

Pre-Hearing Budget Oversight Questions
District Department of the Environment

1. The agency's proposed FY 2015 budget includes an additional \$8.77 million in special purpose revenue funds based on FY 2015 revenue projections. Please explain this increase.

Stormwater MS4 (0654)

The fund's budget has been increased by \$2.8 million utilizing existing fund balance. The additional budget will be used to: design stream restorations in areas where erosion is damaging stormwater outfalls and impacting water quality; utilize consulting services as necessary to implement new stormwater regulations and mitigation programs; purchase and retire stormwater retention credits from sites that voluntarily install stormwater retention retrofits which meet or exceed their regulatory obligations; and purchase a vacuum truck for DC Water in order to maintain water quality catch basins.

Stormwater Fees (0646)

The fund's budget has been increased by \$925,000 due to revised regulations finalized in July 2013, which established higher plan review fees (0646) for stormwater management and erosion and sediment control. DDOE plans to use the funds to support Watershed Protection's technical services and inspection and enforcement programs.

Stormwater ILF (0655)

This new special purpose revenue fund, with a budget of \$850,000, was created to receive and track the use of In-Lieu Fee payments made to DDOE. In-Lieu Fee payments are an off-site mitigation option available to regulated projects that do not meet their full stormwater retention obligations on-site as required by the District's new stormwater regulations. DDOE will use the funds to cover the cost of stormwater retention practices that offset the stormwater runoff created by the regulated projects.

Bag Bill Fund (0670)

The fund's budget has been increased by \$1.47 million using existing fund balance. The budget will be used to implement an expanded 5th grade Environmental Education program for District students.

Wetlands Fund (0667)

The increase in revenues to the Wetlands Fund (0667) is due to Fee-In-Lieu payments received for wetland mitigation during FY 2013 and the first quarter of FY 2014.

Pesticides (0645)

The increase in Pesticide special purpose revenue is due to an increase in Pesticide Product Registration fees from \$130 to \$250 to implement the Pesticide Education and Control Amendment Act of 2012. The fee increase will produce approximately \$880k in additional revenue and will be used primarily to fund an integrated pest management (IPM) program.

2. DDOE's Lead and Healthy Housing program operating budget is reduced by \$525,000 and 7.2 FTEs in the proposed FY 2015 budget. DDOE's FY 2014 budget included an enhancement of at least \$260,000 for this program to provide services for approximately 200-250 additional children. Please explain why this cut has been proposed, what reduction in services will result, and how many of the FTEs being eliminated are currently filled.

DDOE's Lead and Healthy Housing Division was supplemented by a Centers for Disease Control (CDC) Lead and Healthy Homes grant program to the states. In 2011 Congress defunded this program and the Department has explored various funding sources to fill the gap left by Congress' decision. Prior to defunding, the Department received an annual grant of \$600,000 or more. The last tranche of grant funding was expended in FY12.

The permanent expiration of federal funds will require DDOE to reduce staff by five (5) currently employed Lead and Healthy Housing Division personnel, including both case managers charged with assisting and counseling the families of lead poisoned children, and lead inspectors charged with identifying lead hazards in the homes of such families, responding to complaints of unsafe work practices by contractors, monitoring the activities of licensed lead professionals, and overseeing lead abatement activity.

The Department is exploring alternative methods to continue to fund this important program within existing resources and avoid any gap in operation or reduction in services. .

3. The Pesticide Education and Control Amendment Act of 2012 established higher pesticide product registration fees, to be used to support DDOE's pesticide program. DDOE expects to issue regulations implementing the program this May. Are the additional funds and programmatic expenses accounted for in the proposed FY 2015 budget?

Yes, the additional funds of approximately \$880k were included in the FY 15 budget. DDOE has begun recruitment for the additional FTEs needed to continue implementation of the Pesticide Education and Control Amendment Act of 2012. The necessary programmatic equipment, software, and hardware are also accounted for in the FY15 budget.

4. The Mayor's FY 2015 budget includes an enhancement to the Energy Administration in the amount of \$1.3 million to increase LIHEAP benefit payments to the minimum amount necessary for SNAP recipients to qualify for the "Heat and Eat" program. Will the District be able to sustain this additional level of LIHEAP funding in the long term? Please provide the amounts of federal and local funds allocated to LIHEAP benefits each year over the last 5 years, as well as the number of LIHEAP participants served each year.

