

Financing Storm Water
Management Programs Using a

Storm Water Utility

A Special Report to the Village of Shorewood

November 14, 2011

Prepared by Short Elliott Hendrickson, Inc.

SEH No. SHORV 116561



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November 14, 2011

RE: Village of Shorewood, Wisconsin
Financing Storm Water Management
Programs Using a Storm Water Utility
SEH File No: SHORV 116561

M. Chris Swartz
Village Manager
Village of Shorewood, Wisconsin
39030 North Murray Avenue
Shorewood, WI 53211

Mr. Swartz:

Short Elliott Hendrickson Inc.® (SEH) is pleased to submit this report regarding storm water utility financing to the Village Board. The report includes a general description of funding options for storm water management programs and a summary of the advantages of storm water utilities.

Utilizing Village land use information and proposed storm water budgets, a model fee structure is presented to illustrate potential utility fees. Two scenarios are presented: a single flat rate and a graduated rate structure that fluctuates with annual costs.

Finally, the report addresses general recommendations for gaining public acceptance, modifying billings systems and establishing the legal basis for implementation. A model ordinance is also provided.

SEH has worked with more than 50 storm water utility projects. We look forward to working with you to discuss, refine and implement the storm water utility to help finance future storm water infrastructure improvements.

Sincerely,

A handwritten signature in black ink, reading "Mark L. Lobermeier".

Mark L. Lobermeier, PE
Principal

Storm Water Utility

Introduction

Historically, the issue of storm water management was, in principal, very simple; collect the water into an underground system of pipes and get it to river or creek as quickly as possible. If there was a problem with localized flooding, more and bigger pipe was put in the ground. Water quality and other storm water issues were not typically considered.

Development and redevelopment often results in an increase in the rate and volume of storm water runoff. An increase in runoff overtaxes the natural drainage systems, and increases the potential for localized flooding. Additionally, a decrease in storm water quality can be directly attributed to an increased level of development. A decrease in water quality translates into lost recreational opportunities and permanent changes to the biological systems present in local water bodies.

It is fair to say that the main concern of the average Village of Shorewood citizen is still to get the water away from their homes or businesses as quickly as possible. In an effort to maintain and improve the existing drainage system and mitigate the impact of future development, the Village of Shorewood is currently implementing a significant storm water management program that addresses the rate and volume of runoff with improvements to existing infrastructure. At the same time, the Village continues to address required actions under the Village's Wisconsin Pollutant Discharge Elimination System WPDES Permit and corresponding Storm Water Pollution Prevention Program (SWPPP) in accordance with NR 216.

Program Objectives

The primary objectives of the storm water management program are summarized as follows:

- Annual reporting related to the WPDES Permit and NR 216 requirements. The Village prepares an annual report that evaluates compliance towards meeting the measurable goals committed to in the Storm Water Pollution Prevention Plan (SWPPP).
- Public education, outreach and involvement as part of the City's WPDES Permit.
- Storm Water System Maintenance.
- Street Sweeping.
- Local Drainage Improvement Program.
- Large Drainage Projects.
- Water Quality Improvement Projects.

- Annual Storm Sewer Depreciation.
- Financing implementation of storm water management activities.

The Financing Dilemma

Communities have typically relied upon the property taxes and special assessments to finance most of the necessary storm water improvements. However, special assessments are often successfully challenged in court. Faced with increasing costs and continuous pressure to minimize property taxes, many communities may lack the proper funding to address the increasing costs related to storm water drainage, water quality management, erosion control and wetland protection.

Financing Options

Property Taxes

Property taxes are the most common revenue source used to finance government services including minor maintenance measures for drainage and water quality facilities. Using property tax has the effect of spreading the cost over the entire tax base of a community.

Special Assessments

Special assessments are the most common tool for financing public improvements. All or a portion of the cost of an improvement are levied against properties benefited by the improvement. The issue of derived benefit poses the greatest challenge in the use of special assessments. The amount of the special assessment cannot exceed the benefit received by the property from the improvement. The benefit is measured by the increase in the market value of the property, and is frequently challenged in an effort to reduce the cost to the property owner.

