

BAY RESTORATION FUND ADVISORY COMMITTEE

**Maryland Department of the Environment
Aqua/Terra Conference Rooms (MDE Lobby Area)
1800 Washington Boulevard
Baltimore, Maryland 21230
June 1, 2017**

Meeting Minutes

Welcome/Introduction

- The meeting was opened by Mr. Greg Murray, Chairman of the Bay Restoration Fund Advisory Committee and Administrator for Washington County.
- Mr. Murray welcomed the committee members and other attendees.

Review of Meeting Minutes

- Previous meeting minutes from the March 2, 2017 meeting were handed out to the committee members for their review and comments. An electronic copy of the meeting minutes was also e-mailed to the committee members prior to the meeting.
- Mr. Murray asked if anyone had any questions, comments, or a motion to approve. The minutes were approved.

Discussion

I. Update on Major and Minor WWTPs ENR Implementation:

- Mr. Saffouri referenced the Wastewater Treatment Plants ENR Upgrade Status handout. To date there are 53 major facilities in operation, 11 under construction, 2 in design, and 1 in planning, for a total of 67 major facilities. North East River, Fruitland, and Winebrenner have completed the ENR upgrade and are now in operation.
- Mr. Boussein asked why many projects remain in the upper 90% completion for a long time. Mr. Saffouri responded that, in general, most projects have significant delays at the last 10% or 20% of

the construction because at this stage most units and equipment have been installed and going through performance testing. Sometimes, corrective actions may have to be done if they are not working properly. In addition, Patapsco and Cox Creek have been delayed further by special circumstances. Patapsco has been delayed due to litigation between the City and the contractor. Cox Creek construction has been very challenging because of limited space at the site. Some units had to be demolished before others are installed, and all these activities have to be completed in a specific sequence to ensure the plant continued operation and compliance during construction.

- Mr. Hearn asked whether these plants (at 90%) are actually meeting ENR level of treatment even though construction is not yet at 100%. Mr. Saffouri responded that we would not have this situation because we have been reporting the WWTPs as completed as soon as they start meeting ENR level of treatment. Our main focus is on the ENR portion of the project. There are few facilities that are currently listed as completed because the ENR portion is done, but actually these facilities may still be under construction with the non-ENR portion of the project.
- Mr. Saffouri provided an update on minor WWTPs. Accident has dropped out of the program and will not pursue ENR upgrade because the project is too expensive. In the mean time, Preston has started the design and Oxford started the construction. Actually, Oxford is having the project groundbreaking ceremony today.
- Mr. Bouxsein asked whether more minor WWTPs will be added to the program. Mr. Saffouri responded that we are only listing the facilities who have signed the funding agreement with us. There are two or three other WWTPs not on the list, but they are considering the option to proceed with ENR. They may sign the agreement and be added to the list shortly.

II. Update on Cover Crops Activities:

- Mr. Astle provided an update on cover crops program. We had another record year. Fall certifications consisted of about 560,000 acres. In addition, Mr. Astle provided a handout showing the demand for cover crops funding has been increasing steadily for the past three years (FY 2015-FY 2017). Due to the increase in demand for funding, MDA will discontinue the funding for commodity cover crops in order to provide more funds for the traditional cover crop activities. MDA offers funding for traditional cover crops between \$45 and \$75 per acre (higher rates are offered for planting before October 15th). Also, additional \$10 per acre is offered for rye planting.
- Mr. Bouxsein asked whether MDA will reevaluate the above incentives for the traditional cover crops. Mr. Astle responded that incentives were previously evaluated and some were eliminated. The remaining incentives were determined to be necessary to promote more participation in the program.

- Mr. Murray asked what the estimated cost per pound for the cover crop activities. Mr. Astle responded that based on the Chesapeake Bay Program, 6 pounds of nitrogen and 0.2 pound of phosphorus are reduced per one acre planted.
- Mr. Astle informed the committee about the new software developed by Towson University. It is a web-based program that will allow soil conservation district to sign up farmers, and complete the fall and spring certification online.

III. Update on Onsite Sewage Disposal Systems (OSDS):

- Mr. Khuman updated the committee on the bidding process for the new septic contract. The current contract, which is effective for three years is about to expire. The bids for the new contract were opened in April, and five out of the nine verified technologies were selected based on the cost per pound of nitrogen removed. The new average cost per installation is approximately \$12,500, which includes two years of O&M. MDE is planning to present the bids and proposed award for the Board of Public Works approval on June 21st and award the contracts to be effective on July 1st.
- Mr. Boussein asked why the O&M period has changed from five to two years. Mr. Khuman responded that the new O&M period was changed to two years in order to be consistent with the regulations. Mr. Flatley added that it is also consistent with most manufacturer warranties. After the two years, owners are required to certify that proper annual maintenance is being done at the systems. Service providers and local health departments have access to MDE database to enter systems maintenance information.
- Mr. Flatley provided a handout showing the number of funded BAT installations to date listed by County, and categorized by their locations as in or outside the Critical Area.
- Mr. Murray asked whether we know the estimated pound reduction for the presented 9,000 BAT installation. Mr. Khuman responded that assuming 50% reduction it is approximately 10 pounds per installation. The cost per pound is estimated to be about \$75 per pound of nitrogen reduced.

