

MEMORANDUM

April 17, 2012

TO: Transportation, Infrastructure, Energy & Environment Committee  
FROM: *KL* Keith Levchenko, Senior Legislative Analyst  
SUBJECT: **FY13 Operating Budget: Department of Environmental Protection (DEP)**

**Council Staff recommends approval of the FY13 DEP General Fund Budget and Water Quality Protection Fund Budget as recommended by the County Executive.**

***NOTE: Council Staff also recommends approval of the FY13 Water Quality Protection Charge equivalent residential unit (ERU) rate increase from \$70.50 to \$92.60 to cover increased expenditures within the FY13 Recommended Budget. The Council will take action on the Water Quality Protection Charge on May 15.***

***NOTE: DEP-Solid Waste Services was reviewed separately (See T&E Item #2 for April 16, 2012)***

Attachments to this Memorandum

- County Executive's Recommended FY13 Operating Budget – DEP Section (©1-10)
- Q&A Information from DEP
  - Organizational Chart (©11-12)
  - Code Enforcement Staffing and Workload (©13-14, 16)
  - Green Business Certification Program and MyGreenMontgomery.org (©14-15, ©21-23)
  - Summary of New WQPF Positions (©17-19)
  - Gypsy Moth Suppression Program Detail (©20)
  - Green Business Certification Program and Information (©21-23)
  - Water Quality Protection Fund Summary Chart – Major Changes Since FY12 (©24-25)
- March 27, 2012 Introduction Packet - FY13 Water Quality Protection Charge Rate Resolution

The following officials and staff are expected to attend this worksession:

- Robert Hoyt, Director, Department of Environmental Protection (DEP)
- Stan Edwards, Chief of Environmental Policy and Compliance, DEP
- Steven Shofar, Chief of Watershed Management, DEP
- Gladys Balderrama, Manager, Administrative Services, DEP
- John Greiner, Senior Management and Budget Specialist, OMB

### **Department Structure**

Not counting Solid Waste Services (which is reviewed separately), DEP is organized into three broad program areas. These programs are summarized below:

- **Watershed Management**
  - Watershed-based monitoring, planning, policy development, and project implementation activities (including NPDES-MS4 permit compliance)
  - Stormwater Facility Maintenance
  
- **Environmental Policy and Compliance**
  - Development and implementation of scientifically-based programs in areas such as climate protection, energy conservation, air quality, noise abatement, forest and tree resources, and surface and groundwater quality
  - Environmental monitoring of solid waste facilities
  - Enforcement of environmental laws in areas such as noise, pollution, air, and water quality
  
- **Director's Office**
  - Overall management and administration to the Department, including finance, automation, personnel issues, and other areas
  - Policy development and leadership for all programs
  - Centrally coordinated public education element
  - Water and wastewater management and coordination

For this budget review, an overview of DEP (not including Solid Waste Services) is presented first. More detailed discussion is presented by fund (General Fund, followed by the Water Quality Protection Fund) later in this memorandum.

## Department Overview

**Table #1  
DEP Expenditures and Positions/Workyears (All Funds)**

	Actual	Approved	CE Rec	Change FY13-FY12	
	FY11	FY12	FY13	\$\$\$	%
Personnel Costs	5,461,575	7,438,120	8,272,775	834,655	11.2%
Operating Expenses	7,642,659	10,064,800	10,929,926	865,126	8.6%
Capital Outlay	23,314	111,000	24,810	(86,190)	-77.6%
<b>Total</b>	<b>13,127,548</b>	<b>17,613,920</b>	<b>19,227,511</b>	<b>1,613,591</b>	<b>9.2%</b>
Full-Time Positions	70	75	82	7	9.3%
Part-Time Positions	2	2	2	0	n/a
Workyears/FTEs	51.50	84.20	90.59	6.39	7.6%

For FY13, the Executive recommends total expenditures of \$19.2 million for the Department of Environmental Protection, a 9.2 percent increase from the FY12 Approved Budget. These numbers include expenditures in the General Fund, the Water Quality Protection Fund (WQPF), and the Grant Fund (but not Solid Waste Services, which is reviewed in a separate memorandum). As noted later, the General Fund is down for FY13, while the WQPF is up substantially for FY13. No FY13 Grant Fund expenditures are assumed.<sup>1</sup> Overall, the WQPF is 92.1 percent of the total DEP budget (not counting Solid Waste Services) for FY13. This is up from 75.9 percent in the FY11 Actual. For comparison, the WQPF was less than half the DEP budget in FY06.

Not included in Table #1 are charges to the CIP. In addition to CIP current revenue (about \$1.1 million per year), beginning in FY11, the Water Quality Protection Fund began debt financing some projects. As the debt financing has ramped up, the debt service requirement has as well. Debt service in FY12 is estimated at \$450,000. For FY13 (and beyond), the number rises to \$3.2 million (see ©10; "Transfers to Debt Service Fund").

DEP also charges about 4.9 workyears (about \$532,000) to the Solid Waste Disposal Fund for environmental monitoring activities of the Gude and Oaks closed landfills.

### Position Changes

As shown in Table 2 below, for the FY13 Operating Budget, the Executive recommends creating 7 new positions within the Water Quality Protection Fund as the ramp-up of work continues in that program to address NPDES-MS4 permit requirements. Also, with the ARRA grant effort concluding, the positions charged to the grant for the past couple of years are now recommended to move back to the General fund.

Finally, positions in the Environmental Policy and Compliance division are recommended for FY13 to have portions of their staff time moved from the General Fund to the Water Quality Protection Fund. Further detail regarding this shift is attached on ©13-14 and ©16. Over the past

<sup>1</sup> Since there are no Grant dollars assumed in FY13, grant-related issues are referenced in the General Fund section of this memorandum, rather than broken out in a separate section.

several years, DEP has found that, as its stormwater management-related efforts increase, more and more staff time in DEP is providing some level of support to this area.

**Table 2:  
Position Changes in DEP Operating Budget**

	FY13 Costs*	FTEs	Comments
<b>New Positions</b>			
Add 7 new positions to WQPF	230,806	3.5	continued ramp-up of program - Operating Budget
	262,532	3.5	continued ramp-up of program - CIP
<b>Shifts</b>			
Move ARRA-funded positions to General Fund	165,287	1.70	Grant is concluding
Move GF personnel costs to WQPF	151,859	1.09	Based on workload analysis

\*New position costs include personnel costs & associated operating expenses. New positions are budgeted at 75% the first year.

### Lapse

DEP's lapse for FY12 is recommended to remain unchanged from FY11 at \$193,590 (across all funds) which represents approximately 2.3% of personnel costs. This does not include the lapse assumed for each of the new positions (discussed earlier). Based on past reviews, a 2% to 3% lapse rate appears reasonable for a department such as DEP. However, DEP's actual lapse rate for FY12 has been zero. This has meant that DEP has a projected deficit in personnel costs as of the County Executive's 2nd quarterly analysis.

## **General Fund Budget**

### Overview

**Table #3  
DEP Expenditures and Positions/Workyears**

General Fund	Actual	Approved	CE Rec	Change FY13-FY12	
	FY11	FY12	FY13	\$\$\$	%
Personnel Costs	1,456,655	1,273,980	1,387,882	113,902	8.9%
Operating Expenses	386,943	395,780	124,190	(271,590)	-68.6%
Capital Outlay	-	-	-	-	-
<b>Total</b>	<b>1,843,598</b>	<b>1,669,760</b>	<b>1,512,072</b>	<b>(157,688)</b>	<b>-9.4%</b>
Full-Time Positions	42	40	40	-	0.0%
Part-Time Positions	1	1	1	-	0.0%
Workyears/FTEs	11.60	10.40	11.49	1.09	10.5%

As shown on Table #3, for FY13, General Fund expenditures in the DEP budget are recommended to drop \$157,688 (about 9.4%). As noted earlier, this budget decrease continues a trend in recent years whereby the DEP General Fund budget is declining as the Water Quality Protection Fund budget is increasing. Many of the positions reflected in the General Fund budget have significant workyear/FTE portions charged to the WQPF.

### Summary Crosswalk from FY12 to FY13

A crosswalk of all major expenditure changes is included in the Recommended General Fund Budget for DEP (see ©7). Other than the position and workyear shifts previously mentioned,

all of the FY13 adjustments involve compensation and benefits, technical adjustments in internal service costs (such as motor pool and printing and mail), or a reduction in one-time costs from FY12 (\$350,000 for the Glen Hills sanitary study).

### Shrinking of General Fund Workyears

As mentioned earlier, General Fund workyears have declined substantially over the past several years. Many positions (or portions of staff charges) are now charging to the Water Quality Protection Fund. Also, several General Fund positions have been eliminated in recent years. As a result, General Fund positions and workyears have declined from their peak of 48 positions and 37.8 workyears in FY02 to 40 and 11.5 (respectively) in the FY13 Recommended Budget.

DEP provided an organizational chart (attached on ©11-12) which presents departmental sections and positions. The first page of the chart breaks out the positions outside of the Division of Watershed Management (i.e., the Director's Office, Water and Wastewater Management, Management Services, Public Education Outreach, and the Division of Environmental Policy and Compliance).

Other than the administrative, management, and IT needs of the department, the major policy areas of staffing for DEP outside Water Quality are:

- **Water and Wastewater Management** (3 staff) – This function includes managing the County's Water and Sewer Plan (and amendments/category changes requested) and coordinating with various outside agencies such as: WSSC, M-NCPPC, DCWater, and the Metropolitan Washington Council of Governments. These positions are funded primarily out of the General Fund but with some charges to the Solid Waste Fund as well.
- **Code Enforcement** (7 staff) – This section responds to cases involving water quality, indoor and outdoor air quality, illegal dumping, noise, general environmental assessments, and miscellaneous other environmental issues. They also monitor the closed Oaks and Gude landfills and the Beantown dump. As noted earlier, a portion of their staff time is to be charged to the WQPF beginning in FY13.
- **Planning and Policy Implementation** (4 staff) – This section includes DEP's Forest Conservation Coordinator as well as DEP's Senior Energy Planner, and a Planning Specialist as well as DEP's Environmental Sustainability Planner.

Council Staff believes this is a bare bones operation with broad areas of coverage in topics of major concern today, such as: water and sewer infrastructure, clean energy and energy conservation, and climate change and sustainability. All of these areas combined are about 1/8 of the total FTEs in the department. The status of some of these programs is provided below.

### Energy

Three years ago, the County was awarded a \$7.6 million federal grant for various clean energy and energy conservation initiatives across its agencies. DEP staff led the effort to obtain the

grant and coordinated the allocation of the dollars to the various agencies, and is responsible for reporting back to the Federal government on results. On March 15, 2012, DEP forwarded a "Policy Brief Summary" on various energy efficiency policies focused on the commercial and multi-family building sector.<sup>2</sup> DEP is surveying stakeholders to identify potential policies to pursue. The T&E Committee will receive an update on this effort as part of Agenda Item #3 before the T&E Committee on April 18.

#### Green Business Certification Program and MyGreenMontgomery.org

The Green Business certification program is intended to recognize and publicize businesses that are meeting certain environmental standards, as identified through an application and verification process. This program was first funded in the FY09 budget. There are currently 35 certified businesses. An update on this program is provided on ©14-15 and ©21.

MyGreenMontgomery.org is a web-based program that went live earlier this year; it provides a one-stop-shop for individuals and organizations interested in reducing their carbon footprints and living more sustainably. Some information about the website and its participants is attached on ©22-23.

#### Gypsy Moth Suppression

The County works in partnership with the Maryland Department of Agriculture (MDA) with regard to gypsy moth surveying and suppression. The County and MDA split the surveying costs 50/50, and the County pays approximately 30% of the spraying costs with MDA. The County also may do additional spraying at its own expense. DEP staff prepared a chart (see ©20) showing trends in program expenditures over the past several years (for both the County and MDA).

Costs in the program can fluctuate substantially from year to year, based on the results of the annual mid-year survey. However, overall gypsy moth populations tend to curve up over a period of years and then curve down. The current peak in gypsy moth population was previously projected in FY09 and FY10 but, in fact, may have peaked in FY08.

No spraying has been done for several years, nor is it assumed for FY13. The annual winter survey is still funded and will confirm whether any spraying ultimately is needed in FY13.

#### Water and Sewer Plan

The Council receives one or two packages of Water and Sewer Plan amendments (category change requests) each year. Other category changes requests are dealt with administratively throughout the year by DEP (consistent with Water and Sewer Plan policies).

A comprehensive update to the Water and Sewer Plan is long overdue. The Plan was last comprehensively updated in 2003. The schedule has been repeatedly pushed back as DEP has

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<sup>2</sup> The County's Climate Protection Plan sets a goal of reducing energy consumption in this sector by 25 percent by 2020.

worked on other water and sewer-related priorities. DEP staff recently noted that the comprehensive update should be done later this year.

There are a number of important policy issues that the Council should consider during its discussions of the comprehensive update, including: the Private Institutional Facilities (PIF) policy, extension cost financing, issues associated with aging septic systems, potential policy changes in the Glen Hills area of Potomac resulting from the ongoing sanitary study<sup>3</sup>, application fees, and numerous other issues. If the comprehensive update is delayed further, some of these policy issues may need to be addressed in the form of individual plan amendments.

