

Public Hearing Responsiveness Summary

The public hearing began at 10:05 AM, on June 15, 2015. Elaine Dietz, Chief of the Capital Planning and Financing Division for the Maryland Water Quality Financing Administration (MWQFA or WQFA), was the Hearing Officer. The list of hearing attendees is provided as Attachment 1.

Purpose

In accordance with the requirements of the federal Clean Water Act and the Safe Drinking Water Act, this public hearing was held at the offices of the Maryland Department of the Environment (MDE or Department) located at 1800 Washington Blvd, Baltimore, Maryland 21230.

The purpose of this hearing was to present documents and hear testimony concerning: (1) the State's DRAFT Federal Fiscal Year 2015 Intended Use Plan (IUP) and Draft Federal Fiscal Year 2015/State Fiscal Year 2017 Project Priority List (PPL) for the Maryland Water Quality Revolving Loan Fund (WQRLF) and (2) the State's DRAFT Federal Fiscal Year 2015 IUP and Draft Federal Fiscal Year 2015/State Fiscal Year 2017 PPL for the Maryland Drinking Water Revolving Loan Fund (DWRLF).

The public record remained open through the close of business on June 22, 2015.

Information Available

Documents available for viewing at the hearing included the draft IUPs and PPLs for the Maryland WQRLF and the Maryland DWRLF. These documents were referred to during the public hearing.

Public Notice/Advertisement

Notice of the public hearing was published on MDE's web page. In addition, an e-mail containing notification of the public hearing and document availability was sent to applicants that submitted a Federal Fiscal Year 2015/State Fiscal Year 2017 Financial Assistance Application.

Federal Fiscal Year 2015 Maryland WQRLF IUP

The Draft Maryland WQRLF IUP describes how the annual federal capitalization grant, matching State funds, and "recycled funds" (funds that return to the RLF for new loans from loan repayments) will be used for the design and construction of water quality capital projects pursuant to Title Six of the Clean Water Act. A federal grant of \$33.96 million for the State of Maryland is anticipated for the WQRLF, which must be matched by \$6.792 million (20%) in State funds. Including other funds, such as repayments and investment earnings in the amount of \$89.245 million the total capital funding under this IUP is estimated to be \$130 million.

Federal Fiscal Year 2015 Maryland DWRLF IUP

The Draft Maryland DWRLF IUP describes how the annual federal capitalization grant and matching State funds will be used for the design and construction of drinking water capital projects to implement the requirements of the federal Safe Drinking Water Act. A federal grant of \$15 million for the State of Maryland is anticipated for the DWRLF and set-asides. The federal funds must be matched with \$3 million (20%) in State funds. Including other funds, such as repayments and investment earnings in the amount of \$10.64 million, and excluding federal set aside funds in the amount of \$4.65 million, the total capital funding under this IUP is estimated to be \$24 million.

State Fiscal Year 2017 PPLs

The two Draft PPLs were developed using applications received from potential borrowers through the solicitation efforts undertaken in December 2014 through January 2015 for both the Maryland WQRLF and the DWRLF. Projects were rated and ranked based on public health and water quality benefits, consistent with two approved Project Priority Systems. With the exception of nonpoint source projects, projects for which loan funds are ultimately provided must be consistent with Smart Growth, local land use plans, and County Water and Sewerage plans; additionally, drinking water systems must have the financial, managerial, and technical capacity to maintain Safe Drinking Water Act compliance.

Additional Applications/Requests for Funding/Comments

The Department acknowledged the following comments received and/or changes made to the DRAFT Federal Fiscal Year 2015 and State Fiscal Year 2017 Clean Water and Drinking Water PPLs and IUPs since the start of the public comment period:

Clean Water Projects

WQFA was notified that the Priority Funding Area (PFA) issue noted for Somerset County Sanitary District's Fairmount Wastewater Treatment Plant Abandonment and Sewer Transmission project (rank # 1/78 points) has been resolved; comments on the IUP and PPL regarding "PFA issue" have been deleted. The project will be eligible for funding once the Water/Sewer Plan issue is resolved and as capacity becomes available.

Mr. David Wendt (LaVale Sanitary Commission) advised that the Manhole Rehabilitation Phase II project (rank #2/72 points) and the Mechanic Street Relief Sewer Improvements project (rank #15/62 points) will be 100% designed and ready for permitting in August 2015.

