

Department of the Environment (DOE) - Fiscal Year 2022 Budget Review Summary

Proposed FY 2022 Operating Budget

Expenditures by Fund Type					
Fund	FY 2021 Approved	FY 2021 Estimated	FY 2022 Proposed	\$ Change	% Change
Solid Waste Fund	\$ 108,313,500	\$ 101,830,900	\$ 107,453,200	(860,300)	-0.8%
Stormwater Fund	\$ 66,174,600	\$ 65,256,300	\$ 67,392,100	1,217,500	1.8%
Local Watershed Protection and Restoration Fund (Water Quality)	\$ 17,285,800	\$ 16,139,800	\$ 21,215,600	3,929,800	22.7%
General Fund	4,238,700	4,599,700	5,084,000	845,300	19.9%
Grants	259,900	84,900	844,300	584,400	224.9%
Total	\$ 196,272,500	\$ 187,911,600	\$ 201,989,200	5,716,700	2.9%

Authorized Staffing - All Classifications				
Fund	FY 2021 Approved	FY 2022 Proposed	Change	% Change
General Fund	114	114	0	0.0%
Enterprise Funds	216	216	0	0.0%
Grants*	0	0	0	N/A
Total	330	330	0	0.0%

*Department does not fund Grant positions

FY 2022 Proposed Budget – Key Highlights

Solid Waste Management Fund

- Decreased Compensation: (\$110,900)
- Decreased Fringe Benefits: (\$306,200)
- Increased Operating Cost: Approximately \$1.2 million, due to increased debt services costs, depreciation, vehicle equipment repair and various contractual services related to the operation of several county solid waste facilities
- Decreased Capital Outlay: (\$270,000)
- Increased Cost Recoveries: Approximately \$1.3 million
- Authorized positions remain unchanged at 145 Full-time Employees (FTEs)
- Vacancies (As of 3/11/21): 29 full-time positions
- Key Programs/Initiatives: Maintenance and operation of land and facilities for the collection and disposal of recycling, refuse, garbage, rubbish, other matter and all related activities

Stormwater Management Fund

- Decreased Compensation: (\$63,700)
- Decreased Fringe Benefits: (\$62,300)
- Increased Operating Cost: Approximately \$1.8 million, due to increases in principal and interest payments for prior year Stormwater Bond debt and increases in contractual service costs
- Increased Cost Recoveries: \$573,500
- Authorized positions remain unchanged at 61 FTEs
- Vacancies (As of 2/25/21): 11 full-time positions
- Key Programs/Initiatives: Water quality improvements in response to regulatory compliance for the County's NPDES/MS4 Permit and flood control projects implementation

Local Watershed Protection & Restoration Fund (Water Quality)

- Decreased Compensation: (\$82,500)
- Decreased Fringe Benefits: (\$23,700)
- Increased Operating Cost: Approximately \$4 million, primarily due to the increase in debt service costs, contracts for consulting and preventive and regular maintenance activities
- Authorized positions remain unchanged at 10 FTEs
- Vacancies (As of 3/5/21): 2 full-time positions
- Key Programs/Initiatives: Supports the requirements to meet federal mandates for impervious area restoration through retrofit, storm water controls and mandated rebate programs intended to improve water quality in the Chesapeake Bay

General Fund

- Increased Compensation: \$15,600
- Increased Fringe Benefits: \$90,600
- Decreased Operating Cost: (\$64,500) due to the net effect of changes to operational items to align with historical spending and increases in other items to address building maintenance and equipment purchases
- Decreased Cost Recoveries: (\$803,600)
- Authorized positions: Unchanged 114 FTE positions
- Vacancies (As of 3/11/21): 11 full-time positions
- Key Programs/Initiatives: Policy guidance, coordination, administrative services, pet adoptions, animal holding facility, animal licenses, cruelty complaint investigations, humane outreach and educational events

Grant Funds

- Increased Operating Cost: \$334,400
- Authorized positions: The Department does not fund grant positions
- Key Programs/Initiatives: Stormwater Management Initiatives and Animal Services

Effects of the COVID-19 Pandemic

A more comprehensive list of the effects of the Pandemic on the Departments operations, revenues and expenses is provided in the attached report and in the Departments First Round Responses.

Solid Waste Management Fund

- Bulky collections were suspended from the end of March through the end of July 2020, and collections resumed in August. Reduced the Bulky crews from 3-person to a 2-person crew (to maximize social distancing in the cab of the trucks), this required RRD to reduce the number of tickets (i.e. the number of appointments) serviced daily. Bulky collections remain in a six-week backlog.
- If COVID-19 persists and the Health Department does not perform Refuse Collection Vehicle inspections during August - October 2021, DOE/RRD will have to devise another avenue to have inspections performed. These inspections are important to ensure the safety of the trucks traversing the County's roadways.

Stormwater Management & Water Quality Fund

- There were a few minor delays in construction projects due to crew resources and construction impacts.

General Fund and Grant Funds

- Until September 28, 2020, the Animal Services Facility and Adoption Center was officially closed to the public while performing field only services and extremely limited services in the building. After September 28, 2020, many telework-only employees or those on administrative leave were returned to in-person work to address the public on an appointment basis.

Proposed FY 2022 -FY 2027 Capital Improvement Program

	Expended thru FY21	Proposed FY22 Capital Budget	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total Proposed CIP Funding
6 DOE Projects	\$ 187,877,000	\$ 16,215,000	\$ 12,246,000	\$ 14,586,000	\$ 8,239,000	\$ 5,593,000	\$ 3,993,000	\$ 277,883,000
12 Stormwater Management Projects	\$ 348,899,000	\$ 89,393,000	\$ 116,919,000	\$ 106,120,000	\$ 59,787,000	\$ 70,483,000	\$ 40,195,000	\$ 974,888,000

Highlights

Environment Projects

- Funded by Revenue Bonds (100%)
- Key Projects: Brown Station Landfill Construction; Materials Recycling Facility, Organics Composting Facility, Sandy Hill Sanitary Landfill, North County Animal Shelter, Resource Recovery Park
- Project Schedule Delayed: North County Animal Shelter & Resource Recovery Park due to debt affordability concerns

Stormwater District Projects

- Funded by: Storm Water Bonds (61.9%); State (3.3%); Other (34.8%)
- Key Projects: Bear Branch Sub-Watershed, COE County Restoration, Clean Water Partnership NPDES/MS4 (delayed), Emergency Response Program, Endangered Structure Acquisition Program, Flood Protection and Drainage Improvement, MS4/NPDES Compliance & Restoration, Major Reconstruction Program (DPW&T), Participation Program, Stormwater Contingency Fund, Stormwater Management Restoration, *Stormwater Structure Restoration & Construction
- Continues to implement federal and state mandates to address various storm water quality improvements including impervious area and stream restoration.
- Continued implementation of the Clean Water Partnership (Public Private Partnership) to assist meeting the federal and state mandates.
- *One (1) new project - Stormwater Structure Restoration & Construction - FY 2023 funding supports the removal, replacement, and/or reconstruction of the Storm Water BMP structures.
- Increases in total project cost (8 projects), decreases (2 projects), delayed (1 project)



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

April 22, 2021

MEMORANDUM

TO: Calvin S. Hawkins, II, Chair
Committee of the Whole (COW)

THRU: David H. Van Dyke, County Auditor

FROM: Sylvia S. Singleton, Audit Manager

RE: Department of the Environment (DOE)
Fiscal Year 2022 Budget Review and Capital Improvement Program (FY 2022 - 2027)

Budget Overview

The FY 2022 Proposed Budget for the Department of the Environment (DOE or the Department) is approximately \$201.6 million, an increase of approximately \$5.3 million, or 2.7%, over the FY 2021 Approved Budget, and is comprised of approximately \$196.1 million, or 97.3%, from Enterprise Funds, approximately \$5.1 million, or 2.5%, from General Funds, and \$444,300, or 0.2%, from Grant Funds.

The FY 2022 proposed **Solid Waste Management Enterprise Fund (Solid Waste)** budget (after recoveries) is approximately \$107.5 million, a decrease of \$860,300, or 0.8%, under the FY 2021 Approved Budget. This is mainly due to decreases in various operational items to align with actual spending and reflect a reduction in post closure landfill liabilities coupled with increases in recoverable expenditures related to the closed Sandy Hill Landfill. Decreases are being offset by an increase in debt service related to the capital improvement program and large equipment purchases.

The FY 2022 proposed **Stormwater Management Enterprise Fund (Stormwater)** budget (after recoveries) is approximately \$67.4 million, an increase of approximately \$1.2 million, or 1.8%, over the FY 2021 Approved Budget, primarily due to increases in costs related to debt service.

The FY 2022 proposed **Local Watershed Protection and Restoration (WPR) Fund** budget (Water Quality) is approximately \$21.2 million, an increase of approximately \$3.9 million, or 22.7%, over the FY 2021 Approved Budget. Increases in operating costs are due to the increases in debt service costs for the Maryland State Revolving Fund transaction and increases in contractual services to support costs associated with the public private partnership.

The FY 2022 proposed **General Fund** portion of the budget is approximately \$5.1 million, an increase of \$845,300, or 2.0%, over the FY 2021 Approved Budget. Increases are attributed primarily to a correction to the recovery rate compared to the prior year, an increase in fringe benefits to align with actual costs, and compensation increases to allow for the filling of additional animal care positions.

The FY 2022 proposed **Grant Funds** portion of the budget is \$444,300, an increase of \$184,400, or 71.0%, over the FY 2021 Approved Budget primarily due to the addition of two (2) new grants. The Department has several capital grant appropriations located in the capital budget.

Budget Comparison – All Funds

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	% Change - Est vs App	FY 2022 Proposed	\$ Change	% Change
Solid Waste Fund	\$ 111,823,167	\$ 108,313,500	\$ 101,830,900	-6.0%	\$ 107,453,200	\$ (860,300)	-0.8%
Stormwater Fund	46,860,792	66,174,600	65,256,300	-1.4%	67,392,100	1,217,500	1.8%
Local Watershed Protection and Restoration Fund (Water Quality)	13,536,734	17,285,800	16,139,800	-6.6%	21,215,600	3,929,800	22.7%
General Fund	4,645,641	4,238,700	4,599,700	8.5%	5,084,000	845,300	19.9%
Grants	1,733,621	259,900	84,900	-67.3%	444,300	184,400	71.0%
TOTAL	\$ 178,599,955	\$ 196,272,500	\$ 187,911,600	-4.3%	\$ 201,589,200	\$ 5,316,700	2.7%

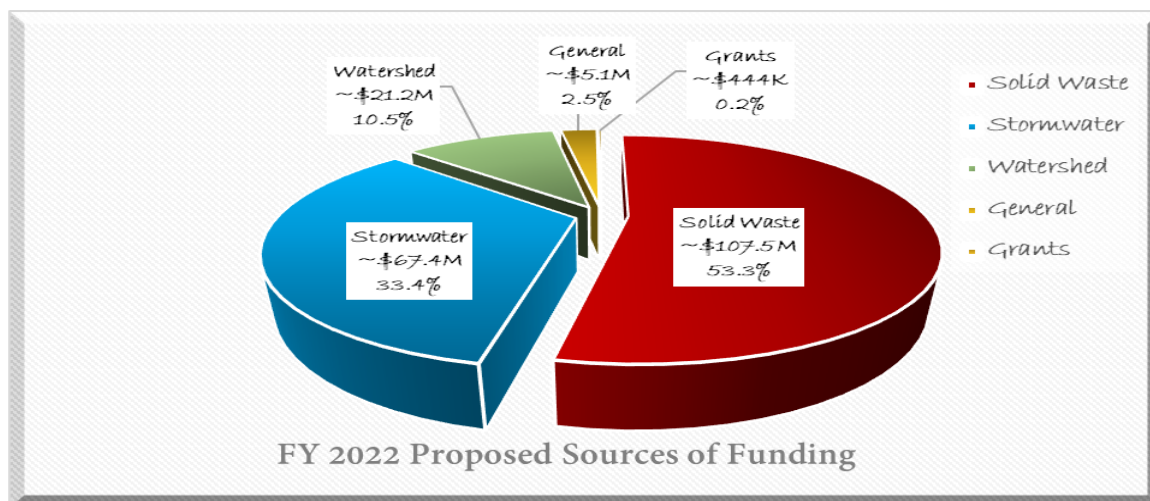
Authorized Staffing Count - All Classifications/All Funds

	FY 2021 Approved	FY 2022 Proposed	Change Amount	Percentage Change
Solid Waste	145	145	0	0.0%
Stormwater	61	61	0	0.0%
Water Quality	10	10	0	0.0%
General Fund: FTE	114	114	0	0.0%
Part-time	0	0	0	0.0%
Total	330	330	0	0.0%

*DOE does not fund grant positions.

FY 2022 Sources of Funds

- The Department’s operations are supported by five (5) separate funding sources. Based on the *pie chart below*, the Solid Waste Fund accounts for more than half of the Department’s funding (53.3%), which together with the Storm Water Management Fund (33.4%), and Local Watershed Protection Fund (10.5%), account for a combined total funding of 97.3% from the Enterprise Funds. The General Fund accounts for only 2.5% of the Department’s funding, with Grant funding of less than 1% proposed in FY 2022. The three (3) enterprise funds are comprised of the following major revenue sources: Residential Fees for Solid Waste/Sale of Recyclables, Property Taxes for Stormwater, and Impact Fees for Water Quality.



Source: FY 2022 Proposed Budget pages 420-422

Budget Comparison – Solid Waste Management Enterprise Fund (Solid Waste)

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022 - Solid Waste

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	FY 2022 Proposed	\$ Change	% Change
Compensation	\$ 8,194,690	\$ 8,340,000	\$ 8,141,000	\$ 8,229,100	\$ (110,900)	-1.3%
Fringe Benefits	4,223,367	4,461,900	4,355,400	4,155,700	(306,200)	-6.9%
Operating Expenses	101,119,132	95,841,600	90,621,000	97,012,100	1,170,500	1.2%
Capital Outlay	-	270,000	270,000	-	(270,000)	-100.0%
Sub-Total	\$ 113,537,189	\$ 108,913,500	\$ 103,387,400	\$ 109,396,900	\$ 483,400	0.4%
Recoveries	(1,714,022)	(600,000)	(1,556,500)	(1,943,700)	(1,343,700)	224.0%
Total	\$ 111,823,167	\$ 108,313,500	\$ 101,830,900	\$ 107,453,200	\$ (860,300)	-0.8%

Authorized Staffing Count

	FY 2021 Approved	FY 2022 Proposed	Change Amount	Percentage Change
Full-Time	145	145	0	0.0%
Total	145	145	0	0.0%

The Solid Waste Management Enterprise Fund's proposed FY 2022 revenues and expenditures as compared to the approved FY 2021 revenues and expenditures are shown in more detail in *Appendix 1, immediately following the end of this report.*

Staffing, Compensation and Employee Safety (Solid Waste)

- Solid Waste Management Enterprise Funds are provided for 145 full-time positions and remains unchanged from the FY 2021 approved budget level.
- Six (6) of the Fund's 29 vacancies proposed in FY 2022 are unfunded. In FY 2021, The Refuse Collection Inspectors have proven to be hard to fill and retain because of salary. As a result of those obstacles, the Agency requested a classification and salary survey which is now being finalized by the Office of Human Resources. See *First Round Budget Response Q.9, Attachment 2 for a complete list of Solid Waste funded vacancies in FY 2022.*
- In FY 2022, proposed compensation is approximately \$8.2 million, which represents a decrease of \$110,900, or 1.3%, under the FY 2021 budgeted level, primarily due to additional attrition and salary lapse.
- The Proposed FY 2022 Overtime spending is \$500,000 and remains unchanged from the approved FY 2021 Budgeted level. Overtime reimbursement from the Federal Cares Act of \$64,953 (in FY 2020) was received, and \$382,440 (FY 2021 YTD). Overtime is incurred as a result of:
 - ✚ Operating the Landfill and two (2) residential public convenience centers which are open six (6) days a week. In order to maintain Saturday operations, staff must work overtime.
 - ✚ Bulky collections due to staffing shortages, modification of crews and some Saturday work.
 - ✚ Vacancies of a Weight Master (for Scale House) and Property Attendant (Security Guard), which required overtime to cover these mandatory responsibilities.
 - ✚ The Division having to incur overtime with respect to COVID-19 for planning purposes and operational coverage of facilities and services.

- In FY 2021, the Department has one (1) position in this Fund that was assigned to the Department of Public Works and Transportation (DPW&T) since 2010 to conduct community cleanup activities. This assignment is expected to continue in FY 2022.
- The Department reported that its current rate of attrition for this fund is 3.2%, and cites the key factors contributing to the current attrition level are salary and career growth, with the Refuse Collection Inspector I/II positions being the most affected in the Resource Recovery Division. Any decrease in staffing impacts bulky collections as well as landfill operations significantly. The Agency has had difficulty filling these positions and retaining incumbents primarily due to the low salary range (based on exit interviews and study of other area positions of like field of work). The Office of Human Resource Management (OHRM) is currently conducting a salary study of the Refuse Collection Inspector position.
- The Resource Recovery Division (RRD) is reporting the following as it relates to staffing:
 - ✦ Refuse Collection Inspector - The resignation of staff within this position has placed a strain on the overall coverage of operations. Due to resignations, current staff have been required to provide inspections for multiple Trash and Garbage (T&G) areas to ensure adequate coverage.
 - ✦ The staffing shortage has also had an impact on the delivery of new trash and recycling cart requests (roughly 50 less deliveries per week).
 - ✦ Equipment Operator II -The resignation of staff specifically within the Bulky Section of RRD, has required the Division to temporarily increase ticket workload slightly to ensure proper completion of daily operations.
 - ✦ It needs to continue to fill Refuse Collection Inspector vacancies during FY 2022, which is critical for responding to residential collection services complaints/concerns and to provide inspection and enforcement of mandatory recycling laws.
- RRD is reporting the following as it relates to its efforts in coping with the COVID-19 pandemic:
 - ✦ It has 100 in-person staff, 12 teleworking, and 6 hybrid staff working. The transition to teleworking and hybrid for those eligible employees was seamless. 100% of RRD's staff were in-person prior to COVID-19.
 - ✦ Challenges presented itself during March 2020 when PPE supplies, such as masks and hand sanitizer, were low or non-existent. RRD ordered a supply of PPE (gloves, masks, hand sanitizer and disinfectant) from the County's warehouse. The Division has also increased its janitorial services to five times a week for all campus buildings and has contracted with a vendor for the bi-weekly COVID-19 specialized sanitation of collection trucks and heavy equipment.
 - ✦ Four (4) different staffing emergency plans were developed to ensure landfill operations would continue regardless of absenteeism. During March 2020 through June 2020 Bulky Collection operations/services had to be suspended.
 - ✦ The bulky curbside collection crews were placed on Administrative Leave. Bulky staff returned to work in-person in June 2020 through July 2020 in order to hold special bulky drop off events in all nine councilmanic districts.
 - ✦ In August 2020, bulky curbside collections resumed.
 - ✦ While RRD did experience shortage of staff several or more times due to COVID-19 positive cases and/or mandatory quarantine, it managed these staffing shortages by working available staff overtime, increasing workloads and by contracting with CMT for temporary staffing.
 - ✦ Staggered Disposal and Bulky Sections' staff into two (2) shifts in order to maximize social distancing protocols with respect to arriving and leaving work.

- ✚ Reduced the Bulky crews from 3-person to a 2-person crew (again, to maximize social distancing in the cab of the trucks). Reducing the crew to two people required RRD to reduce the number of tickets (i.e. the number of appointments) serviced daily.
- ✚ Implemented additional bi-weekly disinfecting of heavy equipment and vehicles.

