future billing cycle. The ERU for this property is going from 88.40 to **113.44**. The reason for this change is not all the hangars were previously included in the impervious surface calculation. Each ERU is billed at current storm rate that can be found on Comfort System's website here:

https://comfortsystemsduluth.com/billing-info/rates-fees. Please see attached aerial image. The green layer on the aerial map shows the impervious surface. This will increase again for the new 1,600 sq. ft building and additional parking area. If the hangars should be billed out to individual owner, please provide me with this information.

Nonresidential Storm Billing

Each nonresidential property within the City is billed based upon their quantity of impervious surface. Impervious surface is a constructed hard surface that prevents the entry of water into the soil, and creates water to run off in greater quantities, and at an increased rate of flow than prior to development. Some examples of impervious surfaces include rooftops, sidewalks, driveways, and parking lots (paved and gravel). The City is utilizing aerial photography and onsite visits to determine the amount of impervious surface of each property. This impervious surface measurement is then expressed in terms of Equivalent Residential Units (ERU's). An ERU is the amount of impervious surface an average residential dwelling unit in the City of Duluth has, and is equal to 2,228 square feet.

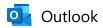
Waterfront Credit

Per the City of Duluth Legislative Code, Section 43.67.2 a waterfront credit is available for this property that directly abuts the waterfront. The credit could reduce the storm bill by up to 90%. The credit is available if install structural water quality Best Management Practice (BMP). See the following link to the Minnesota Stormwater Manual providing examples of permanent practices to look into installing: https://stormwater_Best_Management_Practices.

If you wish to discuss in greater detail, feel free to reach out to me.

Thank you!

Laura Hoglund | Utility Programs Coordinator – Storm Utility | **City of Duluth** | 411 W 1st St, Duluth, MN 55802 | O: 218-730-5084 | lhoglund@duluthmn.gov



RE: Sky Harbor Storm Water Plan

From Tom Johnson <tajohnson@DuluthMN.gov>

Date Tue 9/20/2022 7:56 AM

To 'Jana Kayser' <jkayser@duluthairport.com>; Michael Wagner <mwagner@DuluthMN.gov>

Cc Ryan Welch <Rwelch@duluthairport.com>; Mark Papko <mpapko@duluthairport.com>; Kaci Nowicki <knowicki@sehinc.com>; Matthew Stewart <mstewart@sehinc.com>; Ken Timm <ktimm@duluthairport.com>; mbolf@sehinc.com <mbolf@sehinc.com>; 'Chloe Gloeckner' <cgloeckner@sehinc.com>

Hi Jana,

I am glad to hear that the Airport is moving forward with the proposed BMPs to obtain the storm fee credit for the impervious areas that flows to it. I would like to see a detail of the proposed ditch checks and the gradation of the rock being used for the checks, certain rock sizes do a better job of filtering pollutants from runoff than other rock sizes (gradations). The credit will be granted once the ditch checks are installed and documentation of such with photos of the BMPs for our records. I strongly suggest that these are installed in the near future to get the fee credit fall of 2022, as the fees expended from now to a spring installation would greatly surpass the cost of doing the work now.

The individual hangers are billed separately and are not part of the Airport's storm billing.

Let me know if you have any questions.

Tom Johnson | Senior Engineer P.E. | Public Works and Utilities | City of Duluth 411 West First Street, Room 240, Duluth, MN 55802 | P.E. Lic. in Minnesota tajohnson@duluthmn.gov

From: Jana Kayser < jkayser@duluthairport.com> Sent: Friday, September 16, 2022 10:53 AM

To: Tom Johnson <tajohnson@DuluthMN.gov>; Michael Wagner <mwagner@DuluthMN.gov>

Cc: Ryan Welch <Rwelch@duluthairport.com>; Mark Papko <mpapko@duluthairport.com>; Kaci Nowicki <knowicki@sehinc.com>; Matthew Stewart <mstewart@sehinc.com>; Ken Timm <ktimm@duluthairport.com>

Subject: Sky Harbor Storm Water Plan

Hello,

Please see the attached memorandum from SEH to reduce the Sky Harbor storm water bill per our previous discussions.

