

**Minutes of the
100th Quarterly Meeting
of the
Upper Mississippi River Basin Association**

**November 15, 2006
St. Paul, Minnesota**

The meeting was called to order at 9:10 a.m. by UMRBA Chair Mark Holsten. The following were present:

UMRBA Representatives and Alternates:

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| Gary Clark | Illinois (DNR) |
| Rick Mollahan | Illinois (DNR) |
| Martin Konrad | Iowa (DNR) |
| Harold Hommes | Iowa (DALS) |
| Mark Holsten | Minnesota (DNR) |
| Rebecca Wooden | Minnesota (DNR) |
| Dick Lambert | Minnesota (DOT) |
| Mike Wells | Missouri (DNR) |
| Dru Buntin | Missouri (DNR) |
| Todd Ambs | Wisconsin (DNR) |
| Gretchen Benjamin | Wisconsin (DNR) |

Federal Liaisons:

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| Gary Loss | U.S. Army Corps of Engineers (MVD) |
| Bill Franz | U.S. Environmental Protection Agency (Region 5) |
| Mike Jawson | U.S. Geological Survey (UMESC) |
| Charles Wooley | U.S. Fish and Wildlife Service |

Others in attendance:

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| Chuck Corell | Iowa Department of Natural Resources |
| Tim Schlagenhaft | Minnesota Department of Natural Resources |
| Gaylen Reetz | Minnesota Pollution Control Agency |
| Norm Senjem | Minnesota Pollution Control Agency |
| Janet Sternburg | Missouri Department of Conservation |
| Rob Morrison | Missouri Department of Natural Resources |
| Rich Worthington | U.S. Army Corps of Engineers (HQ) |
| Terry Smith | U.S. Army Corps of Engineers (MVD) |
| Chuck Spitzack | U.S. Army Corps of Engineers (MVR) |
| Marv Hubbell | U.S. Army Corps of Engineers (MVR) |
| Ken Barr | U.S. Army Corps of Engineers (MVR) |
| Hank DeHaan | U.S. Army Corps of Engineers (MVR) |
| Karen Hagerty | U.S. Army Corps of Engineers (MVR) |
| Don Powell | U.S. Army Corps of Engineers (MVP) |
| Jeff DeZellar | U.S. Army Corps of Engineers (MVP) |
| Gary Wege | U.S. Fish and Wildlife Service |
| Sharonne Baylor | U.S. Fish and Wildlife Service |

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| Bob Clevestine | U.S. Fish and Wildlife Service |
| Jon Duyvejonck | U.S. Fish and Wildlife Service |
| Scott Yess | U.S. Fish and Wildlife Service/UMRCC |
| Bill Lorenzen | USDA Natural Resources Conservation Service |
| Al Fenedick | U.S. Environmental Protection Agency |
| Terry Prouty | U.S. Forest Service |
| Tom Boland | MACTEC St. Louis |
| Dan McGuiness | Audubon |
| Hilary Harp Falk | Northeast-Midwest Institute |
| Max Starbuck | National Corn Growers Association |
| Holly Stoerker | Upper Mississippi River Basin Association |
| Dave Hokanson | Upper Mississippi River Basin Association |
| Barb Naramore | Upper Mississippi River Basin Association |
| Derek Martin | Upper Mississippi River Basin Association |
| Lisa DeAlessio | Upper Mississippi River Basin Association |
| Margie Daniels | Upper Mississippi River Basin Association |

Meeting Minutes

Mike Wells moved and Gary Clark seconded a motion to approve the minutes of the August 24, 2006 meeting, as drafted. The motion was approved unanimously.