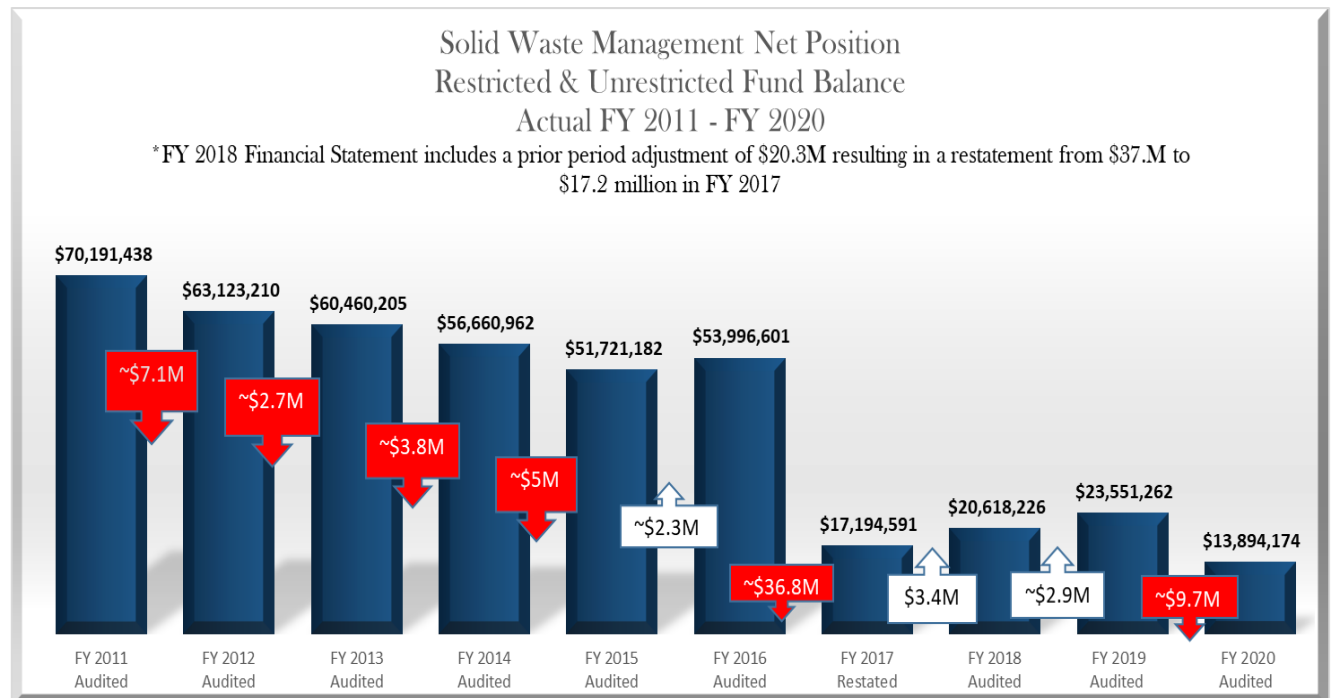
Fringe Benefits (Solid Waste)

- FY 2022 fringe benefits are proposed at approximately \$4.2 million, a decrease of \$306,200, or 6.9%, under the FY 2021 approved budgeted amount to reflect anticipated costs. The fringe benefit expenditures include \$1.5 million for other post-employment benefit (OPEB) costs.
- A five-year trend analysis of fringe benefit expenditures is included in *the table below*:

Fringe Benefits Historical Trend (Solid Waste - EF5000)					
	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimated	FY 2022 Proposed
Fringe Benefit Expenditures	6,300,560	3,109,322	4,223,367	4,355,400	4,155,700
As a % of Compensation	91.3%	42.5%	51.5%	53.5%	50.5%
Annual % Change	-9.5%	-50.7%	35.8%	3.1%	-4.6%

Fund Balance (Solid Waste)

- The overall net position of the Solid Waste Enterprise Fund (which includes both restricted and unrestricted assets) has decreased by approximately \$56.3 million since FY 2011 from ~\$70.2 million, to approximately \$13.9 million at the end of FY 2020. *See chart below.*

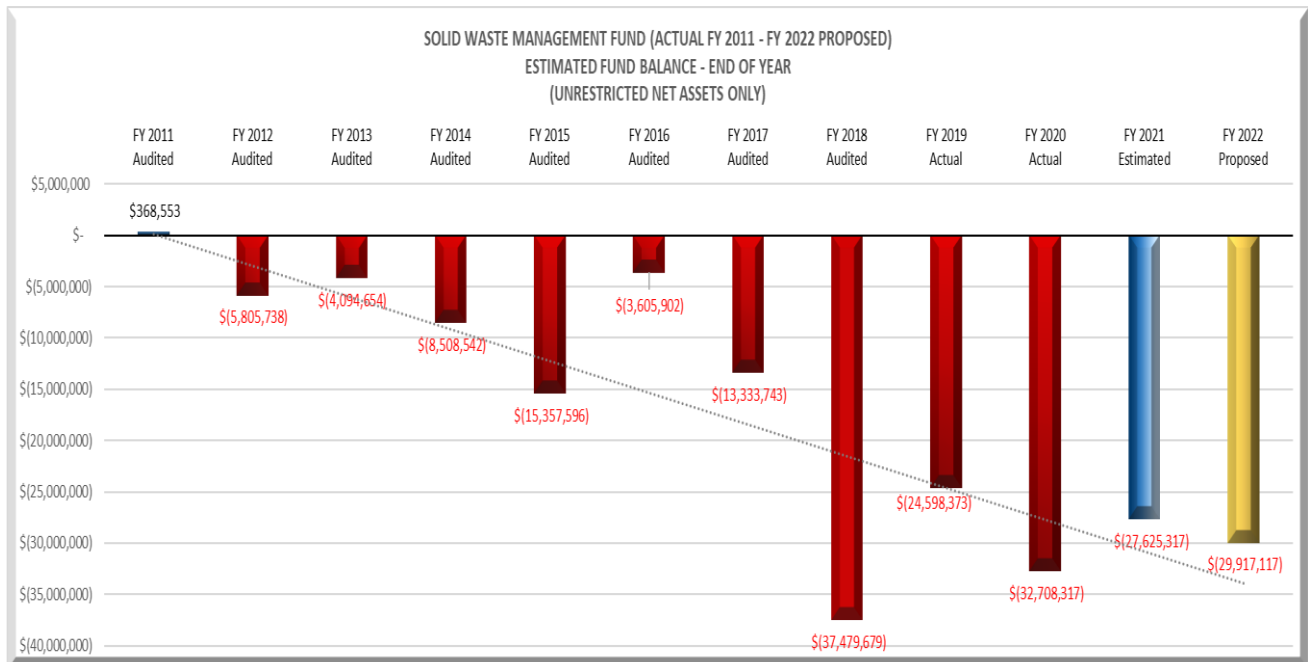


Source: FY 2011- FY 2020 Audited Comprehensive Annual Financial Reports (CAFRs)

- Since FY 2011, the largest year over year decrease was seen from FY 2016 – FY 2017, with a \$36.8 million decline (as restated in FY 2018). Given that the available fund balance was only approximately \$13.9 million at the end of FY 2020, and the average \$6.3 million decreases in total fund balance since FY 2011, if this

trend continues, the Solid Waste Management Fund will no longer be self-sustaining within the next few years. FY 2017 and FY 2018 represent the first two (2) consecutive year over year increases in the overall fund balance since FY 2011, however, the decrease between FY 2019 - FY 2020 (\$9.7 million) wiped out all gains made in overall fund balance since FY 2011 (~8.6 million). *See chart on previous page.*

- Per the FY 2020 CAFR reserve levels are as follows: Landfill Closure costs (approximately \$30 million), Sandy Hill Landfill Trust (approximately \$1.9 million), Net investment in Capital Assets (approximately \$5.7 million), and Capital Improvements and Future Maintenance (\$9 million).
- According the FY 2018 audited Financial Statements, an accounting change resulted in the restatement of the County’s Fiscal Year 2017 government-wide and proprietary fund financial statements with respect to the reporting of Other Post-Employment Benefits (OPEB). As a result of the restatement in FY 2018, there was a prior period adjustment of approximately \$20.3 million to the fund balance for the Solid Waste fund, resulting in the Restated Net Position as of June 30, 2017 to be approximately \$17.2 million, instead of the previously reported approximately \$37.5 million.
- The Comprehensive Annual Financial Report (CAFR) for FY 2020 has the *unrestricted* fund balance showing a deficit of approximately \$29.9 million. The FY 2021 Approved budget for the *unrestricted* net assets in the solid waste enterprise fund was estimated to have a deficit of approximately \$39.4 million, however, the Office of Management and Budget (OMB) is now reporting an estimated deficit of approximately \$27.6 million at the end of FY 2021. The deficit is expected to continue in FY 2022 and is projected at approximately \$29.9 million. *See chart below.*



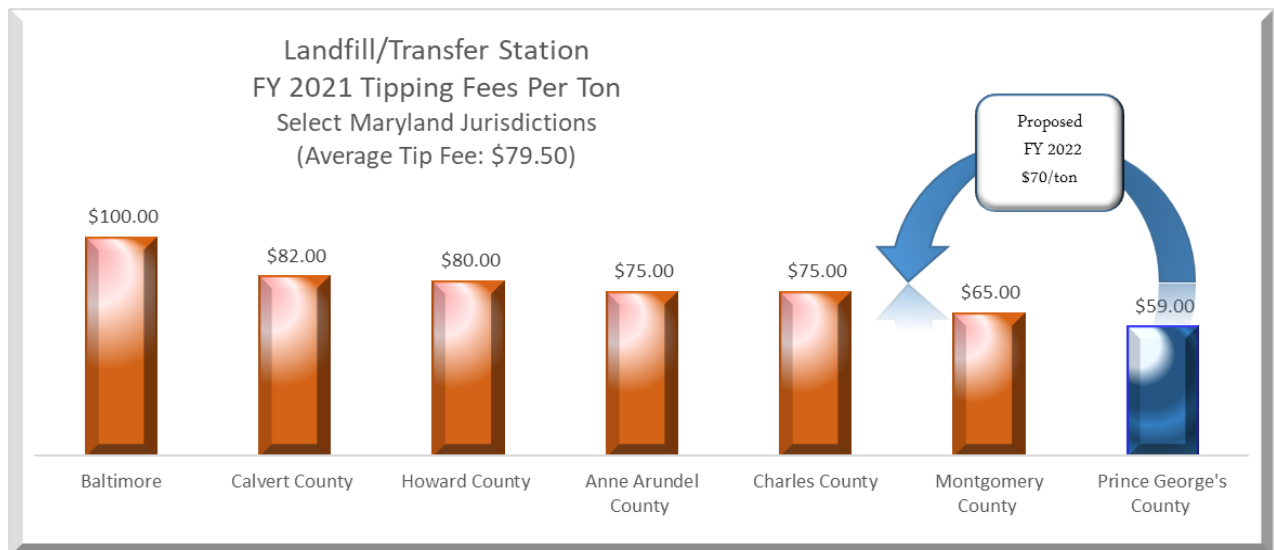
Sources: FY 2022 Proposed Budget page 431 & FY 2011-2020 CAFRs

- The proposed FY 2022 budget includes the use of approximately \$2.3 million in fund balance, which represent approximately \$6 million, or 72.3% decrease, under the FY 2021 approved amount, to cover anticipated expenditures.

- The Department is reporting that the structural deficit of the fund was driven by significant increases in costs associated with services provided under this fund, in relation to the small increases, if any, in revenues over the years. The Department has in the past cited some of the following reasons leading to the deficit:
 - ✚ Tipping fees well below regional rates with no tipping fees increase since 2010.
 - ✚ Operational and capital costs associated with maintaining the officially closed Sandy Hill Landfill.
 - ✚ Recycling markets continuing to be problematic, with no appreciable relief expected within FY 2022, with China’s policy banning/restricting imports of recyclables and negatively impacting commodities revenues.
 - ✚ Impact of Interagency Charges with annual increases in project charges from various agencies (DPIE/DPW&T, etc.).
 - ✚ Brown Station Road Sanitary Landfill (BSRSL) leachate hauling services.
 - ✚ Heavy equipment failures.
 - ✚ Failing landfill gas pipeline due to excessive age and need for major repair work.
 - ✚ Prior period accounting adjustment for OPEB.

- The Department is reporting that it has plans to undertake the following measures in FY 2022 to begin to address the structural deficit of the Solid Waste Enterprise Fund:
 - ✚ There is a proposed increase in tipping fees included in the budget.
 - ✚ The proposed fee increase takes the tipping fee from \$59/ton to \$70/ton.

- With the increase in tipping fees proposed in FY 2022, revenues are projected to be approximately \$18.4 million, and represent an increase of approximately \$3.5 million, over the estimated FY 2021 revenues of approximately \$14.9 million. *See chart below for fee comparisons with other select Maryland counties.*

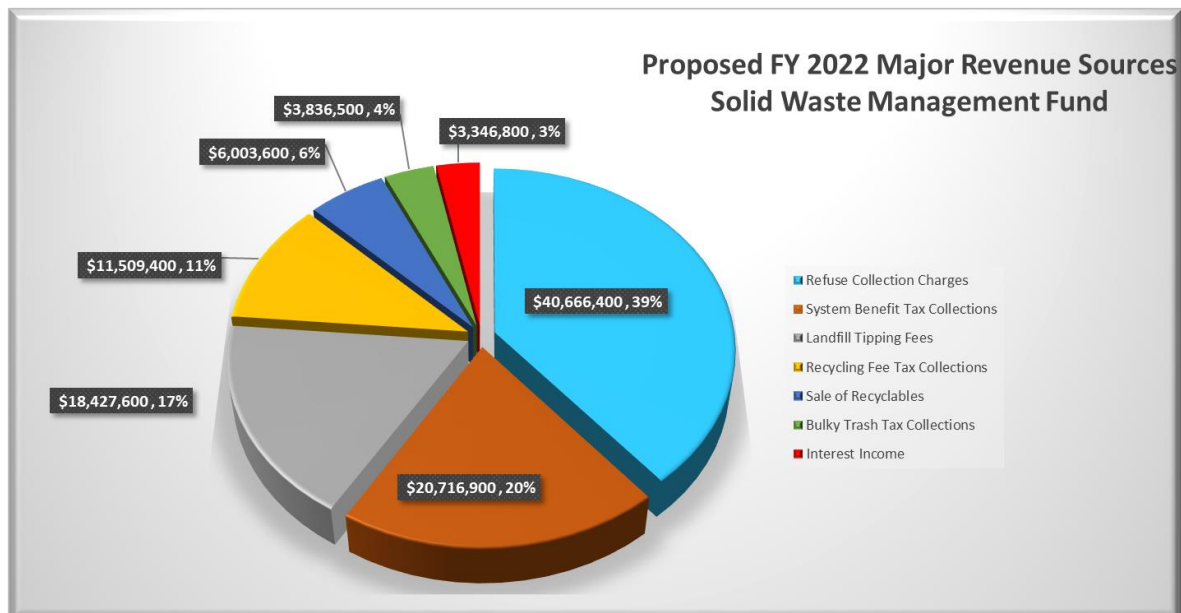


- In prior year’s the Department reported the following measures to address the structural deficit of the fund:
 - ✚ Implemented once a week trash pickup.
 - ✚ Continued efforts to increase the diversion rate which improves revenues.
 - ✚ Drafted a Resource Recovery Master Plan to increase resource recovery of marketable materials.

- ✚ Installation of new balers at the Materials Recycling Facility (MRF). Inform and educate the public of the importance of proper recycling to reduce contaminants.
- ✚ Budgeted upgrades to the leachate pretreatment plant to enable discharge to the Washington Sanitary Suburban Commission (WSSC), in order to reduce leachate hauling costs.
- ✚ Proposed landfill tipping fee increases and Solid Waste fees.
- ✚ Seek funding to replace some of the aging heavy equipment utilizing Certificate of Participation (COP).
- ✚ Made repairs to the landfill gas pipeline, secured emergency funding for a second pipeline failure repair, and added funds to the Capital Improvement Project (CIP) for complete replacement of the 2.5 mile pipeline to mitigate probable continued failures.
- ✚ Budgeted funding to acquire a Plastics Optical Sorter to increase the value of plastics in the market place.
- ✚ Planned meeting(s) with the Maryland Department of the Environment (MDE) to arrange use of the post-closure reserve for BSRSL Area A (A-1 and A-2)
- ✚ Area-C will define what limitations of Area A may be considered for use of post-closure reserve funding.

Revenues (Solid Waste)

- The proposed budget reflects an increase in the FY 2022 landfill tipping fee revenue projection as a result of a fee increase for residential and commercial tipping per current market rates.
- In FY 2022, the Fund’s proposed revenue sources are increasing to approximately \$105.2 million, which is approximately \$5.1 million, or 5.1%, over the current year’s approved level, excluding the use of fund balance (See *Appendix I* attached). The majority of the funds revenues are generated by Refuse Collection Charges (39%), System Benefit Tax Collections (20%), Landfill Tipping Fees (17%), and Recycling Fee Tax Collections (11%). See *chart* below.



Source: FY 2022 Proposed Budget p.430

- The Fund’s proposed revenues in FY 2022 are expected to increase for seven (7) categories and decrease for four (4) categories, with no revenues being generated for the Abandoned Vehicles Program. See *Appendix 1* of this report which provides a breakdown of the Fund’s revenues.
- The largest increase in revenues proposed in the FY 2022 budget is for Landfill Tipping Fees, which are increasing to approximately \$18.4 million, which is approximately \$3.6 million, or 24.2%, over the approved FY 2021 budget, as a result of a proposed increase in tipping fees.
- The largest decrease in revenues, excluding appropriated fund balance, is proposed in FY 2022 for the Sale of Electricity, which is decreasing by \$92,700, or 46.4%, under the FY 2021 approved budget amount to \$107,300, to align with actuals.
- The Department is reporting the following effects of the Pandemic on its revenue generation affecting the Solid Waste Management Fund:
 - ✚ The County is providing the trash and recycling haulers with hazard pay, PPE stipend and a cap on fees for trash disposed at the landfill. As of February 1, 2021, the cost to the County is \$1,418,040 and loss revenue (cap on fees for disposal) is \$2,367,435.
 - ✚ The County's residential recycling tonnages increased due to people working from home. In order to process the County's increased residential materials, the commercial customers had to be discontinued. Therefore, the County has lost revenues from tipping fees.
 - ✚ Permitting and licensing of refuse collections inspections remains postponed due to the Health Department not being able to perform inspections. DOE/RRD has only received minimal fee payments for new collection trucks.
 - ✚ The permit renewal season, between August and September 30th each year, was postponed and basically now cancelled because the Health Department could not perform collection truck inspections.
 - ✚ Last fiscal year (FY 2020), the total revenue from permit renewals was \$167,358.79. The Health Department retains 75% of the revenue, DOE's portion of the revenue from permits was \$41,839.70.
 - ✚ Thus far in FY 2021, the total revenue collected from permitting is \$6,325. The estimated loss of DOE revenue for the current fiscal year is \$35,514.70
 - ✚ During the time the landfill was closed to residential customers, there was a loss of tipping fee revenue in the amount of approximately \$206,299 (as compared to the same months the prior year).

Operating Expenses (Solid Waste)

- In FY 2022, Solid Waste operating expenses are proposed at approximately \$97 million, and are comprised of the following major items (excluding Principal and Interest):

✚ Operating Contracts	\$36.7 million
✚ Interagency Charges	23.4 million
✚ General & Administrative Contracts	19.3 million
✚ Post Closure Cost Reserve & Depreciation	5.5 million
✚ Vehicle Equipment Repair and Maintenance	1.5 million

- Overall, operating expenses are increasing by approximately \$1.2 million, or 1.2%, above the FY 2021 approved level. The accompanying *table below* compares the FY 2022 Proposed Budget operating expenditures with the FY 2021 Approved Budget operating expenditures. In nine (9) of the categories, the FY 2022 Proposed Budget increases planned spending from the FY 2021 approved budget. In four (4) of the categories, the FY 2022 Proposed Budget level remains unchanged compared to the FY 2021 approved budget. FY 2022 proposed expenditures are being reduced in eight (8) categories, and one category is depicted for historical purposes only.
- The most significant dollar increase between the FY 2022 Proposed Budget and the FY 2021 Approved Budget, excluding Principal and Interest, is for General and Administrative Contracts (\$347,900 increase), which is due to required operations of the Leachate Pre-Treatment facility, which was inadvertently omitted from the FY 2021 budget, mostly offset by decreases in other areas.
- The decrease in Post Closure Costs Reserve & Depreciation (~\$1.6 million) reflect a change in how the prior years were depicted which include post closure reserve contribution, and anticipated reduction in Sandy Hill Landfill Post-Closure expenditures. The decrease in Operating Contracts (\$291,300), reflect \$36,687,300 which is in the FY 2022 "Landfill Services" account, for the Trash Haulers. \$291,300 was moved from "Landfill Services" to "General & Administrative Services" to more accurately account for municipalities participating in recycling collection program.

