

State Water Infrastructure Authority
Meeting Date: July 18-19, 2023
Agenda Item S –2023 Stormwater Project Priority Rating Systems

Division of Water Infrastructure Staff Report

Background

The Fall of 2022 application round was the first funding round of the Local Assistance for Stormwater Infrastructure Investment (LASII) using the Priority Rating Systems (PRSs) for stormwater construction projects and planning studies that were approved by the State Water Infrastructure Authority (Authority) at its July 2022 meeting. Based on the first round of applications received, Division of Water Infrastructure (Division) staff worked to review and score the applications, review comments from applicants, and propose changes to the LASII PRSs. The Division proposed changes to the LASII PRSs to provide applicants with clearer wording for some line items and the possible addition of new line items. Staff also simplified the wording within some PRS line items by keeping the PRS requirements within the Guidance Document.

At its meeting on April 18, 2023, the Authority approved updates to the Draft 2023 Stormwater Construction PRS and the Draft 2023 Stormwater Planning PRS for public review. On June 1, 2023, Division staff posted for public comment the stormwater PRSs for construction projects and stormwater planning studies, and the comment period ended at 5:00 p.m. on June 30, 2023.

Summary of SWIA 4/18/23 Approved Changes to the Final Stormwater Construction Project PRS

Based on public input, the following bullets provide a summary of the changes to the LASII Stormwater Construction PRS that staff propose. These changes are shown in the attached Stormwater Construction PRS.

- Line Item 1.C - Provided the following clarification to qualify for points in the guidance:
 - (1) the project will reduce flow downstream; or
 - (2) the project will not increase flow downstream; or
 - (3) there will be no downstream impacts as a result of the project.
- Line Item 1.D – Added a line item for rainwater harvesting and utilization from the Wastewater PRS.¹
- Line Item 2.D – The original Line Item 2.D was removed from Category 2 (Project Benefit) to new Line Item 3.E (System Management).

¹ Recipients of points in the Wastewater PRS would only be eligible for funds from the Clean Water State Revolving Fund.

- Line Item 3.A – Combined Line Items 3.A.1 and 3.C.2 and split into four (4) line items: Line Items 3.A.1 and 3.A.2 (to provide points for Stormwater Management Plan) and Line Items 3.A.3 and 3.A.4 (to provide points for a Stormwater Management Program). The original Line Item 3.A.2 was moved to Line Item 3.B.
- Line Item 4.B and 4.C – Changed Line Item 4.C (Benefits to Disadvantaged Areas) to Line Item 4.B.6. Changes to the wording in the guidance were made so that Line Items 4.B and 4.C would no longer be additive which also limited the total number of possible points for a construction project is 90.

Summary of Authority-Approved Changes from April 18-19, 2023 Meeting to the Final Stormwater Planning PRS

Based on public input, the following bullets provide a summary of the changes to the LASII Stormwater Planning PRS that staff propose. These changes are shown in the attached Stormwater Planning PRS.

- Line Item 2.D (Stormwater Management Planning) – Split Line Item 2.D into Line Item 2.D.1 (4 points) and Line Item 2.D.2 (1 point).
- Line Item 2.E.1 and 2.E.2 – Combined Line Items 2.E.1 and 2.E.2 into Line Item 2.E (Stormwater Utility Fund).
- Line Item 3.B and 3.C – Changed Line Item 3.C (Benefits to Disadvantaged Areas) to Line Item 3.B.6. Changes to the wording in the guidance were made so that Line Items 3.B and 3.C would no longer be additive which also limited the total number of possible points for a planning study is 44.

Summary of Public Comments from 6/1/23 to 6/30/23

The Division received two comments from the public comment period that required no change to the Final Stormwater Construction PRS or the Final Stormwater PRS System. A summary of the comments and responses are below:

Comment: We are encouraged by the one major change the Division is proposing in the Project Purpose section of the priority rating system. By requiring applicants to demonstrate that a project will either reduce flow or have no impacts downstream, the Division is ensuring that funding from the LASII program goes toward better solutions. This change, coupled with the existing prioritization for nature-based solutions will encourage better thought-out projects and perhaps more use of volume matching within a jurisdiction.

Response: Thank you for the comment. **No change was suggested to the PRS.**

Comment: For future consideration, North Carolina’s Flood Resiliency Blueprint is being developed and one of its uses will be to support decisions for those in charge of stormwater management when choosing interventions for flooding and resilience. Consider using the Blueprint as part of the application process for LASII when it is developed. Perhaps a line item in the System Management section could be dedicated to whether an applicant used the Blueprint to decide on a project. Or the Blueprint’s modeling can be used for applicants to demonstrate a reduction in flow.

Response: Thank you for the comment. No change was suggested to the PRS for this year. The Division will continue to monitor the progress of the Blueprint's development and consider its applicability to LASII applications in the future.

Based on the public comments received, staff has no proposed revisions to the Final Stormwater Construction Priority Rating System and the Final Stormwater Planning Priority Rating System at this time.

