

ENVIRONMENTAL ADVISORY COUNCIL
Lansing, Michigan
Thursday, October 15, 2009, 1:00 – 4:00 p.m.

Members in attendance: Jon Allan, Sandra Batie, Steve Chester, James Clift, Jeffrey Haynes, Chuck Hersey, Mindy Koch, Larry Merritt, Del Rector, Doug Roberts, Donna Stine, Andy Such, Gildo Tori, and Paul Zugger.

DEQ Staff in attendance: Gerry Avery, Frank Baldwin, Liz Browne, Bryce Feighner, Lynn Fiedler, Kim Fish, Jim Kasprzak, Lynelle Marolf, Frank Ruswick, Liane Shekter Smith, Julie Sims, Jim Sygo, and several Leadership Academy participants.

EAC Members, staff, and Leadership Academy participants introduced themselves.

Current Issues

Director Chester provided an update on the wetlands program. Legislation to modify the program has been enacted, but will not become effective until a supplemental funding bill is passed. We expect this to occur in the near future. An advisory committee will be established to consider further issues and make recommendations, including a funding model for the future.

Director Chester indicated the DEQ has received an Innovations Award from the Council of the State Governors for the water withdrawal assessment tool. This is a very prestigious award.

Director Chester provided an update to a case we prevailed in Ingham County Circuit Court regarding the reporting of leaking underground storage tanks. This should enable us to obtain better reports from companies in the future.

Jim Kasprzak shared that the DEQ and DNR combined budget bill was signed by the Governor this week. He also provided a handout explaining the final budget figures, the wetlands funding, major reductions in general fund support, and legislation required to implement the 2010 budget.

Director Chester expressed the importance of the air fee increase. Representative Lahti has convened a discussion group to resolve this before November 1. At the current staffing level, we can only commit to thirty percent of the requirements.

Director Chester provided an update regarding the DEQ/DNR merger. Mr. Bruce Rasher has been appointed transitioning manager and wants to meet with various stakeholders. Director Chester suggested he meet with the EAC members and members agreed. There will be a special meeting scheduled in the near future.

Donna Stine added that the Executive Directive included a component about transitioning to new ways of managing natural resources and the environment. The EAC's current project is directly related to this part of the Executive Directive. The Executive Order becomes effect on January 17, 2010, unless the Legislature rejects it within 60 days of issuance.

A member provided additional information on the Leadership Academy at Michigan State University.

Opening

Chuck Hersey began his presentation by describing human nature in conflict – the tendency to focus on differences rather than what is in common. He suggested that the draft “roadmap” provides an opportunity to describe what we have in common on the issue of a new approach to environmental management.

Chuck provided a background on the EAC project and a series of statements describing the current political and economic situation in Michigan. He highlighted the key question of what services can and should government provide and how should those services be delivered. The current governance model narrows our vision and we need to be more expansive in our consideration of issues. It is important that, to be successful, we must focus on the outcomes of our efforts, not simply count what we do.

Chuck explained the need to allocate resources to plan and prioritize; engage stakeholders; do ongoing evaluations; all of which helps guide resource allocation/budgeting. We should identify practices that encourage innovation and implement them and develop systems of accountability, monitor, track and report outcomes.

Discussion on the Draft Roadmap

Frank indicated that he was going to structure the discussion to identify general agreement items. There will be an opportunity later to resolve any areas of disagreement that are identified.

Background Section

- Director Chester shared a concern that the principles appear to be broadly worded. They may not say enough. He suggested we narrow it down more – by providing examples or options for further consideration.
- The first bullet is a permissive statement. The concept is correct but the word choice could be different. We have to decide whether this set of principles stays in house or open for anyone. Specific laws can constrain or enable.
- A member asked where we have a common understanding in bullet four. It plays to our differences. We don't have the resources to get the outcome we want to achieve. Some of the bullets are written futuristically. Is the statement of current conditions? The point in this statement implies the inability to adjust to a condition.
- A member asked if there was anything in statute that encouraged or prevented the actions called for in the principles. Consensus by the members was that, in general, there is not. This raises the question of how we go about making the recommended changes. Are the actions changes to statute?
- The constraints of federal requirements and funding sources need to be described in the background statement. Frank clarified the background statement is identifying the need

for change. He asked if there was agreement with this proposition and members indicated there was. Although, it was pointed out, generally people will not agree that there is a need for change until they know the nature of change that will occur.

