

Proposed Revisions to District Stormwater Fees

Hamid Karimi

October 2, 2008



Brief MS4 Permit History

- To discharge stormwater runoff via the MS4 system, the District must obtain a permit from the US EPA.
- U.S. EPA issued the District an updated MS4 permit in 2004, but this permit was soon subject to legal challenge.
- After a two year mediation process, a Best Management Practices Enhancement Package was negotiated in November, 2007.
 - This agreement incorporates new requirements in addition to those in the 2004 permit.



Best Management Practices Enhancement Package

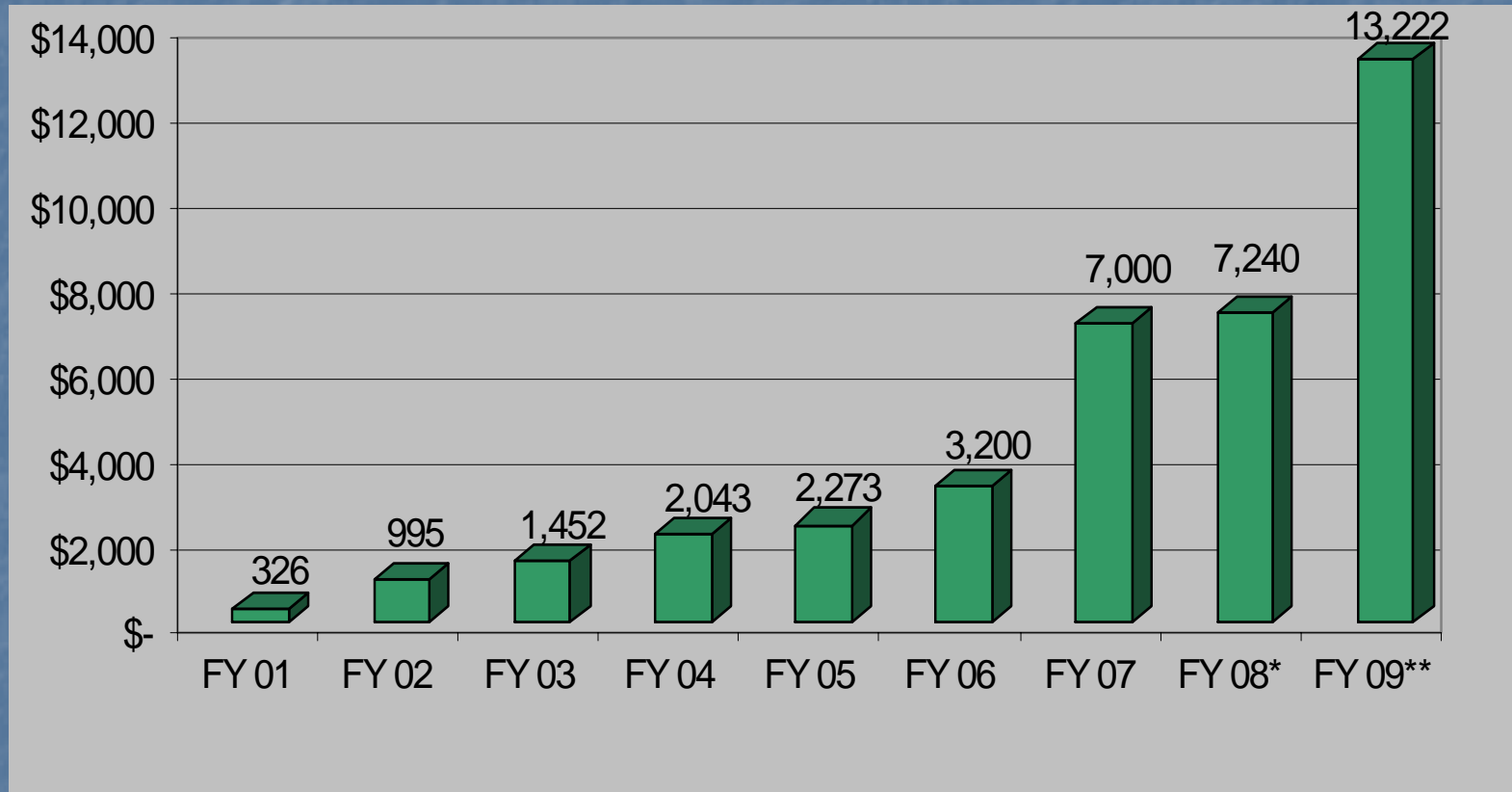
- The package is innovative and represents a shift towards increased responsibility and accountability for the District's Stormwater Administration.
- Several measureable and quantifiable milestones with specific deadlines; for example,
 - 13,500 additional trees by 2014; at least 4,150 per year
 - Construct 17 Low Impact Development projects by August, 2009
 - Retrofit 50 catch basins to control trash by February, 2009
- The enhancements in the package will serve as the baseline for future permits beginning in early 2009.