WQFA was notified that the Water/Sewer Plan issue noted for Town of Chesapeake City's Chesapeake City WWTP project (rank #25/42 points) has been resolved and that the PFA issue has been partially resolved; comments on the IUP and PPL regarding "W/S amendment under review" have been deleted, and comments on the IUP regarding "PFA issue" have been changed

to “PFA issue resolution pending.” The project will be eligible for funding once the PFA issue has been fully resolved and as capacity becomes available.

Mr. Alan Quimby (Queen Anne’s County) requested that the Southern Kent Island (SKI) Sanitary Project Phase I, Subphase B (rank #52/30 points) be considered for loan funding. This project will be added to the funding list.

Drinking Water Projects

A comment of “Potential State Grant” was added to the IUP for the R. C. Willson Water Treatment Plant Traveling Screen Replacement and Water Storage Tank, IV-C (rank #2/108 points).

The Honorable Daniel Laffey (Town of Westernport) requested that the Westernport (Luke) Mill Bloomington Water Line project (rank #4/105 points) and the Westernport Water Line Tree Farm Water Storage Tank (rank #11/85 points) be considered for loan funding. Comments on the IUP and PPL regarding “loan unwanted” were deleted. The project will be considered for loan funding, as capacity becomes available. A comment of “Potential State Grant” was added to the IUP for the Westernport (Luke) Mill Bloomington Water Line project.

WQFA was notified that the PFA issue noted for Dorchester County Board of Education’s North Dorchester High/Middle Schools Well and Storage Tank Replacement project (rank #5/105 points) has been resolved; comments on the IUP and PPL regarding “PFA issue” have been deleted. The project is now eligible for funding; a comment of “Potential State Grant” was added to the IUP.

Mr. James Webber (Allegany County) requested clarification regarding why Allegany County Commissioner’s Pond Circle Road project (rank #6/105 points) is shown to have a Water/Sewer Plan issue. Subsequent to receiving the comment, WQFA was notified that the Water/Sewer Plan issue noted for this project has been resolved; comments on the IUP and PPL regarding “W/S issue” were deleted. The project is now eligible for funding, as capacity becomes available. A comment of “Potential State Grant” was added to the IUP.

WQFA was notified that the PFA issue noted for City of Fruitland’s Fruitland Water System Upgrade project (rank #8/95 points) has been resolved; comments on the IUP and PPL regarding “PFA issue” were deleted. The project will be eligible for funding once the Water/Sewer Plan issue is resolved and as capacity becomes available.

Mr. Larry Petty (St. Mary’s Metropolitan Commission) requested clarification regarding why the St. Clements Shore Water System Replacement project (rank #10/88 points) is shown to have a Priority Funding Area (PFA) issue. Subsequent to receiving the comment, WQFA was notified the PFA issue for this project was resolved; comments on the IUP and PPL regarding “PFA issue” were deleted. The project is now eligible for funding, as capacity becomes available.

Ms. Gwen Evans (Town of Oakland) requested clarification regarding why the Oakland Water Pressure Correction project (rank #16/80 points) is shown to have a PFA issue. Subsequent to

receiving the comment, WQFA was notified the PFA issue for this project was resolved; comments on the IUP and PPL regarding “PFA issue” were deleted. The project is now eligible for funding, as capacity becomes available.

All comments received will be responded to in writing.

Testimony

Ms. Teresa Wong (MDE Water Management Administration) advised that a draft Water/Sewer Plan amendment for City of Fruitland’s Fruitland Water System Upgrade project (rank #8/95 points) is under review. The project will be eligible for funding once the Water/Sewer Plan amendment is approved and as capacity becomes available.

Mr. Larry Petty (St. Mary’s Metropolitan Commission) asked if having the St. Clements Shore Water System Replacement project (rank #10/88 points) ready-to-proceed to construction would give it an advantage over the other projects waiting for funding “as capacity becomes available.” Mr. Richard Pencek (WQFA Program Administrator) replied that readiness-to-proceed is important, since funding is limited. Mr. Petty noted that the project may have some green-eligible components (water meters) and asked if grant funds are available for that portion. Ms. Dietz advised that the Drinking Water RLF program does not have a green quota to be met, so green projects no longer have an advantage for funding, grant or otherwise. If funding is available for the project, the issue of subsidy for the green components can be revisited.

No other testimony was provided. The public hearing concluded at 10:23 AM. MWQFA will formally respond to those who submitted comments requesting specific actions.

Copies of all records pertaining to the public hearing process are available at the offices of MDE, 1800 Washington Blvd., Baltimore, Maryland 21230. Telephone inquiries may be made to Elaine Dietz at (410) 537-3908.