



Maryland

Department of the Environment

Wes Moore, Governor
Aruna Miller, Lt. Governor

Serena McIlwain, Secretary
Suzanne E. Dorsey, Deputy Secretary
Adam Ortiz, Deputy Secretary

May 1, 2025

Mr. Jon Monger, Director
Department of Environmental Protection
Montgomery County Government
2425 Reddie Drive
Wheaton, MD 20902

Dear Mr. Monger:

This letter acknowledges the Maryland Department of the Environment's (Department) receipt of Montgomery County's 2024 Financial Assurance Plan (FAP) 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 2024 FAP, the Department has determined that the County has demonstrated that it has sufficient funding in its FAP. The Department has provided more detailed comments in an attachment for the County's information and use. The County's next FAP will be due in coordination with the 2026 MS4 Annual Report.

The Department recognizes the substantial effort required in developing these FAPs, 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

cc: Jennifer M. Smith, P.E., Program Manager, Stormwater, Dam Safety, and Flood Management Program
Amy Stevens, Chief, Watershed Restoration Division, Montgomery County

Attachment

Review of Montgomery County's 2024 Financial Assurance Plan (FAP)

Plan Condition	MDE Assessment and Recommendations
Demonstration of Sufficient Funding	<ul style="list-style-type: none"> Montgomery County (County) submitted its draft FAP on December 20, 2024, and a revised FAP was submitted on January 30, 2025. A public hearing was held on March 11, 2025 and the FAP was approved on March 17, 2025. The FAP demonstrated sufficient funding for the projected Impervious Surface Restoration Plan (ISRP) costs for the next two-year period (i.e., FY2025-FY2026). This determination is contingent upon official approval of the FAP by the local governing body.
Actions to Meet Permit Requirements	<ul style="list-style-type: none"> The plan included an Executive Summary. The "All Actions" worksheet included best management practices (BMPs) and associated costs for FY2025 to FY2029. For the next two years (FY2025-FY2026), the County plans to complete 566 acres of new restoration.
Annual and Projected Costs	<ul style="list-style-type: none"> The "All Actions - Planned" worksheet indicated that projected cost for new restoration to be implemented over the next two fiscal years (FY2025-FY2026) is \$62.4 million (M). In the "ISRP Costs" worksheet, costs were reported through FY2029, and the cost for the next two years is \$114.8M.
Annual and Projected Revenues	<ul style="list-style-type: none"> The "ISRP Revenue" worksheet included projected revenues through FY2029. Reported revenue for FY2025 and FY2026 (\$114.8M) is equal to the projected ISRP costs (\$114.8M).
Funding Sources	<ul style="list-style-type: none"> In the "Fund Sources" worksheet, fund sources were projected through FY2029. Sources of funds for the next two years include: <ul style="list-style-type: none"> Stormwater Remediation Fee = \$103.1M State Revolving Loan Fund = \$11.1M Water Quality Protection Revenue Bonds = \$9.0M State Grants = \$6.6M Bag Tax Revenue = \$5.4M Contributions and Investment Income = \$4.8M Miscellaneous Fees = \$3.9M Federal Grants = \$0.8M Total Funding Sources = \$144.7M
Specific Actions and Expenditures from Previous Fiscal Years	<ul style="list-style-type: none"> The "Specific Actions – Completed" worksheet included BMPs and expenditures for 1,190 acres of new restoration completed from FY2019 through FY2024. There were no obligations for maintained or replacement BMPs from the previous permit.