

Suzanne E. Dorsey, Deputy Secretary



Jul 20, 2023

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 2022 Financial Assurance Plan (FAP), and 2022 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.

The ISRP, when sufficiently funded, is essential for restoring local water quality and the Chesapeake Bay, and providing climate resiliency in the County's watersheds. The 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 the County's 2022 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 2024 MS4 Annual Report.

The Department recognizes the substantial effort required in developing these FAPs and WPRP Annual Reports, and looks forward to working with the County 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

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

Attachment

## Maryland Department of the Environment's (MDE) Review of Howard County's 2022 Financial Assurance Plan (FAP)

Plan Condition	MDE Assessment and Recommendations
Demonstration of Sufficient Funding	<ul> <li>Howard County submitted a draft of its FAP on December 29, 2022.</li> <li>At the time of this review, the County has not held a public hearing or approved the FAP.</li> <li>The FAP demonstrated sufficient funding for the projected Impervious Surface Restoration Plan (ISRP) costs for the next two-year period (i.e., FY2023-FY2024). This determination is contingent upon a public hearing and official approval of the FAP by the local governing body.</li> </ul>
Actions to Meet Permit Requirements	<ul> <li>The plan included an Executive Summary.</li> <li>The "All Actions" worksheet included BMPs and associated costs for FY2022 to FY2028.</li> <li>For the next two years (FY2023-FY2024), the County showed 489 acres of continued obligations from the previous permit term and 433 acres of new restoration.</li> </ul>
Annual and Projected Costs	<ul> <li>The "All Actions" worksheet indicated that projected cost for new restoration to be implemented over the next two fiscal years (FY2023-FY2024) is \$24.3 million, and the projected cost for continued obligations is \$1.0 million.</li> <li>In the "ISRP Cost" worksheet, costs were reported through FY2027, and the cost for the next two years is \$30.3 million.</li> </ul>
Annual and Projected Revenues	<ul> <li>The "ISRP Revenue" worksheet included projected revenues through FY2027.</li> <li>The County met its ISRP requirement for its permit that expired on December 17, 2019. At the time the FAP was drafted and submitted, the permit was administratively continued. The County's FAP demonstrated sufficient funding to complete 100% of the projected two-year (i.e., FY2023-FY2024) ISRP costs for the administratively continued permit. Specifically, the County reported \$25.3 million of appropriated revenue versus \$25.2 million in costs.</li> </ul>
Funding Sources	<ul> <li>In the "Fund Sources" worksheet, fund sources were projected through FY2024.</li> <li>Sources of funds for the next two years included:         <ul> <li>Revenue Bonds = \$14.0 million</li> <li>Stormwater Remediation Fee = \$8.1 million</li> <li>State Grants = \$4.4 million</li> <li>General Obligation Bonds = \$3.5 million</li> <li>Operating = \$1.9 million</li> <li>Columbia Association = \$0.5 million</li> <li>Total Funding Sources = \$32.4 million</li> </ul> </li> </ul>

## MDE's Review of Howard County's 2022 FAP

Plan Condition	MDE Assessment and Recommendations
Specific Actions and Expenditures from Previous Fiscal Years	<ul> <li>The Completed Actions worksheet included BMPs and expenditures for 1,002 acres of restoration completed between FY2010 through FY2022.</li> <li>The County is reminded that the next FAP should only include restoration implemented since the expiration of the previous permit term (i.e., December 17, 2019)</li> </ul>