NOTICE

The **City of Stoughton** will hold a meeting of the **Ad Hoc Stormwater Utility Technical Advisory Committee** on **Wednesday, May 5, 2010 at 3:00 p.m.** in the **Hall of Fame Room, City Hall,** 381 E. Main St., Stoughton, WI.

AGENDA:

1. Call to Order
2. Approval of 3/24/10 and 4/7/10 meeting minutes
3. Review of Updated Projected Stormwater Utility Budget (handouts)
4. Review Possible Stormwater Utility Impacts on Selected Properties, Additional Properties Analyzed (handouts)
5. Potential Stormwater Utility Credit Policy (handouts)
6. Frequently Asked Questions to Add to City Website, time permitting (handout)
7. Next Meeting/Tentative Meeting Dates and Schedule/Agenda Items
   a. TAC Meeting No. 5 (5/26/10) – Public Education and Involvement and Discuss Draft Feasibility Study Report Content
   b. TAC Meeting No. 6 (6/19/10) – Present Draft Feasibility Study and Potentially Gain Endorsement by TAC.
   c. Committee of the Whole Meeting
8. Adjournment.

Rodney Scheel
4/28/10
RJS:rjs

Sent to:
Mayor Donna Olson (via email)
Carl Chenoweth (via email)
Rodney Scheel (via email)
Robert Kardasz (via email)
Peter Sveum (via email)
Dennis Barkenhagen (via email)
Bob Wahlin (via email)
Robert Barnett (via email)
Laurie Sullivan (via email)
Karl Manthe (via email)
Tim Carter (via email)

Cc: Department Heads
Council Members
City Attorney Matthew Dregne
Mark Shubak, Strand Assoc
Steve Sletten (via email)
Receptionist Tamarah Bader-Fleres
Receptionist Debbie Blaney
Dep. Clerk Pili Hougan
Debbie Myren
Stoughton News/Wisc. State Journal

"IF YOU ARE DISABLED AND IN NEED OF ASSISTANCE, PLEASE CALL 873-6677 PRIOR TO THIS MEETING."

NOTE: AN EXPANDED MEETING MAY CONSTITUTE A QUORUM OF THE COUNCIL.
Note: For security reasons, the front door of the City Hall Building will be locked after 4:30 p.m. If you need to enter City Hall after that time, please use the Fifth Street entrances.

Ad Hoc Stormwater Utility Technical Advisory Committee Meeting Minutes
Wednesday, March 24, 2010 - 3:00 p.m.
Hall of Fame Room, City Hall, 381 E. Main St., Stoughton, WI.

Members Present:
Mayor Jim Griffin, Director of Planning & Development Rodney Scheel, Street Superintendent Karl Manthe, Utilities Director Robert Kardasz, Peter Sveum, Dennis Barkenhagen, Scott Sedlacek
Absent and Excused:
Finance Director/Treasurer Laurie Sullivan
Robert Barnett
Absent: Carl Chenoweth
Staff: None
Press:
None
Guests:
Mark Shubak, Strand Associates, Inc., Steve Sletten, Donna Olson

1. **Call to Order** The meeting was called to order at 3:00 p.m.

2. **Meeting Minutes of March 10, 2010** Motion by Kardasz, seconded by Manthe to approve the minutes. Motion carried unanimously.

3. **Overview of Wisconsin Stormwater Utilities** Mark Shubak, Strand Associates, Inc. referred to a handout developed by APWA that summarizes stormwater utility information for 71 communities in Wisconsin. Shubak noted that this list is not all inclusive, but provides some useful data including population, date created, ERU size (square feet), cost per ERU, and credit policy information. Shubak distributed several bar charts that provided a graphical breakdown of the data from the APWA handout, including community size distribution and ERU rate distribution for permitted and non-permitted communities.

4. **Review of Eligible Stormwater Utility Administration and O & M Costs**

   Mark Shubak referred to a handout that summarizes specific administration and operation and maintenance line items that are typically eligible for inclusion in a stormwater utility budget. Shubak discussed how stormwater utility budgets are typically broken down into three primary categories: administration, O&M, and Capital and Debt Service.

5. **Review of 2009 Stormwater Administration and O & M Costs** Rodney Scheel referred to a handout that summarizes estimated City stormwater administration and operation and maintenance for 2009. Scheel noted that the $70,000 administration line item is an estimate at this time and that more detailed tracking should be done. Kardasz stated that tracking of stormwater costs will be very important, such as having work order numbers for stormwater related tasks.

6. **Review of Eligible Stormwater Capital Costs and City's Stormwater CIP Budget** Shubak referred to a handout that listed specific stormwater capital improvement costs that are typically eligible for inclusion in a stormwater utility budget. Peter Sveum noted that many of the items that are listed are items that the City has been

doing for a long time and that going to a utility would simply be a shift from the tax roll to a user fee. He felt that only the increase in these costs due to the City's mandated permit requirements should be included. Shubak referred to a handout that listed the City's projected stormwater CIP through 2016. Scheel noted that the majority of the projects in the first few years are being driven by the City's stormwater permit requirements. It was noted that the average annual stormwater CIP cost is approximately $345,000. Shubak noted the estimated annual stormwater utility budget, including administration, O&M, and capital/debt service is approximately $734,000. This equates to approximately $100 per ERU, which is significantly higher than average. Shubak then referred to a handout that showed projected annual debt service payments for future stormwater capital projects. It was noted that by including only debt service payments of new projects in the budget would allow for the initial annual cost per ERU to be reduced to about $65 per ERU for the first year.

7. **Discussion of Items to Include in the Stormwater Utility Budget**

   A round table discussion was held to consider which items should and shouldn't be included in the stormwater utility budget. Dennis Barkenhagen noted that yard waste should be homeowner's responsibility and that leaf collection should be taken out. He also noted that the administration cost seems to be too high and should be reduced. Barkenhagen also noted that when presenting the utility concept, it shouldn't just be called a "stormwater" utility, but must include water quality in order to help sell it to the public. Jim Griffin agreed that yard waste should be taken out of the budget, but that an attempt to keep all other eligible items in the budget to remain as transparent as possible. Manthe and Kardasz felt that leaf collection should definitely be left in the budget. Scheel noted that the estimated administration cost is appropriate and should not be adjusted down and that leaf collection should be left in the budget because leaf collection and management is currently part of their stormwater permit requirements. Scheel agreed that yard waste should be removed from the budget because there is already an existing user fee that covers this. Barkenhagen noted that it didn't appear there is enough budgeted for public education. Scheel noted the City's participation in MAMSWap which utilizes a cooperative approach with other Madison area communities to fulfill their public education requirements.

8. **Next Meeting/Tentative Meeting Dates and Schedule/Agenda Items** The next TAC meeting will be on Wednesday, April 7th at 3:00 p.m. It was requested that a breakdown of topics be provided for future meetings.

9. **Adjournment** The meeting was adjourned at 4:55 p.m.

Ad Hoc Stormwater Utility Technical Advisory Committee Meeting Minutes
Wednesday, April 7, 2010 - 3:00 p.m.
Hall of Fame Room, City Hall, 381 E. Main St., Stoughton, WI.

