UTAH DEPARTMENT of ENVIRONMENTAL QUALITY

Executive Director's Office Services

What do you do?

How does your entity serve the public (mission, objectives)? Who specifically are your customers?

The Executive Director's Office supports the Department of Environmental Quality in accomplishing its mission of "*Safeguarding and improving Utah's air land and water through balanced regulation.*" Our customers include all branches of government, DEQ employees and the citizens of the state.

What values does your agency add to society? What is the return you bring on the taxpayers' investments? Why should the public continue to pay for these services?

Clean air, land, and water are essential for human health, our economy, and our quality of life. We all want to live productive and active lives, raise our children in a healthy environment, enjoy Utah's unparalleled beauty, feel pride in our state, and have the security of good jobs to support our families. We seek to work with all Utahns to achieve these shared goals.

How well do you do it?

How do you define and measure success? What are your performance measures? Why have you chosen them? How do they help you accomplish your mission?

Our success is largely determined by the extent to which we accomplish our mission. To help us accomplish our mission we have four core values: Exceptional Service, Credibility and Trust, Commitment to Employees and Continuous Improvement. We believe that as we incorporate these values, we will achieve better results for our customers and ultimately accomplish our vision of "Clean air, land and water for a healthy and prosperous Utah." Performance measures for the Executive Director's Office focus on how well we're doing at implementing some of these core values. Our measures include:

- Percent of systems within the Department involved in a continuous improvement project in the last year
- Percent of customers surveyed that reported good or exceptional customer service
- Number of state audit findings/Percent of state audit findings resolved within 30 days

What are your efforts to be efficient and effective?

As outlined in our core value of continuous improvement, "we are accountable for taxpayer dollars. We improve our performance and implement innovations that advance quality, efficiency and effectiveness." We currently have 28 active Process Improvement Projects across the Department, including 10 that are entered into the Governors Success Management Information System (SMIS). From January 2013 through December 2016 our SUCCESS projects resulted in a 40.5 percent improvement. Past efforts show a progressively upward trend at about 10 percent improvement per year.

What do you see in the future?

What are the major issues and challenges in the next 3-5 years for your agency? What are you doing/going to do about it?

DEQ has approximately 370 employees, approximately 29% of the workforce is eligible to retire based on years of service and/or age. In the past 5 years 66 employees have retired from the Department.

The Department is committed to developing staff to assume leadership roles in the agency. Through the Department's Leadership employees participate in training sessions and activities that will prepare them for advancement in the organization.

Discuss FTE trends and anticipated FTE levels for FY 2017 and a 5-year outlook.

The Executive Director's Office FTE count has held steady at about 28 FTEs and we don't anticipate any changes in the next few years. The Department has demonstrated a downward trend in FTE count over the last several years, down from 376.4 FTEs in 2013 to 364 as of December 2016. We anticipate the downward trend to continue as we focus on operational efficiencies and reallocate vacancy savings from pending retirements to other programmatic needs.

Funding

What is your funding structure?

What is the nature and sources for your base budget?

Fund	Amount	Percent
General Fund	$1,571,500	29
Federal Funds	$253,000	5
Dedicated Credits	$1,000	0
Restricted Funds	$802,500	15
Transfers	$2,768,900	51

Provide specifics for developing new funding sources.

Due to the nature of the EDO work it is not conducive to fees or other sources. The main funding source is indirect cost charges to federal grants and dedicated credit collections in the divisions. This is based on an approved rate negotiated annually with EPA.

Provide a description of your non-lapsing (carry-forward) balances and explain how you are using them.

EDO has 4 non-lapsing balances:

Administrative Law Judge $150,000. DEQ has contracts with 3 law firms to provide administrative law judge services to appeals to DEQ permits. 16 cases are in process or have been resolved.

Utah Mapping Initiative Partnership $416,697. DEQ has contracted with UAGRC over a 3-year period to provide enhance mapping services to the state and local governments

High Level Nuclear Waste Opposition $127,188. DEQ has contracted for legal services to provide appellate litigation expertise in the State's appeal of the Private Fuel Storage, LLC permit to store high-level nuclear waste in Tooele County.

Capital Improvements/Maintenance, and Equipment $350,000. This is primarily for covering needed expenses related to DEQ's move to a new Technical Support building, which is currently in the design phase and expected to be completed in FY19.

What is your justification to request "non-lapsing" intent language (where applicable)?

EDO's current request for non-lapsing authority is to maintain the current activities noted above.

Expenditures

Is the organization run as efficiently as possible?

Which expenditure categories had the biggest changes over time? Why?

The core operations of EDO have remained fairly constant. The biggest change in ongoing expenditures for EDO is related to DTS charges. Because DTS's fee structure keeps changing it is difficult to identify and track the changes to specific items. However, DP costs increased significantly in FY2014 and FY2015, which is partly due to changes in DTS fees on storage costs. Administrative law judge services started in FY2014 and have gone from $40,000 to $80,000 in FY2016. Several large one time increases in expenditures include the Utah Mapping Initiative Partnership, $50,000 in 2015 and $183,000 in FY2016; Warehouse improvements for WQ and AQ, $190,000 in FY2014.

Is the workload seasonal? Do you really need full-time staff?

EDO does not have seasonal workloads.

Are travel expenditures reasonable? Do staff need to travel as much out of state? Can Skype and other video conferencing tools be implemented and used more frequently?

Most instate travel is related to our District Engineers that are located in rural parts of Utah. Their work frequently requires inspections and attendance at local government meetings. Most out of state travel is related to the Executive and Deputy directors travel to State Environmental Director meetings that are not conducive to video conferencing. All DEQ out of state travel is reviewed and approved by the Executive Director's Office.

Can operating costs be reduced with updated technology/equipment?

The Executive Director's Office currently utilizes technology to the extent practicable to conduct business.

Re-allocation of base budgets

Are we funding the highest priorities?

What areas within your base budget could be considered for reallocation in order to fund higher priority programs or building blocks? What programs would you reduce or eliminate if you were required to cut 2% of your base budget? Why did you choose these programs/services?

We would reduce some of the accounting support to our divisions. Some accounting functions/reviews would be eliminated and others shifted to other staff and the divisions.

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY
AIR QUALITY

Division of Air Quality Services

What do you do?

How does your entity serve the public (mission, objectives)? Who specifically are your customers?

The Division of Air Quality (DAQ) implements the policy of the state established in Utah Code 19-2-101 to "achieve and maintain levels of air quality which will protect human health and safety, and to the greatest degree practicable, prevent injury to plant and animal life and property, foster the comfort and convenience of the people, promote the economic and social development of this state, and facilitate the enjoyment of the natural attractions of this state."

DAQ provides a coordinated statewide program of air pollution prevention, abatement, and control and a framework within which air quality may be protected and consideration given to the public interest at all levels of planning and development within the state.

The effective implementation of DAQ programs maintains primacy for implementation of federal Clean Air Act (CAA) provisions in Utah. To fulfill this responsibility, the State is required by the federal government to ensure compliance with the U.S. Environmental Protection Agency's (EPA) National Ambient Air Quality Standards (NAAQS) statewide and visibility standards at national parks. The DAQ enacts rules pertaining to air quality standards, develops plans to meet the federal standards when necessary, issues preconstruction and operating permits to stationary sources, and ensures compliance with state and federal air quality rules.

The DAQ allocates a large portion of its resources to implementing the CAA. Utah Code 19-2 establishes rulemaking power for the Utah Air Quality Board (Board) to promulgate rules pertaining to air quality issues. DAQ staff supports the Board in its policy-making role. The Board is made up of nine members representing local government, environmental groups, the public, industry, and the Executive Director of the Department of Environmental Quality. The Board members have diverse interests, are knowledgeable in air pollution matters, and are appointed by the Governor with consent of the Senate. The Director of the DAQ is the Board's Executive Secretary.

