

BAY RESTORATION FUND ADVISORY COMMITTEE

Maryland Department of the Environment

Thursday, April 10 · 1:00 – 3:00pm

Google Meet joining info

Video call link: <https://meet.google.com/feo-ygsf-drs>

Or dial: (US) +1 609-491-2076 PIN: 115 740 496#

And Remain Muted Unless Speaking

Meeting Agenda

- Introduction – Chris Murphy, Committee Chairman
- Approve previous meeting minutes – Chris Murphy, Committee Chairman
- Update on the Legislative Session – Les Knapp, MDE
- Update on Major and Minor WWTPs ENR Implementation – Walid Saffouri, MDE
- Update on the Whole Watershed Act Implementation - Shelly Baird, DNR
- Update on Cover Crops Activities – Jason Keppler, MDA
- Update on Onsite Sewage Disposal Systems (OSDS) – Paul Emmart, MDE
- Update on BRF Fee Collection and Budget – Paul Emmart, MDE
- Next meetings and other administrative issues to be discussed with the committee – Chris Murphy, Committee Chairman
- 2025 Next Pre-Scheduled Meetings: July 10th
October 9th
December 11th
- ADJOURNMENT

BAY RESTORATION FUND ADVISORY COMMITTEE
Maryland Department of the Environment

Virtual Meeting
December 12, 2024

Meeting Minutes

Welcome/Introduction

- The meeting was opened by Mr. Murphy, the Chairman of the Bay Restoration Fund Advisory Committee.
- Mr. Murphy welcomed the committee members and other attendees.

Review of Meeting Minutes

- Previous meeting minutes, from the October 10, 2024 meeting, were shared with the committee members for their review and comments. An electronic copy of the meeting minutes was also e-mailed to the committee members prior to the meeting.
- Mr. Murphy asked if anyone had any questions, comments, or a motion to approve. The minutes were approved, and they will be posted on the web.

Discussion

I. Update on Major and Minor WWTPs ENR Implementation:

- Mr. Saffouri provided an update on the ENR implementation program. There has been no status change in the major or minor upgrades. The only change we have had since the last meeting is Twin City's upgrade progressing from 88 percent to 91 percent. This is the reported progress, and we could have made more progress than what we have reported.
- Mr. Abbott asked if a minor facility needs an upgrade to ENR, but a better alternative would be to abandon that treatment plant and install a pumping station and convey the flows to a regional facility. Would that project be grant-eligible for BRF funding? Mr. Saffouri responded yes, if the receiving facility is an ENR plant. Also, an engineering report needs to be done showing that conveying the flow is a more cost-effective option. Mr. Saffouri offered to email Mr. Abbott the MDE eligibility determination guidelines, which explain all this in more detail. Mr. Murphy added that we were able to do that with Anne Arundel County's Mayo plant.

II. Update on the Annual Report:

- Mr. Saffouri presented the final draft of the Annual Report for the committee's approval. An electronic copy of the report was also e-mailed to the committee members prior to the meeting. The report has already been updated by MDE, MDP and MDA.
- The committee approved the report contingent upon addressing any comments that may be received from any committee member within a week from the meeting (by December 19, 2024).

