

Consent Agenda
Minnesota Section of American Water Works Association
Governing Board Meeting
September 28, 2009

MINUTES APPROVAL:

May 1, 2009 – Governing Board meeting

Corrections/Additions:

FINANCIAL REPORT (Stew Thornley)

As of August 31, 2009, section income was \$138,746 and expenses were \$127,801 for a net ordinary income of \$10,946. Investments are up since the beginning of the year by \$48,503 for a net income of \$59,449.

ASSOCIATION DIRECTOR'S REPORT (Dave Schultz)

There is nothing that cannot happen today

Mark Twain summed up one of my views on life when he observed, "Apparently there is nothing that cannot happen today." With so much to do and so little time to do it in, it is easy to lose sight of all the possibilities. There certainly has been no shortage of challenges, opportunities and possibilities for the Minnesota Section over this past year.

"I continue to be impressed by the passion, expertise and commitment of the Section's volunteers...."

Time does fly by when you are having fun. It feels like it was last month that we were at Duluth at the MN Section Annual Conference and here we are again planning for another great Conference in Duluth.

Nationally, AWWA remains strong even in today's economy. AWWA is remarkable at staying on track, being focused on its mission, recognizing that we can never cut corners where public health is concerned. This should be a time to pool resources and help each other do our jobs better with fewer resources. That is exactly what AWWA does: we compile the knowledge from the very best minds in the industry, and then we turn it around and share for the benefit of everyone.

The Washington DC office has been working hard on many legislative issues that could impact the water industry. Two that are worth noting are:

- Water infrastructure Bank concept holds water - The American Water Works Association urged members of Congress to create a federal water infrastructure bank to help America invest in its aging water systems. The AWWA Water Utility Council stressed that the United States is best served by water systems that sustain themselves through consumer rates and local financing. However, the federal government can help by providing access to low-interest loans.

"The federal water infrastructure bank would be authorized to borrow money through the federal treasury system at very low rates, just as commercial banks do. In turn, the water infrastructure bank would:

- Make low interest loans for larger water projects (those that are too big to access the State Revolving Fund).
- Help those states that want to leverage their SRF capitalization grants, making even more capital available for low interest SRF loans.

A federal water infrastructure bank would require no new taxes, striking the right balance between federal assistance and the local responsibility.

- The second issue, as the House committee on Energy and Commerce address the issue of chemical security at our nation's drinking water utilities H.R. 3258. AWWA notes there are provisions titled "Methods to Reduce the Consequences of a Chemical Release from an intestinal Act." These provisions would place the final decision on which material – primarily disinfectants – or processes a drinking water utility may use. AWWA strongly believe the best approach to this issue of reducing the consequences of an intentional release is to require local officials

to make the informed decision concerning disinfectant chemicals and processes after a full analysis. Current language has the Environmental Protection Agency EPA making the decision.

I continue to be impressed by the passion, expertise and commitment of the Sections volunteers in furthering our mission to help our members provide high quality water and service to our communities. It is an awesome task that is essential, and it would not be possible without your efforts. Thank you very much for every-thing that you make happen today.

DISTRICT REPORTS

Northwest District (Brian Bergantine)

No report.

Northeast District (Steve Lipinski)

No report.

Central District (Lisa Vollbrecht)

No report.

Metro District (Paul Coone)

No report.

Southwest District (Mark Sweers)

The Southwest District Planning Committee met on August 5, 2009 to plan the district's fall school which will be held in North Mankato on October 7, 2009. Also, the dates and locations were finalized for the 2010 and 2011 schools.

The agenda for the fall school includes presentations on the DWRF, MNWARN, new water treatment plants in the area, Source Water Protection Grants, It's All About Me, new distribution products, and Twenty Questions you need to Know the Answers To.

