

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

FOURTH QUARTER AND ANNUAL BUSINESS MEETING SEPTEMBER 13, 2011 ICPRB HEADQUARTERS, ROCKVILLE, MD

DRAFT MINUTES

CALL TO ORDER: Chairman Kudlas, called the Fourth Quarter and Annual Business Meeting to order at 10:00AM on September 13, 2011 at the ICPRB Headquarters in Rockville, Md. **Roll call** of attendees was conducted with the following Commissioners, guests, and staff present for some or the entire meeting:

Commissioners

Virginia

Scott Kudlas (Chair & Alt. Commission)
Robert van Laer Hartwell (Commissioner)

West Virginia

Patrick Campbell (Alt. Commissioner)

District of Columbia

Hamid Karimi (Commissioner)
John Wennersten (Alt. Commissioner)

Pennsylvania

Andrew Zemba (Commissioner)
Lori Mohr (Alt. Commissioner)
Ron Stanley (Commissioner)
Roger Steele (Alt. Commissioner)

United States

Jane Witheridge (Commissioner)

Maryland

Colleen Peterson (Commissioner)
Herb Sachs (Alt. Commissioner)

Chairman Kudlas presented an ICPRB pin to the new commissioner, Herb Sachs, who replaced Commissioner Robert Summers.

ADOPTION OF AGENDA: Chairman Kudlas asked for an approval of the agenda. **Commissioner Karimi made a motion to approve the agenda. Commissioner Hartwell seconded the motion. All were in favor.**

APPROVAL OF MINUTES: Chairman Kudlas asked for an approval of the June 14, 2011 meeting minutes. Mr. Hoffman added that in this meeting booklet, there are two sets of minutes, Executive Committee Minutes and the Business Meeting Minutes. The Executive Committee Meeting Minutes

should be accepted for the record. **Commissioner Zemba made a motion to approve the Executive Committee Minutes. Commissioner Campbell seconded the motion. Commissioner Campbell made a motion to approve the June 14, 2011 Business Meeting Minutes, which was seconded by Commissioner Hartwell. All were in favor of both actions.**

GENERAL COUNSEL'S REPORT: Mr. Bolle, General Counsel, reported that the legal activities involved routine legal matters, primarily contract reviews. There were no significant matters to report.

OLD BUSINESS

A. Financial Report: Mr. Hoffman highlighted the financial activities as of end of July 31, 2011. A large portion of the funds remain in Merrill Lynch accounts. The cashflow is good with no withdrawals made from the contingency reserve account. The accounts receivables as of August 30 is approximately \$306,000, which is primarily operational and normal for beginning of a fiscal year. The doubtful accounts receivables are recorded up to last fiscal year. They are mainly jurisdictional dues which will remain on record, as they may get paid someday.

The fiscal year closing has begun. The Audit Committee which was comprised of commissioners Kudlas, Graeffe, and Hines, with John Hines no longer an ICPRB commissioner. There is a question whether to re-establish the committee. This would be the final year with Polan and Hollis, the current CPA firm. The purpose of the audit committee is to provide guidance that the Commission wants to look at, independent from the staff. Chairman Kudlas encouraged that the commission continue this role to look at internal control and management. Commissioner Karimi added that this role can provide constructive feedback to the commission in laymen's terms. Mr. Bolle also added that from legal standpoint, it would be good to continue this committee. Commissioner Witheridge will coordinate with Commissioner Graeffe, the current Audit Committee chair. Chairman Kudlas suggested that further discussions take place at an Executive Committee conference call for committee members. The committee members would need to be re-established by the end of this month.

Mr. Hoffman continued with the financial report. The financial situation is worse compared to last year. The revenues are down due to less jurisdictional dues. The District of Columbia has not paid. Also, includes one less quarterly payment from Virginia, which is the last quarter of the current fiscal year and first quarter of the funding period that has been cut from Virginia's budget.

