



# Stormwater Utility Questions and Answers

The City of Essex Junction is forming a stormwater utility to create a fair, equitable, and stable source of funding for stormwater management that is paid by all properties, including tax-exempt.

## **How does the City currently pay for its stormwater services?**

The money currently comes from the City's general fund budget. The general fund budget is made up of revenues derived from property and sales taxes that are collected by the City. Stormwater competes for general fund revenue alongside police, fire, streets, parks, etc. The Stormwater Utility creates a dedicated revenue stream, and the stormwater user fee provides a reliable and fair method for collecting revenue to allow the City to provide increased and improved stormwater management services.

## **Why is this a stormwater fee and not a property tax increase?**

Property taxes are based only on the assessed market value of a property without taking into consideration the contribution of stormwater runoff from a property. Charges derived from property values are not fairly and equitably allocated to stormwater services. A stormwater user fee is charged based on the contribution of stormwater runoff to the City's stormwater management system. This is a more fair and equitable approach.

### **Why is a stormwater utility fee being implemented?**

Federal and state regulations require the City of Essex Junction to address the amount of stormwater runoff that is impairing local streams and Lake Champlain. These regulations require the City to obtain a Municipal Separate Storm Sewer System (MS4) permit under the National Pollutant Discharge Elimination System (NPDES) and to create a comprehensive program to seek out and eliminate, to the maximum extent practical, pollutants carried by stormwater runoff.

### **Why should I pay for rain falling on my property?**

Property and/or business owners are being charged a utility service fee for the cost and privilege of discharging stormwater into the public stormwater system, which the City is obligated under law to maintain. With a stormwater rate, users are charged a fee for runoff discharged from their property to the City's stormwater management system, not by the amount of rain falling on their property. Property owners control the level of development on their properties, which directly impacts the runoff characteristics of the parcel.

### **Why do we need to spend more on stormwater?**

Although the City has done an excellent job providing stormwater services on a very limited budget, the backlog of stormwater projects has grown, and additional maintenance activities are required. Local, state, and federal laws also require that municipalities address the environmental impacts of stormwater pollution, but do not provide the funds to do it.

### **What happens if the City does nothing or refuses to comply with the permit?**

Should the City choose not to comply with the Federal and State Stormwater permit, penalties for willful non-compliance can reach up to \$25,000 per day for each day of a separate offense, or imprisonment, or both. Penalties assessed for violation of the mandate could inevitably be passed on to the citizens.

### **Who pays the stormwater utility fee?**

Property parcels, including the tax-exempt ones, within the corporate City limits will pay the stormwater utility fee.

### **How was the stormwater utility fee determined?**

A stormwater utility fee is similar to a water or sewer utility fee. In essence, customers pay a fee to convey stormwater from their properties. Similar to other utilities, the fee is based on usage. In this case, it is based on the amount of impervious area (IA) (measured in square feet) on a parcel. The amount of impervious surfaces on parcels within the City limits was determined using GIS and satellite imagery. The Equivalent Residential Unit (ERU) was then calculated by finding the median amount of impervious surfaces per single-family home. In the City of Essex Junction, a single-family home, including duplexes and triplexes, will be charged 1 ERU. Non-single-family parcels will be charged based on the measured amount of impervious area. The rate per ERU is set by the City of Essex Junction City Council annually.

### **How will the stormwater billing process work?**

Each parcel within the City limits will be charged a stormwater fee. The fee will be sent in a utility bill tri-annually in February, June, and October. The bill will be separate from the annual property tax bill.

### **Who is eligible for a credit?**

A stormwater credit will be granted to eligible non-single-family residences (commercial properties), known as NSFRs. The stormwater credit is an ongoing reduction in the stormwater fee related to activities or practices that reduce the stormwater impact on the greater public stormwater system. Credits are available for up to 50% of the total annual stormwater fee for a property. It is the responsibility of the property owner to apply for the Stormwater Credit.

### **How often will the stormwater user fee be updated?**

The budget, expenditures, and revenues of the stormwater utility fund will be examined on an annual basis as part of the budget process for the City. The actual calculations performed to determine the amount of impervious on a given parcel will be reviewed any time a User Fee Credit modification request is made, an appeal is filed, or new data (such as satellite imagery or statewide base cover calculations, typically every five years) is issued.

**Will the creation of a stormwater utility result in a reduction of my property taxes?**

No. Historically, only a small amount of general fund revenues has been allocated to stormwater management activities. These limited dollars will simply be absorbed into other expanding programs such as Parks, Fire, and Police Departments.

**If I disagree with the amount I am being charged, what do I do?**

The property or parcel owner may appeal an allocation of ERUs to the Water Quality Superintendent if there have been physical changes made to the property that would affect the property's ERU calculation from the time aerial imagery was most recently analyzed. The property or parcel owner shall bear the burden of proof in providing evidence to support their claim in a manner that is satisfactory. The filing of an appeal shall not relieve a property or parcel owner of the obligation to pay the user fee when due.