

NORTHERN KENTUCKY REGIONAL STORM WATER MANAGEMENT PROGRAM

CREDIT POLICY



**SANITATION DISTRICT No. 1
1045 EATON DRIVE
FORT WRIGHT, KY 41017**

JANUARY 2012

DOCUMENT HISTORY

ORIGINAL:

APPROVED by the Board of Directors this 17th day of April 2003.

REVISION No. 1:

APPROVED by the Board of Directors this 19th day of June 2003.

REVISION No. 2:

APPROVED by the Board of Directors this 15th day of December 2004.

REVISION No. 3: (Implementation of Board approved revisions beginning July 1, 2005)

APPROVED by the Board of Directors this 15th day of December 2004.

REVISION No. 4: (Implementation of Board approved revisions beginning February 1, 2012)

APPROVED by the Board of Directors this 17th day of January 2012.

CREDIT POLICY

A. Purpose

Sanitation District No. 1 (SD1) has established a policy and procedure for providing credits (i.e. reductions) against the Storm Water Surcharge (hereinafter “Surcharge”) for non-residential properties in an effort to provide equity and consistency in the application of the Surcharge to individual properties. It is SD1’s intent to encourage sound technical design/application practices and educational awareness programs that reduce the impact of development and reduce water quality impairment on the drainage system and the environment through a simple but effective credit system. Credits may be granted for the following categories: water quality, water quantity, discharge to major waterway, education or zero discharge.

B. Applicability

Any non-residential property owner who has either installed an approved on-site post-construction storm water control facility, implemented an approved best management practice (BMP), or developed and implemented an approved education program, may apply for a reduction of the Surcharge applied to that specific parcel. Non-residential properties include multi-family dwellings of three families or greater, commercial, industrial, and institutional facilities. SD1 will evaluate each case individually in determining the appropriate level of credit.

Credits may be granted for newly constructed post-construction storm water facilities or BMPs, as well as previously constructed facilities and BMPs that are retrofit to meet conditions of this policy. The amount of credit granted will be determined by SD1 utilizing the criteria outlined in this policy. This credit policy is effective beginning February 1, 2012 for projects submitting land disturbance applications on or after October 1, 2011. Credit applications for existing sites or land disturbance applications submitted prior to October 1, 2011 will be accepted until January 31, 2013 for the consideration of granting credits under the previous credit policy dated July, 2005. Property owners receiving storm water credits associated with prior versions of this policy will continue to receive the same amount of credit, as previously approved. For new developments or redevelopments, credit will be granted for post-construction storm water control facilities that are required to be constructed, and maintained, by the property owner. Other voluntary controls or upgrades of existing systems through retrofitting or installing controls that exceed requirements of SD1’s Storm Water Rules and Regulations will be granted credits on a case-by-case basis, as determined by SD1, considering the impact of the controls on the storm water drainage system.

1. Credit for facilities or BMPs, will remain in effect as long as:
 - a. The post-construction storm water control facility or BMP is contained within a recorded storm water easement, drainage easement, or equivalent restrictions to future changes in use. See *Section F* for exceptions.
 - b. The owner has obtained applicable permits and the facility or BMP has been constructed in compliance with approved plans.
 - c. The property owner and/or applicant remain responsible for all cost of operation and maintenance of the facility or BMP.
 - d. The facility or BMP is properly operated and maintained; the applicant must submit for renewal every three years.

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- e. SD1 is permitted access to the facility or BMP for purposes of inspecting the facility's or BMP's compliance with design, maintenance and operating standards.
 - f. There are no significant changes in land use or impervious surface within the drainage area that is serviced by the facility or BMP. If significant land use changes occur, the owner and/or applicant may be required to re-evaluate the performance of the facility or BMP in order to continue receiving a reduction in their Surcharge.
2. Credit for an education program will be evaluated by SD1 on an annual basis; the applicant must submit for renewal on an annual basis.
 3. Applications, certifications, and agreements for credits shall be submitted on forms developed and provided by SD1.
 4. SD1 reserves the right to modify or terminate the Credit Policy at any time. Credits provided under the Credit Policy shall remain in effect until such time as SD1's Board of Directors modifies or terminates the Credit Policy.

