



STORMWATER MANAGEMENT COMMISSION

MEMORANDUM

TO: Lake County Stormwater Management Commission
FROM: Mike Warner, Executive Director
DATE: November 19, 2019
RE: Stormwater Capital Improvement Program (STOCIP) – Draft Policies & Procedures

ACTION REQUESTED: Discussion and Comment

SMC has established policy and procedure documents that accompany our other project funding programs, namely WMB and SIRF. The new funding for capital improvements is in need of a similar document and the attached information provides a starting discussion for use of those funds.

It is intended that whatever prioritization process is established that the current list of SMC capital projects will be scored and brought back to the Commission for discussion. Also to bring back is a recommendation for a minimum score to achieve for a project to qualify for STOCIP funding.

All the information presented is draft and can be modified based on feedback and direction given. Our project list scoring will include an attachment with full calculations shown to enhance understanding and discussion of the process.

If you have any questions, please feel free to contact me at (847) 377-7700 or email kwoolford@lakecountyil.gov or mwarner@lakecountyil.gov

Thank you.



STORMWATER MANAGEMENT COMMISSION

POLICIES AND PROCEDURES

Stormwater Capital Improvement Program (STOCIP)

Lake County Stormwater Management Commission

Approved

Xxxxxxx, xx, 2020

DRAFT

Policies and Procedures

Stormwater Capital Improvement Program (STOCIP)

These Policies and Procedures provide general guidance on administration and project eligibility for the STOCIP Program of the Lake County Stormwater Management Commission (SMC).

PURPOSE

The Stormwater Capital Improvement Program primary role is to assist in resolving multi-jurisdictional drainage and flooding related problems (i.e., stormwater management system infrastructure needs) discovered through interactions of SMC personnel with the public, local governments, and other project partners. Examples include the Citizen Inquiry Response System, Flood Hazard Inventory, Watershed Planning, or other planned public engagement.

ADMINISTRATION

- A. STOCIP shall be administered by SMC staff and all fund expenditures shall be approved by the Commission at a SMC meeting.
- B. STOCIP is intended as a cost share match program although it is recognized that some high-priority flood mitigation problems may not have funding match capability from project partners. Reference the Environmental Justice Area criteria as described in H below and in the STOCIP project rating criteria. Funding match can be from any funding source outside STOCIP itself. For example, project partner match can be from local units of government, homeowners associations and individual resident contributions.
- C. All program funds will be specifically attached to a program service component or associated with a specific project and project phase. Due to grant cycles and the limited funding this program provides, successful implementation of most projects will require a multi-year accumulation of carryover funding. A minimum of semi-annual fund summary reports shall be created, one during budget development and one at year end, showing results of project implementation and cost share amounts per project partner for each project implemented or underway.
- D. Benefited property owners should contribute some type of remuneration to the project, either land value of easements needed, cash or in-kind services if appropriate, which can be applied to cost share requirement. STOCIP funding will not pay for any easements, deed or plat restrictions, necessary to implement the project on property that is benefiting from the project.
- E. Project eligibility recommendations to SMC will be made based on project specific basis and shall include a completed Eligibility Authorization form. Each project will be evaluated and accompanied by staff recommendations. A minimum project damage point calculation is required for a project to be considered for funding and a minimum protection level attained by project implementation is the 10-year critical duration storm event. An exception is allowed for a one-time expenditure for emergency services per project area that is in conjunction with the permanent project measures.
- F. The project agreement may be made directly to the project partner if it is an incorporated entity (e.g., municipality, not-for-profit, HOA). If the project partner is not incorporated, the project agreement, if necessary, shall be approved and executed with a local government or agency that is an active participant in the project.
- G. Project partner shall provide evidence, if requested, that the project partner has an existing fiscal system in place to track and administer funds. Awardees will also be required to sign a project agreement and submit a final project report.
- H. Within Environmental Justice (EJ) areas of the county a project cost adjusting factor, the EJ Multiplier, is applied to the evaluation process on a project specific basis.