Executive Director's Report

- USGS Cooperative Water Program Regional Meeting — Holly Stoerker provided a summary of the number and type of USGS water program cooperators in the five States of the Upper Mississippi River Basin. She noted that most of the 150 cooperators are local units of government, although there are 21 state agencies. Based on UMRBA's expressed interest in co-hosting a regional cooperators' meeting, Stoerker has initiated planning discussions with ICWP. It is assumed that the meeting will be designed to include cooperators from the 5-state region and not just those within the UMR basin.
- Stoerker announced that Gary Clark, Don Vonnahme, and other members of the IDNR Water Division staff were recently honored by USGS with the John Wesley Powell Award.
- National Water Policy Dialogue — UMRBA has been asked to co-sponsor the Third National Water Policy Dialogue, to be held in Washington, D.C. on January 22-23, 2007. The American Water Resources Association (AWRA) convenes this national meeting and ICWP serves as one of many co-sponsors. UMRBA co-sponsored the first Dialogue in 2002 and the second Dialogue in 2004. There is no financial obligation associated with co-sponsorship.

Mike Wells moved and Todd Ambs seconded a motion approving UMRBA's role as a co-sponsor of the Third National Water Policy Dialogue. The motion carried unanimously.

- Assessment for Water Quality — In response to a question from Todd Ambs, Stoerker explained that, to date, three States have paid the \$17,000 assessment to support UMRBA's water quality activities in FY 07 — i.e., Illinois, Iowa, and Minnesota. Ambs expressed the opinion that EPA should also help to support UMRBA's ongoing interstate water quality work. He said he would contact EPA Region 5 regarding the possibilities.
- Acronym List — Dick Lambert thanked UMRBA staff for preparing the list of UMR acronyms and including it in each quarterly meeting packet.

Water Quality Organizational Options

Chuck Corell described the background and conclusions resulting from UMRBA's year-long project to evaluate organizational options for interstate water quality management. He noted that discussions surrounding the topic began in 2004, as a result of the expressed interest of Governors Pawlenty, Doyle, and Blagojevich in addressing Mississippi River water quality. Under Marcia Willhite's leadership, the five state water quality administrators began holding regular conference calls and concluded that working through UMRBA's existing Water Quality Task Force may be the best avenue to move forward. Thus, with a grant from the McKnight Foundation, UMRBA undertook a project designed to answer two basic questions — what is the feasibility of establishing an interstate agency to address Clean Water Act responsibilities on the UMR and is it possible to secure funding under Section 106 for interstate work on the UMR?

Corell also explained the nature of the problem facing the States on the UMR — i.e., the States' designated uses, water quality criteria, monitoring, and impairment listings on the UMR are inconsistent. As an example, Corell showed charts illustrating the States' most recent impairment determinations on the river.

Corell said, as a result of this project, the States have determined that they would like an interstate organization on the UMR to coordinate the water quality efforts of its member States and U.S. EPA, help them fulfill their Clean Water Act responsibilities on the UMR, and undertake specific tasks and studies. He noted that this new entity would work “for and with” the States, not unilaterally or in opposition to the States.

According to Corell, as a result of this project, the States learned that:

- UMRBA is not eligible for Section 106 funding under the Clean Water Act.
- Other regions of the country have interstate compact organizations that they rely on for doing work on shared waters.
- Interstate compacts have advantages, but are difficult to create, often taking nearly a decade to establish.
- Current state expenditures on UMR water quality vary, but are not particularly high.

Corell showed a matrix summarizing the characteristics of the Section 106 interstate organizations in other basins and comparing them to UMRBA. The staff size and budgets of the six interstate commissions vary, but are all significantly larger than that of UMRBA. Of note, all the interstate commissions that receive Section 106 funding were in existence prior to the Clean Water Act.

Corell summarized the recommendations resulting from this project, as follows:

- Establish an interstate water quality agency on the UMR, which will focus initially on implementing water pollution control activities under the Clean Water Act.
- EPA and the States should share responsibility for funding the organization and its work.
- The new organization should be established by building upon UMRBA.

Corell emphasized that the state water quality administrators involved in this project did not look at UMRBA as the exclusive solution. But once the needs were identified and options evaluated, it became apparent that UMRBA would be the most appropriate vehicle. Thus, the recommendations are

designed to build UMRBA's capacity to serve the States' water quality coordination needs on the river. In particular, a 3-step process is being recommended:

- Establish a UMRBA Water Quality Executive Committee (2006-2008)
- Restructure UMRBA to more fully involve water quality agencies (2007-2015)
- Reevaluate the need for an interstate compact after fully exploring UMRBA's capacity (2012 – 2013)

Corell noted that the time frames are quite broad, because it is not yet clear how long it will actually take to reach these goals.

