



# **Stormwater User Fee Credit Manual**

*Adopted April 23, 2025*

## **1. INTRODUCTION AND PURPOSE**

The City of Essex Junction Stormwater Utility's basic purpose is to administer the City's Stormwater management program, including stormwater infrastructure, maintenance and repair, permitting, and capital improvements.

The Utility provides a stable and adequate source of revenue for the City's stormwater management program that allocates the costs of stormwater services equitably across every stormwater "user" through a stormwater user fee. The area of impervious surfaces on a parcel is the basis of the fee charged to the parcel owner. Impervious surfaces are 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, private driveways, parking lots, access extensions, alleys, and other paved, engineered, compacted, or gravel surfaces. The stormwater fee that a parcel owner pays is directly proportional to the impervious area found on their parcel.

The Essex Junction Stormwater Utility offers credits against the stormwater fee for parcel owners who undertake specific, approved actions that reduce the impact of stormwater runoff into the public stormwater system, or provide an ongoing public benefit related to stormwater management. The credits will serve to equitably reduce the fees assessed to owners of such parcels. A credit is an annual reduction in fee subject to periodic recertification. This Stormwater User Fee Credit Manual ("Manual") details the policies and procedures for Stormwater Utility Credits.

The Stormwater Utility offers various stormwater fee credits to Non-Single-Family Residential Properties (NSFR). Individual Single-Family Residential Properties (SFR) are not eligible to receive credit. To qualify for the user fee credits, the Stormwater Utility Customer must fill out a credit application form and submit it to the Water Quality Superintendent with the applicable fee. The application will be evaluated to determine the amount of credit that an individual parcel will be given. Eligibility for user fee credits is independent of the State stormwater permitting process. Parcels both with and without valid State stormwater permits are equally eligible for user fee credits. These credits are discussed in the following pages.

## **2. DEFINITIONS**

For more definitions, refer to the City of Essex Junction Municipal Code Chapter 20 Regulation of Stormwater Management and Chapter 21 Regulation of Stormwater Utility.

**Credit** shall mean an annual reduction in a parcel's normally calculated stormwater fee for certain qualifying activities that reduce the impact of increased stormwater runoff resulting from development, or provide an ongoing public benefit related to stormwater management. The annual reduction in fee is subject to continued compliance with the terms of this manual.

**Combined Sewer System (CSS)** shall mean a collection system that was designed to convey sewage and stormwater through the same network of pipes to the treatment plant.

**Municipal Separate Storm Sewer System and MS4** shall mean a collection system or conveyance or system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, manmade channels, or storm drains): (i) owned or operated by the City of Essex Junction or another designated MS4 entity that discharges to surface waters or groundwater; (ii) designed or used for collecting or conveying or discharging stormwater and groundwater entering the system; (iii) which is not a combined sewer; and (iv) which is not part of a Publicly Owned Treatment Works (POTW) as defined in 40 CFR, Section 122.2.

**National Pollutant Discharge Elimination System (NPDES) Stormwater Discharge Permit** shall mean a permit issued by the Environmental Protection Agency or the State of Vermont under authority delegated pursuant to 33 USC § 1342(b)) that authorizes the discharge of pollutants to waters of the United States, whether the permit is applicable on an individual, group, or general area-wide basis.

**Parcel and Property** shall mean any lot, subdivided piece of land, unit of land, any subset of land, land owned in common, or a condominium unit or condominium association in the City of Essex Junction that could legally be sold as a separate entity as of January first of the year the fee is based on, and has a separate parcel identification number, map identification number or is identified as a separate parcel. Included in this definition are all roadways owned by the City, the State, and the Federal Government.

**State of Vermont General Stormwater Permit 3-9050** shall mean a permit for stormwater runoff from an impervious area. The general permit covers all operational stormwater permitting, including new development, redevelopment, "three-acre sites", individual, and permit renewal.

**Stormwater Runoff** shall mean the flow of water on the surface of the ground, resulting from precipitation.

**Stormwater Treatment Practice (STP)** shall mean measures, either structural or non-structural, that are determined to be the most effective, practical means of preventing or reducing point source or non-point source stormwater pollution inputs to stormwater runoff and water bodies.

