



MEMO

To: Jay Melder, City Manager
Heath Lloyd, Assistant City Manager

From: Ron Feldner, Savannah Water Resources

Date: December 31, 2023

Subject: **Stormwater Utility Set-Up & Implementation Framework Development**

Introduction

The purpose of this memo is to provide a summary of the preliminary work tasks and analysis completed by the City staff in 2023 for the subject project. The City staff undertook selected Stormwater Utility (SWU) tasks in 2023 to develop a preliminary framework for SWU set-up and implementation beginning in 2024.

Over the last several years, City leadership has expressed an interest and shown a documented need to implement a dedicated funding source for the City's municipal stormwater management program (SWMP) services. One of the key level of service (LOS) operational elements of the City SWMP relates to drainage system maintenance which the City Council has previously emphasized as one of its key service delivery priorities. In order to provide the additional resources necessary to address the desired operational LOS, the City is considering establishment of a SWU because it is a more equitable, stable and comprehensive SWMP funding mechanism than the General Fund. Furthermore, providing additional funding for the SWMP via a SWU user fee system is more equitable than a millage rate increase because a property's taxable value is not well correlated to the parcel's runoff characteristics and its associated SWMP service delivery demand. Furthermore, many properties which generate stormwater runoff and receive SWMP services from the City are not subject to property tax.

SWU Set-Up and Implementation Process Overview

The process to set-up and implement a SWU is a multi-year process encompassing specific due diligence tasks as detailed herein. The opportunity to perform some of the initial work related to SWU development has enabled the City to get a head start on the potential implementation of a full-scale SWU beginning in 2024. Full SWU implementation requires the completion of numerous tasks and activities to successfully set-up a SWU user fee program that will establish a dedicated funding source for the City's SWMP operations. An overview of the process steps/tasks is provided below.

Task 1 – Stormwater Management Program (SWMP) Assessment

- City Specific SWMP Needs & Priorities
- SWMP Level of Service (LOS) and Cost of Service (COS) Analyses
- Future SWU Service Area Establishment & Extent of Service (EOS) Policy
- Evaluate Future SWU Management, Operational & Organizational Structure
- Overview of SWMP Funding Options & Potential Billing Options
- SWU Implementation Schedule

Task 2 – Public Education & Outreach (PE&O) Plan

- Development of a PE&O Plan and Strategy
- Social Media Strategies, Educational Materials, and Frequently Asked Questions (FAQs)
- Public Meetings, City Council Workshops, and Open House Events

Task 3 – SWU Data Development

- Impervious Area Assessment & Delineation
- Determination of the Equivalent Residential Unit (ERU)
- Land Use Analysis
- Parcel & Address Database Development

Task 4 – SWU Rate Structure Development

- User Fee Rate Study & Revenue Analysis
- Customer Credit Manual & Policy Development
- SWU Ordinance

Task 5 – Billing & Database Systems

- SWU Master Account File (MAF) Development
- Billing System/Process Set Up (i.e. utility billing system or tax bill)
- Customer Education/Notification (i.e. Key Customer Meetings)

Task 6 – SWU Implementation

- Customer Service Training
- First Customer Billing
- Ongoing Customer Service Support
- SWMP Implementation

The City staff focused its work efforts in 2023 on several specific tasks from the comprehensive list above. The tasks were generally as follows: (1) review of previous SWMP Assessment work performed for the City by others; (2) analysis of the City's impervious area coverage and parcel data; (3) review of the City SWMP operations budget; (4) development of a SWU user fee revenue estimate; (5) evaluation of the advantages and disadvantages of the City's existing billing systems to deliver the future user fee charge to customers; and (6) development of a preliminary SWU set-up and implementation schedule for 2024-2025.

