



Janice K. Brewer, Governor • Henry R. Darwin, Director



ADEQ STRATEGIC PLAN

FY15 Update to
FY 2014- FY 2018 Plan

- ### GOALS
- Support Environmentally Responsible Economic Growth
 - Enhance Arizona’s Unique Environment
 - Accelerate Clean-ups



- ### STRATEGIES
- Unleash Human Potential
 - Deploy Lean
 - Leverage E-Technology
 - Increase Outreach
 - Strengthen Core Programs

Foreword

In our Fiscal Year 2014 Strategic Plan (FY 2014 Plan) we committed to “transforming our operations to become more effective at achieving our mission than we ever were before.” In this FY 2015 Update, I am proud to report that we are emerging from the depths of the recent recession stronger than ever, committed to a strategic direction that will see ADEQ become a national leader in balanced, leading-edge environmental protection, delivering our mission with simplicity and excellence.

In the pages of this FY 2015 Update, you will find that our overarching goals and key strategies have not

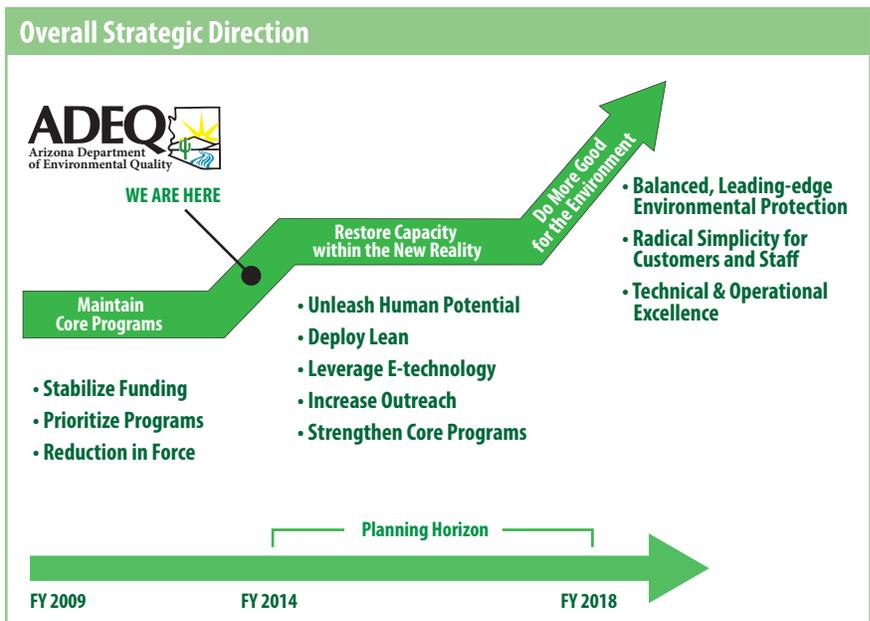
changed. What you will see is that ADEQ has already completed 17 projects that move us closer to achieving our goals and that we have many more projects in progress. What you will also see is that we are tracking our efforts rigorously and reporting the results.

As our State’s economy continues to improve, we are **supporting environmentally responsible growth** by demonstrating that we can significantly reduce permit processing time without cutting corners. We are **accelerating cleanups** and have closed our first Water Quality Assurance Revolving Fund Site, releasing the property for redevelopment. And we have taken important steps to help us better monitor one of our most valuable resources – water – with an eye towards **enhancing our unique Arizona environment**.

We are accomplishing the above goals through five specific strategies and a series of supporting projects. We are **unleashing our human potential** by providing our employees with technical training and tools for enhanced efficiency. We are **deploying Lean** management tools and techniques across the agency by conducting numerous Kaizen events, deploying ADEQ-Boards for unit-level performance improvement, and providing all staff with Lean Awareness Training. We are **leveraging e-technology** by upgrading our outdated hardware and software and taking our first steps towards the myADEQ vision – a customer-specific web portal that will provide customers with the convenience and cost savings associated with online transactions. We are **increasing our outreach** by adding an additional community liaison and kicking off our new Voluntary Environmental Stewardship Program. And we are **strengthening our core programs** by completing our transition to a fee-for-service model.

In short, I am very proud of what ADEQ is accomplishing and I am certain that our trajectory will increasingly benefit our environment, protect the people of Arizona, and create an engaging workplace for our staff.

