



# DURHAM COUNTY NC

## Stormwater Utility Fee



Durham County Government

[www.dconc.gov](http://www.dconc.gov)

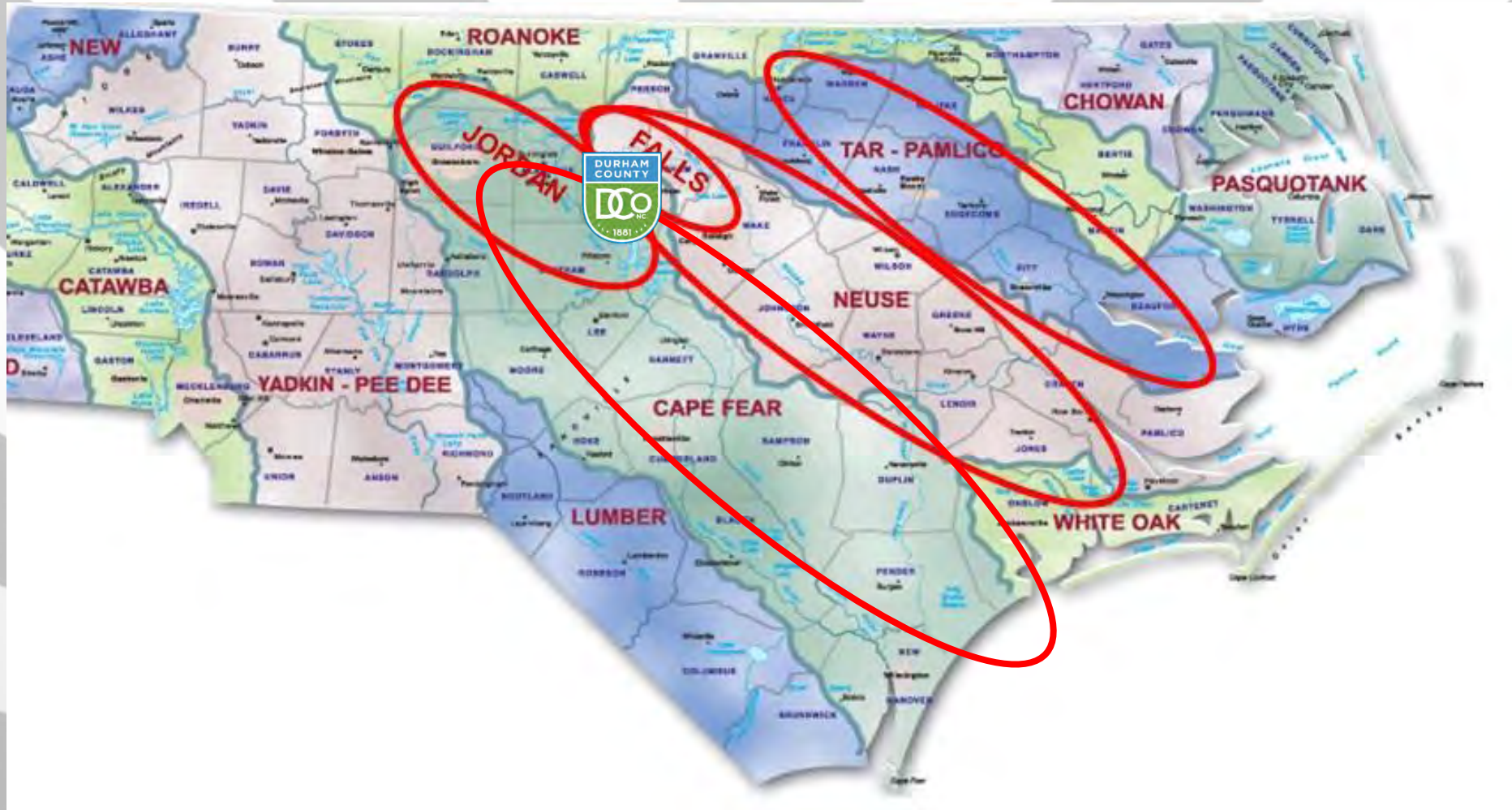
# Today's Presentation

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