III. Update on the Whole Watershed Act Implementation:

- Ms. Lane provided an update on the Whole Watershed Act program, which was passed during the 2024 legislative session. DNR is currently hiring two staff to manage this program. Also, any questions can be directed to the wholewatershed.dnr@maryland.gov. The Whole Watershed Act is looking to establish a way to fund projects that span all our restoration under both point sources and non-point sources. The projects will go on for five years. The program will be overseen by a state management team, which includes representatives from the Department of Natural Resources, the Chief Resiliency Officer, Department of Agriculture, Department of the Environment, the Critical Area Commission, and the Department of Planning. The proposals will be evaluated by a state management team for three main objectives. The projects must meet at least one of these objectives: (1) an improvement to shallow water habitat and living resources; (2) achieve rapid delisting; (3) or generate rapidly improving conditions to the local ecosystem. The projects must also address at least five of seven benefits that are identified in the act: (1) creation or restoration of wildlife habitat, riparian buffers, and wetland; (2) restoration of aquatic resources, such as fresh water mussels, fish passage, or oyster reefs; (3) carbon sequestration; (4) climate change mitigation, adaptation or resilience; (5) local employment opportunities; (6) improving and protecting public health; and (7) recreational opportunities and public access to waterways and natural habitats. The act says that the state management team will work to select up to five watersheds with one being predominantly urban, one predominantly suburban, two predominantly agricultural and one that would be within and working with an adjoining state. At least two of the projects must be in and provide benefits to an overburdened or underserved community (Environmental Justice Community). On October 1st, we released an RFP with all proposals were due on December 3rd. Nine applications were received, and they are currently being evaluated by the state management team. The evaluation process will continue until the end of February. In March, we will announce the five selected watersheds. Then from March to June, the state management team will work with those project sponsors and develop a financial and implementation plan, which includes the six funding sources. Funds will be available beginning July 1, 2025. We should be able to share the selected projects at the next committee meeting in April.

- Mr. Murphy asked whether the whole watershed projects move ahead of everything else in the Bay Restoration Fund ranking. Ms. Lane responded that it would depend on the fund source and what gets voted on in the General Assembly. The funds are transferred from the two DNR pots of money, the Trust Fund and Waterway Improvement, as well as the two MDE pots of money, BRF and Clean Water Commerce. Once the funds are transferred, the projects rating and ranking will be done within the whole watershed fund. Due to legal issues, the two funds from MDA funding programs will stay at MDA, and the whole watershed projects get the bump up in the priority within those programs.
- Mr. Murphy asked whether the whole watershed fund will have only one solicitation. Ms. Lane responded that this program would have a solicitation every five years. The next solicitation will be in 2029.
- Mr. Murphy asked whether a project could have a 50% cost share from one fund source within the whole watershed program and get the other 50% from another fund source within the program. Ms. Lane responded that all the sources together create the fund, which can only provide up to 50 percent of the project implementation cost.
- Mr. Murphy asked that once a watershed has been selected for funding, would it then be eligible for five years to put in a new set of water projects? Ms. Lane responded that we have not discussed that with the state management team, but it will be a future question for the team.
- Ms. Allen asked whether the slides of the presentation can be sent to the meeting attendees. Ms. Lane responded yes, she sent them to Mr. Saffouri, who will send them out after the meeting.
- Mr. Hoffman asked that once the Clean Water Commerce Act funds are transferred to the whole watershed program, would a competitive process and ranking as envisioned by current statute be used. Ms. Lane responded yes, the Office of the Attorney General for DNR, MDE and DBM discussed that and came back and said that the program process was okay. Mr. Fretwell added that the fund sources for us are BRF and Clean Water Commerce. Clean Water Commerce funds come from the BRF, so it's the same fund. So, the way we have proposed to handle those is just moving some BRF revenue into the whole watershed fund. It wouldn't necessarily be coming out of the Clean Water Commerce pot. As a result, there's less funding available in the BRF, which means something doesn't get funded. There's no new money being created through this process.

IV. Bay Restoration Fund Story Map:

- Ms. Stecker presented the story map on MDE's website. The landing page for the BRF was updated. All the information that was there before moved down at the bottom, and the story map at the top. The page now includes links to the podcast, a two-page fact sheet and an infographic.

- Mr. Murphy asked whether there will be any other celebration for the 20-year anniversary of the BRF. Ms. Stecker responded that we may have a press release before the end of the year. Mr. Fretwell added that MDE submit an application for an EPA award for the 67 major wastewater treatment plant investments because they were co-funded with the state revolving fund. We were not selected for an award, but we got an honorable mentioned.