C. Credit Schedule

The following criteria shall apply:

1. The credit will be applied by reducing the number of billable equivalent residential units (ERUs).
2. The property parcel may qualify for either a combination of water quality, water quantity, discharge to major waterway and education credits or the property parcel may qualify for a zero discharge credit.
 - a. A maximum credit of 75% may be granted for a combination of water quality, water quantity, discharge to major waterway and education credits.
 - b. A maximum credit of 90% may be granted for the zero discharge credit.
3. The minimum adjusted ERU is one.

D. Maintenance and Inspections

The post-construction storm water control facilities and BMPs shall be constructed in compliance with approved plans, functioning as intended, and properly maintained prior to the submittal of a Credit Application. Most nuisance and maintenance deficiencies can be corrected within a short period of time. A longer period of time for corrections may be granted if any structural and/or construction-related deficiencies are found during inspection. All facility or BMP deficiencies shall be corrected or addressed prior to the approval of any credit to be applied against the Surcharge.

SD1 may perform periodic evaluations of facilities, BMPs, or education programs. These evaluations will ensure that the facilities and BMPs are being maintained and functioning as intended and that educational programs are meeting their targeted audience and subject objectives. If a facility, BMP, or education program fails an evaluation, a notice will be sent to the property owner stating that improvements and/or corrections need to be made. If adequate improvements and/or corrections to the facility, BMP, or education program in question are not completed or addressed within the time frame specified in the notice, the credit shall be rescinded. SD1 may grant an extension for completion of improvements or corrections upon request. In order to reinstate the credit, the owner must reapply using the procedures required by SD1.

E. Regional or Off-Site Facilities and BMPs

Applicants may request a credit for post-construction storm water control facilities or BMPs located on upstream and/or downstream properties designed to mitigate the impacts of storm water runoff from the property in question; this includes facilities or BMPs implemented as part of SD1's Off-site Mitigation Policy. Both the applicant and the facility or BMP owner must agree on the contents of the Credit Application and ensure that the facility or BMP is properly maintained. Requests for credits for storm water facilities or BMPs located on adjacent upstream and/or downstream properties must include a maintenance agreement between the applicant and the facility or BMP owner.

F. Facility or BMP Not Located in a Dedicated Easement

An applicant may request a credit for a post-construction storm water control facility or BMP not located in a recorded storm water easement, drainage easement, or equivalent restriction to future changes in use. Although SD1 prefers that post-construction storm water control facilities or BMPs be located in a recorded storm water easement, drainage easement, or equivalent restrictions to future changes in use, credit may be allowed in situations where the applicant enters into an agreement with SD1 (through a signed Storm Water Surcharge Credit Application Form) to maintain the facility or BMP as designed in lieu of establishing a recorded storm water easement, drainage easement, or equivalent restrictions to future changes in use. Acceptance of this alternative will be determined at the discretion of SD1. The applicant should contact SD1 for the viability of using this option prior to requesting the Credit Application.

G. Credit Renewal

To ensure proper maintenance and functionality of facilities and BMPs, applicants and/or property owners must submit a credit renewal application every three years through a Storm Water Surcharge Credit Renewal Application. The credit renewal application will prompt an inspection by SD1 to ensure that the facilities and BMPs are being maintained and functioning as designed.

Credit for educational programs will be evaluated by SD1 on an annual basis to ensure that the programs are meeting their targeted audience and subject objectives. The owner/applicant must submit a credit renewal application every year.

H. Surcharge Credit Calculation Procedure

All credits must be rounded to the nearest whole number.

