

**MINUTES
of the
EXECUTIVE COMMITTEE MEETING
of the
WESTERN STATES WATER COUNCIL
Crystal Gateway Marriott
Arlington, Virginia
April 3, 2014**

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MEMBERS AND ALTERNATES PRESENT

ALASKA	--
ARIZONA	--
CALIFORNIA	--
COLORADO	James Eklund
IDAHO	Jerry Rigby
KANSAS	David Barfield
MONTANA	John Tubbs
NEBRASKA	Jim Schneider
NEVADA	--
NEW MEXICO	Scott Verhines
NORTH DAKOTA	Todd Sando
OKLAHOMA	J.D. Strong
OREGON	Phil Ward
SOUTH DAKOTA	Kent Woodmansey
TEXAS	Todd Chenoweth
UTAH	Walt Baker
WASHINGTON	--

WYOMING

Pat Tyrrell

STAFF

Tony Willardson
Nathan Bracken
Cheryl Redding

WELCOME AND INTRODUCTIONS

WSWC Chairman Phil Ward welcomed the Executive Committee members and Committee Chairs. Introductions were made around the room. Phil notified the Committee that both the Chair and Vice Chair would need to leave the meeting early for an appointment on Capitol Hill. At that point, Jerry Rigby, Council Secretary-Treasurer continued the meeting as Chair.

APPROVAL OF MINUTES

The minutes of the meeting held October 3, 2013 in Deadwood, South Dakota were moved for approval. The motion was seconded, and the minutes were approved.

REPORT ON BUDGET AND FINANCES

Jerry Rigby reported that the WSWC is in a good fiscal state. We are well within our budget. Our main source of income is, of course, the state assessments. We have received full payment from all but one state. It is my understanding that the remaining state's dues will be paid before the end of this fiscal year, which ends June 30, 2014. The assessments for FY 2015 are proposed to be the same.

Jerry reviewed and highlighted three specific columns on the proposed budget as contained under Tab D in the briefing materials. The first column on the left is the approved budget. The fourth column is the estimated total income/expense for this fiscal year, and finally, the proposed budget for FY2015. The total income indicated is 4.72%, which means it is less than the changes that would be required for next year's budget. The reason for that is that we have some contracts, sponsorships, and symposia which cause fluctuations in the budget.

Tony remarked that the symposium, contracts, and sponsorships are sources of income that we may not have on a continuing basis. Every other year we hold the symposium on Indian water rights settlements with the Native American Rights Fund (NARF). We budgeted \$25,000 as income and \$25,000 as expenses. In the past, this particular symposium has been a money generating project and we split the net income with NARF. This past year, due to some unforeseen circumstances related to the cultural event, we ended up picking up the cultural event costs, and therefore we did not break even. But the NARF covered the deficit.

The Annual Water Management Symposium will be held this coming fiscal year on infrastructure, and is hoped to be a net revenue neutral event. We put in \$10,000 as the expense, and we anticipate it will break even, so that explains the difference in the overall estimated change figure.

As far as expenses are concerned, the audit is budgeted for in this fiscal year. The audit was done on a biennial basis for each individual year. Therefore, it will not appear as a budget approval for 2015.

The budget for FY 2015 is less than this fiscal year, due to more efficiency in the budget with respect to meeting expenses. The payroll benefits are being increased, and there was a savings this year since Sara took maternity leave. Additionally, Sara has asked to reduce her hours to 30 hours per week through September. That said, the budget includes Sara's salary at full-time employment for next year.

The symposia and contracts expenses have been reduced. These items are budgeted to be the same as last year. We anticipate our net expenses will be just about \$40,000 in the black this year.

Jerry moved approval of the proposed FY 2015 budget as it appears in the 5th column, first sheet under Tab D. The motion was seconded and approved by the Executive Committee.