Henry R. Darwin
Director



Goals and Performance Measures

As explained in the Strategic Plan, ADEQ executive leadership made an honest assessment of our recent past and current reality before defining what our desired future state would look like and we then identified goals, performance measures, strategies and projects to bridge the gap between where we are and where we want to be.

(See Figure 1)

ADEQ recognized that our success, just like any organization, relies on our ability to produce favorable outcomes for two groups: **end users** (customers) and **investors** (taxpayers). We then developed measures to track success toward our goals in terms of end user value and/or citizen outcomes. (Table 1 illustrates the redesign concept.)

Leadership developed performance measures for every major agency function, and where possible, adopted the measures across programs for consistency. The performance measures are shown in Table 2 on the following page.

ADEQ's GOALS

- Support environmentally responsible economic growth
- Enhance Arizona's unique environment
- Accelerate cleanups

* Fully support and champion ADEQ mission (Applies to the Administration Program only)

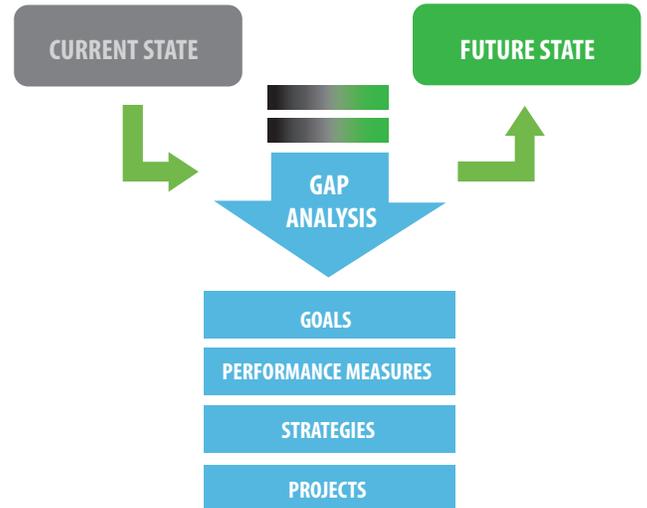


Figure 1

Table 1 - Performance Measure Development

Mission Function	End-User Products or Service	What does the end-user value about that product or service?	What outcomes do the citizens want?	How can we measure our success towards our goals in terms of end-user value and/or citizen outcomes?
Permitting	Approved permit	Timeliness; clarity; consistency	Protection of air (or water or land) without impeding economic growth	Reduce time to make protective permitting decisions by 50% over 5 years.
Monitoring	Monitoring reports	Information: is the air (or water) healthy?	Cleaner air (or water)	Improved air (or water) quality in at least 50% of the monitored air (or waters) of the State over 5 years

Progress on Achieving Performance Measures

Table 2, below, presents the current status of ADEQ’s performance measures as organized by department program and subprogram. In many cases, ADEQ programs used FY 2013 to develop methodologies for measuring performance and to establish baselines.

Table 2 - Goals and Outcome Based Performance Measures						
Program	Subprogram	Performance Measure Related to End-User Value or Citizen Outcomes	FY 13 Estimate	FY 13 Actuals TOTAL	FY 14 Estimate	FY 15 Estimate
AIR	Air Quality Management and Analysis	50% of air quality monitors with data demonstrating an improving trend over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	53.6%	20.0%	30.0%
		Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Present Exceptional Event documentation to EPA within 180 days of event. Measured as a cumulative percentage in each fiscal year during the planning horizon.	25.0%	38.1%	50.0%	75.0%
		95% of Exceptional Event submittals approved by EPA over 5 years.	95.0%	100.0%	95.0%	95.0%
	Vehicle Emissions Control	50% of air quality monitors with data demonstrating an improving trend. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Increase the number of vehicles in compliance at the time of emissions inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		50% Reduction for VEI Permits.	N/A	16.2%	20.0%	30.0%
WASTE	Waste Control and Management	Reduce time to make permitting decision by 40% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	25.7%	20.0%	30.0%
		Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0.0%	BASELINE	20.0%	30.0%
		Reduce the amount of waste per capita sent to landfills by 10% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0.0%	BASELINE	3.0%	6.0%
		Triple participation in voluntary stewardship programs over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	150.0%	BASELINE	175.0%	200.0%
		Percent of contaminated sites in Waste Programs Division closed requiring no further action (cumulative) versus known universe of contaminated sites in the Waste Programs Division (cumulative).	88.0%	89.1%	88.2%	88.5%
		Reduce total time until the (brownsfield) property is determined to be available for productive use by 25% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	5.0%	BASELINE	10.0%	15.0%
	Underground Storage Tank	Reduce total time to implement (begin) final remedy by 30% in UST over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	5.0%	BASELINE	10.0%	20.0%
		Percent of contaminated sites in Waste Programs Division closed requiring no further action (cumulative) versus known universe of contaminated sites in the Waste Programs Division (cumulative).	88.0%	BASELINE	88.2%	88.5%
		Reduce time to make permitting decision by 40% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	N/A	9.8%	20.0%	30.0%

