5-14-2019 Surface Water Work Session Gary Steylla

Lake Whatcom Stormwater Utility Frequently Asked Questions

1. What is stormwater?

Stormwater is water from rain or snowmelt that flows across the landscape to the nearest ditch, catch basin, or stream. Stormwater picks up pollutants from the surfaces it flows over and carries them downstream to Lake Whatcom.

2. What is a stormwater utility?

A stormwater utility is a way for local jurisdictions to collect fees for the control and treatment of stormwater and manage their stormwater system like a water or sewer utility. Most cities and counties use a stormwater utility to pay for their stormwater system and programs. No new government entity will be created with the Lake Whatcom Stormwater Utility. It is simply a new funding source for Whatcom County's Lake Whatcom Stormwater Program.

3. How was the Lake Whatcom Stormwater Utility established?

The Whatcom County Council created the Lake Whatcom Stormwater Utility and Service Area in December 2017 (Ordinance 2017-076). Washington State law (RCW 36.89) allows counties to create stormwater utilities to fund stormwater management services. Fees will not be collected until Whatcom County Council passes a second ordinance establishing the Lake Whatcom Stormwater Utility rates.

4. Why was the Lake Whatcom Stormwater Utility established?

Whatcom County is required to manage stormwater in the Lake Whatcom watershed and reduce stormwater pollution entering the lake. Current funding sources for the Lake Whatcom Stormwater Program are not enough to meet water quality improvements required by the Washington State Department of Ecology. The new stormwater utility was established to provide supplemental funding needed to meet water quality improvements required by the Lake Whatcom Total Maximum Daily Load (TMDL).

5. What is the TMDL?

The federal Clean Water Act requires states to identify and clean up polluted water bodies. The Washington State Department of Ecology (Ecology) enforces Clean Water Act rules. In 1998, Ecology determined that dissolved oxygen levels in Lake Whatcom were too low (a threat to aquatic life) and that some tributaries had too much fecal coliform bacteria (a risk to human health). This triggered a Total Maximum Daily Load (TMDL) study of the Lake Whatcom watershed. Findings from this study found excess phosphorus to be the main cause of the lake's low oxygen problem. The Lake Whatcom TMDL sets water quality improvement objectives to reduce phosphorus and fecal coliform bacteria entering the lake. Meeting these water quality objectives will become a requirement of Whatcom County's National Pollutant Discharge Elimination System (NPDES) municipal stormwater permit in August 2019. Learn more at www.whatcomcounty.us/2923.

6. Why do we need to reduce phosphorus?

Whatcom County must reduce phosphorus inputs into the lake to meet its NPDES stormwater permit requirements (see FAQ #5). Water quality monitoring data show decreasing amounts of dissolved oxygen in Lake Whatcom. Dissolved oxygen is necessary for aquatic life and a healthy lake. Phosphorus is a nutrient for plant growth. Excess phosphorus entering the lake causes excessive algae growth. When algae die, the decomposition process removes dissolved oxygen from the lake. Reducing phosphorus limits algae blooms and maintains healthy dissolved oxygen levels.

7. Where does the phosphorus come from?

Phosphorus is an element. It is essential for all life and a component of rocks and soil. Any organic matter or soil particle entering Lake Whatcom contains phosphorus. Phosphorus also dissolves in water, becoming an invisible pollutant. Common human-generated sources of phosphorus pollution are sediment, yard debris, animal waste, non-functioning septic systems, fertilizer, and detergents.

8. Why is the focus on reducing phosphorus from developed areas in the watershed?

Forests naturally recycle much of the phosphorus they produce. Developed landscapes with hard surfaces and lawns are not able to absorb stormwater and recycle phosphorus to the same extent as a forest, allowing excess phosphorus to runoff into Lake Whatcom. Phosphorus reductions required by the TMDL and NPDES stormwater permit (see FAQ #5) are based on water quality modeling that estimates a certain level of phosphorus loading from forested areas of the watershed and sets objectives for reduced phosphorus from developed lands only. Whatcom County must reduce phosphorus runoff from developed areas of the watershed to meet regulatory requirements; therefore, stormwater program activities focus on providing services to reduce phosphorus runoff from developed areas.

