

To: Honorable Governor Kim Reynolds  
From: Environmental Protection Commission

Date: Commission Approval TBD

Subject: Fiscal Year 2023 and 2024 Report and Recommendations

The Environmental Protection Commission (EPC) hereby submits its biennial report and recommendations to the Governor and General Assembly of Iowa pursuant to Iowa Code section 455B.105(5). This report includes actions of the EPC from July 2022 through June 2024.

### **Water Quality / State Revolving Fund**

During FY 2023 and FY 2024, the EPC approved investing over 2.2 billion dollars in water and wastewater infrastructure and nonpoint source pollution control projects through the Drinking Water and Clean Water State Revolving Fund Programs.

#### **Drinking Water State Revolving Fund (DWSRF)**

The EPC approved DWSRF Intended Use Plan (IUP) recommendations for 175 planning & design (P&D) and construction projects, totaling \$771,088,215. Projects ranged in cost from the City of Meservey's (pop. 222) P&D loan of \$25,000 for a new well and distribution improvements project to the Des Moines Water Works' (pop. 600,000) construction loan of \$150,750,000 for the Saylorville Water Treatment Plant capacity expansion-raw water supply and treatment project. The Saylorville project is the single highest project amount requested in the history of Iowa's DWSRF Program.

The EPC also approved projects that will be funded in part by the FFY 2022 and FFY 2023 Bipartisan Infrastructure Law (BIL): PFAS projects were approved totaling \$26,607,000 for Burlington, Central City, Tama, and Rock Valley; and Lead Service Line Replacement projects were approved totaling \$85,432,000 for systems serving populations between 7,536 and 600,000.

#### **Clean Water State Revolving Fund (CWSRF)**

The EPC approved CWSRF IUP recommendations for 127 P&D, point source and nonpoint source construction projects, totaling nearly \$1.5 billion. Projects ranged in cost from the City of Ladora's (pop. 226) P&D project of \$28,500 for a new lift station to City of Sioux City's request of \$486,510,000 for improvements to their existing wastewater treatment facility. The Sioux City project is the single highest project amount requested in the history of either DWSRF or CWSRF Programs. The EPC also approved CWSRF recommendations for 4 Sponsored Project applications in the amount of \$3,801,000 as well as a PFAS Source and Treatability Study project for the City of Cedar Rapids that will be funded by the FFY 2022 and FFY 2023 BIL PFAS/Emerging Contaminants Funds in the amount of \$3,065,000.

### **Land Quality**

The EPC approves grant funding for awards in excess of \$25,000 for the Environmental Management System (EMS) program within the Financial and Business Assistance Section of the Land Quality Bureau. Grant funds are sourced from the groundwater protection fund. The EMS program is a voluntary, continuous improvement program that rewards environmental stewardship efforts of participating solid waste planning/service areas.

In FY2023 and FY2024, nine EMS greenhouse gas reduction grant projects were completed, reducing annual emissions by 2,504 metric tons of carbon dioxide equivalents (mtCO<sub>2</sub>e) as compared to base year data. Using \$238,310 in DNR grant funding, five sites were converted to solar energy systems, LED lighting was installed in two buildings to reduce energy consumption, and landfill gas was flared off with a solar-powered flare. In addition, these funds assisted a community project to plant trees to sequester carbon, and helped with the purchase of an electric fork truck to move recyclable materials more efficiently. Over a 20-year average life cycle, DNR's investment cost is \$4.76 per mtCO<sub>2</sub>e.

In the same two-year period, the EPC approved \$270,930 for nine EMS grant projects to improve recycling services. Funds were used to purchase collection containers, material handling equipment, and processing equipment. The implementation of these improvements increased recycling by 1,293 tons as compared to base year data. Given a 10-year life cycle of the new equipment purchases, DNR's investment cost is \$21 per ton.

### **Air Quality**

The DNR received an additional \$530,000 in federal grants for the ambient air monitoring network in FY 2023-2024. Approximately \$357,000 was received to replace aging ambient monitoring equipment across the State of Iowa. Approximately \$173,000 was received for the installation and two years of operation for a new ozone monitor in the Sioux City area.

The DNR selected the Air Quality Bureau (AQB) to lead the Executive Order 10 (EO 10) review for the Environmental Service Division administrative rules. The AQB held four well-attended stakeholder meetings to gather informal public input on the proposed changes, and public comment on the Regulatory Analysis documents. The EPC subsequently approved the final rules for 567 IAC Chapters 15, and 20-35 in April 2024. The approved final chapters resulted in significantly streamlined and improved air quality rules. See below for more information on EO 10.

### **Rulemaking**

On January 10, 2023, Governor Reynolds signed EO 10 putting a moratorium on administrative rulemaking and instituting a comprehensive review of all existing administrative rules.

The EPC's rules are in volume 567 of the Iowa Administrative Code. The EPC and DNR staff reviewed 27 chapters in 2023 as part of the EO 10 efforts (there will be 36 more in 2024 and the final 41 chapters in 2025).

The final 2023 EO 10 metrics for volume 567 are as follows: removal of 14 chapters; 220 pages; 2,039 restrictive terms; and 135,347 words. This represents a ~46% page count reduction for these chapters (after year 1).

Prior to the signing of EO 10, EPC approved the following rules during this reporting period:

- Chapter 64-Renewal of General Permits Nos. 5, 6, 7, 8 and 9, with Cleanup and Clarification
- Chapters 60 and 64-Renewal of General Permits Nos. 1, 2, 3 and 4 with Cleanup and Clarification
- Chapter 107-Beverage Container Deposits
- Chapters 20, 22, 23, 25 and 28-Air Quality Rules Updates

## **Enforcement**

During this reporting period, the EPC received nine recommendations for referral to the Attorney General's office from the DNR. The EPC referred all nine individuals/entities to the Attorney General's Office for egregious environmental violations regarding the disposal of solid waste, wastewater discharges, and air quality violations.

Over \$680,600 was collected in administrative penalties and nearly \$84,000 was collected in fish restitution during this reporting period.

## **New Commissioners and site visits**

Three individuals were newly appointed and sworn in to serve a four-year term with the EPC.

The EPC's regulatory knowledge was enhanced through several voluntary tours of regulated facilities. Tours included the State Forest Nursery, Iowa Lakes Regional Watershed, Lost Island Lake Restoration Project, Osgood Water Treatment Plant, Iowa Army Ammunition Plant, an Alliant Energy/Mid-American Energy facility, a pork packing plant, and the Ottumwa Hydrodam and Water Works.

## **Public Comments and citizen engagement**

Iowa citizen engagement continued to be focused primarily on topics related to water quality and animal feeding operations. Prevailing drought conditions and citizens' concerns over water quantity as well as quality were somewhat alleviated with increased rainfall, especially during the last month of this reporting period. The EPC requested and received frequent updates from the DNR Hydrology Resources Coordinator.

## **Conclusion**

The EPC recommends continued full funding of the DNR. Ongoing support of the mission and initiatives of the Environmental Services Division of the DNR is necessary to provide protection for Iowa's air, land, and water against a host of pollutants including, but not limited to, those from animal feeding operations, household hazardous materials, PFAS, and invasive species of plant, fish, invertebrate, and microbial origin. To this end, the rapid detection and prevention of disease and exposure to toxins in the environment, through accurate diagnostic testing by qualified laboratories, is critical. Environmental protection initiatives as well as a responsible regulatory atmosphere are important for the citizens, businesses, and industries of Iowa.