



DURHAM COUNTY NC

Stormwater Utility Fee



Durham County Government

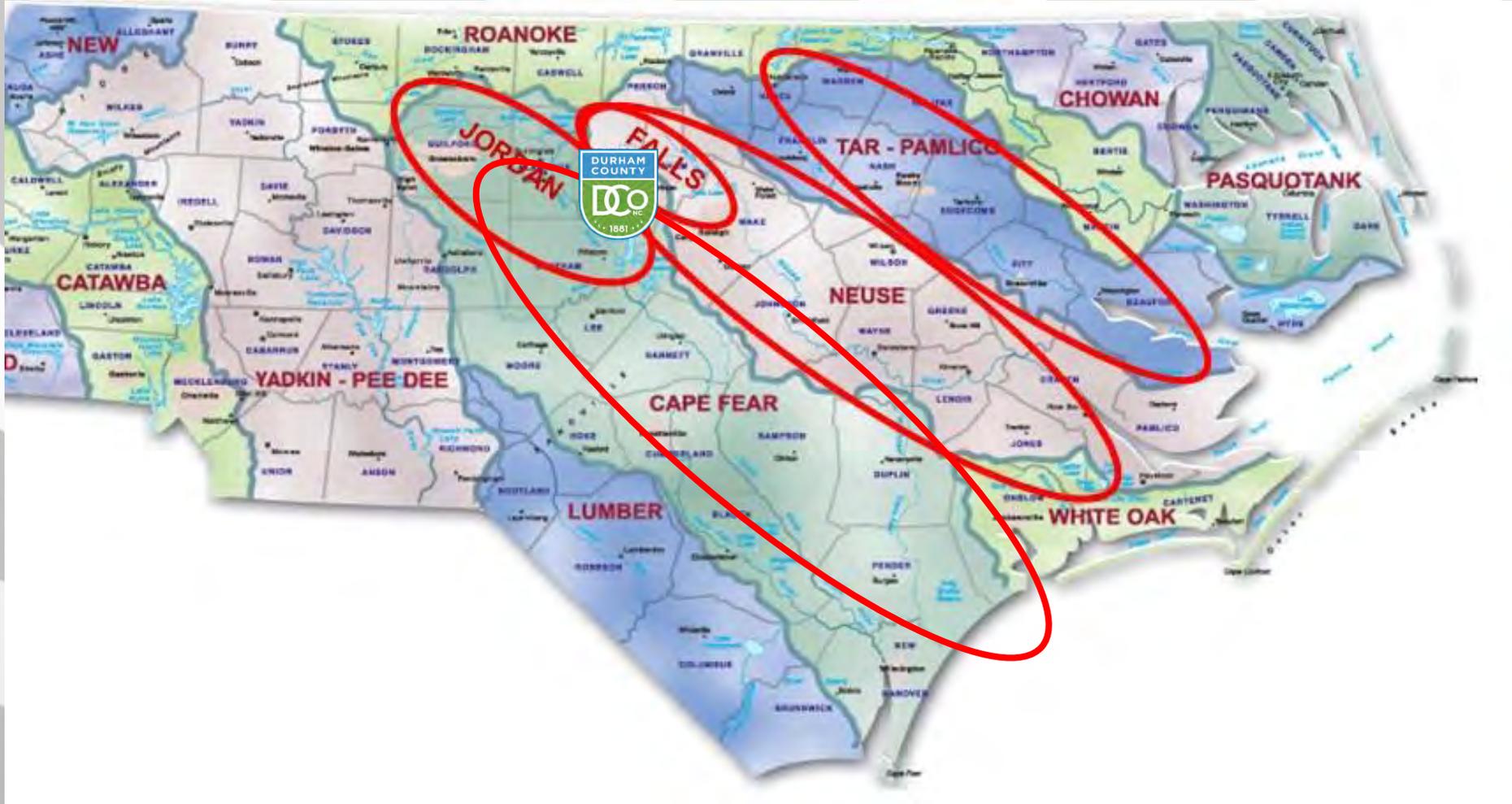
www.dconc.gov

Today's Presentation

- Durham County Stormwater Background
- Stormwater Utility
- Urban Rural Considerations
- Challenges and Implementation during COVID-19



