



STORMWATER UTILITY FACT SHEET

Towns of Indian Trail and Stallings, North Carolina



BACKGROUND

When it rains, pollutants such as fertilizer, oil, grease and pet waste are picked up from the ground and carried to the nearest storm drain and ultimately into local streams and rivers without treatment. These pollutants can impair the waterways, thereby discouraging recreational use, contaminating drinking water supplies, and interfering with the habitat for fish, other aquatic organisms and wildlife.

The United States Environmental Protection Agency's (USEPA's) National Pollutant Discharge Elimination System (NPDES) Stormwater Phase II Rule requires small municipalities, such as Indian Trail and Stallings, to develop and implement stormwater management programs (SWMPs) for their municipal separate storm sewer systems (MS4s). The activities required of a SWMP are intended to improve waterways by reducing the quantity of pollutants that stormwater picks up and carries into storm sewer systems during storm events. Large and medium municipalities were required to implement SWMPs in the 1990's under the NPDES Stormwater Phase I Rule.

Both Indian Trail and Stallings were issued NPDES permits by the North Carolina Department of Environment and Natural Resources (NCDENR) to discharge stormwater from their MS4s to local streams. Each town is required to develop and implement a SWMP as a requirement of their permit. Indian Trail and Stallings are, therefore, each establishing a **Stormwater Utility** to provide a dedicated and adequate source of funding to be in compliance with the requirements of their permits.

FREQUENTLY ASKED QUESTIONS

Q. How will the Stormwater Utility be created?

The Towns of Indian Trail and Stallings will each adopt a Stormwater Utility Ordinance to establish a Stormwater Utility. The authority to create a utility is provided by Article 16 of Chapter 160A (Cities and Towns) of the North Carolina General Statutes. Although stormwater utility fees have been challenged in the past, state and federal courts have ruled that stormwater utility fees are necessary to maintain the public stormwater system and represent an equitable way for communities to share the cost of a public service.

Q: What was the process for establishing the Stormwater Utility.

A joint Stormwater Advisory Committee (SWAC) was established by the Towns of Indian Trail and Stallings in January 2007. The towns decided to work together as a cost-effective means for meeting the similar requirements of their NPDES MS4 permits. SWAC members were selected by the Indian Trail and Stallings Town Councils and represent a broad spectrum of stakeholders including elected officials, (Town Council), appointed officials (Planning Board and Board of Adjustment) and town residents. The SWAC has met monthly since February 2007 to discuss the permit requirements, stormwater management issues, and funding solutions. An engineering consultant was hired to provide direction and expertise to the towns in development and implementation of the Stormwater Utility.

Q. How will the Stormwater Utility be funded.

The towns' stormwater utilities will be funded through stormwater utility fees. A stormwater utility fee is similar to a water or sewer fee. In essence, customers pay a fee to convey stormwater from their properties.

Q. What will the money collected by the Stormwater Utility be used to pay for?

The revenues generated by this fee in each town will be used to pay for annual compliance requirements of their NPDES MS4 permits as well as to fund stormwater infrastructure improvement and maintenance projects.

STORMWATER UTILITY FACT SHEET (continued)

Q. Who is required to pay a stormwater utility fee?

All property owners in each town who have properties with impervious surfaces will have to pay a stormwater utility fee. This includes all residential, commercial and industrial parcels as well as all Town, County, State, Federal and other public property parcels.

Q. How is the stormwater utility fee determined?

First Year Fees: The fees during the first year of the stormwater utility will be set at **\$42 per year** for all residential real estate parcels and **\$200 per year** for all nonresidential real estate parcels. The revenues collected during the first year will be used to get the stormwater utility up and running.

Subsequent Year Fees: Work is currently underway to develop a more detailed stormwater utility **fee structure** for the second and subsequent years. In these years, the **fee structure** will be based on the amount of stormwater runoff a real estate parcel contributes to the stormwater system as determined by the amount of impervious surface on that parcel.

First, impervious surface area will be measured from a sample of single family residential parcels within both towns and an average value calculated. This average single-family residential parcel impervious area will be referred to as the Equivalent Residential Unit (ERU). A tiered **fee structure** will be developed to account for different size (e.g., small, medium and large) residential (single family, townhome and condominium) parcels. All non-residential parcels including apartment complexes will be charged based on the amount of impervious surface on their property as compared to the ERU value.

New **fee rates** for residential and non-residential parcels will be developed once all of the impervious surface data has been obtained. These rates will be set based on preliminary estimates of annual costs for each town's SWMP as well as comparisons to rates charged by nearby municipalities such as Mint-Hill, Matthews, Pineville, Huntersville, and unincorporated areas of Mecklenburg County.

Q. What is an impervious surface and how was it determined for my parcel?

An impervious surface is any surface that prevents water from soaking into the ground. Examples include: buildings, driveways, parking lots, patios, paved areas, tanks, and pads. The amount of impervious surface for residential parcels will be estimated from building footprint data available in the Union County geographic information system (GIS) real property database. The actual impervious surface area for each non-residential and apartment parcel will be measured using the GIS parcel database. Digital aerial photographs of the towns will also be used as necessary to verify parcel information.

Q. How will the Stormwater Utility Fee be billed?

The Stormwater Utility Fee will appear on your property tax bills that are mailed out in late summer. The Fee will appear for the first time on the bills mailed out in September 2007.

Q. Is there anything I can do to dispute or reduce my Stormwater Utility Fee?

Rules for disputing your Stormwater Utility Fee will be contained in the Stormwater Utility Ordinance. Any parcel owner may dispute their fee according to these rules. A credit system will be developed for non-residential properties that will allow up to a maximum 50% credit for qualified, properly designed, installed and maintained water quality best management practices (BMPs). Residential properties are not eligible for fee reductions because they typically only have a small amount of impervious surface and pay only a small fee when compared to non-residential properties.

Q. Where can I get more information regarding the stormwater utilities?

More information is available at www.indiantrail.org and www.stallingsnc.org.