



Meeting Notes

Meeting Date: November 29, 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	JC SMP	Consultant Team
Courtney Christensen – City of Mission Hills	Lee Kellenberger	Patti Banks – Vireo
Burt Morey – City of Overland Park	Sarah Smith	Triveece Penelton – Vireo
Tim McEldowney – City of Gardner	Heather Schmidt	Andrew Smith – B&V
John Belger – City of Mission		Jim Schlaman – B&V
Rob Beilfuss – City of Olathe		Justina Gonzalez – B&V
Joe Johnson – City of Leawood		
Doug Whitacre – City of Shawnee		
Matt Scott - CDM		
Brad Schleeter – Affinis		
Tony Stanton – Olsson Associates		
James Keith – Walter P. Moore		
Ginny Moore – The Conservation Fund		

Agenda Objectives
Highlight alternative funding options
Discuss SMP program changes that could help in capturing alternative funding

Handouts: Agenda
 Alternative Funding Table

Notes

Introduction / Update of Implementation Status / 4th Meeting Goals

- Andrew of B&V welcomed attendees to the fourth meeting of the funding approach sub-committee. He provided a quick update of SMP strategic plan implementation to date.
 - **Strategic Plan Implementation Progress:** Implementation is beginning to move into phase 3, which is finalizing the future framework. The watershed-based organization sub-committee is meeting again and there will likely be some back and forth with them.
 - **Funding Approach Sub-Committee 3rd Meeting Review:** During the meeting in October, the sub-committee spent a lot of time talking about different allocation methodologies. The sub-committee discussed separating system management projects from watershed projects, which would include flooding and water quality CIPs. Participants gave a potential range of minimum to maximum

values that could be allocated to system management. The sub-committee also discussed defined criteria for system management allotment and tiered funding for multi-jurisdictional projects. No firm decisions on funding have been made yet so any issues or concerns are still open for interpretation and discussion. But a lot of good feedback and suggestions have been given.

- Consultants outlined the agenda and goals of the fourth funding approach meeting.
 - **Funding Approach Sub-Committee 4th Meeting Goals:** One of the main drivers for updating the SMP is to make bigger, positive impacts in regards to stormwater. A strategy to do that is to pursue alternative funding opportunities. Discussion for today's meeting will look at alternative funding sources and ways to optimize the structure and focus of the SMP to best leverage such sources.

Alternative Funding Sources

- Jim of B&V led the sub-committee through a discussion of alternative funding sources. He highlighted the handout of the Alternative Funding Table. He explained that a key component is an understanding of program initiatives and how funds are being disbursed. From there, projects can be individually aligned or combined as part of a larger package. There are many different ways to leverage these sources and perform due diligence in pursuing alternative funding. For example, the Economic Development Agency provided funding for a wastewater project when it was demonstrated that the current plant could not handle commercial expansion. USDA funding has been used in directing wastewater for agricultural production. In regards to more traditional stormwater sources, SRF funding can be stretched to go farther if an applicant knows how to negotiate terms and rates. Getting the attention of funding agencies will depend on how a project is packaged, who applies for it, and how the applicant demonstrates need. For the JC watersheds, there is potential to compile information at the County level.
 - Participants had the following additional comments:
 - From prior experience with SRF funding, there is a significant amount of funding available for smaller communities that is often times not being used. When applying for funding, there may be instances when it is better for a community in the watershed to apply versus the County or watershed as a whole.
 - For a multi-jurisdictional project, the community with the larger financial burden could be the applicant with pledged revenue from the County and other cities. There also may be instances when joint-ventures between communities and the County are the best option.
 - Certain grants, such as 319, can be further leveraged by using in-kind contributions as part of the cost-share match. Employee work hours can count as that match.
 - It is also important to keep in mind program objectives when tapping into certain funds. Some sources have a lot of reporting requirements that would be an on-going effort.
 - There should be opportunities in the watershed plans to identify what projects are eligible for certain funds. The scope of work should indicate that the consultant identify alternative funding sources. Plans could indicate what funding opportunities should stay with communities and what would be best at the County level.
- Lee explained that the SMP is looking at ways to incentivize watersheds to pursue alternative funding. He also explained that current staffing in the SMP would not be able to facilitate the process in applying and administering alternative funding. But if the watershed organizations cannot entirely handle such initiatives, then the County could consider hiring staff or outside consultants.
 - Participants had the following comments:
 - It would be valuable to have a program-wide resource that could dig through the specifics of grant and application information. That person would then coordinate amongst the watersheds because there will be a good deal of repetitive work.
 - For SRF funding, the communities themselves would be the obvious applicants. But, FEMA and Corps of Engineers funding would need assistance from the County. Those funding sources need a lot of administrative support.