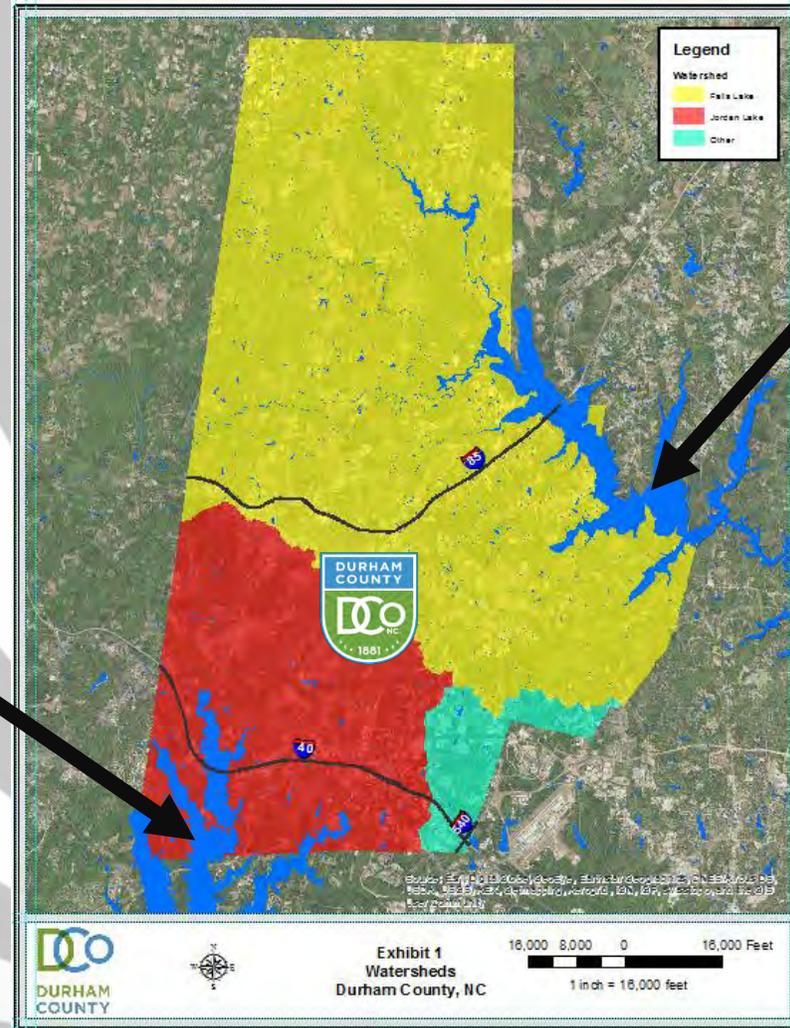
North Carolina River Basins



Water Supply Reservoirs

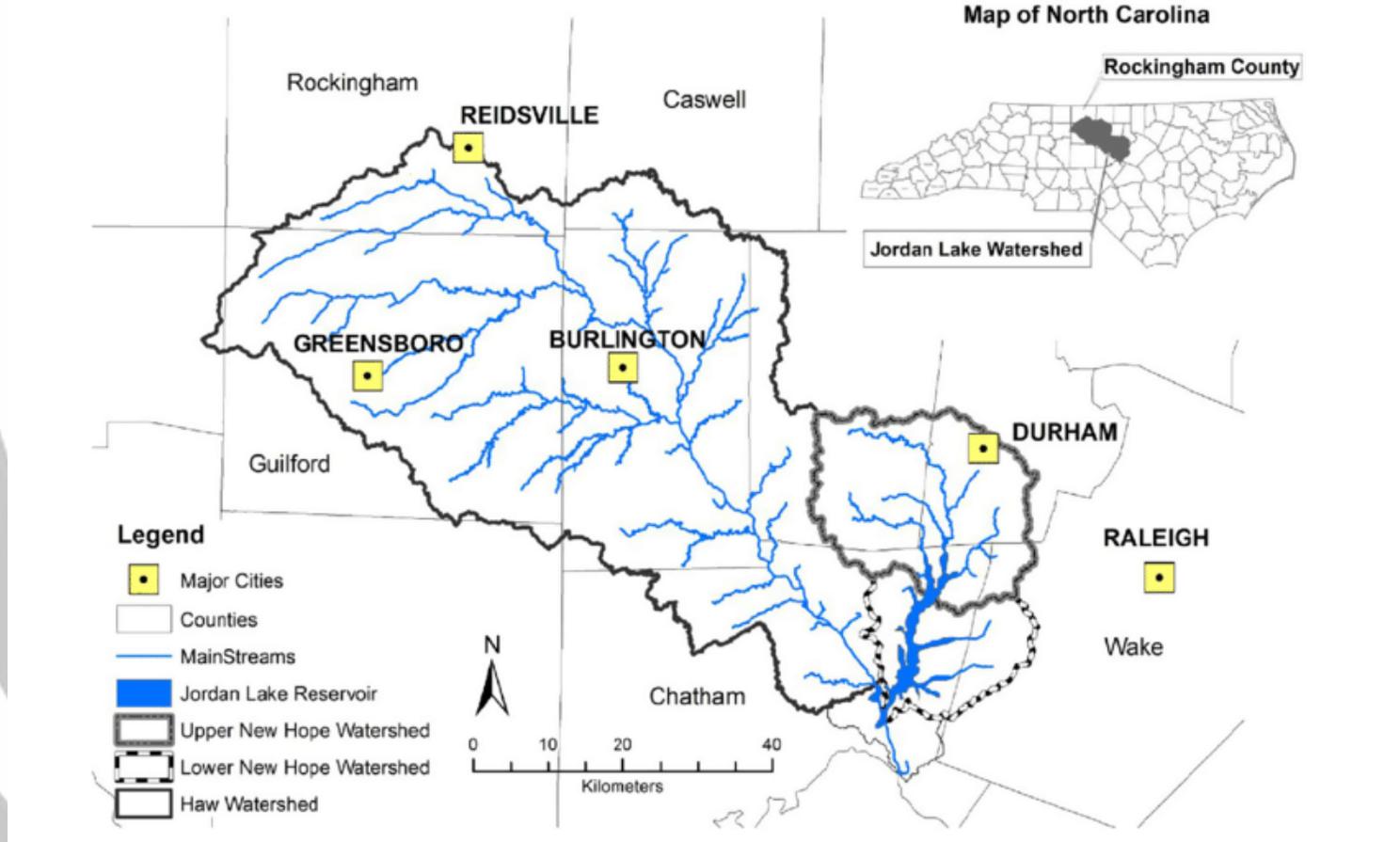
Falls Lake

B. Everett Jordan Lake



