

**INTERSTATE COMMISSION  
ON THE POTOMAC RIVER BASIN**

**SECOND QUARTER 2013  
BUSINESS MEETING  
March 12, 2013**

**ADAMS COUNTY CONSERVATION DISTRICT, GETTYSBURG, PA**

**DRAFT MINUTES**

**CALL TO ORDER:** Chairman Karimi called the Second Quarter 2013 Business Meeting to order at 8:31AM on March 12, 2013. The following Commissioners, staff, and guests were in attendance for all or part of the meeting.

**Commissioners**

**West Virginia**

Patrick Campbell (Alt. Commissioner)

**District of Columbia**

Hamid Karimi (Alt. Commissioner)

John Wennersten (Alt. Commissioner)

**United States**

Robert Pace (Alt. Commissioner)

George Reiger (Commissioner)

**Maryland**

Herb Sachs (Chair & Alt. Commissioner)

**Virginia**

Scott Kudlas (Alt. Commissioner)

Robert van Laer Hartwell (Commissioner)

**Pennsylvania**

Andrew Zemba (Commissioner)

Lori Mohr (Alt. Commissioner)

Ronald Stanley (Commissioner)

Roger Steele (Alt. Commissioner)

**Staff and Guests**

**Staff**

Carlton Haywood (Executive Director)

Robert Bolle (General Counsel)

Bo Park (Administrative Officer)

Cherie Schultz (Director, CO-OP Section)

Jim Cummins (Dir, Living Resources)

Sherry Zandieh (Admin Assistant)

Heidi Moltz (AD, Water Resources)

**Guest**

Chris Kimple (for PA Del. Moul)

Jim Martin (Adams Co Commissioner)

Larry Martick (District Manager, ACCD)

Charley Bennett (Chair, ACCD)

**ADOPTION OF AGENDA:** Chairman Karimi asked for a motion to approve the agenda.

**Commissioner Sachs made a motion to approve the agenda, which was seconded by Commissioner Kudlas. All were in favor.**

**APPROVAL OF MINUTES:** Commissioner Hartwell asked for a modification to the Minutes to reflect his attendance by phone at the last meeting. Chairman Karimi asked for a motion to approve the December 3, 2012 Minutes with the attendance record addition. **Commission Zemba made a motion to approve the Minutes, which was seconded by Commissioner Reiger. All were in favor.**

**GENERAL COUNSEL'S REPORT:** Mr. Bolle reported that all legal affairs were related to routine matters. There were no other legal actions or matters to report.

## **OLD BUSINESS**

**Executive Director's Report:** Mr. Haywood reported on the last quarter's progress and report.

Staff member, Sarah Ahmed will be on maternity leave until mid-summer.

On the financials, under Tab 6 of the meeting book, there was no withdrawal from the contingency reserve account as of 2/28/13. The accounts receivables (AR) from FY2012 total \$200k, of which \$157k is due to unpaid signatory dues. The AR in FY2013 totals approximately \$321k, of which \$84k is unpaid signatory dues and the remainder is operational.

The funds in Merrill Lynch accounts were successfully transferred to Janney Montgomery Scott LLC.

There was a bill in the Virginia legislature to restore funding to ICPRB, including payments in arrears, which did not pass. A budget amendment that would have provided \$100k for FY2014 did not make it out of joint conference committee. The next fiscal opportunity would be in Virginia's fiscal year 2015 (July 2014-June 2015). Chairman Karimi asked that anyone with suggestions or information that may be helpful in reestablishing funding from Virginia to pass on the information to the Executive Director.

Maryland paid 90% of their dues for this fiscal year due to a 10% reduction applied to all MDE programs.

Information from the EPA indicates that the Commission's Section 106 grant for FY2013 will be cut by 5.2% which equates to about \$40,000. Apparently, sequestration will impact other grants for this year as well. To deal with the sequestration cut this year, hiring an intern in the Communications Section will not occur.

