



Meeting Notes

Meeting Date: October 25, 2017 **Time:** 9:00-11:00 am
Meeting Location: Johnson County Transit Facility, 1701 W Old Hwy 56, Olathe, KS 66061

Attendees:

Funding Approach Sub-Committee Doug Whitacre – City of Shawnee Burt Morey – City of Overland Park Tim McEldowney – City of Gardner John Belger – City of Mission Rob Beilfuss – City of Olathe Joe Johnson – Burns & McDonnell Matt Scott - CDM Brad Schleeter – Affinis Tony Stanton – Olsson Associates Steve Roth – Benesch James Keith – Walter P. Moore	JC SMP Lee Kellenberger Sarah Smith Heather Schmidt	Consultant Team Patti Banks – Vireo Triveece Penelton – Vireo Andrew Smith – B&V Justina Gonzalez – B&V
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Agenda Objectives
Discuss case studies presented in Funding Approach White Paper
Consider funding strategies for system management, flood damage reduction, and water quality projects

Handouts: Agenda
 Funding Approach White Paper

Notes

Introduction / Update of Implementation Status / 3rd Meeting Goals

- Andrew of B&V welcomed attendees to the third meeting of the funding approach sub-committee. He provided a quick update of SMP strategic plan implementation to date.
 - **Strategic Plan Implementation Progress:** The sub-committees for system management, water quality, and flood damage reduction have finalized their work. The watershed-based organization sub-committee will re-convene starting next week. They will begin looking at the material that the funding and other sub-committees have developed so far. The proposed framework and details of the SMP are coming together with drafts being finalized in the near future.
 - **Funding Approach Sub-Committee 2nd Meeting Review:** At the previous meeting, the sub-committee generally agreed that water quality could be integrated into system management and flood damage reduction initiatives. The sub-committee considered two separate funding models;

one where every watershed receives a set amount of funding every year or the other model with a competitive, SMAC like structure. During the meeting, the sub-committee discussed a CARS type program where every watershed gets their first project funded. What was gathered from that discussion is that there should be a competitive process for funding that allows for both system rehabilitation and new investments. The SMP should prioritize based on need and not necessarily equity across the watersheds. The other item that the sub-committee strongly noted was that system management may need its own separate funding from the other initiatives.

- Consultants outlined the agenda and goals of the third funding approach meeting.
 - **Funding Approach Sub-Committee 3rd Meeting Goals:** For the third meeting, the sub-committee will look at how similar programs across the nation approach funding. The Funding Approach White Paper provides case studies of strategies to address key issues. Today the sub-committee will discuss how other groups prioritize and allocate funding. Later, the sub-committee will discuss alternative funding and then provide consensus on what the SMP should do for future funding.

Funding Approach White Paper Highlights

- Andrew provided a quick highlight of important points from the case studies given in the Funding Approach White Paper.
 - **Minneapolis - Saint Paul Watershed Management Organizations (WMOs)**
 - The Minneapolis – Saint Paul WMOs are state mandated entities. But the organizations have a significant amount of freedom in how they are organized, allocate funding, and pursue goals. There are many cities and even counties within multiple watersheds.
 - **Denver Urban Drainage and Flood Control District**
 - The Denver Urban Drainage and Flood Control District is a large organization that is very focused on natural stream maintenance. The District has almost a 1:1 ratio of funding of maintenance to capital improvements. When they do a project, they can own and maintain it. Projects are generally based on a five year plan and do not include the closed system, i.e. pipe maintenance.
 - **Lake County, IL Stormwater Management Commission**
 - Lake County was provided as an example to show the amount of alternative funding they are able to get. The Commission undergoes certain planning efforts that allow them to pursue that funding. At the state level, the Commission also has a fairly active and agreeable partner in helping them buy homes out of the floodplain.
- Participants had the following comments on the case studies:
 - From past experience working with the Minneapolis – Saint Paul WMOs, the make-up of the WMO dictates how effective they are. The Mississippi WMO, for example, has more collective participants and is able to do more things. It is a much more urban organization and participants are not just the cities. There are lots of area partnerships that really help leverage resources.
 - Flood mitigation projects in the County should qualify for FEMA hazard mitigation grants, like what Lake County has pursued. The main issue is preparing the plan and applying which can be a complicated process. Administering the requirements of federal funding can be an issue as well that should be kept in mind.

