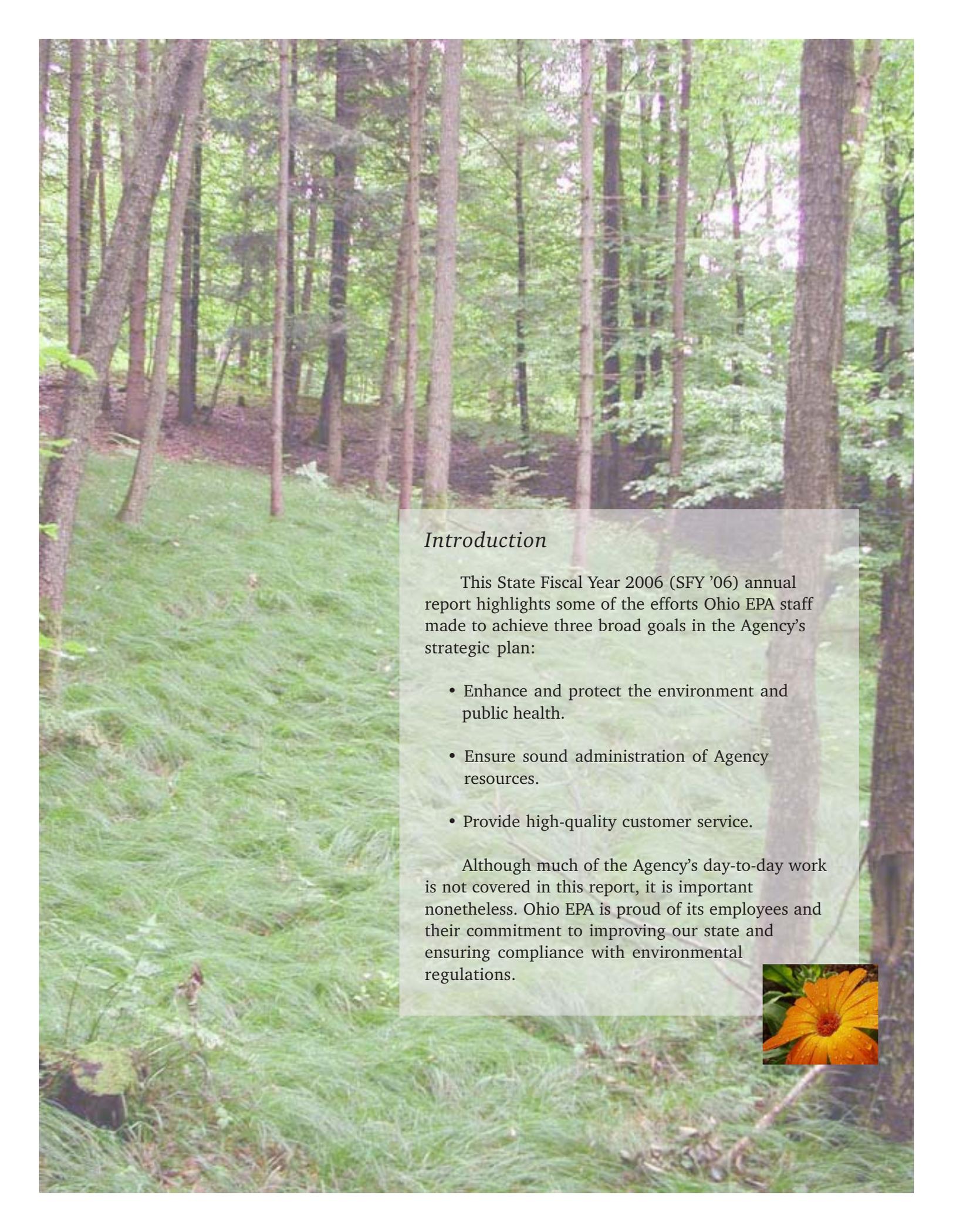




# 2006 *Annual Report*





## *Introduction*

This State Fiscal Year 2006 (SFY '06) annual report highlights some of the efforts Ohio EPA staff made to achieve three broad goals in the Agency's strategic plan:

- Enhance and protect the environment and public health.
- Ensure sound administration of Agency resources.
- Provide high-quality customer service.

Although much of the Agency's day-to-day work is not covered in this report, it is important nonetheless. Ohio EPA is proud of its employees and their commitment to improving our state and ensuring compliance with environmental regulations.

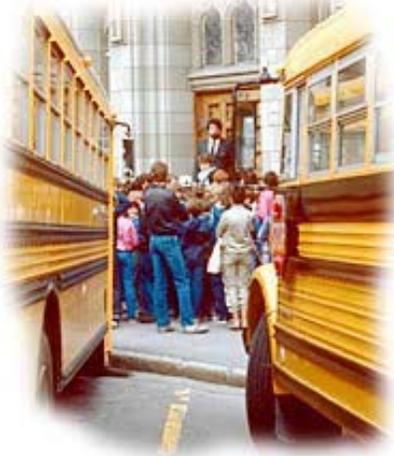




## Demonstrate environmental stewardship

### Fund Diesel School Bus Retrofits

In an effort to reduce children's risk while improving overall air quality, Ohio EPA developed and implemented a funding program to help school districts retrofit their diesel school buses with pollution control equipment and use cleaner fuels to reduce emissions. The new grant program is funded by civil penalties that Ohio EPA collects for environmental violations.



Ohio EPA awarded the first grants, totaling more than \$424,157, to nine school districts in June 2006. With the completion of these retrofits, particulate matter emissions from the retrofitted school buses will drop by an estimated 20 to 50 percent.

#### Free School Bus Pollution Prevention Lessons Available Online

Schools may be interested in transferring real-world problem solving from their bus retrofits into the classroom. Ohio EPA has funded the development of 4th, 5th and 6th grade lessons that measure the benefits of reducing idling, increasing fuel efficiency and keeping tires properly inflated. These lessons may be downloaded at no charge by going to <http://p2cc.udayton.edu/>.

## Reduce Mercury

Ohio EPA pursued legislation to reduce mercury through limits on the use and sale of mercury-containing consumer products and sources such as novelty items. During SFY '06, Ohio EPA worked with the General Assembly to enact appropriate legislation to achieve this reduction.