Dru Buntin commended the group of water quality administrators who spearheaded this project for their excellent work in developing the final report on "Organizational Options." However, he noted that yesterday's joint meeting of the UMRBA Board and the Water Quality Executive Committee resulted in some consensus revisions to be made to the report, particularly with regard to the recommendation regarding restructuring of UMRBA.

Gary Clark expressed appreciation for the work of the Water Quality Executive Committee. He observed that the recommendations in the report represent a significant new body of work for UMRBA and commented that it will be important to see what, if any, structural changes may be needed over time, as a result. He cautioned that the conclusions and recommendations in the report should not assume what those changes might be.

Martin Konrad commented that the recommendation regarding restructuring of the UMRBA Board is not necessary. Dru Buntin agreed, observing that UMRBA's practice of having a single state representative is important to preserve. He explained that each UMRBA representative currently has the responsibility for coordinating among the various agencies of the State, as a representative of the Governor, and presenting a single state position. This function provides an important catalyst for coordination within each individual State.

Todd Ambs complimented UMRBA staff on the Organizational Options report. He also recognized Marcia Willhite's leadership in following through with the 2004 Governors' statements of support and interest in the Mississippi River.

Holly Stoerker explained that the draft report has not yet been widely distributed, pending review and approval by the UMRBA Board. However, UMRBA's federal liaison members were provided with advance copies and invited to offer their perspectives at this meeting.

Bill Franz said U.S. EPA fully supports the effort to increase UMRBA's water quality coordination work. He noted, however, that EPA does not have the power to change Section 106 funding eligibility.

Charlie Wooley expressed the support of the U.S. Fish and Wildlife Service for the concept and the process outlined in the Organizational Options report. He noted the benefits of "one-stop-shopping" for water quality issues on the UMR and pledged the help of the Fish and Wildlife Service.

Gary Loss commented that consistency in the area of water quality will be useful, particularly as the Corps continues to seek better coordination of its own river programs like Section 519 on the Illinois River, EMP, and NESP.

Dru Buntin offered the following motion, which was seconded by Gary Clark and unanimously approved:

- 1) UMRBA staff is directed to revise the Organization Options report to reflect the following:
 - a. The changes identified by the Water Quality Executive Committee in the memo distributing the draft report, including those related to:
 - i. preparation of an Executive Summary,
 - ii. inclusion of a summary of the desired functions of an interstate organization near the beginning of the report,
 - iii. elaboration on the differences among state standards and listings in Chapter 2,
 - iv. effects on permits and regulatory actions, and
 - v. potential efficiencies of scale.
 - b. Revision of the second step in Recommendation 4 to describe the need to enhance UMRBA's capacity to address interstate water quality issues by taking on a broader scope of responsibilities, expanding staff, and seeking additional funding to support these activities; but eliminating references to restructuring the UMRBA Board and its governing documents.
- 2) The revised report will be circulated to UMRBA representatives, alternates, and Water Quality Executive Committee members for final review and action via conference call.

Holly Stoerker distributed copies of a draft charter for the UMRBA Water Quality Executive Committee (WQEC). She explained that when UMRBA formed the WQEC at the August quarterly meeting, it also requested that a Charter be developed for the new group. Stoerker noted that a few revisions had been made to the draft Charter as a result of the discussions at yesterday's joint meeting of the UMRBA Board and WQEC. However, the current draft is essentially similar to the one distributed in advance of the meeting.

Martin Konrad moved and Gary Clark seconded a motion to approve the Charter for the Water Quality Executive Committee. The motion passed unanimously.