Members Present: Director of Planning & Development Rodney Scheel, Carl Chenoweth, Finance Director/Treasurer Laurie Sullivan, Robert Barnett, Utilities Director Robert Kardasz, Peter Sveum, Dennis Barkenhagen
Absent and Excused: Mayor Jim Griffin, Street Superintendent Karl Manthe
Absent: Scott Sedlacek
Staff:
Press:
None
Guests:
Mark Shubak, Strand Associates, Inc.
Mayor-Elect Donna Olson

1. **Call to Order** The meeting was called to order at 3:00 p.m.

2. **Meeting Minutes of March 24, 2010** The meeting minutes were not included in the committee packets, so the March 24, 2010 minutes will be approved at the next meeting.

3. **Rescheduling of Future Meetings** Rodney Scheel noted that Item No. 6 indicates the revised schedule for the remaining three TAC meetings. The meetings will each be pushed back two weeks, with the next meeting now being scheduled for May 5, 2010.

4. **Review of Updated Projected Stormwater Utility Budget** Mark Shubak referred to the updated estimated 2009 Stormwater Administration and Operation and Maintenance Budget. This updated budget reflects removal of the yard waste site line item, which is already covered by an existing fee. Rodney Scheel stressed that these budget numbers are based on rough estimates and will need to be refined upon further development of a final budget. Bob Kardasz noted that he has estimated that if Stoughton Utilities were to handle the SWU billing on a monthly basis, it would need to charge the SWU back approximately $30,000 annually. Robert Barnett inquired what the Administration line item consists of. Rodney Scheel noted that this line item consists primarily of staff time. Mark Shubak reviewed the updated Stormwater CIP budget between 2011 and 2016. Rodney Scheel noted that the CIP has only been approved by the Council for 2010 (not shown) and 2011. Subsequent years may include additional projects and what it shown is likely subject to change. Mark Shubak reviewed the project annual payments for future stormwater CIP projects between 2011 and 2020 and also reviewed the total projected stormwater utility budget (2011 through 2020). Shubak noted that for the first year of the utility (2011) there would be an annual cost per ERU of $63.38 and that cost would gradually increase over subsequent years to include additional debt service for future stormwater CIP projects. Shubak noted that debt service for past stormwater CIP projects (2001 through 2010) is not included in this worksheet, but would likely continue to be paid for under the General Fund. The committee agreed that it would be good to show these costs under a separate General Fund category. In order to do this, we will need to estimate the total stormwater debt service

payments for projects from 2001 through 2010. Lori Sullivan indicated that she will be able to pull this information together prior to the next meeting.

5. **Review of ERU Size (square feet) Graph for Wisconsin Communities** Shubak reviewed a bar graph showing a distribution of the average square feet per ERU for the 53 Wisconsin communities that reported this information. It was noted that Stoughton's 3,105 square feet per ERU is in the "bell curve" or median of other Wisconsin communities.

6. **Discussion of Stormwater Utility Rate Structure** Shubak referred to a potential rate structure handout for the committee to consider. Shubak noted that this rate structure is based on using the Equivalent Runoff Unit (ERU) methodology, which bases the fee purely on the amount of impervious surface on a particular parcel. Shubak noted that other rate structure methodologies exist which also charge for pervious areas (City of Madison uses this), but this is fairly uncommon and more difficult and costly to administrate. The potential rate structure presented is based on a flat rate of 1.0 ERU for single family residential parcels. An alternative to this would be a tiered rate for single family residential parcels, which would reduce or increase the annual fee for smaller and larger lot sizes, respectively. This is typically done when there is wide distribution of lot sizes within a community, which is generally not the case in Stoughton. Shubak presented a chart that indicates that 85% of the parcels in the City fall between 1/8-acre and ½-acre. This data supports that implementing a tiered rate structure likely is not warranted.

7. **Review Possible Stormwater Utility Impacts on Selected Properties** Shubak referred to a series of tables and charts that indicated potential stormwater utility impacts (2011 budget projections) on land use classes and also specific properties. Peter Sveum voiced his concern what impact the additional stormwater utility fees would have on the business district, that it may create an "anti business sentiment". Carl Chenoweth agreed that impacts to the business district in this economy will be a big challenge to overcome. Shubak noted that one possibility to lessen the initial burden on stormwater utility rate payers, including the business district would be start the fees out at a lower, more palatable amount, thereby giving businesses and tax exempt properties more time deal with this additional costs, basically a phased approach. Carl indicated that he will be speaking with his fellow Council-members about this issue, but feels that this phased approach will need to be considered to get acceptance. This issue will be discussed further at our next meeting.

8. **Next Meeting/Tentative Meeting Dates and Schedule/Agenda Items** The next TAC meeting will be on Wednesday, May 5th at 3:00 p.m.

9. **Adjournment** The meeting was adjourned at 5:10 p.m.

City of Stoughton, WI
Stormwater Capital Improvements Budget
Annual Payments

Annual Payments Based on 10-year Loans

Year	Total	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
2001	$ 830,500															
2002	$ 700,000	$86,048														
2003	$ 400,000	$49,170	$49,170													
2004	$ -	$0	$0	$0												
2005	$ 1,125,400	$138,340	$138,340	$138,340	$138,340											
2006	$ -	$0	$0	$0	$0	$0										
2007	$ 170,000	$20,897	$20,897	$20,897	$20,897	$20,897	$20,897									
2008	$ 243,000	$29,871	$29,871	$29,871	$29,871	$29,871	$29,871	$29,871								
2009	$ 555,000	$68,223	$68,223	$68,223	$68,223	$68,223	$68,223	$68,223	$68,223							
2010	$ 819,000	$100,676	$100,676	$100,676	$100,676	$100,676	$100,676	$100,676	$100,676	$100,676						
2011	$ 647,000	$74,970	$74,970	$74,970	$74,970	$74,970	$74,970	$74,970	$74,970	$74,970	$74,970					
2012	$ 270,000		$31,286	$31,286	$31,286	$31,286	$31,286	$31,286	$31,286	$31,286	$31,286	$31,286				
2013	$ 30,000			$3,476	$3,476	$3,476	$3,476	$3,476	$3,476	$3,476	$3,476	$3,476	$3,476			
2014	$ 100,000				$11,587	$11,587	$11,587	$11,587	$11,587	$11,587	$11,587	$11,587	$11,587	$11,587		
2015	$ 26,000					$3,013	$3,013	$3,013	$3,013	$3,013	$3,013	$3,013	$3,013	$3,013	$3,013	
2016	$ 521,000						$60,370	$60,370	$60,370	$60,370	$60,370	$60,370	$60,370	$60,370	$60,370	$60,370
2017*	$ 265,667							$30,784	$30,784	$30,784	$30,784	$30,784	$30,784	$30,784	$30,784	$30,784
2018*	$ 265,667								$30,784	$30,784	$30,784	$30,784	$30,784	$30,784	$30,784	$30,784
2019*	$ 265,667									$30,784	$30,784	$30,784	$30,784	$30,784	$30,784	$30,784
2020*	$ 265,667										$30,784	$30,784	$30,784	$30,784	$30,784	$30,784
2021	$ 265,667											$30,784	$30,784	$30,784	$30,784	$30,784
2022	$ 265,667												$30,784	$30,784	$30,784	$30,784
2023	$ 265,667													$30,784	$30,784	$30,784
2024	$ 265,667														$30,784	$30,784
2025	$ 265,667															$30,784
CIP Debt Service (Projects Before 2011)		**$493,224**	**$407,177**	**$358,007**	**$358,007**	**$219,667**	**$219,667**	**$198,770**	**$168,899**	**$100,676**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
SW CIP Debt Service (Projects 2011 & beyond)		**$74,970**	**$106,255**	**$109,732**	**$121,319**	**$124,332**	**$184,701**	**$215,485**	**$246,269**	**$277,052**	**$307,836**	**$263,649**	**$263,147**	**$290,455**	**$309,651**	**$337,422**
Total CIP Debt Service		**$568,194**	**$513,432**	**$467,739**	**$479,326**	**$343,999**	**$404,368**	**$414,255**	**$415,168**	**$377,728**	**$307,836**	**$263,649**	**$263,147**	**$290,455**	**$309,651**	**$337,422**