V. Update on Onsite Sewage Disposal Systems (OSDS):

- Mr. Fretwell provided an update on the on-site sewage disposal systems for fiscal year '25. Through December 12th, we have 116 BAT septic upgrades and nine connections. These are slightly lower than last year's numbers. Last year at the same meeting and on the same date, we had 176 upgrades and 15 sewer connections. This might be an invoicing issue where they just haven't submitted a payment request to us as timely as they did last year. We are also working on round two funding. We have \$1.8 million that went unspent in fiscal '24, and we're going back to the Board of Public Works on January 8th to allocate those to the counties to get more systems installed and more connections. That's our typical second round of Bay Restoration Fund process to make sure that we're able to utilize all the funds in a timely manner.
- Mr. Murphy asked whether we're going to have issues spending all the money since we're not upgrading as many septic systems as we did last year. Mr. Fretwell responded that we are going to spend it all, but we may be putting less systems for the same amount of money because the prices for these systems have gone up. We have several counties that have waiting lists because of the high demand.
- Ms. Moritz confirmed that the chart being presented is just a snapshot of essentially what's been paid by the state, and not the actual work in place. Speaking for St. Mary's, we've already awarded over a million dollars of the allocated grant for St. Mary's. So, we'll be on track like always.

VI. Update on BRF Fee Collection and Budget:

- Mr. Fretwell provided an update on Bay Restoration Fund fee collection for the first quarter of fiscal year '25. Through October of 2024, our revenues to date for the wastewater fund are \$30.02 million, which are higher than we were last year at the same time. Last year (FY24) in the first quarter we had 28.3 million. In FY23 we had \$35.2 million. So, we're within the range of what we typically would see in the first quarter of the fiscal year. For the septic fund, so far this year we have had \$12.7 million in total revenue. Of that, \$7.6 million for septic upgrades, and \$5.1 million for the cover crop program. The septic revenues are slightly lower than the typical \$13.9 million. There can be some lag between the fee collection and distribution. We will continue to monitor the revenues for both funds. If they remain low after the second quarter, we'll reach out to the Comptroller's Office and ask that they undertake a more detailed review of the individual county and municipal accounts.

VII. Other Discussions:

- Mr. Murphy asked whether anyone had information on the new Bay agreement in 2025, and what type of changes we might have. Mr. Sandi responded that's still being discussed. They're looking at a lot of the outcomes, not just water quality goals, but also some of the other outcomes that we're committed to including, such as oyster restoration and other natural resources-based outcomes for the program to achieve. We are not expecting substantial updates to the agreement itself. Commitments to meeting the TMDL will still be there with more emphasis on some of the shallow water conditions. Mr. Murphy asked about the deadline for the agreement. Mr. Sandi responded by the end of 2025.
- Mr. Hoffman added that the Chesapeake Bay Commission has also been involved. There was a good meeting of the Bay Executive Council yesterday, and it had all the governors, Governor Moore, the Governor from Virginia, and the Pennsylvania Governor. It was a very strong commitment to continue working together to achieve the goals. They made some statements about what their anticipation is for any revision or changes to agreement. It was very good to hear the real strong commitment from the three principal states. Obviously, there's going to be some additional challenges in the future.
- Mr. Saffouri asked whether any member had any issues with the pre-scheduled meeting dates on the agenda. There was no objection. Mr. Hoffman advised that he will be retiring by April.

VIII. Mr. Murphy reminded the Committee members that the next meeting will be held on April 10th.

Materials Distributed at the Meeting

- Meeting Agenda
- Previous Meeting Minutes
- Wastewater Treatment Plants ENR Upgrade Status
- BRF Advisory Committee Annual Report – Draft
- Whole Watershed Program
- BRF Septic Program Funded Installations
- Distribution of Bay Restoration Fee

Attendance

Advisory Committee Members or Designees Attending:

Chris Murphy, Anne Arundel County DPW, Committee Chairman
Laura Allen, Maryland Department of Budget and Management
Jeffrey Fretwell, Maryland Department of the Environment
Walid Saffouri, Maryland Department of the Environment
Ellen Mussman, Maryland Department of Planning
Doug Abbott, Easton Utilities
Bob Buglass, Washington Suburban Sanitary District
Mark Hoffman, Chesapeake Bay Commission
Sarah Lane, Department of Natural Resources
Tim Male, Environmental Policy Innovation Center
Heather Moritz, St. Mary's County Health Department
John Carroll, Mayor of Town of Galena

