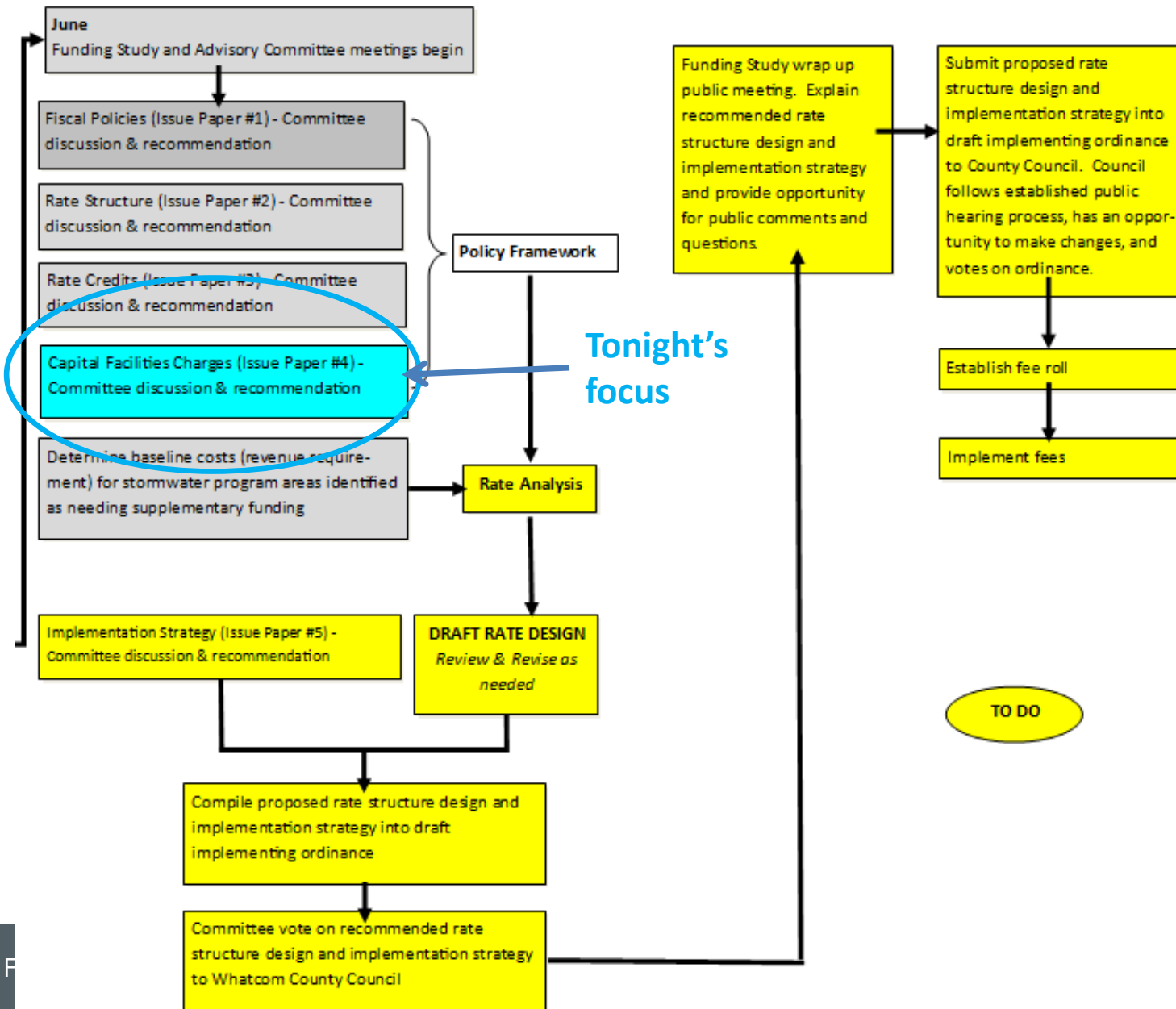


**Lake Whatcom Stormwater Utility Advisory
Committee Meeting #6
September 19, 2018**





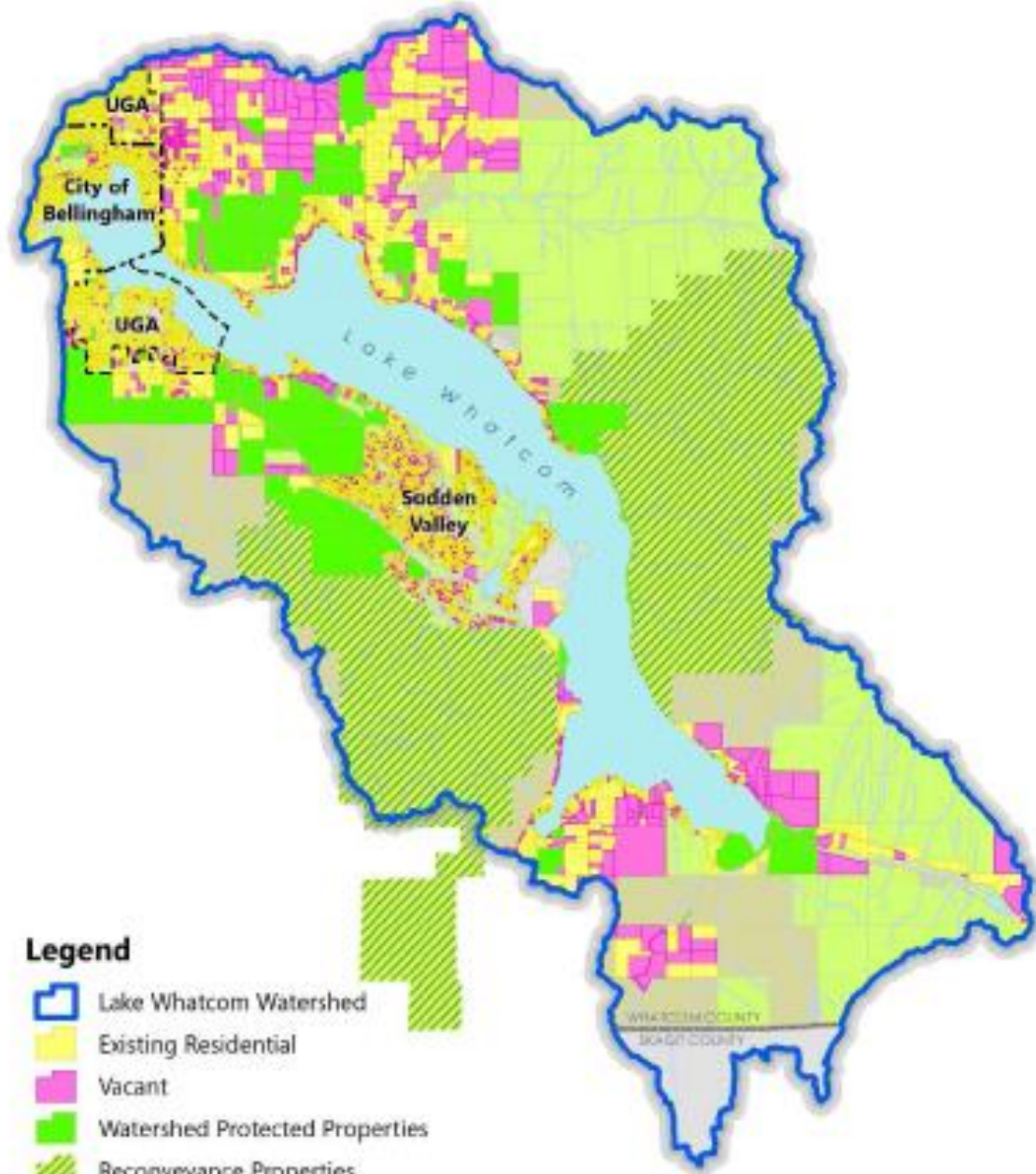
Rate Structure & Rate Credits Follow-Up

- ◆ **Recommendations from September 5**
 - No rate credits
 - Base charge for all parcels in the watershed (excluding exempt forestry)
 - Flat rate to recover fixed, programmatic costs
 - Variable charge based on measured impervious area
 - All parcels are measured
 - Categorize into small, medium, or per area measured
 - Small and medium are uniform charges; per area charge if > medium impervious surface area footprint upper bound with no cap
 - Public and private roads treated the same; not included in impervious measurement
 - No distinction between residential and non-residential