- A member indicated that change is going to happen. Do we want to influence the change? A member suggested a managed process for change. Realistically the change should occur over a timeline.
- A member identified bullet one – model from a blank slate should be reworded. We don't have a blank slate. Director Chester agreed. The system we develop now wouldn't be the same. That sentence may be interpreted as a failure. Now it's a good time to adjust and move forward.
- Jim Kasprzak addressed bullet six – reword about reducing costs through gains to *efficiency* gains that could reduce costs.
- The document could be worded differently since the announcement to combine the departments has occurred.
- A member suggested a bullet point on the economy of the state, but it needs to be neutral.
- The background section would benefit with an opening “the EAC for the past nine months.....the findings of the group are.....”
- The bullets are findings and should be labeled as such. The background section should explain what the current model is.
- We need these findings because it answers much of why are we doing these things. Who is the end-user of receiving this document? A lot can determine how we structure the document.

Frank summarized the discussion of the background section. It is important to recognize the audience for the document. The EAC supports the concept of changing how we manage natural resources and the environment but getting broader agreement will entail greater understanding of what change should occur.

Principles and Recommendations:

Frank organized the discussion by focusing on each principle in turn.

Principle One

- This principle should be more specific and clear. It's too generalized and many would say we are doing what is called for in it now.
- The Air Quality Plan was raised as an example of measurements and outcomes.

- We should identify what the recommended change is for each principal. Do other stakeholders need to be brought into the decision?
- The third bullet focuses on what the department should do. There are a lot of players in the environmental management system and the department should not be singled out. We should anticipate a greater role for local governments in the planning process and implementation process.
- A member indicated that this document will be the beginning of the conversation and should not be considered a final word on the subjects contained in it.
- Bullets two and four appear to be the same and there is a need to identify environmental needs and risks in bullet five.
- Resources should be added to the other principles too (bullet two). The EAC has recognized that resources should be established for planning purposes.
- A member suggested that funding should be a standalone principle. The funding point is in number six. Director Chester agreed that funding should be made available for planning purposes and suggested the wording in the third bullet about disinvesting in certain activities that are a low priority. We should encourage desired outcomes and word differently.

Principal Two:

- Greater use of the internet should be specifically referenced in the context of encouraging greater transparency.
- The organization needs to be built around the concept of increased collaboration.
- The concept of changing how we do business does not necessarily mean eliminating certain activities (e.g., permitting), but does entail changing how we do them.
- It would be helpful to have greater clarity on the concepts of what “risk” entails and what it means to “maintain a baseline”.

Principle Three

- It should be indicated who “we” is.
- The differences between the concepts of “risk” and “harm” need to be clarified.

- The concept of requisite monitoring should be strengthened.
- We should recognize the difference that sometimes exists between the public’s concept of risk and that of environmental professionals. Education on calculated risks would be helpful, but professionals should not assume that public notions of risk should be discounted just because they differ with that of professionals.
- There are a number of ways that people can help as a resource. Add a bullet about “collaboration.”

Principle Four

- This principle should be reworded to encourage assessment and improvement. This approach cannot be stagnant. It needs to be adaptive, readjusting, improving.
- There are different models on how to reach outcomes.

What consideration has been given to privatizing activities currently conducted by government?
There is an opportunity for partnerships in, for example, conducting training.

Principle Five

- Too limited. Add more bullets.
- The concept of “new institutions” needs to be communicated more effectively.
- “Rearrangement” should be changed to another word or eliminated altogether.
- Do we need statutory change to reflect the department has the right to use ADR when needed?

Principle Six

- The third bullet should be a separate principal.
- Number six should be principle one and the second bullet should be number two.
- Who is the next audience? It should be written so anyone reading it can understand the context. It should be a complete document.
- We need to be mindful that it will go on the Web site, or out to Legislators, etc. Perhaps there is room for different versions of this document depending on the audience.
- The document would be easier to read if it included examples.

Closing

Frank indicated that the planning committee will prepare a new draft based on today's discussion. This will be provided to the EAC and DEQ Senior Management Team in time to review before the next meeting.

There will not be a meeting in November. The next meeting will be December 10, 2009, at the usual 1:00 to 4:00 p.m. time.