The Office of Compliance Assistance and Pollution Prevention participated in the Ohio Mercury Reduction Group with Ohio EPA's Division of Surface Water. The group shares information and helps coordinate mercury reduction efforts at Ohio EPA and with other state agencies and organizations.

For Ohio EPA's Division of Emergency and Remedial Response, mercury spill response continued to be a significant activity with 284 recorded reports regarding mercury during SFY '06. On-scene coordinators responded to 166 of these incidents and provided technical assistance by phone in 34 more.

## Clean Up Contaminated Sites

Ohio EPA committed funding to clean up the following sites:

- Little Scioto River (Marion) - Ohio EPA contributed \$1 million toward Phase 2 of the project involving cleanup of a 3/4-mile stretch of creosote-contaminated sediment. The entire cleanup project, which covers a total of 3.5 miles, is estimated to cost at least \$20 million. Funding is still needed to clean the remaining area.
- Sawyer-Ludwig Park (Marion) - This first state-funded cleanup was completed in the fall of 2005 with final grading and reseeded in the spring of 2006. The \$600,000 project included removing various contaminants (PAHs and metals) and restoring a half mile of stream flowing through a public park. As a result of this cleanup, a public health advisory was lifted for the stream.

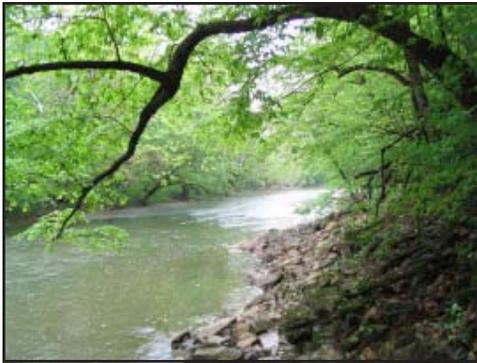


- Newark Processing (Licking County) - Approximately \$1.5 to \$2.5 million is allotted to reinforce the river bank where aluminum dross is eroding into the Licking River.
- Tri-State Tank in Coal Grove (Lawrence County) - Ohio EPA estimates this cleanup will cost about \$800,000. There are solvents in the ground water. U.S. EPA has done some remediation.

## Protect and Restore Water Resources

### Protect Big Darby

One of central Ohio's treasured resources is Darby Creek. The watershed drains agricultural areas and suburbs to the northwest and west of Columbus. Development in the watershed is rapidly increasing, creating even more challenges to protecting this resource.



The Total Maximum Daily Load (TMDL) program focuses on the identification and restoration of polluted rivers, streams, lakes and other surface water bodies. The TMDL report includes an assessment of water quality problems and contributing sources of pollution; specifies the amount a pollutant needs to be reduced to meet water quality standards (WQS); allocates pollutant load reductions; and provides the basis for restoration activities.

In an effort to promote environmentally sensitive development, Ohio EPA worked with interested parties to complete the TMDL studies for the watershed. Based on extensive data and public input, the Agency completed a comprehensive plan, including environmental controls, that was approved by U.S. EPA.

The Agency then developed storm water controls and the first basin-specific storm water permit for the Big Darby Creek watershed.

The Big Darby TMDL was just one of several U.S. EPA approved in SFY '06. Ohio contributed 47 percent of the total TMDL work in U.S. EPA's six-state Region 5 area over that time period. Ohio ended the fiscal year with 24 TMDL reports approved, another five drafted and 16 in development.

### Restore Middle Cuyahoga River

Ohio EPA worked with Middle Cuyahoga River stakeholders to help fund removal of the Munroe Falls dam. This will result in significant benefits to more than three miles of the Cuyahoga River. Combined with the Kent Dam removal, the two projects will successfully address several causes of impairment within this important water resource. Ohio EPA anticipates that these projects will result in the successful restoration of Warm Water Habitat life use attainment within the Middle Cuyahoga River. This should complete actions necessary to bring this stretch of river back into full attainment with state water quality standards.



In addition to dam removal activities funded with Ohio EPA's Water Resources Restoration Sponsor Program funds, the Division of Surface Water also awarded a federal grant to restore areas within the former dam pool, including stabilization of sediments, extensive plantings with native riparian shrubs and trees and restoration of tributary sites within the former impounded areas. The photos show the restoration of the stream banks.



### Match Available Funding with Impaired Water Bodies

To ensure that unobligated funds from various programs can be used to the maximum environmental benefit, Ohio EPA identified and prioritized projects based on their potential environmental benefits.

### Protect Ohio's Great Lake

Along with other Great Lake states and Canada, Ohio is a member of the Great Lakes Regional Collaboration. The group's goal is to investigate, develop and implement policies and programs that protect the resources in and around the Great Lakes. The Ohio Lake Erie Commission took a leadership role in the collaboration, serving on the executive committee and co-chairing one of the eight work groups. This active participation resulted in a phenomenal amount of support and understanding of the importance of protection efforts in the area. Ohio's *Lake Erie Action List* identifies restoration activities that Ohio's state agencies will undertake. To view a copy of the report, go to [www.epa.state.oh.us/oleo/lake\\_erie\\_action\\_list.pdf](http://www.epa.state.oh.us/oleo/lake_erie_action_list.pdf).

During SFY '06, Ohio EPA worked with U.S. EPA to allocate Great Lakes Legacy Act funds to support a \$50 million collaborative effort to dredge more than 500,000 cubic yards of contaminated sediments from the Ashtabula River. This is the largest Legacy Act project to date. The federal/state/local cleanup project will remove approximately 500,000 cubic yards of PCB-contaminated sediment from a one-mile stretch of the river. The sediments will be placed in a nearby specially designed landfill. Post-dredging activities will include sand cover placement and habitat restoration. The project will take about three years. Costs are split evenly between U.S. EPA and the Ashtabula Port Authority (the local sponsor) and its partners. The State of Ohio, through Ohio EPA, is providing \$7 million as part of the Port Authority's cost share. The responsible parties will pay for the balance of the local share.

### Ensure and assist compliance with environmental requirements

#### Customer Training and Education

Ohio EPA's Office of Compliance Assistance and Pollution Prevention (OCAPP) provides a place where business representatives can go to find answers to their compliance and pollution prevention questions. In SFY '06, Ohio EPA developed and conducted a one-day multi-media compliance seminar. The sold-out seminar in October was such a success that it was repeated in March 2006. These full-day events included three tracks with multiple sessions covering a wide range of environmental topics. Additional seminars are planned for SFY '07.



