

City of Harrisonburg

Virginia

Public Works

Stormwater Utility Fee

Frequently Asked Questions

2015

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Section I: Introduction

The City of Harrisonburg (the City) has adopted a Stormwater Utility Fee to provide funding in the support of the operation, maintenance, and regulation of the City's extensive stormwater management system. The first bill will be sent on October 1, 2015 and the second bill will be sent on April 1, 2016.

The utility fee has been designed for owners of developed property in the City to assist in stormwater management program costs. The utility fee program is based on the amount of impervious area on developed property because properties with higher amounts of impervious area contribute greater amounts of stormwater runoff and pollutants to the stormwater management system.

The Stormwater Utility Fee Frequently Asked Questions has been prepared to assist property owners in answering inquiries about the new fee. The information contained in this document is designed to help answer questions about the fee and to provide property owners with a fundamental understanding of the Stormwater Utility Fee program, payment processes, and available credit and incentive programs.

Section II: Frequently Asked Questions About Stormwater

This section provides answers to frequently asked questions (FAQ) which City staff may receive from property owners. The aim is to provide complete, concise, and consistent responses to common questions. The City may wish to expand the list of questions and answers to include topics not covered herein as the program matures.

In the following section, questions are presented first followed by a response. The questions are grouped by topic to assist in locating the questions being asked.

Questions about Stormwater Management

1. What is stormwater runoff?

Stormwater runoff is the water that flows off roofs, driveways, parking lots, streets, and other hard surfaces during rain events and snow melt. Stormwater runoff is also the water that flows off grass

surfaces and wooded areas that is not absorbed into the soil. Runoff that is not absorbed into the ground flows into ditches, culverts, catch basins and storm sewers and typically does not receive any treatment to remove pollutants before entering our local creeks and streams.

2. What is impervious area?

Impervious area is defined as "area covered by hard surfaces such as structures, paving, compacted gravel, concrete, or other man-made features that prevent, restrict, or impede the downward passage of stormwater into the underlying soil".

3. What is stormwater pollution?

Water from rain or melting snow either seeps into the ground or flows across the ground, ultimately making its way into streams, creeks, and other water bodies. On its way, this runoff can pick up many natural and manufactured substances that can pollute local water bodies. Examples of common pollutants include fertilizers, detergents, pesticides, pet waste, sediment, oil, salt, trace metals, grass clippings, leaves, and litter. Polluted runoff can be generated anywhere people use or alter the land such as farms, yards, roofs, driveways, parking lots, construction sites, and roadways.

4. Why is stormwater runoff a problem?

As precipitation falls on agricultural and forested land, it is primarily absorbed into the ground or slowly runs off into streams, rivers, or other water bodies. Development creates rooftops and paved areas, also known as impervious surfaces, which prevent water from being absorbed and creates a faster and higher runoff rate. This development can cause localized flooding or other water quantity or quality issues. In addition, stormwater can carry harmful pollutants, cause flooding, erode topsoil and stream banks, and destroy natural habitats.

5. Why do we need to manage our stormwater runoff?

Stormwater runoff needs to be managed just as any other process in the city is managed, such as water, sewer, roadway, or solid waste systems. Management is essential to protect the quality of our natural waterways for drinking water supplies and recreational activities such as swimming, fishing, and boating. Stormwater also needs to be managed to ensure that during storm events runoff does not flood or erode private property or otherwise put public safety or private property at risk.

Questions about the Storm Sewer System

6. Who owns the stormwater system?

Just as with the sanitary sewer system, portions of the stormwater system are owned by private parties and portions are owned by the City. Ownership can often be difficult to determine from a visual inspection.

7. What is the City's responsibility for stormwater?

The City is responsible for managing all aspects of stormwater within its jurisdiction, which means it is only responsible for the portions of the stormwater system that are in city maintained street rights-ofway, permanent stormwater easements conveyed to and accepted by the city, or otherwise explicitly stated in a written agreement with the city. The City does not maintain facilities that are located on private property, in easements not dedicated specifically to the City, or that fall under the jurisdiction of other governmental jurisdictions.

The City does inspect private facilities with recorded maintenance agreements to confirm the facilities are functioning properly.

8. What is the City doing to improve its stormwater services?

The City formed a Stormwater Advisory Committee (SWAC) in January 2014 made up of citizens that represented a cross section of neighborhoods, businesses, and organizations in the city. The SWAC learned about stormwater services in the city, current and future regulatory requirements, advised staff and City Council on stormwater services that might be considered for improvement, and made suggestions for funding mechanisms for these stormwater services. Past meeting minutes, future agendas, and information on SWAC members can be found at: <u>http://www.harrisonburgva.gov/swac</u>.