SEH is proposing to install (3) rock-ditch checks, as shown on Figure 2 on the airport in the two ditches. The ditch checks would be roughly 1-foot high and span the width of the bottom of the ditch. This would ultimately treat up to 86% of the stormwater runoff the City of Duluth is using to calculate the bill. The remaining 16% is unable to be treated as it runs off directly into the Bay. In Figure 3, this shows what each individual hangar building is contributing to the monthly bill.

Please let me know if you have any questions and what the next steps are.

Thank you,



MEMORANDUM

TO: Duluth Stormwater Utility Program

FROM: Chloe Gloeckner, PE (Lic. MN)

DATE: September 7, 2022

RE: Sky Harbor Airport Stormwater Utility

SEH No. 167772 14.00

BACKGROUND

Stormwater runoff from Sky Harbor Airport, located on Minnesota Park Point, currently discharges directly into the St. Louis Bay. Because the stormwater runoff is not treated, the airport pays the full stormwater utility fee determined by the City of Duluth as 145.92 Equivalent Residential Units (ERUs) and an associated monthly stormwater fee of \$1,166.30. This amount was determined from the impervious surface found on the apron area of the airport, shown below in Figure 1. The Duluth Airport Authority is proposing to reduce this bill by utilizing the PUC Stormwater Management Credit Program's Waterfront Property Credit for a 90% bill reduction.



Figure 1: Sky Harbor ERU Determination

Engineers | Architects | Planners | Scientists

PROPOSED STORMWATER MANAGEMENT PLAN

The Airport is currently working with SEH on a project that is rehabilitating the eastern portion of the terminal apron. As part of this project, the Airport is proposing to install three rock ditch checks along two existing drainage ditches to slow stormwater runoff, allow for settlement of suspended solids, and to filter water through the ditch checks to remove additional sediment. The airport apron drains to two ditches located south of the apron as shown in **Figure 2**. By treating both ditches, 84% of the stormwater runoff from the billed impervious surface of the airport will be treated prior to discharge into the St. Louis Bay. The remaining 16% of impervious surface will not be treated, as the pavement area is graded to drain southwest directly into the bay without entering the ditch system. Because this area is so close to the surface water both laterally and vertically, it is not feasible or practical to install an additional BMP to treat runoff for this portion of impervious surface.

This project would be completed in Fall of 2022 or Spring/Summer of 2023. The ditch checks are proposed to be one foot high and span the width of the ditch bottom. The existing ditches are three feet deep, so during a large rain event water will overtop the checks and continue downstream to the outlet in order to avoid potential flooding hazards at the apron. The installation of the ditch checks may result in more standing water in the ditches between rain events. This is because the ditches are close to the surface water elevation of the St. Louis Bay and water is not likely to infiltrate within the ditches.

By installing ditch checks in the existing ditch system, the Airport is proposing to the City of Duluth a 90% stormwater utility reduction. The utility bill is calculated by measuring the impervious surface onsite, as discussed above and shown in **Figure 1**.

Each individual hangar building is included in the overall bill calculation, so reducing the airport's utility bill with the installation of treatment BMP's will provide additional savings that may be passed on to the private hangar owners. Shown in **Figure 3** is the breakdown of costs associated with the utility bill, documenting the contribution by the impervious pavement and hangar buildings.

