

Surface Water Work  
Session  
5/14/2019  
Gary Stoyka

19-377  
&  
SWWS

**Lake Whatcom  
Stormwater Utility Fees**

**Surface Water  
Work Session**

Whatcom County Public Works  
FCS GROUP

May 14, 2019

**FCS GROUP**  
Solutions-Oriented Consulting

## **Staff/Consultants**

**Gary Stoyka**, Whatcom County Public Works  
Department

**John Ghilarducci**, FCS GROUP

**Tage Aaker**, FCS GROUP

**Ingrid Enschede**, Whatcom County Public Works Department

**Cathy Craver**, Whatcom County Public Works Department

**Kraig Olason**, Whatcom County Public Works Department



## **Agenda**

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- ◆ **Review of April 30 Public Meeting**
- ◆ **Advisory Committee Recognition**
- ◆ **Advisory Committee Minority Report**
- ◆ **Brief Overview of Recommendation**
- ◆ **Introduction of Draft Ordinance**
- ◆ **Next Steps**



## **April 30 Public Meeting**

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- ◆ **~ 70 people attending**

### **Main Questions & Concerns**

- ◆ **General confusion about what a stormwater utility is and how the money will be spent**
- ◆ **Not enough public notice**
- ◆ **Lack of rate credits**
- ◆ **How lot size will be used to determine initial SFR fee**
- ◆ **End date – Will this fee sunset?**



## **Public Involvement & Outreach**

- ◆ **Methods**
  - Press Releases (Bellingham Herald Article)
  - Bellingham Herald Advertisements
  - County Website (Civic Plus) Notification Tools
  - Social Media (Facebook, NextDoor)
  - Email/phone calls to large property owners
- ◆ **April 2018 – Funding Study Kickoff Public Meeting**
  - Advisory Committee Application Process
  - Meeting Notification Process Established
- ◆ **June 2018 – March 2019 Advisory Committee Process**
  - Public Attendance; Meeting Documents on Website
- ◆ **April 2019 – Funding Study Wrap-Up Public Meeting**



## **Advisory Committee Members**


- ◆ **Nathaniel Washington, Chair, Geographic Representative**
- ◆ **Laurence Brown, Representing Sudden Valley Community Association**
- ◆ **Harry “Skip” Johnsen, Geographic Representative**
- ◆ **Todd Citron, Geographic Representative**
- ◆ **Nancy Alyanak, Geographic Representative**
- ◆ **Thomas (Ryan) Dales, resigned/moved out of area**
- ◆ **Todd Donovan, non-voting Council representative**



## **Minority Report**


**Nancy Alyanak**



**Advisory Committee Recommendations  
Recap**



### Funding Shortfall - Cost of Services

Program Element	Annual Cost
Construction of Stormwater Treatment Facilities (supplemental funding)	\$250,000
Maintenance of Stormwater Treatment Facilities	\$180,300
Enhanced Outreach & Education	\$68,000
Homeowners Incentive Program/Residential Retrofit	\$200,000
Monitoring	\$45,000
Administrative Costs	\$74,300
<b>TOTAL</b>	<b>\$817,600</b>

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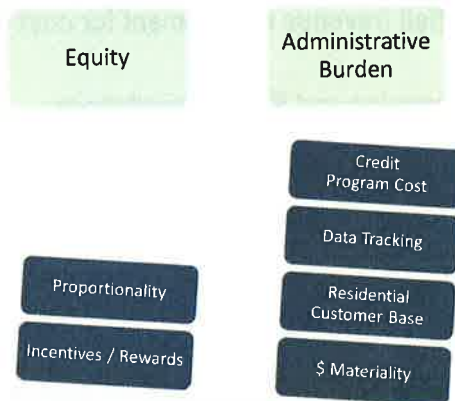
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- ### Funding Study
- **Determine Funding Shortfall (revenue requirement for cost of services)**
  - **Advisory Committee Discussion and Recommendations:**
    - Fiscal Policies
    - Rate Structure Options
    - Rate Credit Options
    - Capital Facilities Charges
    - Implementation Policies
  - **Rate Analysis & Draft Rate Design**
  - **Review & Final Rate Structure Recommendations**
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## Summary

