



Maryland

Department of the Environment

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary
Horacio Tablada, Deputy Secretary

June 14, 2021
Mr. Matthew W. Garbark, Acting Director
Baltimore City Department of Public Works
Abel Wolman Municipal Building, 6th Floor
200 N. Holliday Street
Baltimore, MD 21202

Dear Mr. Garbark:

This letter acknowledges the Maryland Department of the Environment's (Department) receipt of Baltimore City's 2020 Financial Assurance Plan (FAP), and 2020 Watershed Protection and Restoration Program (WPRP) Annual Report as required by the Annotated Code of Maryland. This FAP submission includes information on the cost of compliance with the impervious surface restoration plan (ISRP) requirements outlined in the City's National Pollutant Discharge Elimination System (NPDES) Phase I Municipal Separate Storm Sewer System (MS4) permit.

The ISRP, when sufficiently funded, is essential for restoring local water quality and the Chesapeake Bay, and providing climate resiliency in the City's watersheds. The FAPs are sufficient if they demonstrate that the City has the dedicated revenues, funds, or sources of funds to meet, for the 2-year period immediately following the filing date of the FAP, 100% of the projected costs of compliance with the ISRP requirements of the City's MS4 permit.

After reviewing Baltimore City's 2020 FAP, the Department has determined that the City has demonstrated that it has sufficient funding to meet the costs of compliance with the ISRP requirements. The Department has provided more detailed comments in an attachment for the City's information and use. The City's next WPRP Annual Report will be due in coordination with its next MS4 Annual Report, and its FAP will be due in coordination with the 2022 MS4 Annual Report.

The Department recognizes the substantial effort required in developing these FAPs and WPRP Annual Reports, and looks forward to working with Baltimore City on this very important environmental program for improving water quality, stormwater management, and climate resiliency. If you have any questions regarding this review, please contact me at 410-537-3567 or Jennifer M. Smith at 410-537-3561, or jenniferm.smith@maryland.gov.

Sincerely,

D. Lee Currey, Director
Water and Science Administration

cc: Jennifer M. Smith, P.E., Program Manager, Sediment, Stormwater, and Dam Safety Program
Kimberly L. Grove, P.E., Chief, Office of Compliance and Research

Attachment

**Maryland Department of the Environment’s (Department) Review of
Baltimore City’s 2020 Financial Assurance Plan (FAP)**

Plan Condition	MDE Assessment and Recommendations
Demonstration of Sufficient Funding	<ul style="list-style-type: none"> • Annotated Code of Maryland ENV § 4-202.1(j) requires Phase I Municipal Separate Storm Sewer System (MS4) permitted jurisdictions to submit the FAP every two years on the anniversary date of MS4 permit issuance. Baltimore City submitted an approved FAP on December 28, 2020. • A public hearing was held on December 17, 2020. The City approved the FAP on December 24, 2020 and a copy of the approval was submitted to the Department. • The City met its impervious surface restoration plan (ISRP) requirement for its permit that expired on December 26, 2018. The permit has been administratively continued, and the City’s FAP demonstrates sufficient funding to complete 63% of the projected two-year ISRP costs (i.e., \$40,205,207 of appropriated revenue versus \$64,306,772 in costs).
Actions to Meet Permit Requirements (“All Actions” worksheet)	<ul style="list-style-type: none"> • The FAP included an Executive Summary and all required information in the Department’s requested worksheet format. • The City provided specific types of best management practices (BMPs) in the “All Actions” worksheet. The worksheet includes BMPs expected to be completed between FY2021 and FY2026. All BMPs chosen by the City are approved in the Department’s <i>Accounting for Wasteload Allocations and Impervious Acres Treated</i> guidance. • Of the two-year, five-year, and all-year totals for operational BMPs in the “All Actions” worksheet, 5,475 equivalent impervious acres restored by street sweeping and 226 acres restored by storm drain cleaning are operational BMPs that must be continued to maintain compliance with the administratively continued permit. For FY2021-FY2025, the City proposed to implement 1,358 equivalent impervious acres of new operational BMPs for meeting new permit requirements. • The formula for the “Other” BMP subtotal FY2021-FY2025 double counts acres restored by eliminating nutrient discharges from grey infrastructure (BMP Type - IDDE). In FY2021, 152 equivalent impervious acres are expected to be restored by IDDE. In FY2025, that number is expected to increase to 164 acres, which is a cumulative amount that includes the 152 acres of FY2021. The FY2021-FY2025 subtotal includes both. By only including the 164 acres achieved by FY2025, the subtotal is 330 acres. • The formula for the subtotal of “Other – All Years” does not include BMPs other than IDDE (e.g., FPU, IMPP). The formula should be the revised subtotal “Other” FY2021 – FY2025 (i.e., 330 acres) plus the “Spec Actions” worksheet subtotal (i.e., 652 acres) to equal 982 acres. • Using the revised numbers, the City is projected to complete 1,230 acres of new restoration in the next two years and 2,604 acres over the next five years.

