

Remedial Action Grants and Loans Rule Making Work Group Meeting

Meeting Notes

December 5, 2013, 9:30am–3:00pm
Radisson Hotel – SeaTac

ITEMS IN BRACKETS [] ARE CLARIFICATIONS ADDED BY ECOLOGY
ITEMS HIGHLIGHTED IN BLUE NEED TO BE CLARIFIED

Ecology representatives: Jodi Gearon, John Means, Michael Feldcamp, Adrienne Dorrah, Elaine Heim, Lucy McInerney (phone)

Stakeholder panelists at the table: Su Dowie (Foss Waterway Development Authority), Jeff Robb (Port of Port Angeles), Erick Gerking (Port of Everett), Gerry O’Keefe (WPPA), Jason Jordan (Port of Tacoma), Allison Crowley (City of Seattle), Mike Ehlebracht (NEBC / Hart Crowser), David Kleiber (Port of Seattle), Tom Morrill (Port of Olympia), Jeff Stern (King County), Alex Smith (phone, Port of Olympia)

Stakeholders, Ecology staff and Members of the public in audience: Nduta Mbuthia (City of Bothell), Lihuang Wung (City of Tacoma), Tim Nord (SES), Susan Saffey (City of Seattle), Debby Poris (Seattle Public Utilities), Amanda Reeck (Ecology), Panjini Balaraju (Ecology), Gary Wilburn, Nathan West (City of Port Angeles, phone).

Jodi Gearon: Toxic Cleanup Program’s (TCP) Policy Unit Supervisor. Gave welcome, opening remarks and introductions. Jim Pendowski had hoped to be here but had to be in Eastern Washington today; Pasco Landfill is on fire. Ecology is very grateful to our stakeholders for being here today. There will be time for additional comments both now and in the future.

Adrienne Dorrah: Rules Coordinator. In charge of communications, getting our filings with the Code Reviser, and setting up today’s meeting. Good contact to start with if you have general questions.

Michael Feldcamp: Rule Writer. One of two legislative liaisons for the Dept. of Ecology, and a member of the Washington bar. He is serving as an advisor for this process; he interprets the law but doesn’t represent Ecology in these matters. Good contact to start when you have technical questions.

Elaine Heim: Senior admin assistant with Toxics Cleanup Program. Will capture today’s discussion.

John Means: Essential to developing Ecology’s Brownfields policy. Senior Lead at Ecology for our IPGs (Integrated Planning Grants.) He’s taking the lead on writing and revising the guidance.

Jodi Gearon (JG): We're here today due to 5296 changes to MTCA bill, which were passed at the last minute. Due to Washington State government's near-shutdown, we're under a tight schedule to get rulemaking done. We're scheduling only one meeting. We will have opportunities for public comment after the Rule Draft is done in Spring 2014. We want your input. This program has to be implementable for you.

The bill has its origins in the Brownfields policy that dates back to 2007. The Dept. of Ecology, University of Washington and the Ports Association were involved in that.

This is an innovative policy. The goal is to use all of our cleanup dollars to get clean sites that are economically viable.

Jim Pendowski relayed via JG: "It's a big idea. As we work today, let's make sure we don't make it a small idea."

John Means (JM): We'll conduct this meeting first with an overview from Michael Feldcamp, who will provide contextual background. Each of the issues or grants will then have an overview, followed by a series of discussion points. We'll then open the session to new ideas, comments, input—that's a great time to offer them.

Michael Feldcamp (MF): The purpose of this process is threefold: (1) Implement changes from last legislative session. (2) Look more comprehensively at grant rules to see what changes need to be made. (3) Review the rule for process improvements and clarity. Your input is welcome.

MF/ECY: **Overview / background of Legislative changes and several specific changes that we were directed to make.**
Reference PowerPoint slides, pp. 4-6.

Timeline started in November 2013. We have a Legislative directive to get it done by June 2014. We'll do our best.

MF/ECY: Calling for any questions regarding where we are in the rulemaking process itself?

Jeff Stern: Have we drafted any rule language?

MF/ECY: We're just starting, literally. Not even ready for internal review yet.

MF/ECY: **1st Discussion Topic: Redevelopment Opportunity Zones (ROZ).**
Reference PowerPoint slides, pp. 9-10.

Office of Financial Management (OFM) and Leg are moving in a direction of cash management: as soon as money is available, we're to spend it. The concept of the trust fund was from the previous Leg session, may be out of date.

JM/ECY: Are you considering establishing one of these zones? Is this a useful means for focusing resources and identifying key areas?

MF/ECY: Legislature provides limited additional benefits for these zones. We could provide by rule or policy more incentives...? Does this tool make sense? Need to hear your input.

JM/ECY: This is plowing new ground.

Jeff Robb: How would that happen?

MF/ECY: Leg specifies what needs to be done to establish a zone. Some of that info is provided in [today's] materials. There has to be a resolution by each city or port that their zone meets certain criteria. One is: if it's not owned by a city or port, the property owner has to be included in that decision.

David Kleiber: Is there some organization looking to be a pilot? Some will have complex entities. It's a big task, would need to be cross-functional team. Would be nice to have an example of how it might work.

JM/ECY: There is an association in Legislative intent in the concept of brownfield authority. Allows for interlocal agreements. Dept of Commerce is taking the lead, but it's not an Ecology mandate to work on it.

Su Dowie: Our development of authority could fall under this umbrella. As we define this zone, does it need to be contiguous? It's really the number of properties and acreage, not a continuous area, correct? It's the parcel numbers under the umbrella, or looking for a large 20+ acreage area?

MF & JM/ECY: There are no restrictions in Legislature about how big needs to be. Our working assumption is even if it's not all contiguous, if they're local properties and contaminated, it's still within an area. Not all have to be contaminated. You can have multiple properties, some of which are MTCA sites, some aren't.

Su Dowie: If 50% are properties are brownfields, they are forever sites. Others are cleaned, some aren't. This would be a good fit.

MF & JM/ECY: Good question, it hasn't been brought up.

JM/ECY: The point is to clean properties and put them back to use. We can see where that would be a concern.

Su Dowie: If you had multiple jurisdictions, could have one umbrella.

JG/ECY: That's the intent of the interlocal agreement.

Su Dowie: Good.

JG/ECY: The idea of a redevelopment opportunity zone (ROZ) is to focus resources. We don't want to divide up resources in random areas.

MF/ECY: If every contaminated site is within jurisdiction, it ceases to have a priority setting affect. So not every property within the jurisdiction is within the zone.

