



Funding the New Stormwater Utility

San Juan County has a newly formed stormwater utility. During 2006 a citizens steering committee created the mission statement and goals, and examined alternatives for funding. Their recommendations were adopted by the county council in December 2006.

In early 2006 San Juan County formed a 'Stormwater Utility District' as part of Public Works. Previously stormwater had been handled by the roads department, and it's staffing and funding came from the road budget.

Like most budgets, priorities changed from year to year and stormwater staffing and funding had not always been adequately addressed. The utility was to be funded as a 'fee for service' - a system where the county manages stormwater for the public and charges a fee for doing so. This is standard practice for utilities.

The next step was to determine the priorities that the utility needed to address, a budget, and a method to share the cost equitably between public works (county roads contribute to stormwater issues), the public, commercial enterprises and county and other local organizations (schools etc). Additionally the committee was tasked with defining the mission statement for the new utility and it's goals.

A grant funded this process and an outside facilitator was hired to manage it, and two financial consultants provided extensive advice on funding mechanisms. Display advertisements in local papers asked for people interested in stormwater issues who were willing to be interviewed.

A number of people were interviewed throughout the county and asked a broad range of questions about stormwater, and how issues should be dealt with. I was interviewed as a private citizen (albeit with substantial stormwater management experience). From this group a small number of

people were approached to form the steering committee, reflecting a broad range of stakeholders in the process: builders, business owners, resort owners, environmental organizations, private citizens etc. Matt Zybas, then the utility manager, represented the stormwater utility as staff person. During this time I undertook EPA training on funding stormwater utilities and was appointed to the committee.

Between July and November 2006 a number of meetings were held on San Juan Island and Orcas Island, the meetings were open to the public and were advertised using display adverts in local papers. The first couple of meetings were spent looking at the problems currently faced and establishing priorities - this being helped by creating a mission statement and goals.

Once the priorities had been established a budget was calculated to deal with only the most urgent problems - these are primarily road flooding issues on Orcas, Lopez Village and San Juan Island. (Friday Harbor has its own stormwater utility which is funded by town residents.)

Then the harder task started - how to fund the utility. 'Fee for services' do not go to a public vote, but everyone on the committee was mindful that whatever funding mechanism they came up with, it had to be equitable. The EPA training class had also taught us that it had to be defensible in a law suit. Fees based on property value, for example, are not considered equitable as property value has no relationship to the volume of stormwater it generates. There was considerable discussion right from the start as to how to create a

mechanism that would deal with the priorities without placing an undue burden on our community. They also realized that everyone in the county is affected by stormwater: stormwater can pollute our drinking sources (Cascade Lake, Trout Lake), pollute our nearshore waters (damaging recreation and fishing) and affect towns such as Eastsound that we all depend on for many services from commerce to emergency services.

The fairest method would be to measure the impervious area of each property in the county (including all buildings and driveways) and the area covered by county roads. Each property owner would then pay a fee based on the percentage of the total impervious area that their property covered. The problem with this approach is that it would take one trained person about 3 to 4 years to glean all this information from aerial photography - and we don't have complete up-to-date coverage. To gain this information in one year would require 2 to 3 new employees at an additional cost of about \$125k to \$200k.

The committee decided that the fairest and most cost-effective method was to use an average impervious area of 4400 SF (this figure came from the assessor's office) for residential properties. This figure gave them an Equivalent Service Unit (ESU) -- that is one ESU = 4400 SF. Commercial properties (which there are fewer of) were calculated as their actual impervious area divided by 4400 and rounded to the nearest half unit - for example 9000 SF would be 2 ESU's. The area of all county roads was also calculated and converted to ESU's. The budget amount was divided by the total number of ESU's to calculate the fee per ESU, currently \$3.85 per month per developed parcel - undeveloped properties are not charged.

Properties inside the Eastsound and Lopez UGA's are charged a premium of 50% since stormwater problems are greater in urbanized areas.

Farms outside of the UGA's are charged the same as a private residence. Since county roads are nearly 50% of the total impervious area the roads department pays close to 50% of the annual stormwater budget and this money can only be used for stormwater issues.

Shortly a new citizens advisory committee will be formed to ensure that the utility follows its mission statement, goals and priorities and that the budget is used appropriately.