Code Enforcement

Please see ©13-14 and ©16 for an update on DEP’s code enforcement efforts and DEP’s rationale for moving some of the staff charges to the WQPF (more and more staff time is spent on WQPF related issues and less time on activities within the General Fund).

**Council Staff Recommendations (General Fund)**

**Over the past several years, the DEP General Fund budget has been substantially reduced (both through position abolishments and the migration of costs to the Water Quality Protection Fund). As noted in past years, Council Staff believes that DEP General Fund staffing is quite thin given the broad areas of responsibility assumed, and does not recommend any further reductions.**

**Water Quality Protection Fund Budget**

**Table #5  
DEP Expenditures and Positions/Workyears**

Water Quality Prot. Fund	Actual	Approved	CE Rec	Change FY13-FY12	
	FY11	FY12	FY13	\$\$\$	%
Personnel Costs	3,839,999	6,164,140	6,884,893	720,753	11.7%
Operating Expenses	6,129,916	9,669,020	10,805,736	1,136,716	11.8%
Capital Outlay	-	111,000	24,810	(86,190)	-
<b>Total</b>	<b>9,969,915</b>	<b>15,944,160</b>	<b>17,715,439</b>	<b>1,771,279</b>	<b>11.1%</b>
Full-Time Positions	28	35	42	7	20.0%
Part-Time Positions	1	1	1	-	n/a
Workyears/FTEs	38.20	72.10	79.10	7.00	9.7%

Unlike the General Fund portion of the DEP budget (which is down substantially), expenditures in the Water Quality Protection Fund are recommended to increase by 11.1 percent. This increase comes on top of an even larger increase from FY11 to FY12. As previously mentioned, most of this increase relates to DEP’s ramp-up of work (both in the Operating Budget and CIP) to meet its NPDES-MS4 permit requirements.

<sup>3</sup> Phase 1 of the Glen Hills sanitary study (an assessment of current conditions) will be completed within the next couple of months. A briefing to the Council on the results of the Phase I work will be scheduled for later this summer. Phase 2 of the study (development of options to address issues identified in Phase 1) will continue into the first half of FY13.

A crosswalk of all major expenditure changes is included in the Recommended Budget (see ©7-8). Several “enhancements” are noted, including: the addition of the 7 positions described earlier, work to update the Storm Drain GIS layer, and dollars for an illicit discharge contract.

Costs are also increasing in some program areas (such as stormwater management facility inspection and maintenance) as new facilities are added or transferred into DEP’s inventory. Cost decreases are also shown, reflecting the removal of one-time items funded in FY12 (a total of \$630,500).

Additional storm drain maintenance work in the Department of Transportation is also being shifted to the Water Quality Protection Fund in FY13.

DEP staff provided a chart (see ©24-25) that summarizes the major work items from FY12 to FY13.

#### Water Quality Protection Charge Background

In 2001, the Council approved Bill 28-00, which created the stormwater management fund (called the Water Quality Protection Fund). This fund is supported by the annual Water Quality Protection Charge. The charge is based on an equivalent residential unit (ERU).

The ERU is the amount each property owner of a single-family detached home pays per year for each property owned. Townhouse owners pay 1/3 of an ERU. Condominiums and apartments are assessed based on actual imperviousness that is converted to an ERU number. Associated non-residential properties (i.e., properties that drain into facilities that also serve residential properties) are also charged in a similar manner to condominiums and apartments.

DEP is considering a number of changes to the charge that may broaden the charge’s reach and bring in additional revenue over time, while also providing a more equitable charge structure. For instance, DEP is considering local legislative changes that would allow the County to charge Federal facilities as well as non-residential facilities that currently are not charged. DEP is also looking at modifying how homeowners are charged, to more directly link the charge to actual imperviousness.

The Council is required to set the ERU rate each year by resolution. A resolution (see ©26-28) was introduced on March 27 and a public hearing is scheduled for April 24. The Executive is recommending a rate increase from \$70.50 to \$92.60 (an increase of 31.3 percent). The net revenue<sup>4</sup> generated per dollar charged per equivalent residential unit (ERU) is approximately \$233,000.

The recommended rate increase is needed to cover operating budget needs, as well as current revenue for the CIP and debt service for bonds used to pay for CIP projects.

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<sup>4</sup> The charge is paid by Gaithersburg residents, but the revenue received is passed back (minus an administrative fee) to the City of Gaithersburg, which spends the revenue on stormwater management-related projects in the City.

## NPDES-MS4 Permit Status

The T&E Committee has held several briefings on the NPDES-MS4 permit over the past few years (most recently in October 2011) and most recently discussed these issues last month in the context of the Stormwater Management CIP. Some general information presented at that meeting is reproduced below.

DEP is the lead agency for Montgomery County with regard to the NPDES Permit. The Maryland Department of the Environment (MDE) is the State agency responsible for approving NPDES permits, which are required as part of the Clean Water Act enforced by the Environmental Protection Agency. The first five-year permit was renewed in July 2001 and later modified in January 2004 to include six localities as “co-permittees.” The County’s permit covers all areas of the County with the exception of the cities of Gaithersburg, Rockville, and Takoma Park, and lands under the control of State agencies (including the Maryland-National Capital Park and Planning Commission and Washington Suburban Sanitary Commission) or Federal agencies.

The current 5-year permit was issued by MDE on February 16, 2010. DEP is the lead department coordinating a multi-department/agency response to meet the permit’s requirements.

The major requirements of the County’s NPDES-MS4 Permit are:

1. Complete restoration efforts for an additional 20 percent of the County's impervious, urban surfaces not currently restored to the maximum extent practicable. **This is the primary driver of FY13-18 CIP expenditure increases.**
2. Support regional strategies to reduce trash and increase recycling, as set forth in the Trash Free Potomac Watershed Initiative 2006 Action Agreement, to eliminate trash in the Anacostia and Potomac Rivers.
3. Implement TMDL limits to restore impaired waterways in the County by developing and implementing plans to reduce nonpoint source pollutant loads (e.g., from stormwater). Ensure anti-degradation measures for high quality waters (Tier II waters) within the County, including appropriate reviews prior to approval of capital projects, water/sewer plan amendments, and any development with the potential to affect water quality and downstream water quality.
4. Establish long-term schedules for identifying sources of pollution and water quality improvement opportunities for all watersheds in the County.
5. Use environmental site design/low-impact development as a method to capture stormwater by improving the County's stormwater management ordinances/regulations and modifying the County's planning and zoning codes as needed. Environmental Site Design (ESD), as outlined in Chapter 5 of the Maryland Stormwater Management Act, is required to be implemented to the maximum extent practicable.

6. All new construction in the County must follow the State stormwater controls as defined in the Stormwater Management Act of 2007. Chapter 5 of the Stormwater Management Act on Environmental Site Design requires developers to maintain after development, as nearly as possible, the predevelopment runoff characteristics to the maximum extent practicable.
7. Detect and eliminate illegal, non-stormwater discharges into the storm drain.
8. Involve and engage the public in the process of stormwater control.

The County submitted its draft County Coordination Implementation Strategy (CCIS) to the Maryland Department of the Environment (MDE) on February 16, 2011. Work with MDE is ongoing to finalize the CCIS; however, DEP does not expect major changes to the latest draft.

The cost implications for implementation of these changes are substantial. Overall, last fall, DEP estimated the permit costs at about \$305 million through 2015 and nearly \$1.9 billion through 2030.

#### Shift Additional DOT Costs for Storm Drain Maintenance to the Water Quality Protection Fund

The movement of storm drain maintenance costs from the Department of Transportation (DOT) to the Water Quality Protection Fund was the single biggest increase to the Fund last year (FY12; \$2,050,070 and 30 WYs). Some additional costs are recommended for shifting this year (\$327,451). DEP has noted that there is no change in the actual work DOT is doing in FY13 and that the change is based on the work being directly related to maintaining water quality. About one-third of the costs associated with storm drain maintenance are still borne by the General Fund. DEP and DOT plan to finalize a Memorandum of Understanding (MOU) by the end of FY12 that will help make sure the storm drain program is aligned with DEP's NPDES-MS4 permit requirements and well-coordinated with other work.

In addition to the additional storm drain chargeback, funding is also included in FY13 to evaluate, review, and update the GIS layer for storm drains, as described below by DEP staff:

*In FY12 DEP worked with the Center for Watershed Protection (CWP) to improve Illicit Discharge Detection and Elimination (IDDE). As a result of that work it became evident to DEP that the existing storm drain layer in GIS is inadequate and incomplete. This work will start the process of evaluating the existing storm drain layer and beginning a systematic review and update of the layer. It is expected that this will be a multi-year project that could take a considerable time to complete but is essential if the County is to have a good understanding of the storm drain system. This work does not include condition assessment and prioritization for repair although that is also something that DEP and DOT are discussing.*

## M-NCPPC Charge

Last year, the Council approved about \$1.87 million in water quality related expenses from Montgomery Parks and the Montgomery Planning Board Staff to be charged to the Water Quality Protection Fund. The County Executive is assuming the same amount for FY13.

Council Staff noted at the time that, as with the charging of DOT storm drain maintenance to the Fund (approved in FY12), an MOU clearly laying out the requirements and priorities of M-NCPPC's work associated with the WQPF is needed as well. DEP can provide an update on how this coordination is working.

A broader question raised last year, beyond what level of chargeback to the Fund is appropriate from M-NCPPC, is whether the division of work as it exists now between DEP and M-NCPPC is the most efficient way to handle water quality issues. Last year, Council Staff suggested this question be taken up after the budget. Council Staff is not aware of any progress made on this broader point.

## Bag Tax

The Council approved the Carryout Bag Excise Tax on May 3, 2011. As approved, revenues and expenditures associated with the tax are included within the Water Quality Protection Fund. The tax went into effect at the beginning of 2012. While there is only a few months' experience, Council Staff asked DEP for its initial assessment of how implementation has gone and how well businesses have complied with the law:

*Anecdotal evidence suggests a smooth transition to significant compliance with the Bag Tax. The occasional instances of a retailer not properly complying with the Bag Tax are reported by consumers. Consumers either call into the Call Center (MC311) or write to the Office of Consumer Protection. DEP follows up in an educational mode to ensure that the retailer has the correct information about how to implement the Bag Tax and submit payments. This approach has worked well.*

*The majority of questions about the Bag Law have been from restaurants/fast food eateries/cafes where the exception for paper bags was not being implemented. Additionally, the definition of a restaurant was not always obvious. Some believed that having a microwave oven to heat up already prepared foods and offering tables for customers qualified them as a restaurant. It has been clarified that the Bag Tax Law requires a full service kitchen.*

Council Staff noted to DEP that bag tax revenues for FY13 are half of what was assumed last year for a full year of the tax. DEP's response was:

*The revenue projection as it appears on the WQPC fiscal plan was developed during the budget process prior to collection of actual receipts or registered retailer data. It was also during this period that the overall stability of the revenues of the WQPC fund were being analyzed by the County's financial advisors in anticipation of the impending first bond*

issuance to fund the CIP. Without receipts to support the original projections, a decision was made to revise estimates conservatively for the six year period. We anticipate that if the original revenue materializes, DEP would consider the option to seek a mid-year supplemental to fund an aggressive source control outreach/education effort as was originally intended. We also anticipate updating the bag tax revenue next year to reflect actual revenue and changing consumer behavior, and overall implementation

The bag tax revenues for the five months of FY12 (the Bag Tax took effect on January 1, 2012) were projected to be \$561,641. This projection was based on the rough estimate that 20.7 million disposable bags would be provided by retailers who would then remit \$0.04 per bag to the County. The 20.7 million rough estimate of bag usage was arrived at by using Washington DC's population and bag usage for comparison and then assuming a 50 percent reduction in use of disposable bags.

In January and February 2012, the Division of Treasury at Finance actually collected \$314,300, which equates to ~7.8 million bags. Projecting this figure out for the remaining 3 months of FY12 would result in a total consumption of 23.4 million disposable bags. This would be in line with our projections.

Month (FY12)	Revenue (\$)	Registered Retailers	Disposable Bags #
January	\$154,669	390 retailers	3,866,725
February	\$159,631	457 retailers	3,990,775
Total	\$314,300		7,857,500

It is important to note that the first two months of collections may or may not be representative of the remaining months of FY12. Consumer behavior is expected to respond to the Bag Tax in a way that will result in fewer disposable bags distributed on a monthly basis. Another factor is retailers paying the bag tax. As time progresses, more retailers become eligible to pay as they reach the \$100 bag tax remittance threshold. As of March 31, 2012 Division of Treasury at Finance noted 665 registered tax filers which includes the large retailers and grocery stores (including County liquor stores). Although this number is low, many retailers will probably start to remit payments as they reach the \$100 bag tax remittance threshold.

