

**CHESAPEAKE BAY COMMISSION
JANUARY 2018 MEETING MINUTES**

The Chesapeake Bay Commission held its third quarterly meeting of 2018 on Thursday and Friday, January 4-5, 2018 in Annapolis, MD.

Commission members in attendance:

Secretary Mark Belton
Delegate David Bulova
PA Citizen Member, Warren Elliott
Representative Garth Everett
Delegate Barbara Frush
Delegate Tawanna Gaines
Representative Keith Gillespie
Senator Guy Guzzone
Senator Emmett Hanger
Delegate Scott Lingamfelter
Secretary Patrick McDonnell
Senator Thomas “Mac” Middleton
Representative Michael Sturla
VA Citizen Member, Dennis Treacy
Senator Frank Wagner
Acting Secretary Russ Baxter
Senator Gene Yaw

Members not in attendance:

Senator Richard Alloway
MD Citizen Member, Bernie Fowler
Delegate Maggie McIntosh
Delegate Margaret Ransone
Rear Admiral Jack Scorby

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

THURSDAY, JANUARY 4, 2018

Call to Order

The meeting at the Lowes Hotel in Annapolis, MD was called to order by Chairman Everett at 1:03 PM. The Chairman asked CBC Executive Director, Ann Swanson to take roll. The Commission approved the minutes from the November meeting by unanimous consent. The agenda for the January meeting was approved with the modification that Jim Edwards would represent EPA at the “New Leadership” discussion on Thursday afternoon. Severe weather in

the Mid-Atlantic had prevented Mr. Servidio from making it to Annapolis. Chairman Everett also noted that Executive Director Swanson had been invited to China for two weeks to consult on water quality improvement planning, and the Executive Committee had approved this and was excited to be able to share the successful model of the Commission across international boundaries.

Chairman's Updates

Mid-point Assessment – Critical Decision Points (Ann Swanson, Marel King)

Executive Director Swanson, with assistance from Pennsylvania Director Marel King, outlined the highlights of the Bay Program's Principal Staff Committee (PSC) meeting held in December, during which a series of important decisions were made related to the future of the Bay Program. Key items are as follows:

1) The PSC agreed to adopt the "Phase 6 Suite of Modeling Tools." The refined model was a result of many changes since 2010 and the Phase 5 model, including improved modeling and decision support tools, high resolution land cover data for the entire watershed, hundreds more BMPs for crediting, and significant data gathered from local agricultural and municipality partners. Senator Middleton asked if the program has done cost analysis for individual BMPs. Matt Johnson, from the University of Maryland and one of the staff involved in model development, replied that he thought this information would be loaded into the model in the next few weeks, by geography.

2) The PSC adopted a targeted assimilative capacity and Phase III planning targets, based on the new model and projected violations of dissolved oxygen in open water, deep water and deep channel. The targeted amounts are 195 tons N, and 13.7 tons P.

3) The third major item considered by the PSC was an approach to address the "additive" loads now recognized from the in-fill of the pool behind the Conowingo Dam. The PSC agreed to address this load with a separate implementation plan, with a timeline, as a partnership collaboration. This would be an approach that pooled resources and left the partnership as a whole responsible for implementation, rather than assigning responsibility to individual jurisdictions. Delegate Lingamfelter cautioned staff to be very careful on this, as it was new ground for the Partnership.

4) The TMDL requires impacts of climate change to be addressed in the Phase III WIPs. The PSC decided to incorporate climate change narratively into the WIPs, while concurrently working to better understand the science in projecting the impacts, including an estimate of pollutant load changes and an understating of BMP responses. It was agreed that by 2021, the Partnership will revisit estimated loads due to climate change to determine if updates to numeric load estimates are needed, and the jurisdictions will be expected to account for additional nutrient and sediment pollutant loads due to 2025 climate change conditions.

5) To address "accounting for growth," the PSC agreed to use the Partnership's land change model to establish growth projections, with the opportunity for states to provide data or alternative modeling approaches in future years (using the Partnership approval process). The 2025 growth projections based on current zoning will be the base conditions for the Phase III WIPs, and growth projections will be updated every two years, using the best available data to inform the two-year milestones.

State Actions To Address Climate Change and Growth

Pennsylvania: Secretary Patrick McDonnell, Department of Environmental Protection (DEP)

As required by the Pennsylvania Climate Change Act of 2008, the DEP and the Climate Change Advisory Committee (CCAC) produced a Climate Change Action Plan and submitted it to the governor in 2009. This plan identified green-house gas (GHG) emission and sequestration trends and baselines; evaluated cost-effective strategies for reducing or offsetting GHG emissions; identified costs, benefits and co-benefits of reduction strategies recommended; and recommends to the General Assembly legislative changes necessary to implement the Action Plan. In addition, the DEP and CCAC are required to update the plan every three years, most recently in 2015. The focus of the planning efforts is on adaptation, and over 100 adaptation strategies have been identified.