The Utah air quality rules define the Utah air quality program. Implementation of the rules requires the DAQ's interaction with industry, other government agencies, and the public. The state air quality program is responsible for the implementation of the federal standards under

the CAA, as well as state rules for pollution sources not regulated by the CAA that are specifically authorized by Utah Code 19-2.

The DAQ is functionally organized into three branches: Permitting, Compliance and Planning.

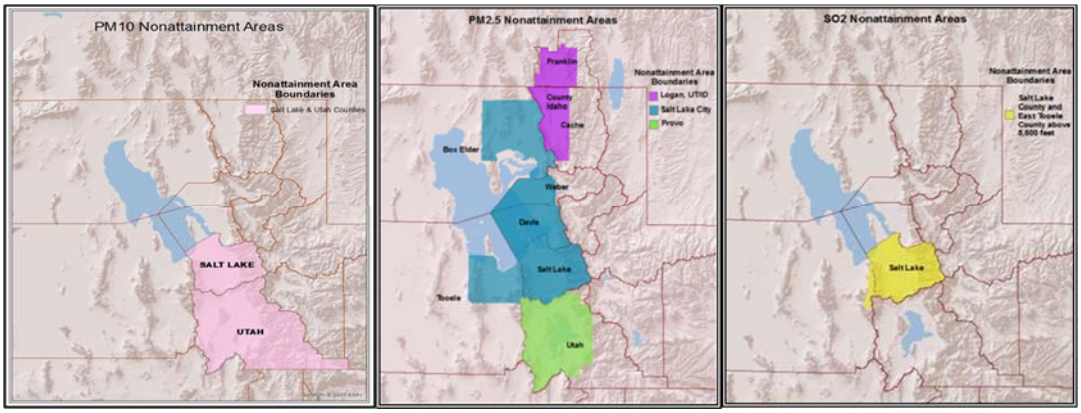
How well do you do it?

How do you define and measure success? What are your performance measures? Why have you chosen them? How do they help you accomplish your mission?

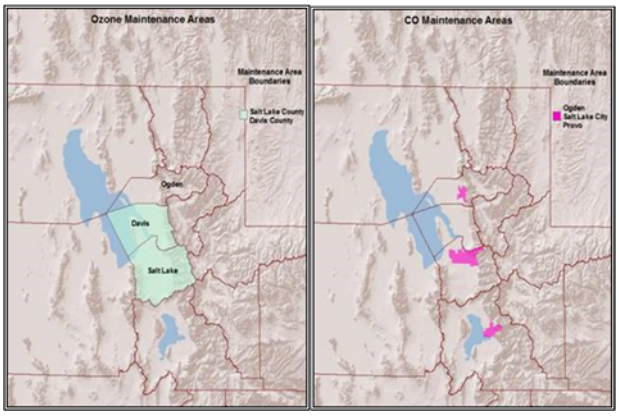
The EPA has established health-based NAAQS for six pollutants known as criteria pollutants. These are carbon monoxide, nitrogen dioxide, ozone, particulate matter, sulfur dioxide, and lead. The standards are re reviewed every five years and have become more protective over time. The DAQ monitors each of these criteria pollutants, as well as several non-criteria pollutants for special studies at various monitoring sites throughout the state.

Areas that are not in compliance with the NAAQS are referred to as nonattainment areas. The maps below identify the current nonattainment and maintenance areas within the state. A maintenance area is an area that was once designated as nonattainment, and for which the DAQ subsequently demonstrated to the EPA that it will continue to attain and maintain a particular standard for a period of at least 10 years.

Utah Nonattainment Areas

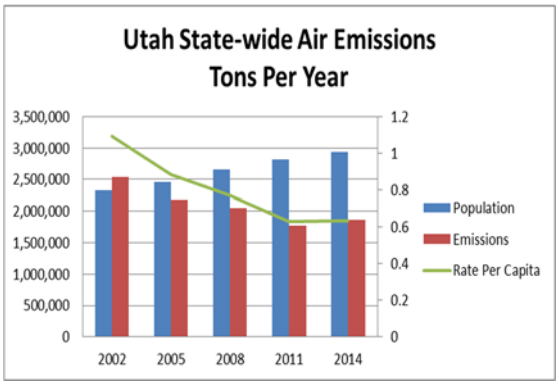


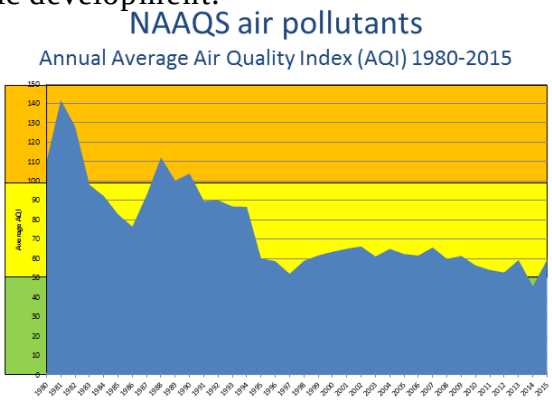
Utah Maintenance Areas



The primary measure of success is maintaining levels of air pollution that comply with the NAAQS and progress toward attaining the standards for those areas that are currently in nonattainment.

The implementation of DAQ's programs has resulted in air quality improvement over time and the associated benefits to public health, enjoyment of the scenic attractions of the state, and economic development.





The following is a brief list of notable air quality achievements from 2016:

The Board adopted amendments to the Moderate Area PM2.5 State Implementation Plan (SIP). EPA's pending approval of the amendments to Part H of the SIP will allow the DAQ to issue operating permits under Title V of the CAA to several sources that have never had operating permits before.

The DAQ's Lawn Mower Discount and Exchange event helped reduce emissions equivalent to removing 424 passenger cars from Utah roads. The event provided 944 electric lawn mowers and 707 electric trimmers at discounted prices using appropriated funding. If the participant turned in a gasoline mower to scrap, they received an additional discount. The Legislature did not fund the program during the 2016 legislative session.

The School Bus Replacement Program provided $300,000 to eight school districts for replacing old, heavy-polluting diesel school buses with new buses that achieve the cleanest

emissions standards. These efforts will reduce emissions by 89 tons over the lifetime of these buses.

The New Source Review permitting program issued 373 permits and averaged 141 days to issue from the submission of a complete application.

The Major and Minor Source compliance programs conducted 848 inspections and observed a compliance rate of 97%

The Air Toxics, Lead and Asbestos compliance programs conducted 969 inspections and observed a compliance rate of 92%.

The DAQ is focused on efficiency, performance measurement, and improvement. Several projects are currently underway to streamline minor source oil and gas permitting through rules, automate the air monitoring network, and upgrade the collection of state-wide emissions inventories using a web interface.

What do you see in the future?

What are the major issues and challenges in the next 3-5 years for your agency?

Issue: Growth

Utah is one of the fastest growing states in the nation and 90% of Utah's population is clustered in the urban areas along the Wasatch Front. As the population in Utah grows, the population-associated air emissions that are tied to goods, services, transportation, and energy are increasing. Topography and planning have resulted in more development farther from employment centers. Vehicle miles traveled are growing at twice the rate of population growth.