JM/ECY: Urban renewal is scalable. If you're in smaller communities, yours might be two properties vs. Lower Duwamish Waterway where things are massive. So we're looking for your feedback on how to make it scalable.

Su Dowie: There are some challenges in order to achieve equity under this rule. Lots of small communities in Eastern Washington might have devastating properties, but small and could use this model.

JM/ECY: This is an option. You don't HAVE to go there; can continue business as usual.

Tom Morrill: In writing your rules and guidance, part of the question is what is the benefit of doing this? Sure we'd love to be the pilot, but what new source of funds exists that can be tapped? It could be a lot of work to do this. As much as you can help in your background statements, stress what's different between then and now. Because it's not clear to me what the incentive is yet. Seems to be you could potentially give money to someone who isn't a government a little faster, but not sure that's going to work, or if there's a source of funds there. Is it just the priority of the funding, and that [the funding] will be there?

MF/ECY: The Legislative-directed benefit is only if we have sufficient monies to begin with, and the benefit of prospective purchaser agreements.

Tom Morrill: Is that money really there?

MF/ECY: In the current budget, there is no money dedicated because there are no projects yet. One of the challenges in new mechanism is to dedicate those monies. We can make it more than Leg made it. We could prioritize all the grants just to zones: if you're in a zone, you'd get first cut. We need to hear from you. The current thinking is: let's play this out, hear from you, and if necessary, change our guidance. Until then, it's premature to divert from the Leg directive.

Jason Jordan: Last year appropriations to LTCA. Would funding come from LTCA and create this new fund?

MF/ECY: For grants it would be same fund, just made a priority. They'd get first cut of that LTCA pot.

Tom: Question about the mechanics. If we put together a zone and partnership, prospective purchaser agreement, is this also a priority with the AG's office? As much as you can give us guidance, it would help.

MF/ECY: Currently there are no guidelines regarding: prospective purchaser agreements. It's chicken and egg. We'd rather do it on a case-by-case, pilot basis, and help us work through details.

Tom Morrill: 50/50 or ratios?

MF/ECY: We haven't considered that. It will depend on redevelopment potential, ROI, a host of factors. We're not willing to set that kind of percentage or guideline; at most it would be a limit. But we haven't gone through that. But if you have thoughts, we want to hear from you.

JM/ECY: Regarding ATG resources: on Consent Decrees, the challenge is to have enough staff resources and ATG resources.

Jeff Stern: If we go through this process, would we automatically be part of agreement? Or just potentially?

MF/ECY: They're not tied together. Whether or not it's in a zone isn't relative to getting an extended grant agreement.

JM/ECY: This is money set aside for local governments to offset their liability on their books. This was the Legislative morphing of that concept.

Jeff Stern: Part of problem without further definition of criteria, is that we're not sure how to apply it. "Underutilized" could be applied to anything. How do we decide which properties are in or out? Are you going to clarify?

MF/ECY: Is it a benefit for us to clarify or do you want to?

Su Dowie: We would rather be able to define it. I can build a good argument in my community and be clear about what we're trying to do. It makes it more usable and inclusive. It's a struggle with terminology but I recommend that we do the clarifying.

Su Dowie, cont'd: There are two things to get excited about:

1. Prioritized funding.
2. A streamlined or expedited process for all the steps we're required to go through to get the grant, access the funds and move.

JM/ECY: Are you talking about MTCA or the grant process?

Su Dowie: **Since it's meant for urban & revitalization**, especially brownfields, we have to recognize the market and timing of same. You have a sweet spot window to meet it. To spend months or years to go through the process before you can put a shovel in the ground [isn't effective]. You have to find a way to streamline it and make effective. Otherwise we lose the opportunity. That's what will make it useful.

Gerry O'Keefe: The back end decision that's done is just as important as that front end, "yes you can proceed." There are instances where things are cleaned up, but we now have to monitor and we're not done. And that's odd. Consumes time, is frustrating.

JG/ECY : Can [Ecology] staff help?

Gerry O'Keefe: We don't mean to be critical. Culture and delegated decision-making downward in an organization that is willing to back their people when they make a decision is [redacted]. Would in many ways address the ways in how long it takes to complete cleanups. More than other tools is the Leg itself. Government bureaucracies tend to be risk-averse. But looking at that, outside this rule-making, might be more productive in the longer term.

Jodi Gearon/ECY: I think the [Toxics Cleanup] Program is reviewing those problems. I just joined [the agency] a few months ago. We're making attempts in this rule-making, and Leg gave us rules that are beyond the scope of this meeting.

Gerry O'Keefe: Even Leg is telling us how to speed up. But only Ecology can change how they do their job.

JM/ECY: It's an over-arching point that touches how we do everything. Several months ago, Ecology embarked on the LEAN process. We wrestled with breaking sites down, how do we streamline this process. One of keys: cultural change and how to speed things up. We're engaged.

Tom Morrill: One of most interesting for smaller, older jurisdictions is the area-wide RAG. I don't see how this zone concept works within that concept. If we do area-wide, you have a significant number of properties theoretically in the zone. To have every property owner agree... just don't see how could be done. I'm struggling with how we'd do a RAG for those areas.

JM/ECY: There's a conflict between requirements the Redevelopment Opportunity Zone (esp. if it says properties have to be contiguous.)

Gerry O'Keefe: Would be better if it didn't have to be contiguous.

JM/ECY: Agreed. Part of problem is that we don't have [clarity on that].

Gerry O'Keefe: Can [we have] reimbursement costs that go beyond geographic boundaries of zone? Assume we can, would just be good to clarify.

MF/ECY: So if one property is in a zone and is contributing to the zone, but there are other properties it would affect, do those other properties have to be in zone to get a signed agreement?

Gerry O'Keefe: If they didn't, would it prohibit from getting funds?

MF/ECY: The priority should be at Ecology's discretion.

David Kleiber: Until now, Ecology has been on shovel-ready grants. One of areas difficult for us are slow-moving vehicle sites. Can we change what progress looks like? Maybe just RI/FS. Break up the metrics, make sure they're aligned with the work that's going on? It's unclear to us how grants are prioritized, about the priority setting and how they're assigned.

Lihaung Wung: Are there any obligations a city has to follow to designate ROZs financially, or from private property owner's perspective? And can the ROZ be modified?

MF/ECY: To answer the second question: Whether a local government could adjust the ROZ after established? Yes. Essential.

MF/ECY: To answer the first question: If we designate a ROZ, does the city have any financial obligations?

MF/ECY: No. There's nothing in Leg that requires you.

Susan Saffey: [Question wasn't captured, but answer follows.]

MF/ECY: Priority for funding is [for those] under the zone, even above all grants. It's top funding.