**Transportation Separate Storm Sewer System, or TS4** shall mean Vermont Agency of Transportation (VTRANS) owned or controlled state highways, sidewalks, multi-use pedestrian paths, welcome centers, airports, gravel pits, mineral mining facilities, maintenance facilities, park & rides, truck weigh stations, and other impervious surfaces, and Vermont Agency of Transportation owned facilities leased to third parties, except for rail lines, rail yards, public transit facilities, and rail trails.”

**Water Quality Superintendent** shall mean the person who manages the stormwater and wastewater departments for the City of Essex Junction (“Superintendent”).

**Wastewater Treatment Facility** shall mean a facility permitted to treat domestic sewage or industrial wastewater, or both. This includes the treatment plant itself, any pump stations, and collection lines.

### **3. GENERAL CREDIT POLICIES**

- a) Credit is given to eligible NSFR parcels as described in this Manual.
- b) Credits will remain in effect as long as the parcel is eligible as per the credit descriptions defined herein and remain in compliance with the requirements of this Manual.
- c) Multiple credits can be given to eligible parcels. The total credit to any given parcel cannot exceed 50% of the stormwater fee for that parcel, except for a TS4 or MS4 entity, which will have a maximum credit allowance of 35%.
- d) At no time will a parcel eligible for credits pay less than 1 equivalent residential unit (ERU).
- e) It is the responsibility of the parcel owner to apply for stormwater credits and provide the necessary information with the credit application. In addition, the parcel owner must successfully demonstrate compliance to continue to receive credit. City staff is not responsible for initiating, performing engineering calculations, or otherwise assisting with the preparation of Credit applications.
- f) The Department of Stormwater should be contacted with questions related to credits and credit applications. The Superintendent shall make all decisions involving approvals, denials, or revocations of stormwater credits.

### **4. CREDIT APPLICATION AND APPROVAL**

#### **A. Application Process**

- a) Credit applications can be found in the Appendix of this Manual or on the City of Essex Junction's website <https://www.essexjunction.org/departments/stormwater/stormwater-utility>.
- b) Credit applications must be completed in full and submitted to the Department of Stormwater. Electronic submissions by email are preferred; however, U.S. mail is also accepted. The contact information for submitting applications can be found on the credit application forms.
- c) Credit applications must include calculations and an associated narrative demonstrating the STPs meet the technical criteria, design requirements, and/or applicable restrictions set forth as specified in the Vermont Stormwater Management Manual ("VSMM"), as amended.
- d) All engineering calculations, drawings, and inspection reports required by the application must be prepared and stamped by a Vermont Licensed Professional Engineer.
- e) Credit applications for non-structural practices must include site plans or other engineering documents that demonstrate that the non-structural practice complies with the "*Minimum Criteria for Credit*" outlined in the VSMM, as amended.
- f) Credit applications for new construction may be submitted to the Department of Stormwater as part of the normal development plan review process. However, the credit will not be approved based on site plans alone. The credit application approval requires that the STP must first be constructed and working in proper operating conditions before application approval.
- g) A Right-of-Entry or easement, as applicable, must be granted to the City to perform periodic inspections. Right-of-entry is presumed granted via the applicant's or parcel owner's signature on the credit application.
- h) If all requirements and conditions of this section are met, the credit will be granted upon successful completion of the credit application process and favorable City site inspection.

#### **B. Review of Credit Applications**

- a) The review will take place within 30 days after a complete application is submitted.
- b) The applicant will be notified of the approval or denial of the credit application electronically.

### **5. APPLICATION OF CREDIT TO BILL**

1. Credit applications must be received by January 1<sup>st</sup> of the calendar year. If approved, the credit will be applied to the next fiscal year, starting July 1<sup>st</sup>, and billed in October.
  - a. Note: For the first year of the utility ONLY applications are due May 16, 2025. This will ensure credits can be applied to the upcoming fiscal year, utility bills starting July 1, 2025.
2. Credits will not be applied retroactively, and Stormwater Utility will not refund any portion of the Stormwater fees paid before the approval of the Applicant's Credit application.