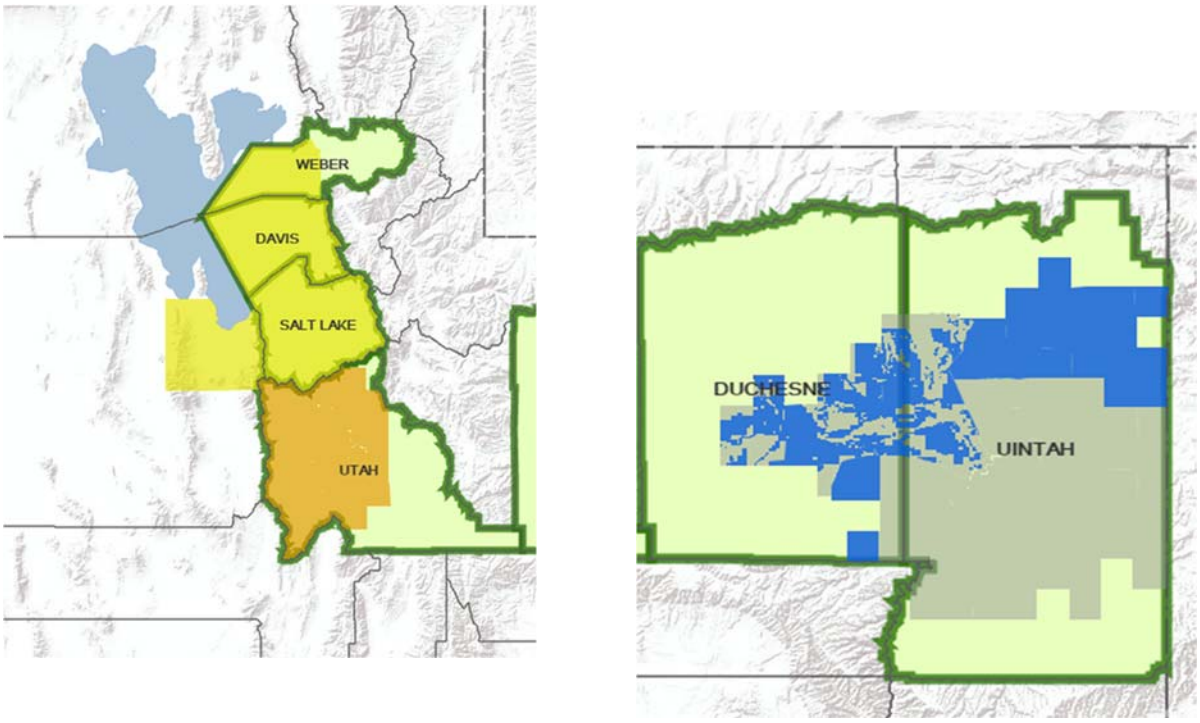
Issue: Implementing new and revised standards

Federal air quality standards have become more protective and have required the development of new SIPs to improve air quality. Development of a new "serious" SIP for PM2.5 will take place in 2017 with an attainment target of 2019. Planning for a new ozone standard and potential SIP development is ongoing. Increased federal regulation of air pollutants, and accommodation of economic and population growth, will require new plans and processes to attain and maintain the standards.

EPA is revising the program requirements for Regional Haze, a program that improves visibility at Utah's National Parks. The next planning period begins in 2018.

During 2017, EPA is scheduled to designate the nonattainment areas for the 2015 ozone standard. Air monitoring along the Wasatch Front and in the Uinta Basin have monitored values that are over the new standard. Based on the monitored values, the emission sources and the impacted topography, the Governor recommended areas that EPA may include in new nonattainment designations for Utah.

The areas recommended by the Governor are outlined below:



Issue: Funding challenges from not funding full salary increases

While DAQ appreciates the funding provided by one-time and ongoing appropriations, one consistent challenge is that when across-the-board cost of living salary increases are granted to state employees, the legislature has funded only the general fund portion of the increase. Since the general fund portion of the agency budget is less than one third of the budget, the agency must find other sources for the funding. The biggest challenge is the portion of the budget funded by federal funds. EPA has received only continuing resolution budgets and has taken sequestration cuts each year. The federal funding is flat and there is no ability to cover the salary increase with new federal funds. Dedicated credits can be adjusted but lag by up to two years beyond the new salary implementation. In fiscal years 2016 and 2017 the unfunded salary obligation equaled the funding for four full time equivalents (FTEs).

Issue: Permitting timelines

Timelines to issue an Approval Order (AO – permit) have increased and the two major factors are the need for in depth legal review to prepare for potential legal appeals and new constraints that come from more protective federal standards that result in changes to the application that allow the division to issue the AO. Following a past process improvement evaluation the division set a goal of 110 days to issue an AO. The average time to issue AO's in 2016 was 140 days.

What are you doing/going to do about it?

Planning and coordination has been underway for the past five years. Air quality research has led to a better understanding of the chemistry and emissions sources. Air quality computer models have been upgraded to work in the unique elevation, topography, and chemistry found in Utah. Efficiency, automation, elimination of unneeded and redundant activities has freed up resources, and vital new appropriations have been provided by the legislature.

DAQ intends to work with stakeholders to review the funding structure with the intent to identify an ongoing funding source that is indexed to the workload of the agency. The anticipated solution will include a look at emissions fees and some way to capture the majority of the emissions that are from population-based area and transportation sources.

In 2015, the legislature provided funding for an additional attorney general to assist with air quality approval order reviews and appeals. Permitting engineers have been pulled away from permitting duties to work on SIPs (that should be complete by the end of 2017). A streamlined permit by rule is being developed to remove the need for an AO if the company agrees to install and operate equipment that is defined as Best Available Control Technology (BACT). Permit timelines are expected to improve.

Discuss FTE trends and anticipated FTE levels for FY2017 and a 5-year outlook.

FTEs have been adjusted over recent years in response to available funding. When budgets were cut in 2008-2011, the lower budgets were accommodated by reducing the number of FTEs and equipment replacement costs. Over the past three years, the legislature has funded FTE increases and staffing is back to the pre-2008 levels.

FTE Trend (actuals)

2013 – 97.3
2014 – 95.4
2015 – 100.2
2016 – 100.9
2017 – 104.1

One FTE increase is included in the Governor's budget recommendation. No major staffing needs are anticipated over the next five years.

Funding

What is your funding structure?

What is your funding structure? What is the nature and sources for your base budget?

DAQ is funded by federal funds (36%), dedicated credits (35%), general funds (35%) and (-7%) for revenue transfers.

Of the dedicated credits, the Title V major source emissions fee represents 2/3 of those fees.

Provide specifics for developing new funding sources.

In the past, DAQ has looked at charging additional emissions fees for hazardous air pollutants (HAPs) and to adjust the Title V air emissions fee to reflect the cost to operate the regulatory program for these pollutants. Consideration will likely be given to the minor source registration fee, vehicle registration fee, etc.

Provide a description of your non-lapsing (carry-forward) balances and explain how you are using them.

Air Quality Research ($139K) committed for 2017 PM2.5 aircraft study on the Wasatch Front, Minor Source Compliance ($46K) committed for 2017 increase in oil and gas compliance inspections. Any funds that have not been spent are already obligated.

What is your justification to request "non-lapsing" intent language (where applicable)?

Funding is obligated for activities that require longer lead times and must be carried over the fiscal year. Examples would include: conducting air quality studies when the conditions are in place to provide the needed information or extended purchasing timeframes for the delivery of air monitoring equipment.

Expenditures

Is this organization run as efficiently as possible?

DAQ has focused on process improvement and has adjusted workload and resources in order to meet the most pressing program needs. Additional funding has only been requested when efficiency alone is not capable of addressing the critical funding needs.

Which expenditure categories had the biggest changes over time?

Recent funding increases have been made to address air quality research, air monitoring equipment replacement backlog, and oil and gas compliance.

Why?

Funding was increased to recover from shortfalls that resulted from reallocating resources for equipment replacement and to respond to new regulation of the rapidly expanding air monitoring and oil and gas programs.

Is the workload seasonal?

No. While air pollution can be episodic, planning, monitoring, permitting, and compliance go on year round.

Do you really need full-time staff?

Yes. University intern programs are also used for workload increases and job mentoring.

Are travel expenditures reasonable?

