

## **Director's Report to AEMC October 19, 2018**

Good morning all and welcome to the first meeting of the AEMC for FY 2019. A special welcome to Mr. Walters serving in the Professional Engineer position, Dr. Perry serving in the Veterinarian position, and Mr. McKinstry serving in the Biologist position. Dr. Miller, congratulations and thank you for you taking on the mantle of Chairman now that Commissioner Brown has maxed out on his allowable terms as chairman. Today's report will: update the Commission on the Department's budget status; review the proposed 2019 Unified Strategic Plan; discuss the Department's 2018 and 2019 Operating Plans; and, update you on several ongoing Departmental initiatives.

### **Budget**

Our FY 2019 began on October 1<sup>st</sup>. FY 2018 closed out with balanced funding and expenditures as anticipated. Our FY 2019 state appropriation is the same as FY 2018. On the federal side we are operating under a Continuing Resolution until a FY 2019 federal budget is adopted. The Continuing Resolution means our federal funding this fiscal year will continue at the same rate as last year until a final federal budget is adopted.

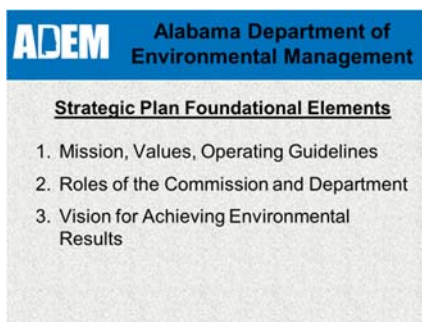
Another milestone on funding for the new field office in Mobile was passed when the package including our project was put out for public comment on October 5, 2018. A public meeting will be held on November 7, 2018 prior to the November 20, 2018 close of the comment period. After the public comment period and public meeting the Alabama RESTORE Council will prepare a response to any comments received and the final State Expenditure Plan will be sent to the Federal RESTORE Council for approval. At this time things still appear on target for funding shortly after calendar year-end. The Department has performed an analysis of the historic and projected future geographic dispersion of the workload in the southern part of the State to help with identifying the optimum location for the facility.

## **Proposed 2019 Unified Strategic Plan**

It has been five years since the 2014 Unified Strategic Plan was adopted so, as set out in the ADEM Administrative Code, it is now time to update the Plan. At the April Commission meeting a Strategic Planning ad hoc Committee was appointed and the public was invited to provide input to the plan. As part of the process to develop the proposed 2019 Unified Strategic Plan, EPA's recently released 2018-2022 Strategic Plan was reviewed for consistency.

You have received a red-lined copy of the proposed 2019 Unified Strategic Plan and copies of the proposed plan are available on the table in the lobby to any interested party. Later in the agenda for today's meeting the Commission will receive a recommendation from the Commission's Strategic Planning ad hoc Committee regarding the proposed 2019 Unified Strategic Plan that was developed jointly by that Committee and the Department. It is anticipated the Commission will consider adopting the 2019 Unified Strategic Plan at its meeting on December 14, 2018. I will walk you through the major sections of the proposed Plan.

### **Slide 1**



The Plan begins by setting out certain foundational elements:

- First, the Mission, Values, and Operating Guidelines for the Commission and the Department.
- Next, the Roles of the Commission and the Department, and

- Third, the Vision for Achieving the Most Meaningful Results for the Environment

## Slide 2

**ADEM** Alabama Department of Environmental Management

1. Mission, Values, Operating Guidelines

- ✓ Assure for all citizens of the state a safe, healthful and productive environment

- The Mission, as set out in the statute that created the Commission and the Department is to “Assure for all citizens of the state a safe, healthful and productive environment.”

