

Chesapeake Bay and Water Resources Policy Committee

Date: Friday, Jan. 20, 2006

Time: 9:45 a.m.– 11:45 a.m. *

Place: Third Floor Board Room

777 North Capitol Street, NE

Washington, DC 20002

**Lunch will be available for committee members and alternates after the meeting.*

Meeting Agenda

9:45 **1. Introductions and Announcements** Hon. John R. Lovell
Chair, Frederick County

- 2006 meeting schedule (*Att. 1a*)
- Planning for 2006 Executive Council meeting (*Att. 1b*)

9:50 **2. Election of committee vice chairs for 2006**.....Members

The CBPC bylaws allow for the selection of two committee vice chairs, preferably from states not represented by the Chair.

Recommended Action: Approve CBPC Vice Chairs from Va. and the District of Columbia

9:55 **3. Outreach and Education: Virginia Campaign** Katherine Mull
Northern Virginia Regional Commission

..... Karl Berger, COG staff

In 2005, various local governments in northern Virginia pooled their funds to sponsor a radio ad promoting public actions to minimize nonpoint source pollution. Ms. Mull will brief the committee on efforts to sponsor a second year of the campaign and increase its sponsorship base. Mr. Berger will briefly note the status of other regional outreach and education efforts.

Recommended Action: Encourage COG members from Maryland and the District of Columbia to consider participation in this campaign

10:20 **4. Approval of Meeting Summary for Nov. 18, 2005, and Sept. 28, 2005**..... Chair Lovell

Recommended action: Approve DRAFT Meeting summaries (Att. 4). (Note: no action was taken at the last meeting on the meeting summary from Sept. 28, 2005, because of lack of a quorum.)

10:25 **5. Committee Focus for 2006** Chair Lovell, members

COG staff has prepared a set of recommendations for items on which the committee could focus particular attention during the coming year, including both specific issues, such as nutrient use in urban regions, and potential activities, such as tours and legislative meetings. Chair Lovell will provide some opening remarks and then lead a brief discussion of potential committee priorities for 2006 (Att. 5).

Recommended action: Establish a set of committee priorities for discussion and action in 2006.

10:50 **6. Legislative and Funding Updates**Rep. of Chesapeake Bay Commission (invited)

- Virginia water quality improvement funds
- Federal farm bill recommendations

The COG Board has asked that the committee review the prospects for the Virginia General Assembly to provide additional funds for water quality efforts in that state, as proposed by outgoing Gov. Mark Warner (Att. 6a). A representative of the Chesapeake Bay Commission has been invited to brief members on the legislative prospects for such funding and to briefly outline the Commission's recent recommendations for changes to the federal Farm Bill (Att. 6b).

Recommended Action: Endorse proposal to spend a portion of Virginia's budget surplus on water quality improvement efforts and recommend that the COG Board send a letter advocating this position.

- Maryland Bay Restoration Fund
..... COG staff

A member of the COG staff will provide a brief update on the status of Maryland's Bay Restoration Fund, which is supported by the so-called flush tax (Att. 6c).

Recommended Action: Determine if committee should hear a more complete briefing from MDE representative.

11:15 **7. Update on Trash Treaty Actions** Hon. Penelope Gross
Fairfax County

..... Ted Graham, COG Water
Resources Director

COG is working with the Alice Ferguson Foundation to coordinate activities under a "Trash Treaty" whose signatories, including a number of local governments, pledge to work toward a trash-free Potomac River by 2013. The COG Board has directed the committee to encourage participation by members and oversee COG staff work on the treaty agenda. Ms. Gross will report on the Jan. 18 meeting of the project's advisory council and Mr. Graham will discuss opportunities for CBPC members to be involved in the summit and subsequent clean-up events being planned for the spring of 2006 (Att. 7).

Recommended action: Provide guidance to COG staff in coordinating COG involvement in the treaty.

11:35 **8. Report from Water Resources Tech Committee**..... Uwe Kirste, Prince William
County

Mr. Kirste will note items of significance from the Jan. 10 meeting of COG's Water Resources Tech Committee, including preliminary discussion of the FY 2007 Regional Water Fund work program and budget.

Recommended Action: Receive briefing

11:40 **9. New Business** Members

11:45 **10. Adjourn**

The next meeting is scheduled for Friday, March 17, 2006, 9:45 a.m. - 11:45 a.m.

(Remember: COG will reimburse members and alternates for Metro fares.)

