

ST. JOSEPH RIVER BASIN COMMISSION
MINUTES
June 1, 2017

The second quarterly meeting of the St. Joseph River Basin Commission was held on June 1, 2017, in the Elkhart County Public Services Building, in Goshen, Indiana. Jon Roberts, President, called the meeting to order at 10:00 a.m. Roll call was taken and it was noted a quorum was present with the following members in attendance:

MEMBERS PRESENT: Jon Roberts – Kosciusko County
Dona Hunter – Governor’s Appointee
Daniel Nafziger, M.D. – Elkhart County
Bill Hartsuff – Elkhart County
Daragh Deegan – City of Elkhart
Robert Weaver – Kosciusko County
Martin Franke – LaGrange County
Jarod Nisley – LaGrange County
David Abbott – Noble County
Roger Nawrot – St. Joseph County
Karl Kopec – City of Mishawaka
Kris Thomas – Steuben County
Jeremy Price – Dept. of Natural Resources

OTHERS PRESENT: Joseph Zakas – Legal Representative, Thorne Grodnik LLP
Alicia Czarnecki – Bowman Creek Educational Ecosystem
Hana Parkhill – City of South Bend
Matt Meersman – MACOG
Lori Ratliff – MACOG
Shirley Czerna – MACOG

MINUTES OF MARCH 2, 2017

There were no corrections or additions to the minutes of the March 2, 2017 meetings. The following action was taken.

MOTION TO APPROVE THE MINUTES OF THE
MARCH 2, 2017 MEETING WAS MADE BY ROGER
NAWROT AND SECONDED BY KARL KOPEC.
THE MOTION CARRIED.

FINANCIALS

Financial Report

Matt Meersman reviewed the SJRBC Financial Report for the period ending March 31, 2017 and then asked for any questions. Martin Franke expressed concern for the significant cut in Salaries and Fringe Benefits, noting Matt’s part-time, hourly position. If Matt would resign the position as

SJRBC Director, it would be difficult to find a replacement. Matt said he expects the current situation to be relatively short-term, until the SJRBC secures more sustainable funding.

Roger Nawrot asked if it would be possible to have biology students from universities in the watershed assist with water sampling, in order to continue the water monitoring program. Matt said the opportunity for partnerships with universities or other aquatic biology programs in the watershed is a great idea and asked the Commission for suggestions.

Martin Franke explained that in order for the LaGrange County Auditor to submit a yearly contribution to the SJRBC, they must receive an invoice, which does not always occur. Matt said a new process is being developed to ensure funding requests a presented at the appropriate time and in the preferred format for each unique county.

There being no further questions, Matt asked for the Basin Commission's approval of the Financial Reports.

MOTION TO APPROVE THE FINANCIAL REPORTS AS PRESENTED WAS MADE BY KARL KOPEC AND SECONDED BY ROGER NAWROT. THE MOTION CARRIED.

Approval of Claims

A list of the quarterly SJRBC claims and a description of the bills paid by MACOG were distributed to the SJRBC members for their review. Lori Ratliff asked for the Commission's approval of the Claims.

MOTION TO APPROVE THE SJRBC CLAIMS FOR JANUARY, FEBRUARY AND MARCH 2017 MACOG REIMBURSEMENTS AND THE JUNE 2017 ATTORNEY FEE WAS MADE BY KARL KOPEC AND SECONDED BY ROGER NAWROT. THE MOTION CARRIED.

OLD BUSINESS

Basin Updates – Basin Commission Members

Dave Abbott reported an excess of 100 homes are up to 3 or 4 feet underwater in Noble County. The combination of increased water flow due to heavy rains and extensive drainage problems have caused unprecedented flooding in the West Lakes area. It is believed the Elkhart River's sedimentation and invasive plant species have been building up in the outlet of West Lakes. Matt suggested the West Lakes residents, along with Noble County officials, could pursue a FEMA grant to do floodplain buyouts if there was interest. There was also discussion of an engineering project to remove sediment and aquatic plant removal in the outlet area. It is anticipated the West Lakes flooding issues will be discussed further by the Commission at future meetings.