Considerations

- ◆ **Watershed protection properties and properties with conservation easements will receive the base charge**
- ◆ **Long driveways could affect rural residential properties**
- ◆ **Increased cost required to measure impervious on all parcels**



Legend

- Lake Whatcom Watershed
- Existing Residential
- Vacant
- Watershed Protected Properties
- Reconveyance Properties
- Public
- Private Commercial Forestry Properties



Issue Paper #4
Stormwater Capital Facilities Charges (CFC)



Calculation Methodology

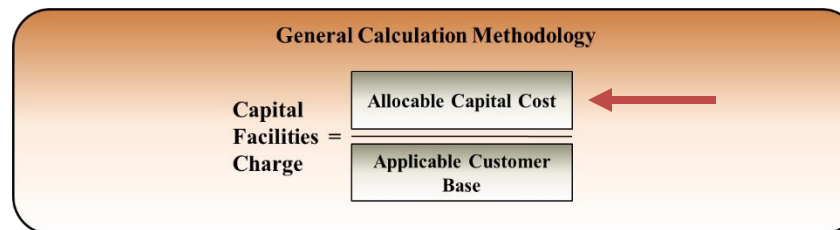
General Calculation Methodology

$$\text{Capital Facilities Charge} = \frac{\text{Allocable Capital Cost}}{\text{Applicable Customer Base}}$$



Allocable Capital Cost

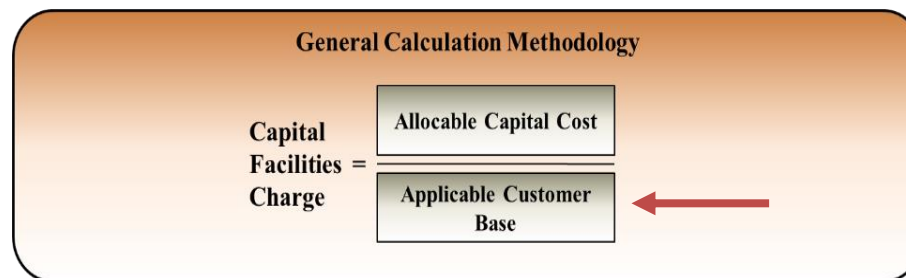
- ◆ A CFC works best when there is a recognized “public system”
- ◆ **2017 Lake Whatcom Comp. Plan: Stormwater Capital Program Update**
 - Identified a list of capital projects “focused on the goal of reducing phosphorus loading to the lake”
 - Example projects: media filter drains, StormFilter with PhosphoSorb Media, and bioretention
- ◆ **Many if not all of these projects could be considered system facilities**
 - Therefore it would be appropriate for inclusion in a CFC calculation





Applicable Customer Base

- ◆ Growth is a key component of the charge calculation
- ◆ Actual CFC revenue is growth-dependent
 - CFC revenue may be immaterial or unreliable in slow growing / built-out areas
- ◆ Lake Whatcom Watershed Annual Build-out Analysis Report for 2018
 - 5,445 existing dwelling units in the unincorporated Lake Whatcom Watershed
 - Reported capacity for 1,493 more dwelling units in the watershed (may be reduced)





FCS GROUP Conclusions

- ◆ **There are projects of “system” benefit**
 - It appears that there are planned system facilities in the LW Watershed
 - Projects will address runoff from private development and public infrastructure, such as roads

- ◆ **There is capacity for growth**
 - New growth subject to no net phosphorus regulations

- ◆ **Therefore it may be appropriate for development to pay for share of system facilities costs through a CFC**
 - In addition to meeting on-site development requirements



Policy Items for Committee Discussion

#	Issue	Policy
1	Without a CFC, the funding of planned capital projects that will serve growth as well as existing customers will generally be the responsibility of existing development.	Do existing ratepayers see generational equity as an issue important enough to impose a CFC?
2	The County (WCC 20.51.420) now requires phosphorus-neutral development, essentially ensuring that new development does not in itself require the construction of public stormwater system facilities.	In light of this requirement, is it appropriate for new development to pay for a share of system facilities?

