Water Resources Funding Advisory Committee

Meeting #10

July 9, 2015 – 4:30-6:30pm

Committee Members Present: Ann Mallek (BOS), Karen Firehock, Leslie Middleton, Rob Neil, Robbi Savage, Joseph Jones, Paul Haney, Jeff Sitler, Alyson Sappington, Charlie Armstrong, Kimberly Swanson

Committee Members Absent: Charles Ward, George Goodwin

County Staff Present: Doug Walker, George Shadman, Greg Kamptner, Greg Harper, Elizabeth Chudoba, Stavros Calos, Emily Kilroy

County Staff Absent:

Other: Liz Palmer (BOS), David Bulova (AMEC)

1) Public Engagement Process (4:30-5:20)
   a) Emily summarized the public engagement activities that have been done to date; a summary is available online
   b) Emily then summarized feedback received from the public through the online survey and some of the smaller public engagement events
   c) Greg mentioned that comments received through public engagement events, email, and other avenues have been compiled into a document available online
   d) question: what is the feedback loop to let people know we received their comments and have considered them?
      i) for emailed comments, staff have been responding that their comments are compiled and made available to the committee
      ii) this information will also be referenced in the report to the Board
   e) discussion of public engagement; have comments/responses surprised anyone?
      i) no one seems to be fully against adopting a dedicated funding mechanism
      ii) need to state very clearly what the overarching problem is – what we’re trying to solve; need to articulate the basics of water quality, stormwater issues, the impacts of velocity on stream channels; it might hurt the effort if we don’t tie funding to something the public can relate to; maybe include StreamWatch data
      iii) need to state benefits – but need to be careful how this is stated; for instances, it’s hard to get people on board when you say we are restoring a particular creek from poor to fair status; need to make the direct relationship between the clean water and their kids playing in it
iv) a lot of comments/concerns with roadways and driveways, especially rural – for instance, in the case of a shared, private road that only a few people use, the person whose property the road happens to be located on would be burdened by the fee
   (1) Hanover County deferred the decision on that matter, but recognized that it was an issue to look into
v) BMP credits – concerns about economically disadvantaged people not being able to afford to put in a practice even with cost-share incentives because those programs don’t cover the whole costs; so they wouldn’t necessarily benefit from a credit program
   (1) hardship programs have been implemented by some localities
   (2) in addition to credits on annual fees, some localities also have cost-share programs to offset the installation cost
vi) the role of VDOT – with respect to MS4 permit obligations – should be better highlighted
vii) in retrospect, there should have been an agricultural representative on the open house panel
f) did anyone hear anything that has made them re-think their opinions?
   i) since property owners are already paying the 0.7 cent special assessment, maybe that fee should go towards paying for the driveways and sidewalks that are generally outside the control of properties owners (one can’t just shorten a driveway); the costs of these areas would be paid through property taxes while the cost of the remaining areas would be paid through a utility
      (1) may not address shopping centers or apartment complexes
      (2) may be a lot more confusing and irritating to rate payers

2) Presentation by David Mitchell, guest from business community (5:20-5:35)
   a) described his proposal to base utility fees on different per-acre rates for each land use (open space, forest, impervious)
   b) rates are based on the proportional contribution of pollutant discharges from each land use per the Virginia DEQ WIP II data for Albemarle County
   c) discussion was deferred since this level of detail is not necessary as part of the current charge of the committee

3) Final Committee Preferences (5:35-6:30)
   a) David Bulova reviewed committee findings/leanings to date and facilitated a discussion to work towards a consensus on various recommendations
   b) recommended program/level of service – includes both regulatory requirements and needs and responsibilities
      i) broad consensus for recommended program
      ii) ... but at least one committee member does not support going beyond regulatory requirements (mandates)
      iii) committee recognizes that cost estimates need to be reviewed and updated as more information becomes available
   c) method of revenue generation (general fund vs. service district vs. utility)
i) **general consensus for utility fee**

ii) ... recognizing there are a lot of different ways to structure the fee

iii) there is a need to keep things simple

iv) benefit: a utility doesn’t fluctuate with property value; program success requires stability and a utility provides the greatest level of stability

d) fee structure (impervious only vs. ERU vs. tiered vs. density factor)

i) committee was – at the last meeting – leaning towards basing fee impervious cover using 500sf at the billing unit, with a robust credit system

ii) discussion

   (1) impervious cover vs. other land use

      (a) most of the MS4 requirements are linked to impervious cover, but it differs where local TMDLs are approved

      (b) land uses differentiation may be different issue that would have to be addressed with a different mechanisms, perhaps when the local TMDLs are assigned

   (2) credits

      (a) even if a credit doesn’t make economic sense (due to the very long payback period), having credits are still important because people feel empowered that it’s available to them if they *did* something on their property; in the end most people will not be incentivized to actually do anything

      (b) perception is important

iii) **general consensus on recommending a utility structure based on straight 500 sf impervious cover**

   (1) in favor of impervious only with 500sf billing unit (comments follow)

      (a) likes its simplicity (3)

      (b) need to be careful in the details – mainly with the incentive program and inspection needs

      (c) feel it’s equitable

      (d) favor incentives and ways rural areas can offset their impervious surfaces with forest assets

      (e) like that it’s compatible with the Charlottesville program for people who have property interests in both jurisdictions

      (f) need to provide information as to where you can get assistance to get credits

      (g) likes 500 sf and not ERU method

   (2) in favor of other systems (comments follow)

      (a) interested in the idea of tying the fee to additional land cover categories (open space, forest) but hasn’t found a formula that makes any sense

      (b) thinks the fee should reflect other land uses

e) **geographic distribution** – (county-wide vs. urban/rural distinction)

   i) could create a custom “urban area” designation for this purpose by combining the Comp Plan urban area, the MS4 regulated area, and any other urban-type areas

   ii) should urban rate payers pay more for services than rate payers outside of the urban areas? If so, what should be the basis of the differentiation?
(1) **general consensus for county-wide with no urban/rural distinction**
   (a) enough services County-wide, don’t want to encourage people to move outside of the urban area
   (b) density generates revenue and shouldn’t be penalized
   (c) like its simplicity in management (3)
   (d) there are community-wide benefit of the programs, not just in rural areas
   (e) should be a lot of ways to take credit for benefits of forested areas
   (f) there are actually a lot more options for getting credits in rural area because more land is available; a county-wide program would open up opportunities where they would be more likely implemented

(2) **county-wide with urban/rural distinction**
   (a) if more money is being spent in the urban area, more money should be collected from the urban area
   (b) would probably be generally acceptable by the rate payers
   (c) if there is an urban-type development outside the established urban area that has a stormwater infrastructure issue, that area could be included in the urban area

4) **Next Steps/Information Needs (6:30-6:35)**
   a) next meeting – Thursday, August 13 at 4:30
   b) draft report will updated to reflect tonight’s meeting and then emailed to committee members for their review and feedback; tracking changes within Word is a fine way to document suggestions
   c) Greg will incorporate suggestions into the report as best he can; a more final version will be provided to the committee prior to the August meeting
   d) the agenda of the August meeting will be get committee support for the final version of the report