Cobus Creek Watershed Diagnostic Study

The Cobus Creek Watershed Diagnostic Study LARE Grant has been closed out. The Indiana Department of Natural Resources (IDNR) approved the study and the final grant payment has been

made to Arion Consultants. The study is the culmination of two years of data collection and analysis to assess current conditions and make recommendations for future work to improve and protect the creek. This study will help partners access and target new grant funding sources, some of which require a management plan to be in place before funds can be allocated for restoration and protection projects. The document is available for download at www.sjrbc.com.

GLPF Conservation Incentive Project

Previously, the SJRBC agreed to enter into a subcontract with Kieser & Associates for \$30,000 over 3-years to help develop and promote new drain taxing methods and identify a drain official to test it in the Indiana portion of the river basin. Joe Zakas, SJRBC attorney, reviewed the contract and provided some comments. Once his comments are reviewed and addressed, Matt will sign the contract and submit an invoice to Kieser & Associates for work already completed. Rex Pranger, LaGrange County Surveyor, has expressed interest in testing the new method on a drain flowing into Adams Lake. The new assessment method could help provide a foundation that would guide future drain assessment practices, reduce long-term maintenance costs, and increase the protection of waterways throughout the St. Joseph River basin.

Great Lakes Day – Washington, DC

The annual Great Lakes Day event in Washington, D.C. took place on March 16, 2017. Matt attended this year's event, representing the SJRBC. A scholarship awarded by the Healing Our Waters Coalition covered most of the travel expenses. Matt had the opportunity to meet with Indiana and Michigan legislators to discuss the importance of supporting investment in Great Lakes restoration programs to help restore water quality in the St. Joseph River and the Great Lakes Basin. A short-term budget approved by Congress through September, included full funding for the GLRI and Drinking & Clean Water State Revolving Funds, which are important funding sources for CSO projects.

17th Annual SJRB Symposium

The 17th Annual SJRBC Symposium was a great success. The 74 people in attendance gave positive feedback regarding the interesting and relevant topics from the two main speakers and from the six "ignite style" presenters. A huge thank you when out to Friends of the St. Joe River and MACOG for sponsoring the meals. Because of their support, it only cost the SJRBC about \$100 to host the event, as compared to \$3,000 in the past. Matt asked for assistance from the Commission to plan next year's symposium, with the possibility of choosing a new venue and food options.

Michigan State Representative, David Maturen connected with Joe Zakas by way of the Symposium. Representative Maturen showed interest in developing a River Basin Commission in Michigan that matches the SJRBC in Indiana. Senator Zakas gave Rep. Maturen advice on how to move forward. Michigan has been putting ample energy into rethinking how to manage water resources, so the timing could be good for this effort.

NEW BUSINESS

Local Government Contribution Requests

Matt developed a funding request strategy based on guidance from other river basin commissions and IC 14-30-3-24. Sec. 24. (b) states: *The appropriation from the participating counties that is needed*

for all or part of the commission's budget shall be apportioned among the participating counties in direct relationship to the land area in each participating county... Additionally, population data was incorporated to develop a method for determining the appropriation request amount for the cities represented on the SJRBC in each county.

The objective of the revised procedure is to approach each jurisdiction with an appropriation request based on the operating budget of the SJRBC, with the understanding that any contribution would be appreciated. In order to increase the likelihood of a positive response from the local communities, the Commission emphasized the importance of demonstrating a return on each community's investment. Matt acknowledged it would probably take a few years to secure this level of funding and he would appreciate the support of SJRBC members when making the requests to the officials in their unit of local government.

FY2018 Work Plan

A narrative of the Proposed FY 2018 Work Plan was distributed to the Commission for their review. This year the work plan was separated between Basic Operation and Special Projects, with items from the enabling legislation, past projects and programs, and anticipated appropriations from local governments. The purpose of Basic Operations is to maintain the standing of the organization with the state and provide the basic legislated purposes, while the work elements under Special Projects would be implemented with state and grant money. The capacity for initiating Special Projects may be limited by the ability to rely on local government contributions to cover basic operating costs.