Item	FY12 Budget	Actual Expenditure
Publicity/Bag Distribution/ Education	\$120,000	~\$79,373
Administrative costs Finance: Online Tax system	\$190,000	\$166,300
Administrative costs Finance: OSC admin support (*1/2 year)	\$40,000	\$40,000
Administrative costs Finance: OSC OE cost (pc, phone, etc.) (*1/2 year)	\$4,000	\$4,000
TOTAL	\$354,000	\$289,673

*The costs of the program are lower than projected in part due to savings from the online tax payment system developed in-house, low cost outreach/education strategies.*

*The bag tax website is working well. Retailers are registering, filing tax returns, and remitting their tax by ACH Debit. The program is run completely online with a high efficiency and low cost compared to the alternative where taxpayers send in tax return and pay by personal check.*

*Costs for the publicity were defrayed through the extensive use of volunteers who went door-to-door to retailers to inform them about the Bag Tax law, and passed out publicity materials. Donations of advertising space by commercial enterprises, as well as the use of subsidized rates &or advertising on County transit and trash trucks also helped to keep costs low.*

*A small local business was used to order 35,000 bags. These bags have been distributed to needy organizations throughout the County.*

### Fiscal Plan

The Water Quality Protection Fund Fiscal Plan is attached on ©10. This chart shows estimated costs, revenues, and fund balance from FY12 through FY18. Some key facts regarding the fund are noted below:

- DEP staff have confirmed that the Fiscal Plan is consistent with the draft implementation plan (for the County's NPDES-MS-4 permit) submitted to the State.
- The fund balance target was revised three years ago from a level of between 10 and 15 percent of resources to a 5 percent goal. This lower level goal was a reflection of the fact that the revenue stream for this fund is extremely stable (since it is collected via property tax bills). Ultimately, the County's General Fund is the fund of last resort should any County special fund be in a deficit. The recommended fiscal plan assumes to maintain a fund balance of approximately "1.5 times debt service costs."
- The charge per ERU is expected to continue to increase, but at smaller increments than over the past couple of years. The Fiscal Plan projects the charge to be \$113.00 in FY18.

### **FY13 Revenues**

In addition to the Water Quality Protection Charge and the Bag Tax discussed earlier, the DEP budget includes three other ongoing revenue items, including the Special Protection Area (SPA) Monitoring Fee, Civil Citations, and the Water and Sewer Plan Review Fee. The fees are estimated to bring in a total of \$160,000 in FY13 (a decrease of \$20,000 from the FY12 budget).

### Water and Sewer Plan Review Fee

This fee was created in FY06 and is charged to applicants seeking category changes. The intent of the fee is to deter frivolous requests and to provide some cost recovery for the program. DEP and DPS staff must do a substantial amount of work related to category change applications, including: answering applicant questions; assembling the application materials; coordinating reviews and comments from Permitting Services, M-NCPPC staff, and WSSC staff; and drafting an Executive staff report and recommendations for each request.

The fee structure is broken down by type of development (residential, commercial, institutional, public, mixed-use, and public health cases). Non-profit institutions (PIFs), public health cases, and public use/government applications do not pay a fee.

**Council Staff recommends that the fee structure and levels be reviewed in the context of the Council's upcoming comprehensive review of the 10 Year Water and Sewer Plan.**

### Special Protection Area (SPA) Fee

This fee is intended to cover the cost of pre- and post-construction monitoring by DEP of development within designated Special Protection Areas in the County. Developers are also required to perform their own Best Management Practices (BMP) monitoring.

According to Chapter 19, Article 5 of the County Code, the fee charged must be based on the "reasonable cost of administering and enforcing" the program. In FY07, DEP estimated that its staff costs (two positions) for biological monitoring and managing BMP consultants were approximately \$130,000 per year.

The SPA Monitoring Fee is currently \$475 per acre of development within designated Special Protection Areas in the County. Developers pay the fee at the time sediment control plans are approved by the Department of Permitting Services. The fee has not been increased since 1994, when the law putting this fee in place was enacted.

In FY11, revenue from the fee was higher (\$358,786) than typical as a result of a large project moving through the development process. More typical revenue levels are assumed in FY12 and FY13 (\$160,000 and \$140,000 respectively) based on DEP's discussions with Department of Permitting Staff about likely developments moving forward through FY13.

### Civil Citations

DEP is responsible for enforcing several areas of the County Code, including: Chapter 3 (Air Quality Control), Chapter 18A (Energy Policy), Chapter 19 (Water Quality), Chapter 31B (Noise Control), Chapter 33 (Pesticide Use), Chapter 38 (Quarries), and Chapter 48 (Solid Waste). DEP's enforcement staff was discussed earlier. Revenue has been reduced from \$20,000 to \$16,000 based on FY12 latest revenue projections.

## Council Staff Recommendations

**Council Staff recommends approval of the FY13 DEP General Fund Budget and Water Quality Protection Fund Budget as recommended by the County Executive.**

***NOTE: Council Staff also recommends approval of the FY13 Water Quality Protection Charge equivalent residential unit (ERU) rate increase from \$70.50 to \$92.60 to cover increased expenditures within the FY13 Recommended Budget. The Council will take action on the Water Quality Protection Charge on May 15.***

### Attachments

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# Environmental Protection

## MISSION STATEMENT

The mission of the Department of Environmental Protection (DEP) is to improve the quality of life in our community through conservation, protection, and restoration of natural resources guided by the principles of science, sustainability, and stewardship; and to provide solid waste management services, including reducing, reusing, and recycling waste in an environmentally progressive and economically sound manner.

## BUDGET OVERVIEW

The total recommended FY13 Operating Budget for the Department of Environmental Protection is \$19,227,511, an increase of \$1,613,591 or 9.2 percent from the FY12 Approved Budget of \$17,613,920. Personnel Costs comprise 43.0 percent of the budget for 82 full-time positions and two part-time positions for 90.59 FTEs. Operating Expenses and Capital Outlay account for the remaining 57.0 percent of the FY13 budget.

The debt service for the Water Quality Protection Fund is appropriated in the Debt Service Fund and is, therefore, not displayed in this section. To pay for the debt service, a transfer of funds from the Water Quality Protection Fund to the Debt Service Fund of \$3,210,000 for Water Quality Protection bonds is required.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Healthy and Sustainable Neighborhoods***

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY12 estimates reflect funding based on the FY12 approved budget. The FY13 and FY14 figures are performance targets based on the FY13 recommended budget and funding for comparable service levels in FY14.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Led the County's effort to adopt a Carryout Bag Law to reduce the number of plastic bags in the County's roads, fields, and streams substantially by encouraging shoppers to bring their own bags when shopping through a 5 cent charge for paper or plastic bags provided by retailers.***
- ❖ ***Completed the draft Countywide Coordinated Implementation Strategy, which includes restoration plans for seven County watersheds as required by the County's state-issued stormwater permit. DEP submitted the draft Strategy to the State for approval and also held a public meeting on it.***
- ❖ ***Helped develop and installed anti-litter advertisements on 60 bus shelters and 33 Ride-On bus routes in the Rockville and Silver Spring Area in support of the County's stormwater permit and the Trash-Free Potomac Treaty.***
- ❖ ***Held citizen outreach workshops to increase public participation in watershed restoration efforts. These efforts reached over 1,000 individuals and 100 Homeowner Associations.***
- ❖ ***Provided outreach and education materials to over 5,100 residents, business owners, and stakeholders at 44 local and regional events, which represents an increase of 121 percent from activities in 2010.***
- ❖ ***Identified a substantial number of unauthorized (illicit) discharges and unmapped storm drains and outfalls into Sligo Creek in partnership with the Center for Watershed Protection.***

- 
- ❖ **Completed 167 RainScapes projects and conducted RainScapes Program training for over 250 people in workshops on conservation landscaping for homeowners.**
  - ❖ **Restored and stabilized over 2,000 feet of degraded stream channels and eroding stream banks.**
  - ❖ **Reforested seven acres of stream buffers.**
  - ❖ **Certified 34 businesses since launching the Montgomery County Green Business Certification Program with the Montgomery County Chamber of Commerce.**
  - ❖ **Helped develop and continue to support community-based environmental organizations in the County, including Bethesda Green, Silver Spring Green, Poolesville Green and Green Wheaton.**
  - ❖ **Developed rebate programs for residential, commercial, and multifamily energy efficiency improvements using \$3 million of ARRA funding provided to the County through a US Department of Energy grant.**
  - ❖ **Managed distribution and reporting of \$3.1 million of ARRA funds provided to the County through a US Department of Energy grant used for energy efficiency projects by the Department of General Services, Montgomery County Public Schools, Montgomery County Government, Maryland-National Capital Park and Planning Commission (M-NCPPC), and Housing Opportunities Commission.**
  - ❖ **Began developing a web-based "green guide" with funding from the ARRA grant to provide energy efficiency and environmental information to County residents; develop energy efficiency training programs; and conduct research on measures that could be taken to reduce energy consumption in the commercial building sector as directed in the 2009 Climate Protection Plan.**
  - ❖ **Completed implementation of the Mid-Atlantic Regional Air Management Administration (MARAMA) grant to install diesel emissions control equipment on 78 County heavy duty diesel vehicles through a grant award from the Maryland Department of the Environment totaling \$564,689.**
  - ❖ **Worked with the Nonprofit Energy Alliance, a coalition of non-profit organizations in Montgomery County and neighboring jurisdictions, to provide education about and technical assistance in purchasing clean, renewable energy.**
  - ❖ **Developed a regulatory approach for protecting the County's trees and drafted proposed legislation for submission to Council codifying the approach.**
  - ❖ **Led the regional effort to renegotiate the Inter-municipal Agreement (IMA) to establish the financial and operating responsibilities of users of the Blue Plains Wastewater Treatment Plant with adoption by the County Executive and County Council in early 2012.**
  - ❖ **Developed a Scope of Work for conducting a Sanitary Survey and Water and Sewer Feasibility Study for Glen Hills. Contract awarded in December 2011 with current implementation of the initial phase.**
  - ❖ **Helped develop a Nature and Extent Study proposal for MDE review to address low level groundwater contamination at the Oaks Landfill.**
  - ❖ **Will help develop a Large Water Main Setback Design Standard for adoption by WSSC in collaboration with M-NCPPC, other Montgomery County Departments, Prince George's County Departments, and WSSC.**
  - ❖ **Will accept an additional 40 facilities into the Stormwater Management Facility Inspection Program, which currently includes over 4,400 facilities.**
  - ❖ **Will transfer over 60 facilities into the Stormwater Management Facility Maintenance Program, which includes approximately 2,000 facilities.**
  - ❖ **Will provide for additional positions and initiatives to comply with the new MS-4 permit, maintenance of new stormwater facilities added to the inventory, process enhancements to the Water Quality Protection Charge (WQPC), and storm drain maintenance currently supported by the General Fund by increasing the WQPC from \$70.50 to \$92.60.**
  - ❖ **Initiate debt issuance in support of the FY13-18 Recommended Stormwater Management Capital improvements program**

- ❖ **Enhance the Outreach/Education, RainScapes and Stormwater Facility Programs through the addition of three new Planning Specialists III to support the expansion of the Stormwater CIP.**
- ❖ **Enhance enforcement through additional resources for Illicit Discharge Detection and Elimination enforcement**
- ❖ **Initiate the update of the County's storm drain Geographical Information System (GIS) layer which is currently incomplete and outdated.**
- ❖ **Productivity Improvements**
  - **Supplemented Watershed Monitoring staff by enlisting and training seven volunteer interns to support 2,240 hours of stream resource condition monitoring and 560 hours of lab work.**
  - **Developed a web-based application for the Green Business Certification which calculates certification requirements and tracks applicant responses.**
  - **Set up alarms on real-time to automated dam and weather monitoring stations to ensure that responsible personnel get timely notification of conditions that could lead to emergency evacuations, thus minimizing the need for monitoring staff.**
  - **Upgraded database of real-time rainfall data to allow access to multiple county and non-county partners to facilitate county stormwater sampling efforts and avoid installation and maintenance of a nearby gauge.**
  - **Cooperated with Department of Transportation to share access to Weatherbug rainfall data which made possible the cancellation of a planned rain gauge, and saved the county \$3,750 in FY12 and \$3,000 annually in subsequent years.**
  - **Trained 70 local designers and contractors on RainScapes project requirements and installation; initiated a "train the trainer" program to build additional capacity among watershed organizations to install RainScapes projects; and continued support to the Watershed Stewards Academy to train local watershed activists on initiating neighborhood-scale RainScapes activities.**

## PROGRAM CONTACTS

Contact Gladys Balderrama of the Department of Environmental Protection at 240.777.7732 or Monica Zaleski of the Office of Management and Budget at 240.777.2781 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### **Watershed Management**

This program supports watershed-based monitoring, planning, policy development, and project implementation activities designed to achieve County stream protection goals (Chapter 19, Article IV) and comply with the federal Clean Water Act NPDES Municipal Separate Storm Sewer System (MS-4) permit. In combination with the stormwater management projects in the Capital Improvements Program, this program will provide stormwater treatment for 3,900 acres of impervious area by 2015. Program staff conduct baseline stream monitoring, storm drain discharge monitoring, and public outreach activities that increase awareness and promote citizen involvement in stream stewardship. The program also assesses land development impacts on water resources and the effectiveness of best management practices that mitigate those impacts within the County's four designated "Special Protection Areas" (Chapter 19, Article IV).

Program staff manage, inspect, and enforce the operational effectiveness of approximately 4,400 stormwater management facilities which receive stormwater runoff discharge and are designed to protect County streams. The Department is also responsible for the structural maintenance of approximately 2,000 of these facilities.

Revenue for this program is generated by the Water Quality Protection Charge, applied to all residential and associated non-residential properties (associated non-residential properties are non-residential properties that drain into the stormwater facilities of residential properties) except for those in the cities of Rockville and Takoma Park.