Yes, most travel expenditures are due to in-state inspection activities.

Do staff need to travel as much out of state?

Out of state travel is reserved for training and participation in regional and national planning/policy organizations.

Can skype and other video conferencing tools be implemented and used more frequently?

Webinars, phone and videoconferences are routinely used to conduct trainings, EPA interface meetings, and industry meetings from remote offices, etc.

Can operating costs be reduced with updated technology/equipment?

Yes, current audio-video equipment is being upgraded in our meeting rooms to better accommodate this capability. New tablet based inspection resources allow for better use of personnel resources and better collection of inspection and inventory information.

DAQ is currently deploying an online emissions inventory system that will enable point (industrial) sources to submit emissions inventory data to DAQ online in an efficient, seamless fashion. It will greatly decrease the amount of time expended by staff to gather and check the quality of data, and to flow data to meet the division needs.

Re-allocation of base budgets

Are we funding the highest priorities?

What areas within your base budget could be considered for reallocation in order to fund higher priority programs for building blocks?

These decisions were already made when DAQ experienced budget cuts over the past decade. The identified reductions of equipment replacement and personnel have led to challenges in meeting the program objectives to meet public expectations and mandates for the air quality programs.

What programs would you reduce or eliminate if you were required to cut 2% of your base budget?

If required to make these cuts, DAQ would only be able to reduce outreach and education campaigns or remove monitoring operations focused on public notification of air pollution conditions. There would be a cost associated with our inability to meet public expectations for air quality information.

Why did you choose these programs/services?

All other uses of budget are required to maintain primacy and necessary to achieve the mission of DAQ.

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY
DRINKING WATER

Division of Drinking Water Services

What do you do?

How does your entity serve the public (mission, objectives)? Who specifically are your customers?

The Division of Drinking Water protects public health by regulating public water systems, and ensuring that health-based standards are met in public drinking water supplies. Our customers include citizens of Utah, visitors to Utah, and public water systems.

What values does your agency add to society? What is the return you bring on the taxpayers' investments?

Clean drinking water is not a certainty in many parts of the world. In the United States, the public often takes clean drinking water for granted, but they are only able to do that because of the long history in the U.S. of regulating and protecting drinking water supplies. The value we bring is the relative certainty that people can safely drink water that is provided to them in their homes and businesses.

Why should the public continue to pay for these services?

The public clearly understands the need for clean and safe drinking water, and should continue to pay for these services to ensure that they and their families avoid chronic or acute water-borne illnesses that are associated with contaminated drinking water.

How well do you do it?

How do you define and measure success? What are your performance measures? Why have you chosen them? How do they help you accomplish your mission?

Success is measured by first, the percentage of the public being served water that meets all health based drinking water standards; and second, by the percentage of public water systems that meet all health based drinking water standards. The Division accomplishes this through technical assistance, compliance activities and enforcement.

Performance measures include promptness in reviewing submittals, avoidance of re-work (accurate and complete engineering and source protection plans received in the first submittal), promoting plan review waivers, reducing false violations from bad data, and completing a higher proportion of operator certification exams on-line.

The measures are chosen by identification of problem areas and bottlenecks that interfere with good customer service.

They help us accomplish our mission through ensuring higher quality submittals, which allow a speedier review and response, and better compliance with regulations.

What are your goals? How well are you achieving your goals?

To provide technical assistance to drinking water agencies throughout the state to maintain their regulatory requirements, ensure reliable deliveries of drinking water, and provide high quality water that the public can trust. We accomplish this goal through maintaining primacy authority from EPA to implement their regulations, providing operator certification to help agencies have skilled employees, providing plan reviews for construction projects and changes, and providing technical and financial assistance to agencies in need through the state and federal revolving loan fund.

What are your efforts to be efficient and effective?

The Division has moved to provide more resources online, including those that require hands-on attention from staff, such as exam scoring and form submittals. We are scheduling monthly webinars to keep operators informed of current issues, have initiated phone-based autodialed reminder system, and we are one of the first states to adopt the EPA data portal which allows for electronic data submittal.

What do you see in the future?

What are the major issues and challenges in the next 3-5 years for your agency?

Increased EPA oversight – Due to recent events, EPA is concerned about whether primacy agencies such as DDW are administering their rules sufficiently. There will be an increase in the monitoring and reporting load to facilitate this increased oversight.

Assessment of non-regulatory vulnerabilities – The industry has recognized that there may be indicators to assess a system's vulnerability to upsets that are not required by regulation. DDW needs to recognize these indicators and encourage systems to voluntarily share information so we can understand vulnerability to specific threats.

Skills development – Drinking water is a dynamic industry, constantly improving and growing. It is important that the staff at DDW be kept up-to-date on the industry trends to build redundancy in our workload distribution to ensure continued services.

Collaboration – The problems that we face now cannot be effectively solved by one agency. We need to build connections between multiple stakeholders to develop comprehensive solutions.

What are you doing/going to do about it?

We will be focusing on our data management systems at DDW for better turnaround times on data requests. We are bringing a new data management portal online with EPA over the next

few years. We are stepping up our attention on enforcement. Utah has always enjoyed a supportive relationship between public water systems and state regulators and we will continue that spirit by looking for regulatory trends before enforcement is required.

We will begin by looking at the data we have and then talking with water systems about how we can work together to define and assess vulnerabilities statewide. Additionally, we will categorize customer complaints to water systems to understand the public's perception of their drinking water.

We will be looking at the existing training schedules of staff to see if there are deficiencies in content, frequency, or distribution. Then prepare a systematic plan to fill in the gaps.

It takes time and continuous effort to build trust between stakeholders. There are current projects that are primed to start this process now with other state agencies such as Aquatic Invasive Species with DNR and Harmful Algal Blooms with DWQ. We will focus on making these successful collaborations and watch for opportunities to strengthen ties going forward.

Discuss FTE trends and anticipated FTE levels for FY 2017 and a 5-year outlook.

FTE levels in DDW have been generally stable for the last 10 years, with minor fluctuations. The increase from 2016 to 2018 is the result of converting some contracted technical assistance into state FTEs in calendar year 2016. We do not expect additional increases in the next five years.

2013: 36.0
2014: 36.5
2015: 36.5
2016: 36.9
2017: 36.9
2018: 37.0

Funding

What is your funding structure?

What is the nature and sources for your base budget?

Nature and sources are a mix of funding including Federal Funds (65%), General Fund (19%), Restricted accounts (20%), Dedicated Credits (3%), and (-7%) in revenue transfers.

Provide specifics for developing new funding sources.

The Division does not plan to develop new funding sources in the near term, and is not aware of any.

Provide a description of your non-lapsing (carry-forward) balances and explain how you are using them.

None

What is your justification to request "non-lapsing" intent language (where applicable)?

In FY2017, $500,000 was allocated to DDW from fund 5235, Water Dev. Security Fund, for FY 2017 for activities related to the proposed Water Use Study. An additional request is expected for FY18; we requested that the $500,000 be considered non-lapsing for the purposes of the continuation and implementation of this project.

DDW was directed to conduct the Water Use Study by the Legislature. It is an important study in terms of understanding what the actual demands on the State's water supply are. Technical aspects of the study have recently begun, and we expect the project to continue in additional years as the legislative directive is fully implemented and completed.

Expenditures

Is the organization run as efficiently as possible?

Which expenditure categories had the biggest changes over time? Why?

From Fy2013 to FY2017, contract costs with Local Health Departments increased by $200,000.

From Fy2013 to FY2017, DTS costs have almost doubled, attributable to some of the costs incurred in data handling improvements. These costs may decrease in future years, although development of new technologies will transition to maintenance of the same technologies, which may be about the same expense.

Is the workload seasonal? Do you really need full-time staff?

The workload is not seasonal; water systems are regulated year round.