Costs of Meeting MS4 Permit and BMP Enhancement Package Requirements

MS4 Permit Compliance Expenses

Fiscal Years 2001-2009[^]

(In 000's of Dollars)



* FY 08 incomplete expenses

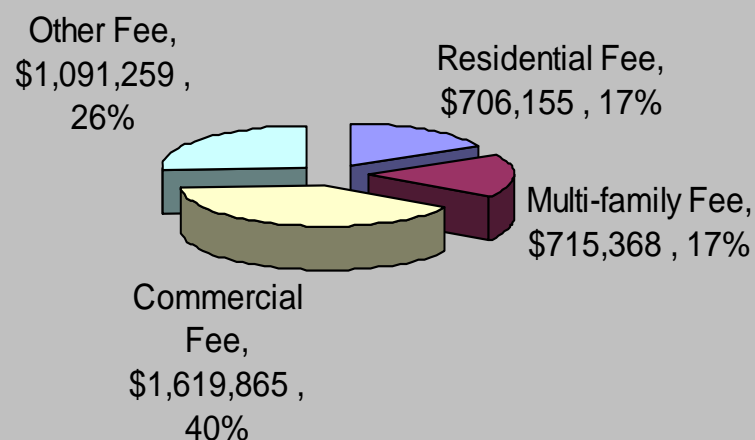
5 ** FY 09 projected expenses

[^] FY 01 – FY 06 date from February, 2008 RESOLVE report



Expected FY 2009 Revenue Under Current Stormwater Fee Structure

Projected Revenue for FY 2009 MS4 Permit Compliance by Category



■ \$4.13 million total revenue

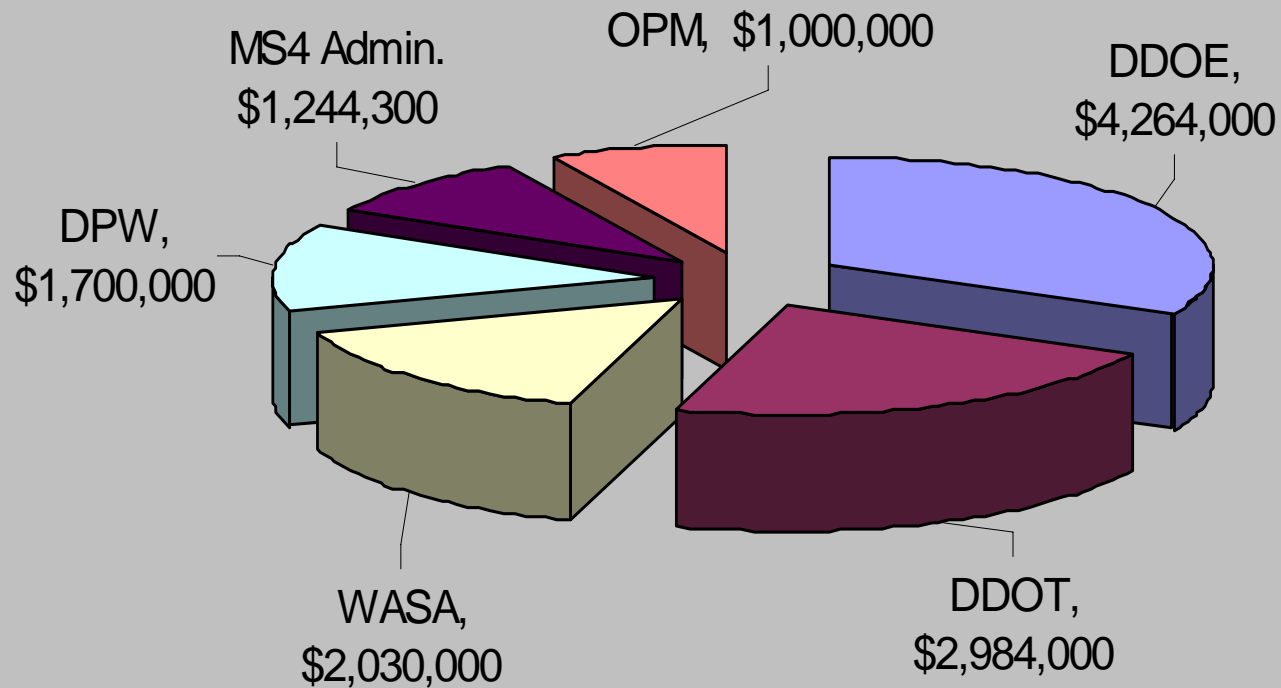
Adjusting Stormwater Fees

- To meet additional permit/BMP enhancement package compliance costs for FY 2009 and subsequent years
 - Reduce stormwater runoff through implementation of best management practices (BMP)
 - Provide relevant District Government agencies with funds to fulfill their additional permit responsibilities



District Government-wide Responsibilities

Projected Allocation of FY 2009 MS4 Funds*



*Final allocation subject to change

Budgeted FY 2009 Costs of Meeting Additional BMP Enhancement Package

PROPOSED ACTIVITY*	COST
Implementation of retrofit opportunities in District properties	\$1,000,000
Incentive for green roof construction in federal, residential and commercial	\$1,500,000
Catch basin retrofits	\$1,000,000
Additional tree planting	\$500,000
LID projects in the Right-of-Way and Incentives	\$1,000,000
End of pipe BMP and trash controls	\$500,000
Enhancement to enforcement activities	\$500,000
Total for new activities/enhancements	\$6,000,000

*Final allocation subject to change

Fee Increase Process

- EPA-DDOE MS4 Permit Letter Agreement signed – November, 2007
- **Stakeholder / Citizen Task Force focused on Stormwater Management** – November 2007 through March 2008
- Proposed fee authority to Council – Spring, 2008
- Budget Support Act passed by Council – June 18, 2008
 - Gave DDOE authority to revise fees to meet permit obligations
 - BSA became effective September 15, 2008
- Coordinated rate requirements with DC WASA – Summer, 2008

Fee Increase Process

- DDOE Director proposed fee increase regulation in DC Register – August 15
- Public comment period: Aug. 15 – Sept. 15
- Public hearing – Sept. 15
- Reviewed public comments; finalized proposal on Sept. 26
- New fees proposed to become effective – October 1, 2008