<b>Program Performance Measures</b>	<b>Actual FY10</b>	<b>Actual FY11</b>	<b>Estimated FY12</b>	<b>Target FY13</b>	<b>Target FY14</b>
County Watershed Stream Quality Index of Biological Integrity (IBI) Score <sup>1</sup>	58%	59%	62%	63%	65%
Amount of Pollutants Removed: Nitrogen (pounds)	6,897	9,490	10,838	14,709	37,524
Amount of Pollutants Removed: Phosphorus (tons)	648	1,006	1,242	1,800	5,110
Amount of Pollutants Removed: Sediment (tons)	85	123	209	296	701

	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Amount of Pollutants Removed: Bacteria (maximum probable number or MPN)	22,061	22,086	22,086	42,734	142,946
Impervious Acres Treated Through Rainscapes Program (cumulative) <sup>2</sup>	2.5	17.89	22.6	35	50
Impervious Acres Treated with Stormwater Facility Retrofits and Stream Restoration (cumulative) <sup>3</sup>	2,170	2,206	2,481	3,682	5,064
Stormwater Facility Maintenance Compliance Rate <sup>4</sup>	83.4%	84.4%	85.4%	86.4%	87.3%

<sup>1</sup> The Index of Biological Integrity (IBI) score classifies watersheds by the diversity of plant and animal life and other factors. Higher scores indicate a healthier watershed.

<sup>2</sup> Goal is to treat 50 acres by FY15.

<sup>3</sup> Goal is 6,445 acres by FY15.

<sup>4</sup> Percentage of private and County-owned stormwater facilities that have complied with the inspection report and/or maintenance notification work order detailing the repairs and/or maintenance needed for the stormwater facility.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>15,944,160</b>	<b>72.10</b>
Increase Cost: Pass-through to City of Gaithersburg	509,140	0.00
Enhance: Professional Services to Update the Storm Drain GIS Layer in the County	200,000	0.00
Increase Cost: Maintenance of New and Newly Transferred Stormwater Management Facilities	162,000	0.00
Shift: Reallocation of Personnel Costs from the General Fund to the Water Quality Protection Charge Based on Current and Projected Workload	151,859	1.36
Enhance: Contractual Services for Illicit Discharge Detection and Elimination in the County	100,000	0.00
Increase Cost: Annualization of Bag Tax Program	97,800	0.00
Increase Cost: Annualization of FY12 Lapsed Positions	94,540	1.10
Increase Cost: Inspection cost of new facilities entering the program	70,500	0.00
Enhance: Add Planning Specialist III (Landscape Architect) for the Stormwater Facility Maintenance Program	66,073	1.00
Enhance: Add Planning Specialist III (Landscape Architect) to Increase Output of the RainScapes Program	66,073	1.00
Enhance: Add Planning Specialist III (Watershed Outreach Specialist) for the Outreach/Education Program	66,073	1.00
Increase Cost: Renewal of the Inspection of Stormwater Facilities Contract	62,000	0.00
Increase Cost: Operating Budget Impacts for Stream Restoration and Storm Water Controls Projects Completed in the Capital Improvements Program	61,520	0.00
Increase Cost: CPI Increase for Stormwater Facility Maintenance Contracts	50,120	0.00
Enhance: Add Administrative Specialist III (Human Resources- Procurement Specialist)	34,437	0.50
Enhance: Add Construction Services Inspector Charged to the Water Quality Protection CIP; Operating Budget Includes Dedicated Vehicle and Operating Expenses Only	31,450	0.00
Increase Cost: Increase cost for Down County Stream Gauge Maintenance	18,310	0.00
Enhance: Add Planning Specialist III for CIP Watershed Restoration Facility Planning Projects Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses Only	4,600	0.00
Enhance: Add Management and Budget Specialist III to Support the Capital Improvements Program and State/Federal Grants Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses	3,700	0.00
Increase Cost: CPI Increase for Asset Management Software contract	1,440	0.00
Decrease Cost: Annualization of Personnel Costs for 4 New FY12 Positions	-1,329	0.00
Decrease Cost: Finance Chargeback for Property Tax Billing	-15,250	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY12	-630,500	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	566,723	1.04
<b>FY13 CE Recommended</b>	<b>17,715,439</b>	<b>79.10</b>

## Environmental Policy and Compliance

This program develops and implements scientifically-based, integrated programs which protect and enhance the County's environmental resources and promotes sustainable practices by the County government, businesses, and residents. The division develops, analyzes, and enforces policies, programs, and regulations related to air quality (ambient and indoor), water quality and stormwater management, energy conservation, forest and tree resources, noise control, pollution prevention, and sustainability efforts. The division is also responsible for environmental monitoring of the County's solid waste facilities; coordination of responses on all legislative referrals at the local, state, and federal levels; and participation on local and regional task forces, committees, and various advisory groups.

<b>Program Performance Measures</b>	<b>Actual FY10</b>	<b>Actual FY11</b>	<b>Estimated FY12</b>	<b>Target FY13</b>	<b>Target FY14</b>
Average Number of Days to Resolve Environmental Enforcement Cases	38	42	39	40	40
Percent of Customers Satisfied with DEP Response to Environmental Complaints	78.8%	70.3%	72%	74%	76%
Residential Building Energy Use as a Measure of Greenhouse Gas Reductions (Million British Thermal Units) <sup>1</sup>	N/A	37,428,299	37,849,418	38,270,537	38,691,656

	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Non-Residential Building Energy Use as a Measure of Greenhouse Gas Reductions (Million British Thermal Units) <sup>2</sup>	N/A	32,834,703	32,982,401	33,022,098	33,115,795

<sup>1</sup> Historic data from Montgomery County fuel-energy tax records. Projected figures based on recent trends in energy consumption. The FY10 figure is not available due to a mid-year rate change.

<sup>2</sup> Historic data from Montgomery County fuel-energy tax records. Projected figures based on recent trends in energy consumption. The FY10 figure is not available due to a mid-year rate change.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>595,880</b>	<b>5.70</b>
Shift: FTEs Currently Funded by ARRA Energy Efficiency and Conservation Block Grant Back to General Fund	165,287	1.70
Increase Cost: Motor Pool Rate Adjustment	58,600	0.00
Shift: Green Business Certification Program, Currently Funded by the ARRA Grant Back to General Fund	20,000	0.00
Shift: Reallocation of Personnel Costs to the Water Quality Protection Fund Based on Actual Water Quality Monitoring Workload Increase	-144,624	-1.18
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	52,322	0.22
<b>FY13 CE Recommended</b>	<b>747,465</b>	<b>6.44</b>

## Grants

In FY10, the County received an Energy Efficiency and Conservation Block Grant, funded by the American Recovery and Reinvestment Act (ARRA), to explore opportunities and implement improvements related to energy efficiency and conservation. Seven different activities are being funded by the grant. The bulk of the work funded by the grant will be completed in FY12, and all grant funds must be spent by October, 2012.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>0</b>	<b>1.70</b>
Technical Adj: ARRA Funding Expiring in FY13	0	-1.70
<b>FY13 CE Recommended</b>	<b>0</b>	<b>0.00</b>

## Administration

The Office of the Director provides leadership on policy development, implementation, and administration for all departmental programs and management services. The Director's Office is also responsible for planning, development, and administration of water supply and wastewater policies for the County, development of the State-required Montgomery County Comprehensive Water Supply and Sewerage System Plan, and development and implementation of the County groundwater strategy (which focuses on water quality and water supply aspects of groundwater resources). The technical experts in this program work to ensure that the County's management of water and wastewater protects public health and the environment. Additional activities in the Director's Office include centrally coordinated public education, outreach, and communication; budget development and administration; contract management; human resources management; management of the Water Quality Protection Charge including geographical information systems and information technology services.

<b>Program Performance Measures</b>	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Percent Concurrence of County Council Water and Sewer Service Actions with DEP Recommendations	91%	100%	94%	96%	96%

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>1,073,880</b>	<b>4.70</b>
Decrease Cost: Elimination of One-Time Items Approved in FY12	-350,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	40,727	0.35
<b>FY13 CE Recommended</b>	<b>764,607</b>	<b>5.05</b>

# BUDGET SUMMARY

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,064,083	958,090	1,002,702	1,005,784	5.0%
Employee Benefits	392,572	315,890	354,764	382,098	21.0%
<b>County General Fund Personnel Costs</b>	<b>1,456,655</b>	<b>1,273,980</b>	<b>1,357,466</b>	<b>1,387,882</b>	<b>8.9%</b>
Operating Expenses	386,943	395,780	439,098	124,190	-68.6%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>1,843,598</b>	<b>1,669,760</b>	<b>1,796,564</b>	<b>1,512,072</b>	<b>-9.4%</b>
<b>PERSONNEL</b>					
Full-Time	42	40	40	40	—
Part-Time	1	1	1	1	—
FTEs	11.60	10.40	10.40	11.49	10.5%
<b>REVENUES</b>					
Other Charges/Fees	358,786	160,000	160,000	140,000	-12.5%
Other Fines/Forfeitures	14,180	20,000	16,000	16,000	-20.0%
Other Licenses/Permits	3,925	0	4,000	4,000	—
<b>County General Fund Revenues</b>	<b>376,891</b>	<b>180,000</b>	<b>180,000</b>	<b>160,000</b>	<b>-11.1%</b>
<b>GRANT FUND MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	128,056	0	0	0	—
Employee Benefits	36,865	0	0	0	—
<b>Grant Fund MCG Personnel Costs</b>	<b>164,921</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,125,800	0	0	0	—
Debt Service Other	23,314	0	0	0	—
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCG Expenditures</b>	<b>1,314,035</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	1.70	1.70	1.70	0.00	—
<b>REVENUES</b>					
Federal Grants	1,311,346	0	0	0	—
Miscellaneous Revenues	2,689	0	0	0	—
<b>Grant Fund MCG Revenues</b>	<b>1,314,035</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>WATER QUALITY PROTECTION FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,944,168	4,830,540	4,862,519	5,251,368	8.7%
Employee Benefits	895,831	1,333,600	1,450,119	1,633,525	22.5%
<b>Water Quality Protection Fund Personnel Costs</b>	<b>3,839,999</b>	<b>6,164,140</b>	<b>6,312,638</b>	<b>6,884,893</b>	<b>11.7%</b>
Operating Expenses	6,129,916	9,669,020	9,595,095	10,805,736	11.8%
Capital Outlay	0	111,000	0	24,810	-77.6%
<b>Water Quality Protection Fund Expenditures</b>	<b>9,969,915</b>	<b>15,944,160</b>	<b>15,907,733</b>	<b>17,715,439</b>	<b>11.1%</b>
<b>PERSONNEL</b>					
Full-Time	28	35	35	42	20.0%
Part-Time	1	1	1	1	—
FTEs	38.20	72.10	72.10	79.10	9.7%
<b>REVENUES</b>					
Bag Tax	0	561,640	561,640	561,640	—
Investment Income	2,337	20,000	0	10,000	-50.0%
Water Quality Protection Fee	11,792,194	17,430,790	17,430,790	22,935,660	31.6%
Other Charges/Fees	35,437	0	0	0	—
<b>Water Quality Protection Fund Revenues</b>	<b>11,829,968</b>	<b>18,012,430</b>	<b>17,992,430</b>	<b>23,507,300</b>	<b>30.5%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>13,127,548</b>	<b>17,613,920</b>	<b>17,704,297</b>	<b>19,227,511</b>	<b>9.2%</b>
<b>Total Full-Time Positions</b>	<b>70</b>	<b>75</b>	<b>75</b>	<b>82</b>	<b>9.3%</b>
<b>Total Part-Time Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>—</b>
<b>Total FTEs</b>	<b>51.50</b>	<b>84.20</b>	<b>84.20</b>	<b>90.59</b>	<b>7.6%</b>
<b>Total Revenues</b>	<b>13,520,894</b>	<b>18,192,430</b>	<b>18,172,430</b>	<b>23,667,300</b>	<b>30.1%</b>