For grants and contracts, the Middle Potomac Assessment report is still at the Corps of Engineers, pending approval. The original scope of work for the West Virginia Filamentous Algae project was completed below cost and, with WV DEP approval, the unspent amount is being used for an additional task. A workplan was submitted to the MD Department of the Environment to work with the Chesapeake Bay Program on the next version of the watershed model. The contract will be for the first of what is hoped to be a three-year project. There also has been an on-going discussion with VA Department of Environmental Quality to assist with TMDL at Holmes Run, for which the Commission received a modest increase in the contract. All other projects are on schedule.

Mr. Haywood continued that he has had on-going discussions with Loudoun Water and the CO-OP utilities managers to include Loudoun Water in CO-OP operations and planning. Loudoun Water has obtained a permit for a new Potomac River withdrawal from the VA DEQ. Commissioner Kudlas informed that the permit is in force currently but it has no effect until the Broad Run water treatment plant is complete. A section of this permit specifies that Loudoun Water should coordinate with CO-OP utilities, but the details of the structure for that coordination is yet to be worked out. Commissioner Kudlas added that there is an expectation that there will be cooperation. Mr. Haywood suggested that this discussion continue in a forthcoming meeting of the CO-OP section and CO-OP utility managers.

The Executive Director has been visiting each state. He has visited WV DEP and the PA DEP. He needs to set the dates with Maryland and DC in the next month or so. Commissioner Zemba added that the ED should visit the states at least once a year. Mr. Haywood added that his goal, for each jurisdiction, is to review ICPRB activities, their relevance to the jurisdiction's water management issues, and brainstorm for additional opportunities to assist the states.

The search for new office space continues. The current lease expires on September 30, 2014, but there is more space than needed. The objectives for a new lease are to decrease cost through reduction of space and through lower cost per square foot, and to maintain access to mass transit and amenities, as feasible. Several options are being explored. The current landlord (WRIT) was asked for a proposal that would reduce the space leased at the current location in advance of September 30, 2014, but their response provided only an insignificant cost reduction. Another location owned by WRIT, however, is available now. Commission is exploring an agreement to move before the end of the current lease. The decision will be based on the overall best value in the long term (10 years), including the cost of the current lease through FY2014.

Other possible locations in northern Virginia, DC, and within Montgomery County were explored. So far, it appears these areas do not yield better leasing terms than the current lease for locations with equivalent access to highways, transit, and amenities. Direct discussions with other landlords have not occurred yet as October 1, 2012, as it is too far away for serious negotiations. ICPRB will need approximately 7,000 sq. ft. as compared to 9,700 sq. ft. currently leased. Chairman Karimi asked for suggestions and ideas from the commissioners. Commissioner Wennersten asked whether condominium for purchase was considered. Mr. Haywood replied that the Commission does not have the down payment for a purchase. Chairman Karimi asked that this option be explored as well.

Mr. Haywood assisted the Low Flow Allocation Agreement (LFAA) governing members search for a new LFAA moderator. The Commission is not a party to the LFAA but having a moderator is important to the CO-OP Operations. Three of the four of the LFAA member representatives are also ICPRB Commissioners.

Mr. Haywood has had a conference call meeting with the other river basin commissions which included discussions on fringe benefits and the rates. It was noted that ICPRB's fringe benefits rate is very comparable to others.

The project status report format was changed to a table format indicating the current status of each project. The project purpose is attached separately with the table. If more information is needed, staff can provide as requested. Commissioner Hartwell asked if the sturgeon project should be a separate project number as this project may be funded in the future. Chairman Karimi asked for a separate project number to track the activities and costs associated with the sturgeon project which could be a good symbol for the Commission.

Mr. Haywood discussed the strategic plan. At previous meetings, the Commission has agreed on the vision, mission, and objectives for the strategic plan. The next step is to drill down to a finer level that defines actions to be taken in support of the goals. Mr. Haywood then shared with the Commission six proposed actions that the Communications unit will carry out. Outcomes and measures of success were defined for each action. Mr. Haywood added that his next focus will be on the Water Quality section, with the same approach, to be given at the June meeting. Chairman Karimi asked that the strategic plan be on the agenda at every meeting so to be aware of the progress on an ongoing basis.

