

ENVIRONMENTAL ADVISORY COUNCIL
Lansing, Michigan
Thursday, February 21, 2008 1:00 – 4:00 p.m.

Members in attendance: Sandra Batie, Steven Chester, Tim Faas, David Gard, Chuck Hersey, Larry Merritt, Brian Jonckheere, Vincent Nathan, David Rinard, Mike Shriberg, Guy Williams, Brian Beauchamp for Lisa Wozniak, Paul Zugger.

DEQ Staff in attendance: Linda Albro Sparks, Liz Browne, Kim Fish, Dave Hamilton, Jim Kasprzak, JoAnn Merrick, Frank Ruswick, Jim Sygo.

OPENING

Frank Ruswick welcomed members to the meeting where we plan to continue our discussion of recommendations for Land and Water Management Division (LWMD) Programs.

CURRENT ISSUES

Director Chester updated members on the DEQ budget, and indicated that under the Budget as proposed by Governor Granholm, the DEQ would receive \$45 million in general funds in fiscal year (FY) 09 general funds. This is compared to fiscal year 02 when DEQ received \$101 million from the general fund, but is about \$17 million more than the DEQ received in FY 07. The DEQ will still have some unresolved budget issues, and the Governor is clear that we will not be seeking any new fees. The department is unable at this time to address the shortfall in the Clean Air Act operating permit fee. Without additional funding in FY10 the department will start to develop a backlog in permit applications and this will result in changes to the way the department does business. The LWMD is funded at current staffing levels. The Brownfield Redevelopment program will have exhausted funds in FY 10, and with no replacement funding the department will need to shut down some treatment systems. The underground storage tank program will have insufficient funding for 4,500 orphaned tanks. A full program would require needing \$170 million per year to cleanup up contamination caused by leaking underground storage tanks.

Jim Kasprzak, Chief of the Financial and Business Services Division handed out the DEQ Funding History that further detailed DEQ budget shortfalls for the future. Attachment 1. Jim Kasprzak told members that the DEQ was prepared to bring 11 fee proposals forward in FY09. We are starting to see a decline in federal dollars from a peak in FY08, and the department does not get adjustments from the federal government for salary and wage increases. Jim discussed the handout that details funding history compared with inflation.

Some discussion occurred between Director Chester and members regarding the impacts of legislative term limits. We will have 47 legislators term limited in the Michigan House of Representatives.

Director Chester announced that the DC Circuit Court of Appeals vacated the federal Mercury rule. Michigan is pursuing 90% mercury reduction by 2015. Director Chester told members the department is going forward to draft rules with reference to the federal ruling, and the department's ultimate goal won't change.

Frank Ruswick updated members on the status of the water withdrawal legislation. Beyond ratifying the Great Lakes Compact, Michigan is taking additional steps through legislation to implement the Compact agreement. The key legislators working on this are Senator Patty Birkholtz and Representative Rebecca Warren. Frank Ruswick indicated that he thought that the legislature is about 90% of the way towards agreeing to the legislation, however, several big issues remain such as when is a permit for water withdrawal required. Part of the legislation is a web based "assessment tool" that predicts the impact of a proposed withdrawal on streams. We will make arrangements to show this tool to the EAC at a future meeting. This tool may be shown to you at a future meeting.

Frank Ruswick informed members that he received a call yesterday from a citizen who has expressed an interest in attending an EAC meeting to discuss the Kennecott Mine in the Upper Peninsula. This person also expressed concerns about EAC meetings not being open to the public or subject to the Open Meetings Act. Frank Ruswick explained to the citizen that the EAC is open to the public, but it is an advisory body to Director Chester who sets a defined agenda. EAC members can bring topics to the meetings for general discussion. The person indicated an interest in contacting EAC members directly. Frank Ruswick advised that EAC member names and affiliations are listed on the website, and that there is a website link to an EAC mailbox which Frank has access to. Director Chester noted that we have had members of the public attend past EAC meetings including Farm Bureau members and a reporter. A member noted that one of the major complaints about the separation of DEQ from the DNR was the loss of oversight by the Natural Resources Commission. Director Chester said that Governor Engler eliminated 19 boards and commissions. Governor Granholm had proposed recombining the agencies. Director Chester created the EAC to provide a forum for DEQ constituencies to weigh in on activities of the DEQ. Our first EAC developed public involvement recommendations.

