



TO: Timothy J. Baroody, City Manager
FROM: Diane Beyer, Public Works Director
Scott Rae, Environmental Programs Manager, Public Works
SUBJECT: Council Resolution Endorsing Public Works Pursuit of Grants to Aid in Funding
Design and Construction City CIP MS4 Projects
DATE: April 8, 2021 (for the April 13 Council Meeting)

ISSUE

The City's stormwater permit, administered by the Commonwealth's Department of Environmental Quality, has regulatory pollutant reduction obligations that are costly to address. Grant funds are available.¹

RECOMMENDATION

Public Works staff seeks a Council resolution endorsing pursuit of grant applications intended to aid funding of stormwater permit [MS4]² CIP projects. The provided resolution is entitled 'Support Public Works pursuit of public and private funding alternatives [grants] for water quality projects with particular emphasis on City storm water permit obligations'.

BACKGROUND

The City has a pollutant reduction obligation of which 40% of the total load [199 lbs. of P, 978 lbs. of N, and 68,760 lbs. of S] must be reduced by June 30, 2023. The referenced reductions may be achieved through design and construction of state-approved measures [Pond D- Extended Detention retrofit and renovation/restoration of degraded streams].

The collective design and construction costs are anticipated to exceed 6 million dollars (\$6M). Public and private grant funding is available. The grant application process is highly competitive, requiring staff resources to develop optimal submittals. The resolution exhibits Council commitment, coordination among City Departments, partnering with non-governmental organizations, and similar actions that may improve grant application status by the awarding entity.

FISCAL IMPACT

Grant awards are generally reimbursable for 50% of the eligible costs, awards range from \$500,000 to \$5,000,000. The initial design / construction cost are generally borne by the City and reimbursed upon demonstration of the expenditures. The initial cost of several million dollars

¹ Available grants may include Virginia's Stormwater Local Assistance Fund (SLAF) and National Fish and Wildlife Foundation (NFWF).

² Stormwater discharge from urban areas is regulated under the **Municipal Separate Storm Sewer System (MS4) permit**. The permit has 'pollutant of concern' load reduction obligations that must be achieved in a tiered fashion- 40% of the load is to be reduced by June 30, 2023. Pollutant reductions are also referenced as Total Maximum Daily Load (TMDL).

may be conceptually evenly shared through grant funding for a potential City 'savings' in excess of three million dollars (\$3M).

Attachment: Resolution



**April 13, 2021
Regular Meeting
Resolution 21-**

MOTION:

SECOND:

RE: Support Public Works pursuit of public and private funding alternatives [grants] for water quality projects with particular emphasis on City storm water permit obligations

ACTION: APPROVED: Ayes: 0; Nays: 0

The City of Fredericksburg discharges stormwater under the authority of the Commonwealth of Virginia Department of Environmental Quality (VDEQ). This Municipal Separate Storm Sewer System (MS4) permit requires reduction of pollutants- nitrogen, phosphorus, and sediment. The City's MS4 permit has a Chesapeake Bay Total Maximum Daily Load (TMDL) Action Plan describing pollutant reduction goals.

Reduction of pollutants is achieved through methods approved by Virginia's Department of Environmental Quality's guidance.

City properties have been evaluated to assess candidates for viable, cost-efficient pollution reduction projects.

Cost estimates have suggested millions of dollars are necessary for design and construction of multiple pollutant reduction measures. Council has recognized the importance of implementing pollutant reduction measures through inclusion in the Capital Improvement Plan; the CIP entries acknowledge funding sources extending beyond City capacity.

Grants are important funding opportunities- the National Fish and Wildlife Federation seasonally advertise a Small Watershed Grant; Virginia's Department of Environmental Quality traditionally advertises a grant through the Stormwater Local Assistance Fund. Other opportunities also exist. Grant awards are generally reimbursable for 50% of the eligible costs, awards range from \$500,000 to \$5,000,000.

Staff anticipates preparing and submitting applications to various grantees with the intention of off-setting the City's multi-million dollar investments. Grant applications vary in complexity of supporting document requirements, generally involving inter-departmental requests. Supporting documents often involve financial audit information, GIS-enhanced mapping, and similar aspects.

Partnering with other entities such as City departments, City schools, non-governmental organizations, and similar groups is recognized to improve availability of resources and maximize

funding capacity. Coordination with Friends of the Rappahannock and similarly positioned groups demonstrates regional cooperation expanding beneficial outcomes.

Therefore, the City Council hereby resolves that:

- Addressing pollutant reductions is costly yet critical to City stormwater permitting.
- Grants are an important funding resource.
- Staff locate opportunities, prepare and submit applications for grants and similar funding from various entities to attempt to supplement the cost for pollutant reduction measures' assessment, design, construction, and similar supporting activities.
- City Departments continue to prioritize and aid grant preparation by providing support documents, developing images/maps, responding to budget inquiries, coordinating inter-departmental assistance, and similar aspects.
- Letters of Support from cooperating partners, agencies, and officials be pursued to accompany grant applications.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20-__, adopted at a meeting of the City Council held Date, 2020, at which a quorum was present and voted.

***Tonya B. Lacey, MMC
Clerk of Council***