OCAPP completed comprehensive updates of two key compliance assistance documents. The *Small Business Environmental Compliance Self-Assessment Guide* helps small businesses understand and comply with air, waste, water and other Ohio EPA regulations. The *Ohio EPA Resource Guide* provides an overview of Ohio EPA and explains how to obtain publications and information on major environmental laws.



OCAPP also teamed up with all divisions to offer compliance assistance workshops for wood working and composting businesses while the Division of Surface Water held a compliance assistance workshop for residential development businesses.

In addition to the training sessions mentioned above, the total businesses assisted by OCAPP more than doubled from 1,024 in SFY '05 to 2,144 in SFY '06. Site visits increased by 67 percent and the number of training/educational sessions staff participated in nearly doubled from 33 to 63.



OCAPP staff also helped more than 2,144 Ohio businesses and 779 other external customers with their pollution prevention and compliance needs; conducted 219 site visits to help Ohio companies with compliance and pollution prevention projects; conducted 63 presentations and training events to help educate Ohio businesses and organizations about pollution prevention and environmental compliance; distributed more than 39,628 publications to external customers; and developed 25 new publications to show companies how to prevent pollution and comply with environmental requirements.

The Division of Surface Water (DSW) provided four one-day training workshops for approximately 225 consultants who regularly submit wastewater permit-to-install (PTI) applications. The focus of the training was PTI applicability and detailed plan requirements; PTI rule updates; and other PTI-related topics. DSW's compliance assistance staff assisted more than 27 facilities and provided package plant operation training to several county health departments.

The Division of Hazardous Waste Management provided technical assistance/educational outreach including 1,822 phone calls; 641 faxes/e-mails/documents and letters; 11 presentations; 23 newsletters articles; and five guidance documents.

In June, Ohio EPA hosted the Landfill Fire Conference 2006 in North Canton, Bowling Green and Hamilton. Presenters from Ohio EPA, health departments, U.S.



EPA, California EPA, landfill operators and fire fighters discussed topics including: human health and environmental impacts; U.S. EPA emergency resources; causes of landfill fires; detection and investigation techniques; suppression methods; and several case studies of landfill fires.

In northeastern Ohio, Ohio EPA staff coordinated a statewide seminar for the Manufactured Homes Association of Ohio to provide training for owners and operators of public water systems serving manufactured home parks across Ohio. Staff also provided more than 2,000 hours of Voluntary Action Program (VAP) technical assistance and outreach to volunteers including numerous cities and municipalities.

In southwestern Ohio, Ohio EPA staff provided technical and regulatory compliance assistance to many local water utilities to help them prepare to meet the new arsenic drinking water standard. Staff also prepared a video to help local officials and the construction industry understand storm water compliance requirements and best management practices.

The Office of Legal Services conducted staff training and made presentations at statewide conferences on legal and programmatic issues.

## Measure and report environmental progress and outcomes

### *Improve Internal Reporting Methods*

It is sometimes difficult to gauge if our efforts to protect Ohio's environment are successful. To better define goals and track our progress, Ohio EPA revised and updated its quarterly reporting format. The new format is a more visual way to show the impact of our daily activities and provides us with the opportunity to increase our use of outcome reporting to better illustrate actual improvements to the environment.

### *Use Water Quality Data from Volunteers*

The credible data rules became effective March 24, 2006. The program also adopted the name Volunteer Monitoring Program. This program leverages water quality sampling efforts of watershed groups, community associations, educators, local governmental organizations, and private sector businesses, and provides a method for the Agency to



consider the data they collect to help improve water quality monitoring and management decisions. Approximately 65 people were trained on the new program during the fiscal year. Additional training sessions in SFY '07 will increase the number of participants and quality data the Agency receives.

### *Integrate Water Quality Monitoring and Assessment*

In general, large rivers in Ohio meet aquatic life use goals at a much higher percentage than smaller streams. The increase in full attainment



across all large rivers is largely due to recent assessments of the Hocking River (100 percent full attainment over 69 miles) and the Tuscarawas River (86 percent full attainment over 103 miles).

### **Protect and restore environmental resources**

#### *Air Quality*

Ohio EPA operates one of the country's most extensive air pollution monitoring networks, comprised of 245 ambient air



monitors including 49 ozone monitors. During SFY '06, the Agency submitted redesignation requests to U.S. EPA for Stark, Allen and Belmont counties. Once granted, these areas will be identified as having attained the eight-hour ozone standard. During SFY '06, Ohio EPA began operation of a continuous PM<sub>2.5</sub> air quality monitor in Lorain, Ohio.

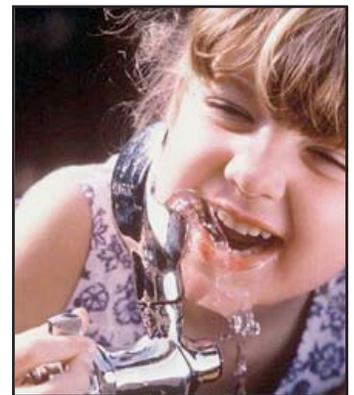
In SFY '06, Ohio EPA implemented changes to the E-Check program in the Cleveland area, including the elimination of the testing fee. In southeastern Ohio, staff completed a final permit for Coshocton Ethanol, one of the first ethanol plants in Ohio. The final PTI was used to develop an ethanol facility template permit, which should address many of the outstanding concerns regarding these facilities and allow for a more streamlined permit issuance process for future applicants.

District staff also began the permitting process for two new power plants in Meigs County. American Municipal Power of Ohio plans to install a traditional coal-fired plant with scrubbers while American Electric Power plans to install an integrated gasification combined cycle plant, which converts coal to gas for cleaner emissions.

#### *Drinking Water*

The Division of Drinking and Ground Waters (DDAGW) provided \$103,343,034 in loans to 26 public water systems serving more than 1.8 million people. Half of the loans were to systems serving fewer than 10,000 people.

In SFY '06, Ohio EPA's DDAGW staff completed source water assessment reports for 1,166 public water systems (95 percent of all systems) in Ohio. Assessments for all community and non-community non-transient water systems are also complete. As of June 30, 2006, 35.7 percent of priority public drinking water systems were in compliance with requirements. The divisions' goal is to have 50 percent of these systems in compliance by June 2007.





