

Economic Impacts Subcommittee Meeting Notes

April 6, 2009

1:30pm-3:30pm

DeIDOT Smyrna –Clayton Room

In attendance: Eric Laramore (NCCDLU), Frank Piorko (DNREC), Elaine Webb (DNREC), Jamie Rutherford (DNREC), Jared Adkins (KCD), Steve Wright (DNREC), and Derrick Caruthers (McCrone), Jennifer Volk (DWR), Ric Kautz (Sussex County Planning), Rich Collins (PGA), Timothy DeSchepper (Town of Middletown)

Frank Piorko began the meeting with introductions and the purpose for the subcommittee. This subcommittee will be responsible for developing, with staff, an economic impacts analysis of the revised regulations. The subcommittee needs to elect a chair from the RAC members on the committee; however, because there was only one RAC member present, that item was suspended.

It was generally discussed that more of the people who made the comments related to this subcommittee should participate in this subcommittee. The subcommittee needs more business representation, such as HBA/DE, ACEC, etc.

In addition it was mentioned that predictability and time delays for project approval should be factored into the economic impacts discussion. With the revisions to the regulations and the plan approval process, DNREC is trying to eliminate waste in the process and create predictability; however, DNREC has no control over outside agencies that are also involved in the land use permitting process. Economic benefits of stormwater management must also be factored into the economic impacts analysis.

The following topics were discussed:

Fees

- Randy Greer developed a side-by-side chart comparing technical requirements under the current regulations to those under the proposed regulations. That chart needs to be expanded to cover fees and financial guarantees. A copy of this chart will be sent out to all interested parties.
- A technical document to accompany the regulations will be developed to address fees. That technical document should also address the cost of future maintenance for stormwater management facilities.
- The fees that DNREC charges are set legislatively; however, the legislature has no role in the fees charges by the delegated agencies. The Sunset Committee of the state legislature within the past year did review the fees charged by the conservation districts.

Financial Guarantees

- The regulations will allow for the use of financial guarantees. The details of administration of the program will be set in the technical document or by local delegated agencies such as counties and municipalities that have the authority to establish a financial guarantee themselves.
- It was brought up that Sussex County recently expanded their performance bonding procedure to cover more than sewer and roads, however, we should check with Lawrence Lank with Sussex County.
- It is important to build flexibility into the release of a performance bond.
- Rich Collins will try to get a banker or insurance agent to work on this subcommittee to provide valuable input on financial guarantees such as bonds and letters of credit. DNREC also asked Rich Collins if he could get a homebuilder representative to serve on this subcommittee.
- KCD works with DeIDOT to take advantage of the road bond but needs help in municipalities where DeIDOT has no bond.
- Bonding would be helpful on commercial sites where the developer wants a partial release or a CO prior to project completion.

Cost of Compliance with Standards, Spec & Requirements

- Cost of construction of stormwater management facilities under the proposed regulations must be considered. Of concern is the 100-year storm management requirement in Sussex County that had previously only been applied to northern New Castle County. The high water table and flat slopes in Sussex could cause ponds to increase significantly in size to manage the 100 year storm. Rich Collins produced a Sussex County site plan comparing pond size requirements under the current regulations to the proposed regulations. DNREC will use this plan to prepare a response.

Future Cost of Operation and Maintenance

- Costs currently are not consistent because many communities simply choose not to maintain their stormwater facility with no enforcement of a maintenance requirement.
- The technical document would need to address minimum standards for what a BMP needs to look like in order to be functioning properly. Maintenance expectations need to be clear.
- Operation and Maintenance Plans need a budget associated with them.

Path Forward

Revisions to the proposed regulatory language will be made based on comments received and subcommittee discussions. An outline of the technical documents will be developed and pieces filled in with help of subcommittees. The technical document will be developed and taken through the public process concurrently with the revised regulations.