Are travel expenditures reasonable? Do staff need to travel as much out of state? Can Skype and other video conferencing tools be implemented and used more frequently?

Our out-of-state travel budget is among the lowest in the Department. Travel is reserved for specific training and conferences related to mission-critical programs, and costs are often offset by partners and stakeholders, such as the Association of State Drinking Water Administrators, EPA, the American Backflow Prevention, and others. The costs are reasonable. The Division regularly (multiple times a month) takes advantage of web-based training, which could otherwise be represented in our out-of-state travel budget, or foregone entirely, to the detriment of our programs.

Can operating costs be reduced with updated technology/equipment?

The Division has gained efficiency in recent years by developing and encouraging on-line and direct submittal of data, forms, applications, and the like. Such submittals are processed more efficiently and at times automatically, which is a great timesaving. These gains, however, have come at the same time that new requirements have been implemented, such as the Revised Total Coliform Rule, which created new work for Division staff. Hence the efficiency gains have been balanced out by increased demand from new requirements.

Re-allocation of base budgets

Are we funding the highest priorities?

What areas within your base budget could be considered for reallocation in order to fund higher priority programs or building blocks?

The Division funds a position that provides technical assistance to water systems. The position is optional, although it is a great service to water systems, particularly surface water treatment. In particular, the recent increase in Harmful Algal Blooms has increased the burden on this position, since the incumbent is handing these issues for the Division. The position is, however, not required by EPA or for our Primacy Agreement with EPA.

What programs would you reduce or eliminate if you were required to cut 2% of your base budget? Why did you choose these programs/services?

As stated above, the Division funds a position that provides technical assistance to water systems. The position is optional, although it is a great service to water systems, particularly surface water treatment. In particular, the increase in Harmful Algal Blooms has increased the burden on this position, since the incumbent is handing these issues. The position is, however, not required by EPA or for our Primacy Agreement with EPA. Therefore, it could be considered expendable, and the cost of the position is roughly 2% of our overall budget.

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY
ENVIRONMENTAL RESPONSE & REMEDIATION

Division of Environmental Response and Remediation

Services

What do you do?

How does your entity serve the public (mission, objectives)? Who specifically are your customers?

The Division of Environmental Response and Remediation protects public health and Utah's environment through the cleanup of chemically contaminated sites, ensuring underground storage tanks are used properly, and providing chemical usage and emission data to the public and local response agencies. Cleanups are done with an eye on potential future redevelopment.

Customers include the citizens of Utah, the regulated community, Governor and Legislature, employees.

What values does your agency add to society? What is the return you bring on the taxpayers' investments?

Through the programs we administer, we mitigate exposure pathways through assessment and cleanup of contaminated sites. We also prevent, through compliance activities, (inspections and follow-up) potential releases from underground storage tanks

Why should the public continue to pay for these services?

What is the value of clean land, air, and water? These "services" protect and cleanup land and water resources (both surface and ground water) and help return blighted, contaminated properties back to beneficial reuse through prevention inspections and regulation, assessment and cleanup of hazardous releases.

How well do you do it?

How do you define and measure success? What are your performance measures? Why have you chosen them? How do they help you accomplish your mission?

Success measures are tracked monthly on our balanced scorecard. We set annual goals based on these success measures—operational compliance at time of inspection, operational compliance after 60-day follow-up, number of EPA commitments met in the Federal Fiscal Year, number of VCP decisions (Certificate of Completions). These seem to reflect the big-ticket items tied to funding streams, prevention of UST releases, assessments and cleanups completed.

What are your goals? How well are you achieving your goals?
1. Prevent release and mitigate their impacts.
2. Assess properties, and utilize tools to remove stigmas, clean up or manage contamination with a strong consideration on future land use—basically with an eye on future development
3. Be efficient and transparent—continually look for ways to increase efficiency in processes and make our work products (data and reports) more accessible to the public we serve and the community we regulate. We recognize that we are custodians of the public trust.

What are your efforts to be efficient and effective?
This is an agency ethic, and has been for many years. We look and relook at all business processes and seek to improve upon them. We engage stakeholders in our discussion on program needs and goals. We collect data and look to maximize its use in the context of 'protecting public health and the environment.'

There is always room for improvement. We think our efforts are effective. Example: Development of the Interactive Map and EZ search tool to provide information to the public and reduce GRAMA requests and the time to fill them. Development of an inspection app on portable electronic devices for facility inspections so as to provide real time results to facilities and decrease the time to come into compliance.

What do you see in the future?

What are the major issues and challenges in the next 3-5 years for your agency?
1. Changing federal regulations and ensuring state program authorization (UST Program)
2. Diminishing or non-existent federal resources for involvement in what were initially federal initiatives and statutes (Superfund response activities, Toxic Release Inventory and Tier II submittals, etc.)
3. An aging, experienced workforce rolling over in the next 3-7 years. We are working to build capacity in work force.

What are you doing/going to do about it?
Strategic hiring and work force and work load forecasting and planning.

Discuss FTE trends and anticipated FTE levels for FY 2016 and a 5-year outlook.
We expect FTE counts to remain static, with occasional pulses—diminish through retirement, replenish through recruitment.

Funding

What is your funding structure?

What is the nature and sources for your base budget?

1. State General Funds = $803,600 (approx.. 10%)
2. Federal Funding = $4,341,900 (approx.. 55%)
3. Dedicated Credits = $732,300 (approx.. 9%)
4. Restricted Accounts = $2,526,000 (approx.. 32%)
5. Revenue transfers = -$559,600 (approx. -7%)

Provide specifics for developing new funding sources.
As the cost of providing services increases, look at nominal increases to fees to cover the change in agency costs.

Provide a description of your non-lapsing (carry-forward) balances and explain how you are using them.
$25,000 to be used for the purchase of data processing equipment and/or software/programming.

What is your justification to request "non-lapsing" intent language (where applicable)?
To utilize budgeted, but unused amounts for new equipment and/or programming costs for maintaining and enhancing business processes for efficiency purposes.

Expenditures

Is the organization run as efficiently as possible?

Which expenditure categories had the biggest changes over time? Why?
Personnel—due to salary increases authorized by the legislature and fluctuations due to retirements and staff leaving.

Is the workload seasonal? Do we really need full-time staff?
Workload is not seasonal but year round. Otherwise program authorization may be jeopardized.

Are travel expenditures reasonable? Do staff need to travel as much out of state?
We leverage third party travel reimbursement through participation in national committees and work groups that work on policy, technical advancements, best practices, etc.

Can operating costs be reduced with updated equipment?
We are not equipment "heavy" so, no. However, flexibility to develop online tools and technical tools such as tablet-based apps internally would speed efficiency developments.

Re-allocation of base budgets

Are we funding the highest priorities?

What areas within your base budget could be considered for reallocation in order to fund higher priority programs or building blocks?
None.

What programs would you reduce or eliminate if you were required to cut 2% of your base budget? Why did you choose these programs/services?
We would likely cut non-required elements such as mercury response monitoring, emergency response notification and tracking, EPA removal involvement (unfunded by Federal Government), etc. We chose these as they are not mandated by statute and are discretionary to aid in protecting public health.

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY
WASTE MANAGEMENT & RADIATION CONTROL

Division of Waste Management and Radiation Control Services

What do you do?

How does your entity serve the public (mission, objectives)?

The mission of the Division of Waste Management and Radiation Control is to protect public health and the environment by ensuring proper management of solid, hazardous and radioactive waste and by minimizing public exposure to radioactive materials and radiation sources. We serve the public by working with those who manage these wastes and materials to ensure that their activities are done in accordance with applicable rules, permits and licenses, which are designed to protect public health and the environment.

Who specifically are your customers?

The citizens of Utah, the various regulated communities, other local, state and federal partners, elected officials.