Table 2 (Cont.) - Goals and Outcome Based Performance Measures

Program	Subprogram	Performance Measure Related to End-User Value or Citizen Outcomes	FY 13 Estimate	FY 13 Actuals TOTAL	FY 14 Estimate	FY 15 Estimate
WASTE	Remediation	Reduce total time to implement (begin) final remedy by 30% in WQARF over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	5.0%	BASELINE	10.0%	20.0%
		Reduce document review time in the Voluntary Remediation Program by 30% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	5.0%	BASELINE	10.0%	20.0%
		Percent of contaminated sites in Waste Programs Division closed requiring no further action (cumulative) versus known universe of contaminated sites in the Waste Programs Division (cumulative).	88.0%	BASELINE	88.2%	88.5%
WATER	Underground Water Regulation	Improved water quality in 50% of the monitored waters of the state over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	52.7%	20.0%	30.0%
		Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
	Surface Water Regulation	Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	0.8%	20.0%	30.0%
		Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Improved water quality in 50% of the monitored waters of the state over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
	Drinking Water Regulation	Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	26.2%	20.0%	30.0%
		Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
	ADMIN		Percentage of statutorily set permit timelines met through License Time Frame rule.	99.5%	99.9%	99.5%
		Reduce Voluntary Attrition Rate to less than 10% in 5 years.	11.0%	11.8%	10.0%	9.0%
		Generate yearly report that clearly links budget to state-wide priorities, ADEQ plans, and customer and/or citizen outcomes.	1	BASELINE	1	1
		To pay 95% of invoices payable within 30 calendar days.	95.0%	99.7%	95.0%	95.0%
		Receive 90% of Accounts Receivable within 10 days of due date.	90.0%	BASELINE	90.0%	90.0%
		Reduce total elapsed time from Purchase Requisition to goods and services received by 40% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		Reduce the total time from initial records request to availability of records by 30% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	10.0%	BASELINE	20.0%	30.0%
		99.9% availability of critical services from 7:00 a.m. to 5:00 p.m.	99.9%	100.0%	99.9%	99.9%
		Customer satisfaction rating for citizens (scale of 1-8).	7.6	7.6	7.7	7.8

Strategies and Projects

To accomplish the agency's goals as measured by the performance measures, ADEQ developed five strategies to address key challenges we face. These strategies – **Deploy Lean, Increase Outreach, Leverage E-technology, Strengthen Core Programs and Unleash Human Potential** – have resulted in nearly five dozen projects that ADEQ programs undertook in FY 2012 and 2013. The status of our various projects may be found in Tables 3-7 on pages 9 and 10.

Projects labeled as being **ON TRACK** are on path to meet scope, schedule and budget, and includes projects that may have been re-baselined if the re-baseline was documented. Projects that are **BEHIND** are at risk of not meeting scope, schedule or budget, while **OFF TRACK** projects are expected not to succeed unless remedial action is taken.

A few of these projects are worth singling out for fuller discussion.

MyDEQ Web Portal

ADEQ already enables customers to apply for stormwater management permits online. The MyDEQ web portal, the first phase of which will be completed in FY 2014, intends to develop additional electronic permitting and reporting processes that have a significant volume of use, high value to the regulated community and require little staff judgment to process.

Expanded online permitting and reporting will greatly enhance our customer service, improve efficiency, lower costs for our customers as well as our agency, increase public transparency, reduced staff touch time on particular high volume permit applications, and increase the percentage of applications that are complete and accurate at the time of submission.

