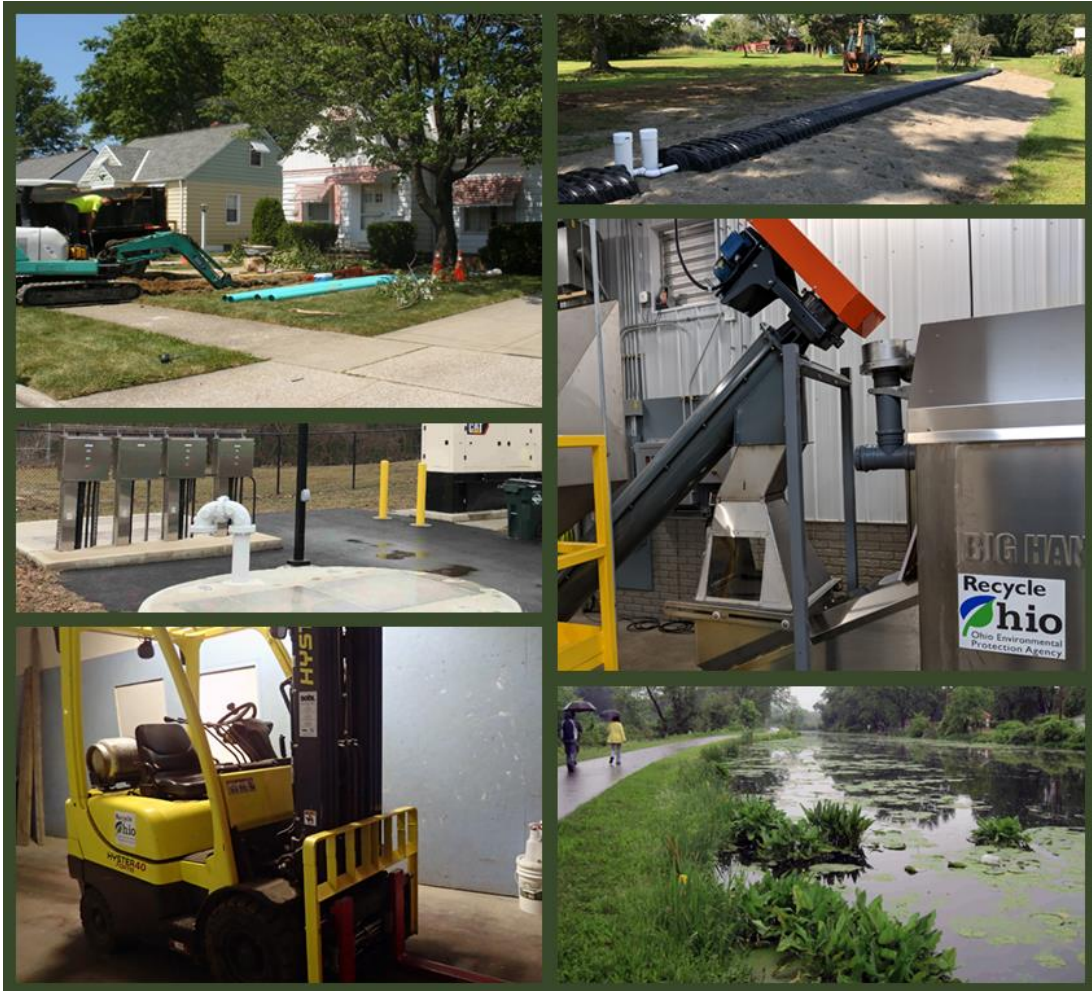




Division of Environmental and Financial Assistance 2018 Annual Report



Providing technical, compliance and financial assistance programs to help Ohio communities and businesses with their environmental needs.

April 2019

Introduction

2018 marked another successful year of enhanced services to Ohio's businesses and communities through Ohio EPA's Division of Environmental and Financial Assistance (DEFA). Through our team's efforts, we surpassed prior years of assistance and service to our customers. DEFA serves as a one-stop shop for customers seeking technical and financial resources to help them achieve compliance. Listed below are just some of the resources and services available.

