



New Jersey Stormwater Utility Virtual In-State Retreat

September 16, 2020

Welcome & Introductions



Bevin Buchheister
Senior Policy Analyst
National Governors Association



Jane Cohen
Policy Advisor
Office of New Jersey
Governor Phil Murphy



Kati Angarone
Associate Commissioner for
Science and Policy
New Jersey Department of
Environmental Protection

Stormwater Utility Retreat Agenda

Wednesday, Sept. 16, 2020

- 12:30-1:00 pm- Welcome and Introductions
- 1:00-1:15- Background
- 1:15- 2:30- Messaging and Public Relations: Addressing Local Concerns
- 2:30-3:00- Break
- 3:00-4:00- Local Stormwater Utility Implementation Process: Lessons Learned

Thursday, Sept. 17, 2020

- 1:00-2:15 pm- Laying the Groundwork for Rate Setting
- 2:15-2:45 pm - Break
- 2:45- 3:30- Developing a Regional Approach for Cost Effectiveness
- 3:30-4:00 pm – Break
- 4:00-5:00 pm - Develop Action Plan & Closing Remarks



Participant Introductions

Bevin Buchheister, Senior Policy Analyst, National Governors Association

Participant Introductions

- For municipal and partner primary attendees, in 1 minutes or less, please introduce your jurisdiction or organization and briefly share a stormwater utility challenge and issue you hope to learn more about at this retreat.
- For all others, briefly introduce yourselves and identify your organization and stormwater work.
- Guidance: Please remember to unmute yourself. Introductions will proceed in alphabetical order by group based on the participant's list.

Background on Stormwater Utility Legislation and Purpose of Retreat



John Gray

Regulatory Officer, Department of Environmental Protection

Background on Stormwater Utility Legislation and Purpose of Retreat

John Gray, Regulatory Officer

Division of Water Quality

NJDEP

Purpose and Goals

Inform DEP's work in
developing guidance

Facilitated discussions on
utility strategies

Participants gaining
knowledge on their next steps

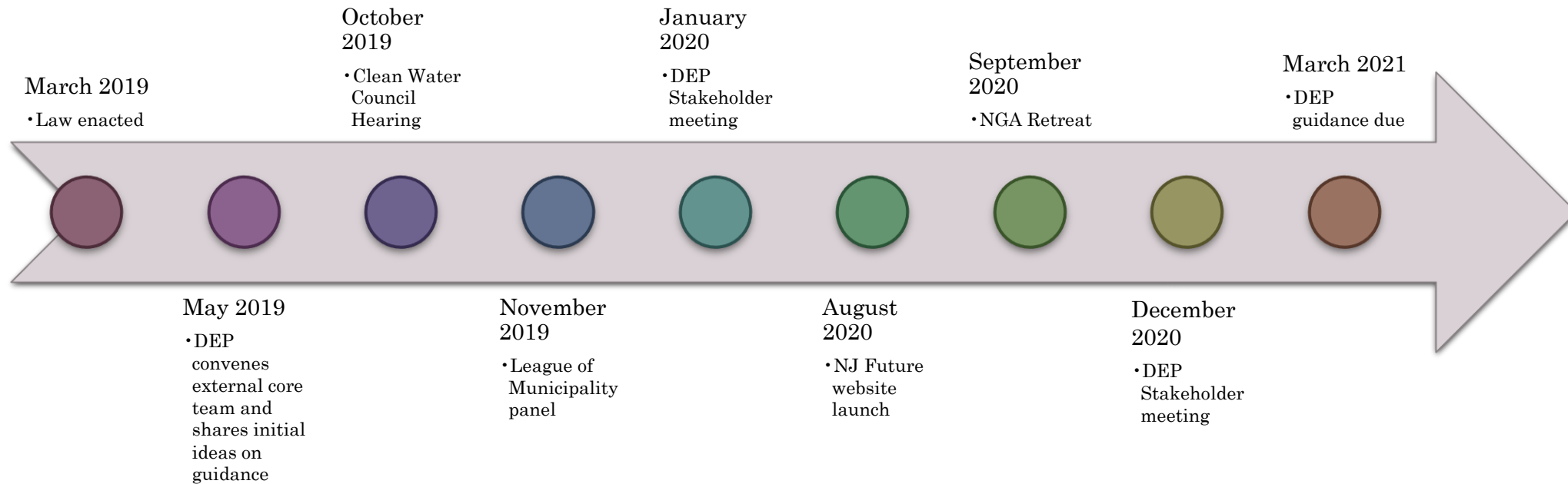
Clean
Stormwater and
Flood Reduction
Act
(NJSA 40A:26B *et
seq.*)

- Who can establish a stormwater utility (Sec. 4, 5, 6)
- What a stormwater utility can collect fees for (Sec. 8)
- Shared services agreement (Sec. 7)
- DEP's guidance manual (Sec. 16)
- Creation of Clean Stormwater and Flood Reduction Fund (Sec. 17)
- Provisions relative to budget of certain regional sewerage authorities (amends NJSA 40:14A-4.2)
- Certain contracting requirements (amends NJSA 40A:11-4.1 and 15)

Backdrop In New Jersey

- Challenges posed by climate change to water quality and flooding
- Proper O&M is essential
- Obligations under DEP's MS4 program
- Obligations under DEP's CSO permits
- Water Bank only finances capital improvements

Timeline of Activity



Technical assistance for counties, municipalities, and authorities seeking to establish a stormwater utility

Factors for counties, municipalities, and authorities to consider when establishing and revising stormwater utility fees and other charges and appropriate credits

Information on how to develop an asset management program for a stormwater management system

Information on how counties, municipalities, and authorities can conduct public outreach related to stormwater management

DEP Guidance

- Detailed infrastructure inventory
- Identify Needs
 - Capital projects
 - Operations and Maintenance
 - Critical and problematic areas to protect or improve
- Impervious surface inventory
- Level of Service options
- Fee options
- Outreach

Elements of a Feasibility Study

Questions to Consider

How do I engage residents, other officials, and key stakeholders to create buy-in?

Does it make sense to approach this from a regional perspective rather than going alone?

How do I go about creating a rate structure?

What should I be doing now as I prepare to potentially create a stormwater utility?

Messaging and Public Relations: Addressing Local Concerns

Facilitator



Bevin Buchheister
Senior Policy Analyst
National Governors Association

Speakers



Jennifer Watson
Stormwater Coordinator
City of Gallatin, Tennessee



Ed Suslovic
Former Mayor, City Councilor
and State Legislator
Portland, Maine

Messaging & Public Relations: Addressing Local Concerns



ENGINEERING - STORMWATER
CLEAN WATER | HEALTHY COMMUNITIES

Cities of Gallatin, TN & Portland, ME Perspective

1. Introduction
2. It's Never too Early to Start Building Your Case
3. Public Engagement Strategy
4. So... How did Gallatin & Portland begin the messaging for a Stormwater Utility?
5. After Stormwater Utility Implemented



Introduction

The City of Gallatin was established in 1802

Located northeast of Nashville and is nestled on the banks of both Old Hickory Lake and the Cumberland River.

71 Stream Miles, 14 Miles of Old Hickory Lake Shoreline

Population: Approximately 40,000

The City is located at the bottom of several watersheds and often experiences flooding events



Introduction

The City of Portland was settled in 1632

Roughly 40 percent of all Maine residents live in the greater Portland metropolitan area

Situated on the Portland peninsula near Maine's southernmost border

America's 20th-largest fishing port

Despite having a population of just 60,000, Portland boasts an impressive 17 microbreweries – clean water is imperative!



Introduction

Recurrent issues highlighted a need for increased funding and a dedicated revenue source

Engineering Division realized it was time to begin planning for a Stormwater Utility Fee

Where and How to Start?



Stormwater Finance Flow Chart



It's Never too Early to Start Building Your Case

Track and Compile Any and All Pertinent Information

Drainage Complaint Records & Resolutions

Calls to staff

Calls to elected officials

Photographic and Video Evidence

Engineering and Maintenance Staff Knowledge

History of Flood/Extreme Rain Events – rainfall data amounts

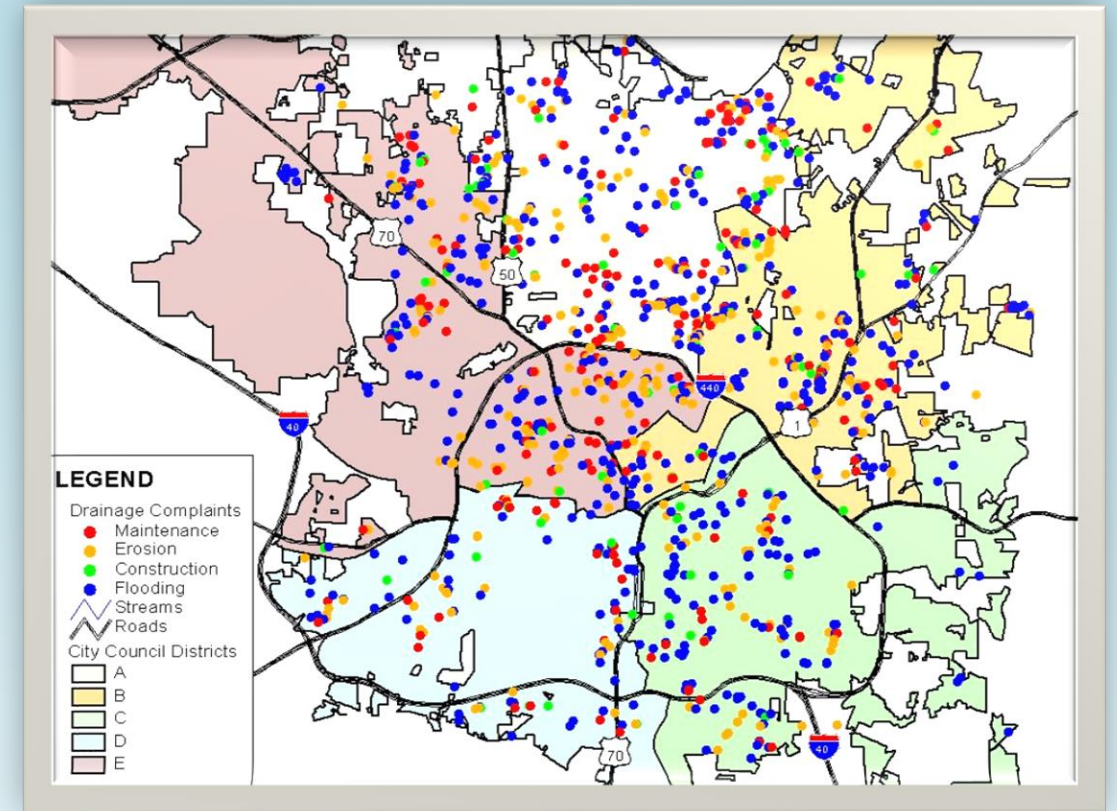
Economic Impacts - \$ Damages

Flood Insurance Repetitive Loss \$ Amounts

Any Master and Watershed Basin Plans

Completed Projects List

Future Projects List



It's Never too Early to Start Building Your Case

The Benefits for Enacting a Sustainable Financing Plan

Always keep these at the front of your mind!

You are promoting a stormwater utility because your community benefits from:

Taking Public Safety Seriously

Clean Water

Pro-actively Addressing Drainage Problems

Maintaining and Improving Aging Stormwater Infrastructure

Better Economic Development

More Attractive Neighborhoods and Downtowns

Dedicated Revenue for Scheduling Capital Improvement Projects



It's Never too Early to Start Building Your Case

The Benefits for Enacting a Sustainable Financing Plan

Always keep these at the front of your mind!

Neutralize negative political comments

Clearly addressing facts and benefits

Remaining calm and professional

Listen to critics, allow them to voice their opinions

Empathy and understanding

Calmly explain the benefits and why a fee may be a better way to manage local infrastructure concerns

Embrace your advocates – encourage them to help educate and promote benefits



It's Never too Early to Start Building Your Case

Concurrently, compile a list of available resources to guide you:

No need to re-invent the wheel!

Websites dedicated to New Jersey Stormwater Utility Implementation Assistance

Consider Hiring an Experienced Consultant



ENGINEERING - STORMWATER
CLEAN WATER | HEALTHY COMMUNITIES

**CDM
Smith**

RUTGERS New Jersey Agricultural Experiment Station

Home About Cooperative Extension Research Topics County Offices Services Giving Contact Us

ENVIRONMENTAL REGULATIONS PUBLICATIONS
Cooperative Extension Fact Sheet F51367

Stormwater Utilities in New Jersey – Frequently Asked Questions

Salvatore S. Mangiafico, County Agent II, Agriculture and Natural Resources, Cumberland and Salem Counties
Amy Rowe, County Agent II, Agriculture and Natural Resources, Essex and Passaic Counties
Steve Vergeau, County Agent III, Agriculture and Natural Resources, Ocean and Atlantic Counties

What Is Stormwater?

Stormwater is any form of water that begins as precipitation. This includes rain, sleet, snow, and the water from melting snow, even if the melting occurs long after the snowstorm has passed (Figure 1).

There are a few general outcomes for precipitation:

- It can be absorbed into the ground. A large proportion of rain that falls on vegetated areas such as natural forests, farm fields, or home lawns is likely to percolate into the ground. Likewise, snow that melts on vegetated areas is likely to percolate into the ground if the soil beneath it is not frozen. The plants in these vegetated areas can take up a portion of the water for growth. Some non-vegetated areas are able to absorb precipitation. These include areas landscaped with rock or covered with permeable pavement. A portion of this water is captured by plant roots and eventually is released to



Figure 1. Snowmelt is also stormwater. As



ENGINEERING - STORMWATER
CLEAN WATER | HEALTHY COMMUNITIES

EPA **Funding Stormwater Programs** April 2009

EPA 901-F-09-004

Executive Summary

This document is intended to assist local stormwater managers to alleviate the significant expense of construction, operation and maintenance of a municipal separate storm sewer system (MS4). The costs of stormwater programs, increased by regulatory requirements (stormwater Phase I or Phase II), flooding concerns, water quality issues (including total maximum daily loads, or TMDLs) and population growth, may be subsidized through a stormwater utility or various other methods detailed in this document.

Stormwater management can be costly, but it is a good investment. There are new stormwater management techniques, referred to as low impact development (LID), that infiltrate, evaporate and reuse stormwater, thereby, preventing polluted runoff from happening. This helps to reduce the high costs of cleaning up the water quality impairments from the polluted runoff. Additional benefits from these techniques include increased ground water recharge, flood control, and healthy aquatic ecosystems through maintenance of base flow for streams. LID techniques need to be sited and designed carefully, and used in conjunction with traditional stormwater management techniques.

This fact sheet includes information on various stormwater funding mechanisms and types of stormwater utilities, it also describes how to create a stormwater utility and provides a list of resources.

New England Case Studies

More than 800 communities or districts across the country have adopted a stormwater utility to help fund the costs of stormwater programs, including the costs of regulatory compliance, planning, maintenance, capital improvements and repair or replacement of infrastructure. Examples of utilities from two New England cities are discussed below.

South Burlington, Vermont
<http://www.sburstormwater.com>


The South Burlington Stormwater Utility is the first of its kind in Vermont. Six streams in and around South Burlington are impaired from stormwater, resulting in water pollution, erosion, flooding, and unstable streambanks. The utility was established in 2006 to help mitigate the increasingly complex issues associated with stormwater management, including failing septic systems in older developments and phosphorus runoff polluting Lake Champlain, which is the primary source of drinking water for the Burlington area.

Cities in New England with Stormwater Utilities

- Chicopee, Massachusetts
- Lewiston, Maine
- Newton, Massachusetts
- Reading, Massachusetts
- South Burlington, Vermont

(as of December 2008)

An example of a capital project construction (a gravel wetland) that was paid for by the stormwater utility in South Burlington, Vermont.



STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
NJ STORMWATER.ORG
Stormwater in New Jersey



It's Never too Early to Start Building Your Case

Concurrently, compile a list of available resources to guide you:

State and National Stormwater Associations

[Tennessee Stormwater Association](#)

[National Municipal Stormwater Alliance](#)



Motivation for Formation



- To represent MS4 permittees at the national level by providing a **unified voice**
- To lead changes in regulation both **proactively and reactively**
- To **connect and unite** MS4 programs
- To promote stormwater as a **resource**
- To improve the **public image of stormwater**
- To create opportunities for **multi-benefit and multi-use stormwater projects**



It's Never too Early to Start Building Your Case

Concurrently, compile a list of available resources to guide you:

Water Environment Federation

Local Officials Toolkit - Draft

Initial Final Fact Sheets by December 2021

The following general topics:

Stormwater Management Fundamentals

Stormwater Treatment Types

Stormwater Treatment with Green Infrastructure

Incorporating Equity and Inclusion in Messaging

Resiliency



Public Engagement Strategy

Develop a Public Outreach Plan:

Prepare/Design Brochures

Billing Notices

Community Meetings

One-on-One Meetings with Large Fee Payers

Speakers Bureaus

Media Relations (Social Media, Public TV Channel, Radio, Website, Newsprint)

Educational Video

Meetings with Elected Officials



CITY OF GALLATIN

Background:

In July of 2018, the City Council approved an ordinance establishing a stormwater utility fee program to begin to address the long-standing flooding issues that are impacting our citizens and to comply with Federal and State Clean Water Act requirements to improve the quality of water in local streams. Based on drainage complaints received in the past, the City has conducted several small area drainage analyses to identify potential solutions to known drainage issues. In addition, the City also partners with state and federal agencies where applicable to attend to its larger flooding problems. However, sufficient funding is not in place to implement these proposed projects that would improve the quality of life for citizens in Gallatin. Also, Federal law requires that the City establish an appropriate level of funding for mandated water quality improvement programs. Many local governments in Middle Tennessee, including Goodlettsville, White House, Portland, Lebanon, Hendersonville and Nashville, have already implemented similar fee programs. Included in this flyer are answers to some frequently asked questions about the approved stormwater utility fee.

A community that embraces growth, while maintaining its heritage, character, charm and vitality, must develop and maintain infrastructure that promotes a high quality of life and protects the safety, health and well-being of all its citizens.

Contact:

City of Gallatin | Engineering Department
122 West Main Street, Gallatin, TN 37066
Stormwater Coordinator: Jennifer Watson | 615-435-5965 | jennifer.watson@gallatin.tn.gov
Stormwater Utility Manager: Lance Wagner | 615-435-5965 | lance.wagner@gallatin.tn.gov

CDM Smith

Stormwater Utility Frequently Asked Questions:

Q. What is stormwater runoff?

A. Stormwater runoff is the water that flows off roofs, driveways, parking lots, streets and other hard surfaces during rain storms. The runoff that is not absorbed into the ground pours into ditches, culverts, catch basins and storm sewers. It does not receive any treatment before entering the streams and lakes.

Q. Why is stormwater runoff a problem?

A. As precipitation falls on undeveloped areas, it is primarily absorbed into the ground or slowly runs off into streams, rivers or other water bodies. However, development resulting in rooftops and paved areas prevent water from being absorbed and creates a faster rate and cumulative amount of runoff. This development often causes localized flooding or water quality issues.

Q. Why has the City chosen to implement a separate fee for stormwater management?

A. By establishing a dedicated funding source through stormwater fees, the City can ensure that the revenue required to manage and to maintain this important system is available. The dedicated funds will be used to increase the level and frequency of repairs and improvements necessary to support the aging infrastructure in Gallatin, as well as to meet increasing Federal and State mandated stormwater quality improvement requirements.

Q. What is the basis for the fee that is charged?

A. The stormwater utility fee is based on the square footage of impervious surface area (i.e. hard surfaces that generate stormwater runoff) on your lot. In essence, customers pay a fee related to the amount of runoff generated from their site, which is directly related to the amount of impervious surface on the site.

Q. When will the stormwater fee take effect?

A. The stormwater charge will appear on your monthly Gallatin Public Utility bill starting in January 2019.

Q. What will it cost me?

Impervious Area	Monthly Fee
< 2,114 sq. ft.	\$3.00
2,115 to 6,560 sq. ft.	\$5.00
> 6,561 sq. ft.	\$9.00

Q. How are non-residential property fees determined and billed?

A. All non-residential properties will be billed at a rate based on their impervious area as well. To determine the monthly fee, divide the total impervious area of your property by 3,650 square feet (for one Single Family Unit) to obtain the number of SFUs and multiply by the base single family rate (\$3.00 per month per SFU).

For more information, visit the City's stormwater utility information website at <https://www.gallatin.gov/1855/Stormwater-Utility>



Public Engagement Strategy

Consider forming a stakeholder group with various interested parties:

Advantages

- Message tested in small group before distribution at large
- Feed-back is immediate
- Once consensus reached, stakeholder committee members become advocates/champions

Disadvantages

- It takes time to do correctly
- Each stakeholder must agree with the process and have sufficient responsibility
- The facilitator is the key to success



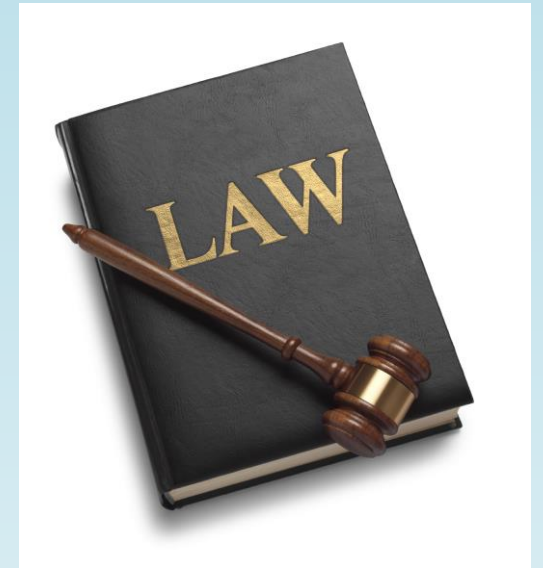
Public Engagement Strategy

Don't Get Sued! Know New Jersey 's Enabling Legislation

“...any county or municipality may... establish a stormwater utility for the purposes of acquiring, constructing, improving, maintaining, and operating stormwater management systems...

“A stormwater utility ... shall be considered a **separate** operation of the authority **to be budgeted and accounted for separately**”

“Any fee or other charge ... **shall be based on a fair and equitable approximation of the proportionate contribution of stormwater runoff from a real property...**



So... How did Gallatin begin the messaging for a Stormwater Utility?

Biggest hurdles in concept:

Idea that this is a Rain TAX

Decision maker turnover - Elections

Were we doing a “good enough” job?

Positive Considerations

When we seriously began pursuing the Utility, 2017 was not an Election year!

Chose to initially present multiple short 20 minute presentations to City Council

Then present to local Civic groups

By this time, several Middle Tennessee communities had implemented a Stormwater Utility



So... How did Gallatin begin the messaging for a Stormwater Utility?

What did we present on?

Three City Council Presentations

Overview on Stormwater Basics & Requirements of the MS4 Permit

Stormwater Challenges & Existing Stormwater Level of Service

Stormwater Utility – A Sustainable Solution

Points that were Highlighted & Reiterated

Aging infrastructure

Increase in drainage complaints; City was reactive and not pro-active

No routine infrastructure maintenance or rehabilitation

Safety concerns

Have to request and compete for \$ from general fund, no dedicated funding source



Messaging & Public Relations: Addressing Local Concerns: *Gallatin & Portland Perspective*

So... How did Gallatin begin the messaging for a Stormwater Utility?

Who did we present to?

Community Presentations

Presented on Stormwater Basics, MS4 permit, Level of Service and Stormwater Utility as a Solution

Who to Present to?

Civic Groups: Lions Clubs, Rotary Clubs, Sertoma Clubs

Home Owner Associations

Chambers of Commerce

Industrial Boards

Economic & Development Agencies



After successfully receiving Community Support...



So... How did Gallatin begin the messaging for a Stormwater Utility?

Whoaaaaa - Wait one second...



Who Knew? City Council Approval – That May Not Be A Problem!

Next Hurdle: Make sure to communicate with, and bring City Departments on board...

Know your Critics and spend time to educate those Departments:

Economic Development Agencies

Public Utilities

Public Works



After the Stormwater Utility ...

After the Utility is passed, billing is put into place and the fee collection begins...

Public Education Continues!

Initially there will be a flurry of phone calls and complaints

Continue to promote the benefits messaging

Remind the caller that potential credits may be available

My main message: A fee is always a better choice over a tax. It is a dedicated and transparent revenue source that is fair and equitable across the city – everyone who lives on or leases real property contributes to stormwater runoff and utilizes city infrastructure and thus pays into this fund that is solely used for stormwater management.

You Will Be Successful!



Questions?

Jennifer Watson, Stormwater Coordinator

City of Gallatin, TN

Jennifer.watson@gallatintn.gov

Ed Suslovic, Former Mayor

City of Portland, ME

esuslovic@gmail.com





Break Until 3:00

Local Stormwater Utility Implementation Process: Lessons Learned



Fernando Pasquel

Chair, Stormwater Institute Advisory Committee
Water Environment Federation

LOCAL STORMWATER UTILITY IMPLEMENTATION PROCESS: LESSONS LEARNED

New Jersey Stormwater Utility

Virtual In-State Retreat



September 16, 2020



Speaker and Moderator



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

PRESENTATION OUTLINE



Steps to Establish a Stormwater Utility



Develop a Funding Strategy



Build Public Consensus for the Program



Q&A

Drivers for Stormwater Utility Formation

Enabling Legislation: “....Stormwater infrastructure in New Jersey currently lacks a dedicated source of funding...” (2.a.5)

NPDES permit and TMDL compliance requirements

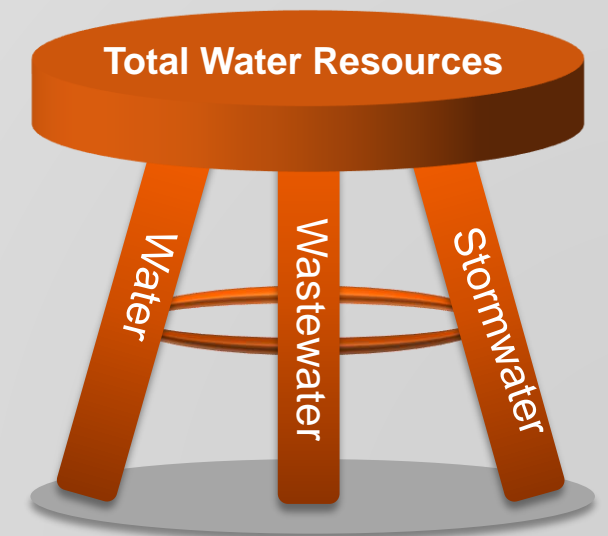
Local stormwater / flood risk management needs

Capital project mandates (CSO/SSO, Stormwater)

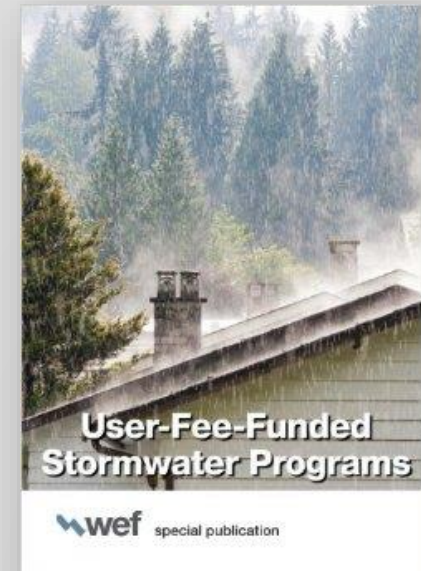
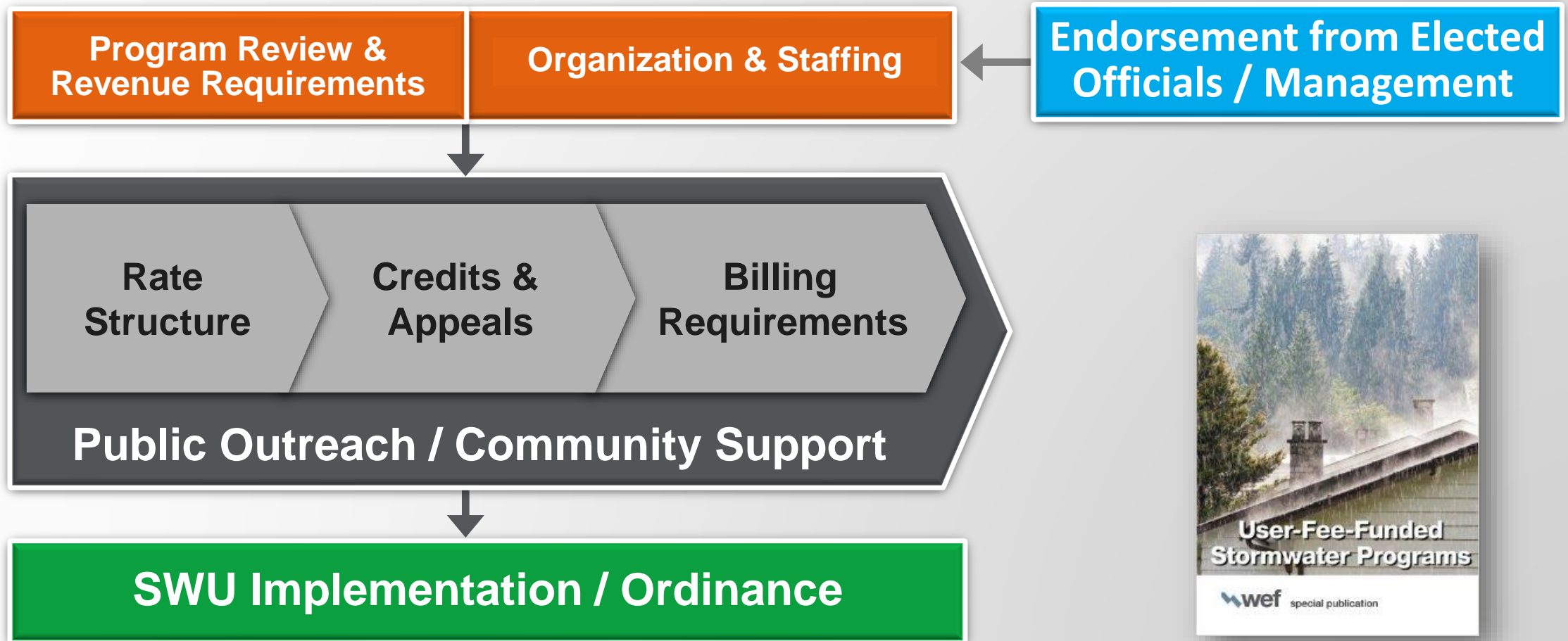
Critical maintenance needs and operations

Lack of funding for planning and implementation

Competition for funding with other programs/utilities



Steps to Develop a Stormwater Utility and Implementation Process



Stormwater Program Elements

STORMWATER MANAGEMENT	ENGINEERING & PLANNING	CAPITAL IMPROVEMENTS	OPERATIONS & MAINTENANCE	REGULATIONS & ENFORCEMENT	OUTREACH
Master Planning	Design Criteria and Standards	CIP Project Planning & Management	Maintenance Management	Code Development and Ordinances	Public Education and Outreach Programs
Monitoring	Field Data Collection	Implementation Forecast	Routine & Remedial Maintenance	Drainage System & BMP Inspections	Community Values
BMP /GI Implementation Program	Design & Engineering	Project Evaluation Process	Emergency Response	Flood Insurance Program	Website and Social Media
Pollution Prevention / Good Housekeeping	Hazard Mitigation	Construction Management	Infrastructure & Asset Mgmt.	Flood Risk Management	Public Meetings
Nutrient Management	Zoning & Planning Support	Land, Easements, and Right of Way	Stormwater System Inventory / GIS	E & S and Site Runoff Control	Citizens Advisory Group
Spill Response	GIS & Database Mgmt.		Water Quality and Drainage Assistance	Septic and I&I Program	Public Involvement
Illicit Discharges D&E	CSO program			Wellhead Protection	
Industrial Inspections	Source Water Protection				
Watershed Assessments & TMDLs					
Permit Management					
ADMINISTRATION Operations Management, Program Planning and Development, Human Resources, Interagency Coordination, Support Services, Policies for Operations					
BILLING & FINANCE Billing Operations, Database Management. Customer Service, Financial Management, Capital Outlay, Overhead Costs, Cost Control					

Adapted from Guidance for Municipal Stormwater Funding, NAFSMA 2006

Stormwater Utility Services

“... acquiring, constructing, improving, maintaining, and operating stormwater management systems ...” (5.a)

ENGINEERING, PLANNING, PROGRAM ADMINISTRATION

- MS4 Permit and SWU administration/reporting
- Public education and outreach

OPERATIONS & MAINTENANCE

- Stormwater system inspections and BMP maintenance
- Outfall inspections / IDDE inspections
- Floodplain management
- Development review and inspections
- Street sweeping, leaf collection

