

The Honorable Benjamin H. Grumbles
Secretary of the Environment
Maryland Department of the Environment
1800 Washington Boulevard
Baltimore, Maryland 21230

Dear Secretary Grumbles:

Prince George's County is pleased to submit its Financial Assurance Plan (the Plan) as required by Senate Bill 863 (2015). Before describing the Plan, it is useful to summarize the context and history of the requirements that the State has passed on to the County for restoring the Chesapeake Bay and its tributaries, including the Anacostia, Potomac and Patuxent Rivers. This letter concludes with suggested future next steps.

In 2010, Maryland submitted a comprehensive Watershed Implementation Plan to the Federal government to reduce the amount of nitrogen, phosphorous and sediment entering the Chesapeake Bay and its rivers. In addition to wastewater, agricultural and septic loading, a component of the plan addressed stormwater runoff pollution from impervious areas such as rooftops, driveways, and parking lots. In 2012, Maryland passed a bill requiring nine Maryland counties and the City of Baltimore to collect a fee from property owners to implement a program to reduce stormwater runoff from impervious areas. In 2013, the Prince George's County Council enacted a Clean Water Act fee for the purpose of addressing stormwater pollution. The fee supplemented the existing *ad valorem* tax on property owners for the purpose of flood control and stormwater management.

In 2014, the Maryland Department of the Environment issued to the County its next generation, five-year National Pollution Discharge Elimination System permit covering the period from January 2, 2014 until January 1, 2019. The permit requires the County to continue its programs to reduce stormwater pollution from development, to report illicit discharges, and to reach out and educate the public on the importance of environmental restoration. Significantly and for the first time, the permit also requires the County to treat stormwater runoff from 20% of its impervious surfaces – a daunting task given that much of the County development inside the Washington Beltway pre-dates

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stormwater regulations and was constructed without controls. In addition, the 2014 permit renewal augmented the permit conditions to include litter/trash reduction strategies and development/implementation plans to address stormwater waste load allocations established under the U.S. Environmental Protection Agency's approved total maximum daily load.

As a first step, the County worked closely with the Maryland Department of the Environment (MDE) to determine the amount of surface acreage requiring treatment with stormwater controls. In 2015, the County and MDE agreed that there are 30,524 acres of untreated impervious surface in the County, resulting in a restoration goal of 6,105 acres over the permit term. The County intends to employ a combined approach to meet this goal. First, the County has a Clean Water Partnership with Corvias Solutions, Inc. to accelerate the rate of impervious restoration through a \$100 million contract to restore up to 2,000 acres by 2018. Second, in FY2017 the County will begin a street sweeping program, or combination of other State approved best management practices (BMPs) that treats up to the equivalent of 2,000 acres of impervious surface annually. Finally, the County will address the remaining acreage through the Department of the Environment's Capital Improvement Program, which has been partially repurposed to focus on projects that improve water quality restoration.

Senate Bill 863 requires the County to demonstrate that it has the funds to meet 75% of the projected costs of impervious surface restoration plan compliance for the next two fiscal years starting in fiscal year 2017. Over the next two years, the County estimates that it will treat 3,854 acres of impervious surface, representing 63% of the five-year restoration goal. The projected cost of treatment is \$101M (all numbers rounded), a number that is based on preliminary design and engineering work on a number of restoration projects in our project inventory.

The total expense for FY2017 and FY 2018 (includes Operating and CIP) is \$139M. Available funding to cover 75% of the total expense is \$104M. Funding programmed over the next two years will be used both to pay for restoration costs directly, e.g., street sweeping, and to leverage bond funds for payment of project costs. Together, cash and bond funding in FY2017 (\$56.5M) and FY2018 (\$47.4M) total over \$104M, or 75% of the projected expense of impervious surface restoration. The County's financial assurance plan meets the State's requirements.

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The County requests MDE to assess the practicality of achieving stormwater pollution reduction goals within the time- frame set forth in the County MS4 permit. While we are pleased that Prince George's County has nearly \$271M of projects in planning, design and construction for treating nearly 4,000 acres (in addition to 2,000 acres of street sweeping), many factors are affecting our ability to meet the installation of these projects within the permit period. Among these factors are realistic planning, design and construction timelines, limited staff resources for review and approval, and available acreage inventory. Upon receipt and review of the County's financial assurance plan, MDE should engage the MS4 jurisdictions in a frank discussion of appropriate timelines to reduce local stormwater runoff pollution as a component of restoring the Chesapeake Bay.

If you have any questions or concerns, please contact David Iannucci, Assistant Deputy Chief Administrative Officer of Economic Development, at (301) 952-4227.

Sincerely,

Derrick Leon Davis, Chairman
Prince George's County Council

Rushern L. Baker, III
Prince George's County Executive