Commissioner Wennersten added that he would like to see the Executive Director to be more of a spokesperson for the Commission. On that line, Mr. Haywood replied that he was interviewed for the film, "POTOMAC: The River Runs Through Us," that is coming out next week. Commissioner Mohr encouraged public outreach through partnership with other organizations to sponsor some sort of a contest to get higher website traffic and public involvement. She brought an example brochure for the Communications Manager. Commissioner Campbell commended that the Commission is taking a great new direction. He encouraged that the newsclip emails be sent to more people as he found it useful. He

suggested reaching out to other states as well. Commissioner Steele asked for a copy of the commissioner presentation slides. Mr. Haywood asked that the commissioners contact Mr. Dalpra for a copy. Commissioner Pace further added that face to face interaction may be necessary to reach out to the legislators. Mr. Haywood replied that although necessary, face to face meetings may be difficult but the idea is to bring focus on the headlines for a quick gleaning. And the newsclip mailings may not go directly to the legislators but to their staff, which would be fine for exposure sake. Ms. Kimple added that for Commissioner Moul's office, they would like to see more of their relevant information and not for the general Potomac area. Commissioner Stanley added that the newsclips do not market ICPRB. He would like to see more of what ICPRB does.

## **NEW BUSINESS**

**Executive Committee Actions:** Mr. Haywood summarized the Executive Committee meeting held yesterday. He informed that the Executive Committee met with the investment advisor from Janney Montgomery Scott who explained collateralized mortgage investments, called pass-through mortgages, and also explained an investment approach that would put a small portion of ICPRB reserve funds into equities. The collateralized mortgage investments earn a bit more than certificate of deposits (CD) and are within the guidelines of the current investment policy. The Executive Committee agreed to convert some CDs into pass-through mortgages that are federally insured but decided not to consider equity investments in stocks at this time.

A contingency plan was discussed to address the impact of federal sequestration. ICPRB is expecting a \$40,000 cut in FY2013 EPA106 grant with no news from other grants. Additionally at this time, there is no information available for the FY2014 EPA 106 grant. A series of steps were presented to address the cut in FY2013, which can largely be absorbed within the budget, and progressively more severe steps to be taken, if necessary, in FY2014 and FY2015. Currently, sufficient funds are available to cover the deficits in FY2013 and even in FY2014. Mr. Haywood added that if the sequestration continues into FY2015, then the cuts will become more problematic and draconian. Chairman Karimi added that if the financial imbalance continues, it may create organizational structural problems. Therefore, before structural problems arise, he suggested to the ED that at every Executive Committee meeting, he would like to have updates and discussions on the fiscal and lease matters. He and the ED talk on a monthly basis and the Executive Committee meets in between two quarterly meetings. Any issues that come up in between the meetings will be brought up at the following general commission meetings. Chairman Karimi emphasized that reserve funds should not be used for structural deficiencies, as the root of the problem will still exist if not addressed.

Chairman Karimi added that he will be having a discussion with the ED on his performance evaluation. He asked the Executive Committee and the commissioners to provide any feedback.

**Audit Committee Update:** Commissioner Kudlas gave a brief overview of the audit in progress. The audit is not yet final. The audit committee is awaiting the final audit draft for review. The report on the audit will be done at the next meeting. So far, positive indications were received from the auditor.

**Implementing the March/Rock Creek Critical Area Plan.** Dr. Moltz described the development of the Critical Area Resource Plan in the Marsh and Rock Creek watersheds of Adams County, Pennsylvania. The project included a stakeholder participation process, data collection, technical analyses, identification of management alternatives, review/prioritization of management alternatives, and preparation of the draft document. The draft CARP is currently under review at DEP. After review, revision, and acceptance by the Potomac Regional Committee, the Pennsylvania Statewide Water Resources Committee, and the DEP Secretary, the CARP will be adopted as part of the State Water Plan.