B. Executive Director's Report: There is a change in the next meeting location. The December meeting was planned to be at the National Conservation Training Center (NCTC) as part of a larger workshop by ICPRB, The Nature Conservancy and the Corps of Engineers. The workshop planners changed the course of the workshop which prompted our meeting to be canceled at that location. The next ICPRB meeting date will remain as Tuesday, November 29, as a one-day meeting at the Rockville office. The Executive Committee meeting in conjunction with the recruiting could potentially be held that Monday, November 28. Tentatively the CO-OP meeting will start at 8:30 am and the business meeting at 9:45am.

Mr. Hoffman noted that Mr. Sachs has been appointed as the Maryland alternate commissioner, replacing Dr. Robert Summers. It is tradition to recognize long time serving commissioners. A resolution was drafted for Dr. Summers' service at the Commission that is provided for consideration by the Commission. A proper presentation of the resolution can be made at a later date.

There is a staff change. Pat Beno will be retiring from the commission on September 30, after 33 years of service. A replacement will be not made at this time, due to uncertain financial situation in the next fiscal year. One of the staff, Audra Lew, will be changing her employment status to 80%, 4 days a week for

personal reasons. That time will also not be replaced. The time for the two positions unfilled will save approximately \$75,000 of staff expense.

The EPA Section 117 grant (Chesapeake Bay Program) was amended to add more funds for the project bringing the annual funding to the full amount expected. This is a 6-year term project. The Maryland Department of the Environment (MDE) has awarded an Memorandum of Understanding (MOU) for the second phase of the nonpoint source load estimator tool development (MAST II) project for \$149,700. Of which, approximately \$99,000 will be spent on contractor, J7 LLC. Another MOU with MDE was made for \$69,000 for Chesapeake Bay wide scenario tool project. Of which, \$49,000 will be spent on J7 LLC.

Another purchase order was received from the Virginia Department of Conservation and Natural Resources (VA DCR) for \$27,000, of which \$16,000 will go to J7 LLC. There has been some negative publicity on this project by Virginia. Without a proper contract between ICPRB and VA DCR, they have publicized completion and training dates that preceded our receipt of the contract documents. The contract was finally executed in September.

Another contract is in progress with the United States Department of Agriculture, Natural Resources Conservation Service (NRCS) for \$48,000. Another TMDL project with VA DEQ is being pursued for \$37,500. Staff is also working with MDE for TMDL support project for approximately \$170,000. There is a total of \$255,000 potential revenue. A potential project is in discussions with Tetra Tech, which is funded by the EPA. The budget amendment is expected to be presented at the November meeting.

At an All Staff Meeting held July 20, the staff was informed regarding the financial situation at ICPRB. They were informed that there are two jurisdictions that will not be paying their dues this year and next and that other financial cuts may be necessary as revenues are diminishing. As part of the methods of controlling expenses, vacancies will not be filled, which will save money and preserve the positions currently filled. The Northwest Midwest Institute (NMI) agreement for support with our Washington River Basin project was canceled effective August 31. NMI still wants to continue the relationship whether it be seeking opinions or information for upcoming environmental concerns such as the marcellus shale and utica shale.

Commissioner Zemba indicated that it may be a good time to look at Pennsylvania for more ICPRB involvement. Mr. Hoffman added that past Commissioner Hines had discussed the possibility also.

To further reduce costs, subscriptions to several publications were canceled. Also, this results in the newsclip mailings to the commissioners to cease. The Potomac Reporter will be reduced from bi-monthly to quarterly publication. Staff travel also has been limited. Mr. Hoffman noted that attendance at the Interstate Council on Water Policy meeting in St. Louis should be rejected for him based on cost constraints.

Chairman Kudlas asked for a motion to approved the resolution for Dr. Summers. **Commissioner Stanley made a motion to approve the resolution, which was seconded by Commissioner Peterson. All were in favor.**

Mr. Hoffman continued that Commissioner DeLuca, who was named alternate commissioner for Commissioner Reiger, has been reassigned out of this area. Currently COL. Larson has been assigned as an interim Commander and Division Engineer of the North Atlantic Division for the U.S. Army Corps of Engineers. Commissioner Reiger should be considering the appointment of another alternate within the Corps of Engineers.

