

**OHIO RIVER VALLEY WATER SANITATION COMMISSION**

**MINUTES**

**218<sup>th</sup> Commission Meeting  
West Baden Springs Hotel  
West Baden Springs, Indiana  
Thursday, June 8, 2017**

<b><u>Reports</u></b>	<b><u>Page</u></b>
<b>Chairman .....</b>	<b>1</b>
<b>Executive Director .....</b>	<b>1</b>
<b>Treasurer .....</b>	<b>3</b>
<b>Technical Committee .....</b>	<b>3</b>
<b>Program &amp; Finance Committee .....</b>	<b>6</b>
<b>Nominating Committee .....</b>	<b>7</b>
<b>Water Users Advisory Committee.....</b>	<b>8</b>
<b>Audit Committee.....</b>	<b>7</b>
<b>Pension Committee .....</b>	<b>7</b>
<b>Watershed Organizations Advisory Committee .....</b>	<b>8</b>
<b>Roster of Attendance .....</b>	<b>11</b>

**Attachment I: Resolution 6-17, Program Plan and Budget for Fiscal Year 2018**

**Attachment II: Resolution 7-17, State Funding for Fiscal Year 2020**

**Attachment III: Resolution 4-17, Amendment No. 1 to the Employees' Pension Plan**

**Attachment IV: Resolution 5-17, Suspension of the 457 Plan Match**

**Attachment V: Defined Benefit Plan Actuarial Assumptions**

# OHIO RIVER VALLEY WATER SANITATION COMMISSION

## MINUTES

**218<sup>th</sup> Commission Meeting  
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Thursday, June 8, 2017**

**Chairman Ronald Lovan, Presiding**

### Call to Order

Chairman Lovan called the 218<sup>th</sup> meeting of the Ohio River Valley Water Sanitation Commission to order at 9:03 A.M., Thursday, June 8, 2017.

Chairman Lovan invited Adam Rissien, representing the Watershed Organizations Advisory Committee, to lead the Pledge of Allegiance.

### Quorum Call

Commissioner Potesta certified that a quorum was present (see Roster of Attendance, page 10).

Chairman Lovan welcomed new Proxies, Sanjay Sofat representing Illinois and Jennifer Orr representing Pennsylvania. He then asked Commissioners, staff and guests to introduce themselves.

### Report of the Chairman

Commission Chairman Lovan began by thanking staff for their efforts in planning and facilitating the out-of-town Commission meetings which are logistically challenging. He hoped that everyone enjoyed the meeting location. He also noted Administrative Assistant Tracey Edmond's behind the scene efforts in arranging the meeting logistics and compiling the meeting materials and binders. He also recognized Jeff Thomas and staff for the good work with the audio/video equipment.

Chairman Lovan then expressed special thanks to the staff finance team, Program & Finance Committee Chairman Bruny, and the members of the Committee, who performed great work on the budget and five-year forecasting. ORSANCO has a good plan and contingencies in place.

Chairman Lovan then recognized Lisa Cochran for her efforts in coordinating the Ohio River Sweep.

In closing, Chairman Lovan stated that it has been his pleasure this past year to serve as Commission Chairman and appreciated all the support and counsel he received from Commissioners, committee members and staff. He then asked staff to stand and be applauded for their efforts.

## **Report of the Executive Director**

Executive Director Richard Harrison reported on several items:

Mr. Harrison reported on increasing ORSANCO's role with the Ohio River Basin Alliance (ORBA). ORBA has struggled somewhat since 2009 which began as a summit with US EPA, the Corps of Engineers, as well as ORSANCO and many others involved. It remains a fluid group with around 200 participants, with not a lot of structure, which comes together to hold discussions regarding the basin and the need to prioritize resources. ORSANCO has always been involved by participating on calls, but not fully engaged. ORSANCO has recently worked with ORBA to help refine its mission and determine what role ORSANCO can play. Executive Director Harrison, and Commission Officers, recently met with the Louisville and Huntington District COE Commanders and ORBA representatives to clarify that the Corps understands that ORSANCO is the water quality agency for the Ohio River Basin and needs to move forward in a manner that is not redundant. There appears to be many opportunities for ORSANCO to show leadership in the water quality area within these initiatives.