PROJECT COMPLIANCE CRITERIA

The following requirements shall provide basis for compliance with the STOCIP program.

1. Identify one or more clearly defined stormwater infrastructure problems that the project will address.
2. Produce a clear work plan, which describes the tasks to be accomplished, end results, method for evaluating the effects of the project, products to be completed and the time frame to accomplish.
3. All requests for resources shall result in the implementation of in-the-ground projects, although funding request may be in the categories of planning, engineering analysis, alternate solution evaluation, design, capital construction, maintenance and repairs and property acquisition. Projects required as part of a regulatory permit are not eligible for STOCIP funding. Variances to this may be warranted due to unique circumstances.
4. Project partners may provide cost-share with cash contribution, in-kind or professional services, property donation value or a combination of these. Several project partners could combine resources to provide project match or propose other funding sources to meet the cost share requirement.
5. Municipalities requesting STOCIP funds as a project partner shall be in good standing with the National Flood Insurance Program and comply with SMC policies.
6. The project shall comply with or be consistent with the Watershed Development Ordinance (WDO), applicable watershed plans, and all regulations, laws and statutes.
7. Approval and execution of project agreements are limited to STOCIP funds and SMC staff capacity not currently encumbered by workplan commitments or prior executed project agreements.
8. "Land Rights" - For all properties where in-the-ground construction will or may occur, the project partner shall provide evidence in the form of previously recorded documentation or written authorization, from all property owners affected. Documentation or authorization may include, WDO defined 'deed or plat restrictions', or prescriptive easement (with Owner's authorization or evidence of local government authority); or other Owner-approved and SMC accepted legal instruments (e.g., Owner-executed License Agreement). Work within public road rights-of-way shall not be performed without appropriate permits or authorization from the jurisdictional Road Authority.

STOCIP RESOURCE REQUEST PROCESS

1. The project partner shall complete the STOCIP Eligibility Authorization Form and provide the required attachments.
2. All requests should be filed with the SMC Director.
3. SMC Staff will review the Eligibility Authorization Form considering STOCIP fund availability, staff capacity and compliance criteria. After consulting with the project partner for any additional information, SMC staff will perform a project evaluation and develop a written staff recommendation.
4. The STOCIP Eligibility Authorization Form, project evaluation, summary information and recommendations will be included in the SMC agenda packet along with an invitation to the project partner to attend the meeting. SMC staff shall fulfill requests for additional information as they arise on an individual basis.
5. SMC staff will present the request, evaluation results, recommendation and rationale. The project partner may expand on this presentation. A project partner representative is recommended to attend the meeting to address questions that may arise by the SMC. A comment, question and answer, and discussion period shall be facilitated by the SMC Chairperson.
6. After a motion, second and any further discussion, an SMC roll call vote will be taken to authorize, not authorize, authorize with revisions or conditions added to the staff recommendations, or defer action until a following meeting.

7. Commission approval of the Eligibility Authorization does not constitute a project agreement and does not authorize expenditure of any reimbursable expenses.
8. Projects that receive an Eligibility Authorization and do not execute a project agreement the same fiscal year, shall be placed on inactive status (i.e., not under consideration for available funding).
9. SMC staff will work with the project partner to ensure that all remaining project compliance criteria has been met before bringing the project back to the Commission for approval and execution of the Project Agreement.
10. SMC staff shall prepare the project agreement with the project partners for the disposition of approved, available funds and staff commitments. All project agreements must be approved and executed at a subsequent SMC board meeting unless the project agreement is approved and executed by the Commission along with the Eligibility Authorization Form.
11. Only project expenses incurred after Commission approval and execution of the project agreement can be reimbursed.
12. It is recognized that specific beneficial projects meeting policy criteria may become readied for implementation and that status may be factored into Commission decisions on implementation of project agreements.

PROJECT PRIORITIZATION CRITERIA

The following shall be considered by SMC staff in the development of the staff recommendation. The project by itself or as a component of a candidate project shall to the extent possible:

- A. Benefit multiple jurisdictions
- B. Have beneficial results during flood events at a minimum of the 10-year storm level with higher protection levels being preferred.
- C. Enhance surface water quality utilizing best management practices.
- D. Alleviate flood damages with consideration of the type and quantity of damages occurring.