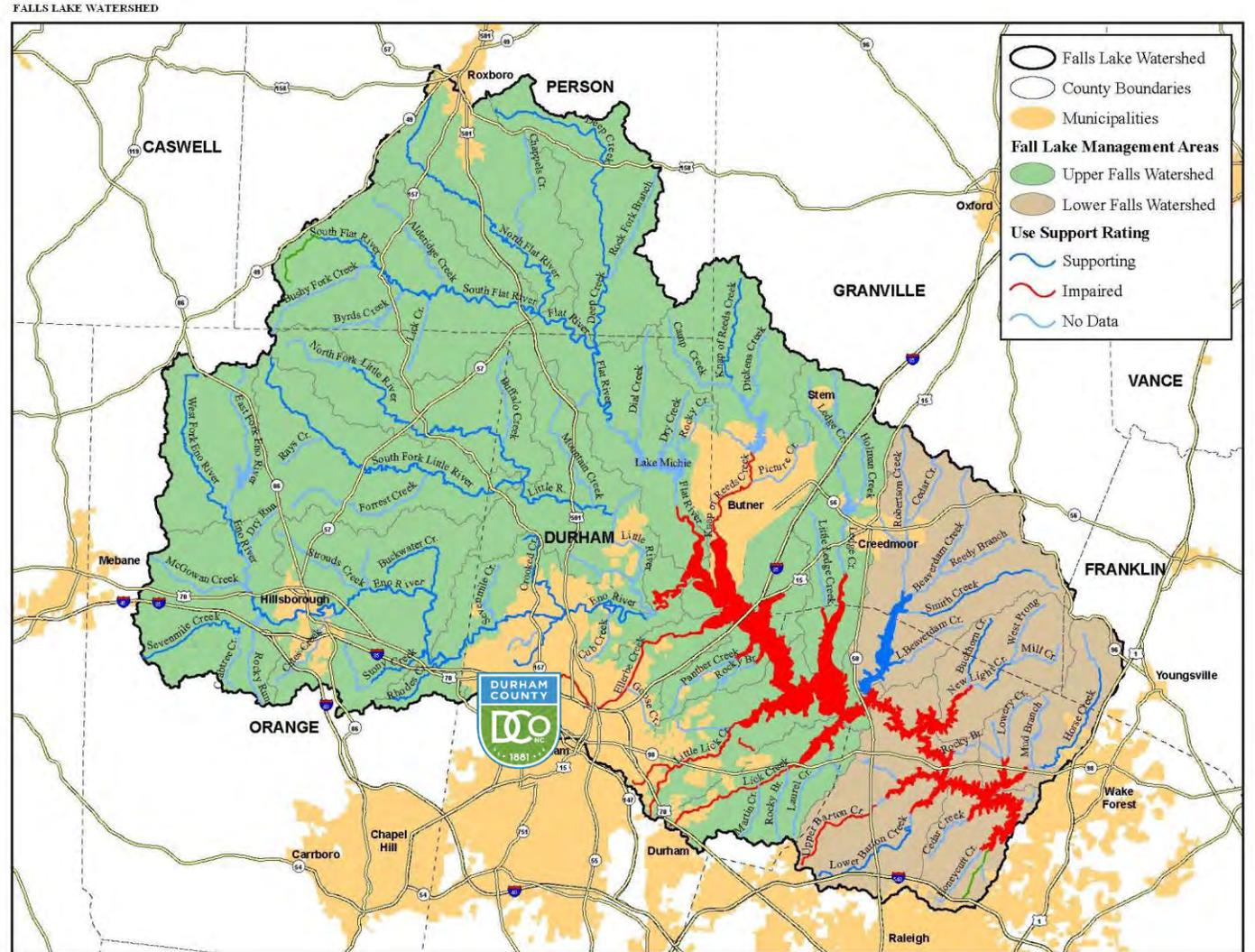
B. Everett Jordan Lake

- Built in 1982 by U.S. Army Corps of Engineers
 - Flood control
 - Recreation
 - Fish and Wildlife Habitat
 - Water Supply
- Cape Fear River Basin