Mr. Harrison has reached out to water quality leaders in North Carolina, Tennessee and hopes to contact other states not part of the Compact to have them share their water quality data. Staff is working internally on GIS enhancements to potentially compile data on the entire Basin from a watershed perspective to share this valuable resource.

One opportunity presented is the opportunity to negotiate an agreement with ORBA to serve as the fiscal sponsor. ORBA is an association not an incorporated entity, and as such, ORSANCO could help facilitate foundation funding, and the opportunity to collect an administrative fee for such work. In addition, such an agreement would maintain a close partnership, and ORSANCO may provide office space and overhead to an ORBA staff member. The terms of any fiscal sponsor agreement would be reasonable and beneficial to ORSANCO. Mr. Harrison would work with ORSANCO's attorney Ross Wales and ORBA to draft an agreement which would be vetted through the Commission's Executive Committee.

Mr. Harrison requested the Commission grant to the Executive Director the authority to negotiate and implement a fiscal sponsorship agreement with the Ohio River Basin Alliance subject to review of the Executive Committee.

**ACTION:** Motion by Commissioner Frevert, second by Commissioner Flannery and unanimously carried, to grant to the Executive Director the authority to negotiate and implement a fiscal sponsorship agreement with the Ohio River Basin Alliance subject to review of the Executive Committee.

Mr. Harrison reported that Tim Henry, US EPA Region 5, who served on ORSANCO's Technical Committee is retiring and thanked Tim for his many years of service.

Mr. Harrison noted that he had a discussion regarding the TRI Report with Adam Rissien. Adam invited Richard to have a discussion with his Director regarding the Report and how it should be looked at in terms of designated use of the River and even with nitrate and nitrate related compounds which is about 97% of the poundage that is reported on by EPA in the Report. ORSANCO will not be putting out a press release on the TRI Report. Most times after fielding questions there is no follow-up article written by the media.

Mr. Harrison reported that the River Sweep will be held on Saturday, June 17<sup>th</sup>. He thanked Commissioner Butler for Ohio's grant funding for the Sweep. Director Butler has invited his fellow Commissioners from Kentucky and Indiana to join him at the ORSANCO Sweep location in Cincinnati. All Commissioners are welcome and encouraged to participate at a Sweep location.

Mr. Harrison then talked briefly about source water protection activities. He will soon be meeting with some American Water utility locations to discuss the roll-out of a voluntary contribution concept. Staff is working on a broader program for memorializing current activities and looking to expand our role along the entire River. This includes building contaminant source inventories with GIS, working with emergency response partners, and being consultants for individual utilities. Mr. Harrison is also working with the Ohio River Users Committee to identify funding sources to build a sustainable source water protection program.

### **Action on Minutes**

**ACTION:** Motion by Commissioner Duritsa, second by Commissioner Kupke and unanimously carried, that the minutes of the 217<sup>th</sup> meeting of the Commission, be adopted as presented.

### **Report of the Treasurer**

Commissioner Potesta noted that an updated Treasurer's Report as of May 31, 2017 was provided as additional materials for this meeting.

The report indicates a balance of \$302,234 in accounts receivable due the Commission as of May 31, 2017. The balance represents \$250,856 due from Federal sources and \$51,378 due from other sources. All states are up to date with payment of FY17 dues.

Additionally, the report indicates receipts of \$2,940,930 plus carryover of \$2,236,380 totaling \$5,177,310 through the end of May 2017. Of that amount \$3,125,125 was expended on programs, leaving \$2,052,185 available for the continuation of ORSANCO's programs.

### **Report of the Technical Committee**

Commissioner Wilson, Committee Chairman, reported that the Committee met on June 6-7 and seven states, two federal agencies, and four advisory committees were represented. The Committee covered 12 agenda items and heard from three outside speakers. Commissioner Wilson thanked the outside speakers for their presentations, Brian Brandt with the American Farmland Trust, Joshua Griffin with the Ohio EPA, and Rengao Song with the Louisville Water Company.

Commissioner Wilson started his report by thanking a number of individuals for their service to the Technical Committee. Commander Eric Denley with the USCG is the Coast Guard's representative to the TEC Committee and he is retiring. Tim Henry with the USEPA Region 5 is retiring. Tim has served the Commission over the last 30-something years as a TEC member and proxy Commissioner. Paul Novak is retiring from the Indiana Department of Environmental Management, formerly with the Ohio EPA, and he has served many years as Chairman of the NPDES Subcommittee of the TEC. Judy Petersen served as Chair on PIACO for many years and was instrumental in forming the Watershed Organizations Advisory Committee and served as the first Chair of that committee. All of these folks will be missed and we wish them all the very best.

