



# San Juan County, Washington

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350 Court Street No. 5, Friday Harbor, WA 98250 • PH (360) 370-7405 • Fax (360) 370-5085

## Stormwater Utility Proposal Background Information

**The County is mostly rural and there is not that much flooding, why do we need a stormwater utility?**

- The Growth Management Act requires the County to implement a plan to manage the increasing flow of storm run-off as development occurs, density increases and the amount of area that is covered by forest and native vegetation diminishes.

Managing stormwater wisely will protect the islands valuable resources. Failing to do so could prove costly in many ways, including having restrictions on growth imposed by the state.

- Stormwater flow is only one aspect of stormwater management, nevertheless that problem is increasing with the amount of surface area that is cleared, graded then covered with buildings, parking areas and pavement.
  - In most of the county a fairly thin layer of top soil sits atop a layer of rock or hard clay. The runoff is not visible until it surfaces downhill.
  - In many areas of the county the roadside ditches need to be enlarged to properly handle runoff and – by state law – road funds are not supposed to be used to provide infrastructure to handle non-road runoff.
- No single raindrop is responsible for a flood nor is any single square foot of roof or pavement responsible for runoff that covers a road or carries contaminants into the marine waters. The problem is the sum of the runoff from hundreds of impervious surfaces, and stormwater management has been neglected for many years while the size and number of sources have increased dramatically:
  - The population of San Juan County has increased by 66% since the County joined the Growth Management Act in 1991. (It has increased from less than 3000 in 1960 to more than 16,000 in 2008.) And it is expected to grow by another 1/3<sup>rd</sup> over the next 20 years.

- The number of buildings on the County Assessor's tax roles increased from 3,388 to 12,611 between 1975 and 2008. Just since 1991, the number of buildings has increased by more than 75% (5,428 buildings). Tens of thousands of square feet of roofs, driveways and parking areas have replaced forests and native vegetation.
- The lack of common stormwater infrastructure means that developers inside Urban Growth Areas must devote a significant amount of land within each development, to handling stormwater. This conflicts with the purpose of UGAs: absorbing population growth and commercial activity in a relatively small area.

**Don't stormwater requirements on new construction mean that the stormwater problem will not grow?**

- The regulations are designed to reduce the problem, not eliminate it.
- Existing regulations only limit the maximum rate of run-off, but do not limit the total amount of run-off.
  - *Example:* If a heavy rain water were to flow off of a property at the rate of 500 gallons per minute for a half hour before development; that property could still comply with stormwater regulations even though the amount of water flowing off of it doubled, so long as the rate never exceeded 500 gallons per minute.
- Small projects have no oversight and lesser, and sometimes no requirements for mitigation, but each still adds to the total run-off problem.
- Having water flow off roofs, parking lots and pavement into a retaining pond is not environmentally the equivalent having the same amount of water fall and be treated by forests and native vegetation or infiltrated back into the ground.

**Is this all about Eastsound?**

- Most of the major projects will initially be in Eastsound because the area has been studied and after legal action was taken, the GMA board ordered San Juan County to deal with the problems.
- Other hotspots requiring attention include Lopez Village, and the area around the Golf Course on San Juan Island. Studies undertaken by the utility will identify additional specific projects and costs.

**What is the Utility's mission?**

- Protect the quality of the water feeding San Juan County's lakes, aquifers and marine waters.
- Prevent damage to property and infrastructure from flooding and erosion.

- Insure stormwater is available as a resource to recharges aquifers and feeds surface water supplies and does not become a contaminant that runs into marine waters.
- Do long term planning for the management of stormwater and the construction and maintenance of stormwater management projects.
- Plan for and create stormwater handing projects as needed to allow reasonable use of land without damaging or degrading surrounding property or the environment.
- Promote Low impact development techniques.
- Work with other counties and the state to create and implement a system of stormwater regulations that are better tailored to for San Juan County than the current “one size fits all” manual.
- Monitoring water quality
- Protect shellfish and shoreline resources
- Work with developers to control erosion and flooding caused by new development

### **Exactly what will the utility do?**

- Offer technical assistance to property owners.
- Conduct studies and do basin planning countywide.
- Construct and maintain public stormwater management systems.
- Revise and update capital plan to reflect needs, costs of mitigation programs and implementation of low impact development techniques.
- Monitor outflows into streams and marine waters.

### **How much will the planned Stormwater projects cost?**

It is impossible to give an accurate estimate until further basin studies are performed, but construction planned for the first 5 years total \$3.5 million countywide. Stormwater System planners expect that work on new capital projects will continue well beyond that.

### **What are the funding options?**

The Council Subcommittee decided that the stormwater Utility should be funded by a fee assessed on all non-exempt parcels of land, and that the fee should be divided into two parts: the Utility Operations Fee and the Capital Projects Fee. *(See table on page 8 for comparisons of estimated rates)*

- **Utility Operations Fee** – Assessed on all developed property, approximately \$23/year
  - Cost of running the utility
  - Maintenance of stormwater management facilities.
  - Drainage basin analysis to determine exactly what is required.
  - Assistance for property owners to comply with stormwater requirements or use Low Impact Development techniques.