Southeast District (Dean Huschle)

The MN AWWA's Southeast District Operators School was held this spring at the Ramada Hotel and Conference Center in Rochester. The 3-day school ran from Wednesday, March 11th to Friday, March 13th. There were 106 full registrations and 22 people taking exams. Jon Eaton and Brian LeMon spoke at the operator's breakfast on their travels helping people with water needs. Jon spoke about his trip to Honduras and Brian spoke about the Amazon rain forest. At another session, David Brown spoke about his work over in Palestine. Operators also competed in the District's first Meter Madness competition. The vendors display continues to be a popular item and our guest speaker, Mr. Al Batt, returned to give a very informative and entertaining talk. The Water for People raffle raised \$767, compared to \$600 last year. At the business meeting, Dennis Duchene from Faribault was elected as the incoming District Trustee and Wylie Rindels from Rochester was elected as District Chair-elect.

Trustee-At-Large (Pat Shea)

No report.

COUNCIL/COMMITTEE REPORTS

Administration Council (Jon Eaton)

The Council has completed the update to the Section by-laws, distributed them for board review, given them to AWWA for approval, and created and implemented a schedule of notice for the Section membership. In conjunction, the Section mission, vision, and strategic planning documents were reviewed (see minutes from the Strategic Planning session). Also modified this year was the annual budget process. The Council requests the Board review and approve the updates at the fall Board meeting.

This upcoming year, the Council will begin reviewing the Section's policies & procedures.

Awards (Dave Brown)

The Awards committee is still looking for three more committee members to assist with completing the committee's goals for the rest of 2009 and for upcoming years.

Document and enact a procedure for nominating members for awards other than the Fuller and Thompson Awards. These two awards already have a procedure in place.
Annually review other potential awards and potential recipients.
Consider implementing an annual award to recognize a service provider.
Determine a schedule for advertising nominations, reviewing nominees, ordering awards and presenting awards.
Determine and implement methods to advertise for award nominations.

New committee members would attend 3 (perhaps 4) meetings per year (either in person or by conference call) and perform various tasks between meetings to meet the committees goals. Please contact the committee chair, Dave Brown, if you are interested. Contact Dave at 763-463-5036 or david.brown@ae2s.com.

Finance (Barb Woolsey)

The entire Finance Committee met August 17, 2009, at 9:00 a.m. at the Bloomington Water Treatment Plant.

The Section Financial Status, as of August 1, 2009 was distributed and discussed. The Section income was \$138,020 and expenses were \$116,052 for a net gain of \$21,968 since the beginning of 2009. Investments (general fund and endowment combined) are up \$38,688 since the beginning of 2009.

The audit has been completed and submitted to the Board. KDV suggested the Section change from cash to accrual accounting methods, which provides a more accurate picture of our financial status. Jon Eaton made the motion, Dave Harris second, and the committee unanimously approved the motion.

The committee developed a draft budget for 2010 that calls for a gain of \$245. The draft was distributed to Board members for review and discussion.

The committee is looking at the current 5-year financial plan and assessing its performance.

Barb Woolsey's term will expire at the 2009 Section Conference, and this was her last meeting. Doug Rovang will join the committee and become chair with a term that expires in 2012. Christine Meyer's term will expire in 2010, and Tony Belden is slated to join the committee at that time. David Harris's term will expire in 2012.

Information Technology (Carol Kaszynski)

The IT Committee has scheduled a variety of interesting presenters for the IT Track at the Annual Conference. Presentations will include topics such as Asset Management, Geographic Information Systems, Computerized Maintenance Management Systems, and Modeling.

The Committee updated the website to include online registration. This has been a timesaver for those involved with the registration process. The Committee continues to work with other committees with the updating procedures. The webpage content is the responsibility of each committee and it is the goal of the IT Committee to ensure the entire website is monitored and updated on a regular basis.

Membership (Gary Warner)

MEMBERSHIP STATISTICS:

- Membership count from last report (3/31/09): 1058
- Membership count as of 9/10/09; 1006
 - Individual Membership 881
 - Service Membership 20
 - Utility Membership 105
- Ranking among other Sections 22
- Membership numbers are down from our January report of 1060 and our April report of 1058. The majority of the membership change has been in individual membership and could likely be Student membership. It is difficult to tell the grade of membership that has contributed the most under the Individual membership category. Service Memberships are up by 8 and Utility memberships are down by 1. The MN. Section is still ranked 22 on a nation wide basis. It's important to note that National AWWA membership is down by approximately 7%.