STOCIP PROJECT RATING CRITERIA

1. The STOCIP Project Rating Criteria will be used to evaluate the severity and frequency of several flood damage categories. The outcome of the evaluation uses weighted flood damage point categories that are totaled to produce Project Damage Points.
2. Project Effectiveness is determined by dividing the estimated STOCIP component of the Project Cost by the Project Damage Points. The project with the lowest number represents the most cost-effective use of funding rank and higher priority.
3. Project can achieve a lower Project Effectiveness score through cooperative intergovernmental arrangements that lower the estimated STOCIP project expense. Therefore, communities would provide land, funds, assume operation and maintenance responsibilities, etc. to reduce STOCIP project costs and a resultant higher priority.
4. The estimated project cost includes engineering, land acquisition, construction, and capitalized operation and maintenance costs.
5. Maintenance of stormwater projects not originally implemented by the SMC will not be considered for a project, unless a project could upgrade the existing system to alleviate or prevent flood damages.
6. Within Environmental Justice areas, the EJ Multiplier is determined as the median income within the EJ area divided by the county average median income. The EJ multiplier is then applied to the estimated project cost to reduce that number and thereby increasing the project priority. EJ areas are defined on the 'Lake County Enhanced EJ Mapping Resource'.

Project Damage Evaluation Matrix

Flood problem areas will be evaluated and assigned Project Damage Points. The flood occurrences for each property or road in the 10 years preceding the evaluation will be used in the calculation and based upon the best available information. Projects must receive a minimum score of xxxx Project Damage Points to qualify for STOCIP funding.

<u>Damage Type</u>	<u># Affected</u>	<u>Frequency of Occurrence (Previous 10 years)</u>	<u>Weight Factor</u>	<u>Category Score</u>
Primary Property Damage			10	
Secondary Property Damage			3	
Primary Road Damage			10	
Secondary Road Damage			3	
Nuisance Flooding			1	
Flood Problem Area - Project Damage Point Evaluation Score Total				

Primary Property Damages are considered to be flood impacted residential and commercial principal buildings and non-roadway publicly owned infrastructure. Each principal building or infrastructure component is counted once. No additional points will be given for secondary property damage on a property that claims primary property damage.

Secondary Property Damages are considered to be detached garages, sheds, landscaping, cars, Health/safety (septic systems, wells), and Disruption of Revenue (parking lots and other detrimental effects to businesses and tax revenues. Each secondary damage type is cumulative per parcel.

Primary Road* Damages are given to freeway/expressway, principal arterial, and minor arterial major and minor collectors (i.e. state, county, township, municipal). Each roadway impacted is counted once.

Secondary Road* Damages are given to neighborhood/subdivision level local roads and streets. Each roadway impacted is counted once.

Nuisance Flooding Damages – parcels that are flooded and affect the aesthetics or results in minor ponding. Each parcel impacted is counted once.

*Road classifications are as defined in the CMAP Roadway Functional Classification Revision Workbook (August 2019)

PROJECT PHASE CATEGORIZATION

The following shall be considered by SMC staff in the categorization of project readiness. Each project phase will have an estimated cost and projected phase completion date.

