

What is a stormwater utility?

A stormwater utility is very similar to water, gas and other utilities. The utility charges a fee for services provided. In this case, the service is a maintained stormwater system and cleaner water resources for the residents and businesses in the townships of Salt Lake County. The utility fee is based on how much hard surface exists on a parcel, as more hard surface areas generate more stormwater runoff, which will result in a higher fee.

What is stormwater runoff?

Stormwater runoff is the water that flows off developed parcels (from building rooftops, driveways, parking lots and other hard surfaces) during rain storms and from snow melt. Runoff from these hard surfaces are conveyed to ditches, pipes, roadways, and detention basins, then discharging into creeks and the Jordan River.

How are stormwater services currently funded?

Stormwater services are funded through the municipal services fund.

- Stormwater services include: master planning, storm drain design and construction, operation and maintenance of pipes, basins and street sweeping, and other water quality improvement projects for the townships.
- A utility creates a dedicated fund that is used for specific services to provide and maintain stormwater drainage systems and services.

What is the basis for the fee that is charged?

The monthly fee is assessed to every developed parcel within the townships. The monthly fee is based on the amount of hard surfaces (roofs and pavement) that the property owner has.

- All single-family residential parcels, (about 38,200 parcels) will be assessed the same monthly fee, based on an average of 3,300 square feet of hard surfaces. This is based on a review of randomly selected residences throughout the townships which determined that the average amount of hard surfaces for single family residential is 3,300 square feet. Therefore, an equivalent residential unit (ERU) is determined to be 3,300 square feet.
- Condominiums will be assessed a monthly fee, based on a portion of the single-family parcels and the common areas.
- Other developed parcels will be based on the measured amount of hard surfaces that cover the parcel (using aerial photography), converted to ERU's and then multiplied by the single family residential rate. For example, a business site with 9,000 square feet of roof top and parking will be charged 3 times the amount of a single family residential parcel as $9,000 / 3,300 = 2.7$ which is rounded to 3.

How will the stormwater fee be billed?

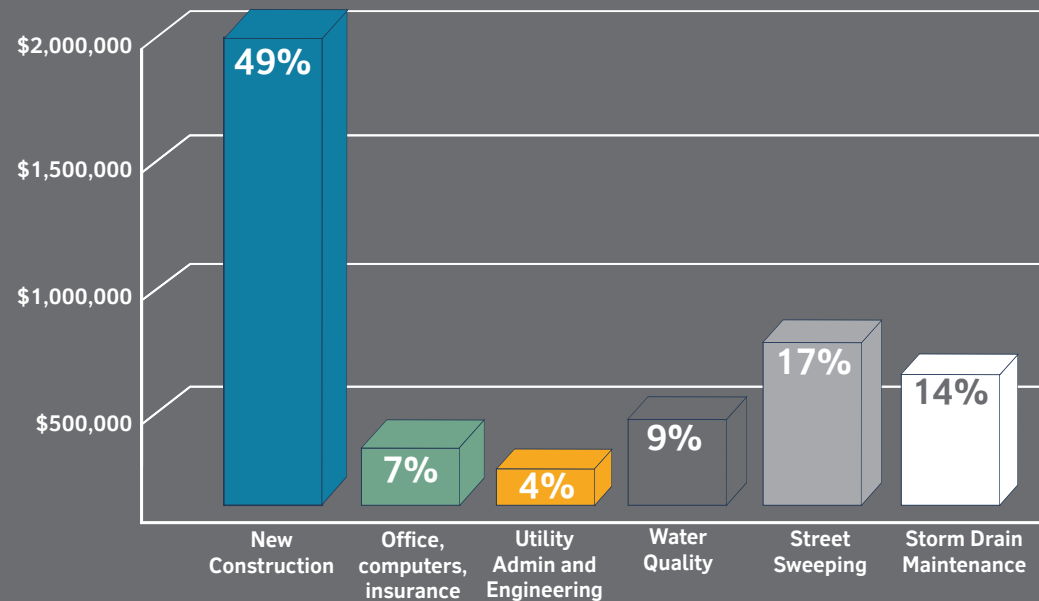
There are options for how customers will be billed. The final option will be decided as the process progresses.

- Monthly bills sent by the County, or a designated billing agency.
- Annual assessments applied to property tax statements (additional statements may need to be generated for tax-exempt parcels).