Document Review

The City staff reviewed the previous study work conducted by Stantec in 2018. The Stantec Study was a SWU Feasibility Study Report that evaluated several key elements of SWU set-up and implementation as it related to the City of Savannah at that time. The Study proposed that the City utilize an impervious area rate methodology to allocate SWMP costs to all developed properties within the City because impervious surface is directly correlated to the runoff demand imposed on the City SWMP by an individual parcel and the corresponding services provided by the City to that parcel. Furthermore, the established legal precedent in Georgia based on two Georgia Supreme Court rulings supports the use of this rate methodology.

One of the key issues that we extracted from the Stantec Report was data related to the preliminary ERU value of 2,700 expressed in square feet (SF) of impervious area. The ERU will be utilized as the primary customer billing metric for the future SWU user fee as it represents the median impervious area delineation for a representative sample set for detached single family residential (SFR) parcels within the City. Other key data obtained from the Stantec Report related to parcel analysis and impervious area delineation work. The Stantec Report included development of a SWU user fee revenue estimate based on 2017 data related to the ERU, parcel classifications, and impervious area coverage. This 2017 information was helpful as the City staff utilized the Stantec data as a benchmark for comparison with our updated database work performed in 2023. The findings section of this memo will provide revenue estimate data from the 2017 Stantec Study and the recent work of the City staff using 2023 data.

Analysis of Parcel and Impervious Area Data

Parcel Analysis: Based on our review of the 2018 Stantec Report, they utilized the 2017 Chatham County Tax Assessor digest data to obtain the parcel counts and the land use code field to delineate SFR versus non-single family residential (NSFR). The 2023 City update uses the 2022 Chatham County Tax Parcel Digest and the land use code field to delineate SFR versus NSFR. Specifically, SFR was determined by the following filters (Municipality = Savannah; Building Value > 0; Commercial = Res; Land Use Code <> (22, 22G, 07). Undeveloped was similarly determined (Municipality = Savannah; Building Value = 0). NSFR was the remainder of Total Parcels (Municipality = Savannah) after subtracting SFR Parcels and Undeveloped Parcels using the Land Use Codes noted (22 – multifamily; 22G – multifamily; 07 – Duplex).

The 2018 Stantec Report ERU value of 2,700 SF is not anticipated to have significantly changed based on similar SFR construction and is therefore retained for the purposes of this 2023 analysis. The number of NSFR parcels in the 2023 update decreased slightly compared to the 2018 Stantec Report (10,341). The rest of the parcel data appeared to change in an intuitive way. The data in Table 1 will be analyzed in much greater detail if the City elects to move forward with SWU set up in 2024 such that any issues will be rectified via a future, more detailed analysis.

TABLE 1

Parcel Classification₁	Parcel Data (2018)	Parcel Data (2023)
Total Parcels	55,376	56,757
Single Family Residential (SFR)	36,954	39,822
Non-Single Family Residential (NSFR)	10,341	9,520
Undeveloped	8,081	7,415

Note 1: The Parcel Classifications in Table 1 preliminarily establishes the future customer type breakdown that will be billed the SWU user fee charge.

Impervious Area Analysis: The 2021 National Land Cover Database (NLCD) Urban Imperious Layer was used to establish a preliminary quantification of the current impervious area condition of the City limits of Savannah. This data was created from analysis of remote imagery and ascribes a percent impervious to each 30m x 30m square grid section of the overall area. This contrasts to the 2018 Stantec method, which utilized: (1) building footprints, (2) parking areas, and (3) pavement GIS layers available through SAGIS in 2017. In addition to the NLCD data, the 2023 update also utilizes the 2023 road centerline data for City limits of Savannah, along with an average road width based on a random sample and manual digital measurement of 75 road segments. This average width including road surface, impervious shoulder, and sidewalks was calculated at 40.5 feet combined with 5,450,000 linear feet of roads yields 226,170,933 square feet (SF) of impervious road surface.