Tim Nord: Is this worth it to me? Given the tools and means? There is a payback. If you have to create these zones, the leadership will be engaged and therefore the public will be. One concern I have, especially with water grants, is that if you have to have all approvals, one property owner can stop you. It's political. When you require everyone to be on board, [it's better if you have] more flexibility. Maybe a geographic area?

Tim Nord, cont'd: Also we need to understand how that money is available, what's the actual decision-making criteria. Ecology needs to model that out for people. When do I need to make a decision, timeline, to move that forward. Without that context, missteps will occur, uncertainty will arise. It is tied to the grants. Grants are a means to reflect how much work is being done by respective staff. So you have to bring those things together. The staffing thing will choke off a lot of the flow of money, if projects are moving forward.

MF/ECY: Would it be beneficial for us to develop directions for moving from Point A to B?

Tim Nord: Yes. When do people come into play? The lead time for large decisions and capital expenditures can take a long time. You don't want to penalize City of Olympia for working on major projects. Break it down with priorities, outline the criteria used to make these decisions. Right now it's a black box.

Gerry O'Keefe: Listening to Tim and the previous speakers: We have no idea if money is going to accounts.

Jeff Robb: And we're left with uncertainty.

Gerry O'Keefe: Until Leg has made a money decision...

Erik Gerking: One of the fears with the ROZ and prioritization of funding is that there might be a gold rush to set up an ROZ to "check the box" on prioritization. At the Port of Everett, we're under several agreements. It makes me nervous to see these set up when it currently works well for us. A fear of theirs: it's a defensive mechanism to leap into this, just to execute what we're already executing. If it's not broken...

Erik Gerking, cont'd: ROZ is a neat concept, ties to jobs, gets properties back into economic use. Still has a priority of Puget Sound...

MF/ECY: Which has its own priority.

Room in unison: Agreed.

Erik Gerking: Will be interested in hearing Ecology's ideas. I fear a gold rush and everyone else's fear to make sure we're prioritizing. There's almost a false sense that it's a good idea.

MF/ECY: We don't want people to do this for the wrong reasons. It's supposed to be a means for local governments to do their own planning and communicate to us what's important to them. Anyone think this is a good idea that we should make it more than the Leg [has done]? My sense is no, don't create any more priorities from what Leg has already done. Is that accurate?

Jeff Robb: It's a black box. If we had better sense of how this is defined, we'd feel more comfortable and it would make more sense. But I agree with Erik—everyone will rush to protect their own interest.

MF/ECY: If we were hearing ____, we'd make sure there was. Am hearing that [cities and ports] already have a path they're comfortable with, and that this would be a defensive means, not protective.

Tim Nord: This may be a wonderful tool for small governments that need to focus and get Ecology's attention. I'm not sure if large municipalities actually need to have this to accomplish what they have to do. Maybe we just cater this to smaller-type projects that are focused on, for example, Thea Foss Waterway, or the Wenatchee Waterfront, or local governments. **It's real and money's on table, but maybe through this discussion you can provide more comfort that it's a small amount of money.**

JM/ECY: So have a size boundary of some sort.

In unison: YES.

Su Dowie: Tacoma already functions as the ROZ does, it wouldn't be any more than a resolution. It has functioned very successfully [for us], but we're under an area-wide consent decree.

JM/ECY: [This would be the] same thing, so we're creating a number of other zones with administrative and bureaucratic requirements, whereas in some smaller jurisdictions where those doesn't exist, this might be an elegant solution.

Su Dowie: Would an Agreed Order be needed, rather than a ROZ?

MF/ECY: We can enter into an agreed order with PLP's anywhere. But we can only enter into an agreed order with the prospective purchaser under the ROZ.

Su Dowie's SUGGESTED ISSUE FOR DISCUSSION DOWN THE LINE: Have we vetted the feasibility of that with private lending institutions? We don't want to miss the opportunity to fund it; it could be a fatal error. Want to understand how works.

JM/ECY: It's primarily a vehicle for accessing the oversight RAG's.

MF & JM/ECY: If you can get your thoughts to us before end of the month, it would be great.

MF/ECY: **2nd Discussion Topic: Integrated Planning Grants (IPGs)**
Reference PowerPoint slides, pp. 14-16.

JM/ECY: This is probably directed to those who had IPGs. Does current statute need more clarification? The idea was there was such a range of needs, that the intention was to set framework and leave latitude so local governments could pick and choose most meaningful to them. We're looking for feedback from you—define more, less, specific items?

MF/ECY: For your benefit, see page 32 of revised MTCA: "Eligible activities include..."

JM/ECY: To date we've had 24 of these grants. Ecology doesn't set criteria, we wait to hear from you. But we have been tracking work plan activities and it breaks down into four buckets:

- 50% spent on Environmental Investigations (EI), Phases 1 & 2, through RI/FS.
- Site planning
- Zoning considerations, transportation planning, entitlements, boundary surveys, specific planning work
- Relatively small but an important part (7% of all funding): land use and regulatory analysis. Provides structure for analysis, especially for waterfront.

Su Dowie: Our IPG works great for us just the way it's written out. Flexibility has been key. We like the flexibility.

Erik Gerking: We second that. It's been a huge help. Very flexible. We've used it for different things above and beyond the standard. Very handy.

JM/ECY to Alex Smith (Port of Olympia, on phone): Any thoughts on IPGs what could be changed about activity eligibility?

Alex Smith: No changes. Thought it was quite flexible in terms of that.

Jason Jordan: We haven't done one. What's the difference of RAG vs IPG? Does it make sense to do both or separate so we could do more site planning?

JM/ECY: Depends on the site and what you're trying to accomplish. Environmental aspect is only small percentage: what's economic, how create a solid pro forma for project. Without a strategy to identify those and clarify unknowns, the environmental aspect won't move forward. There's that interplay that worked well between these two grants.

JG/ECY: Dollars...?

JM/ECY: Currently, it's up to \$200K and no match. In the past, it was worth its weight in gold to leverage other monies. In some cases, it's been able to leverage other EPA funds to position for consent decree, then fund through the consent decree. The funding gap is nearly insurmountable for smaller governments. So do we create a larger funding limit for those?

JM/ECY cont'd: It's a Gordian knot. So if we have multiple sites under ROZ, do we raise limit, do we...???

JM/ECY cont'd: Bottom line: funding limits. \$200K is our best guess. Seems to be working pretty well. It's only one slice of the pie biannually, so if we increase it, we can do fewer of them.