Lake Pepin TMDL

Gaylen Reetz described the history surrounding the importance of the Lake Pepin TMDL in Minnesota. In 2001, Minnesota PCA issued a permit to Annandale and Maple Lake, two communities that chose to build a joint wastewater treatment facility. Issuance of the permit was challenged on the grounds that, under the Clean Water Act, permits cannot be issued for new discharges to an impaired water, until a TMDL is completed. PCA's opinion was that the offset involved in this case did not constitute a new discharge. In August 2005, the Minnesota Court of Appeals upheld the permit challenge. Since then, PCA has been unable to issue permits in the Lake Pepin watershed, which constitutes approximately two-thirds of the State. Approximately 75 permits have been held up as a result. The case has been appealed to the Minnesota Supreme Court, where oral arguments were heard in May 2006. A decision is still pending.

Norm Senjem gave a comprehensive presentation on the Lake Pepin TMDL, including background on TMDLs in general, the collaborative process being employed for the Lake Pepin TMDL, the water quality standards and impairments related to Lake Pepin, and the relationship of the Lake Pepin TMDL to other river management efforts. Senjem explained that the Lake Pepin impairments include eutrophication — largely from point source phosphorous discharges in the watershed — and turbidity. Minnesota has a turbidity standard of 25 NTU, but the UMRCC light-related water quality criteria for submersed aquatic vegetation are also being employed.

Senjem explained that sedimentation is also a concern, but the Lake Pepin TMDL is not specifically designed to address that problem. However, there are a variety of ways in which the Lake Pepin TMDL could be related to other river management projects and initiatives, such as environmental pool plans, NESP, water level management, and floodplain island building. Senjem indicated that the most difficult issues related to sediment have been differentiating sediment sources and determining the effects of altered hydrology. With regard to nitrification, the most difficult issues are estimating phosphorous re-entrainment from bed sediments and linking to point and nonpoint sources.

Gaylen Reetz said that Minnesota is spending approximately \$2.9 million on the Lake Pepin TMDL. The Annandale-Maple Lake lawsuit has helped draw attention to TMDL needs and spurred passage of Minnesota's Clean Water Legacy Act. That Act provides \$25 million in seed funding for water quality planning, monitoring, nonpoint reduction efforts, and infrastructure needs. However, according to Reetz, the needs are expected to be closer to \$80 million.

UMRBA 25th Anniversary Celebration

Mark Holsten announced that this is UMRBA's 100th quarterly meeting and 25th anniversary. He recognized Gary Clark's and Holly Stoerker's many years of service to the organization. Gary Clark thanked everyone for attending this particular meeting and acknowledged the valuable contributions that the federal partners and others in attendance make to UMRBA. He also extended the members' thanks and appreciation to all the UMRBA staff.

As the anniversary cake was rolled into the room, Holly Stoerker read the following note given to her by Margie Daniels:

"The cake is here and it looks beautiful. However, it was involved in a high speed chase this morning. The delivery truck that the cake was on was stolen during an earlier delivery. There is a video on KSTP showing the truck crashing. The cake managed to avoid the canine search team. In fact, the cake was the only thing on the truck that was not damaged."

While those in attendance enjoyed the cake, a slide show of historical photos of UMRBA meetings was presented.

Ecosystem Restoration and the Clean Water Act

Barb Naramore gave an overview of the proposal developed by UMRBA staff to sponsor two meetings that would bring together natural resource managers and water quality regulators to explore how Clean Water Act and ecosystem restoration programs can be better coordinated. She noted a variety of recent examples of the interest in this issue, including discussions of the UMRBA Water Quality Task Force, a June 2006 letter from U.S. EPA Region 5 to the Corps of Engineers, and the water quality elements in the proposed NESP goals and objectives.

Naramore emphasized that the proposal reflects a modest first step that would focus on dialogue, information sharing, and generating ideas about next steps. Two meetings are proposed, both of which would likely be held in the Quad Cities. To maximize participation by both water quality and river restoration program staff, one meeting would be held in conjunction with the May 2007 EMP and NESP quarterly meetings and the other would be held later in the summer of 2007, in conjunction with the meeting of the UMRBA Water Quality Task Force.

