

COUNTY OF PRINCE WILLIAM 1 County Complex Court, Prince William. Virginia 22192-9201 (703) 792-4640 Metro 631-1703 FAX (703) 792-4637

#### BOARD OF COUNTY SUPERVISORS

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Sean T. Connaughton Chairman

March 11, 2005

The Honorable Judith F. Davis Chair, COG Board of Directors Metropolitan Washington Council of Governments 777 North Capitol Street, N.E., Suite 300 Washington D.C. 20002

Dear Chairwoman Davis:

On behalf of the Prince William County Board of Supervisors, thank you for providing the opportunity to comment on the proposals to establish a Chesapeake Bay Financing Authority and related restoration funding recommendations. Our responses are formatted in the manner requested in your letter dated February 7, 2005.

## Part I: Primary recommendations of Chesapeake Bay Blue Ribbon Finance Panel

- Q: How should local governments be represented on the authority?
   A: There should be some form of local government representation on the Authority whether through regional or state level committees.
- Q: What means should be used for distributing funds (e.g., cost share grants, low interest loans, etc.)?
  A: There exist numerous methods to distribute such funds. All of the alternatives should be considered.
- Q: Would your jurisdiction make use of low-interest loans to fund restoration measures such as wastewater treatment plant upgrades and stormwater infrastructure retrofits?
   A: Yes, to the extent that adequate local resources are available to reimburse the costs of the loan.

## Part II: Supplementary recommendations

Issue: Establish state surcharge programs throughout the Chesapeake Bay watershed. Response: While existing funding streams do not appear to be adequate to clean up the Bay and its tributaries, we do not believe that surcharge programs will provide the necessary funds to accomplish this objective. Furthermore, the County has consistently opposed surcharges on local real estate tax bills to be used by the State for similar purposes. The Honorable Judith F. Davis March 11, 2005 Page 2

Issue: Expand participation of the headwater States in the Chesapeake Bay Program. Response: Since pollutants flow downstream from the headwater States, the Governors of these States should be invited to join.

Issue: Set aside a portion of funds for education, outreach and technical assistance to important stakeholders.

Response: We agree that funds should be set aside for such purposes. Furthermore, it is appropriate that local soil and water conservation districts and County cooperative extension units be allowed to compete for these funds.

lssue: Create a Nutrient Trading Program for Municipal and Industrial Wastewater Plants. Response: Such programs could be beneficial and should be encouraged. However, any such programs should be developed to work in tandem with state legislative initiatives.

Issue: Establish stormwater utility user fees at the local level to fund stormwater management programs.

Response: It should be pointed out that many localities, including Prince William County, have already implemented stormwater utility fees. Thus, any mechanism to enact a source of revenue for Chesapeake Bay Cleanup should take any existing fees into consideration.

Issue: Use approaches such as transfer of development rights to fund protection of green spaces at local level.

Response: These approaches should be left to the discretion of the local governing body as these are land use decisions.

Issue: Enact and implement SAFTEA.

Response: Stormwater mitigation is already taken into account when highways are designed, funded and constructed. Thus, we are unsure as to whether this provision is needed.

Thank you for the opportunity to provide input on the recommendations of the Chesapeake Bay Blue Ribbon Finance Panel.

Sincerely,

Sean T. Connaughton

cc: Board of County Supervisors Director of Public Works Director of Planning



#### City of College Park Office of the Mayor and City Council

4500 Knox Road College Park, MD 20740 301-864-8666 Facsimile: 301-699-8029

Mayor

Stephen A. Brayman 7604 Sweetbriar Drive 301-345-2547

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#### **District** 4

Karen E. Hampton 9222 St. Andrews Place 301-935-5810

Joseline Peña-Melnyk 9011 Gettysburg Lane 301-935-5153 The Honorable J Davis Chair, COG Board of Directors Metropolitan Washington Council of Governments 777 North Capitol St. NE, Suite 300 Washington, DC 20002

Dear Mr. Davis:

The City of College Park City Council supports the recommendations of the Chesapeake Bay Watershed Blue Ribbon Finance Panel. Local jurisdictions should be fairly represented on the Finance Authority, and jurisdictions should be able to choose from the widest possible range of options of fund distribution.