Su Dowie: I think there are a lot of projects that are incremental in nature. If it allows you to go back for a 2nd IPG to get that Consent Decree... as long as you have the ability to do that, it works. But getting folks organized so they know where they're going and what nut to crack is a big gift of the IPG. I think it's working. [If you can] come in for another phase, or an agreed order.

JM/ECY: And for little ones [governments] you have more flexibility in the RAGs.

Erik Gerking: One of the utilities of the IPG from our perspective could help spur the incentives of doing cleanups. I've been able to demonstrate to our Commission the value of improving an area, making it publicly accessible, but proving economic benefit early in the process and keep them going on [is harder?]. It's a big deal to prove that and do some visioning in terms of infrastructure and improvements.

Erik Gerking, cont'd: For us, would like it slightly more flexible and use on the front end of cleanup and vision, versus looking strictly at a brownfield project, for example. Use it for cleanup planning, not just RI/FS, to better understand the DCA and how that site cleanup can be integrated so there's site cleanup that can go with.

JG/ECY: Do you mean brownfields? [discussion ensued re definition of "brownfields"]

JM/ECY: At the end of day, you have to bear in mind that our focus in environmental cleanup.

Erik Gerking: My point is that it provides a vehicle to define what the carrot is. It's not a vacant lot; they're [just] underutilized. Contamination is often in the older areas.

Tim Nord: Have you encountered problems with historical documentation? With older buildings?

JM/ECY: Archaeological and cultural review is one of the eligible activities. Leg does make it more clear [this time around and includes] building and infrastructure assessment. It had been an ambiguous area. The majority of sites have usable structures. Is this taking us too far away from use of MTCA? But if you don't know what the adaptable reuse is, you can't call long term use. If you have feedback, let us know.

Tim Nord: This figure of \$200K has been around long time. Might want to think of 25% increase. Also, if you create a ceiling of these ROZ's, I'd suggest doubling it, depending on the site, as opposed to having individual IPGs for a certain area.

MF/ECY: [To clarify] Tim wouldn't want to prevent an area-wide IPG, but would need more money.

AJOURNED FOR BREAK 11:20-11:45AM.

Gary Wilburn joined the meeting at 11:45AM.

MF/ECY: As a follow-up to Su Dowie's earlier comment re prospective purchaser agreed order: A prospective purchaser may want to investigate a property prior to purchase and assuming liability. They would do this to determine the extent of their potential liability and whether the deal makes sense from a business perspective. If they decided to purchase, they'd settle their liability through a prospective purchaser consent decree.

MF/ECY: **3rd Discussion Topic: Area-wide Groundwater Remedial Action Grants**
Reference PowerPoint slides, pp. 18-20.

No private party wants to step up to plate. We want to hear from you about whether we should cap grant funding, and require a small local match to make sure funds are used efficiently.

JM/ECY: Is this proposal a sufficient incentive to investigate groundwater? We've had this grant in place for a number of years and never had an application for it. It was based on some of the criteria. Local governments would have found this useful dealing with comingled plumes, but otherwise this is all new ground.

Nduta Mbutia: Do you have to have an Agreed Order or Consent Decree to apply for this grant?

MF/JM/ECY: No. If local government is a Prospective Liable Party (PLP), we just need a formal agreement as to what the scope of work is.

Tom Morrill: It's not clear when we have. Try to get as much flexibility to use an areawide groundwater grant. What's the additional benefit, and if you have a priority due to the zone, how's that going to work? Should they create a small zone to qualify for an areawide groundwater grant? Can they do that? What's going to happen to property owners who weren't all signed on?

MF/ECY: Areawide grants: If you need to access property, you have to get permission. And if [those property owners] don't want to know [about the contamination], we can't do anything about it.

JM/ECY: One of the issues we've heard commonly: in Tacoma, they're dealing with multiple plumes. One of the hindrances to property sales is the big unknown. If we can go in at no cost and characterize it, it would remove that unknown. Other big places don't want to know, otherwise they'd be liable.

Su Dowie: Sometimes you'll have brokers tell you that if it has a "cloud on the property," developers won't develop. If the developers can fall in love with it first, they can work with it. And others are glad to know.

JM/ECY: It helps on total pro forma if you're coming in as developer who thinks they must invest in an RI and 3-4 years before can cleanup. The more that window of exposure and risk is shrunk, the more certainty it brings.

Su Dowie: It's a two-edged sword.

Tom Morrill: Does it cover all potential costs for consultants, to deal with background issues?

MF/ECY: Yes, anything you do for RI, which includes investigations, area background concentrations—I think it includes sediments, too.

JM/ECY: There's not much difference between this and area-wide investigations. You don't have to be the PLP.

Mike Ehlebracht: If your goal of this area-wide investigation is to proportion responsibility, can you identify the sources of the releases?

MF/ECY : We could fund studies to determine the sources of the contamination. We may also be able to fund tracer studies to determine which sources may be responsible for which contamination. Some contamination may not be commingled or may be able to be addressed separately, even if commingled.

Panjini Balaraju/ECY: The PLPs did their own forensic investigation but allocation of the liability is different than the RI.

MF/ECY: But we have the ability to be as flexible as we want. If you can identify what produces the plume, and there are four sources that are comingled, you can do an investigation and find a fingerprint. You can then say "this is a distinct release," which could be addressed practically and on its own, and can track the source. In terms of whether that's considered one site or three is another decision.

Panjini Balaraju/ECY: That's not the case under MTCA. Under an RI, you must investigate the sources. To allocate the liability is different than completing the investigation of sources.

Tom Morrill: Got an idea of why local governments haven't done area-wide groundwater remedial investigations?

MF/ECY: What would we have to fund to make it feasible for you?

Tom Morrill: Hard question. Would have to be flexible. Have as much background info as possible so Ecology can justify paying for it.

Mike Ehlebracht: Unless you can get on private properties, you can't apportion who's responsible for what. Not sure Ecology can do anything about that.

MF/ECY: Unless we're prepared to threaten an Order.

JM/ECY: Or unless we drill holes around property.

Panjini Balaraju/ECY: Give us access, otherwise you'll be named as PLP.

MF/ECY: So the idea of considering these types of grants so they have access to other funding, is that ok from your perspective? **[Reference PowerPoint slide, pg. 19.]**

Room in unison: YES.

MF/ECY: **4th Discussion Topic: Oversight Remedial Action Grants (RAGs)**
Reference PowerPoint slides, pp. 22-23.

MF/ECY: These grants provide funding to local governments that investigate and clean up contaminated sites under Ecology's or EPA's supervision.

MF/ECY: Should we be incentivizing expediting these cleanups by providing more funding if they're cleaned up faster?