## **6. COMPLIANCE**

- a) The Department of Stormwater will, at its discretion, undertake a periodic visual inspection of the BMPs being utilized to obtain credit. The Superintendent may revoke credit at any time for non-compliance by providing thirty (30) days' written notice of a non-complying condition and intent to revoke the credit to the parcel. Non-complying conditions include the BMP facility not being functional or requiring unperformed maintenance. If the non-compliance is not cured by the parcel owner within 30 days, the Superintendent shall eliminate the credit. The parcel owner will then have to reapply for credit as outlined in this Manual.
- b) Parcels that have been issued STP or Education stormwater credits will be required to submit compliance statements annually by November 15th. The Superintendent may revoke credit for failure to submit this compliance statement by providing thirty (30) days' written notice, notice being calculated from the date of the notice to the parcel owner. If the non-compliance is not cured within the thirty (30) day period, the Superintendent shall eliminate the credit. Before the credit is reinstated, the parcel owner will have to reapply for the credit as outlined in this Manual.

## **7. APPEALS**

The Superintendent's determination to grant, deny, or revoke user fee credits per this Manual may be appealed to the City Council. The party aggrieved shall deliver a Notice of Appeal to the City Clerk within 15 days of the date of the decision appealed from, providing a copy of the decision and stating the reasons for the appeal. The City Council should hold a hearing to address the appeal. Any decision of the City Council may be appealed to the Vermont Superior Court, Civil Division, within 30 days of the date of the decision pursuant to Vermont Rule of Civil Procedure 75.

## **8. CREDIT CATEGORIES AND DESCRIPTIONS**

### **A) Stormwater Treatment Practice (STP) Credit**

- a) An STP Credit is available to NSFRs that design, construct, and maintain Stormwater Treatment Practices (STPs) that meet the treatment standards, sizing criteria, and/or non-structural criteria and restrictions contained in the (VSMM), as amended.
- b) The STP credit is a graduated credit that is based on the treatment standards that are implemented on an NSFR parcel. A parcel can implement one or more of the treatment standards, adding credit percentages up to 50% of the total Stormwater fee for that parcel. The credit will only be applied to that portion of the parcel(s) served by the STP.

Table 1 contains the available credit allocation for each treatment standard.

**Table 1. STP Credit Percentages**

<b>Treatment Standard or Criteria</b>	<b>Credit Amount</b>
Water Quality (WQ <sub>v</sub> )	15%
Groundwater Recharge (Re <sub>v</sub> )	15%
Channel Protection (CP <sub>v</sub> )	15%
Overbank Flood (Q <sub>p10</sub> ) or Extreme Storm (Q <sub>p100</sub> )	10%
Non-structural Practices	10%

- c) STP Waivers. Parcels that qualify for waivers of the Groundwater Recharge, the Overbank Flood (Q<sub>p10</sub>), or the Extreme Flood (Q<sub>p100</sub>) treatment standards are not eligible for the STP credit for the treatment standard that has been waived. For those properties or parcels that implement controls for both Q<sub>p10</sub> and Q<sub>p100</sub> treatment standards, a maximum of 10% credit is available for flood control STPs.

- d) Overbank Flood ( $Q_{p10}$ ), or the Extreme Flood ( $Q_{p100}$ ). A parcel cannot get additional credit for providing both Overbank Flood and Extreme Storms STPs. Parcels that implement controls for both  $Q_{p10}$  and  $Q_{p100}$  treatment standards will receive a maximum of 10% credit for flood control STPs.
- e) Runoff Reduction. The Runoff Reduction Framework, as outlined in the VSMM, may be used to wholly or partially meet the treatment credits. The methods for meeting each treatment standard through runoff reduction are described in the VSMM.
- f) An STP submitted for credit must treat the stormwater to the full extent of the treatment standard as specified in the VSMM.
- g) For an STP to receive credit it does not have to treat all the stormwater on a parcel. Credit can be prorated for STPs that treat a portion of the impervious area on a parcel as long as the STP meets the requirements of the VSMM. For example, if a parcel contains 4 acres of impervious surface and installs an STP that treats stormwater from 2 acres of impervious surface to the full extent of the Water Quality Volume standard as specified in the VSMM, then that site is eligible for 50% of the WQv Credit. The site would receive a 7.5% reduction (i.e. the WQv credit is worth 15% credit,  $50\% \times 15\% = 7.5\%$ ) to its Stormwater fee.
- h) STPs utilized at State permitted redevelopment sites that are designed to treat 50% of the Water Quality Volume (WQv) are only eligible to receive 50% of the WQv credit amount ( $50\% \times 15\% = 7.5\%$ ).
- i) An STP is only eligible to receive credit for the treatment standards for which it meets in the VSMM. If a pond is designed to meet all CPv criteria, but does not meet all WQv criteria, only the CPv Credit will be applied to the Stormwater treated.
- j) STPs that receive permit coverage through the City's MS4 Permit are eligible to receive credit as long as the applicant operates and maintains the STPs. Inspection and reporting conducted by City staff do not preclude these STPs from receiving credit.
- k) A homeowner's association common area may receive credit for eligible STPs that are operated and maintained by the homeowner's association. Credits issued to incorporated homeowner's associations for STPs will be applied only to that portion of the parcel served by the STP.
- l) An STP owned by an incorporated homeowner's association but operated and maintained by the City is not eligible for credit.