What values does your agency add to society?

The citizens of Utah expect their government to protect them from hazardous materials that could negatively impact their health or environment. The value to society is inherent in the protection provided by the Division through its programs.

What is the return you bring on the taxpayers' investments?

A cleaner environment, less exposure to toxic materials and confidence that their health and environment are being protected.

Why should the public continue to pay for these services?

The health and well being of all of us is not optional, it is vital. The health of its citizens and its environment contribute to Utah's economic growth and stability.

How well do you do it?

How do you define and measure success? What are your performance measures? Why have you chosen them? How do they help you accomplish your mission?

Timely issuance/modification of permits, measured by the number of days from receipt of permit application to final action. Timely permits mean quicker compliant waste management and more protection and prevention. Timely compliance actions, measured by the number of

days from the first day of inspection to final resolution. Timely actions mean less non-compliance and more protection and prevention.

Compliance assistance, measured by the number of compliance assistance visits. Small businesses typically do not have the resources to hire environmental professionals to manage their regulatory affairs. The Division provides educational outreach and technical assistance to help these businesses understand their regulatory responsibilities and find ways to reduce costs through proper waste management, waste reduction, and recycling. Educational and technical assistance also reduces or eliminates potential releases of hazardous wastes through improper disposal.

Compliance of Medical X-ray Facilities subject to annual inspections, measured by the compliance rate. The higher the compliance rate, the less chance of inappropriate exposure of patients.

Radioactive Materials Transportation Inspections, measured by the number of shipments that are inspected, based on DOT safety requirements. The more shipments inspected, the higher the probability of prevention of spills/releases and exposures to radioactivity.

What are you goals?

How well are you achieving your goals?

Maintain state primacy (EPA) and agreement state status (NRC). Meet or exceed program targets. Provide exceptional customer service.

What are your efforts to be efficient and effective?

The Division has established efficiency measures in its two major programs (permitting and compliance monitoring), which are measured quarterly. The Division also conducts periodic evaluations of its business processes and procedures. Changes are implemented as warranted.

What do you see in the future?

What are the major issues and challenges in the next 3-5 years for your agency?

New waste streams from emerging technologies. Maintaining primacy as federal waste management and radiation control programs evolve. Electronic waste. Increased population means increase in waste generation, increased demand for services, which in turn increases pressure on existing waste management facilities. Succession planning. Increased public participation.

What are you doing/going to do about it?

Collaboration with federal partners to stay abreast of and provide input on regulatory and programmatic changes. Develop staff expertise through specialized training. Long-term planning with public/private waste management facilities to ensure waste management capacity. Cross training of younger staff. Timely recruitment to replace retiring employees.

Discuss FTE trends and anticipated FTE levels for FY2017 and a 5-year outlook. FTEs expected to remain at current level.

Funding

What is your funding structure?

What is the nature and sources for your base budget?

Restricted funds (64%) of budget (per ton and flat fees on waste management, point-of-sale fees on tires, oil); Federal funds (12%) of budget (grants, cooperative agreements, EPA, DOE, DSMOA); Dedicated credits (19%) of budget (permitting, plan review fees); General funds (–7%) of budget; Transfer to EDO (-2%).

Provide specifics for developing new funding sources. Evaluation of existing fees for possible increase, develop new fees for services, seek new federal sources.

Provide a description of your non-lapsing (carry-forward) balances and explain how you are using them.

NA. No request for FY17.

What is your justification to request "non-lapsing" intent language (where applicable)?

FY 18 Non-lapsing request of $400,000. 1) $125,000 for community outreach and public education programs for used oil and recyclable wastes. These programs increase public awareness for proper management of used oil and waste recycling, thus reducing potential mismanagement and contamination. 2) $150,000 for creation of and reformatting of license tracking data bases (RAM, GSAP, X-ray, Used Oil, and Solid Waste). Current databases are broken and outdated; DTS does not have sufficient staff to support or update current applications. New technology is needed to track and maintain detailed data on licensees and permittees. 3) $125,000 for development and implementation of antifreeze collection and recycling programs. There is increased public demand for such a program, which would reduce improper disposal and unnecessary contamination of land and water. Currently, there is not a statewide collection available to the pubic in Utah.

Expenditures

Is this organization run as efficiently as possible?

Which expenditure categories had the biggest changes over time? Why?

Personnel services. Annual increase in cost of salaries and benefits.

Is the workload seasonal?

Work is constant year round, full time staff needed.

Are travel expenditures reasonable? Do staff need to travel as much out of state?

Out-of-state travel is for training only. Training is critical to maintain expertise and to meet the requirements for state primacy (EPA) and agreement state status (NRC). Over 60% of the Division's out-of-state travel costs are paid by other agencies. The Division seeks reimbursed travel whenever possible.

Can skype and other video conferencing tools be implemented and used more frequently?

The Division already obtains a great deal of training through webinars and other conferencing tools.

Can operating costs be reduced with updated technology/equipment?

The Division has purchased a limited number of electronic devices for use by certain field personnel (inspections, data management and information transmittal). These devices have resulted in some increased efficiencies and some reduction in costs.

Re-allocation of base budgets

Are we funding the highest priorities?

What areas within your base budget could be considered for reallocation in order to fund higher priority programs for building blocks?

None. Public health and a clean environment are high priorities.

What programs would you reduce or eliminate if you were required to cut 2% of your base budget?

Radioactive Materials Program and X-ray Program.

Why did you choose these programs/services?

A reduction in general funds means a reduction in those programs that receive general funds.

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY
WATER QUALITY

Division of Water Quality Services

What do you do?

How does your entity serve the public (mission, objectives)? Who specifically are your customers?

The Division of Water Quality protects and restores the quality of Utah's surface and groundwater under the Clean Water Act and Utah Water Quality Act. Specifically, we regulate and offer loans and grants to industry and municipalities that discharge pollutants to surface and groundwater and develop plans and fund efforts to reduce pollution from unregulated sources. Our customers are broadly the people of Utah, the regulated community that discharge waste to the State's waters, landowners and municipalities that benefit from our project funds, and other agencies that rely on our scientific information to make good decisions related to public health and the environment.

What values does your agency add to society? What is the return you bring on the taxpayers' investments?

The Clean Water Act and the Utah Water Quality Act require that we protect water quality for society's beneficial use of the water for the following: drinking water, recreation, aquatic life (including fishing), and agricultural uses. Our work ensures that the state's drinking water sources are protected from pollution, thereby reducing the cost of drinking water treatment. Our work also ensures that water quality is maintained to provide safe and abundant opportunities for water-based recreation and fishing across the state. Water-based recreation by Utahns provides a value of $1.4 to $2.4 billion to the state's economy and $48 million of this total value can be tied to water quality (DWQ 2013). This is in addition to spending by Utah's visitors. Clean water also supports the $17.5 billion agricultural sector in Utah (Ward 2013).

Why should the public continue to pay for these services?

Clean water protects public health and contributes to the high quality of life ratings that Utah routinely receives from both residents and visitors. Unregulated discharge of pollution to Utah's waters would result in health nuisances and would threaten the natural resources that Utah prides itself on.

How well do you do it?

How do you define and measure success? What are your performance measures? Why have you chosen them? How do they help you accomplish your mission? What are you goals? How well are you achieving your goals?

DWQ has identified the following performance measures to ensure exceptional service to our customers and efficient use of resources:

On time permit renewal. Surface and ground water permits have a 5-year life span that requires permit renewal upon expiration. DWQ has a 94% on-time permit renewal rate, a significant increase since 2010 when the rate was only 68%. Utah has the highest on-time renewal rate for individual permits in EPA Region 8 and is significantly above the national average.