9. What about other problems and impacts to the watershed?

The Lake Whatcom Stormwater Utility was established by Whatcom County Council to provide supplementary funding for stormwater program expenses needed to meet regulatory requirements from the TMDL and NPDES stormwater permit (see FAQ #5). Addressing other watershed management issues and impacts is currently beyond the scope of the new utility. The Lake Whatcom Management Program was established in 1998 by Whatcom County, the City of Bellingham, and the Lake Whatcom Water and Sewer District as a cooperative effort to protect the lake using a long-term management strategy. Other watershed management issues are addressed through the larger Lake Whatcom Management Program. For more information visit www.lakewhatcom.whatcomcounty.org.

10. How much money will be collected and what will it pay for?

The amount of money collected through the Lake Whatcom Stormwater Utility will be approximately \$820,000 per year. This is the amount of supplementary funds currently needed for Whatcom County to comply with TMDL and NPDES stormwater permit requirements in the following Lake Whatcom Stormwater Program areas: capital project construction, capital project maintenance, outreach and education, homeowner incentives/residential retrofits, water quality monitoring, and administrative costs associated with managing the stormwater utility.

Lake Whatcom	Additional Annual Program Costs to		
Stormwater Program Area	Cover with the Stormwater Utility		
Capital Project Construction	\$250,000		
(stormwater treatment facilities)	3230,000		
Capital Project Maintenance	\$180,300		
Enhanced Outreach & Education	\$68,000		
Homeowner Incentive	\$200,000		
Program/Residential Retrofits	\$200,000		
Monitoring	\$45,000		
Administrative Costs	\$74,300		
Total	\$817,600		

11. How was the service area boundary determined and who will pay the fee?

The service area boundary includes all properties that drain to Lake Whatcom outside of the City of Bellingham (i.e., unincorporated areas of the watershed). Property owners inside the service area will pay the new stormwater utility fee if their property has impervious surfaces like buildings, driveways, and parking areas that do not allow water to soak into the ground.

12. Why are only Lake Whatcom watershed property owners outside city limits being asked to pay when everyone benefits from a clean Lake Whatcom?

Whatcom County pays for its portion of costs related to protecting Lake Whatcom water quality from the Flood Tax paid by all Whatcom County property owners. Since properties within the watershed have a greater impact on lake water quality than those in other parts of the county, it was determined that those property owners should pay for this additional funding need. Property owners within the City of Bellingham already pay a stormwater utility fee and a Lake Whatcom watershed protection fee to pay for their portion of Lake Whatcom Stormwater Program expenses, in addition to paying the Flood Tax.

Estimated Current Lake Whatcom stormwater-related cost/year for a house valued at \$400,000					
	City of Bellingham	Unincorporated Whatcom			
	City of Bellingham	County			
Stormwater Utility Fee	\$135.60	N/A			
Lake Whatcom Watershed Land					
Acquisition and Preservation Program					
charge (watershed protection fee)	\$166.20	N/A			
Flood Control Zone District Tax (Flood Tax)	\$66.37	\$66.37			
TOTAL	\$368.17	\$66.37			

13. How were the proposed rates established?

Whatcom County Council appointed a citizen advisory committee to represent rate payers in the Lake Whatcom Stormwater Utility Service Area and advise the council on a recommended rate structure. County staff and its consultants presented the committee with a range of defensible rate structures. The proposed rate structure was recommended by the advisory committee. It is also consistent with industry best practices and is the most common rate structure throughout the Puget Sound region.

14. What are the proposed stormwater utility rates?

The proposed rates are based on the amount of impervious surface on a parcel. Impervious surfaces are hard surfaces where rainwater runs off instead of soaking into the ground. Since runoff from impervious surfaces like roofs and driveways has a greater impact on water quality than runoff from pervious surfaces like landscaping and forest, impervious surface area is used to determine a parcel's relative impact on water quality. Parcels with more impervious surface area, and thus a greater impact, pay a higher fee.

Single Family Residences – Fees for single-family residential properties will be based on an average impervious area footprint calculated from a sample of residential properties in the service area. Property owners may apply for a lower rate with documentation of actual impervious area less than the average impervious area assigned to their parcel.

