

## Meeting the Requirements of the NPDES Municipal Separate Storm Sewer System (MS4) Permit

*March 28, 2019*

### Executive Summary

The Financial Assurance Plan (FAP) is presented in a draft status until such time is approved by the Prince George's County Council, in accordance with the Maryland Department of the Environment (MDE), and as required by SB 863, passed by the Maryland State Legislature in 2015. An FAP shall be delivered to MDE on January 1, 2019, and every two years thereafter.

This report constitutes Prince George's County's financial assurance plan identifying:

1. Actions that will be required of the County to meet the requirements of its National Pollutant Discharge Elimination System (NPDES) Phase I Municipal Separate Storm Sewer System Permit (MS4);
2. Projected annual FY 2019, FY 2020 and 5-year costs for the County to meet the impervious surface restoration plan requirements of its NPDES Phase I MS4 permit;
3. Projected annual and 5-year revenues or other funds that will be used to meet the impervious surface restoration plan requirements of its NPDES Phase I MS4 permit;
4. Any sources of funds that will be utilized by the County to meet the requirements of its NPDES Phase I MS4 permit; and
5. Specific actions and expenditures that the County Implemented in the previous fiscal year (FY 2015 – FY 2018) to meet its impervious surface restoration plan requirements under its NPDES Phase I MS4 permit.

These documents will be introduced to the Prince George's County Council in April 2019, subject to a public hearing shortly after approval in the second quarter of 2019.

## Introduction

Prince George's County's NPDES MS4 permit, issued on January 2, 2014, requires the County complete restoration efforts to achieve the equivalent of treating 20% of the impervious surfaces not previously restored to the maximum extent practicable. The County's baseline, which has been previously approved by MDE, identifies 30,525 acres with either no or partial management, requiring the equivalent of 6,105 acres to be restored to meet the 20% criteria by the end of the permit term in January 1, 2019.

The submission of Prince George's County's Financial Assurance Plan (FAP), as well as the submission of the Watershed Protection and Restoration Program (WPRP) annual report, to the Maryland Department of the Environment is required for compliance with Maryland Environment Article §4-202.1. The attached County's FAP demonstrates that the County has the financial means (100%) to achieve the requirements for FY 2019 and FY 2020 as required by the State Bill.

This FAP lists the activities completed by the County's WPRP for FY 2017 and FY 2018, and planned programs / activities from FY 2019 through FY 2020. The completion and submission of an FAP is required every two years, with a first submittal that occurred on July 1, 2016. As required by the State Legislation, this FAP will be updated and resubmitted on or before the anniversary date of the County's NPDES MS4 Permit (January 2, 2020). These activities are carried out within County's MS4 permit purview. The County's MS4 permit commitment spans from January 2, 2014, through January 1, 2019. The next generation permit (expected to be issued soon) will cover the period between January 2, 2019 through January 1, 2024.

Per the requirements for completing the attached FAP, all restoration activities completed by June 30, 2018, are classified as completed activities and their actual costs are reported. These activities include a variety of projects with a variety of funding sources as described below.

CIP projects from stormwater runoff controls and water quality improvement classes that were completed in FY 2014 and through FY 2018:

- Several of these projects incurred costs prior to WPRP implementation, with construction completed in FY 2014 or FY 2015. These restoration projects were included in the NPDES MS4 reports for FY 2014 and FY 2015 and were funded by the Enterprise Fund (EF5100).

CIP projects that are Ongoing:

- Beginning FY 2016, the WPRP implementation is fully supported by two funds; Stormwater Enterprise Fund (EF5100) and the Watershed Protection and Restoration Fund (EF 5200). Types of projects implemented include installation of water quality devices in urbanized areas to control surface runoff and filter pollutants before entering our streams and rivers. Project types include Bioretention, Infiltration Devices, Pond Retrofits, Green Streets, Stream Restoration, Regenerative Outfall Repairs, and Urban Wetlands.
- The County has instituted two CIP programs to address the implementation of the WPRP; the Conventional CIP implemented by DoE's CIP operations, and the Clean Water Partnership (CWP) implemented by Corvias Group.

The Operating budgets of the two funds, in addition to staff support also funds the Raincheck Rebate Program, and Grants to non-profit Organizations to assist in the implementation of the WPRP program in our municipalities.

- Funding for restoration projects by NGOs include grants issued in FY 2015, FY 2016, FY 2017, and FY 2018 provide outreach, education and installation of BMPs towards the WPRP program.

### *The FAP Content*

Included in the FAP are cost and revenue information. Costs identified include the operating costs for the WPRP, debt service on WPRF bonds, and the County's WPRP grant program to fund restoration projects completed by non-governmental agencies for which the County takes equivalent impervious treatment credits.

On Page 6 [ISRP cost 4-202.1(j)(1)(i)2] of the FAP, actual costs spent through FY 2017, proposed budgeted costs for FY 2019 and FY 2020 (two-year required financial assurance) and projected costs beyond FY 2020, were obtained from the County's approved budgets. Pages 2 through 5 of the FAP [All Actions 4-202.1(j)(1)(i)1] lists projected costs and project selection types to achieve the MDE's two-year (FY 2019 & FY 2020).

The total cost match of 100 percent financial assurance and compliance requirements are listed on page 7 [ISRP Revenue 4-202.1(j)(1)(i)3]. The County possesses sufficient funding in the current fiscal year and subsequent fiscal year budgets to meet its estimated 100% cost for the next two-year period.

Capital projects not completed by June 30, 2018, are classified as either under construction (UC), planned (P), or Design (D). Projects considered under construction were in the construction phase as of the end of FY 2018.

### *FAP Sources of Funds:*

The County's fund sources are listed on Page 8 [Fund Sources 4-202.1(j)(1)(i)4] of the FAP. The fund sources include operating fund sources, debt service and grants and partnerships with State and Federal agencies. This table explains the percent of the all fund source appropriated towards the WPRP goals.

### *Projected Annual and 5-Year Costs and Revenues to Meet the MS4:*

Page 6 [ISRP cost 4-202.1(j)(1)(i)2] of the FAP, lists the cumulative costs (operations, CIP, debt service) through FY 2017 at \$158M; for FY 2018 are \$71M; for FY 2019 and FY 2020 budgeted cost at \$189M; and projected costs beyond FY 2020 are \$231M. These numbers show County cost projections for the watershed protection and restoration fund (WPRP) to continue through the next generation NPDES permit.

Therefore, the projected revenue (FAP page7, [ISRP Revenue 4-202.1(j)(1)(i)3]) covering the period from FY 2019 through FY 2020 is \$189M, which represent 100% funding capacity to meet the objectives of this two-year FAP.