The SWAC's responsibilities are as follows:

- Engage in matters pertaining to the MS4 general permit and stormwater utility program.
- Monitor the formulation and implementation of the Program including master planning, infrastructure rehabilitation, repair and maintenance, and progress with respect to pollutant reduction requirements established via the MS4 general permit as well as achieving other goals as defined in the MS4 permit.
- Monitor the implementation of the stormwater utility ordinance and fee, including evaluating stormwater program budgets, evaluating utility billing rates, and making recommendations to City Council for adjustments as needed.
- Provide recommendations to and advise City Council accordingly relative to the program.
- 9. I have a drainage problem in my yard. Who do I call to get help with this problem?

You can call the Harrisonburg Public Works Department at 540-434-5928. If the problem is a City responsibility, we will investigate your concern and advise you of what action can be taken.

The Stormwater Advisory Committee is considering a program to incentivize public-private partnerships to fix drainage problems on private properties. The City mayutilize stormwater utility funds to help offset the cost for private property owners to fix drainage problems. This program could have an application process and might consider the following:

- How much does the project cost?
- Are all property owners affected by the project in support of it?
- Are property owners willing to donate necessary temporary and construction easements?

- Are property owners willing to enter into a maintenance agreement to maintain the facility in perpetuity? (In some cases, it might be appropriate for the City to maintain the facility.)
- How much does the new facility help the City meet its state pollution reduction requirements?

10. How can I report a stormwater issues in my neighborhood?

To report problems with the City's stormwater system or an illicit discharge to the City's stormwater system and/or to a local stream, please contact Harrisonburg Department of Public Works at 540-434-5928 or fill out an online reporting form at: <u>http://www.harrisonburgva.gov/report-pollution</u>. For neighborhood flooding and drainage issues, please contact the Harrisonburg Department of Planning & Community Development at 540-432-7700.

Questions about the Stormwater Utility Fee – Basic

11. What is a Stormwater Utility Fee?

The City administers a Stormwater Utility Fee to provide an adequate and stable source of funding for the City's stormwater program. A Stormwater Utility Fee is a "fee for service" based on the amount of impervious area on a property (roof, parking areas, walkways, etc). This is similar in concept to how the City distributes the cost of sanitary sewer and drinking water services, but uses impervious area instead of a meter to determine a property's fee.

12. Why has the Stormwater Utility Fee been recommended as the funding mechanism?

Funding a stormwater program using a utility approach has several advantages. First, it fairly distributes the cost of the City's stormwater services across all eligible properties, including tax exempt parcels, based on the parcel's contribution to stormwater runoff (impervious area). Second, under Virginia State Law, the revenue from a stormwater utility must be placed in a special fund that can only be used for stormwater management. This ensures a dedicated funding source to accomplish the goals of the stormwater program. Third, it provides a stable source of funding that enables capital project planning and implementation related to stormwater management.

13. Why are we going to be charged this fee now?

Until this Stormwater Utility Fee, the City did not have dedicated funding for stormwater management and its aging stormwater infrastructure. With more stringent federal and state regulations related to water quality, the increasing need for additional public stormwater services and additional investment is necessary to meet the City's requirements.

The City operates under a Municipal Separate Storm Sewer System Permit Program (MS4 permit). In order to meet permit requirements, the City is required to reduce nutrients that flow into the stormwater system by 5% over the next three years; over the next 10 years, the City is required to reduce nutrients by another 35%; and over the next 15 years, the City is required to reduce nutrients by

another 65% ultimately resulting in a 100% reduction of nutrients flowing into our local waterways and the Chesapeake Bay.

A Stormwater Utility Fee provides dedicated revenue and enables the City to meet more stringent federal and state regulations for stormwater management. Without a dedicated fee, the City would need to find an alternative method of funding in order to address nutrient reductions and maintenance needs of the stormwater system.

