

Final Meeting Minutes
Spokane River Regional Toxics Task Force
Administrative and Contracting Entity (ACE)
August 22, 2013
7:30 a.m. – 9:00 a.m.

Directors in Attendance

Doug Krapas
Dale Arnold
Bud Leber
Dave Moss
Rick Eichstaedt
Tom Agnew

Directors Absent

Guests

Lisa Dally Wilson
Adriane Borgias
Stuart Cassel

1. Review Agenda/Additional Items

- a. Bud Leber asked if there were any items that should be added to the agenda and reviewed the items on the agenda
- b. Bud Leber gave an update on the contract with LimnoTech
 - i. LimnoTech is only authorized them through phase 1 and needs to be told to proceed with the rest of the project
 - ii. Added to the Agenda (to authorize LimnoTech to proceed)

2. Approve Minutes from Previous Meeting

- a. Motion to Approve by Rick Eichstaedt; Second by Tom Agnew; Passed
- b. ACE will send the meeting minutes to Adriane Borgias for posting on the ACE website

3. Ruckelshaus Center Funding Agreements

- a. Ecology is currently working on extending the contract between Ecology and Ruckelshaus for the 2nd year of the contract; This is the proposal for a draft contract to get this funding
 - i. \$25,000 will be provided by Ecology with the balance coming from ACE; Contract will be between Ecology and ACE rather than each individual discharger
 - ii. This is the proposed funding mechanism to streamline the process and avoid having to utilize multiple contracts
 - iii. Adriane Borgias stated that Ecology is ready to proceed on this, but ACE must have the amount and payment schedule ready to go
 1. Once ACE is committed, Ecology will set-up an agreement
 2. \$41,100 is expected to come from ACE in 2 payments (Nov. 2013 = \$20,550 and May 2014 = \$20,550)
- b. Bud Leber asked if all members of ACE as satisfied with this level of funding and this agreement
 - i. Tom Agnew noted that this is an expensive option, but considering other more expensive alternative, this is the best option
 - ii. Bud Leber passed around the chart of the cash flow projections

- c. Motion from Rick Eichstaedt, 2nd by Dale Arnold; Passed
 - i. For Bud Leber to work with Ecology to put the contract in place to fund the \$41,400 between Ecology and Ruck;
 - ii. Bud Leber will work with Adriane Borgias on the contract
- d. Doug Krapas asked about the source of this money, specifically if it could come from the Legislature
 - i. Bud Leber explained that this would set out the structure of the contract
 - ii. Adriane Borgias explained that because there is a cooperative agreement in place, Ecology's contribution may look like less than \$21,000 but it is being paid through another cooperative agreement

4. Funding Agreement for Technical Advisor (LT?)

- a. There was a proposal for Ecology and County to extend their existing agreement so that Ecology can contribute \$40,000 through the same mechanism
 - i. Adriane Borgias stated this is all done but the signatures
 - ii. Bud Leber needs to work with County so ACE will have access to that money at the end of LimnoTech phase 1
- b. The cash flow charts include this 40K already and Bud Leber expects this will proceed in the same manner as last time and explained the process through which the County writes the check to Ecology and then Ecology gives it to ACE
- c. Dale Arnold asked if the \$40,000 could come sooner, but Adriane Borgias explained that all the money is front loaded and the grant money will not come until the work is done
 - i. Adriane Borgias further explained that the invoice process goes fast and Ecology will issue checks fairly quickly
- d. The current process is the Bud Leber gets invoices from LimnoTech, verifies it is in line with the contract, and then sends a copy to Dave Moss to be paid so long as there are no issues
- e. Dale Arnold expressed concern about what would happen if ACE runs out of money in November 2013
 - i. Bud Leber explained that this still needs to be determined, but the cash projection chart shows the funding that will be needed to get ACE through Feb 2014.
- f. Rick Eichstaedt asked if a motion is needed to allow Bud Leber to continue to work on the amendments for the original contract with LimnoTech, to extend its timeframe
 - i. Motion by Rick Eichstaedt; Second by Tom Agnew; Passed
- g. Rick Eichstaedt noted that Ben Brattebo sent something to Adriane Borgias on August 6th
 - i. Adriane Borgias explained that this was a draft of the contract; Ben Brattebo has the final version to be signed