Also, data from Savannah Development Services Department was used to estimate the amount of land development activity since 2021, when the NLCD Impervious data was created. Considering the total built number of parcels and value of parcels, it was estimated that approximately half of the development occurred during 2017-2021 and the other half occurred during 2021-2023. As such, the impervious area increases between the 2017 Stantec SFR+NSFR value and the 2021 NLCD Impervious generated value was doubled to estimate a 2023 SFR+NSFR impervious value. The impervious area related to the 2018 Stantec Report and the City’s 2023 update is summarized in Tables 2 and 3.

TABLE 2 (2018 Stantec Data)

Customer Type	Impervious Area (SF)	ERU (Billing Unit)	Total ERUs
NSFR ₁	201,378,092	2,700 SF	74,584
SFR ₂	n/a	n/a	36,954
		Total	111,538

Note 1: The NSFR Total ERU calculation is the division of the ERU (2,700 SF) into the total Impervious surface square footage.

Note 2: The SFR Total ERU calculation is the total number of SFR parcels from Table 1 under the assumption that each SFR parcel will be billed 1 billing unit or one ERU.

TABLE 3 (2023 City Data)

Customer Type	Impervious Area (SF)	ERU (Billing Unit)	Total ERUs
NSFR	257,324,300	2,700 SF	95,305
SFR	n/a	n/a	39,822
		Total	135,127

SWMP Operations Budget (FY24)

The City staff utilized the proposed FY24 SWMP operations budget as the basis for the future SWU budget. The FY24 adopted Stormwater Department operations budget is **\$7,945,485** with additional capital funds being appropriated to the City SWMP from the General Fund, the BRIC Grant, and SPLOST.

SWU User Fee Revenue Estimate

Based on the number of ERUs estimated in this memo (135,127) the SWU could generate approximately **\$1.6 million for every \$1.00 of user fee charged**. The total user fee charged should be based on the amount of revenue required to operate the SWMP at the desired LOS. The City will also need to be considerate of the future customers "willingness to pay", which is based on the relationship between the customer's expectations for provision of SWMP services and the associated fee that is deemed "acceptable" for delivery of those services.

As an example of how the City's future SWU user fee could be calculated, the City staff combined the identified annual revenue requirement of \$7,945,485 (FY24) with the projected ERUs (i.e. billing units) from the parcel and impervious area analyses presented in Tables 1 and 3 such that a preliminary SWU user fee billing rate estimate could be calculated. As such, the following calculation displays the revenue requirement divided by the billing units (ERUs) with the resulting estimate of the SWU user fee billing rate that would be needed to generate the revenue requirement for the City SWMP at the FY24 budget level.

SWMP Annual Revenue Requirement (FY24)	\$7,945,485
<u>2023 Total Estimated ERUs</u>	<u>135,127</u>
Example Annual SWU User Fee Amount	\$58.80 (SFR Customer)
Example Monthly SWU User Fee Billing Rate	\$4.90 per ERU (All customers)

It is important to note that the example scenario represented above would only fund the existing SWMP at current budget levels and the current LOS unless: (1) there was supplemental funding

provided from other sources (i.e. General Fund) to fund an enhanced LOS or (2) a higher SWU user fee was charged to fund an enhanced SWMP LOS.

Estimated SWU Revenue Considerations

It should be noted that a meaningful percentage of the impervious area in Table 3 and a corresponding amount of revenue would be associated with the City's impervious areas outside the road rights of way. The exact amount of City impervious area has not been quantified at this time, but this would need to be factored into the future revenue generation and billing rate calculations. In addition, the SWU will implement a customer credit program that will reward customers via a reduced SWU user fee charge for implementing activities that reduce their service demand on the City SWMP and that reduction in revenue must also be accounted for in the SWU revenue calculation. Lastly, all utility billing programs have some level of delinquencies that need to be accounted for in the SWU revenue generation exercise. As such, the SWU user fee charge billing rate would have to be adjusted to offset those factors and maintain the desired revenue level, unless the number of ERUs were to increase through a more detailed parcel and/or impervious area analyses.

