

**Remedial Action Grants
Work Group Meeting**

February 18, 2014
Washington State Department of Ecology
Toxics Cleanup Program



Background

Overview



Purpose of Rule Making

- Implement changes to the Model Toxics Control Act, Chapter 70.105D RCW, passed by the Washington State Legislature in 2013 affecting the remedial action grant and loan program.
- Make other appropriate changes to requirements governing remedial action grants and loans.
- Streamline existing requirements, improve rule clarity, and improve consistency with other requirements.



Revision of Grant Guidelines

- During the rule-making process, Ecology plans to revise the associated Grant Guidelines, which are used to implement the rule.
- Ecology plans to provide a draft of the revised Grant Guidelines when the proposed rule is submitted for public review and comment.

Rule Making Timeline

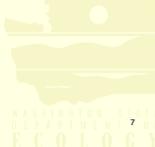
Target Date	Activity
Nov. 6, 2013	Rule making starts.
Dec. 5, 2013	Work Group Meeting #1 (rule scoping).
Winter 2014	Develop draft rule
Feb. 13, 2014	Draft rule submitted for public comment.
Feb. 18, 2014	Work Group Meeting #2 (draft rule).
Mar. 5, 2014	Draft rule public comment ends.
Spring 2014	Make changes to draft rule based on comments. File proposed rule. Provide for formal public review and comment of proposed rule.
Summer 2014	Adopt final rule.

What did we hear?

- Make the decision-making process and factors considered in that process clear and transparent.
- Develop financing plans before entering into EGAs to avoid committing too many funds.
- Do not prioritize funding or resources for ROZs beyond that directed by the legislation.
- Do not make funding contingent on meeting deadlines in orders or decrees.
- Be more flexible in the types of activities that are eligible for funding.
- Allow contribution claim proceeds to be used as match.

What did we hear?

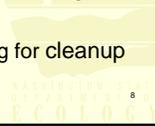
- Increase funding limits for IRAGs and IPGs.
- Provide different periodic reimbursement options.
- Consider allowing IPGs to be used to study ROZs.
- Maintain area-wide groundwater investigation grants, although there may be insufficient incentives.
- Clarify whether source control activities will be eligible for funding.



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General Themes

- Making the decision-making process clear and transparent.
- Balancing the preference for certainty and with the need for flexibility (e.g., rule vs. guidelines).
- Incentivizing the cleanup and redevelopment of contaminated sites.
- Maximizing the use of state funds to leverage cleanups.
- Leveraging other sources of funding for cleanup and redevelopment.



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Budget and Application Process

Discussion Topic



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General Process

- Annually, the department will solicit project proposals to:
 - Update the ten-year financing plan.
 - Update the ranked list of projects.
 - Develop a budget.
- Project proposals and applications will be evaluated to determine eligibility and priority.
- Applications will be used to develop the grant agreement, including scope of work and budget.

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Funding Priority

- Ecology will fund projects in the following order of priority:
 - Existing projects under an extended grant agreement.
 - Other existing projects, provided that substantial progress has been made.
 - New projects.

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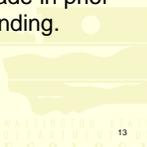
Funding Priority

- Within each grant category, Ecology will consider the following factors*:
 - The threat posed by the site.
 - The land reuse potential of the site.
 - Whether located within "highly impacted community."
 - The readiness to proceed and, for ongoing projects, whether substantial progress has been made.
 - The ability to expedite cleanup of the site.
 - The ability to leverage other public or private funding for cleanup and reuse of the site.
 - The distribution of grants throughout the state.

* This list of factors applies to ORAGs, IRAGs, GWRAGs, and IPGs. The list differs for SAGs 12 and SDWAGs.

Cash Management & Performance

- To implement cash management principles, Ecology will not award more funds each biennium than necessary to complete the agreed-upon scope of work for that biennium.
- To implement performance-based measures, Ecology will consider progress made in prior biennia when prioritizing future funding.



