

**INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN
CO-OP SECTION**

**FOURTH QUARTER 2016
AUGUST 30, 2016**

**ICPRB, LOWER LEVEL CONFERENCE ROOM
ROCKVILLE, MD**

FINAL MINUTES

CALL TO ORDER: Chairman Karimi called the Fourth Quarter 2016 CO-OP Meeting to order at 8:34 AM on August 30, 2016. The following Commissioners, staff, and guests were in attendance in whole or in part.

Commissioners

West Virginia

Patrick Campbell (Alt. Commissioner)

District of Columbia

Hamid Karimi (Chair, Commissioner)
Willem Brakel (Commissioner)
Kimberly Jones (Alt. Commissioners)
Tiffany Potter (Alt. Commissioner)
Annemargaret Connelly (Alt. Commissioner, via phone)

Maryland

Virginia Kearney (Alt. Commissioner)
Robert Lewis (Commissioner)

Virginia

Scott Kudlas (Alt. Commissioner)
Paul Holland (Alt. Commissioner)

United States

Darryl Madden (Commissioner)
Robert Sussman (Commissioner)

Staff and Guests

Staff

Carlton Haywood (Executive Director)
Robert Bolle (General Counsel)
Bo Park (Dir, Administration)
Curtis Dalpra (Communications Manager)
Cherie Schultz (Dir, CO-OP Section)
Jim Cummins (Dir, Living Resources)
Claire Buchanan (Dir, Program Operations)
Heidi Moltz (Assoc. Dir, Water Resources)

Guests

Chris Kimple (for Commissioner Moul, PA)
John Wirts (Watershed Div, WV DEP)
Jutta Schneider (Director, Water Planning, VA DEQ)
Herb Sachs (Ret. Commissioner)

ADOPTION OF AGENDA: Commissioner Kudlas made a motion to approve the agenda, which was seconded by Commissioner Madden. All were in favor.

APPROVAL OF MINUTES: Commissioner Brakel asked for a modification on page 2, under “Section Quarterly Report,” third paragraph, to read “Water Resources Reform and Development Act of 2014.”

Commissioner Kudlas made a motion to approve the June 7, 2016 Minutes, which was seconded by Commissioner Lewis. All were in favor.

OLD BUSINESS

Follow-up on June Action Items: Dr. Schultz will be addressing the follow-up items during the quarterly report.

Section Quarterly Report: Dr. Schultz summarized the Section’s quarterly activities which can be found in Tab 3, Attachment 2 of the meeting book.

The flow of river is falling as expected for this time of the year, and the flow at Point of Rocks is near the trigger for daily monitoring. Weather in the coming days will determine whether daily monitoring will commence.

A meeting of the Operations Committee, via teleconference, was held on July 26 to discuss the Alternatives Study and Loudoun Water's intention to submit an amendment to their Joint Permit Application for withdrawal from the Potomac River. Loudoun inquired if CO-OP would provide modeling work related to the revision of the application.

A budget for FY2017 workplan was approved by the utilities with one change by Washington Suburban Sanitation Commission (WSSC). WSSC asked for a reduction in the utilities' FY2017 payment to CO-OP by \$40k, by applying the amount from the reserve account. The remaining utilities were supportive of the CO-OP's maintenance of the reserve funds. However, WSSC pays the highest share of the utilities annual payment, so the Committee compromised and agreed to a reduction of \$20k.

Commissioner Kudlas informed that he had discussions with Loudoun Water regarding modeling support or any type of work by CO-OP that should not be considered complimentary. As the CO-OP needs to protect its financial position, the additional work would need to be billed since additional expenses are incurred. He asked that the CO-OP consider charging for additional work that is outside the scope of the work plan. Although Loudoun Water is not yet a member party of the Low Flow Allocation Agreement (LFAA), the governing parties can grant membership. Loudoun Water's withdrawal site is above Seneca pool, and thus slightly above the portion of the river subject to the LFAA. **Commissioner Kudlas was asked to follow up on Loudoun's participation and see how the commission can provide assistance.**

The drought exercise is planned for October 5 to October 11. Staff has continued work on scoping out a decision support tool. Other recent activities include a meeting with Loudoun Water to discuss Beaver Dam reservoir and other potential future resources.

This fall an intern, Beverly Lanza, from George Mason University, will be working in CO-OP, cataloging potential resources and reservoirs owned by small municipalities.

There is a possibility of funding from the District of Columbia to collect bathymetric data and build a GNOME model of the Potomac mainstem, which would be used to simulate the fate and transport of an oil spill above the Potomac intakes.