Storm Drainage System Development Charge

As land is developed or built upon, administrative and capital costs can be recovered at the time of building permit issuance or land development approval. System Development Charges shift the burden from existing development to new development, and respond to anti-tax sentiments.

Grants

Grants are available for storm water management. However, it is generally not a good financial practice to rely on grants for a service program. This source of revenue is not dependable and requires constant speculation as to its availability. Grants are useful but should only be used to supplement a planned local revenue source.

Special Tax District

Communities may consider creating storm water improvement taxing districts to finance improvements. The advantage as compared to special assessments is that there is no need to prove derived benefit from the improvements. All property in the district pays to finance improvements. Costs are spread according to the taxable value of property. This may also be a disadvantage. There is no flexibility in tailoring the application of the tax.

Storm Water Utility

User charges, which support storm water utilities, are a mechanism by which communities can generate funds through regular billings, similar to water and sewer billings. The principle is to charge for services rendered to properties generating runoff, as well as the service to properties being protected from the effects of runoff, without consideration to an increase in market value of the property.

Selecting the Best Financing Option

Storm Water Utilities are frequently recognized as the preferred financing method for communities, based on the following:

Fair

- Charges are based on runoff, not property value as is the case with property taxes.
- Defensible as a user fee since it is runoff-based.

Dependable

- Self financing – Does not compete for general fund dollars.
- Provides consistent, predictable long-term revenue.
- Applicable to debt services and annual operating cost.
- Separate dedicated fund provides transparency.

Simple and Flexible

- Similar to water and sewer charges
- Uses current billing system
- Can include credits and exemptions

Acceptable

- No increase in property tax- it is a user fee
- Small service charge versus large, one-time assessment
- Engineering Sound and Billing Friendly
- Based upon Land Use- Intensity of Development

Storm Water Utility Defined

A Storm Water Utility is simply a method of financing the administration, planning, implementation, and maintenance of storm water management programs. The utility does not typically replace existing funding sources - it complements them.

The utility is a service charge or fee. A utility fee is typically charged against all developed parcels based on the premise of “*contributors pay*”. Where land is in a natural state, most rain soaks into the ground or is retained in small depressions. Where development has been prevalent, rooftops, driveways, and parking lots prevent rainfall from soaking into the ground. The rain runs off into streets, ditches, ponds and lakes, creating the need for drainage systems and to protect the quality of receiving waters. Therefore, the fee is based on how much storm water runoff (or pollutant load) is contributed by a particular parcel.

This consistent, dependable revenue source provides a dedicated fund to manage the drainage system and water quality improvements without increasing property

taxes or using assessments. A utility also provides the means to handle the increasing costs through small adjustments in the utility charges.

Rate Structure

Storm water utility rates are based on how much a particular parcel contributes to the problem. The amount of contribution should not be based solely on the amount of rooftops and pavement, or impervious area, on a parcel. The contribution should also consider how much rain actually runs off.

Different amounts of rain will produce different amounts of runoff. However, the difference in runoff for a residential property and a commercial site area is not constant for all rainfall depths. Therefore, a specific rainfall amount should be used in the revenue equation that will result in the various properties paying proportionate amounts.

Using methods developed by the Natural Resources Conservation Services (NRCS), known previously as the Soil Conservation Service (SCS), typical land categories and the runoff indices or curve numbers (CN) are used to estimate the amount of rainfall that will run off a parcel. The runoff equation follows the storm water runoff methodology outlined in the SCS National Engineering Handbook," Section 4 - Hydrology (Mockus, 1969).

The general runoff equation is:
$$Q = \frac{(P - 0.2S)^2}{P + 0.8S}$$

Where:

Q = Actual Runoff

P = Rainfall, inches

S = Potential Maximum Retention and initial rainfall abstraction

The "S" term can be expressed in terms of the runoff index, or (CN).

$$S = (1000/CN) - 10$$

How Much Rainfall?

