

State Water Infrastructure Authority
Meeting Date: July 13-14, 2022
Agenda Item W – Revised Draft Stormwater Project Priority Rating Systems

Division of Water Infrastructure Staff Report

Background

At its meeting on April 14, 2022, the State Water Infrastructure Authority (Authority) approved for public review the Draft Stormwater Construction Priority Rating System and the Draft Stormwater Planning Priority Rating System. On May 4, 2022, Division staff posted for public comment the Proposed Plan to Administer American Rescue Plan Act's Funding for Stormwater Projects, which included the Draft Stormwater Project Priority Rating Systems, and the comment period ended at 5:00 p.m. on June 3, 2022.

Based on Division staff's continued coordination with other divisions within the Department of Environmental Quality, other departments, and the public comments received, staff proposed revisions to the Draft Stormwater Construction Priority Rating System and the Draft Stormwater Planning Priority Rating System to the SWIA Stormwater Funding Committee at its meeting on June 23, 2022.

SWIA Stormwater Funding Committee June 23, 2022 Meeting

Staff proposed the revisions shown on the following pages to the SWIA Stormwater Funding Committee on June 23, 2022. The text that is in red bold font is as presented to the Committee. Text added or changed as a result of the Committee's discussion are also in red bold font and in addition are highlighted in yellow.

Recommendation of the SWIA Stormwater Funding Committee

At its meeting on June 23, 2022, the SWIA Stormwater Funding Committee approved the revised Draft Stormwater Construction Priority Rating System and the Draft Stormwater Planning Priority Rating System, with the additions or changes as shown highlighted in yellow, for presentation to SWIA at its July 13-14, 2022 meeting, and the Committee recommended that SWIA approve the revised Draft Stormwater Construction Priority Rating System and the Draft Stormwater Planning Priority Rating System for use starting in the Fall 2022 funding application cycle.

DRAFT Stormwater Construction Grant Project Priority Rating System for Local Assistance for Stormwater Infrastructure Investment (LASII) Funds

Instructions for Applicant: For each line item, place an **“X”** to claim the points for that line item. Be sure that your narrative includes justification for every line item claimed. At the end of each category, provide the total points claimed for each program 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	Stormwater Quality – Stormwater Control Measures (SCMs)¹: More than 50 percent of the construction cost of the project will be used to create new stormwater control measures (SCMs) or to improve, retrofit, repair, rehabilitate or replace existing SCM infrastructure to control stormwater quality ²		
1.A.1	Proposed SCMs are nature-based solutions, OR		35 30
1.A.2	Proposed SCMs are not nature-based solutions		25
1.B	Stormwater Quality – Restoration: Restoration ³ 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 restoration of permanent riparian buffers to at least 30 feet on both sides of the stream		2 (additional points)
1.C	Stormwater Quantity: More than 50 percent of the construction cost of the project will be used to create or improve, retrofit, repair, rehabilitate or replace existing stormwater infrastructure to control stormwater quantity and reduce flooding⁴ (This line item is NOT applicable for CWSRF funds)		25
Maximum points available for Category 1 – Project Purpose			35 30
Subtotal claimed for Category 1 – Project Purpose			

¹ ~~Stormwater quantity control projects are eligible for Line Item 1.A points if more than 50 percent of the construction cost of the project is for the stormwater quality portion of the project.~~

² SCMs include stormwater wetlands per the NC Stormwater Control Measure Credit Document.

³ Not eligible for funding: activities that satisfy compensatory mitigation requirements under NCGS 143-214.11.

⁴ ~~The repair or replacement of culverts or other road-stream crossing infrastructure is eligible to the extent that the purpose of the project is to control stormwater quantity. The repair or replacement of culverts may necessitate the repair or upgrade of roads. Funds may be used only for road repairs and upgrades that interact directly with an eligible stormwater infrastructure project. [Preceding sentences from the U.S. Treasury Coronavirus State and Local Fiscal Recovery Funds Final Rule]. Repairing or improving transportation infrastructure is not allowed as a primary project purpose.~~