## FY13 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>1,669,760</b>	<b>10.40</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Shift: FTEs Currently Funded by ARRA Energy Efficiency and Conservation Block Grant Back to General Fund [Environmental Policy and Compliance]	165,287	1.70
Increase Cost: Motor Pool Rate Adjustment [Environmental Policy and Compliance]	58,600	0.00
Increase Cost: Retirement Adjustment	41,226	0.00
Increase Cost: Lump Sum Wage Adjustment	25,854	0.00
Increase Cost: Group Insurance Adjustment	25,397	0.00
Shift: Green Business Certification Program, Currently Funded by the ARRA Grant Back to General Fund [Environmental Policy and Compliance]	20,000	0.00
Increase Cost: Motor Pool Rate Adjustment	4,070	0.00
Increase Cost: Longevity Adjustment	762	0.00
Increase Cost: Workforce Adjustment	0	0.03
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	0.54
Decrease Cost: Printing and Mail Adjustment	-380	0.00
Shift: Help Desk - Desk Side Support to the Desktop Computer Modernization NDA	-3,880	0.00
Shift: Reallocation of Personnel Costs to the Water Quality Protection Fund Based on Actual Water Quality Monitoring Workload Increase [Environmental Policy and Compliance]	-144,624	-1.18
Decrease Cost: Elimination of One-Time Items Approved in FY12 [Administration]	-350,000	0.00
<b>FY13 RECOMMENDED:</b>	<b>1,512,072</b>	<b>11.49</b>
<b>GRANT FUND MCG</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>0</b>	<b>1.70</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Technical Adj: ARRA Funding Expiring in FY13 [Grants]	0	-1.70
<b>FY13 RECOMMENDED:</b>	<b>0</b>	<b>0.00</b>
<b>WATER QUALITY PROTECTION FUND</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>15,944,160</b>	<b>72.10</b>
<b><u>Changes (with service impacts)</u></b>		
Enhance: Professional Services to Update the Storm Drain GIS Layer in the County [Watershed Management]	200,000	0.00
Enhance: Contractual Services for Illicit Discharge Detection and Elimination in the County [Watershed Management]	100,000	0.00
Enhance: Add Planning Specialist III (Landscape Architect) for the Stormwater Facility Maintenance Program [Watershed Management]	66,073	1.00
Enhance: Add Planning Specialist III (Landscape Architect) to Increase Output of the RainScapes Program [Watershed Management]	66,073	1.00
Enhance: Add Planning Specialist III (Watershed Outreach Specialist) for the Outreach/Education Program [Watershed Management]	66,073	1.00
Enhance: Add Administrative Specialist III (Human Resources- Procurement Specialist) [Watershed Management]	34,437	0.50
Enhance: Add Construction Services Inspector Charged to the Water Quality Protection CIP; Operating Budget Includes Dedicated Vehicle and Operating Expenses Only [Watershed Management]	31,450	0.00
Enhance: Add Planning Specialist III for CIP Watershed Restoration Facility Planning Projects Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses Only [Watershed Management]	4,600	0.00
Enhance: Add Management and Budget Specialist III to Support the Capital Improvements Program and State/Federal Grants Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses [Watershed Management]	3,700	0.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Pass-through to City of Gaithersburg [Watershed Management]	509,140	0.00
Shift: Storm Drain Maintenance Chargeback	327,451	0.00
Increase Cost: Maintenance of New and Newly Transferred Stormwater Management Facilities [Watershed Management]	162,000	0.00
Shift: Reallocation of Personnel Costs from the General Fund to the Water Quality Protection Charge Based on Current and Projected Workload [Watershed Management]	151,859	1.36
Increase Cost: Retirement Adjustment	97,972	0.00

	Expenditures	FTEs
Increase Cost: Annualization of Bag Tax Program [Watershed Management]	97,800	0.00
Increase Cost: Annualization of FY12 Lapsed Positions [Watershed Management]	94,540	1.10
Increase Cost: Lump Sum Wage Adjustment	77,908	0.00
Increase Cost: Group Insurance Adjustment	72,444	0.00
Increase Cost: Inspection cost of new facilities entering the program [Watershed Management]	70,500	0.00
Increase Cost: Renewal of the Inspection of Stormwater Facilities Contract [Watershed Management]	62,000	0.00
Increase Cost: Operating Budget Impacts for Stream Restoration and Storm Water Controls Projects Completed in the Capital Improvements Program [Watershed Management]	61,520	0.00
Increase Cost: CPI Increase for Stormwater Facility Maintenance Contracts [Watershed Management]	50,120	0.00
Increase Cost: Increase cost for Down County Stream Gauge Maintenance [Watershed Management]	18,310	0.00
Increase Cost: Longevity Adjustment	2,323	0.00
Increase Cost: CPI Increase for Asset Management Software contract [Watershed Management]	1,440	0.00
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	1.00
Technical Adj: Workforce Adjustment	0	0.04
Decrease Cost: Printing and Mail Adjustment	-380	0.00
Decrease Cost: Annualization of Personnel Costs for 4 New FY12 Positions [Watershed Management]	-1,329	0.00
Decrease Cost: Motor Pool Rate Adjustment	-10,995	0.00
Decrease Cost: Finance Chargeback for Property Tax Billing [Watershed Management]	-15,250	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY12 [Watershed Management]	-630,500	0.00
<b>FY13 RECOMMENDED:</b>	<b>17,715,439</b>	<b>79.10</b>

## PROGRAM SUMMARY

Program Name	FY12 Approved		FY13 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Watershed Management	15,944,160	72.10	17,715,439	79.10
Environmental Policy and Compliance	595,880	5.70	747,465	6.44
Grants	0	1.70	0	0.00
Administration	1,073,880	4.70	764,607	5.05
<b>Total</b>	<b>17,613,920</b>	<b>84.20</b>	<b>19,227,511</b>	<b>90.59</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY12		FY13	
		Totals	FTEs	Totals	FTEs
<b>COUNTY GENERAL FUND</b>					
CIP	CIP	1,735,920	17.20	2,080,569	20.70

## FUTURE FISCAL IMPACTS

Title	CE REC.			(\$000's)			
	FY13	FY14	FY15	FY16	FY17	FY18	
<b>This table is intended to present significant future fiscal impacts of the department's programs.</b>							
<b>COUNTY GENERAL FUND</b>							
<b>Expenditures</b>							
<b>FY13 Recommended</b>	1,512	1,512	1,512	1,512	1,512	1,512	
No inflation or compensation change is included in outyear projections.							
<b>Elimination of One-Time Lump Sum Wage Adjustment</b>	0	-26	-26	-26	-26	-26	
This represents the elimination of the one-time lump sum wage increases paid in FY13.							
<b>Subtotal Expenditures</b>	<b>1,512</b>	<b>1,486</b>	<b>1,486</b>	<b>1,486</b>	<b>1,486</b>	<b>1,486</b>	
<b>WATER QUALITY PROTECTION FUND</b>							
<b>Expenditures</b>							
<b>FY13 Recommended</b>	17,715	17,715	17,715	17,715	17,715	17,715	
No inflation or compensation change is included in outyear projections.							
<b>Annualization of Positions Recommended in FY13</b>	0	72	72	72	72	72	
New positions in the FY13 budget are generally lapsed due to the time it takes a position to be created and filled. Therefore, the amounts above reflect annualization of these positions in the outyears.							

Title	CE REC.			(\$000's)		
	FY13	FY14	FY15	FY16	FY17	FY18
<b>Elimination of One-Time Items Recommended in FY13</b>	<b>408</b>	<b>-408</b>	<b>-408</b>	<b>-408</b>	<b>-408</b>	<b>-408</b>
Items approved for one-time funding in FY13, including (FILL IN ITEMS), will be eliminated from the base in the outyears.						
<b>Inspections of New Facilities</b>	<b>0</b>	<b>71</b>	<b>141</b>	<b>212</b>	<b>282</b>	<b>282</b>
These figures represent costs associated with the inspection of new above ground and underground stormwater management facilities projected to enter the Water Quality Protection Program.						
<b>Longevity Adjustment</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
This represents the annualization of longevity wage increments paid during FY13.						
<b>Maintenance of New and Newly Transferred Stormwater Management Facilities</b>	<b>0</b>	<b>162</b>	<b>324</b>	<b>486</b>	<b>648</b>	<b>648</b>
Expenditures reflect the maintenance requirements of new stormwater management facilities and existing stormwater management facilities that transfer into the County's maintenance program.						
<b>Operating Impacts of CIP Projects</b>	<b>0</b>	<b>-153</b>	<b>-263</b>	<b>-372</b>	<b>-482</b>	<b>-482</b>
These figures represent the impacts on the Operating Budget of projects included in the FY13-18 Recommended Capital Improvements Program.						
<b>Program Growth</b>	<b>0</b>	<b>-300</b>	<b>-350</b>	<b>-400</b>	<b>-450</b>	<b>-500</b>
These figures represent the anticipated increased of expenditures related to an increased in Water Quality Protection initiatives.						
<b>Subtotal Expenditures</b>	<b>18,123</b>	<b>17,160</b>	<b>17,233</b>	<b>17,306</b>	<b>17,379</b>	<b>17,329</b>

## ANNUALIZATION OF PERSONNEL COSTS AND FTES

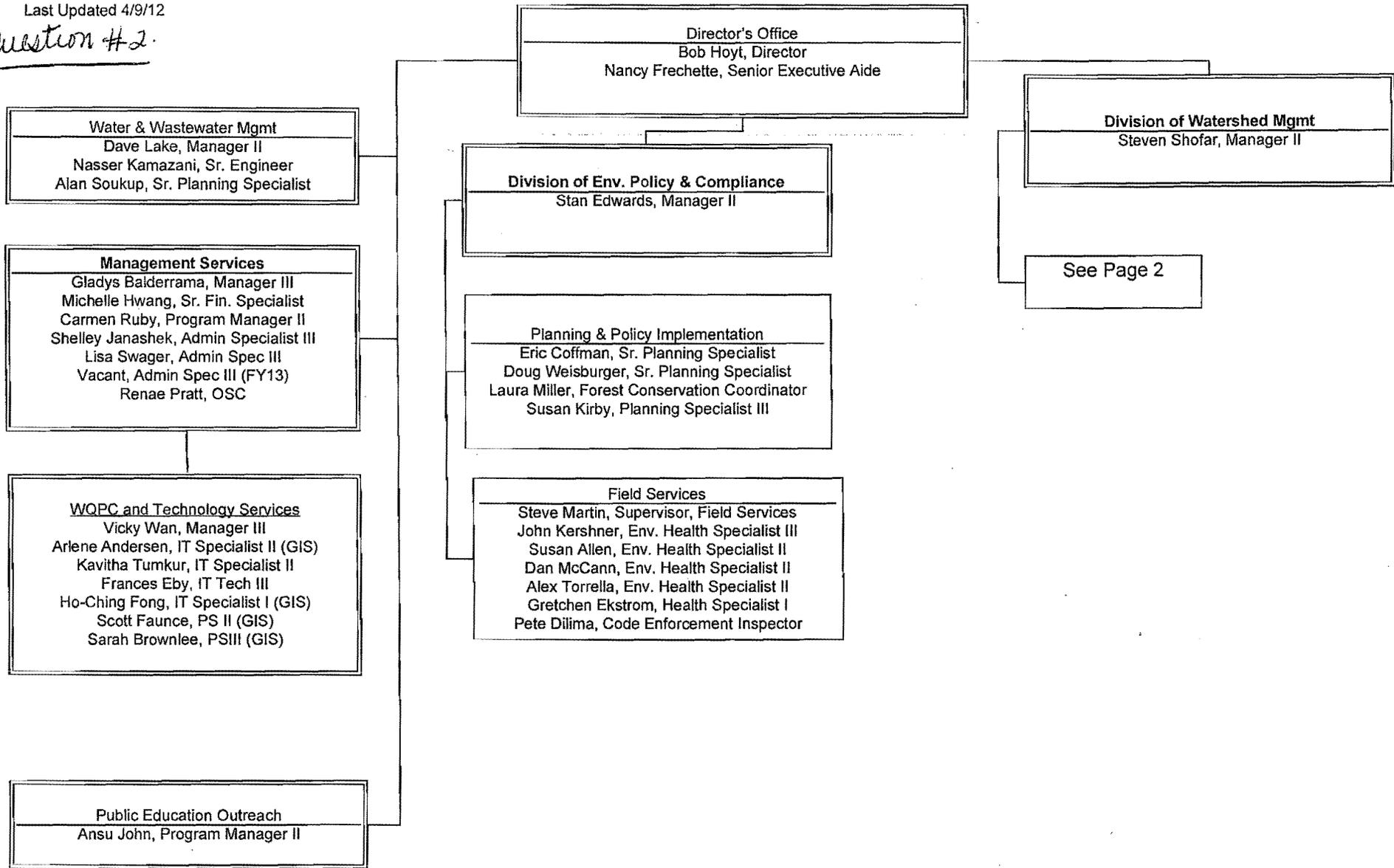
	FY13 Recommended		FY14 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Enhance: Add Planning Specialist III (Landscape Architect) for the Stormwater Facility Maintenance Program [Watershed Management]	61,473	1.00	81,964	1.00
Enhance: Add Planning Specialist III (Landscape Architect) to Increase Output of the RainScapes Program [Watershed Management]	61,473	1.00	81,964	1.00
Enhance: Add Planning Specialist III (Watershed Outreach Specialist) for the Outreach/Education Program [Watershed Management]	61,473	1.00	81,964	1.00
<b>Total</b>	<b>184,419</b>	<b>3.00</b>	<b>245,892</b>	<b>3.00</b>

