



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029
AUG 15 2018

Ms. Jutta Schneider
Water Planning Division Director
Virginia Department of Environmental Quality
P.O. Box 1105
Richmond, Virginia 23218

Dear Ms. Schneider:

The U.S. Environmental Protection Agency (EPA) would like to congratulate the Virginia Department of Environmental Quality (VADEQ) Nonpoint Source (NPS) program for the successful development, implementation and reporting of NPS watershed restoration projects across the state to achieve its overall water quality goals. EPA would also like to acknowledge the efforts of all of the staff, partners and other stakeholders who have played roles in the NPS program's success throughout the past year. As a result of these efforts this past year, VADEQ has reported Nitrogen load reductions of 742,201 pounds per year and Phosphorus load reductions of 78,529 pounds per year. Therefore, EPA has determined that the VADEQ has achieved Satisfactory Progress in their NPS program for FY2017. Enclosed please find the Annual Satisfactory Progress Determination.

The FY17 Section 319 NPS program grant awarded to Virginia included both NPS program funds and watershed project funds totaling to \$3,255,500 in federal funds. The NPS program funds support program management and administration, while the watershed project funds support watershed restoration projects in the highest priority areas of the state. These projects ultimately contribute to the attainment of Water Quality Standards set for each stream segment. Finally, EPA and VADEQ continue to collaborate on improving data in the Grants Reporting and Tracking System and Watershed Plan Tracker.

Thank you for your agency's continued dedication in implementing the Virginia NPS program. If you have any questions about the enclosed Checklist, please contact Diana Saintignon, Virginia's NPS Project Officer, at (215) 814-2760 or Michelle Price-Fay, Associate Director at (215) 814-3397.

Sincerely,


Dominique Lueckenhoff
Acting Director
Water Protection Division

Enclosures

cc: Nicole Sandberg, VADEQ NPS
Fred Suffian, EPA R3
Diana Saintignon, EPA R3
Bernie McCullagh, EPA R3

**Checklist for Determining Progress of Virginia's Department of Environmental Quality's
Nonpoint Source Program – FFY17**

Regions should review the progress that each State is making in implementing its nonpoint source (NPS) management program and provide written documentation of this progress. Specifically, and at a minimum, prior to awarding the FY18 grants under Section 319(h), Regions should document the extent to which each State meets foundational aspects of program progress and 319 grant management. For this guidance the following approach applies. These aspects should be assessed as a whole in making a determination, with each response constituting information, or a line of evidence, that will lead towards a decision based on the region's best professional judgment. Regions retain latitude for how each checklist response is weighted and have the flexibility to incorporate additional considerations in their determinations; negative responses to a question may be supplemented with a justification or description of a corrective action underway.

The final determination of progress of State NPS management programs is to be made by the Regional Administrator or delegated authority. The checklist for this determination should be completed by the appropriate regional 319 program staff (typically, the CWA Section 319 Grant Project Officer for non-PPG awards and the CWA Section 319 NPS Program Coordinator for states that include 319 grant awards in a PPG) and included with the documentation for the grant.

1. Meeting Statutory and Regulatory Requirements and Demonstrating Water Quality Results

- A. Section 319(h)(8) requires EPA to determine if a state has made satisfactory progress in meeting a schedule of annual milestones to implement its NPS management program.
- i) Does the state's NPS management program include relevant, up-to-date and trackable annual milestones for program implementation?

Yes, Virginia's NPS management program includes relevant and trackable annual milestones for program implementation. The management program plan has been updated and was approved in October 2014.

- ii) If the state does not yet include up-to-date annual milestones in its NPS management program, in what document(s) is this schedule located?

Not applicable; Virginia has established short term, trackable performance milestones that are included in their annual 319 grant work plans.

- iii) Has the state reported its progress in the annual report required under CWA section 319(h)(11) in meeting its milestone(s) for the preceding fiscal year?

Yes, Virginia has reported their progress of meeting milestones in their Annual NPS Report, two semi-annual reports, and in the Grants Reporting and

Tracking System (GRTS) for the preceding fiscal year. These reports describe the majority of outputs and outcomes that demonstrate the progress made meeting milestones and achieving their annual programmatic goals.