Public Comment and Hearing

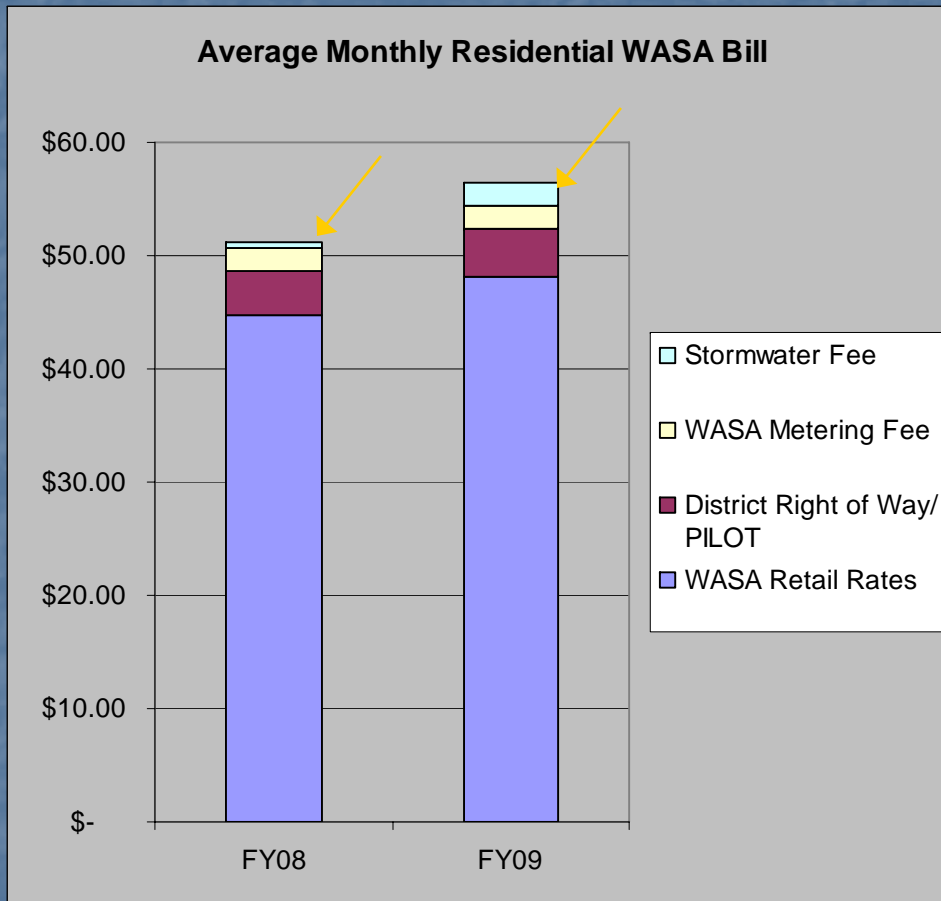
- Majority of comments received were in support of proposal
- Support from 17 environmental and community organizations
- Comments were also overwhelmingly in support of basing stormwater fees on an impervious surface methodology

Proposed Fee Increase and Impact on Customers

Stormwater Fee Structure

	Current	Proposed
Resident	\$7 flat annual fee (or \$0.58 per month)	\$23.76 flat annual fee (or \$1.98 per month)
Multi Family	1.4 percent of the charge for water and sewer services	4.4 percent of the charge for water and sewer services
Other	2.0 percent of the charge for water and sewer services	6.3 percent of the charge for water and sewer services