Funding Approach White Paper Discussion

- Consultants then guided the sub-committee on a discussion of how the SMP should allocate funding. A series of allocation questions were posed to the sub-committee.
- Andrew explained that system management will include an asset management program with inventories and condition assessments of assets. The program will be looking at consequence and probability of failure

for both the engineered and natural system. The purpose is to identify the best use of system management funds in the County and address biggest needs first. Long term planning of system management will also help in communicating to the public of needs and timeframe to address failed assets. Each watershed based organization will have an asset management plan tailored to individual watershed priorities. Development of asset management could likely be a 1 to 3 year effort. In the meantime, an interim program for system management could be available as early as 2019.

- Consultants asked what should be the **SMP ratio of system management to capital improvement projects**.
 - Participants provided the following comments:
 - The ratio should not be defined at a set amount. For a given year, the program will want flexibility in how to allocate funds and address needs.
 - System management should have a minimum amount of funding set aside. Every city will likely have a project. If there is less funding for CIPs in a certain year, then additional funds can be shifted to system management.
 - Since the first phase of system management will be gathering and collecting data, there should be a higher set funding level for that period. Funding could then be reduced after that for actual management and ongoing system monitoring.
 - The asset inventory will likely be a driver for how much funding to allocate to system management. Another driving factor will be how fast the program wants to go towards system replacement. The ratio can be adjusted later once the inventory and condition is better known.
 - The advantage of a minimum amount is that you know you are going to spend some money on that. The program likely doesn't want to get into a locked percentage but there should at least be a starting point.
 - Currently, the ratio is 0:1. The program can have more flexibility once plans have been developed. For now, though, there could be a minimum amount of 10% for system management.
 - If the funding ratio will be revised when there is more information, then a starting point could be 30% for system management and 50% to CIPs.
 - Asset management will be an ongoing, continuous effort. Otherwise, the program will be wasting funds if doing just a snapshot of time. There should be an automatic, annual amount for just updating asset management.
 - Condition assessment will take years to get that information. Funding should not wait until the planning process is done because there is such a large maintenance need.

- Consultants then asked if there should be a **defined criteria for system management allotment**, such as should there be an amount per capita or per linear footage of the system in a watershed.
 - Participants provided the following comments:
 - Funding for CIPs should be a competitive process. But system management should be run more like the CARS program in that each watershed will receive funding.
 - Having each watershed receive system management funds also gives the organizations the incentive to form.
 - If the SMP is going to be a watershed program, then criteria should be set at the watershed level. It may be equitable to look at both linear footage of the system and asset condition. In that way, funding is weighted towards watersheds with the greatest need.
 - Cost criteria will be different in that the main drivers are asset length and size.
 - There should also be requirements in order to receive system management funds. Cities should be compensated for pro-active investments. The County should not be the sole mechanism for maintenance.

- Consultants asked if the SMP should have **tiered funding**, especially a higher tier for projects in the **watershed plans**. The Board of Commissioners would like to see County level CIP projects. Sub-committees

have considered funding for **multi-jurisdictional** projects at 100%. Localized issues would then receive lower tiered funding.

- Participants gave the following comments:
 - Providing full funding for CIPs in the watershed plans would help the cities in focusing on watershed projects.
 - A mechanism for full 100% county funding will help in the allocation of funds outside jurisdictional boundaries. Not having such a mechanism could be a major hindrance in getting the watershed organizations to form.

Closing / Next Steps

- Consultants called for any final comments or questions. Participants stated:
 - An issue that needs to be decided sooner than later is the extent of County future involvement. From a city perspective, the County needs to still be the neutral party that handles the allocation of funds.
 - A vision for these watershed organizations is that eventually the organizations will develop and address their own priorities. The County would then just be a resource amongst a more diverse set of alternative funding opportunities. Hopefully, that is a possibility that will develop over time.
- JC SMP and consultants closed by thanking participants for their time and feedback.
- The next meeting is scheduled for November 29th at the same time, same place.
- Discussion for the next meeting will include alternative funding strategies.