Yes, the District can sustain this additional level of LIHEAP funding. The District will use this budget enhancement to provide benefit payments to low-income households who participate in the Supplemental Nutrition Assistance Program (SNAP), to allow them to receive the maximum standard utility allowance. This enhancement is required to meet the provisions of the Farm Bill which modified the Heat and Eat program by increasing the minimum benefit payment from \$1.00 to \$20.01. The funding allocation of \$1.3 million is based on the historical number of participants in the Heat and Eat program.

The amounts of federal and local funds allocated to LIHEAP benefits, and the number of households served from FY10 – FY14 are as follows:

Fiscal Year	Benefits			Number of Customers Served
	Local	Federal	O-type	
2010	6,476,617.43	12,012,810.41	1,704,976.91	31,627
2011	4,573,000.00	12,405,692.83	2,463,236.49	27,985
2012	4,704,628.25	7,451,063.92	1,998,159.98	20,698
2013	4,194,480.08	7,747,403.75	1,614,702.73	21,276
2014	4,072,972.82	7,357,230.69	1,702,419.85	13,267 (to date)

- The Anacostia River Hazardous Material Remediation capital fund has a \$2.5 million balance for FY 2014, and its FY 2015 allotment has been cut by \$7 million. Construction completion has also been pushed by 3 years, to 2020. Please explain this delay and reduction.

DDOE expects to complete the majority of the field work (sampling and analyses) in FY14 but some field work could extend into FY15. We expect that the allotment for FY15 will be sufficient to complete any remaining field work and to begin the next phase – the feasibility study.

The Department is actually ahead of schedule by being able to start field work in FY14. The FY20 reference in the Capital budget simply reflects the fact that the capital budget is a five-year plan. The \$9 million reduction in the FY15 allotment was moved to outer years due the projected volume of work expected in FY15.

There is technically no cut to the Hazardous Material Remediation (Anacostia River) project. Despite a reduced allotment in FY15, the total funding over six years is actually greater.

- Please provide a description of the types of projects funded by the community grant program for green building initiatives that DCRA runs under the MOU between DDOE and DCRA.

Project #1: Green Multiple Listing Service

This grant is intended to increase the awareness of existing “green” elements of the DC metro area’s MLS system, and to further develop additional resources in the system to focus on green building attributes. The grantee will work with MRIS, the nation’s largest MLS system to share information about existing and new opportunities to highlight green buildings. Another goal of the grant is to analyze the current and potential value that is created for property owners through the greening of the local MLS system. Finally, the grantee will contact key stakeholders and study the feasibility of directly providing energy, water and other green building data into the MLS system.

Project #2: Green Appraisals

This grant is intended to increase awareness and implementation of green appraisals in the finance and real estate communities in the District of Columbia. In order to achieve this goal, the grantee will be creating outreach materials and host meetings with key stakeholders to inspire a market transformation towards green appraisals. The grantee will also be hosting at least one training meeting with those responsible for funding and completing appraisals. Finally the grantee will be asked to create a plan describing how the District government could incorporate green appraisals trainings into regular business activity.

Project #3: Smart Buildings Plan Project

In order to become a more efficient and sustainable place, the District of Columbia needs a “smart buildings” plan. The plan will include an assessment of the building data sources that are currently available in the District, and a feasibility study of a “big data” platform, including recommendations on how to track and analyze the data needed, cost estimates for maintaining this information in a single platform, and a summary of the steps necessary to move from this assessment and feasibility study to construct and implement such a platform. The assessment will include a specific action plan required to create a data tracking platform, including potential additional costs, estimates of timelines to complete the next steps required, and any other information needed to move the plan forward, including a summary of challenges that the District faces in coordination, data tracking or data integrity. Finally, the plan should include recommendations on how the District might collect static and dynamic data from a strategically selected sub-set of buildings throughout the city, and how we might use that data as a “clinical trial” to test the efficacy of policy making decisions. The recommendations for the “clinical trial” should also include how the city might create a three-dimensional, user friendly and analytical “city model” that would be capable of excerpting the data collected and extrapolating the specific building data from the “trial” buildings to all other city buildings.