# North Carolina River Basins



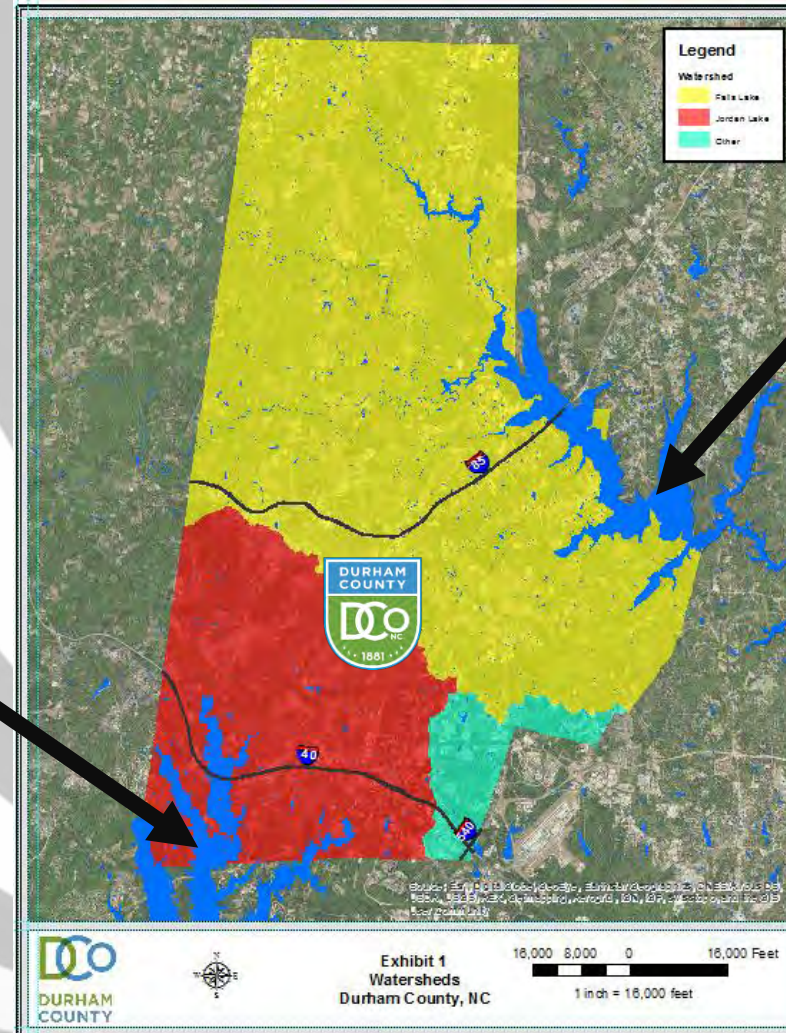


# Water Supply Reservoirs

Falls Lake

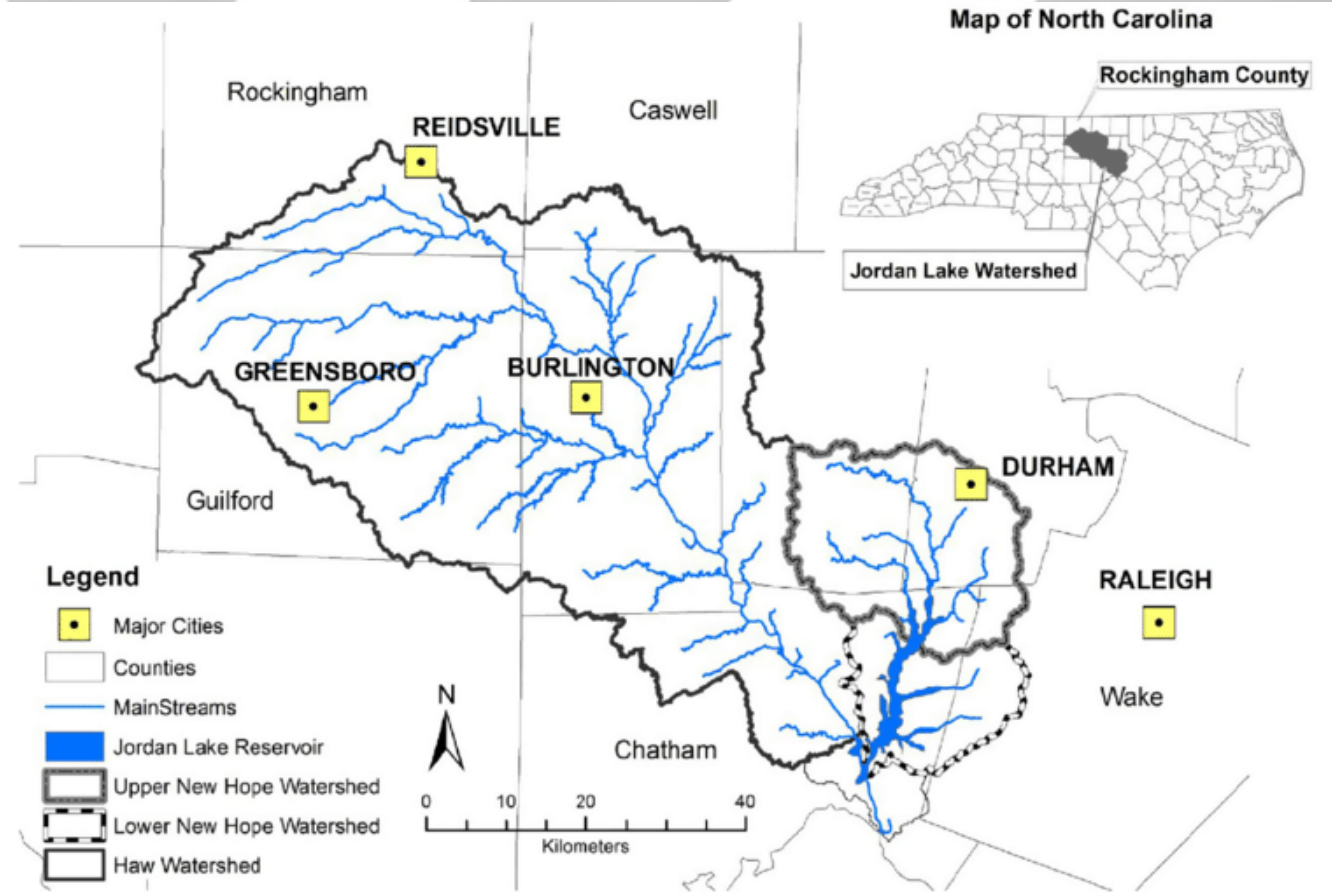


B. Everett Jordan Lake



