

**MINUTES OF THE KANKAKEE RIVER BASIN COMMISSION
HELD THURSDAY, FEBRUARY 14, 2019 AT
9:30 AM CST
KANKAKEE FISH AND WILDLIFE AREA
4320 SOUTH TOTO ROAD
NORTH JUDSON, IN 46366**

Chairman Chris Knochel called the meeting to order at 9:38 a.m. and the Pledge of Allegiance was recited.

Secretary Vince Urbano called the roll.

Members present

Kevin Breitzke	Bill Crase	Craig Cultice
Michael Delp	John Dooms	Bill Emerson
Mark Kingma	Chris Knochel	John Law
Lee Nagai	Mike Novotney	Kim Peterson
John Law	Gene Schmidt	Jerry Tippy
Vince Urbano	Tim Gochenour (Marshall Co.)	

Guests Present

Jack Ryan	Rhonda Remesnik	Grant Poole	Eric Courtright
George Bowman	Gus Ellicott	Tom Larson	Jim Kreiger
Zach Woolever	Steve Woolever	Lee Magiera	Jared O'Brien
Dan Gumz	Dick Welsh	Joe Skelton	Tammy Patterson
Sarah Longnecker	Steve Bohan	Karen Horn	Angel Crawford
John Sheere	David Smith	Aaron Damrill	Curt Ralston
Les Burton	Bob Barr	Allan Cameron	Allan Cameron
Tim Lathrop	Don Lode	Chris Lee	

Staff Present

Scott Pelath

17 members were present and six were absent. Chris Knochel, Chair, determined that a quorum was present to conduct business.

Approval of Minutes

The chair moved for approval of the minutes from the January 11, 2019 meeting, and received a second.

MOTION PREVAILED BY VOICE VOTE.

Introduction of Guests

The chair allowed guests to introduce themselves, and expressed gratitude for the diverse group present.

Finance Report

The chair recognized Treasurer Kevin Breitzke for a finance report and a presentation of the proposed 2019 budget.

Due to the transition between executive directors, the budget proposal was a collaborative effort between Mr. Breitzke and Scott Pelath with input from former director, Jody Melton. The formatting of the budget was revised from those used in past years. Two separate budget documents were presented, one for administrative costs and another for river work and gage expenses. [ATTACHMENT 1]

Mr. Breitzke presented the dollars currently in reserve and obligated to various counties, the funds held but obligated to existing projects, and the amount of unobligated dollars.

Mr. Breitzke also presented upcoming obligations for the river gages maintained by the U.S. Geological Survey (USGS). [ATTACHMENT 2]

With respect to the Administrative Budget, Mr. Breitzke noted that approximately \$11,000 had been cut from the previous year, and explained the expected or estimated revenues from the two KRBC-owned farms.

Mr. Breitzke also noted the addition of a specific line-item for fifty-percent (50%) of the amounts previous allocated for education and outreach, specifically intended for the LaPorte County SWCD's canoe-mobile program. He explained that funding could be augmented once state funding is finalized.

Scott Pelath emphasized several points from Mr. Breitzke's presentation, particularly his desire to reduce administrative expenses. He also expressed his priority to continually refine and improve the budget process and present more detail. He also explained his desire for planning purposes to create a specific line-item for education.

Mr. Pelath also explained that the budget was drafted in the context of uncertain state funding.

With input from Tim Lathrop of USGS, Mr. Breitzke also reiterated the uncertainty regarding upcoming gage expenses and need to review gage needs going forward. Mr. Urbano, Bob Barr, and Jerry Tippy all pointed to the importance of the data provided by the gages.

Lee Nagai asked about the details of the current USGS contracts, expected costs in the future, and their impact on the 2019 budget. Mr. Breitzke explained that his concerns were related to expenses beginning after the current calendar year.

Mr. Breitzke moved that the commission adopt the River Work and Gage Budget. John Law seconded the motion.

MOTION PREVAILED BY VOICE VOTE.

Mr. Breitzke moved that the commission adopt the Administrative Budget, and the chair heard a second.

Bill Emerson asked why revenue from commodity split at the Thayer Farm was being reduced. Mr. Breitzke explained it was only an estimate given the inherent uncertainty of crop yields.

Mr. Nagai asked about the approximately \$15,000 allocated for NIRPC accounting support, and suggested there might be a better option for such services. Mr. Pelath said there were continuity needs, but stated that he

intended to closely evaluate their services and is planning to review other options during the year.

Mr. Nagai also inquired about the line-item for travel and meeting expenses, and Mr. Pelath explained the section was primarily for mileage.

Mr. Nagai questioned the purpose of the \$2000 set aside for property maintenance and insurance. Mr. Breitzke explained the nature of both property agreements, and Mr. Pelath noted he had the same question as Mr. Nagai. Mr. Pelath stated his desire to perform a risk assessment on the properties, and will recommend reallocation of the funds if insurance shows to be unnecessary.

The question was called.

MOTION PREVAILED BY VOICE VOTE.

Old Business

The chair recognized Mr. Pelath to give the commission a legislative report. He submitted a written legislative report that reflected his verbal report.
[ATTACHMENT 3]

In addition to his written report, Mr. Pelath gave a history of state appropriations to the KRBC over the past twenty years.

Mr. Pelath reported that he requested \$2.3 million in funding for the new state budget, and that State Reps. Pressel and Gutwein joined him in making the request. He expressed his specific appreciation for both lawmakers.

John Law asked if the lawmakers were committed to assisting with procuring needed funding. Mr. Pelath reported his opinion that they were making a good faith effort.