Commissioner Wilson then provided the following summary of meeting reports and outcomes:

#### Chief Engineer's Report

Director Harrison reported that ORSANCO has been working with the Ohio River Basin Alliance on collaboration between the two organizations. He discussed the 5-year budget forecast and options for future budget reductions if and when necessary. Such options involving ORSANCO's technical programs will be fully vetted through the Technical Committee. He also discussed the possibility of ORSANCO conducting a follow-up study of emerging contaminants focusing on PFOA/PFOS. There has been more recent interest in this issue. The USEPA research center in Cincinnati has tentatively offered to run the analyses at no cost, so it would be a very low cost monitoring project for ORSANCO to undertake.

#### Nutrients

Staff provided a status report on assessing relationships between nutrients and their effects on aquatic macroinvertebrate communities. Three years of paired data for nutrients, chlorophyll, dissolved oxygen, and macroinvertebrates have been collected from about 45 sites per year, with 2-4 rounds of sampling at each site. Staff is in the process of quality assuring and assessing the data, and an additional year of data will be collected this summer. A report will be forthcoming in 2018.

#### Harmful Algal Blooms

Staff provided an overview of a white paper on lessons learned from the 2015 Ohio River HABs event which was attached with the agenda. A scientific working group was established by ORSANCO this year to assist with the many science questions surrounding HABs and particularly relating to the Ohio River. They are currently addressing the many questions surrounding monitoring and analysis of HABs. Staff then provided an overview of the Ohio River monitoring network for HABs being conducted by multiple entities. ORSANCO will be working to establish a website containing all of the HABs related data being collected by all of these entities.

#### Mercury Project

Staff provided an update on the mercury mass balance project to determine relative contributions of mercury to the Ohio River from the various sources. The tributary monitoring project to calculate mercury loadings from the major tributaries has been completed. Mainstem monitoring to calculate Ohio River mercury loadings is almost complete. Staff is now in the process of calculating mercury loads for point sources based on data from EPA's ICIS data base. Some interim results were presented and the project is on schedule for completion in about one year.

#### Future Considerations for the Next Generation ODS System

Rengao Song of the Louisville Water Company presented some concepts for consideration during the future development of the next generation organics detection system. Some of the concepts included utilization of automated samplers that would collect and analyze more organics samples daily, as well as analytical technologies to look beyond only organics, such as HABs and pesticides. This information was also presented to ORSANCO's Water Users Advisory Committee. The concept proposes to expand the organics detection system to a more holistic "contaminants detection system."

### Source Water Protection Programs Update

Staff provided an update of ORSANCO's source water protection program. The Cincinnati Water Works and Northern Kentucky Water District are finalizing a joint, interstate source water plan with the intent of submitting this joint plan to both Kentucky of Water and Ohio EPA. They are considering a pilot project using "Corona Water Suite" software for the development of contaminant source inventories. ORSANCO is currently in discussions with WV American Water to establish a new ODS site in Charleston, WV that would be paid for by the utility. A report on performance of the organics detection system was also provided. And finally, a demonstration of the new spill time of travel model was provided.

### Spill Response and Communications Plan

Staff provided a handout of a draft Spill Response and Communications Plan which outlines ORSANCO's responsibilities and procedures in regards to spill notification on the Ohio River. The purpose of the document is to ensure that everyone has a common understanding of ORSANCO's role in spill notification and response. TEC has been asked to provide comments on the plan by the end of June.

### Biological Programs

Staff provided a report of the Fish Consumption Advisory Workgroup. The states were provided Ohio River fish contaminants data for 33 samples collected in 2016. The workgroup considered utilization of that data in conjunction with the common protocol for developing fish consumption advisories for the Ohio River. Minor changes to states fish consumption advisories resulted from the 2016 fish contaminants data. Staff then reported completing the collection of fish contaminants samples for the West Virginia 604b3 project on the Kanawha and Monongahela rivers. Staff is awaiting receipt of all lab results and will provide a final report in August, 2017. Staff is currently conducting trend assessments on fish tissue contaminants data for mercury, PCBs, and pesticides. And finally, staff reported on special biological studies to be completed this field season. These special studies include investigating the impacts of hydropower projects on aquatic communities, and conducting biological community surveys on the lower reaches of selected tributaries.