Project #4: Management of the District's Green Business Challenge (DC Smarter Business Challenge)

This grant will enlist a third party provider to develop and manage a green office challenge/business engagement program (the DC Smarter Business Challenge), that encourages business to adopt green practices into their operations. This program utilizes two online tools, ICLEI's Green Business Challenge, (icleiusa.org/climate_and_energy/green-business-challenge) and Green PSF (greenpsf.com). The effort will promote energy and water efficiency, innovative LID/stormwater practices, installation of green roofs, green purchasing, employee commuting programs, development of case studies, recognition programs, as well as other green initiatives. This program will engage the business community to support the Mayor's Sustainable DC Plan and ensure the long-term sustainability of the District's communities and its economy.

Project #5: Energy Performance Data Quality Assurance

This grant is intended to help DDOE develop and implement a successful strategy for improving data quality for benchmarking data from privately-owned buildings. The grantee will initially propose a plan for verifying data quality, including an assessment of various options and why the proposed method was selected. Buildings of types eligible for an ENERGY STAR score shall be evaluated in relationship to the accuracy of that score. Buildings of types not eligible for a score will also be graded based on their weather-normalized source energy use intensity. If a confidence grade can be given to the whole-building EUI of any non-ratable type, then that shall be done as well. The grantee will additionally prepare a program plan for enforcement of good data quality, identifying the major drivers of poor benchmarking data quality, boundary values

for testing data validity, and a recommended plan of action for improving data quality. DDOE will share the results of the analysis with the DC Sustainable Energy Utility.

7. Please provide the amount of funding allocated under the FY 2015 budget toward the completion of the ICE database, as well as an estimate of the total amount needed if the database completion were to be accelerated to FY 2015.

In FY15 we have allocated \$100,000. OCTO provided a preliminary estimate that the project will cost at least \$1.5 million to complete the database and it will be a multi-year project.

8. Please provide an estimate of the amount of funding needed to add a single complaint or service type to the District's 311 system, and a list and brief description of the types of service requests and complaints that DDOE is responsible for managing.

DDOE met with a representative from the Office of Unified Communications to discuss the feasibility and cost associated with utilizing the 311 platform to report certain environmental violations. DDOE learned that the app can be utilized to report violations via the 311 web portal (<http://311.dc.gov/>) and the DC 311 Mobile App. The DC 311 Mobile app allows District residents to report environmental violations that include pictures and/or video with their mobile device. Reported incidents would be routed to the Office of Enforcement and Environmental Justice (OEEJ) for further investigation and follow up.

The cost estimate to develop and maintain this platform:

- Application Development: \$15,000
- Annual Maintenance Fee: \$3,000 per year

DDOE has not yet determined which programs will be utilizing the 311 platform but are considering various programs to utilize the service as a pilot program.

9. Please explain the FTEs being added to the Watershed Protection, Storm Water Administration, Toxic Substances, and Policy and Sustainability divisions.

The Watershed Protection Division is adding 3.5 FTEs. The additional positions be used to add capacity to the popular RiverSmart program, the stormwater and sediment erosion control program, and to fund a student trainee.

The Stormwater Management Division is adding 3 FTEs. The additional staff will be used to support expanded Bag Law enforcement, the implementation of the new stormwater regulation mitigation programs, and to model and track progress towards meeting stormwater runoff pollution reduction milestones.

The Toxic Substances Division is adding two FTEs to implement the training, reporting and other programmatic requirements of the Pesticide Education and Control Amendment Act of 2012.

The Office of Policy and Sustainability is adding two FTEs through an interagency MOU with DCRA. These positions will support expansion of the cutting-edge green building programs and focused specifically on greening of affordable housing.

10. Please explain the \$2.4 million increase in CSG 41 (Contractual Services – Other).

Of the \$2.4 million overall increase in contractual services, \$1.8 million is in special purpose revenue funds. Specifically, the Wetlands Remediation fund's contractual budget increased by \$1.2 million in order to use settlement revenues to remediate District wetlands. The Pesticide Product Registration fund increased \$395,000 to support software development for pesticide licensing and reporting. In anticipation of receiving sufficient revenues, an additional \$300,000 for stormwater contracts was included in the budget for the new Stormwater In-Lieu Fee fund. The funds will be used for stormwater retention projects that will be implemented to offset regulated projects that do not meet their full stormwater retention obligations on-site.

The balance of the increase occurred in the Private Grant budget as a result of a new grant from the National Fish and Wildlife Foundation for restoration work to be done in Alger Park.