Impervious Footprint Tier	Proposed Annual Charge		
Small Footprint	\$116.26		
<2,500 impervious square feet			
Medium Footprint	\$155.01		
2,500 – 8,400 impervious square feet			
Large Footprint	\$310.02		
>8,400 impervious square feet	7310.02		

Non Single-Family Residences (all other parcels) – Fees for all other types of properties in the service area will be based on the measured amount of impervious area on the parcel divided by 4,200 square feet, the average amount of impervious area on a typical residential lot or equivalent service unit (ESU, see FAQ #15). Rates charged will be equal to the single-family residential medium impervious footprint at \$155.01/ESU. Annual rates will vary greatly based on the amount of impervious surface on a parcel.

15. What is an ESU?

An equivalent service unit (ESU) represents the average impervious area for a single-family parcel within the service area. The Lake Whatcom Stormwater Utility funding study included measuring impervious area on roughly 150 single-family parcels. These parcels were randomly selected from a pool of single-family residential parcels that were less than or equal to two acres in size. Based on the resulting average and median impervious area, it was determined that an ESU of 4,200 impervious square feet was appropriate.

16. How are single-family residential parcels initially placed in an impervious footprint tier?

In the proposed rate structure, single-family parcels greater than two acres are all initially charged the "large" impervious footprint rate. Single-family parcels less than or equal to two acres are initially charged the "medium" impervious footprint rate. Impervious measurements from a randomly selected sample of approximately 150 parcels from each group (~300 in total) showed the average "large" lot had significantly more impervious area than the average "medium" lot, which is the primary justification for assessing a higher fee. Any parcel smaller than 2,500 square feet will be charged the "small" footprint rate (see FAQ #18 for information on changing tiers).

17. What can I do if I think the fee calculated for my property is incorrect?

For single-family residential properties, you can provide documentation showing the actual amount of impervious surfaces on your property and apply to have your property reclassified into a smaller impervious footprint size. For all other types of properties, you can provide documentation showing the actual amount of impervious surface on your property, compare it to the amount used to calculate your fee, then apply to have your fee recalculated based on the amount of impervious surface in your documentation. Applications will be subject to review and approval.

18. Can I receive a credit if I have made improvements to manage stormwater on my property?

Property owners who have made improvements that reduce the amount of impervious surface on their property (e.g., installed a pervious pavement driveway that meets County standards) can follow the process described in FAQ #17 and apply to be charged for a smaller footprint. Other credits are not proposed at this time. Stormwater utility rate credits are not common for single-family residential properties. The administrative burden to fairly calculate the amount of benefit provided by an individual improvement and manage a credit program is generally greater than the benefit provided by the credit. In addition, many stormwater program costs are fixed and do not vary based on reduced impacts from individual properties. Credits are typically only applied to the portion of the stormwater utility charge that varies based a property's relative impact to the stormwater system.

19. How will I receive my bill?

The Lake Whatcom stormwater utility annual fee will be included as a line item on your property tax statement and collected by the Whatcom County Treasurer's Office.

20. How do the proposed rates compare to other similar stormwater fees?

For most single-family residences, the proposed annual fee is \$155.01. This is comparable to stormwater utility fees in other local jurisdictions and about half of what homeowners in the City of Bellingham pay between their stormwater utility and the Lake Whatcom Watershed Land Acquisition and Preservation Program fees.

21. Can the money collected be used for other purposes?

No. All money collected through the Lake Whatcom stormwater utility will go into a dedicated fund within Whatcom County government. That fund will only be used to cover expenses for the Lake Whatcom Stormwater Program.

22. How can I provide input on the proposed rate structure?

The Lake Whatcom Stormwater Utility Advisory Committee has submitted its recommendation to the Whatcom County Council for consideration. Implementation of the rate structure will be by ordinance and requires a vote by the Whatcom County Council. You can provide input directly to the council or during the public hearing when the ordinance is introduced at a regular council meeting. The public hearing is tentatively scheduled for June 18, 2019. Visit the council website at www.whatcomcounty.us/268/County-Council to contact council members and look up meeting information. The proposed ordinance will be included in the council's meeting agenda. A copy will be posted to www.whatcomcounty.us/2830 for easy reference.

23. How can I provide input on other issues related to Lake Whatcom watershed management?

If you have concerns or recommendations related to Lake Whatcom watershed management issues outside the scope of the stormwater utility, you may share these with the county council at any time (see FAQ#22). The annual Lake Whatcom Joint Councils and Commission meeting is held every March and provides a good opportunity for the general public to learn more about the Lake Whatcom Management Program and provide testimony to City Council members, County Council members, and the Lake Whatcom Water and Sewer District Commissioners.

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