* - Avergage Annual CIP (2011 - 2025) Costs Were Applied

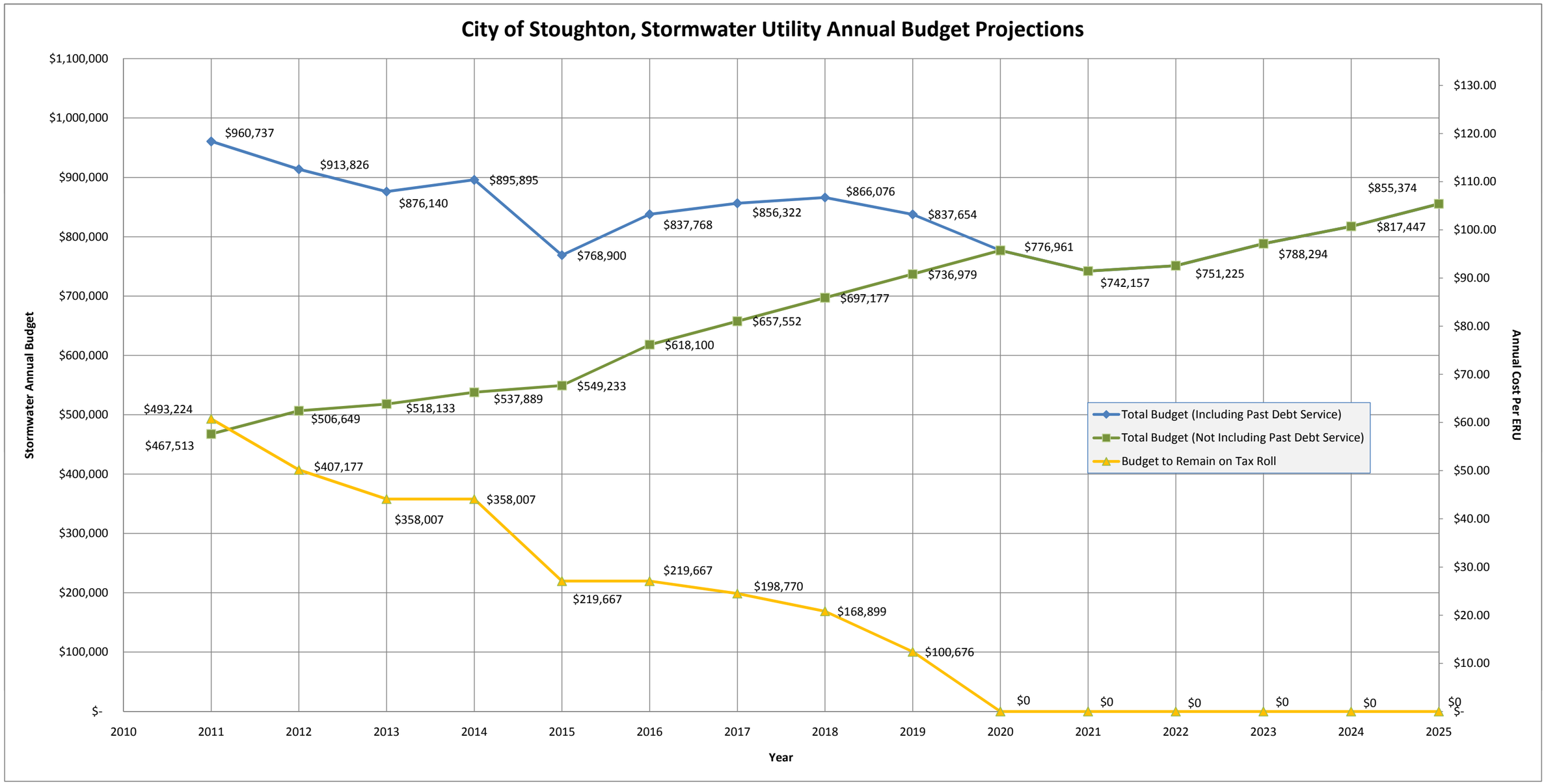
City of Stoughton, WI
Projected Stormwater Utility Budget (2011 through 2025)
Including Debt Service from Past CIP Projects

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration	$ 112,675	$ 114,929	$ 117,227	$ 119,572	$ 121,963	$ 124,403	$ 126,891	$ 129,429	$ 132,017	$ 134,657	$ 137,351	$ 140,098	$ 142,900	$ 145,758	$ 148,673
Operation and Maintenance	$ 279,868	$ 285,465	$ 291,174	$ 296,998	$ 302,938	$ 308,996	$ 315,176	$ 321,480	$ 327,909	$ 334,468	$ 341,157	$ 347,980	$ 354,940	$ 362,039	$ 369,279
Capital Improvements Debt Service	$ 568,194	$ 513,432	$ 467,739	$ 479,326	$ 343,999	$ 404,368	$ 414,255	$ 415,168	$ 377,728	$ 307,836	$263,649	$263,147	$290,455	$309,651	$337,422
Total	**$ 960,737**	**$ 913,826**	**$ 876,140**	**$ 895,895**	**$ 768,900**	**$ 837,768**	**$ 856,322**	**$ 866,076**	**$ 837,654**	**$ 776,961**	**$ 742,157**	**$ 751,225**	**$ 788,294**	**$ 817,447**	**$ 855,374**
Annual Cost Per ERU	**$ 130.24**	**$ 123.88**	**$ 118.77**	**$ 121.45**	**$ 104.23**	**$ 113.57**	**$ 116.08**	**$ 117.40**	**$ 113.55**	**$ 105.32**	**$ 100.61**	**$ 101.84**	**$ 106.86**	**$ 110.81**	**$ 115.95**
Monthly Cost Per ERU	**$ 10.85**	**$ 10.32**	**$ 9.90**	**$ 10.12**	**$ 8.69**	**$ 9.46**	**$ 9.67**	**$ 9.78**	**$ 9.46**	**$ 8.78**	**$ 8.38**	**$ 8.49**	**$ 8.91**	**$ 9.23**	**$ 9.66**