Operating Objects - Solid Waste	FY 2020 Actual	FY 2021 Budget	FY 2022 Proposed	FY 2021 - FY 2022	
				\$ Change	% Change
Principal/Interest	1,606,429	4,480,000	7,493,800	3,013,800	67.3%
General & Administrative Contracts	15,245,577	18,933,500	19,281,400	347,900	1.8%
Vehicle Equipment Repair/Maintenance	1,402,942	1,490,000	1,507,800	17,800	1.2%
Office Automation	630,704	755,500	765,500	10,000	1.3%
Telephone	102,754	95,800	104,500	8,700	9.1%
Printing	7,573	42,800	47,000	4,200	9.8%
Membership Fees	1,825	1,300	4,100	2,800	215.4%
Training	7,031	15,000	16,500	1,500	10.0%
Other Operating Equipment Repair/Maintenance	4,370	2,000	3,000	1,000	50.0%
Postage	-	90,000	90,000	-	0.0%
Office and Operating Equipment Non- Capital	22,411	152,500	152,500	-	0.0%
Building Repair/Maintenance	5,572	30,000	30,000	-	0.0%
Grants/Contributions	651,160	660,000	660,000	-	0.0%
Miscellaneous	44,962	-	-	-	N/A
Advertising	11,584	15,000	10,500	(4,500)	-30.0%
General Office Supplies	234,366	300,000	288,500	(11,500)	-3.8%
Equipment Lease	21,342	59,100	45,800	(13,300)	-22.5%
Gas and Oil	534,939	690,000	600,000	(90,000)	-13.0%
Utilities	322,711	425,700	306,100	(119,600)	-28.1%
Interagency Charges	21,518,132	23,543,100	23,404,700	(138,400)	-0.6%
Operating Contracts	39,154,449	36,978,600	36,687,300	(291,300)	-0.8%
Post Closure Costs Reserve & Depreciation	19,588,299	7,081,700	5,513,100	(1,568,600)	-22.2%
TOTAL	101,119,132	95,841,600	97,012,100	1,170,500	1.2%

Source: FY 2022 First Round Question 18, Attachment 3 - Solid Waste Management Fund

- The FY 2022 Proposed Budget includes approximately \$1.5 million, to be transferred to the required Landfill Reserves, and represents a decrease of approximately \$1.6 million, or 50.6%, under the Approved 2021 contribution level.

Contracts (Solid Waste)

- The Department is reporting that the transition between the FY 2021 and FY 2022 budgets, in terms of the structuring of the Solid Waste Fund's contracts, is more complex than it has been in many years. Many contractual line items that used to be stand-alone are now proposed to be consolidated into the new multi-year "Maryland Environmental Service (MES) Master Agreement." In the future, for budgeting purposes, spending on MES Master Agreement activities will be tracked on fewer line-items with key features are listed below:
 - 1) the single most-identifiable driver of the net FY 2021 to FY 2022 contracts increase is due specifically to the Operations & Maintenance of the Brown Station Road Sanitary Landfill (BSRSL) "Leachate Pre-Treatment Facility", which was inadvertently omitted from the FY 2021 budget. This net increase of \$1.25 million was largely offset in other contract areas.
 - 2) major stand-alone increase from FY 2021 to FY 2022 is that Operations of the Materials Recycling Facility (the "MRF") would be increasing by \$441,300; from \$6,865,500 to \$7,306,800.
 - 3) Toter Waste/Trash Cart and Recycling Cart repairs have proposed new budget line items totaling \$250,000 in FY 2022, in response to customer demand.
 - 4) FY 2022 Funding of \$438,300 was removed for former DOE Abandoned Vehicle Unit related activities.
 - 5) The FY 2021 Approved Budget of approximately 17 line-items related to the new "MES Master Agreement" is \$6,250,100. The FY 2022 Proposed Budget is \$5,896,900; a net decrease of \$353,200.
 - 6) Two (2) line items for "Toter Lease Purchasing" and "Lease Payment for three 29-Yard Trash Compactors in the FY 2018 COP", both totaling \$1,104,800; were erroneously budgeted in Contracts and are now being proposed to be accounted for within Debt Service (Principal & Interest Payments), aligning to the Office of Finance's Debt Module report. The Debt Module report includes aggregate debt service for both bonds and equipment leases.
 - 7) Those six items above account for most of the net proposed contracts increase of \$56,600 from FY 2021 to FY 2022. *See table below* for FY 2022 multi-year contracts over \$500,000 and personal services contracts over \$100,000:

Multi-Year and Personal Service Contracts						
Vendor/ Contractor Name	1 = MBE 2 = County- MBE 3 = County- Based Business Unknown	Summary of Contract Services	Contract Term (Beginning - Ending Dates)	Total Contract Amount	Contract Status: Executed (E), Planned Not Executed (PE)	Funding Source:
Maryland Environmental Service (MES)	Various	Environmental Compliance Activities and Brown Station Road Sanitary Landfill (BSRSL) and the closed Sandy Hill Landfill (SHL).	07/01/2021 to 06/30/2026 (5 years)	\$24,309,700	PE	Solid Waste Enterprise Fund Expenditures & Landfill Post- Closure Liabilities
Maryland Environmental Service (MES)	Various	Operation of Organics Composting Facility	07/01/2021 to 06/30/2026 (5 years)	\$13,526,600	PE	Solid Waste Enterprise Fund Expenditures
Maryland Environmental Service (MES)	Various	Operations & Maintenance of the BSRSL Leachate Pre- Treatment Facility	07/01/2021 to 06/30/2026 (5 years)	\$7,070,000	PE	Solid Waste Enterprise Fund Expenditures
Haulers Contracts	2	Trash, recycling and yard trim collections.	TBD - TBD	\$36,687,300 annually	PE	Solid Waste Enterprise Fund Expenditures

Recoveries (Solid Waste)

- Recoveries in FY 2022 are proposed at approximately \$1.9 million, which is an increase of approximately \$1.3 million, or 223.9%, over the FY 2021 approved level from the Capital Improvement Program (CIP). The recoveries are from the Sandy Hill Post Closure reserve fund, for expenses incurred by the Department to conduct post closure functions (environmental clean-up) at the Sandy Hill Landfill.
- FY 2020 actual recoveries were \$1,714,022. There is an anticipated increase in recoverable Sandy Hill landfill-related activities under the Maryland Environmental Services (MES) Master Agreement.

Highlights, Capital Outlay, Capital Improvement Program (CIP) & Maintenance (Solid Waste)

Resource Recovery Division (RRD) – Solid Waste Fund

RRD manages the Solid Waste Management Enterprise Fund which is used to finance costs associated with the maintenance and operation of land and facilities for the collection, transportation and disposal of refuse, garbage, rubbish, other matter and all related activities. The fund also finances costs associated with environmental, solid waste management and recycling and waste reduction programs in the County.

- The Department is reporting that following effects that the COVID-19 Pandemic has had on the Department's Solid Waste Management operations and/ or services since March 2020:
 - ✚ Bulky collections were suspended from the end of March through the end of July, and collections resumed in August. Bulky collections remain in a six-week backlog.
 - ✚ In-person community recycling/waste diversion outreach is still discontinued due to the pandemic since March 2020.
 - ✚ Special events had to be canceled or not held, such as Mulch Madness and Green Schools' Green Team quarterly hands on training sessions.
 - ✚ In-person inspections of businesses and multifamily properties for recycling code compliance has been suspended. When COVID-19 restrictions are lifted, these programs are expected to resume. However, when the Agency receives a specific public concern regarding a business failing to comply with recycling or product ban regulations, RRD does dispatch an Inspector to said property for an inspection/education/enforcement.
 - ✚ The landfill was closed for residential customers until mid-June 2020.
 - ✚ Residential household hazardous waste was suspended until the end of July 2020.
 - ✚ If COVID-19 persists and the Health Department does not perform Refuse Collection Vehicle inspections during August - October 2021, DOE/RRD will have to devise another avenue to have inspections performed. These inspections are important to ensure the safety of the trucks traversing the County's roadways.

Capital Improvement Program (CIP) – Brown Station Landfill Construction (#5.54.0001)

FY 2022 Funding Source: Revenue Bonds – 100.0%

Councilmanic: District 6

Project Class/Status: Addition/Under Construction

This project includes: Brown Station Road Sanitary Landfill (BSRSL) Area C in-fill, extending the County's landfill capacity to the year 2045 or beyond, depending upon permitting; Leachate Pre-Treatment Plant upgrades; Phase V Landfill Gas cells 1 & II; Area B Stormwater Control Structures; replacement of landfill gas pipeline between BSRSL and the Department of Corrections (DOC); critical equipment; and various infrastructure projects.

- Brown Station Landfill's FY 2022 funding will be used to continue the design of the Landfill Area C in-fill project and for obtaining associated permits; completing the Landfill Gas pipeline between Brown Station Road Sanitary Landfill and Corrections; and commence the construction of the Leachate Pre-Treatment Plant.

- ***The Brown Station Road Sanitary Landfill (BSRSL) -***
 - ✚ The Landfill will reach engineered capacity within CY 2025. Through discussions with MDE, they will provide simple approval for an additional 8' lift (layer) of waste on top of the existing Landfill Area 'B', with the understanding that the waste must be removed if Area 'C' is not approved and/or not constructed. Thus, the Department anticipates available waste disposal availability in Area 'B' could include CY 2026.

 - ✚ Landfill-Area C In-Fill: BSRSL is projected to meet its permitted capacity by 2025. The County and the Maryland Department of the Environment (MDE) collaborated successfully to develop a long-term strategy to address capacity concerns approximately 50 years beyond 2025. The County's partnership with MES, via combination of a letter contract that led to a one-year contract agreement (ending June 30, 2021) and an ongoing approval of a Multi-Year Agreement, for the management and development of Area 'C', along with all regulatory, compliance and construction management services. This is a five-year agreement through and including FY 2026.

 - ✚ Successful design and permitting of the RRD's Area 'C' project. RRD was able to obtain the support of MDE with one of three permitting steps approved (and one of two public meetings completed) and the second step is currently in review.

 - ✚ Management of waste beyond the current life of the Brown Station Road Sanitary Landfill: There are many desirable options available to the County such as:
 - ❖ The first critical component which is the **ongoing Area 'C' disposal area**. It is very positive because it does not require a formal expansion effort, and instead utilizes the footprint of the existing Landfill and provides waste capacity for a minimum of 50+ years.

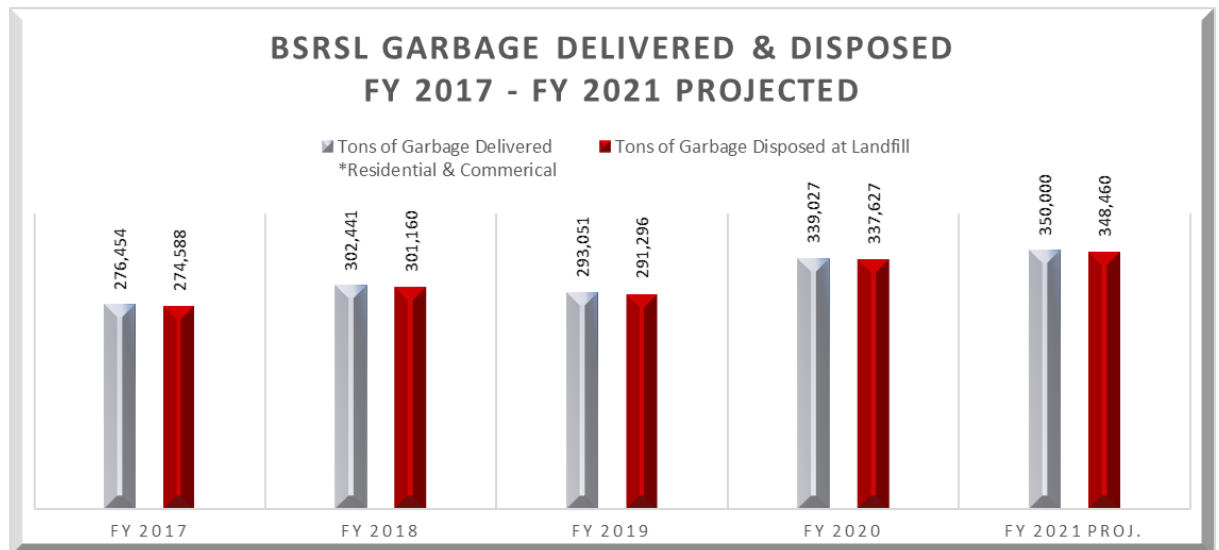
 - ❖ Food scraps is a major source of material being landfilled. RRD is expanding the **Organics Collection Program** during the spring and summer of 2021. The collection program will be offered County-wide by the end of FY 2022. It is estimated approximately 1/3 of the residents who participate in the County's curbside collection program will opt-in the organics composting program. The organics are composted into an all-natural soil amendment trademarked under the name Leafgro Gold®.

 - ❖ During the construction of Area C of the landfill, to further reduce the amount of waste being landfilled and to provide a valuable service to residents, RRD is considering the inclusion a **Re-Use Center** that could be sited on our property. A Re-Use Center extracts valuable products from the waste stream prior to being placed into the Landfill or alternate disposal lot. This is a proven success across the Nation, and our County sadly throws away an unbelievable amount of usable (often new in the package) items.

 - ✚ Potential revenue generation could be realized via the following:
 - ❖ Increase of tipping fees to match the region. Currently, the County's tip fee is the lowest in the region with out-of-County waste finding its way to the County's Landfill.

- ❖ Encourage increased attention to the Re-Use Center.
- ❖ With the onset of Area 'C', the County guarantees a minimum of 50+ years of Landfill Gas Generation. Any thoughts of enhancing the County's Landfill Gas End-Use was once considered a poor investment because of the pending closure of the Landfill. Area 'C' provides the potential for greater volumes of gas for longer terms, and thus greater potential for beneficial end-uses.

✚ Municipal Solid Waste volumes placed within the active area of the BSRSL in FY 2021 are projected at 374,096 tons, with a projected recapture of solid waste due to recycling of 1,540 tons in FY 2021. This reflects an increase in volume from the estimated FY 2020 volume of 340,088 tons, of which 1,400 tons were recaptured. *See chart below* for tons of garbage delivered and disposed from FY 2017 - FY 2021 Projected.



✚ The FY 2021 Approved Budget included Capital Outlay of 270,000 for a 29-yard trash compactor for bulky trash pickup.

- **Brown Station Road Sanitary Landfill Leachate Pretreatment Facility Upgrades Project.** Facility is outdated and incapable of pretreating the volume of leachate, and meeting the minimum requirements outlined in the leachate discharge authorization permit. This will result in higher operating costs for the hauling of excess leachate.
 - ✚ The plant upgrades are included with the MES Master Agreement and linked to Area C in-fill project.
 - ✚ Current expenditures are at approximately 30% of the approved CIP budget of \$675,000.
 - ✚ MES contracted with Geosyntec to provide the County with proven technology that meets the needs of current and future on-site treatment processes.
 - ✚ Currently, the project is in the 30% design and conceptual phase and anticipated completion is CY 2024.

- **Landfill Gas to Energy Project.** The costs associated with including the landfill gas to energy plants at BSRSL and at the Department of Corrections (DOC), which includes facility management, maintenance, repairs, and regulatory reporting, will continue to have a major impact on the operating budget.

- ✚ The Landfill Gas Pipeline runs 2.5 miles along Brown Station Road from the BSRSL to DOC and is used as a fuel source to produce electricity and support boilers and hot water heaters at the Correctional facility.
- ✚ The aged Landfill Gas to Energy infrastructure (25+ years) is in a state of routine failure.
- ✚ Failed infrastructure prohibits prudent uses of landfill gas for the Department of Corrections primary source of electrical power and fuel oil.
- ✚ The cost to maintain operations and maintenance do not outweigh the benefits to the County as a whole. However, they do outweigh the benefits to DOE. DOE provides total support for both plants, Brown Station Road Sanitary Landfill (BSRL) and County Correctional Center (CCC).
- ✚ The annual budget to support operations and maintenance for these plants is approximately \$1.4 million annually, plant upgrades (CIP) at BSRSL is approximately \$1 million the last two (2) years and the annual revenue receives is approximately \$200K annually. The overall benefit to the County is avoided costs, approximately \$2.0 million, associated with local utility power and fuel for boilers and hot water heaters at the CCC.
- ✚ The Landfill Gas Pipeline experienced several leaks over the last several years (November 2017, August 2018 and April 2019). As a result, the pipeline was shut down in April 2019 and officially decommissioned in March 2019.
- ✚ The pipeline will remain out of service until it can be replaced. The cost associated with the pipeline replacement is estimated at \$6-7 million.
- ✚ In early January 2021 there was a flare malfunction which caused a major increase in BTU values which caused the power plant engines to backfire. As a result, the plant was immediately shut down until corrective action(s) can be managed. At no time was the public or property in any danger. Curtis Power Solution investigated potential solutions and will move forward with installation of an Automatic Fuel Management (AFM) System commonly referred to as AFMs. This will provide automatic fuel adjustments during a flare shutdown event and prevent engine backfiring.

▪ **Equipment (Brown Station Road)**

- ✚ Approved FY 2021 funding of approximately \$3.6 million for equipment at the Brown Station Road is depicted in *Appendix 4* of this report and are planned to be purchased using Capital Improvement Program funding (CIP) in FY 2021. This practice is discontinued for FY 2022 and beyond due to debt affordability concerns and the estimated useful life of the equipment.

Capital Improvement Program (CIP) – Materials Recycling Facility (#5.54.0020)

FY 2022 Funding Source: Revenue Bonds – 100.0%

Councilmanic: District 6

Project Class/Status: Rehabilitation/Under Construction

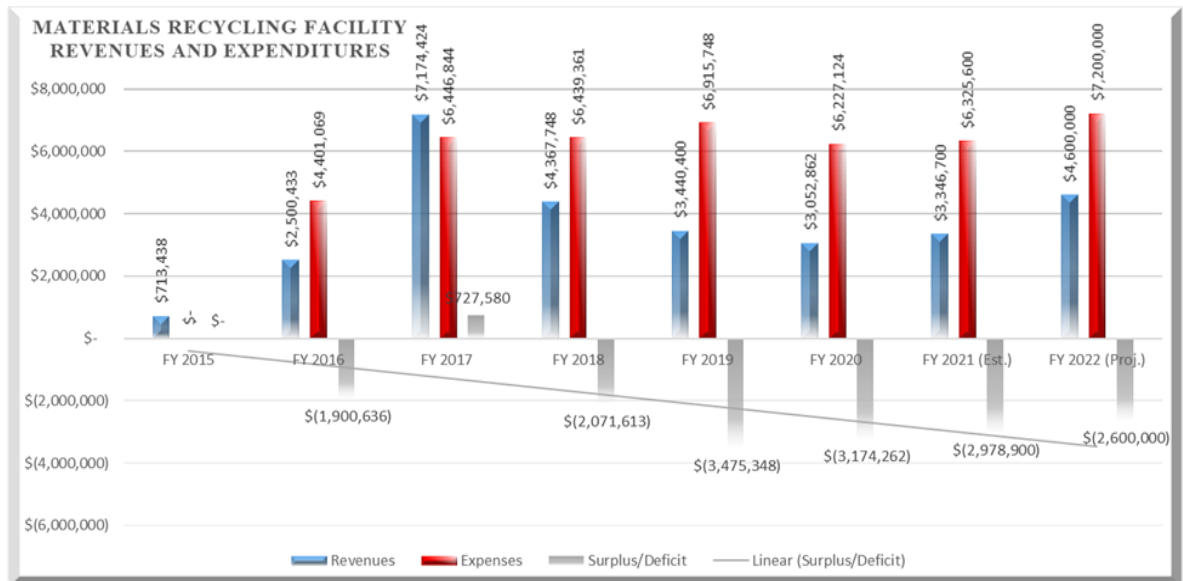
This project includes the completion of a plastic's optical sorter, commercial truck weighing scale, glass removal equipment, paving of facility parking lot and operational inbound and outbound road, roof repair and tipping floor repairs. The installation of the sorter will provide increased commodities revenue for plastics and ensure accurate weights for manifests and tipping fees.