MF/ECY: Should we be incentivizing use of model remedies? Model remedies might be for smaller sights, or for oversight of larger cleanups.

JM/ECY: Does this make sense? Provide more than 50% if dates or timelines are met?

Jeff Robb: Simply, no. Concern: The implementer is not in control of schedule at all. We'd be happy to meet the implementation but it's not doable. So you'd be providing higher reimbursement level to project managers, which isn't fair.

MF/ECY: If we structured it so you're meeting what's required of you and complete certain things, would that work?

David Kleiber: We have a situation that took 2 years [to cleanup].

Allison Crowley: Not sure to incentivize deadlines that we're required to meet anyway.

Jeff Robb: Take "endeavor" out of vocabulary and replace with "will" and "shall." We are very happy with the quality of Ecology, but if we're all marching together, we'll get predictable results. But if there's a delay, it affects the consultant's ability to perform, which affects us.

JM/ECY: Good point. Tying it together is part of LEAN standards. Our target conditions and performance standards, which are goals, is to get investigations and cleanup done within a 5 year period. The goal is to review key docs in 90 day period. And we have measures to begin tracking that. So linking our orders to those performance measures is something we're striving for with the new RAG.

Tom Morrill: I agree with timing issue comments. Be careful about the LEAN process and creating goals; they may not meet our goals and needs. Example: quick turnaround time but lesser quality.

Mike Ehlebracht: If the goal is to meet 5 year? That if you agree to a more aggressive approach rather than natural attenuation, that's what you're trying to incentivize?

MF/ECY: If we tied LEAN measures to a general RI, are we pressuring to go one way or another? We'd actually want to tailor timelines for the cleanup you choose.

JM/ECY: Ecology is constantly being told to go faster. LEAN is an evaluation of what we can control in our process to meet these higher goals. Leg is looking at reappropriation because sites are not getting cleaned up, so it's an annual battle to maintain funding for the agreements we put in place.

Tim Nord: Nobody controls these schedules. That's fate. There are ways to manage these schedules. Not sure model remedies are [the way to go].

Tim Nord, cont'd: Might want to think about the margins of a cleanup from an investigation standpoint. Might consider putting a premium or increase grant share, e.g., if someone took out additional cubic yards of soil instead of putting down pavement. And it shortens the time.

Tim Nord, cont'd: So you might put a preference in your grant for doing a little extra, people would go for it, staff time would reduce. It would have some value.

Jeff Robb: Could be difficult to define "extra."

Room's consensus: It's a good thought.

Jeff Robb: Monitoring for compliance should absolutely be considered part of the remedy, period. It shouldn't be part of the timeline. Performance monitoring over time to say you're maintaining is fine, but those you're monitoring for 10 years—it's part of the remedy selection and shouldn't be part of timeline.

Allison Crowley: I see monitoring and compliance as machine-driven. But when you're monitoring a cap, it's not operation and maintenance. So the definition needs to be tweaked.

MF/ECY: So if monitoring is required for Operation & Maintenance, we'd still fund that for duration?

Jeff Robb: I wouldn't go that far. [Fund] the type of monitoring to prove you've met your objective before the site is NFA.

MF/ECY: You mean what you need to get from an NFA to getting your site delisted?

Jeff Robb: Right. And we've not been able to get there.

David Kleiber: If the end goal is cleanup, then both parties should want to get the NFA. But some cleanups will have 30 years of natural attenuation.

MF/ECY: And that's part of this balance for where we put our funds. The pot is increasing biennium to biennium. But where is it best spent? So that's the push/pull. We could give you more money on tail end, but postpone cleanup in your own jurisdiction.

MF/ECY, cont'd: We'll take your thoughts under advisement for where and how long to monitor.

Jason Jordan: Money on front end is more important for us. But you need to incentivize ECOLOGY to allow us to use model remedies. There are lots of examples where other states allow model remedies.

Jason Jordan, cont'd: I like the match but it reduces the pie from 100 to 70, for example. Then I become concerned it's a bigger fight to get it to a project. I'm inclined to keep at 50/50.

JM/ECY: In some cases, that funding gap, especially for smaller governments (even if we get to 70%), the gap is insurmountable. So that latitude is important, it's always a tradeoff.

Erik Gerking: Everyone's situation is unique. I know there are other bigger, more complex sites. If we can do an RI/FS and collect data, it doesn't take long. It's coming to an agreement that's the issue. Do we have enough data? How many parties are involved?

1. Suggest that, if Ecology is looking to speed up and incentivize, structure it so it's not cart blanche, one category meets all. Have site managers and project managers find pressure points and incentivize those.
2. If someone is willing to go solo with Ecology and cut out other PLPs, that would inherently speed things up. But I understand that other PLPs are brought along for funding. Could cash out with PLPs and roll with 75% with Ecology. If a port or city is willing to go solo, there's more incentive.

David Kleiber and Erick Gerking: Process cost and time to get to an agreement is insanely expensive. If [Erick] had a way to go to his Port and do away with all that, and instead work one-on-one with Ecology, 75% is almost there. Would really speed things up.

JG/ECY: Harbor Island did that several years ago.

Panjini Balaraju/ECY: One project had six PLPs, but only one company signed Agreed Order. Then they tried to get money from the other PLPs.

Erik Gerking: It's a great point, but sometimes other PLPs want to be part of the process.

Su Dowie: Would be thrilled if weren't in a 50% match. But if we could structure it like the Dept of Commerce does with revolving loan funds...? Could be a percentage assigned for the little guys when they don't have a match. Our [Foss Waterway's] cleanup of \$1.2M couldn't have been done without RAGs and IPGs. And we were remediating dangerous waste.

JM/ECY: There's also the ability for ECY to do loans. We haven't done any, but possible to do a no interest/low interest to fill that gap until the site is income-generating.

Lunch break 12:30-1:30PM. Nathan West from City of Port Angeles joined on the phone at 1:30PM.

Jason Jordan: In terms of incentivizing folks, might make sense to put in infrastructure and do some development type work as part of the cleanup. Would be great if we can get funding to help with habitat restoration, esp. if it's in a critical area. There needs to be more flexibility on what's grant eligible.

Su Dowie: I echo that. It would truly get us closer to cleanup up the site. For example, a utility trench is deeper than excavation. You don't want people coming in after you, just to dig up the site again. Would make good sense and facilitate redevelopment.

JM/ECY: Another example is a regarding a property as part of the cleanup.

MF/ECY: If you have other specific concepts in mind, please jot them down.

JM/ECY: The other side of that is to leave that box open and keep things flexible; there's an artful balance.

Su Dowie: But there should be something that facilitates true completion.