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Line Item #	Category 2 – Project Benefits	Place “X” in this box if claimed	Points
2.A	Water Quality Improvement		
2.A.1	<u>Directly benefits</u> subwatersheds that are impaired as noted on the most recent final version of the Integrated Report, OR		15 25
2.A.2	Protection of Sensitive Waters (HQW, ORW, Tr, SA, UWL, PNA, AFSA, SAV, WS I, WS II, WS III, WS IV* and WS V*) (* these Water Supply Watershed classifications must be covered by an approved Source Water Protection Plan to qualify), OR		10 15
2.A.3	Achieves at least 35% reduction in both Total Nitrogen (TN) and Total Phosphorus (TP) in Nutrient Sensitive Waters, OR		10
2.A.4	Achieves at least 35% reduction in both Total Nitrogen (TN) and Total Phosphorus (TP) in Non-Nutrient Sensitive Waters, OR		5
2.A.5	Directly benefits a NC Natural Heritage Program natural area⁵		3
2.B	Flood Reduction ⁶		
2.B.1	Increases public safety by improving the applicant’s ability to access and operate critical infrastructure during flood events such as water and/or wastewater treatment infrastructure, schools, hospitals, and/or emergency response facilities, including NC Department of Transportation (NCDOT) Evacuation Routes⁷, 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

⁵ NC Natural Heritage Program natural areas are as displayed on this map: <https://ncnhde.natureserve.org/content/map>. Points are provided for areas that are rated “General” or above.

⁶ Not eligible for funding: removing stream debris other than that which is incidental to the project, repairing or improving transportation infrastructure as the primary project benefit, and constructing or repairing dams, levees or other structures designed to retain waters within a stream channel.

⁷ NCDOT evacuation routes are as displayed on this map: [NCDOT: Evacuation Routes](#)

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2.C	By working together, <u>two or more units of local government</u> improve stormwater quality and/or quantity control through collaborative efforts that are necessary in order to accomplish the project⁸ (May require an Interlocal Agreement or Resolutions between from each local government units)		10
2.D	Project has been identified through a local or regional resilience planning process that included a vulnerability assessment for future conditions and long-term strategies for addressing flooding, sea level rise, or other environmental changes⁹ Enables the entity to address impacts to an area that is uniquely vulnerable to future natural events that may be a result of increased precipitation levels and frequency and/or sea level rise¹⁰		3
2.E	Includes an innovative stormwater project to address stormwater quantity, or as described in the “Innovative Stormwater Program FAQs” section of the current NC Land and Water Fund Innovative Stormwater Program Manual https://nclwf.nc.gov/media/92/open to address stormwater quality		5
2.F	Improves compliance with the applicant’s NPDES Municipal Separate Storm Sewer System (MS4) permit or helps the applicant prepare to comply with a future NPDES MS4 permit (This line item is NOT applicable for CWSRF funds)		3
2.F G	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 35
Subtotal claimed 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 developed or is developing a local flood resiliency plan, watershed plan, stormwater management plan, stream restoration plan, or estuary restoration plan, and the proposed project is included in the plan, as of the date of application, OR		5

⁸ Requires a resolution from each of the local government units

⁹ The local or regional plan must address a timeframe of at least ten (10) years.

¹⁰ ~~Inclusion of Line Item 2.D in the final Priority Rating System is contingent on the Division developing a method to assess this benefit in the funding application.~~

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3.A.2	Applicant has implemented an Operation and Maintenance Plan for stormwater infrastructure which includes inspections, repairs, and maintenance, as of the date of application		3
3.B	Applicant has a current Stormwater Capital Improvement Plan (CIP) that spans at least 5 years and proposed project is included in the CIP		2
3.C	Stormwater Utility		
3.C.1	Applicant has established or is developing or implementing a Stormwater Utility with a Stormwater Enterprise Fund, OR		5
3.C.2	Applicant has established or is developing or implementing a Stormwater Management Program without a Stormwater Enterprise Fund		3
Maximum points available for Category 3 – System Management			10
Subtotal claimed for Category 3 – System Management			
Line Item #	Category 4 – Affordability	Place “X” in this box if claimed	Points
4.A	Population less than 10,000		3
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 ¹¹		
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		12

¹¹ Five LGU indicators are: population change, poverty rate, median household income, unemployment rate, and per capita appraised value of property.