Enclosures/Handouts:

- I tem 1a Committee meeting schedule for 2006
- 1b Memo to Bay Program Implementation Committee from Frank Dawson
- I tem 4 DRAFT meeting summaries of Sept. 28, 2005 and Nov. 18, 2005
- I tem 5 COG staff recommendations for committee priorities in 2006 (to be provided separately)
- I tem 6a Press release from Va. Gov. Mark Warner on water quality funding proposal
- 6b (to be provided at meeting) "Federal Farm Bill: Concepts for Conservation Reform in the Chesapeake Bay Region" or download from <http://www.chesbay.state.va.us/home.htm>
- 6c Executive summary from DRAFT Maryland Chesapeake Bay Restoration Fund Advisory Committee "Legislative Update Report"
- I tem 7 Alice Ferguson Foundation proposed documents for Trash Treaty

Chesapeake Bay Policy Committee 2006 Meeting Schedule

January 20, 2006
COG Board Room
9:45 AM – 11:45 PM

March 17, 2006
COG Board Room
9:45 AM – 11:45 PM

May 19, 2006
COG Board Room
9:45 AM – 11:45 PM

July 21, 2006
COG Board Room
9:45 AM – 11:45 PM

September 15, 2006
COG Board Room
9:45 AM – 11:45 PM

November 17, 2006
COG Board Room
9:45 AM – 11:45 PM

Note that meeting times have been adjusted to allow for the Public Safety Policy Committee Meeting to also be held in the Board Room. Generally, meetings will be held on the third Fridays of alternate months. If you should have any questions, please contact Karl Berger @ x3350, or Wyetha Lipford @ x3239.

To: Implementation Committee
From: Frank Dawson, MD DNR
Date: January 9, 2006
RE: Ideas for 2006

The State of Maryland is proud to have the opportunity to chair the Executive Council of the Chesapeake Bay Program in 2006. We are well aware of the great challenges that this opportunity provides, and we fully recognize that we cannot be successful without the support of our partners. Our first course of business for 2006 is to begin discussions to identify issues which we would like to bring to the Executive Council this fall. Frank Dawson and Matt Fleming will be contacting each of you by phone to begin this dialogue. It would be greatly appreciated if you could send your thoughts to fdawson@dnr.state.md.us by January 17th in preparation for the January 19th Implementation Committee conference call. It is our hope to have a draft list of 2006 Priority Issues by February 15.

To stimulate the thought process, we offer the following ideas for your consideration. These are some very early ideas and do not represent initial proposals from Maryland. Instead, they are offered solely to stimulate discussion among the partners. Please feel free to add, subtract and edit at will.

- Federal Agency Tributary Implementation Plan
- New Overall Preservation/Conservation Goal including a new wetlands preservation goal
- Regional approach to stormwater management
- Regional phosphorous free strategy
- Regional coordination of nutrient offsets and trading
- Reevaluation guidelines
- Final direction on the formulation of a regional Finance Authority

During the January 19th Implementation Committee Conference call we will propose a draft schedule for the year for your consideration. Thanks you in advance for your support.

CHESAPEAKE BAY POLICY COMMITTEE
777 North Capitol Street, N.E.
Washington, D.C. 20002

DRAFT MINUTES OF SEPTEMBER 28, 2005, MEETING

ATTENDANCE:

Members and alternates:

Chair John Lovell, Frederick County
Vice Chair Barbara Favola, Arlington County
Vice Chair Hamid Karimi, District of Columbia
J Davis, City of Greenbelt
Penelope Gross, Fairfax County
Bruce Tulloch, Loudoun County
Andy Fellows, College Park
Uwe Kirste, Prince William County
Nicole Streeter (for Vincent Gray), District of Columbia
Beverly Warfield (for Christopher Akinbobola), Prince George's County
J.L. Hearn, WSSC
John Dunn, DC-WASA
Unknown individual (for William Skrabak), City of Alexandria

Guests:

Jenn Aiosa, Chesapeake Bay Foundation

Staff:

Lee Ruck, General Counsel
Stuart Freudberg, DEP Director
Ted Graham, DEP
Karl Berger, DEP

1. Introductions and Announcements

Chair John R. Lovell Jr., called the meeting to order at 9:45 a.m.

2. Approval of Meeting Summary for July 13, 2005

The draft summary was approved.

3. Vote on Proposed Bylaws Amendment

Mr. Ruck, COG's General Counsel, briefly reviewed the changes to the current set of bylaws that the members present, acting as a committee of the whole, had approved for consideration at this meeting. He noted that action to approve the bylaws amendment at this meeting would send them to the COG Board at its October meeting for final approval.

Mr. Lovell noted that a vote on the bylaws amendment should be based on the existing rules for quorum, which require a minimum of seven members, with at least two of the se from Maryland, two from Virginia and one from the District of Columbia.

