

To Residents and Businesses of Medina:

The City of Medina created a Storm Water Utility in 2008. Residents receive monthly billings for the Medina Storm Water Utility. Below is a summarization of the key points of the storm water utility:

What is a Storm Water Utility? The Storm Water Utility (SWU) is an independent City fund devoted to managing Medina's storm water issues. Monies in this fund cannot be used for other purposes, similar to the management of the City's existing water and sewer utility funds.

Why is a Storm Water Utility Needed? Medina is mandated to provide improvements to impaired bodies of water, including Lake Independence and most of Medina's other lakes, and to maintain a Storm Water Pollution Prevention Program throughout the City. The Lake Independence mandate requires the reduction of the phosphorous load coming from the Medina drainage areas. The mandate is unfunded; i.e., Medina is required to do the work but is receiving no specific funding for it. The current condition of Lake Independence reflects years and decades of less than ideal environmental practices. Other watersheds, lakes and drainage areas in Medina will be subject to similar mandates in the near future.

Why a separate utility and not payment out of the general fund? Creation of a separate utility permits the City to better match a source of storm water revenue more equitably proportionate to properties impacting storm water. The other option, general City taxes, would apply a tax for storm water needs to properties based on a function of market value. Because the SWU fees are charged with reference to the impact of storm water, commercial properties with parking areas and other higher levels of hardcover will be charged more than a single family residence.

Will all properties in Medina be charged for Storm Water Utility fees? Mostly yes, including large vacant parcels of land, government properties, and other non-taxpaying properties. The theory is that run-off from property in virtually all cases affects water conditions considering agricultural use, normal leaf and organic decomposition and the like. The annual billing for vacant land or large parcels with a residence is a function of the estimated residential equivalency factor (REF) which is the amount of runoff from a typical single-family residential parcel. A normal single-family residence would pay one REF or \$31.92 per year. Parcels in excess of ten acres would pay one REF for each ten acres rounded down to the nearest whole REF. Commercial and industrial properties will be calculated at 6.4 REF's/acre and multi-family residential at 5.3 REF's/acre. In determining acreage, wetlands, lakes and City designated buffer zones will be removed from the calculation. Properties exempt from the SWU charges include right-of-way and public open space, parks and recreation.

Is this simply an additional tax? Mostly, yes. The City has estimated \$168,622 in operating expenses and \$573,375 in capital expenses related to storm water mandates, maintenance and equipment updates for 2014. Spreading the charges as a function of storm water run-off is perceived to be the most equitable way of raising the required funds and doing it through a special utility managed by the City is the best practical solution.

Is the SWU having an impact on Water Quality? It took years for the pollutants to accumulate in the lakes, and it will take years for those pollutants to be diminished by improved environmental practices.