The table below compares the percentage of total runoff contributions for residential land use (CN 72) versus commercial/industrial land use (CN 90) considering different rainfall depths. The comparison illustrates that as rainfall increases, the difference in runoff between intensely developed properties versus residential developed properties becomes significantly less.

Greater runoff volumes and associated pollutant loads are generally related to the more intensely developed properties (commercial/industrial). Therefore, using the basic premise of the utility (contributors pay), a rainfall amount that will result in highly developed properties paying more than residential properties should be used.

Rainfall/Runoff Ratios

Rain Depth	Runoff		
	Commercial/ Industrial	Residential	Ratio*
1"	0.32"	0.01"	32.00
2"	1.10"	0.29"	3.79
3"	1.99"	0.81"	2.46
4"	2.92"	1.46"	2.00
5"	3.88"	2.19"	1.77

* Ratio equals commercial runoff divided by residential runoff.

A two inch rainfall has typically been used in determining utility fees. As illustrated in the table above, a two inch rainfall results in almost four times the runoff from a commercial/industrial acre then from a residential acre. Therefore, commercial/industrial properties would pay up to four times as much as a residential parcel of equal size.

While it is true that rainfall amounts of less than two inches occur more frequently, creating the majority of runoff and pollutant load, use of smaller rainfall events (one inch, for example) puts a much larger financial burden on the commercial/industrial properties. Since the two inch rain depth has been generally accepted as the basis for utility fees in other communities, it is recommended that the utility fee be based on a rainfall amount of two inches. Letting rainfall (P) be equal to two inches, the runoff equation becomes:

$$Q = \frac{(16 - (1600/CN) + (40,000/CN))^2}{(800/CN - 6)}$$

Land Use Categories

Existing land use was used to determine each property's contribution to the utility. Land use was determined using Village of Shorewood's Comprehensive Plan. The table below illustrates typical runoff curve numbers. For land uses in the Village, the runoff indices (CNs) are applied to determine the amount of runoff from an area resulting from a specified amount of rainfall. The contribution towards the storm water utility is equated to the percentage of the total runoff for each property type.

Land Use Categories

Land Use Type	Runoff Index (CN)	Sum Acres
Single Family Residential	75	388.7
Duplex	80	105.3
Multi-family	88	32.4
Condominium	90	25.3
Mixed Use	88	4.8
Commercial	92	34.7
Parking	96	2.7
Vacant Village	60	0.4
Institutional	88	53.0

Estimated Fees

To determine estimated fees, the estimated costs of the storm water management program for a given period of time are apportioned according to the percentage of total runoff attributed to that property type. The utility rates can be adjusted to raise different levels of revenue by changing the relationships of what one property type pays in comparison to another, or by increasing the per acre charges.

The utility will not eliminate existing funds derived from new developments through assessments or developer fees. All new plats shall continue to pay towards water management features. The utility will, however, allow the Village of Shorewood to undertake new programs related to storm water management.

Proposed Budget

City staff prepared a high level budget for the evaluation of storm water utility fees. The budget includes two primary elements: operations and debt service. The Operations budget addresses the day-to-day activities that align with the objectives of the Village Storm Water Management Program. Debt service relates to the financing of the significant drainage system improvements that have been identified and discussed over the last twelve months.

- Debt Service, 2013 – 2040: \$30,800,000
- Operations, 2013 – 2040: \$1,880,000 (\$50,000 in 2013).

Estimated fees for the proposed budget are shown on the following page. These charges would fund 100 percent of the program budget outlined above. As presented, the annual cost for a single family residential parcel would be \$196 per year. That rate would stay unchanged over the twenty eight years of debt service. The rate would then reduce significantly to cover annual operations thereafter.