➤ COMMITTEE PROJECTS AND INFORMATION:

- Membership Committee met in St. Cloud at the Rural Water Conference. Topics discussed included:
- Membership coverage at each of the MDH district schools. Membership tries to have a committee member at each of the schools who displays membership information and attempts to recruit new members. We assigned membership committee members to each of the district schools.
- Finding new ways to work with the Y.P. group to further recruitment.
- The Membership Committee received the 2008 Club Seven Award at the AWWA conference in June in San Diego. The award will be passed onto the new Chair at the Section Meeting in Duluth.
- Membership is preparing for the Section Meeting in Duluth. We will have our membership booth in the exhibit hall. We will be holding a meeting to discuss upcoming events Gary Warner will also be turning over the Chair position to Herb Watry.
- Membership is planning a New Member Meet and Greet at the Section Meeting. Purpose of the New Member Meet and Greet is to bring new members together so they can meet other new members and to encourage involvement and participation on the many committees's with in the section. We are hopeful this approach will increase member retainage and new members encourage current non members to be members if they see benefit in the organization.
- Admin. Support. The Membership committee will not be hiring an admin support due to the budget constraints. Membership will be utilizing the section volunteer coordinator. Gary Warner is preparing a draft list of requirements of the Membership Committee.

Membership Committee will be determining who from the committee should attend the AWWA Membership Summit.

Nominating (Karla Peterson, Dave Schultz)

Chair-elect (Karla Peterson)

The Chair-Elect nominees for the 2009 election are Adam Kramer and Bert Tracy.

Trustee-At-Large (Pat Shea)

The current term ends in Oct 2009. Lyle Stai is the only nominee for the position.

Director (Dave Schultz)

The Director's term does not end until June 2011. Elections will be held at the 2010 Fall Conference.

Conference Council (Corey Lubovich)

No Report.

Minnesota Associates Council (Tony Belden)

Minutes of the August 6, 2009 Meeting of the Minnesota Associates Council, Minnesota Section, AWWA

The August 6, 2009 MAC meeting was held in the conference room of Engineering America, in Oakdale, MN. The meeting was called to order by Council Chair Tony Belden at 9:00 AM.

Attendance

MAC members present at the meeting: Voting Members - Tony Belden, Steve Mereness, Paul Thom, Rod Ganther, Scott Bredehoff, Greg Johnson, Brad Forester, Dave Harris, Brian Zinnel, Chris Larson, and Bob McNutt. Non Voting Members – Chris Voeltz, representing Water for People, Jay Whitaker, the annual conference fishing tournament organizer, Ben Mason, MAC National Representative, Chris Glassing, Conference Competitions Work Group Chair, Brian LeMon, AWWA Breeze advertising, Bernie Bullert

Non-Agenda Item

Ben Mason brought up the recent City of Minneapolis filter plant bid and the confidentiality agreement that needed to be signed in order to obtain contract documents. Ben presented a letter he sent to the National MAC asking whether it was worthy of discussion at the national level. There was discussion of how the City came up with this policy and what the future ramifications might be.

There was a general discussion of market conditions and the effect of the American Recovery and Reinvestment Act (A.R.R.A.) and stimulus funding. Most in attendance agreed that the stimulus package has helped to move some projects forward while other projects have been put on hold pending availability of funds.

Approval of Minutes

Tony Belden, presented the minutes from the April 7, 2009 MAC meeting. Greg Johnson made the motion to accept the minutes. Chris Voeltz seconded the motion. The motion passed.

Committee Reports

Exhibits Committee: Chair Scott Bredehoft gave the report.

Scott reported that there were 27 vendors registered for the conference in Duluth. Scott indicated that this is a good number for this point in time.

The Young Professionals Texas Hold-em sponsorship was added to the call for exhibitors forms this year.

Tony discussed the request to have beer in the exhibit hall as a way of drawing people to and keeping people in the exhibits.

