



Magistrate
**SCOTT
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DISTRICT 6



COMMUNICATION BULLETIN

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The Oldham County Judge-Executive is proposing yet **ANOTHER TAX** in Oldham County by creating a **"Stormwater Management District"**. Magistrate Davis is very concerned about the costs and other ramifications to the Taxpayers and would like to take this opportunity to share detailed information and **request your feedback**.

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Paid for by Scott Davis

What Is This Proposed New Tax?

Judge-Executive Murner has proposed a new county ordinance regarding the creation of a stormwater management district in Oldham County. If passed by the Fiscal Court, this district has the power to levy **significant, new taxes** on the homeowners of Oldham County.

Additionally, Judge-Executive Murner is recommending that homeowners be charged \$60 per year for a new "stormwater utility fee (tax)". However, needed tasks and regulation compliance can be achieved with much lower charges to Oldham County taxpayers. Magistrate Davis is concerned about the impact of these issues and wanted to take this opportunity to share more information and request your feedback.

Background:

Phase I of the U.S. Environmental Protection Agency's (EPA) storm water program was established in 1990 under the Clean Water Act. Phase I relies on National Pollutant Discharge Elimination System (NPDES) permit coverage to address storm water runoff from municipal separate storm sewer systems (MS4s).

The Storm Water Phase II Final Rule is the next step in EPA's effort to preserve, protect and improve the nation's water resources from polluted storm water runoff. The Phase II program expands the Phase I program by requiring additional operators of MS4s to implement programs and practices to control polluted storm water runoff. Oldham County is currently planning to ensure compliance with the Phase II program.

What every municipality has been tasked with is implementing the Minimum Controls to satisfy the Department of Environmental Protection (DEP). You may hear about a major cost component of this program known as the "NPDES Permit Cost". A key element to understand is that there is no "set" cost for a permit (no "set" federal mandate cost), as this cost is made up of the activities and tasks which are undertaken to meet the minimum controls. Listed below are the minimum controls which Oldham County is implementing:

- Public Education and Outreach Involvement / Participation
- Illicit Discharge Detection and Elimination
- Construction Site Storm Water Runoff Control
- Post-Construction Storm Water Management in New Development and Redevelopment
- Pollution Prevention / Good Housekeeping for Municipal Operations

Issues Of Concern:

At a meeting of the Oldham Fiscal Court held on July 1st, 2008, an ordinance relating to the creation and authority of a stormwater management district in Oldham County presented for a first public reading. Upon further review of the details regarding this ordinance, Magistrate Davis wanted to take this opportunity to share some key details and concerns with you. First, language from this ordinance includes the following:

"The Fiscal Court, consistent with the authority granted to it under KRS Chapter 220.035 reserves the power to: approve a board of directors, whose number shall be 3, and appointed by the Oldham County Judge Executive, review and approve, amend or disapprove proposed district land acquisitions; review and approve, amend or disapprove proposed district construction or capital improvements; review and approve, amend or disapprove proposed service charges or user fees; and review and approve, amend or disapprove a proposed budget." (NOTE: There is no right reserved for approval or disapproval of taxes).

"The District shall have the powers stated in KRS Chapter 220 including the power to sue and be sued, contract and be contracted with, incur liabilities and obligations, exercise the right of eminent domain, assess, tax, contract for rentals, issue bonds, and do and perform all acts necessary and proper for the carrying out of the purposes for which the District is created, and for executing the powers with which it is vested as provided in KRS Chapter 220.510."

Now, let's review KRS (Kentucky Revised Statutes Law) Section 220.360:

"The board of directors, as soon as duly appointed and qualified, may levy one (1), two (2), or three (3) annual taxes, which taxes need not be in successive years, or not more than (\$0.15) upon each one hundred dollars of assessed valuation of property".

The above language and context of this proposed ordinance is especially concerning to Magistrate Davis for several reasons. First and foremost, this ordinance and the creation of this district provides the power for a board of non-elected officials to levy taxes without restriction or approval from the Fiscal Court. As stated above, the Fiscal Court would only reserve the power to approve "service charges or user fees".

For example, this new district would have the power to levy **NEW, ADDITIONAL TAXES of \$900** for a family living in a \$200,000 home in Oldham County. This is in addition to the annual stormwater fees (taxes) desired to be between \$42 - \$80 per year by Judge-Executive Murner.

A consulting firm contracted by the Oldham County Fiscal Court for the purpose of establishing a storm water utility program and fee, made a presentation in which they clearly stated that Oldham County could meet all necessary state and federal requirements for this program with a utility fees of \$36.24 in year 2009 and \$38.40 in year 2010 (approx. \$3 per month per household). However, Judge-Executive Murner decided to move forward with recommending that homeowners be charged \$60 per year for this new tax (per an article found in the Courier-Journal newspaper on 6/11/08).

This also comes as just another tax/fee increase imposed on the residents of Oldham County in just the first 18 months of the Murner Administration. During this time, Judge-Executive Murner has **SUPPORTED** doubling of insurance premium taxes, increases in sewer rates (in addition to another forthcoming increase of approx. 25% per a recent interview), increases in garbage collection fees, increases in telephone taxes, increases in real estate tax revenue, and now a new annual stormwater fee (tax) and the potential for up to three supplemental taxes from a new stormwater management district. At a time when economic pressures and record high gasoline prices are affecting nearly every household, Magistrate Davis feels strongly that this is **NOT THE BEST PLAN** for Oldham County.

Magistrate Davis has examined the costs associated with implementing the controls necessary for this program in Oldham County. It is his belief that more efficient use of current tax revenues along with funding already budgeted by the Fiscal Court is sufficient to meet the requirements (**NO NEW TAX NEEDED**). Additionally, the average homeowner will receive **NO ADDITIONAL SERVICE** or drainage issues assistance from this new tax.

What Can We Do?

Magistrate Davis encourages you to attend either of the next two meetings of the Oldham County Fiscal Court where you can make a public comment to the court concerning your feelings on these matters. The Fiscal Court meets on **Tuesday, July 15th at 2:00 PM** for a regular meeting and on **Wednesday, August 6th at 2:00 PM** at which time a public hearing on this proposed ordinance will be held. The Fiscal Court meets on the 2nd Floor of the Fiscal Court Building at 100 West Jefferson Street in LaGrange. You can also contact all members of Fiscal Court via phone or email by the information located at www.oldhamcounty.net.