The division continues to promote the establishment of local source water protection initiatives and endorsed 11 source water protection plans for municipal water systems during SFY '06. Ohio EPA received protection strategy documents from 1,021 non-municipal public water systems and responded to 417 requests for custom maps of drinking water source protection areas.

DDAGW created an innovative partnership with the Ohio Department of Natural Resources' Division of Soil and Water Conservation to develop an outreach program targeting drinking water protection. Through this program, 39 Source Water Environmental Education Teams covering 45 counties presented drinking water protection information to 13,000 people. More than \$300,000 in federal Clean Water Act grants were awarded for public drinking water source water protection planning.

DDAGW undertook a number of initiatives to increase compliance with public drinking water requirements. The division reorganized to better address the types of compliance issues at public water systems. Compliance coordinators were established in each of the district offices. The division is currently establishing a revised sanitary survey process to improve the effectiveness and usefulness of inspections at drinking water systems. Full implementation is planned for 2007.

DDAGW formed an emergency response team to better respond to emergencies occurring at public water systems. All team members received training on the National Incident Management System and the Incident Command System. The division conducted a tabletop exercise involving an intentional contamination of a public water system. It also purchased 16 Multi-Agency Radio Communication System (MARCS) radios to communicate more effectively with other state agencies during an emergency.

Another way Ohio EPA protects ground water resources is by regulating the underground injection of waste materials. During SFY '06, the Underground Injection Control group closed 26 Class V injection wells used by facilities to discharge motor vehicle wastes.

### *Hazardous Waste*

During SFY '06, the Division of Hazardous Waste Management processed 159 Class 1, 68 Class 1A, 21 Class 2 and four Class 3 permit modifications. The class numbers refer to the complexity and administrative oversight of the proposed modifications. Class 1 modifications are generally simple and routine changes; Class 2 modifications are proposed to maintain safety or conformance with regulations; and Class 3 modifications cover major changes that substantially alter the facility or its operations. The division also issued four hazardous waste operating permit renewals for treatment, storage and/or disposal facilities.



Through Ohio's Cessation of Regulated Operations program, the division inspected 33 facilities and approved eight extensions.

The Division of Hazardous Waste Management conducted compliance evaluation inspections at 137 hazardous waste treatment, storage, and disposal facilities and 196 large quantity generators during SFY '06. In addition, the division approved 20 closure cleanup plans and accepted 18 final certifications documenting that facilities completed closure in accordance with their approved closure plans. This resulted in the proper off-site treatment or disposal of 81,731 tons of hazardous waste contaminated media and debris and proper on-site disposal of 0.03 tons of hazardous waste contaminated media and debris.



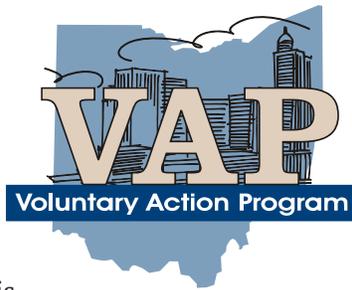
## *Emergency and Remedial Response*

The Division of Emergency and Remedial Response received 9,564 calls on the spill hotline during SFY '06. Duty officers recorded 5,271 incident reports and 340 additional reports for previously reported incidents. On-scene coordinators responded to 1,151 incidents and provided technical assistance by phone to an additional 407.

In southwestern Ohio, staff responded to and investigated several instances of vapor intrusion from off-site underground pollution sources that were causing localized indoor air quality problems. Two such situations were the East Troy contaminated aquifer and the Springfield Street plume in Riverside.

Participation in the VAP gives individuals a way to investigate possible environmental contamination, clean it up if necessary and receive a promise from the State of Ohio that no more cleanup is needed. The Voluntary Action Program (VAP) issued 28 covenants not to sue, resulting in 806 acres of land across Ohio being deemed protective of human health and the environment and available for productive reuse. Since the inception of the VAP, at least 3,750 acres of Ohio land are now available for reuse. In central Ohio, staff assisted with the Whittier Peninsula VAP project, which will turn a blighted area into a multi-use Metro Park and residential area.

In addition to issuance of covenants, VAP staff also provided technical assistance to 43 property owners or volunteers to facilitate voluntary action activities. Eighteen of those were municipalities that received the assistance free of charge through a pass-through brownfields grant from U.S. EPA. The assistance allowed the municipalities to make significant progress with their site assessments and cleanups.



Ohio EPA assesses sites where there is suspected contamination to determine whether there is a threat to human health or the environment that requires remedial action.

During SFY '06, Ohio EPA conducted site assessments at 20 federal-lead sites. These assessments were conducted to evaluate whether sites are eligible for cleanup by U.S. EPA under the Superfund.

Ohio EPA conducted seven targeted brownfield assessments (TBAs) to determine if contamination exists at properties around the state. To date, Ohio EPA has used TBAs to assess more than 781 acres. TBAs are conducted at the request of local governments at no cost to the communities. The results of these assessments can aid communities in planning for the cleanup and redevelopment of brownfield properties.

In SFY '06 the Agency reached a consensual agreement with Diamond Shamrock to determine the nature and extent of contamination at the company's former site in Lake County and evaluate potential remedial alternatives for cleanup. Responsible parties have indicated that the Diamond Shamrock cleanup will help facilitate redevelopment of the site into Lakeview Bluffs, a sports-oriented resort community.

Ohio EPA developed and issued cleanup plans to protect human health and the environment in and around the Glacier Clevite Heavywall Bearings facility located near McConnelsville in Morgan County.

To protect the McConnelsville well field and the Muskingum River, the Agency reached a consensual agreement with Pennzoil-Quaker State Company and BP Products North America to clean up ground water contamination.



In Hamilton County, Ohio EPA reached a consensual agreement with Rutgers Organics Corporation for an interim action to clean up sources of ground water contamination and prevent vapors from entering nearby homes along Paddy's Run Road located near Fernald. Ohio EPA continues to work toward a long-term resolution that will ensure the protection of area residents.

### *Federal Facility Cleanups*

Ohio EPA helps manage the cleanup of federal facility sites throughout Ohio. During SFY '06, cleanup continued at the U.S. DOE Fernald, Portsmouth and Mound sites; the Ravenna Army Ammunition Plant; and the former Navy Weapons Industrial Reserve Plant.