Tony reported that the conference budget for gifts has been changed to \$1,500. The gifts must be purchased by the conference exhibit committee. It was proposed that we give (4) \$250 gifts and (1) \$500 gift. Greg Johnson volunteered to purchase the gifts for Cory L. It was decided to give away (2) \$250 prizes at 1:00, (2) \$250 prizes at 2:00, and the \$500 prize at 3:00. Gift certificates to Best Buy or Costco were agreed upon

Jay brought up having mini-sessions during the exhibits. It was decided to do 6 mini-sessions. Tony stressed that they must be in the exhibit hall to keep people there. MAC members in attendance volunteered to do sessions. There was a discussion of space requirements and how to set-up the sessions. It was decided that if Cory cannot find a way to keep the sessions in the exhibit hall we will skip them this year. Chris brought up the possibility of moving the exhibits to Pioneer Hall for 2010

Chris Glassing discussed booth space needs for Competitions. He feels we need 2 spaces for Pipe Tapping, 1 for Meter Madness and 1 for Water Taste Test.

Jay discussed the fishing contest and boat sponsorship issues.

Brad Forester discussed the arrangements for the golf outing. He noted that there was an error in the registration form which had been addressed. They are looking for donations for raffles prizes to give away. Tony suggested sports tickets.

Competitions Committee report

Chris G. reported on the Meter Madness competition. The 6 regional Meter Madness winners will compete at the conference to be the State winner. Winner will receive expense paid registration to 2010 ACE.

The Water Taste Test is new this year. Chris discussed how the contest will work. Winner will receive trophies and t-shirts. Brian Bergantine will work to get local coverage of the event. Ben suggested getting a local celebrity to be a judge for the contest, possibly the UMD football coach.

Chris discussed the plans to have a demonstration of the Pipe Tapping competition this year with our goal being to stage our own competition in 2010 with the winners going to the 2001 ACE.

Social Committee report

Paul reported that we are set up with Grandmas. We have a \$4,000 budget, \$3,000 for alcohol, \$750 for food, \$250 for tips. Tony suggested "passing the hat" to raise additional funds for scholarships, etc. like last year. The open house will run from 4 to 6pm.

ACE Breakfast report

Tony reported that by going offsite this year we saved quite a bit of money. Total expense this year was \$597. The speaker fee was \$500. Tony discussed strategies for getting speakers for future breakfasts. Having the breakfast offsite worked well and we will try to continue doing this in the future.

MAC Budget

Tony reported the 2009 budget was \$5,500. The 2010 budget is \$10,140. Tony gave a breakdown of the budget amounts. Dave pointed out that the budget committee eliminated \$1,500 from the budget for travel to other shows.

Endowment Committee report

Rod reported that with current budgets and finances the way they are, we are trying to think of other ways to increase donations.

Minnesota Section Update

Tony reported that assets are down about 35% due to the current market conditions. Section is trying to eliminate waste where they can. Tony reported the updated strategic plan should be accepted at the September meeting.

Bernie suggested the scholarship money should be invested more conservatively in the future to avoid future losses.

Ben asked if there is an investment strategy in place. Bernie explained that the committee has some guidelines in place and that they work with Wells Fargo.

Dave explained the process the committee is going through to analyze each line item of the budget and adjust or eliminate accordingly.

Brian LeMon discussed the Breeze publication and advertising. He stated that the Breeze used to be profitable and now it is running a deficit due to loss of advertising. There are several reasons for the loss of advertisers. Current deficit is \$16,000. Likely outcome is the elimination of the Lite Breeze. Brian urged all members to seek more advertisers. Tony suggested sending out a request to members. Brian said that an earlier mailing revealed problems with the current mailing list. These lists are in the process of being updated. There was discussion about getting Stew Thornley involved to take advantage of his knowledge of the industry.

National MAC Report

Ben reported that the MAC seated 5 new members, including Bernie Bullert. The AWWA has formed a search committee to find a replacement for Gary Zimmerman. They hope to have a replacement by January.

Dues in 2010 will not go up.

Working on creating a Service Provider Award of Excellence.

Ben reported that attendance at ACE was down about 8%. There were over 11,000 attendees.

Ben and Bernie reported that the National AWWA is not filling positions, mandatory furloughs and reducing travel in an attempt to save money.

ACE 2010 is June 20-24 in Chicago

Young Professionals: Report given by Tony for Lisa Vollbrecht
Tony reported there is a lot of activity in this group.

On May 27 Young Professionals toured the Cold Spring brewery

Discussed the World of Water poster competition. There are several changes that can be made to make the competition better in the future.

