

Ohio EPA Kaizen Event

401 Water Quality
Certification / Isolated
Wetland Process

November 30 - December 4, 2009

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Team Mission: Possible



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Team Members

Pam Allen	Chief, Division of Solid and Infectious Waste Management Ohio EPA
Rahel Babb	Application Reviewer Ohio EPA, DSW
Randy Bournique	Manager, 401/Wetlands Section Ohio EPA, DSW
Jeffrey Boyles	Application Reviewer Ohio EPA, DSW
Hugh Crowell	Practice Leader, Ecology & Wetlands -Hull & Associates, Inc.
Scott Doran	Attorney Chester, Wilcox & Saxbe
Sandy Doyle-Ahern	Executive Vice President EMH&T, Inc.
Bill Fischbein	Supervising Attorney for the Water Program Ohio EPA, Legal Services
John Kusnier	Senior Project Manager, The Mannik & Smith Group, Inc.
Rose McLean	Application Reviewer Ohio EPA, DSW
Mick Micacchion	Wetland Ecologist Ohio EPA, DSW
Nancy Mullen	Chief, North Regulatory Section Pittsburgh District - Corps of Engineers
Mike Pettegrew	Permit Supervisor, Office of Environmental Services , ODOT
Ric Queen	Manager, Environmental Mitigation & Special Permitting Ohio EPA, DSW
Rebecca Rutherford	Chief, North Regulatory Section , Huntington District - Corps of Engineers
Laurie Stevenson	Deputy Director for Business Relations Ohio EPA, Director's Office
Karen Wise	Manager, Natural Resource Consulting Davey Resource Group

Support

Jim Dickey	Guidon Performance Solutions
Tim Taylor	Guidon Performance Solutions
Cathy Herron	DAS
Bill Demidovich	DAS
Steve Wall	DAS

Sponsors

Laura Powell
George Elmaraghy

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Kaizen Purpose

The 401 Water Quality Certification and Isolated Wetland Permit Section reviews applications regarding projects that would physically impact waters of the state, including streams, lakes and wetlands.

The purpose of the event is to thoroughly examine the system for preparing, submitting, and processing 401 water quality certification/Isolated Wetland Permit applications so that unnecessary time, costs, delays and rework are avoided by both the agency and the applicants, while ensuring the protection of Ohio's natural resources.

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Goals/Objectives

- To reduce the time & variation from the receipt of a complete application by Ohio EPA to the issuance/denial of a permit/certification so that it is in alignment with state statutes of 180 days for 401 Water Quality Certifications and 30/90/180 days for Isolated Wetland Permits
- To decrease the number of incomplete applications received the first time by 50% from a defect rate of 82.94% to 41%. Thus reducing the overall lead time from the applicant's perspective by 50%.
- To create a formal applicant feedback system to record and track certification/permit related complaints. Currently complaints come to the department via multiple sources – the legislature, direct calls to the unit, calls to the director's office, etc.
- To ensure that any efforts to streamline the process do not compromise the environment including the need to maintain a high level of follow-up done by the staff for Certifications/Permits issued with additional work to be done by the applicants

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Scope

- The process begins when an application from a business is submitted to the Ohio EPA and ends when the certification/permit is generated or the application denied (includes Isolated Wetland Permits & 401 Water Quality Certifications).

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Out of Scope

- State statutory and rule items such as time requirements and items required for application including public notice and participation
- Federal requirements / mandates
- No more money, no additional staff
- No employee loses a job because of Kaizen event, but duties may be modified
- No IT solutions until after process is streamlined

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The Kaizen Approach

Team-based energy and creativity drives immediate process improvement



At the end of the week, each Kaizen team has designed dramatic operational improvements

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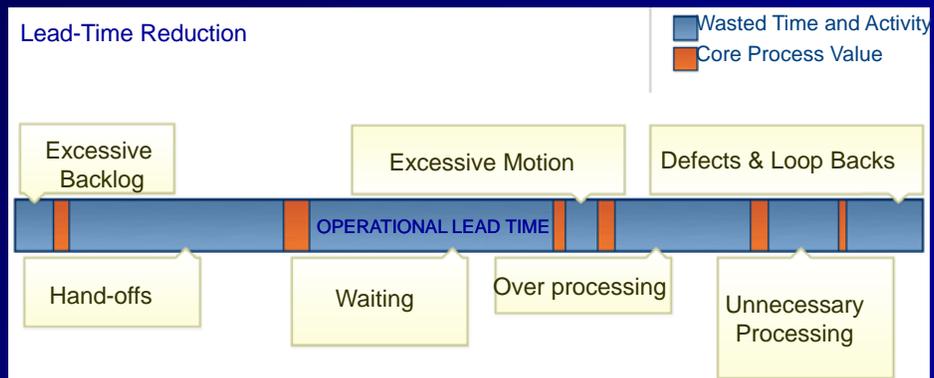
Key Principles