For this reason, Governor Jan Brewer mentioned the MyDEQ project in her January 2013 *Building on the Four Corners of Reform* address:

"I will point to ADEQ...for its initiative in transitioning from the needless inefficiency and waste of paper transactions... The completion of this project...will be a boon to business regulated by ADEQ and help attract new business to Arizona."

Voluntary Environmental Stewardship Program

Established by the Legislature in 2012, the Voluntary Environmental Stewardship Program (VESP) provides recognition and incentives to organizations with a good history of environmental compliance and that have committed to going above and beyond compliance with environmental laws. ADEQ is implementing VESP to encourage companies and businesses to exceed environmental regulatory standards in Arizona. It is a voluntary program for organizations to join, based on their history of environmental regulatory compliance. VESP provides incentives and benefits that could include advance notice of enforcement, permit flexibility and reduction in reporting requirements.

Small Communities Environmental Compliance Assistance Program

ADEQ has developed and is implementing a voluntary Small Communities Environmental Compliance Assistance Program to help small, mostly rural Arizona communities comply with environmental regulations more consistently and effectively. We saw a need because small communities often cannot afford fully resourced environmental teams. ADEQ staff has developed training and tools to assist participating communities develop their own environmental protection. Employees of these communities are then trained on best practices to minimize risks and adverse impacts, as well as how to monitor and measure performance against established standards. The plans also help communities to identify and capitalize on environmental opportunities that go beyond compliance, and attract potential investment in their communities.

Career Paths

ADEQ recognizes that clear, well-defined career paths are necessary to promote staff growth, increase staff engagement and retain top talent. For this reason, a project team led by Director Darwin is developing career paths for ADEQ staff to enable advancement on either a technical or managerial track. His direct involvement with this project signals its priority both inside and outside the agency, and draft career paths for many of the department's environmental positions (e.g., hydrologists and environmental engineers) are nearing completion.

Process Improvement Kaizens

Since April 2012, ADEQ staff has conducted nearly a dozen process improvement events (in Lean these are known as *Kaizens*) and we are beginning to see dramatic results (see Table 3). For example, the Water Quality program has reduced the total elapsed time to issue permits by an average of 68 percent since April 2012, while the Air Quality program has reduced its total by an average of 67 percent since October 2012. Because these metrics bridge FY 2012 and FY 2013, they are necessarily different than the metrics reported in Table 2 on pages 4-5.

AIR QUALITY: Comparison of Average Days to Grant Permits During Pre-Kaizen & Post-Kaizen Periods