SWU User Fee Charge Customer Billing Systems

The City staff has conducted a cursory assessment of the City's two potential SWU user fee charge delivery mechanism to future customers. The City's two bill delivery mechanisms include: (1) the existing, bi-monthly utility billing system for water, sewer, and sanitation customer charges and (2) the annual City Property Tax system to parcel owners. The City staff prepared a summary memo analysis related to this issue and that information is attached.

SWU Set-Up and Implementation Schedule

SWU set up and implementation is a community specific exercise that is dependent on several factors including: (1) community understanding and acceptance of the concept; (2) the future customer's willingness to pay and service delivery expectations; (3) fiscal year milestones; and (4) billing system considerations. The work of the City staff and its consultant can be accomplished on a set schedule that can be adhered to as the project progresses. The potential for schedule variation comes in regarding community acceptance of the "new fee" as well as ensuring that the elected officials are comfortable with the proposed SWU user fee program. As such, a recommended schedule on the order of at least 24 months will likely be required to successfully set up and implement the SWU Program in Savannah.

Conclusions & Recommendations – 2023 SWU Implementation Study Update

Based on the Stantec Report and the updated analysis work performed by the City staff, the following conclusions and recommendations are put forth for further consideration and discussion:

- Implementation of a SWU would enable the City to better address critical LOS elements of the SWMP with a focus on drainage system operations and regulatory compliance.
 - The City should continue to fund capital projects via SPLOST and Grants with the SWU user fee revenue being primarily dedicated to the SWMP elements noted.
- A SWU user fee charge would be the most fair, equitable, and stable method to establish a dedicated funding source for the future SWMP via codification of applicable legal provisions within the City Code of Ordinances.
 - In summary, the City could fund the SWMP operational elements with SWU user fee revenue and the capital projects via other secondary sources (i.e. SPLOST, Grants, etc) to fully fund the City's SWMP at the designated LOS.

- A SWU Enterprise Fund should be established via ordinance to reconcile all SWU user fee revenue and expenses as well as to ensure that all SWU revenues are dedicated exclusively to the SWMP budget expenditures.
- The future SWU user fee rate methodology should be the impervious area method because of its legal precedent in Georgia related to the established relationship that exists between the amount of runoff generated by an undeveloped or developed parcel; the resulting service demand imposed by the parcel on the SWMP; and the ability of the SWU user fee to equitably allocate the SWMP service cost to the parcel's service demand.
- The future SWU rate structure should incorporate applicable elements including establishment of an ERU or billing unit, customer credits, and customer billing provisions for the various parcel/customer classifications (i.e. SFR, NSFR and Undeveloped).
- It is recommended that the City strongly consider utilization of the existing utility billing system as the mechanism to deliver the future SWU user fee charge to customers.
- Implement proven SWU user fee bill delivery and payment remittance tools to include utilization of a "Combined Utility Ordinance" provision to compel customer payment.
- The City should develop a comprehensive public education & outreach (PE&O) program as part of the SWU set up and implementation process.
 - The PE&O program should focus on the key SWMP elements (i.e. operations & maintenance, regulatory compliance, stormwater quality management, etc.) that would be funded by the SWU and the benefits that customers will experience because of the future SWU program (e.g. customers benefit from effective drainage system maintenance).
 - The types of PE&O tools that have been successfully used by other SWUs in Georgia include social media, public meetings, City Council presentations, utility bill inserts, open house events, customer surveys, FAQs, local news media engagement, etc.
- The City staff has provided past (Stantec 2018) and updated (2023) information regarding the framework of a potential SWU user fee charge system for the City to utilize in making the decision to set-up and implement a SWU program.
 - The 2023 data indicates that the existing City FY24 SWMP Operations budget could be funded via SWU user fee revenue as noted herein with an estimated billing rate range of \$4.75/ERU to \$5.00/ERU. The final billing rate will be calculated based on the desired LOS and a comprehensive and detailed analysis of the City parcel and impervious area data.
 - A billing rate between \$4.75/ERU to \$5.00/ERU per ERU compares favorably to the Southeast Stormwater Association (SESWA) average of \$4.67 per ERU for Georgia SWUs as well as the local SWU customer billing rates paid in Garden City (\$4.75/ERU), Richmond Hill (\$4.75/ERU), Brunswick (\$4.50/ERU), Hinesville (\$6.42/ERU), and Statesboro (\$5.00/ERU).
 - In the case of NSFR customers (using the \$4.90/ERU example rate calculated above), their monthly SWU user fee charge would equal the number of ERUs (or 2,700 SF equivalents) associated with the impervious area multiplied by the ERU billing rate (e.g. $8,100 \text{ SF} / 2,700 = 3 \text{ ERUs}$ and $3 \text{ ERUs} \times \$4.90/\text{ERU} = \$14.70/\text{month}$)
 - The current, average cost for a typical SFR customer for City of Savannah Water-Sewer charges is on the order of approximately \$51 which is one of the lowest rates in the state for 5,500 gallons per month of consumption/usage.