City of Stoughton, WI
Projected Stormwater Utility Budget (2011 through 2025)
NOT Including Debt Service from Past CIP Projects

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration	$ 112,675	$ 114,929	$ 117,227	$ 119,572	$ 121,963	$ 124,403	$ 126,891	$ 129,429	$ 132,017	$ 134,657	$ 137,351	$ 140,098	$ 142,900	$ 145,758	$ 148,673
Operation and Maintenance	$ 279,868	$ 285,465	$ 291,174	$ 296,998	$ 302,938	$ 308,996	$ 315,176	$ 321,480	$ 327,909	$ 334,468	$ 341,157	$ 347,980	$ 354,940	$ 362,039	$ 369,279
Capital Improvements Debt Service (New Projects Only)	$ 74,970	$ 106,255	$ 109,732	$ 121,319	$ 124,332	$ 184,701	$ 215,485	$ 246,269	$ 277,052	$ 307,836	$263,649	$263,147	$290,455	$309,651	$337,422
Total	**$ 467,513**	**$ 506,649**	**$ 518,133**	**$ 537,889**	**$ 549,233**	**$ 618,100**	**$ 657,552**	**$ 697,177**	**$ 736,979**	**$ 776,961**	**$ 742,157**	**$ 751,225**	**$ 788,294**	**$ 817,447**	**$ 855,374**
Annual Cost Per ERU	**$ 63.38**	**$ 68.68**	**$ 70.24**	**$ 72.92**	**$ 74.45**	**$ 83.79**	**$ 89.14**	**$ 94.51**	**$ 99.90**	**$ 105.32**	**$ 100.61**	**$ 101.84**	**$ 106.86**	**$ 110.81**	**$ 115.95**
Monthly Cost Per ERU	**$ 5.28**	**$ 5.72**	**$ 5.85**	**$ 6.08**	**$ 6.20**	**$ 6.98**	**$ 7.43**	**$ 7.88**	**$ 8.33**	**$ 8.78**	**$ 8.38**	**$ 8.49**	**$ 8.91**	**$ 9.23**	**$ 9.66**
Past Project Debt Service to Stay on Tax Roll	**$493,224**	**$407,177**	**$358,007**	**$358,007**	**$219,667**	**$219,667**	**$198,770**	**$168,899**	**$100,676**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Annual Cost Per ERU to Stay on Tax Roll	**$66.86**	**$55.20**	**$48.53**	**$48.53**	**$29.78**	**$29.78**	**$26.94**	**$22.90**	**$13.65**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Monthly Cost Per ERU to Stay on Tax Roll	**$5.57**	**$4.60**	**$4.04**	**$4.04**	**$2.48**	**$2.48**	**$2.25**	**$1.91**	**$1.14**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

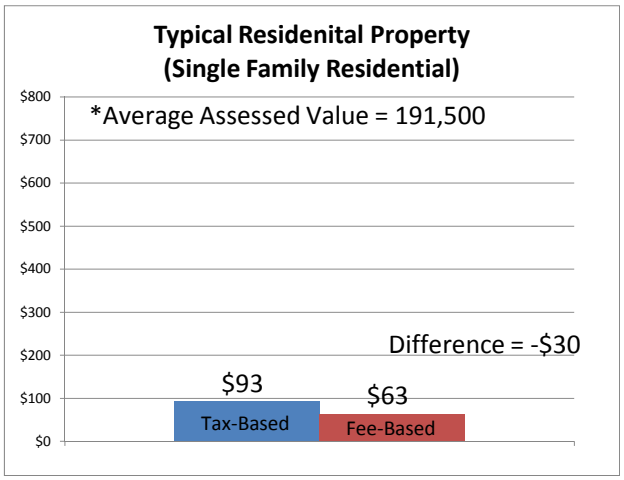
City of Stoughton, Stormwater Utility Annual Budget Projections

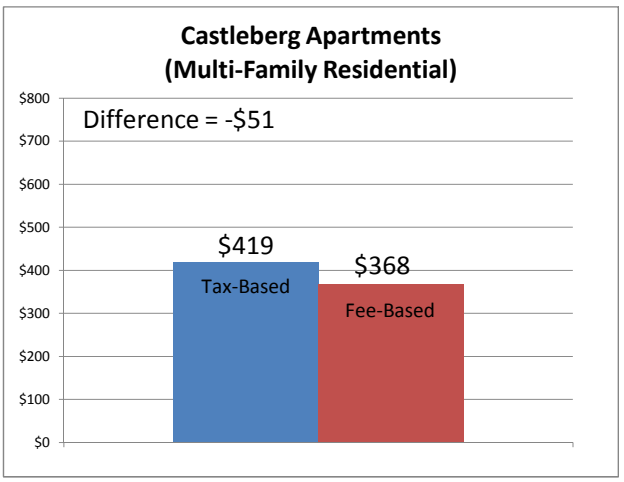


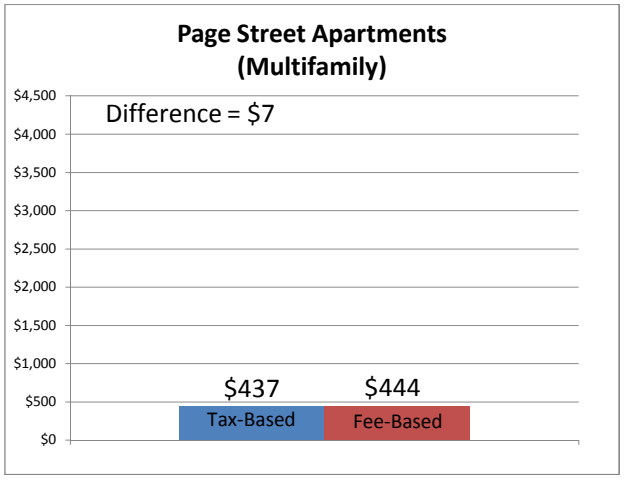
City of Stoughton
Stormwater Utility Feasibility Study
Possible Stormwater Utility Impacts on Selected Properties