## B. Everett Jordan Lake

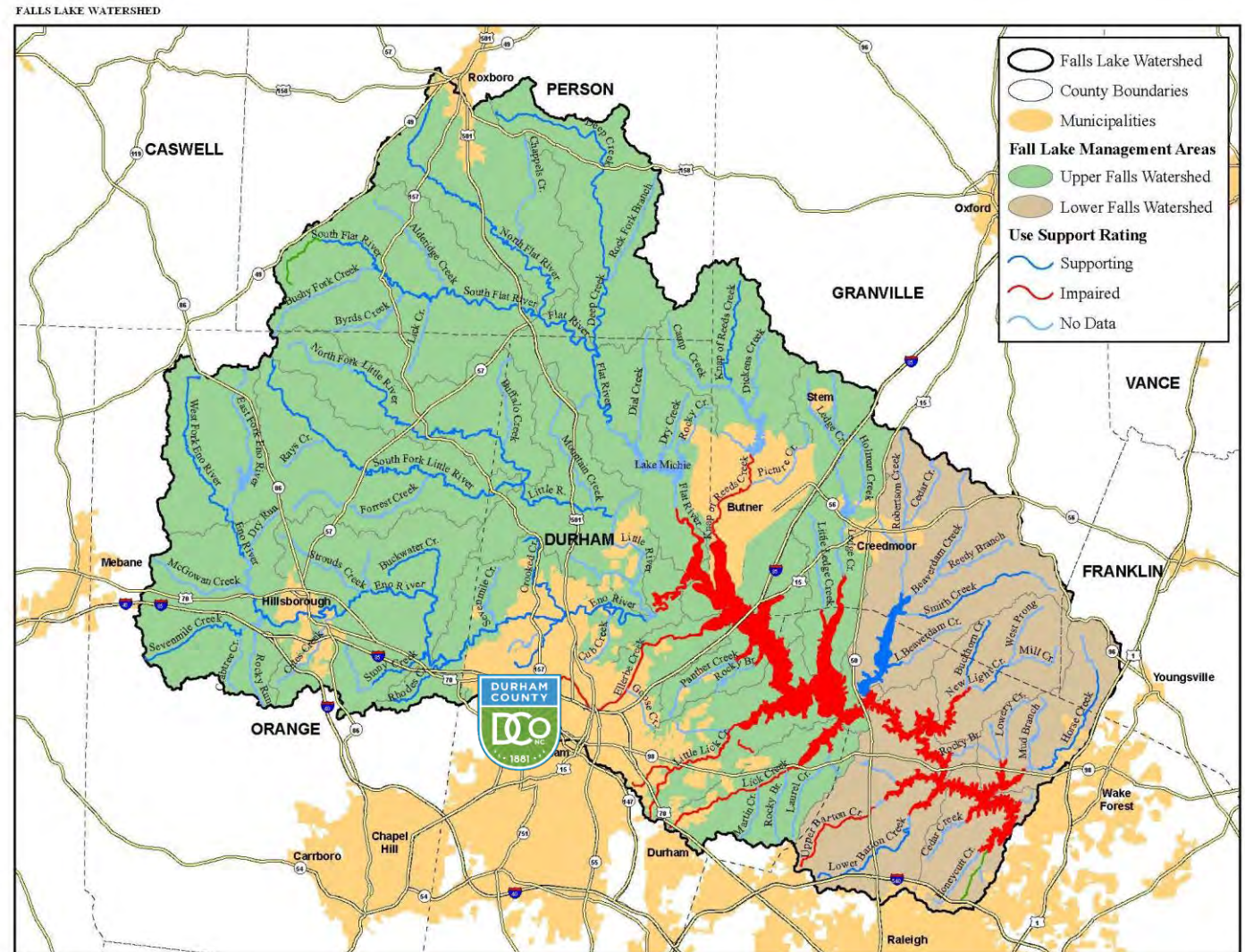
- Built in 1982 by U.S. Army Corps of Engineers
  - Flood control
  - Recreation
  - Fish and Wildlife Habitat
  - Water Supply
- Cape Fear River Basin