Commissioner Campbell discussed the last Executive Committee meeting held on June 12, 2011. The committee discussed in length the financial situation and made a thorough analysis. FY12 will require a close monitoring especially without all jurisdictional dues.

Commissioner Witheridge asked that the Commission develop a continuing process of reviewing the financial situations and strategy. A frequent analysis may be required during the fiscal year.

C. Program/Projects Review: Mr. Haywood gave a review of the projects that the staff has been working in the last quarter. The project details are in Tab 7 of the meeting book. A few projects were highlighted. The Estimator Tool projects involve a contractor, J7 LLC. This contractor is not just a funding pass-through, but our staff has certain expertise that J7 LLC uses to develop the program. The Middle Potomac Watershed Assessment, Project #400, has six months to completion. The last stage of this project is to develop key technical conclusions. Leading to the conclusion are a series of webinars for stakeholders. The webinar information can be downloaded from the ICPRB website. The Potomac Ramble has been canceled due to inadequate funding. Staff is working on a one-day trip, which has been postponed due to the heavy rainfalls this season.

D. Status of Executive Director Selection Process: The recruiting process has been turned over to Commissioner Campbell as chair for the Selection Committee. The committee consists of commissioners Campbell, Hartwell, Karimi, Mohr, and Sachs, and Maria Franks from the Baltimore Corps of Engineers. The position descriptions have been finalized, and the position was advertised in early August. The position announcement closed on September 6, 2011. The Selection Committee met yesterday. The target goal for hiring is early 2012 to allow for a short “shadow” period with the current Executive Director. There were 39 applicants. The preliminary resume screening is expected to complete by October 1. Then candidate interviews may be possible in October. The selected candidate would be recommended to the Executive Committee. The final approval lies with the Executive Committee, where employment package and negotiation will take place. Travel reimbursement will be allowed for selected candidates as appropriate. This process by the Selection Committee will ensure consistency and fairness for the applicants throughout the process.

Commissioner Wennersten inquired about what the process would be for the other commissioners to add their inputs. Commissioner Campbell reiterated the consistency and necessity for a smaller group for this process. The commissioners are encouraged to work with the Executive Committee for inputs.

NEW BUSINESS

A. Adoption of FY2012 Meeting Schedule: The 2012 meeting dates are in Tab 5, Attachment 1 of the meeting book. The next ICPRB meeting date will be November 29, 2011. The Executive Committee was asked to stand-by for an additional meeting date possibly the day before. **Commissioner Stanley made a motion to approve the meeting schedule. Commissioner Karimi seconded the motion. All were in favor.**

B. Election of ICPRB Officers FY2012-Nominating Committee Report and Election Vote: The Nominating Committee consists of commissioners Zemba, Mohr, Reiger, and Sklarew. The committee had a conference call on August 29. Commissioner Mohr representing the committee, recommended Commissioner Campbell as the chair and Commissioner Karimi as vice-chair for the next term. Both commissioners accepted the nominations. **Commissioner Stanley made a motion for the nominations. Commissioner Witheridge seconded the motion with all in favor.**

Commissioner Witheridge expressed the importance of staying abreast of the financial matters with priorities. Mr. Hoffman directed the commissioners back to the June 14, 2011 meeting book, where FY2012 Program Plan and Budget links each project and budgetary items to specific ICPRB strategic goals. This budget was approved in June's meeting. He hopes that the next executive director uses this existing strategic plan, to revamp and modify for long-term planning in this difficult economy.

COMMISSIONER'S TIME

No items noted.

ADJOURNMENT

Chairman Kudlas asked for a motion to adjourn the meeting. **Commissioner Karimi made a motion to adjourn, which was seconded by Commissioner Stanley. The meeting adjourned at 12:05PM.**

Respectfully Submitted,
Joseph K. Hoffman
Commission Secretary