Permit compliance. Surface and ground water discharge permits include detailed requirements including compliance with effluent limits or ground water protection levels, monthly and quarterly effluent or ground water sampling, reporting and other performance measures. This measure reports the percentage of these permits that are operating in compliance with all state and federal requirements. Currently 95% of Utah's permits are in compliance.

Municipal Discharge Effluent Quality. This metric is new to the Division and represents an integrated metric for four wastewater effluent parameters that relate to oxygen consumption potential (OCP) including nutrients (BOD, ammonia, inorganic nitrogen, and total phosphorus). OCP is an estimate of the amount of oxygen removed from Utah's waters as these pollutants degrade. The lower the OCP the more effective wastewater treatment plants are at removing oxygen-consuming pollutants. We have recently calculated OCP for all treatment plants in the state and have used it to compare treatment performance among municipal treatment plants. The target for the Municipal wastewater effluent quality measure is 331 mg/L oxygen consumption potential (state average) by 2025. This target assumes that all of the state's mechanical facilities maintain current levels of treatment for BOD, ammonia, and inorganic nitrogen and achieve an effluent limit of 1 mg/L total phosphorus as required by the phosphorus removal rule. We hope to see this target exceeded as plants also improve nitrogen treatment but we have not based our target on that assumption.

Lakes and Rivers that Meet Utah's Water Quality Standards. The purpose of this measure is to assess the water quality of Utah's rivers and lakes to evaluate whether they are meeting the standards established in rule to protect beneficial uses. The most recent assessment indicates that only 64% percent of Utah's waters are fully meeting their applicable water quality standards. Utah's Water Quality Standards have mostly been developed by EPA and are national standards that protect recreation, aquatic habitat, public health and agriculture. Standards routinely change and for that reason, gauging how Utah's waters are doing in meeting those standards is not the same every year as the target moves. In addition, there are waters in Utah that are impaired, i.e., not meeting their designated water quality standards, due to the waters exceeding temperature and naturally occurring TDS (salt) that are

related to low flow/drought conditions. We have little or no ability to control those impairments but regardless we are obligated to report them. DWQ continues to work towards development of an integrated water health index that will be more useful in tracking water quality trends in our lakes and streams over time.

What are your efforts to be efficient and effective?

DWQ has a culture of continuous improvement that is embraced by its staff of engineers and scientists who are trained as problem solvers. DWQ has identified three measurable SUCCESS projects, listed below, and has recently begun the process of documenting the implementation of qualitative improvements in each of its sections.

Storm water online permitting. The goal of this project is to provide online permitting for UPDES storm water general permits in an efficient and timely manner. Since this project was implemented, annual staff hours spent processing applications has dropped from 3,160 in FY11 to 34 in FY16, while the number of permits processed has increased from 1,580 in FY11 to 2,544 in FY16.

Online submittal of documents. This project consists of a web-based application to electronically transfer external business documents directly into e-docs; the application continues to be beta-tested with external customers with favorable results. Baseline tracking has reached a six-month milestone and is scheduled to be reviewed by GOMB for possible SMIS project submittal.

Spill incident management. The goal of this project is to improve the time that it takes DWQ to make an enforcement decision on spills of pollutants that have impacted or have the potential to impact waters of the state. This metric is an indication of whether or not a spill has been addressed in a timely manner. DWQ has completed baseline data collection and has seen an 86% improvement in spills being addressed within set timeliness goals since the Spills Coordinator position was filled in July 2016.

What do you see in the future?

What are the major issues and challenges in the next 3-5 years for your agency? What are you doing/going to do about it?

Issue: Growth

Utah is one of the fastest growing states in the nation and 90% of Utah's population is clustered in the urban areas along the Wasatch Front. As the population in Utah grows, demand on Utah's water resources for drinking water, recreation, and other uses will increase along with pollutant discharges to some of our most valued urban waters. This increase will occur at a time when in-stream flows and lake levels decline and will put more pressure on landowners, municipalities, and industrial members of the community to control pollutant loadings to protect water quality. Noted below are a few of the impacts associated with coming growth:

Infrastructure: Wastewater infrastructure will be needed to accommodate that growth. This means upgrades to and expansion of wastewater treatment plants. Over the next 20 years Utah's wastewater infrastructure needs are estimated to be $4 billion. While wastewater collection systems can often be constructed at the advent of growth, wastewater trunk lines and treatment facilities must be in place prior to the arrival of the growth.

More Stringent Wastewater Effluent Limits: With increased growth and increasingly depleted flows in our rivers and streams, higher levels of treatment will become necessary to preserve water quality and protect the beneficial uses of our waters.

Issue: Reducing Nutrients in Our Lakes and Streams

One of the biggest sources of water pollution in Utah is from the excessive levels of nutrients (principally phosphorus and nitrogen) being discharged into our waters. These nutrients rob lakes and streams of oxygen, which sustain fisheries and also diminish recreational uses of our waters by causing unsightly and sometimes harmful algal blooms. Utah, like most other states, is in the process of developing numeric nutrient criteria to protect our waters from nutrient pollution. Administrative rules requiring wastewater treatment plants to reduce phosphorus loadings to modest levels were adopted in December 2014. These effluent limits will remain in effect until site-specific standards can be developed on a water body-by-water body basis, which will take many years. Many wastewater treatment plants were not designed to remove these nutrients. We estimate that the sewer bills for the average Utah household will increase by approximately $3.50/month due to the upgrades that may be necessary at wastewater treatment plants to remove nitrogen and phosphorus.

Plan: In 2011 the Division of Water Quality convened a large group of stakeholders, a.k.a, the Nutrient Core Team, to help develop Utah nutrient control strategy. After in-depth studies were performed to determine the cost to remove excess nutrients from our waters as well as the benefits from doing so, the Water Quality Board passed a new phosphorous rule in December 2014 requiring all mechanical POTWs to meet an effluent limit of 1 mg/L phosphorous. A facility optimization strategy has also been developed which provides financial and permitting incentives for communities to improve operations at their wastewater treatment plants to remove excess nitrogen by employing low- or no-cost approaches. DWQ expects to finalize water quality standards to protect Utah's most pristine headwater streams in 2017 and will initiate the first site-specific nutrient standard study for Utah Lake where harmful algal blooms are problematic.

Issue: Water Diversions Are Depleting Flows in Utah's Lakes and Streams

Plans are being developed to divert 220,000 acre-feet/year of water from the Bear River to satisfy future water needs along the Wasatch Front. It is estimated that 35-40% of that flow will be depleted and not return to the natural environment. That depletion is approximately the current flow of the Weber River. Reducing the flow into Great Salt Lake by that magnitude will likely have a significant effect on the already shrinking levels of the lake, affecting not only the ecosystem but also the brine shrimp, extractive mineral and tourism industries that are

dependent on the lake. In addition, low lake levels in Utah Lake likely contributed to the algal bloom in that water body in Summer 2016. Many of Utah's rivers and streams are experiencing low or dry conditions in the late summer resulting in higher water temperatures and higher concentrations of pollutants

Plan:

The Division of Forestry, Fire and State Land has developed a hydrologic planning model for the Great Salt Lake Basin that is available to multiple agencies, including DWQ and Division of Water Resources. This tool will assist us, collectively, in evaluating alternatives and making decisions that have the most benefit for Utah's growing population. Balance should be sought as decisions are made regarding the diversion of Bear River waters from Great Salt Lake to take into account air quality and water quality impacts and other ecological and industrial impacts.

The Division of Water Quality will seek a sustainable funding source in order to perform the necessary studies and research to establish water quality standards that protect Great Salt Lake and to sustain its beneficial uses and to understand and mitigate the impacts of reduced water flows to the lake.

Issue: New and Emerging Water Quality Standards

EPA has developed a new and significantly more stringent ammonia standard and Utah is evaluating how best to incorporate it into Utah's water quality standards. Ammonia is toxic to aquatic species. A number of wastewater treatment plants in the state will be affected by the new standard necessitating upgrades to facilities and in some cases (Logan City and Salem City) the need to abandon lagoon treatment facilities and construct more modern mechanical treatment facilities.

