

# **SANITATION DISTRICT No. 1**

## **STORM WATER**

## **CREDIT POLICY**



**1045 EATON DRIVE  
FORT WRIGHT, KY 41017**

**September 2020**

## DOCUMENT HISTORY

### ORIGINAL:

APPROVED by the Board of Directors this 17<sup>th</sup> day of April 2003.

### REVISION No. 1:

APPROVED by the Board of Directors this 19<sup>th</sup> day of June 2003.

### REVISION No. 2:

APPROVED by the Board of Directors this 15<sup>th</sup> day of December 2004.

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

APPROVED by the Board of Directors this 26<sup>th</sup> day of July 2005.

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

APPROVED by the Board of Directors this 17<sup>th</sup> day of January 2012.

### REVISION No. 5: (Implementation of Board approved revisions beginning July 1, 2019)

APPROVED by the Board of Directors this 21<sup>st</sup> day of May 2019.

### REVISION No. 6:

APPROVED by the Board of Directors this 15<sup>th</sup> day of September 2020.

---

# STORM WATER CREDIT POLICY

## A. Purpose

Pursuit to the *Sanitation District No. 1 (SD1) Storm Water Rules and Regulations* (hereinafter “Rules and Regulations”), SD1 has established a Credit Policy (hereinafter “Policy”) for providing credits (i.e. reductions) to the Storm Water Fee (hereinafter “Fee”) for non-residential properties in an effort to provide equity in the application of the Fee. It is SD1’s intent to encourage post-construction storm water management practices and educational awareness programs that reduce the impacts of storm water runoff to storm drainage systems, combined sewer system and receiving waters through an effective credit system. Figure 1 provides an overview of the credit categories.

## B. Applicability

Any non-residential property owner who meets one or more credit requirements listed in this Policy, may apply for a reduction of the Fee applied to that specific account and applicable parcel(s). Non-residential properties include commercial, industrial, and institutional facilities, as well as multi-family condominium and apartment units. SD1 will evaluate each case individually in determining the appropriate level of credit.

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. All credit recipients are subject to the applicable general requirements outlined below.

Credit Category	Available %
Additional Storm Water Management	up to 40%
KPDES Industrial Storm Water Discharge Permit	up to 10%
Discharge to Major Waterway	up to 10%
Storm Water Education Program	up to 25%
Non-Residential Credit Maximum (combination of any above)	60%

**Figure 1: Credit Categories and Available Credit Percentages**

Additional storm water management is achieved through the implementation of storm water control measures (SCMs) that address water quantity impacts, water quality impacts or both. SCMs that address water quantity impacts include storm water control facilities, such as detention/retention basins or underground storage tanks, while SCMs that address water quality impacts include storm water best management practices (BMPs), such as bioswales, rain gardens and manufactured treatment devices. Additional information is included in the *Storm Water Best Management Practices Manual*.

General requirements are as follows:

1. Credit for additional storm water management will remain in effect as long as:

- 
- a. The property owner and/or applicant has obtained applicable permits and the SCM has been constructed in compliance with approved plans.
  - b. The property owner and/or applicant remains responsible for all cost of operation and maintenance of the SCM.
  - c. The SCM is properly operated and maintained.
  - d. SD1 is permitted access to the SCM for purposes of inspecting the SCM's compliance with design, maintenance and operating standards.
  - e. There are no significant changes in land use or impervious surface within the drainage area that is serviced by the SCM. If significant land use changes occur, the property owner and/or applicant may be required to re-evaluate the performance of the SCM in order to continue receiving a credit.
2. Credit for KPDES Industrial Storm Water Discharge Permit will remain in effect as long as the permit is active and the permittee is in full compliance with the permit terms. SD1 will evaluate the permit standing on an annual basis.
  3. Credit for discharge to major waterway will remain in effect as long as the portion of property receiving credit continues to drain to the major waterway. If a change in drainage direction occurs, the property owner and/or applicant will be required to re-evaluate the site in order to continue receiving a credit.
  4. Credit for an education program will be evaluated by SD1 on an annual basis; the property owner and/or applicant must submit a renewal application every year through a Credit Agreement and Program Registration Form.
  5. Applications, certifications, and agreements for credits shall be submitted on forms developed and provided by SD1.
  6. SD1 reserves the right to modify or terminate the Policy at any time. Credits provided under the current or previous versions of the Policy shall remain in effect until such time as SD1's Board of Directors modifies or terminates the Policy or upon the transfer of the property, by deed or other instrument.

Other voluntary controls or upgrades of existing drainage systems through retrofitting or installing controls that exceed requirements of the 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 drainage system and/or receiving waters.

### 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 a combination of credits with the maximum credit not to exceed 60%.
3. The minimum adjusted ERU is one. All properties will be billed a minimum of one ERU per parcel.