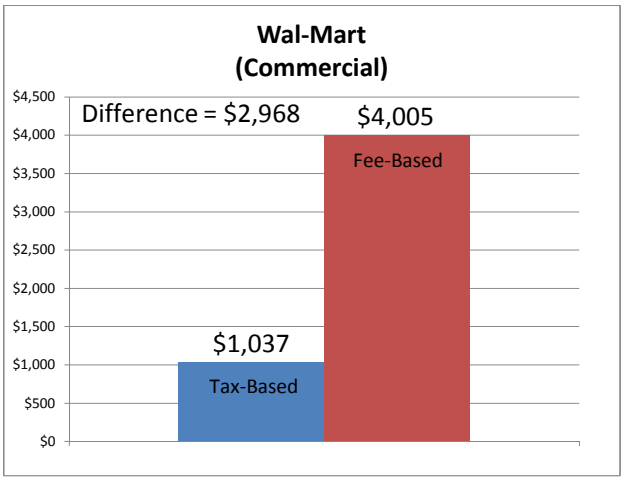
		Tax-Based (2011)			Fee-Based (2011 Stormwater Budget)			
Owner	Class	Assessed Value	Stormwater Contribution Rate	Annual Contribution	ERU's	Rate/ERU	Annual Contribution	Change
Typical Residential Property	Single Family Residential	$191,500	0.000485	$93	1.0	$63.38	$63	-$30
Castleberg Apartments	Multifamily Residential	$862,400	0.000485	$419	5.8	$63.38	$368	-$51
WPA LLC - Page Street Apartments	Multifamily Residential	$900,000	0.000485	$437	7.0	$63.38	$444	$7
WalMart	Commercial	$2,137,000	0.000485	$1,037	63.2	$63.38	$4,005	$2,968
Associated Bank	Commercial	$1,190,600	0.000485	$578	11.2	$63.38	$710	$132
Stoughton Trailer (10 Parcels)	Manufacturing	$11,906,000	0.000485	$5,778	1081.4	$63.38	$68,534	$62,756
First Lutheran Church	Tax Exempt	$0	0.000485	$0	12.4	$63.38	$786	$786
Stoughton Hospital (15 Parcels)	Tax Exempt	$0	0.000485	$0	32.5	$63.38	$2,060	$2,060
Stoughton School District (9 Parcels)	Tax Exempt	$0	0.000485	$0	534.9	$63.38	$33,900	$33,900
City of Stoughton (120 Parcels)	Tax Exempt	$0	0.000485	$0	156.8	$63.38	$9,937	$9,937
Venevoll (4 Parcels)	Commercial	$5,331,500	0.000485	$2,587	49.8	$63.38	$3,156	$569
Venevoll (11 Parcels)	Tax Exempt	$0	0.000485	$0	62.5	$63.38	$3,961	$3,961
Subtotal		$5,331,500	0.000485	$2,587	112.3	$63.38	$7,117	$4,530
Fosdal Bakery	Commercial	$152,700	0.000485	$74	1.0	$63.38	$63	-$11
Ortega (3 Parcels)	Industrial	$1,540,500	0.000485	$748	62.0	$63.38	$3,929	$3,182
Diversitech, Inc. (3 Parcels)	Industrial	$1,484,000	0.000485	$720	13.9	$63.38	$881	$161

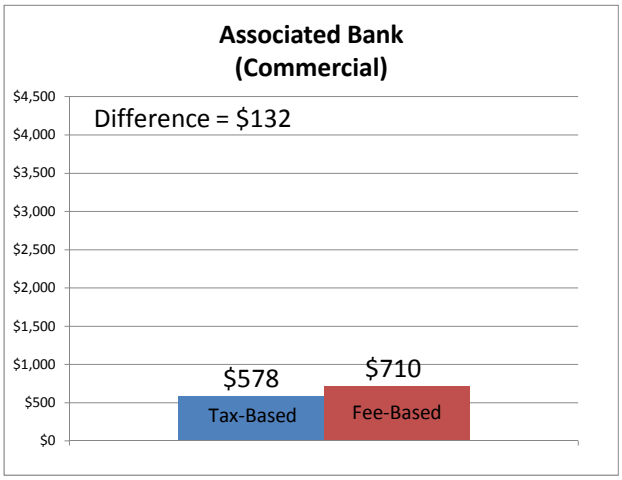
Note: Assessed Value for Residential Landuse Class Reflects Average Assessed Values of All Improved Parcels.

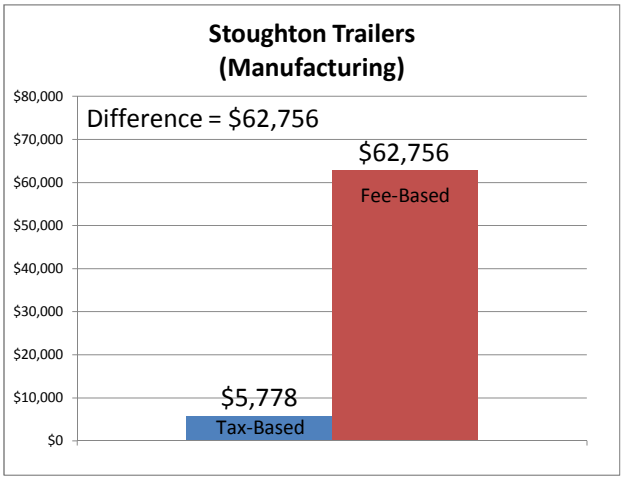

Typical Residenital Property
(Single Family Residential)
*Average Assessed Value = 191,500
$800
$700
$600
$500
$400
$300
$200
$100
$0
Difference = -$30
$93
Tax-Based
$63
Fee-Based

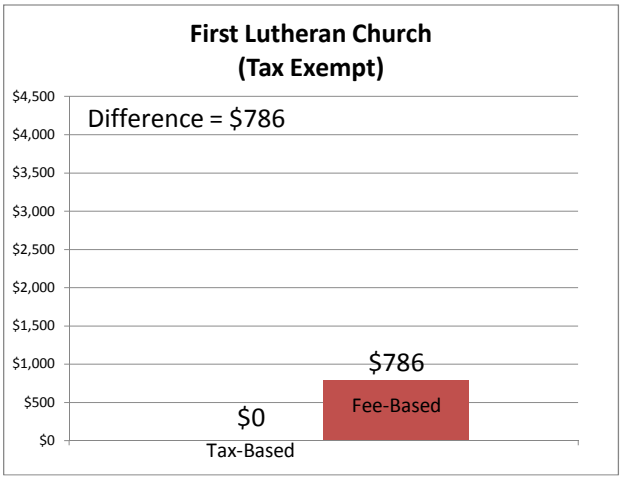

Castleberg Apartments
(Multi-Family Residential)
Difference = -$51
$800
$700
$600
$500
$400
$300
$200
$100
$0
$419
Tax-Based
$368
Fee-Based

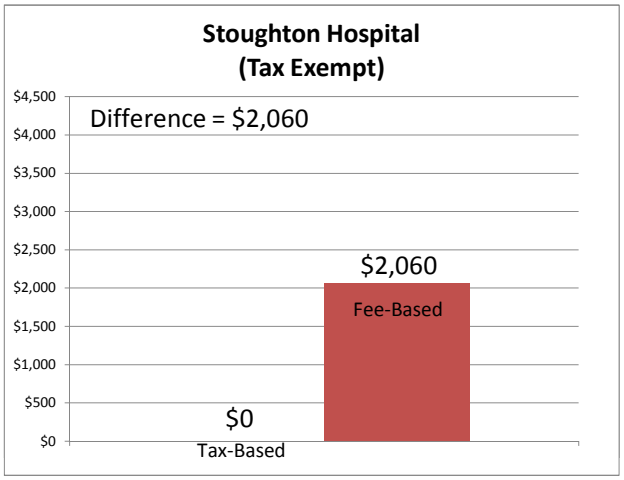

Page Street Apartments
(Multifamily)
Difference = $7
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$437
Tax-Based
$444
Fee-Based