- Clear objectives
- Team process
- Tight focus on time (one week)
- Quick and simple, action first
- Necessary resources available right away
- Immediate results (new process functioning by end of week)

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Time-Based Strategies



The key is to reduce your processes to
“core value”

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Baseline Data for FY2008

Individual 401 Water Quality Certifications				
401s issued	Acres of Jurisdictional Wetlands		Stream Impacts (linear feet)	Lake Impacts (cubic yards)
	filled	mitigation		
110	163.14	502.80	267,868	9,299,351

Isolated Wetland Permits			
	Number permits issued	Acres of isolated wetlands filled	Acres of mitigation provided
General Permits	66	10.44	26.68
Individual Permits	17	30.44	66.70
Total	83	40.88	93.38

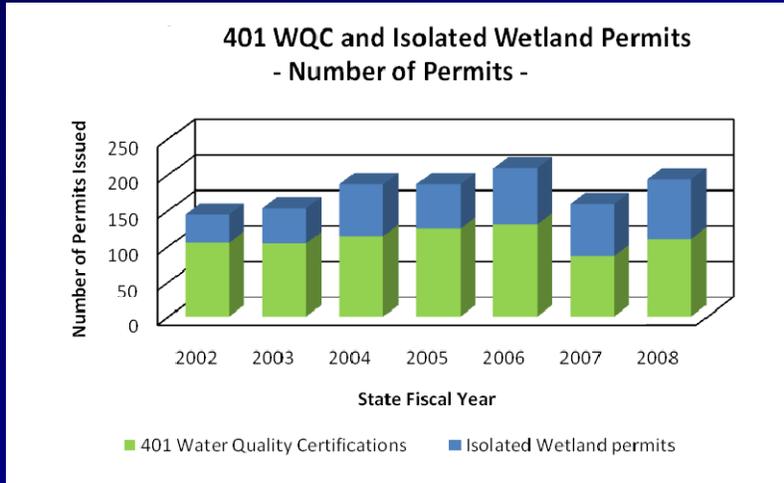
General Permit – Level 1
 Individual Permits – Levels 2 & 3

Baseline Data for FY2008

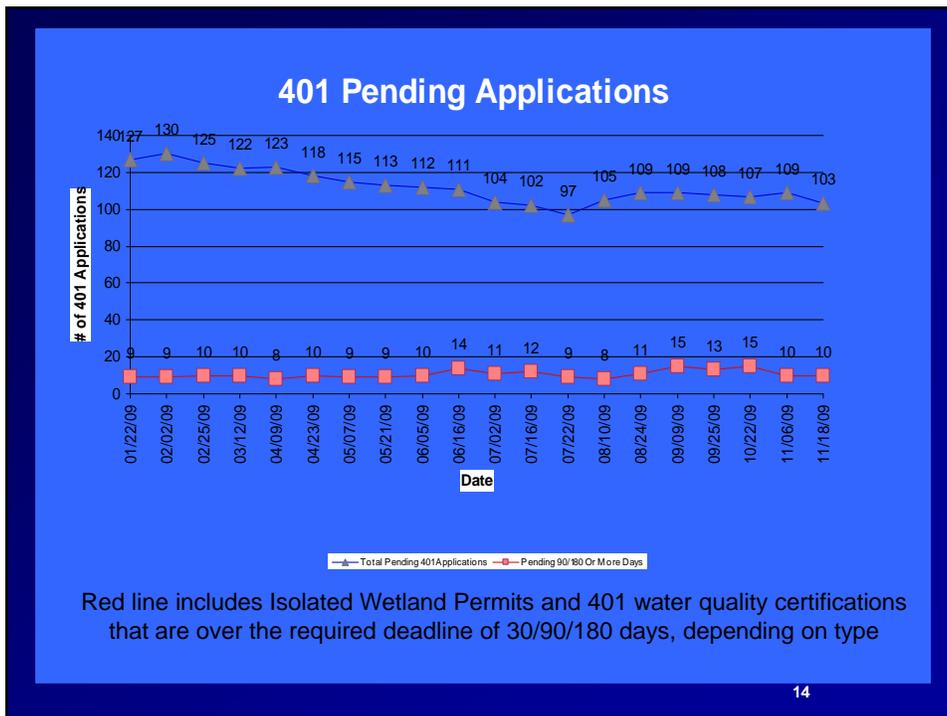
The total number of 401 Water Quality Certification applications processed during SFY 2008 was 151, and is broken down into the following categories