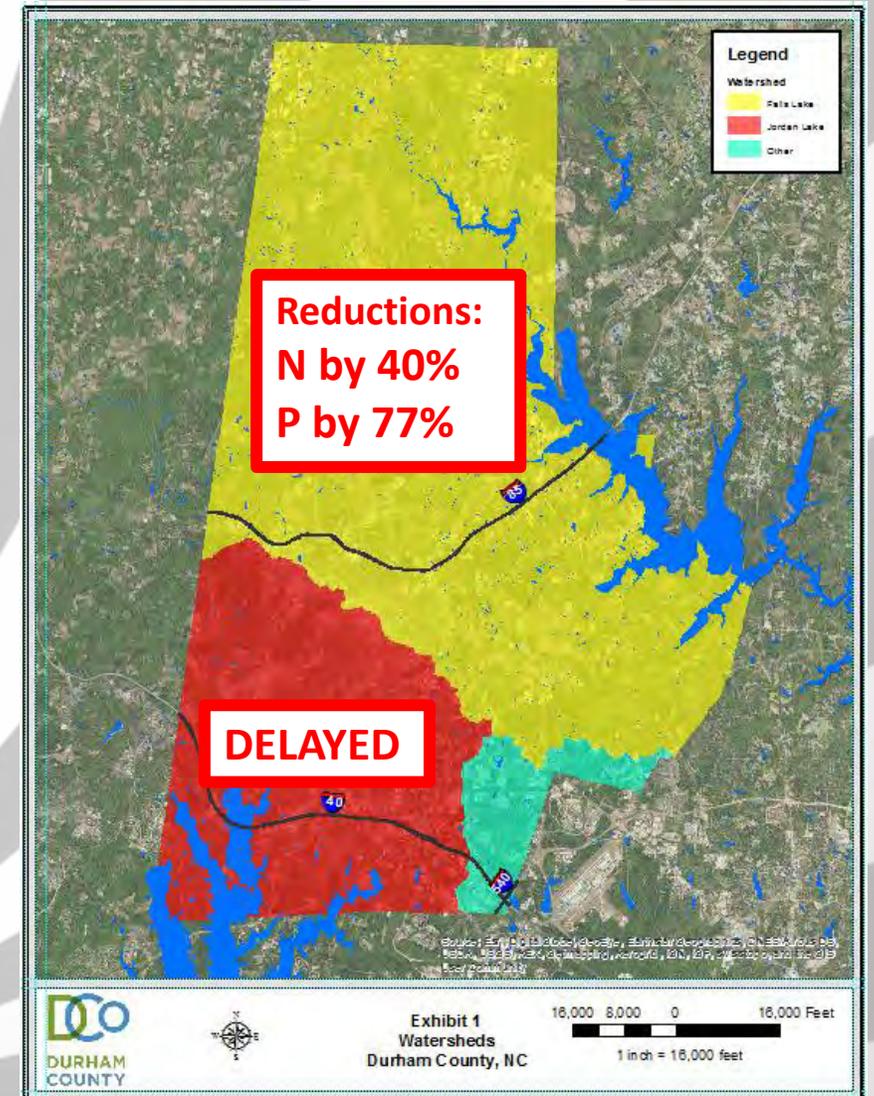
Falls Lake

- Completed in 1981 by U.S. Army Corps of Engineers
 - Flood control
 - Recreation
 - Fish and Wildlife Habitat
 - Drinking Water Supply
 - City of Raleigh
- Neuse River Basin



Nutrient Sensitive Water and Special Watershed Programs

- Nutrient Sensitive Water Management Strategies are adopted legislation
- City of Durham is an MS4, has separate stormwater program
- Local municipalities and counties are required by law to comply with the nitrogen and/or phosphorous reductions required by the State
- Unincorporated Durham County must comply with three separate rules:
 - ★ Neuse River Basin Nutrient Strategy
 - ★ Falls Lake Nutrient Management Rules
 - ★ Jordan Lake Nutrient Management Rules

