

## Chapter PSC 187

### SEWER MAIN EXTENSION COST RECOVERY

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**Note:** Chapter PSC 187 was created as an emergency rule effective November, 1, 1998.

**PSC 187.01 Purpose.** The purpose of this chapter is to carry out the legislative directive in s. 66.0821 (2) (a) 2., Stats., to adopt rules setting forth the method of determining payment to a developer by a person connecting an extension into a sewerage project for which the developer is paying or has paid in whole or in part.

**History:** Cr. Register, August, 1999, No. 524, eff. 9–1–99; **correction made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.**

**PSC 187.02 Definitions.** In this chapter:

(1) “Developer” is a person who constructs or creates a subdivision.

(2) “Developer contribution” is physical assets or capital contributed by a developer to a sewerage project.

(3) “Municipality” has the meaning given under s. 66.0821 (1) (a), Stats.

**Note:** This chapter does not apply to town sanitary districts. Section 66.0821 (1) (a), Stats., defines “municipality” as any town, village, city or metropolitan sewerage district.

(4) “Sewer main” means sewer pipe installed to transport sewage from the sewer service lateral to the wastewater collection system or wastewater treatment plant.

(5) “Sewer service lateral” means the pipe installed from a building to the sewer main.

(6) “Sewerage project” means that portion of a sewer main which has been financed by a developer contribution and which connects the remainder of the municipal sewerage system and the developer’s subdivision. It also includes any lift stations, including pumping facilities, located within the development which have the capacity to serve outside the development.

(7) “Subdivision” has the meaning given under s. 236.02 (12), Stats.

**Note:** Section 236.02 (12), Stats., defines “subdivision” as a division of a lot, parcel or tract of land by the owner thereof or the owner’s agent for the purpose of sale or of a building development, where: (a) The act of division creates 5 or more parcels or building sites of 1 1/2 acres each or less in area; or (b) Five or more parcels or building sites of 1 1/2 acres each or less in area are created by successive divisions within a period of 5 years.

**History:** Cr. Register, August, 1999, No. 524, eff. 9–1–99; **correction in (3) made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.**

**PSC 187.03 Application.** This chapter applies to any person who connects a sewer main extension into a sewer main for which there has been a developer contribution, and whose property is outside of the subdivision of the developer who made the developer’s contribution. A person making a sewer main extension from a previously installed sewer main extension for which a developer is paying or has paid shall pay to the developer a fee as defined under s. PSC 187.05. This chapter does not apply to a combined water and sewer utility under s. 66.0819, Stats.

**Note:** This chapter does not apply to limit any sewerage service charges or other means of collecting costs of providing wastewater treatment service as permitted under s. 66.0821, Stats., by municipalities owning wastewater facilities or portions thereof for which no developer contribution has been made.

**History:** Cr. Register, August, 1999, No. 524, eff. 9–1–99; **correction made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.**

**PSC 187.04 Notice.** The municipality in which a sewerage project is located for which a developer is paying or has paid shall inform a person who wishes to connect an extension into a sewer main in the sewerage project of the requirements of this chapter.

**History:** Cr. Register, August, 1999, No. 524, eff. 9–1–99.

**PSC 187.05 Determining refund fees.** (1) Where the cost of the sewer main extension is to be collected through special assessment by the municipality against the abutting property, the procedures set forth under ss. 66.0701 and 66.0703, Stats., shall apply, and no additional contribution for the cost of the sewer main extension will be required and no refund will be made to the developer.

(2) When a new sewer main is extended from an existing sewer main, which was not financed by developer contributions, the new sewer main extension shall not be subject to this chapter.

(3) Where the developer is paying, or has paid, all or part of the cost of a sewer main extension, part of the contribution may be refundable. If a person whose property is outside of the development connects a sewer main extension to a developer-financed sewer main within three years after the date of completion of the developer’s sewer main installation, within 60 days of connection the person shall pay to the developer the following:

(a) *Calculation of sewer main extension refund.* The developer shall be refunded a percentage of the costs of the original sewerage project calculated using the Diameter Squared, Length of Sewer Main method, where

$$\text{Refund (\$)} = C \times P$$

C = the cost or portion of the cost of the original sewerage project paid or to be paid by the developer (\$)

$P = [L_2 \times (D_2)^2] \div [L_1 \times (D_1)^2]$ ; when  $P \geq 0.50$ , set  $P = 0.50$  (i.e. *P may never be greater than 0.50 in calculating the refund*)

$L_1$  = Lineal feet of sewer main installed with the original sewerage project

$D_1$  = Diameter in inches of sewer main  $L_1$

$L_2$  = Lineal feet of sewer main installed with new sewer main extension

$D_2$  = Diameter in inches of sewer main  $L_2$

**Note:** Where multiple sewer main diameters are involved, calculating “P” requires summing the individual products of each length of sewer main multiplied by its respective diameter squared.

(b) *Calculation of additional sewer main extensions.* As additional sewer main extensions are made to the sewer main, paid or to be paid by the developer, the cost of the original sewerage project shall be redistributed on the basis of proportionality by expanding the Diameter Squared, Length of Sewer Main Method to include the additional extensions. Any calculations previously made under the formula shall be recalculated to adjust and determine new reimbursement payments to all parties. Reimbursement to the original developer shall never

exceed 50% of the original sewerage project cost. No refunds will be made for sewer main extensions that do not directly connect to the sewer mains serving the original development.

**History:** Cr. Register, August, 1999, No. 524, eff. 9-1-99; **correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.**