### Ohio River Bacteria TMDL

Staff provided a brief status report on the Ohio River bacteria TMDL project being conducted by USEPA Region 5. Region 5 has received comments on a draft report from the states, as well as from EPA headquarters and Region 3, on a draft TMDL report. They are currently considering incorporating those comments into a report for release to the public. Their tentative schedule for completion of the public review process is August. ORSANCO staff will keep the TMDL Workgroup updated on the project status.

### Report of the NPDES Subcommittee

Paul Novak provided a report of the NPDES Subcommittee. The states' shared their current approaches to incorporation of the Steam Electric Effluent guidelines into NPDES permits. They provided ORSANCO with useful guidance on the use of discharge data contained in USEPA's national data base for developing mercury loads for point source in the mercury mass balance project. And finally, the workgroup received an update on the Ohio River bacteria TMDL that was provided by the EPA project officer.

### Ohio EPA's Nutrient Mass Balance Project

Joshua Griffin with the OEPA reported on Ohio's Nutrient Mass Balance Project. The purpose of the project is to guide Ohio's policies and management regarding the control of nutrients in the state. In order to do this, they calculated nutrient loads for several large watersheds in the Lake Erie and Ohio River Basins. Relative loads were calculated in each of the watersheds for sources including NPDES permitted point sources, nonpoint sources, and household sewage treatment systems. A number of enlightening conclusions have been generated from the project, including that point source loads of nutrients are lower in the Lake Erie Basin than in the Ohio River Basin due to effluent limitations for nutrients for certain point sources in the Lake Erie Basin. Future iterations of the project will increase the geographic coverage of the study, as well as allow for the investigation of temporal trends in nutrient loadings throughout Ohio's watersheds.

### Ohio River Basin Nutrients Trading Program

Brian Brandt with the American Farmland Trust provided a report on the Ohio River Basin Water Quality Trading project being carried out by EPRI (the Electric Power Research Institute). The project primarily involves establishing trading for nutrients, but is currently considering expanding trading to include carbon emissions. The project was initiated about five years ago which included the signing of an agreement between Indiana, Kentucky, and Ohio to facilitate interstate nutrient trading. Thirty two individual projects generating trading credits through nutrient reduction activities were completed during the first round of trades. These projects focused on agriculture operations. \$600,000 in new funding has been allocated for a second round of nutrient reduction projects focusing on forestry and tree planting. EPRI will be seeking to revise the current trading agreement between Indiana, Kentucky, and Ohio to allow for more flexibility and scientific defensibility for calculating credits, verification approaches, and the handling of contracts for the installation of nutrient reduction best management practices.

### Report of the Program & Finance Committee

Commissioner Bruny, Committee Chairman, reported that the Program and Finance Committee met in Newport, Kentucky on April 4, 2017. Six member states including Kentucky, Ohio, Illinois, West Virginia, Pennsylvania, New York, and the Federal Government were represented.

A detailed report of the meeting and associated attachments were provided in the agenda packet.

The Committee received detailed presentations from managerial staff describing proposed program activities, focusing on program changes and the budget impacts of such changes. Staff also provided an overview of estimated carryover resources into FY18 totaling \$2,136,517, which includes unencumbered resources of \$902,550, restricted reserves of \$992,000, and encumbered resources of \$241,967. Staff also provided a detailed budget presentation covering resources and expenditures broken down by program area totaling \$3,296,922.

The Committee gave serious consideration to future funding needs, the economic climate within the states, and possible federal funding reductions. The Committee concluded that a 0% state funding increase be recommended for FY20.

The Committee formed the following recommendations for Commission consideration:

1. Recommend adoption of the FY18 program plan and balanced budget as presented. **(Attachment I)**
2. Recommend maintaining the current restricted reserve policy and retaining the current fund balance of \$992,000 due to future funding uncertainty.

3. Recommend adoption of a 0% state funding increase for fiscal year 2020. (**Attachment II**)
4. Recommend the establishment of a separate Organics Detection System (ODS) equipment replacement account.
5. Recommend that additional formal strategic planning activities are not required at this time due to the extensive efforts to develop five-year program and financial forecasting scenarios.
6. The Committee supports a request to the Congressional Liaison Committee to work with staff to craft a clear message to Congress on the specific implications of the proposed federal budget reductions.