CAPITAL

- Stormwater compliance projects
- Drainage and watershed projects
- CSO LTCP projects
- Flood risk management projects

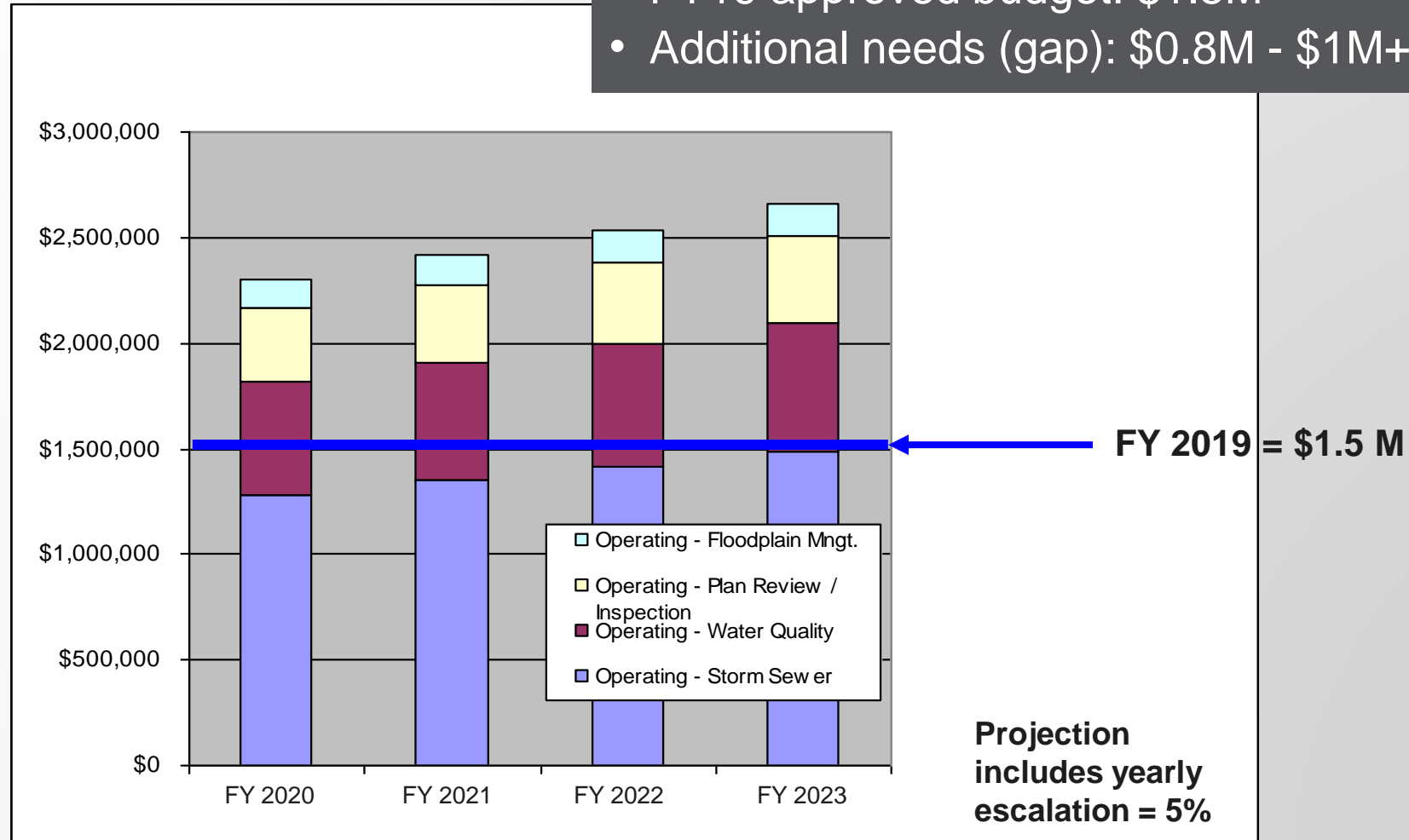


Establish and Communicate the
Need for Your Program:



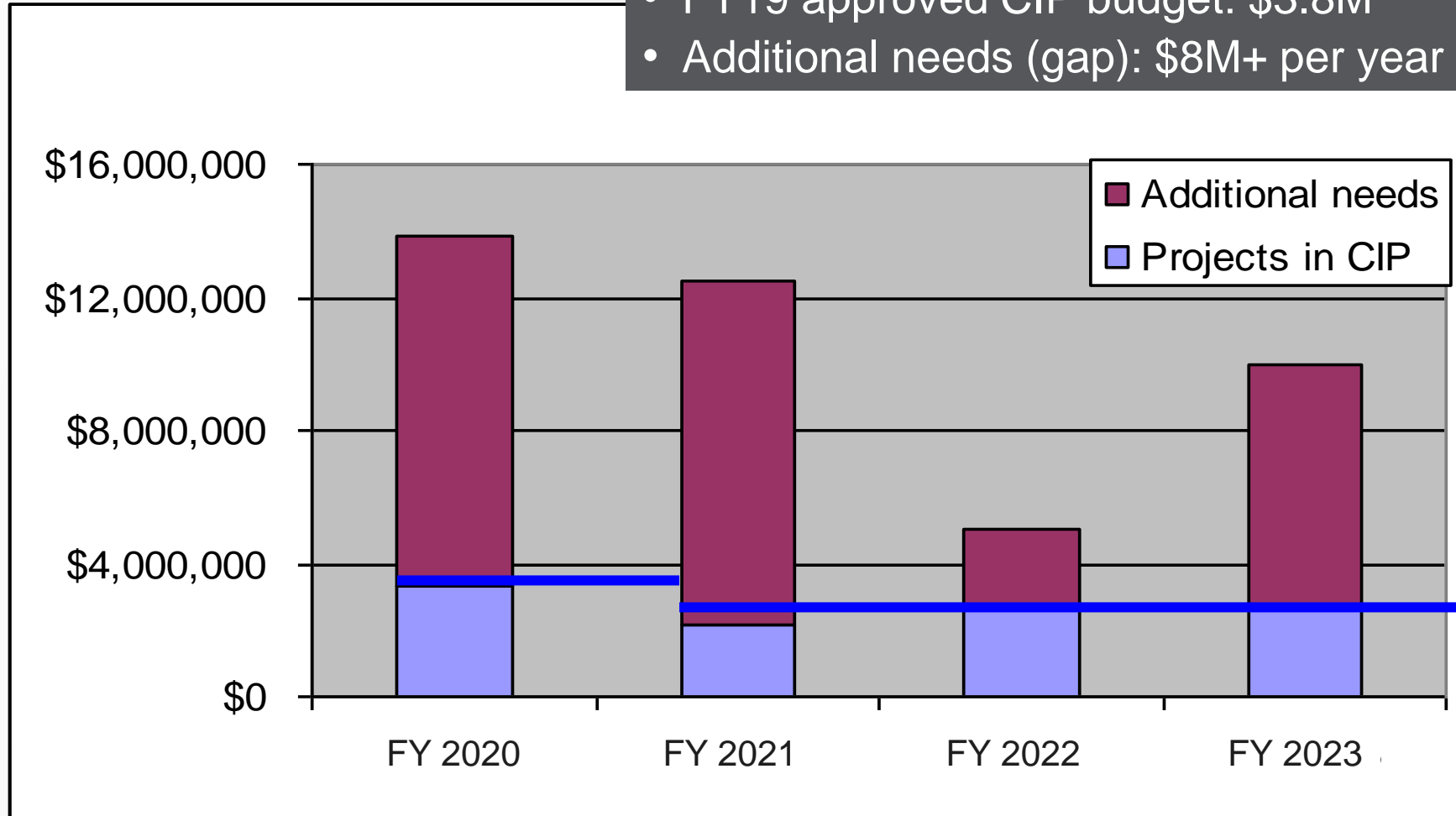
Summary of the Stormwater Program Operations and Maintenance Needs

- FY19 approved budget: \$1.5M
- Additional needs (gap): \$0.8M - \$1M+ per year



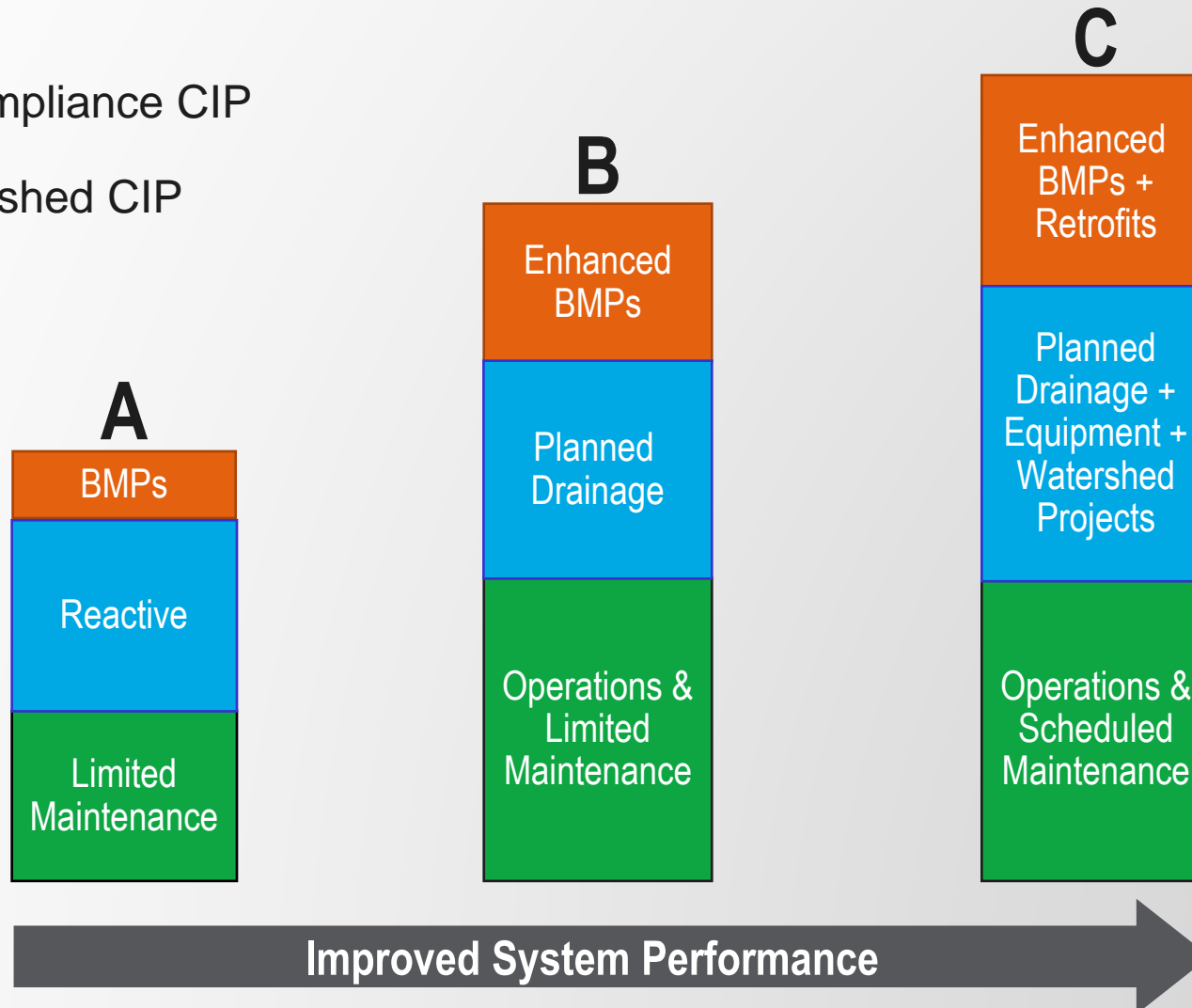
Summary of the Stormwater Program Capital Needs

- FY19 approved CIP budget: \$3.8M
- Additional needs (gap): \$8M+ per year



Developing Levels of Service

- Stormwater Compliance CIP
- Drainage/Watershed CIP
- O&M



How Are Fees Determined?

The stormwater management fee is based on...

- The proportionate contribution of stormwater runoff from a property (8.b)
 - Option 1: impervious area of each parcel
 - Option 2: total area of each parcel (pervious and impervious)
 - Option 3: pollutant load from each parcel
- The types of services and the cost of the program
- Policy decisions



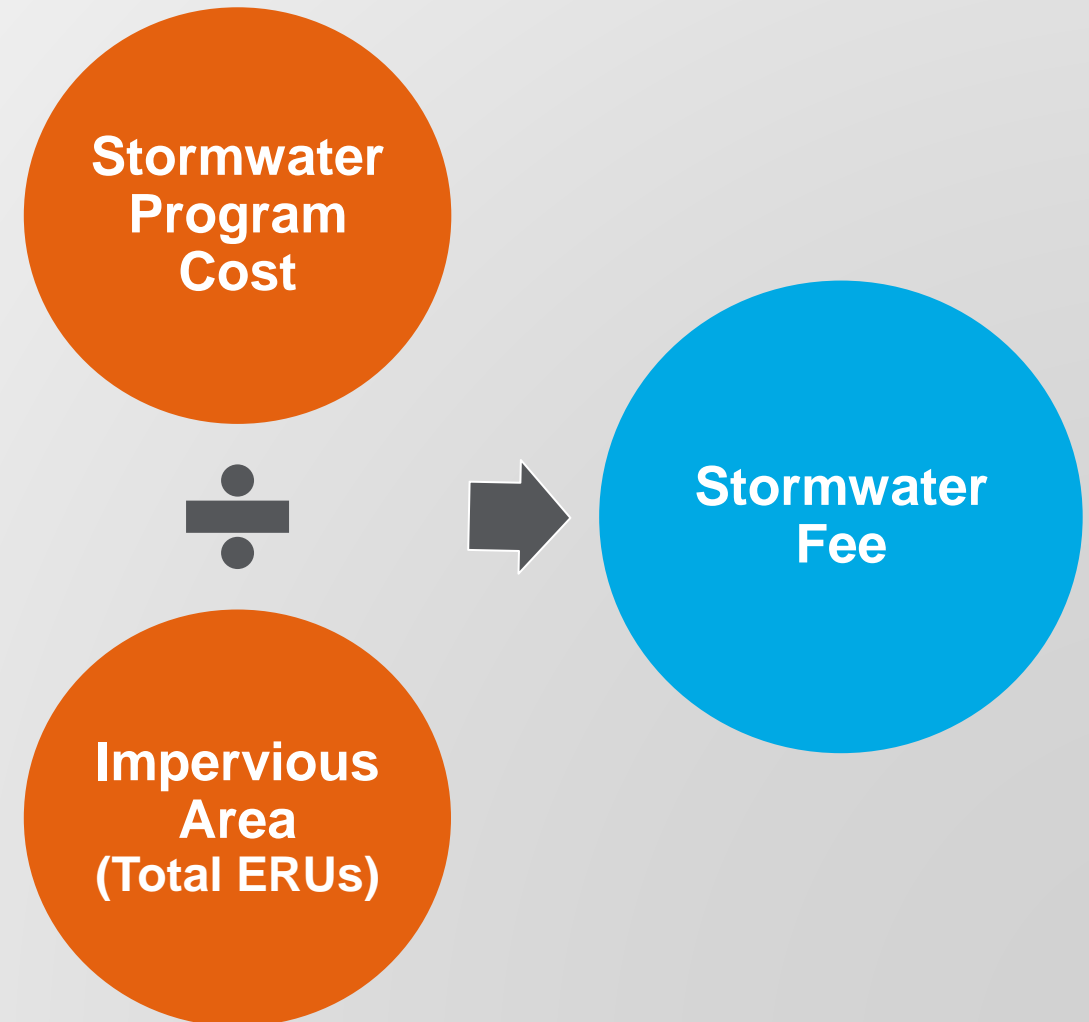
Rate Structure Alternatives

Keep it simple

- Accurate, fair, and defensible
- Representative of local conditions

Link to benefits

- Service area
- Program
- Projects



Potential Benefits of an Effective Stormwater Program



Improved recreational and aesthetic values



Lower drinking water treatment costs



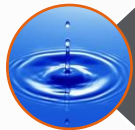
Lower dredging costs for navigational channels



Reduce **pollution** of water supply reservoirs



Reduce **flooding** damage



Groundwater recharge – clean water available



Cleaner & healthier streams – improved water quality

Enabling Legislation (2.a.1)

- ...New Jersey faces an extensive set of problems due to inadequate stormwater infrastructure and management, and these problems directly affect the **health, safety, economic well-being, and quality of life** of New Jersey residents...”

