



*Connection Charges Administrative Guidance*

**Chargeable Area Determination**

Created January 10, 2019 — Revised March 13, 2019

**Summary**

Customer communities owe connection charges for areas that connect to the district. **Areas are presumed chargeable unless specific exemptions apply**, as described below.

**Guidance**

Background

Customer communities owe connection charges for areas in their jurisdiction that are served by the district. State law and district connection charges regulations prohibits certain types of areas from receiving sewer service and from being charged for sewer connections. Exempt areas are: (a) environmental corridor; (b) public right-of-way; and (c) agricultural areas.

Areas are presumed to be chargeable unless one of the exemptions applies. When calculating connection charges, the district will review the subject area and identify portions that are exempt from connection charges. This normally occurs on application for extension of sewer service, but may also occur for direct connections to previously approved sewers, calculation of redevelopment connection charges, or other situations.

This guidance provides criteria and examples to help determine when exemptions apply.

Legal Description

Under connection charges regulations, all three exemptions require a sufficient legal description of the exempt area. The district may require additional information if the legal description is not sufficient.

Actual Service

If an area is actually served by public sewer, charges are due even if an exemption would otherwise apply. In such cases, the district will charge for the larger of 10,000 square feet or the area of the structures receiving service, including parking lots and nearby related structures.

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*The district maintains an interceptor system in its service area. When customer communities connect to the system, various fees are due, including late fees where applicable. The connection charges program is governed by the district's sewer use ordinance and connection charges regulations, which are approved by the commission. Program guidance is approved by the chief engineer and director. Visit <http://www.madsewer.org/ConnectionCharges>.*

## Environmental Corridor

To be exempt from charges, environmental corridor must be designated by the Capital Area Regional Planning Commission. The environmental corridor must be designated on a recorded map for exclusive use as a stormwater management area or be designated on a map as being dedicated to the public and restricted exclusively for stormwater, park, and open space. The designation can be applied to many features, including:

- Wetlands.
- Vegetative buffers.
- Floodplains and floodways.
- Steep wooded slopes.
- Navigable water bodies.
- Open drainageways.
- Public lands, parks, and conservancy areas.

The Capital Area Regional Planning Commission classifies environmental corridors as either environmentally sensitive or non-environmentally sensitive. No buildings with sanitary sewer service are allowed in environmentally sensitive areas. Examples of these areas include wetlands, streams and floodplains. Buildings with sewer service can be located in a non-environmentally sensitive area such as a park or stormwater management area. The district will charge for such structures. Charges will be based on an area equal to the total of the developed structures (buildings and related parking areas) or 10,000 square feet, whichever is greater.

Some communities use the non-environmentally sensitive corridor designation for parks and similar uses to reduce the amount of connection charges owed. The district supports this approach. Connection charges rates were adjusted in 2017 to reflect the practice.

## Public Right-of-Way

To be exempt from charges, a public right-of-way must be dedicated to *public* use. This normally applies to roads and publicly-accessible alleyways.

## Agricultural Areas

To be exempt from charges, an agricultural area must be included in a farmland preservation zoning district as part of a farmland preservation plan certified under s. 91.20, Wis. Stats.

## Common Non-Exempt Areas

Under connection charges regulations, areas are presumed chargeable unless a specific exemption applies. Occasionally, customer communities mistakenly assume certain non-exempt areas are exempt. Examples include:

- *Parks, sporting fields, storm water detention basins, or similar* — such areas are not exempt unless designated as environmental corridor.
- *Private roads and paths* — rights-of-way must be designated for public use to be exempt.
- *Private outlots* — undeveloped outlots must be designated as environmental corridor to be exempt.
- *Publicly owned lands* — publicly owned lands are chargeable unless designated as public right-of-way or environmental corridor.
- *Lands subject to legal development restrictions, including deed restrictions* — such lands must be designated as environmental corridor to be exempt.
- *Lands for public utilities* — parcels containing these facilities are chargeable if the parcel is served by sanitary sewer. Examples include electric substations, gas regulator stations, and water pumping stations.
- *Accessory uses* — these types of uses generally support a business or an adjacent area which is served by sanitary sewer. As such, these areas will be charged unless a specific exemption applies. Examples of these uses include permanent storage units and surface parking lots. Large accessory uses like on-ground solar energy systems, geothermal fields, or wind energy systems may be deemed not presently served at the district's discretion or may be exempted if designated as environmental corridor or (see separate guidance on determination of area served and on exemptions).
- *Farmstead* — in general, a farmstead that is connected to sanitary sewer shall pay connection fees in the same manner as that of a single-family home. Remaining agricultural lands shall be exempt, if applicable.

## **Authority**

General:

- State law: chapter 200, subchapter I <https://docs.legis.wisconsin.gov/statutes/statutes/200/I>
- District sewer use ordinance: <http://www.madsewer.org//Planning/Permits-Ordinances>
- Connection charges regulations: <http://www.madsewer.org/ConnectionCharges>

This Guidance:

- Connection Charges Regulations ss. 5.1 and 5.2

- S. 200.13(12), Wis. Stats. (types of areas that may not be charged)
- S. 91.01(16), Wis. Stats. (definition of farmland preservation area)

## **Document History**

2019 January: Created.