Others in Attendance:

Mary Sheppard, Office of the Attorney General
Rebecca Reske, Office of the Attorney General
Paola Argueta, Barton & Loguidice
Matthew Klein, Department of Legislative Services
Kurt Fuchs, Easton Utilities
Andrew Gray, Department of Legislative Services
Peter Bozick, Engineer, George Miles & Buhr
Kelly Duffy, RK&K

Maryland Department of the Environment (MDE) Attendees:

Kathy Stecker	Greg Sandi
Sunita Boyle	Paul Emmart
Garon Lizana	Naomi Howell
Rajiv Chawla	



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2025 Session Update - BRF

Bay Restoration Fund Advisory Committee
April 10, 2025

The 2025 Session



- 90 Days of “Controlled Chaos”
- 2,603 Bills + 12 Joint Resolutions
- \$3 Billion Budget Deficit
- Federal Uncertainty
- Energy Issues
- Next Year is an Election Year
- Chromite - the Official State Mineral
- BRF Largely “Flew Under the Radar”



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BRF - Operating Budget - HB 350

- U00A01.11 Capital Appropriation
 - Wastewater Special Fund Appropriation
 - \$50 Million
- U00A01.12 Capital Appropriation
 - Septic Systems Special Fund Appropriation
 - \$15 Million
- U00A10.03
 - Debt Service Special Fund Appropriation
 - \$28 Million



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BRF - Legislation - HB 131/SB 117

- *Environment - Bay Restoration Fund - Septic System Upgrade Program*
- Establishes new septic system funding prioritization
 - First Priority - Failing systems and holding tanks located in the Chesapeake and Atlantic Coastal Bays Critical Area (Existing law)
 - Second Priority - Failing systems located within a Maryland Chesapeake Bay 8-Digit Watershed that has a relative effectiveness for total nitrogen reduction of 9.24 or high based on the Chesapeake Bay Watershed Model
 - Third Priority - Failing systems located within the 500-year floodplain
 - Fourth Priority - Failing systems that MDE determines are a threat to public health or water quality (Existing law)



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BRF - Legislation - HB 131/SB 117



- Expands ability to cover costs for repairing or replacing a failing on-site sewage disposal system with a system that uses the BAT for moderate-income owners, as defined by MDE
 - Can help for projects with larger costs, like drainfield replacements
 - Still under the State's median income level



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BRF - Legislation - HB 131/SB 117

- Creates a “rolling” funding eligibility date for on-site sewage disposal systems and community sewerage systems
 - On-site Systems - Changes the eligibility date from the system being installed on or before October 1, 2008 to at least 15 years before July 1 of the year in which the application for funding is made
 - Community Systems - Changes the eligibility date from serving lots that have received a certificate of occupancy (or equivalent certificate) on or before October 1, 2008 to at least 15 years before July 1 of the year in which the application for funding is made



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Questions?

Les Knapp
Assistant Director
Water & Science Administration
les.knapp@maryland.gov



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Wastewater Treatment Plants ENR Upgrade Status

(April 10, 2025)

Major WWTPs

Previous Meeting

66 facilities are in operation
0 facility is under construction
1 facility is in planning
67 total

Current

66 facilities are in operation
0 facility is under construction
1 facility is in planning
67 total

Status Changes Since Previous Meeting:

- No status change.

Minor WWTPs

Previous Meeting

16 facilities are in operation
3 facilities are under construction
8 facilities are in design
8 facilities are in planning
35 total

Current

16 facilities are in operation
3 facilities are under construction
8 facilities are in design
8 facilities are in planning
35 total

Status Changes Since Previous Meeting:

- No status change.

Percentage completion for facilities under construction for ENR Upgrade:

Facility	Previous Meeting Percentage Complete	Current Percentage Complete
Twin Cities	91%	96%
Smith Island	63%	86%
Elk Neck State Park	54%	90%

Walid & Chris,

Unfortunately, I will not be able to attend the BRF meeting this afternoon. Would you mind sharing the following update with everyone today and I'll gladly answer any questions offline?

