

# CHAPTER 1:

## Agency Overview

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The Nebraska Department of Environmental Quality (NDEQ) was created with passage of the Nebraska Environmental Protection Act in 1971. The Department has grown and been given additional responsibilities over the years, but its mission has remained the same — the protection of Nebraska's air, land and water resources. Presently, the Agency is authorized for a staffing level of 217.50 full-time employees.

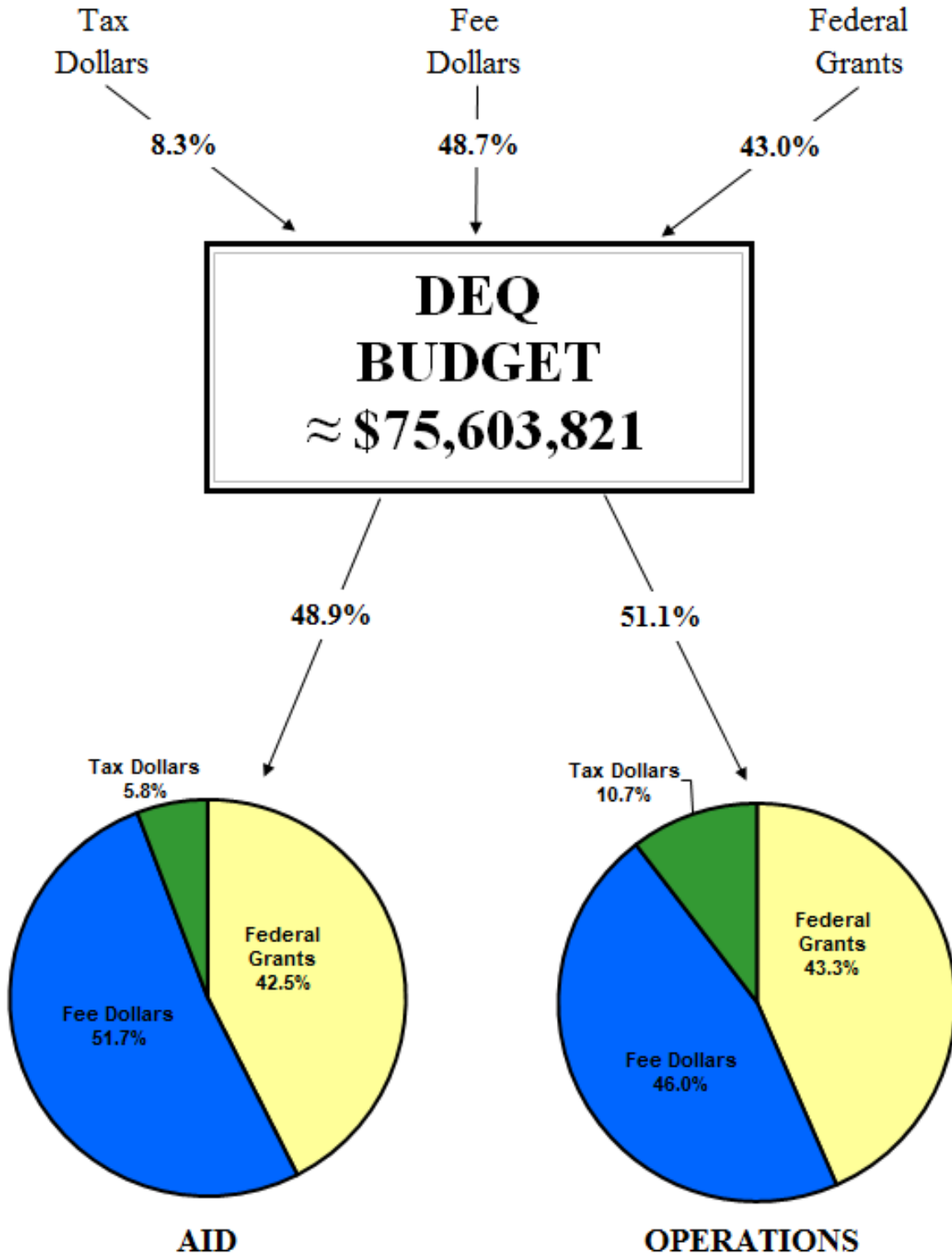
The NDEQ has an FY17 annual budget of approximately \$75.6 million. This includes money from federal grants, state taxes and fees. Of that amount, \$36.9 million is redistributed to other agencies, organizations and individuals in the form of aid (grants and loans).