- State Revolving Fund (SRF) loan programs to help communities construct and maintain wastewater and drinking water infrastructure.
- Funding to help communities address water quality issues from combined sewer overflows, failing home sewage treatment systems, nutrients and lead.
- Technical assistance to help small community wastewater treatment plants improve operations and efficiency.
- Compliance assistance program to help small businesses with environmental regulations through on-site visits, help completing applications and forms, training and plain-English publications.
- Funding to support recycling, litter cleanup, scrap tire management and market development for recyclables such as glass, plastics, rubber and construction and demolition debris.
- The Encouraging Environmental Excellence (E3) program, which recognizes the outstanding efforts of businesses, communities and other entities making a commitment to environmental stewardship.
- The Ohio Materials Marketplace, an online tool to facilitate the reuse of materials through a collaborative network of businesses, organizations and entrepreneurs.

We've reached out to hundreds of businesses and communities throughout Ohio to increase the awareness of services and resources available through DEFA.

Funding to Help Communities Address Wastewater and Drinking Water Needs

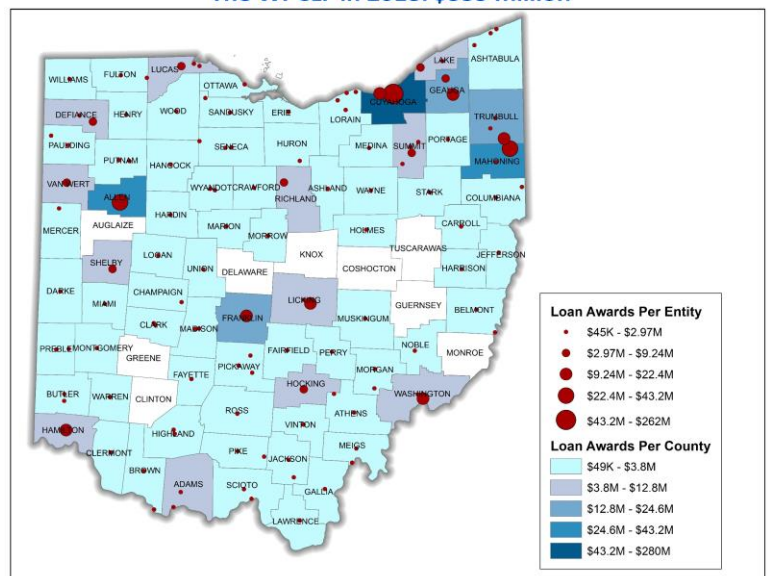
Water Pollution Control Loan Fund

Through the Water Pollution Control Loan Fund (WPCLF), Ohio EPA offers financial and technical assistance to public entities (villages, cities, counties and sewer districts) for wastewater-related projects, including:

- improving and expanding wastewater treatment plants;
- installing/replacing sewers;
- eliminating sewer infiltration/inflow;
- addressing unsewered areas;
- repairing/replacing failing home sewage treatment systems; and
- infrastructure improvements to address combined sewer overflow (CSO) problems.

During 2018, Ohio EPA awarded WPCLF loans totaling more than \$527 million to Ohio communities. Principal forgiveness funding totalling approximately \$13 million was made available to help communities address failing home sewage treatment systems (HSTS). In addition, close to \$15 million in principal forgiveness was made available to provide collection capacity in unsewered areas and address other infrastructure priorities, particularly in economically-disadvantaged and small communities.

The WPCLF in 2018: \$555 million



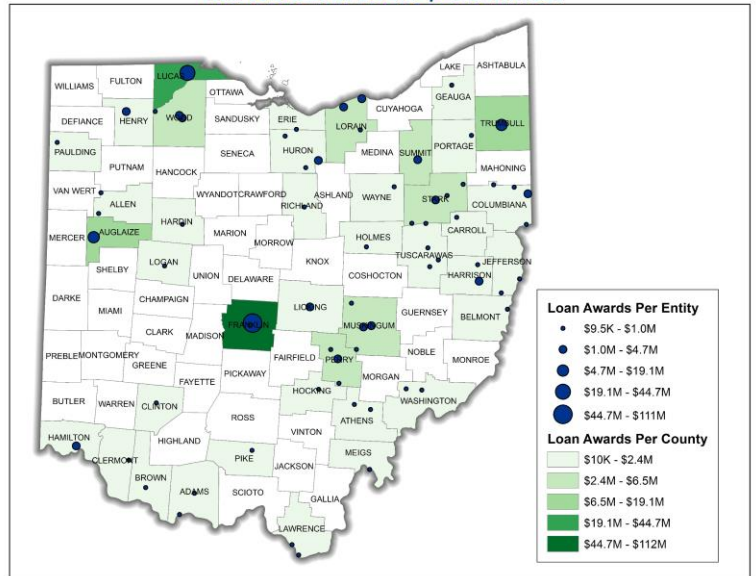
Water Supply Revolving Loan Account Program

Ohio EPA's Water Supply Revolving Loan Account (WSRLA) provides financial assistance to communities for planning, design, construction and improvements to public water systems.