Ms. Davis asked for clarification on two points: why were the quorum requirements adjusted in the proposed revisions and whether the requirement still exists for special written notice of at least 10 days for any committee action to revise the bylaws. Mr. Ruck said the quorum change reflects committee input from the previous meeting and staff clarified that the written notice requirement remains in the proposed bylaws amendment.

Ms Gross responded to a concern expressed about the change of the name to the Chesapeake and Water Resources Policy Committee and whether that would be interpreted as a reduced focus by COG on the Bay. She did not think that would be an issue.

Action Item: With eight jurisdictions voting, the committee unanimously voted to send the proposed bylaws amendment to the COG Board for approval.

4. Discussion of Potomac Trash Issues

Mr. Graham briefed the committee on the trash-free Potomac initiative launched by the Alice Ferguson Foundation, noting that the treaty pledging to achieve a “trash-free” Potomac by 2013 had now been signed by five COG member jurisdictions. He noted that plans continue for a trash summit meeting in March 2006 and a number of officials from member governments and from COG staff are participating on the advisory council for this effort and its various committees. He also noted that COG is seeking a grant from the Summit Fund to defray some of its expenses for this effort. Among the staff’s activities, he added, would be the compilation of activities that COG’s members already conduct to address trash issues.

Chair Lovell raised concern about the need for actions to be coordinated at the regional level, such as a bottle deposit bill. He said the Frederick County commissioners intend to ask the local delegation to introduce a bill for this in the upcoming Maryland General Assembly session.

Mr. Karimi said COG’s role should be to make sure that actions are coordinated on a regional basis.

Mr. Lovell questioned what sort of actions could effectively reduce the amount of trash thrown into the environment. He said people would need inducements to change their behavior, citing as an example the possibility of providing drive-by trash receptacles along roads where people could dispose of the trash they accumulate from fast-food restaurants. He added that any action should include an educational component to educate the general public.

Ms. Gross expressed concern that the foundation’s unfamiliarity with local governments may lead to a sense of excessive expectations. Based on the way the foundation has gone about obtaining local government participation thus far, she said, it is unclear whether the foundation will recognize the constraints that exist on local government action.

Mr. Tulloch expressed similar concern. He noted that he had recently spoken with a foundation representative who had “great dreams” about what could be accomplished. He too noted that local governments have defined roles and constraints on what they can do. He asked if a foundation representative could attend a future committee meeting to discuss these issues.

In response to the concern that the trash initiative may focus on just one or two highly visible actions, Mr. Kirste noted that discussion at the kick-off meeting for the initiative focused on developing a comprehensive approach. He said he would recommend to the Prince William County Board of Supervisors that it hold off on signing the treaty until this more comprehensive approach is developed and the county has had an opportunity to review it.

Mr. Fellows said that despite some of the reservations that committee members have discussed, he believes it is a good idea for COG to be involved in the effort. In doing so, COG would not be committing to any specific action at the moment, only to the idea of collective action in the future, he said.

Action Item: The committee asked staff to investigate whether a foundation representative could come to a future committee meeting.

5. Briefing on agricultural initiatives

Jenn Aiosa of the Chesapeake Bay Foundation briefed the committee on the Bay Program’s draft manure and poultry litter strategy. The strategy, which is expected to be officially adopted by the Chesapeake Executive Council at its upcoming fall meeting, is designed to address the imbalance of the nutrients nitrogen and phosphorus created by the concentration of animal production operations in certain parts of the watershed. Ms. Aiosa provided details of many of the actions proposed under the strategy, most of which relate to farmers or to agricultural industries. However, she also noted that the strategy envisions expanding the use of manure-based products in urban areas through changes in government procurement regulations that would create greater incentives for their use.

Ms. Gross noted that Jim Perdue of Perdue Farms, with whom she served on the Chesapeake Bay Blue Ribbon Finance Panel, had frequently complained about the fact that government procurement regulations do not allow Perdue to bid on jobs that might use the new pelletized fertilizer product that Perdue produces from poultry litter at a plant on the Delmarva Peninsula. In response, Ms. Aiosa noted that the Bay Program has been in talks with state highway departments about their procurement regulations. She said that some states in the region do allow the use of manure-based products, but that they do not require it. She also noted that local governments might be able to encourage the use of manure-based products on land that they control, such as school athletic fields.

Action Item: The committee requested COG staff investigate whether opportunities do exist for local governments to promote use of such products. Mr. Graham noted that staff would seek guidance from the Water Resources Technical Committee.

Mr. Bieber of COG staff briefly noted that the Chesapeake Bay Commission and other parties have put together a detailed proposal for provisions they would like to see incorporated into a new federal farm bill, which is expected to emerge in 2006. He said COG staff would provide a more detailed overview of this initiative and other federal legislation at the committee’s November meeting.

6. Update on Bay Program Developments

This item was deferred..