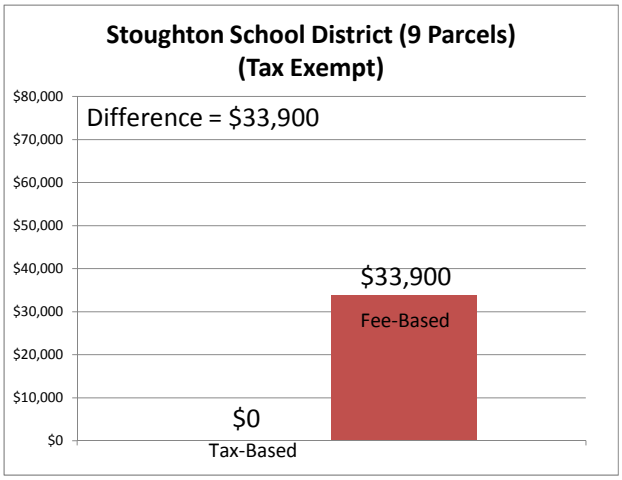

Wal-Mart
(Commercial)
Difference = $2,968
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$4,005
Fee-Based
$1,037
Tax-Based

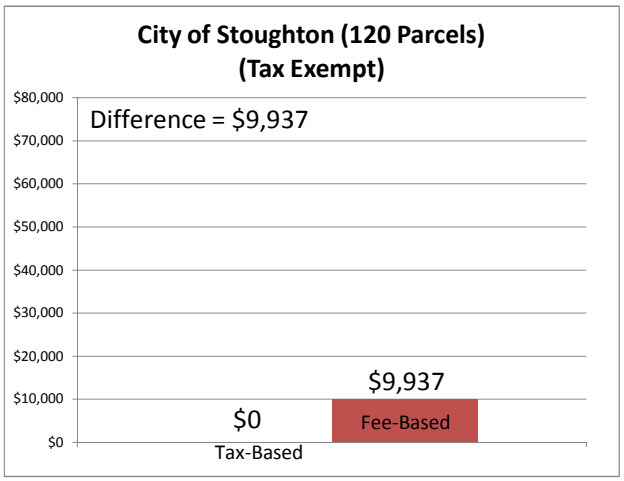

Associated Bank
(Commercial)
Difference = $132
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$578
Tax-Based
$710
Fee-Based

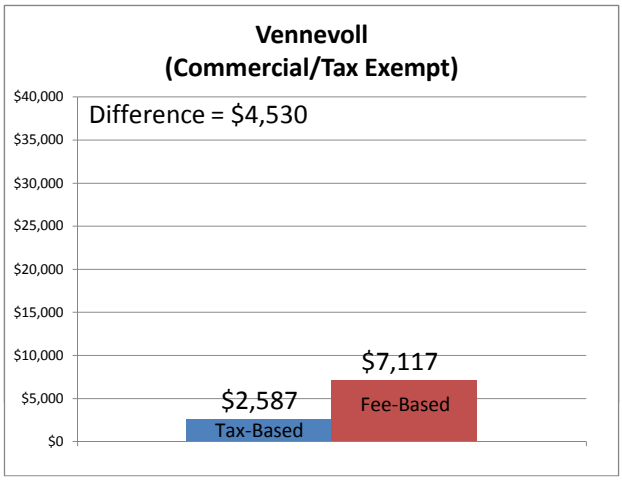

Stoughton Trailers
(Manufacturing)
Difference = $62,756
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$62,756
Fee-Based
$5,778
Tax-Based

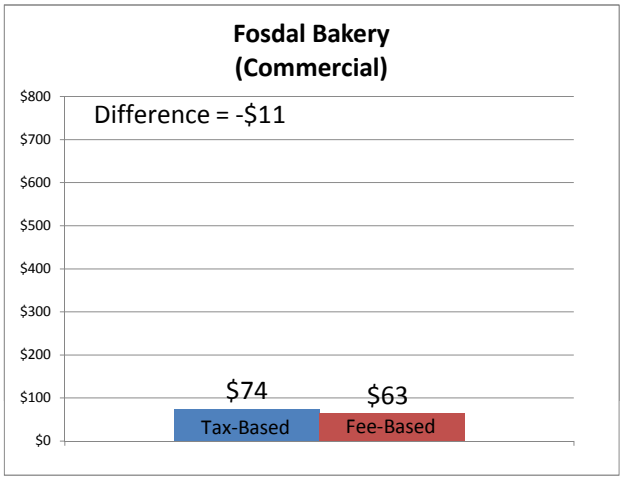

First Lutheran Church
(Tax Exempt)
Difference = $786
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$786
Fee-Based
$0
Tax-Based

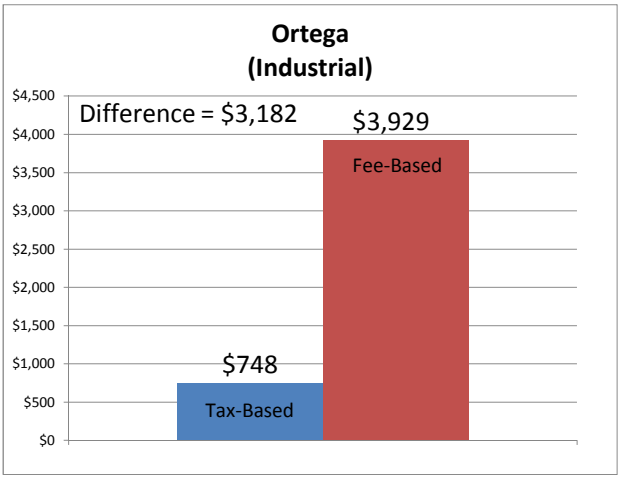

Stoughton Hospital
(Tax Exempt)
Difference = $2,060
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$2,060
Fee-Based
$0
Tax-Based

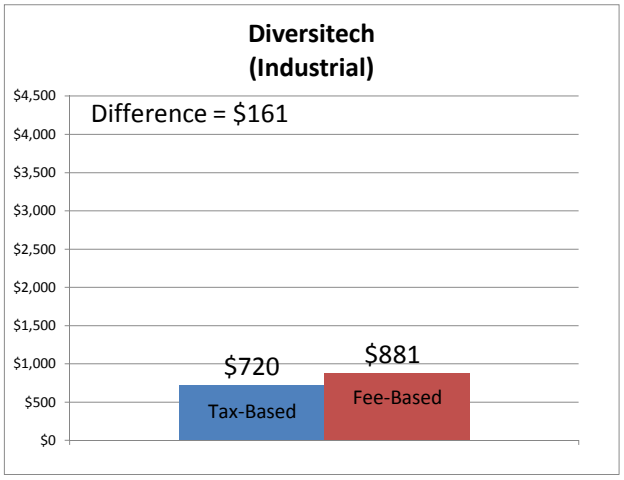

Stoughton School District (9 Parcels)
(Tax Exempt)
Difference = $33,900
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$33,900
Fee-Based
$0
Tax-Based