The Commonwealth is also currently updating its State Water Plan, and will incorporate climate change science into that work. Many water supply concerns may be amplified by climate change, such as public water supply levels, drought, and reservoir levels.

Maryland: Secretary Ben Grumbles, Department of the Environment

In 2007, The Maryland Commission on Climate Change (MCCC) was established by Executive Order and charged with developing an action plan and firm timetable for mitigation of and adaptation to the likely consequences and impacts of climate change in Maryland, including strategies to reduce Maryland's greenhouse gas (GHG) emissions. Because of the work of more than 100 stakeholders and experts, the MCCC produced a climate action plan which was the catalyst for the Greenhouse Gas Emissions Reduction Act (GGRA) of 2009. In 2014, a second Executive Order expanded the scope of the MCCC and its membership to include non-state government participants, one of Governor Hogan's first acts.

Secretary Grumbles noted the importance of pollution prevention, and "managing the unavoidable" to address the impacts.

Virginia: Acting Secretary Russ Baxter, Department of Environmental Quality (DEQ)

Acting Secretary Baxter noted that the Hampton Roads area has been identified as the second most vulnerable area in the United States to climate change, and is home to the world's largest naval base. Legislation has been passed to study coastal resiliency. Within DEQ the Coastal Zone Management Program is taking steps to help prepare for the predicted effects of climate change, especially sea-level rise on Virginia's coastal resources. Also, Virginia did join the US Climate Alliance.

Secretary Grumbles brought up the Regional Greenhouse Gas Initiative (RGGI) and Maryland's membership, as a tool to reduce GHG emissions. RGGI is a cooperative effort among certain northeast states to cap and reduce CO2 emissions from the power sector. There were questions back-and-forth on this topic, including potential impacts on in-state production capability and the ability of the electric grid to handle alternative inputs, such as small scale solar.

Complex Challenges Confronting New Leaders

Integrated Science & Leadership: Dr. Peter Goodwin, President, University of Maryland Center for Environmental Studies

Dr. Goodwin thanked the Commission for the opportunity to speak, and the warm welcome he had already received. He looked forward to continuing the productive relationship between UMCES and the Commission.

He noted the importance of sound science in helping to develop alternatives to address the myriad of environmental challenges now facing the world, but stressed that scientists (in that role) should not be making the decisions – as decision-making ultimately requires a layer of value judgement, that science does not provide.

Dr. Goodwin also noted the importance of being adaptive, when working in complex, dynamic systems, such as the Chesapeake Bay. We also need to think hard about what we really have control over, and hence can use to influence outcomes. He also discussed the current debates about “who’s science is best”, and the need for credible science to be peer reviewed and transparent. He observed that most often, research is conducted on a longer time scale, and not immediately responsive to questions that arise quickly. He said that a new body of work is the science of synthesizing information, and this was an important function of UMCES. Information needs to be presented in ways that are actionable, and research directed at areas of uncertainty.

Water Quality & Leadership: James Edwards, Acting Director, Chesapeake Bay Program, Environmental Protection Agency

Jim thanked the Commission for their work over the years, and noted that Regional Director Servidio would make the next Commission meeting. He also invited CBC staff to the EPA regional office in Philadelphia. Mr. Servidio has both a local perspective, as the head of a local water utility in Pennsylvania, and a former Chief of Staff in EPA Region 2. Additionally, a new Chief of Staff for Region 3 has been named, Jennifer Fields, and she also has a long history of working on water policy issues in Pennsylvania.

The vacant position of EPA Bay Program head has been advertised, and it is open until the end of January. Jim said he would welcome input from the Commission on the new Director.

Related to the Bay Program, the PSC is working towards getting over the mid-point assessment “hump,” with several important decisions made in December and more to come over the next year.

He addressed the concern related to the physical location of the Bay Program, noting their current lease is up in February 2019, and they will likely be moving elsewhere. They hope to keep the program together.

Jim noted that the Watershed Agreement includes many goals, and explained the strategy review system that has been created to ensure progress is being made and to promote accountability. As for WIP 3 development, EPA is giving the jurisdictions flexibility as to the scale at which they work, but do want more local engagement, and a finer scale than in the Phase 2 WIPs.

Farm, Forests & Leadership: Robert Johansson, Acting Deputy Undersecretary for Farm Production and Conservation Mission Area, US Department of Agriculture

Mr. Johansson thanked the Commission for the invitation to speak. He noted his normal position is as Chief Economist. He noted Mr. Northy (who has been nominated, but not confirmed) for the Undersecretary position, is a three-term Secretary of Agriculture for the state of Iowa.

He noted a focus for USDA in the coming months will be the work on the 2018 Farm Bill, and the committees are beginning to give this attention, particularly in the House. They are putting proposals together. It is currently a very difficult time in the farm economy, with farm income off 50%, and commodity prices much lower than in the recent past. This will impact how producers view conservation.