7. New Business

None was noted.

8. Adjourn

The meeting was adjourned at 11:45 a.m.

CHESAPEAKE BAY and WATER RESOURCES POLICY COMMITTEE
777 North Capitol Street, N.E.
Washington, D.C. 20002

DRAFT MINUTES OF NOVEMBER 18, 2005, MEETING

ATTENDANCE:

Members and alternates:

Chair John Lovell, Frederick County
J Davis, City of Greenbelt
Penelope Gross, Fairfax County
Bruce Tulloch, Loudoun County
Thomas Dernoga, Prince George's County
J.L. Hearn, WSSC

Guests:

Peter Marx, Northeast-Midwest Institute

Staff:

Stuart Freudberg, DEP Director
Ted Graham, DEP
Steve Bieber, COG staff
Tanya Spano, COG staff
Heidi Bonnaffon, COG staff
Karl Berger, DEP

1. Introductions and Announcements

Chair John R. Lovell Jr., called the meeting to order at 9:45 a.m.

2. Approval of Meeting Summary for September 28, 2005

In the absence of a quorum, the committee did not take action to approve the draft summary.

3. Briefing on Water Quality Monitoring Data and Trends

Ms. Bonnaffon of COG staff reviewed recent water quality monitoring data for the Bay as a whole and the Potomac River basin. She noted that levels of dissolved oxygen in the Bay this summer were lower than predicted and were the lowest ever recorded in the recent monitoring of the Bay. On the other hand, she noted that there was not a harmful algal bloom in the Potomac River estuary this past summer even though one had been predicted based on similarities in weather conditions and other parameters to previous years in which such blooms occurred.

Ms. Bonnaffon also showed some data on trends in nitrogen and phosphorus levels in the Potomac River and in cumulative discharges from the region's wastewater plants. Discharges of these two leading Bay pollutants have decreased greatly from wastewater plants. However, the trend from water quality monitoring stations in the estuary shows little to no change in recent years and trends at the fall line, which reflect water quality in the free-flowing

section of the river, show that the trend in phosphorus concentrations has stopped declining and has begun to increase again in recent years.

In the ensuing discussion, several committee members asked if scientists know why there was no bloom in the Potomac despite favorable conditions. Mr. Bieber of COG staff replied that they do not know, but they have begun working on a model that can predict populations of harmful bloom-causing algal species such as *Microcystis*.

Chair Lovell asked why there would be a difference in the trends shown by nitrogen and phosphorus at the fall line. Mr. Berger of COG staff said speculation centers on the disparity between the nitrogen and phosphorus contents of animal manure and the amounts of these elements typically used by crops, which can lead to a build-up of phosphorus in the soil that can contribute to surface run-off

4. **Response to CBF Bay Report Card and GAO Report**

Mr. Graham discussed several recent reports that were critical of the progress being made by the Bay Program and suggested how COG might respond to the publicity the reports have received. One of the reports he discussed was the annual report card on the Bay issued by the Chesapeake Bay Foundation, which gave the restoration effort a score of 27 out of 100 in 2005, which is in line with the scores given in recent years. According to the foundation, he said, the restoration effort has stalled. Mr. Graham also summarized the findings of a recent report on the Bay Program by the Government Accountability Office, which had been requested by Senators Barbara Mikulski and Paul Sarbanes of Maryland and John Warner of Virginia in response to criticism of the program. In its report, the GAO said that the Bay Program has problems with the way it measures and reports progress and made several recommendations to address these shortcomings. The agency also said that the Bay Program needs a better implementation strategy, which should be better coordinated among the different partners and more focused on the most effective restoration measures.

Mr. Graham noted that EPA's Bay Program Office is in the process of responding to the GAO report, but it is not clear whether this will mean any changes in the slow pace of implementing tributary strategies in Maryland and Virginia. On a related note, Ms Spano of COG staff said that as part of a trend toward relying more on regulatory measures to achieve progress, EPA is moving to establish its legal basis for regulating stormwater discharges in the same way as it regulates discharges from wastewater plants under the Clean Water Act. She said that such a change could have major implications for the region's local governments. She added that staff is tracking the progress of the pending stormwater permit in the District of Columbia, which could set an important precedent in this regard.

In the ensuing committee discussion, Ms. Davis asked if the score on the CBF report card affects the credibility of the GAO report. And Mr. Tulloch asked to what extent the controversy was tied to disparities in the results shown by the Bay Program models and its monitoring data. In response, Mr. Bieber of COG staff said that much of the disparity between monitoring and modeling results disappears if you adjust the monitoring data for flow, as the Bay Program has now begun to do.

Action Item: In response to these reports, the committee directed staff to draw a distinction between water quality results for the Potomac watershed and those for the Bay itself. It also directed staff to advocate for a greater local government role in implementing actions.