Department’s Review of Baltimore City’s 2020 FAP

Plan Condition	MDE Assessment and Recommendations
<p>Annual and Projected Costs</p> <p>(“All Actions” and “ISRP Costs” worksheet)</p>	<ul style="list-style-type: none"> • The data are complete for annual and projected costs for past implementation through FY2025. Some projects in the “Other” category do not have associated costs because another entity holds financial responsibility (e.g., restoration projects by non-profits or community organizations, redevelopment projects). • Costs associated with capital and “Other” projects is estimated to be \$79,222 per acre for FY2021-FY2022 compared with \$9,841 per acre for projects implemented in FY2014-FY2020, representing a 705% increase. The cost difference is partly due to a larger number of acres restored at no cost to the City in the “Spec Actions” worksheet. The average cost per acre for individual projects in FY2021-FY2022 is \$118,797 and for FY2014-FY2020 is \$119,550. • Annual costs for two operational BMPs, street sweeping and storm drain cleaning, is estimated to be \$3,436 per acre for FY2021-FY2022, compared with \$10,189 per acre from FY2015-FY2020. Operational costs provided in the “All Actions” worksheet includes costs to maintain the annual BMPs used to meet the administratively continued permit’s requirements. • The total costs reported in the “ISRP Cost” worksheet represent 98% of the costs reported in the “All Actions” worksheet. • Of the 5,473 equivalent impervious acres reported in the “Spec Actions” worksheet (FY2014-FY2020), 86% were restored through street sweeping and storm drain cleaning. In the “All Actions” worksheet, the percent of acres restored by operational BMPs decreases to 47% of all planned practices FY2021-FY2026 (i.e., 1,358 of 2,910 equivalent impervious acres). Acres restored by stream restorations has increased from 1% of past implementation (i.e., 75 acres) to 31% of planned implementation (i.e., 900 acres).
<p>Annual and Projected Revenues</p> <p>(“ISRP Revenue” worksheet)</p>	<ul style="list-style-type: none"> • The data are complete for annual and projected revenues for FY2020 through FY2025 and the worksheet formulas are correct. • The FAP demonstrates funding for 63% of the projected ISRP costs for FY2021 to FY2022 (appropriated revenues of \$40,205,207 and projected costs of \$64,306,772). If using the “Fund Sources” for the next two years, the City projected funding sources of \$51,416,926 (or 80% of the ISRP Costs for the next two years).
<p>Funding Sources</p> <p>(“Fund Sources” worksheet)</p>	<ul style="list-style-type: none"> • The data are complete for applicable sources of funds for FY2020–FY2025 and the worksheet formulas are correct. • The total annual sources of funds is \$51,416,926 for FY2021-FY2022, exceeding the revenue appropriated for ISRP (i.e., \$40,205,207). The percent of funds directed toward ISRP was not included in the “Fund Sources” worksheet. • Sources of funds for the next two years are: <ul style="list-style-type: none"> ○ Stormwater remediation fees (WPR Fund): \$47.95M

Department’s Review of Baltimore City’s 2020 FAP

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	<ul style="list-style-type: none"> ○ Miscellaneous fees (WPR Fund): \$0.42M ○ Other funds – water/wastewater utility: \$3.05M ● The largest source of funds is stormwater remediation fees, representing 93% of all funding sources for FY2021-FY2022.
<p>Specific Actions and Expenditures from Previous Fiscal Years (“Spec Actions” worksheet)</p>	<ul style="list-style-type: none"> ● The “Spec Actions” worksheet includes the completed restoration activities for FY2014-FY2020. The reported activities are approved BMPs and are site specific. BMPs are not duplicated in the “All Actions” worksheet. ● Operational activities include only FY2019 and FY2020. The FY2019 acres are those that were reported in FY2019 to meet the administratively continued permit’s restoration requirements. Therefore, this acreage in actuality represents the average over the 5-year permit term. The “Spec Actions” worksheet formula for the average operations completed to date is the average of FY2020 and the final restoration amount to be maintained, skewing the overall numbers downward. In future FAPs, the “Spec Actions” worksheet will list activities implemented to meet a new permit’s requirement, and will not reflect those used to meet the prior permit.