



State of Oregon
Department of
Environmental
Quality

DEQ Ways and Means Presentation

2013-15 Governor's Balanced Budget

Ways and Means Subcommittee
on Natural Resources

April 25, 2013



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Package 090 – Governor’s restoration of wastewater permitting and water quality plan implementation

Program	Package type	Fund	Amount	Pos	FTE
Water	Service continuation	GF	700,000	3	3.00
Water	Service continuation	GF	813,072	3	3.00

- Permitting positions write permits and ensure permit compliance
- Water quality plan implementation positions focus on nonpoint source pollution and providing technical assistance to smaller communities



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Policy option packages

Pkg No.	Program	POP Title/description	Fund	Amount	Pos	FTE
111	Air	Maintain an effective ACDP Program	OF	810,671	3	3.67
120	Water	Onsite septic system program	OF	274,454	1	1.50
122	Water	Oregon Plan monitoring	GF	238,161	2	1.25
124	Water	Water quality 401 project certification	OF	544,677	3	2.50
126	Water	Operator certification program	OF	71,198	0	0.20
127	Water	Implement Integrated Water Resources Strategy	GF	474,187	3	2.25
128	Water	IWRS statewide groundwater monitoring	GF	460,000	2	0.66
131	Land	Paint product stewardship	OF	-	0	0
181	Non Limited	Clean Water SRF capitalization grant loans	OF	30,150,000	0	0
191	Debt Service	Clean Water SRF bond debt service	OF	10,020,000	0	0
182	Non Limited	Small Community Clean Water Grant program	OF	1,789,306	0	0
320	Water	Pesticide Stewardship Partnership program	OF	747,942	5	4.00



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Package 111- Air Contaminant Discharge Permit program

Program	Package Type	Fund	Amount	Pos	FTE
Air	Service continuation	OF	810,671	3	3.67

- Would restore 3.67 of 6.67 FTE cut, based on an overall fee increase of 20 percent
- Staff costs have risen since the last fee increase in 2007
- Proposed fee would support the ACDP program through 2017

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Package 120 - Onsite septic system program

Program	Package Type	Fund	Amount	Pos	FTE
Water	Service continuation	OF	274,454	1	1.50

- Would restore 1.0 FTE permit coordinator and 0.5 FTE program oversight position
- Core services
 - Customer assistance
 - Technical assistance and oversight to contract counties
- Fee increases would affect applicants and licensees
- Planning to undertake a significant review during interim



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Package 122 - Oregon Plan monitoring

Program	Package Type	Fund	Amount	Pos	FTE
Water	New work	GF	238,161	2	1.25

- Statewide monitoring program
- Coordination among Oregon Plan agencies
- Information uses:
 - Identify most critical factors affecting fish and aquatic life
 - Target restoration efforts
 - Evaluate effectiveness of restoration efforts



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Package 124 - Water quality 401 project certification

Program	Package Type	Fund	Amount	Pos	FTE
Water	Service	OF	544,677	3	2.50

- Would implement House Bill 2185 (2009)
- Would ratify the revised fee schedule
 - Adopted by the Environmental Quality Commission - October 2012
 - Effective July 31, 2013
- Would recover program costs more equitably
- Would provide more technical assistance and better customer service



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Package 126 - Wastewater operator certification program

Program	Package Type	Fund	Amount	Pos	FTE
Water	Service continuation	OF	71,198	0	0.20

- Certified operators ensure treatment plants function properly
 - Prevent pollution
 - Protect public health and water resources
- Would ensure availability of training and continuing education
- Would fund program through 2019 (last increase was 2002)
 - Would add new fee category for small communities



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Package 127 - Integrated water resources strategy

Program	Package Type	Fund	Amount	Pos	FTE
Water	New work	GF	474,187	3	2.25

- One position in each region
- Positions would participate on teams developing water management and supply projects
- Unique skills:
 - Water quality expertise
 - Modeling
 - Monitoring



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Package 128 - Statewide groundwater monitoring

Program	Package Type	Fund	Amount	Pos	FTE
Water	New work	GF	460,000	2	0.66

- DEQ would assess two geographic areas per year
- Would help protect a critical and vulnerable resource
- Would help bridge a significant data gap

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Package 131 - Paint product stewardship

Program	Package Type	Fund	Amount	Pos	FTE
Land	Service continuation	OF	-	-	-

- A revenue-only package
- Relates to HB 2048, which would make the paint product stewardship pilot program permanent
- Would add revenue that we wouldn't receive under existing law, if the program were to sunset



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Package 181/191- Clean Water State Revolving Fund

Program	Package Type	Fund	Amount	Pos	FTE
Non Limited	Service continuation	OF	30,150,000	-	-
Debt	Service continuation	OF	10,020,000	-	-

- Non-limited expenditure approval
 - \$30 million from federal capitalization grants
 - \$10 million in bonds to provide 20 percent match
 - \$150,000 bond issuance costs



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Package 182 - Small community clean water grants

Program	Package Type	Fund	Amount	Pos	FTE
Non Limited	Service expansion (one-time)	OF	1,789,306	-	-