Erick Gerking: Where is Ecology on making source control an eligible cost in RAG?

Jeff Robb: It's an implementation issue. It has been my perception that part of the problem with RAG is: since it can't be spent in predictable manner, we have a low burn rate. We have fairly large capital program every year with the same issues. So we fund more projects than we have money for every year. We overallocate on purpose. I'd argue that Ecology should do exactly that so more people can get grants, and then you can spend what you've got.

JM/ECY sidebar: Does everyone understand what "low burn rate is?"

Room's consensus: Yes.

MF/ECY: Leg did exactly that. It was beyond the amount in the account. They over-appropriated.

Jeff Robb: You should be over-appropriating *grants*.

JG/ECY: We're concerned about the legal problem, but it's a great comment. We'll take it back to Angie [Wirkkala, Toxic Cleanup Program's Financial Services Supervisor]. My understanding is we have problems doing that if we don't have the appropriation.

David Kleiber: As part of our 5-year plan, we are legally allowed to do that. It specifically states what's committed but can't be spent.

Jeff Robb: [Jodi] may have a point. Our politicians deal with the same issue.

David Kleiber: I didn't say it was easy. Our document took many years to get to that point.

MF/ECY: **5th Discussion Topic: Extended Grant Agreements (EGAs)**
Reference PowerPoint slide pg. 26.

JM/ECY: Are you interested in entering into an EGA?

Room in unison: YES.

JM/ECY: What do you need to make this a workable tool for you?

Jason Jordan: The handout says it *may* exceed 50%?

MF/ECY: Typo. Should read: "EGAs may not cover more than 50% of the total eligible remedial action costs for a project."

Jason Jordan: How do we do this?

MF & JM/ECY: We're in the process of writing guidelines. We're thinking we'll be set up for the next biennium. We could set up some for FY2015, but if not, will be the next Biennium.

Susan Saffey: But there's nothing to prevent Ecology from working through one now?

MF/ECY: We could convert an existing agreement into one of these.

JM/ECY: The advantage for us to do it on a trial basis is to learn more before we put it in a rule.

Tim Nord: You need to understand how money flows. You need to know how much money we're going to be using for these EGAs, what commitment is needed. Until you have an understanding of what the financial pattern is going to be like, you/we can't plan for an EGA.

MF/ECY: Good point. We need to know how many we do have, and have a plan in place so that when it's 5 years from now, will that suck all funds for non-EGAs? So just because we can doesn't mean we should. We need to know how much is dedicated each biennium because they [EGA's] will get first cut.

Erik Gerking: Has Ecology figured out how \$20M is allocated? In case you don't spend that much, and how we're going to referee that?

MF/ECY: Good question. We need to have that info before we enter into the agreement.

Allison Crowley: Are you promising 50%?

MF/ECY: It could be up to 50%, we can't go beyond that. It depends on how much money is in the account.

Allison Crowley: My point is, if this is the first cut, will all of the money be allocated to the EGA, or will it just be a portion?

JM & MF/ECY: All of the money. That's how the Leg wrote it. Which is why we have to be careful and balance it over the years.

Jeff Robb: On these larger projects, it's hard to budget year by year. Sometimes they might be more willing to get a guaranteed return, not necessarily year by year but eventually? Perhaps capping the percentage of available funds each year? It may take longer to get your money back, but there's not a clear guarantee of when.

Tim Nord: EGA is a commitment over the life of the project that the state is going to be providing us that money. There's a different issue as to when that money is going to be provided. It depends on the economy. It's not just Ecology. How that money is provided is a function of our environment. Ecology needs to be careful to not fund just these EGAs at the risk of the smaller projects. Are we going to allocate 15-20% of these larger projects and see how they're going to go?

Tim Nord, cont'd: Part of Ecology's challenge is that projects are always coming in and out. Ecology hasn't gone through an analysis of those projects, and it's easy to give out the money when you've got it. With EGAs there should be a competitive process via application and democratic competition. It would provide everyone more certainty for what's expected.

MF/ECY: What criteria do you think we should consider? Water Quality [Program at Ecology] has a scoring for their stormwater grants, for example.

Tim Nord: I don't know. But it should have more rigour. If they're [applicants] are invested, they would want that as well.

David Kleiber: Shouldn't the rigour already be happening?

Tim: Of course.

MF/ECY: Anyone else have criteria for prioritization?

Jeff Robb: It's about quality of life. Have to define it, and if you can, rank it.

JG/ECY: We have been given Leg authority to evaluate economic criteria.

JM/ECY: We have to get beyond "just environmental." It fits within economic, quality of life, etc.

JG/ECY: Tim [Nord's] point is well taken. We'll need criteria to make value decisions. We've had luxury with our account. That's no longer the case. Funds are no longer readily available. People are dipping and the pot is shrinking.

JM/ECY: For the Ports, in dealing with Governmental Accounting Standards Board 49 (GASB 49), [let's talk about] booking of your liability issue. This came up in [Toxic Cleanup Program's] Policy discussions. Questions for you:

- Is this really a problem? Or is someone in Policy developing it into a problem?
- Do these EGAs get to solving that issue for local governments? Do they help offset your liability on your books?

Allison Crowley: YES.

Jeff Robb: YES.

David Kleiber: NO. We can't use grant money to offset liability.

JM/ECY: So even if you get one year's worth of grant income, you can't use that to offset?

David Kleiber: NO.

JG/ECY: Is that something that's mandated by state law?

David Kleiber: It's a county rule that's different. Depending on the size and entity, you have different obligations.

Jason Jordan: So it depends on if it's expense or capitalized. If it's new land and haven't exceeded the _____, you can capitalize it.

Jason Jordan cont'd: We'll go thru RI [Remedial Investigation] then book the liability to do the RI, then book to do the CAP. If it's an EGA, you can't use the grant money to write it down.

MF/ECY: Do you conceive using EGA just for cleanup?

[unknown]: The Lower Duwamish Waterway cleanup started in 2000. We want fast and nimble for short projects, and for 30-40 year-cycle projects.

Jason Jordan: So we want it for the whole process, the remediation life cycle.

Jeff Robb: PLP's will engage more readily when they're partnering with committed parties.

David Kleiber: Therein lies the value: the ability to know we have a commitment, and having that long-term commitment of the grant through the life of the project. If you don't have funds for an RI/FS, you're not going to have a cleanup. **Get that partnership to incentivize that process.**

JM/ECY: And the value of the long-term commitment will help them raise revenue.

Jeff Robb and JG/ECY: It still counts in an overall bond decision. So even though you can't show the benefit on the books, it has a benefit when raising money.