Due to a combination of weather and lower wheat prices, farmers planted a record number of acres through MDA's program in FY2025. Nearly 500,000 acres were certified this fall. This represents an estimated total of \$32 million in potential payout. Approximately \$7.7 million in fall payments have been processed and spring termination certification is currently underway. To accommodate the unanticipated increase in enrollment, MDA has been able to leverage existing funding sources from EPA-CBRAP and DNR Trust Fund. I would be glad to answer any questions offline via email etc.

Thanks

Jason

BRF Septic Program
Funded Installations FY25 to Date
July 1, 2024- March 31, 2025

County	Total approvals from Fiscal Year 25 Grant From 7/1/24-3/31/2025	
	# Septic Systems funded FY 25	# Sewer Connections funded FY 25
Allegany (CVI)	0	0
Anne Arundel	94	7
Baltimore	17	6
Calvert	39	0
Caroline	10	0
Carroll (CVI)	3	0
Cecil	15	3
Charles	8	0
Dorchester	28	1
Frederick (CVI)	0	0
Garrett	2	0
Harford	10	4
Howard (CVI)	0	3
Kent	14	0
Montgomery (CVI)	5	1
Prince George's	0	0
Queen Anne's	14	0
Somerset	9	0
St. Mary's	21	2
Talbot	8	1
Washington (CVI)	0	0
Wicomoco	0	0
Worcester	0	0
Totals	297	28

Comptroller of Maryland
Distribution of Bay Restoration Fee
Fiscal Year 2024

	MD Dept of Environment			
<u>Line 1:</u>				
4/05 - 6/05:				
Total Fiscal Year 2005	\$	7,022,667.18	Total Fiscal Year 2006	\$ 57,686,674.75
Total Fiscal Year 2007	\$	69,141,379.76	Total Fiscal Year 2008	\$ 54,695,910.00
Total Fiscal Year 2009	\$	53,339,463.89	Total Fiscal Year 2010	\$ 54,398,088.37
Total Fiscal Year 2011	\$	55,461,809.59	Total Fiscal Year 2012	\$ 55,971,051.91
Total Fiscal Year 2013	\$	102,145,356.32	Total Fiscal Year 2014	\$ 110,688,785.91
Total Fiscal Year 2015	\$	109,796,411.58	Total Fiscal Year 2016	\$ 124,301,135.01
Total Fiscal Year 2017	\$	115,989,051.47	Total Fiscal Year 2018	\$ 115,308,016.48
Total Fiscal Year 2019	\$	107,545,498.54	Total Fiscal Year 2020	\$ 121,185,706.78
Total Fiscal Year 2021	\$	98,087,149.34	Total Fiscal Year 2022	\$ 119,371,455.88
Total Fiscal Year 2023	\$	114,847,299.86	Total Fiscal Year 2024	\$ 103,736,978.66
Total Fiscal Year 2025	\$	63,111,622.81	Total Fiscal Year 2026	
August 2023	\$	-		
September				
October		30,020,844.67		
November				
December		6,276,901.84		
January 2024				
February		25,079,164.30		
March		1,717,293.32		
March		17,418.68		
April				
May				
FM13				
FM13				
Total FY 2024	\$	63,111,622.81		
Program Grand Total	\$	1,813,831,514.09		