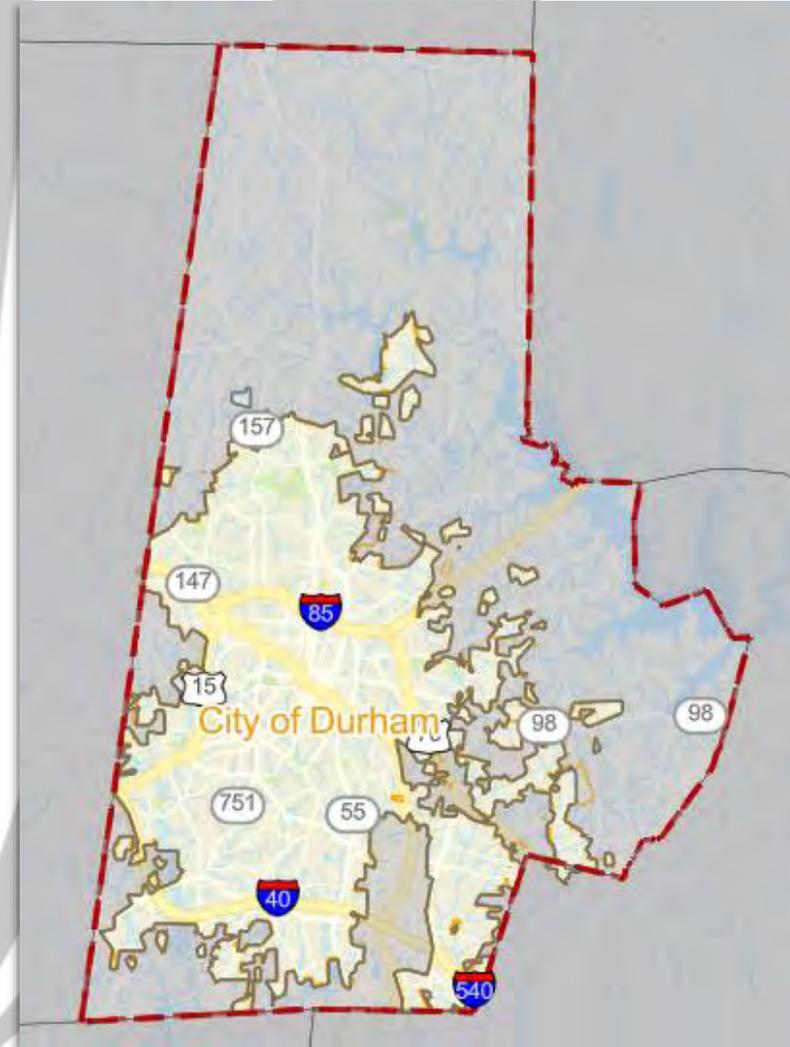


Durham County Development Landscape



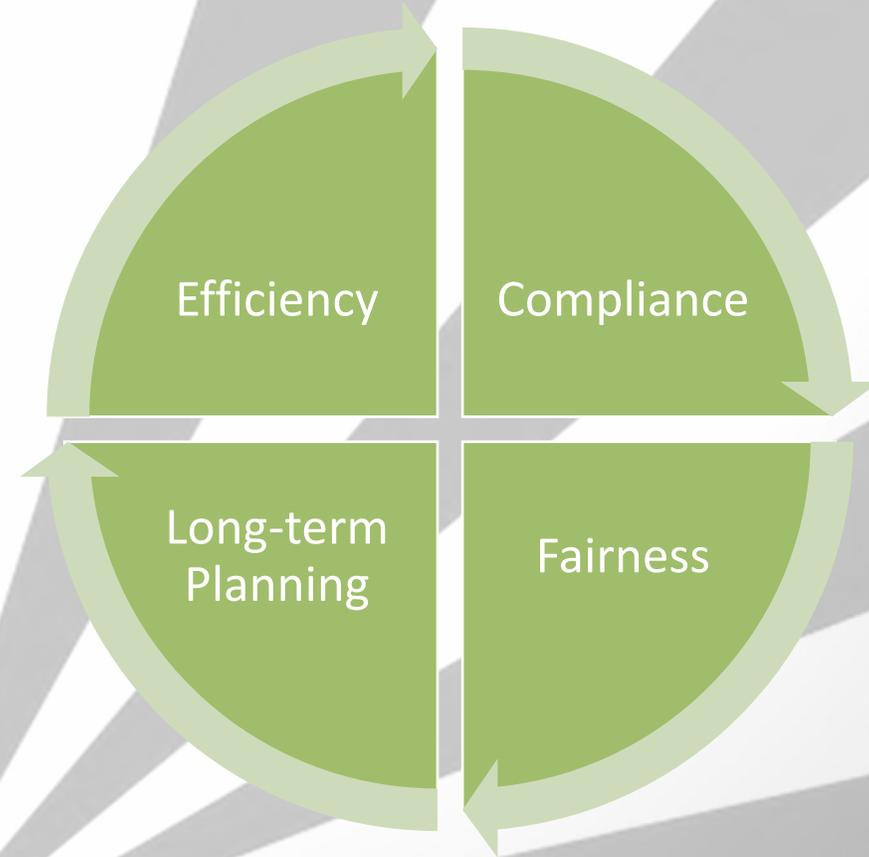
Durham County Stormwater Jurisdiction

- Durham County Stormwater Ordinance for unincorporated areas only
- New development regulations
 - Pre vs. Post peak flow requirements
 - Nutrient reduction requirements
- Separate ordinance sections for Jordan Lake, Falls Lake, or Neuse River Basin developments



Funding the Nutrient Management Strategies

- It is estimated that it may cost Durham County over **\$70 million dollars** over the next 20 years to meet the requirements
- Explored financial support by fees vs. taxes
- A **Stormwater Utility Fee** is a fair, equitable, and stable way for Durham County to collect revenue to meet the nutrient rules





Estimating the Revenue Requirements

- Fund entire *stormwater program*
- Program Expenses
 - Staff salaries (3.5 FTE)
 - Membership Dues (UNRBA, SWANC, CWEP, etc.)
- Capital Administration
 - Retrofit design, construction, inspections
- Capital and Reserves
 - Capital Project Funding (Falls & Jordan)
 - Operating Reserve
 - Capital Reserve



Storm Water Association of North Carolina
Informing and Sharing Stormwater Best Practices Across the State



How is the Fee calculated?

- Aerial imagery of every lot in Durham County, outside of City limits, was used to determine the amount of impervious surface
- Data was analyzed and an “Equivalent Residential Unit” (ERU) was developed
- An ERU represents the median square footage of impervious area found on residential properties in Durham County
- 1 ERU = 4,300 square feet of impervious



How much will I pay per year?

ERU: Equivalent Residential Unit

1 ERU = 4,300 square feet of impervious area, \$24 per ERU per year



Tier 1 Single Family Residential Properties (SFR)



400 to 2,700 square feet of impervious area – 0.5 ERUs (\$12)



Tier 2 Single Family Residential Properties (SFR)



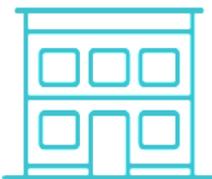
2,700 to 6,000 square feet of impervious area – 1 ERU (\$24)



Tier 3 Single Family Residential Properties (SFR)



Greater than 6,000 square feet of impervious area – 2 ERUs (\$48)



Non-Single Family Residential Properties (NSFR) - All other properties



Charged per ERU (minimum of 1 ERU)



Urban and Rural Stakeholders

- Unique combination of rural and urban interests in unincorporated Durham County
- Home to one of the most prominent high-tech research and development parks in the U.S.
- Agriculture interests are a major concern
- Traditional commercial and industrial
- Large variations in size and types of residential properties