The Program and Finance Committee recommends that the Commission consider three separate motions.

**ACTION:** Motion by Commissioner Bruny, second by Commissioner Frevert and unanimously carried, to adopt Resolution 6-17 to approve the Program Plan and Budget for Fiscal Year 2018 as presented.

**ACTION:** Motion by Commissioner Bruny, second by Commissioner Flannery and unanimously carried, to adopt Resolution 7-17 to establish the FY20 State Funding levels as presented.

**ACTION:** Motion by Commissioner Bruny, second by Commissioner Conroe and unanimously carried, to accept the Program and Finance Committee Report Recommendations to maintain the current restricted reserve policy and fund balance; to establish a separate ODS equipment replacement account; that no further strategic planning activities are required at this time; and to support a request to the Congressional Liaison Committee to work with staff to craft a clear message to Congress on the specific implications of the proposed federal budget reductions.

**Report of the Nominating Committee**

Commissioner Frevert reported that the Committee recommends the following slate of officers for 2017-2018:

Chair: Stuart Bruny  
 Vice Chair: Ron Potesta  
 Secretary/Treasurer: John Kupke

**ACTION:** Motion by Commissioner Frevert, second by Commissioner Duritsa and unanimously carried, to accept the slate of officers as recommended.

**Report of the Audit Committee**

Commissioner Kupke, Committee Chairman, began by noting that the Audit Committee reported at the February 2017 Commission meeting that the Committee would work with staff to conduct a Request for Professional Services to perform the June 30, 2017 financial audit.

Barnes Dennig has performed solid, professional services to ORSANCO for the past six years. The Committee believes that a periodic rotation of an independent auditor can afford an added degree of financial inspection and oversight. The Committee worked with staff on a three part process to evaluate other audit firms. First, developing and issuing a Request for Proposals.

Second, receiving and evaluating the qualifications of the four responding firms. Finally, after reviewing qualifications, separately submitted fee proposals were evaluated.

As an outcome of this process, the Committee recommends that the audit firm of Clark Schaefer Hackett be retained to perform the June 30, 2017 and June 30, 2018 financial audits.

**ACTION:** Motion by Commissioner Kupke, second by Commissioner FitzGerald and unanimously carried, to retain Clark Schaefer Hackett to perform the June 30, 2017 and June 30, 2018 financial audits.

### **Report of the Pension Committee**

Commissioner Harrison, Committee Chairman, reported that the Committee continues to work with staff to review the Plan and monitor the investment portfolio to provide ongoing recommendations to sustain the Plan in a cost effective manner.

Commissioner Harrison indicated that several documents were provided for review in the agenda packet. He then summarized the Committee's following recommendations:

1. The Pension Trust Committee recommends that the Commission adopt Resolution 4-17, Amendment No. 1 to the Ohio River Valley Water Sanitation Commission Employees' Pension Plan eliminating new entrants after July 1, 2017. **(Attachment III)**
2. The Pension Trust Committee recommends that the Commission adopt Resolution 5-17, suspending the matching contribution to the Deferred Compensation Plan effective July 1, 2017. **(Attachment IV)**
3. The Pension Trust Committee recommends that the Commission adopt revised actuarial assumptions to reflect a 20-year closed amortization of the unfunded liability and reduce the anticipated annual rate of return from 7.6% to 7.5%. **(Attachment V)**
4. The Pension Trust Committee recommends that the Commission approve making minor language changes the Administrative Procedures reflecting these changes.

**ACTION:** Motion by Commissioner Harrison, second by Commissioner FitzGerald and unanimously carried, to adopt Resolution 4-17, Amendment No. 1 to the Ohio River Valley Water Sanitation Commission Employees' Pension Plan eliminating new entrants after July 1, 2017.

**ACTION:** Motion by Commissioner Harrison, second by Commissioner Elmaraghy and unanimously carried, to adopt Resolution 5-17, suspending the matching contribution to the Deferred Compensation Plan effective July 1, 2017.

**ACTION:** Motion by Commissioner Harrison, second by Commissioner Pigott and unanimously carried, to adopt the revised actuarial assumptions as presented.