Monthly Customer WASA Bill

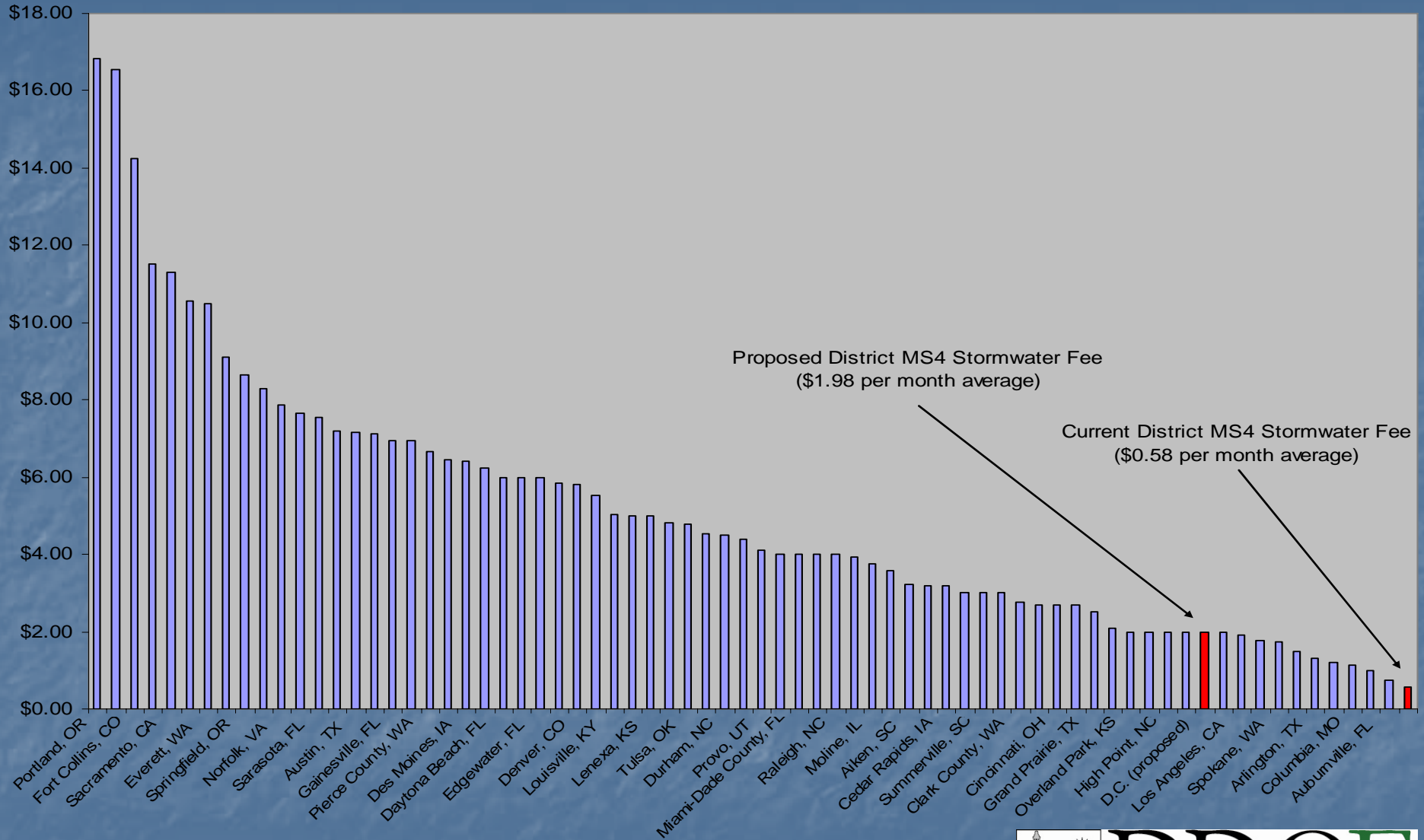


	FY08	FY09
WASA Retail Rates	\$ 44.73	\$ 48.06
District Right of Way/ PILOT	\$ 3.92	\$ 4.33
WASA Metering Fee	\$ 2.01	\$ 2.01
<u>Stormwater Fee</u>	<u>\$ 0.58</u>	<u>\$ 1.98</u>
Total Amount on Bill	\$ 51.24	\$ 56.38

*Assumes average monthly consumption of 8.33 Ccf, or 6,231 gallons

Comparing District Stormwater Fees with Other Cities

Average Monthly Residential Stormwater Fees



Are there measures in place to assist low-income residents with water bills?

- Currently, there is no assistance available to defray the stormwater fee. However, low-income residents may qualify for assistance with their water bill through the...
 - Customer Assistance Program (CAP)
 - Almost 5,500 customers received CAP assistance in 2007
 - Full CAP credit is 4 Ccf's per month for water or about \$97 per year
 - S.P.L.A.S.H.
 - Serving People by Lending A Supporting Hand (SPLASH)
 - Generous customer donations provided over 503 needy residents with \$146,000 in SPLASH grants in 2007

Interested residents may contact the DC Energy Office at (202) 673-6750 to determine CAP eligibility. Customers may contact the Greater Washington Urban League at (202) 265-8200 to determine SPLASH eligibility.

Next Steps: Changes to Stormwater Fee Structure

- DC WASA and DDOE are examining options to modify the current structure of the stormwater fees to a fee based on “impervious cover.”
 - Impervious cover includes hardened surfaces such as roofs, driveways and parking lots that cause stormwater to run off.
- The result would be a shift in costs from properties with more green space to properties with more hardened or paved surfaces.
 - More information will be made available in early 2009 and notices will be published and public comments sought before any future fee change.

Other DDOE Efforts

- Revised Stormwater Management Regulations for new development and redevelopment
 - Draft rulemaking proposal currently undergoing review by District's Office of Attorney General for legal sufficiency
 - Once review is complete, proposal will be published in DC Register for public comment
 - Stay tuned...

For Further Information

- Contact DDOE with comments or questions:
 - E-mail Jonathan Champion at jonathan.champion@dc.gov
 - Call the Stormwater Management Division at (202) 535-1722
 - Mail to Stormwater Management Division, 51 N St., NE., 5th Floor, Washington, DC 20002