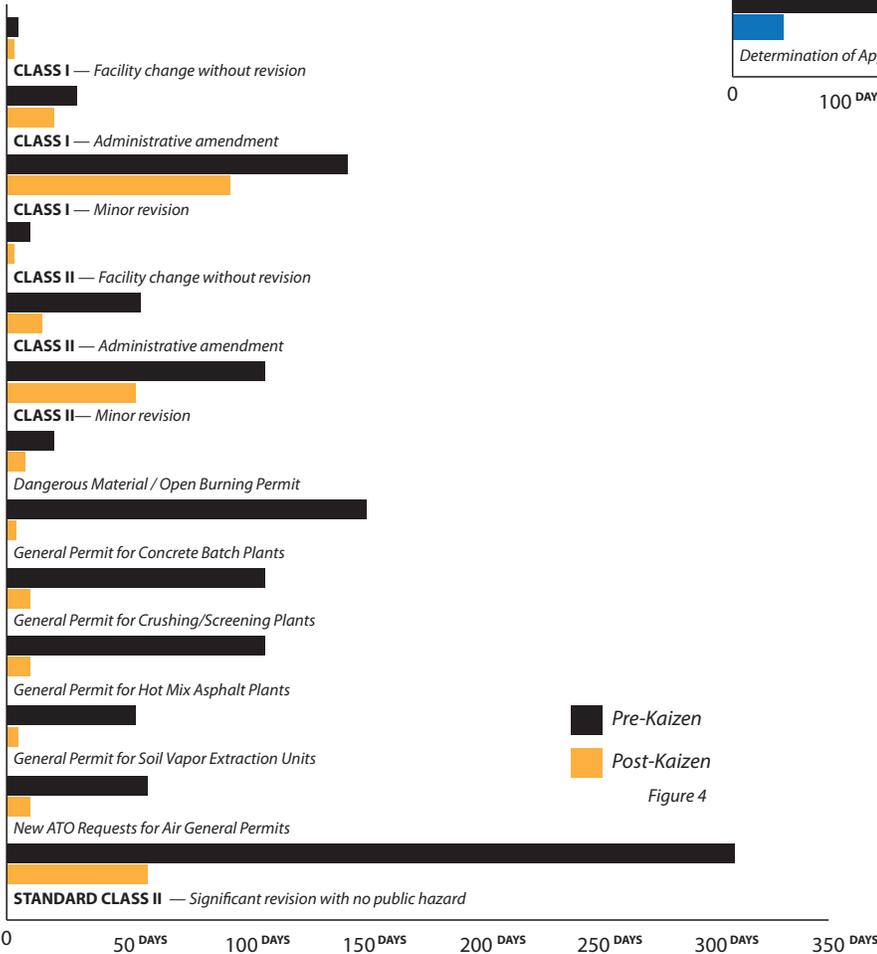


Figure 4

WATER QUALITY: Individual Permit

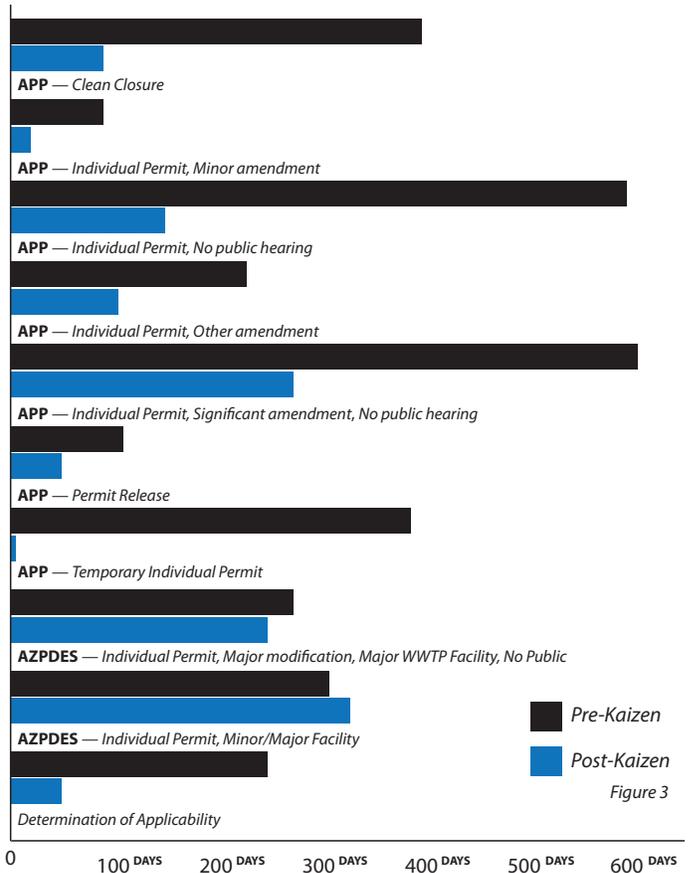


Figure 3

Table 3 - Progress on Strategies: Existing Agency Projects – Deploy Lean

PROGRAM	STRATEGIC PROJECTS	STATUS	COMMENTS
ADMIN	Conduct Lean Awareness training for all ADEQ staff	COMPLETE	
	Deploy ADEQ-Board project [†]	ON TRACK	
	Implement ADEQ Continuous Improvement Tracker [†]	ON TRACK	
	Conduct Staff Workouts to identify opportunities to increase value and eliminate waste in ADEQ processes	ON TRACK	
	Compliance and Enforcement process improvement	ON TRACK	
	Conduct Fundamentals of Process Improvement training for select ADEQ staff	ON TRACK	
	Public records request process improvement [†]	OFF TRACK	Staffing changes impacted schedule. Project is being re-baselined.
AIR	Title V permitting process improvement	ON TRACK	
	State Implementation Planning (SIP) process improvement [†]	ON TRACK	
	Permits service family evaluation – leverage lessons learned from Title V and APP process improvements across all AQD permits [†]	ON TRACK	
WASTE	UST State Lead Procurement Process Improvement	COMPLETE	
	Requests for Proposal process improvement	ON TRACK	
	WQARF process improvement	ON TRACK	
WATER	Aquifer Protection Permit Program process improvement	COMPLETE	
	Financial Assurance process improvement [†]	ON TRACK	
	Cost estimating process improvement (for Financial Assurance) [†]	ON TRACK	
	Total Maximum Daily Load (TMDL) process improvement [†]	ON TRACK	
	Permits service family evaluation – leverage lessons learned from Title V and APP process improvements across all WQD permits [†]	ON TRACK	
	Clean Water Act Section 208 Review process improvement	NOT STARTED	