Discussed the Y.P. foosball completion at the conference.

Water for People Concert: Report by Chris Voeltz

Chris discussed the fundraisers done at the 6 district schools. Each raised between \$200 and \$600.

Spring golf tournament went well. Moved to Willinger's this year. The tournament raised about \$1,000.

Tom Mathison for Crystal was going to go on the Country tour to Malawi but it filled up and he was not able to go. Will keep it in the budget for next year. There was discussion about the Country tour program.

There will be fundraising at the annual conference with golfing, fishing and shooting. Chris is working with Brad to secure hole sponsorships.

The concert did not work out quite as good as was hoped for. We had hoped to raise \$10,000 but ended up at \$6,000. There was substantial discussion of what we will do differently for the 2010 concert. Still intend to go with 3 sponsorship levels. Goal is to get financial portion covered by end of December so we know we will not lose money. Tony stated that we will not do the concert in 2010 unless we can get the finances set up by

January. This event requires a lot of time and effort, and there is no point in doing it if we do not have the support. Tony suggested that we reach out to businesses we do business with, bankers and insurance for example, to support us through ticket sales and sponsorships. We cannot depend on the walk-up crowd. We need to know that we are going to at least break even without any walk-up sales. Johnny Holm feels he could help us more next year. Tony stated that the costs to put the event on were closer to \$12,000 when advertising is included. Bernie discussed what the Indiana section has done to make their concert successful. Tony indicated that getting the word out earlier through public service announcements on local radio stations like KQRS and KSTP. Tony stated that we don't need the money right away, but we need a commitment. Tony reported that we lost a total of \$3,187. There was discussion as to whether or not there is enough support to continue. The feeling is that there is support, we just need to expand outside our industry and bring in other sponsors. Bernie reported that the Indiana section lost money the first year they did a concert like this. The Indiana section ended up changing venues and bands. Chris said that Karla Peterson and others are going to get involved in the future and this will bring some additional valuable contacts and support.

Next Meeting

The next MAC meeting is scheduled for 9:00 AM, Thursday, December 3rd, 2009, at the Engineering America offices, in Oakdale, MN.

Adjourn

Rod Ganther made a motion to adjourn the meeting. Dave Harris seconded the motion. The meeting was adjourned.

Public Affairs Council (Myron Volker)

Public Information (Terry Neuman)

No report.

Publications (Rod Volker)

No report.

Water for People (Chris Voeltz)

No report.

Scholarship (Doug Klamerus)

No report.

Young Professionals (Lisa Vollbrecht)

No report.

Training Council (Chris Glassing)

Education Committee (John Thom)

The following district schools were held in 2009.

March 11-13, 2009—Southeast Water Operators School, Ramada Hotel and Conference Center , Rochester.

April 1, 2009—Southwest Water Operators School, Redwood Area Community Center, Redwood Falls.

April 7-9, 2009—Metro Water Operators School, Ramada Mall of America (formerly the Thunderbird), Bloomington.

May 13-15, 2009—Northeast Water Operators School, Grand Ely Lodge, Ely. June 10-12, 2009—Central Water Operators School, Ruttger's Bay Lake Lodge, Deerwood.

Upcoming schools

October 7, 2009—Southwest Water Operators School, St. Peter or Mankato. Contact Mark Sweers, 507-389-5561, for more information.

October 21, 2009—Central Water Operators School, St. John's University, Collegeville. Contact Lisa Vollbrecht, 320-255-7225, for more information.

December 1-3, 2009—Northwest Water Operators School, Hampton Inn & Suites, Bemidji. Contact Jeanette Boothe, 651-201-4697, or Stew Thornley, 651-201-4655, for more information.

April 6-8, 2010—Metro Water Operators School, Earle Brown Heritage Center, Brooklyn Center. Contact Jeanette Boothe, 651-201-4697, or Stew Thornley, 651-201-4655, for more information.

April 14, 2010—Southwest Water Operators School, Redwood Falls. Contact Mark Sweers, 507-389-5561, for more information.

June 9-11, 2010—Central Water Operators School, Ruttger's Bay Lake Lodge, Deerwood. Contact Lisa Vollbrecht, 320-255-7225, for more information.