- iv) Has the state demonstrated satisfactory progress in meeting its schedule of milestone(s) for the preceding fiscal year? Briefly elaborate. (If no, in accordance with CWA section 319(h)(8), the 319 grant award for the coming year cannot be awarded.)

Yes, the U. S. Environmental Protection Agency (EPA) Region III has found that the Virginia Department of Environmental Quality (VADEQ) has achieved satisfactory progress for its Nonpoint Source (NPS) Program for FY17. They have demonstrated this by their development of success stories, and in furnishing their annual and semiannual performance reports, and in submitting their GRTS reports which describe outputs, including load reductions.

- B. Section 319(h)(11) requires each state to report on an annual basis reductions in NPS pollutant loading and improvements in water quality.

- i) For all active projects that have NPS reduction goals for nutrients or sediment, did the state report load reductions (WQ-9) into GRTS during the reporting period after the first year that practices were installed or implemented achieved?

Yes, Virginia reported load reductions into GRTS during the reporting period after the first year that practices were installed or the implementation was achieved. Virginia recorded load reductions totaling 742,201 lbs. of nitrogen, and 78,529 lbs. of phosphorus; an increase from 2016.

- ii) Considering projects and activities from all open grants as applicable, has the state reported improvements in water quality resulting from implementation of its NPS management program and/or previous years' section 319(h) grant work plans? (e.g., reporting on SP-12 or other improvements such as shellfish bed and beach openings that have not yet led to attainment of water quality standards)?

Yes, Virginia has reported pollutant reductions reaching 742,201 lbs. of nitrogen, 78,529 lbs. of phosphorus, and 462,520 tons of sediment in NPS-impaired watersheds in its Annual NPS report. They've reported bacteria reductions as well. All of these reductions have resulted in VA meeting their 2017 goal for success stories.

- iii) Did the state meet its annual commitment/target/goal (if any) under WQ-10 to remove impaired waters from the 303(d) list?

Yes, Virginia met its annual goal under WQ-10 to remove impaired waters from the 303(d) list and have reported on it in their annual report. As of 2017,

VADEQ has exceeded their 2014 Nonpoint Source Program Management Plan goals for number of impairments addressed by 118% and their FY2017 goals by 123%.

2. Overall GRTS Reporting

For this section, it is sufficient to report on the results of previously conducted post-award grants monitoring. No additional monitoring may be needed.

- A. To ensure that the state meets the reporting requirements in section 319(h)(11), did the state enter all mandated data elements into GRTS (including geolocational tags where available) for all applicable projects in the previous section 319 grant award?

Yes, Virginia has entered mandated data elements where applicable into GRTS (including geolocational tags where available) for projects in the previous section 319 grant award. The following is a summary of some of the data found in Virginia's metric report:

- 1) Funding expended verses Funding Awarded 65%.**
- 2) Percentage of Projects with Appropriately Dated Evaluations – 88%**
- 3) Projects Completed and Accepted by EPA – 75%**

3. Focus on Watershed-Based Implementation

For this section, it is sufficient to document the results of previous findings, if this was determined during the Region's reviews of the state's active grant work plans.

- A. Is the state implementing nine-element watershed-based plans – or approved alternative plans - at required grant expenditure levels in accordance with EPA's guidelines for CWA section 319(h) grants? That is, in FY14 and subsequent years, was 50% of the state's grant used to implement watershed based plans, unless the state provided state funding for watershed projects equal to its total section 319 allocation? If no, please explain.

Yes, all Project funding and a portion of Program funds are dedicated to implementing approved nine-element watershed-based plans. Currently, they have 88 Watershed Implementation Plans (WIPs) being implemented in Virginia, addressing 460 impairments.

4. Ensuring Fiscal Accountability

For this section, it is sufficient to briefly report on the results of previously conducted grants management and oversight required of all grants.