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Oversight Remedial Action Grants and Extended Agreements

Discussion Topic



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Overview

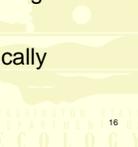
- These grants provide funding to local governments that investigate and clean up contaminated sites under the supervision of Ecology or EPA (under an order or decree.
- Ecology may provide a grant under an extended grant agreement if the project extends over multiple biennia and the project costs exceeds \$20 million. Highest funding priority. Funding limited to 50% of eligible costs.



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Discussion

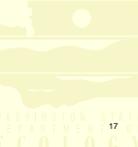
- Should proceeds from contribution claims be treated the same as insurance proceeds and allowed to be used as match?
- When should operation and maintenance or monitoring costs be eligible for funding?
- Should dispute resolution costs be eligible for funding?
- How should we define an economically disadvantaged city or town?



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Discussion

- Should we place constraints on the use of extended grant agreements?
- Do you have any other comments or concerns about the proposed changes?
- Are there any other issues we should address in the rule or guidelines?



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Independent Remedial Action Grants



Discussion Topic

Overview

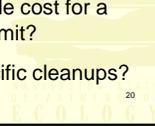
- These grants provide funding to local governments that investigate and clean up contaminated sites independently under the Voluntary Cleanup Program (VCP).
- Local governments may be reimbursed either periodically during the cleanup or upon completion of the cleanup.



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Discussion

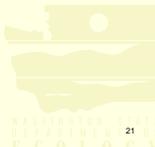
- How should Ecology periodically reimburse grant recipients:
 - By quarter, based on an authorized work plan?
 - Upon completion of each remedial action phase, based on an authorized work plan and report?
- For post-cleanup reimbursement, should Ecology limit retroactive funding? If so, to how many years?
- Should Ecology limit the total eligible cost for a project? If so, what should be the limit?
- Should Ecology fund property-specific cleanups?



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Discussion

- Do you have any other comments or concerns about the proposed changes?
- Are there any other issues we should address in the rule or guidelines?



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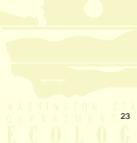
Integrated Planning Grants



Discussion Topic

Overview

- These grants provide funding for developing integrated project plans for the cleanup and reuse of contaminated sites and the studies that are necessary to develop such plans.
- These grants have been issued under a pilot program. Criteria are currently specified in the grant guidelines, not the rule.



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Discussion

- Should the funding limit be increased?
- Should projects involving studies of ROZs be eligible for a grant?
- Do you have any other comments or concerns about the proposed changes?
- Are there any other issues we should address in the rule or guidelines?



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Area-wide Groundwater Remedial Action Grants

Discussion Topic

Overview

- These grants provide funding for investigating and cleaning up groundwater contaminated by hazardous substances from multiple sources.
- The purpose of the investigations is to identify the sources and facilitate the cleanup of the area-wide contamination.

Discussion

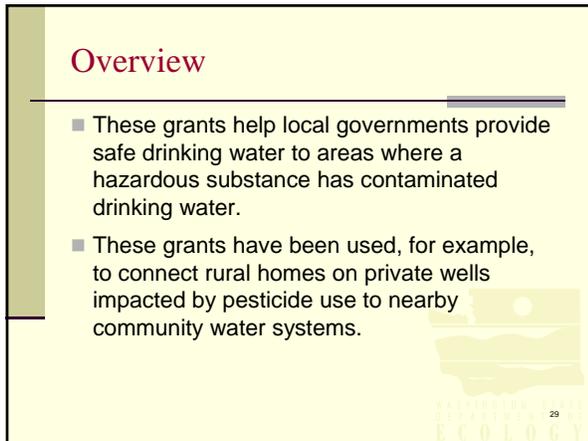
- Should the grant be limited to investigations?
- Should funding be limited to \$500,000?
- Will the changes provide sufficient incentive to conduct such investigations?
- Do you have any other comments or concerns about the proposed changes?
- Are there any other issues we should address in the rule or guidelines?



