

**CHESAPEAKE BAY COMMISSION
MAY 2017 MEETING MINUTES**

The Chesapeake Bay Commission held its second quarterly meeting of 2017 on Thursday and Friday, May 4-5, 2017 in Washington, DC.

Commission members in attendance:

- Senator Richard Alloway
- Secretary Mark Belton
- Delegate David Bulova
- PA Citizen Member, Warren Elliott (only Friday)
- Representative Garth Everett
- MD Citizen Member, Bernie Fowler
- Delegate Barbara Frush
- Delegate Tawanna Gaines
- Representative Keith Gillespie
- Senator Guy Guzzone
- Senator Emmett Hanger
- Delegate Scott Lingamfelter
- Secretary Patrick McDonnell
- Delegate Maggie McIntosh
- Delegate Margaret Ransone
- Rear Admiral Jack Scorby
- Representative Michael Sturla
- VA Citizen Member, Dennis Treacy
- Secretary Molly Ward
- Senator Gene Yaw

Members not in attendance:

- Senator Frank Wagner
- Senator Thomas “Mac” Middleton

Staff: Ann Swanson
Jen Donnelly
Ann Jennings
Marel King
Mark Hoffman

THURSDAY, MAY 4, 2017

Call to Order

The meeting at the Beacon Hotel in Washington, DC was called to order by Chairman Everett at 1:00 PM.

Chairman Everett thanked everyone for coming, and noted the timeliness of the location given that part of the meeting was devoted to the federal budget for Bay restoration. Mark Hoffman, the new Maryland Director was introduced.

Chairman Everett noted that last year, the Commission requested the Bay Program's Science and Technical Advisory Committee to consider the issue of "legacy sediments" and their potential impacts on the Bay. CBC Executive Director updated the Commission on a meeting held among Bay program staff and regional scientists to consider this concern. A final report will be forthcoming, and the states will be looking at this as part of the Phase III Watershed Implementation Plan development.

Chairman Everett asked if everyone had received copies of the latest Annual Report and encouraged wide distribution of the report. He then mentioned that members of the Executive Committee met with Congressional members that morning, and would be reporting on the discussion later in the meeting. He also noted the passing of Paula Hose's father, and Senator Fowler led a prayer in his memory.

CBC Executive Director Ann Swanson took roll call. Delegate Lingamfelter moved to approve the minutes of the January meeting as presented. Representative Sturla seconded the motion which was approved unanimously. Delegate Lingamfelter then moved to approve the agenda with two amendments: Friday's portion of the meeting will be in the Overlook Room, and EPA will be represented in the 10:30 Friday session by Michael Shapiro only. Delegate Gaines seconded the motion which was approved unanimously.

Federal Funding for Chesapeake Bay Restoration: Understanding What is at Stake

Congressional Staff Commentary:

Sarah Schenning, Senator Chris Van Hollen (Committee on Appropriations, MD)

John Thomas, Representative Scott Taylor (Appropriations Committee, VA)

Erin Wilson, Representative Glenn Thompson (Agriculture Committee, PA)

Ms. Schenning noted the omnibus federal budget bill was in the Senate today, and will be good for the Bay. However, the President's "skinny" budget for FY 2018 contained many reductions that would negatively impact progress on the Bay (EPA, NOAA, etc.), and the stakeholder community, including the CBC, has responded quickly. She noted the importance of educating federal lawmakers on these concerns.

Mr. Thomas noted this was his first time at a CBC meeting. He noted members can have a much greater impact when they are on the Committee considering a subject.

Ms. Wilson noted Representative Thompson was on the Conservation and Forestry Subcommittee. He is an advocate for voluntary conservation programs and Natural Resource Conservation Service. He is committed to the restoration of the Bay, and is encouraged by the recent signs of a healthier bay. She noted the goal was to get the next Farm Bill done ahead of the 2018 deadline, and the potential is there to get it done this year. It is an important part of the Bay restoration effort.

Representative Everett asked about the most effective way for the Commission to communicate with the region's congressional members. Responses included constant communication from all stakeholders, and using the personal relationships that exist between Commission members and congressional members. There were then a series of questions about the federal budget process, communication, and the priorities of the CBC. Congressional staff recommended that the best time to come forward with federal budget issues is January and early February, because members of Congress need to submit their budget requests by March.

Removing Pharmaceuticals and Other Micropollutants at Wastewater Treatment Plants

Professor Terry Collins & Dr. Matthew DeNardo, Carnegie Mellon University, Pittsburgh, PA; Professor Rak Kanda, Brunel University, London England

Dr. DeNardo provided background about the number of chemical substances in the environment, our water and human bodies, that didn't exist with prior generations. They have been researching methods to remove these chemicals from the wastewater stream. Environmental impacts include inter-sex fish caused by endocrine disrupters. They are conducting a demonstration project in Europe, where there is great sensitivity with this issue, and are looking for funding to do a similar project in the United States. Members suggested that the researchers partner with a land grant university in the region on companion studies related to risk factors and economics of the technology.

State of the Infrastructure Debate: Opportunities for Green and Water Infrastructure

Marshall Macomber, President, Think P3

Mr. Macomber provided background to the Commission about public-private partnerships (P3s) and their potential role in address challenges like Bay restoration. Although traditionally associated with projects like toll roads, increasingly P3 approaches are being used for water-related projects, such as in Prince Georges County, Maryland, for storm-water management. Given the focus of infrastructure improvements with the current administration, P3 is a potential approach to leverage private capital and transfer risk away from the public sector.

The Commissioners asked many questions on this topic and Mr. Macomber promised to provide a list of "best practices" that are being adopted for P3 projects.