m) If non-structural practices as outlined in VSMM are employed on a site, allowing reductions in the required treatment volumes for water quality ( $WQ_v$ ) and recharge ( $Re_v$ ) credit is available. A maximum of 10% credit will only be applied to that portion of a parcel served by the non-structural practice. These include:

- Natural area conservation
- Disconnect rooftop runoff and direct it to a pervious area that provides for infiltration and/or filtering
- Disconnect non-rooftop runoff from impervious surface areas and direct to pervious areas that provide for infiltration and/or filtering
- Stream buffers
- Grass channels

Sufficient information must be supplied to the Superintendent to verify that STPs, as designed and constructed, meet the treatment standards and criteria and/or restrictions as specified within the VSMM. These include documents like hydroCAD and engineer drawings.

All STPs and non-structural practices must be operated and maintained in proper condition at all times to control stormwater runoff to the treatment standards and criteria specified within the VSMM, as amended. Failure of the applicant to meet these requirements will result in the discontinuance of the credit as outlined in Section 6.

## **B) MS4 or TS4 Credit**

- a) Credit is offered to entities that have a valid National Pollution Discharge Elimination System (NPDES) permit and are required by the State of Vermont to comply with General Permit 3-9014 or 3-9007, as amended. This credit, known as the MS4/TS4 Credit, is offered in recognition of the permit compliance activities performed by the MS4/TS4 permittee that may reduce impacts on non-point source stormwater runoff and/or provide an ongoing public benefit related to stormwater management.
- b) MS4/TS4 credit applicants must submit a credit application to receive the credit.
- c) The credit amount is 35% of the total stormwater fee assessed to the parcel. If the MS4/TS4 entity owns multiple parcels and therefore receives multiple bills, the 35% credit will be applied to every fee assessed to the MS4/TS4 entity.
- d) At no time will a parcel eligible for credits pay less than 1 equivalent residential unit (ERU).

### **C) Stormwater Education Credit**

- a) The Stormwater Education Credit is available to public and private schools that educate and inform their students about the importance of stormwater, local surface water, and groundwater resource protection. The rationale behind this credit is that the information provided will translate into appreciation and stewardship of water resources and thereby reduce negative impacts on local streams, ponds, and lakes that can result from uninformed citizens.
- b) Approval of the sufficiency of the educational program to meet the requirements stated in the NPDES Phase II MS4 Permit 3-9014, IV.H.1a.5.d, is as follows: Develop elementary, middle school, or high school education curricula regarding local stormwater concerns based on new or existing material.
- c) The credit amount is 20% of the total stormwater fee assessed to the parcel. The credit will be applied only to the school parcel(s) where the curriculum is taught.
- d) Schools that are interested in obtaining this credit must submit a completed application form to the Department of Stormwater. The form will require a description of the educational program, a list of educational tools used, an estimated number of students who will/have received the education, the length of the educational program, and the schedule for providing refresher teacher training courses.

### **D) Combined Sewer Credit**

- a) The Combined Sewer Credit is for a parcel that has a combined sewer system that carries both sewage and stormwater through the same network of pipes and is treated at a Wastewater Treatment Facility before discharging to a waterway.
- b) The credit will only be applied to that portion of the parcel(s) served by the combined sewer system.
- c) The amount of credit received will be based on the following calculation:
  - a.  $\text{Amount of impervious (sq. ft) area treated through WWTF} / \text{Total impervious area (sq ft) assigned to parcel} = \% \text{ credit}$
  - b. The amount of credit will be rounded up to the next whole number.

- d) Parcel owners must submit a credit application to receive the credit. A map showing the catchment area of the combined sewer system, with square footage of each system or systems noted is required.

