

# Town of Addison

## STORMWATER UTILITY FEE CREDIT POLICY

### **I. Authority and Purpose**

The Town of Addison (Town) adopted an ordinance in October 2012 declaring stormwater (drainage) to be a public utility in order to provide a stable and equitable funding source for its stormwater management program. Benefitted properties (as defined in the ordinance) are charged a monthly Stormwater Utility Fee for service based on the amount of impervious area on the property. The Stormwater Utility Fee for a property may be allocated to several utility billing customers or tenants who use only a portion of the property.

The ordinance establishing the Stormwater Utility gives the Town's Director of Public Works (Director, and including the Director's designee) the authority to adjust the Stormwater Utility Fee by granting credits to rate payers who voluntarily use effective stormwater control features and techniques, or Best Management Practices (BMPs), on their property to offset the impacts of stormwater runoff quantity and quality from their property. These credits are applied as a discount to the regular, monthly Stormwater Utility Fee calculated with the current prevailing rate.

The purpose of this Stormwater Utility Fee Credit Policy is to establish the conditions that must be achieved to qualify for Fee credits against the regular, monthly Stormwater Utility Fee, and to establish the administrative procedures for applying the credits to individual properties. This Policy is adopted in accordance with Section 82-268(c) of the Town's Code of Ordinances.

### **II. Types of Credits**

Individual properties may be eligible for credit after construction and implementation and upon continuing maintenance of several possible quantity and quality improvements and BMPs on the property.

The maximum credits available with appropriate documentation and approval by the Director are as follows:

- (1) Mitigation efforts impacting stormwater (drainage) quality are worth up to fifty percent (50%) credit against the [regular, monthly] Stormwater Utility Fee
- (2) Mitigation efforts impacting stormwater (drainage) quantity are worth up to fifty percent (50%) credit against the [regular, monthly] Stormwater Utility Fee

### **III. Eligibility**

Both residential (single family) and non-residential properties are eligible for a Stormwater Utility Fee credit.

**IV. Application; Fees for Application**

In order to be considered for a credit, a property owner or the owner's authorized agent must submit an application for a Stormwater Utility Fee credit to the Town on a form approved by the Town (see Section XIII, below). No fees are required to submit an application for a Stormwater Utility Fee credit. The cost of administering this Stormwater Utility Fee credit policy (Policy) will be borne solely by the Town through its Stormwater Management Program. The costs of preparing the application for a Stormwater Utility Fee credit shall be borne by the owner of the property.

**V. Compliance Reporting; Cost of Compliance Reporting**

Once a property is determined by the Town to be eligible for a credit, the owner of that property (or the owner's authorized agent) must each year, in order to retain such eligibility, submit to the Town a self-inspection report (see Section IX, below). The costs of performing compliance activities and preparing and submitting any annual, self-inspection report shall be borne by the owner of the property.

**VI. Administration of Policy**

This Policy will be administered as follows:

- The Director will be responsible for the overall administration of this Policy. The Director will review (or caused to be reviewed) and determine whether or not to approve applications for the Stormwater Utility Fee credits and, if approved, certify the total amount of credit associated with each application. The Director will annually certify that credits should be extended or terminated each year. If the Director denies an application, the applicant may appeal the denial to the Town Manager (or a person designed by the Town Manager). A determination by the Town Manager (or the designated person) is final.
- The Director will be responsible for administering the credit. This will include reviewing and approving applications, inspections, and annually certifying that credits should be extended or terminated each year.
- The Director will be responsible for amending the stormwater account records to reflect changes in credits.
- The Director will receive and review annual self-inspection reports and conduct independent inspections of stormwater control features (BMPs), as appropriate, to ensure that these facilities are being maintained properly and in accordance with adopted maintenance plans.

**VII. Engineering Documentation**

Technical information may be required from a Professional Engineer licensed to practice in the State of Texas and qualified in Civil Engineering to establish the impervious area that is served by a particular BMP, as well as to document compliance with the Town's design standards. The Town may require such technical information from a property owner (at the property owner's sole cost and expense) as a condition to receiving and reviewing an application or any other information or report from the property owner.