In addition to cleanup at these sites, Ohio EPA staff also completed a review of the Newark Air Force Base; inventory project report for the Columbus Army Service Forces Depot (DCSS); and a removal action at the Columbus Naval Air Station (Port Columbus International).



### *Solid Waste*

The Division of Solid and Infectious Waste Management administers programs to ensure the proper planning and management of Ohio's annual generation of 33 million tons of solid waste. This involves oversight of Ohio's 52 solid waste management districts and 84 approved local health district programs.

The program oversees 57 operating landfills, 54 transfer facilities, 414 composting facilities, 41 scrap tire facilities and 60 scrap tire transporters. The division also regulates the management and treatment

of infectious waste involving 3,249 generators, 75 transporters and 97 Ohio treatment facilities.

During SFY '06, Ohio EPA issued solid waste management plans to the Clinton and Logan County solid waste management districts. Clinton County's plan will improve residents' access to recycling opportunities through an upgraded network of drop-off locations by increasing the number of available drop-offs from six to 13. Logan County will implement a new combined pay-as-you-throw and curbside recycling collection program.

The Division of Solid and Infectious Waste Management also provides oversight of 64 construction and demolition debris (C&DD) landfills. Ohio's regulation of these facilities was strengthened significantly when House Bill 397 was signed into law on December 22, 2005. Among other requirements, the bill established statutory siting criteria for C&DD facilities; a requirement for background checks of owners/operators; ground water monitoring requirements to determine if contamination from a facility impacted ground water; and provided for financial assurance for closure and post-closure care. The law also prohibits the disposal of pulverized material in a C&DD facility and requires best management practices and other operational requirements to help prevent situations such as those that prompt the generation of hydrogen sulfide and other environmental concerns.





A record number of scrap tire open dumps were cleaned up during SFY '06. More than four million passenger tire equivalents (PTEs) were removed from 18 sites. A passenger tire equivalent is 20 pounds of tire material so this represents more than 40,000 tons of material. More than 80 percent of this material was recycled for use in civil engineering projects and as tire-derived fuel.

Major scrap tire removals conducted during SFY '06 include the Kirby site, discussed below; the Parker site in Summit County (425,000 PTEs); the West site in Perry County (216,000 PTEs); the Crestline site in Richland County (208,000 PTEs); the Keller site in Auglaize County (99,000 PTEs); the Spring Grove site in Columbiana County (29,000 PTEs); and the McMasters site in Portage County (23,500 PTEs). A total of 47,000 PTEs were removed from 11 smaller sites.

In October 2005, a Wyandot County Common Pleas Court judge ordered the owners of the Kirby tire dump in northwest Ohio to pay the state a record \$20 million civil penalty and up to \$26.3 million in clean-up costs for violating state environmental laws. During SFY '06, more than 2,706,000 PTEs were removed from the Kirby site. Ohio EPA completed the removal of the last remaining whole scrap tire at the Kirby tire dump and began the final phase of the excavation and removal of an estimated 100,000 tons of burnt tires and contaminated soil left from the 1999 arson fire.



Over the past seven years, more than 20 million PTEs were removed from Kirby site alone in comparison to more than 12 million PTEs that were removed from 29 other sites during the same time period. Enforcement efforts at the local and state level have resulted in the responsible parties cleaning up an additional 12 million PTEs from 181 sites.

### *Special Investigations*

The Office of Special Investigations (OSI) conducts criminal investigations and prosecutions for Ohio EPA's environmental divisions. During SFY '06, the office opened 103 new investigations and actively worked on 193 cases.

Through the investigation and prosecution of these cases, the office secured 25 convictions for 20 felonies and 21 misdemeanors for environmental violations. These convictions resulted in penalties including five years of jail time; 47 years of probation; 2,040 hours of community service; \$338,034 in fines and restitution; \$10,000 donation to the bio-diesel school bus retrofit fund; and a \$20,000 donation to the Ohio Environmental Education and Charitable Trust.

OSI's criminal investigations also achieved proper off-site treatment or disposal of approximately 1,730 containers of waste; 110,874 gallons of bulk liquid waste; 134 tons of bulk solid waste; 21 cubic yards of hazardous wastewater treatment sludge; 320 scrap tires; 397 empty drums; and a small amount of asbestos. In addition, three illegal discharges to waters of the state were discovered and stopped.



## Surface Water

Water quality trading is a voluntary option that has the potential to achieve water quality goals more efficiently than other means. Through the program, one source can meet its regulatory obligations by using pollutant reductions created by another source with lower control costs.

Ohio EPA anticipates that, over time, this voluntary program could allow Ohio to achieve water quality improvements more quickly than would otherwise be possible. The Agency also believes the program could provide other benefits, such as restoration of riparian zones, improvement of in-stream habitat and elimination of other sources of stream impairment.

The rules for the proposed water quality trading program were drafted during the fiscal year. Public participation and possible adoption of the rules will occur during SFY '07.

In southwestern Ohio, Ohio EPA staff worked with the Miami Conservancy District to better define an innovative program of water quality trading. This involved reductions in agricultural nutrient loadings, coupled with extensive modeling and monitoring to help point source discharges achieve their water quality goals.

Each year, local governments, watershed groups, soil and water conservation districts and private conservation organizations are awarded more than \$3 million dollars to implement locally based water quality restoration and pollution prevention projects.



During SFY '06, the Division of Surface Water revised grant eligibility requirements and guidelines to focus limited grant funding more closely on stream restoration projects designed to generate measurable water quality improvements, while still providing limited funding for nonpoint source pollution prevention projects such as agricultural best management practices, conservation easement acquisition and other activities.

Preliminary findings indicate that as a result of successful implementation of these significant program changes, an increasing number of grant funds are being used for active restoration and other important physical improvements to waters impaired by nonpoint source pollution. In collaboration with Ohio's nonpoint source partners, these grant projects are increasingly demonstrating measurable water quality improvements.



## Recognize and acknowledge the value of employees

### Benefits and Incentives

One way to retain quality employees is to provide good benefits and incentives. In SFY '06, employee benefits were improved. Staff in the Director's Office and OES worked with the employee union to evaluate the current leave policy for possible enhancements; modify the flex hour policy to assist working parents through an earlier start time; and expand the health and wellness program.