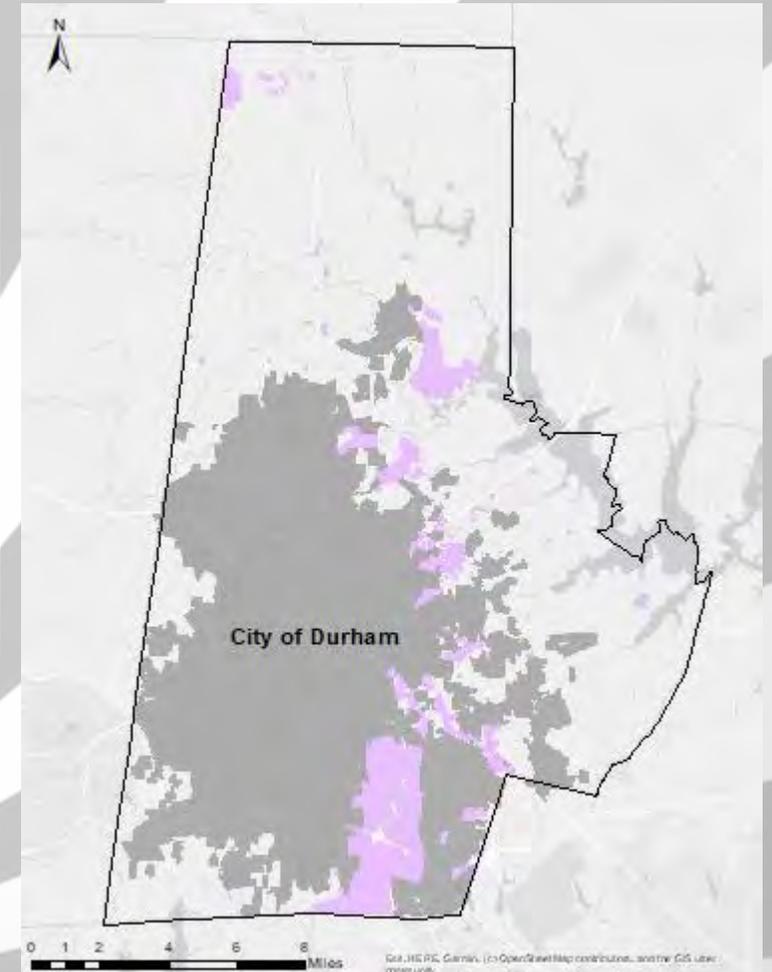
Research Triangle Park

- Located in the southern portion of the County
- Dense development with water and sewer service mostly provided by the City of Durham



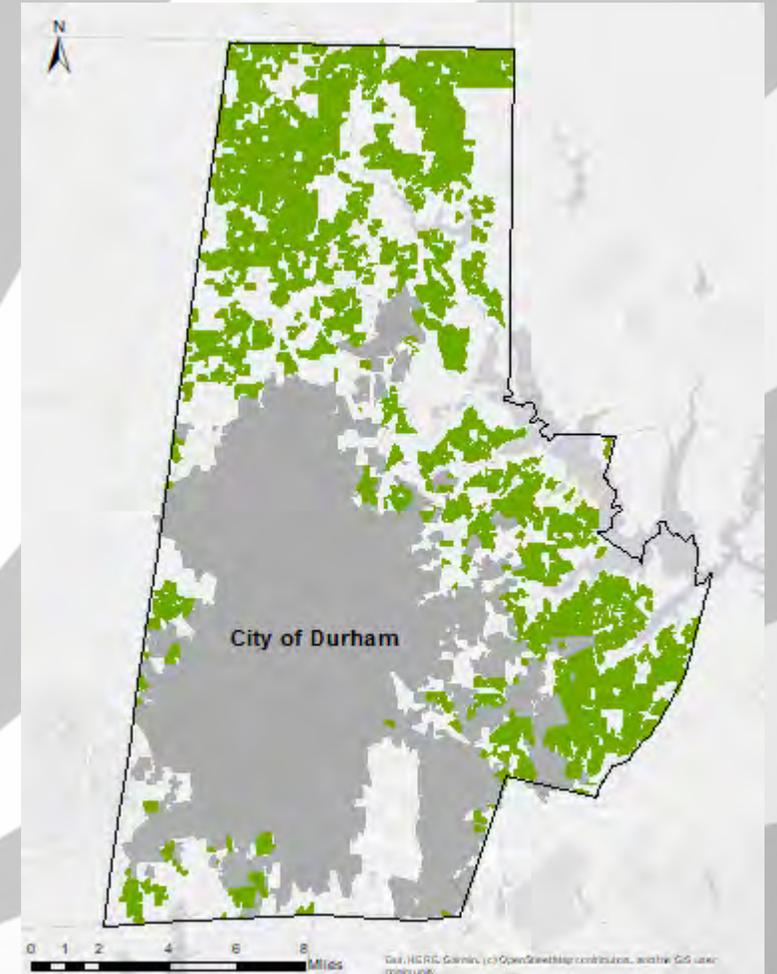
Commercial and Industrial

- More traditional commercial and industrial in the southern and eastern portions of the County
- Mini-storage, big box stores, small office buildings, etc.