Staff Recommendations

Division staff ask that the Authority approve the Final Priority Rating Systems for Stormwater Construction Projects and Stormwater Planning Studies as presented in the April 18, 2023 SWIA meeting and shown below.

DRAFT 2023 Priority Rating System Score Sheet for Stormwater Construction Projects Funded with Local Assistance for Stormwater Infrastructure Investment (LASII) Grants

Instructions for Applicant: For each line item, place an **“X”** to claim the points for that line item. Be sure that the required narrative includes justification for every line item claimed. At the end of each category, provide the total points claimed in the subtotal row for that category. Then add the subtotals from each category and enter the Total Points for All Categories in the last line. ***Note that some categories have a maximum allowed points that may be less than the total of individual line items.***

Line Item #	Category 1 – Project Purpose Points will be awarded for <u>only one</u> Project Purpose: 1.A or 1.B or 1.C	Place “X” in this box if claimed	Points
1.A	More than 50 percent of the construction cost of the project will be used to create new stormwater control measures (SCMs), rehabilitate, or replace existing SCMs to control stormwater quality		
1.A.1	Proposed SCMs are nature-based solutions, OR		35
1.A.2	Proposed SCMs are not nature-based solutions		25
1.B	Restoration of streams, wetlands, buffers, or estuaries to control stormwater quality		25
1.B.1	Project includes restoration of a first order stream and includes stormwater infiltration SCMs		2 (additional points)
1.B.2	Project includes establishment or restoration of riparian buffers to at least 30 feet on both sides of the stream		2 (additional points)
1.C	More than 50 percent of the construction cost of the project will be used to create, rehabilitate, or replace existing stormwater infrastructure to control stormwater quantity ²		25
1.D	Rainwater harvesting and utilization		25
Maximum points available for Category 1 – Project Purpose			35
Subtotal claimed by Applicant for Category 1 – Project Purpose			

² To qualify for Line Item 1.C points, applicant must demonstrate one of the following: (1) the project will reduce flow downstream; or (2) the project will not increase flow downstream; or (3) there will be no downstream impacts as a result of the project.

DRAFT Priority Rating System Score Sheet for Stormwater Construction Projects

Funded with Local Assistance for Stormwater Infrastructure Investment (LASII) Grants

Line Item #	Category 2 – Project Benefits	Place “X” in this box if claimed	Points
2.A	Water Quality Improvement		
2.A.1	Project <u>directly benefits</u> subwatersheds that are impaired, OR		15
2.A.2	Project <u>directly benefits</u> specific classified waters, OR		10
2.A.3	Achieves at least 35% reduction in both Total Nitrogen and Total Phosphorus in Nutrient Sensitive Waters, OR		10
2.A.4	Achieves at least 35% reduction in both Total Nitrogen and Total Phosphorus in Non-Nutrient Sensitive Waters, OR		5
2.A.5	Directly benefits a NC Natural Heritage Program natural area		3
2.B	Flood Reduction		
2.B.1	Increases public safety by improving the applicant’s ability to access and operate critical infrastructure during flood events including NC Department of Transportation (NCDOT) Evacuation Routes, OR		15
2.B.2	Reduces structural flooding in habitable structures or improves ability to access habitable structures during a flood event, OR		8
2.B.3	Reduces street flooding		5
2.C	By working together, <u>two or more units of local government</u> improve stormwater quality and/or address stormwater quantity issues through collaborative efforts		10
2.D	Includes an innovative stormwater project to address stormwater quality or stormwater quantity		5
2.E	Includes a public education component such as signage describing the function of the stormwater quality or quantity infrastructure		1
Maximum points available for Category 2 – Project Benefits			30

DRAFT Priority Rating System Score Sheet for Stormwater Construction Projects

Funded with Local Assistance for Stormwater Infrastructure Investment (LASII) Grants

Subtotal claimed by Applicant for Category 2 – Project Benefits			
Line Item #	Category 3 – System Management	Place “X” in this box if claimed	Points
3.A	Local Planning		
3.A.1	Applicant has adopted or will adopt per Project Resolution a stormwater-related Plan by completion of this project, and the proposed project is or will be identified in the Plan, OR		5
3.A.2	Applicant will develop a stormwater-related Plan by completion of this project and the proposed project will be identified in the Plan, OR		2
3.A.3	Applicant has adopted or will adopt per Project Resolution a Stormwater Management Program by completion of this project, OR		5
3.A.4	Applicant will develop a Stormwater Management Program by completion of this proposed project		2
3.B	Applicant has implemented an Operation and Maintenance Plan for its stormwater infrastructure system		3
3.C	Applicant has a current Stormwater Capital Improvement Plan (CIP) that spans at least 5 years and proposed project is identified in the CIP		2
3.D	Applicant has an adopted Stormwater Utility with a Stormwater Enterprise Fund or provides the Resolution to Develop and Implement a Stormwater Utility with a Stormwater Enterprise Fund with its application		5
3.E	The type of project proposed has been identified through a local or regional planning process that included a vulnerability assessment for future conditions and long-term resiliency strategies		3
Maximum points available for Category 3 – System Management			10
Subtotal claimed by Applicant for Category 3 – System Management			