The table on page 8 illustrates the concept of Residential Equivalent Units or REUs. For residential land use, 1 REU is equivalent to one parcel. For all other land uses, the total number of REUs is prorated based on the ratio of total runoff generated to the total residential runoff generated, and the total number of residential REUs. For example, residential property in the Village generates 148.06 acre-inches of runoff from a 2 inch rainfall event. The total number of residential parcels is 2386, so the total residential REUs equals 2386. Commercial property generates 42.92 acre-inches of runoff from the same 2 inch rainfall. Therefore, the total number of commercial REUs is:

$$(42.92/148.06)*2386 = 691.72 \text{ REUs}$$

There is approximately 5950 REUs in the Village. A fee per REU can be calculated, and a fee per acre rate established for non-residential land uses.

Storm Water Utility Fee Spreadsheet Flat Rate

Client: Village of Shorewood, Wisconsin
 Date: November 2, 2011
 Inches of Rainfall: 2 (24 hour event)
 Annual Revenue Goal: \$1,166,425 28 years
 SF Res (annual): \$196.01

Land Use Category	Number of Units	Total Area (Acres)	Lot Size (Acres)	Curve Number	Runoff Volume (Inches)	Runoff Volume (Acres-Inches)	Percent of Total Runoff	Residential Equivalent Units	REUs/Unit	Annual Revenue		Monthly Costs		Quarterly Costs	
										Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
Single Family Residential	2386	388.7	0.16	75	0.38	148.06	40.1%	2386.00	1.00	\$196.01	\$467,691	\$16.33	\$38,974	\$49.00	\$116,923
Duplex	814	105.3	0.13	80	0.56	59.24	16.0%	954.67	1.17	\$229.89	\$187,129	\$19.16	\$15,594	\$57.47	\$46,782
Multi-family		32.4		88	0.97	31.28	8.5%	504.12	15.55	\$3,048.90	\$98,815	\$254.07	\$8,235	\$762.22	\$24,704
Condominium		25.3		90	1.09	27.66	7.5%	445.68	17.63	\$3,455.66	\$87,359	\$287.97	\$7,280	\$863.92	\$21,840
Mixed Use		4.8		88	0.97	4.59	1.2%	74.04	15.55	\$3,048.90	\$14,513	\$254.07	\$1,209	\$762.22	\$3,628
Commercial		34.7		92	1.24	42.92	11.6%	691.72	19.93	\$3,907.38	\$135,586	\$325.62	\$11,299	\$976.85	\$33,897
Parking		2.7		96	1.57	4.31	1.2%	69.52	25.37	\$4,973.06	\$13,626	\$414.42	\$1,136	\$1,243.26	\$3,407
Vacant Village		0.4		60	0.06	0.03	0.0%	0.43	0.98	\$191.44	\$84	\$15.95	\$7	\$47.86	\$21
Institutional		53.0		88	0.97	51.17	13.9%	824.54	15.55	\$3,048.90	\$161,622	\$254.07	\$13,468	\$762.22	\$40,405
Exempt - Open Space		83.6													
Exempt - Oak Leaf Trail		18.1													
TOTAL		749.1				369.27	100.0%	5950.70			\$1,166,425		\$97,202		\$291,606

Prepared by SEH Inc.

Introducing a program that increases residential costs by nearly \$200 per year may not be acceptable to residents. An alternative to establishing a single rate over the planning period would be to adjust the rates annually to match annual debt service and planned operation expenses. In this scenario, utility rates for single family residential properties would start out low - \$16.92 in 2013, and grow significantly to a peak of \$322 in 2023, before declining each year thereafter and returning to a rate of around \$17 per year. In both scenarios, net total cost over twenty eight years is \$5,488 per residential parcel.