- If the SWU user fee charge was included on the utility bill as recommended herein, the amount of the SWU user fee charge could be offset by the customer via enhanced water conservation efforts which the City could encourage through the dissemination of appropriate educational materials.
- If the City elects to move forward with SWU set-up and implementation in 2024, the City should consider undertaking certain tasks in-house and outsourcing certain tasks:
 - The City staff can likely perform a majority of the parcel and impervious area database work in-house. This work task has already been initiated by City staff and those efforts could be continued and expanded in 2024.
 - A consultant that is experienced in SWU database work should also be engaged in 2024 to assist and advise the City staff in its efforts to develop these databases to ensure that the future information would be viable for accurate and efficient calculation of a customer's SWU user fee charge.
 - The City staff could initiate the PE&O program in 2024 as the City seeks to develop and disseminate the desired messaging to the community as it relates to SWMP needs and priorities as well as the benefits of a future SWU.
- The City will need to engage the services of a consulting firm with SWU set-up and implementation experience via a competitive procurement to assist with key technical, due diligence tasks including formulation of SWMP level of service (LOS), extent of service (EOS) and cost of service (COS) policies and data; SWU rate structure development; parcel and impervious area database support; SWU Ordinance development; MAF development and billing system integration; PE&O program support; SWU Credit Manual development; City customer service staff training; and preparation of the final SWU Implementation Report.

Preliminary SWU Analysis Limitations

It should be noted that the analysis presented herein and the data in the Stantec Report are preliminary and several of the variables and/or assumptions could change as part of the future, more detailed project work that must be undertaken. The specific variables that could change include (but are not necessarily limited to) a more detailed analysis of the impervious area and parcel data as well as the final calculated ERU based on a larger sample set of SFR parcels, all of which could result in a change in the established ERU and the total number of ERUs (or SWU billing units). The NSFR parcel and impervious area data will likely change because of more detailed analysis. Any significant reductions in the amount of NSFR billing units would affect the total number of ERUs (or SWU billing units) as well as the SWU revenue calculation. In addition, the actual number of NSFR ERUs associated with City-owned impervious area could differ from the assumptions herein and that would also affect the total ERU count. All of these factors as well as others will influence the total ERU count, which will directly affect the billing rate and total SWU revenue calculations. However, it is the City staff's opinion that the information presented in this memo is adequate from a preliminary analysis perspective for the purposes of making an informed and knowledgeable decision regarding the viability of implementing a SWU program in the City of Savannah.

Please contact me with any questions regarding the contents of this memo. Furthermore, I recommend that we schedule a meeting in early 2024 to discuss the contents of this memo and to address your questions.