Sincerely Stephen A. Brayman Mayor

Home of the University of Maryland

March 9, 2005



COMMONWEALTH OF VIRGINIA COUNTY OF FAIRFAX BOARD OF SUPERVISORS FAIRFAX, VIRGINIA 22035

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GERALD E. CONNOLLY CHAIRMAN

March 7, 2005

Chair Judith Davis Mayor, City of Greenbelt Metropolitan Washington Council of Governments Board of Directors 777 North Capitol Street, N.E., Suite 300 Washington, D.C. 20002-4239

Re: Establishment of a Regional Finance Authority for the Chesapeake Bay Watershed

Dear Chair Davis:

As you are aware, reducing the flow of nutrients and sediment into the Chesapeake Bay such that the Bay and its tidal tributaries will be restored will require a bold new approach. According to the recent findings of the Chesapeake Bay Blue Ribbon Finance Panel, of which Supervisor Penny Gross of Fairfax County was a distinguished member, costs for new programs will range in the tens of billions of dollars, and conventional mechanisms for raising the required funds are simply not adequate to meet the challenge before us. While we believe that local government efforts play a key role, we agree with the Panel's findings that restoring the Chesapeake Bay will require a large-scale national and regional approach.

The Fairfax County Board of Supervisors recognizes the need for a significant infusion of funding in order to address the clean-up of the Chesapeake Bay Watershed. The Board supports the concept of establishing a regional Authority to assist in this action. In order to effectively implement such an Authority, the involved parties including local government entities will need to agree upon and fully develop the Authority parameters to include a credit program for local governments that have already committed significant time and financial resources toward water quality efforts and programs that include but are not limited to watershed management planning, wastewater treatment facility upgrades and education and outreach. Additional issues that must be considered include operating details of membership, cost implications, legal issues, taxing authority, distribution formulas and other mechanics of implementation and structure.

Fairfax County government remains strongly committed to improving the water quality in the Bay and its tributaries. This is evidenced by our 2004 recertification by the Chesapeake Bay Program as a Gold Chesapeake Bay Partner Community.

Establishment of a regional Financing Authority Page 2

If you have any questions or require additional information regarding this matter, please contact Kambiz Agazi, Fairfax County's Environmental Coordinator at (703) 324-1788.

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Sincerely Gerald E. Connolly

cc: Members, Board of Supervisors Anthony H. Griffin, County Executive Robert A. Stalzer, Deputy County Executive Jimmie D. Jenkins, Director, Department of Public Works and Environmental Services Kambiz Agazi, Environmental Coordinator



TONI COPELAND CLERK TO THE COUNTY BOARD **ARLINGTON COUNTY, VIRGINIA** 

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March 8, 2005



MEMBERS

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> BARBARA A. FAVOLA PAUL FERGUSON J. WALTER TEJADA

The Honorable Judith F. Davis, Chair Board of Directors Metropolitan Washington Council of Governments 777 North Capitol Street, NE, Suite 300 Washington, DC 20002

Dear Ms. Davis

Thank you for requesting comments from Arlington County on the Chesapeake Bay Watershed Blue Ribbon Finance Panel report entitled, "Saving a National Treasure: Financing the Cleanup of the Chesapeake Bay." I give Arlington's support, in principle, for the Finance Panel's chief recommendation, which calls for creation of a regional Chesapeake Bay Financing Authority. If properly constituted and funded at the level recommended by the Task Force, the proposed regional authority could dramatically hasten the Bay restoration efforts.

Beyond Arlington's general support for the financing authority concept, however, lie numerous implementation details, including the considerable effort needed to obtain the \$15 billion in federal and state resources recommended by the Task Force. Success in achieving this objective will require broad political engagement at the highest levels of federal, state, and local government, as well as strong support from citizens and stakeholder groups throughout the watershed.

The enclosed survey contains specific responses to each of the questions included in the guidance document you provided. The enclosure also contains comments on a number of the supplementary recommendations made by the Task Force, many of which are extremely challenging. The Task Force members are to be commended for the service they have provided. Their report synthesizes complex scientific information about the declining health of the Bay in a very insightful manner. Their recommendations focus attention on the magnitude of the financial and institutional challenges we face in order to restore the Chesapeake Bay.

Please let me know if there is anything further that I or County staff can do to support this important effort.