Balancing Costs, Performance and Co-Benefits



Cost Co-benefits	Description of Value
Projected Savings - Joint Projects	Joint funding from different department(s) - Percentage of saving amount to / from another project as compared to overall project cost
Environmental Co-benefits	Description of Value
Biological Diversity: Quality of Vegetation	Increase in Biological diversity by increasing the number of native plant species.
Biological Diversity: Area of Vegetation	Addition of new vegetative area as a percentage of total watershed area.
Social Co-benefit	Description of Value
Job Creation - Capital Projects	Number of total labor hours estimated for construction and maintenance projects
Property Values - Access to Scenic Features and Recreational Areas	Number of square feet (adjusted) of recreational area added, accessed, or improved
Property Values - Benefits of Street Scape Improvements	Improves aesthetics of streets and protect property values

Developing a Funding Strategy That Meets Your Community's Needs

Available Funding Options and GI Considerations

Process to Develop Funding Strategy

Credits and Exemptions to Enhance Acceptance

Billing and Policy Considerations



Numerous Funding Options Available

TRADITIONAL	INNOVATIVE
Stormwater utilities and taxing districts	Capital markets (EIB, incentives)
General appropriation revenues	Cost sharing
Grant and loan programs	Private and non-profit sources
Municipal bonds	Public-private partnerships
Fee in-lieu-of programs	Mitigation banking and credit trading
Developer funding	Water quality and volume trading
Water / wastewater revenues	Other miscellaneous sources



Considerations in Selecting Funding Options

- Identify viable funding sources
- Include a stormwater utility, in light of equity and reliability considerations
- Consider at least one long-term mechanism, depending on size of program and nature of projects
- Leverage funding from other programs and integrate market-based options

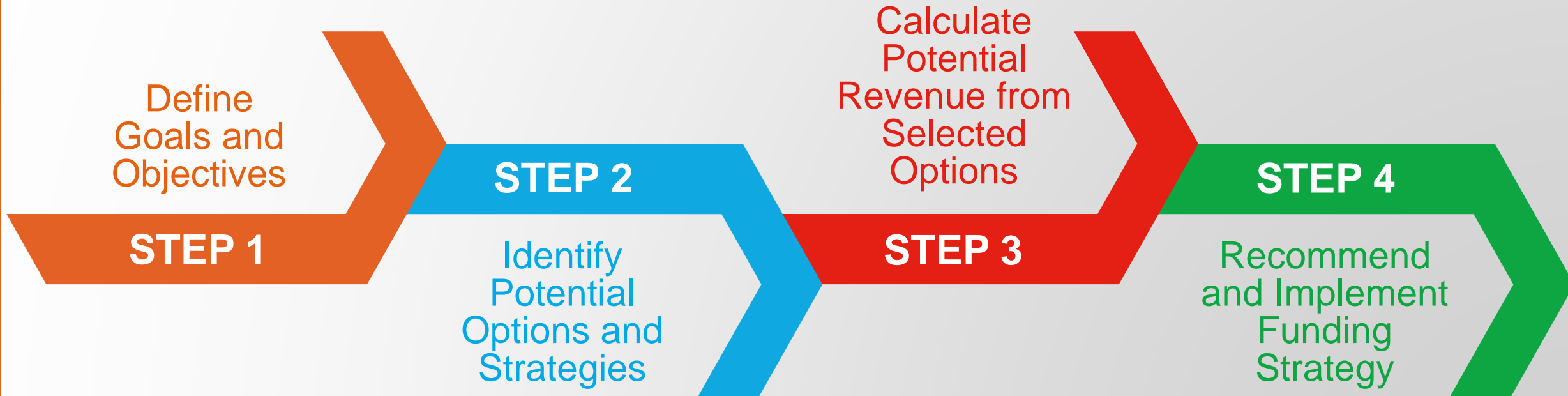


Integration of Other Market-Based Options

- Water Quality (Nutrient) or Volume Trading
 - Property owner meets stormwater requirements by buying stormwater nutrient or volume credits from an established bank (aggregators, clearinghouse, etc.) or other property owners (bilateral)
 - Adjustments (credits) to stormwater fee are provided to property owner
- Subsidies
 - Property owners receive a subsidy to retrofit existing parcel to meet stormwater requirements (needs lower implementation costs)
 - Adjustments (credits) to stormwater fee are provided to property owner
- P3 and CBP3s
 - SWU pays for local share of P3 and provides adjustments (credits) once BMPs are implemented
 - Potential for leveraging funds

A Systematic Process to Develop a Funding Strategy Leads to Successful Implementation

4 Steps to Identifying and Evaluating SW/GI Funding Options



Credits and Exemptions to Enhance Acceptance

Credits = fee reduction or discount on stormwater user fee for onsite mitigation (8.c)

Exemptions = waiver of stormwater user fee for properties that meet specific requirements

BENEFITS

- Rate payers can control and reduce user fee
- Promote fairness provisions of enabling legislation
- Promote equity in rate structure
- Facilitate increased use of O&M agreements
- Encourage property owner participation
- Reduce public expenditures on SWM program

CONCERNS

- Calculation of basis of credit – keep it simple
- Maintain revenue collections
- Need a documented process
- Often an application process is required, unless an **innovative** process is used

Key/Unique Features of NJ Enabling Legislation

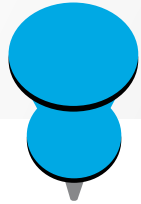
“In establishing fees and other charges pursuant to this section, a county, municipality, or authority shall provide for (8.c):

(1) a partial fee reduction in the form of a credit for **any** property that maintains and operates a stormwater management system that complies with the State and local stormwater management standards that were in place at the time the system was approved and that effectively reduces, retains, or treats stormwater onsite;

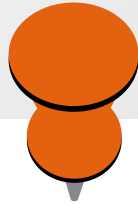
...

(4) an exemption from fees and other charges for land actively devoted to agricultural or horticultural use that is valued, assessed, and taxed pursuant to the “Farmland Assessment Act of 1964,” P.L.1964, c.48 (C.54:4-23.1 et seq.).”

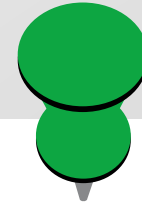
Credits Can Facilitate Stakeholder Buy-In



Credits provide incentives to implement program components and reduce the fee



Credits improve equity during implementation



A well-structured credit program will not impact revenue

Credits Considerations

- Credits account for varying levels of onsite stormwater management
- Credits promote retrofits on older parcels
- Credit and incentive programs are generally capped at an annual maximum



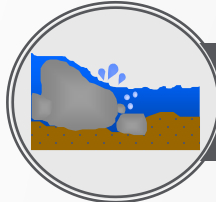
Basis for Credit Development



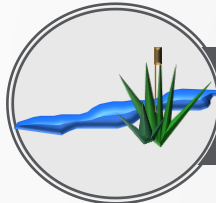
Classes of Payers or Properties



Location of Properties in the MS4 or separate MS4 Permits



Contributions to the Stormwater Infrastructure



Reduction of Stormwater Impact



Reduction of Cost of Service

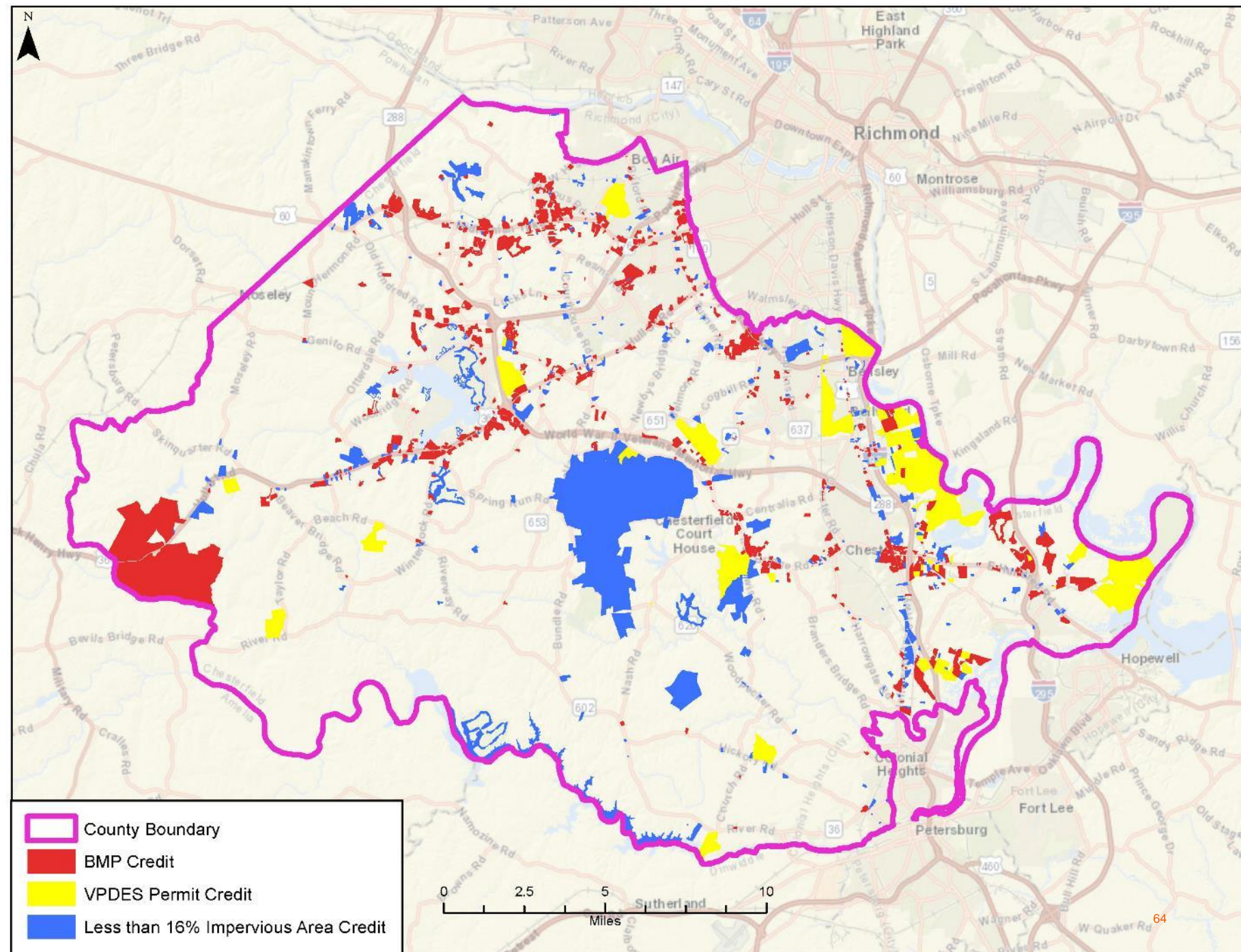
Parcels Receiving Credits Without Application

Case Study 1:

- VPDES permit holders – 100% credit
- Parcels with less than 16% impervious area – 30% credit
- Parcels served by BMPs:

Credit Amount Applied for BMP	Example BMPs
15%	Quantity (e.g., flood control)
30%	Water Quality & Quantity (before 7/1/14 stormwater regulations: extended detention, retention basin, bioretention, grass swale, vegetated filter strip, sand filter, etc.)
50%	Water Quality & Quantity (after 7/1/14 stormwater regulations: extended detention pond, wet pond, sheet flow to filter/open space, constructed wetland, etc.)

BMP Credit Categories



Credit Program Options

Case Study 2:





















- Submit annual inspection report or lose credit.
- Available to Non-Residential Properties
- No application fee
- Monitor and adjust policy over time

Fee Reduction!

Credit Description	Maximum Credit Amount
Rate Controls	25%
Volume Controls	25%
Riparian Buffer	50%
Stream Restoration	50%
Education Program	20%
Fertilizer Management Program	15%
NPDES/MS4 Permit	50%

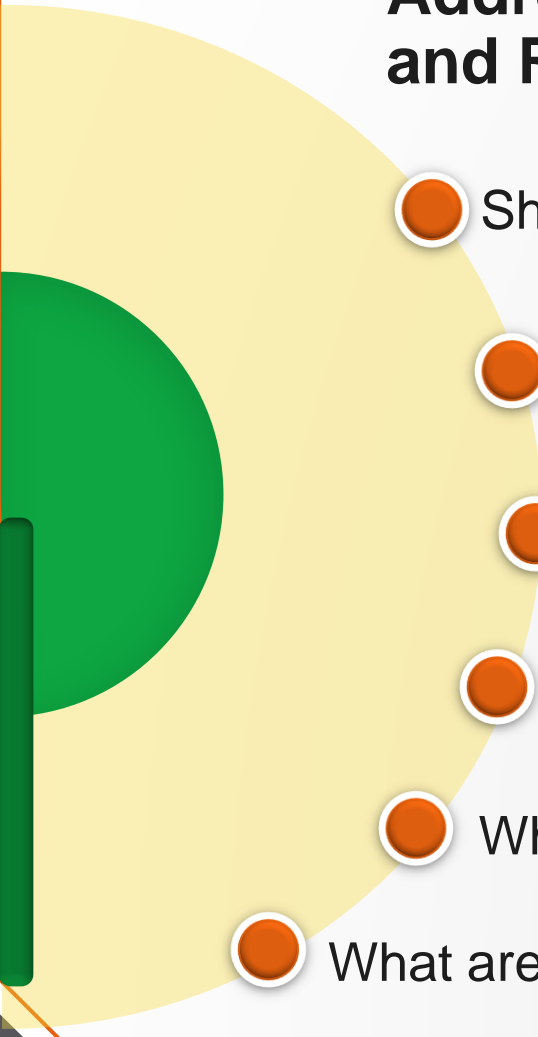
Maximum Total Credit = 50%

Billing Considerations

Criteria / Approach	Funding Via Increased Tax Rates	Separate Stormwater Fee		
		Billed with Taxes	Billed with Utility Bills	Separate Stormwater Bill
Ease of Implementation				
Customer Understanding				
Public Acceptance				
Equitable				
Revenue Collection				

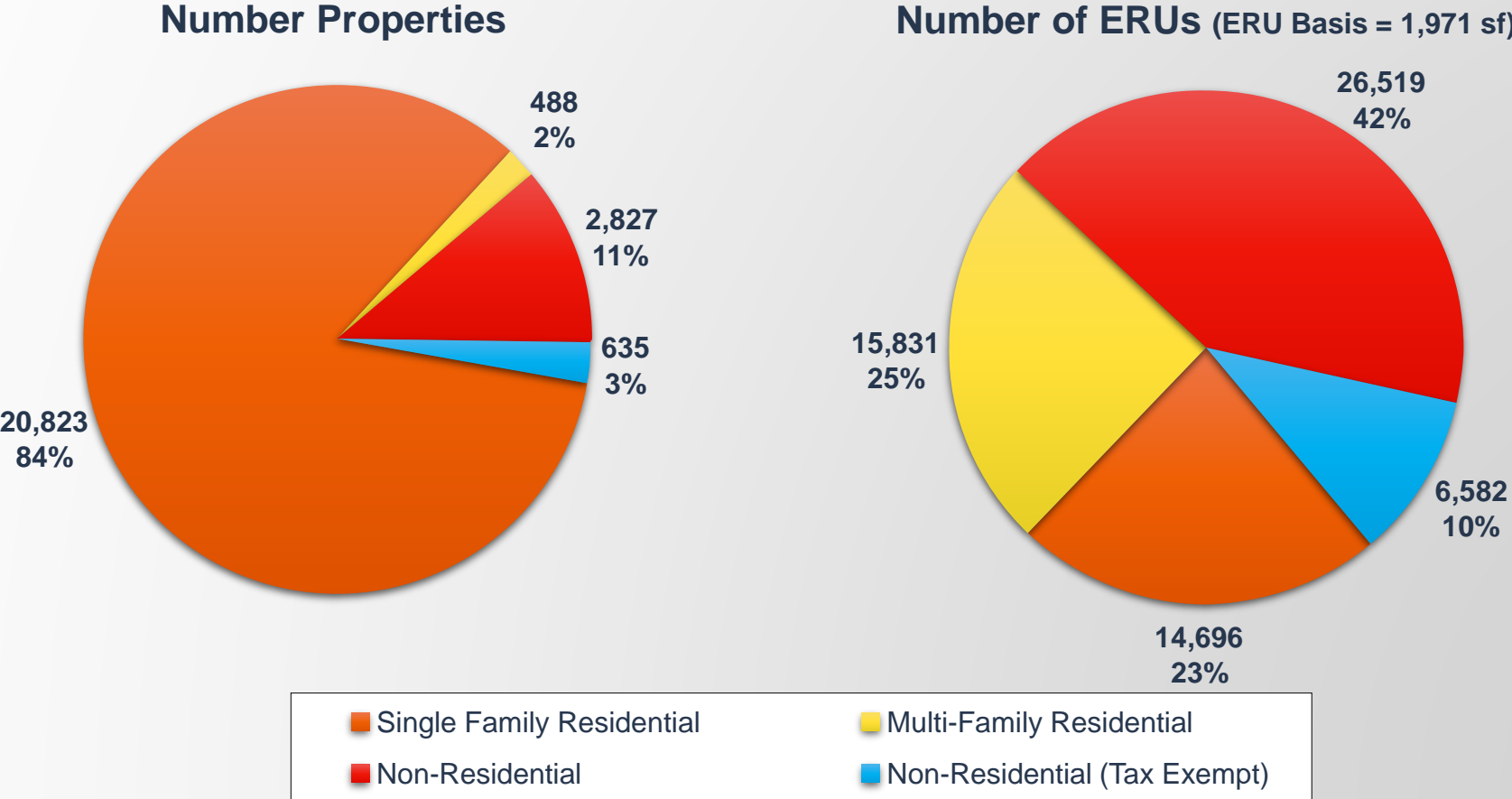
Policy Considerations

Address Impacts on Rate Structure and Revenue Estimates

- 
- Should tax-exempt parcels be billed?
 - How would the utility impact organization and staffing?
 - What is the definition of an improved property?
 - How should facility maintenance issues be handled?
 - What options / requirements do developers have?
 - What are the criteria for credits/fee adjustments?

