

Department of Ecology – Water Quality Financial Assistance Council Meeting

April 8, 2015

In Attendance: Nancy Aldrich, Pat Brommer, Blair Burroughs, David Carcia, Brain Cochran, Liz Ellis, Don Gatchalian, Kahle Jennings, Denise Lahmann, Bruce Lund, Ed Thorpe, Dan Kaplan, James Kelly, Shelly McMurry, Jeff Nejedly, Don Seeberger, Daniel Thompson, Kim Wagar, Ben Rau, Jessica Schwing, Susan Braley

Welcome and Introductions, [Shelly McMurry](#)

FMS Staff Update, [Jeff Nejedly](#)

- Tracy Farrell is now the NEP grant manager.
- Janel Bistrika is taking over Tracy's old stormwater grant manager position.
- The Clean Watershed Needs Survey is done every four years. In the next couple months Ecology will put out an announcement for a two year project position.

Overview of FY16 Intended Use Plan, [Daniel Thompson](#)

PowerPoint Presentation

- Draft list was published February 2015.
- List is based on Ecology's estimated funding:

Fund Source	SFY15	SFY16
CWSRF Loans	\$180 million	\$143 million¹
SFAP Grants	\$---	\$66 million
Centennial Grants	\$22 million	\$21.4 million¹
Section 319 Grants	\$1.6 million	\$1.6 million¹

1= subject to change based on the State Legislature appropriations for the 2015-17 Biennial Budget and Congressional appropriations for the Federal Budget.

- Projects that didn't make the proposed funding list:
 - 43 scored <600 points.
 - 11 were ineligible.
 - 7 scored >600 points, but funding ran out before they could be funded.

- 1 was a refinance project, and all CWSRF loan was proposed for other projects.
- Biggest project proposed for funding:
 - Oak Harbor WWTP: \$82+ million, Ecology proposed funding of \$20,681,311
- Most funding proposed for a single project:
 - \$42,187,964 for a Seattle Public Utilities CSO project
- Most projects funded for a jurisdiction:
 - 9 for Bellingham Public Works Department
 - 8 for King County (3 department)
 - 8 for Kitsap Public Works
 - 8 for the City of Spokane
- Three WWF projects proposed for nearly the maximum hardship grant/FP of \$5M
 - Winlock – I&I Improvements: \$4,576,917
 - Kitsap County – Yukon Harbor Collection System: \$4,563,348
 - Oak Harbor WWTP: \$5,000,000
- Public meeting was held on 3/4/15 in Tacoma. Only three non-Ecology attendees.
- Ecology received 22 on-time public comments.

- PowerPoint provides more info on:
 - SFY Funding Cycle Steps
 - Estimated funding and set-asides
 - Funding ceiling amounts
 - Funding requested
 - Funding proposed

Stormwater Framework for 15-17 Biennium, [Jessica Schwing](#)

Handout

- Handout headlines:
 - How does Ecology’s Combined WQ Funding Program support stormwater projects?
 - What types of projects are proposed?
 - Who will receive funding?
 - How are projects selected?
 - What was the goal of the Project Specific Planning and Design Grant Program?
 - How were the 2013 Project-Specific Planning and Design Grants funded?
 - How many Permittees participated in the program?
 - Were pre-construction projects successful in competing for construction dollars?
 - What does the future look like for funding project specific pre-construction projects?

Water Quality Standards (WQS), 303D List and Water Quality Assessment Update, [Susan Braley](#)

PowerPoint Presentation

- Ecology is proposing:

- New Human Health Criteria (HHC) for toxic chemicals in Washington's Surface Water Quality Standards.
- Revision to language for three regulatory tools used to implement the standards.
 - Variance
 - Compliance schedule
 - Intake credits (new section)
- WQS are to protect public health for welfare, enhance the quality of the water and serve the purposes of the Clean Water Act.
- Public comment period ended March 23, 2015.
- Main concern is affordability.
 - Ecology did a cost benefit analysis and the impact of the new rules and didn't see a huge effect on industries. It is a higher cost, but not enough to not submit the rule.
- Last date to adopt under this rule proposal is August 3, 2015.
- Rule-making materials available at:
 - <http://www.ecy.wa.gov/programs/wq/ruledev/wac173201A/1203docs.html>

Legislative and Budget Update, [Jeff Nejedly](#) and [Kim Wagar](#)

- **Centennial Clean Water Grants**
 - House Budget Proposed: \$20 M (\$10 M SBCA, \$10 M LTCA)
 - Senate Budget Proposed: \$40 M (LTCA)
 - Governor Budget Proposed: \$40 M (\$20 M SBCA, \$20 M LTCA)
- **Water Pollution Control Account**
 - House Budget Proposed: 191 M
 - Senate Budget Proposed: \$203 M
 - Governor Budget Proposed: \$191 M
- **State Match**
 - House, Senate and Governor all proposed \$12 M from Public Works Assistance Account.
- **Stormwater Financial Assistance**
 - House Budget Proposed: \$63 M (\$3 M LTCA, \$60 M SBCA)
 - Senate Budget Proposed: \$29.6 M (ELSA)
 - Governor Budget Proposed: \$74 M (\$12 M LTCA, \$62 M SBCA)

Nonpoint plan Update, [Ben Rau](#)

- Updated plan is due in June to the EPA.
- Currently in internal review.
- Release the draft plan on May 1, 2015.
- There will be a one month comment period. Public meetings are expected the first and/or second week of May (Olympia, Yakima and Spokane).

Clean Water Act Amendments (WRRDA) and SRF Policy Changes, [Daniel Thompson](#)

PowerPoint Presentation

- Fiscal Sustainability Plan:
 - Applies to CWSRF-funded projects for the “repair, replacement, or expansion” of a publicly owned treatment works (i.e., facility projects).
- Affordability Criteria:
 - For the purposes of awarding subsidy (forgivable principal) under the CWSRF, states must establish affordability criteria that minimally include:
 - Income
 - Unemployment data
 - Population trends
 - Decision:
 - Use unemployment data as a 4th tie-breaker.
 - Sought public comment, but received none.
- Equivalency:
 - Apply for funding up to the CWSRF Capitalization Grant amount.
 - Five FY16 projects fall under equivalency projects.

Roundtable

- Jeff:
 - Moving application due date to mid-October instead of early November. This will help Ecology get the list to the legislature to show the demands/need for funding.
 - Instead of doing four application workshops, Ecology wants to do three workshops (Olympia, Everett, and Moses Lake) and a webinar.
 - Shelly is updating policies/procedures. There are a lot of outdated and some new policies/procedures.
 - IACC is October 20-22, 2015.
 - Working on outcome report. Report will show what’s been achieved with the funding.

Future FAC Meetings (Tentative):

July 29, 2015, (Ecology – R0A-34/36)

November 12, 2015, (Ecology – R0A-34/36)

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