Su Dowie: A long-term grant like this helps offset any economic drop, and opens a window so can get there sooner while waiting for market to open up.

David Kleiber: If we're successful, there's a chance we might have to write a check back to you [Ecology]. But there's a partnership with these long-term grants that's beneficial. So understanding the complexity of what's going on beyond those cash flows **[helps?]**.

Tom Morrill: If people are treating these as a long-term agreement, it's important that Ecology s not over-committing so much that there's nothing left. Leg could change this language in two years. It's important to start with a dollar amount that allows you to do that.

David Klieber: It's vital to make sure we have accurate cash flows, not just for individuals but for grant forecasts.

MF/ECY: Any thoughts for how projects are defined?

Erik Gerking: We're concerned about the term "facility." It would be nice to combine some things, especially in Everett, for these EGAs.

MF/ECY: Easier to manage multiple sites under one agreement?

Erik Gerking: That's part of it. Efficiency. If we don't cluster things together, the small projects won't compete well because they're not prioritized, whereas EGAs are. If you have one that exceeds \$20M and three that don't, I'm concerned those three will fall off the radar.

MF/ECY: We need to manage the funds so that the smaller projects do not fall off the radar. Pushing smaller projects into larger projects to ensure money [is available] is not the best answer.

Erik Gerking: Performance metrics: if you enter one of these agreements, your projects will be reviewed?

MF/ECY: The Legislature established metrics for renewing an EGA (whether substantial progress is being made)? [**Reference PowerPoint slide, pg. 26, fourth bullet**].

David Kleiber: One of challenges is if you don't have an accurate forecast. If you don't spend it, you're short.

2:16PM: Tom Morrill left the meeting.

JG/ECY: [To recap: We] don't want to overallocate. Set aside a pool for these EGAs to ensure we're not underfunding everything else. Look at how we establish priorities and criteria for winning these grants.

MF/ECY: Give us feedback.

Mike Ehlebracht: It sounds like the criteria aligns with a prospective purchaser agreement.

MF/EDY: **6th Discussion Topic: Independent Remedial Action Grants**
Reference PowerPoint slides, pp. 29-30

MF/ECY: We are considering various periodic reimbursement options, including:

1. Periodic reimbursement by phase.
2. Periodic reimbursement by quarter.

MF/ECY: So how much involvement do you want under the VCP program?

JM/ECY: This is a really small budget item. Typically both VCP and IPG combined is \$3M. We're talking about small sites. Doesn't mean it will stay that way. The issue has been for small cities and ports that have no budget, that have a gas station to clean up and can't afford the entire cleanup process. This is a way to bridge that gap.

Su Dowie: One thing that's helpful: is there a period of time by which DOE [Dept of Ecology] has committed to turn in their responses?

MF/ECY: 90 days.

Su Dowie: If it was faster, it would help.

MF/ECY: The average is 45-50 days.

JM/ECY: The reason behind 90 days is that our VCP site managers carry hundreds of sites. They have scheduling issues.

JG/ECY: The agency [Ecology] is trying hard to turn them over in 45 days, but reimbursing takes longer.

MF/ECY: OFM [Office of Financial Management] doesn't want to fund more studies, they want results. Should we be parceling out the money in a different way to incentivize?

MF/ECY: There are other changes under consideration [**Reference PowerPoint slide, pg. 32**]. Any comments? Option preference? Want both options available?

Nduta Mbutia: We [City of Bothell] have groundwater issues offsite. Getting specific cleanup money would help us. The ability to get a property-specific opinion initially, then deal with offsite issues later. Before you do whole site-wide cleanup, it would be helpful to get funding before we have to tackle the entire thing.

MF/ECY: Ecology would issue a property-specific NFA.

Tim Nord: Provide both options: lump-sum or quarterly. Depends on what local governments need.

JM/ECY: It makes sense to make it consistent with other funding.

Tim Nord: I'm not a fan of property cleanups, especially when they're done by local governments. Because a lot of properties that should get cleaned up aren't. Be careful by including that provision for funding that Ecology is going to provide, as opposed to private entities. The responsibility of governments should be more.

MF/ECY: To clarify, Nduta's talking about phased work; they're still intending to do the entire site.

Tim Nord: My concern is that properties are encumbered with cleanups that aren't getting done. It's philosophical.

Mike Ehlebracht: [It's a case of] groundwater source. You have contamination on your property. You can clean up a soil issue with a property-specific NFA. But you can't do [anything] more on your property. So why would you want to penalize them for that?

Tim Nord: Point taken. But I don't want to penalize *anyone*.

MF/ECY: One of our considerations: we have a certain pie of money, have certain dollars for certain grants. What should be prioritized for funding and cleanups? We'll have to figure that out.

JG/ECY: The City of Bothell was working with NWRO on a grant. Provide some sidebars in our guidance to make sure we keep our eye on the goal of site-wide cleanups, but allow opp to fund property-specific?

Su Dowie: I'm assuming you're talking public or private? You can't take grant money to clean up private. A line will be drawn someplace.

MF/ECY: You can still clean it up, but if you're not a liable party, you won't get funds.

JM/ECY: And Tim's issue is drawing the line and not cleaning up a private site because of boundaries.

Jeff Robb: Cost of cleanup has gone up. So the limit should be raised. Why reduce 5 year limit on retroactive? **It will take a lot of these sites to get through cleanup.**

MF/ECY: The idea was that previously, parties could only be reimbursed after. Now with periodic reimbursement, it's not as much of an issue. But we'll take a look and perhaps not change that all.

JM/ECY: If funding limit needs to be raised, what is that figure?

Jeff Robb: That will increase transaction costs. You'll require steps for Ecology's review during process, not just once after.

Gentleman from the audience, name unknown: Why would you want to put a dollar limit on VCP?

JM/ECY: Don't know, good question.

MF/ECY: It was adjusted in 2005 to this amount. It was created in 1990s when there wasn't much funding available. The thinking was that it was a way to spread funds around. Giving a little to a lot of sites was the thinking at the time. Because the amount of money has increased substantially, it's good point: do we still need it? Might be able to spread it around, leverage more cleanups.

Gentleman from the audience, name unknown: There are a lot of complicated cleanups under VCP. Also remind [should] folks that they're more efficient about how they're cleaned up and reported on vs. formal cleanup. I would advocate having similar access to the RAG program. \$200K doesn't do much.

David Kleiber: If you increase the dollars and add criteria, you might achieve the goal of more cleanups.

Tim Nord: Ecology needs some sense for what's coming through the pipeline. You don't want to create expectations that can't be reached.

