

Town of Cedarburg Stormwater Utility

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Public Information Meetings: the Town will be hosting two meetings for public information on September 2nd at Town Hall. One session will be held from 2:00pm-3:30pm and be geared toward non-residential property owners. The second session will also occur September 2nd, from 6:00-7:30pm and be geared toward residential property owners.

The Town has made several stormwater improvements in past years; however, significant flooding events in 2025, 2026, and more frequent and intense storm events have highlighted the need to implement additional improvements. The Town obtained a new MS4 Permit through the Wisconsin DNR in 2023 and through that process adopted an updated [Stormwater Management Plan](#). This permit is accompanied by stormwater requirements and programs that work to ensure water quality standards are met for water that flows into the watershed, including Cedar Creek. The Stormwater Management Plan update was a \$109,500 project that was 50% grant funded, with the other 50% being funded from ARPA funds.

The Town maintains over 66 miles of roadways, which translates to 132 miles of ditches that require roadside mowing, ditching to maintain water flow, and tree trimming and brush removal to avoid obstructions.

The establishment and implementation of a Stormwater Utility will provide an additional stable and sustainable revenue stream for funding stormwater improvements, maintenance and operational costs of the stormwater infrastructure, ditches, drainage easements, culverts, drain tiles, right-of-way tree trimming and removal, roadside mowing operations, and shoulder repairs as allowed by statute and rules. Expenses related to these activities are rising at a rate that is outpacing General Fund revenue increases due to Wisconsin Levy Limit laws (details later on in this FAQ).

The Town of Cedarburg requested qualifications/quotes ("RFQ") from qualified engineering firms for the completion of a feasibility and rate study culminating in the establishment and implementation of a Stormwater Utility consistent with Wisconsin statutes and rules.

Three engineering firms submitted complete proposals/scope of services. raSmith was selected by the Town Board to complete the scope of work at their June 2026 meeting.

Frequently Asked Questions

This FAQ provides an overview of the proposed Stormwater Utility, how fees would be calculated, how revenue would be used, and the processes for credits, adjustments, and appeals.

Stormwater Utility Overview

What is a Stormwater Utility?

A dedicated funding source authorized under Wisconsin Statutes used to manage, maintain, and improve the Town's stormwater system. It keeps those revenues separate from general tax revenues. The Stormwater Utility collects a fee based on an impervious surface area assessment made on a property-by-property basis. The utility funds work that maintains stormwater flow in an effort to reduce flooding, protect water quality, maintain infrastructure, and meet regulatory requirements. Among other things, it:

- Provides a dedicated funding source for managing stormwater.
- Supports maintenance of ditches, culverts, drainage easements, ponds, and other infrastructure and facilities.
- Funds work that helps reduce flooding, erosion, and water quality impacts.
- Ensures compliance with state and federal stormwater regulations.

Why is the Town considering a Stormwater Utility?

The Town is responsible for maintaining drainage infrastructure, managing stormwater runoff, addressing flooding concerns, protecting water quality, and complying with state and federal stormwater regulations, including Municipal Separate Storm Sewer System (MS4) requirements. Rather than relying solely on property taxes, a Stormwater Utility allocates costs based on each developed property's contribution to stormwater runoff.

Wisconsin levy limit laws have resulted in budgeting challenges for local governments and school districts. The ability to increase the levy is tied largely to how much net new construction a community has (think of this as growth). Due to extremely slow growth in the Town of Cedarburg, this utility will work to provide adequate funding for stormwater related functions and resources needed to maintain them.

What are stormwater runoff and impervious surfaces, and why are they important?

Stormwater runoff is water from rainfall and snowmelt that flows across the ground rather than soaking into the soil. Hard surfaces such as roofs, driveways, roads, parking lots, sidewalks, patios, and compacted gravel areas prevent water from infiltrating into the ground and increase runoff. Excess runoff can contribute to localized flooding, drainage problems, erosion, and damage to public and private property. The Town's stormwater system helps manage runoff, thereby working to protect the community, natural resources, and local waterways.

Stormwater Utility Fees

Who will pay the Stormwater Utility fee?

