

LONG CREEK WATERSHED MANAGEMENT PROGRAM

Models and Funding

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Outline

- Requirements for Clean Water Act permits under “RDA”
- A better alternative
- Recommended administrative structure
- Financing
- Work during the “Start Up Period”

Requirements Under RDA

- About 110 parcels with more than 1 acre of “impervious cover” – pavement, rooftops etc.
- Owners of each such parcel will need to get an O.K. under the Clean Water Act
 - ▣ Individual permits
 - ▣ General permit
- DEP staff anticipates that individual permit requirements will include Chapter 500 general standards

Estimated Cost of Individual Permits

- Modern stormwater control structures typically cost \$30,000 to \$50,000 per acre impervious cover
- Additional costs for good housekeeping, maintenance and inspections

	\$ 30,000	\$ 50,000
Capital Costs		
Annual Payments on a 10 Year Loan at 5%	\$ 3,885	\$6,475
Annual Maintenance		
Street Sweeping	1000	1500
Other Inspection, Maintenance and Reporting	1000	2500
Total Annual Costs	\$5,885	\$10,475

Goals for Plan

- Put into effect a program that brings Long Creek up to water quality standards – smarter, less expensive, faster, better.
- Address regulatory requirements for landowners and businesses at lower cost.
- How?
 - Develop a cooperative watershed management program that is more efficient than relying on individual permits.

What Needs to be Done?

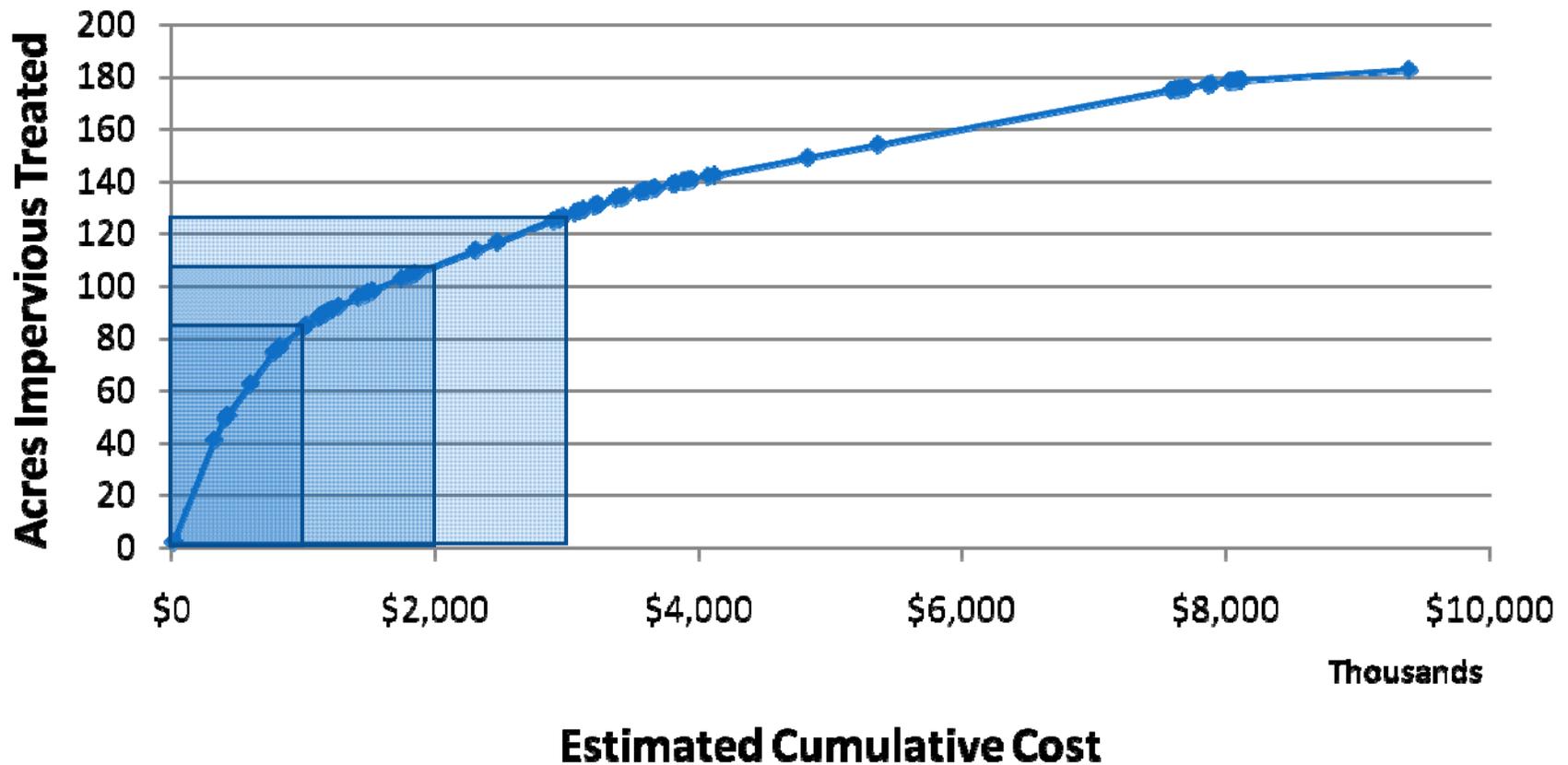
- Work must move Long Creek towards compliance with water quality standards
- Would involve a combination of tasks, including:
 - ▣ Construction
 - ▣ Restoration
 - ▣ Good housekeeping
 - ▣ Maintenance
 - ▣ Monitoring