Staff in the Office of Employee Services (OES) administered the Agency's benefits program, including health, dental, vision and life insurance and processed 110 disability claims and 140 family and medical leave act requests.

To ensure a strong employee base, OES personnel created and updated 437 position descriptions; maintained Agency tables of organization; and processed 5,350 applications for 107 vacant positions, 30 resignations and 17 retirements.

### Diversity

We all have much to gain from a greater appreciation of our differences, whether they are differences of age, gender, culture, race, religion, education, ethnicity, lifestyle, class, physical ability or other factors. Ohio EPA is fortunate to have a very diverse class of employees, whose breadth of experience and perspective enriches our work.



In SFY '06, the Office of Equal Employment Opportunity (EEO) created a Diversity Council. The Council, made up of division and district staff members, identifies ways the Agency can acknowledge, understand and celebrate our differences. By nurturing an atmosphere of inclusion, the Agency will be more likely to retain highly qualified employees and attract new employees with the specialized skills needed in our work.

### Employee Recognition

The TREE program (To Recognize Employee Excellence) continues to be a popular way for employees to thank or recognize coworkers for accomplishments or a job well done. As of June 30, 2006, employees had received more than 12,000 "leaves" (e-mail acknowledgments) since the program began in November 2004.



## Seek adequate funding and practice sound fiscal management

### Funding

Ohio EPA has historically relied on general revenue funds (GRF), fees and federal grants as funding sources to accomplish its mission and objectives. In the past year, the Office of Fiscal Administration oversaw a budget of \$161.5 million.

To ensure that the Agency will continue to have the financial resources needed to protect Ohio's environment, Ohio EPA worked with the General Assembly and others to create an environmental protection fee and obtain an increase in water quality certification fees.

During budget discussions for SFY '06, Ohio EPA and the Ohio Department of Natural Resources (ODNR) realized they may face the loss of GRF for environmental programs and elimination of a corporate franchise tax that funded recycling and litter prevention programs. Failure to secure replacement funds could have resulted in potentially significant environmental, economic, health and quality of life issues in Ohio.

In response to this serious threat, the agencies worked with the legislature to develop a funding program that replaced GRF funds with fees collected from solid waste disposal.



The second major funding issue was addressed by increasing fees for the water quality certification program, which is spelled out in Section 401 of the Clean Water Act. These projects involve the dredging, filling or relocating of wetlands, lakes and streams. Before doing work that impacts a water body, applicants must obtain a certification from Ohio EPA and then a permit from the U.S. Army Corps of Engineers.

Ohio EPA authorizes approximately 150 to 200 of these projects each year for activities such as shoreline stabilization, homebuilding, commercial and industrial development, road construction, utility line work and dredging of shipping channels. Applicants typically include residential, commercial and industrial developers; mining companies; county, state and federal agencies; utility companies; marina owners; and individual citizens.

Prior to the fee increase, the Section 401 program was one of the few that was heavily subsidized by state GRF. In 2004, taxpayers provided about 82 percent of the funds while fees paid by project applicants generated less than one percent of the total program cost. Under the new fee structure, project applicants pay the majority of the program costs.

### *Location, location, location*

Historically, Ohio EPA's Central Office and Central District Office have both been located in Columbus but not always in the same building. In SFY '06, the Central District Office moved from its location in Groveport to the Lazarus Government Center



– home of the Central Office. The change in location is expected to save an estimated \$750,000 per year.

### **Continually improve the work environment and worker safety, and provide employees with the necessary tools and equipment**

Ohio EPA's Division of Environmental Services (DES) acts as a primary source of scientific data on environmental conditions throughout the state. The lab analyzes pollutants in water, sediment, air filters and canisters, fish and other tissue. These tests provide data to ensure that concentrations of a chemical do not pose a problem



for human health or to the environment. The division also certifies private labs that analyze samples for the drinking water and voluntary action programs, conducts performance audit inspections for the wastewater program, and provides technical assistance within and outside Ohio EPA.

For many years, DES was housed in Murray Hall on The Ohio State University campus. As the facility aged and DES grew, it became apparent that the Agency needed a new lab location. The Ohio Department of Health (ODH) was also facing a similar situation as their lab facilities became outdated.

The two agencies worked together with the Department of Administrative Services (DAS) to complete a new joint facility on the Ohio Department of Agriculture campus in Reynoldsburg. After nearly four years of design and construction, the new laboratory facility opened in April 2006.



The state-of-the-art facilities will help better protect Ohioans and the livestock industry and allow the agencies to share more scientific knowledge and resources. The new facilities will also enable Ohio EPA technicians to more efficiently test potentially hazardous substances and ensure the safety of lab personnel. In addition, the new facility will give ODH and Ohio EPA lab staff much greater “surge capacity” to perform more tests during an emergency.

## Enhance use and management of information technology

The Office of Information Technology Services (ITS) continued to upgrade and improve the computing environment for Agency staff by installing a new high-speed data line to improve data communication between the central and district offices. To improve internal communication, ITS purchased and installed the computer hardware to support an Agency intranet that includes robust search capabilities.

In an effort to improve communication with customers outside the Agency, ITS purchased and installed the computer hardware needed to provide online business services and completed development of eight electronic business system enhancement projects. ITS also developed and implemented an electronic reservation and management system for the motor pool and a system for managing ecological information collected by the Division of Surface Water.

## Improving Compliance Assistance Efforts and Access to Information

By their very nature, environmental regulations and permits are complex. Unless permit-holders take the time to understand their responsibilities, or have a convenient way to get answers to their questions, violations could occur.

To help take some of the mystery out of Ohio’s environmental regulations and Ohio EPA’s permitting process, the Agency implemented two online help tools. The Answer Place is the Agency’s frequently asked questions Web tool. The Permit Wizard is an interactive tool designed to help small and mid-sized businesses more easily identify applicable permit, licensing and registration requirements.



The Answer Place, which went online in December 2005, allows users to pose questions directly to Agency staff. Initially, the system was pre-populated with questions and answers based on the experience of employees who often respond to general information inquiries. Over time, the database grew significantly and now contains both pre-populated questions and ones that users have added.