October 6, 2010—Southwest Water Operators School, Mountain Lake/Window. Contact Mark Sweers, 507-389-5561, for more information.

The 2009 Drinking Water Institute was held August 10-12 in Oakdale with 23 teachers attending. The 2010 Drinking Water Institute will be August 9-11 in Eden Prairie.

Management Schools (Scott Anderson)

No report.

Research Committee (Doug Lubben)

No report.

Safety Committee (Phil Zollinger)

No report.

Water Utility Council (Bernie Bullert)

AWWA-MN Water Utility Council

Meeting Minutes - DRAFT

Thursday, June 11, 2009

Location: Saint Paul Regional Water Services, 1900 North Rice Street, Maplewood, Minnesota 55113

A. Roll Call (10:05 am)

In-person attendance: Chris Elvrum, Scott Fronek, Carol Blommel Johnson, Craig Johnson, Kurt Johnson, Adam Kramer, Brian Noma (for Randy Ellingboe), Dennis Martenson, Bob Peplin, Laurel Reeves, Dr. Michael Semmens, Paul Thom (for Todd Bredesen) and Dave Wagner.

Via phone attendance: Cliff McLain and Pete Moulton.

Not present (or represented): Nicole Blasing, Dave Brown, Bob Cockriel, Paul Coone, Steve Gleason, Dr. Ray Hozalski, Ruth Hubbard, Bill Janssen, Doug Lubben, Grant Meyer, Dick Nagy, Karla Peterson, Doug Rovang, Bill Schluenz, Dave Schultz, Pat Shea, Bill Spain, Shahin Rezania, and Stew Thornley.

B. Housekeeping - none

C. Approval of Previous Meeting Minutes (Thursday, March 12, 2009)

The changes below are since the previous DRAFT was distributed (as included in the packet that Bernie distributed - email of 5-28-09 - prior to today's meeting):

Page 3 of 6, E.10, after "irrigation" add "and other uses." and revise the next sentence to read "However, this is not germane to Minnesota due to the has a different alignment of State agencies ...".

Page 4 of 6, F.2.g., change "Cliff McLain" to "Pete Mouton".

Page 4 of 6, F.2.k., change "DNR" after "Bruce Olsen" to "MDH" and later in this same section, near the end, before the "1)," "2)" etc., change "DNR" to "MDH" in two locations..

D. Congress, EPA Update – Bob Peplin distributed a multiple page handout that included:

1. AWWA page from web entitled "House crafting chemical security legislation".
2. AWWA page from web entitled "Legislation would boost SRF funding".
 3. AWWA page from web entitled "USEPA updates DWSRF allotment plan".
 4. Journal AWWA article from Pages 26-34 of the June 2009 issue entitled "Greenhouse Gas Endangerment Finding Proposed" by Fred Pontius.
 5. AWWA 2-page letter to Ms. Erin McMahan at USEPA with AWWA comments on the "Ground Water Rule CT Calculator" and "Profiling and Benchmarking

Calculator” (Review Draft, April 2009) and a 7-page attachment entitled “Comments on Ground Water Rule CT Calculator”

6. AWWA 1-page letter to Mr. Sean Conley at USEPA with AWWA “Comments Following the Stakeholder meeting for the Proposed Revised Total Coliform Rule” And a 7-page attachment entitled “Response to Issues Raised by EPA at the April 3, 2009 Total Coliform Rule Stakeholder Meeting” (the comments were prepared jointly by the Association of Metropolitan Water Agencies (AMWA) and the American Water Works Association (AWWA).

Bob highlighted several items as follows:

In Handout (HO) #1- currently utilities are exempt from the existing law on chemical facility security program but Congress plans to end that exemption when it expires at the end of September 2009. AMWA and AWWA are trying to make the law have states be primary for water only. Wastewater would remain under Homeland Security. Cliff Mc Clain pointed out that it is the goal of the USEPA to eliminate the use of gaseous chlorine. Adam Kramer pointed out that it is desirable to have the ability of the states to step in if necessary.

HO #2 – the US Senate would boost DWSRF and CWSRF funding to \$15 and \$20 billion respectively under the Water Infrastructure Financing Act (S1005).