5. Review of Federal Legislation

Mr. Marx, who is on assignment from EPA to the Northeast-Midwest Institute and helps staff a congressional Chesapeake Bay Watershed task force, provided an update on several pieces of federal legislation. One of those was a federal farm bill, which is due for reauthorization in 2007. He noted that the Chesapeake Bay Commission has prepared a set of recommendations for change in federal farm policy, specifically in regard to the many conservation provisions, in an effort to benefit the Bay restoration program. (The Commission's report was briefly noted at the Sept. 28 CBPC meeting.) He said the Commission's approach was overly ambitious and not focused enough. For example, he said, the Commission has recommended more money be appropriated for each of the 27 current conservation provisions in the bill, a very unrealistic expectation, given the current budget climate in Washington, he said.

Chair Lovell said he had not as yet reviewed the Commission's report, but he cautioned against reducing crop support payments to farmers to spend more money on conservation measures.

Mr. Marx also reviewed legislation introduced by Maryland Sen. Paul Sarbanes and Maryland Rep. Wayne Gilchrest to reauthorize the Bay Program under a section of the Clean Water Act. Action to amend or reauthorize the entire Clean Water Act is unlikely according to Mr. Marx. However, he said there was a fair chance that one of these limited bills could pass by being attached to some other piece of legislation. If nothing happens, he said, the Bay Program will still continue to receive federal support, he said, but none of the changes promised by the legislation would occur.

The two bills are very similar, Mr. Marx said. However, the House bill benefited from a series of field hearings held last winter which led Rep. Gilchrest to conclude that local governments were not sufficiently involved in the Bay Program effort. As a result, it has two provisions that the Senate version does not: one specifically increasing the share of federal funds that go to the small watershed grant program, which can be used by local governments, and another establishing the Bay Program's Local Government Advisory Committee as the entity that decides how to distribute these funds. Mr. Marx noted that both bills would increase the federal authorization for the Bay restoration effort from \$40 million to \$50 million a year, although, he said, Congress must still appropriate any funds on an annual basis. In recent years, he added, the annual appropriation has been about \$20 million. The Gilchrest version, he said, earmarks this potentially extra \$10 million to the small watersheds grant program.

Ms. Gross noted that she testified at a field hearing in Annapolis last winter on the House bill at the invitation of Virginia Rep. Bobby Scott. She said that some of the federal representatives believed that local governments could take care of all of their urban stormwater needs by raising local impact fees and she had to note that this approach would not address the need to retrofit some urban development in areas that have already been built. Ms. Gross said the local government provisions in the House version were OK as far as they went; she said she reviewed grant applications under the small watershed program last year as a member of the LGAC and was OK with this from of oversight. However, she noted, this amount of money does not begin to address the funding gap identified by the Blue Ribbon Finance Panel on which she served. She said was frustrated by the lack of action from the Executive Council on the recommendations prepared this year by the follow-up committee to the Blue Ribbon Panel, on which she also served.

The committee discussed whether to comment on the legislation. COG staff noted that there is currently a \$50,000 limit on grant amounts under the small watersheds program, which limits its usefulness in urban areas.

Action Item: The committee agreed to recommend that the COG Board comment on the local government

aspect of the bills, specifically to request a greater share of the federal funds be used by for the small watershed grant program and to raise the ceiling on grant amounts under the program. It directed COG staff to prepare a comment letter for consideration by the Board.

6. Recommendations on Potomac Trash Summit Actions

Ms. Gross, who serves on an advisory committee established to guide the implementation of the treaty, reported on its development to date. Mr. Graham provided information on current developments. The treaty arose through an initiative by the Alice Ferguson Foundation and has been signed to date by a number of local governments in the region. The COG Board has passed several resolutions in support of the treaty, the latest, Resolution R43-05, calls on COG to encourage its members to actively participate in the treaty and its associated events. These include a trash summit meeting scheduled for March 16, 2006, at the headquarters of the World Bank and a trash clean-up day on April 8, 2006.

Ms. Gross expressed some concern that the foundation does not understand that local governments cannot dictate a number of actions and therefore may not meet expectations. Mr. Tulloch said he shares the same concerns.

Ms. Davis asked how COG could go about recruiting participation by those among its members who have not yet signed the treaty. Mr. Freudberg of COG staff made several suggestions, including that the CBPC send a letter to members who have not yet signed. He said such a letter would be consistent with Board policy and therefore could be signed by the committee chair. Chair Lovell said that such a letter should include information on the foundation, which many members may be unfamiliar with, and other background information on the initiative.

Action Item: The committee directed staff to prepare a letter for the Chair's signature encouraging members to consider participating in the trash treaty initiative.

