

BAY RESTORATION FUND ADVISORY COMMITTEE

Maryland Department of the Environment
Aqua & Terra Conference Rooms
1800 Washington Blvd.
Baltimore, Maryland 21230

Meeting Minutes
August 31, 2005
1:00 p.m. to 4:30 p.m.
Mr. Robert Warfield, Chair

Welcome

- Mr. Warfield welcomed the committee and other attendees and thanked the committee members for their work on this important program.

Review of Minutes

- Minutes from the June 15, 2005 meeting were adopted pursuant to one correction.
- All of the handouts from the meeting will go up on the web.

Discussion

Presentation #1: Update on ENR implementation and upcoming events - Bob Summers:

- Dr. Summers explained the status of the Enhanced Nutrient Removal (ENR) upgrades. The Celanese facility in Allegany County is officially in operation with ENR. It is the first facility to have completed the upgrade with funding from the Bay Restoration Fund (BRF). Initial performance for this facility has exceeded the ENR goals.
- 6 other facilities are under construction, 10 are under design, and 29 are in planning.
- MDE has been inviting the Committee members to attend all upcoming groundbreaking, dedications or any other BRF events. The Governor or the Lt. Governor has attended most of these events.
- The BRF program has also been receiving significant national recognition.
- The BRF program was nominated for an award by the Council of State Governments. This award is usually given for innovative and new programs. Dr. Robert Summers went to Mobile, Alabama in August and made a presentation to the selection committee, which is made up of legislators from around the southern states. The BRF program was one of seven finalist nominees, but it did not win the award.
- The BRF program has subsequently been nominated for another award, through the Kennedy School of Government.

- MDE has also been invited to participate in a web-cast for the Engineering News Record, which is an engineering trade journal. This will be broadcast from Los Angeles, California. It will be part of a national meeting of engineering firms involved in this field of work.

Discussion #2: Update on Fees Collected to Date – Thad Russell & Committee Members:

- The total collections to date is ~\$20.1 million (~\$19.3 million for sewer fund, and ~\$0.8 million for septic).
- The Comptroller's Office has distributed most of the collected fund with ~\$18.89M has been distributed to MDE sewer account, ~\$0.48M to MDE septic account, ~\$0.32M to MDA cover crops account, and ~\$80,000 for administrative cost recovery.
- Now that the fee collection is underway, MDE and the Comptroller's Office have been getting many questions regarding the fee.
- For example, many residents from Garrett County question why this fee should be paid by people who live outside of the Chesapeake Bay watershed. This question was raised and answered during the legislative debates that concluded that the Bay is a trillion dollar economic engine for the State of Maryland. The prosperity of Maryland is directly tied to the health of the bay. Therefore, all Maryland residents have an interest in the Chesapeake and should invest in restoring it.

Discussion #3: Update on the Best Available Technology (BAT) Workgroup – Jay Prager & Committee Members:

- An update on the BAT Workgroup was provided. The group is discussing the procedures to determine funding eligibility of technologies. The workgroup has also met with many stakeholders to discuss these issues.
- Some of the procedures proposed during these discussions included the creation of a review team and to allow vendors, municipalities and other interested entities to submit technologies for verification.
- At this time, there is no funding available for research and development. Therefore, these technologies will have to be developed by private vendors or by other independently funded programs, such as academic institutions.
- The workgroup would evaluate the available data of the proposed technology. There have been only six technologies that have been evaluated and approved by the National Science Foundation (NSF). However, there are many more technologies developed by universities, independent groups, and states that should not be excluded from this process.

- Those technologies that have already been verified by the NSF would have less extensive review than other technologies. The workgroup may only need to review the results of the NSF evaluation.
- Regarding the billing procedures, 23 of the 24 jurisdictions have reported that they have a procedure in place to collect the onsite system fees.

Discussion #4: Overview of the MDA Cover Crop Program Implementation - Doug Scott:

- The Cover Crop Program has been in existence since 1984.
- Program activities and accomplishments for the past 12 years were summarized and presented to the committee. Cover crop activities have reached over \$5 million during this period and they are expected to peak to \$8 million after the Bay Restoration Fund becomes fully operational.
- Cover crops are very effective in reducing nitrogen discharge. During a planting season, cover crops reduce nitrogen load by an average of 8.5 pounds per acre. In 2000, cover crop activities were credited to reducing over 1.4 million pounds in nitrogen.
- MDA conducted a customer survey to improve its Cover Crop Program. 650 surveys were returned out of 3,000 mailed (~22%). Also, many customers provided their feedback by phone.
- The survey results have not been finalized. However, initial results indicate some problems/issues in application date inconvenient, planting deadlines, not enough time to plant, time consuming paperwork/verification, and insufficient cost-share rate. Also, the survey has revealed that many applicants are unaware of the program.
- In response to the survey and focus groups input, some changes are being made to the Cover Crop Program, including extending the sign-up period, increase payment rates with optional split in payment, extending planting dates, allowing manure application under certain provisions, and increase public outreach.
- 2005 sign-up is underway and to date 944 applications have been received for 205,089 acres. Estimated BRF budget for this year is \$4.8 million, which would allow for only 137,000 acres planted at \$35 per acre. The Tributary Strategy has a 600,000-acre goal.

Discussion #5: Options to initiate the Efforts for Admin Fee Evaluation Report (due on January 2007) – Bob Summers & Committee Members:

- The law requires that the Committee submit a report to the joint Senate Education, Health and Environmental Affairs Committee and the House Environmental Matters Committee by January 2007 regarding the extent of administrative cost incurred by local governments in the collection of the Bay Restoration Fee, and the reasonableness of the administrative fee allowed by the law. While it is too early to

initiate the report, the strategy should be discussed especially if an independent consultant study would be needed.

- Several options were discussed including independent study by a consultant, in-house evaluation of the Comptroller's Office data (requested versus paid amounts), and possible survey of the billing authorities.
- The Committee feels that an independent study would not be needed. An in-house evaluation with a survey would be sufficient to complete this report. MDE will be working with the Comptroller's Office to complete this report starting in Spring 2006 after a full year of billings have been completed.

Discussion #6: Contents of the January 2006 Interim Progress Report– Bob Summers & Committee Members:

- The committee approved the report outlines. MDE will present the first draft of the report during the next committee meeting.

Future Meeting

The ninth meeting will be held on October 19, 2005 and the tenth meeting will be held on December 7, 2005 @ 1:00 p.m. in the Aqua & Aeris Conference Rooms – Lunch for members @ 12:00 (noon).

Adjournment

Chairman Warfield and Dr. Summers thanked the members of the Advisory Committee and all guests for their participation.

Materials Distributed at the Meeting

- Minutes of the June 15, 2005 meeting
- Meeting Agenda
- ENR Status Update
- OSDS Status Report
- BAT Workgroup Update
- BAT Verification Flow Chart
- Cover Crop Program Update
- Comptroller's Update
- 2006 Legislative Update Reports - Revised

Attendance

Advisory Committee Members Attending:

Robert E. Warfield	Chairman
Robert M. Summers, Ph.D.	Maryland Dept. of the Environment
Gregory B. Murray	Director, Washington Co. Dept. of Water Quality
David Bancroft	Executive Director, Alliance for Chesapeake Bay
Charles Evans	Dept. of Natural Resources
Tracy Kubinee	representing William Bryan Icenhower, M.D. St. Mary's Co. Health Dept.
Doug Scott	Maryland Dept. of Agriculture
Beth McGee	representing Tom Stoner, Chesapeake Bay Foundation
Bernie Marczyk	Policy Advisor to Governor Ehrlich
Ryane Necessary	representing Senator Paula C. Hollinger Maryland Senate
Mayor Kevin Dayhoff	Mayor of Westminster
William P. Ball, Ph.D.	Johns Hopkins University
James L. Hearn	Washington Suburban Sanitary Commission
Karen Harris Oertel	W.H. Harris Seafood
Delegate Barbara Frush	Maryland House of Delegates

Committee Members Absent:

Leland D. Spencer, M.D.	Maryland Assoc. of Co Health Officers Health Officer for Kent & Caroline County
Veronica L. Chenowith	Harford County Council
James T. Noonan	Maryland Dept. of Planning
Ron Crites	Dept. of Budget & Management

Others in Attendance:

Valentina Fomenko	DBM
Bonnie Kranzer	Western Solutions
Ron Hartman	Anne Arundel County
Deborah Weller	Bayland Counsultants
Julie Pippel	Washington County
John Martin	Baltimore City DPW
Deppa Bhattacharyya	DLS
Leslie Cook	DLS
Bill Forlifer	Dorchester County Health Dept.
Tom Street	Wye River Group

MDE Attendees:

Ginny Kearney	Walid Saffouri
Mehdi Majedi	Jay Prager
Renee Matthews	Andrew Sawyers
Eric Dougherty	Don Wilson
John Boris	Diane Lucas
Sue Allen	Mary Lu