## Slide 3

**ADEM** Alabama Department of Environmental Management

1. Mission, Values, Operating Guidelines

- ✓ Science-based decisions and policies
- ✓ Mutually respecting differing roles of Commission and Department
- ✓ Transparent communication
- ✓ Using resources wisely
- ✓ Acting on agreed upon goals

- The Values that Guide the Operation of the Commission and the Department are:
  - Science-based decisions and policies
  - Mutually respecting the differing roles of the Commission and the Department
  - Transparent communication
  - Using resources wisely, and
  - Acting on agreed upon goals

## Slide 4

**ADEM** Alabama Department of Environmental Management

**2. Roles of the Commission and Department**

- ✓ Commission and Department differing roles.
- ✓ Commission sets environmental policy:
  - Promulgating rules
  - Hearing appeals of administrative actions
  - Managing the Director of the Department

The second foundational element of the Unified Strategic Plan deals with the roles of the Commission and the Department.

- It begins by recognizing that the Commission and the Department have differing roles.
- The Commission’s role is to set environmental policy by:
  - Promulgating rules which is a legislative-like function.
  - Hearing appeals of administrative actions which is a judicial-like function, and
  - Managing the Director of the Department, which is an executive oversight role

## Slide 5


**ADEM** Alabama Department of Environmental Management

**2. Roles of the Commission and Department**

- ✓ Commission and Department differing roles
- ✓ Commission sets environmental policy
- ✓ Department implements policy:
  - Managing permitting.
  - Compliance determinations
  - Enforcement actions

- The Department’s role is to implement Commission policy by:
  - managing permitting,
  - making compliance determinations, and
  - taking necessary enforcement actions

## Slide 6




**2. Roles of the Commission and Department**

- ✓ Commission and Department differing roles
- ✓ Commission sets environmental policy
- ✓ Department implements policy
- ✓ Department provides timely quality information to help Commission set policy

- Finally, it is the Department's role to provide timely quality information to the Commission to assist in policy setting decisions.

## Slide 7



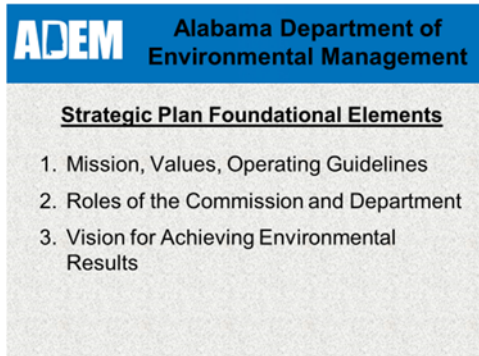
**3. Vision for Achieving Environmental Results**

- ✓ Air media: attaining federal ambient air quality standards
- ✓ Land media: safely manage solid & hazard waste, cleanup contamination, recycle
- ✓ Water media: attain water quality standards, use classifications, control storm water

The third foundational element is the Vision for Achieving the Most Meaningful Results for the Environment which is focused individually on the air, land and water media.

- For the Air media it is meeting or beating federal ambient air quality standards
- For the Land media it is the safe and responsible management and disposal of solid and hazardous waste; cleaning up and redeveloping contaminated sites; and, promoting recycling.
- For the water media it is attainment of water quality standards and all use classifications and minimizing the effects of storm water runoff

## Slide 8



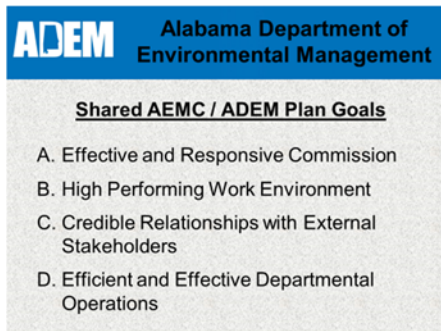
**ADEM** Alabama Department of Environmental Management

**Strategic Plan Foundational Elements**

1. Mission, Values, Operating Guidelines
2. Roles of the Commission and Department
3. Vision for Achieving Environmental Results

These three components are foundational and are constant in each update to the Unified Strategic Plan.

## Slide 9



**ADEM** Alabama Department of Environmental Management

**Shared AEMC / ADEM Plan Goals**


- A. Effective and Responsive Commission
- B. High Performing Work Environment
- C. Credible Relationships with External Stakeholders
- D. Efficient and Effective Departmental Operations

The broad long range goals in the Unified Strategic Plan are:

- An effective and responsive Commission
- A high performing work environment
- Credible relationships with external stakeholders, and
- Efficient and effective Departmental operations

Significant progress toward achieving these key goals has been made during the last five years covered by the prior strategic plan, however, the goals remain relevant and are being reaffirmed in the proposed 2019 update to the strategic plan.