Naramore explained that the project will require approximately \$25,000, reflecting UMRBA staff time and travel, as well as other incidental expenses, such as meeting costs, printing, and mailings. Potential sources of funding include EPA and the Corps of Engineers, which would most likely provide funding through its existing contract with UMRBA for EMP-CC staff services.

Bill Franz voiced support for the proposal and a willingness to assist staff in seeking funding. Gary Loss suggested that the Illinois River Section 519 program may serve as an example of the way in which water quality and ecosystem restoration programs can be integrated. He also suggested expanding the effort to involve NRCS. Janet Sternberg suggested involving the Forest Service as well. Marvin Hubbell acknowledged the need to make connections between ecosystem restoration and TMDLs, citing Norm Senjem's presentation as an example of the opportunities. Bob Clevestine mentioned the need to bring regulatory agencies into the adaptive management process and floodplain restoration efforts early. Gary Wege expressed the need for a watershed approach.

Barb Naramore emphasized that the initial focus of this particular project will be on the connections between the Clean Water Act and ecosystem restoration on the river itself, but acknowledged that the dialogue may evolve in the future to a broader focus. Gretchen Benjamin characterized the proposal as addressing the question of how existing river ecosystem restoration efforts can be "plugged into" TMDLs. She also asked how this effort might relate to the work of the NESP Science Panel. Chuck Spitzack indicated he sees it as parallel planning and understanding relationships.

Todd Ambs voiced support for the proposal, but said UMRBA must have funding for the project before proceeding. Gretchen Benjamin expressed hope that U.S. EPA will fund the project, given the agency's recent letter sent to the Corps regarding the linkages between TMDLs and the EMP. Barb Naramore clarified that UMRBA's proposed project is not intended to be a substitute for the discussions that need to take place between the Corps and EPA, in response to EPA's letter.

Mike Wells moved and Gretchen Benjamin seconded a motion approving the staff proposal, contingent upon funding from outside sources. The motion carried unanimously.

Implementing EMP in a Time of Uncertainty

Marvin Hubbell reflected upon the contributions that the UMRS Environmental Management Program (EMP) has made in the past 20 years, but noted that the future is uncertain. The potential authorization of NESP has left EMP partners feeling like the program is in a bit of a "holding pattern." However, according to Hubbell, this uncertainty has offered an opportunity to consider how to make the EMP program the best that it can be, adapt to new ideas and approaches, and prepare the way for whatever Congress may choose to do in the future with EMP and NESP.

Hubbell said the recent EMP 25th Anniversary celebration and the fact that the EMP-CC endorsed the "EMP Operating Approach" at its August 2006 meeting, demonstrate the interest and enthusiasm that still exist for the EMP. Looking to the future, Hubbell outlined the following new initiatives and areas of changing emphasis for the EMP:

- Increased public education and outreach
- Enhanced connections between monitoring (the LTRMP) and restoration (HREPs)
- Refinements to the APE process
- A seamless HREP database, including GIS applications, across Corps districts
- Publication of the HREP Design Handbook
- Enhanced regional coordination and communication
- Implementation of the HREP Planning and Sequencing Framework

Holly Stoerker thanked Hubbell for his leadership and forward-looking approach to the EMP during this time of uncertainty.

Spill Response Planning and Mapping

Dave Hokanson provided an update on UMRBA's spills-related work activities. In particular, he reported that the UMR Spill Response Plan was updated and distributed in October 2006. In addition, the companion "UMR Emergency Action Field Guide" has been distributed. The next meeting of the UMR Spills Group is scheduled for March 2007 and will be chaired by Rodney Tucker, the group's newly-elected Chair from Iowa DNR.

With regard to UMRBA's planning and mapping activities under the Oil Pollution Act, Hokanson reported that the federal FY07 cooperative agreement with EPA was recently signed. It provides \$85,000 in federal funds, with UMRBA providing an additional \$5,000. In addition, approximately \$65,000 will be carried forward from FY 06 and a \$4000 grant for GIS software has been provided by ESRI. Current work activities include production of the Minnesota Atlas, beginning mapping updates for Illinois, and work on response strategies for St. Louis and the St. Croix River.