Equitable Contributions Example

Based on Impervious Area Distribution



Building Public Consensus for the Program

Methods for Gaining
Public Support

Benefits of a Public
Stakeholder Process

Public Outreach and
Education for
Implementation



Public Outreach and Consensus Building – Engagement at All Levels



Public Outreach Plan

Benefits from Staff Relationships with Key Stakeholders

PROGRAM REVIEW

- Stakeholder identification
- Develop public outreach/education materials
- Framing the issue in public terms
 - Program and regulations
 - Stormwater funding/utility

PUBLIC ENGAGEMENT

- Stormwater advisory committee/group
- Small group meetings with civic (non-profit and tax exempt), business, community groups
- Watershed tours, media relations, fact sheets, website, social media



Building Community Support

Result of Stakeholder Process

Keys: How things get done in your community,
understand culture, engage leaders and stakeholders



Inform/Empower
Community
Leadership



Collaborate with
Regional
Planning Agencies
And Local
Organizations

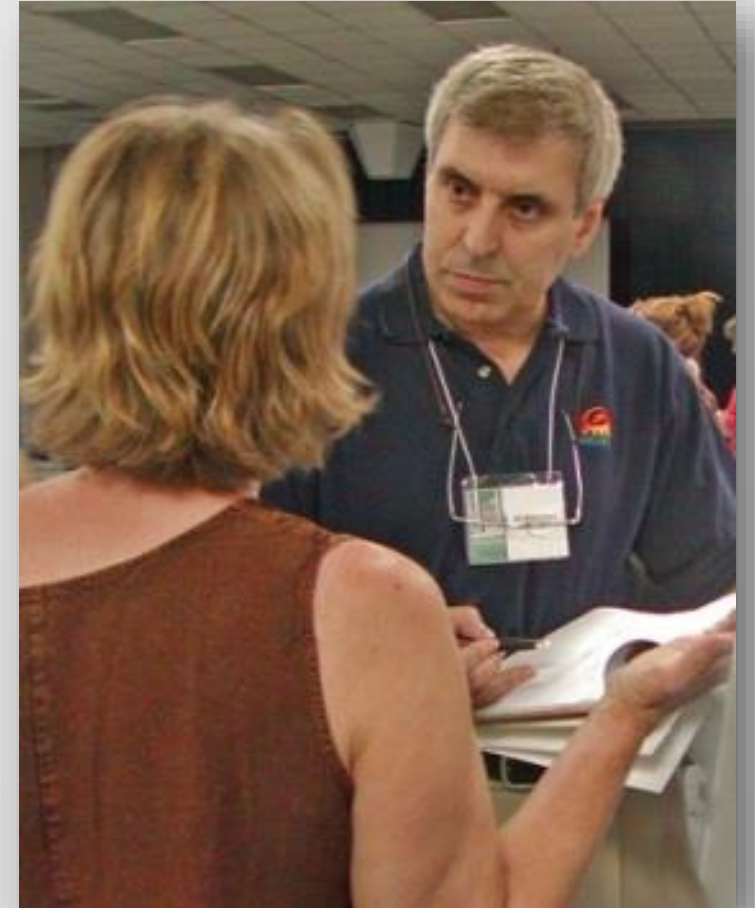


Target
Presentations

- Know your audience
- Tailor the message – focus on benefits (TBL)

Conduct Public Outreach

- Continuous involvement = community buy-in and support
- **Keep it simple** – most don't understand role of SW infrastructure
- **Residential Benefits:** reduced flooding, protect property values, co-benefits, etc.
- **Non-Residential Benefits:** site sustainability, reduced drainage issues, co-benefits, good neighbor/positive PR
- **Review and refine the plan**



Develop a Realistic Project Schedule

- Plan ahead
- Review schedule regularly
- Take your time with stakeholders

		Mar-14	May-14	Jul-14	Sep-14	Oct-14
Phase I	1.0 Program Review					
	1.1 Program Objectives					
	1.2 SWM Infrastructure Inventory					
	1.3 SWM Maintenance Evaluation					
	1.4 Program Needs, LOS, Costs					
	1.5 SWM Program Revenue Requirements					
	Task 1 Deliverables	X	X	X		
Phase II	2.0 Public Outreach / Education					
	Task 2 Deliverables		X		X	X
	3.0 Organization & Staffing					
	Task 3 Deliverables			X		
	4.0 Rate Structure					
	4.1 Options for Evaluation					
	4.2 Development of Equivalent Residential Unit					
	4.3 Ordinances					
	Task 4 Deliverables		X		X	X
	5.0 Credit Policy					
	Task 5 Deliverables					X
	6.0 Billing Requirements					
	Task 6 Deliverables				X	X
	7.0 Appeals Process					
	Task 7 Deliverables				X	X
Phase III	8.0 Program Implementation					
	Task 8 Deliverables				X	X
	Other implementation tasks to be added as needed					

Conclusions



Municipal stormwater and parcel data facilitates implementation of stormwater utilities



Proactive approach to establishing SWUs promote property owner and local management acceptance of stormwater utility



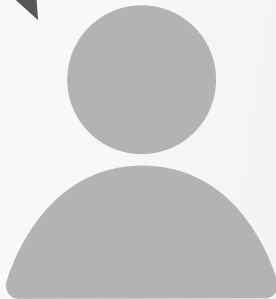
New Jersey has good enabling legislation & stormwater/watershed problems are understood, but funding remains a challenge



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

Q & A

**YOUR COMMENTS
OR QUESTIONS
ON THE
IMPLEMENTATION
PROCESS:**



- SW program needs
- Public engagement
- Rate structure
- Policies
- Credits
- Schedule
- Other?

THANK YOU!

BEVIN BUCHHEISTER

202-595-2681 ,
bbuchheister@nga.org

FERNANDO PASQUEL

703-842-5621
fernando.pasquel@arcadis.com



Conclude Day 1



New Jersey Stormwater Utility Virtual In-State Retreat

September 17, 2020

Stormwater Utility Retreat Agenda

Thursday, Sept. 17, 2020

- 1:00-2:15 pm Laying the Groundwork for Rate Setting
- 2:15-2:45 pm Break
- 2:45- 3:30 pm Developing a Regional Approach for Cost Effectiveness
- 3:30-4:00 pm Break
- 4:00-5:00 pm Develop Action Plan & Closing Remarks

Laying the Groundwork for Rate Setting

Facilitator



Timothy Schoonhoven

Policy Analyst
National Governors Association

Speakers



Dave Mason

Associate Water Resources Engineer
CDM Smith & Past President
Tennessee Stormwater Association



Jennifer Watson

Stormwater Coordinator
City of Gallatin, Tennessee

David Mason, PE, PMP

Jennifer Watson

Laying the Groundwork for Rate Setting

September 17, 2020



Presentation Agenda

- Establishing the Need for Funding
- Stakeholder Engagement
- What Can States and Local Organizations Do to Help
- Questions and Discussion

Is A Stormwater Utility Right for You?

- Over 1,800 documented stormwater utilities nationally (39 states and the District of Columbia)
- Large range in size
 - Smallest: Indian Creek Village, Florida (pop: 88)
 - Largest: Los Angeles, California (pop: ~ 4 million)
 - Average Population: 66,153
 - Median Population: 18,217

Data Source: Western Kentucky University Stormwater Utility Survey 2020

What is the First Step in the Process?

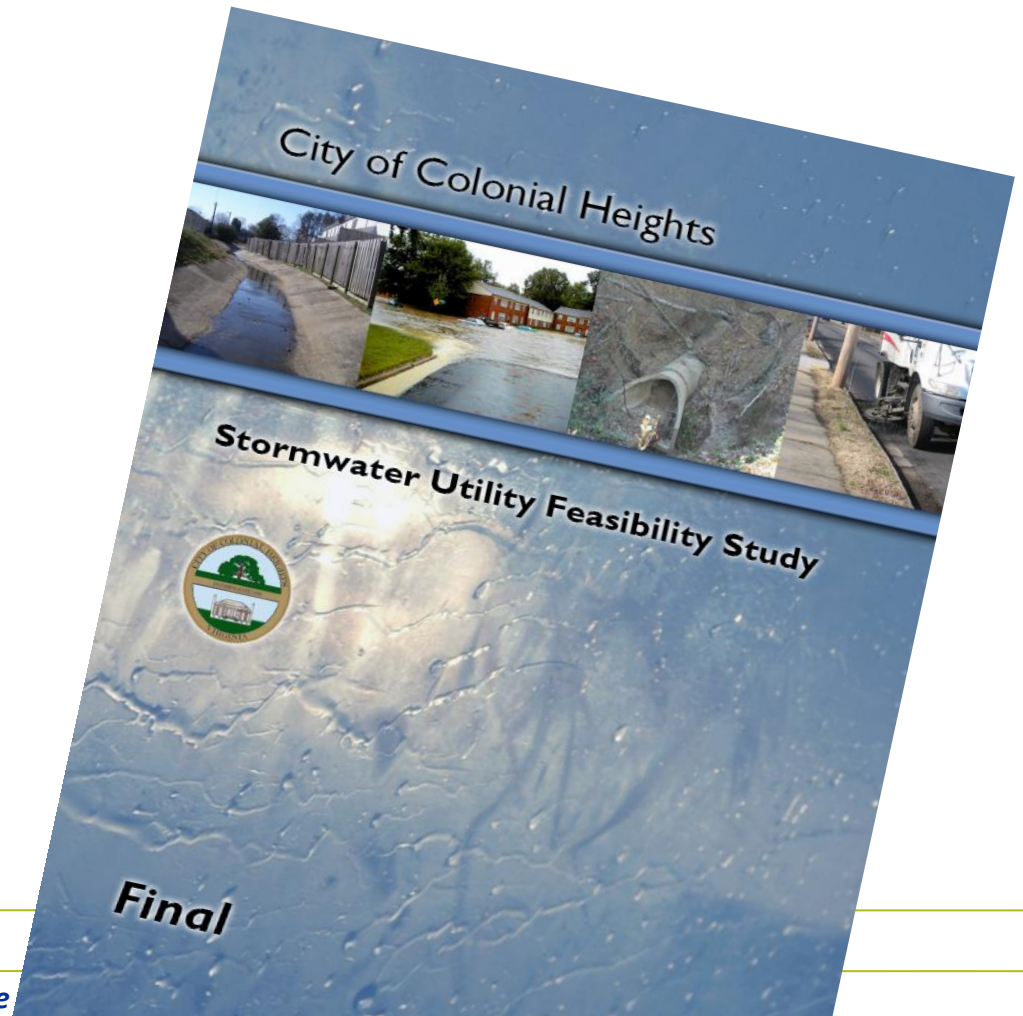
Identify the Drivers for the Program

- Regulatory programs (i.e. “unfunded mandates”)
- Backlog of capital improvement projects (CIP)
- Aging infrastructure
- Public demand for service



What Are You Currently Doing to Address These Challenges?

- Identify all stormwater-related services performed by your program
- Estimate costs to provide these services
- Identify the benefits gained by the community as a result of these services

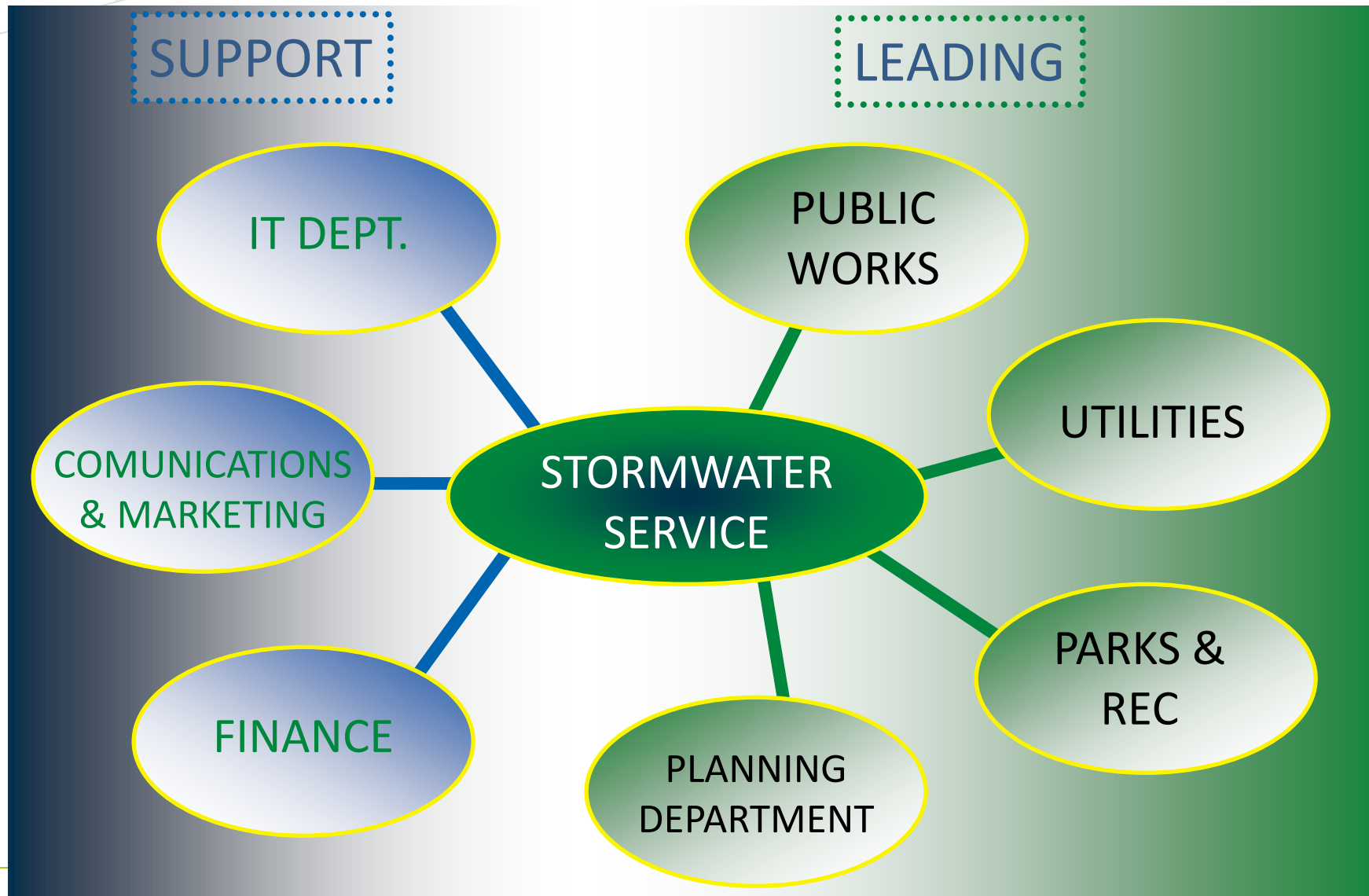


Stormwater Management Functional Areas

Simplifying the Complexities

PROGRAM MANAGEMENT	REGULATORY COMPLIANCE
<ul style="list-style-type: none">□ Master planning□ Complaint response□ Development review	<ul style="list-style-type: none">□ NPDES (i.e. 6 minimum measures)□ TMDL compliance
OPERATIONS AND MAINTENANCE	CAPITAL IMPROVEMENT PROJECTS (CIP)
<ul style="list-style-type: none">□ Storm sewer cleaning□ Culvert cleaning and repair	<ul style="list-style-type: none">□ Storm System Upgrades & Replacement□ Stream restoration