- ✚ For the Materials Recycling Facility, the FY 2022 funding includes tip floor concrete work, roof repairs and the purchase of in-feed equipment.

✚ The Department is reporting the following:

MATERIALS RECYCLING FACILITY	Equipment upgrades/replacements	Bollegraaf Infeed
MATERIALS RECYCLING FACILITY	Optical Sorter	Installation of optical sorting equipment to increase value of recycling revenue by \$1.475M annually (per the Resource Recovery Master Plan Draft document by MES). Currently done by 3rd party after sold at lower costs due to separation being needed.
MATERIALS RECYCLING FACILITY	Paving	Repaving of parking lots and access roads
MATERIALS RECYCLING FACILITY	Roof Repair	Additional roof repairs needed
MATERIALS RECYCLING FACILITY	Scale Replacement	MRF Scale house scales in need of replacement
MATERIALS RECYCLING FACILITY	Upgrades and repairs	Concrete Replacement on Tipping Floor, Insulation in Processing Area, A/C replacement, Sprinkler pipe replacement (production floor)

✚ The Department is projecting that expenses will exceed revenues for operations and maintenance of the MRF facility in FY 2022 by \$2.6 million. Net losses since the contractor Maryland Environment Services (MES) took over the facility in FY 2016 are approximately \$15.5 million (inclusive of estimated FY 2021 and projected FY 2022 losses). In FY 2015, all expenses were paid by the contractor. *See chart below.*



▪ The Department is reporting the following related to the MRF operations:

- ✚ The COVID-19 pandemic has not had a significant impact on MRF revenues.
- ✚ Between January 2020 and December 2020, India did not buy any paper from the U.S. which resulted in a flood of the domestic markets that lowered prices for the County’s commodities. Recently India has begun to purchase paper again, resulting in a spike in the paper pricing. The County’s commodities markets were not affected by any tariffs.
- ✚ A new system upgrade (Optical Sorter, \$5,772,000) will be installed in order to process plastics to make a more marketable commodity such as PET plastics, natural plastics, colored plastics and polypropylene.

- ✚ The Plastics Optical Sorter for the Materials Recycling Facility (MRF) has been designed and is in the process of being shipped. Installation will be completed by December 2021.
- ✚ RRD is making an application for a grant related to recycling plastics and new sorting equipment. If successful, the grant money will be utilized toward the Plastics Optical Sorter, thus reducing the County's overall cost for the equipment.
- ✚ Additional equipment is being purchased to save in the transportation cost associated with the transportation of glass to the landfill, or to any future glass recycling plant.
- ✚ Site improvements (\$1.48 million) are being made to the tipping floor, roadways, parking lot and roofing.
- ✚ Behavioral changes are needed so that residents can properly dispose of items that are currently being recycled that should not be, with plastic utensils, polystyrene/Styrofoam (#6 plastic), and Windowpanes being the most problematic. See the Department's *First Round Response Q.47a-b, pages 27-28* for additional items residents are recycling that they should not be, and what is being done to help change resident's behavior.

Capital Improvement Program (CIP) – Sandy Hill Sanitary Landfill (#5.54.0003)

FY 2022 Funding Source: Revenue Bonds – 100.0%

Councilmanic: District 4

Project Class/Status: Addition/Ongoing

This project provides funding for construction infrastructure work at Sandy Hill Landfill required by the Maryland Department of the Environment (MDE) 2011 Consent Order and other necessary projects associated with earthen and geosynthetic cap repairs, replacement of nonperforming gas wells and extraction components, groundwater cut off wall, repair of the leachate conveyance system, and stormwater structures.

- ✚ In FY 2022, proposed Sandy Hill Sanitary Landfill funding support slope and perimeter cap repairs, groundwater management and design needs for post-closure care.
- ✚ Prior year funding along with FY 2022 funding support north and west slope and perimeter cap repairs and groundwater management. This also includes design needs for post-closure care to include replacement of several landfill gas and groundwater monitoring wells.

Sandy Hill Sanitary Landfill	West Perimeter Slope North Perimeter Slope East Perimeter Groundwater Cut-off Wall	Various Cap Repairs Groundwater Management Pond Upgrades
Sandy Hill Sanitary Landfill	West Perimeter Slope	Cap Repair
Sandy Hill Sanitary Landfill	North Perimeter Slope	Interim earthen cap repair
Sandy Hill Sanitary Landfill	East Perimeter Groundwater	Leachate and Groundwater
Sandy Hill Sanitary Landfill	Cut-Off Wall	Management

▪ **Equipment (Sandy Hill Landfill)**

- ✚ Approved FY 2021 funding of \$684,957 for equipment at the Sandy Hill Landfill is depicted in *Appendix 4* of this report and are planned to be purchased using Capital Improvement Program funding (CIP) in FY 2021. This practice is discontinued for FY 2022 and beyond due to debt affordability concerns and the estimated useful life of the equipment.

Capital Improvement Program (CIP) – Organics Composting Facility (#3.54.0001)

FY 2022 Funding Source: Revenue Bonds – 100.0%

Councilmanic: District 7

Project Class/Status: New Construction/Ongoing

This project includes 3,000 organics residential collection carts and facility needs, which improves the combined yard trim and food scrap curbside collection program. Funding will procure equipment that will facilitate effective materials processing. This project also includes stormwater management pond reconstruction.

- ✚ FY 2021 'Other' funding was transferred from the Blight Eradication Program and supports the purchase of organics carts for the residential curbside food scrap collection composting program.
- ✚ FY 2022 funding supports the reconstruction of a stormwater management pond per Soil Conservation District requirements.
- ✚ The Department is reporting the following:

ORGANICS COMPOSTING FACILITY	Equipment Needs	Large equipment needs to handle material received at the facility.
ORGANICS COMPOSTING FACILITY	Pond Repair	New \$3.15 million Pond Repair initiative required by Soil Conservation District. Possible additional improvements to meet state regulations, i.e. clay liner
ORGANICS COMPOSTING FACILITY	Food waste Receiving/Tipping building	Building to receive incoming food waste, eliminate vultures and varmints and biofilters to eliminate odors.
ORGANICS COMPOSTING FACILITY	Countywide Organics Carts	Rollout of the Countywide Organics Carts program for Food Composting. Transfer of funding from old Blight Eradication

Expansion of Food Composting

- ✚ DOE piloted food scrap composting in 2013, with proven success. A successful 2017, Environmental Protection Agency (EPA) grant funded, expansion of the food scrap composting project allowed for approximately 200 households from Capitol Heights, Fort Washington and Laurel to participate in a yearlong curbside food scrap pilot and other compostable materials and have them disposed at the Prince George's Organics Composting Facility (PGCOCF).
- ✚ This fiscal year Prince George's County plans to offer the curbside food scrap/organics collection program to approximately 10,000 additional households in the Suitland, District Heights, Upper Marlboro, Beltsville and Laurel service areas in hope to gain 3,000 new residential participants. It is anticipated that collections will begin in June 2021.
- ✚ A second roll out is planned by the end of the fiscal year with expansion county wide in Fiscal Year 2022.

Litter Cleanup and Illegal Dumping

- **The Environmental Crimes Team (ECT)** was created by DOE, and the governing policy was approved by the Executive Branch Administration.
 - ✚ The Team is made up of six (6) employees representing DOE, the Police Department, DPIE, DPW&T and State's Attorney Office.

- ✚ Seven (7) cameras are in use. The Police Department has issued six (6) citations - three (3) in FY 2020 and three (3) in FY 2021 YTD.
 - ✚ The Police Department is operating at capacity regarding operation and management of the illegal dumping surveillance services. While additional cameras for surveillance of sites experiencing repetitive dumping are needed, the Police Department lacks the manpower for installation, monitoring and maintaining such cameras.
 - ✚ To complement the Police Department's current camera surveillance services, DOE is pursuing vendor services for the camera purchase and remote monitoring of illegal dumping hotspots.
 - ✚ The per site cost for a camera-surveillance service package is approximately \$15,000.
- DOE has acquired 33 solar trash/recycling compactors (\$249,298) and plans to acquire 16 compactors (\$133,400) in FY 2022. To date, 27 Big Belly dual solar trash/recycling stations have been installed, and six (6) stations are in storage. Stations are funded via the Stormwater Management Fund. Please see the Departments *First Round Response Q.52* for a list of existing locations of installed stations and areas identified as potential for installation of new stations.
 - **Ten (10) Year Solid Waste Management Plan.** The 2020-2029 Ten Year Solid Waste Management Plan (TYSWMP) was adopted by the Prince George's County Council on October 27, 2020 and subsequently approved by the Maryland Department of the Environment (MDE) on January 13, 2021. Compared with the 2017-2026 TYSWMP, it highlights/presents the following:
 - ✚ Key legislations banning polystyrene in food packaging and single-use plastic straws
 - ✚ Mandatory recycling for businesses
 - ✚ Expansion of the County's organic composting facility and the residential curbside food waste collection in 2021
 - ✚ Expansion of the County Office Recycling Program (CORP) to include privately-owned offices per Maryland Senate Bill 370 (Office Building Recycling)
 - ✚ Proposed development of a Resource Recovery Park
 - ✚ Innovative Area C in-fill development which extends the life of the Brown Station Road Sanitary Landfill (BSRSL) without expanding its footprint
 - ✚ Purchase of optical sorters for the MRF to increase the value of recovered plastic materials
 - ✚ Updated zoning requirements for recycling plant, community (in-vessel) composting and concrete recycling facility
 - ✚ Updated annual waste generation projections
 - ✚ Updated litter prevention programs
 - ✚ Stakeholder engagement matrix
 - Year-to-date in FY 2021 (as of March 2021), the RRD received 21,502 Service Requests (SR) via 3-1-1 (CSR Motorola System). Of these SR's, the common issues were for missed pickups and cart/container delivery.

Information Technology (Solid Waste)

- Information Technology funding is proposed in FY 2022 for:
 - ✚ the replacement of two-way radios (quantity 2) for aging equipment currently in use at the BSRSL campus at a cost of \$3,000.
 - ✚ iPads for RRD's Recycling inspectors who currently conduct field inspections using a small fleet of out-of-warranty and consistently failing Surface Pro tablets at a cost of \$7,000.

Budget Comparison - Stormwater Management Enterprise Fund (Stormwater)

The Department of the Environment’s Storm Water Management Division (SMD) and Sustainability Division (SD) carry out **Municipal Separate Storm Sewer System (MS4)** permit water quality regulations.

SMD focuses on flood mitigation through planning, design, construction, permitting of remedial flood and drainage improvement projects.

SD focuses on sustainable services and with the *MS4* and *Watershed Implementation Plan (WIP)* requirements facing the County by providing research, outreach, and tracking of sustainability efforts for the agency.

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022 (Stormwater)

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	FY 2022 Proposed	\$ Change	% Change
Compensation	\$ 4,476,834	\$ 5,739,200	\$ 5,620,000	\$ 5,675,500	\$ (63,700)	-1.1%
Fringe Benefits	2,952,023	3,059,000	3,029,000	2,996,700	(62,300)	-2.0%
Operating Expenses	41,155,935	60,425,900	59,656,300	62,216,700	1,790,800	3.0%
Capital Outlay	-	-	-	126,200	126,200	n/a
Sub-Total	\$ 48,584,792	\$ 69,224,100	\$ 68,305,300	\$ 71,015,100	\$ 1,791,000	2.6%
Recoveries	(1,724,000)	(3,049,500)	(3,049,000)	(3,623,000)	(573,500)	18.8%
Total	\$ 46,860,792	\$ 66,174,600	\$ 65,256,300	\$ 67,392,100	\$ 1,217,500	1.8%

Authorized Staffing Count

	FY 2021 Approved	FY 2022 Proposed	Change Amount	Percentage Change
Full-Time	61	61	0	0.0%
Total	61	61	0	0.0%

Staffing, Compensation and Employee Safety (Stormwater)

- The proposed FY 2022 compensation total of approximately \$5.7 million, includes funds for 61 full-time positions, with the staffing level remaining unchanged from the FY 2021 Approved Budget level.
- In FY 2022, compensation expenditures decreased by \$63,700, or 1.1%, under the FY 2021 Approved Budget, due to additional attrition and salary lapse.
- As of February 25, 2021, the Department expects to have a total of 11 vacancies in FY 2022 and the Proposed FY 2022 budget includes funding for all of these positions. A listing of the vacant positions is shown on *Attachments 1 and 2* of the Department’s response to *First Round Budget Review Q.2 & Q.9*.
- The mission critical jobs for Storm Water is Engineers. Going forward, the agency does not foresee salary as a major factor with hiring. However, growth opportunities may still be a factor in keeping lower level Engineers.
- For the Sustainability Division, engineers and planners are the projected hires for mission critical jobs in FY 2021- FY 2024 under the Storm Water Fund. Encountered issues in hiring of engineers largely related to finding professionals with the necessary skill set and experience to manage County programs as well as lead and perform flood studies.

- The Department reported that its current rate of attrition is 4% in FY 2021 YTD, and cites the key factors contributing to the current attrition level are retirement, career mobility/growth. Due to the crucial need for dedicated staff support for development of the County's Climate Action Plan, Sustainability Division procured consultant services to perform the duties of the vacated position.
- The Department is projecting to incur \$6,000 in overtime costs in FY 2021 which was incurred to work on the NPDES/MS4 Permit annual report and to conduct virtual community meetings.
- In FY 2021, the Department has one (1) Stormwater funded position, an Engineering Technician IV, who coordinates various projects/programs that has been assigned to the Department of Public Works and Transportation (DPW&T) since 2008, which is expected to continue in FY 2022.
- As it relates to staffing in response to the COVID-19 pandemic:
Stormwater Management Division (SMD):
 - ✚ Employee availability has not been significantly impacted or reduced operationally.
 - ✚ At the onset of the pandemic staff identifying as high risk were typically already participating with telework operations thereby reducing their risk for exposure.
 - ✚ Staff has followed County guidance on implementing telework protocols since March 2020.
 - ✚ Identified and is operating within social media platforms conducting virtual meetings and communications. To date, the operation has proven effective to sustain communications and operations with consultants, vendors, contractors and all stakeholders (public and private).
 - ✚ Staff whose duties brought them into continued potential for public contact (i.e. field staff performing inspections) followed established guidance on social distancing and provided Personal Protective Equipment (PPE) to promote employee health and safety.
 - ✚ Has not experienced significant delays or budget impacts due to COVID-19. However, limitations of public gatherings impacted site meetings with the stakeholders. There were a few minor delays in construction projects due to crew resources and construction impacts.
 - ✚ Has not experienced significant impacts with recruitment or retention as a result of the COVID pandemic. SMD transitioned protocols and has successfully conducted several virtual interviews through appropriate social media platforms. Retention has not demonstrated influences due to COVID pandemic.

Sustainability Division (SD):

- ✚ The pandemic hasn't negatively impacted employee availability. MS Teams, Zoom and One Drive have enabled staff to meet, call and share documents with ease throughout the workday.
- ✚ 85% of staff have been in telework mode since the start of the pandemic, the remaining 15% are engineers who perform drainage investigations and have continued to work in the field.
- ✚ Measures were taken to ensure the safety of personnel who perform drainage investigations. The agency provides drainage investigators with PPE. Investigators practice social distancing and refrain from entering homes when conducting field visits.
- ✚ SD telework and field investigations are working well for staff. However, the pandemic has presented challenges for staff who are responsible for community engagement and support programs. Due to limitations on in-person events, Comprehensive Cleanup, Arbor Day Every Day, Storm Water Audit and environmental education programs continue to be on-hold until such time that COVID-19 restrictions on gatherings are lifted.
- ✚ Two (2) engineers, one (1) Administrative Specialist and one (1) Administrative Aide were recruited during the pandemic. One (1) Planner and one (1) Administrative Aide have resigned.

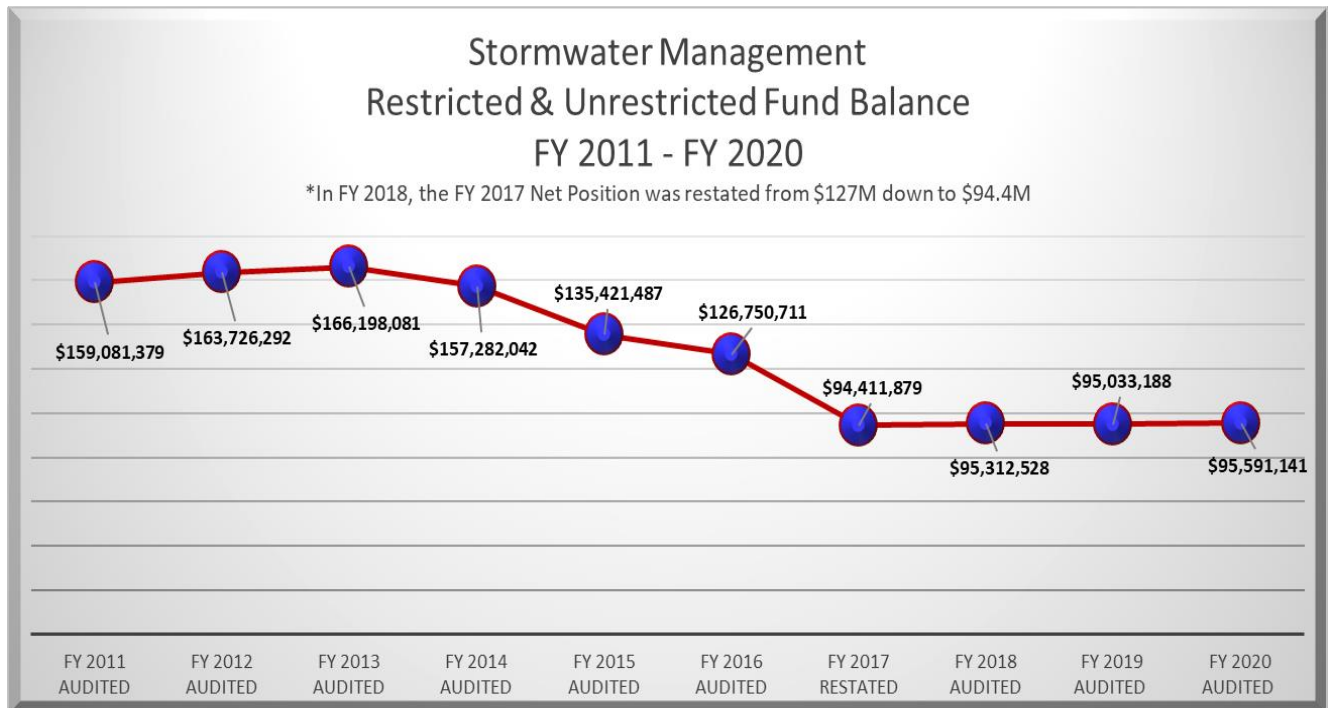
Fringe Benefits (Stormwater)

- FY 2022 Fringe Benefits are proposed at approximately \$3.0 million, a decrease of \$62,300, or 2.0%, under the FY 2021 Approved Budget level, to reflect anticipated costs. The fringe benefit expenditures include \$1.1 million for other postemployment benefits (OPEB) costs.
- A five-year trend analysis of fringe benefit expenditures is included below:

Fringe Benefits Historical Trend (Stormwater - EF5100)					
	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Approved	FY 2022 Proposed
Fringe Benefits Expenditures	\$ 3,307,089	\$ 2,495,231	\$ 2,952,023	\$ 3,059,000	\$ 2,996,700
As a % of Compensation	68.8%	51.5%	60.1%	62.3%	51.2%
Annual % Change	-29.5%	-24.5%	18%	4%	1.5%

Fund Balance (Stormwater)

- The overall net position of the Stormwater Management Enterprise Fund (which includes both **restricted and unrestricted** assets) has dropped by approximately \$63.5 million since FY 2011, to approximately \$95.6 million at the end of FY 2020. Since FY 2011, the largest year over year decrease was seen from FY 2016 – FY 2017, with a \$32.3 million decrease (as restated in FY 2018). Since FY 2017 the fund balance has remained relatively stable. *See chart below.*

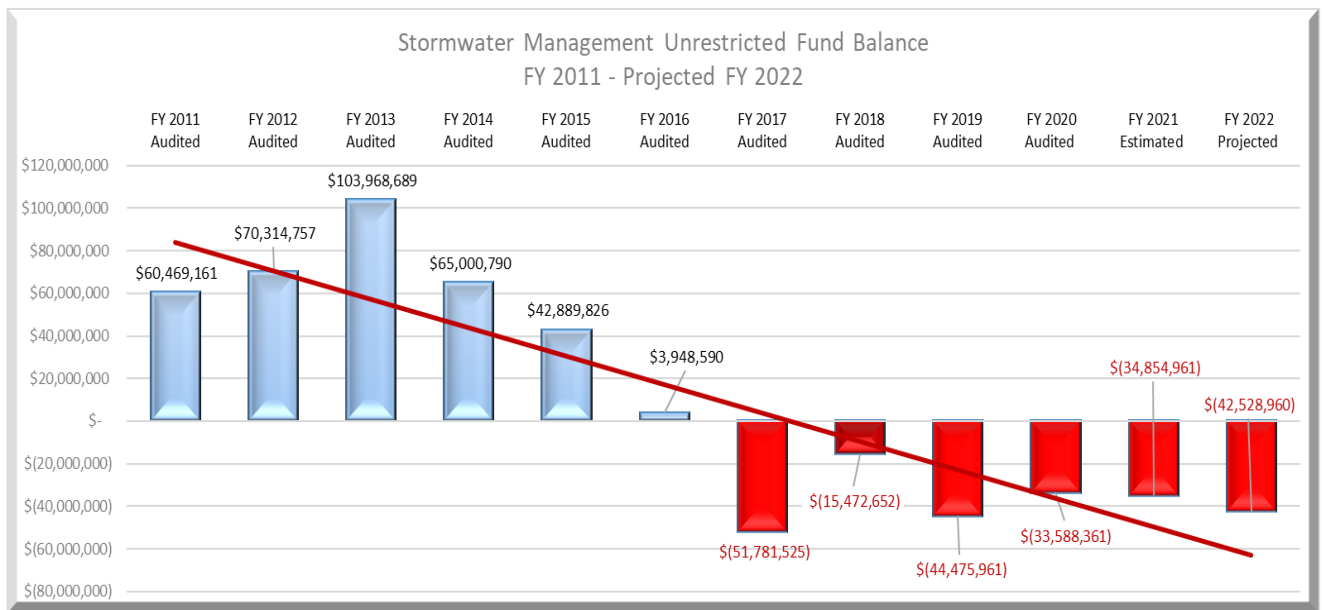


Source: Prior Years CAFRs

- The FY 2018 audited Financial Statements indicated that an accounting change resulted in the restatement of the County’s Fiscal Year 2017 government-wide and proprietary fund financial statements with respect to the reporting of Other Post-Employment Benefits (OPEB). As a result of the restatement in FY 2018, there is a prior period adjustment of approximately \$32.6 million to the fund balance for the Stormwater Fund, resulting

in the Restated Net Position as of June 30, 2017 to be approximately \$94.4 million, instead of the previously reported approximately \$127 million.