Charlie Bennett discussed the challenges to preparing and implementing the CARP. These included the

length of time to complete the process, funding, municipal participation and their reluctance to be the first to enact a new ordinance, the need for additional outreach/communication/education, and the water transfer into the Gettysburg Municipal Authority system from York Water.

**USFWS/NMFS Propagation Policy and Relationship to Fish Stock Supplementation:** Ms. Marta Nammack from US Fish and Wildlife Service gave a presentation on the guidelines and policies of controlled propagation of species on the Endangered Species list. The National Oceanic and Atmospheric Agency, Fisheries Services handles the marine species where the USFWS handles the freshwater species. The two agencies developed a policy and guidance for controlled propagation of listed species. The Atlantic sturgeon is listed as an endangered species in the Chesapeake Bay. The stocking in the Chesapeake Bay has to comply with the controlled propagation guidelines. Ms. Marta described in broad, the guidelines and policies set forth by the agencies for the endangered species. No specifics on the sturgeon were discussed. Chairman Karimi requested information on how to inform colleagues in the decision making process. He asked to forward the information to Jim Cummins. He also asked to convey ICPRB's concerns to the NOAA Fisheries Services.

**Baseflow Separation in the Shenandoah Valley:** Commissioner Kudlas discussed Virginia Department of Environmental Quality (VA DEQ)'s approach to water supply planning and their use of meta-modeling and dealing with modeling uncertainties. As a regulatory agency, credibility with stakeholders is enhanced when the uncertainties are transparent. In order to get a better handle on groundwater contribution to stream flow, especially in fractured rock areas where model calibrations were not as good as calibrations in other areas, USGS was contracted to monitor concentrations of certain chemicals in streams. The study, now complete with a final report published and available on-line, found that groundwater has a distinct chemical signature that can be identified and that groundwater contributes more to surface flow (in the fractured rock area studied) than has been assumed in previous hydrologic models.

#### **COMMISSIONER'S TIME**

Commissioner Pace provided information about the status of the licensing sought by Fairlawn Hydroelectric at Jennings Randolph Lake. The applicant still has not provided to the USACE all of the information required to complete a review of the permit application. The applicant would like to begin construction in late Summer or early Fall, but that is uncertain given the several steps in permit review still to be completed. Mr. Pace described how USACE is planning to accommodate the requirements of sequestration. It appears that employees will be furloughed for up to 22 days on a schedule still being worked out. USACE has applied to the Department of the Army for a waiver of some or all of the budget cuts as it is an entirely project funded agency. Mr. Pace also informed the Commission that Reagan National Airport is considering a runway extension. The airport authority is working with the National Park Service to mitigate the extension of the airport into the Potomac River. Chairman Karimi added that the District of Columbia is involved in this process as well.

Commissioner Kudlas added that the Virginia legislative session for this year has been completed. They will be returning for veto session later this month. Of interest to the Commission, Virginia plans to move to DEQ those water quality related functions currently in the Department of Conservation and Recreation. These include stormwater and erosion and sedimentation control (E&S) programs. The consolidation is to be completed by July 1. It is possible that, in the next year, there could be another bill to bring agriculture and soil and water conservation districts under DEQ. Chairman Karimi asked that, as the department consolidates, to inform ICPRB of the changes if any.

Commissioner Sachs added that by next meeting, he hopes to see two more commissioners from Maryland. He is work on one delegate and the other in the St. Mary's watershed.

Commissioner Steele asked whether the commission would consider public radio talk show. Chairman Karimi asked the ED to forward the idea to the Communications Manager about the possibility. He also encouraged contacting the Communications Manager with information.

**LOCATION FOR JUNE MEETING**

In consideration of the budget, the next meeting location in June will be in Rockville as a one-day meeting.

**ADJOURNMENT**

The meeting adjourned at 12:17PM.

Minutes Draft By: Bo Park, Administrative Officer

Minutes Reviewed, Approved, Submitted by: H. Carlton Haywood, Recording Secretary