



DEQ Programs and Budget Update Senate Finance and Appropriations Committee

Department of Environmental Quality

Michael S. Rolband, PE, PWD, PWS Emeritus, Director of DEQ

January 29, 2024

Who We Are

We are 850± professionals who apply science and law to enhance Virginia's environment

- Air Quality & Renewable Energy
- Water Planning & Permitting
- Land Protection & Revitalization
- Regulatory Affairs & Outreach





Our Mission

DEQ's Mission is to protect and enhance the environment of Virginia in order to promote the health and well-being of the Commonwealth's citizens, residents, and visitors in accordance with applicable laws and regulations.

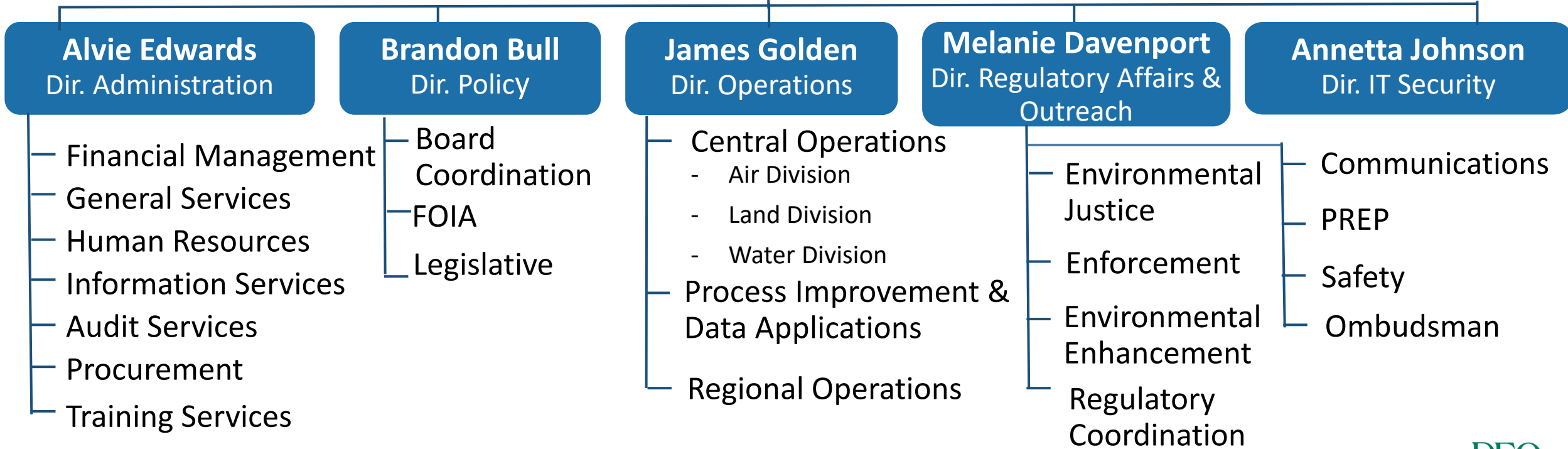
DEQ Executive Structure

Mike Rolband, Director

*Boards & Citizen
Advisory Groups*

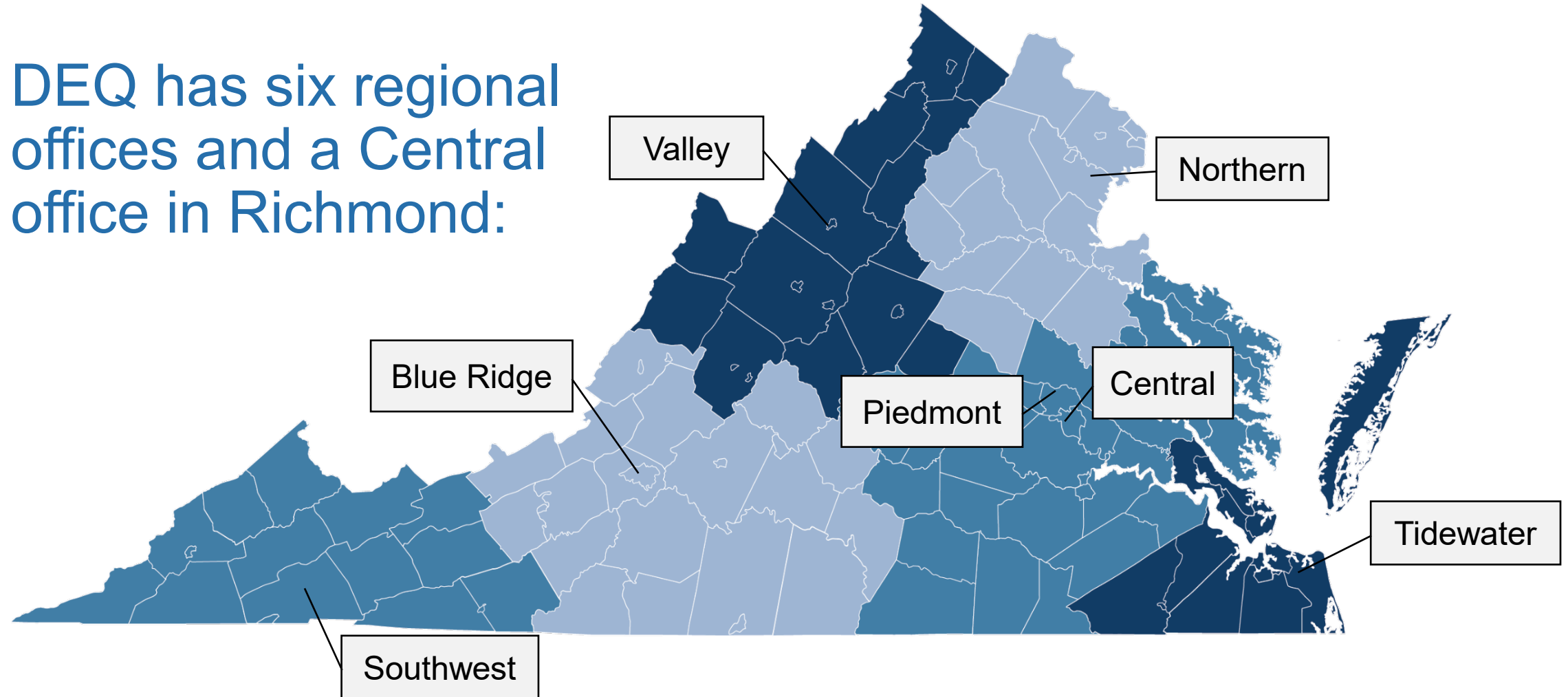
Austen Stevens
Executive Assistant

Alex Samms
Chief Deputy

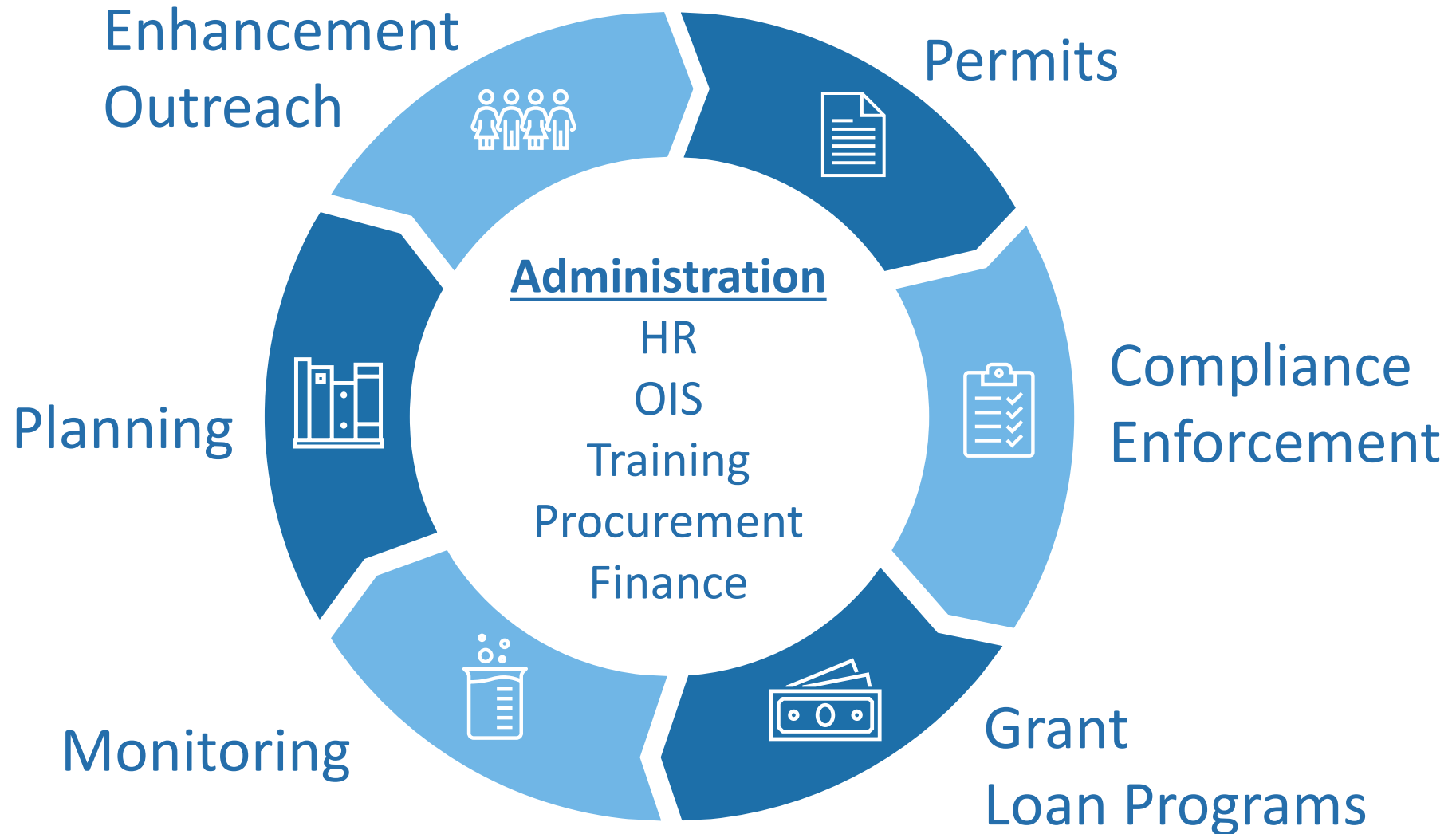


Office Locations

DEQ has six regional offices and a Central office in Richmond:



DEQ Functions



Air Protection & Renewable Resources

- Permitting
- Compliance
- Air Quality Monitoring
- Air Data Analysis & Planning
- Air Quality Assessments



Land Protection & Revitalization

- Financial Responsibility & Waste Programs
- Remediation Programs
- Spill Response & Remediation
- Permitting
- Compliance



