

VILLAGE OF PADDOCK LAKE

SANITARY SEWER PUBLIC BENEFIT PROGRAM

1.0 PURPOSE:

The purpose of this policy is to provide guidance to the Village Board of Trustees, Village Administrator, staff, and citizens of Paddock Lake for the management of the Village Sanitary Sewer Public Benefit Program.

BACKGROUND AND SCOPE:

The Sanitary Sewer Public Benefit program was crafted by the Village Board after a significant increase in sanitary sewer system blockages and sewer overflows caused by illicit waste materials being flushed into the collection system and the influx of chloride from residential water softener discharge. The Village Board and Sanitary Sewer Utility District Commissioners implemented the public benefit program to incentivize sewer system users, through education and involvement to reduce illicit waste from being flushed into the system and to reduce the quantity of chlorides from water softeners being discharged into the collection system.

Since 2018, the Village has experienced a significant increase in sewer collection system obstructions caused by the discharge of illicit household waste including food waste, Fats, Oils and Grease (FOG), cloth wipes, cleaning products and hygiene products. In addition, the terms of the Village U.S. EPA chloride variance and Village adopted Chloride Source Reduction Plan requires the Village to reduce the amount of chloride from water softeners from entering the sanitary sewer collection system by 35%, to meet reduction requirements the Village Board has initiated the creation of a Sanitary Sewer Public Benefit program in an effort to encourage sewer users to reduce illicit waste and chlorides from water softeners from being discharged into the sewer collection system.

2.0 ORGANIZATIONS AFFECTED:

This policy applies to all Village of Paddock Lake Departments, officers, Boards, Commissions, Committees, Village employees, Village Residents, Sanitary sewer system users, and property owners.

3.0 INTRODUCTION:

The Sanitary Sewer Public Benefit Program is an incentive program for qualifying Village of Paddock Lake sanitary sewer customers. The program encourages the reduction of chloride or salt brine from water softeners, and the reduction of illicit household waste such as food waste, FOG's, cloth wipes and hygiene products from being discharged into the sewer collection system. Such reductions create benefits in the form of reduced wear and blockages in the collection system, chemicals used for treatment and operations and maintenance costs, these benefits are shared by all customers.

4.0 PROGRAM GOALS AND HIGHLIGHTS:

The Sanitary Sewer Public Benefit Program incentivizes system users to reduce illicit pollutants which result in excess sewer collection system and treatment costs and is based upon the facilities ability to prevent collection system blockages, reduce the strength and/or volume of chlorides entering and passing through the treatment plant and into the waters of the State of Wisconsin.

Financial incentives by way of user rate charge credits of up to \$75.00 per year and \$225.00 every three years are offered to sewer users who participate in the Public Benefit Program. Reduction of illicit pollutant actions for which rate reduction can be incentivized are:

- Reduction of chloride from water treatment devices or water softeners. Residential sewer customers are eligible to receive once every three years a \$150.00 sewer user rate reduction credit after providing proof that their in-home water softener has been optimized (tuned up) by a Wisconsin licensed plumber or a Village recognized water treatment system contractor.
- Active reduction of illicit pollutants such as household food waste, FOG's, cloth wipes, hygiene products and other non-biodegradable waste into the Village sanitary sewer collection system. Sewer customers are eligible to receive a \$75.00 sewer rate reduction credit after attending and or participating in a Village sponsored illicit pollutant public education class.
- Village sewer customers are further eligible to receive a one-time sanitary sewer user fee credit of \$200.00 for the replacement of an inefficient timer-based water softener with a new demand-initiated water softener.

5.0 ELIGIBILITY CRITERIA

To be considered eligible for any one of the three sewer rate reduction credits, Village sewer customers must meet the following standards:

- Sewer customers seeking rate reduction credits must be current on all fees owed to the Village, including property taxes, utility bills, fines, and special assessments.
- Residential homes that are serviced by the Village Municipal Sanitary Sewer Utility District.
- The applicant must be an existing Village of Paddock Lake sanitary sewer customer.

Water Softener Optimization Credit

- Home must currently have a working water softener.
- Homeowners with timer -based water softeners, rental exchange tanks, or softeners with a salt efficiency less than 3350 grains/lb. salt are eligible for a one-time \$200.00 sewer user charge credit to replace the softener with an efficient (minimum 4000 gr/lb. salt) demand-initiated water softener.
- Optimization, retrofit/upgrades, and replacements must be performed/installed by a qualified pre-approved plumber, or water treatment vendor.
- Homeowners with newer water softeners not eligible for replacement are eligible for \$150.00 credit after the softener has been optimized by a qualified pre-approved plumber or water treatment vendor. Available for credit once every three years.
- Credits and or rebates are not retroactive; optimizations, retrofits/upgrades and water softener replacements must be performed and approved in the previous four (4) quarters for the credit to be applied to the first or second quarter.
- An alternative salt-free water conditioner may be eligible for sewer user charge credit but must be pre-approved by Paddock Lake Sewer Utility District.
- Customers requesting water softener optimization incentives must submit to the Village a completed water softener optimization form no later than the first Friday of March to be eligible for rate reduction credit applied to the first (1st) or second (2nd) quarter utility bill.

Illicit Material Source Reduction Education Program

For a sanitary sewer customer to be eligible for the Utility District user charge credit reduction the applicant must meet the following criteria:

1. The applicant must be an existing user of the Village of Paddock Lake sanitary sewer system.
2. The sewer user must complete the sanitary sewer system education program complete the program answer sheet and obtain a minimum score of 70%.
3. Applicants must agree to continuously perform the sanitary sewer best management practices taught in the sewer system education program.
4. Sewer users must be current with all fees owed to the Village. Users owing fees, fines, taxes, or special assessments to the Village are not eligible to participate in the user-charge credit reduction program until all delinquent fees are paid in full.
5. Only one user charge credit per household.