- Staff assistance for Citizens Stormwater Advisory Committee
- **Capital Project Fee** – To cover cost of constructing projects\*
  - **Option 1 - Uniform fee for all developed parcels**
    - Simplest, easiest to assess method. Avoids hitting some areas with extremely high fees for capital projects while maintaining a reasonably low fee county wide. (Approx \$64/year).
  - **Option 2 - Costs allocated by Island by Island**
    - Initial fees would vary from roughly \$23 per year on islands where there is no construction to \$104 per year in on Orcas.
  - **Option 3 - Actual costs of capital projects divided:**
    - 50% Charged to parcels Countywide
    - 25% Island paid by parcels on island where project is built
    - 25% Additional fee charged to parcels in UGA for projects built within that UGA.
      - The first year's fees would range between \$55 on San Juan Island and \$228 in Lopez Village. The fees would rise and fall more quickly in response to the beginning and completion of projects than with the other plans.
      - The goal is to allocate most of the cost where most of the directed benefits are received.
        - The whole county benefits from protection of marine waters
        - Each island benefits from their own projects, plus all residents have a stake in the health of their own island's UGA(s).
        - The projects within UGAs will enhance the owners' ability to fully use their property, increasing property values.

*\*Note all fee estimates based on 2008 parcel count. Fees quoted include both capital and operating fees.*

**Why is the fee higher for most of the county than the one that was overturned by the voters?**

- The previous fee did not raise enough funds to cover the full costs of required projects. The Growth Management Hearings Board requires that the County create a mechanism to fully fund the stormwater management plan the County submitted to the board in 2005.
- The capital projects portion of the fee will increase or decrease slightly from year to year depending on the cost of capital projects on the books during the next five year period.

**Can't the County get grants to cover some of the cost?**

- The Utility will actively seek to obtain grants to help fund its capital projects and studies. The income from grants will be used to reduce the Stormwater Utility rates charged to property owners.

**What role would a Citizens' Stormwater Advisory Committee play?**

- Recommend a formula for adjusting basic and capital fees based on impervious area in the future.
- Recommend financial incentives for mitigating stormwater problems and a means of funding them.
- Recommend "green" projects to replace those currently in the plan.
- Review stormwater regulations for appropriateness in San Juan County and recommend revisions/enforcement policies that benefit both the environment and County residents

**Is there a plan that shows exactly how the money raised by the Stormwater Utility will be spent?**

- The Council has adopted a plan covering the first six years. One of the Stormwater Utility's first tasks will be to perform the basin studies and do the planning necessary to complete a comprehensive county-wide Stormwater Management Plan.
- Projects in Eastsound and the need to deal with immediate problems on San Juan and Lopez Islands insure that some necessary capital projects will be underway quickly.

## **Will there be a “Sunset” provision as called for by the original Citizens’ Stormwater Committee?**

The original stormwater committee recommendations did not call for actual sun setting of the Utility but for a fee reduction based on completion of capital projects:

*“After six years, the rate will be based on operations and maintenance and minor capital costs.”*

The citizens’ committee had assumed that all major projects would be built by the end of six years. However, as the Council subcommittee delved more deeply into the challenges, it recognized that most of the major capital projects cannot be built within six years. However, it is recommending that the capital portion of the fee be strictly based on covering the cost of infrastructure projects as recommended annually by a Citizens’ Committee and approved by the Council. So fees will likely change each year.

## **How is this proposal different than the one that was overturned in the 2007 referendum?**

- The fee is divided into two portions: operations and capital projects and much of the cost of the capital portion will be more directly allocated to the areas which will receive the most direct benefit.
- A Citizens’ Stormwater Advisory Committee will have an active role in setting capital project priorities and proposing ways to provide incentives for citizens to use low impact development techniques and otherwise reduce stormwater run-off.
- The capital portion of the fee will be set each year based on the cost of the capital improvement project plan adopted annually by the Council.
- An emphasis is being placed on providing technical assistance to citizens and builders to meet stormwater regulations.
- Appeals of stormwater fees will be handled by the County Auditor instead of Public Works.

## **Many Citizens in Eastsound say there is a more environmentally friendly way to deal with their stormwater than what is on the drawing boards. Why not use those options?**

- The consultant’s initial studies included cost estimates based on installing traditional stormwater handling infrastructure, however it did suggest other approaches be explored. A County Council resolution has pledged to explore those other options and seek citizen input before final plans are drawn and construction begins. (The alternatives suggested are not expected to reduce overall costs.)

**Does the Council expect another referendum on this fee?**

- No. The County prosecutor has researched this and advised the Stormwater Subcommittee that because the utility is being established to meet a Growth Management Act Compliance mandate, the fee which will finance it is not subject to challenge by referendum. (The Council dropped its legal challenge to the last referendum, feeling that it had not given the petitioners fair warning that legal action would be taken.)

**Why did the Council subcommittee take so long to produce this proposal?**

- It took time to nail down the projects and goals
- Wanted to take a broad approach and review Stormwater regulations as well.
- Needed to work through different fee structures and funding options.
- Wanted to make sure that the subcommittee's members were better informed about what the immediate and long term needs are.
- While there was general agreement over how we need to proceed for the long term, there were disagreements and a healthy debate among the county staff over just what is required immediately.
- The subcommittee wanted to make sure that whatever proposal it produced could be supported unanimously not only by its members, but by the Council as a whole.
- The Auditor, CDP and Public Works, as well as the members of the Subcommittee each had fee proposals and it took time to work through the details and refine each to see what impact it would have on the people and businesses in different parts of the county.

**Estimated Stormwater Fees Under Different Options**  
**(Estimated Fees Including Capital and Base Rate)**

	All parcels share equally, pay-as-you-go	County-Island-UGA share cost 50%-25%-25%	Each Island Pays Its Own
San Juan	64.45	55.95	46.59
Orcas	64.45	64.30	103.55
Eastsound	64.45	208.39	103.55
Lopez	64.45	56.07	62.18
Lopez Village	64.45	228.23	62.18
Shaw	64.45	55.70	46.06
Rest of County	64.45	44.15	22.97