HO #3 – change in the allotment of DWSRF to the 50 states and Puerto Rico

HO #4 - this article addresses Greenhouse Gas Emissions (GHGs) and a recent US Supreme Court decision of October 20, 1999.

HO #5 – this letter and its attachment address two concerns of the AWWA relative to the Ground Water Rule CT Calculator.

HO #6 - this letter and its attachment address comments from both AMWA and AWWA relative to the Proposed Revised Total Coliform Rule (RTCR). It comments particularly on the first meeting held of stakeholders and encourages the USEPA to continue routine dialogue with stakeholders during the development of the revised TCR.

E. Legislative Report from LMNC Representative

Craig Johnson provided a 4-page handout (copy attached) that summarized activity of the 2009 Minnesota Legislative session that was completed in May. He highlighted the following items:

1. Chapter 16 – this covers federal water infrastructure stimulus funding; ~ \$82.5x106 allotted to Minnesota for WW/Stormwater and \$25x106 for Drinking Water and \$10x106 of the latter moved from DW to CW due to project readiness and need. Also changes state law to permit 50% of funds to be used for grants and 20% for “green infrastructure”. The latter includes water conservation and energy efficiency improvements.
2. Chapter 138 – this covers federal energy stimulus funding; Craig Johnson pointed out that the \$132x106 is ~12c the normal allotment to the State of MN. Project for cities with populations >35,000 will be handled directly by the Dept. of Energy (Federal) and for those cities <35,000 by the State of Minnesota through competitive selections.
3. Chapter 79 – omnibus health budget bill; this removes the exemption from annual state fees for publically owned monitoring wells.
4. Chapter 37 – omnibus environment and energy budget bill; in the future the full cost of Water and Wastewater related costs at the state level will need to be recovered through fees. Craig Johnson noted that in the increase in summer water use fee surcharge (3rd bullet down on page 2 of 4, the fees go to the General Fund. Laurel Reeves noted that in the 4th bullet down on page 2 of 4, the “1” should be “100”. She also reported that the cost of some large EAWs was up to \$300,000 for the State of Minnesota. A list of funding included for MPCA is found in rider language in Article 1, Section 3 and is included in the 6 bullets in the lower part of the page 2 of 4.
5. Chapter 172 – Legacy fund appropriation (this is the sales tax increase that was passed in November 2008 election). The bullets on page 3 of 4 indicate the funds expected to be collected and where they will be expended. Craig Johnson noted that the House wanted to change some of the areas to be funded but the Senate prevailed and agreed with the groups working on this legislation as to where the money raised should be expended. Craig Johnson highlighted the 7th bullet on page 3 of 4 since this may have a future impact on the materials, etc. that cities can use for seal coating; however, it is thought that the bulk of the contamination may be related to the use of the sealants that homeowners use to seal their driveways. He noted that the 3rd bullet down on page 4 of 4 was not included in the Clean Water Coalition (CWC) recommendations. He noted that the 4th bullet down has created a lot of concern and this was also expressed by several members of the WUC. In the 7th bullet down, the “LiDar mapping” refers to the Laser Flyover Mapping that has in the past been down as part of flooding analyses. This should provide good mapping resources for the future. The 8th bullet down on page 4 of 4 will not result in any changes to the 1979 executive order but does make

the intent more clear. The 9th bullet down is a very important point since the result of this effort will be used by the legislature for future legislation related to Minnesota's water resources.

6. Chapter 176 – omnibus environment policy bill; Craig Johnson pointed out that the three new members must be from elected Minnesotans.

Craig Johnson reported on the Unallotment Process that the Governor was now undertaking. The two areas with the greatest potential for cuts will be Local Government Aid and the Homestead Tax Credit. However, the cuts that will be made in healthcare will make the cuts in the two previous programs look small. He also mentioned the controversy caused by the "Buy American Clause" included in the American Recovery and Reinvestment Act (RRA). This has a larger impact on the water industry than it does on the transportation sector. He understands that comments on this clause are open for comments through July 15. He pointed out that one of the reasons the expenditure of the stimulus funding may seem slow is what is happening with the energy funds. So far only 10% of these funds have been sent to states since they are not able to receive any additional funds until details of their programs are developed, etc.

