

MEMO

To: Pooled Resources Oversight Committee Members

From: Brandi Lubliner, RSMP Coordinator and Karen Dinicola, SWG Project Manager

Subject: "Report Card" on PRO-Committee's Performance in Oversight Role

Date: For discussion at July 7, 2016 PRO-C meeting

I. Introduction

The Pooled Resources Oversight Committee (PRO-Committee, or PRO-C) was chartered and launched by the Stormwater Work Group (SWG) to oversee Ecology's service as the Regional Stormwater Monitoring Program (RSMP) Administrative Entity. The purpose of the PRO-Committee is to provide transparency, efficiency, and accountability of the expenditure of the RSMP Pooled Fund.

Per the SWG-approved Charter, the PRO-Committee is charged with:

1. Conducting a review and assessment of Ecology's performance as the administrative entity for the Pooled Fund no later than fall of 2017; and
2. Reviewing its own performance and making specific recommendations to the SWG as to further need for safeguards, checks and balances on the permittee majority composition; and
3. Reviewing and reassessing the adequacy of the Charter and recommending to the SWG any changes deemed appropriate.

II. Primary Functions of the RSMP Administrative Entity and the PRO-Committee

According to the Charter:

Washington Department of Ecology (Ecology) in its role as the RSMP Administrative Entity:

- (i) Administers the implementation of the RSMP according to the scope of work of the cost-sharing agreements between Ecology and permittees;
- (ii) Considers the collective recommendations of the stakeholders represented by the SWG and its subcommittees; and
- (iii) Ensures that the execution of the program and the awarded contracts to conduct RSMP activities meet the requirements set forth in cost-sharing agreements with the permittees.

The PRO-Committee:

- (i) Provides ongoing review and recommendations to the SWG on Ecology's administrative implementation the RSMP intended to provide feedback to Ecology through the SWG regarding the schedule, scope, budget, and quality of the program's deliverables and to provide accountability; and
- (ii) Verifies implementation of the contracts.

III. Evaluation of Ecology's Performance as RSMP Administrator

The PRO-C is providing a separate evaluation of Ecology's performance of RSMP Administrator. Over the course of several meetings and email exchanges, the PRO-C has conducted an evaluation of each charter-specific task that Ecology as service provider has been charged with providing to the PRO-Committee, SWG, and broader stakeholder community. The PRO-C identified additional areas to include in the performance review. The completed evaluation is expected to be delivered to the SWG in summer 2016.

IV. Evaluation of PRO-Committee Performance in Oversight Role

The PRO-C asked the RSMP Coordinator and SWG Project Manager to provide an initial assessment of their performance in the RSMP oversight role. This section provides an evaluation of each charter-specific task that the PRO-Committee is charged with:

1. Function, per the Charter: The Committee will review Ecology's quarterly and annual reports.
Evaluation and comments: Meets expectations. The PRO-Committee has reviewed all RSMP budget and progress reports to date. The first several quarterly reports were reviewed in advance of finalization. Since the reporting system was put in place and the format finalized, Ecology has finalized these reports to the PRO-Committee and the PRO-C has reviewed and discussed these reports following their release and publication on the webpage.
Recommendation: no change needed.
2. Function, per the Charter: The Committee will provide quarterly reports to the SWG.
Evaluation and comments: Exceeds expectations. The PRO-Committee has a standing SWG meeting agenda item devoted to this business need. The PRO-Committee Chair (or Vice Chair) and RSMP Coordinator present the quarterly reports and more recent RSMP implementation, results, findings, and related information at each meeting. SWG meetings occur five times per year. Following a SWG meeting where time did not allow this report to take place, this business item was moved earlier in the meeting agenda.
Recommendation: Discuss only large RSMP deliverables at SWG meetings to take less time on SWG meeting agendas; continue to delve into details of project management at the PRO-C meetings.
3. Function, per the Charter: The Committee will provide routine feedback to Ecology on the information provided in the quarterly and annual reports.
Evaluation and comments: Meets expectations. The PRO-Committee provides feedback to Ecology not only on the quarterly and annual report contents but on the other issues raised by the RSMP Coordinator and SWG Project Manager. In late 2014 and early 2015, the PRO-Committee delivered a set of "lessons learned" to the SWG for discussion. As part of ongoing implementation of the RSMP, the RSMP Coordinator has continued to implement the lessons learned.
Recommendation: continue to implement changes identified.
4. Function, per the Charter: The Committee will forward to the SWG any findings or recommendations for addressing any identified issues with implementation of the RSMP, including recommendations for addressing any cost overruns.
Evaluation and comments: Exceeds expectations. The PRO-C has been adaptable, flexible, supportive, and diligent in launching the RSMP.
 - Early on, the PRO-C requested that the SWG amend RSMP priorities to match budget constraints (i.e., dropping the marine nearshore bacteria monitoring). The PRO-Committee has continued to review RSMP component-level budget estimates and priorities, and reviewed the SWG's strategy for identifying a second round of RSMP effectiveness studies, to guide and direct Ecology's contracting actions.
 - For all RSMP work, both the RSMP Coordinator workload and the pace of income to the RSMP accounts need to be considered and the PRO-C has taken this balance into account in its decision making process.
 - The PRO-C discussed the need for an RSMP specific identity and communication strategy.
 - The PRO-C Directed the RSMP Coordinator to identify project liaisons to provide additional technical review and oversight for each RSMP effectiveness study. The project liaisons review contract scopes of work and provide the RSMP Coordinator with review on large deliverables prior to approval and payment. The RSMP Coordinator is implementing this approach