A member asked whether the department had reviewed an ATSDR report about the health effects of contamination in the Great Lakes watershed and relayed that some were questioning the science behind this report. Frank Ruswick talked with a group of DEQ toxicologists just after a news article broke suggesting that this report was suppressed due to bombshell findings, and they thought both of these characterizations were inaccurate.

Another member talked about Senator McCain visiting the Ford Motor Company Wayne Assembly Plant and is scheduled to meet with the CEO's from Ford, GM, and Chrysler; however he wasn't sure if any other candidates were planning similar visits and meetings.

Director Chester alerted the Dow Chemical Company has sued the DEQ over our approval with modifications for the design of remedial investigation in the Saginaw River and Saginaw Bay. A member asked if the letter was on the website. Deputy Director Sygo said generally those aren't on the website, but that the letter can be obtained under the Freedom of Information Act and we would provide a copy if EAC members are interested.

Frank Ruswick said traditionally at the end of the February meeting Director Chester will spend time recognizing and thanking EAC members whose terms are complete. This year the Director was proud to announce that the members have agreed to extend their term. Director Chester and Frank Ruswick thanked members for agreeing to remain on the EAC.

DISCUSSION – Possible recommendations on LWMD Programs

Frank Ruswick distributed handout materials which were e-mails from two EAC members recommending changes to the draft of the document called Recommendations of the Environmental Advisory Council Concerning the LWMD.

The following bullet points highlight some of the discussion items and recommendations made by the members:

- There was an agreement among members that the document was a good starting point, but needs more clarity and lacked a sense of prioritization.
- The members thought that item #8 should be more seriously considered.
- A recommendation was made to separate conclusions or findings from recommendations.
- There is a lack of understanding among the general public regarding laws and regulations.
- Suggestions were made that the DEQ consider limiting educational resources to those who can make most effective use of it.
- The document needs to include specific data supporting the findings.
- Members agreed that the document needs to state whether LWMD is failing to meet federal mandates, and the outcomes if this continues.
- The document needs to include LWMD program imbalances, and characterize LWMD's successes and/or failures.
- Members agreed the document needs to define "success" for LWMD, and that the document should include that LWMD is not doing these things because of a, b, and c, and highlight LWMD successes.
- A suggestion was made to bring resources in line by ending certain responsibilities or adding more staff.
- Another member suggested that a long term strategy needs to be increasing resources.
- There was a discussion that we need to focus on a vision of where we want Michigan to be short term vs. long term.
- The statement against program elimination needs to be more direct. It is important to state that the EAC does not recommend wholesale elimination of programs. Members agreed that more information should be given regarding the consequences of turning programs over to federal jurisdiction, as the public will not understand that and may only see that the program will be continued in its current state, however, under federal control.
- There were several suggestions from members about adding more language regarding targeted prioritization. Further discussions focused on risk assessment for this item. There was a discussion among members and Frank about LWMD's previous streamlining efforts and that LWMD are unable to bring resources in line with current responsibilities.

- Members agreed that there needs to be a clear statement that efforts to gain efficiency in program operation will not be sufficient to bring responsibilities in line with resources. The Legislature could say that LWMD has more to give, and this document needs to reinforce that there isn't any more to give. Frank Ruswick said that there may be some things that LWMD can still do however, actual savings accrued will not be sufficient to bring responsibilities in line with resources and the department will continue to focus on streamlining efforts. Director Chester talked about the possibility that DEQ Water Bureau may assume some of LWMD current responsibilities. Frank Ruswick mentioned some internal discussions regarding alignment of DEQ and Corp of Engineers responsibilities. Kim Fish asked that we avoid terms like efficiency in the document which may give the impression of waste. Members agreed that the wording needs to be strong that we do not recommend turning the wetland program over to federal government, because of specific reasons.
- Director Chester thinks it important to say due to budget structural deficits, the DEQ doesn't expect to find a way out of this problem.

Frank Ruswick concluded the meeting that he will provide members with another draft for comments. If members have additional items they want included in the next draft, please e-mail Frank directly. Frank Ruswick told members that at this time the department has not identified another long term project for EAC. We should consider holding meetings every other month. The EAC will meet in March and at that meeting we will discuss future EAC operations.

Meeting Summary by Linda Albro Sparks.