Stormwater Utility Advisory Panel

Meeting #2
July 18, 2017 – 4:30 - 6:30pm

**Members Present:** Jeff Sitler, Kim Swanson, Paul Haney, Joe Jones, Chuck Ward, Robbie Savage, Rob Neil, Alison Sappington, Ann Mallek

**County Staff Present:** Stavros Calos, Greg Harper

**Other:** David Bulova, RCA interns (x2)

1) Process updates and meeting goals
   a) Staff made some technical decisions, and consultants crunched numbers. Role of panel this evening is to critique staff decisions and results and revise as necessary.
   b) End goal is first bill in May 2019. Utility kicks in in FY19, so we need to make decisions this calendar year.
   c) Community outreach indicated that the community was “scared.” It’s important that the next round of engagement have some specific numbers attached. How much will you owe for your property. Recommended that we wait for more detail for outreach. Note: BOS has gotten several calls recently. Suggested we provide some update to the press because some citizens are panicking. Important that we make it clear that this process isn’t done yet.

2) Rate policy vs. Credit Policy
   a) This meeting is first attempt to present specifics costs/administrative burdens/equity issues to the committee. If we can get through this tonight... great! If not, it’s worth a longer conversation. The next step is to take panel input back to staff, recalculate numbers, and present it back to panel.
   b) Rate policy determines how initial rate is calculated and is in ordinance. Credit policy addresses potential discounts and can be ordinance or standalone. Some items can be addressed as either. Both must be approved by board.
      i) Issues addressed by staff:
         (1) Rounding, reserve policy, debt policy, inflation, delinquencies, etc.
   c) Rate/credit issue areas
      i) Billing County Property
         (1) Certain exemptions by statute -- VDOT, other MS4s, jointly-owned properties by County and City... BUT we can decide if we charge our own properties. Marginal impact on both fees and property taxes.
         (2) Big issue – if we exempt ourselves, then Federal Government will exempt themselves. (Allowable under statute.)
         (3) General agreement among staff that County should be charged for properties, but Staff wanted to know impacts before deciding.
         (4) No objection from panel on charging County properties. Panel still wanted to see how it will impact others’ rates before making final decision.
      ii) Exclusion of Driveways
         (1) Simple GIS exercise for SFR properties. More complicated for multifamily / commercial because their driveways aren’t separated from parking.
(2) If completely excluded, all SFR and ag properties would see a reduction. SFR-detached average number of billing units would decrease from 15 to 6. Would make other properties pay a lot more. This presents an equity issue.

(3) Potential compromise – include driveways, but charge each SFR property a rate for average driveway area.
   (a) One tweak – some ag properties do have parking lots. For example – wineries. Would want to ensure we capture them in GIS as parking and not driveways so they can be billed appropriately.
   (b) “Agricultural” is fairly broad definition. From landuse classification layer. They tend to be both businesses and residential.
   (c) Potential downsides
      (i) Punishes smaller driveway owners.
      (ii) Doesn’t deter people from having longer driveways when they develop.
      (iii) What about a road that’s not a driveway? Will owner be billed?
         1. No, not under this scenario.
      (iv) Suggestion – remove impervious surface that’s associated with land use taxation properties, and charge everyone else according to number of billing units.

(4) Tentative Farm bureau agreement – charge all SFR properties for average length of access roads / driveways.
   (a) Generally agreed that it’s not fully equitable for urban SFR properties.

(5) Have we caught all options?
   (a) Agricultural structure credit option. *Majority agreement in principle, but lots of details to figure out. What is an ag structure? What about density-only credit? No one is vehemently opposed.*
   (b) Completely exclude driveways. *Only one person in favor of complete exclusion. Generally agreed that cost needs to be more equitable.*
   (c) Driveway ERU approach. 6 want to pursue idea. Everyone wants to see the numbers. *Opinions depend on how much $.*
   (d) Tiered fee based on ‘driveway density’. *General lack of understanding what it is, but general approval to investigate. Density tiers (like ERU) – YES – this is worth exploring. One person opposed.*
   (e) Density zones based on geography or
   (f) Tiered driveways – 3 or so basic groupings of driveway, take an average of each.

   iii) Agricultural structure
   (1) If you don’t charge them, the burden shifts to other rate payers. So you need to make sure there’s solid justification.
   (2) From a state regulatory purpose (VSMP) there’s no justification for treating them differently. Howard Cty MD (very similar to Albemarle), allows credits if there is BMP approved by local SWCD district.
   (3) Staff brainstorming agreed that the credit approach is right way to address.
   (4) Farm Bureau position – there are proposed resolutions that are absolutely not in support of the way this is going. These people are powerful, so we need to give all due consideration to the ag community.
      (a) Note – this is why there was a lot of focus for Ag BMPs and driveways and other credits, while ensuring that policy is equitable and defensible.
   (5) Question – would this approach generally be acceptable to farm bureau?
   (6) Question / assumption – the “ag” category basically catches everything that’s not residential subdivisions in the rural area, right?
iv) Density Factor
   (1) Potentially complicated. Sliding scales vs. thresholds. Even large properties can have significant impact depending on location of IA. Density factor may incentivize low density development.
   (2) Initial reaction from brainstorming group – focus on driveways and ag structures and don’t consider nuances of density factor.
   (3) Recognized that density factor really won’t incentivize anyone to change their behavior that significantly.
   (4) If we’re going to test, what should we test? Sliding scale vs. threshold? *Threshold.*
   (5) General agreement that this shouldn’t be rate policy but would be better as credit policy for agricultural BMPs. Next money we will need to see numbers.

v) Forest land
   (1) Disagreement on the requirements to consider land forested.
   (2) Brainstorming results – recommended against credit for forest land in general, but did want to explore a credit in forested buffers.
      (a) One issue is that the state allows you to harvest 50% of basal area. Other issue is that you have to be very careful meeting stakeholder interests (?). *Note that we are not proposing changes to buffer requirements.
      (b) In general does everyone feel relatively comfortable having this as a credit? YES.