



Maryland

Department of the Environment

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

Ben Crumbles, Secretary
Horacio Tablada, Deputy Secretary

June 14, 2021
Mr. Mark Richmond, P.E.
Chief, Stormwater Management Division
Bureau of Environmental Services
Howard County Government
9801 Broken Land Parkway
Columbia, MD 21046

Dear Mr. Richmond:

This letter acknowledges the Maryland Department of the Environment's (Department) receipt of Howard County'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 County's National Pollutant Discharge Elimination System (NPDES) Phase I Municipal Separate Storm Sewer System (MS4) permit.

Chapter 124 of the Acts of the General Assembly of 2015 requires the Department to make a determination regarding the sufficiency of funding in each FAP filed with the Department. The first FAP, filed in 2016 by the County, was found to demonstrate sufficient funding for the 2-year period immediately following the filing date of the FAP. Subsequent FAPs are sufficient if they demonstrate that the County 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 County's MS4 permit.

After reviewing Howard County's 2020 FAP, the Department has determined that the County has demonstrated that it has sufficient funding in its FAP. This determination is contingent upon a public hearing and official approval by the local governing body. The Department has provided more detailed comments in an attachment for the County's information and use. The County'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 Howard County on this very important environmental program for improving local water resources and the Chesapeake Bay. 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,

A handwritten signature in blue ink, appearing to read "D. Lee Currey".

D. Lee Currey
Director, Water and Science Administration

cc: Jennifer M. Smith, P.E., Program Manager, Sediment, Stormwater, and Dam Safety Program
Christine Lowe, P.E., Howard County Bureau of Environmental Services

Attachment

**Maryland Department of the Environment’s (MDE) Review of
Howard County’s 2020 Financial Assurance Plan (FAP)**

Plan Condition	MDE Assessment and Recommendations
<p>Demonstration of Sufficient Funding</p>	<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 a FAP every 2 years on the anniversary date of its MS4 permit issuance. Howard County submitted a draft of its third FAP to MDE on December 16, 2020 and an updated draft on February 24, 2021. • A public hearing was held for the FAP on March 15, 2021 and the County Council will vote on the Resolution on April 5, 2021. • The County’s MS4 permit expired on December 17, 2019, approximately the middle of fiscal year (FY) 2020. The permit has been administratively continued until a new permit is issued. • The FAP demonstrates sufficient funding for the projected Impervious Surface Restoration Plan (ISRP) costs for the next two-year period (i.e., FY2021-FY2022). This determination is contingent upon a public hearing and official approval of the FAP by the local governing body.
<p>Actions to Meet Permit Requirements (“All Actions” worksheet)</p>	<ul style="list-style-type: none"> • The plan included an Executive Summary and information in the MDE suggested table format. The majority of the BMPs reported in the “All Actions” worksheet were under construction or planned, however the County also included completed BMPs from FY2019 and FY2020. The Department reminds the County that completed BMPs should be reported in the “Specific Actions” worksheet. • The County reported the acres planned to be restored through mechanical street sweeping (BMP type “MSS”), storm drain vacuuming (BMP type “SDV”), and septic pumping (BMP type “SEPP”) from FY2020-FY2025, and the number of acres planned to be restored through capital projects for FY2019-FY2025. The County did not report specific BMP types planned to be implemented as capital projects, but instead reported annual amounts for “Various Classes” of BMPs. • For FY2020 through FY2025, the County is claiming cumulative credit for 18 equivalent acres SEPP implemented annually, and annual credit for 20 equivalent acres of MSS and 17 equivalent acres of SDV to be implemented each year. • The County provided projections for FY2019-FY2025, reporting 273 acres for FY2021-FY2022, 627 acres for FY2021-FY2025, and a total of 1,400 acres for all years. However, the subtotal for “Average Operations All Years” referenced MSS for FY2011-FY2012 instead of FY2011-FY2019. Also, the same formula for operations averaged both MSS from FY2013-FY2019 and SDV from FY2017-FY2019 instead of only including the years of SDV. When correcting for the error, the average operations for all years decreased from 292 acres to 253 acres. The subtotals for “Capital All Years” and “Other All Years” exclude the completed BMPs reported in the Specific Actions worksheet. Including these additional BMPs increases the “Subtotal Capital All Years” from 1,000 acres to 2,390 acres, and the