Walt asked if there was a plan or goal for the reserves. Phil noted that most boards try to operate with at least a six-month reserve to be fiscally responsible. That is a common philosophy. Pat Tyrrell remarked that several boards on which he sits operate with such reserves as well. The WSWC maintains this reserve balance to weather the storm of some states not being able to pay their dues. Thus, the reserves are maintained as a rainy day fund.

There is an outstanding commitment from WGA on our energy contract of about \$135,000. We now have a grant with the EPA Exchange Network. Sara has been a tremendous benefit to our staff. We will need to keep in mind that Sara is under a short-term contract with the WSWC, and her salary is paid for through the grant funding. We hope to be able to keep her permanently. At some point down the road, the increase to WSWC staff will need to be considered by this body.

Phil brought the discussion back to Walt's question as to whether or not the WSWC should be generating revenue consistently from such grants to bring an increase in the revenues balance? Jerry asked if the states could help in getting grants or contract funds?

Tony remarked that the WSWC is in a fairly comfortable position, and we have typically steered away from seeking grants to avoid having the organization's work plan driven by grant funding. As opportunities arise, the WSWC may choose to make agreements for grant funds. The intention is to apply for another grant with EPA's Exchange Network in another year or two. With the exception of the Exchange Network grant, the WSWC will not have any other contracts or federal grant funds as part of the overall budget. WGA has also moved away from seeking so many federal grants.

Tony stated that we have not received as much funding from corporate sponsors for our meetings and symposia. The budget anticipates a continuing decline in the interest line item due to the economy.

SUNSETTING POSITIONS

Chairman Phil Ward noted that the Executive Committee did not need to take any action on any of the proposed and sunseting positions as they were all assigned to be dealt with by the various working committees.

POTENTIAL WSWC POLICY

Regarding endorsements for federal political appointees or nominees, Phil commented that this internal policy proposal be forwarded to the full Council. This item is on the agenda at Phil's request following the Council's endorsement on Mike Connor's appointment as Assistant Secretary of the Department of Interior.

Tony put together the position under Tab C in the briefing materials. The Executive Committee discussed this action during the phone call prior to the meeting. Tony noted that the WSWC has not been in the practice of endorsing political appointees, particularly when there may be candidates that would consist of some former WSWC members. The WSWC was asked about its support for Mike Connor, and most had good experiences with him. He had been very active with a number of WSWC priorities and implementing the Governors' recommendations. However, this raised the question about WSWC procedures for such endorsements. The draft policy would address any action on nominees already put forward by the President for Senate confirmation. It would require adoption pursuant to our rules of organization for external policy statements, wherein we would need to provide notice prior to a WSWC meeting, and it would be acted on at the WSWC meeting. This would require a two-thirds majority vote of the states. At the discretion of the WSWC Chair, if circumstances warrant, consideration could be expedited by electronically polling the Executive Committee members. Provided there were no objections raised within a certain period of time (perhaps 3 working days), it would be considered approved and the Chair could use the WSWC endorsement as appropriate.

Emergency action, or action between meetings taken by the Executive Committee usually requires 10 days notice. Once a policy is adopted, it then requires 10 days review by WGA. This would provide another option and we would have to achieve a consensus recommendation in order to take action.

Phil Ward noted that during the conference call of the Executive Committee, the question was raised as to whether the Council ought to be in this business at all. The policy has significant sideboards on endorsements, but Phil wanted to provide folks the opportunity to articulate whether or not the WSWC ought to be in the business of endorsing candidates for positions of this nature. We want to support those who support us, as long as there are protections that anyone could stop the process.

Pat Tyrrell said that WSWC has not provided such endorsements throughout the history of the organization. I wonder if we ought to put ourselves in this position. Individual states may wish to endorse political candidates, but it can be more difficult in terms of the WSWC giving endorsements.

J.D. agreed. He wondered if the WSWC should entirely avoid providing such letters of support or endorsements. Although Roland Westergard is not here, he likewise raised similar concerns or reservations with respect to endorsements.