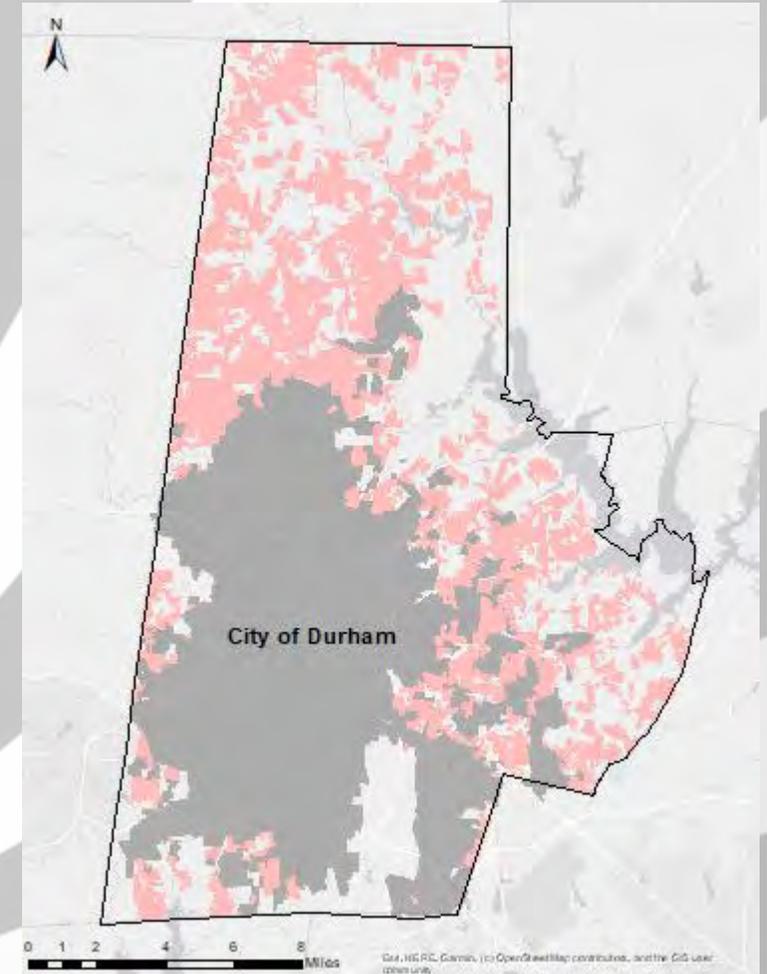
Agriculture

- Small farms with residences
- Horse farms
- Horticulture operations
- Pasture and open space



Residential

- Variety of residential properties
- Large expansive estates
- Traditional middle-class homes
- Small homes and mobile homes





Selected Challenges

- Timeline
 - Fits and Starts
- Elected Officials Requests and Changes
 - Tiered Residential Structure
 - Credit Program
- COVID-19
 - From Full Speed Ahead to Delay to Adoption with Reduced Rates
- Unique Outreach Approach

Stormwater Utility Timeline

Data Development and Compliance Cost Estimates

Restart Utility Study and Begin Implementation

2016

2017

2018

2019

2020

Feasibility Study RFQ,
Hire Consultant, Kickoff

Utility Study Pause

- NCDEQ Model Program Delay and Development
- Falls Lake Stage I to NCDEQ

Stormwater Utility
Adopted with FY2021
Budget (1/3 rate)



Stormwater Utility Timeline

BOCC approves Tiered Residential Rate Structure
BUT Requests **Credit Program and Additional Outreach**