In 2018, Ohio EPA awarded WSRLA loans totaling close to \$214 million to help communities address drinking water infrastructure needs. In addition, about \$21 million in principal forgiveness funding was made available to help small, disadvantaged communities. The \$235 million in total assistance in 2018 is, by far, a record year for the WSRLA.

The table below summarizes WPCLF and WSRLA funding highlights and award totals.

The WSRLA in 2018: \$235 million



WPCLF and WSRLA Loan Programs 2018 Highlights

WPCLF Program (Wastewater Infrastructure)

| | |
|---|---------------|
| WPCLF Loans for Wastewater Infrastructure Planning, Design and Construction | \$527,008,441 |
| Home Sewage Treatment System (HSTS) Principal Forgiveness Funding | \$13,431,600 |
| Principal Forgiveness for non HSTS projects | \$15,175,933 |

WSRLA Program (Drinking Water Infrastructure)

| | |
|---|---------------|
| WSRLA Loans for Drinking Water Infrastructure Planning, Design and Construction | \$214,793,259 |
| WSRLA Principal Forgiveness | \$20,586,941 |

HAB and Nutrient Reduction Funding through Ohio's SRF Programs

| | |
|--|--------------|
| WPCLF Nutrient Reduction Loan Total | \$7,947,880 |
| WSRLA HAB Loan Volume | \$55,263,301 |
| WSRLA Cyanotoxin (HAB) Testing Equipment | \$219,466 |

Addressing Statewide Priorities through the Ohio's SRF Programs

Ohio EPA leverages financial resources through our SRF and grant programs to address some of the state's most significant water quality challenges, including harmful algal blooms (HABs), failing septic systems, lead and combined sewer overflows. Working in partnership with other public funding partners, providing incentives for innovative approaches and offering flexible financing terms have been effective strategies to help our communities in addressing these challenges.

Harmful Algal Blooms

During 2018, in response to harmful algal blooms (HABs), the WSRLA program awarded more than \$55 million in loans for infrastructure improvements at drinking water treatment plants. Nearly \$8 million was awarded through the WPCLF for projects to reduce phosphorus and other nutrients at wastewater treatment plants. In addition, close to \$220,000 was made available for water systems to purchase cyanotoxin testing equipment.

Failing Home Sewage Treatment Systems

Local health districts were offered WPCLF funding to help their low- to moderate-income homeowners repair and replace failing HSTS. Through the program, more than \$13 million in principal forgiveness funding was made available to homeowners through their local health departments. Health departments in 71 counties applied for up to a maximum of \$200,000 each to distribute under the HSTS program. Since the program was initiated in 2016, more than \$50 million has been awarded, \$21 million has been disbursed, and approximately 2,000 systems have been repaired or replaced.

Combined Sewer Overflows

Many Ohio communities have combined sewers to handle both storm water and sewage. Storm events and snow melt can overwhelm these combined systems, causing sewage to bypass treatment and make its way directly to streams and rivers. A combined sewer overflow (CSO) event can present a public health and environmental risk. The magnitude of the problem has resulted in many communities being under either long-term control plans or enforcement orders to address their CSO issues.

For many communities, addressing CSOs can be both time-consuming and costly.

In 2017, Ohio EPA committed WPCLF funding at zero percent interest over a three-year period to help communities address aging and failing storm water and sewer infrastructure. During 2018, 22 loans totaling more than \$314 million were awarded for CSO projects, which included assistance to communities such as Lima, Middleport, Upper Sandusky, Tiffin, and Elyria.

Ohio's SRF programs are some of the largest in the country. Both the WPCLF and WSRLA programs are audited extensively each year by federal and state officials. In all audits of the SRF programs by U.S. EPA and the Ohio Auditor of State completed in 2018, no significant deficiencies of either program were identified.