[†] Not included in FY 2014 Strategic Plan but added later

Table 4 - Progress on Strategies: Existing Agency Projects – Increase Outreach

PROGRAM	STRATEGIC PROJECTS	STATUS	COMMENTS
ADMIN	Develop Small Communities Environmental Compliance Assistance Program	COMPLETE	
	Produce ADEQ 25th Anniversary publication	COMPLETE	
	Develop Voluntary Environmental Stewardship Program	COMPLETE	
	Renew ADEQ Annual Report	ON TRACK	
	Produce ADEQ instructional videos for employees and customers	DELETED	
WASTE	Proliferate School Chemical Cleanout Program	COMPLETE	
	Complete stakeholder process for UST Financial Assurance program	ON TRACK	
	Conduct stakeholder process to redevelop ADEQ recycling program	OFF TRACK	Program funding not received in 2014. Unit soliciting support for recycling and increased ADEQ presence in recycling community.
WATER	Conduct emerging contaminants stakeholder process	ON TRACK	

Table 5 - Progress on Strategies: Existing Agency Projects – Leverage E-Technology

PROGRAM	STRATEGIC PROJECTS	STATUS	COMMENTS
ADMIN	Deploy tool to track employee work time	COMPLETE	
	Develop an e-Portal (MyDEQ) to enable regulated community to conduct business with ADEQ online	ON TRACK	
	AZURITE Maintenance Phase 1	ON TRACK	
	Repair and upgrade Water Compliance Tracking (WCT) module	ON TRACK	
	Hardware and software refresh	BEHIND	Project now due for completion by 9/30/13.
	Prepare 5-year technology roadmap	BEHIND	Project on hold due to other agency priorities.
	Develop a revenue, invoice, and collection system (RICS)	BEHIND	Completed priority items for June billing, working on next phase enhancements.
	Deploy Sharepoint 2013	NOT STARTED	
WATER	Transition Permit Compliance System (PCS) to the Integrated Compliance Information System (ICIS)	BEHIND	Project now due for completion by 9/30/13.

† Not included in FY 2014 Strategic Plan but added later

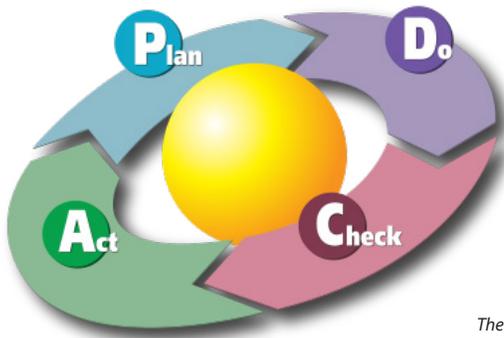
Table 6 - Progress on Strategies: Existing Agency Projects – Strengthen Core Programs

PROGRAM	STRATEGIC PROJECTS	STATUS	COMMENTS
ADMIN	Participate in Agency Fee Commission review of ADEQ funding	COMPLETE	
	Develop agencywide environmental management system	COMPLETE	
	Maintain a simplified continuity of operations plan consistent with statewide direction	ON TRACK	
WASTE	UST Compatibility	COMPLETE	
	UST to Leaking UST program coordination	ON TRACK	
	Identify long-term UST funding	OFF TRACK	Study committee established to propose recommendations for long term funding sources. ADEQ to draft strategy based on recommendations.
	ADEQ Management System	OFF TRACK	Draft MS is developed and under internal review. Once approved, ADEQ will audit to meet MS requirements.
	Enhance Pollution Prevention program	NOT STARTED	
	Renew ADEQ recycling program support and funding	NOT STARTED	
WATER	Implement SB 1280 requirements for municipal stormwater programs	ON TRACK	
	Safe Drinking Water Act Fees	BEHIND	Put on hold in FY 2013. Resume in FY 2014.
	Conduct stakeholder process for triennial review of surface water quality standards	NOT STARTED	