All developed properties within the Town are generally subject to the Stormwater Utility fee, including residential, commercial, industrial, institutional, and many tax-exempt properties, as permitted by law.

Why do tax-exempt properties pay the fee?

Stormwater runoff is generated by developed properties regardless of ownership or tax status. Schools, churches, and other tax-exempt properties use and benefit from the Town's stormwater system just like taxable properties. As a result, they contribute to the cost of stormwater management as allowed by Wisconsin law.

What is an ERU?

An Equivalent Runoff Unit (ERU) represents the average amount of impervious surface - such as rooftops, driveways, and other hard surfaces - found on a typical single-family residential property in the Town.

The ERU is the standard unit used to calculate Stormwater Utility fees. Properties are assigned a number of ERUs based on the amount of impervious surface they contain, helping ensure that fees are distributed fairly according to each property's contribution to stormwater runoff.

How is the Stormwater Utility fee calculated?

Single-family residential properties are generally assigned **one ERU**.

Multi-family, commercial, industrial, institutional, and other nonresidential properties are assigned ERUs based on the amount of impervious surface on the property.

The fee is calculated as:

Stormwater Utility Fee = Number of ERUs × ERU Rate

The Town Board establishes the ERU rate which can be reviewed periodically as part of the annual budget process.

The final ERU amount has yet to be determined.

How is the ERU rate determined?

The Town establishes the ERU rate using budgetary amounts from historical data to cover the maintenance and operation of the drainage infrastructure including compliance with state and federal stormwater regulations.

How is the area of impervious surface on a property measured?

raSmith used aerial photography, GIS mapping, tax parcel records, site inspections, surveys, engineering information, and other available property records to identify and measure impervious surfaces.

Property information may be updated periodically to reflect development, redevelopment, building additions, parcel combinations, parcel splits, or other property changes.

Do other communities in Wisconsin have stormwater utilities?

There are over 125 communities within the state that have adopted stormwater utilities.

Why do I have to pay a stormwater utility fee when my subdivision has a stormwater detention facility and I pay our homeowner's association fee to maintain the facility?

The runoff from this facility, which is a concentrated source from the pond, outlets to the Town's drainage infrastructure until it can discharge into a water source. In addition, there are inspection costs associated with the Town for maintenance of these ponds. The Stormwater Utility fee helps to offset these costs.

Why do I have to pay the fee if there are no storm drains near my property and I don't experience flooding?

All developed properties generate stormwater runoff. Even if there are no stormwater facilities adjacent to your property, runoff eventually enters the Town's broader drainage system through ditches, culverts, waterways, wetlands, and other drainage features.

Stormwater Utility funding helps maintain this community-wide system by:

- Maintaining stormwater flow and addressing drainage problems
- Protecting roads and infrastructure
- Improving water quality
- Reducing erosion
- Meeting state and federal requirements

Because developed properties generate runoff and rely on the Town's drainage system, they share in the cost of maintaining it.

Funding and Revenue

Why isn't stormwater management funded entirely through property taxes?

Property taxes fund many essential Town services, including public safety, roads, snow plowing, parks, and administration. A Stormwater Utility provides a dedicated funding source specifically for stormwater management and allows costs to be allocated based on runoff contribution rather than property value.

Wisconsin Levy Limit laws (first adopted in 2005, being revised over time) closely align a municipality's ability to increase its levy to the percentage increase in value (equalized) resulting from net new construction. Consequently, communities with slow new construction cannot keep pace with inflation for existing services, not taking into account new services desired by the community. This provides challenges for communities with limited development.

Is a Stormwater Utility fee the same as a property tax?

No. A Stormwater Utility fee is a user fee, not a property tax. It is based on the amount of stormwater runoff generated by a property rather than the property's assessed value.

How will Stormwater Utility revenues be used?

Revenues will be deposited into a separate Stormwater Utility Fund to be used for stormwater-related purposes. They cannot be used to support unrelated Town services.