SRF Funding – Community Highlights

City of Toledo Enhances Drinking Water Treatment

In 2018, Ohio EPA awarded the largest WSRLA loan thusfar to the city of Toledo to enhance treatment at its Collins Park drinking water treatment plant. The Collins Park plant is 75 years old, and serves a population of 500,000. This loan of \$44,771,773 will be used to install ozone treatment equipment. This project will significantly improve treatment, and provide an important step in a multibarrier approach to treating algal toxins that are associated with HABs. Toledo was able to take advantage of a zero percent interest rate that was offered through the WSRLA to improve treatment for HABs at surface water treatment plants.

Continuing to Support Disadvantaged Communities with Regional Approaches

As the overall cost and complexity of infrastructure management has steadily risen, it has become increasingly difficult for some smaller communities to maintain their facilities. This is true of both drinking water and wastewater infrastructure. In other parts of the state, some areas that have never had centralized facilities but need them now are finding it very difficult to go it alone. In both sets of circumstances, Ohio EPA's SRF resources provide incentives for utilities to consolidate or regionalize. In 2018, principal forgiveness and zero percent interest rate funds were available to assist in these cost-effective solutions.

| Recipient | Project | Loan Amount | Principal Forgiveness |
|---|--|--------------|-----------------------|
| WSRLA Regionalization/Consolidation Projects | | | |
| Madison Water District | Altman Heights Extension | \$668,175 | \$498,142 |
| Trumbull County | Braceville/Southington/Farmington Ext. | \$15,695,973 | \$10,665,750 |
| Muskingum County | Chandlersville-Herron Rd. Extension | \$1,197,519 | \$701,250 |
| Southwest Licking County | Summit Rd. Waterline Extension | \$1,833,527 | \$1,375,206 |
| WPCLF Regionalization/Consolidation Projects | | | |
| Perry County | Rehoboth Sanitary Sewers | \$1,047,400 | \$1,047,400 |
| Hocking County | Murray City Sanitary Sewers | \$3,738,158 | \$1,695,950 |
| Hocking County | Carbon Hill Sanitary Sewers | \$2,346,843 | \$1,867,610 |

Wetland and Stream Preservation and Restoration

Created in 2000, the Water Resource Restoration Sponsor Program (WRRSP) uses interest monies from WPCLF loan sponsor projects to fund preservation and restoration of aquatic habitat. Since 2000, a total of more than \$195 million has been awarded for 148 projects in 69 Ohio watershed areas, protecting and preserving some of Ohio's highest water quality resources. Ohio EPA approved nine projects in 2018 for \$11,608,269 in WRRSP funding.

| Implementer | Project | County | Amount |
|--------------------------------------|--|------------|-------------|
| Appalachia Ohio Alliance | Big Darby Creek Conservation Corridor Initiative | Pickaway | \$920,500 |
| Cleveland Museum of Natural History | Sawdust Forest Expansion | Ashtabula | \$347,566 |
| Natural Areas Land Conservancy | Bay Point | Ottawa | \$1,282,434 |
| Ohio Department of Natural Resources | Six Mile Dam Removal Walhonding River | Coshocton | \$1,082,248 |
| Ohio Department of Natural Resources | Six Mile Dam Removal Walhonding River | Coshocton | \$762,682 |
| Port Clinton | Port Clinton Coastal Wetlands Restoration | Ottawa | \$269,605 |
| The Nature Conservancy | Kitty Todd - Bettinger | Lucas | \$3,542,700 |
| The Nature Conservancy | Morgan Swamp - Metzner | Ashtabula | \$774,000 |
| Twin City Water and Sewer District | Uhrichsville Lowhead Dam Removal | Tuscarawas | \$714,695 |
| Western Reserve Land Conservancy | Bloomfield Swamp Restoration | Ashtabula | \$1,911,839 |

Project Spotlight

Six Mile Dam Removal

With funding support from the WRRSP, the Ohio Department of Natural Resources will have access to \$1.8 million to remove the Six Mile Dam on the Walhonding River in Coshocton County.

Originally constructed in 1830, the dam has become a health and safety hazard as well as a navigation barrier to aquatic organisms. Once the dam is removed, the river's natural flow regime will be restored, improving instream habitat, which will likely result in the stream reaching full attainment as an exceptional warmwater habitat.



ODNR's Six Mile Dam Removal project was sponsored by two WPCLF loans awarded to the Board of Commissioners of Hamilton County.

Project Spotlight

Kitty Todd – Bettinger Wetland Protection

This project involved the purchase and restoration of the Bettinger Tract, a 291-acre piece of property located in the Oak Openings region. The WRRSP provided more than \$3.5 million to The Nature Conservancy (TNC) for this important project in Lucas County, Ohio.