## Slide 10



**Strategies for Achieving Shared Plan Goals**

- Effective Commission / Department Communication
- Effectively Address Emerging Issues, New Regulations, and Public Interaction
- Robust Departmental Support for the Commission
- Departmental Focus on Goals
- Maintaining High Quality Departmental Operations
- Taking all necessary steps to assure high levels of regulated industry compliance

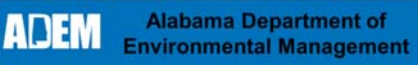
Likewise, the broad strategies for achieving those goals are being reaffirmed, including:

- Effective Communication Between the Commission and the Department
- Effectively Addressing Emerging Issues, Regulations, and Interaction with the Public
- Robust Departmental Support for the Commission
- Steady Departmental Focus on Goals
- Maintaining High Quality Departmental Operations, and
- Taking all necessary steps to assure high levels of regulated industry compliance

Additional details regarding each of the goals and the strategies for achieving those goals are set out in the proposed 2019 Unified Strategic Plan document you have been provided.

As noted a few moments ago, EPA recently released its 2018-2022 Strategic Plan.

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**EPA 2018-2022 Strategic Plan Goals**

- A. Core mission of clean air, land and water and ensure chemical safety
- B. Rebalance the power between Washington and the states to achieve results
- C. Administer the law as Congress intended

The strategic goals in the EPA plan are:

- deliver on the core mission of clean air, land and water, and ensure chemical safety;
- rebalance the power between Washington and the states to achieve results; and,
- to administer the law as Congress intended.

The EPA Strategic Plan also includes a series of one year goals. While many of the EPA goals relate largely to federal matters, many directly and indirectly involve the states. There appear to be no conflicts with any matters that relate to our proposed 2019 Unified Strategic Plan or the 2019 Departmental Annual Operating Plan. The 2018-2022 EPA Strategic Plan is, in fact, much more in harmony with our strategic and operating plans than was the case under the prior administration.

In addition to reviewing the proposed 2019 Unified Strategic Plan with you today, I am also providing you a copy of the Department's 2019 Annual Operating Plan. The Departmental Operating Plan that is developed each year reflects the key goals and strategies in the most recent Unified Strategic Plan. The annual operating plan identifies specific short and intermediate term objectives and actions to implement the goals of the strategic plan.

It is appropriate for the Department to be held accountable for executing its annual operating plan as a means to achieve the objectives of the strategic plan. Likewise, the performance of Departmental personnel is measured, in part, by the level of challenge in their individual goals and their success in meeting those goals. In order to track the Department's efforts throughout the year in executing the annual operating plan, prior to each Commission meeting it has been my practice to send you a memorandum titled "ADEM Update" which, among other things, addresses progress on achieving the objectives set out in the Department's Annual Operating Plan. Those six memoranda, one prior to each of the six Commission meetings, have served as a running update on execution of the FY 2018 Annual Operating Plan, so I won't go into



the detail of repeating that information, however, I would highlight two broad areas in both the 2018 and 2019 Annual Operating Plans, namely, the emphasis on EPA work plans and the Department's automation efforts.

For many years, very detailed annual work plans have been negotiated between EPA and the Department which cover each of our four major programs - NPDES, Safe Drinking Water, RCRA, and the Air program. The work plans set out how funding will be spent and specific details on what work will be accomplished. While meeting or exceeding the EPA work plan requirements for those four programs are only four of the 35 total elements under the major goal of Efficient and Effective Departmental Operations, they cover most of the day-to-day work of the Department. I am pleased to report that in 2018 the Department continued to meet or exceed all EPA work plan requirements as it has done for many years.