How Would The Program Save Money? (1)

- Fund priority actions, not all actions
- Collaborative projects with high ecological benefit like stream restoration are only possible as part of a collective solution
- Fund cost-effective options before less cost-effective ones

Cost Effectiveness

Stormwater Treatment in Long Creek



How Does The Program Save Money?

(2)

- Seek alternative funding – grants, stimulus dollars
- Access to low interest loans
- Rely on project partners to provide knowledge and services
- Capitalize on creative, cooperative solutions such as addressing problems during redevelopment
- Learn quickly from experience using effective monitoring and adaptive management

Lots of Work to be Done.... How?

- Complete program set-up
- Carry out construction and restoration projects
- Contract for common maintenance
- Contract for monitoring
- Prioritize and reprioritize capital projects and non-structural efforts
- Apply for grants
- Collect fees to fund this work

Administrative Options Considered

- Place within a single municipality
- Inter-municipal organization based on an MOA among towns
- Creation of a Watershed District
- Arrange for an existing organization to run the program
- Create a new 501(c)(3) organization
- Contract with a for-profit enterprise

Recommendation

- ❑ Cumberland County Soil and Water Conservation District offers both the technical skills and the legal structure to manage the Program
- ❑ CCSWCD would manage the Program pursuant to agreements with DEP and watershed landowners and overseen by a governing board
- ❑ CCSWCD would construct stormwater treatment structures for the Program and retain easements to provide maintenance of them
- ❑ CCSWCD is a quasi-municipal entity of State and qualifies for low interest SRF loans.

Oversight Structure

- Program would be administered as a separate program within CCSWCD with a separate budget
- Management committee of stakeholders might include:
 - ▣ Town representatives
 - ▣ Business representatives
 - ▣ MaineDOT/ Turnpike representatives
 - ▣ MEDEP representative
 - ▣ Land Trust or land conservation representative
 - ▣ CBEP
 - ▣ Person with engineering expertise
 - ▣ Person with water quality or stream ecology expertise
 - ▣ 2 Residential/public members
 - ▣ Others?

Funding the Work – A Fee System

- All LC landowners > 1 acre IC will be given the choice of participating in the Program as an alternative to satisfying individual Clean Water Act permit requirements
- Participants support
 - ▣ Watershed monitoring, small grants program, education, project evaluation and adaptive management, permit reporting
 - ▣ Cooperative good housekeeping, maintenance, and inspection programs
 - ▣ Capital costs of BMP construction and stream restoration
- Fees will be reduced to reflect
 - ▣ Degree of stormwater treatment (existing, retrofit by landowner, redevelopment)
 - ▣ Maintenance and good housekeeping undertaken by landowner

Reductions in Fees

- Current estimates suggest Program participants could get
 - Up to 40% reduction in fees for existing BMPs or retrofits
 - Up to 30% reduction in fees if they undertake their own inspections, maintenance and good housekeeping
- These estimates do not yet fully apportion overhead costs to project tasks.
- We anticipate that maximum available reductions in fees will be higher

Reductions in Fees for BMPs

- Fee reductions for existing BMPs based on the regulatory standards which they were designed to address (if they still function as designed)
- Fee reductions for retrofit activities undertaken by landowners based on evaluation of the environmental benefits the retrofits provide
- All new construction must meet Chapter 500 standards, so it will receive maximum available reduction in fees for installed BMPs

What's this going to cost?