The Oak Openings Region sustains more rare species of plants and animals than any other area of similar size in Ohio. Buffered by and contiguous with TNC's existing Kitty Todd Preserve, this former agricultural site will be restored to equal the environmental quality of the globally-rare Oak Openings habitat, including more than 80 acres of high-quality category 3 wetlands.



TNC's Kitty Todd – Bettinger Wetland Restoration Project was sponsored by the Northeast Ohio Regional Sewer District's Westerly Storage Tunnel CSO project.

Helping Small Wastewater Systems

Hands-On Technical Assistance for Small Wastewater Plant Operations

The Compliance Assistance Unit (CAU) staff conduct on-site technical assistance visits and work directly with small wastewater treatment plants to address their compliance.

Through the services of the CAU, many communities have not only resolved problems, but also identified ways to save money through energy efficiency and other best management practices. During 2018, the CAU assisted 81 wastewater treatment plants throughout Ohio.



Jon VanDommelen of DEFA's CAU talks with plant operators during a training session.

Helping Businesses with Environmental Regulations and Permitting

DEFA's Office of Compliance Assistance and Pollution Prevention (OCAPP) provides free and confidential assistance to help businesses comply with environmental requirements. OCAPP responded to more than 12,700 environmental assistance requests from Ohio businesses, communities and other organizations during 2018. This includes 175 site visits and assistance in completing 946 forms, including permit applications and other Ohio EPA paperwork. OCAPP staff participated in 54 presentations and training events, reaching more than 3,500 people with information on a variety of environmental compliance topics.

Informational Webinars on Compliance and Resources

DEFA hosted 15 webinars covering a variety of topics, including environmental compliance, funding and reporting. More than 2,900 people participated in DEFA's webinars or viewed our archived library of training materials during 2018. Popular webinar topics in 2018 included:

- Storm Water Permit Program Update
- Universal Waste Rule Updates
- Ohio EPA's Anti-Tampering Laws
- Ohio's Materials Marketplace

Promoting Recycling and Environmentally Sustainable Practices

Ohio EPA's Tenth Compliance Conference

Ohio EPA held its tenth Compliance Conference in Columbus in October 2018, with more than 320 attendees. A mix of Ohio EPA personnel and business representatives presented conference sessions. The keynote luncheon address during both days featured a program priorities plenary session with experts from each of Ohio EPA's major program areas. One of the conference highlights was recognizing the 2018 Encouraging Environmental Excellence (E3) Platinum Level recipients and announcing the Silver and Gold recipients.

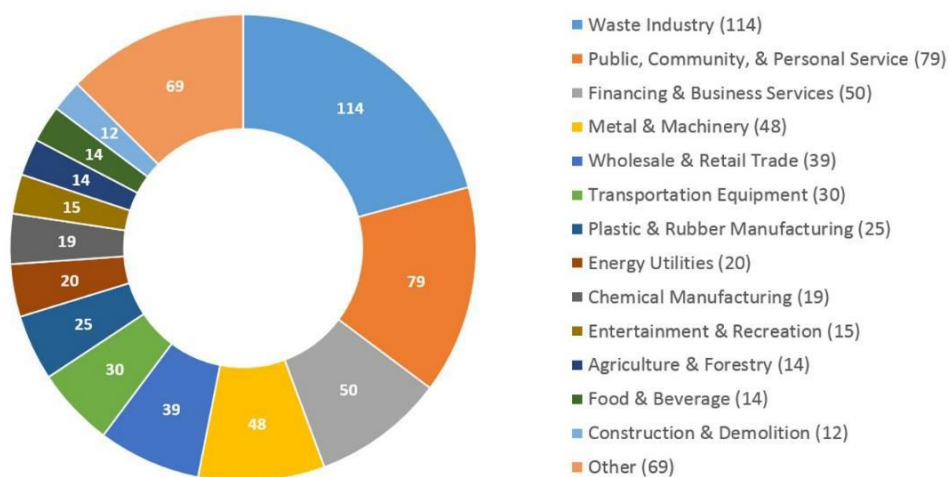
Ohio's Materials Marketplace: Year One Accomplishments

In April 2017, Ohio EPA launched the Ohio Materials Marketplace (OMM), a free online platform connecting businesses to recycling and reuse solutions for their waste and by-product challenges. Ohio businesses, not-for-profits and government organizations can now list available products and materials that would otherwise be destined for disposal in landfills.