Hokanson also reported that the Spill of National Significance (SONS) exercise, taking place June 19-21, 2007, will be based on a scenario involving a New Madrid earthquake. There will also be a component involving a Great Lakes spill event. Hokanson described which agencies will be participating and noted that UMRBA's role will include completing the mapping work.

Hokanson also reported on the pilot early warning monitoring station at Lock and Dam 15 and the associated pilot email notification system. An evaluation report is being prepared and there is a proposal to expand the system. The emerging consensus is that the system is useful, but funding is a challenge. In particular, there is a need for a lead agency, a role that some partners may be looking to UMRBA to fill. Hokanson also mentioned that EPA Region 5 is seeking \$100,000 in funding from the Office of Research and Development to conduct pilot biomonitoring on the UMR, using bi-valves and/or blue gills.

Navigation and Ecosystem Sustainability Program (NESP)

Holly Stoerker reported that the outlook for WRDA passage remains unclear. The end of this session of Congress is approaching without resolution of a number of outstanding issues. However, she noted that it appears that the WRDA conferees intend to include the three NESP amendments UMRBA has been promoting regarding monitoring, partnership, and mooring facilities. Stoerker thanked MARC 2000, Audubon, TNC, and the Northeast-Midwest Institute for their efforts in support of UMRBA's proposal.

Rich Worthington reported that the Continuing Resolution (CR) governing funding in FY 07 will likely be extended through December 8, 2006. He commented that there are three likely options for dealing with FY07 appropriations — pass individual appropriations bills, combine all appropriations into an omnibus bill, or extend the CR into January 2007, thereby deferring action to the next Congress.

Chuck Spitzack distributed copies of the FY 06 year-end reports and FY 07 work plan for NESP. He noted that the FY 07 budget and work plan are based on the assumption of a \$10 million funding level for NESP.

Spitzack explained that the first increment cost estimate is \$1.7 billion for ecosystem restoration. Approximately 9 percent of that amount, or \$150 million, will need to be provided by nonfederal sponsors. In response to a question from Stoerker regarding short-term cost share needs, Spitzack indicated that floodplain restoration projects, such as the ones proposed for Pierce County, Wisconsin, the Root River in Minnesota, and Emiquon in Illinois, will require 35 percent nonfederal cost sharing. Stoerker noted that the Administration has proposed that NESP ecosystem restoration be cost shared at 50 percent. UMRBA sent a letter to WRDA conferees cautioning against such an approach.

Spitzack also provided an overview of the NESP economic reevaluation undertaken as a result of a directive from the Assistant Secretary of the Army for Civil Works. He explained that the reevaluation differs from the original feasibility study in so far as it only addresses the navigation component, starts with the reevaluation of the recommended plan, uses updated models and data, and allows for more consideration of accounts other than NED.

According to Spitzack, the challenges of the reevaluation include acceptance of the approach, lack of data and models for nontraditional considerations, developing a strategy for increasing utilization of waterways, and time and resources. In response to a question of what is meant by “acceptance of the approach,” Spitzack cited the examples of a) dealing with nontraditional modes of transportation and b) revisiting assumptions such as the infinite ability of rail to absorb increasing traffic.

In describing the timeline for the reevaluation, Spitzack said the grain model workshop originally scheduled for October 2006 has been postponed until January 2007. The range of future scenarios will need to be identified by February 2007, if the draft interim report is to be ready by June 2007.

Spitzack said the benefits of extra lock capacity and efficiency will not be realized for many years. Thus, the reevaluation will assess the downside risk and upside potential of the investment and present that information to decision makers. Spitzack also reviewed a series of questions related to uncertainty, including whether the Maritime Administration’s strategy for multimodal transportation will result in greater utilization of the UMRS. Dick Lambert commented that MarAd’s Heartland Intermodal Partnership is being promoted as a way of dealing with land congestion.