Attachment: SWU Customer Billing System Analysis

MEMORANDUM

Stormwater Utility and User Fee Billing Mechanism Analysis & Recommendations

City of Savannah, Georgia

Prepared by: Water Resources Department

Date: December 31, 2023

Introduction

The following memorandum contains an analysis of the future Stormwater Utility (SWU) User Fee billing options available to the City of Savannah. Based on City Water Resources staff research and consultation with City Utility Billing staff, we have identified two potential options to generate and deliver stormwater user fee bills to future City SWU customers. The City should review the advantages and disadvantages of the monthly utility bill and the annual property tax bill mechanisms to determine which is best for the City.

Option 1 – Utilize Existing Utility Billing System

The City currently bills customers for water, sewer and sanitation services. At this time, the advantages of using this option to bill stormwater user fee charges are generally as follows:

- Future stormwater user fee customers already receive a “user fee” type bill for various utility services, notably a fixed base charge and variable usage charge for water and sewer services and a monthly fixed fee for sanitation services. It would seem logical that a fixed stormwater user fee line item could be added to the existing utility bill.
- A SWU and user fee is, in fact, a fee paid for services provided. As such, billing the stormwater user fee to customers in a similar manner to other user fees (i.e. water, sewer, sanitation, etc.) helps reinforce the educational message about what a SWU is and how it operates differently than an ad-valorem tax system.
- A majority of developed City properties currently have a City utility account so there will be little need to create new, stormwater-only accounts.
- The City has options to utilize such as a “Combined Public Utility Ordinance” similar to what Garden City, Georgia adopted when it set up its SWU in 2010 (Chapter 82-Utilities; Section 82). The basis of the Combined Public Utility Ordinance is that election of a one utility service is an election of all utility services such that payment of less than the full amount of the monthly utility bill will result in “short payment” of all accounts, including water.
- Because utilities are billed periodically throughout the year, cash flow to the future SWU will be consistent throughout the year. Furthermore, SWU customers will not be hit with a single large, annual fee as would be the case with an annual billing option such as the property tax bill or an annual stormwater-only bill. Instead, all customers would pay their annual stormwater user fee charge in six “installments” over the course of 12 months.

The disadvantages to utilizing the existing utility billing system to bill future SWU customers a stormwater user fee are generally as follows:

- Adding the stormwater user fee in any year the City is planning to increase other utility rates may create an environment where the customers may be less accepting of the new SWU user fee. The new SWU user fee charge amount on the utility bill and its association with the increased utility rates for other, existing utility services could potentially affect customer acceptance and/or support for the new SWU user fee.
- Where a property is not owner-occupied, the occupant or tenant is typically the utility account holder. If there are properties with high vacancy and/or turnover rates, the stormwater user fee charge will have to be reverted back to the property owner and collections of the stormwater user fees may be more difficult without other active utilities allowing for discontinuation of service due to non-payment.

Option 2 – Utilize Existing Property Tax Billing System

The Chatham County Tax Commissioner maintains the tax digest utilized by the City of Savannah to bill property owners in the City for annual ad-valorem property taxes. Advantages of utilizing this system to deliver SWU user fee charges in the future are generally as follows:

- Many of the residential parcels in the City pay their property tax bill via an escrow account with their mortgage company. Mortgage companies typically pay SWU user fees that are included on the property tax bill, and the homeowner need not actively decide to pay or not their SWU user fee bill.
- Property tax bills, and the fees that are sometimes associated with these bills, typically have a high collection rate because many of the residential property tax bills are paid via escrow and because of the consequences that taxpayers potentially face for non-payment of property taxes.
- The SWU will receive most of its operating revenue in one lump sum prior to the start of the January 1 fiscal year, assuming the City bills customers prospectively for the stormwater services.
- The SWU user fee bill will be sent to the owner of the property, whether or not they currently occupy that building. Under this billing approach, vacancies and rentals with high turn-over become a non-issue.