#### **E) Federal National Pollutant Discharge Elimination System (NPDES) Permit or State of Vermont Stormwater Permit Credit**

- a) NPDES Permit or State Stormwater Permit is a credit to recognize parcels that have other federal or state permit requirements to perform best management practices, specifically intended to reduce the impact of stormwater runoff or provide an ongoing public health benefit related to stormwater management.
- b) The credit amount is 10% of the total stormwater fee assessed to the parcel. The credit will be applied only to the parcel(s) that are subject to the permit. The total amount of NPDES/State Stormwater permit for any given parcel cannot exceed 10% even if it is subject to multiple NPDES/State Stormwater permits.
- c) NPDES Permit Credits are assessed during the year after applicable permit or regulation compliance has been achieved. Many NPDES permits are issued on a multi-year (typically 5 year) cycle. Therefore, proof of compliance in Year 1 (e.g., the MS4 Permit Annual Report for Year 1) must be submitted and approved by the Stormwater Superintendent in order for the entity to receive 10% credit in Year 2.
- d) To be eligible for this Credit, a parcel owner must have a valid National Pollution Discharge Elimination System (NPDES) permit or State Stormwater Permit and be in compliance with their requirements. There are different types of permits that may be eligible for Credit as outlined below.
- e) Parcel owners must submit a credit application to receive the credit when applying for the first time for the NPDES or State Stormwater permit credit.
- f) Credit applicants must provide documents listed below with the Credit application submitted, and upon permit renewal or annual reporting (as indicated):
  - a. **Multi-Sector General Permit (MSGP)** – Credit will be available to property owners who must comply with State of Vermont General Permit 3-9003 (also Called the MSGP). The MSGP requires industrial facilities to identify potential sources of Stormwater pollution, implement measures to reduce the risk of Stormwater contamination, and test Stormwater discharges for sources of

pollution. Compliance can be achieved by obtaining a No Exposure Conditional Exclusion or creating and implementing a Stormwater Pollution Prevention Plan (SWPPP).

- i. List of documents that must be provided when the Credit application is submitted, permit renewed, or annual reporting:
  1. The facility's most recent Notice of Intent (NOI) or Notice of No Exposure Certification (NOX) for coverage under Vermont General Permit 3-9003. The NOI must be valid for the current permit period at the time the credit application is submitted.
  2. A copy of the MSGP facility's most recent Annual Report, including the results of any monitoring conducted in that year, or a copy of the No Exposure certification letter the facility received from VT DEC.
- b. **Other NPDES Permits-** A final determination regarding whether or not the terms of a particular NPDES permit makes a parcel eligible for NPDES permit Credit will be made by the Stormwater Superintendent.
  - i. List of documents that must be provided when the Credit application is submitted, permit renewed, or annual reporting:
    1. A copy of the applicable federal regulation or permit that requires the entity to perform Stormwater-related BMPs.
    2. A detailed description of the BMPs that are performed by the eligible entity, including the date(s) of BMP activities, person(s) involved, and BMP cost(s).
    3. A copy of the most recent Notice of Intent (NOI) for coverage under the NPDES permit. The NOI must be valid for the current permit period at the time the Credit application is submitted.
    4. A copy of the most recent Annual Report for the NPDES permit.
    5. Additional materials required as part of the application will be determined by the Stormwater Superintendent.
- c. **State of Vermont Stormwater Permit-** Credit will be given to parcels that have a valid general permit 3-9050 for stormwater runoff from an impervious area. The general permit covers all operational stormwater permitting, including new development, redevelopment, "three-acre sites", individual, and permit renewal.
  - i. List of documents that must be provided when the Credit application is submitted, permit renewed, or annual reporting:
    1. A copy of the permit issued.

2. A detailed description of the BMPs that are performed by the eligible entity, including the date(s) of BMP activities, person(s) involved, and BMP cost(s).
  3. A copy of the most recent Notice of Intent (NOI) for coverage under the State permit. The NOI must be valid for the current permit period at the time the Credit application is submitted.
  4. A copy of the most recent Annual Report for the State permit.
  5. Additional materials required as part of the application will be determined by the Stormwater Superintendent.
- g) Failure to provide copies of Annual Reports and current NOIs will result in loss of the NPDES Permit Credit. If reports are not received each year the applicant will be notified in writing and given a fifteen (15) day deadline in which to submit information. The NPDES Permit Credit will be revoked if information is not received before the deadline. If a Credit is revoked, the property owner will have to reapply to receive Credit.

# **Appendix: Credit Application Forms**