- A. *Tracking and Reporting.* For all active section 319(h) grants, using existing post-award monitoring or best professional judgment:

- i) Is the state’s RFP process efficient and timely for selecting and funding projects within the work plan timeframe?

Yes, Virginia’s process is timely for selecting and funding projects within the workplan timeframe. At the same time, VADEQ should continue to work internally and with their applicants to improve timeliness and efficiency of Request for Proposals and funding within the work plan timeframe.

- ii) Did the State obligate all of the 319(h) funds in the previous year’s award within one year per current 319 grant guidelines?

Yes, Virginia obligates its funding within one year of the grant award.

B. *Rate of Expenditures.* For categorical grants, include and examine a summary of expenditures for all open section 319 grant awards listing the following: state; grant #; FY; project period; grant award amount; balance (unliquidated obligation); percent unliquidated obligation. See example below, which contains information readily available through Compass, EPA’s financial data warehouse. This information could also be obtained from other EPA tools such as GRTS or the Post Award Baseline Tracking Tool. Include a state total of grant award amount, balance and percent unliquidated obligation. Please reference the source and date of information used to answer the question below. (“SA” in column 1 of the example below = State Abbreviation.)

GRTS—July 30th, 2018

Grant Number	Initial Award	Cumulative Award	Anticipated Project Completion Date	Award Fiscal Year	Obligated Amount	Draw Down Amount	%ULO (Unliquidated Obligation)	% Grant Budget Expended (Avg. of All Grant Years)	Currently Available Funds (Balance or ULO)
00349913	\$2,923,000	\$2,923,000	6/30/2018	2013	\$2,923,000	2,828,626	3%	97%	94,374
00349914	\$3,125,922	\$3,135,922	6/30/2019	2014	\$3,125,922	2,938,194	6%	94%	187,723
00349915	\$3,060,561	\$3,070,561	6/30/2019	2015	\$3,060,561	2,234,557	27%	73%	826,004
00349916	\$3,103,192	\$3,113,192	6/30/2020	2016	\$3,103,192	1,651,726	47%	53%	1,451,466
00349917	\$1,552,000	\$3,255,500	6/30/2022	2017	\$3,245,500	290,118	91%	9%	2,955,382
Grand Total					\$15,458,175	9,943,221	35%	65%	5,514,954

- i) Relying on best professional judgment, do the figures in the Rate of Expenditures chart substantially match the expected drawdown rates or the negotiated outlay strategy from the associated grant work plan schedules? If not, briefly explain.

Yes, the Rate of Expenditures chart substantially matches the expected drawdown rates.

5. PPG Considerations

For states that include section 319 funds in Performance Partnership Grants (PPGs), briefly report on the following.

PPG Considerations are not applicable to Region 3 States at this time.

- A. Has the state followed the goals, objectives and measures of the national program guidelines and priorities in implementing its NPS program? If not, did the state negotiate with the EPA region a work plan that differs significantly from the NPM guidance? (If yes, the EPA Region was required to consult with the NPS NMP.) Please explain.
- B. Do PPG priorities and commitments include relevant, up-to-date and trackable annual milestones for implementation of state's NPS management program?
- C. Using best professional judgment, has the state adequately documented progress consistent with its priorities and commitments?

6. **Identifying and Addressing Performance Issues/Progress Concerns**

- A. Considering issues itemized on this checklist, briefly summarize any significant outstanding section 319 grant performance issues or progress concerns, including recommendation(s) for corrective action(s). For states with out-of-date NPS management programs or schedule of milestones, Regions are to ensure that forthcoming section 319 grant award are contingent on completing these program or milestone updates.

Virginia has no significant outstanding section 319 grant performance issues or progress concerns; however improvements can be made in the timeliness of GRTS and Watershed Plan Tracker (WPT) reporting.

- B. Are there other significant outstanding section 319 grant performance issues or progress concerns that were not identified through this checklist? If so, please describe, including any recommendation(s) for corrective action(s), as may be appropriate.

There are no significant outstanding Section 319 NPS program performance issues or progress concerns. EPA and VADEQ continue to collaborate on improving data reporting in GRTS and in the workplan draft reviews.