- According to the financial statements for FY 2020, the **unrestricted** fund balance deficit for the Stormwater Enterprise Fund is approximately \$33.6 million. OMB is estimating the FY 2021 estimated **unrestricted** fund balance deficit is approximately \$34.9 million. The proposed ending **unrestricted** fund balance deficit is projected to be approximately \$42.5 million in FY 2022. *See chart below.*
- Since FY 2011 the funds unrestricted balance has decreased by approximately \$99M when compared to the FY 2022 projected deficit from approximately \$60.5 million to approximately (\$38.5M).



- The change in the Stormwater Enterprise Fund in FY 2020 reflects the \$10.6M change in the net investments in capital assets. In FY 2019, the Stormwater Enterprise Fund received funding from General Obligation Bonds in the amount of \$65.4M for capital improvements. This impacted the Unrestricted Fund balance with a negative balance of (\$44.5M) as opposed to (\$15.4M) down from FY 2018 by \$29.1M.
- The Administration is currently in discussions around needed fee increases and have begun to address increases in expenditures and stormwater mandates as potential measures to address any structural deficits. Debt service and Interagency Charges continue to be the largest contributors to the expenditures under this Fund.
- The proposed FY 2022 budget includes the use of approximately \$23.7 million in fund balance, or approximately \$2.7 million, or 13% increase, over the FY 2021 approved amount, to cover anticipated expenditures.
- In FY 2022, the Department is proposing the transfer of approximately \$3.6 million of Water Quality funds to the Stormwater fund to cover expenditures.

Revenues (Stormwater)

- In FY 2022, the proposed revenue sources for the Stormwater fund are increasing to approximately \$60.1 million, which is approximately \$2.0 million, or 3.4%, over the current year’s level, excluding the use of fund balance and the transfer of funds from the Water Quality Fund. Please see *Appendix 2* of this report which provides a breakdown of the Fund’s revenues.
- Excluding the use of fund balance and transfers from the Water Quality Fund, the Fund’s proposed revenues in FY 2022 are expected to increase in ten (10) categories and decrease in four (4) categories. In FY 2022, the largest projected increases in revenues are anticipated for Property Taxes (~\$1.6M), Permits (\$249K), and Stormwater Fee-in-Lieu (\$228,200).
- In FY 2022, the largest projected decreases in revenues is anticipated for Grading Permits (\$353,500), Tree Preservation (\$134,600), and Cell Towers (\$25,000).

Operating Expenses (Stormwater)

- In FY 2022, Stormwater Management operating expenses (*see table on the following page*) are proposed at approximately \$62.2 million, and are composed of the following major items:

✚ Interagency Charges	\$ 23.0 million
✚ Principle	16.0 million
✚ Interest	11.8 million
✚ General & Administrative Contracts	5.6 million
✚ Depreciation	4.5 million

- Overall, FY 2022 operating expenses are increasing approximately \$1.8 million, or 3.0%, over the FY 2021 Approved Level, primarily due to increases in principal and interest payments in accordance with amortization schedules for prior year Stormwater Bond debt and increases in contractual service costs.
- The *table on the following page* compares the FY 2022 Proposed Budget operating expenditures with the FY 2021 Approved Budget. In seven (7) of the categories, the FY 2022 Proposed Budget increases planned spending from the FY 2021 Approved Budget. FY 2022 proposed expenditures decrease in four (4) categories and remain unchanged for five (5) categories. Two (2) categories are presented for historical reference only.
- The most significant dollar reductions between the FY 2022 Proposed Budget and the FY 2021 Approved Budget are: Interagency Charges (\$368,400 reduction), and General Office Supplies (\$20K reduction) due to alignment to anticipated spending.

Stormwater Fund Operating Objects	FY 2020 Actual	FY 2021 Approved	FY 2022 Proposed	FY 2021 - FY 2022	
				\$ Change	% Change
Principle	-	14,541,600	15,984,500	1,442,900	9.9%
Interest	10,611,986	11,384,800	11,836,100	451,300	4.0%
Grant/Contributions	-	250,000	400,000	150,000	60.0%
Office Automation	520,004	438,200	559,700	121,500	27.7%
Membership Fees	118,097	117,900	128,500	10,600	9.0%
General & Administrative Contracts	4,127,187	5,639,100	5,649,700	10,600	0.2%
Telephone	40,576	45,200	46,200	1,000	2.2%
Advertising	198	1,000	1,000	-	0.0%
Mileage Reimbursement	74	200	200	-	0.0%
Operating Contracts	5,261	-	-	-	N/A
Office and Operating Equipment Non-Capital	3,010	-	-	-	N/A
Vehicle Equipment Repair/Maintenance	42,867	40,900	40,900	-	0.0%
Equipment Lease	6,175	13,000	13,000	-	0.0%
Depreciation	4,148,223	4,460,000	4,460,000	-	0.0%
Printing	556	8,000	4,000	(4,000)	-50.0%
Training	8,166	22,700	18,000	(4,700)	-20.7%
General Office Supplies	15,892	50,000	30,000	(20,000)	-40.0%
Interagency Charges	21,507,663	23,413,300	23,044,900	(368,400)	-1.6%
TOTAL	\$ 41,155,935	\$ 60,425,900	\$ 62,216,700	\$ 1,790,800	3.0%

Source: Stormwater - FY 2022 First Round Budget Response Q.18

- **Capital Outlay (Stormwater)** Funding of \$126,200 is proposed in FY 2022 for 16 Big Belly double trash stations and installation of 6 double stations remaining from previous purchase.
- **Recoveries (Stormwater)** Recoveries increase 18.8% over the FY 2021 budget, to approximately \$3.6 million, due to an increase in recoverable expenses from Stormwater Bond funded capital projects and for expenses related to tree preservation activities.

Highlights (Stormwater)

Stormwater Management Division (SMD) and Sustainability Division (SD)

- The Department is reporting the following impact due to the COVID 19 pandemic on its operations:
 - ✚ SMD & SD - Identified and is operating within social media platforms conducting virtual meetings and communications. To date, the operation has proven effective to sustain communications and operations with consultants, vendors, contractors and all stakeholders (public and private).
 - ✚ SMD - Has not experienced significant delays or budget impacts due to Covid-19. However, limitations of public gatherings impacted site meetings with the stakeholders.
 - ✚ SMD - In response to telework operations and social distance guidelines, SMD was forced to curtail some of the regulatory inspection services such as Stormwater Pollution Prevention Plan (SWPPP) inspection, some private BMP inspections and Raincheck Rebate property inspections. Through the year some of the inspections have been conducted through innovative practices (virtually) and conducting inspections without multiple personnel. Anticipated to recover schedules in FY 2022.
 - ✚ SMD - There were a few minor delays in construction projects due to crew resources and construction impacts.
 - ✚ SD - No impact to operating hours. Teleworking and field staff continue their normal work hours. Staff has not participated in large in-person meetings since the start of the pandemic. Field visits

are limited to 10 or fewer participants. Project coordination meetings have transitioned from in-person sessions to remote sessions.

- ✚ SD - In-person community centric programs have either been postponed or significantly reduced. The Division's Comprehensive Community Cleanup Program requires staff to meet onsite with community leaders to identify areas requiring County maintenance services and to coordinate deployment of services; this program has been postponed.
- ✚ SD - The Division's Arbor Day Every Day and Tree Demonstration Programs engage students, faculty and community groups in hands-on tree planting projects; due to closing of schools and restrictions on in-person gatherings, these programs have been significantly reduced. Two school plantings for approximately 19 trees were completed in FY 2020 and grant recipients have planted approximately 350 trees to date in FY 2021.
- ✚ SD - Minimal impact on the Division's drainage improvement projects. For the Municipal Storm Drain Acceptance Program (MSDAP), staff continues to conduct site visits to assess condition of stormwater infrastructure, identify maintenance and reconstruction needs, and define extent of system improvements. Staff has transitioned from in-person coordination meetings to video conferences which has introduced minor changes with respect to document sharing and presentation of materials.
- ✚ SD - Has posed a significant challenge regarding community engagement. Community participation in litter reduction, water quality improvement and climate protection activities are an essential building block for behavior change. Staff continues to perform outreach via video-conferencing. However, in-person presence tends to foster stronger connections with residents.
- ✚ SD - Has changed how the Division does business with many of the changes reducing costs such as training and printing services.

- Stormwater Division: Increased mandates from Federal and State Regulations (NPDES/MS4 permit and the WIP III), continue to drive programs and operations within SMD. The County was issued its 4th generation NPDES/MS4 permit from MDE effective January 2, 2014 through January 2, 2019. The permit has been in Administrative Extension since.
- Compliance with the County's NPDES MS4 permit continues to be a major factor contributing to the SMD's workload and performance in FY 2021. The County is mandated to improve water quality conditions through certain corrective measures and conduct of programs as outlined in the permit. Presently the County is negotiating performance-based consent order for non-compliance with MDE. The consent order is anticipated to require the County to satisfy all conditions of the consent order by December 31, 2024, to include completion of 6,105 impervious surface acres, in addition to other performance metrics.
- As of June 30, 2020, the County has treated 2,764.96 impervious acres, or 45%, of the targeted 6,105 acres in the current permit term. The Department remains committed to restoration of the full 6,105 acres to the maximum extent practicable as demonstrated by the approval of the Clean Water Partnership (CWP/P3) expanded area option, which provides an additional 2,000 acres of restoration and the continued development of project inventory within the CIP program.
- The CWP vendor is required to develop and implement innovative water quality BMP's, technology, operation and installation methods to generate efficient and systematic production of standard projects. The *table on the following page* provides details on restoration efforts:

As of June 30, 2020	
Restoration Programs	Impervious Acres Credit (acres)
Clean Water Partnership	1,474.4
DoE CIP	503.26
DPWT	11.6
Other BMPs through various Program	79.1
Operational Programs so we use Average for 5.5 years	426.6
WSSC Stream Restoration(projected)	270
Total	2,764.96

- The Agency has experienced the following challenges (in FY 2021) in responding to the Federal and State regulations associated with the NPDES/MS4 permit and WIP III mandates:
 - ✚ SMD - Property owner agreements are required to enable restoration on private property.
 - SMD - Public property availability is limited to existing untreated rights-of-way.

- CR-07-2020 (Climate Action Plan) established the Climate Action Commission to develop a climate action plan for the County. This resolution also designated DOE to chair and provide staff support to the Commission. The SD chairs and provides a programs manager for the Commission, funds and manages technical and administrative support contracts for plan development services.

- SD continues to fund the County Executive's Beautification Initiative which includes anti-litter marketing.

- The Department has provided an accounting for the woodland conservation fee-in-lieu money that is received and how the money has been spent since FY 2015. See the Department's *First Round Response Q.33*. Some pipeline projects are as follows:
 - ✚ In 2021, DoE (in partnership with the City of Hyattsville) will pilot a citizen science phenology program. Residents who receive trees will be asked to report when trees leaf out, bloom, fruit, and lose leaves. Besides providing valuable information on tree conditions and documenting climate change, the program will foster better tree care and inspire more planting projects throughout Hyattsville and nearby communities.
 - ✚ In FY 2022, DOE plans to pilot "Big ReLEAF," which will focus on large-scale plantings. The program's goal is reforestation and afforestation projects measured in acres versus by units planted. Land acquisition for potential planting sites will also be evaluated as part of this effort. In an ongoing commitment to prepare for climate changes, DOE has initiated a list of long-lived, high-ecological value, climate-resilient trees. The goal is to encourage communities to plant trees today that will be able to survive changing conditions throughout the tree's lifespan.
 - ✚ DOE is continuing to develop the Tree App and database to track the long-term survivability and health of trees planted through Tree ReLEAF and Arbor Day Every Day. This project will lead to increased program efficiencies. The Department is currently exploring with M-NCPPC how the Tree App could be integrated with other tree plantings within the County to support long tree canopy goals.

Budget Comparison - Local Watershed Protection & Restoration Fund (Water Quality)

Effective July 1, 2013, the County established a Watershed Protection and Restoration (WPR) Program, in accordance with the provisions of House Bill (HB) 987. Through the establishment of a storm water remediation fee, the County will be able to meet its long term regulatory WIP II and NPDES State and federal mandates for water quality improvement through restoration. Also known as the Water Quality Fund, supports the requirements to meet federal mandates for impervious area restoration through retrofit, stormwater controls and mandated rebate programs intended to improve water quality in the Chesapeake Bay.

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022 (Water Quality)

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	FY 2022 Proposed	\$ Change	% Change
Compensation	\$ 923,683	\$ 1,102,900	\$ 981,700	\$ 1,020,400	\$ (82,500)	-7.5%
Fringe Benefits	250,992	329,800	293,600	306,100	(23,700)	-7.2%
Operating Expenses	12,362,059	15,853,100	14,864,500	19,889,100	4,036,000	25.5%
Total	\$ 13,536,734	\$ 17,285,800	\$ 16,139,800	\$ 21,215,600	3,929,800	22.7%

The Water Quality Enterprise Fund’s proposed FY 2022 revenues and expenditures, as compared to the approved FY 2021 revenues and expenditures, are shown in more detail in *Appendix 3, immediately following the end of this report.*

Staffing, Compensation and Employee Safety (Water Quality)

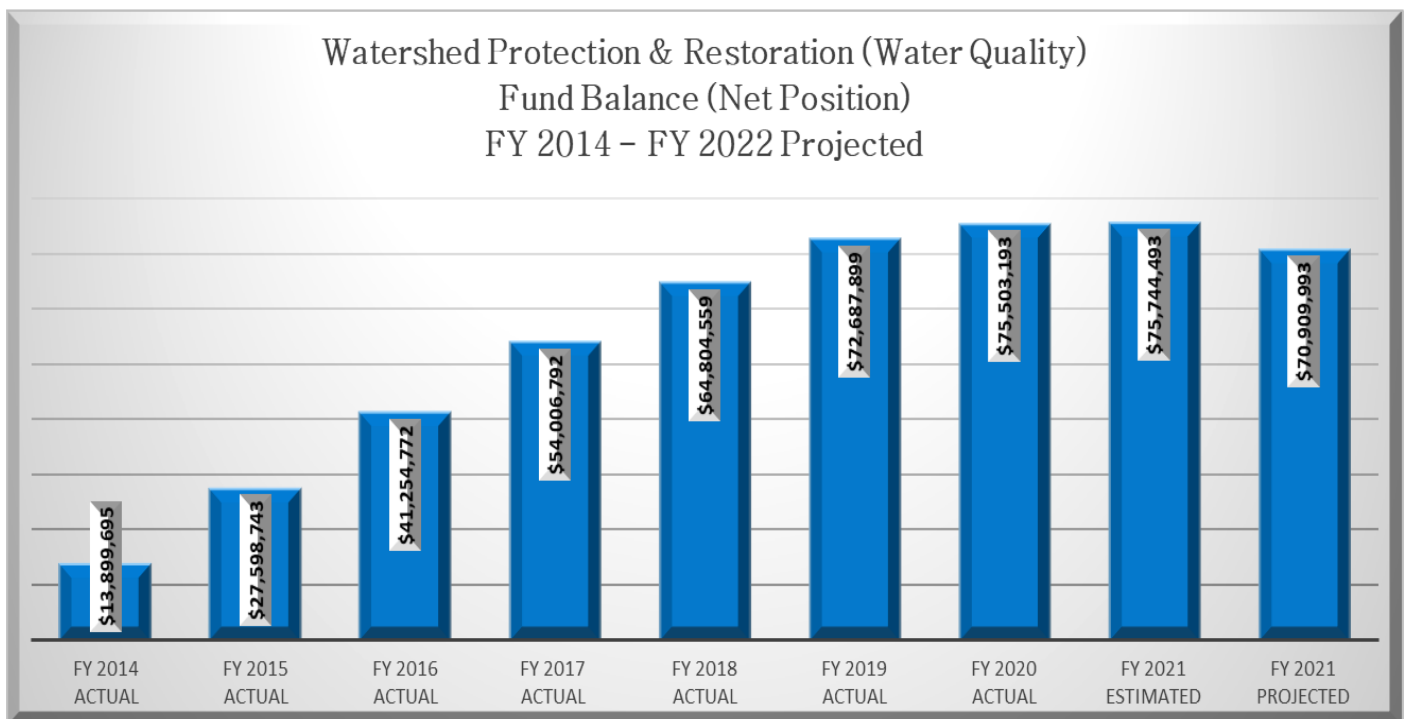
- The proposed FY 2022 compensation totals approximately \$1.0 million, a decrease of \$82,500, or 7.5%, under the FY 2021 approved budget amount, primarily due to salary lapse. The funding level provided is for ten (10) full-time positions and remains unchanged from the FY 2021 approved budget level.
- In FY 2022, the Department anticipates two (2) funded vacancy for an Engineer III and Information Tech Coordinator 3G position, which it anticipates filling in FY 2022.
- FY 2021 overtime of \$972 was incurred in order for staff to work on the National Pollutant Discharge Elimination System/ Municipal Separate Storm Sewer System (NPDES/MS4) Permit annual report.
- In response to the COVID 19 pandemic Water Quality staff:
 - ✚ followed County guidance on implementing telework protocols since March 2020.
 - ✚ that was required to come into the office or have interactions with others were required to adhere to social distancing guidelines and utilize PPE to support and promote employee health and safety.
 - ✚ identified and is operating within social media platforms conducting virtual meetings and communications. To date the operation has proven effective to sustain communications and operations with consultants, vendors, contractors and all stakeholders (public and private Water Quality has vigorously implemented and followed social distancing guidelines and PPE to support and promote employee health and safety).
 - ✚ There have been no significant impacts with recruitment or retention on positions in the Water Quality Fund.