Plan:

Utah is teaming with Colorado to perform a scientific study to determine whether the intolerant mussel and snail species, that prompted EPA's more stringent ammonia standard, are present in Utah's waters. If they are not present or could not be present then Utah's ammonia standard could be modified to be less stringent thus providing relief to a number of wastewater treatment plants. In addition, DWQ has partnered with the Wasatch Front Water Quality Council to accelerate efforts to evaluate the applicability of the new criteria to the Jordan River system.

Issue: Storm Water Pollution

With increased urbanization come increased levels of urban pollution, in the form of sediment, salts, herbicides, pesticides and hydrocarbons, which flow into our waterways. Increased efforts by our communities will be necessary to address this issue.

Plan: 1) The Division of Water Quality has had a storm water permitting and enforcement program in place for 10 years. Continued education and outreach to individual permittees will

occur as well as close coordination with the Utah Storm Water Coalition. 2) DWQ has developed an Expedited Settlement Agreement Program, which will allow DWQ inspectors to identify and resolve compliance issues in the field. As a result, facilities will be able to return to compliance faster thereby reducing impacts to the environment and public health. Storm Water Permitting is the first program in DWQ to roll this approach out.

Issue: Spills

An average of 16 spills into Utah's waters occurs every month. An increasing population and demand for petroleum products will likely result in increased spills of polluting substances into our waterways. The recent crude oil spill into the Provo River, Rocky Mountain Power Coal Ash spill into the Price River, and the Tibble Fork Dam release of sediment into the American Fork River are examples where DWQ has effectively responded to spills.

Plan: The Division of Water Quality has recently filled the position of spills coordinator. This position is the over-arching lead on all spills that impact or have the potential to impact waters of the state. The spills coordinator duties are to pursue and bring closure to these spills, including cleanup and, where necessary, enforcement action. This FTE was funded from vacancy savings for FY16 and FT17. DWQ has requested to use restricted funds going forward to fund this FTE.

Discuss FTE trends and anticipated FTE levels for FY2017 and a 5-year outlook.

DWQ has maintained a steady level of FTEs at 72 permanent staff for over 5 years. Our seasonal staff fluctuates based on monitoring needs and special projects funded by the EPA and the Utah Water Quality Board. In 2017, we requested permission to use restricted funds to allow for continued funding of the FTE that will function as a Spill Coordinator to ensure that the Division's response to spills and other incidents is timely, professional, and consistent.

Funding

What is your funding structure?

What is the nature and sources for your base budget?

DWQ's $11.9 million is based on a mix of General Fund (27%), Federal Funds (45%), Dedicated Credits (13%), Restricted Account funds (13%), and Revenue Transfers (1%).

Provide specifics for developing new funding sources.

DWQ routinely applies for grant opportunities offered through the USEPA. In 2017, we were awarded a Wetland Program Development Grant to fund our wetland program and a supplemental 106 grant to fund efforts to evaluate the long-term effects of mine waste from the Bonita Peak Mining District on the San Juan River and Lake Powell. We have explored alternative approaches to permit fees that would be based on pollution discharged to the State's waters rather than on facility size.

Provide a description of your non-lapsing (carry-forward) balances and explain how you are using them.

DWQ does not currently have non-lapsing balances.

What is your justification to request "non-lapsing" intent language (where applicable)?

DWQ has requested non-lapsing balances for two programs:

$50,000 of non lapsing funds are for implementation of the new peer review requirements mandated required in 19-5-105.3. Rulemaking for the statutory changes in 2016 is nearly complete and the Division expects the program to become more active this year.

$30,000 of non-lapsing funds for monitoring equipment are intended to be used in the 2017 harmful algal bloom season in addition to the one-time general funds requested in the amount of $123,000.

These funds will be needed this year after the peer review rule making is complete and to effectively respond to harmful algal blooms in Utah in 2017.

Expenditures

Is this organization run as efficiently as possible?

Which expenditure categories had the biggest changes over time? Why?

The largest change in expenditures is in our current expenses category and is largely tied to changes in contract costs for professional and technical services. These include studies that the Water Quality Board has funded as well as contracts to implement nonpoint source projects using state and federal funds. Fluctuation across years in this category often represents delays in contracts and reductions in total project costs. The 2017 increase was also associated with increases in monitoring supplies for spill response and harmful algal bloom response. The Division does not have sufficient resources to conduct laboratory analyses for harmful algal bloom response in the future and has requested a one-time general fund allocation for this purpose.

In addition, our DP Capital budget is 10% above the previous year because the Division added expenses for AGRC to incorporate water quality layers into the DEQ Interactive Map, upgrades to the operator certification data base, and net Discharge Monitoring Report (DMR) needs required to comply with EPA's electronic reporting rule.

Other expense increases are largely associated with pass-through expenses for funding nonpoint source projects using Federal 319 funds. This category also includes $50,000 for environmental monitoring equipment that was secured through a Supplemental 106 grant from EPA.

Is the workload seasonal?

The Monitoring and Reporting Section is the largest section in the Division and the field work in that section is seasonal. Although routine field monitoring occurs all year, monitoring for lakes, wetlands, biological assessment, and special projects is usually limited to the spring, summer, and fall seasons. As a result, the Divisions FTEs fluctuate when seasonal monitoring staff are hired each year.

Are travel expenditures reasonable? Do staff need to travel as much out of state? Can skype and other video conferencing tools be implemented and used more frequently?

Division staff are conscientious about in-state travel. Most of our in-state travel relates to core functions including facility inspections, nonpoint source project inspections, attendance at critical meetings, and field monitoring of surface and ground waters. Where possible, we leverage the DEQ District Engineers and partners in the local Conservation District offices to assist us with our work in remote parts of the state. We routinely use conference calls and web conferencing tools for both in-state and out-of-state meetings. The increase in in-state travel for FY16 is largely due to travel associated with monitoring of the Gold King Mine spill. These expenses were reimbursed by EPA.

Can operating costs be reduced with updated technology/equipment?

DWQ is working to automate sample requests and data delivery from the Utah Public Health Laboratory. This will help to reduce staff time and errors in hand entering sample requests when they are received at the laboratory and data delivered in a uniform electronic format. DWQ is also evaluating the use of expedited settlement agreements for other UPDES programs including spills and municipal and industrial permit violations. We are testing these procedures with our storm water program this year.

Re-allocation of base budgets

Are we funding the highest priorities?

What areas within your base budget could be considered for reallocation in order to fund higher priority programs for building blocks?

DWQ routinely evaluates our base budget for opportunities to reallocate resources to higher priority programs. For example, in 2016 resources for the biological assessment program were reallocated to provide monitoring resources to support implementation of numeric nutrient criteria in Utah's headwater streams. Due to the harmful algal bloom event, these resources were temporarily diverted to respond to blooms around the state. We are also evaluating the resources dedicated to our nonpoint source implementation program to determine if redundancies between our staff and Department of Agriculture staff can be eliminated allowing the reallocation of resources towards development of TMDLs, a core mandated function under the Division's agreement with EPA. Finally, we are evaluating the resources allocated to outreach activities that are not mandated by statute. While these activities are critical to

ensuring stakeholders are well engaged in DWQ initiatives and activities, there may be opportunities to reduce resources in this area while still maintaining good visibility and collaboration with stakeholders and the public.

What programs would you reduce or eliminate if you were required to cut 2% of your base budget? Why did you choose these programs/services?

1. Reduce outreach activities that are not mandated by state statute or DEQ's Agreement with EPA.

2. Reduce monitoring of surface waters to levels required to meet our statutory obligations and agreements with EPA.