The Permit Wizard, launched in January 2006, is an easy-to-use tool that guides the user through a series of questions and, from their responses, develops customized feedback on the proper permits required for operation. The user can select from several environmental areas, such as waste, air, wastewater, storm water and wetlands. At the end of the session, the user receives a summary of requirements along with links to guidance documents, fact sheets and forms. New business owners have found the tool helpful as a starting point to identify what they must do to comply with requirements. Existing business have used the Permit Wizard to self-check their compliance. The user is not required to submit any personal or company information.

The Answer Place and the Permit Wizard can be accessed by clicking on the appropriate icon located on the left navigation bar of Ohio EPA’s Web site.



The Division of Drinking and Ground Waters developed a ground water impacts database and entered information on 414 locations in Ohio with documented ground water contamination. Division staff also conducted a statewide aquifer sensitivity analysis that was included in the Ground Water Section of the 2006 Clean Water Act 305(b) Report. Staff initiated three special investigations to better understand potential sources of contamination to sensitive aquifers.

Work progressed on Ohio EPA's business portal. The Division of Air Pollution Control is currently developing a new system, scheduled for completion in early 2008, which will include the capability to apply for permits and submit reports through this portal. A project is underway to add reporting capabilities to the portal for the Division of Drinking and Ground Waters and the Division of Surface Water. This project is expected to be completed in 2007.

### *Provide online access and business applications*

The Division of Surface Water (DSW) developed and began implementation of a statewide database for tracking permit-to-install (PTI) applications. Prior to implementation, each district had its own tracking system. The new system allows a one-time data entry by the district office when the PTI is received. Further coordination with fiscal data reduces the number of times information about the project or applicant must be entered.

The PTI database also was integrated with the existing permit approval process, further streamlining the administrative paperwork. The new system allows DSW staff and management to identify the status of PTI applications and better manage the PTI program. In addition, the public can now view the status of pending PTI applications on the Internet.

The Division of Air Pollution Control is working with a private contractor to rebuild the STARS system, a software package developed to assist the regulated community in preparing and submitting a variety of electronic permit applications and reports.

The Office of Information and Technology Services gathered information from several state agencies regarding their online payment systems. We expect to utilize the ePayment engine and process supported by the State Office of Budget and Management.





### **Provide timely service and common sense regulation**

#### *Enhance Air Permitting Efficiency*

The Agency routinely evaluates its permitting processes to identify areas for improvement. To improve air permitting, the Division of Air Pollution Control worked with a Permit Processing Efficiency Committee (PPEC). The committee consisted of staff from Ohio EPA, industry and citizen representatives. The PPEC recommended changes to the existing permit-to-install (PTI) system and development of a combined permit-to-install and operate system.

The general permit program for air pollution sources was fully implemented. A general permit is the same as any permit to install or State permit to operate except all the terms and conditions of the permit are developed in advance. This review process is very quick (typically less than 45 days) because a case-by-case permit does not need to be developed. Thirty-three different model general permits are available covering boilers, dry cleaners, metal painting, concrete plants, roadways and storage piles. To date, 68 general permits have been issued resulting in significant cost savings to the state.

The air permit-by-rule program was fully implemented. This program allows applicants to obtain a permit by simply submitting a written notification to Ohio EPA stating the source meets the qualifying criteria and will operate according to the rule's conditions.

Eleven different permits-by-rule have been developed. The permits cover emergency generators, injection and compression molding operations, stone crushing and sizing plants, soil-vapor and soil-liquid extractions systems, auto body refinishing operations, gasoline dispensing facilities, small boilers and heaters, and small and mid-sized printing facilities. More than 1,000 emissions units in Ohio are currently covered under a permit-by-rule.

DAPC issued more than 95 percent of the PTIs within the statutory 180-day time line. During 2005, more than 55 percent of the PTIs were issued within 45 days, with almost 70 percent issued within 60 days.

#### *Renew Surface Water Permits Promptly*

For the fifth year in a row, the Division of Surface Water met its permit issuance goals. In 2006, the number of expired National Pollutant Discharge Elimination System (NPDES) permits was only seven percent of the total number of NPDES permits. U.S. EPA considers a backlog of less than 10 percent to be appropriate since it takes time to issue a permit once it expires.

#### *Enforcement Highlights*

The Office of Legal Services provided support to the divisions in their efforts to meet enforcement goals. During calendar year 2005, Ohio EPA issued 176 administrative orders, exceeding its goal by 32 percent. It also secured \$2,906,080 in administrative penalties. Over the past few years, Ohio EPA has nearly eliminated its backlog of old cases and cut by about half the average age of administrative cases.

General counsel work for the divisions included generation of 41 opinions and daily informal assistance. The office also provided legal support on 55 administrative rule packages.

In southeastern Ohio, as part of a settlement agreement between DuPont and affected citizens, treatment was installed at three of the four public water systems in Ohio contaminated with C-8 from the Parkersburg, W.V. facility. This man-made chemical is used as a processing aid in the manufacture of fluoropolymers to produce hundreds of items such as non-stick surfaces on cookware, protective finishes on carpets, clothing, and the weather-resistant barrier sheeting used on homes under the exterior siding. All three of the systems are currently effective in removing C-8 to below detectable levels. Ohio EPA also aided



U.S. EPA's major multimedia C-8 monitoring program completed in and around the Little Hocking wellfield and several ongoing major health studies in this area in the effort to better determine the extent and health significance of C-8.

In southwestern Ohio, after a long negotiation the Agency finally reached a settlement with AK Steel over air, water and hazardous waste violations that will bring about a multi-million dollar cleanup. The settlement included \$750,000 in beneficial environmental projects and \$460,000 in penalties.

## Provide meaningful, useful and understandable information

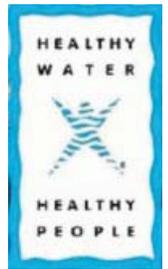
### *Environmental Education*

The Ohio Environmental Education Fund awarded \$848,234 in grants for environmental education projects targeting pre-school through university students and teachers (\$468,985 or 55 percent); the adult general public (\$278,919 or 33 percent); and the regulated community (\$100,330 or 12 percent).

The Ohio Environmental Science and Engineering Scholarship Program awarded \$70,000 for 31 scholarships to students at Ohio colleges and universities, to help them complete their degrees and enter professional practice in these fields.