Fringe Benefits (Water Quality)

- FY 2022 Fringe Benefits are proposed at \$306,100, which represents a decrease of \$23,700, or 7.2%, under the FY 2021 Approved Level due to a decrease in compensation.

Fund Balance (Water Quality)

- The Water Quality fund balance is estimated to be approximately \$75.7 million by the end of FY 2021 and is projected to be approximately \$70.9 million at the end of FY 2022. According to the FY 2020 audited financial statements, approximately \$82.2 million of the FY 2020 fund balance is designated for investment in capital assets, and the unrestricted fund balance was a deficit of approximately \$6.7 million. *See chart below.*
- In FY 2022, there is a proposed transfer of approximately \$3.6 million to the Stormwater Management Fund.



Source: CAFRs & First Round Response Q.32

Revenues and Use of Fund Balance (Water Quality)

- Clean Water Act Fees – Consist of an assessed fee for all properties within the County. Property parcels are subject to an annual administrative flat fee of \$20.58. Impact fees are based on \$20.90/ESU; 1 ESU = 2,465 square feet of impervious.
- While there were no changes in taxes/fees which took place in FY 2021. The Department is reporting that there are discussions currently underway regarding revenue changes as part of a long-range analysis of expenditures in the Water Quality Fund.
- The Department is reporting that for operations during FY 2021, the COVID-19 pandemic has not had a significant impact on Water Quality Fund revenues and FY 2021 revenues are estimated to be approximately \$16.4 million; which is in-line with FY 2020 actual revenues of approximately \$16.4 million.

- The proposed FY 2022 revenues for the Clean Water Act Fund are increasing by approximately \$3.9 million, or 22.7%, over the FY 2021 Approved Budget levels to approximately \$21.2 million, primarily due to the use of fund balance. See table attached to Appendix 3 of this report.
- In FY 2021, the Department does not anticipate utilizing the approved budgeted amount of approximately \$1.7 million of fund balance to cover expenses. The Department is proposing the use of approximately \$4.8 million in fund balance to cover expenses in FY 2022. Interest income in FY 2022 is proposed to increase to approximately \$1.7 million, or \$735,800 more than the Approved FY 2021 level.

Operating Expenses (Water Quality)

- In the Water Quality Fund, FY 2021 expenditures have not been significantly impacted by the COVID-19 pandemic. Estimated expenses are below the FY 2021 Approved budget primarily due to: (1) lower-than-anticipated employee compensation and fringe benefit expenditures (not-COVID-related); and (2) lower-than-anticipated debt service payments in Principal & Interest. FY 2022 expenditure increases are primarily driven by: (1) increasing debt service expenditures, and (2) increased operations, maintenance, and Social & Economic Program contracted expenses with Corvias under the Clean Water Partnership.
- In FY 2022, Water Quality operating expenses are proposed at approximately \$19.9 million, and are comprised of the following major items: Operating Contracts (approximately \$9.3 million), Principal & Interest (approximately \$6.5 million), and Transfers Out (approximately \$3.6 million).
- Overall, FY 2022 operating expenses are increasing by approximately \$4.0 million, or 25.5%, over the FY 2021 approved budgeted level, due to the increase in debt service costs, contracts for consulting and preventive and regular maintenance activities.
- The accompanying *table below* compares the FY 2022 Proposed Budget operating expenditures with the FY 2021 Approved Budget operating expenditures. In two (2) of the categories, the FY 2022 Proposed Budget increases planned spending from the FY 2021 Approved Budget, and proposed expenditures remain unchanged for three (3) categories. One (1) category is presented for historical reference only.

Water Quality Operating Objects	FY 2020 Actual	FY 2021 Approved	FY 2022 Proposed	FY 2021 - FY 2022	
				\$ Change	% Change
Principle/Interest	\$ 122,804	\$ 4,065,100	\$ 6,545,100	2,480,000	61.0%
Operating Contracts	8,230,645	7,700,800	9,256,800	1,556,000	20.2%
General & Administrative Contracts	\$206,275	\$217,500	\$217,500	-	0.0%
Grants & Contributions	174,663	245,000	245,000	-	0.0%
Transfers Out	3,624,500	3,624,700	3,624,700	-	0.0%
Miscellaneous	3,172	-	-	-	N/A
TOTAL	\$ 12,362,059	\$ 15,853,100	\$ 19,889,100	\$ 4,036,000	25.5%

- The most significant dollar increases between the FY 2022 Proposed Budget and the FY 2021 Approved Budget other than Principle/Interest, approximately \$2.5 million increase, is based on the amortization memo and schedule from the Office of Finance and includes paying the Debt Service for the Maryland Water Quality State Revolving Loan Funds (the "SRFs"). The increase in Operating Contracts, of approximately \$1.6 million, is for the contractual increase to the Escrow Agent's Operating Fund, for Operations, Maintenance, and Social & Economic Programs of the Clean Water Partnership.

- The largest operating contracts in FY 2022 are proposed for Zions Bancorporation contracts at approximately \$7.9 million for the following:
 - ✚ Clean Water Partnership (CWP) FY 2022 Master Maintenance Agreement (MMA) Operations and Maintenance (O&M) Program Costs (approximately \$4.1 million)
 - ✚ CWP FY 2022 Master Program Agreement (MPA) Social & Economic Development (SEO) Program Costs (approximately \$3.9 million)

A complete list of operating contracts is included in the response to the *First Round Budget Responses Attachment 4 – Q.18*

Highlights (Water Quality)

- Through the Water Quality and Stormwater Management Funds, the Agency continues to work towards meeting the impervious restoration and pollutant reduction goals of the NPDES/MS4 & WIP III mandates through the combined operations of the conventional CIP Tract and the Clean Water Partnership.
- The Department is reporting the following on Water Quality operations due to COVID-19:
 - Limitations on public gatherings impacted site meetings with the stakeholders and a few minor delays in construction projects due to crew resources and construction impacts.
 - The other budgeted services in the Water Quality Fund have not experienced significant delays or budget impacts.
 - In response to telework operations and social distance guidelines, SMD was forced to curtail some of the regulatory inspection services such as Stormwater Pollution Prevention Plan (SWPPP) inspection, some private Best Management Practice (BMP) inspections and Raincheck Rebate property inspections. However, SMD has been able to advance some of the inspections through innovative practices (virtually) and conducting inspections without multiple personnel and anticipates being able to recover schedules in FY 2022
- The Clean Water Partnership (CWP/P3). The CWP had an initial objective to provide 2,000 acres of impervious area treatment by March 2018. The CWP vendor is required to develop and implement innovative water quality BMP's, technology, operation and installation methods to generate efficient and systematic production of standard projects while simultaneously optimizing the economic benefits to the County's residents by mentoring, developing and hiring local businesses and residents. To date, approximately \$150 million has been awarded to the County's small, local and minority businesses, with 51% of all work performed by County residents.
- On November 14, 2018, the expanded program area for Clean Water Partnership was executed, providing for an additional 2,000 acres during the next three (3) years of stormwater restoration and improving the County's ability to finance this additional work by securing an additional \$65 million in State revolving loan funds with the introduction of an escrow agent method of payment which significantly reduces the amount of time the target class businesses are paid, thus significantly reducing the cost.

- On July 1, 2021 the County will add a second expanded program area that includes 1,475 additional impervious surface acres (ISR) over three years in an amount not to exceed \$128 million. The County is in the process of securing these additional funds from State Revolving Loan Fund (SRF).

Supporting Programs:

Rain Check Program – Includes Rain Check Rebates, Alternative Compliance Program, Stormwater Stewardship Grants to promote water quality retrofit opportunities for private property owners, non-profits or faith-based organizations, individual lots, multifamily properties, and commercial business. This program incentivizes the installation of smaller scale BMPs, educational outreach programs and good housekeeping practices targeted at achieving water quality benefits. DOE includes these program results with the annual accounting to MDE of impervious area treatments. See the *table below* for approved rebate and impervious area treated since inception.

Approved Rebates and Impervious Area Treated (Since Inception, as of 2/25/2021)							
BMP Type	Number of Applications Approved	Actual Number BMPs Installed	Impervious Area Treated (square feet)	Impervious Area Treated (acres)	Amount of Approved Rebate	Factor	Cost per Acre
Cistern	13	19	11,016	0.25	\$12,746	3.95	\$50,403
Pavement Removal	132	132	57,236	1.31	\$190,914	0.76	\$145,296
Permeable Pavement	94	94	44,668	1.03	\$227,841	0.98	\$222,190
Rain Barrels	418	826	251,709	5.78	\$72,955	0.17	\$12,625
Rain Garden	82	109	124,358	2.85	\$187,633	0.35	\$65,724
Urban Tree Canopy	90	553	93,089	2.14	\$67,499	0.47	\$31,586
Green Roof	0	0	0	0	\$0	0.00	\$0
Total	829	1,733	582,076	13.36	\$759,588	0.07	\$56,844

- DOE recognized significant gains in the rain check rebate program performance in the FY 2021 reporting year: 140 BMPs installed, \$72,490 in rebates awarded through third quarter of FY 2021 and .91 impervious acre restoration.

Alternative Compliance Program: As of June 30, 2020, DOE has received and processed 189 applications from qualified faith-based organizations. To date 20 projects have been completed treating 12.91 acres of impervious surface.

Stormwater Stewardship Grants. Provides grant opportunities to non-profit organizations for construction of water quality restoration projects, and water quality related public education and outreach campaigns. Since its inception, the Department has awarded 89 grants for approximately \$6.965 million. The Department will award \$585,000 in grants to eleven (11) recipients in FY 2021 (See table on the following page). DOE will continue the Stormwater stewardship grant program in FY 2022.

Stewardship Grants FY 2021 Awards.

App #	Organization Name	Project Type (Track)*	Recommended Amount
19,000	Town of Edmonston	1	\$142,803
18,999	City of Mount Rainier	1	\$142,441
18,996	City of Hyattsville	1	\$36,702
18,986	Mount Rainier Elementary School PTO	1	\$5,000
18,995	Central Kenilworth Avenue Revitalization Community Development Corporation, Inc.	2	\$133,736
18,984	National Wildlife Federation	3	\$29,999
18,989	EcoLatinos, Inc.	3 with 1 light	\$29,748
18,994	Defensores de la Cuenca	3	\$15,000
18,992	Neighborhood Design Center	3	\$30,000
18,991	Centro de Apoyo Familiar	3	\$15,000
18,983	Washington Area Bicyclist Association	3	\$5,000
Total			\$585,429.00

*Project Type: Track 1: Water Quality Restoration; Track 2: Tree Planting; Track 3: Citizen Awareness/Engagement

Budget Comparison – General Fund

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022 – General Fund

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	FY 2022 Proposed	\$ Change	% Change
Compensation	\$ 6,523,443	\$ 6,521,500	\$ 6,514,400	\$ 6,537,100	\$ 15,600	0.2%
Fringe Benefits	2,417,083	2,360,800	2,344,000	2,451,400	90,600	3.8%
Operating Expenses	1,339,782	1,568,700	1,394,700	1,504,200	(64,500)	-4.1%
Capital Outlay	17,686	-	-	-	-	N/A
Sub-Total	\$ 10,297,994	\$ 10,451,000	\$ 10,253,100	\$ 10,492,700	\$ 41,700	0.4%
Recoveries	(5,652,353)	(6,212,300)	(5,653,400)	(5,408,700)	\$ 803,600	-12.9%
Total	\$ 4,645,641	\$ 4,238,700	\$ 4,599,700	\$ 5,084,000	\$ 845,300	19.9%

Authorized Staffing Count – General Fund

	FY 2021 Approved	FY 2022 Proposed	Change Amount	Percentage Change
Full-Time	114	114	0	0.0%
Part-Time	0	0	0	0.0%
Total	114	114	0	0.0%

Staffing, Compensation and Employee Safety – General Fund

- Proposed FY 2022 General Funds are provided for 114 full-time positions, of which 112 positions are fully funded, and remains unchanged compared to the FY 2021 Approved Budget. As of March 11, 2021, the Department reported 11 vacant General Fund positions. Two (2) positions are on hold until further notice (Program Systems Analyst and Associate Director), and four (4) positions are currently under a hiring freeze (2 Animal Control Officers I/II and 2 Community Development Aides I/II).
- FY 2022 proposed General Fund compensation is approximately \$6.5 million, an increase of \$15,600, or 0.2%, over the FY 2021 Approved Budget, primarily due to a reduction in salary lapse to allow for filling additional animal care positions.
- The proposed compensation includes \$50,000 budgeted for overtime/compensatory time expenditures. The Department is reporting that staffing is currently at bare minimum; as such, whenever someone calls out or takes approved leave, the shift must be filled with overtime or comp time. Also, all holidays for Animal Control Officers, Customer Service Representatives, Dispatchers, and all Kennel staff is covered with overtime Holiday pay. Animal Control Officers who are regularly on-call from midnight to 7 a.m. must be paid on-call pay plus overtime if they respond to an emergency call during their on-call shift. Federal CARES Act funding in the amount of \$10,329 and \$23,874 were received in FY 2020 and FY 2021 YTD respectively to cover overtime expenditures.
- In FY 2021, the Department has two (2) general funded positions assigned to the County Executive’s Office, an Administrative Assistant IV (since 2019), and an Administrative Specialist II (since 2020). Both of these assignments are likely to continue in FY 2022.

- The Department is reporting that while the Animal Services Division's positions are not difficult to fill in terms of eligible applicants, the difficulties come in retention and then backfilling due to the hiring freeze placed on all General Fund positions.
- Of the 13 approved Animal Control Officer I/II positions, currently 11 are filled and two (2) Animal Control Officer I/II are vacant. Of the 16 approved Community Development Aide I/II, 13 positions are filled but three (3) are vacant. One (1) customer service position who answers all incoming calls; and one (1) rescue coordinator who assists with the placement of all adoptable animals, with the third position currently being advertised as a Customer Service Representative.
- The General Fund attrition rate is 7.9% in FY 2021 (YTD), with nine (9) resignations due to a lack of promotional opportunities and starting salaries, with Animal Care Attendants (Grade 13) being the most affected by attrition.
- The Department is reporting the following as it relates to staffing and employee/visitor safety during the pandemic:
 - ✚ Employees teleworking at home, were also are navigating their family matters such as teaching children from home and caring for others while maintaining a full work schedule. When the employees rotate and have to report to the office in person, they still have to manage their new home environment for their children that are in virtual school settings.
 - ✚ Due to staff who were forced to home-quarantine due to exposure or contact tracing for Covid-19, there were numerous occasions where the Department was extremely short-staffed and were forced to seek healthy employees willing to work additional shifts for overtime/comp time to cover those shifts.
 - ✚ Until September 28, 2020, the Animal Services Facility and Adoption Center was officially closed to the public while performing field only services and extremely limited services in the building. After September 28, 2020, many telework-only employees or those on administrative leave were returned to in-person work to address the public on an appointment basis.
 - ✚ The Office of Central Service provided building modifications including plexiglass, hand sanitizing stations, social distance markings and signs prior to reopening on September 28th, 2020. All PPE was purchased through the County's procurement office and distributed to on-site employees/customers by the Department as needed or requested.
 - ✚ All employees and visitors must wear a mask, practice social distancing and use hand sanitizer frequently. Building capacity has been limited to no more than 50 people at any given time.

Fringe Benefits – General Fund

- FY 2022 Fringe Benefits are proposed at approximately \$2.5 million, an increase of \$90,600, or 3.8%, over the FY 2021 approved level due to an increase in the fringe rate and changes in compensation. A five-year trend analysis of fringe benefit expenditures is included in the *table on the following page*.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Proposed
Fringe Benefits Expenditures	\$ 2,169,383	\$ 2,103,004	\$ 2,417,083	\$ 2,344,000	\$ 2,451,400
As a % of Compensation	37.7%	35.9%	37.1%	36.0%	37.5%
Annual % Change	-2.2%	-3.1%	14.9%	-3.0%	4.6%

Revenues – General Fund

- The Department is reporting the following effects of the pandemic on its revenues at the Animal Services Division:
 - ✚ Between March 2020 and September 2020, all incoming revenue from adoptions ended.
 - ✚ License sales have been reduced since customers are not allowed into the building for sales.
 - ✚ Owned animal pick-up fees were suspended, and trap rental services ended.
 - ✚ ASDs "donation" account dwindled when the public wasn't coming into the building.
 - ✚ Fines associated with animals being redeemed by their owners were waived.
 - ✚ Owner-requested euthanasia fees were waived.

Operating Expenses – General Fund

- In FY 2022, General Fund operating expenses are proposed at approximately \$1.5 million, and are comprised of the following major items:

✚ Operating Contracts	\$642,600
✚ Office Automation	402,800
✚ Gas and Oil	95,000
✚ General Office Supplies	90,100
- Overall, operating expenses are decreasing by \$64,500, or 4.1%, under the FY 2021 approved level. The *table on the following page* compares the FY 2022 Proposed Budget operating expenditures with the FY 2021 Approved Budget operating expenditures. In three (3) of the categories, the FY 2022 Proposed Budget increases planned spending above the FY 2021 budgeted amount. In four (4) of the categories, the FY 2022 Proposed Budget level remains unchanged compared to the FY 2021 budget. FY 2022 expenditures decrease in eight (8) categories, with three (3) categories depicted for historical reference.
- The largest expenditure is Operating Contracts (\$642,600) and represents a \$18,300 decrease between the FY 2022 Proposed Budget and the FY 2021 Approved Budget, which is due to the net effect of changes to operational items to align with historical spending and increases in other items to address building maintenance and equipment purchases.
- The most significant dollar increase between the FY 2022 Proposed Budget and the FY 2021 Approved Budget is for Office and Operating Equipment Non-Capital (\$15,500 increase), due to an increase in funding to procure pressure washers and kennel tops.

Operating Objects General Fund	FY 2020 Actual	FY 2021 Budget	FY 2022 Proposed	FY 2020 - FY 2021	
				\$ Change	% Change
Office and Operating Equipment Non-Capital	\$35,839	\$20,000	\$35,500	15,500	77.5%
Building Repair/Maintenance	16,693	13,000	16,500	3,500	26.9%
Membership Fees	500	500	700	200	40.0%
Periodicals	47	-	-	-	N/A
Data/Voice	1,576	1,500	1,500	-	0.0%
Advertising	0	1,200.00	1,200	-	0.0%
Other Operating Equipment Repair/Maintenance	2,868	-	-	-	N/A
Vehicle Equipment Repair/Maintenance	82,449	74,000	74,000	-	0.0%
Gas and Oil	72,939	95,000	95,000	-	0.0%
Miscellaneous Services Other	1,611	-	-	-	N/A
Printing	6,169	6,000	5,700	(300)	-5.0%
Equipment Lease	4,219	8,600	7,400	(1,200)	-14.0%
Office Automation	343,565	407,900	402,800	(5,100)	-1.3%
Telephone	64,502	69,400	62,600	(6,800)	-9.8%
General Office Supplies	103,938	100,000	90,100	(9,900)	-9.9%
Training	2,564	26,100	13,000	(13,100)	-50.2%
Operating Contracts	529,221	660,900	642,600	(18,300)	-2.8%
General & Administrative Contracts	71,082	84,600	55,600	(29,000)	-34.3%
Total	\$ 1,339,782	\$ 1,568,700	\$ 1,504,200	\$ (64,500)	-4.1%

Recoveries – General Fund

- Proposed recoveries for FY 2022 total approximately \$5.4 million, a decrease of \$803,600, or 12.9%, under the FY 2021 budget, due to a correction to the recovery rate compared to the prior year. Recoveries are made for compensation, fringe and operating expenditures, impacting both the Solid Waste Management and Stormwater Management Enterprise Funds.