Variable Utility Rate Example

Year	Debt Service	Operations	Total	Cost per REU
2013	\$50,674	\$50,000	\$100,674	\$16.92
2014	\$58,680	\$50,000	\$108,680	\$18.26
2015	\$341,145	\$55,000	\$396,145	\$66.57
2016	\$957,551	\$55,000	\$1,012,551	\$170.16
2017	\$1,039,666	\$55,000	\$1,094,666	\$183.96
2018	\$1,119,419	\$55,000	\$1,174,419	\$197.36
2019	\$1,296,785	\$55,000	\$1,351,785	\$227.16
2020	\$1,470,524	\$60,000	\$1,530,524	\$257.20
2021	\$1,630,313	\$60,000	\$1,690,313	\$284.05
2022	\$1,730,259	\$60,000	\$1,790,259	\$300.85
2023	\$1,815,015	\$60,000	\$1,875,015	\$315.09
2024	\$1,796,364	\$65,000	\$1,861,364	\$312.80
2025	\$1,780,166	\$65,000	\$1,845,166	\$310.08
2026	\$1,761,321	\$65,000	\$1,826,321	\$306.91
2027	\$1,605,221	\$65,000	\$1,670,221	\$280.68
2028	\$1,361,594	\$70,000	\$1,431,594	\$240.58
2029	\$1,210,725	\$70,000	\$1,280,725	\$215.22
2030	\$1,100,638	\$70,000	\$1,170,638	\$196.72
2031	\$969,938	\$75,000	\$1,044,938	\$175.60
2032	\$954,563	\$75,000	\$1,029,563	\$173.02
2033	\$903,113	\$75,000	\$978,113	\$164.37
2034	\$887,463	\$75,000	\$962,463	\$161.74
2035	\$885,588	\$80,000	\$965,588	\$162.26
2036	\$881,550	\$80,000	\$961,550	\$161.59
2037	\$875,350	\$80,000	\$955,350	\$160.54
2038	\$866,988	\$85,000	\$951,988	\$159.98
2039	\$871,463	\$85,000	\$956,463	\$160.73
2040	\$557,813	\$85,000	\$642,813	\$108.02

The table below illustrates rates of selected communities in the area.

Utility Cost Comparison

City	Annual REU
Brown Deer	\$91.80
Cudahy	\$60.00
Fox Point	\$126.72
Glendale	\$42.00
Greenfield	\$49.80
St. Francis	\$48.00
Wauwatosa	\$55.44
West Allis	\$63.12

Source: WI Stormwater User Charge System Information,
APWA and Fox Wolf Watershed Alliance, December 14, 2010

Public Acceptance

The storm water utility concept will succeed if it has complete public understanding and support. Additionally, the decision makers and the public must understand the benefits to be derived from such a program.

Surveys and Articles

A survey can be the first place to test the waters for a utility. Articles in existing utility billings and in the local newspaper can also help explain the program. This “spreading the word” aspect cannot be over emphasized. Unless overwhelming community acceptance of such a program exists, ample time should be set aside for the public information program.

Special Mailings

Most communities have developed special promotional mailings to introduce the utility concept to the community. These procedures vary from very simple to elaborately printed documents. Typically, the mailings outline the need for the program and typical charges by property classifications. In some cases, these promotional materials have been used to announce upcoming informational meetings.

Informational Meetings

Community leaders can interface with the general public at informational meetings designed to explain the reason behind the utility and how the utility will impact individual properties. An example format would involve a late afternoon/early evening open house followed by a formal presentation.

Public Hearing

A public hearing is held for final consideration of the utility. The hearing represents a formal opportunity for citizen input prior to Board action adopting the utility ordinance.

Typical Questions

Appendix B of the report illustrates typical questions (and corresponding responses) that arise during consideration of the utility

Billing Options

Several key decisions exist relative to billing options.

- How should it be billed?
- Who should pay the bill?

Three options are considered for billing.

- A separate bill.
- A line item on the annual County tax statement; and
- A line item on the existing utility bills (water meter).

The option to add a line to existing water meter utility bills is recommended since it is less expensive, the customer base is in place, and it closely aligns with the person who should be paying the storm water utility fee.

The next question addresses which party should be paying the bill (i.e., the property owner or the occupant/tenant). If the property owner pays, the occupant/tenant would end up paying eventually through their rent. It is assumed that for non-owner occupied properties, the existing arrangement between those two parties is already being resolved with the water bill and this should minimize later complaints, appeals, and conflict resolutions. It is further recommended that storm water utility billing be aligned with existing water accounts.