Project Phasing Criteria

<u>Phase 1:</u> Needs Analysis, Scope Development, Concept Plan and Preliminary Engineering
<ul style="list-style-type: none">• Establish need and scope• Initiate early coordination with stakeholders and alignment on the project scope• Create concept plan and estimate project concept cost• Determine land rights needs• Conduct field inventories, environmental assessments• Outline permitting with Local, State and Federal Permitting Authorities• Obtain preliminary agreement with local partners• Investigate Alternative Funding Sources
<u>Phase 2:</u> Design, Permitting and Land Rights
<ul style="list-style-type: none">• Project design development• Land survey and geotechnical investigation• Carry out permit process to construction start - Municipal, Township, County, FPD, IDNR, IEPA, USACE• Assess property needs, negotiate with landowners, complete land rights process• Utility investigations and relocation plan• Finalize local partner agreements• Finalize alternative funding sources• Complete final construction plans and bids docs
<u>Phase 3:</u> Construction Contract and Bid Docs, Advertising For Bids, Construction
<ul style="list-style-type: none">• Advertise for Bid/Vendors• Conduct bid letting• Contract Award• Sureties/Bonds Setup• Conduct pre-construction meeting• Inspections/Construction oversight• Traffic control/Utility Relocations• Construction/Contract Management• Maintenance Period• Project Closeout

STORMWATER CAPITAL IMPROVEMENT PROGRAM (STOCIP)
EXAMPLE EVALUATION PROCEDURES

Aggregate total of Primary Property Damages x frequency (previous ten years) x 10 = _____

Aggregate total of Secondary Property Damages x frequency (previous ten years) x 3 = _____

TOTAL PROPERTY DAMAGE POINT RATING = _____

Aggregate total of Primary Road Damage x frequency (previous ten years) x 10 = _____

Aggregate total of Secondary Road Damage x frequency (previous ten years) x 3 = _____

TOTAL ROAD DAMAGE RATING = _____

Aggregate total of Nuisance Flood Damage x frequency (previous ten years) x 1 = _____

TOTAL NUISANCE DAMAGE RATING = _____

TOTAL PROJECT RATING = PROPERTY/ROAD/NUISANCE = _____

STOCIP EXAMPLE PROJECT LIST

<u>RANK*</u>	<u>PROJECT</u>	<u>PROJECT DAMAGE POINTS</u>	<u>PROJECT COST</u>	<u>COST PER DAMAGE POINT RATING</u>
1	Example Project #	1740	\$500,000	287
2	Example Project #	7872	\$4,000,000	508
3	Example Project #	15240	\$10,000,000	696
4	Example Project #	1000	\$750,000	750
5	Example Project A	6512	\$5,000,000	768
6	Example Project B	1416	\$1,500,000	1059

*Project Ranking based upon Cost Per Damage Point Rating.

Example A – Partner Participation To Increase Priority Ranking

Project partner acquires land for detention facility, easements for channel improvement, assumes operation and maintenance responsibilities, and provides some funding for engineering and construction. The total estimated value is \$850,000.

Project Cost = \$5,000,000 - \$850,000 = \$4,150,000

Cost Per Damage Point Rating = \$4,150,000/6512 = 637

This would move Example A from priority 5 to priority 3.

Example A – Environmental Justice Area Multiplier To Increase Priority Ranking

Project is located within low-mod income area equaling 75% of county median income. Project Area Low-Mod Income/County Median Income = 0.75 = EJ Multiplier. Project Cost x EJ Multiplier = Adjusted Project Cost

Project Cost = \$5,000,000 x 0.75 = \$3,750,000

Cost Per Damage Point Rating = \$3,750,000/6512 = 575

This would move Example A from priority 5 to priority 3.

EXAMPLE B

Drainage Area = 3 Square Miles
Multiple Jurisdiction
Tributary Flooding

Primary Property Damages (PPD)

Number: 11

Frequency: 8

$$\text{PPD} = 11 \times 8 \times 10 = 888$$

Secondary Property Damages (SPD)

Number: 13

Frequency: 8

$$\text{SPD} = 13 \times 8 \times 3 = 312$$

Primary Road Damage (PRD)

Number: 1

Frequency: 1

$$\text{PRD} = 1 \times 4 \times 10 = 40$$

Secondary Road Damage (SRD)

Number: 4

Frequency: 8

$$\text{SRD} = 4 \times 8 \times 3 = 96$$

Nuisance Flood Damage (NFD)

Number: 10

Frequency: 8

$$\text{SRD} = 10 \times 8 \times 1 = 80$$

Total Project Damage Points

$$\text{PDP} = 888 + 312 + 40 + 96 + 80 = 1416$$