7. Update on Bay Program Developments

This item was not covered.

8. New Business

Karl Berger of COG staff queried the members' present on their interest in pursuing more educational and outreach activities. He asked if committee members were interested in participating in school activities.

In response, Ms. Davis noted that it is difficult to promote Bay restoration and other public policy goals in the school system these days because of the demands made by new federal education requirement.

Mr. Tulloch said that committee members are missing an opportunity to reach out to the community and promote awareness of the importance of the Bay Program. He said many of the programs problems result from a lack of political will and that he saw the mission of this committee as strengthening the willingness of public officials to take the restoration program more seriously. He suggested that members could engage in high profile public events to help do this.

Chair Lovell noted that there are lots of opportunities for education outside of the school system and suggested that the restoration effort needs a slogan to capture greater public attention. Such a slogan could be used in the trash initiative if it were to be used by businesses whose packaging contributes to the problem. Mr. Tulloch agreed that

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the trash initiative should try to work with the private sector and not merely rely on government.

Action Item: Ms. Gross said she would relay this input to the trash treaty's advisory committee at its next meeting.

9. Adjourn

The meeting was adjourned at 11:45 a.m.

December 13, 2005

Att. 6.a
Kevin Hall
(804) 225-4260
cell: (804) 393-9406

**GOVERNOR WARNER ANNOUNCES LARGEST WATER QUALITY INVESTMENT IN
VIRGINIA'S HISTORY**

**— GOVERNOR'S BUDGET WILL HELP FUND IMPROVEMENTS TO MEET THE NATION'S MOST
STRINGENT WATER QUALITY REGULATIONS AND INCREASE ACCESS TO CLEAN AND SAFE
DRINKING WATER —**

RICHMOND - Governor Mark R. Warner today announced his budget will include \$242.5 million for drinking water programs and the largest single investment in water quality in state history. Of that, \$200 million for the Virginia Water Quality Improvement Fund will accelerate improvements to 92 wastewater treatment plants in the Chesapeake Bay watershed, helping them meet the new 'strictest in the nation' water regulations for all five tributaries in the watershed, which were adopted last month after a two-year regulatory process. The funding is estimated to allow upgrades that will reduce nitrogen loads by about 2.6 million pounds per year, almost two-thirds of the state's 2010 Chesapeake Bay Agreement requirement, and will help reduce sewer bills for rate payers in affected communities.

"Getting our state finances back on track has allowed us to make significant progress this year on Chesapeake Bay restoration," said Governor Warner. "We have paired the strictest water quality regulations in the nation with the single largest investment by any state for Bay clean-up, all with a 2010 deadline looming. I applaud members of the General Assembly who have advocated progress on the Bay, and have and will act responsibly to provide for it. The Chesapeake Bay is a national treasure and we will continue to work closely with Congress and our other Bay state partners to make its restoration a reality."

The Governor's budget proposal for water quality and drinking water programs will include the following:

- \$200 million for 'point source' reduction projects at publicly owned sewage treatment plants in all five river basins within the Chesapeake Bay watershed. [The funding is in addition to Virginia's mandatory deposit of \$56.6 million from the current budget surplus, 70% of which will be used to reduce 'nonpoint source' pollution. The nonpoint source funding is the maximum amount of funding that farmers and industry are estimated to be able to efficiently spend at the present time];
- \$25 million grants to local governments for point source projects at publicly owned sewage treatment plants located outside of the Chesapeake Bay watershed;
- \$7.5 million for combined sewer overflow projects in Richmond and Lynchburg; and
- \$10 million for public drinking water projects through the Virginia Department of Health to connect more Virginians, primarily in Southwest Virginia, with clean and safe drinking water. 70,000 more Virginians have already been connected to clean and safe water since Governor Warner took office.

Additionally, Governor Warner will propose \$2.9 million in funding over the biennium for the [Virginia Institute of Marine Science](#) to monitor the Commonwealth's progress in meeting the 2010 Environmental Protection Agency deadline for the cleanup of the Chesapeake Bay and its tributaries.

Last month, Governor Warner announced the final adoption of the most protective nutrient

reduction regulations in the nation ([see news release](#)). The new regulations and comprehensive strategy for the James, York, Potomac, and Rappahannock rivers, and the Eastern Shore tributaries were proposed by Governor Warner in 2003 and adopted in final form by the State Water Control Board this Fall.

Earlier this year, Virginia also enacted an innovative nutrient-trading program to further reduce pollution. The law, which took effect in July, allows small dischargers to buy credits from bigger dischargers to meet their state permit limits for nutrient discharges, rather than having to undergo extensive upgrades for minor improvements in water quality. This will allow scarce resources to be used for upgrades that will make the biggest environmental improvements. The 2005 General Assembly also passed Governor Warner's tough environmental enforcement legislation, allowing quicker action against violators of water and air quality standards.