Financial Statement: Mr. Haywood informed that the financial activities are as expected and end the year with at least \$280k in reserve. This amount would be used for unexpected or additional activities that the CO-OP is directed to undertake, which otherwise would be difficult to fund if not from the reserve.

Update in Water Supply Alternative Study: Dr. Schultz presented an update of the Water Supply Alternatives Study, in which the objective is to assess options to maintain reliability of the system in the future, in the face of rising demands and climate change.

Three structural alternatives considered in the study are use of retired quarries, Vulcan, Luckstone, and Travilah, for raw water storage. Any storage in the system will benefit the entire system as a whole. Also, five operational alternatives are being evaluated in the study. Unlike structural alternatives, where the infrastructure cost could be in the range of hundreds of millions of dollars, the operational alternatives would be relatively inexpensive, but would require agreements and contracts and/or new modeling and decision support tools to allow improvements in operation. The study will include available information on costs for each alternative. The first operational alternative is the use of Beaver Dam reservoir, owned by Loudoun Water, to augment Potomac River flows during droughts. A second is cooperative use Loudoun Water's Quarry A, which would require a cooperative agreement, and which has been shown to benefit to the system. Third is the improvement in river flow forecasts through real time modeling to improve the efficiency of the system. Fourth, is the use of Jennings Randolph reservoir water quality storage for water supply during drought emergencies. There is a language in the WRRDA bill instructing the Corps to enter into an agreement with ICPRB to make use of water quality storage for water supply during

droughts. No progress has been made on development of this agreement; however, the outcome of the study may support negotiations with the Corps. The fifth non-structural alternative considered is increased water use restrictions during droughts.

It's anticipated that a draft of the study will be provided to the utilities in October.

December Commission Meeting: Mr. Haywood informed that the general managers from the utilities are planning to attend, including BG Graham from the Corps. It will be an opportunity for the group collectively to learn from the findings of the Alternatives Study, the implications, and the next steps. Mr. Haywood will come up with a structure for the agenda and meeting time. Some topics to include are discussions on the Water Supply Coordination Agreement and possibly expanding the group or the scope of membership for CO-OP. The logistics of new membership would need to be discussed as the agreement is 35 years old.

Chairman Karimi asked that at the next Executive committee meeting, discuss the options and issues to be placed on the agenda. He also asked the Executive Director to work with any other commissioners who may have some objectives that may need to be addressed.

NEW BUSINESS

Upcoming Loudoun Water Permit Application: Commissioner Kudlas provided information on the on-going events regarding the upcoming Loudoun water permit application. There was a court case involving the City of Fairfax and Fairfax Water, which as part of divestiture, assets from the City had become available. Fairfax Water acquired the distribution system from the City of Fairfax. Loudoun Water acquired the treatment plant and the water storage facilities. The additional storage facilities provided a significant regional opportunity, but locally acquiring these assets presented a re-evaluation of Loudoun's initial plan for Quarry B and C and the benefits of integration into the system. However, Loudoun was given a high water flowby in the permit, which is more conservative than a similar permit.

The conversations with Loudoun continues as it is a benefit to the regional water supply, benefitting all the utilities. Loudoun has not filed a revision application yet. They are awaiting a feedback from the other utilities on the flexibility on these issues, and ICPRB's analysis of the potential benefits to the system. Thereafter, they are expected to submit an application.

Chairman Karimi asked Commissioner Kudlas to keep the Executive Committee abreast of the on-going progress and inform the commission whether it can be discussed in December.

CO-OP FY2017 Work Plan and Budget: Dr. Schultz presented the budget and work plan, approved by the general managers. The budget is for \$510k, but revenue was reduced by \$20k, which would come out of the reserve funds. **Commissioner Jones made a motion to approved the budget, seconded by Commissioner Kudlas. All were in favor.**

FY2017 CO-OP Section Officers: Chairman Karimi also chaired the Nominations Committee along with commissioners Potter, Madden, and Holland. The current Vice Chair Campbell has declined to serve as the next chair. The committee nominated Commissioner Brakel as chair and Commissioner Madden as vice chair. **Commissioner Potter seconded the motion to accept the nominations, all were in favor.**

ADJOURNMENT

Commissioner Campbell made a motion to adjourn, which was seconded by Commissioner Madden at 9:58AM. All were in favor.

Minutes written by: Bo Park, Director, Administration
Reviewed by: Cherie Schultz, Director, CO-OP
Approved by: H. Carlton Haywood, CO-OP Secretary