Report of the Stormwater Subcommittee of the Ecosystem Coordination Board

Stormwater Policy Statements

April 1, 2011

This is a report of the Stormwater Subcommittee to the Ecosystem Coordination Board (ECB) of the Puget Sound Partnership (PSP). This report recommends the ECB adopt and forward to the Leadership Council the following stormwater implementation and funding recommendations:

1. We concur with the costs estimated in the PSP report *Task 1: Urban Stormwater Runoff Preliminary Needs Assessment.* This report estimated minimum costs of **retrofitting** existing stormwater facilities in Puget Sound that range from $3 Billion to $16 Billion. It also estimated the cost of fully **implementing** existing NPDES Municipal Stormwater Permits to be approximately $250 Million a year. Current funding levels are supporting only approximately $160 Million to $180 Million a year for implementation of existing NPDES Stormwater Permits, with about 95% of that being funded by local governments. The state has provided more than $100 million in grants over the past two biennia for stormwater activities. The Governor's 2011-13 budget has proposed another $40 Million. Thus, the current gap in stormwater funding ranges from $3 Billion to more than $16 Billion, or, at minimum, over $300 Million per each of the nine years remaining to achieve the goal of recovering Puget Sound by 2020 set by the Legislature.
2. It is unrealistic to believe that the minimum annual or total funding gap will be filled starting in the next state biennium. This has the effect of increasing the funding needs in subsequent years. Given that runoff is a major contributor of pollution to Puget Sound, without a significant increase in stormwater funding in 2012 and beyond, the statutory goal of recovery of Puget Sound by 2020 is not achievable.
3. At a minimum, we recommend funding sources that result in at least $200,000,000 of additional funding for municipal stormwater in 2012 or soon thereafter. Even at this level, significant additional annual funding would be required beyond then to reach the recovery target. We also note that the need for additional (new) stormwater funding should be linked to a broader context/vision for other watershed funding needs.
4. We further recommend that the existing share among federal, state, and local partners to pay for municipal stormwater of about 0/5/95 be adjusted over time to achieve a more equitable cost share of perhaps 33/33/33 or 50/25/25 to reflect the investment of recovering Puget Sound as a regional, state, and national treasure.

5. To make most effective use of additional municipal stormwater funding, we recommend that funds be available for both operational and construction activities in order to fill the greatest need at the local level, such as targeting legacy loads from maintenance and operations, or emphasizing source control, or retrofitting deficient stormwater systems, based on local need and a regional agreement regarding priorities and allocations.
6. To make most efficient use of nonlocal municipal stormwater funding, we recommend that administration and processing of fund distribution be kept to a minimum. To achieve this, we recommend that funds be distributed through means such as population-based or base levels, and which are targeted towards strategically-prioritized investments, rather than costly and time intensive competitive grant processes. Performance accountability for the funds must occur. Projects and programs implemented using these additional nonlocal fund sources should be included in Annual Municipal Stormwater Management Plans required by NPDES municipal stormwater permits using the legally-enforceable certification requirement of the permit.
7. To ensure all funds (existing and new) are used as efficiently and effectively, we recommend a study to evaluate the effectiveness of transitioning the existing, municipal stormwater jurisdiction by jurisdiction permit approach, using "general permits," to watershed-based municipal stormwater management. To achieve that, new, third party funding is needed. That is because currently, the principal fund source for municipal stormwater management is local utility fee revenues which cannot be spent outside of existing utility services areas and because some land use, such as long term forest practices, are currently exempt from local stormwater fees. We recommend that a portion of any new state or federal funds be expressly targeted to resolve watershed-based priorities irrespective of the jurisdiction so as to reduce funding barriers inhibiting watershed-based municipal stormwater management.
8. We recommend the transition to watershed-based municipal stormwater management be synchronized to begin a phase in with the first major increase in investments (2012) and pending completion of study, be timed for full deployment with the 2017 reissuance of the NPDES Municipal Stormwater Permit. The transition should include funding inter-jurisdictional coordination on a watershed basis to identify watershed priorities.
9. As part of the transition to watershed-based municipal stormwater management, we recommend a completion of the PSP/WDOE Watershed Characterization modeling project and that actions be taken to specifically incorporate other, existing, locally-adopted basin or watershed plans for use in watershed-based stormwater management.
10. We recommend a near-term plan for academic course work be prepared for future stormwater professionals that emphasizes continuing improvements in stormwater management in the context of the larger issues of sustainable water resource management against the back drop of climate change.