Line 2:	MD Dept of Environment		MD Dept of Agriculture		Total Line 2
4/05 - 6/05					
Total Fiscal Year 2005 60% MDE 40% MDA	\$	156,580.00	\$	104,386.66	\$ 260,966.66
Total Fiscal Year 2006 60% MDE 40% MDA	\$	4,782,770.15	\$	3,188,513.44	\$ 7,971,283.59
Total Fiscal Year 2007 60% MDE 40% MDA	\$	8,094,089.27	\$	5,396,059.51	\$ 13,490,148.78
Total Fiscal Year 2008 60% MDE 40% MDA	\$	8,489,069.61	\$	5,659,379.72	\$ 14,148,449.33
Total Fiscal Year 2009 60% MDE 40% MDA	\$	9,484,117.74	\$	6,322,745.15	\$ 15,806,862.89
Total Fiscal Year 2010 66.4% MDE 33.6% MDA	\$	3,118,419.66	\$	10,803,096.68	\$ 13,921,516.34
Total Fiscal Year 2011 60% MDE 40% MDA	\$	8,173,632.20	\$	5,449,088.14	\$ 13,622,720.34
Total Fiscal Year 2012 60% MDE 40% MDA	\$	8,271,087.10	\$	5,514,058.08	\$ 13,785,145.18
Total Fiscal Year 2013 60% MDE 40% MDA	\$	15,992,799.08	\$	10,661,866.06	\$ 26,654,665.14
Total Fiscal Year 2014 60% MDE 40% MDA	\$	16,801,348.71	\$	11,200,899.10	\$ 28,002,247.81
Total Fiscal Year 2015 60% MDE 40% MDA	\$	17,456,798.39	\$	11,637,865.59	\$ 29,094,663.98
Total Fiscal Year 2016 60% MDE 40% MDA	\$	17,311,866.76	\$	11,541,244.49	\$ 28,853,111.25
Total Fiscal Year 2017 60% MDE 40% MDA	\$	17,113,840.66	\$	11,409,227.10	\$ 28,523,067.76
Total Fiscal Year 2018 60% MDE 40% MDA	\$	17,811,270.90	\$	11,874,180.60	\$ 29,685,451.50
Total Fiscal Year 2019 60% MDE 40% MDA	\$	16,883,720.52	\$	11,255,813.67	\$ 28,139,534.19
Total Fiscal Year 2020 60% MDE 40% MDA	\$	17,397,453.75	\$	11,598,302.51	\$ 28,995,756.26
Total Fiscal Year 2021 60% MDE 40% MDA	\$	16,989,802.10	\$	11,326,534.72	\$ 28,316,336.82
Total Fiscal Year 2022	\$	18,553,175.61	\$	12,368,783.78	\$ 30,921,959.39
Total Fiscal Year 2023 60% MDE 40% MDA	\$	16,949,975.95	\$	11,299,984.02	\$ 28,249,959.97
Total Fiscal Year 2024 60% MDE 40% MDA	\$	18,341,974.14	\$	12,227,982.76	\$ 30,569,956.90
Total Fiscal Year 2025 60% MDE 40% MDA	\$	14,172,919.33	\$	9,448,612.89	\$ 23,621,532.22
Fiscal Year 2025	60%		40%		Total
August 2025	\$	-	\$	-	\$ -
September		-		-	\$ -
October		7,605,518.44		5,070,345.63	\$ 12,675,864.07
November					
December		2,940,391.87		1,960,261.25	\$ 4,900,653.12
January 2026					\$ -
February		2,587,838.96		1,725,225.97	\$ 4,313,064.93
March		1,039,170.06		692,780.04	\$ 1,731,950.10
April					
May					
FM13					
FM13					
FM13					
Total FY 2025	\$	14,172,919.33	\$	9,448,612.89	\$ 23,621,532.22

Program Grand Total		\$ 272,346,711.63	\$ 190,288,624.67	\$ 462,635,336.29
<u>Administrative cost recovery by Comptroller</u>				
FY 2005	\$	44,941.58	FY 2014	120,303.41
FY 2006		52,122.42	FY 2015	152,674.27
FY 2007		57,482.53	FY 2016	158,749.94
FY 2008		57,777.62	FY 2017	158,735.88
FY 2009		46,721.16	FY 2018	168,013.19
FY 2010		112,654.00	FY 2019	188,999.78
FY 2011		59,098.66	FY 2020	219,425.05
FY 2012		94,566.86	FY 2021	212,919.00
FY 2013		102,423.14	FY 2022	160,131.05
			FY 2023	211,227.40
			FY2024	70,180.94
			Program Grand Total	\$ 2,449,147.88