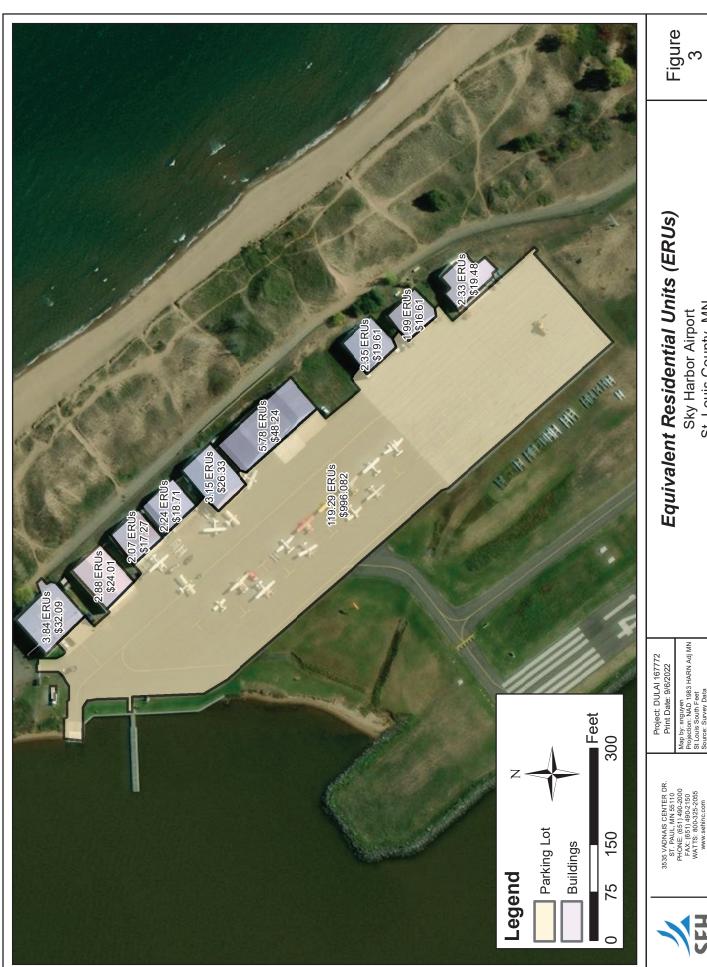
MAINTENANCE

The ditch checks will function if they are properly maintained. The ditches should be inspected twice annually to check for sediment accumulation, and floating and large debris should be collected and disposed of. If sediment accumulation is found to be greater than six inches from the bottom of the ditch, the ditch and ditch checks should be cleaned, and sediment removed.

c: Ryan Falch Matt Bolf

x:\ae\d'\dulai\common\sky harbor\general documents\city of duluth_stormwater utility fee\stormwater memo\sky harbor stormwater utility reduction memo.docx



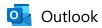


Equivalent Residential Units (ERUs)

Sky Harbor Airport St. Louis County, MN

Figure 3

Map by: snguyen Projection: NAD 1983 HARN Adj MN St Louis South Feet Source: Survey Data



RE: Sky Harbor Airport Storm Water

From Tom Johnson <tajohnson@DuluthMN.gov>

Date Fri 4/8/2022 4:10 PM

To 'Joelle Bodin' <jbodin@duluthairport.com>

Cc Michael Wagner <mwagner@duluthmn.gov>; Jana Kayser <jkayser@duluthairport.com>; Ken Timm <ktimm@duluthairport.com>

Joelle,

If the storm fee is part of the utility bill that includes water/sewer/gas, then I would suggest paying the total bill, to make sure services continue uninterrupted. We can adjust the billing and provide credits once we sort out the billing amount for the airport and for any of the hangar leases. We will make sure any overbilling is refunded. Thanks.

Tom Johnson | Senior Engineer P.E. | Public Works and Utilities | City of Duluth 411 West First Street, Room 240, Duluth, MN 55802 | P.E. Lic. in Minnesota tajohnson@duluthmn.gov

From: Joelle Bodin

Sent: Friday, April 08, 2022 3:40 PM

To: Tom Johnson

Cc: Michael Wagner; Jana Kayser; Ken Timm **Subject:** RE: Sky Harbor Airport Storm Water

Hello Tom,

Thank you for providing the additional information.

It's easy to see pretty quickly from the image you shared that the DAA was billed for privately owned buildings. We can work on getting a list of the Sky Harbor tenants similar to what was done for Duluth International to get those portions corrected. We will continue to look in to the additional information you provided as well as our drawings and plans to see what might currently be in place and what options we have.

I have directed our accounts payable person not to pay the storm water fees until we have this worked out. I hope this won't create additional issues with billing, and additional fees. I don't feel we should be paying a dollar amount which we know is inaccurate at this time.