MOTION TO APPROVE THE PROPOSED FY 2018
PROPOSED WORK PLAN AS PRESENTED WAS
MADE BY DAVID ABBOTT AND SECONDED BY
DONA HUNTER. THE MOTION CARRIED.

Contract for Services – Legal Counsel

Matt reported that the 2-year legal contract between the St. Joseph River Basin Commission and Thorne, Grodnik, LLP was the same as the previous contract. Jon Roberts, SJRBC Chairman, asked for a motion to approve the Legal Contract.

MOTION TO APPROVE THE LEGAL CONTRACT BETWEEN
THE ST. JOSEPH RIVER BASIN COMMISSION AND THORNE
GRODNIK LLP WAS MADE BY ROGER NAWROT AND
SECONDED BY MARTIN FRANKE. THE MOTION CARRIED.

Directors & Officers Insurance Policy

Recently Matt learned SJRBC Board members are not covered under the MACOG liability insurance policy. To reduce the risk of a potential lawsuit in the future, Matt asked the Board to consider purchasing a liability insurance policy for director and officers of the SJRBC. MACOG's insurance agent gave Matt a quote of \$750 for an annual premium, with a \$2,500 deductible and up to \$1 million of coverage.

The Commission recommended a list of questions be answered, before moving forward on the matter. First, who would be liable to cover the \$2,500 deductible, the individual or the SJRBC.

Second, would local government employees be covered if they were already covered at their place of employment. And lastly, is the deductible per individual or collective. Matt agreed to meet with the insurance agent to clarify the questions. The Commission agreed to address the matter once again at the September meeting.

Contract for Services – MACOG

The primary purpose of the new agreement between the SJRBC and MACOG was to reduce and itemize expenses, designate a Director for the SJRBC, clarify the role and responsibilities of the Director (Exhibit A), and provide the SJRBC with oversight if a replacement or change in wages is necessary.

Matt indicated a change to the contract included in the meeting packet, as compared to what was circulated by email. All billing and costs were changed from monthly to quarterly to better reflect the cycle of work activities. The total cost over a one-year period remained the same.

MOTION TO APPROVE THE CONTRACT FOR SERVICES BETWEEN MACOG AND THE SJRBC AS PRESENTED WAS MADE BY MARTIN FRANKE AND SECONDED BY DARAGH DEEGAN. THE MOTION CARRIED.

Fiscal Officer Resolution

Matt explained Resolution 01-17 would replace a resolution passed in 2011. During the 2011 audit of the SJRBC financial records, the State Board of Accounts recommended the SJRBC designate a “Fiscal Officer”. Resolution 01-17 would designate the “Director” rather than the “Executive Director” as the “Fiscal Officer” of the SJRBC.

Martin Franke asked how involved the Director is with financial issues. Matt said he has been very involved in the oversight of the SJRBC financials, while Lori Ratliff continues performing the bookkeeping duties.

MOTION TO APPROVE RESOLUTION 01-17 DESIGNATING THE ST. JOSEPH RIVER BASIN COMMISSION “DIRECTOR” AS THE FISCAL OFFICER FOR THE ST. JOSEPH RIVER BASIN COMMISSION WAS MADE BY DONA HUNTER AND SECONDED BY DAVID ABBOTT. THE MOTION CARRIED.

Internal Control Standards Resolution

Resolution 02-17 addresses a law recently passed that requires political subdivisions to adopt minimum control measures and a materiality threshold to ensure compliance with the State Board of Accounts standards. Since the SJRBC has no employees and contracts with MACOG to provide staffing and financial management services, the SJRBC should be covered by the Internal Control Standards of MACOG. The State Board of Accounts still recommended a resolution to clarify the matter.

MOTION TO APPROVE RESOLUTION 02-17 INTERNAL

CONTROL STANDARDS WAS MADE BY DONA HUNTER
AND SECONDED BY DAVID ABBOTT. THE MOTION CARRIED.