The table below shows a breakdown of NDEQ funds. The columns listed as aid represent the agency's budget redistributed to other entities as grants and loans. The columns listed as operations represent amounts used for agency operation and contracts for such things as investigations and cleanups.

<b>Funding Type</b>	<b>Operations: \$ Amount</b>	<b>Percent of Operations Budget</b>	<b>Aid: \$ Amount</b>	<b>Percent of Aid Budget</b>
<b>Federal Funds</b> (Grants)	\$16.8 million	43.3%	\$15.7 million	42.5%
<b>State General Funds</b> (Tax \$)	\$4.1 million	10.7%	\$2.1 million	5.8%
<b>Cash Funds</b> (Fees)	\$17.8 million	46.0%	\$19.1 million	51.7%
<b>Total</b>	\$38.7 million		\$36.9 million	

The following graphic depicts NDEQ's FY17 budget by funding source and percent anticipated to be expended by fund type and activity (aid or operations).

### FY 2017 Budget



FTE = 217.5

## I. Significant Topics in 2016

The following are some of the significant topics, challenges and accomplishments that NDEQ addressed in 2016:

### Air Construction Permit Improvement

In late August, DEQ staff and others conducted a week-long detailed “Kaizen” analysis of the Air Construction Permit Process. During the week, staff reviewed their current processes to find ways to get the job done more efficiently.

The purpose of the team’s efforts is to improve the Air Construction Permit issuance process -- from the time applications are received through the issuance of the permit. The objectives are to reduce the complexity of the process by reducing handoffs and decision points, and to implement standards to increase clarity in wording and structure of each permit issued. This will allow permit holders greater ease of implementation, and inspectors greater ease of review.



*NDEQ staff discuss methods of streamlining the permit process*

Using a medium-sized permit as a basis of analysis, the group concluded that there are currently 110 steps in the process, and 33 “hand-offs,” where the proposed permit goes from one person’s desk to another’s. The group’s analysis led them to a process where the handoffs and steps would be greatly reduced. In best case scenarios, handoffs could be reduced by over half, and steps could be brought down to as low as 22. In some cases involving small to medium permits, this could reduce permit processing time to 65 working days. Large permits will take considerably longer than these projections. Ongoing analysis will help the team judge whether the initial goals are achievable, and they will continually be looking at, and adjusting, their processes and goals.



*Staff have a “daily huddle” to assess progress*

Subsequent to the week-long analysis, the air construction permit team holds a “daily huddle” to evaluate progress and goals. There are two charts the team reviews and updates at the huddle. The first is a table that evaluates specific weekly and daily goals related to Quality, Delivery, Inventory and Productivity (QDIP). The daily assessment of progress on those issues helps the team determine if they are achieving goals, and identify issues if goals aren’t being met. The other table is called a “swim lane” chart. This chart identifies the permits being worked on by individuals in the team, and charts their progress. This chart is particularly helpful in giving a quick-glance

assessment of the status of permits, and when they can expect permits to be completed.

These efforts are called “Continuous Process Improvement” because the goal is to continue making it simpler, easier and faster as they move forward.

### Proposed Incinerator Review Process

In April 2016, NDEQ received a Notice of Intent from Heritage Disposal and Storage to locate a hazardous waste incinerator at their current property located at 345 So. 80<sup>th</sup> Road, Alda. The site is on the Cornhusker Army Ammunition Plant property west of Grand Island. Heritage intends to install the incinerator to dispose of Department of Defense smoke grenades and related materials.

State laws regarding proposed new hazardous waste treatment, storage and disposal facilities require that state and local entities appoint a 12-member Site Review Committee. The Committee is required to conduct meetings and submit a report to NDEQ before permit applications can be submitted to the state.



*The Committee's first meeting was held date in Alda*

The Site Review Committee for the proposed Heritage project was formed in April 2016, and they conducted seven public meetings in Alda and Grand Island from April 25 to Oct. 12. The committee subsequently submitted their final report to NDEQ.

In addition to completing the Local Site Review Committee process, the Heritage proposal must be approved by the Hall County Board. Before submitting the Local Site Review Committee report to the Hall County for their consideration, Heritage must submit the application required by the Resource Conservation and Recovery Act to NDEQ. NDEQ will review the application for completeness and when declared complete, NDEQ will provide the Local Site Review Committee report, any response by Heritage to the report, and the RCRA application to the Hall County Board. If the Hall County Board approves the proposal, NDEQ will begin the technical review of the application. If the Hall County Board disapproves the proposal, NDEQ will take no action. For more information, go to: <http://deq.ne.gov/NDEQProg.nsf/OnWeb/Heritage>.