Sincerely, Jay Elsette Chairman

Enclosure

### MWCOG Survey on Members reaction to the Chesapeake Bay Financing Authority

### Part I: Chesapeake Bay Financing Authority

1 How should local governments be represented on the authority?

The critical challenge facing the proposed Chesapeake Bay Financing Authority (CBFA) will be to establish objective criteria for selecting worthwhile, effective projects that have a direct environmental benefit to the Bay and a governance structure that fosters allocation decisions based on those criteria. It is extremely important that the CBFA include elected officials who represent the perspectives of local governments which will ultimately bear a substantial burden for implementing key actions identified by the Task Force, including wastewater treatment, urban stormwater management, and growth management. The participation of at least one elected official from a major jurisdiction in the watershed (we strongly recommend at least one from the National Capital region) is critical to ensure that the programs to be funded are realistic and effective at the local level. For our region, MWCOG could assist in selecting that regional representative.

The CBFA also needs a dedicated staff that will provide technical support to help evaluate local, regional, and state projects throughout the watershed, and to make recommendations based on funding criteria established by the CBFA. The governance structure at MWCOG, which includes technical committees that provide support to the COG Board and its various policy committees, may be a useful model. In addition, examples like this area's Transportation Planning Board, which identifies projects and establishes funding priorities for regional transportation projects, might be useful models to consider.

2. What means should be used for distributing funds (e.g., cost share grants, low interest loans, etc.)?

A mix of funding approaches should be available, recognizing the broad range of financial and technical capabilities and needs likely to face the CBFA. Grants may be an important element, particularly for projects like public education and outreach through non-profit organizations. Low interest loans, similar to the current State Revolving Fund (SRF) programs, may be more important for a variety of capital projects where the recipient has the financial capability to ensure a revenue stream to help support the project.

3. Would your jurisdiction make use of low interest loans to fund restoration measures such as wastewater treatment plant upgrades and stormwater infrastructure retrofits?

Arlington County would take advantage of low interest loan programs. The County is currently using funding from the Virginia SRF to finance significant portions of an upgrade of the County's Water Pollution Control Plant that could cost as much as \$350 million. We have found such financing to be extremely advantageous by reducing both interest and issuance costs for this major capital project. This is financially beneficial to the County's taxpayers and has a direct environmental benefit to the Bay.

- Part II: Supplementary Recommendations
  - A. General recommendations
    - 1. Improve coordination and cooperation among federal agencies with programs in the Chesapeake Bay watershed

This recommendation is extremely important, given the wide range of federal agencies with programs that directly and indirectly affect the Chesapeake Bay. One option to consider is to establish a federal ombudsman to work with the CBFA to ensure consistency and resolve conflicts between federal agency programs and policies that delay or undermine the Bay restoration objectives.

2. Establish state surcharge programs throughout the Chesapeake Bay watershed

Although the idea of a wastewater surcharge did not fare well in the 2005 session of the Virginia General Assembly, there are many educational benefits to such a program, aside from generating a revenue stream for restoration projects. The difficulty will be in crafting a program that ensures the benefits of a surcharge are equitably targeted towards projects that have clear environmental benefits, both locally and for the Bay. Otherwise, this program likely will face opposition in Virginia, where it is seen as simply a redistribution of resources from highly populated urban areas to smaller communities and the agricultural sector, with minimal local benefits to our ratepayers who are already contributing substantially to the Bay cleanup effort.

3. Expand participation of the headwater states in the CBP (NY, DE, WV)

This is a good idea, in principle, but it should be emphasized that resources need to be directed towards projects that have the greatest environmental benefit for the Bay. Projects in headwaters areas like New York and West Virginia should only be funded by the CBFA if they can be justified on this basis. Clearly, in terms of population density and potential to deliver pollutants to the Bay, the original Chesapeake Bay partners (Virginia, Maryland, Pennsylvania, and the District of Columbia) are likely to be key to the success of the Bay restoration effort.

4. Set aside a portion of restoration funds for education, outreach, and technical assistance to important stakeholders

The recommended one percent allocation for education, outreach, and technical assistance seems low, given the importance of changing life-style choices as part of the Bay restoration effort. Whether one considers suburban lawn fertilizing practices, agricultural nutrient management, or even driving and commuting patterns, it is going to take sustained and effective education and technical assistance programs to change a culture that generally ignores the consequences of personal actions on the health of the Bay. And, given the high cost of proven

education and outreach media, including radio, television, and newspaper advertising, the proposed allocation probably should be higher, as long as programs can be designed and implemented that are demonstrated to be effective.