### **VIII. Inspections**

Upon application for a Stormwater Utility Fee credit (or in connection with an annual self-inspection report (see Section IX, below)), the applicant shall grant the Town a right-of-entry to inspect the site that is the subject of the application at any time in order to verify the information submitted and to confirm compliance with applicable program requirements set forth in this Policy. If, after its review or inspection, the Town finds the application (or annual self-inspection report) to be inaccurate or the facility (BMPs) to be out of compliance, the applicant will be notified in writing (Notice) and given up to sixty (60) days to correct the inaccuracy or non-compliance.

Within 60 days following the applicant's receipt of the Notice, the applicant must provide to the Town written documentation and evidence (Notice Response) satisfactory to the Town that the application (or annual self-inspection report) has been corrected and/or that the facility (BMPs) is in compliance with all applicable program requirements. If the inaccuracy in an application (or annual self-inspection report) has not been corrected or the facility (BMPs) is not in compliance as required by the Notice and this Policy (as determined by the Town), or if the property owner fails to provide a Notice Response to the Town within the 60 day period, the Stormwater Utility Fee credit will be suspended on the following utility billing cycle. The credit suspension will remain in effect for six (6) months, after which time the property owner may reapply for the Stormwater Utility Fee credit. The reapplication must include evidence satisfactory to the Town that the inaccuracy in an application (or annual self-inspection report) has been corrected or that the facility (BMPs) has been in compliance with program requirements for at least three (3) months prior to reapplication, and the Town may require any other information that is required in an initial application for Stormwater Utility Fee credits.

### **IX. Annual Self-inspection Reports**

If a property has been given a Stormwater Utility Fee credit pursuant to this Policy, the property owner must submit to the Town an annual self-inspection report for the property. The report must be submitted not earlier than February 1 and not later than March 31 of each year, and must show or document compliance, to the Town's satisfaction, with all program requirements for the preceding calendar year. If the annual self-inspection report is incomplete or is not submitted to the Town by the deadline for reporting, the property shall be considered to be in non-compliance with the Stormwater Utility Fee credit program requirements; and, the Stormwater Utility Fee credit will be suspended. The Stormwater Utility Fee credit suspension will remain in effect for three (3) months and will not be reinstated until the completed annual, self-inspection report is submitted to the Town with

documentation, to the Town's satisfaction, that the program is being implemented as intended.

**X. Stormwater Utility Fee Credits Related to Stormwater Quantity Improvements**

Stormwater (drainage) **quantity** Fee credits may be applicable if the improvements (BMPs) on a property reduce the impact of the stormwater discharge rate from the property.

**A. Reduced Discharge Credit**

A Stormwater Utility Fee credit of up to 50% may be applicable for a detention facility that reduces the stormwater discharge rate from a property during a 100-year, 24-hour rainfall event. The detention facility must reduce the stormwater discharge rate by an amount greater than the requirement that is stipulated for development or redevelopment of the property as determined by the Town's then applicable Drainage Criteria manual and related policies. The stormwater discharge volume reduction must be documented in a drainage study and/or by design plans sealed by a Professional Engineer licensed to practice in the State of Texas and qualified in Civil Engineering and submitted to the Town. Detention that is required for compliance with rules or regulations which prohibit an increase in the stormwater discharge rates that adversely impact downstream infrastructure and properties will not qualify for a reduced discharge credit. However, these situations will be reviewed individually, based on documentation submitted by the applicant and in accordance with the Town's adopted policies.

**B. Zero Discharge Credit**

A credit of 50% against a Stormwater Utility Fee will be given for impervious areas which drain to a retention pond that is designed and operated to contain runoff from a 100-year, 24-hour rainfall event without discharge. This credit is intended for those situations where rainwater runoff is stored for later re-use. The non-discharge must be documented in a drainage study and/or by design plans sealed by a Professional Engineer licensed to practice in the State of Texas and qualified in Civil Engineering and submitted to the Town.