The general consensus of the group seemed to be to vote against the policy. It is a bit uncomfortable for the WSWC organization as a whole to provide endorsements. One state could find itself in a position that it would be crosswise with its governor. This would not, however, preclude individual states from sending letters of support.

J.D. Strong made a motion to set an internal policy position that the WSWC would not endorse political candidates. The motion was seconded.

Discussion:

Phil Ward: This would be a recommendation of the Executive Committee to the Full Council that the WSWC does not endorse any candidates.

Pat Tyrrell: As technical advisors, we pick and choose between political bills and legislation on a regular basis. We do the best we can on bills, rules, science, etc. I am a little nervous. If the original policy as proposed were to go through, then we would have three days to take this to our states. If someone is out of town, it could cause us to get into some gray areas that are more outside our court. The motion now before the group is much different than the one that was noticed. I have a desire to talk with our departments before we adopt this policy. I would vote no so that I could discuss this more with my colleagues and bring it up at the Summer meeting.

Scott Verhines: We were faced with a similar situation in the Engineering Society. One approach is to take a similar position, where we simply don't endorse candidates. The other is to formalize, based on the mission of the organization, these – and do it routinely, every time the same way, these are the criteria that we weigh in taking a position. In the Engineering Society, we elected to go that route, because we are weighing these candidates against their support for what we do, or not.

Pat Tyrrell: Tony, under your original idea, would that support have been vetted through WGA before the letter went out?

Tony Willardson: It would go to WGA at the same time as it goes to the Executive Committee for 3 or 5 days review. My assumption would be that it would just be handled by the WGA Executive Director. In this instance, if Jim Ogsbury felt at all uncomfortable with an endorsement, we would not move forward.

Pat Tyrrell: That is one crack I don't think we want to fall into. We don't want to have a letter out there that we might have some governor, or several governors, who do not support the candidate.

Tony Willardson: That is a good point, too. Under the process with WGA, they vet everything through their Staff Council. So, if we were to send it at the same time and they vet it through their Staff Council, I don't know how long that could take.

John Tubbs: I would offer a substitute motion to table this internal policy until the Summer meeting.

The motion was seconded. The motion was tabled.

Tony pointed out that the regular procedures are that any state can choose on any resolution to hold a vote to the next meeting.

WSWC 2013 ACTIVITIES AND EVENTS HIGHLIGHTS

Tony Willardson reported that the 2012 annual report was delayed, as it takes some time to synthesize the activities and events for the year.

In thinking about that, and trying to be responsive, we put together a list of things achieved in 2013, which includes congressional testimony and DC visits, symposia, conferences, workshops, and special events. It also includes coordination with other organizations, and presentations by WSWC staff given at conferences and meetings of other organizations. The WSWC wrote a number of letters to the Congress and federal entities, and they are listed in chronological order. In addition, the WSWC put out a number of publications, some jointly with the National Oceanic and Atmospheric Administration.

WSWC STRATEGIC DIRECTIONS

Tony Willardson reviewed the responses to the survey questions for strategic directions and highlighted some of the WSWC's primary purposes. He referred members to Tab R in the briefing materials. As a general feeling, the WSWC is viewed very favorably as representing our interests externally and with the Administration. WaDE is really a new endeavor for the WSWC, providing as a technical support role to the states. In the past, we have had discussions as to whether or not we should work toward developing a model state water plan or summarizing what components should be in a state water plan. It seemed there was a lesser degree of enthusiasm for providing such assistance with internal state considerations. The WSWC developed a model state drought response plan that was not a prescriptive plan for states, but having looked at what states were doing, the WSWC included common ideas.

In general, everyone is satisfied with the direction of the WSWC and the benefits the states receive from membership. It is a little difficult to find the metrics for measuring the effectiveness of the WSWC. One such measure may include that the WSWC has been asked a number of times to provide testimony on congressional bills. We are at the level where congressional staff seek input from the WSWC.

