

Stormwater Management Utility Service Charges and Credits Policy

Authority

Authority for the stormwater management utility service charge credit is found in the City of Hendersonville's Code of Ordinances, reference Chapter 24, Article IV of the City of Hendersonville Code of Ordinances. Furthermore, the enactment of standard utility policies requires the approval of the City Council. As fee schedules, rates and other specific policies are updated, it will be the responsibility of the Finance Department to ensure this policy manual is revised in accordance with City Council action.

Introduction and Background

The City of Hendersonville, North Carolina has implemented a stormwater management utility service charge to fund the operation, maintenance, and capital investments of the City's stormwater program. With the stormwater management service charge, a non-residential property owner pays a rate proportional to the amount of impervious surface on the parcel. *Impervious surface* shall mean developed areas of land that prevent or significantly impede the infiltration of stormwater into the soil. Typical impervious surfaces include, but are not limited to: Roofs, sidewalks, walkways, patios, swimming pools, private driveways, parking lots, access extensions, alleys and other paved, engineered, compacted or gravel surfaces containing materials that prevent or significantly impede the natural infiltration of stormwater into the soil.

As used in Chapter 24, Article IV of the City of Hendersonville Code of Ordinances uses are classified as Residential Units, Other Residential Uses and Nonresidential Land. These terms have the following definitions:

Other Residential Uses means any developed land not fitting the definition of a residential unit but being used for residential purposes. It includes, but is not limited to, land upon which there are residential structures that contain more than two units, such as triplexes, townhouses, condominiums, apartments, boardinghouses;; and includes associated land containing improvements under construction or impervious surfaces that are not structures such as parking lots, private streets and driveways.

Nonresidential Land means any developed land not fitting the definition of a residential unit or other residential uses, including but not limited to churches; institutional buildings, whether public or private; commercial, office, and industrial buildings, including associated land containing improvements under construction or impervious surfaces that are not structures such as parking lots, private streets and driveways.

Residential Unit means a detached single-family house, a duplex, or a manufactured home or mobile home located on an individual lot or parcel of land rather than in a manufactured home park.

Stormwater Management Utility Service Charges

In order to apply a consistent and equitable basis for determining the City's stormwater management utility service charge, the City of Hendersonville is using an Equivalent Residential Unit (ERU) approach. An ERU is a unit of measure of impervious surface (in square feet) that represents the impervious surface area on the average single-family residential parcel in the City as a unit of comparison. For the City of Hendersonville, the average single-family residential property contains approximately 3,000

square feet of impervious area. So, for the City of Hendersonville one (1) ERU equals 3,000 square feet of impervious surface.

Residential units – each Residential unit will be billed the monthly fee for 1 ERU.

Other Residential Uses - Each dwelling unit that is part of an Other Residential Use will be billed the monthly fee for 1 ERU.

Nonresidential Land - In order to calculate the stormwater management utility service charge for Non-Residential Land, the City will divide a parcel's total impervious surface area by 3,000 sq ft (City's ERU) to determine the number of ERUs specific for that parcel. Then the parcel specific number of ERUs will be multiplied by the City's current fee for 1 ERU.

The fee for 1 ERU is as adopted by City Council as part of the City of Hendersonville Stormwater Management Utility Service Charges Fee Schedule ("Fee Schedule").

No public or private property shall be exempt from paying the City of Hendersonville stormwater management service charge, aside from those outlined in Chapter 24, Article IV of the City of Hendersonville Code of Ordinances. The City has developed a credit program for non-residential users to reduce their stormwater management utility service charge through the implementation of Stormwater Control Measures (SCMs). An SCM is a permanent structural device that is designed, constructed, and maintained to reduce annual runoff volume and/or remove pollutants from stormwater runoff by promoting settling or filtration or mimic the natural hydrologic cycle by promoting infiltration, evapo-transpiration, post-filtration discharge, reuse of stormwater, or a combination thereof.

The Credit Program

The credit program provides the opportunity to recognize and credit innovative stormwater practices that reduce stormwater runoff volumes, enhance water quality, or provide other stormwater benefits. Under this program, innovative practices and corresponding credits will be evaluated on a case by case basis at the discretion of the Stormwater Administrator so that credits provided will be based on a sound and consistent practices. This document provides relevant information and instructions necessary to apply for a stormwater management utility service charge credit. Credits will not be allowed for properties classified as Residential Units. Also, credits will not be allowed where a property owner has opted to take advantage of the Stormwater Management Utility Service Charge monthly cap, if a cap has been set by City Council. Applicants should use this policy as a guide in submitting an application for the stormwater management utility service charge credit.

Allowable Credits

Nonresidential Land that designs and implements privately owned SCMs that reduce annual water runoff volume and/or provide a water quality benefit to the City, and meet the general engineering design requirements set forth in the City's ordinance, in accordance with 15A NCAC 2H.1008(c), and the current NCDEQ Stormwater Design Manual and SCM Credit Document, may be eligible for a stormwater management utility service charge credit.