Automation in the areas of e-enterprise and e-business continues to be an important means to reduce costs, increase quality and better serve the public. Our Permits and Services Division is where this work is done. Often overlooked because they support activities for all media, the IT branch of the Permits and Services Division is the driving force in the continued move toward greater automation. It has been a major contributor to our ability to perform at a level among the highest in the nation while having the lowest funding level in the nation. Many of the goals in the Department's Annual Operating Plan are tied to automation. Twenty of the 35 initiatives under the goal of Efficient and Effective Departmental Operations relate to automation. The red-lined copy of the FY 2019 Departmental Operating Plan showing changes from the FY 2018 plan, which has been provided to you, shows the details of the continued emphasis in this area. On the table just outside this meeting room are copies of both the proposed 2019 Unified Strategic Plan and the final FY 2019 Departmental Operating Plan which are available for any interested parties.

### **Update on Uniontown Waste Water Treatment System**

I would now like to update you on another matter in which a number of Commissioners have expressed a personal interest. There have been some recent positive developments in the longstanding and difficult issues surrounding the Uniontown Wastewater Treatment System. Uniontown is an economically disadvantaged community in west central Alabama. The combination of poverty and local clay soil that is ill-suited for assimilating treated waste water has led to a deteriorated municipal waste water system in need of very high cost upgrades in order to meet water quality standards that are protective of human health and the environment.

Despite significant efforts by the local elected leaders, funding for the upgrades was unavailable for a number of years, and the system continued to degrade and remain noncompliant with environmental regulations. The Department undertook enforcement action while working with numerous other parties seeking a solution to the engineering and funding challenges. When the Department's enforcement options were exhausted the matter was turned over to the court as the only remaining option. Despite the court now having jurisdiction over the matter, the Department has continued to work with others seeking a solution to the problem.

I am pleased to report today that as a result of the continuing efforts of local elected leaders, several local businesses, Senator Shelby, Congresswoman Sewell, Senator Jones, Congressman Aderholt, the Delta Regional Authority, the Alabama Rural Water Association, ADEM and especially USDA, it appears that funding will be available for the \$31 million upgrade necessary to bring the Uniontown Wastewater System into compliance with water quality standards and environmental permit requirements. The upgrade calls for refurbishing the collection system and constructing a pipeline system to convey waste water to an existing facility in Demopolis some 18 miles from Uniontown. To help keep the system viable and able to meet water quality standards in the future, several steps will be implemented including

requiring all homes within the city limits to be hooked up to city water and sewer service, establishment of a utility board with members required to receive annual training, and operation of the waste water system by a qualified independent contractor. This is good news.

### **Personnel Matters**

A major element in both the Strategic Plan and the Annual Operating Plan is promoting a high performing work environment and an important part of that is encouraging the continued professional development of our personnel. Our people are the most important resource we have. Today I am pleased to recognize those who have achieved significant milestones in their professional development. Earning the designation of Professional Geologist and Certified Public Manager is no small feat. Many hours of personal time, rigorous course work and testing are required. Those who have successfully completed the Certified Public Manager I program please stand when I call your name:

Daniel Arthur

Ross Caton

Latoya Hall

Clay Messer

Aaron Roberts

Samantha Sims

Carla Snow

Those who have successfully completed the advanced Certified Public Manager II program please stand as I call your name:

Sonja Favors

Rick Kelsey

Jennifer McCord

Don Prempramot

We have one person who has achieved the Professional Geologist designation. Jason Wilson please stand and be recognized.

Congratulations to all of you.

That completes my report. At this time I would like to add one personal note. Dr. Richardson's term expired on September 30 of this year, and the Commission will be considering a resolution recognizing his service. Dr. Martin's term also expired on September 30 and at the December meeting the Commission will be considering a resolution recognizing his service. Serving on the Commission is truly an act of public service. It requires many hours of preparation before the meetings. It requires engaging with sometimes hostile advocates, often from several sides of an issue. At times you are required to make unpopular decisions that are publically second guessed and criticized. Your only reward is the satisfaction of knowing you are making a difference. I thank Dr. Richardson, Dr. Martin and each of you for your service to our State and your wise counsel to me.

### **Conclusion**

I will be pleased to answer any questions the Commission may have.