### Monthly Performance Metrics

In July 2015, NDEQ initiated a monthly metrics report. NDEQ established the report to measure agency accomplishments, to set annual and longer-term goals, and to evaluate these goals against accomplishments to ensure continuous process improvements. The primary focus in the first reports has been on permits issued, compliance inspections and response to complaints. The monthly report also contains a description of issues and accomplishments that occurred in the previous month.

NDEQ provides the report to the Governor's Office as part of the Governor's ongoing analysis of agencies' performance and to develop goals for greater efficiency. In addition, NDEQ provides this information to staff in the agency for internal review and posts the monthly data on our web site, <http://deq.ne.gov>, under Agency Information.

### **New Superfund Site Proposed**

In September 2016, the Environmental Protection Agency (EPA) published a rule proposing to add a site in Valley, Nebraska to the Superfund National Priorities List (NPL). The NPL prioritizes known or threatened releases of hazardous substances, pollutants, or contaminants throughout the United States, and is used to guide the EPA in determining which sites warrant further investigation and cleanup.

The "Old Hwy 275 and N 288th Street" site in Valley, Nebraska is one of eight proposed in the September 9, 2016 Federal Register. The site consists of a groundwater plume contaminated with volatile organic compounds, primarily trichloroethylene, which extends approximately 2.5 miles along the W Reichmuth Road easement.

The NDEQ became involved in the investigation of this site in 2002, and referred the site to the EPA for additional assessment in 2004. During these investigations, it was discovered that groundwater contaminants associated with the site had impacted three domestic and two commercial wells.

The proposal is subject to a public comment period, during which the EPA will address community concerns. If the site listing is finalized on the Superfund NPL, federal money will fund the investigation, and the EPA will seek compensation for site cleanup from potentially responsible parties.

## **II. 2016 Legislative Summary**

The Nebraska Legislature enacted several pieces of legislation in 2016 that had an impact on NDEQ:

**LB 328** – This legislation authorizes the department to use the fees collected under the Private Onsite Wastewater Treatment System Contractors Certification and System Registration Act for the investigation, inspection and enforcement related to any private onsite wastewater treatment system. LB 328 also provides that licensed professional engineers and registered environmental health specialists registered in Nebraska can perform work on private onsite wastewater treatment systems in addition to certified professionals.

**LB 712** – Repeals statutes that require the State Fire Marshal to register all permanently located aboveground storage tanks used for the storage or dispensing of hazardous substances. The registration program is no longer needed because the federal Emergency Planning and Community Right-to-Know Act (SARA Title III) requires the same information be provided to the Nebraska Department of Environmental Quality (NDEQ). LB 712 also eliminates a restriction on the State Fire Marshal permitting aboveground motor vehicle fuels tanks.

**LB 737** – Several provisions of the 2014 Clean Water Act were amended into the Wastewater Treatment Facility Construction Assistance Act to benefit Nebraska communities seeking funds to construct wastewater treatment facilities and sanitary sewer collection systems. LB 737 broadens the types of eligible projects communities can finance through low-interest Clean Water State Revolving Fund (CWSRF) loans and increases the maximum term of a loan from 20 years to a period of 30 years or the useful life of the project, whichever is less. The new provisions also allow the department additional flexibility to choose how to pay for costs to administer the program; it ensures that the CWSRF program can meet its administrative costs in the event federal capitalization grants decrease in the future.

**LB 887** – Extends the date for eligible reimbursement claims under the Petroleum Release Remedial Action Act from June 30, 2016 to June 30, 2020. The Petroleum Release Remedial Action Cash Fund was established to help pay the remediation costs of owners and operators of facilities that have leaking underground petroleum tanks. The legislation also extends the department’s authority to respond to these releases reported during the same time period.

**LB 1101** – This legislation directs the NDEQ to conduct a study of the state’s solid waste management programs and make recommendations for program updates. The department’s study is to consider whether current waste reduction and recycling programs should be updated or merged, conduct a needs assessment of recycling and composting programs in the state, and explore public-private partnership approaches to help address waste management issues. LB 1101 creates an advisory committee of up to nine members, appointed by the Director, to provide advice regarding the study. DEQ is authorized to hire consultants and special experts to assist with the study. The report findings, including recommendations, is to be submitted to the Legislature by December 15, 2017.