14. What would the Stormwater Utility Fee pay for?

The Stormwater Utility Fee is a dedicated fund to pay for the City's projects to reduce polluted runoff. This fund is dedicated to paying for the City's stormwater program above and beyond those activities that were previously funded by the City's General Fund and will not be used for <u>any other</u> <u>purpose</u>. These fees will go directly to pollution reductions to help manage our polluted runoff more effectively. The first several years of the program will focus on the following activities:

- Development of a city-wide Stormwater Improvement and Polluted Runoff Reduction Plan to identify, select, and prioritize capital projects to manage stormwater, reduce pollution, and protect our drinking water sources
- Design and construction of stormwater capital projects including retrofits and community greening projects to reduce pollution and improve water quality. This includes projects on city owned properties and partnerships (such as grants or cost-share) with private property owners
- Coordination of pollution reduction efforts including staff training, pollution prevention and good housekeeping practices for municipal operations, pollution detection and elimination program, and public education and outreach
- Maintenance and operation of city-owned stormwater drainage and stormwater management facilities

15. Can the fee be used to fund other City programs like Public Safety or Social Services?

No. The Stormwater Utility Fee provides dedicated revenue for the city stormwater management program.

16. How did the City pay for its stormwater services before the utility fee was approved?

Prior to implementation of the stormwater utility fee, stormwater services were funded by revenue derived from property taxes which goes into the City's General Fund.

17. Will General Fund revenues still be used to fund stormwater activities?

\$500K-\$600K of General Funds from tax revenue will continue to support stormwater activities. . These activities supported by the General Fund include storm sewer maintenance, stream and channel maintenance, and maintenance of stormwater facilities.

18. How much funding will the stormwater utility collect?

The stormwater utility will collect and cover about \$1.9 million each year. About 75% of these funds will be used for stormwater capital projects. The remaining 25% of funds will be used to cover the development of a stormwater improvement and polluted runoff reduction plan, street sweeping and flush truck operations, public education and outreach, and good housekeeping for municipal operations. The fee schedule is revenue-neutral in that the total anticipated fees collected will be dedicated to the needs to meet stormwater requirements.

Total stormwater program needs are \$2.3 to \$2.5 million each year.

19. Have other cities implemented stormwater utilities?

Yes, there are more than 1,400 stormwater utilities nationwide and over 20 in Virginia, including the cities of Lynchburg, Staunton, Richmond, Roanoke, and Charlottesville. The municipalities that adopted stormwater utilities selected this approach because it is an equitable way to distribute the cost of operating and maintaining their public stormwater management systems and establishes a dedicated fund that can only be used to address stormwater management issues.

Questions about calculating and billing the Stormwater Utility Fee 20. How much is the stormwater fee?

The City of Harrisonburg has set the billing rate at \$6.00 for every 500 square feet.

To calculate your parcel's annual fee, the city has mapped the square footage of impervious surface for each parcel in the city. This square footage is divided by 500 square feet to determine the number of billing units associated with the parcel. The billing units are then multiplied by the billing rate of \$6.00 per year.

21. How is the fee calculated?

The fee is based on the amount of impervious area on each individual property. This area is measured from recent aerial photos with the actual measurement done via computer imaging, which produces a high degree of accuracy.

22. How are fees for multi-owner properties (such as condominiums) calculated?

Fees for multi-owner properties are calculated based on the total impervious area for the entire complex (all dwelling units, private street(s), and common areas). The total impervious area will be divided by the number of dwelling units to identify the number of billing units for each owner.

23. How are fees for common areas calculated?

The common area within the common interest community will be evenly divided among the individually owned parcels associated with the common area and added to those bills.

24. How does the City determine the Stormwater Utility Fee for my property?

The City used a combination of aerial photography, parcel information, as-built drawings, and final approved site plans to identify impervious areas on each property. The impervious area mapped on your property can be viewed on the city website GIS viewer.

25. I rent the property, who is responsible for the fee?

The Stormwater Utility Fee will be charged to the property owner. The owner will be billed and is responsible for ensuring the fee is paid. Any agreement for payment of the fee by the renter or inclusion of the fee in the property's rental fee is at the discretion of such parties.

26. How often will billing information be updated and when will I be billed?

Impervious area mapping is based on aerial photography and will be updated once every five years to account for new development. Any billing related to changes of ownership and new impervious area from construction requiring city permits are updated annually. The information on which the annual bills will be calculated based on parcel characteristics as of July 1 of each year.

The billing cycle is on a semi-annual basis and included with City of Harrisonburg property tax bill as a separate fee. The first bill will be sent out on October 1 and is due on December 5th, the second bill will be sent out on April 1st and will be due on June 5th of each year.

27. What happens if I don't pay my bill?

Fees not received by the due date will be considered delinquent and interest will be assessed. The City has the ability to place a lien on the property if bills are not paid, similar to the enforcement used to ensure tax bills are paid, and the City will pursue collection of the unpaid amount due through legal collection actions.