#### B. Agricultural sector recommendations

- 1. Increase Farm Bill Funding for the Chesapeake Bay watershed and improve the efficiency of federal cost-share programs
- 2. Fully implement the Conservation Security Program (CSP) under the 2002 Farm Bill and place greater emphasis on CSP in the next Farm Bill
- 3. Include comprehensive nutrient management plans as part of compliance for Farm Bill commodity payment programs
- 4. Invite the Secretary of Agriculture to join the Chesapeake Executive Council

Arlington County generally finds the agricultural sector recommendations listed above to be reasonable, though we recognize that we do not understand all the challenges they may create for the farming community. We realize that the recommendation to tie commodity payment programs to compliance with nutrient management plans is very aggressive and not likely to be popular with farmers. Nevertheless, given the threat to the Bay and the level of public investment in mandated wastewater treatment upgrades facing urban taxpayers, requiring nutrient management plans seems to be a fair expectation in exchange for public subsidies to the agricultural sector. Obviously, such a requirement will only be successful if there is cost-effective technical assistance and support to help individual farmers prepare and implement nutrient management plans.

- C. Municipal/industrial wastewater sector recommendations
  - 1. The federal government should develop a \$200 million Hardship and Innovation Fund to be used to supplement Clean Water State Revolving Fund programs (SRF), to reduce the hardship level where necessary

Given the continuing technical challenges facing wastewater treatment facilities (e.g., controlling the discharge of endocrine disruptors), it is extremely important to devote sufficient resources to support innovation. Similarly, the technologies for urban stormwater retrofits are still in their infancy and costs are generally exorbitant, emphasizing the need for further research and development. Some communities also face a constrained tax base, and wastewater treatment plant upgrades could be financially difficult for these communities without special assistance. We strongly support allocation of additional federal resources for these legitimate purposes, as long as the potential benefit to the Bay for each project is significant.

2. Develop a pilot program that would allow Bay states to disseminate 30 percent of new SRF appropriations in the form of grants

Although a grant program may be desirable for certain types of projects, this should only be considered if the funds can be replenished with additional federal or state resources and the grants do not threaten the capitalization of the SRF. This is especially important if the SRF is expanded to fund nonpoint source programs. If adequate resources are available, we would support the issuance of grants based on objective criteria to encourage innovation or to address demonstrated hardship situations.

3. Create a nutrient trading program for municipal and industrial wastewater plants

Although the Task Force recommends a nutrient trading program between point sources, it seems appropriate to investigate possible trading strategies between point and nonpoint sources as well. This could be a way to create a financial incentive to improve agricultural sector compliance and participation in water quality programs, recognizing that such a program would necessarily require resources for administration and compliance monitoring.

4. Establish tax-exempt financing for industrial wastewater facilities at the State level

Tax exempt financing could be a valuable incentive to encourage capital investments in environmental facilities by industrial facilities. However, Arlington does <u>not</u> support the Task Force's suggestion that funding also could be used for privatization of public water and wastewater facilities. We find that public operation of municipal facilities can be cost-effective and generally is more responsive to local community environmental goals and objectives.

We consider the question to be whether it is appropriate to use tax exempt funding for the privatization of a facility, as this may divert limited public funds from the goal of the restoration program. Publicly operated facilities, if well-run, do not face the potential conflict between short-term profits versus protecting the community's longterm environmental interests. If such a funding provision were to be considered, very strict limits ought to be placed on the amount of tax-exempt financing that may be used by a private entity that proposes to take over a public facility to avoid creating an unfair advantage and excessive leverage for the private entity. In addition, use of tax exempt funding by a private firm for the purpose of investing in technology that improves the performance of a facility that has been purchased without tax exempt funding would be appropriate only if the tax exempt funding would not generate additional profits for the private entity above and beyond that possible with non-tax exempt funding.

#### D. Development sector recommendations

1. Ensure SRF capacity through increased federal capitalization

This recommendation is extremely important because it focuses attention on the need for increased funding to address urban stormwater management. Although urban areas are responsible for stormwater management, it is clear that the cost of retrofits will be huge.

For example, based on Bay program figures, urban stormwater capital and operation and maintenance costs for the Potomac River Basin are estimated to be approximately \$1.83 billion. Arlington comprises approximately four percent of the urban land in the Potomac watershed, so a very rough estimate for Arlington's share of these costs is approximately \$73 million, although we consider the Bay figures

likely to be significant underestimates. When one considers that the County's entire existing stormwater management program, which includes operations, maintenance, and capital projects, is approximately \$3.3 million per year, it is clear that there is a substantial gap between current resources and potential needs.