- 5. Funding Request for \$350,000 from Legislature** (Unless otherwise stated, remarks on this topic came from Adriane Borgias)
- a. ACE must put together a budget and then submit work plans; A lot of this has already been done with regard to the LimnoTech work
 - b. Ace could set-up a master contract between ACE and Ecology and submit work plans based on that
 - c. Ecology has an accountability requirement and so all parties must agree on what the priorities are, and what work must be done; This is a larger question that the entire Task Force must address
 - i. There is specific contract language stating that whatever happens Ecology must justify all sidebars and the associated funding
 - d. From the other participants on the Task force, obtain a list of the priorities and tasks that members would like to work on
 - i. Likely that LimnoTech will be a high priority but there must be a process through the Task force with Ruckelshaus as facilitator
 - ii. Important to go through prioritization process and make sure all the sidebars are met; Once this is done the mechanics are pretty easy for the contract
 - iii. Tom Agnew stated that ACE should be looking to the future and expect to get more money in the future; Future plans should take this into account
 - iv. Rick Eichstaedt explained how it is important to document and show work so ACE can move from proviso to the Governor's budget; This would allow access to more River money
 - e. Bud Leber noted that come November there will be no money and asked what is the minimum funding needed to remain solvent
 - i. \$60,000 is needed for October to get thorough to shortfall of \$51,000 in February 2014
 - ii. This is the minimum of what is needed for funding, factoring in the minimum amount that Ruckelshaus will take
 - f. There are two possible scenarios that can occur involving Ecology and ACE
 - i. There is the opportunity for the Union (Ecology has a state union) to weigh in on the contract which can slow things down
 - 1. If the Union thinks this is a job that a Union worker could do, the Union may look at it (This happened with Ruckelshaus)
 - 2. Rick Eichstaedt explained that this system is to avoid Ecology contracting out Union jobs
 - 3. This process cannot happen with an Inter-Agency Agreement (one of the pros of forming a Quasi-Governmental Body)
 - 4. Ecology funding for the contracts are in (if Ruckelshaus approved); then Leg. Funding
 - 5. Chris Paige's plan is that the funding work group would do the prioritization but Doug Krapas was concerned that the group may not meet soon enough and that ACE should get things started

- a. Adriane Borgias explained that ACE is to administer the Task force, so it would be ok to act on the prioritization at this point
- b. Doug Krapas pointed out that since ACE knows the numbers it would make the most sense for ACE to handle this
- c. It is possible to have prioritization ready to go by September and start with contract, but there are still questions about the timing
- d. Rick Eichstaedt stated that ACE should begin as though this is a contract, but with the option to change the process/structure at a later date
- e. Adriane Borgias stated that she can start with the boilerplate language; This would be a master contract with multiple work plans
- f. Lisa Dally Wilson talked about the Task Force's work and how it could help with prioritization, but Adriane stated that individual work plans would still be needed
 - ii. Could also form a new structure; The Quasi-Governmental option
 - 1. The main question is how long would this take to set-up; Could be fast but not sure
- g. Bud Leber stated that it sounds like an umbrella agreement will be needed that will identify projects and work, etc.
 - i. Then write up some work plans similar to what is used for LimnoTech
- h. Doug Krapas suggested that Bud Leber discuss prioritization at the upcoming funding group meeting (September 4 at 10:00am at Ecology Office)
- i. Adriane Borgias explained that Chris Paige was thinking that Task Force would actually do prioritization
- j. Doug Krapas suggested that funding group take a shot at this and present it to the group; Adriane Borgias said she would talk with the facilitator
- k. Doug Krapas continued the topic and noted how the sub-groups are the "workhorses" and could do prioritization; Dale Arnold agreed that they should get a proposal and then the Task Force will have the final vote
- l. At the next meeting it should be made clear that if you want to be involved in the prioritization you must be at the next funding group meeting
 - i. Chris Paige will put out an email announcement about the funding work group meeting and the prioritization work that would be done
- m. Rick Eichstaedt asked that after Ruckelshaus is paid, how much money is left for LimnoTech
 - i. Doug Krapas talked of needing to define how river analysis would be done, what to spend, "gap-filling", etc. but for now there is a question mark about costs there
- n. Lisa Dally Wilson asked if the funding strategies worksheet was approved by the Task Force (Adriane Borgias indicated yes), and then asked about how detailed prioritization would be