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4.C	Project benefits disadvantaged areas: 50 percent or more of the total project cost will benefit disadvantaged areas Disadvantaged areas will be based on either NC DEQ's determination of "Potentially Underserved Block Groups" or Tribal boundaries displayed on the NC DEQ Community Mapping System, or information as described in the Guidance Document for applicants		10
Maximum points available for Category 4 – Affordability			25
Subtotal claimed 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			100

**DRAFT Stormwater Planning Grant Priority Rating System for
Local Assistance for Stormwater Infrastructure Investment (LASII) Funds**

Line Item #	Category 1 – Project Benefits	Points
1.A	Link between 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 Measures¹² Study will directly improve compliance with the applicant’s NPDES Municipal Separate Storm Sewer System (MS4) permit or will help the applicant prepare to comply with a future NPDES MS4 permit	2 3
1.D	Study is a collaborative effort with other local government units which is necessary in order to accomplish the goals of the study¹³ (Requires an Interlocal Agreement or Resolutions between local government units)	3
1.E	Study area is a Study will evaluate potential projects that will benefit: a subwatershed that is impaired as noted on the most recent final version of the Integrated Report; or study will directly support the protection of Sensitive Waters (Hqw, ORW, Tr, SA, UWL, PNA, AFNA, SAV, WS I, WS II, WS III, WS IV* and WS V*) (* these Water Supply Watershed classifications must be covered by an approved Source Water Protection Plan to qualify); Nutrient Sensitive Waters such that the project will achieve at least 35% reduction in both Total Nitrogen (TN) and Total Phosphorus (TP); or a NC Natural Heritage Program natural area¹⁴	2
1.F	Study will evaluate nature-based 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 quantity, or as described in the “Innovative Stormwater Program FAQs” section of the current NC Land and Water Fund Innovative Stormwater Program Manual https://nclwf.nc.gov/media/92/open to address stormwater quality	2

¹² Applicant is not required to hold a NPDES Municipal Separate Storm Sewer System (MS4) permit to be eligible for points for Line Item 1.C. The Six Minimum Control Measures (MCM) identified in the MS4 permit are: Public Education & Outreach, Public Involvement & Participation, Illicit Discharge Detection & Elimination, Construction Site Runoff Controls, Post-Construction Site Runoff Controls, and Pollution Prevention & Good Housekeeping for Municipal Operations

¹³ Requires a resolution from each of the local government units

¹⁴ NC Natural Heritage Program natural areas are as displayed on this map:

<https://ncnhde.natureserve.org/content/map>. Points are provided for areas that are rated “General” or above.

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Local Assistance for Stormwater Infrastructure Investment (LASII) Funds**

1.H F	Study will evaluate potential projects that will address flooding, sea level rise, or other environmental changes with the goal to decrease vulnerability to future conditions Study will directly address areas that are uniquely vulnerable to impacts from future natural events that may be a result of increased precipitation levels and frequency and/or sea level rise⁴⁵	1
Line Item #	Category 2 – System Management	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	0-0 1
2.B	Status of implementing results of previous planning study or studies	0-0 1
2.C	Level of applicant’s staff involvement in planning project development and implementation	0-0 1
2.D	Applicant has already adopted a stormwater management plan for the study area or by the completion of this project will have adopted a stormwater management plan for the study area Entity has, or the study will create or update, a stormwater management plan for the study area	4
2.E	Stormwater Utility and Stormwater Enterprise Fund Study will develop and implement a new Stormwater Utility	5
2.E.1	Applicant has a Stormwater Utility and a Stormwater Enterprise Fund, OR	4
2.E.2	Applicant has a Resolution to develop and implement a Stormwater Utility and a Stormwater Enterprise Fund	5
Line Item #	Category 3 – Affordability	Points
3.A	Population less than 10,000	2
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

⁴⁵ ~~Inclusion of Line Item 1.F in the final Priority Rating System is contingent on the Division developing a method to assess this benefit in the funding application.~~

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3.B	Local Government Unit (LGU) Indicators ¹⁶	
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
3.B.5	5 out of 5 LGU indicators are worse than the state benchmark	10
3.C	<p>Study benefits disadvantaged areas: The study area includes disadvantaged areas</p> <p>Project benefits disadvantaged areas: The study area includes disadvantaged areas. Disadvantaged areas will be based on either NC DEQ's determination of "Potentially Underserved Block Groups" or Tribal boundaries displayed on the NC DEQ Community Mapping System, or information as described in the Guidance Document for applicants</p>	8
Maximum Points Available for All Categories for Stormwater Planning Project		52 Max

¹⁶ Five LGU indicators are: population change, poverty rate, median household income, unemployment rate, and per capita appraised value of property.