He also discussed the ongoing reorganization within USDA, where the Farm Service Agency, NRCS and other groups will be combined into a single mission area, that will have 22,000 employees and a \$22 billion budget. He noted that improved customer service was a key focus of the reorganization, and they are working to reduce backlogs in conservation planning and implementation.

Panel Questions and Answers

In follow-up to the individual presentations, the Commissioners, staff and three guests considered a variety of topics related to their individual presentations, and how might the Commission partner to best leverage its expertise and influence. Topics included the room for innovation in programs, the engagement of the farm community in developing research priorities, and the need for “big” objectives to drive results. Delegate Lingamfelter noted we need to keep asking ourselves if we are really doing the right things to restore the Bay and encouraged the Commission to focus on key challenges.

Chairman Everett adjourned the formal meeting at 4:50 PM.

FRIDAY, JANUARY 5, 2018

Call to Order

Chairman Everett called the meeting to order at 9:35 AM. The Chair asked CBC Executive Director, Ann Swanson to take roll. It was noted that Mr. Henifin, with the Hampton Roads Sanitation District, would be unable to present to the Commission today due to the continuing inclement weather conditions, and instead Commission member Treacy would be presenting on work the Virginia Chamber of Commerce has been doing related to environmental issues.

Delegation Reports (Issues)

Each state delegation reported on the discussion during their breakfast meetings earlier that morning, when they identified priorities for the upcoming session:

Virginia

- Budget cycle, stabilize cost-share technical assistance
- Alexandria combined sewer overflow - \$20 m to start repairs
- Menhaden catch limits
- New issue of Chlorophyll A in James River

Pennsylvania

- Pending water legislation in Senate
- Fertilizer bill
- Nutrient credit trading
- Stormwater fees

Maryland

- Changes to lawn fertilizer law
- Forest conservation

- US Navy program for land conservation

Federal Budget Priorities

Mark Hoffman, Maryland Director

Mark presented his work on the federal budget process and developing federal budget priorities for the Commission for FY 2019. He noted the importance of federal funding to Bay restoration, yet it is difficult to track given number of federal agencies engaged and challenges of what is a “Bay” expenditure. The Chesapeake Bay Accountability and Recovery Act (CBARA) of 2014 created the requirement for an annual report to Congress of federal spending which resulted in the Chesapeake Bay Restoration Spending Crosscut Report to Congress issued in 2016 and 2017.

He outlined a series of proposed steps for the Commission, including the development of a public document with key items that support the Bay, and communication of this information to both House and Senate members within the watershed (so that they can make the requests to the appropriate budget subcommittee) and outreach to the Chair and Ranking Member of the key subcommittees. Mark also outlined the various federal programs important to the Bay, and proposed funding levels in FY 2019.

The Commission was supported of the proposed approach, and made a motion without objection for him and Commission staff to pursue the approach outlined in the presentation.

Blueprint Virginia 2025 (Virginia Chamber of Commerce)

Dennis Treacy, Virginia Citizen Member

Dennis shared with the Commission the results of a project on which he had great involvement, as the former chair for the Virginia Chamber of Commerce – Blueprint Virginia 2025. Blueprint Virginia is a comprehensive initiative that provides business leadership, direction, and long-range economic planning for Virginia. During the prior 12 months, the Virginia Chamber engaged business and community leaders from around the Commonwealth to build an action plan for strengthening Virginia’s economic competitiveness and getting Virginia back to the top of business climate rankings.

He focused the Commission’s attention to pages 28-29 of the document, which focus on environmental concerns. He noted the similarity to the issues presented, and what the Commission is trying to achieve. Dennis viewed this as a “wake-up call” that the environment is important to the business community, a new way of thinking. With increasing younger members, they perhaps see these linkages more clearly, along with the importance of quality of life issues in the establishment and success of businesses.

The Commission was extremely grateful to Dennis for sharing this with them, and agreed we could do a better job of engaging the business community on Bay restoration.

ELECTION OF 2018 OFFICERS

Chairman [VA]: Sen. Frank W. Wagner

Vice-Chair [VA]: Sen. Richard L. Alloway, II

Vice-Chair [MD]: Del. Tawanna Gaines

Executive Committee members:

- Del. David L. Bulova [VA]
- Sen. Guy Guzzone [MD]
- Rep. P. Michael Sturla [PA]

Chairman Everett asked for a motion to accept the above slate of officers, which was offered and passed by unanimous consent. Chairman Everett then passed the gavel over to the 2018 Chairman, Sen. Frank Wagner. In 2019, the Chairmanship of the CBC rotates to Maryland.

In closing, Rep. Everett reflected on the many achievements of the Commission during 2017, and how proud he had been to lead the body. As incoming chair, Sen. Wagner was also appreciative of the opportunity, and anticipated the work to be accomplished in 2018.

The meeting was adjourned at 12:05 p.m.