- In terms of the administering and reporting requirements, for some funding it would be better for the engineer or project manager to handle that. For instance, 319 reporting is done every month online with very detailed questions.
- There should be a role for someone at the County level to help flesh out these initiatives. They could also provide consistency in messaging on a regional level. The program needs to pursue a two-directional conversation with the state, particularly in pushing for federal opportunities.
- If considering hiring County staff, the program should consider someone with the personality to interact with agencies on a personal level. It would be good to have someone with additional skills beyond grant writing. Such as someone that understands the drivers of the agencies and how to push for program support.

SMP Program Changes for Pursuing Alternative Funding

- Consultants then asked the sub-committee if there are program changes that the SMP could implement that would improve abilities to bring in alternative funding. Participants stated:
 - The program should prepare County-wide planning documents that are required to pursue some alternative funding sources. Wetland preservation plans and hazard mitigation plans are a few examples.
 - A significant amount of funding is available for climate resiliency planning which the program should consider incorporating.
 - In terms of project prioritization, a project that has alternative funding should receive extra points. Prioritization should also differentiate between grants and loans. A loan would be the same as just funding from the city and should not reduce cost calculations. But a grant should be viewed differently.
 - There is also the issue of needing to use grant funds within a given time frame. The program should be responsive and flexible to that need so that outside funding can be captured.
 - It may not always be the best approach to give higher prioritization to projects that secure grants. The program should still consider if that project fits in the grand scheme of County priorities. There should be staff discretion in looking at project points and circumstance.
 - Any focus on alternative funding should look beyond annual cycles. The goal is to shift beyond a reactionary mindset.
 - Securing an outside loan should not skew cost to benefit ratios. But while alternative lending may not reduce project costs, it can increase project leverage. The impact and opportunities of such leverage are important to consider.
 - Project evaluation should also evaluate what kind of alternative funding the sponsors looked at and pursued.
 - The sponsor of a project for alternative funding, such as the County or a watershed-board, should be flexible based on the source of funding. A watershed board should be able to figure out who the best applicant is and where the majority of available funds are.
 - The program should be able to obligate funds that are set-aside for a larger project that will be used in a later year.
 - Public-private partnerships could be pursued as opportunities for alternative funding. Leawood, for example, has a project where the private developer donated some of the land in the floodplain and is doing some of the dirt work.
 - School districts could also be considered for partnership opportunities.

Closing / Next Steps

- Consultants called for any final questions or comments. Participants asked how far the program is in putting together a watershed board.
 - Lee explained that the watershed-based organization sub-committee has just re-convened. The sub-committee is now getting into the details on how the boards form. The sub-committee has a

draft organizational structure and outline of by-laws. At some point, an inter-local agreement will need to be circulated amongst municipalities.

- Lee then asked the sub-committee for feedback on what should be the process for informing city councils on SMP changes and watershed-board formation. Participants stated:
 - For the inter-local agreement, cities would appreciate a comment process so that if there is an issue it can be presented. But the comment process should also have a time limit to keep implementation moving forward.
 - The program should also make it clear to city councils that this is an evolving process that will be revised and modified over time. There should be a mechanism to amend for continuous improvement. For instance, there could be a stated requirement for formation review in five years.
- The next meeting is scheduled for December 20th at the same time, same place.
- For the next meeting, consultants will present a draft funding structure based on sub-committee feedback. The program is looking to summarize and confirm consensus of recommendations so anything participants can do to attend that meeting would be appreciated.
- JC SMP and consultants thanked the sub-committee for their time and guidance.