1. Water Quality Credit

Water quality credits are available for properties that implement post-construction BMPs utilized to meet the post-construction water quality requirements in the separate storm sewer system and volume reduction requirements in the combined sewer system. Credits are available for newly constructed BMPs. **The maximum allowable credit available for post-construction water quality BMPs is 10%.** Credits will be given for the installation, operation, and maintenance of SD1-approved BMPs utilized to meet the post-construction storm water regulations.

2. Water Quantity Credit

Water quantity credits are available for properties that address hydromodification of receiving watercourses by controlling the rate at which post-development storm water flow is discharged from the site. Credits are available for discharging post-construction storm water flow at a rate equal to or less than the critical flow ($Q_{critical}$) of the receiving watercourse. Unless specific data is available for the receiving watercourse, $Q_{critical}$ shall be 0.4 cubic feet per second (cfs) per acre for up to a 2-year, 24-hour storm event using SCS Type II rainfall distribution. **The maximum allowable credit available for reducing post-construction storm water flow rates to $Q_{critical}$ is 40%.**

3. Discharge to Major Waterway Credit

Properties that discharge directly to the Ohio or Licking River without passing through any components of an off-site storm drainage system are eligible for a credit. The credit is based on a percentage derived by dividing the number of acres of the property that discharges storm water runoff directly to the Ohio or Licking River by the total number of acres of the property. **The maximum credit percentage is 10%.**

4. Education Credit

Education credits are available for properties that develop and annually implement an SD1-approved water quality educational program which addresses specific environmental issues as required by SD1, at the expense of the applicant. The amount of credit (**up to 25%**) shall be subjectively determined by SD1; however, in determining the percentage of credit, SD1 will consider the size and type of the audience, the type of program to be administered, as well as the experience of the program instructor(s).

5. Zero Discharge Credit

Properties that do not discharge any storm water runoff from the site either directly or indirectly, before, during, or after storms up to and including the 100-year, 24-hour storm are eligible for this credit. **The credit percentage will be 90% for eligible properties.**

An evaluation of the storm water discharge from the site must demonstrate that the storm water control facilities, if utilized to meet the requirements for this credit, shall discharge to the design volume within 72 hours after the end of the precipitation event.

6. Total Credit Base Percentage and Adjustment ERU Calculations

After the appropriate credit percentages are determined, the total credit base percentage can be calculated as follows:

a.
$$\text{Surcharge ERU Base} = \frac{\text{Total Impervious Area}}{2,600 \text{ ft}^2}$$

Note: Based on statistical analysis of properties classified as residential in Boone, Campbell and Kenton Counties, the average impervious area per property is approximately 2,600 ft². SD1 has utilized this figure to designate an equivalent residential unit (ERU).

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- b. For combination of Water Quality, Water Quantity, Discharge to Major Waterway, and Education Credits:
- Total Credit Base Percentage = $100\% - (\text{Water Quality} + \text{Water Quantity or Discharge to Major Waterway} + \text{Education})$
 - A property parcel may qualify for either Water Quantity Credit or Discharge to Major Waterway Credit, but not both
 - Combination of Water Quality, Water Quantity, Discharge to Major Waterway, and Education Credits is not to exceed 75%
- c. For Zero Discharge Credit:
- Total Credit Base Percentage = $100\% - (\text{Zero Discharge Credit})$
 - Zero Discharge Credit is not to exceed 90%
- d. Adjusted Surcharge Base = Total Credit Base Percentage x Surcharge ERU Base
- e. The minimum adjusted ERU is one.

I. Approved Best Management Practices

SD1's *Best Management Practices Manual* includes SD1-approved design specifications, as well as performance specifications that have been approved by SD1 for obtaining credit.

SD1 may consider other water quality BMPs for credits based on information submitted by the property owner. The credit values given by SD1 for these other water quality BMPs will be at SD1's discretion.

Note: SD1's *Best Management Practices Manual* is updated on a periodic basis, as necessary to meet regulatory storm water requirements. The most current copy of the manual may be found on SD1's website (<http://www.sd1.org>).