2. Establish stormwater utility user fees at the local level to fund stormwater management programs (esp. to fund O&M)

As long as stormwater management remains a local responsibility, the choice of funding approaches should remain a local choice. Arlington is currently conducting a stormwater funding feasibility study, explicitly looking at the possibility of establishing a stormwater utility. It appears to be an important funding strategy that many communities have successfully adopted. Nonetheless, it may be more appropriate to focus this recommendation on providing localities with the technical assistance needed to evaluate locally-appropriate options for adequately funding stormwater management programs.

3. Develop financial incentives that would be used to reduce the cost of urban retrofits (e.g., grants, negative interest rate loans, principal buy back programs to be used with SRF programs, only in communities with stormwater utility programs)

As stated above, Arlington supports creative approaches to encourage urban stormwater retrofits and is in the process of evaluating the feasibility of a stormwater utility. Requiring a stormwater utility as a prerequisite for such incentive programs, however, may be self-defeating. Although stormwater utilities are increasingly common, they are not the only way for a local government to achieve a stable funding level for its environmental programs. Our recommendation is that the focus should be on whether a community has a program in place that is fully consistent with the State's Phase I or Phase II stormwater permit requirements, has developed or is in the process of developing watershed management plans, and has identified potential projects that will have a demonstrated benefit to the Bay.

4. Establish a residential lawn and garden fertilizer surcharge at the State level

Arlington supports this recommendation as a revenue-generating measure, as long as it is closely tied to the recommendation for education and outreach. Without a clearly articulated message about the surcharge, it will likely have little effect on changing lawn and garden fertilizing behavior.

5. Use approaches such as transfer or purchase of development rights to fund protection of green spaces at community level

Virginia has not broadly authorized local governments to use transferable development rights, although legislation was just approved by the General Assembly that specifically authorizes Arlington to establish a local Transferable Development Rights Ordinance. Assuming the County adopts such an ordinance, this provides an opportunity to apply this new tool to manage growth and development to better meet community needs, potentially including protection of green spaces. However, this opportunity is not currently available to other Virginia jurisdictions, given Virginia's adherence to the Dillon Rule.

An additional measure that also should be considered for protection of green spaces is the use of conservation easements. For example, the County has worked closely with the Northern Virginia Conservation Trust to support this organization's conservation easement program. The community and the individual property owner benefit from such programs. Continued support, and possibly expansion of tax benefits for conservation easements, should be an element of the overall approach to preserve green infrastructure and open space throughout the Bay watershed.

6. Enact and implement Safe, Accountable, Flexible and Efficient Transportation Equity Act (SAFETEA)

Arlington supports, in principle, the SAFETEA legislation, which includes substantial funding for stormwater mitigation. Highway projects ought to include design features that address stormwater impacts on streams and wetlands. This funding could be a major boost towards constructing less environmentally damaging highway projects.

- E. Forest restoration recommendations
  - 1. Increase funding for Conservation Reserve Enhancement Program (CREP) for riparian buffer restoration, including expansion to suburban and urban lands

Arlington supports this recommendation. Riparian buffer enhancement is an element of the County's Chesapeake Bay Preservation Ordinance and was identified as an important need in the County's adopted Watershed Management Plan. We would be extremely interested in any potential funding that could be used either directly by the County on public property or as the basis for incentive programs to encourage planting of trees and shrubs along County streams on private property.

#### F. Air deposition recommendations

1. Vigorously enforce federal and state Clean Air laws

Given atmospheric nitrogen deposition's approximately 30 percent share of total Bay-wide nitrogen loads, addressing air deposition is critical for the success of the Bay cleanup, even if politically and technologically difficult. An important element will be to ensure that all Clean Air Act requirements that reduce transport of nitrogen oxides and other pollutants, particularly from Midwestern power plants, are strictly enforced. There should be no weakening of these requirements or delay of compliance schedules, as has been proposed under the Clear Skies initiative proposed by the current Administration. 2. Extend vehicle tax incentives (e.g., hybrid, electric, and fuel cell vehicles)

Use of tax credits to encourage innovative technology seems to be an important element of any program to reduce air deposition. Such incentives should be monitored to ensure that once market acceptance and product prices have stabilized, the incentives are dropped. This may be the case in a few years for hybrid vehicles, as increasing numbers of manufacturers switch to this vehicle technology.

