



Maryland

Department of the Environment

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary
Horacio Tablada, Deputy Secretary

June 14, 2021
Mr. Chris Heyn, Acting Director
Department of Land Use, Planning, and Development
Carroll County Government
225 North Center Street
Westminster MD 21157-5194

Dear Mr. Heyn:

This letter acknowledges the Maryland Department of the Environment's (Department) receipt of Carroll County's 2020 Financial Assurance Plan (FAP), and 2020 Watershed Protection and Restoration Program (WPRP) Annual Report as required by the Annotated Code of Maryland. This FAP submission includes information on the cost of compliance with the impervious surface restoration plan (ISRP) requirements outlined in the County's National Pollutant Discharge Elimination System (NPDES) Phase I Municipal Separate Storm Sewer System (MS4) permit.

The ISRP, when sufficiently funded, is essential for restoring local water quality and the Chesapeake Bay, and providing climate resiliency in the County's watersheds. The FAPs are sufficient if they demonstrate that the County has the dedicated revenues, funds, or sources of funds to meet, for the 2-year period immediately following the filing date of the FAP, 100% of the projected costs of compliance with the ISRP requirements of the County's MS4 permit.

After reviewing Carroll County's 2020 FAP, the Department has determined that the County has demonstrated that it has sufficient funding in its FAP. The Department has provided more detailed comments in an attachment for the County's information and use. The County's next WPRP Annual Report will be due in coordination with its next MS4 Annual Report, and its FAP will be due in coordination with the 2022 MS4 Annual Report.

The Department recognizes the substantial effort required in developing these FAPs and WPRP Annual Reports, and looks forward to working with Carroll County on this very important environmental program for improving water quality, stormwater management, and climate resiliency. If you have any questions regarding this review, please contact me at 410-537-3567 or Jennifer M. Smith at 410-537-3561, or jenniferm.smith@maryland.gov.

Sincerely,

D. Lee Currey, Director
Water and Science Administration

cc: Jennifer M. Smith, P.E., Program Manager, Sediment, Stormwater, and Dam Safety Program
Janet O'Meara, Acting Chief, Bureau of Resource Management, Carroll County

Attachment

**Maryland Department of the Environment’s (MDE) Review of
Carroll County’s 2020 Financial Assurance Plan (FAP)**

Plan Condition	MDE Assessment and Recommendations
<p>Demonstration of Sufficient Funding</p>	<ul style="list-style-type: none"> Carroll County (County) submitted the FAP to MDE on December 22, 2020, prior to the December 28, 2020 due date. The FAP was introduced to the Board of Carroll County Commissioners on November 19, 2020. A public hearing was held on December 3, 2020 and the County approved the FAP December 10, 2020, a copy of the hearing minutes was submitted with the FAP. The County’s MS4 permit expired on December 28, 2019, approximately the middle of fiscal year (FY) 2020, and has been administratively continued by the Department. The FAP demonstrates sufficient funding for 100% of the projected Impervious Surface Restoration Plan (ISRP) costs for the next two-year period (i.e., FY2021 to FY2022).
<p>Actions to Meet Permit Requirements (“All Actions” worksheet)</p>	<ul style="list-style-type: none"> The plan included an Executive Summary and all required information in the MDE suggested table format. As requested, the County reported BMPs under construction or planned in the “All Actions” worksheet. The County’s FAP reports that its impervious acre requirement, also known as the ISRP baseline, is 1,614 acres. The County reported completing 1,758 acres of restoration in the Specific Actions worksheet, and projected to complete a total of 808 additional acres by the end of FY 2022. This projected FY2021-FY2022 includes 808 acres of restoration for a total cost of \$16.9 million. For FY2021-FY2025, the County proposes to complete 1,165 acres of restoration for a total cost of \$28.6 million. These projections include BMPs that are proposed, planned, and under construction. All BMPs reported by the County are approved in the Department’s Accounting Guidance.
<p>Annual and Projected Costs (“All Actions” and “ISRP Cost” worksheet)</p>	<ul style="list-style-type: none"> The reported “All Actions” cost per acre for the next two fiscal years is \$20,858. The cost per acre for the next five fiscal years is \$24,583. In the “ISRP Cost” table, annual costs have been reported for FY2020, and projected costs have been reported for FY2021 through FY2025. The total ISRP cost for the next two years is \$22.9 million, while the total cost for the next 5 years is \$46.8 million
<p>Annual and Projected Revenues (“ISRP Revenue” worksheet)</p>	<ul style="list-style-type: none"> Revenues were reported for all required fiscal years and all formulas appear to be correct. For the next two fiscal years (FY2021-FY2022), the total projected revenues (\$23.0 million) exceed the projected costs (\$22.9 million). This is equivalent to 101%, exceeding the 100% requirement.

MDE’s Review of Carroll County’s 2020 FAP

Plan Condition	MDE Assessment and Recommendations
<p>Funding Sources</p> <p>(“Fund Sources” worksheet)</p>	<ul style="list-style-type: none"> • Funds were reported for all required fiscal years and all formulas appear to be correct. • Sources of funds for the next two years include: <ul style="list-style-type: none"> ○ General Obligation Bonds = \$8.2M ○ State Grants = \$7.4M ○ Property Tax = \$5.5M ○ Other (Municipalities, Municipal Support Capital Projects, Fund Balance, Development Contributions, and Interest) = \$1.9M ○ Federal Grants = \$50K ○ Total Funding Sources = \$23.0M • The majority of funding sources to meet permit requirements for the next two fiscal years are general obligation bonds (36%) and state funded grants (32%). Another significant portion will come from property taxes (24%)
<p>Specific Actions and Expenditures from Previous Fiscal Years</p> <p>(“Spec Actions” worksheet)</p>	<ul style="list-style-type: none"> • As required, completed BMPs for specific projects were included in the Specific Actions worksheet. • The County reported completing a total of 1,758 acres of restoration in the Specific Actions worksheet for a total cost of \$32.7M. • The worksheet includes specific BMPs with project-specific details as well as general categories of BMPs without built dates and Rest BMP IDs. Some of the general categories of BMPs have not been approved by MDE for restoration credit. These general categories include Forest Buffer Easements, Forest Conservation Buffers, Grass Buffer Easements, and Non-Riparian Conservation Landscaping. The County should explore all currently approved stormwater BMP options for meeting the ISRP requirement. However, the updated Accounting Guidance includes new BMPs such as Forest Conservation, Conservation Landscaping, Riparian Conservation Landscaping, and Riparian Forest Planting. The County is encouraged to explore how the general categories of BMPs in the FAP align with these new BMPs in the Accounting Guidance. Additionally, future submissions should utilize approved BMPs found in MDE’s Accounting Guidance. • The Specific Actions worksheet includes a total of 300 acres of restoration that was implemented from the expiration date of the administratively continued permit (December 28, 2019) to the end of calendar year (CY) 2020. These BMPs were implemented for a total cost of \$9.8M. • Actions and expenditures were reported for all required fiscal years and all formulas appear to be used correctly. • The reported Specific Actions cost per acre is \$18,620. The cost per acre without \$0 BMPs is \$26,376.