

## **Pooled Resources Oversight Committee**

### **February 5, 2019 - Review of Administrative Entity for Stormwater Action Monitoring**

#### **I. Introduction**

Municipal Stormwater National Pollutant Discharge Elimination System (NPDES) permittees throughout Western Washington contribute to a Pooled Fund dedicated to conduct the Stormwater Action Monitoring (SAM) program. The SAM 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 SAM Administrative Entity. The purpose of the PRO-Committee is to provide transparency, efficiency, and accountability of the expenditure of the SAM 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 June of 2019; 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 SAM Administrative Entity and the PRO-Committee**

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

	<b>Functions per the Charter</b>	<b>Grade</b>	<b>Comments</b>	<b>Recommendations</b>
1	Administers the implementation of the SAM according to the scope of work of the cost-sharing agreements between Ecology and permittees	Meets Expectations	The SAM Coordinator has been implementing SAM per the cost-sharing agreements.	
2	Considers the collective recommendations of the stakeholders represented by the SWG and its subcommittee	Meets Expectations	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. SAM Coordinator has been generally good at 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 SAM activities meet the requirements set forth in cost-sharing agreements with the permittees	Meets Expectations	The SAM Coordinator has been executing programs and awarding contracts for the SAM per the cost-sharing agreements as personnel and resources allow.	
	<b>Key Services Provided as SAM Administrative Entity</b>	<b>Grade</b>	<b>Comments</b>	<b>Recommendations</b>
1	Review of scopes of work, timely review and coordination with PRO-Committee	Meets Expectations	The SAM 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.	
2	Review and Processing of Contracts	Meets Expectations	The SAM Coordinator has reviewed and processed contracts in a timely manner. Contracts have been shared with the PRO-Committee via email in an effort to provide useful feedback in a timely manner.	

3	SAM Revenue and Accounting	Meets Expectations	A key service Ecology provides is revenue collection for SAM. This involves preparing invoices, establishing protected accounts, depositing funds, and producing receipts. Ecology invoices permittees well in advance of permit due dates and enters receipts on their behalf to PARIS for compliance records.	
4	Cash Flow Management	Meets Expectations	The SAM Coordinator has tracked each project and how much is obligated and how much is available throughout the permit cycle. SAM continues to operate with enough of a budgetary cushion for unanticipated needs without reserving excessive funds.	
5	Administrators Properly Spend Funds	Meets Expectations	All SAM funds have been spent in accordance with the PRO-Committee's recommendations and 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 of SAM. 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 the SAM Coordinator to ensure that projects stay on schedule and within budget, and if necessary contracts are amended.	

2	Verifies implementation of the contracts.	Meets Expectations	PRO-Committee can verify that the SAM Coordinator is implementing contracts for the SAM.	Continue to have every completed project present findings at a SWG meeting
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### III. Evaluation of Ecology’s Performance as SAM 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	<p>Ecology shall provide quarterly status reports to the Committee on the implementation of SAM. The reports shall include the following information:</p> <ul style="list-style-type: none"> <li>• A summary of accomplishments, key decisions, and budget expended by task and contractor for the previous quarter,</li> <li>• A summary of planned accomplishments, key decisions, and budget expenditures by task and contractor for the next quarter,</li> <li>• A description of contracts and agreements awarded in the previous quarter,</li> <li>• A description of contracts and agreements planned to be awarded in the next quarter,</li> <li>• A description of deliverables received as part of SAM in the previous quarter,</li> <li>• A description of outstanding issues to be resolved, and Ecology’s plan for resolving the issues,</li> <li>• A description of topics for which input and advice from the SWG and/or the Committee is desired.</li> </ul>	Meets Expectations	The SAM Coordinator has prepared and distributed quarterly budget and progress reports and has posted them to the SAM webpage.	

