

Method of Charging Various Property Types - Storm Water
7/16/2015

Stormwater Utility Name	Equivalent Runoff Unit, ERU, Size (Sq. Feet)	ERU's Charged per Single Family Home	ERU's Charged per Duplex	ERU's Charged per Triplex	ERU's Charged for All Other Properties
City of Appleton	2,368				
Village of Little Chute	2,762	1.00	1.20	By sq. ft.	By sq. ft.
City of Oshkosh	2,817	.67 - 1.33*	.67 - 1.33*	.67 - 1.33*	By sq. ft.
City of Kaukauna	2,944	1.00	1.20	By sq. ft.	By sq. ft.
City of Menasha	2,980	1.00	2.00	N/A	By sq. ft.
City of Neenah	3,138	0.50 - 2.00*	0.50 - 2.00*	0.50 - 2.00*	By sq. ft.
Town of Grand Chute	3,283	1.00	2.00	2.00	By sq. ft.
Village of Kimberly	3,350	1.00	Unknown	Unknown	By sq. ft.
Garner's Creek Watershed	3,623	Unknown	Unknown	Unknown	By sq. ft.
Town of Neenah	4,040	1.00	Unknown	Unknown	By sq. ft.
Town of Menasha	4,177	1.00	1.32	1.98	By sq. ft.

* Dependent on Size of Parcel

Stormwater Utility Name	Population of Municipality (2010 census)	Year Stormwater Utility Created	Equivalent Runoff Unit, ERU, Size (Sq. Feet)	Annual Stormwater Fee for one ERU (typical single family home)	Does the Stormwater Utility Offer Credits? (Yes/No)	Max Credit Amount Available	Does the Utility Offer "Numerically Defined Hydrologic Criteria" Documented in a Published Credit Policy or Ordinance? (Yes/No)	Max Credit Amount Available Based on "Numerically Defined Hydrologic Criteria" Documented in a Published Credit Policy or Ordinance	Primary Reason for Creating Stormwater Utility (where: a) Pay for WPDES MS4 permit compliance, b) pay for flood control projects, c) Free up property taxes to fund other community needs, and/or d) Other)	Community has WPDES MS4 Permit	Approximate Stormwater Utility Annual Revenue	Approximate Total Annual Cost to Comply with WPDES MS4 Permit (Including Admin, Capital, and O&M Expenses)
Appleton (City)	60,045	1996	2,368	\$ 155.00	Y	73%	Y	73%	a, b, c, d - create dedicated funding source for sw management	Y	\$ 9,000,000	\$ 3,680,000
Oshkosh (City)	66,083	2003	2,817	\$ 177.92	Y	75%	Y	75%	a, b	Y	\$ 3,200,000	unknown
Kimberly (Village)	6,468	2007	3,350	\$ 110.00	N	NA	N	NA	a, b, c, d	Y	\$ 57,400	\$ 400,000
Menasha (Town)	18,498	2009	4,177	\$ 100.00	Y	80%	Y	80%	a, b	Y	\$ 1,500,000	\$ 1,500,000
Grand Chute (Town)	20,919	1997	3,283	\$ 99.84	Y	85%	Y	85%	a, b, d - to fund stormwater infrastructure on a town-wide basis	Y	\$ 2,500,000	\$ 760,000
Garner's Creek Watershed (Includes Village of Combined Locks, Town of Buchanan, and Town of Harris)	20,922 - total population of three constituent municipalities	1998	3,623	\$ 96.00	Y	85%	Y	85%	a, b, d - Reduce streambank erosion	Y	\$ 830,000	\$ 580,000
Little Chute (Village)	10,749	1999	2,762	\$ 84.00	N	NA	N	NA	a	Y	\$ 311,000	\$ 715,000
Neenah (City)	25,501	2003	3,138	\$ 84.00	Y	68%	Y	68%	a, c, d - capture appropriate service costs from non-profit owned properties	Y	\$ 2,100,000	\$ 2,465,000
Menasha (City)	17,353	2008	2,980	\$ 75.00	Y	68%	N	NA	a	Y	\$ 1,120,000	unknown
Neenah (Town)	3,237	2008	4,040	\$ 75.00	Y	undefined	N	NA	a, b	Y	\$ 307,000	\$ 360,000
Kaukauna (City)	15,462	2009	2,944	\$ 66.00	Y	50%	Y	50%	a	Y	\$ 830,000	\$ 5826,000 plus capital projects
Greenville (Town)	10,309	2004	4,510	\$ 65.00	Y	85%	Y	85%	a, b	Y	\$ 614,000	unknown