**ACTION:** Motion by Commissioner Harrison, second by Commissioner Kupke and unanimously carried, to approve making minor language changes to the Administrative Procedures reflecting these changes.

## **Report of the Watershed Organizations Advisory Committee (WOAC)**

Adam Rissien, representing the Committee, reported that the key concerns for many of the organizations involved in the WOAC are as follows and the Committee would like to know what plans ORSANCO has to deal with these issues:

- Whether or not Ohio River segments and tributaries that are known to have had algae blooms or cyano bacteria at high levels are listed on 303(d) lists;
- Whether or not Ohio River segments and tributaries included under 303(d) lists have phosphorus limits;
- Coal combustion residuals (CCR) pond/landfill closures residing in the floodplains of the Ohio River and its tributaries, especially closures that will require dewatering through increased effluent under NPDES permits and the “closed in place” option, would constantly expose and indefinitely potentiate CCR leachate contamination of ground and surface waters. ORSANCO should promote Investor Owned Utilities conducting CCR pond/landfill closures to implement “closure by removal” and produce for public release detailed site-specific cost analyses including encapsulated beneficial use’
- The Rover Pipeline, operated by Energy Transfer Partners, had two spills that released more than 2 million gallons of drilling fluid into Ohio wetlands;
- Pipelines that are being constructed with segments that go under the Ohio River, including two Columbia/TransCanada projects: the Leach Xpress, and [ Kanawha River crossing at Midway, WV – near Point Pleasant] Mountaineer Xpress;
- The Appalachian chemical hub pitched by the American Chemistry Council that envisions underground cavern storage facilities and an 800-km pipeline for ethane, propane, ethylene, and propylene along an arc stretching from Monaca, Pa., to Catlettsburg, Ky., including a spur to serve the Charleston, W.Va., area, as well as 5 big ethylene crackers built in the Ohio River Valley. This will also support the Natrium plant’s expansion to extract and store highly volatile Natural Gas Liquids near the river in salt caves;
- BLM leases in the Wayne National Forest near Marietta, OH could open the way for Eclipse corporation to frack underneath the Ohio River in both the Marcellus and Utica layers; and
- 2 “Cracker” plants have started construction and/or permitting processes – one in Beaver, PA and one near Wheeling, WV on the Ohio side are a concern in terms of air emissions, water withdrawals and potential water pollution.

The Committee also thanked Travis Luncan and Lila Ziolkowski for presenting information on the Organic Detection System (ODS) to the WOAC.

With Judith Petersen’s retirement, Rich Cogen (Ohio River Foundation) will take over the chair position for the WOAC after the June Commission meeting.

### **Upcoming Meetings**

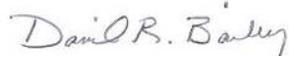
Chairman Lovan noted the following schedule for upcoming Commission meetings:

- October 3-5, 2017 Columbus, Ohio
- February 7-9, 2018 (Wednesday-Friday) Covington, Kentucky

**Adjournment**

**ACTION:** Motion by Commissioner Frevert, second by Commissioner Butler and unanimously carried, to adjourn the 218<sup>th</sup> meeting of the Commission at 10:00 AM.

Prepared by:



Date: June 14, 2017

\_\_\_\_\_  
David Bailey  
Director of Administration

Approved by:



Date: June 23, 2017

\_\_\_\_\_  
Ronald Potesta  
Secretary/Treasurer

**ROSTER OF ATTENDANCE**  
**218<sup>th</sup> Commission Meeting**  
**June 8, 2017**

**Commissioners**

Illinois	Toby Frevert Sanjay Sofat (PROXY for Director Alec Messina)
Indiana	Bruno Pigott John Kupke Joseph Harrison, Jr.
Kentucky	Ron Lovan Peter Goodmann (PROXY for Lt. Governor Hampton) Bruce Scott (PROXY for Secretary Charles Snaveley)
New York	Douglas Conroe Mike Wilson Jeff Konsella (PROXY for Commissioner Basil Seggos)
Ohio	Craig Butler Stuart Bruny John Hoopingarner
Pennsylvania	Charles Duritsa Jennifer Orr (PROXY for Secretary Patrick McDonnell)
Virginia	
West Virginia	David Flannery Ron Potesta Scott Mandirola (PROXY for Secretary Austin Caperton)
Federal	George Elmaraghy Tom FitzGerald
Legal Counsel	Ross Wales