The Office of Environmental Education (OEE) provides statewide coordination for *Healthy Water, Healthy People*, a new national program to teach middle and high school students how to monitor water quality. In SFY '06, OEE staff trained 197 educators to use the curriculum, and offered outdoor demonstrations for 450 students on how to sample water chemistry and macro-invertebrate populations to assess the health of local streams.



Through a 12-year partnership with the Environmental Education Council of Ohio, OEE provided financial support and technical assistance for 63 professional development workshop opportunities for 1,359 Ohio educators. The workshops featured nationally-recognized programs such as Project Wet, Project WILD, Project Learning Tree, and the Leopold Education Project, and Ohio curricula such as Habitats for Learning, Windows on Waste, and Investigating Solid Waste Issues. In addition, the partnership supported 14 special events with 5,420 participants, including the Cincinnati Paddlefest, the Cleveland Burning River Festival, and the Dayton Childrens Water Festival, as well as four conferences and a *Language of Nature* summer writing institute for language arts teachers. Partnership resources are distributed through a network of representatives in 1,992 school buildings.

### *Communicate the Agency's Actions and Events*

Ohio EPA's Public Interest Center (PIC) helps ensure that citizens and media receive information about the Agency's actions and successes. During SFY '06, PIC's public involvement staff moderated 153 public meetings attended by more than 3,700 people; responded to more than 1,200 calls from the public and more than 1,000 written requests for Agency information; and





sent notices announcing public meetings or Agency decisions to more than 15,500 Ohioans. The media relations section issued 350 news releases; responded to 1,940 media inquiries; sent five letters to the editor; and organized and secured coverage of 12 media events around the state.

The staff also set up Agency displays and provided information for the Ohio State Fair, Earth Day and other community events.

The print and communications section created eight feature stories for the Agency’s Web site; wrote and designed 24 issues of the employee newsletter; updated or edited dozens of publications prepared by the divisions; and responded to almost 500 requests for information and assistance sent via the Web page, nearly doubling the previous year’s requests.

### *Increase Internal Communication*

In companies across the nation, one of the most often criticized areas is communication between management and employees. At Ohio EPA, we are working to decrease the perceived and real barriers to communication.

In the past year, the Agency implemented an employee intranet. The OneAgency@Work site is comprised of a main area that shares information applicable to all staff as well as separate sites targeted to staff in particular divisions, offices and districts.

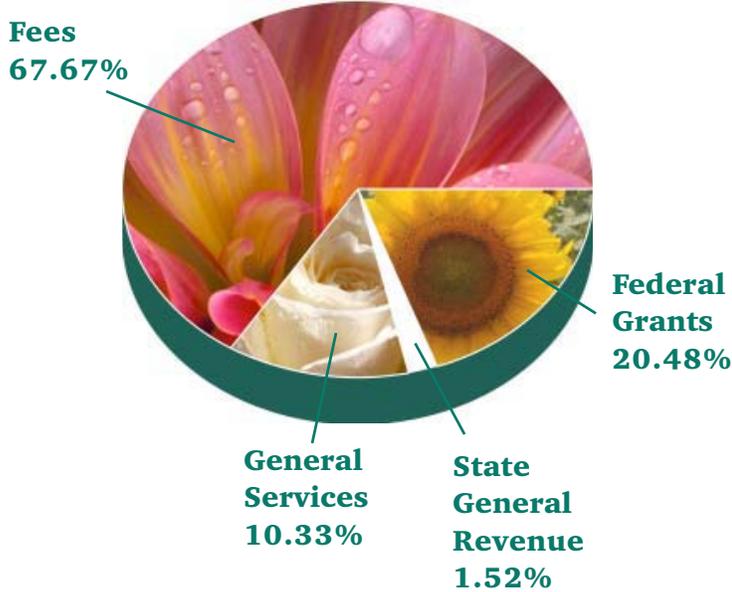


### *Ohio EPA District Activities*

<b>Permitting</b>	<b>Total</b>
<b>Operating</b>	
Major Air Sources (Draft Title V)	21
Wastewater Discharge	764
<b>Installation and Plan Approvals</b>	
Air PTIs	612
Wastewater PTIs	2225
Drinking Water Plan Reviews	1550
Ground Water Reviews	3565
Solid Waste PTIs, Certifications, Closure Plans	174
Hazardous Waste Permit Modifications, Certifications, Closure Plans	158
<b>Inspections</b>	
Air	617
Wastewater and Storm Water	4263
Drinking Water	2192
Solid Waste	962
Hazardous Waste	1620
Spill Prevention and Control	86
<b>Monitoring</b>	
Air Monitors Checked	90
Surface Water Ambient Sites Checked	837
Surface Water Samples Collected	3415
Ground Water Ambient Wells Sampled	253
<b>Cleanups</b>	
Active Sites	540
Spill Responses	1663



*Disbursements by Fund Type*



*Disbursements by Division*

DHWM	\$12,747,096
Central Support	\$21,188,483
DAPC	\$42,323,910
DEFA	\$ 4,652,102
DES	\$ 4,065,407
DERR	\$19,659,163
DSW	\$29,437,203
DDAGW	\$18,511,053
DSIWM	\$17,723,481
<b>Total Disbursements</b>	<b>\$170,307,896</b>

*Fee Income and Expenditures*

Division	Income*	Disbursements
DAPC	\$34,846,138	\$34,443,609
DDAGW	\$10,342,940	\$10,507,811
DERR	\$12,847,736	\$15,464,362
DHWM	\$11,223,884	\$ 8,488,105
DSIWM	\$23,785,475	\$17,723,481
DSW	\$17,642,248	\$15,145,784

\*Income includes cash transfers

*Trends in Funding*

Fund Type	1991	2006
Federal	\$18,673,569	\$ 34,873,337
GRF	\$27,940,564	\$ 2,581,654
Fees	\$21,547,171	\$115,254,638
GSF	\$ 633,302	\$ 17,598,269

Note:

GRF = General Revenue Fund. Ohio EPA received a small GRF appropriation in SFY'06 to compensate for the lag in revenue collection for the new environmental protection fee that replaced GRF as of July 1, 2005.

GSF = General Services Fund. All expenditures from these funds are charged to the Agency and then reimbursed to the fund. Ohio EPA activities that operate from these funds include the motor pool, lab services, supply room, mail room and legal advertising.