---

## D. Maintenance and Inspections

The SCMs shall be constructed in compliance with approved plans, functioning as intended, and properly maintained prior to the submittal of a Storm Water Fee Credit Application Form (hereinafter "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 SCM deficiencies shall be corrected or addressed prior to the approval of any credit to be applied against the Fee.

SD1 may perform annual evaluations of credit recipients to ensure that the applicable credit requirements are met. If a credit recipient fails an evaluation, a notice will be sent to the property owner and/or applicant stating that improvements and/or corrections need to be made. If adequate improvements and/or corrections 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 property owner and/or applicant must reapply.

## E. Regional or Off-site SCMs

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

## F. Credit Type and Percentages

### 1. Additional Storm Water Management – Managing runoff beyond the requirements

Credits are available for properties that manage storm water runoff that drain to a SCM on their property, which meets one of the conditions identified in items A-F below.

Unless specific data is available for the receiving waters, 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. Additional information about the current requirements for the post-construction water quality treatment standard, the post-construction volume reduction requirements, the Q-critical standard and design storms is outlined in the Rules and Regulations.

- A. Properties that manage runoff to meet or exceed the current post-construction water quality treatment standard for discharges to storm drainage systems and/or receiving waters or the current post-construction volume reduction requirements for discharges to the combined sewer system but were not required to do so according to the Rules and Regulations (up to a 20% credit).

- 
- B. Properties discharging to storm drainage systems and/or receiving waters that meet Q-critical for onsite drainage up to and including the 2-year storm event but were not required to do so according to the Rules and Regulations (up to a 40% credit).
  - C. Properties discharging to storm drainage systems and/or receiving waters that are required to meet Q-critical for onsite drainage up to the 2-year storm event according to the Rules and Regulations that:
    - Meets Q-critical for up to and including the 5-year storm event (up to a 20% credit).
    - Meets Q-critical for up to and including the 10-year storm event (up to a 40% credit).
  - D. Properties discharging to storm drainage systems and/or receiving waters that manage un-detained off-site drainage for the 2-year through 100-year storm events (up to a 20% credit).
  - E. Properties discharging to storm drainage systems and/or receiving waters that manage un-detained off-site drainage for the 2-year through 100-year storm events including Q-Critical (up to a 40% credit).
  - F. Properties discharging to the combined sewer system that manage runoff to exceed the current post-construction volume reduction requirements and/or provide over detention by managing the runoff from the 10-year storm event to be equal to or less than the 2-year existing runoff rate (up to a 40% credit).

The final credit percentage for items A – F is determined based on the calculations outlined in the Credit Application.

The maximum allowable credit for Additional Storm Water Management is 40%.

## 2. KPDES Industrial Storm Water Discharge Permit

Properties whose storm water discharges are permitted under a KPDES Industrial Storm Water Discharge Permit are eligible for a credit. Compliance with the terms and conditions of the KPDES permit are required for the property to receive this credit. The final credit percentage is determined based on the calculations outlined in the Credit Application. The maximum credit percentage is 10%.

## 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 final credit percentage is determined based on the calculations outlined in the Credit Application. 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 is determined by SD1's Storm Water Education Credit Model and Methodology. The maximum credit percentage is 25%.

#### 5. Storm Water Account Billing Adjustment Based on Approved Credit Percentage

After the credit percentages are determined and approved by SD1, the credit will be applied to the appropriate storm water account. Non-residential property owners are billed monthly or quarterly based on the actual amount of impervious area on the property, as broken down into ERUs. An ERU is an "equivalent residential unit" and is equal to 2,600 square feet.

The total billed ERUs based on the approved credit, referred to as Net ERUs, can be calculated as follows:

a. Fee 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 ft<sup>2</sup>. SD1 has utilized this figure to designate an equivalent residential unit (ERU).

b. For combination of Additional On-site Storm Water Management, Additional Off-site Storm Water Management, KPDES Industrial Storm Water Discharge Permit, Discharge to Major Waterway, and Education Credits:

- Total ERU Reduction Percentage (not to exceed 60%) = Additional Storm Water Management Credit + Discharge to Major Waterway Credit + KPDES Permit + Education

c. Net ERUs = Fee ERU Base – (Total ERU Reduction Percentage x Fee ERU Base)

d. The minimum Net ERU is one. All properties will be billed a minimum of one ERU per parcel.

#### G. References

SD1 Storm Water Rules and Regulations (Latest Version)

<http://sd1.org/DocumentCenter/View/73/Storm-Water-Rules-and-Regulations-PDF>

Storm Water Best Management Practices Manual (Latest Version)

<http://sd1.org/DocumentCenter/View/170/SD1s-Storm-Water-BMP-Manual-PDF>

Storm Water Fee Credit Application Form (Latest Version)

<http://sd1.org/DocumentCenter/View/85/Storm-Water-Fee-Credit-Application-PDF>

Storm Water Education Credit Agreement and Program Registration Form (Latest Version)

Storm Water Education Credit Model and Methodology (Latest Version)