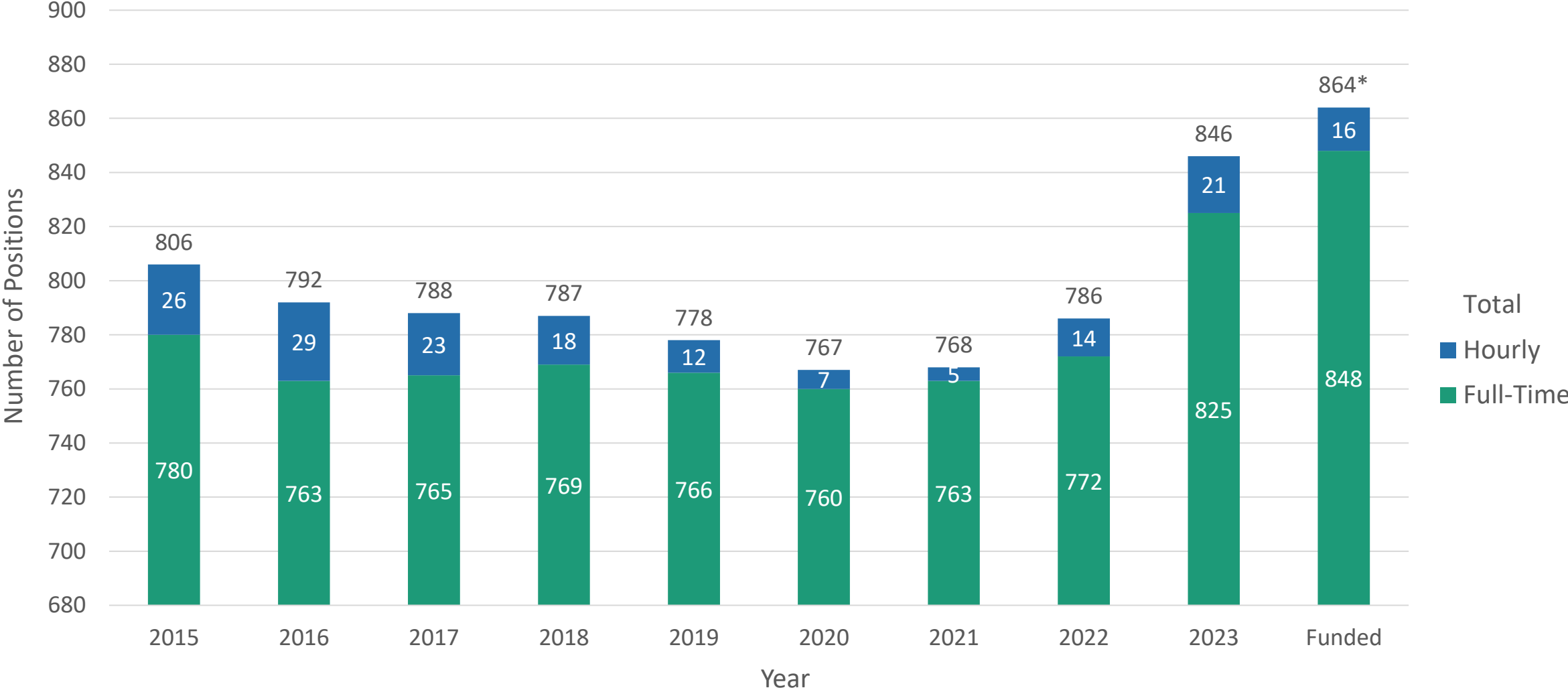
Water Protection

- Water Planning
- Water Permitting & Compliance
- Clean Water Financing & Assistance
 - Water Quality Improvement Fund (WQIF)
 - Virginia Clean Water Revolving Loan Fund (VCWRLF)
 - American Rescue Plan Act (ARPA)
 - Stormwater Local Assistance Fund (SLAF)



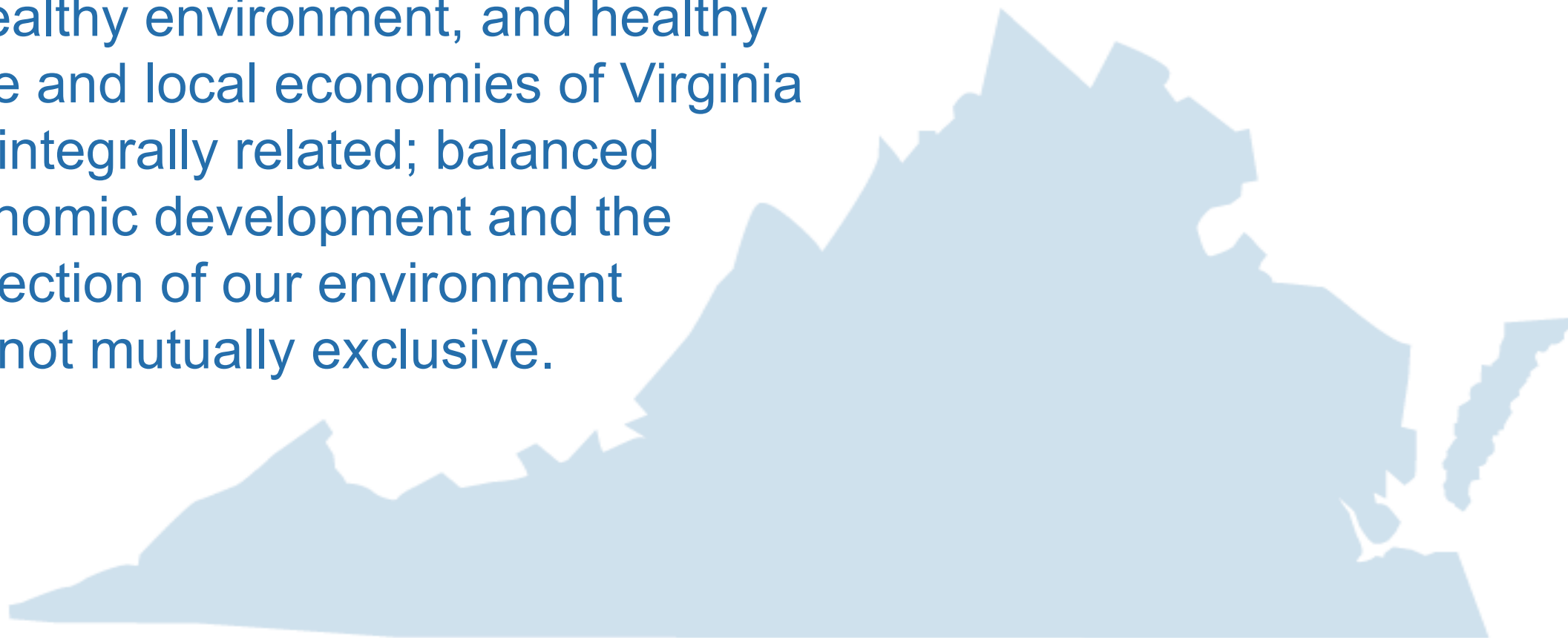
DEQ is doing GREAT!