# Falls Lake

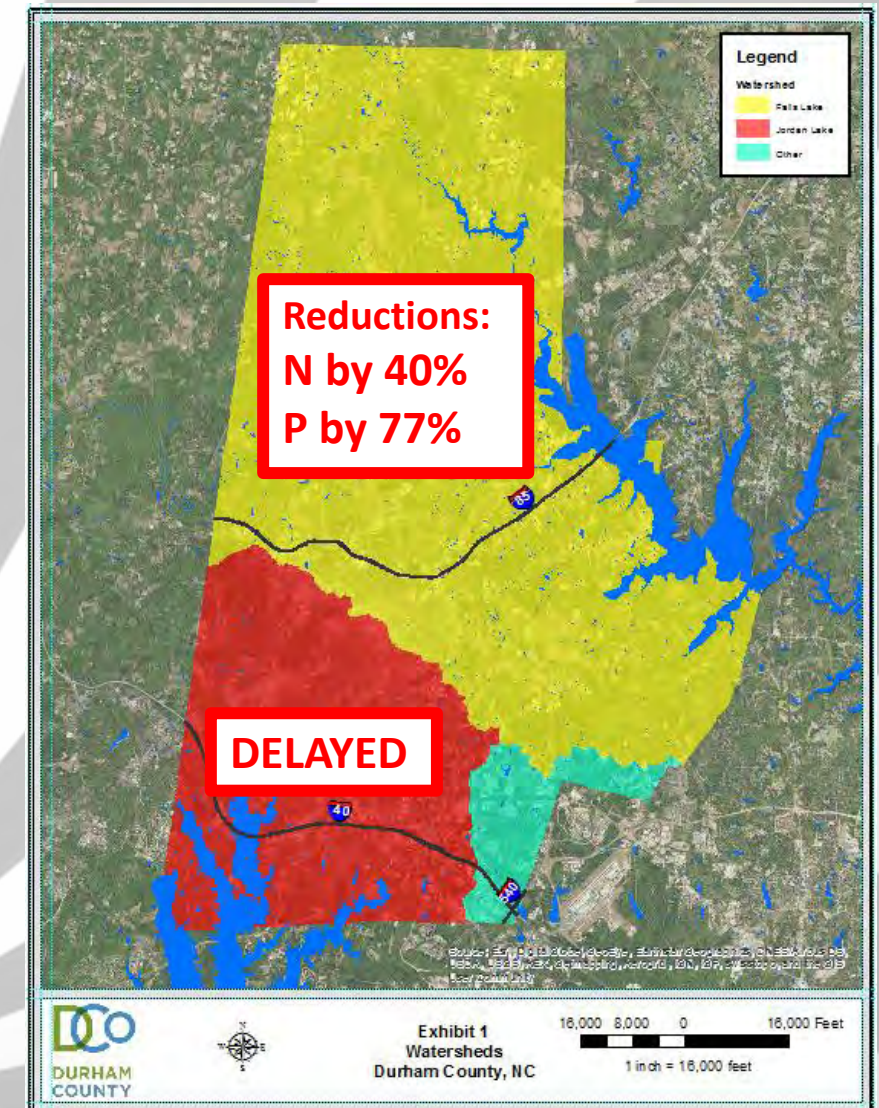
- Completed in 1981 by U.S. Army Corps of Engineers
  - Flood control
  - Recreation
  - Fish and Wildlife Habitat
  - Drinking Water Supply
    - City of Raleigh
- Neuse River Basin