401 Applications Processed	151
401 Certifications Granted	110
Applications Withdrawn	32
Applications Waived	3
Applications Denied	6

Baseline Data FY2008 – volumes combined

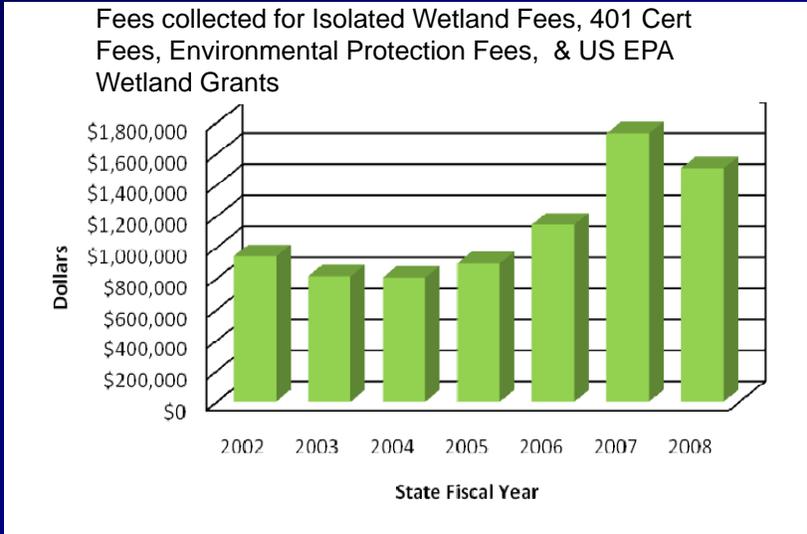


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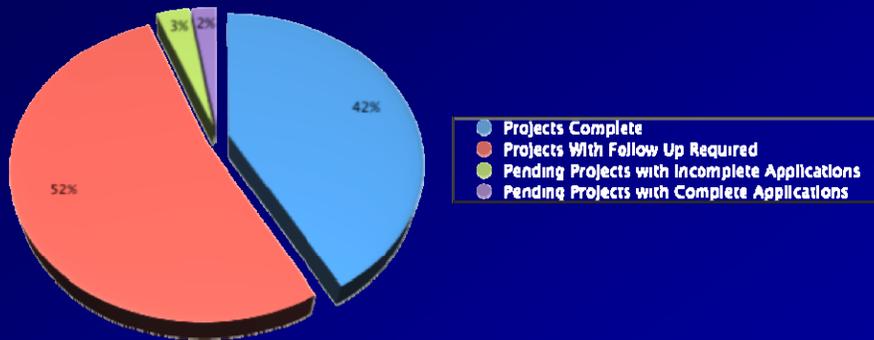
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Baseline Data



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Workload Since January 1, 2001 (total projects issued or pending = 1,896)



Many 401 Water Quality Certifications are granted with follow up required by the applicant. This also requires additional work to monitor the applicant's progress by the staff before the project can be reclassified as "project complete". Follow up can take multiple years to be completed

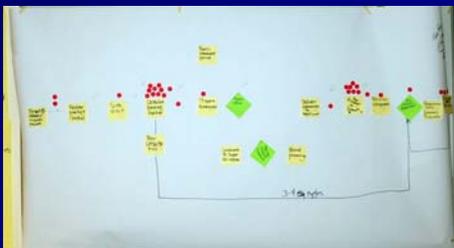
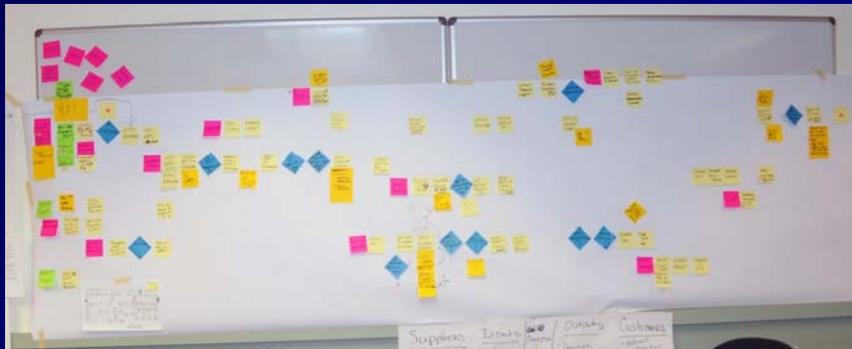
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Measures of Success