- ◆ **Fees Based on Impervious Surface Area**
  - 3 SFR classes; Non-SFR are measured
  - Property owners can measure to get into smaller footprint category
  - Phase in over 2 years; 1<sup>st</sup> year: 50%; 2<sup>nd</sup> year: 100%
- ◆ **Implement Capital Facilities Charge**
  - Calculated charge: \$1,730 per ESU
- ◆ **Provide Reserves for County share of Lake Whatcom Program**
  - Phase in over 10 years
- ◆ **Rate Reductions/Exemptions**
  - 10% reduction for rainwater harvesting on **commercial** properties – State law
  - Exemption for forestland/timberland – State law
  - Exemption for low income senior/disabled – Consistent with BBWARM
  - No charges for public or private roads
- ◆ **Fee Adjustments**
  - Adjust rates annually based on inflation



## The Rate Credit Decision



**Committee Recommendation:  
No Rate Credits**



## Why No Rate Credits?

- ◆ Rate structure already rewards less developed area
- ◆ Regarding on-site mitigation
  - Many program costs are fixed; \$ saved to utility minimal
  - Requirements are a cost of developing in Lake Whatcom Watershed
  - Few on-site systems address phosphorus
- ◆ All developed property benefited by improved water quality
- ◆ Homeowner Incentive Program already provides offsetting assistance
- ◆ Remaining rates must increase to make up the difference
- ◆ Cost of administering a credit program outweighs benefit
  - Example: Likely max credit 30% of \$155 = \$46.50 per year;
  - 3 hours of staff time to verify ongoing compliance = \$200



## Impervious Component Rate Classes

- ◆ **Single Family Residence \***
    - **Small Footprint** (< 2,500 ft<sup>2</sup>): 0.75 ESU per parcel
    - **Medium Footprint** (2,500 – 8,400 ft<sup>2</sup>): 1.00 ESU per parcel
    - **Large Footprint** (> 8,400 ft<sup>2</sup>): 2.00 ESU per parcel
  - ◆ **Non-Single Family Residence**
    - All parcels 1.0 ESU per 4,200 impervious square feet \*\*
- \* Single family parcels initially placed in medium and large impervious footprint tiers by lot size. Correlation confirmed by sampling.
- \*\* Minimum of 1.0 ESU per developed parcel, regardless of impervious area; 1 ESU = 4,200 impervious square feet ~ average impervious for medium footprint sample of single family residences



 **Total Fees with Reserve Charge**

Annual Fee Schedule by Type of Customer			
Type of Customer	Reserve Component	Impervious Fee Component	Total Fee per Parcel
Single Family Residential			
Small Footprint	\$10.24	\$106.02	<b>\$116.26</b>
Medium Footprint	\$13.66	\$141.35	<b>\$155.01</b>
Large Footprint	\$27.32	\$282.71	<b>\$310.02</b>
Non-Single Family Residential	\$13.66 per ESU	\$141.35 per ESU	<b>Varies</b>

Reserve Amount = \$2.37 million/yr ÷ 3 ÷ 5,784 ESUs ÷ 10 yrs = \$13.66/ESU/yr (for 10 years)



 **2020 Rates**

Annual Fee Schedule by Type of Customer			
Type of Customer	Full Cost Recovery	Cost Recovery Target for 2020	Total Fee per Parcel / ESU
Single Family Residential			
Small Footprint	\$116.26	50%	<b>\$58.13</b>
Medium Footprint	\$155.01	50%	<b>\$77.51</b>
Large Footprint	\$310.02	50%	<b>\$155.01</b>
Non-Single Family Residential	\$155.01 per ESU	50%	<b>\$77.51 per ESU</b>





## Overview of Draft Ordinance

### Anticipated Next Steps

- ◆ **Additional Discussion/Feedback with Council (if requested) – Tuesday, May 21<sup>st</sup>**
  - Natural Resources Committee
- ◆ **Introduce Ordinance – June 4<sup>th</sup>**
- ◆ **Public Hearing and Potential Council Vote – June 18<sup>th</sup>**



Questions?