FY13-18 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Water Quality Protection Fund					
FISCAL PROJECTIONS	FY12 ESTIMATE	FY13 RECOMMENDED	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION	FY18 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	12.59%	12.13%	12.13%	12.13%	12.13%	12.13%	12.13%
CPI (Fiscal Year)	3.1%	2.7%	2.9%	2.9%	2.7%	2.7%	2.7%
Investment Income Yield	0.2%	0.3%	0.4%	0.9%	1.6%	2.4%	2.9%
Number of Equivalent Residential Units (ERUs) Billed	248,930	248,930	248,930	248,930	248,930	248,930	248,930
Prior Year Credits (\$)	(\$31,030)	\$0	\$0	\$0	\$0	\$0	\$1
Number of Gaithersburg ERUs	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Water Quality Protection Charge per ERU	\$70.50	\$92.60	\$98.00	\$102.50	\$106.50	\$110.00	\$113.00
Collection Factor for Charge	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
<b>BEGINNING FUND BALANCE</b>	<b>3,407,660</b>	<b>2,070,500</b>	<b>2,529,410</b>	<b>3,006,410</b>	<b>3,542,030</b>	<b>4,133,850</b>	<b>4,734,610</b>
<b>REVENUES</b>							
Charges For Services	17,430,790	22,935,660	24,273,160	25,387,750	26,378,490	27,245,390	27,988,440
Bag Tax Receipts	561,640	561,640	561,640	561,640	561,640	561,640	561,640
Miscellaneous	0	10,000	10,000	30,000	60,000	90,000	110,000
<b>Subtotal Revenues</b>	<b>17,992,430</b>	<b>23,507,300</b>	<b>24,844,800</b>	<b>25,979,390</b>	<b>27,000,130</b>	<b>27,897,030</b>	<b>28,660,080</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To General Fund	(816,690)	(4,182,950)	(4,097,620)	(4,088,010)	(4,034,660)	(4,034,660)	(4,036,160)
Indirect Costs	(771,030)	(835,140)	(825,410)	(825,410)	(825,410)	(825,410)	(825,410)
Technology Modernization	(45,660)	(85,810)	(62,710)	(51,600)	0	0	0
Pictometry	0	(52,000)	0	0	0	0	0
Transfers to Debt Service Fund (Non-Tax)	0	(3,210,000)	(3,209,500)	(3,211,000)	(3,209,250)	(3,209,250)	(3,210,750)
<b>TOTAL RESOURCES</b>	<b>20,583,400</b>	<b>21,394,850</b>	<b>23,276,590</b>	<b>24,897,790</b>	<b>26,507,500</b>	<b>27,996,220</b>	<b>29,358,530</b>
<b>CIP CURRENT REVENUE APPROPRIATION</b>							
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>	<b>(1,200,000)</b>	<b>(1,150,000)</b>	<b>(1,150,000)</b>	<b>(1,150,000)</b>	<b>(1,100,000)</b>	<b>(1,100,000)</b>	<b>(1,100,000)</b>
Operating Budget	(15,907,730)	(17,715,439)	(18,270,543)	(18,998,303)	(19,708,373)	(20,436,813)	(21,194,633)
FFI - Inspection of New Facilities	n/a	0	(141,000)	(211,500)	(282,000)	(282,000)	(282,000)
FFI - Maintenance of New and Newly Transferred Facilities	n/a	0	(255,600)	(383,400)	(511,200)	(511,200)	(511,200)
FFI - Operating Impacts of CIP Projects	n/a	0	(153,040)	(262,560)	(372,080)	(481,600)	(481,600)
FFI - Program Growth	n/a	0	(300,000)	(350,000)	(400,000)	(450,000)	(500,000)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(15,907,730)</b>	<b>(17,715,439)</b>	<b>(19,120,183)</b>	<b>(20,205,763)</b>	<b>(21,273,653)</b>	<b>(22,161,613)</b>	<b>(22,969,433)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(1,405,166)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(18,512,896)</b>	<b>(18,865,439)</b>	<b>(20,270,183)</b>	<b>(21,355,763)</b>	<b>(22,373,653)</b>	<b>(23,261,613)</b>	<b>(24,069,433)</b>
<b>YEAR END FUND BALANCE</b>	<b>2,070,500</b>	<b>2,529,410</b>	<b>3,006,410</b>	<b>3,542,030</b>	<b>4,133,850</b>	<b>4,734,610</b>	<b>5,289,100</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>							
	10.1%	11.8%	12.9%	14.2%	15.6%	16.9%	18.0%
<b>NET REVENUE</b>	<b>1,268,010</b>	<b>4,818,911</b>	<b>4,836,497</b>	<b>4,896,617</b>	<b>4,901,067</b>	<b>4,910,007</b>	<b>4,865,237</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>N/A</b>	<b>1.50</b>	<b>1.51</b>	<b>1.52</b>	<b>1.53</b>	<b>1.53</b>	<b>1.52</b>

**Assumptions:**

- These projections are based on the County Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
- The Water Quality Protection Charge is applied to all residential and associated non-residential properties (associated non-residential properties are non-residential properties that drain into the stormwater facilities of residential properties), except for those in the cities of Rockville and Takoma Park. The base unit for calculating the charge is the Equivalent Residential Unit (ERU), which is equal to 2,406 square feet of impervious surface (the average amount of impervious surface per single-family residential unit in Montgomery County).
- Residential and associated non-residential property stormwater facilities will be maintained to permit standards as they are phased into the program.
- Operating costs for new facilities to be completed or transferred between FY14 and FY18 have been incorporated in the future fiscal impact (FFI) rows.
- The operating budget includes planning and implementation costs for compliance with the new Municipal Separate Storm Sewer System (MS-4) permit issued by the Maryland Department of the Environment in February 2010. Debt service on bonds that will be used to finance the CIP project costs of MS-4 compliance has been shown as a transfer to the Debt Service Fund. The Department of Finance expects to issue \$40 million in water quality bonds in late FY12, and debt service costs included in this plan reflect only this initial debt issuance. Future WQPC rates are subject to change based on the timing and size of future debt issuance and legislation.
- Charges are adjusted to fund the planned service program and maintain a fund balance sufficient to cover 1.5 times debt service costs.

Question #2.



# Department Of Environmental Protection

⊖ Located @ 255 Rockville Pike

**Division of Watershed Management**  
Steven Shofar, Manager II

Susan Koenig, Principal Admin. Aide \*

**Watershed Construction and Contract Management**  
Vacant, Manager III

**Construction Management**  
Jamie MacKinnon, Inspector III  
Vacant, Inspector III  
Vacant, Inspector III (FY13)

**Stormwater Facility Inspection and Maintenance**  
Amy Stevens, Manager III

Loretha Dennis, Office Services Coordinator  
Christy Ciarametaro, Planning Specialist III

**Maintenance Engineering**  
Gene Gopenko, Sr. Engineer  
Julia Liu, Engineer III  
William Whelan, Engineer II

**Stormwater Inspection (Private)**

Jerry Oden, Program Manager II  
Francis Flabbi, Perm. Services Inspector III  
Steve Pullum, Perm. Services Inspector III  
Ed Edmiston, Perm. Services Inspector III  
Brian Gregg, Perm. Services Inspector III  
Vacant, Planning Specialist III (FY13)

**Stormwater Inspection (DEP Maintained)**

Ron Milberg, Program Manager II  
Rick Watson, Perm. Services Inspector III  
John O'Gorman, Perm. Services Inspector II

**Watershed Restoration & Capital Projects**  
Craig Carson, Manager III

**Restoration Engineering**

Mark Wilcox, Sr. Engineer  
Paul Bogel, Sr. Engineer  
John Hollister, Engineer III  
Paul Bogle, Engineer III  
Mike Lichty, Engineer III  
Vacant Engineer III  
Vacant, Engineer III (FY13)  
Bhaskar Patel, Engineer II  
Don Dorsey Sr. Planning Specialist  
Doug Marshall, Planning Specialist III  
Don Dorsey, Planning Specialist III  
Vacant Planning Specialist III  
Jenny St. John, Planning Specialist III  
Vacant, Planning Specialist III  
Darian Copitz, Horticulturist (PS III)

**Rainscapes**

Ann English, Program Manager II  
Pam Rowe, Planning Specialist III  
Daniel Sommers, Planning Specialist III  
Vacant, Planning Specialist III (FY13)

Management & Budget Specialist III (FY13)

**Watershed Planning & Monitoring**  
Meo Curtis, Manager III

**Outreach**

Ryan Zerbe, Planning Specialist III  
Ana Arriaza, Planning Specialist III  
Vacant, Planning Specialist III (FY13)

**Water Quality Monitoring**

Keith VanNess, Sr. Water Quality Specialist  
Dave Jordahl, Water Quality Specialist II  
William Green, Water Quality Specialist II  
Eric Naibert, Water Quality Specialist II  
Kenny Mack., Water Quality Specialist II  
Mark Rockman, Water Quality Specialist II

**MS-4 Implementation**

Pam Parker, Sr. Planning Specialist  
Mark Sommerfield, Water Quality Specialist II

**Department Of Environmental Protection**

12 Located @ 255 Rockville Pike

### Response to Question #3 Council Staff

3. Last year, I asked about the number of enforcement staff you have dedicated to various areas such as: noise, air quality, illegal dumping, etc. Please note if there are any changes (either during FY12 or expected during FY13) from what you provided last year. Also, please note any workload measures (such as caseload) associated with each program area and whether the trend is up or down in these different areas.

The Division of Environmental Policy and Compliance (DEPC) administers code enforcement activities related to air and water quality, noise, illegal dumping, and hazardous materials, and also monitors the County's solid waste facilities. The Code Enforcement section is comprised of seven positions: one Supervisor; one Code Enforcement Inspector; three Environmental Health Specialist (EHS) III; one EHS II (budgeted at EHS III level and eligible for promotion to an EHS III); and one EHS I. This is the same complement of positions that was budgeted in FY12.

The Code Enforcement Inspector is dedicated solely to investigating illegal dumping issues. The EHSs are all capable of handling any of the other issues handled by DEPC, including illegal dumping when necessary. The EHS I is also responsible for monitoring at the County's solid waste facilities (Oaks, Gude, Dickerson facilities), an activity that is requiring more time due to additional monitoring required by the Maryland Department of the Environment.

The Code Enforcement section is funded in three ways:

- General Fund (GF) – funds activities related to air quality and noise.
- Water Quality Protection Fund (WQPF) – funds activities related to the County's Municipal Separate Storm Sewer System (MS4) permit and stormwater impacts generally.
- Solid Waste Disposal Fund (SWDF) – funds activities related to illegal dumping and handling of hazardous materials, and the monitoring of the County's solid waste facilities.

In recent years, DEP has shifted its priorities and focus as a result of changes in policies, legal requirements and budget considerations. Each year, DEP's budget submissions have reflected these shifts to ensure that the funding allocation for DEPC across the three funding sources is properly aligned with actual workloads.

DEP's analysis clearly shows that DEPC's activities funded by the GF have dropped while activities funded by the WQPF have increased. The activities funded by the GF have decreased as DEPC has worked with MC311 and other departments/agencies to ensure that complaints are directed to the appropriate lead agency, which has reduced DEPC's workload in these areas. Examples of this shift include: (1) mold complaints in apartment buildings being handled by the DHCA; (2) issues relating to trash dumped along roadways being handled by DOT or SHA; (3) neighborhood domestic disturbances being handled by MCP; and (4) tree disturbance activities being handled by M-NCPPC, DOT, or are not regulated depending on the location of the tree. In addition to the shift of mold cases to DHCA, air quality compliance cases have also dropped off due to a reduction in the number of open burning permits being issued.

At the same time, DEPC enforcement staff has begun to devote more time to working on water quality issues required by the County's MS4 permit. For example, during 2011, DEP partnered with the Center for Watershed Protection (CWP) on an intensive effort to characterize the extent that illicit discharges contribute to water bacterial contamination in the County. Illicit discharges are discharges to a storm drain system not composed entirely of storm water (e.g., leaking sewage lines, sump pump hookups, etc), except as allowed by permit. CWP's work in other jurisdictions has shown that "illicit discharges are an overlooked source of nutrient and bacteria pollution to local streams and the Chesapeake Bay" and the results in Montgomery County reinforce this finding. Illicit discharge detection and elimination is a major part of the County's MS4 permit, and addressing them will be critical to achieving local and the Chesapeake Bay Total Maximum Daily Loads (TMDLs). As a result, DEPC staff will be focusing even more resources on this activity in FY13 and beyond.

It is expected that the trends described above (and shown on the supporting spreadsheets) will continue in the foreseeable future.

9. There is no mention of the gypsy moth survey and suppression effort in the FY13 Recommended Budget. Last year you provided a multi-year chart showing the major assumptions, the budget and acres to be sprayed. Please update this chart for FY13.

See attached chart.

10. Please provide an update on the Green Business Certification program. The dollars are moving from the ARRA grant to the General Fund. However, is the overall budget for the program increasing or decreasing for FY13? What is the staffing for this program? How many businesses are currently certified? What are the goals of this program for FY13 and beyond?

Since its launch in December 2009, the Green Business Certification Program has certified 35 businesses including key business anchors such as Lockheed Martin, Marriott Corporation, Goodwill International, Honest Tea, Calvert Group, Social & Scientific Systems and the Montgomery County Chamber of Commerce. In addition, the program is attracting diverse organizations including a religious congregation, three accounting firms, an orthodontist, law firm, architect and bank.

The Green Business Certification Program currently focuses on office-based businesses, but provides a foundation to scale up and reach other business sectors. The Program is currently developing a certification for green landscapers. A pilot program for this effort is expected to occur later this spring. This certification element will assist in meeting the County's legal obligations under its new Municipal Separate Storm Sewer System (MS4) permit. DEP is also considering certification programs for property managers, restaurants, hotels and other high impact sectors. Finally, DEP will be developing a performance measurement template that will help businesses measure and track the environmental and financial benefits associated with the Green Business Certification Program and allow the aggregation of program impacts.

The program is also realizing important cascading benefits. For example, roughly 10 of the Certified Green Businesses are leading the charge in founding and/or supporting the

“community green” organizations which have emerged throughout the County, including Bethesda Green, Green Wheaton and Silver Spring Green; five Certified Green Businesses have adopted roads as part of their sustainability effort; the faith community is now using the Program; and municipalities are beginning to promote the Program as part of their application to become Sustainable Maryland Certified (Jurisdictions earn points for promoting the Program). Finally, DEP’s new website [www.MyGreenMontgomery.org](http://www.MyGreenMontgomery.org) is designed, in part, to complement the Green Business Certification Program and build synergies between the residential and business communities.