Qualifying and approved applications will result in a fifty percent (50%) reduction in the monthly Stormwater Management Utility Service Charge for the parcels included within the application. This credit will continue for so long as a parcel remains qualified under the terms of this Policy.

General Guidelines

- This document shall be used in conjunction with the Chapter 24, Article IV of the City of Hendersonville Code of Ordinances, the City's current Billing Policy and Procedure, NCDEQ Stormwater Design Manual and SCM Credit Document.
- The City of Hendersonville has the right to inspect the SCM at any time to ensure that it is functioning per the design documents and is being properly maintained. If at any time the SCM ceases to function in the manner for which it was intended, or no longer operates in a manner which yields the maximum benefits it was designed to produce, the City of Hendersonville reserves the right to reduce the credit amount or eliminate the credit altogether, both at its discretion. If a credit is reduced or eliminated, the property owner must make a new application to have the SCM reconsidered. Stormwater Management utility service charge credits will continue as long as inspection, maintenance, and record keeping are current and there are no significant changes to the SCM that would require reevaluation of the proper functioning of the facility.
- In consideration for permission to construct or install an SCM, and by nature of applying for a stormwater management utility service charge credit, the property owner/applicant is hereby legally acknowledging and agreeing to the following:
 - After completion of the construction or installation by the applicant and approval by the City, the construction or installation of a SCM shall remain a privately owned and maintained stormwater control mechanism and shall not be accepted by the City and shall not become a part of the City's stormwater maintenance program or the Department of Public Works. All maintenance responsibility and liability shall be and remain with Owners, their personal representatives, heirs, grantees, successors, and assigns as set forth in the City's Stormwater Ordinance referenced above.
 - Owners, their personal representatives, heirs, grantees, successors, and assigns shall indemnify and hold harmless the City of Hendersonville, its officers, agents, and employees from any and all claims, actions, causes of action, judgments, damages, losses, costs, and expenses (including attorney's fees) arising out of or resulting from the construction, installation, maintenance, review, inspection or operation of the stormwater control mechanism.
- It is the responsibility of the property owner to apply for a credit.
- Only the property owner paying the stormwater utility service charge can apply for a credit.
- Credits are non-transferrable between parcels or owners.
- Credits will be applied on a parcel-by-parcel basis.
- Credits are available for non-residential parcels only
- Temporary or retroactive credits will not be considered nor allowed.

Credit Application Process, Review and Appeals

Applications for stormwater management fee credits must:

- Be made in writing, on the City's current credit application form. All applications must be complete and have all calculations, plans and other supporting data attached to be considered. Incomplete applications will be returned without being reviewed and will need to be resubmitted once complete.
- Each credit for which a customer applies shall be subject to review and approval by the stormwater administrator. The stormwater administrator may approve or reject any application for a credit in whole or in part, consistent with this Policy.
- Submitted with the corresponding application fee, as set forth in the City's annual adopted budget of approved rates, fees, and charges. The application fee is a nonrefundable and is a required part of the application package. If this fee is not included at the time of application submission, the application will be deemed incomplete and will not be reviewed. Upon receiving approval of the application from the City, application fees will be credited toward the next month's stormwater service charge.
- Submitted with such documentation, drawings, engineered plans, or other documentation reasonably required by the stormwater administrator in order to evaluate the application.
- Submitted in conjunction with the stormwater management plan for new construction; Or as a separate application in the case of existing SCMs or retrofit applications.
- Submitted to the following address, with checks made payable to the City of Hendersonville:

City of Hendersonville
 Stormwater Division
 City Operations Center
 305 Williams Street
 Hendersonville, NC 28792

Any application for credit is an acknowledgement of the indemnification statement outlined above in this document, and acknowledgement of the City of Hendersonville's right to enter to inspect and verify the information submitted in the application is true and reliable.

The City of Hendersonville will review application packages within thirty (30) days of receipt. If the application is complete and accurate, a letter will be sent to the applicant notifying them of the City's review outcome. Upon approval, application fees will be credited toward the next month's stormwater service charge. If upon the City's review, deficiencies or inaccuracies are found, the City will send a letter outlining its findings to the applicant. The applicant will need to provide a revised application or supplemental information to address the stated deficiencies/inaccuracies. An additional review fee may be charged for subsequent application reviews beyond the initial application. The City will review the amended/resubmitted application package within thirty (30) days of receipt of the revised submission. If the application is complete and accurate, a letter will be sent to the applicant notifying them of the City's review outcome. If a credit application package is approved, the City will apply the credit to the applicant's next billing cycle (generally within 45 days of written approval) for SCMs that have already completed construction and passed inspection, or on the first billing cycle for the property following construction completion of the SCM and subsequent inspection and approval by the City.

If an applicant wishes to appeal the outcome of an application decision, appeals should be made in writing within fifteen (15) days from the date cited on the City's review outcome letter. Written appeals letters should be addressed to the City Engineer and should specify the grounds of the appeal. The City Engineer will review the appeal and provide a written response within thirty (30) days of the written appeal.