DEQ Total Salaried & Wage Employees by Year



Our Goal

A healthy environment, and healthy state and local economies of Virginia are integrally related; balanced economic development and the protection of our environment are not mutually exclusive.



Five Initiatives	Progress Report
1. OneDEQ	In Place
2. Permitting Enhancement & Evaluation Platform (PEEP)	Phase I Completed
3. One SWM Handbook, VRRM Update, Reg. Consolidation, and Construction GP Reissuance	In Progress – 7/1/24 Effective Date
4. Commodity Trading Platform for Mitigation	CY 2024 Start
5. Media Specific Training, Certification, and Internship Programs	New for 2024

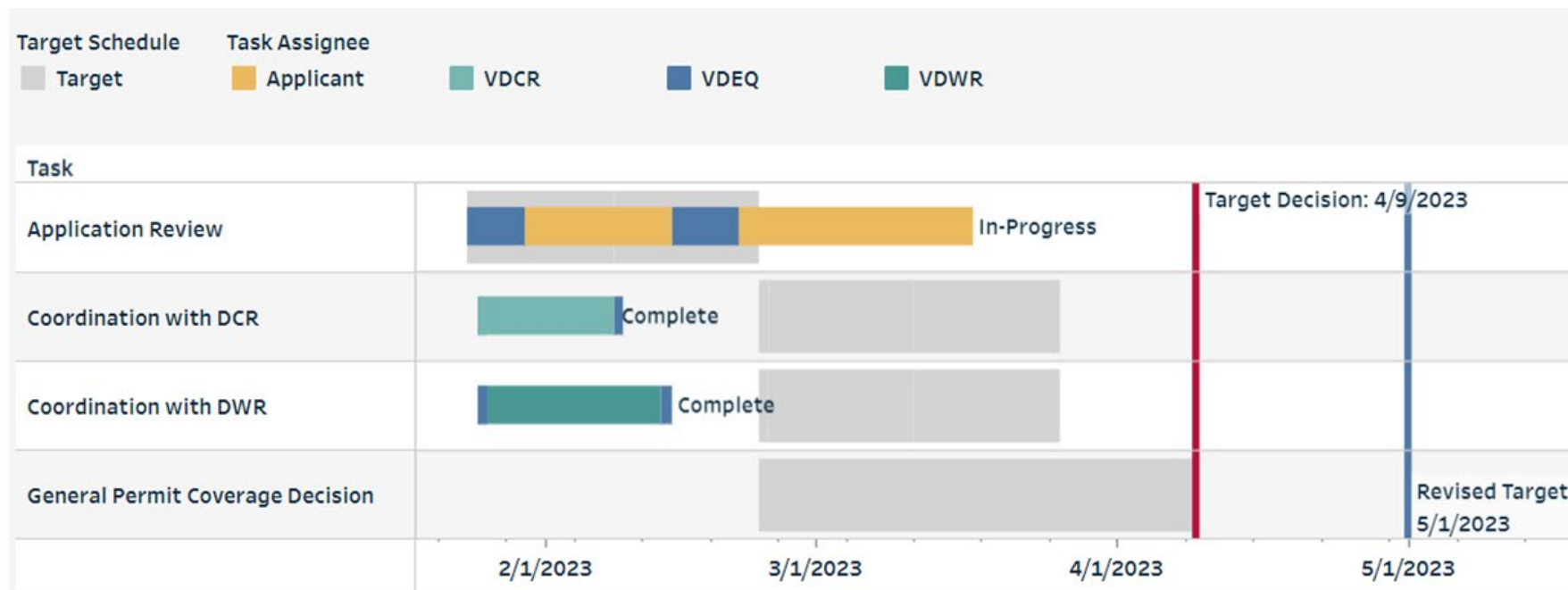
Cultural Change with OneDEQ

- Staff collaboratively ensure timely and responsive customer service
 - ✓ Emerging Leaders Program project – Strengthen “OneDEQ” Collaboration Culture
 - ✓ Ombudsman positions
- Workload Evaluation and Distribution process manages distribution of workload in real-time and establishes uniform performance expectations to maximize staff resources
 - ✓ Coordinated with PEEP roll-out for permitting programs
 - ✓ Implemented in Virginia Water Protection Permitting, Stormwater Plan Review, and Enforcement programs