- Technical Committee has come up with preliminary estimates of costs of most project components
- M&O Committee has refined administrative model
- Details of a “credit” system for existing BMPs and for maintenance activities are now available
- CCSWCD has developed explicit estimation of tasks and costs for a “start-up period”
- Yet we need more information to be sure of costs
- ALL ESTIMATES OF FEES ARE STILL APPROXIMATE
- Hence the need for a “start up period”

Assumptions

- Like any analysis, this one is only as good as its assumptions.
 - ▣ \$4.5 million in BMPs and restoration projects
 - ▣ Ten year construction timeline, low interest loans
 - ▣ *Fund 75% of BMPs via the Program – others via redevelopment, grants etc.*
 - ▣ *Maintenance ~5% of construction costs for BMPs – applies only to newly constructed BMPs*
 - ▣ *Good Housekeeping ~ \$800 per acre, applied on private lands only*
 - ▣ Monitoring at \$50,000/yr
 - ▣ Transportation agencies and municipalities get 100% credit for maintenance, inspection and good housekeeping under all scenarios (a 30% reduction in fees)
 - ▣ Credits for BMPs are uncommon (20% of acres) , and most are relatively modest (20% of possible credit)
 - ▣ Municipalities pay reduced rates to cover start-up costs

Revised Cost Estimates

*Read this table top to bottom.
Each row makes one change*

Scenario	Estimated Base Fee	Percent Change From Previous	Percent Change Total
100% participation, No Private Credits	\$ 1,890		
Add Estimated Private Credits	\$ 1,930	2.1%	2.1%
Reduced Public and Private Participation	\$ 2,760	39.5%	46.0%
Reduce structural costs \$1 million to account for work done independent of Program	\$ 2,460	-10.9%	30.2%

Notes on Cost Estimates

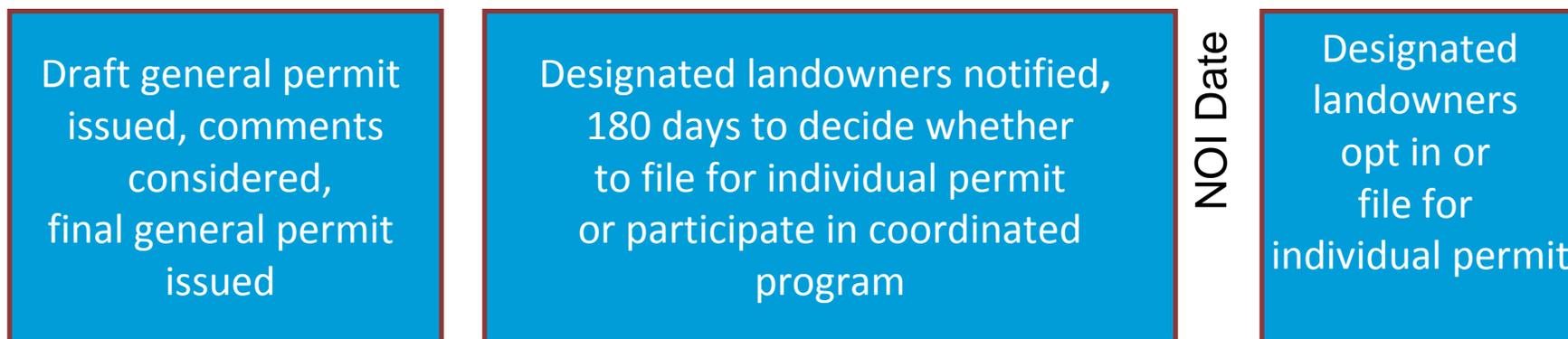
- For planning purposes, we estimate a fee of \$2500 to \$3000 per acre of impervious per year, for parcels that receive no fee reductions
- For most landowners, the Program is likely to cost significantly less than the cost of work needed to get an Individual Permit
 - But this will vary parcel by parcel, so landowners are encouraged to do their own analysis
- “Credits” for existing BMPs are initially likely to increase “base” fee of others only slightly

Plan and Permitting Process Timing

Long Creek Restoration Project/Program



Permitting Process Timeline



What happens next?: Program Start Up Period

- Set up program structure and oversight
- Complete data collection to support fee structure
- Set up and begin water quality monitoring program
- Finalize contracts with participating landowners

Program Structure and Oversight

- Develop MOUs with municipalities and MEDEP
- Draft landowner contracts
- Seek landowner input, answer outstanding questions based on conversations with landowners and refine program
- Set up Oversight Committee

Program Questions to be Addressed

- Cost
- Doors into and out of the Watershed Program
- Predictability of fees
- Assurance that contribution through participation will be valued
- Structuring to make it attractive to redevelop and stay in the program

Data collection to support fees

- Verify acreage that needs to be swept and Best Management Practices that need to be maintained
- Identify which landowners will participate in the Program
- Determine which properties will get “credit” for BMPs or maintenance activities

Funding and Timing of Start-Up Tasks

- Start-up occurs BEFORE landowners select whether to participate in the Program or not
 - Can't require payment before decision is made
- Program Start Up cost estimates range from \$190,000 to \$ 282,000
- CCSWCD is exploring options for funding the start up period