In response to a question regarding the relationship between the economic reevaluation and pending Congressional action on WRDA, Rich Worthington explained that Congressional action is not necessarily dependent on the outcome of the reevaluation, which was directed to be done by the Assistant Secretary of the Army for Civil Works. However, the Administration utilizes performance based budgeting and B/C criteria in making its budgeting decisions. The UMRS lock expansion recommended in the original feasibility study does not meet those criteria and a less favorable economic reevaluation would make budgeting by the Administration even more difficult.

Election Results

Holly Stoerker distributed copies of the results of the November 2006 Congressional and gubernatorial races in the five basin States. She noted that there will be five new House members from UMR districts:

- Illinois
 - Phil Hare will fill the seat vacated by Lane Evans when he retired.
- Iowa
 - Jim Leach lost to Dave Loebsack.
 - Bruce Braley will fill the seat vacated by Jim Nussle, who lost his bid for Governor to Chet Culver.
- Minnesota
 - Gil Gutknecht lost to Tim Walz.
 - Keith Ellison won in the Minneapolis district vacated by retiring Martin Sabo.

Minnesota—Mark Holsten reported that Governor Tim Pawlenty was reelected to a second term in Minnesota. U.S. Senator Mark Dayton retired and his seat will be filled by Amy Klobuchar. Congressman James Oberstar will likely become the new Chair of the House Transportation and Infrastructure Committee.

In the Minnesota legislature, the House went strongly Democratic and in the Senate the Democrats gained a few seats.

Missouri — Mike Wells noted that Missouri’s office of Governor was not up for election in 2006, so there will not likely be major changes in the executive branch. Both the Missouri House and Senate remain Republican, though the Democrats picked up some seats in both chambers. In the U.S. Senate race, Claire McCaskill defeated Jim Talent, who had represented a Mississippi River district in the House and was a strong WRDA supporter. McCaskill’s expressed committee preferences reflect her past background as State Auditor.

Iowa — Martin Konrad reported that Democrats retained control of the Iowa Governor’s office, with Chet Culver replacing the retiring Tom Vilsack. The new Lieutenant Governor is the former Iowa Secretary of Agriculture, Patty Judge. The state legislature will remain entirely Democratic.

Illinois — Gary Clark reported that Governor Rod Blagojevich was reelected to a second term and Illinois’ House and Senate will also remain Democratic. The Green Party received 11 percent of the vote and will thus automatically be on the ballot in the next election.

Wisconsin — Gretchen Benjamin reported that Governor Jim Doyle was reelected to a 2nd term and Ron Kind was reelected to a 6th term in the U.S. House. In the state legislature, the Senate is controlled by the Democrats and the Republicans are in the majority in the Assembly.

Administrative Issues

Holly Stoerker said that, based on discussions at the breakfast meeting earlier in the day, the States would like to set aside time at the February meeting to discuss three items:

- UMRBA Investment Policy — UMRBA’s investment policy has not been revised since 1982. UMRBA representatives are asked to send UMRBA staff any copies of policies or regulations in their State that may be relevant to investment of public funds.
- Conflict of Interest Policy — The IRS now includes questions on its Form 990 regarding nonprofit organizations’ conflict of interest policies. UMRBA representatives are asked to send staff any policies from their agencies that may be helpful as staff develops a draft policy for UMRBA.
- Audit Review — The firm that conducted UMRBA’s FY 05-06 biennial audit will be asked to discuss their findings with the UMRBA Board.

Gary Clark emphasized that there are no problems with UMRBA’s audit. However, the Board needs to do their due diligence. Rather than forming an audit committee, the Board determined that it would function as a committee-of-the-whole to review the audit, since there are only five Board members. Similarly, Clark noted that the Board’s interest in reviewing the investment policy does not suggest there are any problems with UMRBA’s investments. The existing investment policy has been followed; it simply needs to be updated.

Future Meetings

Holly Stoerker said the schedule for the February 2007 quarterly meetings will involve the following sequence of meetings:

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| February 20 | UMRBA |
| February 21 | NECC/ECC |
| February 22 | EMP-CC |

The dates and locations for future meetings include:

- May 22-24, 2007 in the Quad Cities
- August 21-23, 2007 in La Crosse, Wisconsin

With no further business, the meeting was adjourned at 2:30 pm.