Permitting Enhancement & Evaluation Platform (PEEP)

- Public schedule to track permit review process
- Transparency
- Project management tool



DEQ Performance Heat Map – Agency Level

Filters & Legends

Request Decision Date: 08/11/2022

Performance Level: Overall

Show Trend: Monthly

No. of Permits Issued/Denied

1,224

No. of Overdue Requests

351

% of Request Meeting Targets

71 %

Overall Permit Performance: % of On Time Requests



Month of Request Decision Date

	Aug '22	Sep '22	Oct '22	Nov '22	Dec '22	Jan '23	Feb '23	Mar '23	Apr '23	May '23	Jun '23	Jul '23	Aug '23	Sep '23	Oct '23	Nov '23	Dec '23
DEQ	100 %	100 %	95 %	87 %	67 %	63 %	44 %	58 %	55 %	60 %	66 %	71 %	70 %	78 %	67 %	70 %	82 %

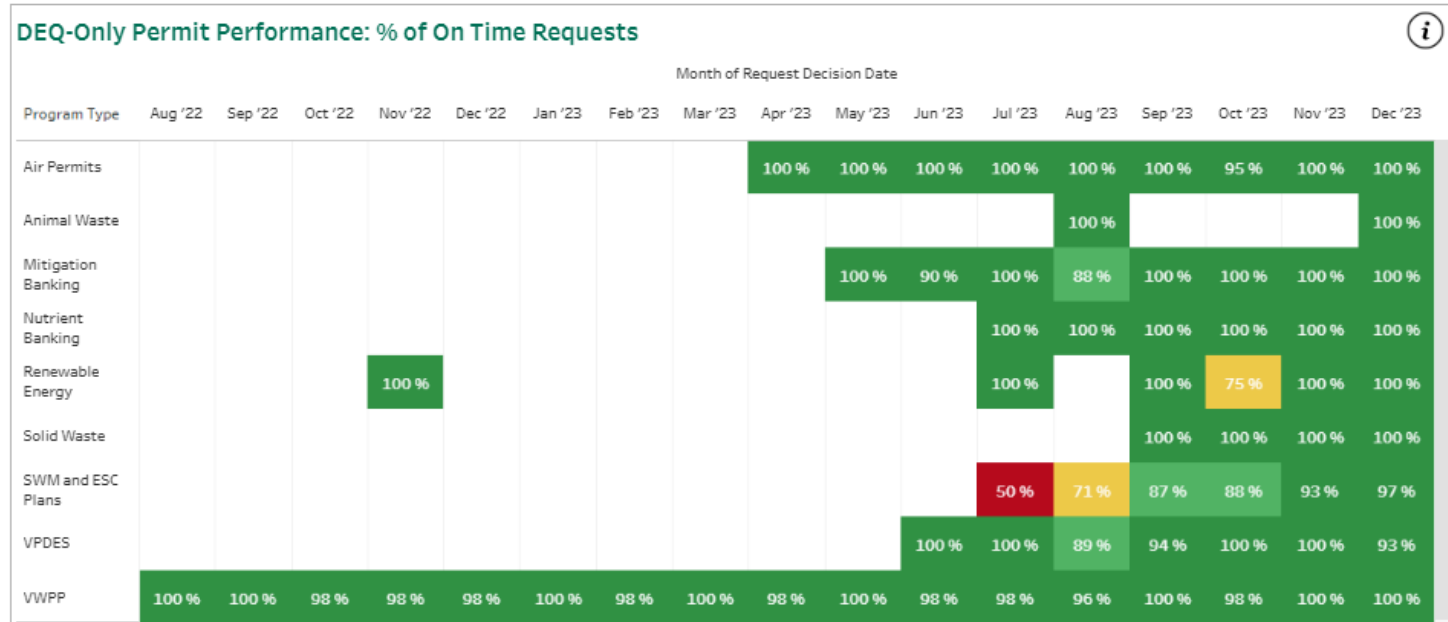
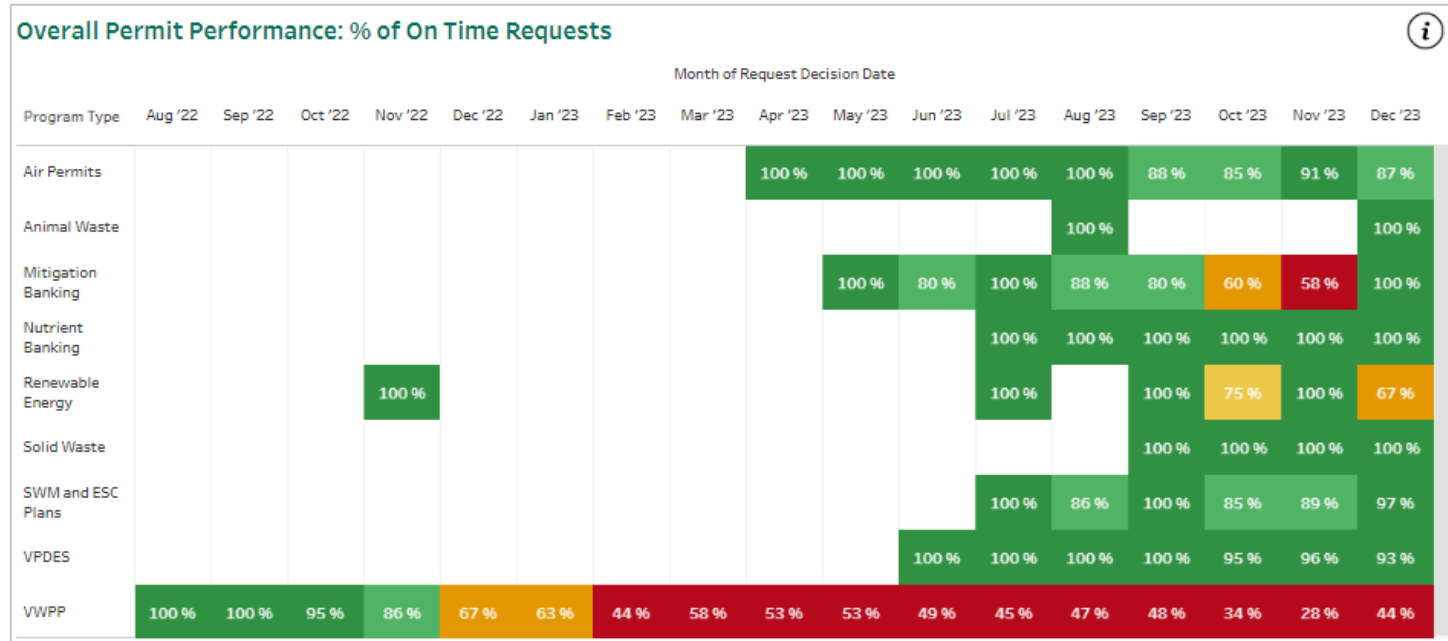
DEQ-Only Permit Performance: % of On Time Requests