Stormwater Services – A City-Wide Function



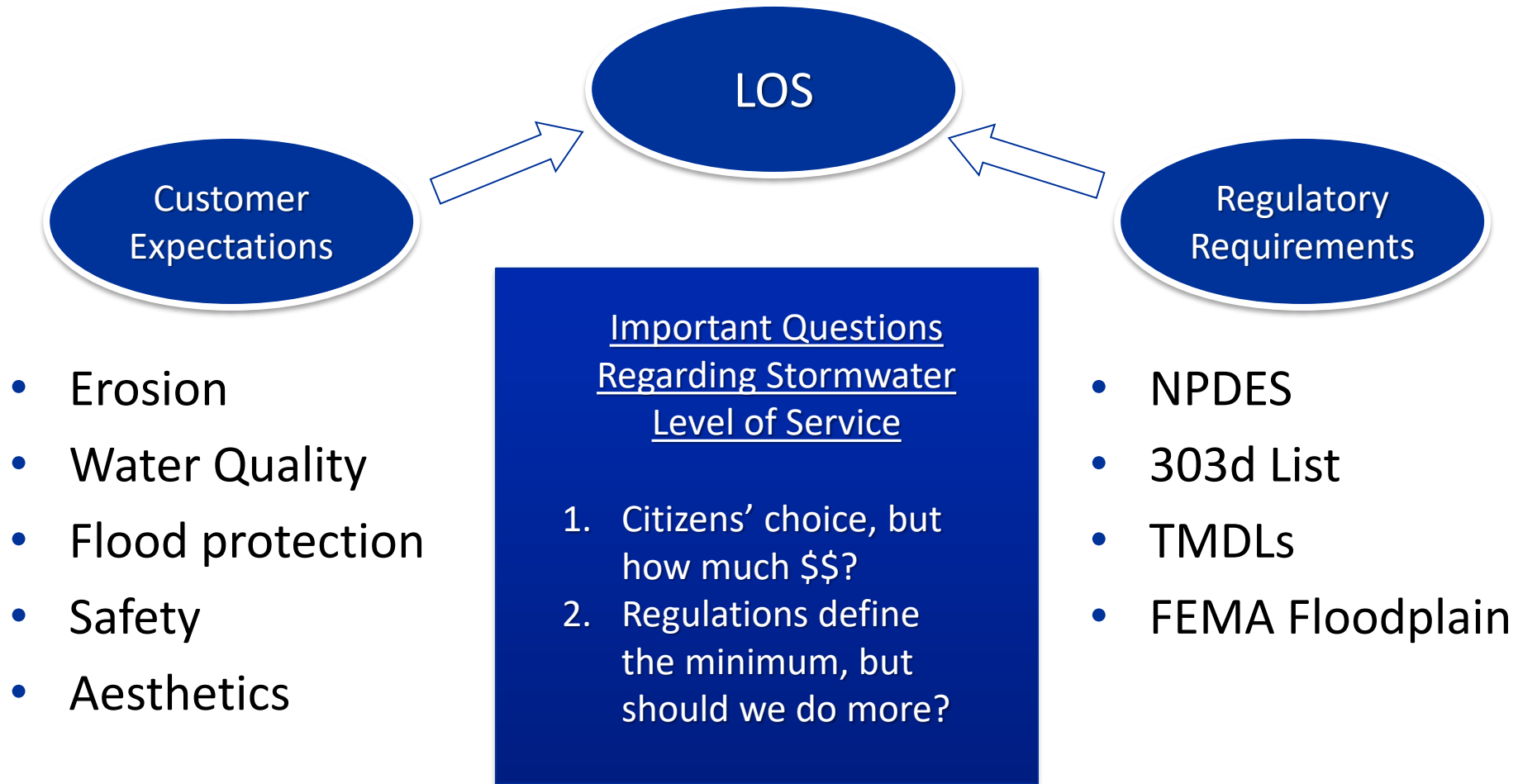
How Do We Quantify These Services & Costs?

- Interview staff in all departments
 - What stormwater services are provided
 - What staff/equipment is utilized to perform the services
 - How effective are the services
- Review annual budgets and reports
 - Identify appropriate budget line items
 - Apply information learned from interviews

Summarize the Cost of Service By the Four Functional Areas

Primary Stormwater Program Costs	Program Management	Regulatory Services	Operation & Maintenance	Capital Improvements	Totals
Utilities					
<i>Non-Departmental</i>	\$19,000				\$19,000
<i>Stormwater System Maintenance</i>	\$162,000		\$234,000		\$396,000
Public Works					
<i>Streets</i>		\$30,000	\$483,000		\$513,000
<i>Engineering</i>	\$139,000	\$4,000			\$143,000
<i>Parks / Grounds</i>		\$4,000	\$71,000		\$75,000
<i>Refuse</i>		\$5,000	\$171,000		\$176,000
Community Development					
<i>Zoning and Natural Resources</i>		\$166,000			\$166,000
<i>Inspections/Code Enforcement</i>		\$26,000			\$26,000
<i>Planning</i>		\$177,000			\$177,000
<i>GIS</i>	\$22,000				\$22,000
Parks & Recreation		\$45,000			\$45,000
Soil and Water Conservation District		\$10,000			\$10,000
Capital Improvements				\$554,000	\$554,000
SUBTOTALS	\$342,000	\$467,000	\$959,000	\$554,000	\$2,322,000
Other Storm-Related Program Costs	Program Management	Regulatory Services	Operation & Maintenance	Capital Improvements	Totals
<i>Loose Leaf Collection</i>			\$319,000		\$319,000
<i>Transportation Capital Projects</i>				\$1,340,000	\$1,340,000
<i>Vehicle Depreciation</i>			\$187,000		\$187,000
SUBTOTALS	\$0	\$0	\$506,000	\$1,340,000	\$1,846,000
TOTALS	\$342,000	\$467,000	\$1,465,000	\$1,894,000	\$4,168,000

What Does This Cost of Service Provide for Your Community?



What Does This Cost of Service Provide for Your Community?

<i>Level of Service</i>	<i>Program Management</i>	<i>Regulatory Compliance</i>	<i>Operation and Maintenance</i>	<i>Capital Improvement Projects</i>
A or 5	Comprehensive Planning & Full Implementation Capabilities	Exemplary Permit Compliance	Fully Preventative/ 100% Routine	Prioritized / Fully-Funded
B or 4	Pro-Active Planning & Systematic CIP Implementation Capabilities	Pro-Active Permit Compliance	Mixture of Routine and Inspection Based	Phased Implementation / Allocated Budgets
C or 3	Priority Planning & Partial CIP Implementation Capabilities	Minimal Permit Compliance	Mixture of Inspection and Responsive Based	Complaint, Inspection-Based / Moderate Budget
D or 2	Reactionary Planning & Minimal CIP Implementation Capabilities	Below Minimum Permit Compliance	Responsive Only	Critical Needs Only / Minimum Budget
F or 1	No Planning & No CIP Implementation Capabilities	Non-Compliance	Non-Responsive	No Planning / No Budget

If You Don't Think Your Choice of How to Do Ratings Matters?

City gets 'F' for stormwater management

MOST POPULAR

- 1** Police chase from OR to Jefferson Co.
Jul 24 at 6:57 PM
- 2** The Groves at Oak Ridge: 17 residents
have tested positive for virus, 1 died
Jul 28 at 6:17 PM
- 3** 4th virus death in AC, active cases
219
Jul 27 at 5:46 PM



▲ HIDE CAPTION

CDM Smith engineer David Mason, at right, gave a presentation on stormwater to Oak Ridge city Council.

The Bar Has Been Set

Where Do We Go From Here?

Level of Service	Program Management	Regulatory Compliance	Operation and Maintenance	Capital Improvement Projects	Total Program Cost
A or 5	\$1,137,000	\$828,000	\$1,712,000	\$854,000	\$4,531,000
	Comprehensive Planning & Full Implementation Capabilities	Exemplary Permit Compliance	Fully Preventative / 100% Routine	Prioritized / Fully-Funded	
B or 4	\$790,000	\$530,000	\$1,487,000	\$754,000	\$3,561,000
	Pro-Active Planning & Systematic CIP Implementation Capabilities	Pro-Active Permit Compliance	Mixture of Routine and Inspection Based	Phased Implementation / Allocated Budgets	
C or 3	\$551,000	\$384,000	\$1,262,000	\$654,000	\$2,851,000
	Priority Planning & Partial CIP Implementation Capabilities	Full Permit Compliance	Mixture of Inspection and Responsive Based	Complaint, Inspection-Based / Moderate Budget	
Existing LOS (2.5)	\$342,000	\$290,000	\$1,146,000	\$554,000	\$2,332,000
	Well-Trained, In-House Staff Minimal Long Range Planning	Minimum Permit Compliance Resources At Capacity	Limited Routine Activities Lack of Dedicated Resources	Critical Needs Only / Minimum Budget	

Stormwater Utility 101

What is It? How Does It Work?

- Enterprise Fund Similar to Water, Wastewater, Electric Utilities
- Dedicated Funding through User Fee
- Fee Related to Needs or Services Provided



If it walks like a duck...

How is the Fee Calculated?

Residential Customers



Single Family Units
Multi-Family Units
Condominiums
Mobile Homes



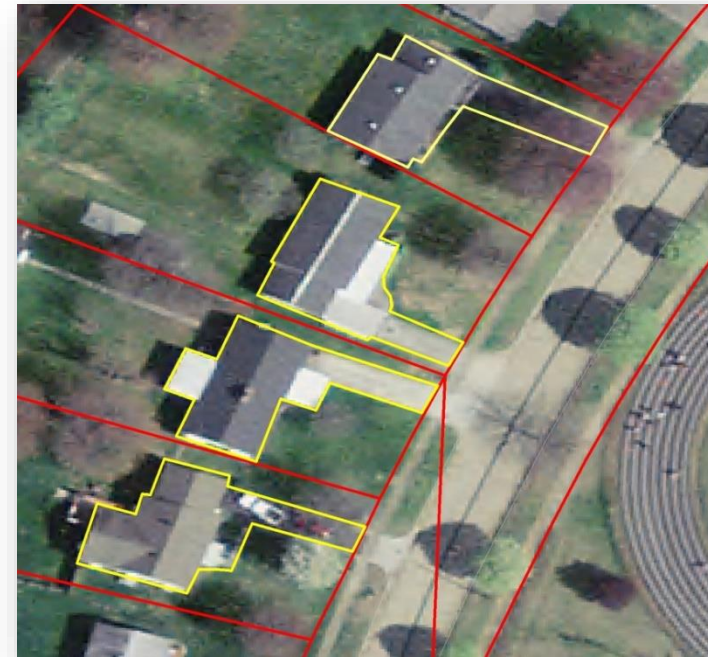
Each is assigned 1 or less **Equivalent Residential Unit (ERU)** depending on type and number of dwelling units.

$$\text{Fee} = \text{ERU} \times \text{Rate (\$ per ERU per month)}$$

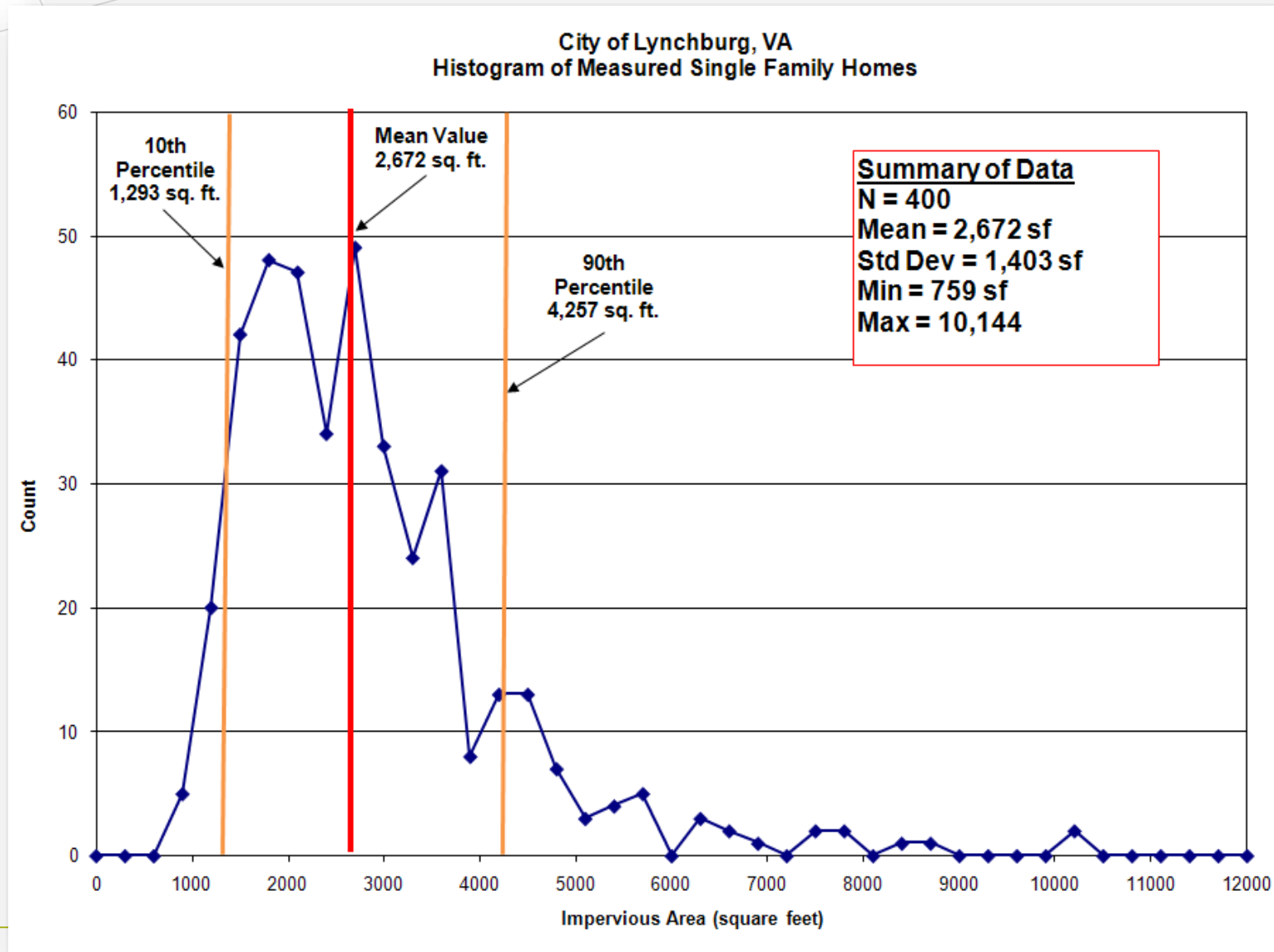
Average monthly fee nationally for single-family residential is \$5.87

What Data is Needed to Determine the ERU?