**XI. Stormwater Utility Fee Credits Related to Stormwater Quality Improvements and Activities**

Stormwater (drainage) **quality** fee credits of up to 50% may be applicable if the improvements (BMPs) on a property improve the water quality of the stormwater runoff from the property.

**A. Industrial Facility Permit Compliance Credit**

Industrial facilities within the Town that are required by the Texas Commission on Environmental Quality (TCEQ) to obtain coverage under:

1. a Multi-Sector General Permit (TXR050000) for stormwater discharge,
2. an applicable stormwater general permit (TXR1110000, TXG340000), or
3. an individual facility permit

(each such permit being an Industrial Facility Permit or Permit) may be eligible for a 5% credit against the Town's Stormwater Utility Fee.

The Industrial Facility Permit compliance fee credit is available for participation in a voluntary, self-assessed reporting system.

- The industrial facility must be consistently in compliance with all Permit requirements;
- Stormwater quality testing results must be consistently at or below benchmark levels or effluent limits during each sampling event. For results that exceed benchmarks or effluent limits, appropriate actions, documented in the Stormwater Pollution Prevention Plan that is applicable to the property which is the subject of an application for a Stormwater Utility Fee credit, must be taken to reduce pollutant discharges. Continued elevated levels of pollutant discharges may result in suspension from the Stormwater Utility Fee credit program;
- Copies of stormwater quality test results must be submitted to the Town;
- A copy of the facility's annual compliance inspection report required by the Permit must be submitted to the Town; and
- A copy of the facility's Stormwater Pollution Prevention Plan required by the Permit must be submitted to the Town.

Facilities with a No Exposure Certification (NEC) are also eligible for the Industrial Facility Permit Compliance credit if compliance with all NEC requirements are maintained.

#### **B. Channel Erosion Protection Credit**

A 5% Stormwater Utility Fee credit may be given for impervious areas draining into detention basins and retention facilities designed to control the one-year frequency rainfall event over 24 hours to mitigate increases in the stormwater discharge rate due to development or redevelopment. The purpose of this type of control is to reduce the erosive impact of increased flows and velocities on drainage channels with a natural, vegetative cover. The reduction in erosive impacts must be documented in a drainage study and/or by design plans sealed by a Professional Engineer licensed to practice in the State of Texas and qualified in Civil Engineering and submitted to the Town.

The owner of the property on which the stormwater facility is located must submit to the Town an annual, self-inspection report (applicable to the preceding year) not earlier than February 1 and not later than March 31 each year in order to document that the required maintenance is being provided. If the report fails to document that the required maintenance is being provided, or if the property owner fails to timely file the report, the Town may suspend the credit.

**C. Inlet Trash Collection**

A 5% credit may be given for impervious areas draining to inlets that are designed and operated to collect litter and sediment for minor flows of less than one-year storm frequency. Approval must be obtained for the specific design of the facility, including the manufacturer's recommended maintenance procedures and frequency of maintenance.

The owner of the property on which the stormwater facility is located must submit to the Town an annual, self-inspection report (applicable to the preceding year) not earlier than February 1 and not later than March 31 each year in order to document that the required maintenance is being provided. If the report fails to document that the required maintenance is being provided, or if the property owner fails to timely file the report, the Town may suspend the credit.

**D. Parking Lot Sweeping**

A 5% Stormwater Utility Fee credit may be given for parking lots which are vacuum swept at least once per week.

The owner of the property must submit an annual, self-inspection report not earlier than February 1 and not later than March 31 in order to document coverage and sweeping frequency. If the report fails to document coverage and sweeping frequency, or if the property owner fails to timely file the report, the Town may suspend the credit.

**E. Water Quality Treatment (BMPs)**

Stormwater quality controls such as those included in Table A may be eligible for a Stormwater Utility Fee credit. The credit amount will be 0.5 times the effectiveness factor of the stormwater quality control. The effectiveness of the control feature included in Table A of this Policy is defined by the mathematical average of the Removal Rate factors documented in the North Central Texas Council of Government's (NCTCOG's) Site Development and Construction Manual (iSWM™ Technical Manual, Site Development Controls, Table 1.2).