# 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





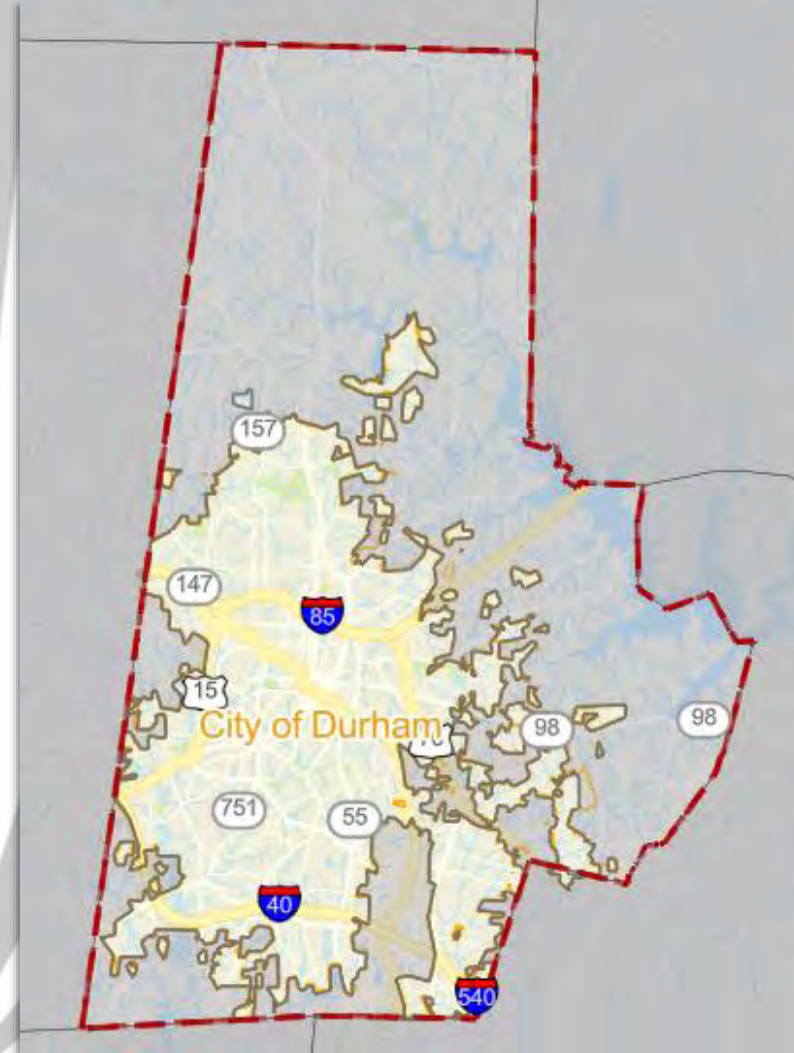
# Durham County Development Landscape





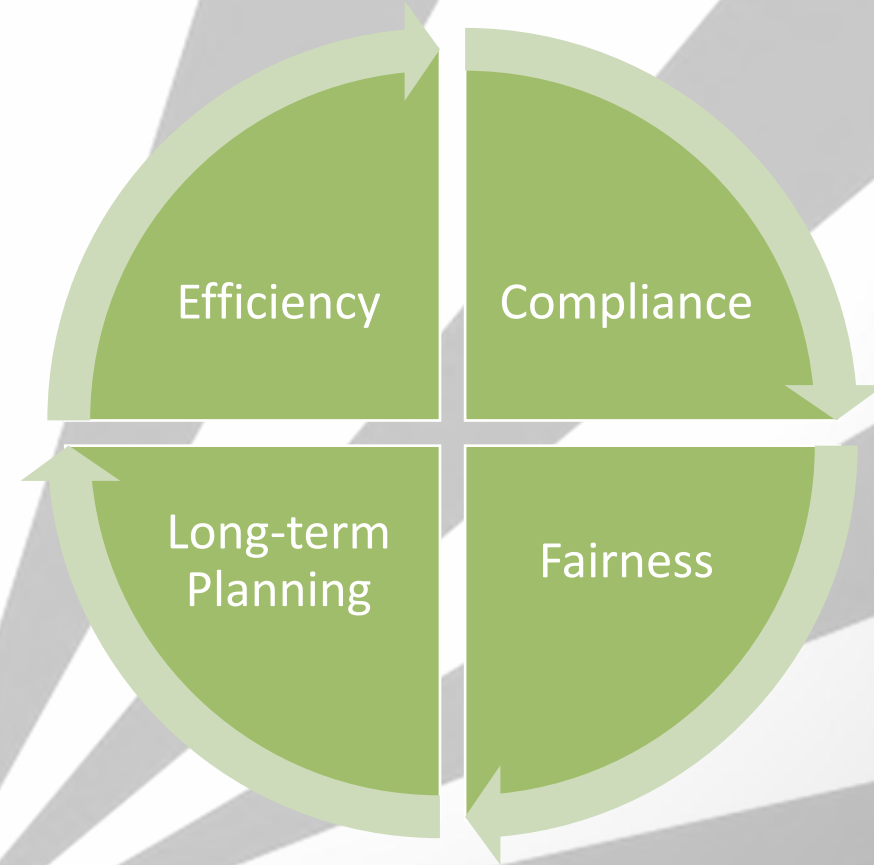
# Durham County Stormwater Jurisdiction

- 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





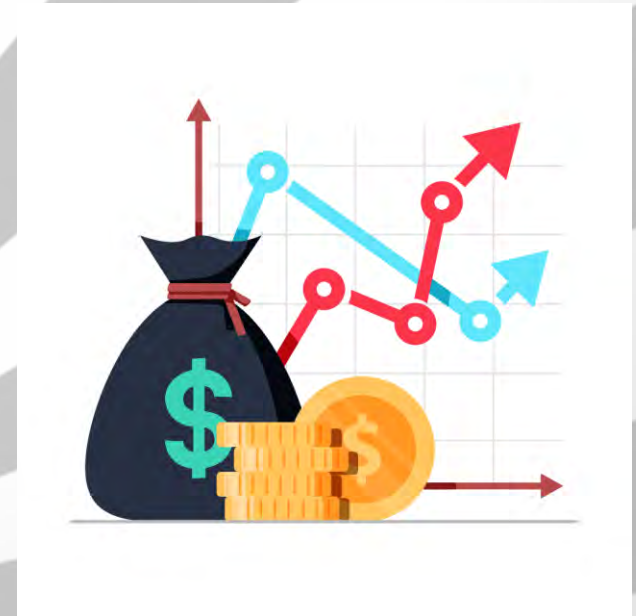


# Estimating the Revenue Requirements

- 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



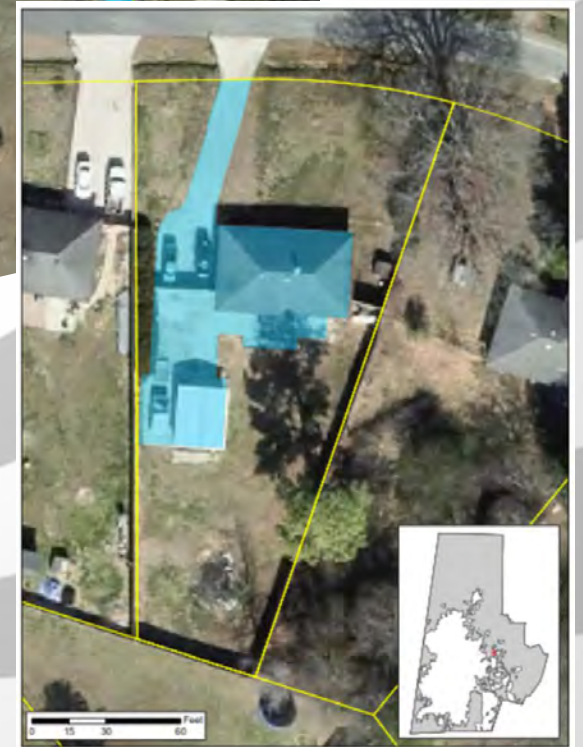
**Storm Water Association of North Carolina**  
Informing and Sharing Stormwater Best Practices Across the State





