SUBJECT: Financial Assurance Plan to Meet the Requirements of the National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit

Background

1. The Financial Assurance Plan (FAP) is required by amendments to Section 4-202.1 (Watershed protection and restoration program) of the Environment Article, Annotated Code of Maryland, which were added in 2015 to ensure that each National Pollutant Discharge Elimination System (NPDES) Phase I Municipal Separate Storm Sewer System (MS4) jurisdiction will have adequate funding to meet its Phase I MS4 permit requirement for impervious surface restoration.

2. Each NPDES Phase I MS4 jurisdiction must submit a FAP to the Maryland Department of the Environment (MDE) by July 1, 2016, and every two years thereafter on the anniversary date of its MS4 permit, that details the following:
   a. Actions required to meet MS4 permit requirements;
   b. Annual and projected 5-year costs to meet the impervious surface restoration plan (ISRP) requirement, more commonly known as the 20 percent restoration requirement in the County’s current permit;
   c. Annual and projected 5-year revenues or other funds that will be used toward meeting the 20 percent restoration requirement;
   d. Any and all sources of funds used toward meeting MS4 permit requirements; and
   e. All specific actions and expenditures undertaken in the previous fiscal years to meet the 20 percent restoration requirement.

3. The County is required to submit the information for the FAP using a template provided by MDE.

4. The Montgomery County Department of Environmental Protection completed the FY20 FAP using the approved FY21 operating budget and the approved and amended FY21-26 CIP budget.
5. MDE will determine whether the FAP demonstrates sufficient funding within 90 days after County filing.

6. The first FAP was filed on June 30, 2016, as required by law, and showed sufficient funding to meet the projected costs of compliance with the impervious surface restoration requirements under the County’s 2010 MS4 permit.

7. Subsequent FAPs are filed biennially on February 15th, the anniversary of the effective date of the County’s 2010 MS4 Permit.

8. This revised FAP demonstrates sufficient funding for the completion of 100 percent of the Impervious Surface Restoration Plan (ISRP) requirements under the County’s 2010 MS4 permit, as well as the costs for continuing the operational programs associated with the 2010 permit and costs projected for the next MS4 permit, anticipated to be issued in summer 2021.

9. This FAP demonstrates that the County has dedicated revenues, funds, or sources of funds to continue to meet requirements associated with improving water quality in the County.

10. A public hearing was held on March 9, 2021.

Action

The County Council for Montgomery County, Maryland approves the FY20 Financial Assurance Plan, which demonstrates sufficient funding for the completion of 100 percent of the ISRP requirements under the County’s 2010 MS4 permit, as well as the costs for continuing the operational programs associated with the 2010 permit and costs projected for the next MS4 permit.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council