Establishing Individual Utility Bills

The process of establishing billing from property identification information and incorporating into the existing billing system requires a succession of interrelated steps. It is envisioned that this process will involve the Village of Shorewood building a data set, likely with the assistance of outside technical support.

Simply stated, the challenge is to synchronize parcel areas with their existing land use, multiplied times the billing rate for each respective location codes based on the Residential Equivalent Units or REUs. This land use can be derived from the assessor's land use code in the tax roll, an existing land use map, the official zoning map or a combination of these sources which may involve field verification in some instances.

It is recommended that single-family residential properties will be billed a flat per-household rate. Higher density uses will be billed by the acre. As such, Village of Shorewood staff will prepare a file with fields for billing code, property identification number or PIN, land use type, rate, acreage (when applicable), and the amount of the bill.

Billing Conflict Resolution

A manual process of conflict resolution is required. The process will verify that all properties have been accounted for and the fee is appropriate. Village of Shorewood GIS system can provide a graphic solution, but will not eliminate the need for a manual review.

Initiating New Billings

An account can be established before utility service begins. It is recommended that a parcel not be billed until it is developed and the owner/occupant is paying a water bill. Setting up an initial file or account could be triggered by an application for a building permit.

Ordinance Development

A model ordinance is provided on the following pages. The model ordinance differs from some of the more common ordinances in that it establishes a mathematical basis behind the fee system, supported by standard engineering principles and practices. The model ordinance is followed by a drafted Village of Shorewood Policy Statement in support of the basis and function of the Storm Water Utility.

This model ordinance is intended to outline the key elements to be included in official controls to support the utility.

The legal basis for the utility should be an ordinance and corresponding Village of Shorewood policy.

Calculation of utility fees;

- Credit system;
- Exemptions;
- Payment of fee;
- Village of Shorewood policy; and
- Supporting computations.

00. Storm Water Utility Ordinance

00.010. Policy Statement

All properties within the Village of Shorewood shall contribute to the Storm Water Utility in an amount proportional to the runoff contributed by each particular parcel.

00.020. General Operation.

The Village of Shorewood storm water system shall be operated as a public utility (hereinafter called the "Storm Water utility" or "utility"), pursuant to _____ from which revenues will be derived subject to the provisions of this Chapter and _____ Statutes.

00.030. Definitions

Residential Equivalent Unit (REU)

The utility factor is defined as the ratio of runoff volume, for a particular land use, to the runoff volume for an average single-family residential, assuming a 2-inch rainfall multiplied by the number of single family residential units.

Runoff Equation

The revenue equation for computing the runoff volume (Q) shall be based on the runoff equation in the Soil Conservation Service (SCS) National Engineering Handbook Section 4 - Hydrology. The equation is as follows:

$$Q = \frac{(P - 0.2S)^2}{P + 0.8S} \quad \text{where } S = (1000/CN) - 10 \\ \text{and } P = 2$$

Utility Revenue

The utility revenue is the estimated monthly expenditures for planning and inventories, capital expenditures, personnel and equipment and operation of the storm water utility, in accordance with established Village of Shorewood policy.

Land Use

Land use for determining storm water utility fees shall be the existing land use at the date of enactment of the Storm Water Utility Ordinance. As land is developed, or redeveloped, the fees will be re-computed based on the revised land use. If downstream facilities (storm sewers, ponds, etc.) have been developed in anticipation of future development, undeveloped property shall be treated as fully developed. Natural Resources Conservation Services (NRCS) - Type B soils shall be assumed for determining the runoff index (CN) in the revenue equation. Rainfall (P) - A 2-inch rainfall will be used in the revenue equation. Runoff Indices (CN) - the runoff indices for the property classifications are as follows:

Classification	Land Use	CN
1	Single Family Residential	75
2	Duplex	80
3	Multi-family	88
4	Condominium	90
5	Mixed Use	88
6	Commercial	92
7	Parking	96
8	Vacant Village	60
9	Institutional	75

00.040. Storm Water Utility Fee

The Storm Water Utility fee shall be determined by first determining required annual utility revenue per REU. Each single family residential parcel will be assigned 1 REU. The total number REUs will be determined for each land use. Based on total area for each land use, the number of REUs/unit or acres will be calculated. Based the number of REU/unit or acre and the required utility revenue per REU, a specific storm water utility fee can be calculated for each parcel.