Safe Drinking Water Grants

Discussion Topic

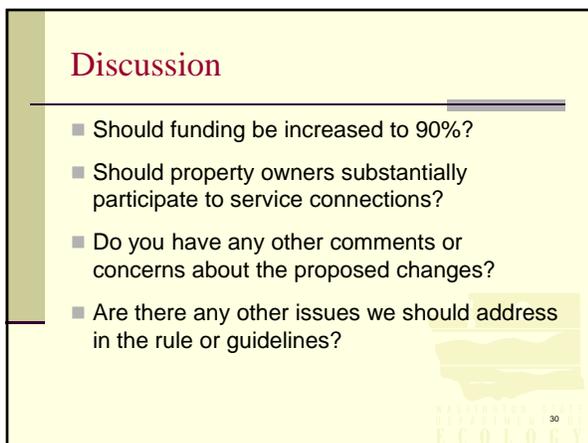
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Overview

- These grants help local governments provide safe drinking water to areas where a hazardous substance has contaminated drinking water.
- These grants have been used, for example, to connect rural homes on private wells impacted by pesticide use to nearby community water systems.

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Discussion

- Should funding be increased to 90%?
- Should property owners substantially participate to service connections?
- Do you have any other comments or concerns about the proposed changes?
- Are there any other issues we should address in the rule or guidelines?

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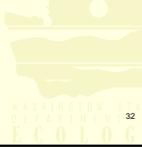
Site Assessment Grants



Discussion Topic

Overview

- These grants provide funding to local governments that conduct initial investigations and site hazard assessment on behalf of Ecology.
- Ecology retains the authority to review and verify results and make determinations based on the assessments.



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Discussion

- Do you have any comments or concerns about the proposed changes?
- Are there any other issues we should address in the rule or guidelines?



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Meth Lab Site Assessment and Cleanup Grants

Discussion Topic



Overview

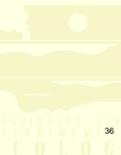
- These grants provided funding to local health districts and departments to assess and clean up sites of meth production.
- Sites of meth use are not MTCA sites and were not eligible for funding under this grant.
- Based on legislative changes and the rarity of meth lab sites in the state, Ecology is proposing to eliminate this grant, and provide funding as needed for such sites under our other grants (that is, treat like every other site).

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Discussion

- Do you have any comments?



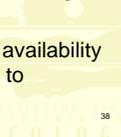
Derelict Vessel Remedial Action Grants

Discussion Topic



Overview

- These grants provided funding to clean up and dispose of hazardous substances from derelict vessels. These grants did not provide funding to dispose of the vessels. These grants have never been used.
- DNR has a grant program that funds 90% of the cost of disposing of derelict vessels, including any hazardous substances.
- Based on legislative changes and the availability of other funding, Ecology is proposing to eliminate this grant.



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Discussion

- Do you have any comments?



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Other Topics?



Are there any other issues, related to either the grant criteria or process, you think we should address in the rule or guidelines?

Next Steps

- Provide summary of the meeting. Distribute and post on our web site.
- Consider your comments as we continue to work on the rule proposal.
- In Spring 2014, file the proposed rule and provide an opportunity for public review and comment.



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- Access our web page:
<http://www.ecy.wa.gov/programs/tcp/reqs/wac173322/1309.html>
- Sign up to receive email notices at:
<http://listserv.wa.gov/archives/ecy-remedial-action-grants.html>
- Contact the Rule Coordinator:
Adrienne Dorrah
Phone: 360-407-7195
Email: RAGrule@ecy.wa.gov
- Contact the Rule Writer:
Michael Feldcamp
Phone: 360-407-7531
Email: michael.feldcamp@ecy.wa.gov



Useful Web Links

- MTCA Legislation:
<http://www.ecy.wa.gov/programs/tcp/regs/legislation-2013.html>
- Remedial Action Grants Rule Making:
<http://www.ecy.wa.gov/programs/tcp/regs/wac173322/1309.html>
- Remedial Action Grants Program:
<http://www.ecy.wa.gov/programs/tcp/grants/rag.html>
- Brownfield Program:
http://www.ecy.wa.gov/programs/tcp/brownfields/brownfields_hp.html



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