Once we have our list of tenants and more information from our engineers, we will look to schedule a meeting. If it is helpful to get something on the calendar in a few weeks to a month to reserve a time, we would be happy to do that. Which route would you prefer?

Thanks again for the information and have a good weekend!

Joelle N. Bodin. C.M.

Director of Finance & Administration Duluth Airport Authority (218) 625-7769

Check out low air fares & promotions by signing up at www.duluthairport.com or become a fan at www.facebook.com/duluthairport



Travel Globally. Fly Locally.

From: Tom Johnson < tajohnson@DuluthMN.gov>

Sent: Friday, April 8, 2022 2:30 PM

To: Joelle Bodin < jbodin@duluthairport.com>





Engineering

Room 240 411 West First Street Duluth, Minnesota 55802



Application for Storm Utility Fee Credit – Waterfront Property

(The City requires a preliminary meeting to discuss the site and the process of applying for the fee credit.)

Applicant Information:
Property Owner:
Business Name / Owner using site if different:
Type of Business Activity:
Site Address:
Mailing Address:
Parcel #(s):

The following items shall be included in the submittal to the City for review and approval.

- -Stormwater Management Site Plan (Scaled site plan, drainage patterns, runoff discharge locations from site, Structural BMP(Best Management Practices) locations, BMP operation and maintenance plan/procedures...)
- -Structural BMP Plans with details of existing or proposed BMPs and site plan showing area draining to each BMP.
- -MPCA Industrial Stormwater Permit with SWPPP. (If site business activities require it.)

The waterfront credit is for non-residential properties that directly abut Lake Superior, St. Louis River or the Duluth Harbor per Section 43.67.2. The 90% credit is applied to the impervious surface areas that are treated by a structural water quality BMP(s) and discharges directly to the above identified public waters. If a portion of the site discharges to the City ROW/drainage system or adjacent property owners, this area in not eligible for the waterfront credit, but is available for other stormwater credits identified in Section 43.67.1. The credit application process is described in Section 43.67.3.

Cc: Michael Wagner < mwagner@DuluthMN.gov">mwagner@DuluthMN.gov; Jana Kayser < jkayser@duluthairport.com; Ken Timm < ktimm@duluthairport.com; Ken Timm

Subject: RE: Sky Harbor Airport Storm Water

Hi Joelle,

Please see attached word document, it shows the area of impervious surface that is being billed to the Sky Harbor Airport. We did adjust it to remove that parking outside of the fence/gate, while this is used for airport use, it can also be used by beach goers on the point. The attached image shows the area being billed, and shows that the runway and taxi-way is exempt from the calculations.

I have also included our Waterfront Property Credit Application, more of a starting point to discuss the property in question and look at what BMPs may already exist or what options could be explored. The waterfront properties have the ability to get a 90% credit for all impervious areas that flow to a structural water quality BMP. From the aerial image of the airport, I can see a number of opportunities to provide formal treatment of runoff in the existing drainage swales. The swales could be retrofitted with some low cost techniques, such as ditch checks or weirs to provide water quality benefits.

The hangers that have leases could be billed the storm fee for the areas they use. Not sure if they have other utility accounts i.e. water, sewer, gas... but the storm fee could be added to those bills. You will need to provide the City with the area included in their lease and who is responsible for payment.

The portion of the storm ordinance is found at this link: <u>Chapter 43 - Sewers and Sewage Disposal | Legislative Code | Duluth, MN | Municode Library</u> Article XI. Stormwater Utility System.

Please feel free to reach out with more questions. And if you want to have the BMP option explored, you can have your engineer or facility person reach out as well. As I mentioned before our schedules over the next few weeks will limit our resources to respond in depth to inquiries.

Tom Johnson | Senior Engineer P.E. | Public Works and Utilities | City of Duluth 411 West First Street, Room 240, Duluth, MN 55802 | P.E. Lic. in Minnesota tajohnson@duluthmn.gov

From: Joelle Bodin < jbodin@duluthairport.com >

Sent: Friday, April 08, 2022 12:30 PM

To: Tom Johnson < tajohnson@DuluthMN.gov >

Cc: Michael Wagner < <u>mwagner@DuluthMN.gov</u>>; Jana Kayser < <u>jkayser@duluthairport.com</u>>; Ken Timm

<ktimm@duluthairport.com>

Subject: RE: Sky Harbor Airport Storm Water

Hello Again,

I am just realizing that the below email wasn't copied to all so I am re-sharing so that we all have the same information and requests for information.

