

**Infrastructure & Capacity Building for Improved Incentive Development and Delivery of
Performance-Based Programs**

Virginia Department of Environmental Quality

Assistance Agreement No. EI-97346301-01

Quarterly Report

July – September 2007

Project Synopsis

As noted in the July 2007 quarterly report, three proposals were received by DEQ in June in response to its Request for Proposals to assist in project implementation. A delay in the review process of almost eight weeks occurred as a result of a question related to whether one individual included in one of the offerors' proposal posed a conflict of interest as a result of her status as a member of the Virginia Waste Management Board, which oversees regulatory matters related to solid and hazardous waste in the Commonwealth (DEQ provides staff support to the Board as well as two other citizen boards, one for air quality and one for water quality). DEQ consulted with the Department of General Services and the Office of the Attorney General for clarification on the issue. The decision DEQ received was that the situation represented a potential conflict of interest. When notified of the decision, the individual in question resigned her position on the board, and the review process moved forward. In September, the two selected offerors were invited in to present their proposals to the review committee orally, which was then followed up later in the month with negotiation meetings. A final decision is expected in early October, with implementation of the grant tasks to get underway immediately thereafter.

Schedule of Key Processes and Outcome Milestones (deliverables are indicated with an *)
(Reflecting Accomplishments for this Quarter and Projection of Activities and Major Expenditures for Remainder of Project Period)

Task Name	Task Description	Start Date	End Date	Status/Notes
Establish Project Management Process * Deliverables: DEQ will submit a list of the POC and LT.	An internal committee (Project Oversight Committee or POC) will be created consisting of representatives of Central Office media offices, regional offices and VEEP program staff to provide the general direction and oversight of the project and to report periodically on its progress to DEQ's Leadership Team (LT), which is composed of senior DEQ managers. The LT, which meets quarterly, will make all policy decisions related to the project (except those delegated to the POC) and direct appropriate agency staff to implement the approved recommendations.	30 days after grant acceptance	N/A	Completed (see earlier quarterly report).
Hire Contractor	Hire a qualified contractor to provide project support, including researching, document drafting, meeting facilitation, training module development and delivery, and other tasks included in the project.	60 days after grant acceptance	N/A	RFP issued May 30, 2007. Proposal review began in late June. Two vendors selected for negotiation in September; contract award expected in early October.
Develop Strategy for Public Involvement/ Stakeholder Input	The POC will meet with representatives of the recently created VEEP Participants Association and others interested in the program to discuss project goals, schedule and expected outcomes and revise the project plan and schedule as necessary based on feedback from	30 days after grant acceptance	60 days after grant acceptance	

<p>*Deliverables: DEQ will submit copies of the meeting agenda and list of participants to EPA.</p>	<p>stakeholders.</p>			
<p>Project Updates</p> <p>*Deliverables: Copies of meeting and presentation materials as well as NGOs invited to participate will be submitted to EPA.</p>	<p>Updates on the project will be provided (and feedback sought) at the annual VEEP meeting, the annual Environment Virginia conference and the VEEP web site. Non-governmental organizations will be invited to participate in those forums as well as in the development of the awards program.</p>	<p>When conferences occur</p>	<p>N/A</p>	
<p>VEEP/PT Policy and Procedures Review</p> <p>* Deliverables: DEQ will submit copies of recommended policy and procedure modifications to EPA.</p>	<p>Conduct a review of the current status of VEEP and PT policies and procedures development and implementation. Make initial recommendations for POC review regarding improving information flow and facilitating the development and implementation of incentives and other procedures.</p>	<p>90 days after grant acceptance</p>	<p>12 months after review is initiated</p>	
<p>Baseline Survey of DEQ Managers</p> <p>* Deliverables: DEQ will submit copies of the survey and its analysis to EPA.</p>	<p>Develop, conduct and analyze baseline survey of DEQ managers prior to implementation of in-reach training to assess knowledge of VEEP and PT</p>	<p>90 days after grant acceptance</p>	<p>2 months later</p>	
<p>Review of Incentives for VEEP/PT Facilities Provided to Date</p>	<p>Conduct a review of incentives or benefits (both formal and informal) provided to date to VEEP and PT facilities (February 2007 – April 2007)</p>	<p>150 days after grant acceptance</p>	<p>3 months later</p>	