# 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

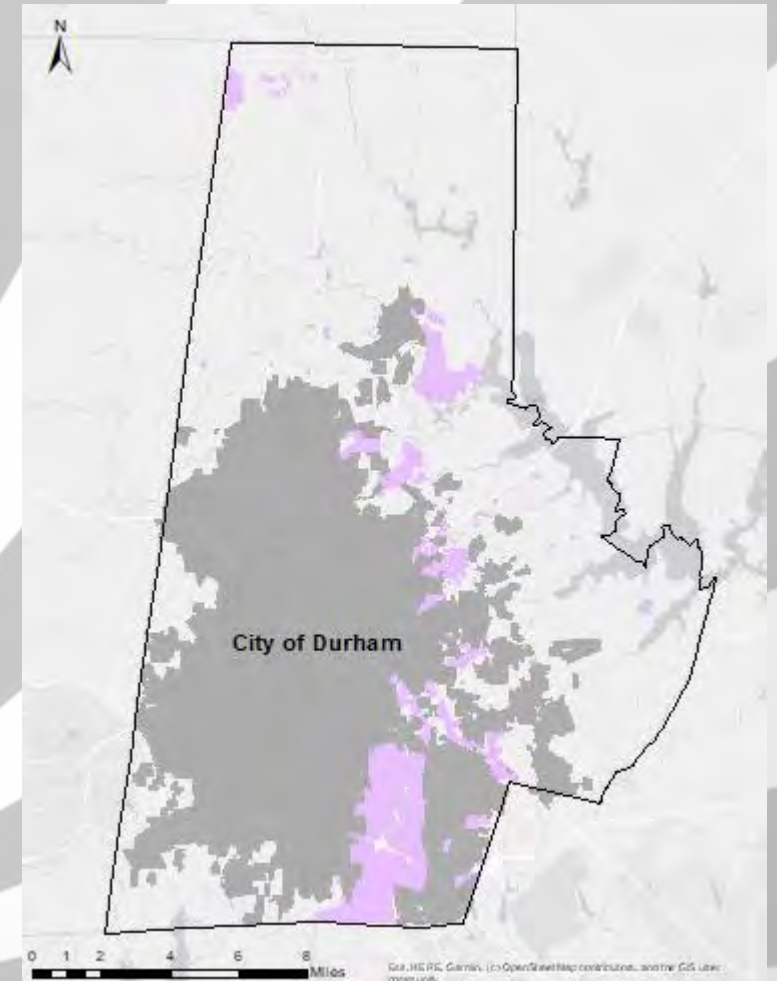
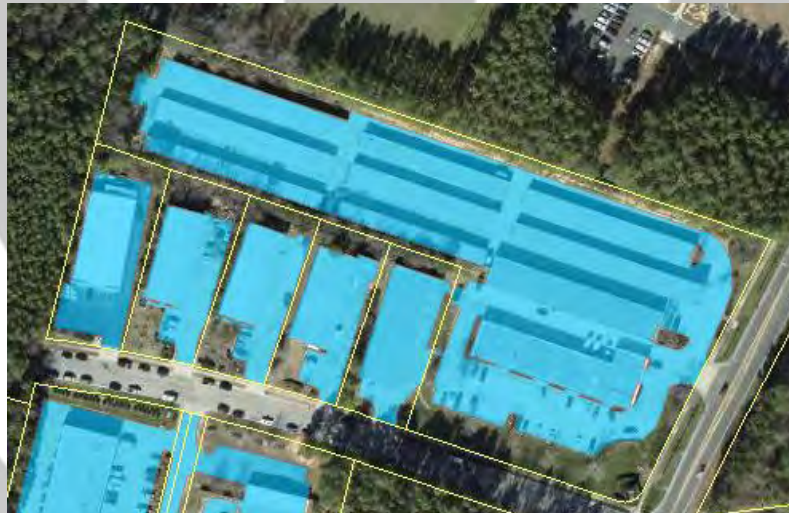
- Located in the southern portion of the County
- Dense development with water and sewer service mostly provided by the City of Durham