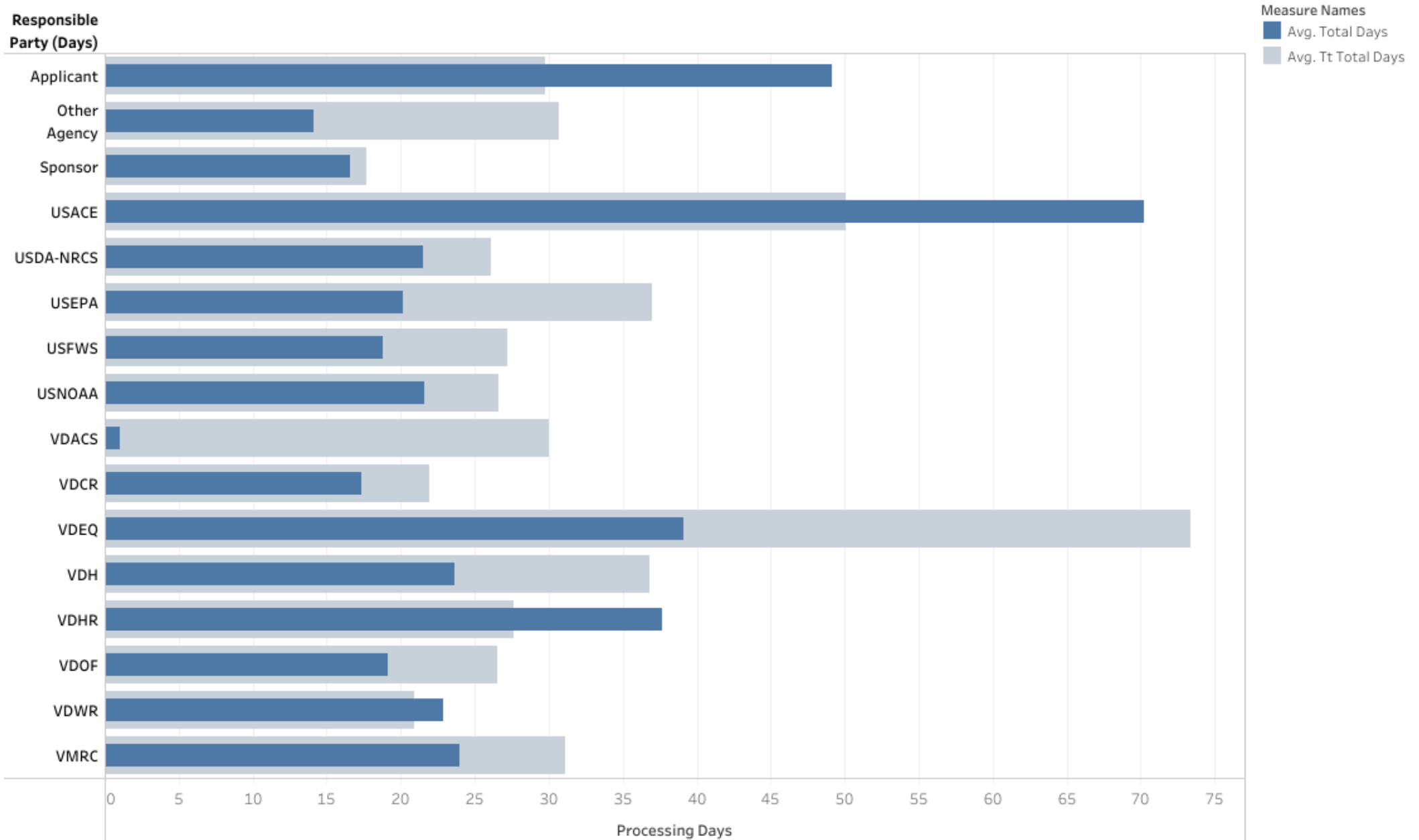
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DEQ	100 %	100 %	98 %	98 %	98 %	100 %	98 %	100 %	98 %	100 %	98 %	98 %	94 %	97 %	95 %	99 %	98 %