differently as needed and appropriate for the various types of projects. Some liaisons are more deeply involved and some projects need more oversight than the liaison can provide.

Recommendation: More formally articulate the expectations for how the liaison function is implemented for each project. Continue to ensure RSMP Coordinator workload and pace of income to RSMP accounts is considered in scheduling approved studies and making contracting decisions.

5. Function, per the Charter: All Committee votes will be taken in a manner that allows for all members to confer with their caucuses and, if necessary, to receive feedback from the SWG's technical subgroups. Voting may be conducted by email following discussion at a regular meeting in order to allow for this to be done in a timely fashion. All Committee votes will be posted on the website for openness and transparency.

Evaluation and comments: Meets expectations. The PRO-Committee has held few "votes" and thus far has operated by consensus. Where more information and/or a collective stakeholder decision has been needed to reach a decision (as for determining priorities for the Status and Trends Monitoring expenditures), input from the SWG has been sought. In order to conduct its business efficiently and in a way that allows more external input to the process, the PRO-Committee has decided to meet more often as needed and to conduct some of its business reviewing and approving contract scopes of work via email. This meets the RSMP Coordinator's need to move contracts through Ecology's system in a timely fashion. In early voting by email not all PRO-C members participated; however this approach is working better now with more participation on most email votes. Where voting indicates consensus, the RSMP Coordinator implements the decision reached in this manner. Where comments are in conflict or when questions are raised and a decision cannot be reached via email, action on the topic is delayed to the next PRO-C or SWG meeting as appropriate.

Recommendation: Consider specifically adding a description of appropriate expectations for PRO-C members' participation in email discussions and voting in the charter (i.e., establishing a quorum for making decisions and having members "reply all" in email chains to ensure transparency).

6. Function, per the Charter: If the Committee is unable to reach consensus on recommendations or findings, then majority and minority opinions may be presented, with notation as to which caucuses are represented by each opinion.

Evaluation and comments: Meets expectations. On occasion, some PRO-C members have expressed concerns about decisions but not to an extent that consensus could not be reached. So far, the PRO-Committee has not needed to document majority decisions and minority concerns, but will do so in the future should the need arise.

Recommendation: no change needed.

7. Function, per the Charter: Any Committee member associated with an applicant for any proposal must recuse himself/herself from all recommendations relating to award and review of that contract, and oversight of the work performed if the application is selected.

Evaluation: Meets expectations. The PRO-Committee members associated with contracts under discussion have recused themselves from decisions. It has been helpful to have members who participate in conducting the monitoring to help other members understand issues as they arise.

Recommendation: no change needed.

8. Function, per the Charter: At Ecology's request, the Committee may assist in hearing appeals on contract award decisions.

Evaluation and comments: Meets expectations. Ecology has not requested any assistance of this type.

Recommendation: no change needed.

9. Function, per the Charter: The Committee shall review and discuss any findings of the State Auditor pertinent to administration of this program as found in the course of their regular audits of Ecology.

Evaluation and comments: Meets expectations. The PRO-Committee has not received any reports from the State Auditor.

Recommendation: no change needed.

Additional observations:

- The charter also specifies that the PRO-Committee members will ensure stakeholder balanced discussions and communicate with the broader stakeholder community. The charter specifies that PRO-Committee members formally communicate with their caucuses and other interested parties no later than two weeks following each meeting. It is unknown to the RSMP Coordinator and SWG lead staff whether or how each member has engaged in this communication.
- To date, the PRO-Committee has had few meetings without all designated seats at the table filled. The PRO-Committee successfully welcomed several new members, utilized member alternates, and transitioned to a new Chair during its first year of existence.
- The PRO-Committee members have come to agreement on all decisions, and have asked the SWG for more input when needed and/or appropriate.

V. Recommendations

In addition to the charter-function-specific recommendations above, we have two additional recommendations for the PRO-C and SWG to consider:

- The current charter of the PRO-Committee expires in fall 2018. The charter should be updated by the PRO-Committee based on “lessons learned” during the start-up and implementation of the RSMP as part of the 2013-2018 permit cycle. The updated charter should be renewed and approved by the SWG in 2017 in advance of the next permit cycle.
- The size and membership of the PRO-Committee are balanced, appropriate, and functional. The charter updates can include specific direction to assist members in communicating more frequently with their caucuses and other interested parties.