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**Bay Restoration Fund
Advisory Committee
Legislative Update Report
January 2006**

EXECUTIVE SUMMARY

The Bay Restoration Advisory Committee is pleased to present to Governor Robert L. Ehrlich, Jr. and the Maryland Legislature, its first annual Legislative Update Report. Great strides have been made in implementing this historic Bay Restoration Fund, but many challenges remain as we begin the multi-year task of upgrading the State's wastewater treatment plants, onsite sewage disposal systems and plant cover crops to reduce nitrogen pollution in Chesapeake Bay.

Maryland's Bay Restoration Fund (BRF) is generating significant interest around the Country. The Bay Restoration Fund has been the feature of an article in the Cape Codder newspaper. MDE staff has been invited to travel to Minnesota and Virginia to participate in workshops on funding water quality restoration. The BRF was selected to be a finalist in the Southern Legislative Conference's Innovations in Government awards program, held in Mobile, Alabama. Most recently, MDE staff participated in development of a web-cast focused on the water quality problems associated with excessive nutrient loading and the innovative approaches being taken by Maryland and other States to address the problem. The web cast, sponsored by the journal, Engineering News-Record, is being broadcast on the web beginning October 1, 2005.

The accomplishments we have to report so far are impressive, but many challenges remain as we move forward in implementing the nutrient controls that have been made possible by Maryland's Bay Restoration Fund.

2004-2005 Accomplishments

- The Comptroller's Office and the Maryland Department of the Environment, in cooperation with local government wastewater billing authorities, established procedures and implemented the Bay Restoration Fund fee collection process on time, beginning January 1, 2005.
- **As of August 30, 2005**, over \$18.9 million has been collected from wastewater treatment plant users and \$480,000 from onsite sewage disposal system (OSDS) users.
- Enhanced Nutrient Removal upgrades of the State's major sewage treatment plants are currently underway. One facility, Celanese in Allegany County has been completed and is in operation. Six facilities are under construction, 10 are under design and 30 are in planning. MDE is continuing to work to bring the remaining 19 major systems into the program.
- The State Department of Assessment and Taxation and the Maryland Department of the Environment, with assistance from the Department of Planning and the Department of Natural Resources, has worked in cooperation with local government agencies to produce a database of the names and addresses of approximately 420,000 OSDS users in Maryland and develop and implement the OSDS billing system.
- All 23 counties and Baltimore City now have an OSDS billing plan in place. Eight counties sent the bills with their July 2005 tax bill; 8 counties will send a separate bill in November 2005; 2 counties will send a second tax bill in December 2005; 3 counties will send bills with the July 2006 tax bill and the three remaining jurisdictions will bill by July 2006.
- BRF Advisory Committee's OSDS Subcommittee has established a workgroup including local health and public works agencies and industry representatives, to develop specifications for approved OSDS technologies. Referred to as Best Available Technology (BAT) Workgroup, this group of professionals is responsible for establishing the procedures for determining what specific types of systems will be eligible for grants under the OSDS portion of the BRF.

- In cooperation with the OSDS Subcommittee, MDE has developed a Request for Proposals (RFP) for local governments to obtain funding through the BRF to support the planning, design and construction of BAT OSDS systems in targeted watersheds, with priority to failing systems in the Critical Area of the Chesapeake Bay and the Coastal Bays.
- Maryland Department of Agriculture has utilized BRF funds to implement nitrogen-removing cover crops on (how many???) acres of Maryland cropland. Cover crops are the single most cost effective measure available to control nitrogen loading to groundwater and subsequently the Bay. To date, over ??? pounds per year of nitrogen has been removed by cover crops.

Challenges

- Wastewater treatment plant construction costs on recently opened bids are coming in between 20 and 30 percent higher than the original planning-level estimates. As a result, costs are likely to be much closer to the upper end of the \$750 million to \$ 1 billion range estimated at the time the legislation was being considered. The escalating costs can be attributed to increasing energy, steel and concrete costs. The Committee believes we should allow for more a few more quarterly collection cycles before any decision can be made on how to address this issue. Actual collections may be less and we may have higher deficit to offset, or collections may be more than projected because projections are based on only a 1% growth rate, which may be overly conservative.
- The BRF funded wastewater treatment plant upgrades to achieve Enhanced Nutrient Removal (ENR) levels are dependent on the plant having already been upgraded to Biological Nutrient Removal (BNR) levels. During the 2005 legislative session, the General Assembly cut the BNR program by \$3 million. MDE was able to mitigate for this cut in the short-term by shifting available funding and maintain the momentum of the upgrade program, however, any additional cuts in the BNR program will also affect the BRF implementation of ENR upgrades.
- MDE is seeing increasing requests for allocation of BRF funding to assist minor facilities with upgrade costs and some have suggested that a portion of the funding be redirected to minor facilities, which are not as cost-effective in terms of nutrient removal.
- Education and outreach efforts need to be strengthened for the OSDS portion of the fund since many OSDS users do not recognize the connection between their systems and the pollution problem in Maryland's Bays.
- The OSDS upgrades require the development and implementation of a full-scale grants program and establishment of engineering, operation and maintenance procedures to ensure that the BRF investment in OSDS upgrades actually results in the intended nitrogen reductions. The legislation did not provide much time to implement such an ambitious program.