DEQ Performance Heat Map – Program Level



Average Target Schedule vs. Actual by Responsible Party



Technology Modernization

- Upgraded primary MPLS internet circuits at each location from 6Mbps to 50Mbps, along with installation of broadband circuits at all DEQ locations delivering 100Mbps
- Wireless access points strategically placed within each DEQ location to facilitate a collaborative work environment for staff and stakeholders
- Audio-Visual equipment installed in one conference room per floor in Central Office and each Regional location to facilitate hybrid and remote meeting collaboration with staff and stakeholders
- Move from a desktop or basic laptop environment to premium laptops, monitors, and ancillary equipment



Critical Systems Transformation Using Cloud, SaaS Solutions



DEQ is implementing a new business platform called Oracle Administrative Resources System (OARS). This project will overhaul the current, end of life and unsupported financial system. OARS will significantly enhance all current fiscal capabilities, while providing a technology solution for all manual and paper-based practices we use for human resource and budget management processes.



DEQ is also planning a major upgrade to the Central Environmental Data System (CEDS) and the myDEQ Portal. OPaL will modernize our abilities to manage permits, compliance, enforcement and other key elements of our mission. The new platform will provide greater online interactions with the regulated community and will be fully integrated with OARS.

One Stormwater Handbook



Materials on the left are being updated, replaced, or clarified by materials on the right.

- Produce Best In Class Stormwater Handbook
- Update & Consolidate Stormwater Information
- VRRM Update
- ESC/SWM Regulation Consolidation
- 2024 Construction General Permit (CGP) Reissuance

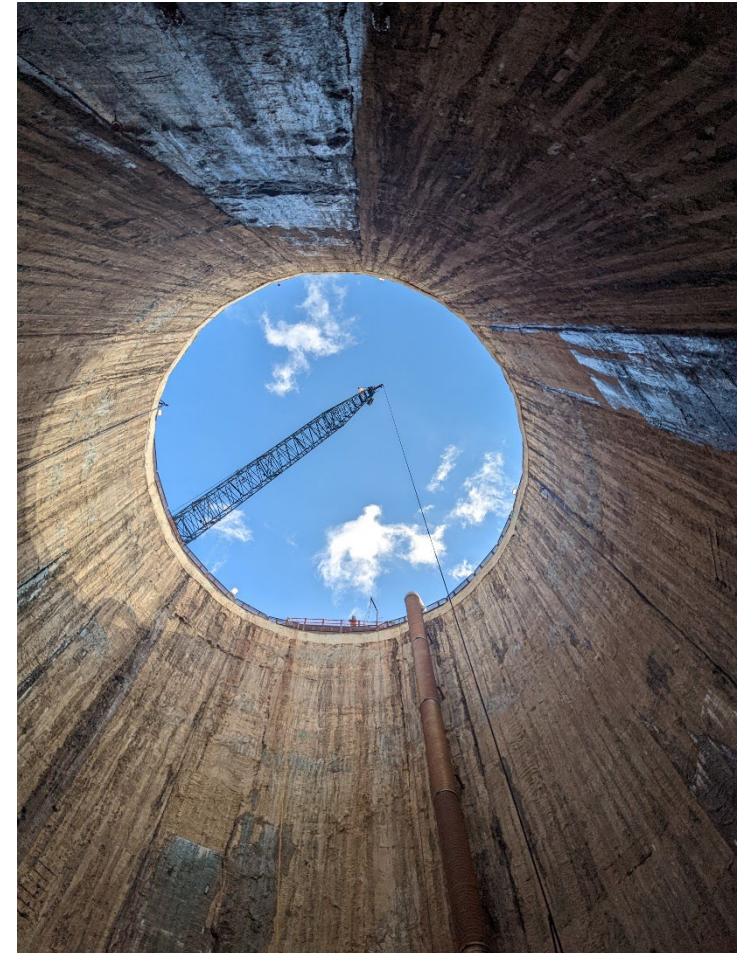
Water Quality Improvement Fund (WQIF)

- The Virginia Water Quality Improvement Act of 1997 was enacted by the Virginia General Assembly to finance the nutrient reduction strategies being developed for the Chesapeake Bay and its tributaries.
- The Act directs DEQ to assist local governments and individuals in reducing point source nutrient loads to the Chesapeake Bay with technical and financial assistance made available through grants provided from the Water Quality Improvement Fund.



Virginia Clean Water Revolving Loan Fund (VCWRLF)

The Virginia Clean Water Revolving Loan Fund, was created in 1987. DEQ, on behalf of the State Water Control Board, manages the VCWRLF, administers the policy aspects of the program, receives applications, develops funding recommendations, and provides assistance and oversight for funded projects. The Virginia Resources Authority (VRA) serves as the financial manager of the VCWRLF.



American Rescue Plan Act (ARPA)

Between 2021 and 2023, Virginia's General Assembly appropriated American Rescue Plan Act (ARPA) funding to DEQ for investments to address combined sewer overflows (CSOs) and wastewater projects.



Stormwater Local Assistance Fund (SLAF)

The Stormwater Local Assistance Fund provides matching grants to local governments for the planning, design, and implementation of stormwater best management practices (BMPs) that address cost efficiency and commitments related to reducing water quality pollutant loads.



Clean Water Financing and Assistance

Water Quality Improvement Fund (*state*) - reducing point source nutrient loads to the Chesapeake Bay

- \$538M in applications for 10 projects under evaluation and \$170.4M for 9 projects with active agreements.