Variances from these effectiveness factors may be applicable if documented in an

approved water quality study and/or by design plans for the specific site and sealed by a Professional Engineer licensed to practice in the State of Texas and qualified in Civil Engineering that is approved by the Town.

For example, the stormwater quality effectiveness factors for a “dry detention pond” from Table A average to 43%. A Stormwater Utility Fee credit for stormwater quality improvement related to a dry detention pond will be calculated as  $0.43 \times 50\% = 22\%$ . Therefore, a Stormwater Utility Fee credit of 22% against the fee for the impervious area that drains to the dry detention pond on the property will be allowed.

**F. Other Stormwater Quality Controls**

Additional stormwater quality controls may be eligible for a Stormwater Utility Fee credit. The effectiveness of the control feature must be documented in a study and/or by design plans sealed by a Professional Engineer licensed to practice in the State of Texas and qualified in Civil Engineering, and such study and/or plans must be submitted to the Town.

**G. Student Education at a School**

A 10% Stormwater Utility Fee credit may be given for impervious areas contained within public or private educational facilities for K-12 grades, where an average of one hour per student of age appropriate stormwater related teaching is provided each year. Eligible topics include flood protection, public safety, and environmental stewardship related to stormwater runoff. The curriculum materials are subject to approval by the Town. Annual self-reporting by March 31 will be required.

**XII. Application for Credits**

All applicants must complete the attached Application for a Stormwater Utility Fee credit.

Industrial facilities applying for the Industrial Permit Compliance credit must also complete the Supplemental Industrial Permit Information form. All required attachments indicated in the forms or specified above must be included for the application to be considered complete.

The initial review of the Stormwater Utility Fee Credit Application will be completed within sixty (60) days of the Town’s receipt of the fully completed application form and the required documentation (as determined by the Town). The Application form will be checked by the Town for completeness and accuracy prior to it being considered filed with the Town. If deficiencies are found during the review, a deficiency letter will be sent to the applicant's contact person. Upon the applicant’s correction of all deficiencies, such as receipt of required

additional information, the Town's review will resume and be completed within sixty (60) days after the Town's receipt of the corrected deficiencies (e.g., the receipt of additional information).

For the Industrial Permit Compliance credit and certain other credits, an inspection may be required. Where this is required, a Town inspector will contact the applicant to schedule an initial facility inspection to establish current compliance status, discuss any deficiencies that require correction, and schedule a follow-up inspection if necessary.

Upon initial qualification for the Stormwater Utility Fee credit, a letter will be sent to the applicant notifying them of approval of the credit. The Stormwater Utility Fee reduction will be applied on the next regular utility billing cycle and may be prorated for the first month after the fee credit is applied.

This Policy, and all matters related hereto, are subject to modification by the Director, and the Policy in effect at the time an application, report, document, or other information is submitted to the Town shall control the review and processing of, and implementation of the Policy in connection with, such application, report, document, or other information.



**Table A**  
**Average Water Quality Effectiveness Factors of BMPs**

<b>Best Management Practice (BMP)*</b>	<b>Average Pollutant Removal Efficiency**</b>
Gravity (Oil-Grit) Separator	10%
Grass Channel	25%
Filter Strip	26%
Enhanced Wet Swale	33%
Porous Concrete with infiltration	35%
Green Roof	41%
Dry Detention	43%
Enhanced Dry Swale	44%
Stormwater Wetlands	54%
Stormwater Ponds	56%
Sand Filters	49%
Underground Sand Filter	49%
Modular Porous Paver Systems with infiltration	50%
Submerged Gravel Wetland	54%
Bioretention Areas	54%
Planter Boxes	58%
Organic Filter	61%
Downspout Drywell	76%
Infiltration Trench	76%
Soakage Trench	76%
Alum Treatment	77%

\* BMP applies to Impervious Area Controlled by the BMP.

\*\* Average Removal of TSS, Phosphorus, Nitrogen, Fecal Coliforms, and Metals from values included in Table 1.2 of the North Central Texas Council of Government's (NCTCOG's) Site Development and Construction Manual (iSWM™ Technical Manual, Site Development Controls).