Highlights – General Fund

- The majority of the Agency’s General Funding is dedicated to the Animal Services Division (ASD). Resources are provided for compensation and fringe benefit expenses, followed by operational expenses for field services and adoption programs, its Animal Care and Treatment program which includes costs associated with pharmaceuticals, veterinary expenses, animal care taking etc.
- The Department is reporting the following regarding its Animal Services Division (ASD) during the pandemic:
 - The Department is reporting that prior to the pandemic, the Animal Services & Adoption Center was opened to the public from five to seven days per week for accepting all surrendered animals, viewing all adoptable animals, interactions and adoptions, rescues, volunteers including student volunteers, licensing sales, owner-requested euthanasia, spaying and neutering services, rabies clinics, bite-case follow-ups, and community meetings and events.
 - In March 2020, all activities ended except rescue and foster placements, emergency owner surrenders by appointments; owner-requested euthanasia by appointments; limited emergency and priority field services.
 - Beginning September 2020, ASD increased most field services, and the facility reopened by appointment for managing animal intake, owner surrenders, pet adoptions, rescue placements, and the spay/neuter clinic and limited volunteers.
 - Maintaining full-service staff has been the biggest challenge and being able to fill approved budgeted vacant positions due to the "freeze" of key positions.

- ✚ Spay/Neuter Clinic was closed and spaying, and neutering was suspended from March 2020 through September 2020. The grant "Spay-A-Day" will be extended at the end of this grant period for an additional six (6) months.
 - ✚ Rabies clinics were suspended in March 2020 and remain suspended.
 - ✚ Off-site and on-site adoption events were and remain suspended.
 - ✚ All community outreach programs remain suspended.
 - ✚ The Be Kind to Animals Poster Contest was cancelled in March 2020 and March 2021.
 - ✚ The volunteer program was suspended until the reopening of the facility in September 2020, at which time ASD accepted Senior Volunteers on 4-hour shifts by appointment only.
 - ✚ Animal Control Officers ran only emergency and priority calls from March 2020 until September 2020.
 - ✚ Appointments for adoptions, animals being redeemed by their owners or surrendered by owners will be sustained once the pandemic has subsided.
 - ✚ ASDs live release rate was 75 percent (%) in November, 100% in December, and 98% in January for animals deemed adoptable.
- The Department is reporting the following potential obstacles that could further inhibit FY 2022 planned program performance and operations:
 - ✚ Failure to fill currently approved positions would be major.
 - ✚ Budgetary obstacles may be a factor as contracts for veterinary services, pharmaceuticals and carcass removal are being rebid. During the rebidding process, the Department is trying to increase the veterinary discount from 25% to 50% for the County.
 - A Grant Agreement for the Community Cat Program from the Best Friends Animal Society is currently in the process. The Community Cat Program is a new trend which allows for feral cats to be spayed or neutered at the expense of the Trap-Neuter-Release (TNR) organizations. It will have an impact on our staff who coordinates those efforts. This change will require the organizations to respond to feral complaints.
 - ASD has expanded its efforts by constantly increasing its outreach to rescue organizations who have been able to place our animals. ASD is now partnering with Best Friends Animal Society who will assist with training staff as it pertains to new legislation that now allows Community Cat programs. ASD has established partnerships with Trap, Neuter and Return organizations throughout the County.
 - ASD had 8,335 Chameleon Service Requests and 464, 3-1-1 calls in FY 2021 (YTD). The most common issues reported are for deceased wildlife, evaluation of wildlife followed by stray at large and stray holding. To date, the Department's Chameleon System and the County's 3-1-1 Call Center system have not been integrated, and ASD is currently using data from both systems.
 - As it relates to the Animal Control Ordinance, the Department is reporting that:
 - ✚ All dogs and cats redeemed by their owners will have to be spayed or neutered and microchipped at the owners' expense.
 - ✚ Funds must be appropriated initially and will be placed back into the appropriate account once the owners redeem their pets.
 - ✚ Additional resources may be needed for the Community Cat program.

Capital Improvement Program (CIP) – North County Animal Shelter (#3.54.0002)

FY 2022 Funding Source: N/A

Councilmanic: Not Assigned

Project Class/Status: New Construction/Delayed

In 2014, an ad-hoc committee was formed consisting of representatives from College Park, Greenbelt, Berwyn Heights, and the County to discuss the need for additional animal management services to supplement and improve services provided by the County and municipalities in the north/northwestern part of the County.

- ✚ The start of this project has been delayed due to debt affordability concerns.
- ✚ Currently the County operates one full-service open admission animal shelter in Upper Marlboro that takes approximately 10,000 animals per year and serves the entire County. However, the north/northwestern area of the County has the highest number of licensed pets, the highest adoption rates and the highest demand for services.
- ✚ The City of Greenbelt, City of College Park, and the Town of Berwyn Heights provided funding towards the feasibility study.
- ✚ ASD has communicated with a representative with the City of College Park, who agreed to be the contact for the municipalities, and advised the representative that the funding has been moved to FY 2025 to allow additional planning and address debt service affordability concerns.

Grants

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022 - Grants

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	FY 2022 Proposed	\$ Change	% Change
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Fringe Benefits	-	-	-	-	-	N/A
Operating Expenses	1,733,621	509,900	84,900	844,300	334,400	65.6%
Capital Outlay	-	-	-	-	-	N/A
Total	\$ 1,733,621	\$ 509,900	84,900	844,300	\$ 334,400	65.6%

- In FY 2022, the proposed grant funding for the Department of the Environment is \$844,300, and represents an increase of \$334,400, or 65.6%, increase over the approved FY 2021 budgeted amount. Excluding the proposed County Contribution/Cash Match from the General Fund of \$400,000, the FY 2022 proposed grant budget for the Department is \$444,300, an increase of \$184,400, or 71.0%, over the FY 2021 approved budget.
- State and Federal funding opportunities are primarily awarded to the Department outside the application process, as they become available during the year. In FY 2021, the Department anticipates receiving \$34,857 for Spay-A-Day Keeps the Litter Away, with \$44,300 being proposed in FY 2022. FY 2021 Unanticipated Grants (not originally included in the Approved FY 2021 budget) of \$50,000 is expected for the FY 2021 MD DNR Waterways. *See chart below* for the reconciliation of grant funding between the FY 2021 Approved Budget and the Proposed FY 2022 Budget.

Reconciliation from Prior Year

	Expenditures
FY 2021 Approved Budget	\$259,900
Add: New Grant — FY22 CBT Watershed Assistance Grant Program Development Track	\$150,000
Add: New Grant — MDNR - Chesapeake and Coastal Grants Gateway Program Outcome 4	100,000
Enhance: Existing Program/Service — MDNR - Chesapeake and Coastal Grants Gateway Program Outcome 2	75,000
Enhance: Existing Program/Service — Spay-A-Day Campaign	9,400
Reduce: Existing Program/Service — NOAA Marine Debris Prevention Educational Program	(150,000)
FY 2022 Proposed Budget	\$444,300

- In FY 2022, the operating grants funding for the Stormwater Management Enterprise Fund consist of \$100,000 and \$150,000 from the Maryland Department of Natural Resources (MDNR) Chesapeake and Coastal Grants Gateway Program Outcomes 4 and 2 respectively. FY 22 Chesapeake Bay Trust (CBT) Watershed Assistance Grant Program Development Track funding of \$150,000 is being proposed in FY 2022.
- The Department has several Capital Grant appropriations located in the Capital Budget. Capital grant awards that are appropriated as part of the “MS4/NPDES Compliance & Restoration” capital project in the Stormwater section of the Proposed Capital Improvement Program budget. The funding source for the County match would be Stormwater Bonds, if the grant is awarded and is proposed at \$400,000 in FY 2022.
- The Department does not have grant-funded employees.

Stormwater Management District Capital Improvement Program (CIP)

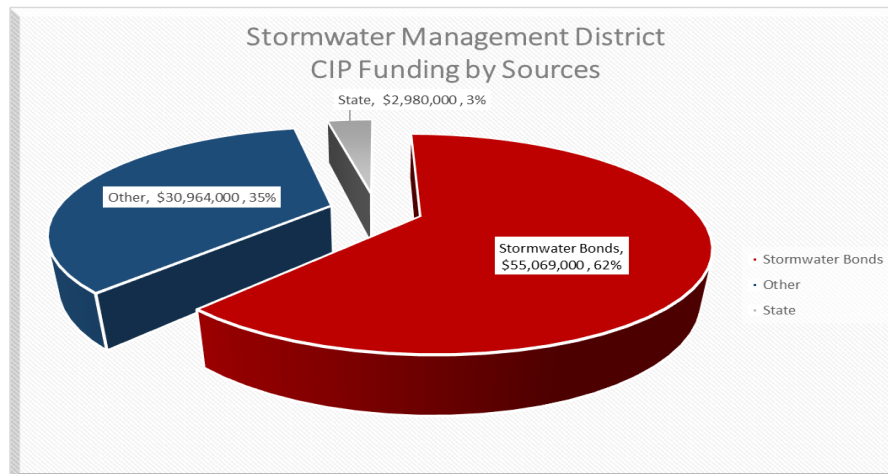
The Proposed FY 2022 Capital Budget for the Stormwater Management District totals approximately \$89.4 million, or 11.7%, lower than the Approved FY 2021 CIP budget at \$101.2 million. Note: the *table below* does not include the one (1) new project.

Project Name	Est. Comp. Date (FY)	Project Status	Proposed FY 2021 - 2026 CIP				Total Approved Project Funding
			FY 2021 Approved Capital Budget	FY 2021 Actual Expenditures (YTD)*	FY 2021 Anticipated Expenditures	FY 2022 Proposed Budget	
Bear Branch Sub-Watershed	2022	Ongoing	\$1,703,000	\$216,926	\$2,210,000	\$2,050,000	\$5,747,000
COE County Restoration	2027	Ongoing	1,897,000	47,811	3,408,000	347,000	33,089,000
Clean Water Partnership NPDES/MS4	2024	Ongoing	32,479,000	30,109,658	44,063,000	30,964,000	328,244,000
Emergency Response Program	2027	Ongoing	390,000	0	390,000	390,000	4,349,000
Endangered Structure Acquisition. Program	2027	Ongoing	380,000	0	\$410,000	\$360,000	8,477,000
Flood Protection and Drainage Improvement	2027	Ongoing	9,607,000	2,900,640	14,483,000	16,501,000	104,657,000
MS4/NPDES Compliance & Restoration	2027	Ongoing	21,010,000	11,254,109	27,332,000	17,857,000	178,808,000
Major Reconstruction Program (DPW&T)	2027	Ongoing	25,923,000	3,737,451	34,507,000	14,901,000	129,073,000
Participation Program	2027	As Required	525,000	0	500,000	500,000	8,875,000
Stormwater Contingency Fund	2027	As Required	1,000,000	0	1,000,000	-	5,001,000
Stormwater Management Restoration (DPW&T)	2027	Ongoing	6,319,000	2,115,070	6,319,000	5,503,000	82,261,000
TOTAL			\$101,233,000	\$50,381,665	\$134,622,000	\$89,373,000	\$888,581,000

*As of February 28, 2021

FY 2022 Funding Sources

Funding Sources	Amount	Percentage
Stormwater Bonds	\$ 55,069,000	61.9%
Other	\$ 30,964,000	34.8%
State	\$ 2,980,000	3.3%
Total	\$ 89,013,000	



Source: FY 2022 - 2027 CIP Budget, pages 169 & 172, Stormwater Management District

FY 2022-2027 - Strategic Focus and Initiatives - Stormwater Management District

- ✚ The County continues to implement federal and state mandates which address various storm water quality improvements including impervious area and stream restoration.
- ✚ Continued implementation of the Clean Water Partnership (Public Private Partnership/P3) to assist with meeting the federal and state mandates.

The Proposed FY 2022 CIP for the Prince George's County Stormwater Management District includes details for eleven (11) existing projects and one (1) new project for a total of 12 projects as described below:

Existing Projects:

1. Bear Branch Sub-Watershed (CIP ID#5.54.0016)

- This project provides funding for water quality measures; Low Impact Development (LID), wetland creation, reforestation and stream channels and tributaries restoration in the Bear Branch sub-watershed and Patuxent River Watershed.
- Highlights:
 - ✚ Due to major storms in 2020, the stream system has continued to deteriorate.
 - ✚ Higher eroded banks have been encountered than originally estimated; therefore, additional funds are needed to stabilize the stream banks.
 - ✚ FY 2021 expenditures are anticipated to be ~\$2.2 million, or \$507K, over the approved FY 2021 budget of ~\$1.7million.
 - ✚ The FY 2022 budget is targeted for stream restoration and water quality projects in the Bear Branch Watershed.
 - ✚ The FY 2022 Proposed CIP budget is ~\$2.1 million, or 20.4%, more than the FY 2021 Approved CIP Budget with the funding source being Stormwater Bonds.
 - ✚ Total approved project funding: ~\$5.7 million.

2. COE County Restoration (CIP ID#5.54.0012)

- This project involves the design and construction of environmental enhancement and flood control facilities within Prince George's County.
- Includes ongoing planning and design for projects pertaining to quality measures implementation, wetland creation, stream channel restoration and fish blockage removal in the Anacostia River tributaries and from the Western Branch to the Patuxent River.
- Flood risk or watershed studies (with the U.S. Army Corps of Engineers) are included in this project.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be ~\$3.4 million, or ~\$1.5 million, over the approved FY 2021 budget of ~\$1.9 million.
 - ✚ In FY 2022, design support continues on the Allison Street Levee and Upper Marlboro flood control projects.
 - ✚ The FY 2022 Proposed CIP budget is \$347K, or 81.7%, less than the FY 2021 Approved CIP Budget with the funding source being Stormwater Bonds.
 - ✚ Total approved project funding: ~\$33.1 million.

3. Clean Water Partnership NPDES/MS4 (CIP ID#5.54.0018)

- The Clean Water Partnership (CWP), launched in 2015 to improve the health of the County's waterways, reduce the costs of retrofitting and maintaining the County's stormwater infrastructure, and optimize economic benefits to County's residents by developing local businesses that will form the backbone of the County's green economy.
- The goal is to improve water quality by retrofitting approximately 5,475 acres through 2024.
- The expanded program area of the CWP was added in 2018, funded from low-interest rate loans from the Maryland Water Quality Revolving Loan Program.
- The County was issued its 4th generation NPDES/MS4 permit from MDE effective January 2, 2014 through January 2, 2019. The permit has been in Administrative Extension since. The County is mandated to improve water quality conditions through certain corrective measures and conduct of programs as outlined in this permit. DOE remains tasked to address over 6,105 acres of untreated impervious area by 2019, in addition to multiple supporting clean water programs.
- With consideration to scale and timeframe, (6,105 acres in the permit term), given to meet the mandated 20% restoration target the County has not met these terms of the permit.
- The County completed 40% (2,387 acres) of the 6,105 acres required within the permit term, leaving a gap of 3,718 acres remaining. These operations will be funded through the Stormwater and Water Quality funds.
- The status of the County's next generation permit is pending finalization of the consent order. Presently the County is negotiating a consent order for non-compliance with MDE. The consent order is anticipated to require the County to satisfy all conditions of non-compliance including the remaining 3,718 acres of impervious area restoration in addition to other performance metrics by December 31, 2024.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be ~\$44.1 million, or ~\$11.6 million, over the approved FY 2021 budget of ~\$32.5 million.
 - ✚ In FY 2022, construction will continue on the stormwater retrofit projects.
 - ✚ The FY 2022 Proposed CIP budget is ~\$31 million, which is ~\$1.5million, or 4.7%, less than the FY 2021 Approved CIP Budget with funding from Other sources.
 - ✚ Total approved project funding: ~\$328.2 million.

4. Emergency Response Program (CIP ID#5.54.0015)

- This project will facilitate the design and construction of unanticipated projects which require immediate implementation, due to emergency conditions affecting the public health, safety or welfare and for matching funds for unanticipated grants in which funding is required to secure an Agency grant.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be on track with the approved FY 2021 budget of \$390K.
 - ✚ FY 2022 funding is to address any emergencies that may arise.
 - ✚ The FY 2022 Proposed CIP budget is \$390K and remains unchanged from the FY 2021 Approved CIP Budget level with funding from Stormwater Bonds.
 - ✚ Total approved project funding: ~\$4.3 million.

5. Endangered Structure Acquisition Program (CIP ID#5.54.0014)

- This project provides for the acquisition of residential properties within the 100-year floodplain and properties vulnerable to unforeseen natural conditions such as a slope failure or stream erosion.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be \$410K, or \$30K, over the approved FY 2021 budget of \$380K.

- ✚ In FY 2022, additional residential properties within the 100-year floodplain and properties vulnerable to unforeseen natural conditions are to be determined.
- ✚ The FY 2022 Proposed CIP budget is \$360K, which is \$20K, or 5.3%, under the FY 2021 Approved CIP Budget level with the funding source not yet identified.
- ✚ Total approved project funding: ~\$8.5 million.

6. Flood Protection and Drainage Improvement (CIP ID#5.54.0005)

- This program consists of flood protection and drainage relief projects that will address surface run-off causing home flooding, alleviate road flooding and correct residential yard drainage deficiencies. Also included are municipal participation, storm drain acceptance projects and flood warning systems.
- Right of way from property owners directly benefiting from project improvements must be provided at no cost to the County.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be ~\$14.5 million, or \$4.9 million, over the approved FY 2021 budget of ~\$9.6 million.
 - ✚ The FY 2022 construction budget includes funding for projects in Calvert/College Park and Franklin Avenue in Lanham. 'Other' funding was provided from Ad Valorem tax contributions and State Revolving Loans.
 - ✚ The FY 2022 Proposed CIP budget is ~\$16.5 million, which is approximately \$6.9 million, or 71.8%, over the FY 2021 Approved CIP Budget level with the funding source being Stormwater Bonds.
 - ✚ Total approved project funding: ~\$104.7 million.

7. MS4/NPDES Compliance & Restoration (CIP ID#5.54.0019)

- This project provides funding for countywide restoration of untreated impervious areas to meet MS4/NPDES Permit, Chesapeake Bay Total Maximum Daily Load (TMDL) and Local TMDL requirements with water quality/urban retrofit BMPs, stream restoration techniques, and other multiple stormwater management retrofit approaches, within all watersheds of the County.
- Expected impacts from upcoming regulatory changes will require targeting restoration projects to specific water quality impairments, adding time and cost to the NPDES restoration timeline.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be ~\$27.3 million, or \$6.3 million, over the approved FY 2021 budget of ~\$21 million.
 - ✚ \$2.4 million in state funding is appropriated to be used for capital grant awards received during FY 2022.
 - ✚ The FY 2022 Proposed CIP budget is ~\$17.9 million, which is approximately \$3.2 million, or 15.0%, under the FY 2021 Approved CIP Budget level with the funding source being State and Stormwater Bonds.
 - ✚ Total approved project funding: ~\$178.8 million.

8. Major Reconstruction Program (DPW&T) (CIP ID#5.66.0003)

- This on-going program by the Department of Public Works and Transportation (DPW&T) will redesign, reconstruct and rehabilitate major drainage and flood control projects throughout the County
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be ~\$34.5 million, or ~\$8.6 million, over the approved FY 2021 budget of ~\$25.9 million.

- ✚ FY 2022 funding supports the reconstruction of drainage channels, culvert replacements and the Office of Highway Maintenance pipe replacement and removal program.
- ✚ The FY 2022 Proposed CIP budget is ~\$14.9 million, which is approximately \$11.0 million, or 42.5%, under the FY 2021 Approved CIP Budget level, with the funding source being State and Stormwater Bonds.
- ✚ Total approved project funding: ~\$129.1 million.

9. Participation Program (CIP ID#5.54.0006)

- This project will provide the County's contribution for Water Quality Best Management Practice (BMP) costs for projects with M-NCPPC, Maryland Washington Council of Governments (MWCOG), State Highway Administration (SHA) and municipalities.
- Additionally, this project enables the County's participation through agreements, which the County may enter with developers, to complete needed work in existing communities.
- These project opportunities may also be identified under the County's stormwater permit review process.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be \$500K, or \$25K, under the approved FY 2021 budget of \$525K.
 - ✚ There continues to be an increase in the complexity and number of participation projects.
 - ✚ The FY 2022 Proposed CIP budget is \$500K, which is \$25K, or 4.8%, under the FY 2021 Approved CIP Budget level, with the funding source being Stormwater Bonds.
 - ✚ Total approved project funding: ~\$8.9 million.