Virginia Clean Water Revolving Loan Fund (CWRLF) (*federal-state*) - water quality/infra improvements

- 38 applications were received for FY24 of \$612.6M, funding available for \$189.5M for 26 projects

American Rescue Plan Act (*federal*) - sewer collection, wastewater, and nutrient removal projects

- \$580,762,596 authorized, \$138,671,500 obligated, and \$539,820 disbursed

Stormwater Local Assistance Fund (SLAF) (*state*) - matching grants to local gov'ts for stormwater BMPs.

Fiscal Year	FY24
Unobligated at Start of FY	\$38.5M
Applications/Projections	\$35.4M
Unobligated at End of FY	\$3.1M

2023 Clean Watershed Need Survey Results for Community Wastewater Needs

- \$10.8B in unmet needs over next 20 years
 - \$540M annually in unmet needs
- Estimated additional annual contribution needed from Local, Federal, and State
 - *Local* - \$459M – includes user fees, municipal bonds, State grant loan obligations
 - *Federal* - \$54M – includes Special Appropriations and all Federal grant program
 - *State* - \$27M

DEQ Base Operating Budget by Media – FY 2024

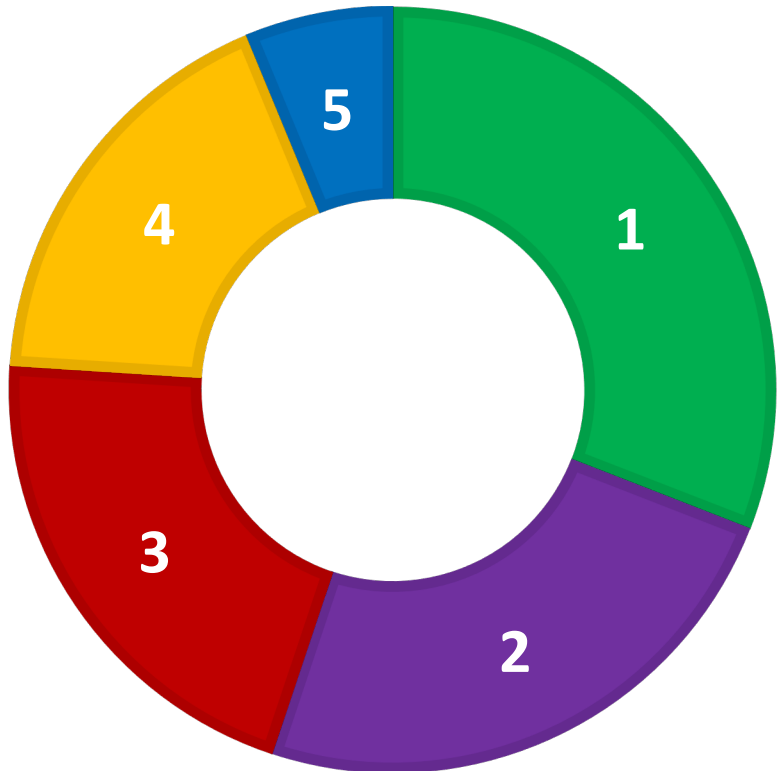
Total Funding: \$216.8 million*



- 1 Financial assistance: 33% | \$70.8 million
- 2 Water protection: 26% | \$56 million
- 3 Administration: 14% | \$31.3 million
- 4 Land protection: 14% | \$30.3 million
- 5 Air protection: 13% | \$28.4 million

DEQ Base Operating Budget by Fund Type – FY 2024

Total Funding: \$216.8 million*



- 1** General: 30.9% | \$67.m
- 2** Federal: 24.2% | \$52.5m
- 3** Special Revenue: 13.8% | \$29.8 m*
- 4** Petroleum Storage Tank: 17.8% | \$38.5m
- 5** Title V: 6.2% | \$13.5m

* Dedicated Special Revenue

- \$5.1m Vehicle Emissions (Inspections & Maintenance)
- \$5.2m Water Permit Fee
- \$4.8m Waste Tire
- \$4.4m Stormwater Management
- \$3.6m VA Emergency Response
- \$3.1m Solid Waste Permit Fees
- \$2.1m Litter Control & Recycling
- \$1.0m Biosolids
- \$0.5m Small Renewable Energy Projects

Governor’s Introduced Budget Summary for DEQ

Additions or Changes of Significance to FY 2024 Base Budget

Description of Budget Item	Introduced Budget Amount	
	FY 2025	FY 2026
CB3 - Enhanced Chesapeake Bay Monitoring	4,385,000	4,135,000
Ground Water Modeling Technical Evaluation Services	400,000	400,000
Title V Funding Shortfall Replacement for staff to eliminate Title V backlog	675,000	675,000
Richmond Combined Sewer Outflow Project	50,000,000	-
City of Bristol Landfill for ongoing health, environmental, and quality of life issues	35,000,000	-
Clean Water Revolving Loan Fund Cash Match – rightsizing to align with lower federal funding amount	(1,500,000)	(1,500,000)
Update legacy base appropriation in the Virginia Clean Water Revolving Loan Fund*	1,887,159	1,887,159
Adjust DEQ’s Base NGF Appropriation to align with projected expenditures*	2,150,041	2,150,041
MS4 Budget Language Amendment – Removing “newly” restriction for support of regulated MS4 localities (\$0)	-	-
Total	92,997,200	7,747,200

* Technical adjustments to increase DEQ base appropriation only

Questions?