Storm Water Utility Details – Q & A

Q. Why does the City of Menasha have a Storm Water Utility?

A. The City of Menasha Storm Water Utility was created in 2008 in response to the Wisconsin Department of Natural Resources Administrative Code Section 216 requirements to improve the quality of storm water discharged into waters of the state. The City owns, constructs, operates, repairs and maintains the storm sewer system that provides collection and management of storm water generated by properties within the City.

Costs associated with storm water management significantly increased in order to meet the NR 216 requirements. The Storm Water Utility allows the City to equitably charge all dischargers of storm water on a volume basis. Included are tax exempt properties, which typically can be some of the largest generators of storm water runoff. The Utility also allows the City to credit properties with systems that reduce runoff volume or improve storm water quality and properties that generate little runoff or discharge directly to the Fox River or Lake Winnebago.

Q. How is the Storm Water Utility Classified and how are the records for the Utility maintained?

A. The Storm Water Utility is classified as an enterprise fund of the City. An enterprise fund establishes a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. Under enterprise accounting, all applicable revenues and expenses are recorded in a separate fund with its own financial statements, and are not commingled with the revenues and expenditures of the government activities of the City. The objective of an enterprise fund is to charge the costs of the program to those that benefit from the program, and to be self-sustaining, utilizing its revenues to cover its expenditures, and using its returns/proceeds to cover its capital activities. If an enterprise fund is not self-sustaining, and cannot support its own activities, it must be supported by outside funds such as general tax revenue.

Q. When and how was the Storm Water Utility created?

A. The Storm Water Utility was created by the Common Council on October 20, 2008, with Ordinance O-19-08. The Council then authorized an initial ERU (Equivalent Runoff Charge) of \$65.00 per year, on January 5, 2009, to be effective for services on and after January 1, 2009.

Q. What are the current rates being charged to ratepayers and when were the rates established?

A. The current rate, as authorized by the Common Council on December 21, 2009, effective for services on and after January 1, 2010, is \$75.00 per ERU (Equivalent Runoff Unit) per year.

Q. What are the comparable rates being charged by other Wisconsin Storm Water Utilities (geographic and size comparisons)?

See Attachment – Comparable Listing

Q. What gets charged to the Storm Water Utility and Why?

A. See Attachment - Details of Charges to the Storm Water Utility

Q. Why is a rate increase required in the Storm Water Utility?

A. Storm water rates were last revised in 2010. Since that time, the City's cost to operate and maintain our storm sewer system has increased due to increases in the cost of labor, construction, materials, and equipment operation. Additionally, the City has added several Best Management Practices (BMP's) including storm water management ponds, bio-filters, etc. that require City resources to construct and manage. An increase in the amount of street improvement work also has resulted in the decrease of the Storm Water Utility Fund Balance because the Fund supports the construction of associated curb and gutter and storm sewer system items.

With the approval of the Lower Fox River TMDL, additional storm water discharge quality improvements will be necessary to meet the TMDL standards. Although we do not know the exact dollar impact to the City at this time, we do know this will require additional spending to meet our assigned load allocation.

Q. What happens to the Storm Water Utility if there is not a rate increase?

A. As discussed during the 2015 Budget process, there are two choices: (1) reduce the expenses (i.e. reduce the services provided) of the Storm Water Utility, or (2) increase the rates to an adequate level to operate the Utility. If the rates are not set and maintained at a prudent level to operate and maintain the Utility, there will be a need to increase the tax levy to make up the shortage.

Q. What is the recommended timing of the rate increase?

A. Staff is recommending a phased in approach, to arrive at the needed rates, with two increases: the first increase would be effective for services on and after September 1, 2015, and the second increase would be effective for services on and after July 1, 2016. Staff is currently working on the analysis and will forward it, along with the rate recommendation to the Board of Public Works, for consideration, no later than the second meeting in July.