- i. Adriane Borgias stated that ACE must allow for discussion in the task force about the direction of the group and work to be done,
 - ii. Additionally, the Task Force must lay out the justification for each task to satisfy the accountability piece of the Legislative Proviso
 - iii. Lisa Dally Wilson noted that the funding strategies worksheet had no priorities just a list of tasks
- o. There are weekly planning meetings with Ruckelshaus and anyone who wants to join in can do so
 - i. Presently Chris Paige, Aubrey (who?), and Adriane Borgias do this, focusing mostly on the mechanics of putting on a meeting (usually on Tuesday but gets moved around)
 - ii. If someone wants to join let Adriane know; The next meeting is Monday August 26th, but time is unknown
- p. Rick Eichstaedt requested that when the announcement for the funding group comes out, make sure it is clearly understood and communicated to all that prioritization will be occurring at that meeting
- q. Prioritization involves work that the entire Task Force can do and so their input will be valuable; Could provide examples of new priorities that ACE has not thought of
- r. Bud Leber asked more about what is needed and Adriane explained how this is just documentation to show justification and accountability (to satisfy those pieces of the contract)
- s. ACE should start down the contract route because of possible delays; Bud Leber wanted to know if there is anything to do parallel to save time with the scope of work that is done
- t. Doug Krapas explained how strategic plans set-up for each task would help with funding requests; Simple as drawing them up and then attaching dollar amounts
- u. Bud Leber wanted to know if there was an overarching write-up to save time
- v. Lisa Dally Wilson noted that before the funding group meeting, ACE should identify the level of detail that is wanted for the prioritization; After that set out high priority items in a big umbrella paragraph that can have numbers plugged in
 - i. Doug Krapas stated that the Task Force should avoid being too detail oriented at this point; Things could change in a year and this would avoid any hang-ups over language that is too detailed
 - ii. This is for showing budget at each stage, then when specific tasks get close, get more detailed for each
- w. Rick Eichstaedt stated that he will go to Andy Billig with data, the need for measurable progress, and to get to the water quality standards

6. Treasurer's Report

- a. Dave Moss gave report for the end of July; 38,947.20 in the back
- b. Two recent transactions:
 - i. Received 35K from Ecology (revenue)
 - ii. LimnoTech invoice #5 which is through the end of July for \$28,632