First Outreach Event at Farm Bureau

Fall
2019

BOCC Updates and Feedback = **Rate Structure Changes** and New Data Needs

Jan
2020

Early
Feb
2020

Proposed Budget Submitted to County Budget Office including Stormwater Utility

Late
Feb
2020

Outreach Plan Finalized with 5 Planned Events Across the County

Feb
2020

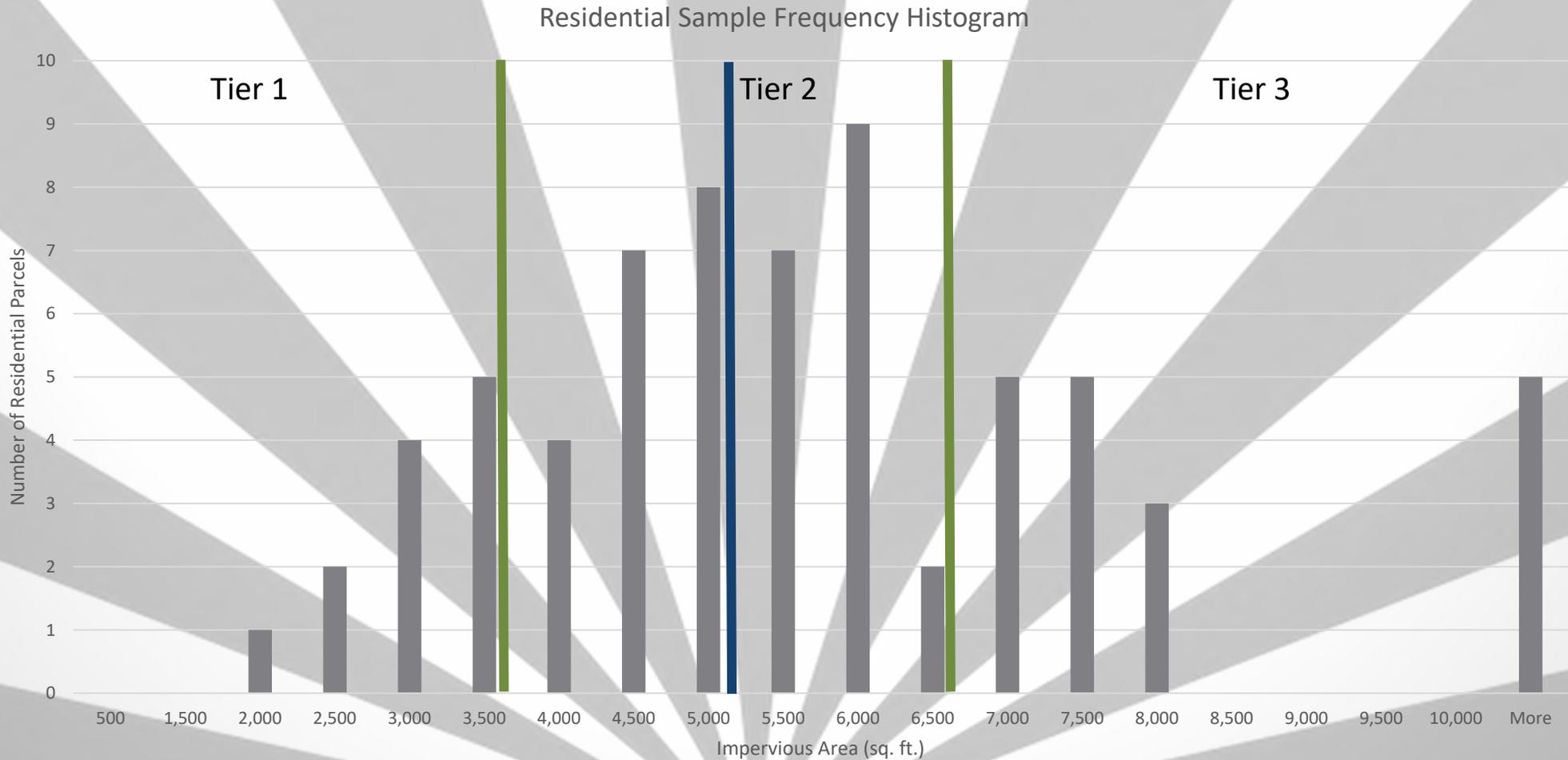


Rate Structure Considerations

- Rate development to date based on Flat Rate Residential
- Flat Rate Residential versus Multiple Flat Rate Residential (Tiers)

	Easy	Equitable	Cost
Single Flat Rate	✓ ✓	✓	✓
Multiple Flat Rates	✓	✓ ✓ ✓	✓ ✓

Rate Structure Considerations



Stormwater Utility Timeline

BOCC approves Tiered Residential Rate Structure BUT Requests Credit Program and Additional Outreach

- All Activities Put on Hold
- Manager's Rec Budget = No SW Utility

Fall 2019

Early 2020

Feb-Mar 2020

COVID-19

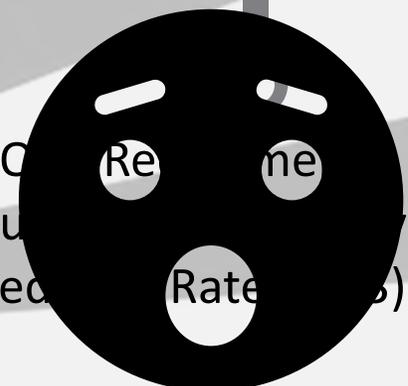
Mar-Apr 2020

May 2020

BOCC Updates and Feedback = Rate Structure Changes and New Data Needs

- Outreach Plan Finalized – 1 Held, 5 Events Planned
- Budget Submitted w/SW Utility

BOCC Rec Budget (Rate Structure) at



COVID-19 and the Budget

Impacts on Durham County

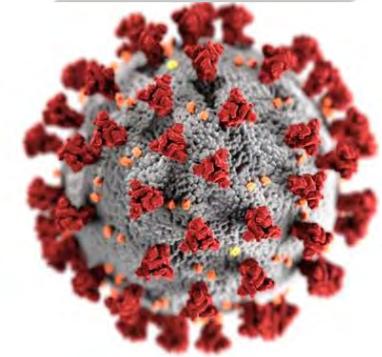
- Lost Sales Tax Revenue
- Increased Unemployment
- Untold Additional Economic Impacts

Manager's Recommended Budget

- Flat Budget – No Tax Increase, No New Fees
- No Stormwater Utility

Board of Commissioner's Adopted Budget

- No Tax Increase
- **Stormwater Utility Adopted at 1/3 Rates**





Outreach

Durham County's Constituency

+

COVID-19

+

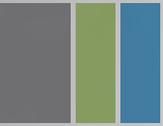
Shortened Timeline

+

BOCC Requests

=

Unique Outreach Approach



Public Outreach Strategy

- Direct website page
www.dconc.gov/stormwaterutility
- Email address created
dcostormwaterutility@outlook.com
- Stormwater Utility Fee Questionnaire
- Presentation recording
- Social Media Postings
- Live Public Q&A on Zoom

STORMWATER UTILITY FEE

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Durham County Stormwater Utility Fee

The Durham County Stormwater and Erosion Control Division is tasked with finding ways to manage the ongoing challenge of stormwater impacts to the unincorporated areas of the County and meet state requirements (Jordan Lake and Falls Lake Rules) to reduce pollutants, especially nutrients like phosphorous and nitrogen, in our waterways. As the County continues to grow, the need to address increasing stormwater runoff and the pollutants it carries is a necessity. Nutrient management for both existing and new development is mandated by the North Carolina Department of Environmental Quality.



In order to pay for the projects that will be needed to address nutrient loading from existing development and meet state stormwater requirements, Durham County has implemented a Stormwater Utility Fee, to go into effect in August 2020. It is a fair, equitable, and stable way for Durham County to collect revenue to help fund the activities required to meet the nutrient rules. It is estimated that it may cost Durham County more than \$70 million dollars over the next 20 years to reduce pollutants in our waterways to meet the state requirements.

The Stormwater Utility Fee was derived from a formula that spreads the cost of the utility across County property owners in a way that reflects each property's contribution to stormwater runoff.



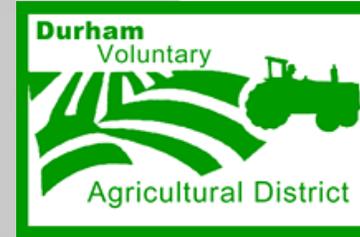
We want to hear from you!

STORMWATER UTILITY FEE SURVEY



Targeted Outreach

- NC Farm Bureau
- Durham County Farmland Protection Board
- Environment@RTP Board
- Environmental Affairs Board
- Durham County Soil and Water Conservation District
- Targeted Ag Community Mailer



Soil & Water



ENVIRONMENTAL AFFAIRS BOARD



Additional Public Outreach Efforts

- Continuation of Stormwater Utility Fee Questionnaire
- Additional coordination with targeted groups
- Expansion of website information
- Increased social media outreach
- Development of tax bill insert with Tax Department
- Correspondence with property owners regarding fee calculation questions



Questions?