MDE’s Review of Howard County’s 2020 FAP

Plan Condition	MDE Assessment and Recommendations
Actions to Meet Permit Requirements (cont.)	<p>“Subtotal Other All Years” from 108 acres to 507 acres. If summing the corrected subtotals for all years, the FAP projects that the total amount of restoration to be completed from FY2011-2025 will be 3,150 acres.</p>
Annual and Projected Costs (“All Actions” and “ISRP Cost” worksheet)	<ul style="list-style-type: none"> • In the “All Actions” worksheet, 108 acres of projected restoration associated with septic pumping has no associated costs. • Over the next two fiscal years (FY2021-FY2022), the total cost per acre for projected restoration (excluding \$0 BMPs) is approximately \$50,633. This is an increase from the total cost per acre for completed projects from 2011-2019 (\$31,125). The total cost per acre for the next five years (FY2021-FY2025) for projected restoration efforts (excluding \$0 BMPs) is approximately \$55,866. • In the “ISRP Cost” table, costs were reported through FY2022 and all formulae were used correctly. For both “Operating Expenditures” and “Capital Expenditures”, the County reported the different categories of expenditures and included a subtotal. The reported “Capital Expenditures” is slightly greater than the reported costs for capital projects in the “All Actions” worksheet. • The “ISRP Cost” worksheet indicates that the cost for the next two years is \$14.9 million.
Annual and Projected Revenues (“ISRP Revenue” worksheet)	<ul style="list-style-type: none"> • Revenues were reported for all required fiscal years and all formulas were used correctly. • The County included projected revenues through FY2022. • The County reported that revenue for FY2021 and FY2022 (\$14.9 million) is equal to the projected ISRP costs (\$14.9 million). • Additionally, the “Fund Sources” worksheet indicates that 100% of the projected funds for FY2021 and FY2022 (i.e., \$34.6 million) will be directed toward the ISRP. The two-year fund sources are substantially higher than the two-year ISRP Cost. Therefore, whether using the reported revenues and costs from the “ISRP Revenue” worksheet or using the reported amounts from the “Fund Sources” and “ISRP Cost” worksheets, the County’s FAP shows sufficient funding to cover the two-year cost of the ISRP.
Funding Sources	<ul style="list-style-type: none"> • In the “Fund Sources” worksheet, fund sources were projected through FY2022 and all formulae were used correctly. • Sources of funds for the next two years include: <ul style="list-style-type: none"> ○ Stormwater Remediation Fee = \$19.4M ○ Stormwater Revenue (Utility) Bonds = \$12.6M ○ General Fund = \$2.6M ○ Total Funding Sources = \$34.6M

MDE’s Review of Howard County’s 2020 FAP

Plan Condition	MDE Assessment and Recommendations
Funding Sources (Cont.)	<ul style="list-style-type: none"> The majority of annual funds to meet permit requirements for the next two fiscal years will be funded the stormwater remediation fee (56%) and bonds (36%).
Specific Actions and Expenditures from Previous Fiscal Years (“Spec Actions” worksheet)	<ul style="list-style-type: none"> In 2020, the Department approved a baseline of 11,019 acres for the administratively continued permit. Therefore, the restoration requirement for the administratively continued permit is 2,204 acres. Actions and expenditures were reported for FY2011 (the expiration of its previous permit term) through FY2019 and all formulae were used correctly. The County reported completing 2,208 acres of restoration in the Specific Actions worksheet. This is 4 acres more than the MDE approved requirement. The total completed restoration has a total cost per acre of \$28,758 (calculated without acres from \$0 BMPs). The total completed restoration for FY2011-FY2020 is 2,680 acres. This includes capital projects and “Other” projects completed from FY2011-FY2020, MSS acres averaged from FY2011-FY2020, and SDV acres averaged FY2011-FY2020. As a note for clarity, after MDE issues the next MS4 permit to the County, operational acres completed towards the next permit will be calculated by averaging from FY2020 to the year of the reporting period. The County reported treatment for 1,208 equivalent acres of stream restoration completed between FY2011 and FY2018, as well as SDV and MSS completed in FY2019. The County is claiming cumulative credit for 140 equivalent acres of SEPP completed between FY2015 and FY2019. As requested in the previous FAP review, the County did not include any underground storage BMPs with a BMP Type = UGS.