City of Stoughton (120 Parcels)
(Tax Exempt)
Difference = $9,937
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$9,937
Fee-Based
$0
Tax-Based


Vennevoll
(Commercial/Tax Exempt)
Difference = $4,530
$40,000
$35,000
$30,000
$25,000
$20,000
$15,000
$10,000
$5,000
$0
$7,117
Fee-Based
$2,587
Tax-Based


Fosdal Bakery
(Commercial)
Difference = -$11
$800
$700
$600
$500
$400
$300
$200
$100
$0
$74
Tax-Based
$63
Fee-Based


Ortega
(Industrial)
Difference = $3,182
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$3,929
Fee-Based
$748
Tax-Based


Diversitech
(Industrial)
Difference = $161
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
$881
Fee-Based
$720
Tax-Based

City of Stoughton
Stormwater Utility Study
Credit Policy Handout
May 5, 2010

1. Potential Credit Policy

a. Corrections-If customer believes the impervious area calculation is incorrect.

b. Adjustments

i. Modification of a customer's stormwater utility fee to reflect site specific runoff characteristics that are substantially different from those attributed to the base billing unit. Typically, if portion of property has significant surface area that is not being served by City-owned infrastructure.

ii. Should properties that drain directly into a major waterway (Yahara River) that doesn't use a City-owned facility be entitled to an adjustment? If so, what maximum credit would be allowable?

iii. Should properties that drain directly away from the City (i.e. into the Township) that doesn't use a City-owned facility be entitled to an adjustment? If so, what maximum credit would be allowable?

iv. The adjustment would only apply to the Capital and Debt Service and Operation and Maintenance (O&M) Components of the Stormwater Utility Fee. The Base Component would remain unchanged.

c. Credits

(1) Credit would only adjust the Capital and Debt Service and Operation and Maintenance (O&M) Components of the Stormwater Utility Fee. The Base Component would remain unchanged.

(2) Credit applies to:

(a) Typically non-residential and multi-family residential classes.
(b) Typically doesn't apply to residential.
    a. Consideration for one time cash incentive rebate for residential installation of rain barrels and rain gardens?

d. Exemptions

i. Properties that are exempt from property taxes are not exempt from the stormwater utility fee. Public right-of-way and railroad right-of-way is considered part of the City's stormwater conveyance system and therefore is exempt. No other exemptions from stormwater utility fees will be considered.

e. Right of Access

Potential Credit Policy	
Peak Flow Reduction Credit	
Device	Allowable Credit
Detention, Infiltration or Other Peak Flow Reduction Method Based on 2- and 10-Year Peak Flow (Percent Reduction)	Up to 25%
Stormwater Quality Credit	
Device	Allowable Credit
Wet Pond	Up to 25%
Infiltration Basin, Infiltration Strips, Rain Gardens, Bioretention	Up to 20%
In-Line Proprietary Stormwater Treatment Device	Up to 15%
Oil/Water separators, replaceable inlet inserts	Up to 10%
Stormwater Education Credit	Allowable Credit
Available to private & public schools where water resources & land stewardship curriculum is being taught.	Up to 25%
TOTAL	**Cumulative maximum of 50% on O&M and Capital & Debt Service**

2. APPLICATION PROCEDURES AND REQUIREMENTS

a. Correction Applications

i. Property location.
ii. Layout of impervious surface areas on the property.
iii. A calculation of impervious area (in square feet) for each delineated drainage area on the property.

b. Adjustment Applications

i. Property location.
ii. Drainage basin divides on the property.
iii. Layout of impervious surface areas on the property.
iv. Layout of the drainage system on the property, including location and elevations of natural and man-made features.

v. Sufficient topographic data or elevations to verify general drainage patterns across the property.
vi. A calculation of impervious area (in square feet) for each delineated drainage area on the property.

c. Credit Applications
    i. Maintenance information.
    ii. Technical information (certified by a Wisconsin Professional Engineer)
        (a) Site plan(s) at a scale of 1"=100' or larger (i.e. 1"=50' or 1"=20' etc.) appropriate to display the following information clearly.
        (b) Summary of runoff peak flow calculations for the 2- and 10-year, 24-hour rain event, by watershed.
        (c) Calculations (and factors used for calculations) performed to determine existing postdeveloped "managed", or postdeveloped "unmanaged" peak flow control including, but not limited to the following.
    iii. Statement of Certification.

6.0 The Water Education Credit (EXAMPLE)

The education credit is available to schools that educate and inform their students about the importance of our surface and groundwater resources using the Water Sourcebook (or similar) educational program. The goal is to reach all students within a school with this information at least once during their time at any one school. The rationale behind this credit is that the information provided by the school will translate into appreciation and stewardship of water resources and thereby reduce negative impacts (usually pollutant impacts) on local streams, ponds and lakes that can result from uniformed citizens. The premise being that our children influence parents in decisions made on the quality of life.

Policies specific to the Water Education Credit are as follows:

1. The Water Education credit is available to K through 12 schools (both public and private) located in the City of Cartersville and is a maximum of fifty percent (50%).
2. The Water Education Credit will be pre-approved on an annual basis for the subsequent school year. Credit received for the year's educational activities will be shown on the monthly utility bill over a twelve-month period beginning in September of the school year.
3. The Water Education Credit requires submittal of both an application and attendance at an annual meeting with the SWMD to review the success of the program. The application need only be completed once, and requires a description of the educational program, list of educational tools used, estimated number of students that will/have receive the education, and the length of the educational program. Credit approval must be renewed each year via approval of an annual report.
4. The credit will be applied only to the school property(s) where the curriculum is taught (e.g., if the curriculum is taught only at Cartersville Elementary School, the credit will be applied only to that property, not the entire City school system).
5. To receive the full credit, the curriculum must be scheduled with the intention that all students should receive the curriculum at least once during a typical tenure at the school. For example, a typical tenure for high school would be four (4) years, so it would be expected that approximately 25% of students in the school would be taught the curriculum.
6. Schools that do not teach the curriculum in a manner that allows all students to receive it within a typical tenure at the school can receive partial credit. The credit will be calculated based on the percentage of students that the curriculum is intended to reach, relative to a 50% base goal.

