**MINUTES**

 **of the**

 **EXECUTIVE COMMITTEE MEETING**

 **of the**

 **WESTERN STATES WATER COUNCIL**

**Hard Rock Hotel & Casino Lake Tahoe**

**Stateline, Nevada**

**July 9, 2015**

 **TABLE OF CONTENTS**

Welcome 3

Approval of Minutes 3

Report on Budget and Finances 3

Sunsetting Positions 5

Proposed Changes to the WSWC Rules of Organization 5

Executive Director’s Report 6

FY2015-2016 Daft Committee Work Plan 6

Future WSWC Meetings 7

Fall 2015 Meeting Sunsetting Positions 7

Other Matters 7

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**MEMBERS AND ALTERNATES PRESENT**

**ALASKA** David Schade

**ARIZONA** Tom Buschatzke

**CALIFORNIA** Jeanine Jones

**COLORADO** Hal Simpson

**IDAHO** Jerry Rigby

**KANSAS** David Barfield

**MONTANA** Jan Langel

**NEBRASKA** Jim Schneider

**NEVADA** Jason King

**NEW MEXICO** Tom Blaine

**NORTH DAKOTA** Todd Sando

**OKLAHOMA** J.D. Strong

**OREGON** Tom Byler

**SOUTH DAKOTA** Kent Woodmansey

**TEXAS** Robert Mace

**UTAH** Walt Baker

**WASHINGTON** Buck Smith

**WYOMING** Pat Tyrrell

**STAFF**

 Tony Willardson

 Michelle Bushman

 Cheryl Redding

 Sara Larsen

**WELCOME AND INTRODUCTIONS**

 WSWC Chair Pat Tyrrell welcomed Executive Committee members and guests. Introductions were made around the room. Pat offered a formal welcome on behalf of the Council to Michelle Bushman, newly-hired WSWC Legal Counsel.

**APPROVAL OF MINUTES**

 The minutes of the meeting held April 16, 2015 in Tulsa, Oklahoma were moved for approval by J.D. Strong. Jerry Rigby seconded the motion, and the minutes were unanimously approved.

**REPORT ON BUDGET AND FINANCES**

A. **FY2014-2015 Budget**

Jerry Rigby pointed out that all of the state dues have been received, and we are fully funded at the $510,000 level. We expect to be in the black at the end of the fiscal year. There are only a couple of areas where a particular line item budget is over the budgeted amount.

Tony Willardson reviewed the proposed budget and changes that have occurred since the committee last met in April 2015. Funds have been received from WGA in the amount of almost $50,000. A significant commitment on the part of EPA will help us transition and continue the work on the WaDE project. The EPA grant is for $450,000.

Another significant change was with respect to salaries since Nathan has departed WSWC employ. Another change is with respect to contracts the WSWC signed with the California Department of Water Resources (CDWR) on two separate topics: (1) Improving Seasonal Precipitation Forecasting to support Drought Emergency Response; and (2) Expanding CDWR’s California Irrigation Management Information System (CIMIS). These contracts are different than workshops we have heretofore cosponsored with CDWR in that for the workshops, CDWR has provided checks for an exact amount. Under these contracts, the WSWC will submit invoices for payment for our time and other expenses.

The proposed changes to the budget incorporate the EPA Exchange Network grants and the work with the CDWR. Estimated expenses are reflected on a net basis. The WSWC will expend the money we receive, and there would be an impact on the other line items in the budget.

Todd Sando asked about the salary increases. Tony responded that salary increases were given to bring the professional staff salaries more in line with the salaries paid to State of Utah employees with similar job descriptions.

Tony commented that the Executive Committee discussed the potential need for a dues increase at the last meeting in April. He further explained that without the funding the WSWC is receiving from contracts, we would not be able to meet the needs we have. Given the agreements for funding from the two new contracts with CDWR, as well as the EN grant funding, the increase in dues can be deferred. Any dues increase should be discussed at this meeting.

Pat Tyrrell suggested that absent the additional contract work and personnel costs, etc., we want to make sure that in coming years, we do not dive into the red given the current dues assessment. Through wise management of the money, we have been able to defer any dues increase for a significant amount of time. It is never easy to go to your state legislature and seek a dues increase. Pat commented that any dues increase is typically small enough that in his state of Wyoming, he usually does not have a difficult time pushing it through.

There are five states that have a biennial budget process. The proposed dues increase would be from $30,000 to $36,000 per year for each member state. Some states have to take back two or three multi-state organizational increases, so this can present problems. Pat opened the floor for discussion.

**J.D. Strong**: What is the time horizon? Tony noted that the two contracts with CDWR are only through this fiscal year. The two EN grants are for 3 years, but we are already two years into the first so it only covers about one more year, unless an extension is approved.