Ohio EPA manages and markets OMM along with help from the United States Business Council for Sustainable Development, the Ohio By-Product Synergy Network and Ohio's solid waste management districts. OMM has realized steady growth in participation and material transactions. As shown in the OMM Year One Report, members diverted 3,362,000 pounds of material from Ohio's landfills, saved more than \$153,000 through virgin material substitution costs and avoided associated landfill costs.

OMM members include a wide variety of business and organization types actively engaging in continuous transaction conversations. Available and wanted material listings are diverse and are beginning to reveal trends in material management challenges across Ohio. Ohio EPA continues marketing to increase OMM membership numbers and diversity of businesses, while improving member participation and increasing market transactions.

Year One: Participants Industry Breakdown



Encouraging Environmental Excellence Program

Ohio EPA's E3 Program recognizes businesses, organizations and government entities for achievements in environmental stewardship. During 2018, Ohio EPA acknowledged five Gold Level, two Silver Level and 16 Achievement Level E3 recipients. This was the second year Ohio EPA recognized organizations at the Platinum Level for their efforts to expand their environmental sustainability programs beyond their own facility to make a positive impact on their surrounding community. Five organizations were recognized at the E3 Platinum Level.

Funding Support for Recycling and Litter Prevention

Each year, Ohio EPA's Recycling and Litter Prevention (R&LP) Program awards grant funding to support recycling-related activities across Ohio.

In 2018, the program awarded more than \$3.9 million in grants to support 60 projects throughout the state.

The program provides opportunities for communities, local governments, businesses and non-profit organizations to establish and implement recycling, litter prevention and scrap tire programs. The program also provides market development grants to businesses, through a local sponsor, to purchase recycling equipment.

Recycling and Litter Prevention Grant Program Highlights

| Grant Type | Projects | Amount |
|-----------------------|-----------|--------------------|
| Community Development | 18 | \$1,812,019 |
| Litter Management | 31 | \$423,892 |
| Market Development | 7 | \$841,250 |
| Scrap Tires | 4 | \$833,322 |
| Total | 60 | \$3,910,483 |

Getting Our Customers Connected

Reaching Our Customers Electronically

DEFA's outreach efforts include monthly eBlasts, a quarterly newsletter and blog posts. Our eBlasts contain information on upcoming regulatory changes, funding opportunities, training and other resources. DEFA's quarterly newsletters contain more detailed updates and a range of articles related to environmental compliance, water and wastewater infrastructure development and sustainability efforts. Our 2018 eBlasts and newsletters reached an audience of 17,700 subscribers while our blogposts received nearly 70,000 total views.

Looking Forward

In 2019, DEFA continues to focus on proactive outreach efforts to ensure that our customers, Ohio's businesses and communities, are aware of the many resources available to help meet their environmental and financial assistance-related goals.

We appreciate the support from all our stakeholders and look forward to another busy and productive year in 2019. If you have any questions or need more information about our services, contact us at (614) 644-3469 or visit our website at epa.ohio.gov/defa/.

2018 E3 Platinum Level Award Winners

American Municipal Power, Inc. (Columbus) – American Municipal Power (AMP) is a non-profit wholesale power supplier and service provider. The company improved energy and operational efficiency and uses efficient coal and natural gas technologies to generate power, which reduces emissions, water usage and need for landfill space.

General Motors Toledo (Toledo) – The General Motors Toledo transmission operation plant manufactures and assembles GM's six-speed and eight-speed rear-wheel-drive and six-speed front-wheel-drive transmissions. The facility is landfill-free and has a 90 percent recycling rate.

Ohio University (Athens) – Ohio University is a large, primarily residential public university. They are diverting more than 60 percent of its solid waste with a goal of becoming a zero waste to landfill organization.

Washing Systems (Loveland) – Washing Systems is the leading provider of environmentally sustainable products and services in the North American and European laundry processing industry. Its Clear Path technology process produces accelerated cleaning results with less energy and water usage.

YSI Inc. (Yellow Springs) – YSI manufactures sampling and monitoring instruments for environmental and in-process monitoring, including equipment widely used to track water quality conditions and trends. The company implemented conservation and efficiency programs at its Yellow Springs facility and its employees take their expertise into the local and worldwide community to educate people about water quality and protect water resources.