Table 7 - Progress on Strategies: Existing Agency Projects – Unleash Human Potential

PROGRAM	STRATEGIC PROJECTS	STATUS	COMMENTS
ADMIN	Engage ADEQ employees in the Strategic Planning process	COMPLETE	
	Conduct leadership training for section managers (change management/motivation)	COMPLETE	
	Hiring process improvement	COMPLETE	
	Assist ADOA in developing a better employee performance review system	COMPLETE	
	Produce addendum to Statewide employee handbook for ADEQ's work environment	COMPLETE	
	Assist ADOA in developing better supervisor training	COMPLETE	
	Develop career paths for ADEQ staff to enable advancement on either technical or managerial tracks	ON TRACK	
	Partner with ADOA to develop better performance-based compensation structure for ADEQ employees	ON TRACK	
	Conduct an employee skills inventory and deploy a tool for cross-training	OFF TRACK	Reassigned to the Human Potential Office, part of pilot Sharepoint project
	Develop and implement a relevant technical training program for staff	NOT STARTED	

A Commitment to Continuous Improvement



The Deming Cycle - Figure 5

As a continuously improving organization, ADEQ applies a time-tested and proven model of continuous improvement: **Plan – Do – Check – Act** (also known as the Deming Cycle in honor of W. Edwards Deming), to its strategic planning processes to achieve the agency’s overarching strategic goals. This model (shown in Figure 5) illustrates that ADEQ’s success is neither a function of executing a single, perfect plan, nor of haphazardly changing processes until something works. Rather, our success is a function of thoughtful planning, disciplined execution of the current plan, collecting data to see if the current plan is working, and taking action if it is not. Taking action requires starting the cycle all over again.

Our commitment to continuous improvement requires us as an agency to continually assess our performance in light of our ecosystem’s various perspectives (Figure 6) and demands that influence our vital mission. Many, if not most, of our existing projects noted previously in this report resulted from conversations we had with our internal and external customers and stakeholders about their wants, needs and expectations. (See Table 8 below)

We continue this dialogue and develop new projects to carry out our strategies to address key challenges. Table 9 on the following page summarizes several of the priority projects ADEQ is undertaking in FY 2014.



ADEQ Ecosystem - Figure 6

Table 8 - Meeting Customer Expectations		
WHO?	THEY SAID ...	WE DID ...
Regulated Community	We want our permits faster.	Completed process improvement Kaizens to identify waste and inefficiencies in our processes and dramatically reduce steps. Net impact: Reduced total elapsed time to issue Air and Water permits by > 67%
Legislature	Provide recognition and incentives to businesses going above and beyond in environmental compliance.	Developing the Voluntary Environmental Stewardship Program that establishes four tiers of recognition for businesses and other organizations with sound history of environmental compliance. Benefits may include advance notice of enforcement, permit flexibility and reduction in reporting requirements.
ADEQ Employees	We want better career advancement opportunities.	All positions now posted for open competition, panel interviews required for all hiring decisions, career path project underway to enable advancement on managerial and technical tracks
Regulated Community	Streamlined, transparent compliance and enforcement process.	Completed a process improvement Kaizen to improve elapsed time from date of inspection until escalated enforcement is completed. One result: field issued inspection reports, so facilities have reports same day.
Schools	Help us clean out our chemistry labs.	Used EPA grant funds to develop and implement pilot projects to remove mismanaged chemicals in Yuma and Nogales schools
ADEQ Employees	We want more training.	Awarded \$30,000 to each ADEQ division to organize and conduct training for which staff helped identify the need. Also included training all staff on Lean management basics, with more than a dozen executive and mid-level managers completing a more intensive course on fundamentals of continuous improvement.
Utilities	We want best practices for managing unregulated “emerging” contaminants that threaten drinking water supplies.	Formed an advisory panel to discuss and prioritize emerging contaminant issues of critical interest to Arizona regulatory agencies, utilities, academia and the public that will result in BMPs and an agenda for further research.
Small rural communities	Help us comply with environmental regulations more easily.	Developed and implemented a Small Communities Environmental Compliance Assistance Program to provide interested communities with tools and training to develop protection plans for more consistent and effective regulatory compliance.