- Related to House Bill 2238



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Package 320 - Pesticide stewardship partnerships

Program	Package Type	Fund	Amount	Pos	FTE
Water	New work	OF	747,942	5	4.00

- Joint package with the Oregon Department of Agriculture
- 50-50 split between General Fund and pesticide registration fees
- DEQ's responsibilities:
 - Program planning
 - Facilitating and providing technical assistance to PSP teams
 - Conducting monitoring
 - Analyzing and interpreting data



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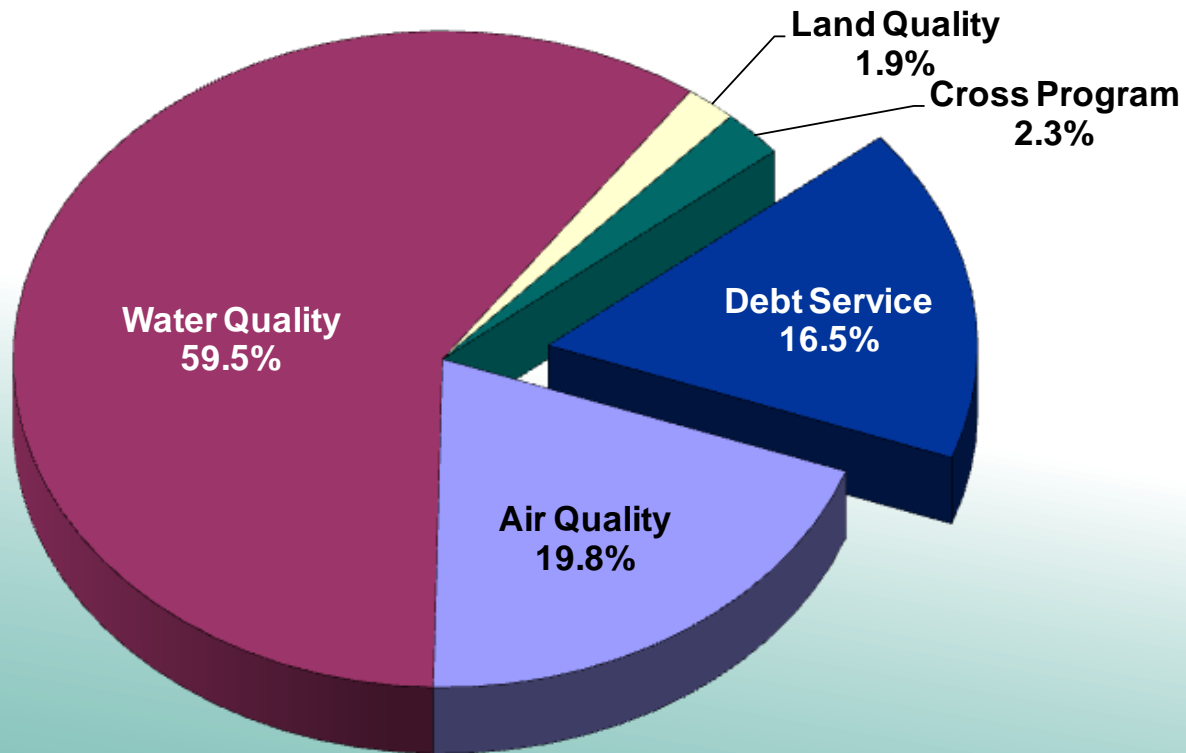
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Reduction Options – General Fund

Priority	Program	Description	\$\$ GF	Pos	FTE
1	Water	Water quality plan implementation	208,625	1	1.00
2	Land	Hazardous waste compliance program	72,081	-	0.12
3	Air	Lane Regional Air Protection Agency	32,483	-	-
4	Water	Groundwater management areas	548,634	2	2.50
5	Water	Water Quality permit coordination	77,145	-	0.50
6	Air	Air Contaminant Discharge permits	309,941	2	2.00
7	Air	Air toxics monitoring	264,218	2	1.08
8	Water	Nonpoint source basin coordination	195,176	1	1.00
9	Air	Air Quality planning	76,130	-	0.33
10	Air	Air Quality regional planning and local government coordination	81,344	-	0.30
11	Water	Water Quality standards and assessment	192,851	1	0.79
12	Water	Groundwater - lab analysis	195,124	1	1.00
13	Water	Stormwater engineer	283,671	1	1.00
14	Water	Nonpoint source coordination	234,331	1	1.00
15	Water	Wastewater permitting - permit program analyst	98,764	-	0.50
Total GF Reduction Options			2,870,518	12	13.12

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2013-2015 GBB Current Service Level Budget
General Fund - \$28,696,597





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Option 0 Orphan site bond refunding

Program	GF	Pos.	FTE
Debt Service	206,000		

- Re-funds 2003 Series Orphan Bond
 - Call final 10 years of bonds (2014 through 2024 maturity)
 - Sell replacement bonds at lower interest rate
- Estimated savings of about \$265,000 over 10 years
 - Based on current bond market conditions
- Can accelerate savings into 2013-15, for a one-time \$206,000 reduction



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Option 1 Water quality plan implementation

Program	GF	Pos.	FTE
Water	208,625	1	1.00

- Would reduce capacity in DEQ's Eastern Region to:
 - Assist with development of clean water implementation plans
 - Ensure plans are being implemented
 - Provide technical assistance on the design and implementation of restoration projects.



