PUGET SOUND ECOSYSTEM MONITORING PROGRAM

STORMWATER WORK GROUP

September 14, 2016

Cami Apfelbeck, Chair
PSEMP Stormwater Work Group

RE: Pooled Resources Oversight Committees Administrative Entity Report Card

Dear Ms. Apfelbeck:

Municipal Stormwater National Pollutant Discharge Elimination System (NPDES) permittees in the Puget Sound region, and throughout Western Washington, contribute to a pooled fund dedicated to conducting a Regional Stormwater Monitoring Program (RSMP). The RSMP components and priority activities are defined by the Stormwater Work Group (SWG), a formal group of stakeholders. The Pooled Resources Oversight Committee (PRO-Committee) was chartered and launched by the SWG to oversee Ecology's service as the RSMP Administrative Entity. The purpose of the PRO-Committee is to provide transparency, efficiency, and accountability of the expenditures of the RSMP pooled fund. Per the SWG-approved Charter, the PRO-Committee is charged with:

- Conducting a review and assessment of Ecology's performance as the administrative entity for the pooled fund no later than fall of 2017; and
- 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
- Reviewing and reassessing the adequacy of the PRO-Committee's charter and recommending to the SWG any changes deemed appropriate.

The PRO-Committee has conducted its review and assessment per the charter and is pleased to submit our 2016 Administrative Entity Report Card to the SWG (attached). This review is based on the administrative responsibilities that are outlined in the PRO-Committee Charter with the addition of several unforeseen roles that where assumed by the administrator as part of launching the RSMP. We believe that Ecology overall has been successful in administering the funds and meeting their obligations in an open and transparent way. The RSMP coordinator hired by Ecology to administer the pooled resources (Brandi Lubliner) has exceeded our expectations. Ms. Lubliner specifically has done an outstanding job of dealing with the complexities and unforeseen issues that have been a part of this process. After completing this review, the Pro-Committee is confident in our ability to function with our existing charter and do not recommend modification of it at this time. It is the consensus of the PRO-Committee that Ecology has gone above and beyond in its role as administrator and has worked hard to ensure the ongoing success

of the RSMP not as a regulator but and a part of the implementation team. It is the hope of the PRO-Committee that the SWG and Ecology consider this review when designing the RSMP for the next permit cycle.

Sincerely,

Ben Parrish, Chair
Pooled Resources Oversight Committee

cc: Brandi Lubliner, Washington Department of Ecology
Karen Dinicola, Washington Department of Ecology

Attachment

Pooled Resources Oversight Committee

September 14, 2016 Review of Administrative Entity for the Regional Stormwater Monitoring Program

I. Introduction

Municipal Stormwater National Pollutant Discharge Elimination System (NPDES) permittees throughout Western Washington contribute to a Pooled Fund dedicated to conducting a Regional Stormwater Monitoring Program (RSMP). The RSMP components and priority activities are defined by the Stormwater Work Group (SWG), a formal group of stakeholders. The Pooled Resources Oversight Committee (PRO-Committee) was chartered and launched by the SWG to oversee Ecology's service as the 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:

- Conducting a review and assessment of Ecology's performance as the administrative entity for the Pooled Fund no later than fall of 2017; and
- 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
- 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

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

	Functions per the Charter	Grade	Comments	Recommendations
1	Administers the implementation of the RSMP according to the scope of work of the cost-sharing agreements between Ecology and permittees	Meets Expectations	The RSMP Coordinator has been implementing the RSMP per the cost-sharing agreements	
2	Considers the collective recommendations of the stakeholders represented by the SWG and its subcommittee	Meets Expectations	All decisions related to schedule, scope, and budget have been brought to the PRO-Committee for discussion and direction. Other decisions have been brought to the SWG and/or its subcommittees. RSMP Coordinator has been diligent in implementing the direction provided by the PRO-Committee and the SWG	
3	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	Meets Expectations	The RSMP Coordinator has been executing programs and awarding contracts for the RSMP per the cost-sharing agreements	

The PRO-Committee:

	Functions per the Charter	Grade	Comments	Recommendations
1	Provides ongoing review and recommendations to the SWG on Ecology's administrative implementation the RSMP. This review is 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	Meets Expectations	PRO-Committee has worked closely with RSMP Coordinator to ensure that projects stay on schedule and within budget.	
2	Verifies implementation of the contracts.	Meets Expectations	PRO-Committee can verify that the RSMP coordinator is implementing contracts for the RSMP.	

III. Evaluation of Ecology's Performance as RSMP Administrator

This section provides 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:

	Function, Per the Charter:	Grade	Comments	Recommendations
1	Ecology shall provide quarterly status reports to the Committee on the implementation of the RSMP. The reports shall include the following information: • A summary of accomplishments, key decisions, and budget expended by task and contractor for the previous quarter, • A summary of planned accomplishments, key decisions, and budget expenditures by task and contractor for the next quarter, • A description of contracts and agreements awarded in the previous quarter, • A description of contracts and agreements planned to be awarded in the next quarter, • A description of deliverables received as part of the RSMP in the previous quarter, • A description of outstanding issues to be resolved, and Ecology's plan for resolving the issues, • A description of topics for which input and advice from the SWG and/or the Committee is desired.	Meets Expectations	To date, The RSMP Coordinator has prepared and distributed eight quarterly RSMP budget and progress reports and has posted them to the RSMP webpage. With input from the PRO-Committee, Ecology developed a report template that includes all of the information specified per the charter and a format that is suitable for a wide audience	
2	Ecology shall provide annual status reports to the Committee on the implementation of the RSMP. The reports shall include the following information: • A summary of annual revenues and expenditures for the RSMP by task. • A summary of annual expenditures by Ecology and its contractors. • A work plan for the next year by task. • Any fiscal or material issues raised by the most recent quality control review, or peer review, or by any inquiry or investigation, and any steps taken to deal with any such issues, for all of the contracted work.	Meets Expectations	The RSMP Coordinator has prepared and distributed the first RSMP Annual Report in 2015. There were no fiscal or material issues in the first year of contracting and report did not include a specific work plan items for next year. First Annual report did focus on key RSMP findings and next steps for each RSMP component	

3	In cases in which Ecology for any reason chooses not to or is unable to implement the SWG's recommendations, Ecology will explain to the Committee in a timely fashion the reasons for this decision. The SWG and Ecology will use a standard conflict resolution process to work together to resolve any disagreements.	Meets Expectations	To date, there have been no issues in the area. The RSMP Coordinator has been able to implement SWG and PRO-Committee recommendations.	
4	Ecology retains direct responsibility for the appointment, compensation, retention and oversight of the work of the contractors (including resolution of disagreements between Ecology and the contractors) for the purpose of preparing its quarterly report or related work, who shall provide reports to the Committee. The Committee will have a timely opportunity to review Requests for Proposals and Scopes of Work and compile comments on in order to support Ecology's contracting role.	Meets Expectations	The RSMP Coordinator has done an excellent job of seeking, gathering, and summarizing the PRO-Committee members' input on contracting decisions and reporting on Ecology's contracting actions.	

IV. Evaluation of PRO-Committee Performance in Oversight Role

	Function, Per the Charter:	**Grade**	**Comments**	**Recommendations**
1	The Committee will review Ecology's quarterly and annual reports.	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-Committee has reviewed and discussed these reports following their release and publication on the webpage.	no change needed.
2	The Committee will provide quarterly reports to the SWG.	Exceeds Expectations	These are oral reports to complement the RSMP Coordinator's written reports. 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.	Continue to discuss large RSMP developments and deliverables at SWG meetings; continue to delve into details of project management at the PRO-Committee meetings.

3	The Committee will provide routine feedback to Ecology on the information provided in the quarterly and annual reports.	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.	Continue to implement changes identified.

4	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	Exceeds Expectations	The PRO-Committee has been adaptable, flexible, supportive, and diligent in launching the RSMP. • Early on, the PRO-Committee 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-Committee has taken this balance into account in its decision making process. • The PRO-Committee discussed the need for an RSMP-specific identity and communication strategy. • The PRO-Committee 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.	Ensure that each project has the right amount of oversight. Establish the roles and expectations for the liaison or technical advisory 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	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.	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-Committee 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-Committee or SWG meeting as appropriate.	Describe appropriate expectations for PRO-Committee members' participation in email discussions and voting, i.e., establish a quorum for making decisions and have members "reply all" in email chains to ensure transparency.
6	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.	Meets Expectations	On occasion, some PRO-Committee 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.	no change needed.
7	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.	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.	no change needed.
8	At Ecology's request, the Committee may assist in hearing appeals on contract award decisions.	Not Applicable	Ecology has not requested any assistance of this type.	no change needed.

9	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.	Not Applicable	The PRO-Committee has not received any reports from the State Auditor.	no change needed.

V. Additional RSMP Launch Administrator Roles

Additional RSMP Launch Administrator Roles		Grade	Comments	Recommendations
1	Coordination and Management for Streams Monitoring	Exceeds Expectations	The RSMP Coordinator coordinated the effort to find enough usable sites for Streams Monitoring. Because of low flows and inaccessibility issues, many sites were not viable monitoring sites. The RSMP Coordinator was able to work with the contractor to eliminate unusable sites and add sites to meet the required number of sites.	
2	Coordination with Labs	Exceeds Expectations	The RSMP Coordinator has coordinated with several labs to meet hold time requirements for time sensitive testing.	
3	Review of scopes of work, timely review and coordination with PRO- Committee	Exceeds Expectations	The RSMP Coordinator has reviewed and processed scopes of work and scope amendments in a timely manner. They have been shared with the PRO-Committee via email in an effort to provide useful feedback in a timely manner.	
4	Review and processing of contracts	Meets Expectations	The RSMP Coordinator has reviewed and processed contracts in a timely manner. However, several contracts were purposefully delayed due to staff resource limitations. Additional staff resources would allow for more timely approvals of all contracts. Contracts have been shared with the PRO-Committee via email in an effort to provide useful feedback in a timely manner.	
5	Project Invoicing	Meets Expectations	Invoices have been processed in a timely manner.	

6	Cash Flow Management	Meets Expectations	Because RSMP funds come in annually, it has been a complicated task to coordinate the start of each funded project so that once a project starts, it can continue without interruption with funds available as tasks are completed. The RSMP Coordinator has tracked each project and how much is obligated and how much is available throughout the permit cycle.	
7	Administrators properly spend funds	Meets Expectations	All RSMP funds have been spent in accordance with the PRO-Committee's recommendations and per the cost-sharing agreements	