As part of this discussion, the Commission transitioned into a discussion/debrief on the Executive Committee's meeting that morning with Congressman Shuster, Chairman of the US House Committee on Transportation and Infrastructure. Congressman Shuster requested the Commission give him feedback related to infrastructure needs associated with Bay restoration.

In addition to the scheduled meeting with Congressman Shuster, the Executive Committee also had impromptu meetings that morning with Congressman Sarbanes and staff of Congressman Wittman. Chairman Everett also met with Congressman Marino.

The CBC meeting ADJOURNED for the day at 4:45 p.m.

FRIDAY, MAY 5, 2017

Call to Order

Chairman Everett called the meeting to order at 9:07 AM. Chairman asked CBC Executive Director, Ann Swanson to take roll.

CBC Administrative Actions

FY2017 Budget:

Delegate Frush moved to approve the Commission budget for FY2018. Delegate Gaines seconded the motion which was approved unanimously.

2018 Meeting Dates:

Delegate Frush moved to approve the proposed meeting dates and state locations for 2018 as follows: January 4-5, Annapolis; May 3-4, Washington, DC; September 6-7, Virginia; November 8-9, Maryland. Delegate Gaines seconded the motion which was approved unanimously.

Chairman's Update

TMDL Midpoint Assessment

Chairman Everett asked Ann Swanson to give an update on the TMDL midpoint assessment. Ann noted the timeline for the development of the Phase III Watershed Implementation Plans had been adjusted, through April 2019, due to the integration of new and refined landcover data.

Delegation Reports

Based on discussion during their morning meetings, each Delegation provided an update on legislative actions of the 2017 General Assembly for their state, and related activities:

Virginia: State Delegation Chair Lingamfelter highlighted an activity planned as part of Chesapeake Bay Awareness Week at Mason Neck State Park, in northern Virginia, "Back to the Bay." This signature event was the result of much cooperation between the Commission, government, the private sector and local conservation groups.

Maryland: State Delegation Chair Gaines highlighted a joint resolution passed by the Maryland General Assembly that called for full federal funding for the Bay program, in response to the significant reductions proposed by the Administration. Additionally, the State budget for the Bay was very positive, with full funding for the Chesapeake Bay 2010 Trust Fund and increased funding for the Rural Legacy program, which helps preserve working landscapes.

Pennsylvania: State Delegation Chair Everett noted the work of the Pennsylvania legislature on a fertilizer bill and the discussion of a dedicated fund for water-related infrastructure improvements. They were also having a crab fest at the state capital to raise awareness of bay issues.

Impact of Proposed Federal Budget Cuts on State Budgets: CBC member discussion

Each state representative was asked to provide a brief synopsis of the potential impacts of the proposed federal budget reductions on their state's Bay restoration program.

For Virginia, Deputy Secretary Russ Baxter explained that given the lack of details in the Budget Blueprint it is difficult to assess impacts, but EPA funding is critical to run state regulatory programs, which are implemented to meet federal environmental standards. Additionally, Bay Program grants fund about 30 positions that conduct the nuts-and-bolts of Bay restoration work, such as modeling, reporting, assessment, etc. Mr. Baxter expressed concern about any impact to capacity for this work at this time. Also, Virginia is concerned not just about the money, but the federal commitment and engagement in partnership. The states collectively spend more money than the federal government on the Bay, but the federal piece is the glue that holds it all together.

Maryland has conducted an assessment of the impacts of the proposed reductions. Deputy Secretary Joanne Throwe reported that they would have profound negative impacts for the Departments of Natural Resources, Agriculture and the Environment, and the University of Maryland system. A significant number of staff would need to be terminated, and efforts to improve the health of the Bay would back-slide.

Pennsylvania DEP Secretary Patrick McDonnell noted that most of the federal funding proposed for reductions are grants (or "fees") for services that the state is providing on behalf of the federal government, comprising 30 percent of DEP's budget. Cuts would also make it hard to continue the new Chesapeake Bay Office at the Department. Chairman Everett noted that cuts to permit programs would further hurt permit review times.

A Discussion With the EPA: Managing for Progress, Managing for Change

Michael Shapiro, Acting Assistant Administrator, Office of Water

Mr. Shapiro started by noting that the Chesapeake Bay partnership is a premier example of state-federal-private cooperation, and the Commission has been a lynch-pin in developing the partnership. The work is succeeding, but much needs to be done. Success is being achieved because stakeholders understand the problem, what needs to be done, and have built consensus to act. He also recognized that EPA staff are committed to their local water programs.

He noted that one of the EPA's priorities was infrastructure, and the State Revolving Loan Fund is an excellent tool for leveraging state funds, and providing a low cost of capital for water-related infrastructure improvements. As a result, wastewater treatment upgrades are ten years ahead of schedule. The EPA has also created a new "water finance center" to provide technical support to small and mid-sized communities.

A second priority is to work effectively with partners, to rebalance relationships and provide states more responsibility. As EPA "doubles-down" on its core responsibilities, it will be reshaping the partnership.

Mr. Shapiro noted the FY 2018 budget as proposed by the Administration would include a 31% overall reduction to EPA. Many significant changes would be necessary, including the elimination of the geographical programs (e.g., the Chesapeake Bay Program). These will be issues that the Congress will need to consider.

Commission members asked a series of questions including the need to reinforce the success of the Bay program, how best to communicate our concerns to the EPA, and the role of green vs gray infrastructure. Mr. Shapiro said the Administration acknowledges the success of the Bay program, but that they approach these issues from a different perspective, and they are not singling out the Bay program for budget cuts. He said he would take our message back to the EPA, and that the Commission should continue to work to communicate with the agency.

The meeting was adjourned at 11:23 p.m.