28. What if I can't afford the fee?

All owners of eligible developed property are expected to pay the fee. This is a fee for service and supports the work the City does to manage and maintain the extensive public stormwater system. All property owners are expected to pay their share of the costs associated with managing the public stormwater system.

The City offers a Stormwater Utility Fee credit program for residential and non-residential properties. These can be found at the City of Harrisonburg website, <u>www.harrisonburgva.gov/stormwater-utility</u> or by contact the Department of Public Works at 540-434-5928 for information.

29. We are a tax-exempt property, why are we being charged this fee?

The Stormwater Utility Fee is not a tax; it is a service based utility fee, similar to your water or electric fees. All developed properties in the City contribute to stormwater runoff to the system, and benefit from the improvements to the system and/or receive stormwater related services under the City's stormwater program, regardless of their tax status. The fee is an equitable way of funding repairs and improvements and the cost will be distributed among all eligible property owners.

30. How is the stormwater fee different from my wastewater bill?

The stormwater system is a separate system from the wastewater system. Wastewater is water that discharges from your home or business after being used for washing, cooking, flushing toilets, etc., and is then collected by a series of pipes (the sanitary sewer system) that lead to the sewage treatment plant. Stormwater is water that runs off your property and travels through pipes, ditches, or over roads to local waterway without treatment and needs to be managed to protect public health and safety and to minimize local flooding, stream erosion, and water pollution.

31. How is the stormwater fee different from a tax?

Taxes are collected from property owners based on the assessed value of their property to cover costs for a number of general government services. Property taxes do not apply to tax-exempt properties. A fee, however, is based on the cost of providing a specific program of public services such as gas, electric, stormwater, or drinking water. The stormwater fee provides an equitable way to distribute the cost of managing the public stormwater system as properties pay based on their impervious area, which is the strongest link to the amount of stormwater a property generates, not on the value of their property.

32. Is the stormwater fee tax deductable?

No, the Internal Revenue Service does not recognize fees as being tax deductable.

33. Do public properties pay the fee as well?

Per state law, properties that are owned and maintained by a public entity that holds a permit to discharge stormwater from a municipal storm sewer system (MS4) permit cannot be subject to the stormwater utility fee. This includes James Madison University and VDOT since these entities must meet their own MS4 permit requirements set by the state. Additionally, public roads and street rights-of-way that are owned and maintained by state or local agencies cannot be subject to the Stormwater Utility Fee.

City owned properties, such as city parks, city offices, and city schools, will not be charged for a Stormwater Utility Fee. The Stormwater Utility Fee that city properties would pay amounts to approximately \$160,000. The general fund, from which ongoing stormwater activities like street sweeping are currently funded, will contribute more than \$500,000 to the stormwater management budget – the same funding source that the utility fee for city owned properties would be paid from.

34. Can the fee be waived?

No. To make this fee as equitable and fair as possible, all eligible developed properties that contribute to stormwater system and/or benefit from the City's stormwater related services will share the cost. However, a property owner can impact the amount of their payment by either removing impervious area or by performing activities that qualify for a Stormwater Utility Fee credit. (See Section IV).

35. I am moving; can I get a credit for the portion of the year I already paid for?

No, the bill is an annual fee and is assessed to the owner of the property as of July 1 of each year. If a property owner buys or sells a property during the year, the fee should be taken into account by the closing agent.

Questions about fee adjustments and corrections

36. What if I think my Stormwater Utility Fee is wrong?

The City has made every effort to make sure billing information is correct; however it is possible that some errors may occur. Grounds for an adjustment are limited to the following:

- Error made regarding square footage of the impervious area of the property
- Property is eligible to be "fee waived" under provisions of City Code Section 6-5-4(g)
- Mathematical error in calculating the Stormwater Utility Fee
- The party invoiced is not the owner of the property
- An approved credit was incorrectly applied

Impervious surface mapping can be publically viewed on the city website,

www.harrisonburgva.gov/stormwater-utility. Property owners are able to zoom in and review the impervious surface mapping that their Stormwater Utility Fee is based upon. A property owner may request an adjustment of the Stormwater Utility Fee by submitting a Petition for Adjustment form found in the appendix of the Credit Manual posted on the City website to the Harrisonburg Department of Public Works. (http://www.harrisonburgva.gov/stormwater-utility)

37. My property has a stormwater management facility already. Will the fee still apply?

Yes. The fee still applies based on the impervious area of each property. However, the owner can apply for a Stormwater Utility Fee credit.