The budget and spending history of the program is shown on the attached spreadsheet. In FY13, expenditures will be related to the following:

- Onsite verification of new certification applications, a key element that ensures program credibility and integrity.
- Recertification of existing certified businesses. Recertification is required every three years, so the initial businesses certified in late 2009 will be due for recertification. (A corresponding increase in revenues associated with re-certification will also occur.)
- Training and outreach to boost program enrollment.
- Development and implementation of the green landscaping certification program, as well as other sectors if feasible.

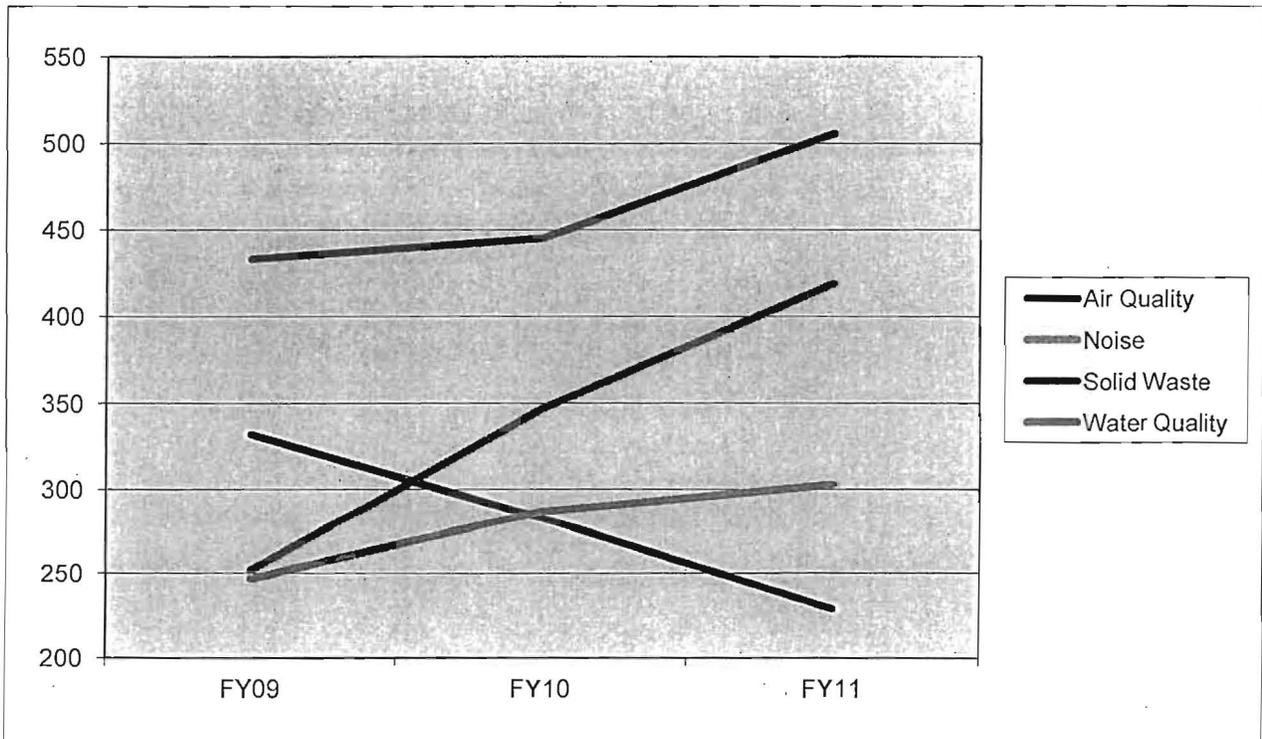
The Green Business Certification Program does not have full-time staff. DEP’s Senior Planning Specialist for Sustainability Programs manages the program in addition to a variety of other activities.

Response to Q. #3 continued

Compliance Cases  
FY09 - FY11

Type	Fund	FY09	FY10	FY11	Total	FY09	FY10	FY11	Total
Ambient Air	GF	190	156	131	477	14.1%	10.1%	8.0%	10.5%
County Facility	GF	10	0	1	11	0.7%	0.0%	0.1%	0.2%
Hazmat	SW	48	26	35	109	3.6%	1.7%	2.1%	2.4%
Indoor Air	GF	142	127	98	367	10.5%	8.2%	6.0%	8.1%
Noise	GF	247	287	303	837	18.3%	18.6%	18.5%	18.5%
PIA	GF	74	181	181	436	5.5%	11.7%	11.0%	9.6%
Solid Waste	SW	385	419	471	1,275	28.6%	27.2%	28.7%	28.1%
Stormwater	WQ	121	125	104	350	9.0%	8.1%	6.3%	7.7%
Water Quality	WQ	131	222	315	668	9.7%	14.4%	19.2%	14.7%
Total		1,348	1,543	1,639	4,530	100.0%	100.0%	100.0%	100.0%

Type	Fund	FY09	FY10	FY11	Total	FY09	FY10	FY11	Total
Air Quality	GF	332	283	229	844	24.6%	18.3%	14.0%	18.6%
Noise	GF	247	287	303	837	18.3%	18.6%	18.5%	18.5%
Solid Waste	SW	433	445	506	1,384	32.1%	28.8%	30.9%	30.6%
Water Quality	WQ	252	347	419	1,018	18.7%	22.5%	25.6%	22.5%
Total		1,264	1,362	1,457	4,083	93.8%	88.3%	88.9%	90.1%



December 2011

Response to Question 7

Department of Environmental Protection

FY13 County Executive Recommended Budget

**New Positions - Annual Cost for FY13 and FY14 (and beyond)**

		<i>FY13 (.75 WY)</i>		<i>FY14 (1.0 WY)</i>	
		<i>Personnel</i>	<i>Operating</i>	<i>Personnel</i>	<i>Operating</i>
<u>Water Quality Protection Fund</u>					
Planning Spec III	Landscape Architect for Stormwater Facility Maintenance Program	\$ 61,473	\$ 4,600	\$ 82,609	\$ 700
Planning Spec III	Landscape Architect for Rainscapes Program	61,473	4,600	82,609	700
Planning Spec III	Watershed Outreach Specialist for Outreach/Education Program	61,473	4,600	82,609	700
Admin Spec III (50%)	Procurement and Human Resources (split 50/50 with CIP)	30,737	1,850	41,305	-
		<u>\$ 215,156</u>	<u>\$ 15,650</u>	<u>\$ 289,132</u>	<u>\$ 2,100</u>
<u>CIP Fund</u>					
Admin Spec III (50%)	Procurement and Human Resources (split 50/50 with CIP)	\$ 30,737	1,850	\$ 41,305	\$ -
Planning Spec III	CIP Watershed Restoration Facility Planning Projects	61,473	4,600	82,609	700
Construction Inspector	Construction Services Inspector Position for Construction Section	61,473	31,450	82,609	7,340
Mngmt & Budget Spec III	Support CIP Program and State/Federal Grants	67,249	3,700	89,665	-
		<u>\$ 220,932</u>	<u>\$ 41,600</u>	<u>\$ 296,188</u>	<u>\$ 8,040</u>

**Response to Question # 7 Continued.**

**New RainScapes Landscape Arch PS III for RainScapes Program:** The new PSIII (Landscape Architect) position will help meet the County's commitment to comply with the number of retrofitted impervious acres required by the MS4 Permit by way of RainScapes projects. The two existing planners will focus on planning and community outreach efforts and the new Planning Specialist III will focus on design and implementation of projects throughout the county, in conjunction with efforts in the proposed CIP for targeted areas. The addition of a fourth position to the RainScapes Program is anticipated to increase staff output of impervious area treated to 2.0 acres/position/year. This will increase total RainScapes Program output to eight acres of impervious treatment per year.

**Planning Specialist III, Watershed Restoration Section (CIP)** - This additional Planning Specialist III is needed to primarily oversee facility planning projects and provide additional project coordination and support with County partners, contractors, permitting agencies, citizens, homeowner associations and other community organizations during the design and construction process. The need for this position is driven by the expansion of the FY13-18 CIP from \$109 million to \$295 million in supports of the MS-4 permit to treat an additional 20 percent or 4300 acres of the County's impervious surfaces by February 15, 2015.

**Planning Specialist III position (Landscape Architect)** - County policy requires all stormwater management facilities to be inspected every three years and properly maintained. With the new stormwater management regulations passed in July 2010 and the County's MS4 permit requirements, new technology environmental site design (Environmental Site Design (ESD) also known as low impact development or LID) is expected to increase significantly beginning in FY13. ESD practices are typically designed with a large vegetated component and require a specialized knowledge and skills with plants. The Department's inspection staff is knowledgeable in engineering and construction of stormwater facilities; however, the inspectors lack the skills and knowledge of plants. Therefore, a landscape architect is needed to perform this function.

**Watershed Outreach Planner (Planning Specialist III)** - The County has submitted to the State a Public Outreach and Stewardship work plan to meet the MS4 Permit requirements for watershed restoration and pollutant reductions. This work plan specifies eight priority practices for expanding opportunities for residents and other stakeholders to assist in watershed outreach and project implementation and sustainability at the neighborhood and local stream level. The position will support specific staffing needs defined for priority #3 Anti-Littering Campaign, priority #4 Stormwater Management Awareness, and for priority #5 Stream Stewards, which cannot be handled with the current outreach staffing levels of two PS III positions. Each practice sheet includes intended outcome and measures to track progress toward that intended outcome. The database system that will be established to track practice sheet measures can also be used to track staff success for planning and implementing these outreach programs. The MS4 Permit requires the County to submit an Annual Report on compliance with requirements, including that for public outreach and education, and the proposed database will be used for the annual MS4 reporting.

**Permitting Services Inspector III (CIP)** - The new permit requires the County to aggressively treat an additional 20 percent or 4300 acres of the County's impervious surfaces before the permit expires on February 15, 2015. To support the CIP growth, in FY12 budget a new Construction Section was created comprised of a Manager III and two Construction Services Inspectors. In FY12 the number of ongoing inspection of construction projects that need to be inspected is approximately 23. In FY13, 33 new projects are programmed for construction, which represents an increase of 10 projects. On the average 10 -11 projects under construction can be assigned per inspector position.

**Management and Budget Specialist – (CIP)** The FY13-FY18 CIP assumes \$230 million in WQPC bond and \$60 million in projected State Aid/Federal grants, which represents an overall increase of 178% over the current approved CIP. The increased CIP funding level will generate unprecedented amount of workload related to administration of project expenditures, encumbrances, processing grant applications, and overall accounting and reporting for grant funds. The new full-time Management and Budget Specialist position will be responsible for the development, preparation, and day to day management of the CIP budget as well as the management of State/Federal grant application/acceptance processes, internal accounting and reporting processes. This position is intended to allow the Watershed Restoration and Capital projects Manager III and other program staff to focus on the implementation of the MS4 permit workload instead of spending considerable amount of time performing CIP budgetary and grant application/and management.

**Human Resources Specialist/ and additional Contracts support (50% CIP) - DEP** (divisions housed at 255 Rockville Pike) has 75 full-time and 2 part-time approved positions. Based on industry standards one Human Resources Specialist is needed for an organization with complement of 70 to 80 employees. Not including the FY13 recommended positions, DEP has experienced approximately 40% percent staff growth attributed to MS4 permit support. Therefore, the department needs a Human Resources Specialist to handle all the recruitment activities in a timely and comprehensive manner. The lack of a dedicated Human Resources Specialists is also a contributing factor to our lapse issue (please note response to question #6, which shows FY12 recruitment activity to date). In addition to recruitment activities the position is needed to support the duties below which have significantly increased due to staff growth:

- Provide resource and expertise to all staff regarding personnel regulations and collective bargaining agreements, FMLA, Worker's compensation claims, light duty issues, leave, etc;
- Research courses of action and compose memoranda regarding all types of personnel actions (new hires/terminations, promotions, transfers, disciplinary actions, reclassifications, position creation/abolishment, etc);
- Maintain records management;
- Manage and coordinate Department's training activities and ensure compliance with County mandatory training requirements;
- Provide expertise in Oracle Human Resources Management (HCM) modules to perform all the HCM transactions to supervisors and managers so they can develop and process Workforce Performance Management, etc.

Human resources workload is currently handled by the Manager III of the Management Services Section with support from the Senior Executive Administrative Aide who prepares actions as required by the Oracle System. The staff growth is directly attributed to the County's efforts to comply with the MS4 Permit, which in turn requires administrative staff to handle the increased human resources workload.

This position will provide procurement workload support due to the additional procurement workload generated by the growth of the FY13-18 CIP.

**Costs for Gypsy Moth Suppression Program**

Item	FY10 Actual	FY11 Actual	FY12 Approved	FY13 Request
Gypsy Moth Survey				
Number of plots in Montgomery County	722	700	700	700
Cost to MDA (50% of Total)	\$18,000	\$15,420	\$15,420	\$15,420
Cost to County (50% of Total)	\$18,000	\$15,420	\$15,420	\$15,420
<b>Total Survey Costs</b>	<b>\$36,000</b>	<b>\$30,840</b>	<b>\$30,840</b>	<b>\$30,840</b>
Total Acreage Sprayed				
Sprayed by MDA	0	0	0	0
Sprayed by County	0	0	0	0
<b>Total Acreage Sprayed</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Costs for MDA Spraying				
Cost to MDA and Feds (70% of Total)	\$0	\$0	\$0	\$0
Cost to County (30% of Total)	\$0	\$0	\$0	\$0
<b>Total Costs for MDA Spraying</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Costs for County Spraying				
<b>Cost to County (100% of Total)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Costs for County Outreach				
<b>Total Costs for County Outreach</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Total Cost of Gypsy Moth Program for MCG				
Cost to MDA	18,000	15,420	\$15,420	\$15,420
Cost to County	18,000	15,420	\$15,420	\$15,420
	<b>\$36,000</b>	<b>\$30,840</b>	<b>\$30,840</b>	<b>\$30,840</b>

Notes

FY13 Request assumes survey would be completed by MDA staff instead of their contractors.