<p>Incentives Delivery Plan Improvement Recommendations</p> <p>* Deliverables: DEQ will submit copies of the recommendations for POC to EPA.</p>	<p>Develop recommendations for POC review for implementation of incentives; the POC will forward its recommendations to the LT to be incorporated into the VEEP Operations Manual (see below).</p>	<p>6 months after grant acceptance</p>	<p>3 months later</p>	
<p>EMS Enforcement Forum & Policy Recommendations</p> <p>* Deliverables: DEQ will submit copies of the forum agenda, speakers materials and attendees list to EPA.</p>	<p>Organize and conduct a forum to explore the potential incentives for promoting EMS through DEQ's enforcement program. Based on outcome of the forum, the Project Oversight Committee will make recommendations to the LT.</p>	<p>11 months after grant acceptance</p>	<p>1 months later (LT follow-up)</p>	
<p>Promotion of Private Sector Incentives</p> <p>* Deliverables: DEQ will submit copies of the recommended strategies, forum presentation materials and attendees list to EPA.</p>	<p>Investigate options and develop recommended strategies to promote private sector incentives and benefits. Organize and conduct a forum for relevant financial sector institutions.</p>	<p>12 months after grant acceptance</p>	<p>15 months later</p>	
<p>Develop and Deliver DEQ Training Program</p>	<p>Conduct a review of other state and federal programs to identify existing tools, outreach strategies and training programs for potential use during the project, including information gathered by Kentucky under its SIC 2005</p>	<p>12 months after grant acceptance</p>	<p>20 months later</p>	

<p>* Deliverables: DEQ will submit copies of its training plan and materials to EPA.</p>	<p>project. Develop a training plan and materials for DEQ staff, including overview training for new employees and more-focused training for existing staff who have some familiarity with the program (the POC will make recommendations to the LT who will make a decision as to which employees will be required to attend the training and at what frequency). Conduct staff training. Incorporate into VEEP Operations Manual.</p>			
<p>Review of DEQ Information Management System for Opportunities</p> <p>* Deliverables: DEQ will submit copies of its recommendations to EPA.</p>	<p>Research and make recommendations to the LT regarding increasing the visibility of and content related to VEEP available to DEQ program and regulatory staff through the Comprehensive Environmental Data System (CEDS), and potentially the Department’s new CEDS “data mining” initiative. Integration of VEEP into the system should significantly increase the recognition of the facilities by the regulatory staff.</p>	<p>12 months after grant acceptance</p>	<p>15 months later</p>	
<p>Develop VEEP Operations Manual</p> <p>* Deliverables: DEQ will submit copies of the revised VEEP Operations Manual to EPA.</p>	<p>Review of existing processes, interview appropriate staff and review relevant materials from other states and EPA that address the following topics: application/renewal/annual report process; review of applications and annual reports; member services; regulatory incentives (development and delivery); conducting facility site visits; annual performance reporting; data and website management; recruitment; DEQ in-reach; and, compliance screening. The manual will include sample documents and language for use by VEEP staff as well as program staff (e.g., sample language to be inserted into inspection reports and other correspondence between DEQ and regulated facilities promoting VEEP and Performance Track).</p>	<p>15 months after grant acceptance</p>	<p>20 months later</p>	
<p>Develop Governor’s Environmental</p>	<p>Review options and make recommendations to the LT for implementation of the “Governor’s Environmental Excellence Awards.”</p>	<p>3 months after grant acceptance</p>	<p>6 months later</p>	

<p>Excellence Awards Implementation Plan</p> <p>* Deliverables: DEQ will submit copies of its recommendations on the awards program to EPA.</p>				
<p>Conduct End-of-Project Survey of Participating Financial Institutions</p> <p>* Deliverables: DEQ will submit copies of the survey and results to EPA.</p>	<p>Conduct survey of financial institutions participating in the forum to assess whether any change in/new incentives for high-performing facilities has/have been implemented or are planned.</p>	<p>20 months after grant acceptance</p>	<p>22 months later</p>	
<p>Conduct End-of-Project Survey of DEQ Managers</p> <p>* Deliverables: DEQ will submit copies of the survey and results to EPA.</p>	<p>Conduct survey of managers to assess whether knowledge of VEEP and PT has increased as a result of the project.</p>	<p>22 months after grant acceptance</p>	<p>23 months later</p>	
<p>Conduct End-of-Project Review of VEEP/PT Results</p> <p>* Deliverables: DEQ will submit copies of the review results to EPA.</p>	<p>Conduct review to determine whether VEEP/PT participation rates have increased over the project term. Conduct a review of VEEP/PT annual performance reports and TRI reports to determine the environmental outcomes of the initiative.</p>	<p>22 months after grant acceptance</p>	<p>24 months later</p>	

Final Report * Deliverables: DEQ will submit copies of the final report to EPA.	Final report prepared	24 months after grant acceptance	N/A	
Quarterly Reporting	Submission of quarterly progress reports to EPA Region III and EPA Headquarters OPEI.	Every 3 months after grant acceptance	End of grant project	
Quality Assurance Plan	Development & approval of project Quality Assurance Plan	To be submitted for review upon receipt of grant funding	To be employed throughout project period	

Financial Report

Financial Information removed by EPA as confidential business information.