Stormwater Utility revenues may be used for:

- Maintaining ditches, culverts, drainageways, ponds, and stormwater facilities
- Repairing and replacing aging infrastructure and equipment used to maintain that infrastructure
- Flood mitigation and drainage improvement projects
- Water quality protection efforts
- MS4 permit compliance and other regulatory requirements
- Engineering, planning, inspections, mapping, and studies
- Public education and outreach
- Future capital improvement projects and equipment
- Administration of the Stormwater Utility program

Every dollar collected is reinvested into maintaining and improving the Town's stormwater management program.

Will my Stormwater Utility fee stay the same every year?

Not necessarily. The Town Board will periodically review the Stormwater Utility's operating costs, capital projects, regulatory obligations, and available fund balance.

Based on that review, the annual fee may increase, decrease, or remain unchanged to ensure that revenues remain aligned with the actual cost of providing stormwater services and maintaining appropriate reserves.

Any year-end surplus remains in the Stormwater Utility Fund and may be used for future stormwater-related needs.

Stormwater Utility Credits

Will credits be available?

Yes. The Town will have a *Stormwater Utility Credit Program* to recognize property owners who voluntarily implement and maintain stormwater management practices that provide measurable benefits beyond minimum regulatory requirements.

What types of stormwater practices may qualify for a credit?

Potential credits may be available for privately owned stormwater facilities or best management practices (BMPs) that help reduce runoff volume, improve water quality, lower peak flows, or otherwise reduce impacts on the Town's stormwater system. Examples may include:

- Infiltration systems
- Water quality treatment facilities
- Stormwater detention or retention facilities
- Regional stormwater facilities
- Internally drained impervious areas
- Green infrastructure practices
- Other approved stormwater management practices

Eligibility requirements and credit amounts will be established by the Town and will require documentation, inspections, and ongoing maintenance.

Will all stormwater facilities automatically qualify for a credit?

No. Facilities installed solely to satisfy Town, County, State, or Federal requirements do not automatically qualify for a credit. Credits are intended to recognize stormwater practices that provide benefits beyond minimum regulatory requirements.

How much of a credit can I receive?

Credits are generally limited to a set percentage of the Stormwater Utility fee, unless otherwise authorized by the Town Board. The actual credit amount will depend on the type of facility, the benefits provided, and compliance with any program requirements established by the Town.

How do I apply for credit?

Property owners must submit an application and supporting documentation at the owner's expense demonstrating that the facility provides qualifying stormwater benefits. The Town may conduct inspections and require periodic verification to maintain eligibility. Credits may be reduced or discontinued if a facility is not properly maintained.

Appeals and Adjustments

What if I believe my nonresidential Stormwater Utility fee is incorrect?

If you believe your nonresidential impervious surface area, property classification, ERU assignment, or Stormwater Utility fee is inaccurate, you may request a review.

Examples include:

- Impervious surface measurement errors
- Property mapping errors

- Property classification errors
- Billing errors
- Changes to property conditions
- Other documented inaccuracies

Property owners may be asked to provide supporting documentation, such as surveys, site plans, engineering reports, or other relevant information, to assist with the review.

How do I submit an appeal?

Appeals must be submitted in writing and generally within **30 days** of the determination being appealed.

Additional information regarding the appeal process and required documentation will be available through the Town.

What happens after I file an appeal?

The Director of Public Works or their appointee will review the information submitted, evaluate the request, and issue a written decision. During the review process, the Town may conduct additional research, request supporting information, or perform a site inspection if necessary.

If you disagree with the decision, you may appeal to the Town Board, which will make the Town's final administrative determination.

Billing and Administration

How will the Stormwater Utility fee be collected?

The Town will collect Stormwater Utility fees through the property tax bill as a special charge. This approach provides an efficient and cost-effective method for billing property owners while minimizing administrative costs. Other collection methods authorized by Wisconsin law may also be used if needed.

What happens if I do not pay the fee?

Unpaid Stormwater Utility charges may become a lien against the property as authorized under Wisconsin law. Additional interest, penalties, administrative fees, and collection costs may apply.

Property owners with questions about their bill are encouraged to contact the Town as soon as possible to discuss available options.