Have a great weekend!

Thank you,

Joelle N. Bodin, C.M.

Director of Finance & Administration

Duluth Airport Authority

(218) 625-7769

Check out low air fares & promotions by signing up at www.facebook.com/duluthairport



Travel Globally. Fly Locally.

From: Joelle Bodin < jbodin@duluthairport.com>

Sent: Thursday, April 7, 2022 9:35 PM

To: Tom Johnson < <u>tajohnson@DuluthMN.gov</u>> **Subject:** Re: Sky Harbor Airport Storm Water

Hello Tom,

Thank you for your response. I am aware of credits offered for storm water systems. I'm not sure what is currently in place, but there may already be something. That is something we can research further. I believe that storm

water testing and a SWPPP are already in place.

In previous conversations from years back the DAA was told that storm water charges were necessary to cover the cost of managing storm water systems and their flow in to Miller Creek. This was for area up at DLH. For Sky Harbor this water is not flowing in to a creek that I'm aware of and I'm not sure I understand how there is a cost for maintaining a storm water system when it likely wouldn't be using that system. Can you further explain this or provide the ordinance for guidance on these charges?

Also, could you please provide a map of the impervious surface the DAA was billed for? Similar to DLH there are many leases at Sky Harbor. All but one of the buildings are owned by other individuals or entities and they lease the land, therfore should not be billed to the DAA. We will need this backup information to review and evaluate accuracy prior to paying the increase in billing.

Thank you, Joelle Bodin

Sent from my Verizon, Samsung Galaxy smartphone

Get <u>Outlook for Android</u>

From: Tom Johnson < tajohnson@DuluthMN.gov>

Sent: Thursday, April 7, 2022, 8:56 PM

To: Joelle Bodin

Cc: Jana Kayser; Michael Wagner

Subject: RE: Sky Harbor Airport Storm Water

Hi Joelle,

The City has been going through all non-residential accounts and adjusting them per our ordinance. Sky Harbor Airport is considered a non-residential waterfront property and is billed for the actual amount of impervious surface area, with the runway and taxi-way exempt from the calculations. Waterfront properties that provide water quality benefits prior to the runoff generated from impervious surfaces will get a 90% discount or fee credit. This is substantial reduction in the storm utility fee. We encourage the installation of structural stormwater BMPs that will provide water quality controls. We can assist you in getting this moving forward. Additionally the sandy soils of Park Point are ideal for low cost easy to install BMPs.

Mike Wagner is copied on this email and can provide additional information regarding the new billing amount and BMP credits. I want to ask for your patience, as our schedules in the next few weeks will limit our ability to address this matter. I know the airport works closely with SEH (engineering consultant), and they are well suited to help your facility obtain the 90% credit through BMP design. Please feel free to reach out with questions and if you would like have SEH contact us to discuss the BMP options.

Tom Johnson | Senior Engineer P.E. | Public Works and Utilities | City of Duluth 411 West First Street, Room 240, Duluth, MN 55802 | P.E. Lic. in Minnesota tajohnson@duluthmn.gov

From: Joelle Bodin < jbodin@duluthairport.com>

Sent: Thursday, April 07, 2022 3:54 PM

To: Tom Johnson <a in the image of the image

Hello Tom,

You have been working Jana on impervious surface for the billing of storm water. We received the attached bill for Sky Harbor which came as a bit of a shock. Are you able to share the backup/information to support the billing of \$1,166.30 for storm water for that location?

Thank you,

Joelle N. Bodin, C.M.

Director of Finance & Administration Duluth Airport Authority

(218) 625-7769

Check out low air fares & promotions by signing up at www.duluthairport.com or become a fan at www.facebook.com/duluthairport