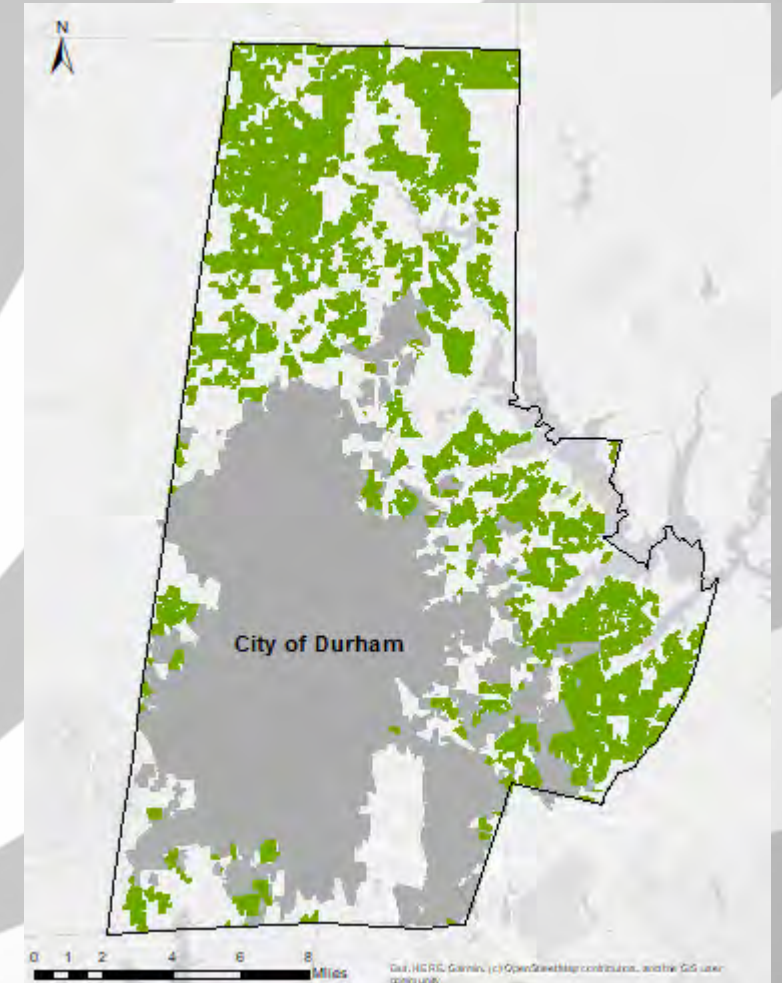
# Commercial and Industrial

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



# Agriculture

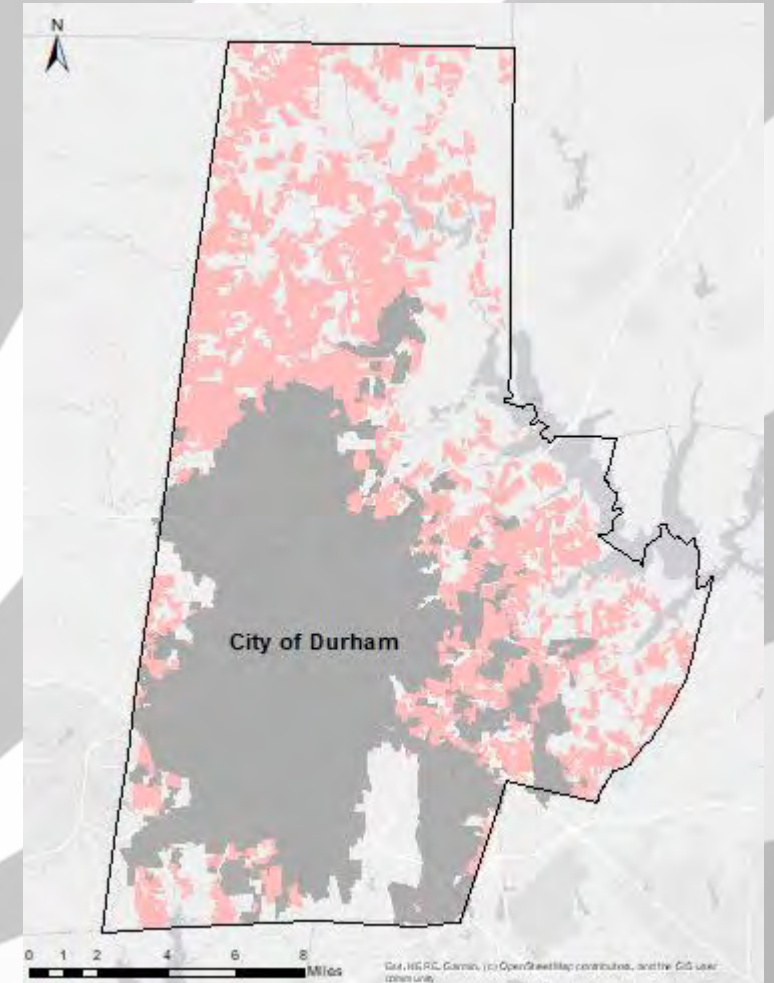
- Small farms with residences
- Horse farms
- Horticulture operations
- Pasture and open space





# 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

Jan  
2020

Early  
Feb  
2020

Late  
Feb  
2020

Feb  
2020

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

Proposed Budget Submitted  
to County Budget Office  
including Stormwater Utility

