DEVELOPING A REGIONAL APPROACH FOR COST EFFECTIVENESS

New Jersey Stormwater Utility
Virtual In-State Retreat

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Speakers and Moderator

PAM SHELLENBERGER
- Chief, Long Range Planning
  York County Planning Commission
- Administrator, York County Stormwater Consortium
- Contact: 717-771-9870, x1768, pshellenberger@ycpc.org

FERNANDO PASQUEL
- Senior Vice President, Arcadis
- National Director, Stormwater and Watershed Management
- Chair, WEF Stormwater Institute Advisory Committee
- Contact: 703-842-5621, fernando.pasquel@arcadis.com

BEVIN BUCHHEISTER
- Senior Policy Analyst,
  National Governors Association
- Contact: 202-595-2681, bbuchheister@nga.org
Benefits of Regional Cooperation
Approach and Considerations
Case Studies
Q & A
Why is a Regional Approach Needed?

- 560 jurisdictions with similar stormwater requirements
- Lack of funding for addressing stormwater needs
- Economies of scale for SWU implementation
- Stormwater problems do not follow municipal boundaries
- Cost sharing of compliance and project costs
- It works for other sectors (Water, Sewer, Electricity)
Benefits of Regional Cooperation

- Improve acceptance by having a uniform stormwater funding approach and policies
- Create opportunities for developing watershed solutions and reduce project costs
- Leverage existing cooperation and regional agreements
- Streamline program implementation to reduce regulatory compliance and O&M costs
- Increase access to grants and innovative funding sources
Regional Approach Decision Process

STEP 1: Ensure Leadership and Commitment

STEP 2: Frame the Problem – Why Do We Need a Regional Approach?

STEP 3: Develop Regional Concept / Model for Funding

STEP 4: Collect Data and Engage Public / Stakeholders

STEP 5: Evaluate Options & Make Decisions – Feasibility Study

STEP 6: Develop Implementation Plan
Implementation Considerations

- Scale and levels of participation
- Regulatory agency interaction
- Leadership and roles - Governance
- Services to be provided
  - At regional level
  - At municipal level
- Elected officials buy-in
- Funding strategy
  - Sources – diversify and leverage
  - Performance metrics
Policy Considerations

- Which communities participate in regional study?
- How would the regional utility impact local organization and staffing?
- How are funds going to be collected (billing) and distributed?
- Who implements the projects and O&M activities – regional and local roles?
- How do we maintain uniformity in rates and policies?
- Who is accountable and responsible for compliance and reporting of regional operations?
Albany Pool Communities, NY
Overview of Feasibility Study Project
Regional Stormwater In-Lieu Fee and Credit Banking Programs

Task 1: Data Collection and Review
Compile background information on Albany Pool Communities (APCs) stormwater programs

Task 2: Regulatory Authority and Governance
Identify regulatory and legal factors in to be considered in developing an organizational structure that supports regional funding

Task 3: Research ILF and Credit Banking Programs
Compile information from other established ILF and Credit Banking programs

Task 4: ILF and Credit Banking Concept Workshop
Discuss merits, pitfalls, lessons learned and overall applicability to Albany Pool Communities

Task 5: Feasibility Assessment and Report
Presentation of findings and the assessment of the feasibility for the Albany Pool Communities
Feasibility Study Findings

1. Regional approaches are growing in popularity as a way to enhance the cost effectiveness of stormwater management.

2. A limited number of programs have been implemented mostly by larger municipalities. Municipalities had flexibility to meet onsite requirements with offsite mitigation.

3. Advantages:
   - Flexibility to achieve stormwater compliance through either offsite or onsite options.
   - Ability to drive compliance measures to priority areas.

4. Challenges or Limitations:
   - Scale needed for viable credit banking/trading program.
   - Eligibility across watershed boundaries.
   - Program implementation and administration cost.
Options Considered for the APCs

• Establish only in-lieu fee program
• Establish both in-lieu fees and credit banking / trading programs
• Implement planning and administration separately
• Implement planning regionally, but administer programs separately
• Implement planning and administration regionally
# Sample Potential Program Suitability

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<tr>
<th>Community</th>
<th>In-Lieu Fees</th>
<th>Credit Banking</th>
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<tr>
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York County, PA
Location in the Chesapeake Bay Watershed
York County’s Journey to Improve Water Quality

- Integrated Water Resources Plan (IWRP)
- Watershed Implementation Plan (WIP)
- Regional Chesapeake Bay Pollutant Reduction Plan (CBPRP)
- Stormwater Authority Feasibility Study (SWA Study)
- Stormwater Authority Implementation Plan (SWAIP)
York County Regional CBPRP

- Requirement for MS4 Permit holders
- Pollutant reduction goal is 6.5 million pounds of sediment per year
- Implemented through an Intergovernmental Cooperation Agreement
- 45 participants together will contribute $12.8 million over 5 years
- Committed for 5 years (through December 2023)
YCSWC REGIONAL CBPRP BENEFITS

• No cost to municipalities for Plan development
• Participation by DEP throughout Plan development
• Cost efficient for MS4 municipalities & other participants
• Municipalities get credit for pollutant reductions regardless of where project located in the planning area
• Projects located in 4 primary watersheds; not each huc-12 level watershed
• Implement more efficient and effective BMP’s
• Priority for grant funding
• Partnership with non-municipal MS4’s
YCSWC REGIONAL CBPRP LESSONS LEARNED

• Important to approach DEP with specific requests and justify why the “ask” is essential
• Obtain/Maintain documentation of DEP responses in writing
• Municipalities need to clearly understand their role in Plan implementation
• YCSWC funds are municipal monies, therefore municipal procurement process required
• Public/Private Partnerships can help reduce the municipal financial burden
• Importance of water quality monitoring
• MS4 municipalities struggling to meet the escalating costs of regulatory compliance; SWA options being considered
Ingredients for Success

- Lead Agency with Dedicated Staff
- Engage EPA & DEP
- Cost Savings
- Regulatory Consideration
- Public Private Partnerships & Patience, Persistence, Professional help
Conclusions

A regional approach to planning and funding improves acceptance and can reduce costs.

Use lessons learned from other areas and build on regional cooperation to improve your chances of success.

Implementation success: share program vision, obtain leadership and stakeholder buy-in, define benefits and risks.

New Jersey has good enabling legislation and stormwater problems are understood, but funding remains a challenge.
• Concerns with the regional approach?
• Do you have examples of existing regional cooperation – activities, drivers, etc.?
• Other?
THANK YOU!

PAM SHELLENBERGER
717-771-9870, ext. 1768
pshellenberger@ycpc.org

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