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Option 2 Hazardous waste compliance program

Program	GF	Pos.	FTE
Land	72,081	0	0.12

- Would reduce revenue to cover services and supplies



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Option 3 Lane Regional Air Protection Agency

Program	GF	Pos.	FTE
Air	32,483	0	

- Would reduce General Fund support for LRAPA
- Would mean a reduction in overall services to Lane County
- Loss of General Fund would put federal grant funding in jeopardy



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Option 4 Groundwater management areas

Program	GF	Pos.	FTE
Water	548,634	2	2.50

- Would eliminate DEQ monitoring, coordination and implementation of all groundwater management areas statewide
 - Lower Umatilla Basin, Northern Malheur County, Southern Willamette Basin
- Would eliminate technical assistance for groundwater pollution prevention activities
- Would reduce DEQ's ability to do groundwater quality monitoring in lab
- Would eliminate DEQ's only groundwater policy position



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Option 5 Water quality permit coordination

Program	GF	Pos.	FTE
Water	77,145	0	0.50

- Would reduce support for wastewater permits, including public notice and permit assignment
- Would decrease timeliness of permit issuance



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Option 6 Air Contaminant Discharge permits

Program	GF	Pos.	FTE
Air	309,941	2	2.00

- ACDP program is 92 percent fee funded
- Would eliminate half of the remaining General Fund in ACDP
- Loss of positions would reduce permitting, inspections and technical assistance to smaller business permit holders



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Option 7 Air toxics monitoring

Program	GF	Pos.	FTE
Air	264,218	2	1.08

- Would eliminate the only state-funded air toxics monitor
- Recently moved monitor from Medford to Hare Field stadium in Hillsboro
- Would eliminate future opportunities to identify local air toxics problems in other Oregon communities



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Option 8 Nonpoint source basin coordination

Program	GF	Pos.	FTE
Water	195,176	1	1.00

- Would eliminate one of three positions in central and southern coastal basins
- Would reduce technical assistance to communities, watershed councils, local governments and others
- Would eliminate ability to do effectiveness monitoring and data evaluation



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Option 9 Air quality planning

Program	GF	Pos.	FTE
Air	76,130	0	0.33

- Would eliminate the General Funded portion of one air quality planning position
- Would delay time-sensitive clean air planning to comply with federal health standards and avoid costly requirements on industry
- Would delay work to reduce toxic air pollution



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Option 10 Air quality regional planning and local government coordination

Program	GF	Pos.	FTE
Air	81,344	0	0.30

- Would eliminate General Fund portion of an air quality regional planning/coordination position in Portland
- Would reduce coordination with local governments on transportation, land use and air quality related activities in the Portland area



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Option 11

Water quality standards and assessment

Program	GF	Pos.	FTE
Water	192,851	1	0.79

- Would delay work on development of new water quality standards
- Would reduce support to wastewater permitting program for variances and site-specific standards



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Option 12 Groundwater – lab analysis

Program	GF	Pos.	FTE
Water	195,124	1	1.00

- Would eliminate the last remaining laboratory analytical position funded to do groundwater quality analyses



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Option 13 Stormwater engineer

Program	GF	Pos.	FTE
Water	283,671	1	1.00

- Would delay issuance of stormwater permits
- Would reduce DEQ's ability to:
 - Meet inspection goal commitments
 - Provide technical assistance to permittees
 - Provide technical support for program and policy implementation and development



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Option 14 Nonpoint source coordination

Program	GF	Pos.	FTE
Water	234,331	1	1.00

- Would reduce:

- Nonpoint source policy and guidance development
- Interagency coordination on agricultural water quality issues
- Support for DEQ's nonpoint source toxics reduction efforts.



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Option 15

Wastewater permitting – permit program analyst

Program	GF	Pos.	FTE
Water	98,764	0	0.50

- Would reduce support for:
 - Water quality rulemaking
 - Policy development
 - Performance measurement
 - Development of a sustainable Water Quality program funding plan.



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Vacancies

Vacancy Summary (Vacancies >6 months as of 03/31/13)

Reason	Program/Location				Total
	AQ	WQ	LQ	AM	
Pay for unbudgeted costs, actual PS costs exceed budget	1	8	0.5	2.5	12
Revenue Shortfalls		4	3	4	11
Intra-Agency usage, mostly special and developmental assignments where employee does not leave current position	3	4	1	3	11
Position held open to accumulate savings, provide balances to maintain staffing levels constant into 2013-15.	5	5			10
Position abolished (HB4131, Pkg 070 in GBB)	2	3	4		9
Filled or in recruitment	1	1	4	2	8
Reduced Workload			5		5
Pending Reclassification	1		2		3
Grand Total	13	25	19.5	11.5	69