6.0 PROGRAM POLICY and PROCEDURE

- 6.1 The guidelines set forth in this policy and procedure document specify the most significant rules and regulations adopted by the Village Board as it pertains to the Sewer Public Benefit incentive program. They are intended to facilitate uniform administration and accounting of public funds and services.
- 6.2 Periodic revisions may be made to this policy when changes occur which affect the program, funding of the program and/or policy needs.
- 6.3 Sanitary Sewer Utility District Commission is an advisory board to the Village Board of Trustees, which encourages a planned and orderly approach to the management of the Village Sanitary Sewer Utility District. The commission reviews, evaluates and makes recommendations to the Village Board on proposals, requests, policies, District operation and management. The Village Board acting as the Sewer Utility Commission will administer the program, Village staff will provide technical assistance and support to the program.
- 6.4 Eligible program costs, the eligible incentives shall be limited to the three (3) above listed incentives, to include credit for optimizing water softeners, replacing inefficient water softeners, and completing the user education course.
- 6.5 Ineligible costs and incentives, costs not associated with the reduction of illicit waste from entering the Village sanitary sewer collections system.
- 6.6 The Sanitary Sewer Public Benefit program is a Utility District funded program using funds generated from sanitary sewer user charges and more specifically surplus operational funds.
- 6.7 Village staff and commissions responsibilities, it is the responsibility of staff to monitor the program's activities and report on its compliance to the Village Board. It will be the responsibility of staff to review and process applications, policies, and regulations of the program.

7.0 OPERATIONAL RESPONSIBILITIES

7.1 Minimal distribution standards: prior to applying program incentives the Village Administrator, Clerk, Deputy Clerk or Utility billing Clerk must confirm that the applicant meets the following criteria and standards:

- a. Sewer users' application must be complete.
- b. Confirmation that the applicant is the registered sewer user of record.
- c. Applicants are current on all property taxes, utility charges (sewer and water) and all funds due to the village.
- d. The applicant has completed the sewer user education course and has submitted the required program answer sheet with a minimum correct score of 70%.
- e. The applicant has hired a pre-qualified vendor to optimize the residential water softener.
- f. The applicant furnishes the Village with a completed softener replacement form signed by a Wisconsin licensed plumber, and or Village authorized water treatment vendor/contractor and a receipt for the purchase of the qualifying softener to Village.

7.2 Incentive Credit shall be applied to the users first (1st) or second (2nd) quarter utility bill

7.3 The public benefit incentive program must be reviewed by an independent auditor annually. The auditor's management report must be made as a part of the programs annual report and budget process.

7.4 Record retention: All records related to the public benefit incentive program, including financial documents, applications, quotes, inspection reports, and administration files must be maintained by the Village Clerk/Treasurer for a period of seven (7) years from the date of project/program close out.

8.0 SELECTION AND AWARD PROCESS

8.1 Applications received by the Village will be stamped with the date and time of receipt and will be logged in by the administrative team. Applications that are not received by the specified deadline (first Friday of March) or applications that are not complete will not be qualified for the evaluation process. The program's administrative team will review all applications to ensure compliance with program requirements.

8.2 Administrative review: The review will encompass the following:

- a. Record of application shall be kept in a log by date, applicant name, sewer utility account number and status of application.
- b. Examine application and supporting documents to ensure submittal is complete. Applications that are incomplete or did not include required information will be disqualified from the approval process.

- c. Confirmation that applicant is current on all monies owed to the Village including, but not limited to taxes, utility payments (sewer and water), refuse and fines.
- d. Examine softener optimization form to ensure softeners optimization has been preformed and meets program standards.

8.3 Application refusals- applicants who do not meet the minimum requirements will be notified in writing.

8.4 Denial of credit- Applicants who do not meet the minimum requirements and have been denied consideration may be informed of the denial in writing or by telephone.

8.5 Protest and Appeal Procedure- Applicant will have the opportunity to request a re-examination of a denied application, solely for the purpose of identifying weakness in the application. Denied applications will not be considered for award once the process has been completed.

8.6 Appeals must be submitted in writing. The applicant will have 10 business days after notice of an award or denial of award to file a written appeal, complaint, or protest. Failure to file within the time frame established will render the appeal process complete.

9.0 ETHICS IN ADMINISTERING THIS POLICY

9.1 This policy provides best practice guidance to assist interested parties, current grantees, Village Board, Sanitary Sewer Utility Commissioners and Village employees in conducting and administrating this Sanitary Sewer Public Benefit Program, using the highest level of ethical behavior and practices.

This is extremely important because public funds are involved as well as public trust. Transparency and accountability help to ensure impartiality and to provide funding agencies confidence to participate in the program. It is everyone's duty to adopt the process, practices and behavior that will enhance and promote public sector values.

CONFLICTS.

Where this policy conflicts with applicable Federal, State or Village laws, codes, ordinances or other lawful regulations, such applicable laws shall be controlled.

Program funding source.

The user-charge credit reduction incentive program is to be funded from the Village sanitary sewer operational budget specifically from account number 04-51-00-599-905 Rate reduction funds and 04-33-00-536-352 Chloride reduction program. In addition, surplus funds derived from account No. 04-51-00-599-905 and No. 04-33-00-536-352 will be drawn from to cover anticipated program costs.

Program Effective Dates

March 2025, Village Board approves Sanitary Sewer Public Benefit Program Policy.

July 1, 2025, Program begins, with public education and program incentives.

March 2026, or first quarter utility billing, program incentives can be applied as sewer users' credit.