

**CITY OF NEWARK
STORMWATER UTILITY PROGRAM****POLICY: WHEN DOES STORMWATER CHARGES BEGIN****DISCUSSION:**

The City of Newark must make a policy decision as to when to begin billing stormwater charges, especially in the case of a newly developed property. This approach is best served by developing a set of guidelines. These guidelines can then be distributed to builders and developers. Thus far, we have established the following guidelines:

All developed properties that contain buildings; structures or paving (impervious area) located within the City of Newark will be charged and billed for the amount of impervious area measured for that property.

2. Both single-family residences and two-family (duplexes) will be considered single-family residential properties. All other property types will be considered non-residential properties.
3. All single-family residences will be billed for one ERU per month for stormwater charges. The charge is calculated by multiplying one by the ERU rate (to be determined).
4. Only the impervious area for non-residential properties will be measured. The impervious area will be divided by the ERU to determine the number of ERUs for that non-residential property. The number of ERUs will be rounded to a whole number and multiplied by the ERU rate (to be determined) to arrive at the stormwater charge for that property.
5. Whenever possible, the owner or management association of the property may be billed the stormwater charges for their respective property.
6. Multiple billing accounts will be consolidated whenever possible, and one account will be billed the stormwater charges for that property.
7. In cases where a property is sold and transferred, or where one tenant moves out and another tenant moves into a property within the same billing cycle, whoever occupied the property on the first calendar day of a given month will be responsible for the stormwater charges for that calendar month.
8. If a rental property is unoccupied on the first day of the month following service termination, a temporary stormwater only account will be created in the name of the property owner, and this account will be billed stormwater charges until utility services are established in the name of a new occupant.
9. If only one water meter exists for a duplex property, and tenants occupy both units, or where two water meters exist for a duplex property and tenants occupy both units, a stormwater

only billing account will be created in the name of the property owner, and the property owner will be billed for the stormwater charges.

10. Impervious area for public roadways, sidewalks located in the right-of-way, driveway aprons located in the right-if-way and bike paths will not charged because these surfaces are defined as part of the drainage system and drainage infrastructure. Private roadways will be charged.

Vacant undeveloped properties in the natural state will not be charged for stormwater under the definition that only properties that contain impervious areas will be charged.

12. No property type will be exempt from stormwater charges.

The above guidelines can easily be applied to existing properties with structures or parking lots. Applying these guidelines to a property under construction is much less straightforward. Two options exist for treating properties under construction. The two options are explained below:

Option One

Since stormwater charges will be in most cases tied to a wastewater billing account, it would appear that staying consistent with the City's current policy for billing water utility charges to builders or developers during construction would also apply to the stormwater charges. Current City of Newark policy requires that a builder or developer purchase a water meter from the City's Division of Water and Wastewater, and provide the water tap. The builder or developer then establishes a billing account in their name for the period of time until which a buyer or tenant assumes responsibility for water utility (and/or other utility) charges. Since a partially completed structure would in most cases be completed at the time that a water tap is completed, stormwater charges may coincide with water utility charges, and begin at the time that an account is established in the name of a builder or developer. Since the timeframe for building a residence and/or a commercial building are not consistent, and furthermore are not consistent from builder to builder or from developer to developer, the Project Team suggests that if this options is selected, that no timing distinction be made as to whether the property being built is residential or non-residential.

For purposes of calculating the amount of the stormwater service charges for a property, the general guidelines should apply. If the property is a single-family property, the bill would be for one ERU multiplied by the ERU rate (to be determined). For non-residential properties, the impervious area will be measured from the site plan submitted by the builder or developer, and approved by the Engineering Department.

Option Two

Under this option, stormwater service charges will not be immediately billed to a builder or developer, but will be delayed until such time that the temporary (construction) meter is converted to a permanent meter by the City of Newark. If a property owner or tenant has not contacted the

City to convert the temporary (construction) meter to a permanent meter, the City inspects those properties under construction approximately 90 days following installation of the temporary (construction) meter. The inspector attempts to determine whether construction is near completion. If the property is near completion but not complete, the water meter is converted to a permanent meter, and the builder/developer will begin paying water, wastewater and stormwater charges. The owner or the new occupant will assume responsibility for stormwater charges when they apply for utility service in their name. Calculation of the amount of stormwater charges would be completed using the same method for Option One above.

RECOMMENDATION:

The Project Team recommends that the City of Newark begin billing stormwater charges at the point when the City has converted the temporary (construction) meter to a permanent meter, or at 90 days following installation of the temporary (construction) meter, whichever comes first.

If a new owner or tenant has not applied for utility services by the 90th day following installation of the temporary (construction) meter, City staff will inspect the property to determine if construction is near completion. If construction is near completion, the City will convert the temporary (construction) meter to a permanent meter, and will begin billing the builder/developer for water, wastewater and stormwater charges at that point. The builder/developer will be billed for utility charges until such time that a new owner or tenant assumed responsibility for the utility charges.

ACTION:

The Technical Advisory Committee reviewed, discussed and approved this Billing Policy Paper on April 26, 2005.

Approved: Tim Weisert

Date: 3/17/2006

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