Recommendations

The implementation of the Bay Restoration Fund program has been initiated successfully and is proceeding in the right direction at a good pace. The Committee believes it is too early to determine what, if any, modifications should be made to the Bay Restoration Fund implementation effort.

Potomac Trash Treaty Proposed Documents

DRAFT

Prepared by Alice Ferguson Foundation
January 12, 2006

What County Leaders Can Do...

Leaders share innovative legislation

Host County Environmental Chiefs – information sharing on successes

Create a forum to share among County and Public Works, Environmental staff what is happening.

Ensure more collaboration among Counties on waste management and recycling.

Educational awareness campaign -- Strengthen anti litter campaign

Strengthen recycling

Something to elevate awareness and understanding of “Where does my trash go”

Regional reference website for waste management– cite recycling center

“How to be a Green Company” Promoting green companies, products that are using best practices, recycled products

Free Dump Day- fee waiver days for large product

Tires –



www.PotomacCleanup.org

TRASH FREE POTOMAC WATERSHED CITIZEN PLEDGE

As a citizen of the Potomac River Watershed Community, I recognize the importance of the Potomac River and its tributaries. These waters provide vital environmental, economic and social benefits to my community. These benefits, however, are severely impaired by the many forms of trash carried by the Potomac and its tributaries, such as the Anacostia River.

I agree that trash:

- § Severely degrades the visual landscape;
- § Is a significant source of pollution;
- § Severely degrades the quality of life for our citizens and visitors;
- § Is a major expense for our communities and businesses; and
- § Is largely preventable through greater individual stewardship.

I understand that thousands of citizen volunteers, communities, businesses, agencies and nonprofit organizations participate each spring in the Potomac River Watershed Cleanup. This effort and the many others that occur at other times of the year in this region have a major positive effect. They do not, however, address the trash problem at the source.

To dramatically improve the enjoyment of the rivers and streams of the Potomac watershed, I am committed to a Trash Free Potomac by 2013. I pledge to do the following:

- § Increase my education and awareness of the trash issue throughout the Potomac Watershed.
- § Act with environmental responsibility by properly disposing of trash and recyclables.
- § Work to stop trash at the source by purchasing products with trash-free packaging, that are recyclable or reusable.
- § To implement practices to the best of my ability at my home, work, church, and community.
- § To model trash free behavior by encouraging others to do the same.
- § Participate in the annual Potomac River Watershed Cleanup.

It is with pride that I sign this Pledge.



www.PotomacCleanup.org

TRASH FREE POTOMAC WATERSHED BUSINESS COMMUNITY PLEDGE

As members of the Potomac River Watershed Business Community, we recognize the importance of the Potomac River and its tributaries. These waters provide vital environmental, economic and social benefits to our community. These benefits, however, are severely impaired by the many forms of trash carried by the Potomac and its tributaries, such as the Anacostia River.

We agree that trash:

- § Severely degrades the visual landscape;
- § Is a significant source of pollution;
- § Severely degrades the quality of life for our citizens and visitors;
- § Is a major expense for our communities and businesses; and
- § Is largely preventable through greater individual stewardship.

We understand that thousands of citizen volunteers, communities, businesses, agencies and nonprofit organizations participate each spring in the Potomac River Watershed Cleanup. This effort and the many others that occur at other times of the year in this region have a major positive effect. They do not, however, address the trash problem at the source.

To dramatically improve the enjoyment of the rivers and streams of the Potomac watershed, we are committed to a Trash Free Potomac by 2013. We pledge to work with regional leaders, businesses, government agencies, nonprofits and communities to focus efforts on:

- § Reduce packaging
- § Buy recycled
- § Recycle waste products of their businesses
- § Champion regional trash free efforts, such as participating in the Potomac River Watershed Cleanup
- § Maintain a trash free property and grounds
- § Commit to buying and selling trash free products
- § Increase employee and customer education and awareness of trash issues in your community.

It is with pride that we sign this agreement.