RHODE ISLAND BAYS, RIVERS, & WATERSHEDS COORDINATION TEAM

September 24, 2008
RI Economic Development Corporation

DRAFT Meeting Minutes

Coordination Team Members in Attendance: Juan Mariscal, Mike Walker (for Saul Kaplan), Tom Uva (for Ray Marshall), Jeff Willis (for Mike Tikoian), Kevin Nelson (for Kevin Flynn), Sue Kiernan (for WMS), Jane Sherman

Other Meeting Participants: Jane Austin

Coordination Team Staff: Ames Colt, Melissa Stanziale

CT Administration:
Meeting was called to order at 2:00 p.m.

Colt requested approval of draft minutes for July 23, 2008 meeting.

Motion passed unanimously to approve the7/23/08 meeting minutes.

Budget Article 30 Implementation:
Colt reported that revenues are being generated by the septage disposal fee, and there have not been any issues with implementation of the fee. He will request information from DEM on the BRWCT Restricted Receipt Account balance to distribute to the rest of the BRWCT.

Implementation of the Trans-Atlantic Cable fees is still being discussed by CRMC. It has requested guidance from the General Assembly on legislative intent regarding the cable fee.

OSPAR:
Kiernan reported that the first two cycles of allocations from OSPAR for the fixed station network were $33,000 the first year (FY07) and $28,000 for FY08. She asked that the BRWCT would grant an additional allocation of approximately $20,000 for the fixed-station monitoring network to cover costs incurred in August 2008 subsequent to all of the available federal funds (the Baywatch program) being spent.

Mariscal asked what would be done with this money otherwise. Colt answered that it had not been decided yet and there approximately $67,000 of the BRWCT's OSPAR fund allocation remain to be committed in FY 2009.

Uva requested that regardless of how the BRWCT spends its annual OSPAR allocation, it should do so in a transparent manner and detail funding decisions in the BRWCT meeting minutes. Colt advised that DEM, via Kiernan, has pulled together and distributed detailed information on how the OSPAR funds allocated to the BRWCT for economic and environmental monitoring have been spent in FY07 and FY08, and that the BRWCT reviewed carefully at its July 23, 2008, meeting how FY09 funds would be spent. Colt felt that the information provided by Kiernan was more than sufficient to show how the OSPAR funds have been utilized over the past two years, and that he would continue to ensure that detailed reporting would continue on the use of the OSPAR funds forenvironmental and economic monitoring.

Motion passed unanimously to approve $20,000 in funds for the fixed station monitoring network for the upper bay.

Kiernan said she would inform the BRWCT when she had determined the exact amount needed to cover all remaining fixed station monitoring costs for the 2008 field season. Colt pointed out that this allocation left about $47,000 available in the OSPAR allocation for economic monitoring.

SLP Update:
Colt had 100 hard copies of the SLP produced by the General Assembly Press. Hopefully, they will provide more if needed. He has assembled a large mailing list, at Representative Naughton's request, including Legislators, Town Planners, Mayors, etc.

Also, he was interviewed in August by Bob Seay of WRNI on the release of the BRW SLP, and by Channel 10's Earth Watch series. He is now talking with Peter Lord of the ProJo about an article.

Survey:
Colt is still waiting for responses from the Rivers Council, CRMC, and EDC on the SLP implementation priorities survey issued last month. He was encouraged to see agreement among the agencies with regard to top priorities, and urged all to try to finish the survey request.

Annual Work Plan:
Colt did not feel there was a need to enter into discussion about the State Guide Plan, but he will report on it in two months.

The BRWCT needs to develop an annual implementation work plan based upon four-five priorities by early 2009, and then develop through the spring of 2009 reasonably detailed multi-year action plans for pursuing them. They also need to define performance measures and decide how they should be applied. Kevin Nelson reiterated the importance of working with the Div. of Planning's Office of Strategic Planning and Policy in order to ensure SLP implementation performance measures that are developed dovetail with the

state's existing performance measure system. Nelson advised Colt that as of FY 2010, the budget office will only accept outcome measures. Colt said he would report back in November any discussions he had with this office.

Colt stated that he continues to hesitate to spend much time on developing detailed implementation project budgets because of continuing uncertainties about state agency budgets and the small potential for new funds; but he stated that it's really up to what the agencies want an implementation work plan to look like. While they need not commit to new activities given budget constraints, they will need to demonstrate progress on establishing and pursuing SLP implementation priorities to the General Assembly. Colt stated that he can lead the development of implementation plans but he cannot do so realistically without genuine dialogue, input, and support from the BRWCT agencies.

Considering Reforms to State Budgeting Processes: "Budgeting by Outcomes"

Colt presented a brief summary of recent innovations in state budgeting process, relying upon Osborne & Hutchinson's "Budgeting for Outcomes" model articulated in the book The Price of Government (2004)

1. Determine key governance priorities.

2. Determine the public's "willingness to pay" for achievement of these priorities.

3. Determine how to deliver on those priorities in the most cost-effective manner giving public's "willingness to pay."

The key differences between traditional state budgeting processes and the budgeting for outcomes model can be summarized as follows:

	Cost/Agency Based Budgeting	**Budgeting for Outcomes**
Starting Point	Last year as the base "entitlement"	Price of Government: How much citizens are willing to spend for services.
Focus	Add/subtract from base entitlement	Buying results that matter to citizens from competing offers
Addition	Autopilot increase = new base	Since there is no base, there is no adding and subtracting
	Cost/Agency Based Budgeting	Budgeting for Outcomes
Submission	Justification for needs and costs, plus extra	Offer to deliver results at the set price
Incentives	Build up costs and make cuts hard	Produce the most results at the set price

Analyst's job	Find hidden/unnecessary costs	Validate offers or find better choices
	Cost/Agency Based Budgeting	Budgeting for Outcomes
Elected official's job	Choose to cut services or raise taxes, and get blamed (or blame someone else)	Choose the best offers to get the most results for citizens at the price they will pay
Debate	What to cut, what to tax	How to get even better results

Colt proposed deeper consideration of this budget reform model by the agencies in developing BRWCT work plans, suggesting that this budgeting approach would be relatively easier to implement by environmental and economic development agencies than by human services agencies whose expenditures are more constrained by statutory mandates.

Sherman asked how one group of state agencies such as those on the BRWCT could undertake such major budget reforms when all state agencies essentially compete with each other in the context of traditional state budgeting processes. Colt responded that there will always be core funding for natural resource and environmental priorities; how that core funding will be allocated strategically is the key problem or challenge to be addressed. He emphasized that he certainly cannot compel the BRWCT to use the SLP implementation process to undertake such major reforms to their budgeting process, much of which is imposed upon the agencies by Depart. of Admin., the Governor, and the General Assembly. Major budget development reforms would require major actions by the Governor and the General Assembly, but arguably the BRWCT agencies have an important opportunity to start taking steps toward reforms to how their budgets are developed, reviewed, and approved.

Stormwater Management

The ad hoc planning group identified in mid-2008 as an implementation priority stormwater management. Colt proposed that the Stormwater Solutions workshop to provide municipal training being organized by URI & DEM, to be held November 13th, would be a good time to announce that BRWCT would convene a taskforce on stormwater intended to bring stakeholders together to find out who is doing what and how collaboration and coordination could be increased.