Increases in populations may require additional surveys in FY14.

FY13 Request includes no spraying costs. However, populations are increasing and it is anticipated that some spraying will be necessary in FY14.

Response to Q #10

**Green Business Certification Program  
Budget And Expenditures  
(as of April 10, 2012)**

	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Budget	Total	FY13 Proposed
<b>Budgeted</b>						
Operating Budget	25,000	25,000	0	0	50,000	20,000
Grant Funds	0	0	0	15,000	15,000	0
<i>Total Budgeted</i>	<i>25,000</i>	<i>25,000</i>	<i>0</i>	<i>15,000</i>	<i>65,000</i>	<i>20,000</i>
<b>Encumbered</b>						
Operating Budget	50,000	25,000	0	0	75,000	
Grant Funds	0	0	0	15,000	15,000	
<i>Total Encumbered</i>	<i>50,000</i>	<i>25,000</i>	<i>0</i>	<i>15,000</i>	<i>90,000</i>	
<b>Spent</b>						
Operating Budget	0	50,458	14,824	541	65,823	
Grant Funds	0	0	0	3,736	3,736	
<i>Total Spent</i>	<i>0</i>	<i>50,458</i>	<i>14,824</i>	<i>4,277</i>	<i>69,559</i>	
<b>Liquidated</b>						
Operating Budget	0	0	4,178	0	4,178	
Grant Funds	0	0	0	0	0	
<i>Total Liquidated</i>	<i>0</i>	<i>0</i>	<i>4,178</i>	<i>0</i>	<i>4,178</i>	
<b>Remaining</b>						
Operating Budget	50,000	24,542	5,540	4,999		
Grant Funds	0	0	0	11,264		
<i>Total Remaining</i>	<i>50,000</i>	<i>24,542</i>	<i>5,540</i>	<i>16,263</i>		

**Notes**

- 
- FY09 - Budget of \$25K supplemented by additional \$25K of unprogrammed professional services funds.  
- No expenditures in FY09 due to in-house development activity and contractor procurement process.
- FY10 - Majority of expenditures associated with initial program development (finalizing program materials, developing website, etc.).  
- First businesses certified.
- FY11 - \$4K encumbrance liquidated to meet DEP budget target.
- FY12 - \$15K in ARRA grant funds encumbered. Funds must be utilized by October 2012. Funds not spent by that time will be liquidated.

**Agencies and Groups Regularly Contributing to MyGreenMontgomery.org***Ways to contribute to the site*

- Add an event to the calendar (13)
  - Audubon Naturalist Society
  - Bethesda Green
  - Brookside Gardens
  - Division of Solid Waste Services
  - Greater Washington Interfaith Power and Light
  - Green Wheaton
  - Habitat for Humanity, Montgomery County
  - Montgomery Parks
  - Muddy Branch Alliance
  - Nonprofit Energy Alliance
  - Poolesville Green
  - Rock Creek Conservancy
  - Silver Spring Green
- Write a post for the blog (6)
  - City of Rockville
  - Green Wheaton/Friends of Sligo Creek
  - Nonprofit Energy Alliance
  - Office of Consumer Protection
  - Sandy Spring Friends School
  - Washington Sewer and Sanitation Commission
- Suggest an incentive or program (2)
  - Aquabarrel (denied; commercial message)
  - Ecobecco (denied; commercial message)
  - Montgomery County Forestry Board
  - ServiceAGroup.com (denied; commercial message)
  - Solar Energy World
- Suggest a new green project
- Provide photos

*Ways to Participate in the Conversation*

- Share a Facebook post (10)
  - Audubon Naturalist Society
  - Bethesda Green
  - Clean Air Partners (MWCOG)
  - Division of Solid Waste Services
  - Green Wheaton
  - Groundswell
  - Montgomery County Volunteer Center

4/10/12

MyGreenMontgomery.org

- Muddy Branch Alliance
- Poolesville Green
- University of Maryland Extension – Montgomery County
- “Like” or comment on a Facebook post (5 in addition to the list above)
  - Chesapeake Bay Trust
  - EarthShare
  - Fans (67 as of April 6, 2012)
  - FreeSecureShredding.com
  - Greater Washington Interfaith Power and Light
  - Habitat for Humanity, Montgomery County

**Web stats since Jan. 12, 2012 (site launch)**

Unique Visitors to the site:	3,437
Total Number of Visits:	5,015
Average pages per visit:	3.44
Average length of visit:	3:31
Percentage returning visitors:	33%
Bounce Rate:	47%

**Subscribers creating Green Plans: 46**

**Facebook Fans: 67**

Montgomery County, Maryland  
 Water Quality Protection Fund  
 WQPC Analysis of Change in Expenditures FY12-13

*Response to G #13*

	<u>FY12</u>	<u>FY13</u>	<u>+ (-)</u>	<u>Notes</u>
Personnel Costs - DEP	\$ 3,888,040	\$ 4,558,913	\$ 670,873	See Note A Below
Personnel Costs - Finance Chargeback - Collection	261,030	245,040	(15,990)	Decrease reflects correction of # of accts used for calculation
Personnel Costs - Finance Chargeback - Bag Tax	40,000	105,870	65,870	Annualization to reflect actual full year cost
Personnel Costs - DOT Chargeback for StormDrains	1,975,070	1,975,070	-	
Operating Costs:				
Inspection Services	818,140	950,640	132,500	See Note B Below
SWF Maintenance	3,297,230	3,570,870	273,640	See Note C Below
Low-Impact Development: Residential	384,810	384,810	-	
Targeted Streetsweeping	211,160	211,160	-	
Additional Watershed Monitoring (Stream Gauges)	479,210	497,520	18,310	Increase Cost: Down County Stream Gauge Maint.
Lease Space for 255 Rockville Pike	392,810	392,810	-	
Misc. Stream Restoration Maintenance	111,020	211,020	100,000	\$100,000 added for Illicit Discharge Contract
Water Quality Planning & Monitoring	14,660	18,860	4,200	
Gaithersburg Pass-Through	814,510	1,323,650	509,140	Increase due to increased WQPC rate
Department of Finance Chargeback	17,460	18,200	740	Increase of Operating Chargeback by Finance
MS4 Outreach and Education Programs	100,000	100,000	-	
Software Development for WQPC	350,000	-	(350,000)	Elimination of one-time Items from FY12
SWM Database	61,440	262,880	201,440	\$1,440 CPI for Asset Mgmt Software; \$200,000 for GIS Layer Consultant for FY13
Motor Pool	56,110	45,115	(10,995)	Offset MP reduction in FY12
Operating Expenses - Storm Drain Maintenance	75,000	402,451	327,451	Additional Costs from DOT
General Operating Expenses (Phones, Supplies, etc)	122,180	118,340	(3,840)	
Bag Tax Operating Exp (DEP)	299,580	325,510	25,930	Decrease from first year start-up expenses has been offset by \$60,000 increase for internal audit.
Bag Tax Operating Exp (Finance)	194,000	102,200	(91,800)	Elimination of one-time Items from FY12

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Response to Q. 13. cont.

Montgomery County, Maryland  
 Water Quality Protection Fund  
 WQPC Analysis of Change in Expenditures FY12-13

	<u>FY12</u>	<u>FY13</u>	<u>+ (-)</u>	<u>Notes</u>
M-NCPPC Water Quality Activities - Parks	1,509,300	1,509,300	-	
M-NCPPC Water Quality Activities - Planning	360,400	360,400	-	
Capital Outlay	111,000	24,810	(86,190)	Elimination of one-time Items from FY12 & one new vehicle for FY13
Subtotal Operating Budget	15,944,160	17,715,439	1,771,279	
CIP Costs funded with Current WQPC Revenue	1,200,000	1,150,000	(50,000)	
	<u>\$ 14,740,880</u>	<u>\$ 18,865,439</u>	<u>\$ 1,721,279</u>	
Transfer to Debt Service Fund	<u>\$ 450,000</u>	<u>\$ 3,210,000</u>	<u>\$ 2,760,000</u>	

Note A

FY12 Approved Budget - DEP Personnel Costs	\$ 3,888,040	
Annualization of FY12 Lapsed Positions	54,540	
Retirement Adjustments	97,972	
Group Insurance Adjustment	72,444	
Lump Sum Wage Adjustment	77,908	
Longevity Adjustment	2,323	
Annualization of personnel costs for 4 new FY12 positions	(1,329)	
New Planning Spec III	61,473	Landscape Architect for Stormwater Facility Maintenance Program
New Planning Spec III	61,473	Landscape Architect for Rainscapes Program
New Planning Spec III	61,473	Watershed Outreach Specialist for Outreach/Education Program
New Admin Spec III (50%)	30,737	Procurement and Human Resources (split 50/50 with CIP)
Reallocation of Personnel Costs from GF & DSW	151,859	
	<u>\$ 4,558,913</u>	

Note B Inspection net Increases:

Increase Cost: Renewal of Inspection Contract	\$ 62,000
Increase Cost due to new facilities entering program	70,500
	<u>\$ 132,500</u>

Note C Stormwater Facility Maintenance

New & Newly Transferred SMF	\$ 162,000
CPI Adjustment	50,120
OBI for SM Retrofit - CIP Projects	61,520
	<u>\$ 273,640</u>

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AGENDA ITEM #3C  
March 27, 2012

**Introduction**

**MEMORANDUM**

March 23, 2012

TO: County Council

FROM: *KL* Keith Levchenko, Senior Legislative Analyst

SUBJECT: **Introduction:** FY13 Water Quality Protection Charge Rate Resolution

On March 15, the County Executive transmitted a proposed resolution related to the FY13 Water Quality Protection Charge equivalent residential unit (ERU) rate for FY13 (see ©1-2). The County Executive recommends increasing the ERU rate from \$70.50 to \$92.60. This proposed resolution is consistent with the County Executive's recently transmitted FY13 Recommended Operating Budget.

The County Council created the charge as part of Bill 28-00 in 2001. The Council is required under County Code Section 19-35(c) to set the ERU rate each fiscal year by resolution. The resolution must be adopted no later than the date the Council approves the annual operating budget.

A public hearing on the Water Quality Protection Charge ERU rate for FY13 is scheduled for April 24, 2012 at 1:30 PM.

**Attachment**

KML:f:\levchenko\dep\stormwater\intro 3 27 11 fy13 wqpf resolution.doc

BUD, FIN &  
FCON DEV



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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

March 15, 2012

RECEIVED  
OFFICE OF THE COUNTY EXECUTIVE  
MARCH 15 2012

TO: Roger Berliner, President, County Council  
FROM: Isiah Leggett, County Executive   
SUBJECT: FY13 Water Quality Protection Charge Recommended Rate

The purpose of this memorandum is to transmit the proposed resolution for the FY13 Water Quality Protection Charge recommended rate. The new rate as reflected in the attached resolution is \$92.60, and is consistent with my FY13 Recommended Operating Budget. The rate increase is needed to fund continued expansion of our water quality remediation efforts in compliance with the State's Municipal Separate Storm Sewer System (MS4) permit requirements. I recommend the Council adopt this resolution as part of its deliberations on the FY13 Operating Budget.

IL:gb

Attachment: Resolution - FY13 Water Quality Protection Charge Recommended Rate

- c: Timothy L. Firestine, Chief Administrative Officer
- Jennifer A. Hughes, Director, Office of Management and Budget
- Robert G. Hoyt, Director, Department of Environmental Protection
- Joseph F. Beach, Director, Department of Finance
- Kathleen Boucher, Assistant Chief Administrative Officer

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: Council President at the request of the County Executive

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**SUBJECT:** Water Quality Protection Charge for FY13

**Background**

1. Under County Code Section 19-35(c), each fiscal year, the County Council must, by resolution, set the rate or rates for the Water Quality Protection Charge.
2. The base rate for the Water Quality Protection Charge is the annually designated dollar amount set by the County Council to be assessed for each equivalent residential unit of property that is subject to the Charge.
3. Under Executive Regulation 6-02, an equivalent residential unit (ERU) is defined for these purposes, as the statistical median of the total horizontal impervious area of developed single-family detached residences in the County that serves as the base unit of assessment for the Water Quality Protection Charge. The designated ERU for Montgomery County equals 2,406 square feet of impervious surface.
4. Under County Code Section 19-35, properties in the City of Takoma Park and the City of Rockville are not subject to the Water Quality Protection Charge.

**Action**

The County Council for Montgomery County, Maryland approves the following resolution:

The base rate for the Water Quality Protection Charge for Fiscal Year 2013 is \$92.60 per equivalent residential unit (ERU).

This resolution takes effect on July 1, 2012.

This is a correct copy of Council action.

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Linda M. Lauer, Clerk of the Council