FY2018 Budget Adoption

Two options for the FY2018 Budget were presented to the Commission. The Target option was based on the goal of covering basic operating costs with local government appropriations. It would allow state and grant funds to support projects and programs that benefit member counties and partners. The Subsistence option was based on historic local government appropriations. It would provide very limited funding for projects and programs other than what could be funded by special grants and contracts.

When the two options were compared, Revenue showed no projected use of the Fund Balance in either option. The Expenses were separated into Basic Operations and Special Projects. Both options had the same projected costs for basic operating expenses. However, when comparing the potential funding for Special Projects, the Target Budget included up to \$60,000 to promote new and exciting projects in the river basin. While the Subsistence Budget proposed fewer special projects to achieve, with only \$13,000 in available funding.

The Commission expressed concern with the unpredictability of variable funds for the Target Budget, as compared to the certainty of fixed funds for the Subsistence Budget. Matt explained that the Special Projects line items would only be implemented if funds became available. Moreover, the Commission would be involved in the selection process to determine the projects and local units of government that would most benefit from the project selection.

Matt suggested to add Website Development to the Newsletter line item with intention of developing the SJRBC website as the primary outreach tool for the future. The Commission agreed. Additionally, to better clarify the meaning of Target Budget, the Commission asked that it be renamed as Projected Budget.

MOTION TO APPROVE THE FY 2018 “PROJECTED BUDGET”
PREVIOUSLY KNOWN AS “TARGET BUDGET”, WITH THE
ADDITION OF WEBSITE/NEWSLETTER, WAS MADE BY
DAVID ABBOTT AND SECONDED BY MARTIN FRANKE.
THE MOTION CARRIED.

PRESENTATION – Alicia Czarnecki, 2017 IWLA Scholarship Winner

Alicia Czarnecki, Bowman Creek Educational Ecosystem, was awarded the Indiana Watershed Leadership Academy (IWLA) Scholarship and gave a short presentation on her experience at the academy. The watershed academy is separated into 3 sections comprised of learning modules, workshops, and a final project and presentation. She chose 7 modules related to working in an urban environment in a watershed. The 3 workshops offered beautiful, diverse settings in Indiana. For the final project and presentation, Alicia and a partner created a database that focused on “A Quick Reference for Hands on STEM Activities to Engage 7th-12th Grade Students”.

Overall the experience built confidence in her ability to speak on relevant watershed issues, offered access and information about available resources, and provided networking with professionals in the field. Alicia thanked the Commission for giving her the opportunity to attend the IWLA. It was an amazing and beneficial experience.

Alicia briefly reported on her involvement with Bowman Creek – A sandbox for Innovation, which is a partnership between the City of South Bend, Community Organizations, and Education Institutions. The program pilots community-engaged, sustainable projects to address real world challenges in the Southeast neighborhood of South Bend.

ITEMS FROM THE FLOOR

Daragh reiterated that the Great Lakes Restoration Initiative (GLRI) funding has been approved by Congress through September, but the President's budget still proposes that it be eliminated in the 2018 budget. Great Lakes investments in the St. Joseph River watershed have had a big impact; and local representatives have shown interest in supporting the GLRI. Therefore, Daragh suggested the SJRBC write a letter to encouraged our local representatives in Washington, DC to support the continued funding of the GLRI. Matt said he would compose a letter and send it to Indiana's Senators and Representatives from the basin. Martin Franke requested a copy of the letter be emailed to the Commission members.

**MOTION TO WRITE A LETTER TO LOCAL LEGISLATORS
TO SUPPORT THE CONTINUED FUNDING OF THE GREAT
LAKES RESTORATION INITIATIVE WAS MADE BY DARAGH
DEEGAN AND SECONDED BY ROBERT WEAVER.
THE MOTION CARRIED.**

Matt thanked the Commission for their feedback on the intense and challenging meeting that was presented today. Straightforward discussions will get the Commission to a better place.

ADJOURNMENT

There being no further business to come before the Basin Commission, the following action was taken.

**MOTION TO ADJOURN WAS MADE BY DAVID
ABBOTT AND SECONDED BY DARAGH DEEGAN.
THE MEETING WAS ADJOURNED.**

Jon Roberts, President