MF/ECY: So... do both phase reimbursement opportunities [periodic and quarterly]?

Room in unison: YES.

Su Dowie: Can we do a biennial adjustment for the caps on a grant level that's linked to economy? Could make it across all the grants, or do every 5 years?

MF/ECY: Does it make sense to fund one portion of the cleanup phase to get to the end?

JM/ECY: We hear that as an issue. "It's a useless grant program. We have to invest so much in front."

JG/ECY: As a cleanup program, we want to clean up sites, not fall off the grant program. When they learn their 50% share is larger than they expected, they stop [the cleanup process].

Erik Gerking: In terms of investigation, get paid. Complete cleanup, get paid. Hedge your bets.

MF/ECY: We haven't done this before. Either we trust it works, or...

MF/ECY: **7th Discussion Topic: Safe Drinking Water Grants**
Reference PowerPoint slides, pp. 35-36.

Panjini Balaraju/ECY: We had the same problem in Chehalis. We had trouble defining "substantially participate." Grants provided all the money for pipes and connection, up to the house. Cost from inside house was paid by owners. Very minimal. Connected almost 50 to 100 houses.

JG/ECY: This is often an Eastern Washington issue.

MF/ECY: **8th Discussion Topic: Economically Disadvantaged**
Reference PowerPoint slide, pp. 38-39

MF/ECY: The current rule doesn't address what "economically disadvantaged" actually means.

David Kleiber: If industrially disadvantaged within the city?

JM/ECY: That's covered by "community" which is based on census block.

MF/ECY: Does what we have in guidelines make sense? Do you have examples you think we should look to? We're interested in your thoughts now or later, by the end of this month [December 2013].

JM/ECY: HB 1761 pushed us to raise the grant match; that's when idea of "less advantaged community" came out. Then in [the Recession that began in] 2007-2008, it all changed. The word "community" is really behind current times.

MF/ECY: We're looking for something that is easy and clearly predictable.

JM/ECY: The current method is none of the above.

Gentleman from the audience, name unknown: Asked for clarification on how it's determined.

JM/ECY: In HB 1761, you could take up to 90% match, and it was based on criteria above and beyond the factors in the rule.

Nathan West (by phone, City of Port Angeles): Could do a measurement similar to Department of Transportation. Could use them as template. The key is ability of our taxpayers to pay. At the end of the day, if we don't receive a RAG or grant to assist with cleanup, it comes out of our taxpayers' pockets. If they don't have the money to pay for cleanup... So look at household income.

JM/ECY: The current criteria uses a) unemployment rate, and b) per capita income and c) how they relate to the poverty level. There are some problems with that. In Benton County, for example, there's disproportionate income where the few have the most money.

JG/ECY: If you think of any other criteria, let us know.

MF/ECY: 9th Discussion Topic: Source Control

Jeff Robb: We're talking about disadvantaged towns and cities, but you might look at disadvantaged *ports* that could leverage funds to improve the quality of life.

JM/ECY: We have been able to do that for ports. In the past, we've gotten them 90%. It's at the discretion of the Director [of Ecology].

David Kleiber: We did an analysis of jobs created and tied in with grants; evaluated what value it had with grants 15 years down the line.

JG/ECY: That amount of economic analysis is a lot of work, and outside the scope of this process.

David Kleiber: For area-wide cleanups, property parcel isn't going to work. Our sediment cleanups are affecting too many [redacted]. Have to be strategic in cleanup and manage the economic loss vs. environmental benefit.

MF/ECY: Leg has language to provide grant funding (not specified from where) to fund source control projects done in conjunction of, protection of, or prevention of cleanups.

MF/ECY: The Water Quality Program established guidelines for their new stormwater grant program. We'll be working with them. We are concerned about funding stormwater projects too much, because we want dollars going to cleanup. We don't want the Cleanup Program to become the Stormwater Program.

JG/ECY: We're working to protect state's investment in cleanup, particularly Lower Duwamish Waterway.

David Kleiber: My understanding is that Ports aren't allowed to participate.

MF/ECY: I believe that is correct.

JG/ECY: The thought is that the Water Quality's stormwater program is public works and our paths don't typically cross. We're trying to remedy that.

MF/ECY: We'll be looking at how to prioritize.

Jeff Robb: You can't separate them anymore. Cleanup levels are so low that the discharges are creating the problem. For aquatic cleanup sites, there is no distinction between the two.

MF/ECY: So it will be vital to prioritize.

Jeff Robb: But the actions will be driven by the cleanup, otherwise they wouldn't be required.

David Kleiber: When I read the 5296 rule, we need to have crystal clear guidance on what selection criteria are on the flow charts for ELSA and [redacted]. It's absence is very unclear. What do I need to do I if pursue what's grant eligible?

MF/ECY: RAG is funded solely out of LTCA. The way the budget was written and the way OFM wants it managed, is that all funding comes from LTCA.

MF/ECY: In terms of EGAs, they're given the highest priority under Local Toxics. ELSA does not fund any RAGs. It funds Water Quality's Stormwater Grants Program.

David Kleiber: When Ecology did the 10 year forecast, only two ports were invited to participate. It would be nice if larger representative group were invited to participate.

MF/ECY: Which accounts are going to fund which programs? The **Model Toxics Control Accounts: Ten-Year Financing Report (2012)** may be found online at:
<https://fortress.wa.gov/ecy/publications/SummaryPages/1309045.html>

MF/ECY: In terms of process, Ecology had planned to hold only one meeting. Is that enough? Our working assumption is that there will be no other meeting before the first draft of the Rule comes out. We want to give you an opportunity to look at the draft, then determine then if we need to meet again. There's a push to get this done by end of the Fiscal Year 2014. We're able to make changes up to then; Legislature indicates that we won't be able to make changes after that. We want to take your concerns into consideration.

David Kleiber: There would be a value in consolidating our comments, then we can go to our own groups with more information.

David Kleiber, cont'd: Let us know when the draft is coming out, with the list of [redacted] questions.

JG/ECY: We should have today's Minutes by the end of next week [December 13]. We're pressuring Michael [Feldcamp] hard over the next two weeks to get a draft Rule done. We can then evaluate whether we need another meeting, or could take your comments online or by phone. We're trying to get close to the due date. Being 30 days late isn't bad; 60 or 90 days late is not.

JM/ECY: Closing remarks. Acknowledgement to Ecology team for bringing this meeting. Expressed many thanks to all our stakeholders for your time today, and for your incredibly valuable input. We are very fortunate to work with you and appreciate your comments today. Please keep those comments and input coming over the next few weeks.

Adjourned at 3:30PM.