2	<p>Ecology shall provide annual status reports to the Committee on the implementation of SAM. The reports shall include the following information:</p> <ul style="list-style-type: none"> <li>• A summary of annual revenues and expenditures for the SAM by task.</li> <li>• A summary of annual expenditures by Ecology and its contractors.</li> <li>• A work plan for the next year by task.</li> <li>• 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.</li> </ul>	Meets Expectations	The SAM Coordinator has prepared and distributed the annual reports on schedule. There were no fiscal or material issues listed and the reports include specific work plan items for following year.	
3	<p>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.</p>	Meets Expectations	To date, there have been no issues in the area. The SAM Coordinator has been able to implement SWG and PRO-Committee recommendations.	
4	<p>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.</p>	Meets Expectations	The SAM 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
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1	The Committee will review Ecology's quarterly and annual reports.	Meets Expectations	The PRO-Committee established the format for Ecology's quarterly reports in 2016 and the process is for Ecology to send final quarterly reports to the PRO-Committee and publish them on Ecology's webpage. Few changes have been requested by PRO-C. When an error is discovered, the SAM Coordinator provides a revised report.	no change needed.
2	The Committee will provide quarterly reports to the SWG.	Meets Expectations	These are verbal briefings to complement the SAM Coordinator's published quarterly reports. The PRO-Committee has a standing SWG meeting agenda item devoted to this business need. The PRO-Committee Chair (or Vice Chair) typically reports on process and outcomes. The SAM Coordinator briefs SWG on status of SAM implementation, recent study results and findings, and related information at each SWG meeting. SWG meetings occur five times per year.	Continue to discuss large SAM 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 SAM Coordinator and SWG Project Manager. As part of ongoing implementation of the SAM, the SAM Coordinator has continued to implement the lessons learned.	no change needed
4	The Committee will forward to the SWG any findings or recommendations for addressing any identified issues with implementation of SAM, including recommendations for addressing any cost overruns	Exceeds Expectations	The PRO-Committee has been adaptable, flexible, supportive, and diligent in overseeing SAM. <ul style="list-style-type: none"> <li>The PRO-Committee has continued to review SAM component-level budget estimates and priorities and reviewed the SWG's strategy for identifying the next</li> </ul>	Ensure that each project has the right amount of oversight. Establish the roles and expectations for the liaison or technical

		<p>round of SAM effectiveness studies, to guide and direct Ecology's contracting actions.</p> <ul style="list-style-type: none"> <li>• For all SAM work, both the SAM Coordinator's workload and the pace of income to the SAM accounts need to be considered and the PRO-Committee has taken this balance into account in its decision- making process.</li> <li>• RSMP changed its name to SAM and recommended ongoing support for communications.</li> <li>• PRO-Committee supported funding a second FTE to assist the SAM Coordinator with workload. Keunyea Song was hired mid-2017. Ecology's expenditures for administration of the program are on target.</li> <li>• The PRO-Committee directed the SAM Coordinator to identify project liaisons to provide additional technical review and oversight for each SAM effectiveness study. The project liaisons review contract scopes of work and provide the SAM Coordinator with review on large deliverables prior to approval and payment. The SAM 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.</li> </ul>	<p>advisory function is implemented for each project. Continue to ensure SAM Coordinator workload and pace of income to SAM accounts is considered in scheduling approved studies and making contracting decisions.</p> <p>Lessons learned for the liaison vs a technical committee should be discussed for future SAM project management and applied to individual projects as appropriate.</p>
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5	<p>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.</p>	<p>Meets Expectations</p>	<p>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, 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 SAM Coordinator’s need to move contracts through Ecology’s system in a timely fashion. Where voting indicates consensus, the SAM 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.</p>	<p>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.</p> <p>The PRO-Committee has had a number of members turn over and should remind the caucuses to fill seats.</p> <p>SWG should discuss whether additional reporting on PRO-C votes is desired. Ecology expects the PRO-C to actively communicate SAM expenditures and determine, with SWG input, how any funds left in the accounts will roll forward for the next permit cycle. SAM anticipates periodic</p>
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				buildup in funds because revenue and expenditures do not exactly match each year, particularly for the Receiving Waters accounts.
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 SAM Administrator Roles**

<b>Additional SAM Administrative Services</b>		<b>Grade</b>	<b>Comments</b>	<b>Recommendations</b>
1	Coordination and Management for Streams Monitoring	Exceeds Expectations	The SAM Coordinator organized 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 SAM 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 SAM Coordinator has coordinated with several labs to meet holding time requirements for time sensitive testing as well as for inter-calibration comparisons.	
3	Manage SAM Communications (web, support contract, symposium, etc.)	Meets Expectations	The SAM Coordinator and staff have done an excellent job (with the help of a contractor) at conducting both internal as well as external communications on behalf of SAM	
4	Develop and lead Effectiveness Study workshop(s) for input and prioritization	Meets Expectations	The SAM Coordinator and staff have done a great job of organizing workshops to solicit input on future Effectiveness Study topics for the upcoming permit cycle	