IV. Update on BRF Fee Collection and Budget:

- Mr. Khuman updated the committee on the BRF fee collection using the Comptroller's report for April 30, 2017, which was provided as a handout. Mr. Khuman advised the committee that the Wastewater Fund (Line 1) revenue to date is close to \$89 million and on track to reach the projected annual target of about \$110 million by the end of the fiscal year. Septic Fund (Line 2) is also on target with \$26 million to date. One more installment (4th Quarter) remaining for this year for both funds.

V. Update on Legislative Session:

- Mr. Khuman advised the committee that the following Bills related to BRF passed during the Legislative Session of 2017:
 - House Bill 1045 – Requires MDE to develop regulations by January 1, 2019 to encourage the use of membrane bioreactor (MBR) technology in on-site sewage disposal systems for nonresidential uses.
 - House Bill 384 – Changes the definition of Enhanced Nutrient Removal (ENR) upgrade to include the upgrade from Secondary to Biological Nutrient Removal (BNR). Before this change BNR upgrade at WWTPs was covered by State grant at 50% of the cost. With this change, it will be covered by BRF at 100%.
 - Senate Bill 1190 – Authorizes MDE to provide up to \$2 million in BRF grants to refinance previously ENR upgraded WWTPs (before July 1, 2013) that did not receive any BRF for the upgrade.
 - Senate Bill 314 – Authorizes MDE to use BRF to purchase nutrient load reductions through trading.
- Mr. Boussein asked whether House Bill 1045 is basically for multi-site systems. Mr. Flatley confirmed that it is mostly for these systems (e.g. strip malls).
- Mr. Murray asked whether House Bill 384 could benefit minor WWTPs currently being upgraded to ENR. Mr. Khuman responded that the Bill's main intent is to benefit these WWTPs, which now will be receiving 100% in BRF grants for the eligible cost of the upgrades. Mr. Khuman added that this bill will take effect on July 1, 2017 and will benefit only WWTPs starting construction after that date.
- Regarding Senate Bill 1190, Mr. Murray asked what if one WWTP applies on October 1, 2017 (the effective date of the Bill) for the whole \$2 million. Mr. Khuman responded they will take it all because the Bill requires that the grants be provided "on first-come, first-served basis."
- Regarding Senate Bill 314, Mr. Khuman advised that a workgroup will be established to assist in developing the regulations to implement this bill.

VI. Next Meeting

Mr. Murray advised the committee that the next meeting will be on September 14th.

Materials Distributed at the Meeting

- Meeting Agenda
- Previous Meeting Minutes
- Wastewater Treatment Plants ENR Upgrade Status
- Program-to-Date BRF Fee Collection Report (Comptroller Report)
- BayStat Cover Crops Report – Updated: March 27, 2017
- Funded BAT Installations as of 06/01/2017

Attendance

Advisory Committee Members or Designees Attending:

Greg Murray, Washington County
Walid Saffouri, Maryland Department of the Environment
Jag Khuman, Maryland Department of the Environment
Joshua Flatley, Maryland Department of the Environment
Norman Astle, Maryland Department of Agriculture
J.L. Hearn, Washington Suburban Sanitary Commission
Bob Buglass, Washington Suburban Sanitary Commission
Peter Bouxsein, Chesapeake Bay Foundation
Angela Butler, Maryland Department of Planning
John Leocha, Maryland Department of Planning
Fiona Burns, Department of Budget and Management
Christopher Murphy, Anne Arundel County DPW
Gabe Cohee, Maryland Department of Natural Resources
Sara Lou Trescott, Washington County Health Department

Others in Attendance:

Andrew Gray, Department of Legislative Services
Mary Vitale, Hazen and Sawyer
Heidi Hawkins, Exelon
Matt Geckle, Back River Pre-Cast
Kelly Duffy, RK&K

Maryland Department of the Environment (MDE) Attendees:

Rajiv Chawla	Cheryl Reilly
Teresa Wong	Janice Outen
Lauren Taylor	Marya Levelev
Jesse Krout	Elaine Dietz