10. Stormwater Contingency Fund (CIP ID#5.54.0007)

- This fund will provide a source of additional appropriation for possible cost overruns of funded projects in the capital program and for new projects unforeseen at the time the Capital Improvement Program (CIP) is approved.
- This project will authorize the County Executive to approve appropriation transfers up to \$250,000 to previously authorized projects. New project authorizations will require the approval of a majority of the Council.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be on track with the approved FY 2021 budget of \$1 million.
 - ✚ 'Other' funds may come from transfers from projects having a balance subsequent to their completion, or from stormwater operating funds.
 - ✚ There is no funding in the FY 2022 Proposed CIP budget, which represents a \$1 million, or 100% decrease, under the FY 2021 Approved CIP Budget level.
 - ✚ Total approved project funding: ~\$5.0 million.

11. Stormwater Management Restoration (CIP ID#5.66.0002)

- The project determines the condition of the storm drain system, which will provide a basis for a large scale repair of storm drain infrastructure throughout the County.
- Ponds identified as deficient will be corrected, constructed, and landscaped.
- Several County-wide initiatives are also funded here - Right Tree Right Place, Growing Green with Pride, Tree Plantings for water quality and a comprehensive street tree inventory.
- Highlights:
 - ✚ FY 2021 expenditures are anticipated to be on track with the approved FY 2021 budget of approximately \$6.3 million.

- ✚ The Storm Drain Inventory should be complete in FY 2022.
- ✚ The deficient pond program continues to move forward with failing ponds being continually repaired.
- ✚ Work from the completed Street Tree Replacement Program continues to proceed successfully.
- ✚ The FY 2022 Proposed CIP budget is ~\$5.5 million, which is \$816K, or 12.9%, under the FY 2021 Approved CIP Budget level, with the funding source being Stormwater Bonds
- ✚ Total approved project funding: ~\$82.3 million.

New Project(s)

12. Stormwater Structure Restoration & Construction (CIP ID#5.66.0004)

- One (1) new project is proposed to be added in FY 2022.
- This project involves Storm Water Best Management Practice (BMP) structures that have been identified throughout the County that are beyond a maintenance effort.
- These structures were permitted as publicly maintained but were not accepted into the public inventory.
- The structures will be removed and replaced or reconstructed to provide water quality and water quantity benefits to the County's National Pollutant Discharge Elimination System (NPDES), Municipal Separate Storm Sewer System (MS4) Discharge Permit.
- Highlights:
 - ✚ No funding is being proposed in the FY 2022 budget.
 - ✚ FY 2023 proposed funding of \$6 million supports the removal, replacement, and/or reconstruction of the Storm Water BMP structures.
 - ✚ Total Project Cost: \$45.5 million with the funding source being Stormwater Bonds.

Capital Grants - Stormwater Management District

- The Department's Stormwater Management District pursues Federal and State grants to supplement the Capital Improvement Program (CIP). See the Grants section of this report for the Reconciliation from Prior Year which is on page 40 of this report.

Proposed FY 2022 Grant Funding

- **MDNR-Chesapeake and Coastal Grants Gateway Program Outcome 2 - 2 proposals \$75k each - \$150,000**
 - ✚ The objective of Outcome 2 is to enhance capacity to understand and effectively plan for and address flood risks associated with a changing climate. One of the purposes of this outcome is to assess flood hazards and the existing stormwater infrastructure to identify system improvements, including green infrastructure approaches, to reduce flood risk.
 - ✚ For this grant cycle, DOE intends to submit two (2) proposals. One is for developing standard operating procedures for the County's existing flood warning system at the Western Branch Watershed and the Anacostia River Watershed to account for recent technology enhancements.
 - ✚ Another proposal is for analyzing urban flooding as Phase 2 of nuisance flood planning in the wake of changing climate. The County match is \$150,000.
- **MDNR-Chesapeake and Coastal Grants Gateway Program Outcome 4 - \$100,000**
 - ✚ The objective of Outcome 4 is to support outdoor learning field investigations preferably on public lands, and related student stewardship activities, for students in pre-Kindergarten through

grade 12, as part of comprehensive Meaningful Watershed Educational Experiences (MWEEs) that contribute to school environmental literacy programs.

- ✚ For this grant cycle, DOE intends to submit one (1) proposal that includes two projects:
 - (1) to produce an educational video exploring a plastic bottle’s possible journeys after consumption (into the trash can to landfill, roadside to waterway, or a reverse vending machine to recycle for repurposing); and,
 - (2) to produce and disseminate the litter reduction activity books to school students, teachers, and parents that were developed under the NOAA Marine Debris Removal Grant. County Match is \$100,000.

▪ **FY 2022-2023 CBT Watershed Assistance Grant - Urban Retrofits - 2 Proposals \$75k each - \$150,000**

- ✚ The first study is to develop one Watershed Monitoring and Assess Chloride Plan; and,
- ✚ Another study is to conduct one pilot watershed study to examine impacts of climate change and ability of water quality focused Green BMPs to help with quantity control.
- ✚ The Proposed County match is \$150,000.

Highlights - Stormwater Management Program

- The Storm Water Management CIP projects in each Council District are provided on the *First Round Response Q.30 - Attachment 5 - Projects in Inception/Inventory, Planning, Design, Construction & Completed* by Councilmanic Districts.

Results & Challenges - Stormwater Management District

- As previously discussed in the *Stormwater and Water Quality Sections* of this report, increased mandates from Federal and State Regulations (NPDES/MS4 permit and the WIP III), continue to drive programs and operations.
- CIP/CWP water quality restoration programs have significantly improved the health of the County's waterways by successfully treating 2,656.4 acres of impervious surfaces through FY 2021, while simultaneously optimizing the economic benefits to the County's residents by mentoring, developing and hiring local businesses and residents. To date, \$150+ million has been awarded to the County's small, local and minority businesses, with 51% of all work performed by County residents. See details in *table below* as of June 30, 2020:

As of June 30, 2020	
Restoration Programs	Impervious Acres Credit (acres)
Clean Water Partnership	1,474.4
DoE CIP	503.26
DPWT	11.6
Other BMPs through various Program	79.1
Operational Programs so we use Average for 5.5 years	426.6
WSSC Stream Restoration(projected)	270
Total	2,764.96

- Working with M-NCPPC to increase urban tree canopy and forest cover on public land.

- Defined the scope of services for consultant support to the Climate Action Commission and successfully secured professional subject matter experts to develop the plan, lead engagement and provide administrative support to the program manager.
- Installed Big Belly dual solar trash/recycling stations have intercepted gallons of litter at bus stops across the County.
- Drainage investigators have completed investigations of residential drainage complaints with recommendations to homeowners for site improvements, referrals to DPW&T for maintenance and to DPIE for enforcement.
- The Department has experienced the following challenges (in FY 2021) in responding to the Federal and State regulations associated with the NPDES/MS4 permit and WIP III mandates:
 - ✚ Property owner agreements are required to enable restoration on private property.
 - ✚ Public property availability is limited to existing untreated rights-of-way.
- Unanticipated delays were encountered with procuring consultant and contractor services via new contracts and contract extensions. Such delays occurred during the transition to the new SPEED program. Contract processing has improved over the past few months.
- Anticipated increases in production and performance in the operating and CIP engineering and construction contracts in response to increased performance metrics with the NPDES/MS4 permit mandates.
 - ✚ While delegated authority exists, due to ceiling limitations of \$25,000, award is not an effective procurement vehicle for high dollar/large scale construction projects.

Department of the Environment Solid Waste Management Enterprise Fund (EF5000)

Comparison of FY 2021 Approved Revenues and Expenditures
to the Proposed FY 2022 Levels

SOLID WASTE MANAGEMENT ENTERPRISE FUND							
(Sorted by \$ Change - Largest to Smallest)							
REVENUES	FY 2020	FY 2021	FY 2021	FY 2022	\$	%	
	Actual	Approved	Estimated	Proposed	Change	Change	
Landfill Tipping Fees	\$ 14,899,894	\$ 14,831,700	\$ 14,899,900	\$ 18,427,600	\$ 3,595,900	24.2%	
Interest Income	3,346,732	2,492,100	3,821,600	3,346,800	854,700	34.3%	
Recycling Fee Tax Collections	11,201,078	11,041,000	11,201,100	11,509,400	468,400	4.2%	
System Benefit Tax Collections	21,837,000	20,485,300	21,837,000	20,716,900	231,600	1.1%	
Bulky Trash Tax Collections	3,668,085	3,696,800	3,668,100	3,836,500	139,700	3.8%	
Miscellaneous Collections	189,936	96,400	165,800	110,200	13,800	14.3%	
Sale of Recyclables	5,761,830	6,000,000	5,878,400	6,003,600	3,600	0.1%	
Abandoned Vehicles	301,455	-	-	-	N/A	N/A	
Refuse Collection Charges	40,207,839	40,704,100	40,229,700	40,666,400	(37,700)	-0.1%	
Clean Lot Revenue	644,944	500,000	450,000	436,700	(63,300)	-12.7%	
Sale of Electricity	107,285	200,000	107,300	107,300	(92,700)	-46.4%	
Revenues Subtotal	102,166,078	100,047,400	102,258,900	105,161,400	5,114,000	5.1%	
Fund Balance Appropriation	-	8,266,100	-	2,291,800	(5,974,300)	-72.3%	
TOTAL REVENUES	102,166,078	108,313,500	102,258,900	107,453,200	(860,300)	-0.8%	
EXPENDITURES	FY 2020	FY 2021	FY 2021	FY 2022	\$	%	
	Actual	Approved	Estimated	Proposed	Change	Change	
Debt Service - Principal	\$ -	\$ 2,849,000	\$ -	\$ 5,138,400	\$ 2,289,400	80.4%	
Debt Service - Interest Expense	1,606,429	1,631,000	2,057,400	2,355,400	724,400	44.4%	
CIP Contribution	-	-	-	-	-	N/A	
Fringe Benefits (OPEB)	1,480,044	1,641,300	1,611,500	1,537,600	(103,700)	-6.3%	
Compensation	8,194,690	8,340,000	8,141,000	8,229,100	(110,900)	-1.3%	
Fringe Benefits	2,743,323	2,820,600	2,743,900	2,618,100	(202,500)	-7.2%	
Capital Outlay	-	270,000	270,000	-	(270,000)	-100.0%	
Operating Expenses	96,011,102	88,261,600	85,463,600	87,986,900	(274,700)	-0.3%	
Recoveries	(1,714,022)	(600,000)	(1,556,500)	(1,943,700)	(1,343,700)	224.0%	
Contribution to Post Closure (Reserve)	3,501,601	3,100,000	3,100,000	1,531,400	(1,568,600)	-50.6%	
TOTAL EXPENDITURES	111,823,167	108,313,500	101,830,900	107,453,200	(860,300)	-0.8%	
					FY 2021		
					Variance		
Fund Balance Appropriation	FY 2020	FY 2021	FY 2021	FY 2022	Approved Vs Est		
	Actual	Approved	Estimated	Proposed	Budget		
Unrestricted Ending Fund Balance	(32,708,317)	(39,375,473)	(27,625,317)	(29,971,117)	11,750,156	-29.8%	

Data Source: FY 2022 Proposed Budget p.430-431

Department of the Environment Stormwater Management Enterprise Fund (EF5100)

Comparison of FY 2021 Approved Revenues and Expenditures
to the Proposed FY 2022 Levels

STORMWATER MANAGEMENT ENTERPRISE FUND							
(Sorted by \$ Change - Largest to Smallest)							
REVENUES	FY 2020	FY 2021	FY 2021	FY 2022	\$	%	
	Actual	Approved	Estimated	Proposed	Change	Change	
Property Taxes	\$ 50,000,256	\$ 50,731,600	\$ 51,257,700	\$ 52,282,900	\$ 1,551,300		3.1%
Permits	2,139,807	1,751,000	2,070,000	2,000,000	249,000		14.2%
Stormwater Fee-in-Lieu	984,020	684,800	913,000	913,000	228,200		33.3%
Federal/State Grant Revenue	-	225,000	-	400,000	175,000		77.8%
Interest Income	1,504,599	1,400,000	1,477,900	1,550,100	150,100		10.7%
Soil Conservation	236,300	162,200	239,600	236,300	74,100		45.7%
Reforestation Fee/Lieu	1,250	5,000	225,000	46,000	41,000		820.0%
Pond Fees	88,705	71,400	100,000	89,300	17,900		25.1%
Water & Sewer Fees	72,400	103,000	99,200	113,200	10,200		9.9%
Miscellaneous	103,730	4,500	4,500	5,000	500		11.1%
Sale of Plans	-	-	-	-	-		N/A
Civil Citations	-	-	-	-	-		N/A
GIS Floodplan Service	39,746	53,300	53,200	53,200	(100)		-0.2%
Cell Towers	210,308	350,000	260,700	325,000	(25,000)		-7.1%
Tree Preservation	348,707	274,600	182,100	140,000	(134,600)		-49.0%
Grading Permits	1,902,445	2,266,800	2,266,800	1,913,300	(353,500)		-15.6%
Revenues Subtotal	57,632,273	58,083,200	59,149,700	60,067,300	1,984,100		3.4%
Fund Balance Appropriation	-	20,941,200	18,956,400	23,658,500	2,717,300		13.0%
Transfers in from the Water Quality Fund	3,824,500	3,624,700	3,624,700	3,624,500	(200)		0.0%
TOTAL REVENUES	61,456,773	82,649,100	81,730,800	87,350,300	4,701,200		5.7%
EXPENDITURES	FY 2020	FY 2021	FY 2021	FY 2022	\$	%	
	Actual	Approved	Estimated	Proposed	Change	Change	
Operating Expenses - DPW&T**	\$ 3,347,614	\$ 4,688,300	\$ 3,368,200	\$ 8,733,300	\$ 4,045,000		86.3%
Debt Service - Principal - DOE*	-	14,541,600	14,541,600	15,984,500	1,442,900		9.9%
Debt Service - Interest Expense - DOE*	10,611,986	11,384,800	11,384,800	11,836,100	451,300		4.0%
Fringe Benefits - DOE*	1,673,312	1,722,700	1,938,560	1,917,900	195,200		11.3%
Capital Outlay - DOE*	-	-	-	126,200	126,200		N/A
Fringe Benefits (OPEB) - DPW&T**	1,057,097	1,425,600	951,300	1,388,100	(37,500)		-2.6%
Compensation - DOE*	4,476,834	5,739,200	5,620,000	5,675,500	(63,700)		-1.1%
Fringe Benefits - DPW&T**	2,495,315	2,508,400	1,673,900	2,442,300	(66,100)		-2.6%
Operating Expenses - DOE*	30,543,949	34,499,500	33,729,900	34,396,100	(103,400)		-0.3%
Fringe Benefits (OPEB) - DOE*	1,278,711	1,336,200	1,090,440	1,078,800	(257,400)		-19.3%
Compensation - DPW&T**	7,138,001	7,852,300	7,332,900	7,394,500	(457,800)		-5.8%
Recoveries - DOE*	(1,724,000)	(3,049,500)	(3,049,000)	(3,623,000)	(573,500)		18.8%
TOTAL EXPENDITURES	60,898,819	82,649,100	78,582,600	87,350,300	4,701,200		5.7%
					FY 2021		
					Variance		
Fund Balance	FY 2020	FY 2021	FY 2021	FY 2022	Approved Vs		
	Actual	Approved	Estimated	Proposed	Est Budget		
Unrestricted Ending Fund Balance	(33,588,360)	(55,199,861)	(34,854,960)	(42,528,960)	20,344,901		-36.9%

Data Source: FY 2021 Proposed Budget p.433-434

*DOE - Department of the Environment **DPW&T - Department of Public Works and Transportation OPEB - Other Post-Employment Benefits

Department of the Environment
Local Watershed Protection and Restoration (Water Quality) Fund (EF5200)

Comparison of FY 2021 Approved Revenues and Expenditures
to the Proposed FY 2022 Levels

LOCAL WATERSHED PROTECTION AND RESTORATION (Water Quality) FUND						
REVENUES	FY 2020	FY 2021	FY 2021	FY 2022	\$	%
	Actual	Budget	Estimated	Proposed	Change	Change
Interest	\$ 1,631,659	\$ 1,000,000	\$ 1,735,800	\$ 1,735,800	\$ 735,800	73.6%
Clean Water Act Fees	14,606,687	14,614,600	14,645,300	14,645,300	30,700	0.2%
Miscellaneous	113,682	-	-	-	-	N/A
Revenue Subtotal	16,352,028	15,614,600	16,381,100	16,381,100	766,500	4.9%
Fund Balance Appropriation	-	1,671,200	-	4,834,500	3,163,300	189.3%
Transfers In	-	-	-	-	-	N/A
TOTAL REVENUES	16,352,028	17,285,800	16,381,100	21,215,600	3,929,800	22.7%
EXPENDITURES	FY 2020	FY 2021	FY 2021	FY 2022	\$	%
	Actual	Budget	Estimated	Proposed	Change	Change
Operating Expenses	\$ 8,614,755	\$ 8,163,300	\$ 8,163,300	\$ 9,719,300	\$ 1,556,000	19.1%
Debt Service - Principal	-	3,184,500	1,646,500	4,521,400	1,336,900	42.0%
Debt Service - Interest Expense	122,804	880,600	1,430,000	2,023,700	1,143,100	129.8%
Interfund Transfer to Stormwater Fund	3,624,500	3,624,700	3,624,700	3,624,700	-	0.0%
Fringe Benefits	250,992	329,800	293,600	306,100	(23,700)	-7.2%
Compensation	923,683	1,102,900	981,700	1,020,400	(82,500)	-7.5%
TOTAL EXPENDITURES	13,536,734	17,285,800	16,139,800	21,215,600	3,929,800	22.7%
Fund Balance	FY 2020	FY 2021	FY 2021	FY 2022	\$	%
	Actual	Budget	Estimated	Proposed	Change	Change
Unrestricted Ending Fund Balance	(6,669,448)	(2,769,535)	(4,781,648)	(5,094,748)	(2,325,213)	84.0%

DataSource: FY 2022 Proposed Budget p.436

Capital Improvement Program
Solid Waste Management Equipment

The items depicted below are planned to be purchased using Capital Improvement Program funding (CIP) in FY 2021. This practice is discontinued for FY 2022 and beyond due to debt affordability concerns and the estimated useful life of the equipment.

BSR = Brown Station Road Landfill \$3,633,623
 SH = Sandy Hill Landfill \$684,957

Line Number	Description (Type of Equipment Purchase)	Quantity	FY 2021 Equipment Cost (Purchased to Date)	FY 2021 Equipment Cost (Planned to be purchased)	FY 2022 Equipment Cost (Proposed to be purchased)	Purpose for Request
1	836K Compactor	1	\$ -	\$ 1,212,799	\$ -	Replace Aging Equipment BSR
2	966M Wheel Loader	1	\$ -	\$ 566,028	\$ -	Replace Aging Equipment BSR
3	D8T Track Dozer	1	\$ -	\$ 824,740	\$ -	Replace Aging Equipment BSR
4	Toro Groundmaster Mowers	2	\$ -	\$ 231,367	\$ -	Replace Aging Equipment BSR
5	6W Dump Truck	1	\$ -	\$ 178,000	\$ -	Replace Aging Equipment BSR
6	Tarp Machine	1	\$ -	\$ 78,767	\$ -	Replace Aging Equipment BSR
7	Bull Fences	10	\$ -	\$ 46,500	\$ -	Replace Aging Equipment BSR
8	Bush-Hog	1	\$ -	\$ 15,422	\$ -	Replace Aging Equipment BSR
9	Landfill Security System	1	\$ -	\$ 480,000	\$ -	Secure Enviro./Prop. Ops BSR
10	Toro Groundmaster Mowers	2	\$ -	\$ 231,367	\$ -	Replace Aging Equipment SHL
11	60" Kubota Mowers	3	\$ -	\$ 73,413	\$ -	Replace Aging Equipment SHL
12	72" Kubota Mowers	3	\$ -	\$ 76,356	\$ -	Replace Aging Equipment SHL
13	Kubota Tractor	1	\$ -	\$ 56,536	\$ -	Replace Aging Equipment SHL
14	Bush-Hog	1	\$ -	\$ 15,422	\$ -	Replace Aging Equipment SHL
15	Compact Track Loader	1	\$ -	\$ 182,163	\$ -	Replace Aging Equipment SHL
16	4WD Utility Body Truck	1	\$ -	\$ 49,700	\$ -	Replace Aging Equipment SHL
		Total:	\$ -	\$ 4,318,580	\$ -	