League of Minnesota Cities 2009 Conference and Marketplace will be at the River Center in St. Paul at the end of June (24 – 26). For more information, visit their web site at www.lmnc.org.

Ended 6-12.

F. State Related Water Issues

a. Carol Blommel Johnson reported that the EQB has restructured. Chris Elvrum reported that the effort to move EQB to the MPCA was fended off.

a. Ruth Hubbard was unable to attend so there was no report from the Minnesota Rural Water Association.

b. Brian Noma reported that the MDH is very busy prioritizing applications for stimulus funding. They have received approximately 3x their normal number of projects. A DRAFT list of projects is expected to be available next week. PFA should be deciding which projects will be funded in July. The stimulus funds will need to be obligated by 2-17-09 with \$11x106 of Minnesota's DWF allotment going to the MPCA since more projects ready to go for WW/Stormwater projects. This will result in \$25x106 being available as a result of stimulus funds compared to the normal annual allotment of \$14x106 for DWF infrastructure projects. Trying to sort out the "Buy America provisions of the stimulus requirements. It was noted that to avoid the Buy America provision the cost of the total project needed to be 20% greater to eliminate the requirement.

c. Chris Elvrum reported that the Regional Water Supply Plan for the Metropolitan Area was provisionally approved at the end of March 2009. They will now be taking a 6 month period and then come back on water appropriations as a result of working with the DNR on this issue. They are now updating technical matters including the Groundwater Model.

d. Laurel Reeves reported that many some fees have been increased such as those for Heating/Cooling projects. One change made is that these allows some fees to now go to the a Natural Resource Fund at DNR. The number of counties to be included in the Ground-water monitoring in the metropolitan area has been expanded from 7 to 11. As Chris noted, recent legislation requires DNR to, by Oct. 1, 2009, prepare a plan for the development of an adequate groundwater level monitoring network of wells in the 11-county metropolitan area. Further, the DNR shall submit a report by January 15, 2010 evaluating and recommending options for the long-term protection of the state's surface and groundwater resources and the funding of programs to provide this protection.

e. Neither Nicole Blasing nor Emily Schnick was able to attend and therefore there was no report from the Minnesota Pollution Control Agency.

f. Dave Schultz was not able to attend but his report was emailed to Bernie Bullert and the secretary forgot to present it during the meeting. A copy is attached and basically covers the happenings at AWWA national such as the resignation of Executive Director Gary Zimmerman and the belt tightening that AWWA is doing to conserve resources during these difficult financial times. A new feature related to the economic difficulty of traveling for members is the first ever online participation being made possible to allow members to participate in the Water Quality Technology Conference this year.

g. Bob Cockriel was unable to attend but Pete Moulton was able to provide an update on WARN. WARN now has 81 members and has a goal of 100 members by the end of 2009. They have been meeting every month or every other month. Standard Operating Procedures are being prepared by paring down from the national ones and they are also working on the management structure, bylaws, etc. Some 10 new members were obtained during the Red River flooding earlier this year.

h. Bernie Bullert was unable to attend due to a funeral for a relative today so there was no report on the Minnesota Plumbing Code revisions.

i. Adam Kramer reported that Gopher One-Call is moving toward GPS coordinates for locates. By mid-June it is expected that they will be switched over to the Interactive Voice Recognition system (IVR). There is also

a push to increase homeowners call for tickets (locates). In April there was a spike in both homeowner and contractor initiated locates but his dropped in May so the end of the downturn may not be here yet.

j. Dr. Michael Semmens reported that the U of MN was continuing work on Endocrine Disrupting Chemicals (EDCs). Most of this EDCs work is related to fate and transport. In addition they are working on Antibiotic Resistance related to Feedlots and WWTPs. On the U of MN web site there is a list of organizations where the U of MN is seeking funds related to the stimulus and other funding. These include NIH, NIST, HHS, Education, Energy, etc. Funding is also being sought from the Water Research Foundation relative to EDCs.

G. Nest Meeting – to be in Duluth during the AWWA-MN Annual Meeting but the location and time is not known. Cliff McClain suggested that the chair check with Stew Thornley since he may be the person working on scheduling. The Conference dates this year are 9/29 – 10/2.

H. Adjourn (11:38 AM)