City of Stoughton
Stormwater Utility
Frequently Asked Questions

1. What is stormwater management?

Stormwater management is effectively managing the quantity and quality of stormwater runoff within and leaving the City. Stormwater is surface flow (runoff) that occurs from rain or snow melt events. Runoff within the City flows over land or streets to a municipal collection system consisting of storm sewer pipes, ditches, culverts, swales, and detention facilities, ultimately discharging to the Yahara River. The City performs a wide variety of services to carry out stormwater management activities as follows:

a. Maintenance
   - Cleaning, repairing, and replacing storm sewer manholes, inlets, and pipes.
   - Constructing new storm sewer projects.
   - Mowing ditches and greenways.
   - Cleaning brush or debris from drainageways where allowed.

b. Water Quality Practices
   - Street sweeping.
   - Leaf collection.
   - Deicing and Snow Removal Operations
   - Inspecting and enforcing construction site erosion control standards.
   - Maintaining stormwater detention basins.

c. Planning and Engineering
   - Engineering studies to determine the size and type of structures that must be used to improve the drainage system and reduce risk of flooding.
   - Reviewing and approving land development stormwater management practices.
   - Water quality studies to determine the areas where pollution reduction practices must be utilized along with other state requirements to meet Wisconsin Department of Natural Resources (WDNR) permit goals.

2. Why have a Stormwater Utility?

A Stormwater Utility provides a fair and equitable way of collecting revenue for stormwater management system improvements under which property owners are charged a user fee based on the amount of stormwater "produced" on their property. All property owners pay their fair share of stormwater management costs, similar to a water or electric utility. Currently, stormwater costs are paid for through the property tax roll, placing a majority of the burden of paying for stormwater management on the residential sector. A Stormwater Utility would reallocate the cost of stormwater management to the properties that drive the service costs, such as commercial, industrial, and other properties with large impervious surfaces. The Utility would also charge tax exempt properties, which currently do not contribute to stormwater management but are typically associated with generating significant runoff such as government property, schools, and churches.

3. Why not continue to include stormwater management costs as part of the General Tax Fund?

Currently, the costs of expansion, operation, and maintenance of the City's stormwater management system are paid for by property taxes through the General Fund. Increasing pressures on the general fund caused by rising municipal costs and reduced revenues from the State of Wisconsin have made the General Fund a less reliable source for stormwater management funding. In 2006, the City of Stoughton was issued a Wisconsin Pollution Discharge Elimination Permit (WPDES) for stormwater discharges to waters of the State of Wisconsin that requires the City to implement stormwater regulations as administered by the WDNR. To help meet the mandated requirements of the WPDES permit, the City Council has hired an engineering consultant to evaluate the feasibility of implementing a Stormwater Utility. The Stormwater Utility would charge a fee as a means of addressing stormwater management funding needs without placing an additional burden on property taxes. Unlike property tax funding, user charges under a Stormwater Utility are established in proportion to the relative amount of stormwater runoff "generated" by an individual property. Without the Utility, other City services funded by property taxes would likely need to be reduced.

4. When would Stormwater Utility billing begin?

Should the City Council decide to adopt a Stormwater Utility, billing would likely commence in January 2011.

5. Who would have the authority to approve the Stormwater Utility budget?

The Common Council would serve as the Stormwater Utility board. All policy and budget decisions would be reviewed and approved by the elected officials of the Common Council.

6. Have other cities created stormwater user fees?

As of 2010, more than 71 utilities have been established in Wisconsin communities to fund their stormwater management programs. User fees for stormwater services range from $15.00 to over $100.00 annually for the base equivalent runoff unit (ERU) charge. Communities in Dane County that have adopted stormwater utilities include DeForest, Fitchburg, Madison, McFarland, Monona, and Sun Prairie. The City of Verona is in the process of adopting a stormwater utility.

7. How would my Stormwater Utility charge be determined?

Stormwater fees are based on the amount of impervious surface on each property. Therefore, properties with a greater amount of impervious area generate a greater amount of stormwater runoff resulting in a higher impact on the stormwater drainage system. Impervious surfaces include roofs, private sidewalks, private streets, driveways, patios, and parking lots. The impervious area for all nonresidential parcels (commercial, institutional, etc.) and multifamily parcels has been measured and a sample of the single-family residential parcels has been measured from aerial photos and supplemented using site plans.

The Stormwater Utility charge would likely be based on an ERU. An ERU is defined as the average impervious area of a single-family parcel. A sample of the single-family residential parcels was measured from an aerial photo and the average impervious area of a single-family home in Stoughton

was determined to be 3,105 square feet. Thus, 1 ERU would equal 3,105 square feet for the City's Stormwater Utility rate structure. The annual charge per ERU has not yet been determined and is currently being evaluated. However, typically the annual charge per ERU or annual charge for a single-family residential property varies from $60 to $100, depending on the stormwater utility revenue needs for the community.

8. What are the components of a Stormwater Utility fee?

The stormwater user fee would include three distinct components:

a. Base Component
The base component includes the Stormwater Utility's estimated annual administrative and management costs, water quality costs, and other miscellaneous costs. Costs associated with the new WDNR requirements are included in the base component.

b. Operation and Maintenance Component
The Operation and Maintenance (O&M) component includes the utility's estimated annual operation and maintenance costs for the City's stormwater management system, including storm sewer and detention basin maintenance, street sweeping, and so on.

c. Capital and Debt Service Component
This includes capital costs and debt service payments for the City's stormwater management system.

9. How is a nonresidential property charged for stormwater?

The nonresidential classification includes properties such as commercial, intuitional, and manufacturing. Nonresidential also includes tax-exempt properties, mobile home parks, and multifamily dwellings with three or more units.

An ERU is considered to be the average impervious area present on a single-family residential parcel based on measurement of a random sampling of residential parcels within the service area. ERUs are assigned to nonresidential parcels based on dividing the actual measured impervious area by the average impervious area for a typical single-family residential parcel. For example, in the City of Stoughton one ERU is based on an average residential impervious area of 3,105 square feet, therefore a nonresidential parcel with 31,050 square feet of measured impervious area would be assigned 10 ERUs (31,050 square feet divided by 3,105 square feet = 10 ERUs). In this way, a nonresidential parcel having ten times the amount of impervious area of a typical single-family residential parcel will pay ten times the average residential charge for stormwater management.

10. Would I be able to reduce my fee by controlling runoff from my property?

Single-family homes and duplexes typically are not eligible for a fee reduction. This is because there are benefits to all property owners that are paid for by the utility, such as street sweeping, leaf collection, and general system maintenance. However, the City is considering offering single-family and duplex parcels a one-time rebate for implementing measures such as rain barrels or rain gardens. A potential system of credits for non-residential rate-payers is being evaluated to reduce the fee in certain circumstances, such as properties with detention basins.

11. Would the credit policy reduce the fee of all the fee components?

No. Credits typically are applied only to a percentage of the capital and debt service (8c above) and operation and maintenance (8b above) components of a Stormwater Utility fee. Properties qualifying for a credit typically are still responsible for the base component (8a above) unless the applicant can demonstrate the property is regulated by a separate municipal Stormwater Discharge Permit (WPDES).

12. What if my property never floods, will I still have to pay a stormwater fee?

All developed property in Stoughton would pay a Stormwater Utility fee regardless if a drainage concern exists on that specific property or not. Even if your property has never flooded, the stormwater that flows off your property must be managed so that it does not contribute to flooding in areas downstream.

13. Who can I contact for additional information?

Contact Director of Planning and Development, Rodney Scheel, for more information. He can be reached at (608) 873-6619, or by e-mail: rjscheel@ci.stoughton.wi.us