Outreach Plan Finalized with  
5 Planned Events Across the  
County



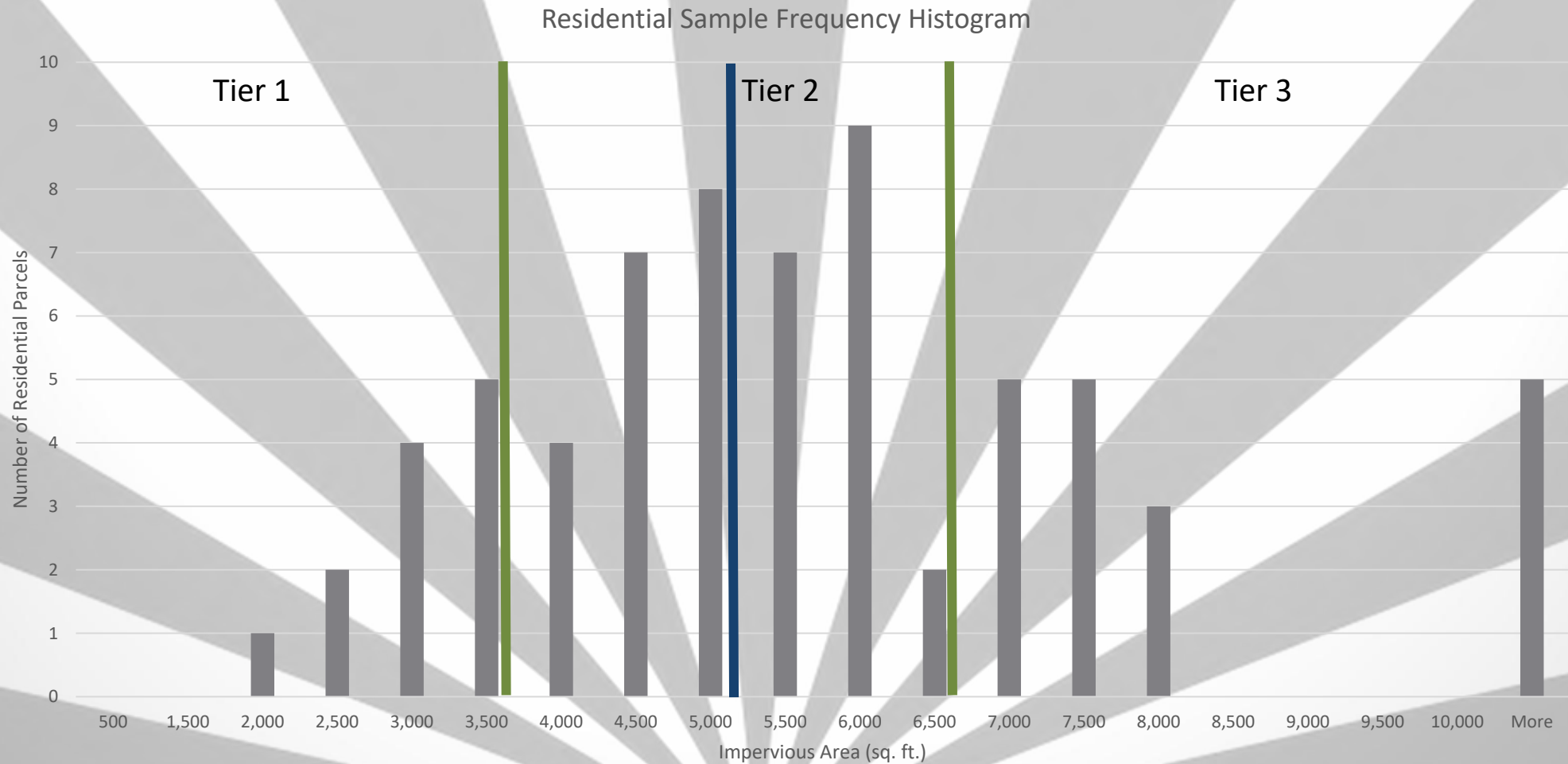


# Rate Structure Considerations

- 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

Fall  
2019

Early  
2020

Feb-  
Mar  
2020

COVID-19

Mar-  
Apr  
2020

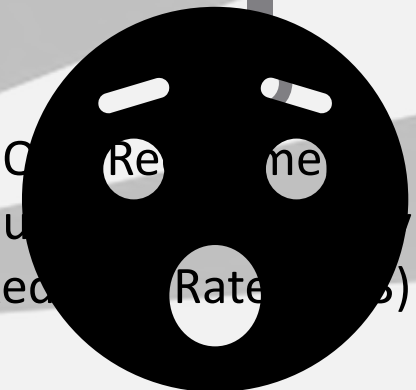
May  
2020

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

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

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

BOCC Requests  
Budget  
Revised  
Rate Structure  
(at  
Rate  
)



# COVID-19 and the Budget

## Impacts on Durham County

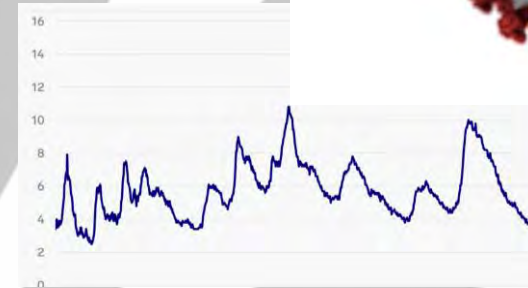
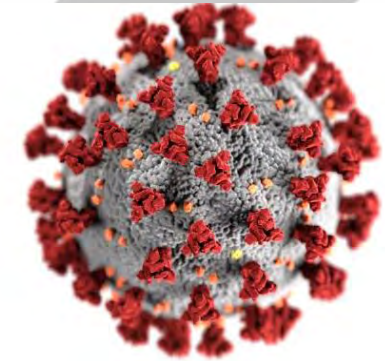
- Lost Sales Tax Revenue
- Increased Unemployment
- Untold Additional Economic Impacts

## 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](http://www.dconc.gov/stormwaterutility)
- Email address created  
[dcostormwaterutility@outlook.com](mailto:dcostormwaterutility@outlook.com)
- Stormwater Utility Fee Questionnaire
- Presentation recording
- Social Media Postings
- Live Public Q&A on Zoom

## STORMWATER UTILITY FEE

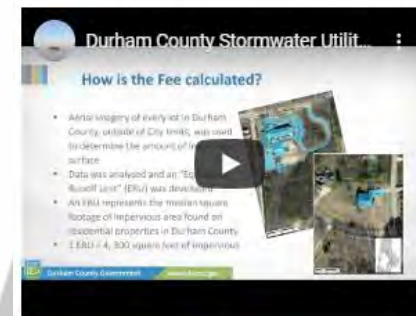
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### Durham County Stormwater Utility Fee

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

zoom



# 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



CITY OF  
DURHAM



DURHAM  
COUNTY



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?