Measure	Current Level	Target	Gap
Reduce the time from the receipt of a complete individual application to the issuance of an approval/denial	237 day average	180 days	57 days
Reduce the number of incomplete individual application received the first time	82.94%	41%	41.94%
Reduce the applicant's lead time from the application receipt until Ohio EPA acts on the application	359 day average	258 days	101 days
Use of a formal customer feedback process	No system in place – anecdotal stories indicate not a high level of satisfaction		

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Current State 401 Flow Map 103 STEPS!



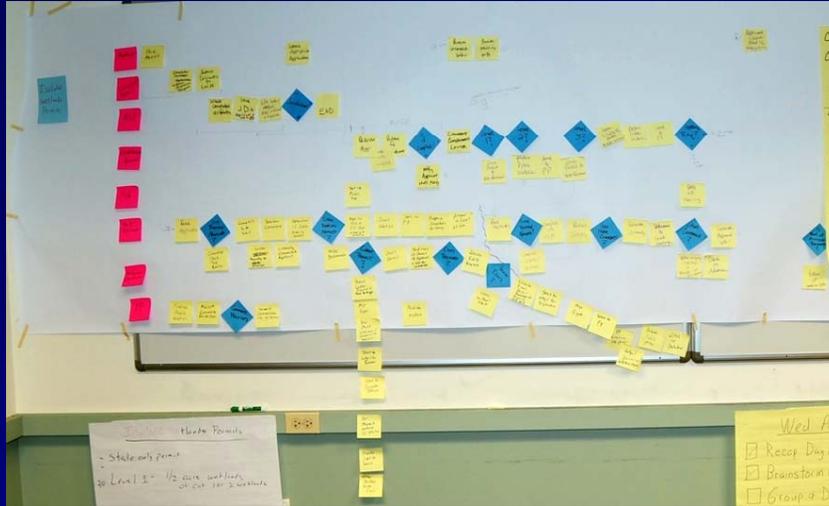
Old Process Produced*

- 11 permits in less than 100 days
- 23 permits in 101 - 180 days
- 31 permits in 181 - 365 days
- 23 permits in more than 365 days

* non ODOT / Coal apps

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Isolated Wetlands Permit



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Several Brainstorm Ideas

- Add draft public notice with application
- Creation of pre-application data base
- Standardize technical review
- Redistribute workload
- External procedures and training
- Ensure prompt closure
- Limit rework
- Incentivize pre-application
- Streamline technical review
- Establish internal deadlines and milestones
- Abbreviated 101 process in previous applications
- Eliminate rules for automatic public hearings
- Limit comments leading to more comments
- Encourage analysis of avoidance and alternatives at beginning of project planning



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Future State Ideas

- Establish benchmarks
- Joint permit application with US Army Corps of engineers and OEPA
- Front load information process
- reduce comment loops
- shorten review time
- Improve quality of applications being submitted so fewer are returned as incomplete
- standardize comments
- better tracking of benchmarks
- performance feedback system
- remove bias
- review staff allocations
- training needs defined - internal and external

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The New Standard Process



Phase 1 - Begins Immediately

New "Fast Track" process - 120 days

New standard process - 180 days

Phase 2 - To be researched

General Permit process - 30 days

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Process Streamlining

	OLD Process	New Standard Process	Fast Track	General Permit*
Steps	103	100	52	47**
Handoffs	23 - 30	20	14	13**
Loopbacks	14	10	3	2**
Decisions	18	14	7	5**
Lead Time	237	180	120	30**

*to be researched / developed in phase 2
 ** preliminary estimate

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Key Issues	Major Improvements
Too many applications not completed correctly the first time (86%)	Creating new comprehensive, clear guidebooks and training. New completion % to be measured
Current pre application is not standardized and is informal	Implementing pre-application process
Too much wasted time and duplication getting both state and federal permits	Developing joint e-application process with Ohio EPA and US Army Corps of Engineers
Too many time-consuming loopbacks of written comments	New structured mid-point meeting to clarify issues all at one time
61% of applications* not completed within 180 days	Streamlined process is designed so that 0% of applications will take longer than 180 days
Critical to both, reduce lead time for process and maintain protection of Ohio's resources	New standard process and "fast track" reduce time without removing any protection