**Tony Willardson**: We are also looking at incremental dues increases over future years.

**Walt Baker**: How much does the Committee want to keep in the reserves?

**Tony Willardson**: We have not set a specific goal for the reserves. We have about 60% of our usual annual expenditures in reserve. We will continue to build reserves for the next two years, but thereafter, we would be dipping into reserves, unless there is an increase in dues. We do have special designated funds for equipment replacement, as well as for employee leave payout obligations upon retirement or separation from employment.

**J.D. Strong**: Maybe we should at least tip off the Council that we will need to take contingency action to notify folks in advance so that they would be prepared to seek an increase.

**Pat Tyrrell**: For carry over reserves, most organizations carry about 6 months to a year of their budget. In terms of the advance notice, four of the five states with biennial legislative sessions meet on the odd year. Wyoming meets on even years.

**Buck Smith**: I would like to see the recommended increase.

**Pat Tyrrell**: I just need something to defend the request for an increase.

**Jerry Rigby**: You know the situation with my director. I think from Idaho’s point of view, I would like a hard amount with a recommendation.

Pat Tyrrell sought a motion to approve the FY2016 revised budget as proposed, which is based on $30,000 level of dues. The motion was seconded and unanimously approved.

With respect to the recommended increase in dues for FY2017, J.D. Strong moved approval of a FY17 budget that could increase by 20% in the member states’ dues line item. The motion was seconded, and approved.

**SUNSETTING POSITIONS**

Pat Tyrrell mentioned the process under consideration with the Water Vision statement.

He asked if there was any particular desire to get through the vision at this meeting, as opposed to the Fall meeting? There is no huge rush, unless we adopt it as it exists and then go through it at the next meeting. The consensus of the committee was to continue consideration of the resolution without change at this meeting, and then edit it in the future, since it is a significant foundational document.

**PROPOSED CHANGES TO THE WSWC RULES OF ORGANIZATION**

Tony Willardson reported that the Committee made a number of changes to the WSWC Rules of Organization several years ago. The Western Governors’ Association recently made changes to their by-laws, which has triggered the Council’s exercise.

A preamble has been added which talks about the status of the Council as a governmental entity. Additions include clarification with respect to things about the Executive Committee under article IX.

At this point in time there are no associate member states on the Council. We continue to list Alaska, as they are hoping to begin to participate as a full dues paying member state.

For tax purposes and to clarify that in the event the Council was to be dissolved, Article XV has been added.

Jeanine suggested the first sentence in the draft preamble be stricken. Kent Woodmansey asked to have something sent out to the states to provide notice when the dues assessments will be sent out.

There was no further discussion. A motion and second to approve the rules as amended under Tab N in the briefing materials was entertained. The committee approved the motion.

**EXECUTIVE DIRECTOR’S REPORT**

 A. WGA/WSWC Activities and Meetings

Tony related that the WSWC continues to have a good working relationship with the WGA. The WGA has changed their way of operating with the WSWC. The WGA has their “own brand.” WGA appears to be happy with the work of the Council. Jim Ogsbury has described our work together as a one-two punch. Sometimes the WSWC allows WGA to throw out the first jab. At other times, the WSWC throws the first jab, and then WGA follows with a punch.

 B. 2015/2016 Summary of WSWC Activities and Events

Tony briefly reviewed a few particular events that have taken place since our last meeting held in Tulsa in April. As far as staffing, the WSWC staff has operated with three professional staff members since 1965.

**FY2015-2016 Draft Committee Workplan**

Pat encouraged the Committee Chairs to make sure their workplans were trim and relevant.

The Indian Water Rights Symposium will be held in August.

WSWC has been approached about co-hosting a Western Water Conference at the end of October. You may be seeing an invitation to participate in that meeting in Salt Lake City. J.D. said we need to make sure the agenda reflects what WSWC issues and concerns are. Further, he said: “We need to make sure the agenda is something we are willing to put our stamp on.”

**FUTURE WSWC MEETINGS**

The Fall Meetings will be held in Manhattan, Kansas in October. The WSWC Spring Meetings will be held in Washington, D.C., although the dates are yet to be determined. We may also try to hold a meeting with NOAA during this same time frame while in Washington, D.C.

**FALL 2015 MEETING SUNSETTING POSITIONS**

 The positions as indicated on the agenda are listed for the purpose of making you aware they will sunset at the Fall 2015 meetings, unless there is a motion to continue the positions or absent any actions to revise and readopt them. Those scheduled to sunset are included in Tab XYZ for your reference.

**OTHER MATTERS**

 There being no other matters, the meeting was adjourned at 1:15 p.m.