The disadvantages to utilizing the property tax billing system to charge future customers a SWU user fee charge are generally as follows:

- State law prohibits the filing of a direct tax lien on real property for non-payment of SWU user fees, so that issue could affect the user fee collection rate. The City will be responsible for the initiation of any collection activities, separate from the current tax lien process used for delinquent ad-valorem property taxes.
- It should be noted that there has been discussions in Georgia about notating the SWU user fee line item as a “non-lienable fee” to alert taxpayers that failure to pay the user fee will not be handled in the same manner as failure to pay property taxes. In addition, a taxpayer also could notate on their tax payment that the payment amount does not include payment remittance for the SWU user fee charge on the tax bill.

- Many developed properties within the City of Savannah do not currently get a property tax bill because they are entirely tax exempt (e.g. churches and government facilities). As a result, the City would have to create “stormwater-only” bills for these future SWU customers that do not currently receive an annual property tax bill. In addition, many SWU customers that would begin receiving what they could perceive as a “tax bill” for the first time, which they may not pay and which could create a customer education and public relations challenge for the City.
- Placing any user fee charge on a tax bill can be confusing for customers and can lead to the perception that the SWU user fee is a tax since it appears on the annual property tax bill.
- When properties are sold during the year, a reconciling effort would have to be undertaken to allocate the annual SWU user fee to the correct property owner.
- There has been a movement in recent years at the Georgia State Legislature to prohibit the placement of any user fees on the property tax bill. If this type law were to be passed in the future, the impact to local governments that use the property tax bill to deliver these user fees to customers would require a modification to the tax bill delivery system.
- If the City sets an implementation and billing schedule such that stormwater services are billed in arrears then the revenues would come in one lump sum towards the end of the fiscal year, which could pose cash flow challenges for the stormwater budget.

Example SWU Billing Mechanisms in Georgia

The 70 (+/-) existing SW Utilities in Georgia have utilized two primary billing methods to deliver stormwater user fee charges to customers: (1) existing utility bills or (2) property tax bills with very good success.

Local Government/Utility	Billing Mechanism
Garden City	Monthly Utility Bill
Hinesville	Monthly Utility Bill
Valdosta	Monthly Utility Bill
Albany	Monthly Utility Bill
Decatur	Property Tax Bill
Woodstock	Property Tax Bill
Peachtree Corners	Property Tax Bill
Fayetteville	Monthly Utility Bill
Brunswick	Monthly Utility Bill
Gwinnett County	Property Tax Bill
Duluth	Property Tax Bill
Americus	Monthly Utility Bill
Camilla	Monthly Utility Bill
Sugar Hill	Property Tax Bill
Griffin	Monthly Utility Bill
Richmond Hill	Monthly Utility Bill

NOTE: Most SWUs that utilize the tax billing system are located in Gwinnett County, GA.

SWU Billing Mechanism Recommendation

Based on the information contained in this memo, it is recommended by the Water Resources Department that the City utilize the existing utility billing system to deliver the future SWU user fee charge to customers. The City's utility billing system could place the SWU user fee charge on the utility bill similar to the fixed fee amount for sanitation services. If this billing system is used for the SWU user fee then the City should also consider adoption of a Combined Public Utility Ordinance to compel payment of the new fee. The SWU fixed fee amount for the customer accounts would have to be calculated by the Stormwater Department staff for initial upload into the City utility billing system and the Stormwater Department would have to work with City Utility Billing Services staff to update the customer billing data as parcel and/or impervious area data changes.

If the City opts to utilize the property tax bill, then a comprehensive, targeted public education campaign will need to be developed and implemented to specifically address the "tax versus fee" issue.

Regardless of the mechanism selected, it will be necessary to develop and implement a robust public education and outreach program to assist customers with their understanding of the stormwater program and the SWU.

Please contact the City Water Resources staff with any questions regarding the contents of this memo.