OCT 2 3 2001

ENVIRONMENTAL HEARINGS OFFICE

# BEFORE THE POLLUTION CONTROL HEARINGS BOARD STATE OF WASHINGTON

AIRPORT COMMUNITIES COALITION,

PCHB No. 01-160

V.

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STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY; and PORT OF SEATTLE,

Respondents.

Appellant,

ECOLOGY'S REPLY TO ACC'S OPPOSITION TO ECOLOGY'S MOTION TO STRIKE ATTORNEY-CLIENT PRIVILEGED DOCUMENTS

### I. INTRODUCTION

Pursuant to the Board's direction, Ecology submits this reply to the Airport Communities Coalition's (ACC) opposition to Ecology's motion to strike attorney-client privileged documents. In its reply, ACC argues that (1) the attorney-client privileged advice is "at issue" in this case so that the privilege does not apply, and (2) the advice was withheld as deliberative and then intentionally released with other deliberative documents so that the privilege has been waived. Both of these arguments are meritless.

### II. AUTHORITY AND ARGUMENT

AR 006357

## A. The Attorney-Client Privileged Advice Is Not At Issue In This Case.

ACC correctly notes that the attorney-client privilege is waived in circumstances where the privileged communications are placed "at issue" in a lawsuit. *Pappas v. Holloway*, 114

ECOLOGY'S REPLY TO ACC'S OPPOSITION TO ECOLOGY'S MOTION TO STRIKE ATTORNEY-CLIENT PRIVILEGED DOCUMENTS

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Wn.2d 198, 204, 788 P.2d 30 (1990). ACC neglects to point out, however, that this waiver occurs almost exclusively in malpractice cases where the attorney needs to rely on his advice to defend himself:

There are several notable exceptions to the attorney-client privilege. One example of particular importance here occurs when an attorney is sued for malpractice by a client. Where it would be manifest injustice to allow the client to take advantage of the rule of privileges to the prejudice of the attorney, or when it would be carried to the extent of depriving the attorney of the means of obtaining or defending his own rights, this court has ruled the privilege is waived.

Pappas, 114 Wn.2d at 204.

Similarly, in *Hearn v. Rhay*, 68 F.R.D. 574 (E.D. Wash. 1975), cited by ACC, the court required three prerequisites to finding an implied waiver of the privilege:

... where the following three conditions are satisfied, an implied waiver of the attorney-client privilege should be found: (1) assertion of the privilege was the result of some affirmative act, such as filing suit, by the asserting party; (2) through this affirmative act, the asserting party put the protected information at issue by making it relevant to the case; and (3) application of the privilege would have denied the opposing party access to information vital to his defense.

Hearn v. Rhay, 68 F.R.D. at 581; quoted in Pappas, 114 Wn.2d at 207.

These principles have no application here. Ecology did not initiate this suit, nor has Ecology taken any position that puts its attorneys' advice at issue. The question of whether a water right is required before the Port may implement its Stormwater Management Plan and Low Flow Mitigation Plan is a purely legal question. Ecology submits that a water right is not required because these plans do not involve a "use" of water as the term is employed in the water code. Ecology's attorneys' advice on this legal question is not relevant and certainly cannot be considered "information vital" to ACC's case. ACC argues that the advice is relevant because it allegedly contradicts Ecology's characterization of ACC's arguments as "creative", but this type of "need" is patently insufficient to justify an implied waiver of the

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attorney-client privilege. *See Pappas*, 114 Wn.2d at 207-208. ACC's arguments should be rejected.<sup>1</sup>

# B. Ecology's Disclosure Of The Attorney-Client Privileged Material Was Inadvertent.

As the Declaration of Ray Hellwig submitted in support of Ecology's motion to strike shows, Ecology intended to withhold the attorney-client privileged information from disclosure. The exhibits to Mr. Hellwig's declaration show that Ecology classified the information as attorney-client privileged and thus exempt from disclosure. Hellwig Decl., Ex. 1, p. 1; Ex. 2, p. 2. Ecology actually did withhold the information from one copy of the document on the basis of attorney-client privilege.

Ecology claimed the remainder of Mr. Hellwig's notes as deliberative and withheld them initially on that basis. Once the final decision on the Section 401 Certification was made, however, the deliberative process exemption no longer applied and Ecology was required to disclose, and did disclose, the remainder of the document. Ecology, however, inadvertently failed to redact the attorney-client privileged information from the copy disclosed with the deliberative process documents. Hellwig Decl., ¶ 5.

Contrary to ACC's claims, these facts do not establish an intentional waiver. Rather, they establish that Ecology inadvertently disclosed attorney-client privileged information that it intended to withhold. The Board should affirm its previous decision granting Ecology's Motion to Strike.

#### III. CONCLUSION

For the reasons stated above, the Board correctly granted Ecology's Motion to Strike

<sup>&</sup>lt;sup>1</sup> ACC also cites *Mission Springs v. City of Spokane*, 134 Wn.2d 947, 971, 954 P.2d 250 (1998), in support of its argument. That case does not apply here, however, because the court there did not address the question of whether there was a waiver of the attorney-client privilege. Also, the rationality of the city council's action was directly at issue in that case while the rationality or irrationality of Ecology's action here is not.

1	and ACC should be required to return the attorney-client privileged information to Ecology		
2	and to refrain from referring to it in the future.		
3	DATED this 22 day of October, 2001.		
4			
5	CHRISTINE O. GREGOIRE Attorney General		
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7 8	THOMAS J. YOUNG, WSBA # 17366 Assistant Attorney General		
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15	MARCHIORO\SEATAC\PCHB 01-160 & 01-133\REPLY TO OPP TO STRIKE DOCS.DOC		
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11	Appellant,	CERTIFICATE OF SERVICE
12	v.	
12	STATE OF WASHINGTON,	
13	DEPARTMENT OF ECOLOGY; and PORT OF SEATTLE,	
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15	Respondents.	
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16	Pursuant to RCW 9A.72.085, I certi	fy that on October 22, 2001, I caused Ecology's
17	Reply to ACC's Opposition to Ecology'	s Motion to Strike Attorney-Client Privileged
18		
19	Documents, and this Certificate of Service if	n the above-captioned matter to be served upon the
İ	parties herein, as indicated below:	
20		
21	Peter J. Eglick	☑ U.S. Mail
22	Kevin L. Stock Helsell Fetterman LLP	☐ State Campus Mail☐ Hand Delivered
	1500 Puget Sound Plaza	Overnight Express
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1	Rachael Paschal Osborn Attorney at Law	☑ U.S. Mail	
2	2421 West Mission Avenue	<ul><li>☐ State Campus Mail</li><li>☐ Hand Delivered</li></ul>	
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4	Linda J. Strout, General Counsel Traci M. Goodwin, Senior Port Counsel	<ul><li>☑ U.S. Mail</li><li>☐ State Campus Mail</li></ul>	
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15	MARTEN & BROWN 421 S. Capitol Way, Suite 303	☐ State Campus Mail☐ Hand Delivered	
16	Olympia, WA 98501	☐ Overnight Express☐ By Fax: 360.786.1835	
17	the foregoing being the last known business address.		
18	I certify under penalty of perjury under the laws of the State of Washington that the		
19	foregoing is true and correct.		
20	DATED this 22 <sup>nd</sup> day of October, 2001, in Olympia, Washington.		
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22   23	TANYA M. ROSE Legal Assistant		
24	f:marchioro\seatac\pchb 01-160\cos.doc		
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26		AR 006362	