The REU/unit or acre for various land uses are shown in the following table.

Classification	Land Use	Unit	REUs/Unit or Acres
1	Single Family Residential	Parcel	1.00
2	Duplex	Parcel	1.17
3	Multi-family	Acre	15.55
4	Condominium	Acre	17.63
5	Mixed Use	Acre	15.55
6	Commercial	Acre	19.93
7	Parking	Acre	25.37
8	Vacant Village	Acre	0.98
9	Institutional	Acre	15.55

00.050. Credits.

The Village Board may adopt policies, by resolution, for adjustment of the Storm Water Utility fees. Information to justify a fee adjustment must be supplied by the property owner. Such adjustments of fees shall not be retroactive. Credits will be reviewed regularly by a staff committee.

Storm Water Retention - If it can be demonstrated that an individual parcel retains all or a portion of the rainfall that it receives, the storm water management fee will be reduced by a percentage equal to that percent of the parcel which produces no external runoff. A fee reduction of 20 percent or greater must be demonstrated if the credit is to be applied.

Low Income - the storm water management fee will be waived for any property owner with income that is or below an established minimum income for the year prior to issuance of any charges. This credit must be applied for each year. This credit shall consider the County's established general assistance level.

Property Under-utilization - If it can be demonstrated that a parcel's existing land use is developed to a lower density than assumed in the fee determination, and that no downstream improvements have been constructed based on potential development of the parcel, a reduction in fee may be considered.

Water Quality Facility - those parcels having facilities constructed specifically for the purpose of water quality enhancement may be eligible for a credit. The credit will be based on the removal efficiency of the facility. The property owner shall provide the calculations demonstrating the phosphorus removal efficiency of the facility. The credit will be equal to 60 percent of the phosphorus reduction percentage. A fee reduction of 20 percent or greater must be demonstrated if the credit is to be applied.

00.060. Exemptions.

The following land uses are exempt from the storm water utility fee:

1. Public Road Right-of-Way
2. Public Open Space

00.070. Payment of Fee.

Storm Water Utility Fees shall be billed every month with water and sanitary sewer bills. The fee shall be due and payable the same terms as water and sanitary sewer utility bills. Any prepayment or overpayment of charges shall be retained by the Village of Shorewood and applied against subsequent fees.

00.080. Appeal of Fee.

If a property owner or person responsible for paying the Storm Water Utility fee believes that a particular assigned fee is incorrect, such a person may request that the fee be re-computed.

00.090. Penalty for Late Payment.

Each billing for storm water utility fees not paid when due shall incur a penalty charge of ten percent (10 percent) of the amount past due.

00.100. Certification of Past Due Fees on Taxes.

If any two three consecutive Storm Water Utility fees have not been paid when due, then a penalty as set forth on Section 00.080, shall be added to the amount due. Any such past due fees may then be certified to the County Treasurer for collection with real estate taxes on the following year. In addition, the Village of Shorewood shall also have the right to bring a civil action or to take other legal remedies to collect unpaid fees.

00.110. Adjustment of Fees

Storm Water utility Fees will be adjusted under the following conditions.

Revision of Storm Water Revenue - the estimated expenditures for the management of storm water shall be revised at a frequency determined by the Village of Shorewood Board. The fees will be adjusted accordingly and will follow established Village of Shorewood procedures for this adjustment of utility (water and sewer) rates.

Application for Credit – The Village shall establish and utilize a credit application form for consideration of fee reduction. It is the responsibility of the property owner to apply for a credit.

Change in Developed Condition of Parcel - In the case of residential property, the revised utility rate will take effect immediately following occupancy of the dwelling. With all other development, the revised utility rate will be applied as soon as drainage/water quality features are developed.

----- *End of Proposed Village of Shorewood Storm Water Utility Ordinance* -----