**Executive Director**

Richard Harrison

**Guests**

Betsy Mallison – PIACO; Erich Emery – USACE; Adam Rissien – WOAC; Tiffani Kavalec – Ohio EPA

**Staff**

David Bailey, Jason Heath, Sam Dinkins, Jeff Thomas, Joe Gilligan, Lisa Cochran

**RESOLUTION 6-17**

**PROGRAM PLAN AND BUDGET FOR FISCAL YEAR 2018**

**WHEREAS:** The Commission has established the sum of \$1,418,400 as the amount of appropriations to be requested from the signatory states for fiscal year 2018; and

**WHEREAS:** Funds from the United States Government for approximately \$1,505,000 may be allocated to the Commission for fiscal year 2018; and

**WHEREAS:** Funds amounting to \$282,739 may be available from a variety of sources to support the Ohio River Sweep, ORSANCO/USGS Gaging Stations, Life Below the Waterline; and

**WHEREAS:** The Commission is anticipated to carry over resources of \$2,136,517 into the 2018 fiscal year.

**NOW, THEREFORE, BE IT RESOLVED THAT:** The 2018 Fiscal Year Program Plan for all activities and the budget contained therein and in support thereof be approved as presented.

**BE IT FURTHER RESOLVED THAT:** The Executive Director is hereby authorized to make application for funding as may be available from US EPA, for other Federal funding and funding from other sources as may become available.

**BE IT FURTHER RESOLVED THAT:** The expenditures in fiscal year 2018 be substantially within the framework of the following guidelines, which are made a part of this Resolution.

**2018 FISCAL YEAR BUDGET**

Payroll	\$1,185,640
Employee Benefits	673,424
Staff Travel	183,492
Commission Travel	106,969
Advisory Committees	21,103
Supplies	251,610
Telephone	17,657
Equipment Purchases	68,691
Mortgage, Utilities	68,448
Repairs & Maintenance	73,686
Contractual Services	454,160
Printing & Reproduction	6,550
Lab Fees & Delivery	<u>185,493</u>
Total Expenditure Budget	\$3,296,922

**RESOLUTION 7-17**

**STATE FUNDING LEVEL FOR FY2020**

**BACKGROUND**

The Commission has the responsibility of setting levels of state funding to support its programs. By policy, such state funding is to be established two years in advance to facilitate legislative/fiscal processes of the individual states. In developing its recommendations, the Program and Finance Committee relied, in part, on current and future budget information, the current rate of inflation and the current level of funds in the reserve account. The Program and Finance Committee was presented with alternative increases in the states' 2020 funding and agreed to recommend no increase in state funding for the 2020 fiscal year. The attached listing displays each state's proportional share of the Commission's budget for 2020 in comparison with their most recent funding levels.

**ACTION REQUESTED OF THE COMMISSION**

Authorize a level of state funding for FY2020 by means of the following Resolution "State Funding Level for 2020."

**RESOLUTION**

**STATE FUNDING LEVEL FOR 2020**

**WHEREAS:** Article V of the Compact provides that the Commission shall submit to the Governor of each state, at such time as he may request, a budget of its estimated expenditures for such period as may be required by the laws of such state for presentation to the legislature thereof;

**NOW, THEREFORE, BE IT RESOLVED THAT:** The sum of \$1,439,700 be budgeted for operating expenses of the Commission in the Fiscal Year July 1, 2019 to June 30, 2020. Such sum to be prorated among the signatory states in accordance with the provisions of Article X of the Compact.

**RESOLUTION 4-17**  
**AMENDMENT No. 1**  
**TO THE**  
**OHIO RIVER VALLEY WATER SANITATION COMMISSION**  
**EMPLOYEES' PENSION PLAN**

In accordance with provisions of the Ohio River Valley Water Sanitation Commission Employees' Pension Plan, as amended and restated effective as of July 1, 2015 (the "Plan"), the Ohio River Valley Water Sanitation Commission (the "ORSANCO") hereby further amends the Plan as follows:

First:           *Purpose and Effective Date of Amendment.* This Amendment is adopted to cease new participation in the Plan effective as of June 30, 2017.

