

BAY RESTORATION FUND ADVISORY COMMITTEE

Maryland Department of the Environment

Aqua & Terra Conference Room

1800 Washington Blvd.

Baltimore, Maryland 21230

September 20, 2007

1:00 p.m. to 4:00 p.m.

Meeting Minutes

Welcome/Introduction:

- Dr. Summers welcomed the committee and other attendees.

Review of Minutes

- The Committee approved previous meeting minutes (July 9, 2007).
- The minutes and handouts from the meeting will be posted on MDE's website.

Discussion

I. Update on ENR Implementation and Upcoming Events:

- Dr. Summers provided an update on the status of the 66 plants targeted for ENR upgrade.
- To date, there are six facilities completed the construction and in ENR operation. One facility (Kent Island, Queen Anne's County) has been added to this category since the last Committee meeting.
- 8 additional facilities have signed the ENR agreement and are now officially in planning: Marlay Taylor (Pine Hill Run), Cox Creek, Annapolis, Broadneck, Broadwater, Maryland City, Mayo Large Communal, and Patuxent.
- A groundbreaking may be arranged for Havre De Grace in Harford County.

II. Update on Department of Defense Facilities:

- Dr. Summers provided an update on the status of the Department of Defense (DoD) Facilities.

- The DoD disagreed with Maryland and defined the Bay Restoration Fund fee as tax that should not be paid by the DoD facilities.
- To resolve this disagreement with pursuing any litigation, MDE and DoD entered a Memorandum of Understanding allowing DoD to upgrade its facilities at its own cost, thereby exempting these facilities from paying the fee.
- DoD is moving forward with the needed upgrades specified by the Memorandum of Understanding.

III. Update on Blue Plains Upgrade:

- Dr. Summers provided an update on the status of the Blue Plains upgrade.
- There are two interrelated parts of the Blue Plains upgrade. The combined sewer overflow, which is required to be corrected by a consent decree by EPA, is one part, and the enhanced nutrient removal (ENR) upgrade is the second part. The combined sewer has as a significant impact on the ENR process.
- EPA has issued a modified discharge permit that requires ENR level of treatment and is planning to include a compliance schedule in the combined sewer overflow consent decree, which is currently being negotiated.
- Concurrently, DCWASA is moving forward with the ENR upgrade in phased out approach to allow for the consent decree to be finalized and the portion of combined sewer flow treated by ENR plant is determined.

IV. BRF Fee Collection Update:

- Mr. Jag Khuman provided the 2nd Quarter and year-to-date fee collection amounts.
- Mr. Khuman also provided the annual average wastewater fee collection, which is approximately \$57.5 million per year.
- Also, Mr. Khuman explained that the reason for variation in fee collection from year to year is due to changing the fee reporting to full accrual system. The actual collection has been flat and has not gone up or down.
- It was noted that Montgomery County's septic fee is extremely low and the Comptroller Office is investigating this matter. Only \$740 has been collected since the inception of the program.

V. Proposed Outline for Annual Status Report (January 2008):

- Dr. Summers presented the outline for the Annual Status Report, which will be submitted to the Governor, the Senate Education, Health, and Environmental Affairs Committee, and the House Environmental Matters Committee.
- The report will be similar in format to the last year's report with few items will be added, which will include Maryland Department of Planning additional role in the BRF implementation and House Bill 893. In addition, a discussion on a potential funding gap will be included.
- Dr. Summers asked the committee for any suggestions on the report and asked the committee members to review and comment any time before the report is finalized in December.

VI. Onsite Sewage Disposal Systems (OSDS) Update:

- Mr. Jay Prager provided an update on the OSDS program of the Bay Restoration Fund.
- Mr. Prager informed the committee that there is a large variation in the cost of upgrades of the OSDS. To date, approximately 37 systems have been upgraded costing between \$7,500 and \$18,000.
- The cost variance is possibly due to different cost in technologies and the level of upgrades. Some systems required simple retrofit and some others may require almost complete replacement. In the mean time, the upgrade of larger systems should be encouraged because they provide less cost per EDU.
- MDE is following with USDA and the Internal Revenue Service (IRS) regarding the issue of whether or not the BRF grant funding for individual septic systems should be considered taxable income. The IRS will respond in writing.
- Mr. Prager provided an update on the submitted RFP/grant requests. Some counties, like Anne Arundel and Fredrick Counties, have been very proactive in submitting their grant requests.
- Mr. John Boris provided an overview on Social Marketing and how it can be used in the implementation of OSDS upgrades. Social Marketing is the concept of bringing about voluntary behavior change in the lives of individuals that can have meaningful benefits, both for the individuals and for the society as a whole.

VII. MDE and MDP Discussions to Jointly Implement House Bill 893:

- Dr. Summers informed the committee that MDE and MDP will be meeting to discuss the implementation of House Bill 893. House Bill 893 requires MDE and MDP to report how the ENR upgrades and the Bay Restoration Fund is impacting growth within the service areas of the upgraded facilities.

VIII. Update on Cover Crops Activities:

- Ms. Louise Lawrence and Ms. Michelle Esch, of Maryland Department of Agriculture, provided an update on cover crops activities.
- 1782 funding request applications were received for this season, 1528 of which were approved to provide cover crops for approximately 302,000 acres at \$12.3 million.
- As the sign-up process has been concluded, the next step is the actual planting between now and the middle of November.

IX. Next Meeting:

Next meeting will be schedule for early November.

Materials Distributed at the Meeting

- 18th Meeting Minutes (July 9, 2007)
- Meeting Agenda
- Wastewater Treatment Plants ENR Upgrade Status Status (September 20, 2007)
- Bay Restoration Fund Advisory Committee Annual Status Report Outline (January 2008)
- Bay Restoration Fund OSDS Grant Awards

Attendance

Advisory Committee Members Attending:

Robert M. Summers	Maryland Department of the Environment
James L. Hearn	Washington Suburban Sanitary Commission
Louise Lawrence	Maryland Department of Agriculture
Michele Esch	Maryland Department of Agriculture
Larry Fogelson	Maryland Department of Planning
Frank Dawson	Maryland Department of Natural Resources
Jen Aiosa	Chesapeake Bay Foundation
William Ball	The Johns Hopkins University
Leland Spencer	Caroline County Health Department
David Bancroft	Alliance for the Chesapeake Bay
Karen Oertel	Commissioners, Queen Anne's County

Others in Attendance:

Kelly Duffy	RK&K Engineers
Donald Barton	City of Hagerstown
Michael Spiker	City of Hagerstown

Maryland Dept. of the Environment (MDE) Attendees:

Jay Sakai
Jag Khuman
Andrew Sawyers
Ray Anderson
John Boris
Jay Prager
Renee Matthews
Shawn Abeywickrama
Rajiv Chawla
Hilary Bell
Adam Reiting
Walid Saffouri
Ryan Necessary
Marya Lelev