

STORM WATER FEE CREDITS FOR PROPERTIES ADJACENT TO THE CATAWBA RIVER

INTRODUCTION

At the inception of Charlotte-Mecklenburg Storm Water Services in 1993-1994, a fee credit policy was adopted and applicable to all properties except individual single-family residential properties. In order to qualify for a credit, commercial properties and single-family residential properties with a homeowner's association prepare an engineering study and construct facilities to mitigate the impact the property's runoff has on the drainage system. The policy was subsequently amended to allow single-family residential properties with ponds to qualify for fee credits through a simplified process. One of the primary criteria for a "pond" credit is the property owner must own all or a significant part of the pond.

In the past, property owners located immediately adjacent to the Catawba River (including Lake Norman, Lake Wylie and Mountain Island Lake) expressed concern that the impact on storm water downstream of their property is drastically different from the impact experienced downstream from other properties in Mecklenburg County. In December 1994, a fee credit policy was adopted for property owners adjacent to the Catawba River.

In December 1999, the *Policy to Establish Periodic Storm Water Service Charges for Properties within Mecklenburg County* was modified based on a Storm Water Utility Rate Allocation Analysis, taking into account past and future expenses by Charlotte-Mecklenburg Storm Water Services. Due to the fact that the City of Charlotte and Mecklenburg County do not fund water quality activities from the storm water fee, the water quality portion of the fee credit was eliminated. The other remaining components of the fee are:

- Volume: costs associated with mitigating damages as a result of normal flows and maintaining existing drainage features.
- Peak: costs associated with mitigating damages as a result of peak storm discharges. These include capital improvements to increase the size of drainage systems; adoption and enforcement of flood control regulations; and measures for the protection of structures from flooding.

The financial analysis of the City and County storm water utilities showed that 60% of the storm water fees are used to pay for volume control expenditures and 40% are used to pay for peak discharge control expenditures. The results of this analysis led staff to consider a modification to the fee credit policy to include properties immediately adjacent to the Catawba River. The final version of this policy was developed from discussions with City-County Storm Water staff, the Towns, and the Charlotte-Mecklenburg Storm Water Advisory Committee members.

The result of applying the analysis to the unique situation of the properties along the Catawba River can be summarized as follows:

- Volume: costs associated with mitigating damages as a result of normal flows and maintaining existing drainage features do not relate to properties along the Catawba River. Repairing and maintaining the banks of the Catawba River is not within the scope of work for Storm Water Services. Therefore, there should be a 100% volume credit, which equates to 60% of the combined peak/volume credit.
- Peak: Properties along the Catawba River that meet the criteria below only contribute to problems that are addressed through the enforcement of flood control regulations and other flood prevention measures for the protection of structures. Capital improvements to the Catawba River are not within

the scope of work for Storm Water Services. Based on the analysis and services provided, approximately 3.6% of the combined peak/volume-related costs are associated with these services. Therefore, a 36.4% peak credit is appropriate.

QUALIFICATION CRITERIA

Properties adjacent to the Catawba River (including Lake Norman, Lake Wylie and Mountain Island Lake) are eligible for a storm water fee credit if all storm water runoff from the impervious area on the property flows directly into the River without entering any drainage system which qualifies for assistance.

POLICY

Properties adjacent to the Catawba River that meet the qualification criteria will receive the following storm water fee credit:

<u>Category</u>	<u>Percent Credit</u>
Peak (40% maximum)	36.4%
Volume (60% maximum)	60.0%
	96.4% Total Credit

Example (Tier II – Single-family residential greater than 2000 sq. ft. of impervious area):

For a parcel currently receiving a monthly bill of \$3.72, which includes a \$0.70 billing and collection charge per bill, the new amount would be the following:

$$(\$3.72 - \$0.70)(100\% - 96.4\%) = \$0.11 \text{ per month} + \$0.70 \text{ per bill.}$$

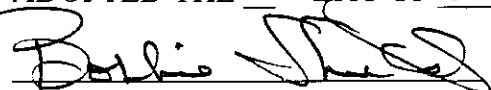
The vast majority of properties that meet the above criteria are single-family residences and they receive a semi-annual storm water bill that covers a six-month service period. For the example above, the property owner would be billed \$0.66 for the six-month billing period + \$0.70 fixed fee billing and collection charge. When the fixed fee billing charge exceeds the cost related to storm water services, the County will waive the storm water service fees. However, for properties where the storm water service charge exceeds the fixed fee billing charge, i.e. industrial, commercial, multi-family, etc., a storm water bill will be issued with the new credit of 96.4% applied.

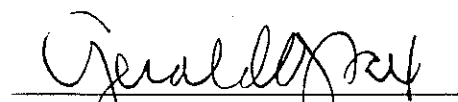
In the event that it becomes economically feasible to bill for storm water due to increases in fees reduction in the fixed fee charges, modification of the storm water fee credits, etc., then the County will resume billing these properties.

Any customer who feels he/she is entitled to this credit but has not received it, or feel that the credit has been incorrectly calculated, may request a review and adjustment of their storm water bill in accordance with the appeal process set out in the *Mecklenburg County Policy to Establish Periodic Storm Water Service Charges for Properties within Mecklenburg County*.

This credit policy is effective July 1, 2000.

ADOPTED THE 30TH DAY OF JUNE, 2000.


County Engineer


County Manager