38. Could my bill change in the future?

The amount of your bill could go up for two reasons. First, impervious area could be added to a property which may increase the billing units or the City may determine that the impervious area was underestimated and make a correction that may increase the billing units. Second, the bill may go up if the billing rate is raised to meet stormwater needs in Harrisonburg.

Conversely, the bill may be reduced through credits if qualified stormwater management practices are installed on the property. See <u>http://www.harrisonburgva.gov/stormwater-utility</u> for credit manuals and additional credit information.

Additionally, the billing rate is recommended to be set for the first MS4 permit program cycle – through June 30, 2018. However, the program's budget and utility rate will be reviewed regularly and adjustments may be made by City Council as part of the annual public budget review process.

As the nutrient reduction requirements rise for the City of Harrisonburg and the cost associated with those reductions increase, your fee will likely increase in order to pay for those reductions. Fees charged to citizens will not exceed the cost of comprehensive stormwater program implementation.

39. Is there anything I can do to reduce my bill?

Property owners who reduce the amount of runoff leaving their property may have their fee reduced by a percentage that will be determined as part of the impervious area-based fee rate structure investigations.

Information on the credit program can be found at the City of Harrisonburg Stormwater Utility website. <u>http://www.harrisonburgva.gov/stormwater-utility</u>

Questions - General

40. Was there public input process for considering the Stormwater Utility Fee?

Yes. A Stormwater Advisory Committee (SWAC), composed of citizens from across the community was established to provide input on evaluating a dedicated funding mechanism to fund the City's stormwater program. SWAC members were invited by City Council to serve and include residents, business owners, and institutional leaders from across that city that could be impacted by a new Stormwater Utility Fee. The group provided input on various aspects of the Stormwater Utility Fee such as rate structure, overall plan and estimated fees.

In addition, a variety of public involvement efforts took place in Fall 2014 to reach out to the public to educate and provide an opportunity for input and feedback. These included two open houses on November 12 and December 2, targeted outreach presentations to large rate payers, houses of worship, environmental organizations, and tax exempt organizations. Comments were received and compiled for submission to City Council through emails to city staff, Be Heard Harrisonburg, and through public comment forms collected at the two open house meetings.

The February 24th, 2015 City Council Meeting also included a formal Public Hearing.

41. Who will decide how funds are spent?

Harrisonburg City Council makes the ultimate decision on how funds collected by the Stormwater Utility Fee are spent through their annual budget process. However, the guidelines to how the funds are intended to be spent were developed in consultation with the stormwater advisory committee and will include:

- Development of a city-wide Stormwater Improvement and Polluted Runoff Reduction Plan to identify, select, and prioritize capital projects to manage stormwater, reduce pollution, and protect our drinking water sources
- Design and construction of stormwater capital projects including retrofits and community greening projects to reduce pollution and improve water quality. This includes projects on city owned properties and partnerships (such as grants or cost-share) with private property owners
- Coordination of pollution reduction efforts including staff training, pollution prevention and good housekeeping practices for municipal operations, pollution detection and elimination program, and public education and outreach
- Maintenance and operation of city-owned stormwater drainage and stormwater management facilities

42. Where can I get more information about the Stormwater Utility Fee and the Stormwater Program?

At the city website: <u>http://www.harrisonburgva.gov/stormwater-utility</u>

43. What State code authorizes the City to enact a Stormwater Utility Fee?

The Commonwealth of Virginia has passed laws, § 15.2-2114, that allow municipalities that manage stormwater to establish fees similar to those for water and sewer services.

44. Why is the City making it more expensive to own property in Harrisonburg?

As infrastructure in the community ages, costs for operating and maintaining the public stormwater system have become more and more expensive. A property operating stormwater system is critical to protecting public health and safety, minimizing flooding, and meeting water quality protection requirements. Though the City has made major efforts to control costs, the reality is that additional investment needs to be made to support system repairs and upgrades. By enacting a Stormwater Utility Fee, the City has established a dedicated, stable fund to support needed investment in the public stormwater management system.

45. How many days does will the City take to review Pre-Application submittals?

The city has allotted 45 days to review pre-application submittals from the date of receipt.

46. Will a city staff member evaluate my property for potential stormwater management BMPs so I can reduce my fee?

No. The city does not have the staffing to make site visits to every property in the city. The Pre-Application is meant as a way for a property owner to receive feedback from city staff before the stormwater management BMP is installed. The Pre-Application form can be found as a Appendix in the credit manuals at the city website: <u>http://www.harrisonburgva.gov/stormwater-utility</u>.