- Acquire aerial photography of your area
- Randomly select a statistically significant sample of residential properties (typically 300-400 parcels)
- Properties should be selected from multiple property classes
- Measure the impervious area of sampled properties
 - Option: aerial photo interpretation
- Calculate the average or median of sampled properties



An Alternative to the Standard ERU Method



This Analysis Leads to a Tiered Approach to Residential Customer Billing (SFU Method)



< 1,293 Sq. Ft. = 0.48 SFU

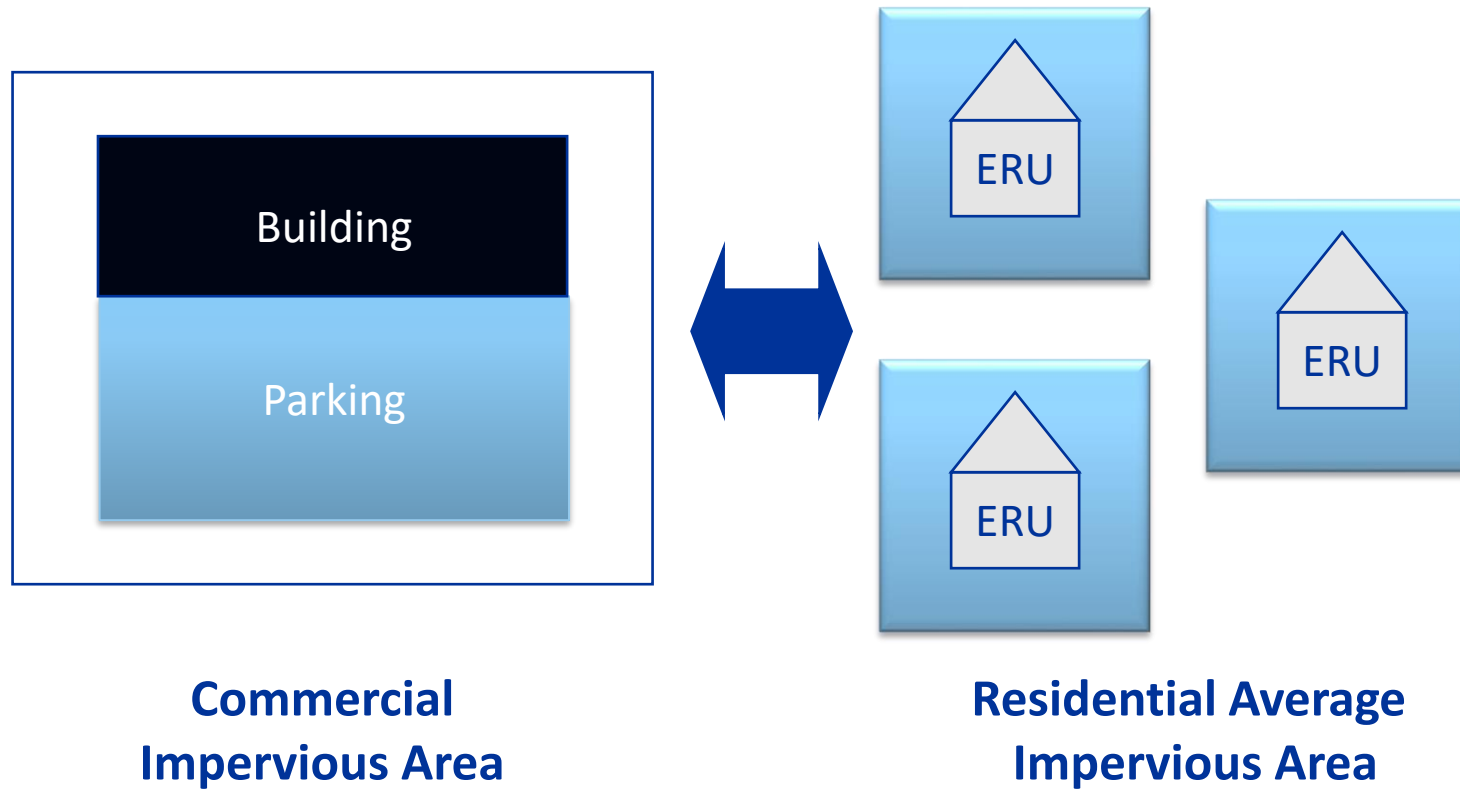


1,294 to 4,256 Sq. Ft. = 1.0 SFU



> 4,257 Sq. Ft. = 1.59 SFU

The ERU Becomes the Base Unit By Which All Other Properties are Compared



In this example, the commercial customer pays three times the amount as the residential customer.

Real World Example of ERU Calculation for Non-Residential Property



554,750 sq. ft (Building + Parking)

Equivalent Res. Unit (2,043 sq. ft./ERU)

272 ERUs

Build a Rate Model to Evaluate Options

- Consider rates for various levels of service to estimate cost burden on customers
- Consider how rates change with different rate structure options
- Include estimate of collections and impacts of credit policies

LOS	Annual Program Cost	ERU Rate	SFU Rate
5	\$ 2,258,000	\$ 5.55	6.53
4	\$ 1,879,000	\$ 4.64	5.46
3	\$ 1,573,000	\$ 3.90	4.59
Exist	\$ 1,096,000	\$ 2.75	3.24

Let Your Stakeholders Weigh in on the Decision

Level of Service	Operation and Maintenance		Program Management and Compliance		Capital Improvement Projects	
	Program Components	Stakeholder Voting Tally	Program Components	Stakeholder Voting Tally	Program Components	Stakeholder Voting Tally
A	Fully Preventative/ 100% Routine	9	Comprehensive Planning, NPDES Compliance, Full Implementation	7	\$6 million/year (16-year program)	7
B	Mixture of Routine and Inspection Based	7	Pro-Active Planning, NPDES Compliance, Systematic Implementation	9	\$4 million/year (25-year program)	9
C	Inspection Based Only	6	Priority Planning, NPDES Compliance, Partial Implementation	6	\$3 million/year (33-year program)	6
D	Responsive Only	0	n/a	0	\$2 million/year (50-year program)	0

SWAC voted to increase LOS from \$6.5 M to \$12 M annually

Exemptions

“Don’t Throw the Baby Out with the Bath Water”

- Limit the number of exemptions offered, typically just the properties required in State Law
- Common exemptions offered by most utilities
 - Federal, state and local roadways
 - Undeveloped properties
- Other exemptions for consideration
 - Railroad corridors
 - Greenway trails/systems
 - Cemeteries


**New Jersey
law only
exempts
agriculture
and
horticulture**



Potentially Your Most Important Decision

How Are We Going to Bill This?

- Facilitate a meeting with utility billing and IT staff to discuss options
- External agencies may be an option as well
- Primary options to consider:
 - On a customer's monthly or bi-monthly utility bill
 - As a fee on a property owner's annual property tax bill
 - On a separate, stormwater bill
 - Combination



THE CITY OF LYNCHBURG, VIRGINIA
WATER, SEWER & STORMWATER BILL
PO Box 9000
Lynchburg VA 24505-9000

RETURN SERVICE REQUESTED

Contact Us

Phone Number: (434) 455-3840
Emergency After Hours: (434) 455-4250
Stormwater Details: (434) 455-RAIN (7246)
Regular Office Hours: 8:30 A.M. – 5:00 P.M.

- > Due and payable upon receipt.
- > Failure to pay delinquent accounts by the due date will result in termination of service and an additional \$25.00 fee.
- > A \$25.00 processing fee will be charged for all returned checks.
- > 5% penalty will be added for late payment on water, sewer and stormwater charges.
- > Manage you account online at: www.lyncburgva.gov
View up to date transactions and make payments with City Links (Allow 3 Business days for all transactions).
- > Credit card payments, call 434-455-3840.
- > Online banking - Allow 5 business days for all transactions.


Account Number		Bill Date	Due Date	Previous Payments & Adjustments	
		2/27/13	3/20/13		
Service Period		Days	Service Address		
1/03/13 - 2/04/13		32			
Meter Number	Previous Reading	Current Reading*	Units	Service	Amount
16591037	156	157 A	1	WATER	2.38
				SEWER	5.65
				STORM WATR	4.00
				ACCT CHRG	3.69
Previous Balance .00		Current Due 15.72	TOTAL DUE 15.72		

* A = Actual, E = Estimated, & F = Final

Please return this portion with payment

Account Number	Due Date	Previous Balance	Current Due	TOTAL DUE
	3/20/13	.00	15.72	15.72

0300010490000001008100015724



CITY OF LYNCHBURG UTILITY BILLING
PO BOX 9000
LYNCHBURG, VA 24505-9000

Some Important Questions to Discuss

- Can you physically get the charge on the bill? (i.e. is there an open space to do so)
- What is the best method to reach every property?
- Do you have a preference for billing the owner vs. the tenant?
- Will the new fee require software programming/ enhancement to your existing system?

**The Public must want the
stormwater service provided
by the new revenues before
they will agree to pay for them.**

General Guide for Public Awareness and Acceptance

- Define the public involvement team.
 - Municipal Staff
 - Agency Partners
- Assess Community Needs
- Define Targets and Focus Groups
- Stormwater Funding Advisory Committee
- Find a Champion
 - Elected Official or Manager
 - May Come from Committee
- Prepare for a Two-Way Dialogue

What is an impervious surface?
Any surface that does not allow water to soak into the ground (roofs, driveways, roads, etc.).

When will the stormwater fee be implemented?
You will see the stormwater fee on your January 2006 utility bill.

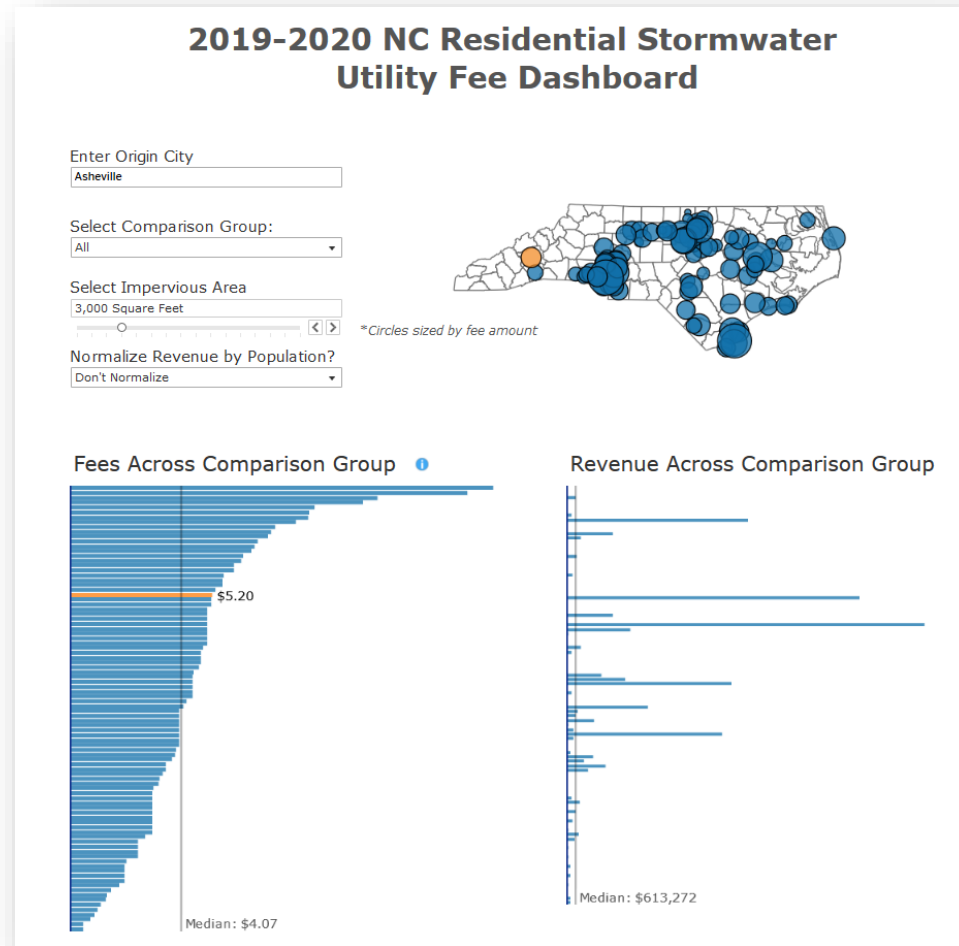
Who will it affect?
All customers – this includes property owners as well as renters, businesses, churches and other non-profits. The fee, which is based on your impervious area, will be included in your monthly utility bill.

What is Stormwater Runoff?
Stormwater runoff is the water that flows off roofs, driveways, parking lots and other hard surfaces during rain storms. Rather than being absorbed into the ground, it flows into ditches, culverts, catch basins and drainage pipes.

CONCORD
NORTH CAROLINA
a city meeting the future...
www.ci.concord.nc.us
Environmental Services
704-920-5370
26 Union Street, South
Concord, NC 28026-0308

What Can States Do to Help

- Develop a model ordinance that complies with State Law
- Maintain a survey of rate structures and rates throughout the State
- Provide technical guidance (workshops, website, manuals)
- Provide grant money for feasibility studies



Summary

- Do your homework and know your community well before you start
- You must sell the service before selling the fee
- A stakeholder process can be the difference between success and failure of your efforts
- Internal and external education can prevent “surprises” at the 11th hour
- Stormwater utilities can be appropriate for communities of any size



Thank You for Your Time and Attention!

Questions?

David Mason: masond@cdmsmith.com

Jennifer Watson: jennifer.watson@gallatintn.gov



Break Until 2:45

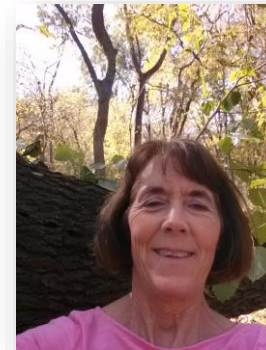
Developing a Regional Approach for Cost Effectiveness

Facilitator



Bevin Buchheister
Senior Policy Analyst
National Governors Association

Speakers



Pam Shellenberger
Chief, Long Range Planning
York County Planning Commission



Fernando Pasquel
Stormwater Institute Advisory
Committee
Water Environment Federation

DEVELOPING A REGIONAL APPROACH FOR COST EFFECTIVENESS

New Jersey Stormwater Utility
Virtual In-State Retreat



September 17, 2020



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

PRESENTATION OUTLINE



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

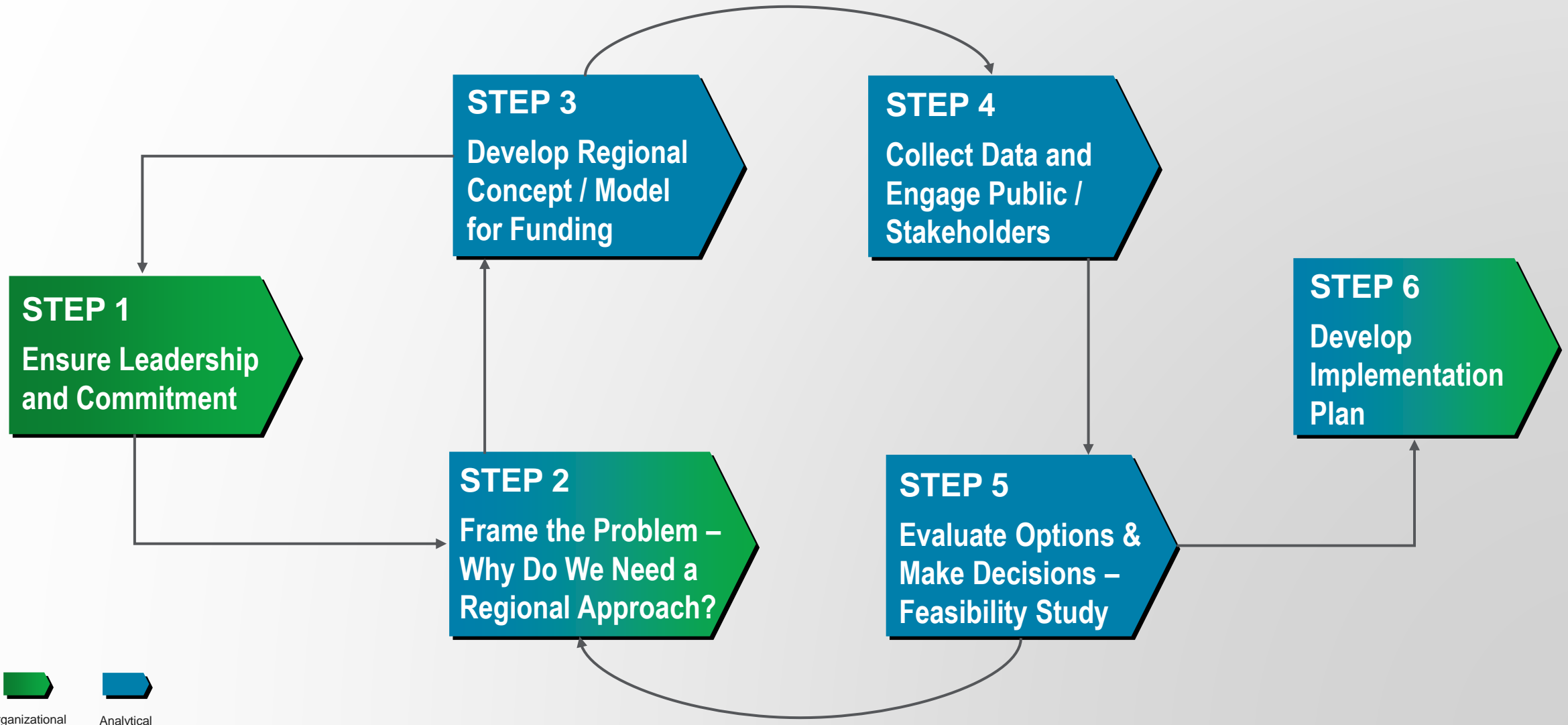
Create opportunities
for developing
watershed solutions
and reduce project
costs