DRAFT Priority Rating System Score Sheet for Stormwater Construction Projects

Funded with Local Assistance for Stormwater Infrastructure Investment (LASII) Grants

Line Item #	Category 4 – Affordability	Place “X” in this box if claimed	Points
4.A	Population		
4.A.1	Population is less than 10,000, OR		3
4.A.2	Population is greater than or equal to 10,000 but less than 20,000		2
4.B	Local Government Unit (LGU) Indicators / Disadvantaged Areas		
4.B.1	1 out of 5 LGU indicators worse than state benchmark, OR		4
4.B.2	2 out of 5 LGU indicators worse than state benchmark, OR		6
4.B.3	3 out of 5 LGU indicators worse than state benchmark, OR		8
4.B.4	4 out of 5 LGU indicators worse than state benchmark, OR		10
4.B.5	5 out of 5 LGU indicators worse than state benchmark, OR		12
4.B.6	50 percent or more of the total project cost will benefit disadvantaged areas		10
Maximum points available for Category 4 – Affordability			15
Subtotal claimed by Applicant for Category 4 – Affordability			
Total Points Claimed by Applicant for All Categories for Stormwater Construction Project			
Maximum Points Available for All Categories for Stormwater Construction Project			90

DRAFT 2023 Priority Rating System Score Sheet for Stormwater Planning Study

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Instructions for Applicant: For each line item, place an **"X"** to claim the points for that line item. Be sure that the required narrative includes justification for every line item claimed. At the end of each category, provide the total points claimed in the subtotal row for that category. Then add the subtotals from each category and enter the Total Points for All Categories in the last line.

Line Item #	Category 1 – Project Benefits	Place "X" in this box if claimed	Points
1.A	Link between stormwater challenges and how the study will help address the challenges		Range from 0 – 5
1.B	How the study will be used to develop and prioritize future projects that address the challenges		Range from 0 – 3
1.C	Study will investigate new procedures to implement, add to, or make improvements to at least one (1) of the six (6) Stormwater Minimum Control Measures		2
1.D	Study is a collaborative effort with other local government units which is necessary in order to accomplish the goals of the study		3
1.E	Study will evaluate potential projects that will benefit a subwatershed that is impaired, or specific classified waters, or Nutrient Sensitive Waters to achieve Total Nitrogen and Total Phosphorus reduction, or a NC Natural Heritage Program natural area		2
1.F	Study will evaluate nature-based stormwater solutions to address the identified stormwater quality or stormwater quantity issue		2
1.G	Study will investigate the applicability of an innovative stormwater project to address stormwater quality or stormwater quantity		2
1.H	Study will evaluate potential projects that will address future flooding, sea level rise, or other environmental changes with the goal to decrease vulnerability to future conditions		1
Subtotal claimed by Applicant for Category 1 – Project Benefits			
Line Item #	Category 2 – System Management	Place "X" in this box if claimed	Points
2.A	At least one person working for or with the applicant is designated as responsible for stormwater management and provides at least 0.5 Full Time Equivalent (FTEs) on stormwater management activities		1

DRAFT 2023 Priority Rating System Score Sheet for Stormwater Planning Study

Funded with the Local Assistance for Stormwater Infrastructure Investment (LASII) Grants

2.B	Status of implementing results of previous planning study or studies		1
2.C	Level of applicant's staff involvement in the development and implementation of <u>this</u> proposed planning study		1
2.D	Stormwater Management Plan		
2.D.1	Applicant has adopted or will adopt per Project Resolution a stormwater management plan for the study area by completion of this project, OR		4
2.D.2	Applicant will develop a stormwater management plan for the study area by completion of this project		1
2.E	Applicant has an adopted Stormwater Utility with a Stormwater Enterprise Fund or provides the Resolution to Develop and Implement a Stormwater Utility with a Stormwater Enterprise Fund with its application		5
Subtotal claimed by Applicant for Category 2 – System Management			
Line Item #	Category 3 – Affordability	Place "X" in this box if claimed	Points
3.A	Population		
3.A.1	Population is less than 10,000, OR		2
3.A.2	Population is greater than or equal to 10,000 but less than 20,000		1
3.B	Local Government Unit (LGU) Indicators / Disadvantaged Areas		
3.B.1	1 out of 5 LGU indicators worse than state benchmark, OR		2
3.B.2	2 out of 5 LGU indicators worse than state benchmark, OR		4
3.B.3	3 out of 5 LGU indicators are worse than the state benchmark, OR		6
3.B.4	4 out of 5 LGU indicators are worse than the state benchmark, OR		8

DRAFT 2023 Priority Rating System Score Sheet for Stormwater Planning Study

Funded with the Local Assistance for Stormwater Infrastructure Investment (LASII) Grants

3.B.5	5 out of 5 LGU indicators are worse than the state benchmark, OR		10
3.B.6	Study benefits disadvantaged areas		8
Subtotal claimed by Applicant for Category 3 – Affordability			
Total Points Claimed by Applicant for All Categories for Stormwater Planning Study			
Maximum Points Available for All Categories for Stormwater Planning Study			44