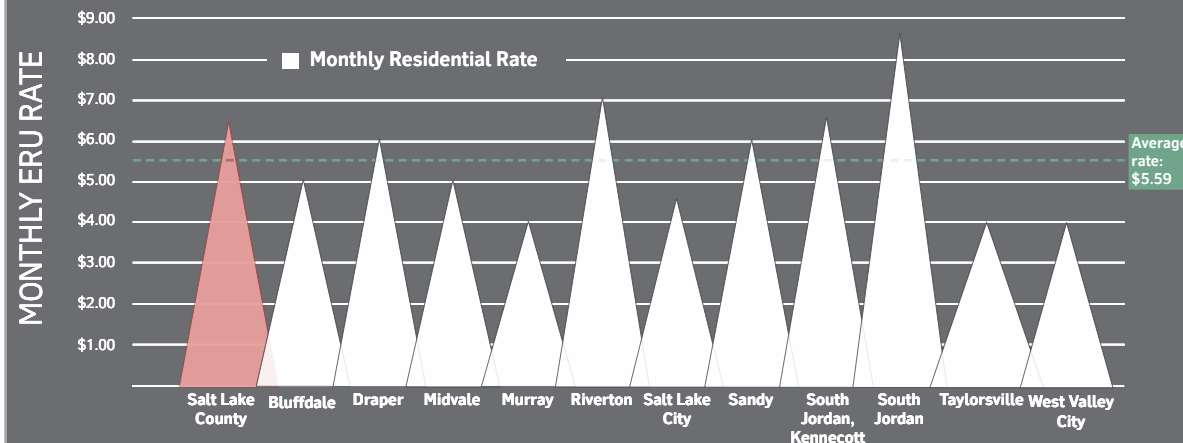
SUMMARY OF REVENUE

Customer	MONTHLY ERU RATE	# of ERU's AS OF 2009	Year 1	Revenue Projections (Escalated for growth)			
				Year 2	Year 3	Year 4	Year 5
Single Family Residential Parcels							
Single Family Residential	\$6.40	37,428	\$2,870,000	\$2,870,000	\$2,890,000	\$2,900,000	\$2,990,000
Single Family Residential - Discount for Hardship	\$4.48	772	\$42,000	\$42,000	\$42,000	\$42,000	\$43,000
Other Parcels							
Condominiums	\$4.48	4,717	\$254,000	\$254,000	\$255,000	\$256,000	\$263,000
Other Developed (Non-SFR)	\$6.40	32,727	\$2,510,000	\$2,510,000	\$2,530,000	\$2,530,000	\$2,610,000
Total Revenue			\$5,676,000	\$5,676,000	\$5,717,000	\$5,728,000	\$5,906,000
Potential Credits							
25% of Non-SFR would apply for 40% discount	\$4.48	8,182	(\$250,000)	(\$250,000)	(\$251,000)	(\$253,000)	(\$260,000)
Total Revenue			\$5,426,000	\$5,426,000	\$5,466,000	\$5,475,000	\$5,646,000

SUMMARY OF EXPENSES



COMPARISON OF REGIONAL MONTHLY RESIDENTIAL RATES



Revenue Policies

- The utility will generate revenue to fund stormwater services for the townships*.
- The financial model assumes no fee increase for the first 5 years.
- Credits can be applied to parcels based on water quality improvements and disability or low-income seniors.
- The revenue will come from all developed parcels, which include, single family residential, condominiums, apartments, commercial, industrial and institutional (schools and churches).
- The utility will establish a basis for the monthly fee, an equivalent residential unit (ERU) of 3,300 square feet. This means that every single family residential parcel will be assessed \$6.40/month.
- Other developed parcels are charged the same fee proportional to the parcel's hard surface area.
- Utility administration and billing expenses will be paid by the utility.

*Township refers to all Unincorporated areas
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STORMWATER UTILITY NEXT STEPS

Council decides to move forward:

- Outline policy development for strategic points.
- Finalize revenue policies (i.e minimum rate, credits, hardship).
- Update the impervious area database for non-single family residence to most available parcel data and aerial images.
- Determine billing method.
- Develop ordinance.
- Prepare and distribute information to potential customers .
- Implement program (target date January 1, 2016).

Council decides not to move forward:

- Stormwater services will continue to be funded through the Municipal Services Capital Improvement fund.
- Stormwater services will continue to compete for funding with other municipal services needs.
- Additional funding will be required to meet EPA Clean Water Act requirements (current staffing/ funding levels are not sufficient to meet current requirements).
- The existing system will continue to age requiring additional funds to maintain and operate.