Table 9 - New FY 2014 Agency Priority Projects

PROGRAM	APPLICABLE STRATEGY	PROJECT	AFFECTED PERFORMANCE MEASURES
ADMIN	Increase Outreach	Develop and conduct customer/shareholder surveys	Customer Satisfaction
	Increase Outreach	Expand implementation of Voluntary Environmental Stewardship Program (VESP)	3x VESP Participation
	Increase Outreach	Expand implementation of Small Communities Compliance Assistance Program	3x VESP Participation
	Increase Outreach	Implement Opportunity to Correct (OTC) Compliance Assistance	↑ 50% in return to compliance time frame
	Increase Outreach	Expand implementation of the ADEQ Air Quality Flag program in schools	↑ 50% in return to compliance time frame
	Increase Outreach	Conduct coordinated education and outreach events around the state	All
AIR	Leverage E-Technology, Increase Outreach, Strengthen Core Program	Enable real time Web access to air monitoring data	50% of AQ monitors with data demonstrating improving trends over 5 years
	Increase Outreach, Strengthen Core Program	Implement public outreach plan to reduce vehicle emissions inspection failures at time of inspection	↓ number of vehicles in compliance at inspection by 50% over 5 years
WASTE	Increase Outreach, Strengthen Core Program	Use Border 2020 grant funds to expand e-waste recycling and household hazardous waste collection efforts	Reduce amount of waste per capita sent to landfills
	Increase Outreach, Strengthen Core Program	Expand pollution prevention program marketing	Reduce amount of waste per capita sent to landfills
	Increase Outreach, Strengthen Core Program	Expand Voluntary Remediation Program marketing	↓ % of contaminated sites requiring No Further Action
WATER	Deploy Lean, Strengthen Core Program	Initiate process improvement project to streamline regional water quality management planning process (CWA 208)	↑ time to make permitting decisions by 50% over 5 years
	Strengthen Core Program	Expand WQ monitoring programs to more fully assess WQ in rivers, lakes, streams and groundwater in AZ	Improved WQ in 50% of monitored waters of the State over 5 years
	Deploy Lean, Strengthen Core Program	Explore using flat fees for individual permits (replace hourly fee structure)	↑ time to make permitting decisions by 50% over 5 years
	Strengthen Core Program	Explore revision of water reuse rules to advance safe use of reclaimed water	↑ time to make permitting decisions by 50% over 5 years

Resource Assumptions

The resource assumptions required to support this Strategic Plan are shown in Table 10 . Resource assumptions include the number of full-time equivalent positions and budgetary data, including all funding sources and the relevant fiscal years.

Table 10 - Agency Level Resource Assumptions

	FY 2014 Appropriation	FY2015 Budget Request or Estimate	FY2016 ESTIMATE	FY2017 ESTIMATE	FY2018 ESTIMATE
Full-time-equivalent (FTE) Positions	610.5	610.5	610.5	610.5	610.5
General Fund*	7,000.0	15,000.0	15,000.0	15,000.0	15,000.0
Other Appropriated Fund	67,334.0	74,834.0	73,034.0	73,034.0	73,034.0
Non-Appropriated Funds	39,743.6	39,743.6	39,743.6	39,743.6	39,743.6
Federal Funds	18,947.0	18,947.0	18,947.0	18,947.0	18,947.0
Total Agency Funds	133,024.6	148,524.6	146,724.6	146,724.6	146,724.6

Notes:

- Excluding FTEs, numbers are in thousands rounded to hundreds
- FY 2015 includes Other Appropriated Funds – an additional \$6.8 million for MyDEQ project
- FY 2015 and beyond includes in Other Appropriated Funds – an additional \$1 million in the Recycling Fund and a \$1 million reduction to the Water Quality Fee Fund
- FY 2016 thru FY 2018 the Other Appropriated Funds reduced the cost for MyDEQ from \$6.8 million to \$5.0 million
- FY 2015 thru FY 2018 includes a \$700K increase for VEI test volumes

*A.R.S. § 49-282 requires an annual \$15,000,000 transfer from the Corporate Income Tax to the Water Quality Assurance Revolving Fund.

Because this fund is specific to WQARF and is not available for the general operations, the above narrative does not consider it to be General Fund.