- iii. Net at end of August is \$45,315.20
- iv. This compares with the spreadsheet showing that LimnoTech was \$4,000 more than Bud Leber estimated;
 - 1. Bud Leber stated that ACE should go off this report since the numbers are better; the \$45,315 is the real number for the \$49,000 estimate in Bud Leber's sheet
- c. Ecology money is in the bank, but LimnoTech is just being paid
- d. Doug Krapas asked if ACE paid for director's insurance
 - i. Rick Eichstaedt has not gotten figures yet so there is no quote and this is not in the report
- e. Dale Arnold mentioned that an independent audit will be needed. This will cost something (to be discussed with Steve Faust in September)
 - i. Bud Leber would like to get a list of other expenses before the Steve Faust meeting and have all of ACE take a look at it
 - ii. Rick asked if Ecology requires non-profits to get audited, or is there another process?
 - 1. Adriane Borgias was unsure, but has been told if there is a requirement it will be in the Ecology-ACE contract; Bud Leber noted that there was a threshold amount of money that required an audit (Steve Faust will likely know the exact amount)
 - 2. Bud Leber noted there was an audit piece in the agreement with the County that was triggered by a dollar amount threshold
 - 3. Tom Agnew noted the transparency of what is being done and whether an audit is really needed; Adriane Borgias explained this is just a 3rd party check out
 - 4. Rick Eichstaedt was concerned that there would be procedural issues that could cause issues given the small amount of staff (separation, check writing, etc.)
 - a. Adriane Borgias mentioned how she was part of a bare bones group but they still used an audit
 - b. Doug Krapas was concerned about an overly aggressive auditor causing troubles but Adriane Borgias noted that you can set parameters with Auditor
 - 5. Rick Eichstaedt noted that Center for Justice audits were stopped because funders saw it as expensive, but they are still occasionally; But if a funder requires it, it has to be done
 - a. Rick Eichstaedt will add audit questions to the list of things to ask Steve Faust but Adriane Borgias will also find out if Ecology contractually requires an audit
 - b. Tom Agnew asked if Ecology has an internal audit function but Adriane Borgias did not know (noted rigid procedures on cash flow)
 - c. Dale Arnold and Bud Leber noted that third party external auditors could be used too

7. Cash Flow Projections

- a. Bud Leber passed out the cash flow chart
- b. Assuming the next funding cycle runs through August, the chart is the spread of the monthly payments for Ruckelshaus
- c. Phase 1 for LimnoTech may be off by a few thousand dollars (total value of phase 1A and 1B with LT—\$39,576; Project to spend \$77,205 for 2013, \$27,594 for 2014, 144,375; these are the projected LimnoTech numbers); this is the cash amount needed
- d. Income and net projections by Bud Leber; Ecology grants=\$25,000 (assumed to be August); \$40,000 for LimnoTech after Phase 1B is done, ACE will get grant money after that phase
- e. Ruckelshaus draft agreement is \$20,550 in November 2013 and another \$20,550 in May 2014
- f. As of July 1, ACE had \$73,947 in the bank;
- g. Bud Leber noted that the spending schedule and balance of funds show that money will be run out in November, and ACE will need additional funding at that point
 - i. Doug Krapas asked if the money from the Legislature is included in these figures, but Bud Leber said no
- h. Dave Moss will be at the funding group meeting and can get documents from Bud Leber
- i. Adriane Borgias will speak with Chris Paige (if Doug cannot do so), about emphasizing prioritization work; and about the Ecology Agreement with ACE
- j. Tom Agnew noted that ACE needs to leave flexibility to say send a member to a conference if need be, but Rick Eichstaedt noted this would be fine if it is within a priority

8. ACE Structure to facilitate Ecology Funds Transfer

- a. Contract based or the Quasi-Governmental Option
- b. Rick Eichstaedt explained that this is something to discuss with Steve Faust
- c.
- d. Meeting w/Steve will cover this

9. Preparation for Meeting with Steve Faust in September

- a. There is a growing list of questions for that meeting; Topics such as insurance, audits, and ACE structure
- b. Bud Leber will start to draw up a list and disseminate it to see if anything should be added;
- c. This is all of the preparation that can be done at this time
- d. Rick Eichstaedt noted that Steve Faust is looking for dates; Possibly have a meeting in beginning of September at Gonzaga University Law, with some students (Dave Moss will not available the 2nd week of September)

- 10.** Next meeting will depend on dates with Steve Faust, likely no meeting beforehand;
- a. Bud Leber will update ACE as discussions on the contract continue
 - b. Maybe incorporate with meeting with Steve?
 - c. Dave noted that another meeting could occur before the next Task Force meeting on the 25th of Sept.

11. Motion to adjourn by Bud Leber; 2nd by Dale Arnold; Passed