A separate survey on strategic directions was sent to members of the Executive Committee. The results of the survey are also included in the materials under Tab R. One of the strengths of the WSWC is putting our collective weight behind issues of importance no matter the relative size of a state.

Tony remarked that the WGA is trying to make sure their work is not staff-driven, but rather driven by Governors. The survey inquired about WSWC members' interaction with their respective Governors and staff. We found that communication varies by state.

With respect to the WSWC staff evaluation, those responding believe the current level of staff is appropriate to meet member needs.

Walt commented that he would like to see a graphical representation on one page to get a better sense of where our priorities and interests are.

Tony responded that there may be a way to put this information into a bar or graph chart.

WESTFAST PRINCIPALS' MEETING and DISCUSSION

Tony Willardson pointed out that the WSWC will be invited to meet with Principals from the WestFAST agencies tomorrow. We should expect questions as to the value of WestFAST and particularly of the Liaison Officer. The Liaison Officer's position is an expensive endeavor for WestFAST and it is complicated getting twelve agencies to fund the position. In the past, the pool of candidates has been somewhat limited or restricted.

Tony mentioned that WSWC members may wish to raise questions about the level of participation of WestFAST members. We get different participation depending on who is involved at the Principals level. Since we are dealing with policy issues, it is best to work with someone who has the policy maker's ear, and that varies by agency. Is it necessary to have the liaison be located in SLC? There are some benefits having them in our offices. Ideally we would get someone who can gain some experience, go back to their home agency and provide benefits and integrate them into that agency, and still provide some benefits to the WSWC. The WestFAST agencies have begun to talk amongst themselves in any event.

Jerry Rigby raised a question about whether or not WSWC deems WestFAST to be important to the WSWC. Based on a previous discussion, he noted that it is not necessary for a WestFAST agency representative to be named a member of WestFAST in order to actively participate. The WSWC could perhaps improve subcommittee participation with more federal agency members. Tony commented that this seems to be working fairly well with the WaDE project and involvement of WestFAST member agencies on several project workgroups.

WestFAST conference calls were mentioned. Tony has had discussions with the WestFAST Chair and Vice Chair, but not with the group as a whole. It was suggested that perhaps Tony should request time on their calls, and then WestFAST can excuse him and continue with their internal business.

WGA/WSWC ACTIVITIES

Tony Willardson stated that Carlee Brown addressed the work WGA is doing on their workplan that involves the WSWC earlier this morning. Tony remarked that he is invited to the WGA Staff Advisory Council meetings. The WSWC has a good working relationship with WGA.

FY 2014-2015 DRAFT COMMITTEE WORK PLAN

Tony Willardson noted that during the Water Resources Committee, a comment was made with respect to the value of the symposium on infrastructure. The Committee indicated that this symposium is worthwhile.

There were no other Executive Committee Work Plan items discussed.

FUTURE WSWC/WGA MEETINGS

The schedule of upcoming Council meetings and host state rotation for 2014 through 2016 is contained in Tab S. Under that schedule, the Summer 2015 meetings would be hosted in North Dakota, and would actually be the 50th Anniversary of the WSWC. We may invite some former WSWC Chairs and others. Another option to consider is that Governor Sandoval of Nevada will be the WGA Chairman in 2015, and his main area of focus will be drought. Since the WGA Annual Meeting will be held in Nevada, most likely in June 2015, we may wish to hold the WSWC meetings to piggy-back with those of WGA. If we choose to go to Nevada, that would require some changes in the rotation.

Jerry Rigby noted that the meeting schedule should be thought about, and will be discussed again at the Summer 2014 meetings in Helena to determine what the sense of the Committee may be. There was no opposition to either option.

SUMMER 2014 MEETING SUNSETTING POSITIONS

The positions noted on the agenda are included for the purpose of making sure you are aware they will sunset at the Summer 2014 meetings, if there is no motion to continue the positions or absent any revisions.

OTHER MATTERS

There being no other matters, the meeting was adjourned.