Rewarding local governments for sound land use decisions where documented reductions in vehicle miles traveled, or similar indicators of vehicular travel, can be achieved should also be considered. Such rewards might include credits toward meeting Tributary Strategy allocations.

Energy-efficiency incentives are also worth considering, given the contribution of coal-fired power plants to nitrogen deposition in the Bay. Such incentives could range from rebates for compact fluorescent lighting (once popular as a demand-side management tool) to more broad ranging tax credits for home and business energy efficiency improvements.

3. Amend the 2003 Tax Act to restrict equipment deduction to business use only and to apply the deduction to purchase of hybrid and electric vehicles

Arlington agrees that the current equipment deduction has created an unanticipated problem by encouraging purchase of large SUVs and trucks, in many cases, for other than business use. This incentive should be limited to business use only and also should apply to clean fuel vehicles.



# THE PRINCE GEORGE'S COUNTY GOVERNMENT



## OFFICE OF THE COUNTY EXECUTIVE

Jack B. Johnson County Executive

March 10, 2005

Ms. Judith F. Davis Chair, Board of Directors Metropolitan Washington Council of Governments 777 North Capitol Street, N.E., Suite 300 Washington, D.C. 20002-4290

Dear Ms. Davis:

This is in response to your February 7, 2005 letter requesting the County's perspective on whether the Council of Governments should endorse the recommendation to establish the Chesapeake Bay Financing Authority, and our comments on the other 22 recommendations contained in the Blue Ribbon Panel Report.

We have completed review of the Blue Ribbon Panel Report and offer the following:

The establishment of a Regional Financing Authority for the Chesapeake Bay is a much-needed tool for the restoration of the Chesapeake Bay. While each jurisdiction is doing its part to meet the restoration goals, funding from a regional perspective will achieve the larger goal of prioritizing strategies based on the most cost-effective actions in the watershed. It is important that each of the Bay Watershed State representatives who serve as part of the Regional Financing Authority establish a sub-committee comprised of representatives from all the jurisdictions in that State to ensure that ideas and programs are not overlooked. As the panel suggests and we concur, the Financing Authority should be empowered to issue grants and revolving loans.

Prince George's County has used the Maryland Revolving Loan Fund for stormwater retrofits for the past 11 years for a total of \$500,000. However, due to the required time for tracking, the administrative time outweighs the monetary benefit. For this reason, we would prefer to have grants available from the Financing Authority for our water quality retrofits.

14741 Governor Oden Bowie Drive, Upper Marlboro, Maryland 20772 (301) 952-4131 TDD (301) 985-3894 Ms. Judith F. Davis Page Two

Regarding the 22 supplemental recommendations, Prince George's County and the State of Maryland are ahead of the game relative to most of the recommendations. Five of the recommendations suggest developing programs and then transferring them to the Regional Financing Authority. While we agree with the concept, it would be better to keep the programs local and provide relative information to the Authority.

Thank you for this opportunity to review and comment on the Blue Ribbon Finance Panel's Report. Should you have any questions regarding this letter, please feel free to contact Donna M.P. Wilson, Esq., Director, Department of Environmental Resources, at (301) 883-5812.

Sincerely.

Alfonso N. Cornish Deputy Chief Administrative Officer for Governmental Operations/Environmental Services

cc: Dr. Jacqueline F. Brown, Chief Administrative Officer Office of the County Executive

> Donna M.P. Wilson, Esq., Director Department of Environmental Resources

# Saving a National Treasure: Financing the Cleanup of the Chesapeake Bay

The following are comments on the recommendations of the Chesapeake Bay Blue Ribbon Finance Panel from the City of Rockville's Commission on the Environment.

## Part I:

## 1) How should local governments be represented on the Authority?

Depending on the population ratio in the six states and the District of Columbia to the numbers of **experts needed** on the Authority, each region/state/local government and the city of Rockville should have the representative on the authority.

## 2) What means should be used for distributing funds?

The Commission on the Environment is in agreement with the COG Board of Directors on how to distribute funds from the \$15 billion.

- a) The present formula for the allocation of funds from the state government to the counties
- b) The volume of water flowing into the Bay from State/County
- c) The length of the tributary within the State/County flowing into the Bay.

## 3) Funding for Restoration Measures

Rockville would consider low-interest loans to fund WWTP upgrades and stormwater infrastructure retrofits.

## Part II:

The City of Rockville generally agrees with all 22 supplemental recommendations.