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Next Steps

Pre Application Group / Outreach Materials

Communication

Joint E-Application

Scaled Review

Internal Performance Standards

Item	Who	When
1. Draft General Permit		
2. Prepare Technical materials / Website	B. Hartman	
3. Create Standard Operating Procedures - General Permit - Post track - Update the standard track - Pre-application (Checklist) - Start of pre permit applications, study meeting - Standard		
4. Document the Process / Responsibilities / Outputs		
5. Submit the General Permit		
6. Joint Application with Corp - Daily - team		1/15/18 and 2/1/18
7. Finalize notification rules for streams		
8. Understand impact of the rules for streams on new flows		
9. Review staffing & location		
10. Review 2018 Duties & Assignments		
11. ID Training needs		
12. Document Process for resolution Dispute		
13. Information Distributed to appropriate parties		
14. Accountability in Performance standards - ID + Monitor		
15. Establish Tracking System	C. Bowman	
16. Complaint Tracking System / Feedback	I. Stearns	
17. Integrate the IT component: Test Application	C. Bowman	
18. Communication Plan for team + outside the agency		
19. Determine if public notice template with application package		
20. Develop Guidebook for process and Mitigation Review		
21. Develop Guidebook for Applications	H. Green - All	
22. Develop INTERNAL/EXTERNAL TRAINING		

Next Steps

Pre Application Group / Outreach Materials

- Prepare Technical Materials / Website
- Create Standard Operation Procedures*
 - Pre-application (Checklist) + Protocol
- ID Training needs
- Information Distributed to appropriate parties
- Determine if public notice template with application package
- Develop guidebook for applications
- Develop Internal/External Training

Next Steps

Joint E-Application

- Joint E-Application with Corps – Develop a team
- Investigate the IT component of Joint E-Application

Joint e-application with USACE & OEPA (Section 404/401)		
Who	What	When
Ric Queen	Contact IT	21 Dec 09
Rebecca Rutherford	Contact IT	21 Dec 09
Queen/Rutherford/IT	Develop Scope	29 Jan 10
Technical Team	Develop Joint e-app(1 st meeting)	26 Feb 10
	<ul style="list-style-type: none">• OEPA (Queen & IT)<ul style="list-style-type: none">◦ 2 Reviewers• USACE (Rutherford & IT)<ul style="list-style-type: none">◦ 3 PMs (LRH, LRB, LRP)	
Technical Team	Complete Development & Comm. Plan	28 May 10
Technical Team	Testing Phase	25 Jun 10
Technical Team	Workshop/Implementation	August 10

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Next Steps

Scaled Review

- Draft general permit
- Adopt the general permit
- Finalize mitigation rules for streams?
- Understand impact of the rules for streams on new process
- Document process for resolution dispute
- Determine if public notice template with application package

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Action Plan for Creating General Permit



1. Collect Data to determine numbers of applications that would fit each application process category
2. Research potential rule changes
3. Conduct meeting of customers and EPA to determine qualification levels for eligibility for general permit process based on data
4. Develop Process

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Next Steps

Internal Performance Standards

- Performance / feedback tracking system
- Develop guidance for staff on mitigation review
- Develop internal/external training
- Operation Procedures
- Create Standard Operation Procedures*
- General permit
 - Fast track
 - Update the standard track
 - SOP for permit conditions including Monitoring
 - Document the process/responsibilities/expectations
 - Review staffing allocation

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Benefits of the New Process

Predictable and timely review
Less likely to violate rules and negatively impact environment
Cost savings to the applicant and staff
Transparency to the process
Less frustrations
Fewer delays
Better communication
The new fast track and standard process speed up permit time without sacrificing any protection of resources.
Reduced rework means cost savings and cost avoidance
Improves internal communication between staff
Additional staff time due to faster process can be used for other environmental duties
Increased compliance
Improves interagency coordination
Fewer calls to the Director
Better application

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Personal Lessons Learned

- The “Wednesday trough” can occur on Thursday
- Kaizen is both a noun and a verb
- Next time come with a lot more data from the beginning
- Never seen so many different colors of post it notes
- Gained appreciation for EPA organization and people behind the scenes
- Realization of how much work there is to do
- Teamwork
- It is amazing how much you can get done in one week
- Opposing sides are valuable when done right
- Rather be here making decisions than back sitting in my cube

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Life as a member of a Kaizen event Team...

Sandy Doyle- Ahern
Rose McLean



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Thank You's Go To...

Governor Strickland
Director Chris Korleski

All the staff back at the office processing applications and conducting other work while the Kaizen team was working

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