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

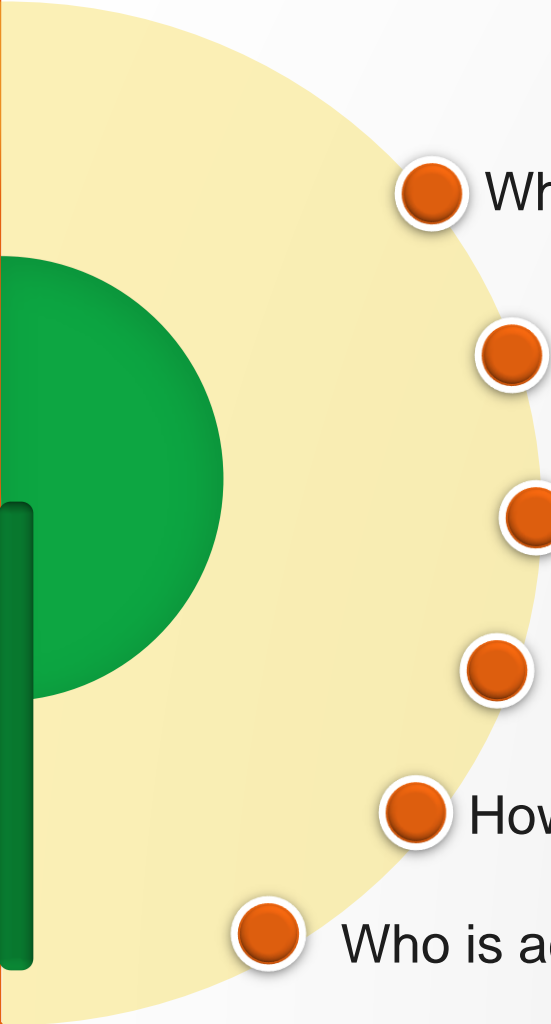


Implementation Considerations

- 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

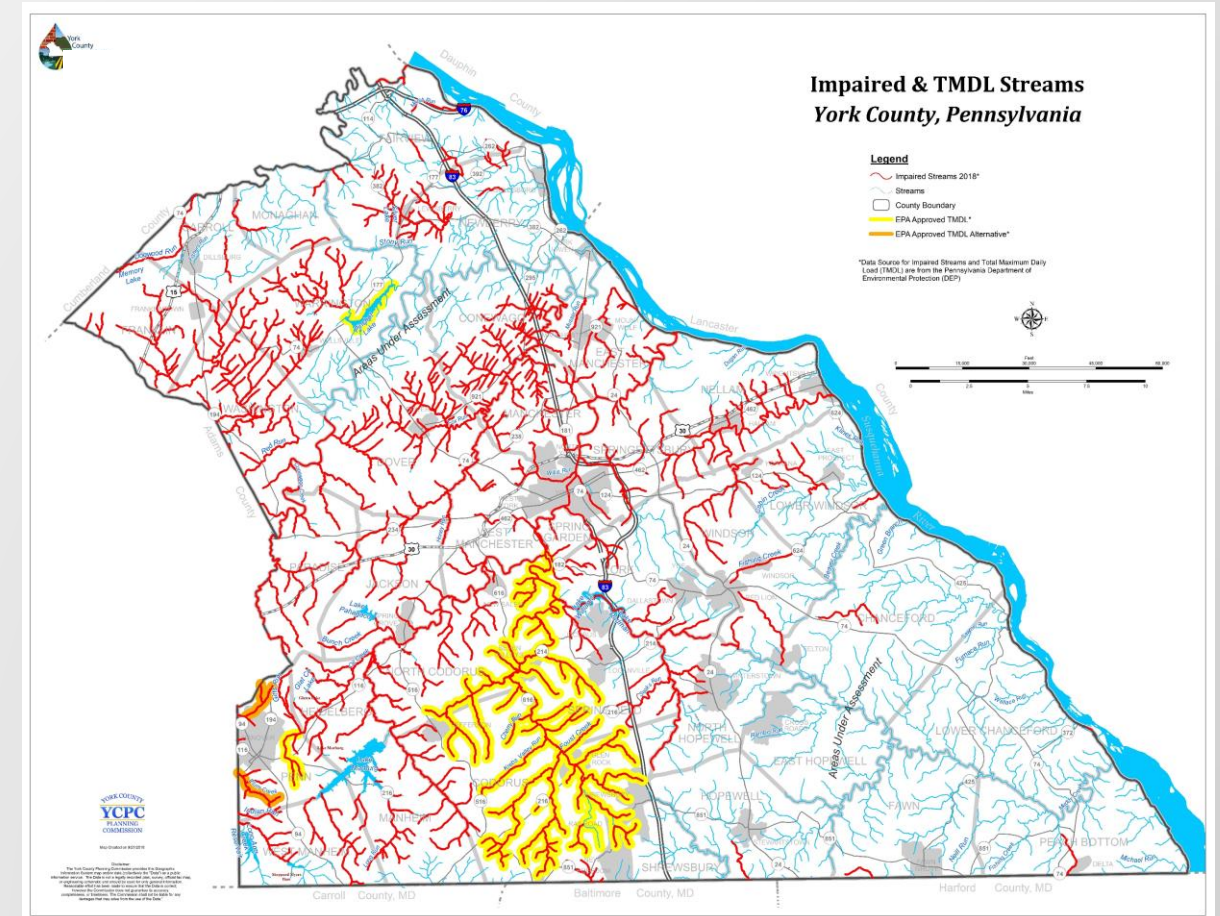
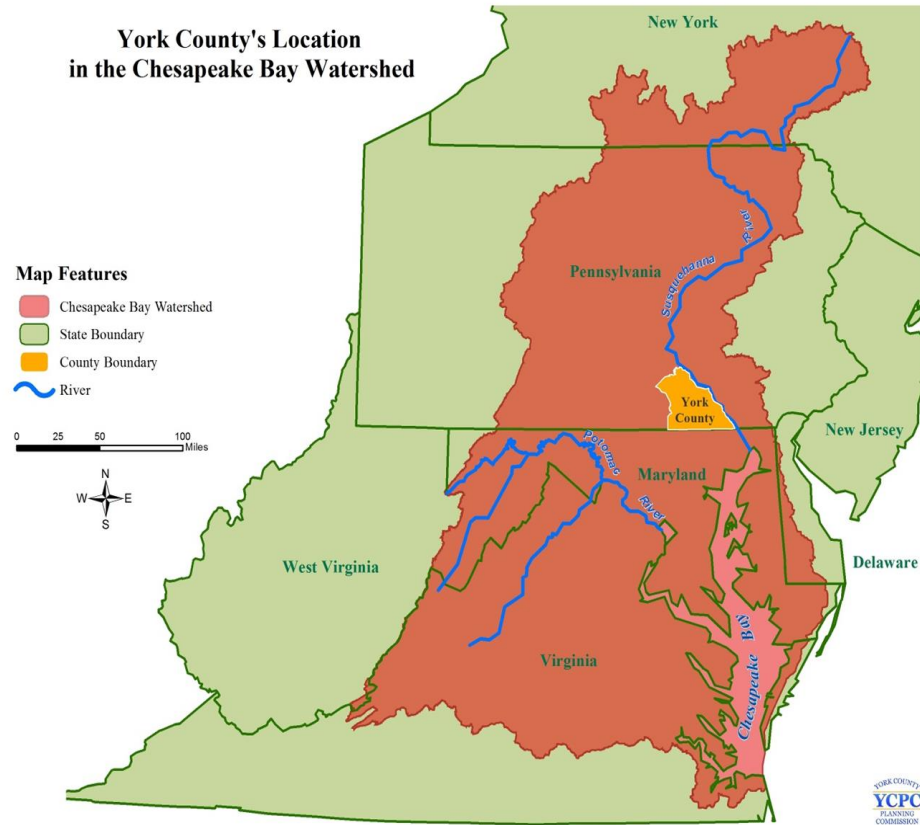
- Establish only in-lieu fee program
- Establish both in-lieu fees and credit banking / trading programs
- Implement planning and administration separately
- Implement planning regionally, but administer programs separately
- Implement planning and administration regionally

Sample Potential Program Suitability

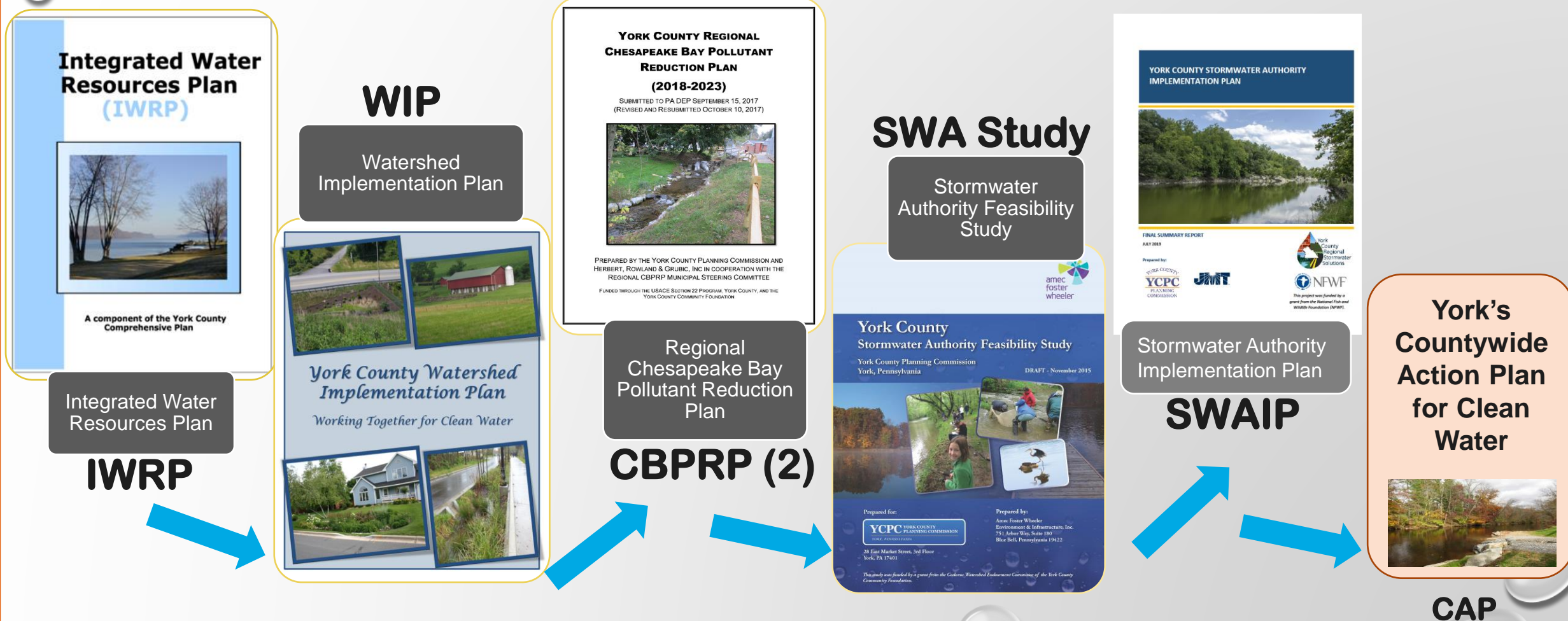
Community	In-Lieu Fees	Credit Banking
City of Albany		
City of Cohoes		
City of Rensselaer		
City of Troy		
City of Watervliet		
Village of Green Island		

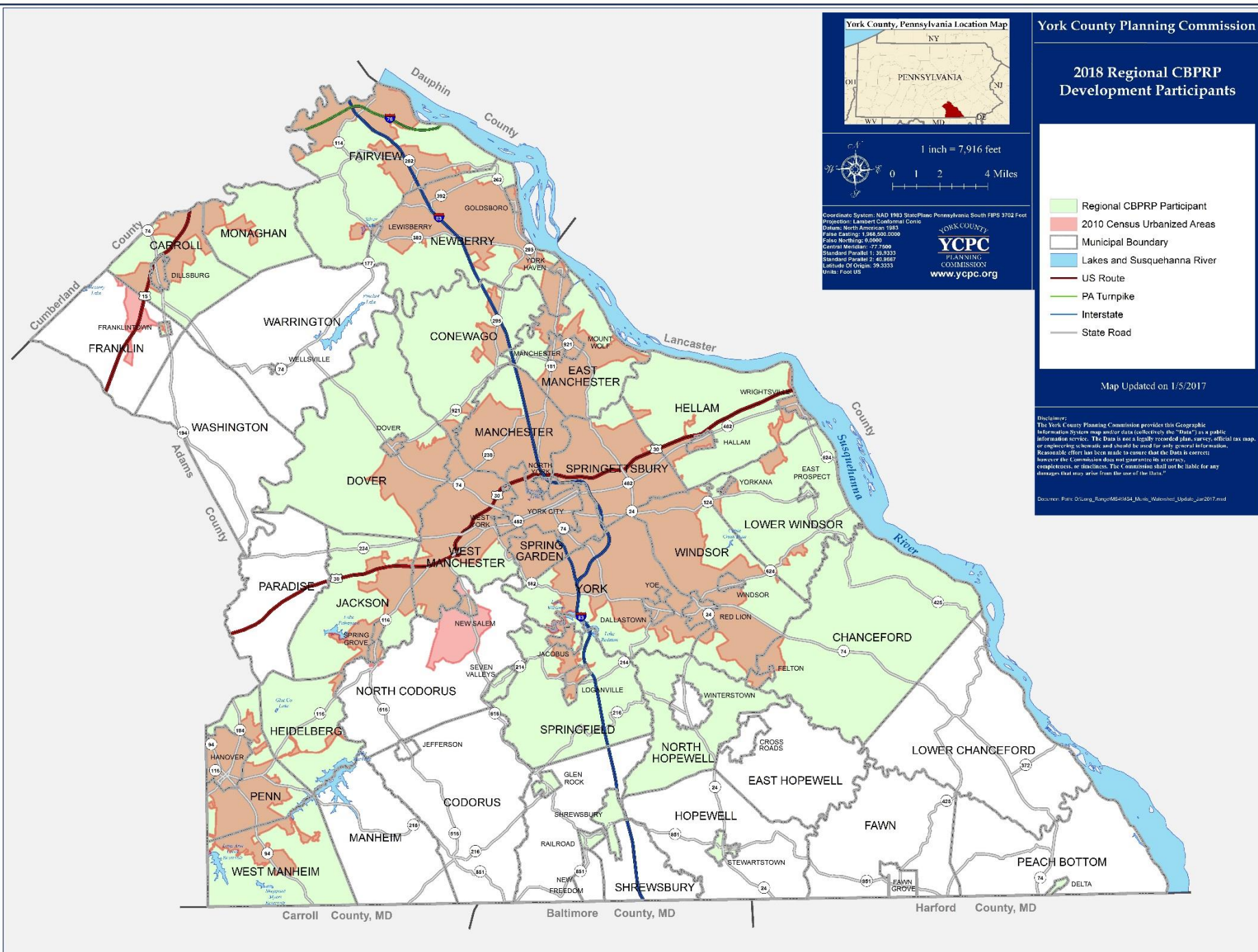
York County, PA

Location in the Chesapeake Bay Watershed



York County's Journey to Improve Water Quality





York County Regional CBPRP

**YORK COUNTY REGIONAL
CHESAPEAKE BAY POLLUTANT
REDUCTION PLAN
(2018-2023)**

SUBMITTED TO PA DEP SEPTEMBER 15, 2017
(REVISED AND RESUBMITTED OCTOBER 10, 2017)



PREPARED BY THE YORK COUNTY PLANNING COMMISSION AND
HERBERT, ROWLAND & GRUBIC, INC IN COOPERATION WITH THE
REGIONAL CBPRP MUNICIPAL STEERING COMMITTEE

FUNDED THROUGH THE USACE SECTION 22 PROGRAM, YORK COUNTY, AND THE
YORK COUNTY COMMUNITY FOUNDATION

- Requirement for MS4 Permit holders
- Pollutant reduction goal is 6.5m lbs/sediment/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



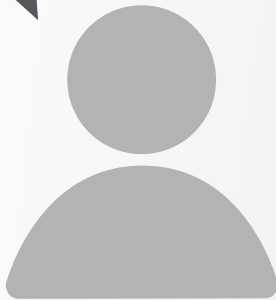
Implementation success: share program vision, obtain leadership and stakeholder buy-in, define benefits and risks



New Jersey has good enabling legislation and stormwater problems are understood, but funding remains a challenge

Q & A

**YOUR COMMENTS
OR QUESTIONS
ON THE
REGIONAL
APPROACH:**



- 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

BEVIN BUCHHEISTER

202-595-2681 ,
bbuchheister@nga.org

FERNANDO PASQUEL

703-842-5621
fernando.pasquel@arcadis.com



Break Until 4:00



Developing Action Plan & Closing Remarks



Conclude Retreat