Second:       *Supersession of Inconsistent Provisions.* The provisions of this Amendment No. 1 shall supersede the provisions of the Plan, or any other instrument under which the Plan is administered or operated, to the extent those provisions are inconsistent with the provisions of this Amendment.

Third:         *Cessation of New Participation.* Notwithstanding any other provision of the Plan to the contrary, no Employee who is not an active Participant on June 30, 2017, shall become, or be reinstated as, a Participant after that date.

Fourth:        Article I, Section 1.11 of the Plan is amended by the addition of the following sentence at the current end thereof:

There shall be no "Entry Date" after January 1, 2017.

Fifth:         Article II, Section 2.1 of the Plan is amended by the addition of the following new sentence at the end thereof:

Notwithstanding the foregoing provisions of this Section 2.1 or any other provisions of the Plan, January 1, 2017 is the final Entry Date under the Plan.

Sixth:         Article II, Section 2.3 of the Plan is amended by the addition of the following new sentences at the end thereof:

Notwithstanding the foregoing provisions of this Section 2.3, no one who is not an active Employee on June 30, 2017 shall ever be reinstated as an active Participant in this Plan. Furthermore, if a Participant who was an active Employee on June 30, 2017 has a severance of employment from the Employer after that date, he shall not be reinstated as an active Participant in this Plan.

Seventh:       In all other respects, the Plan shall remain unchanged by this Amendment No. 1.

IN WITNESS WHEREOF, the Ohio River Valley Water Sanitation Commission has caused this Amendment to be signed by its duly authorized officer as of this 8<sup>th</sup> day of June, 2017.

**RESOLUTION 5-17**

**Suspension of 457 Plan Match**

WHEREAS, ORSANCO sponsors a 457 Deferred Compensation Plan (“457 Plan”) the terms of which are described in ORSANCO’s Administrative Procedures booklet and the 457 Plan document; and

WHEREAS, ORSANCO has reserved the authority to amend the 457 Plan; and

WHEREAS, in the past, ORSANCO has made matching contributions to the 457 Plan at a rate of 25% of each employee’s deferrals up to an amount equal to 6% of such employee’s compensation that year; and

WHEREAS, ORSANCO wishes to discontinue the matching contribution effective as of July 1, 2017;

NOW THEREFORE, BE IT RESOLVED, that effective July 1, 2017 ORSANCO will discontinue the match to the 457 Plan; and further

RESOLVED, that that the Executive Director shall be, and hereby is, authorized and directed to take such action and to make, execute, deliver and file or cause to be made, executed, delivered, or filed such notices, agreements, documents, payments, applications, instruments, and certificates, and to take such other and further actions, as he may deem to be proper, necessary, desirable or appropriate to effectuate the purpose and intent of the foregoing resolutions, the authority for taking of such action and the making, execution, delivery or filing of such notices, agreements, documents, payments, applications, instruments or certificates to be conclusively evidenced thereby; and further

RESOLVED, that all actions heretofore taken by the Executive Director, or any other officer, employee, or agent of ORSANCO in connection with the subject matter of the foregoing resolutions and recitals be, and hereby are ratified, approved, and confirmed in all respects as the acts and deeds of ORSANCO.

# OHIO RIVER VALLEY WATER SANITATION COMMISSION

## Defined Benefit Plan Proposed Actuarial Assumptions June 8, 2017

<b><u>Item</u></b>	<b><u>Actuarial Assumption</u></b>
Actuarial Asset Method	Market value of Plan assets.
Actuarial Cost Method	Individual Early Age Normal Cost Method
Amortization Method	Closed 20-year period
Commencement and Election	100% of current and future term vested are assumed to take benefits at age 65.
Cost of Living Adjustment	0%
Expenses	Administrative expenses will be paid by the Commission.
Funded Ratio	Actuarial value of assets divided by the accrued liability
Funding	Benefits are funded for all those individuals who are eligible on the valuation date.
Investment Return	7.50% per year, compounded annually
Marriage Assumption	100% assumed
Mortality	RP-2014 table, projected with Scale MP-2014 on a fully generational basis
Retirement Age	Participants eligible under the "Rule of 90" are assumed to retire at the following rates: 55-59 - 20% 60-61 - 25% 62-64 - 50% 65 or later - 100% Participants not eligible under the "Rule of 90" are assumed to retire at a rate of 100% at 65 or later.
Salary Progression	3%