Mr. Pelath also stated his opinion that lawmakers' desire for a change in the commission's governance structure was related to efforts to enact a sustainable regional funding stream.

Mr. Pelath conveyed his cautious optimism about state funding. However, he also stated his expectation of some changes in the governance structure, particularly if the legislature agrees on a long-term funding.

Finally, Mr. Pelath described a recent meeting with U.S. Rep. Pete Visclosky regarding the potential for federal funding. As expected, the congressman conveyed his desire to be of assistance, but conveyed that state and local funding and clarity of intent would be essential components of federal funding requests.

Bill Crase offered his remarks on his vision for the future of the Kankakee River Basin. He described how his vision differed from the preliminary report of Christopher Burke Engineering, and his view that an acreage assessment used to implement the preliminary report would be poorly received. He especially emphasized the need for access, sediment removal, and some refocus of the commission.

Mr. Knochel referenced the Newton County pilot project to improve river access, and suggested that the engineering firm overseeing the pilot give a report at the next meeting.

Mr. Urbano described the work he has done to improve future access and repair existing access in Jasper County.

Mr. Nagai asked if the commission would be charged for receiving a report on the Newton County pilot project. Mr. Knochel said they would not.

Mr. Law stated that every report in the past showed that dredging the river was infeasible.

Mr. Crase reiterated his strong desire for improved access on the Kankakee River, some use of sediment traps, and to mitigate the sand in the Yellow River.

Mr. Emerson conveyed the value of levies being set far back from the channel, as they are in Lake County. He also shared his view that counties should focus on storing water that they unleash into the channel.

Mr. Breitzke stated that everyone needs to be cognizant of how the counties affect each other.

Mr. Pelath restated his view of the previous meeting that there was consensus about mitigating Yellow River sediment and stabilizing the banks of the Kankakee River. He said those two items were the underpinning of the state budget request.

Mr. Tippy moved that the board support Mr. Pelath's state budget request of \$2.3 million for river work and gage budget pertaining to the Yellow River sediment control and bank stabilization on the Kankakee. Mr. Breitzke seconded the motion.

Gene Schmidt urged that there be a work plan for accountability to state officials.

Mr. Nagai expressed his desire for a specific work plan from Christopher Burke Engineering. He then questioned the development and content of their scope of services, and recounted the excluded services that would prevent the production of a specific work plan.

Mr. Law said the report was intended to serve the entire basin.

Mr. Knochel said the report is still in process, and what the commission currently possesses is only a preliminary report.

Michael Novotney said studies identify conceptually what is necessary, and that work plans come once studies are completed. Mr. Urbano concurred with Mr. Novotney.

Mr. Novotney expressed concern with some of the sentiments regarding flood prevention and the devaluing of the necessity for flood plain storage.

Mr. Nagai reasserted that Burke Engineering was supposed to receive a work plan, and not another conceptual study. He also believes that efforts should be made to protect the basin from certain flood events.

Mr. Pelath explained the budget process, and that questions about the use of the funds would likely have to be answered before budgeted funds are released to the commission. He also explained that all of the requested amount was not intended for the administrative budget, and that administrative funds have a separate state budget line item and small local revenue components.

The question was called.

MOTION PREVAILED BY VOICE VOTE.

The chair recognized Mr. Barr to give an update on the work of Christopher Burke Engineering.

Mr. Barr said that Burke is still working on a final document, and it will contain recommendations for how to manage the Kankakee River Basin.

Mr. Barr took input on the future contents of the final plan, and answered questions from the commission regarding the technical underpinnings and conceptual framework of the preliminary plan.

The commission benefited a free-form question-and-answer session between members and Mr. Barr.

New Business

Mr. Pelath asked for a motion to support the Marshall County SWCD's interest in pursuing a \$200,000-\$500,000 private grant for sediment mitigation in the vicinity of the Yellow River.

Mr. Breitzke moved that the commission support Marshall County SWCD's efforts to the grant. The chair heard a second.

MOTION PREVAILED BY VOICE VOTE.

Public Comment

NONE

Next Meeting

The next meeting was scheduled for April 11, 2019 at 9:30 CST at the Kankakee Fish and Wildlife Area.

The meeting adjourned at 12:35 p.m.

ATTACHMENT 1

KRBC RIVERWORK AND GAGE BUDGET (as of 2019-02-01)			
EMERGENCY FUNDS	Available as of 2018-12-31		
Jasper County	10,000.00		
Lake County	46,700.00		
La Porte County	1,825.46		
Marshall County	10,000.00		
Newton County	7,786.25		
Porter County	10,000.00		
St. Joseph County	33,734.51		
Starke County	10,000.00		
TOTAL	130,046.22		
COUNTY or PURPOSE	ALLOCATION	SPENT	BALANCE
LAKE	150,000.00	(122,845.00)	27,155.00
JASPER	400,000.00	(362,561.94)	37,438.06
YELLOW RIVER PROJECT	80,000.00	(80,000.00)	
YELLOW INITIATIVE	25,000.00	(25,000.00)	
NEWTON COUNTY	100,000.00	(95,394.45)	4,605.55
UNALLOCATED EXPENSES	109,000.00	(109,000.00)	
TOTALS	864,000.00	(794,801.39)	69,198.61
RELEASE OF FUNDS 2017	ALLOCATION	SPENT	BALANCE
USGS GAGES	121,000.00	(67,900.00)	53,100.00
LAPORTE SWCD CANOES	25,000.00	(25,000.00)	
EMERGENCIES	38,267.82	(38,267.82)	
LAPORTE COUNTY	105,000.00	(105,000.00)	
STARKE COUNTY	123,000.00	(74,987.29)	48,012.71
JASPER COUNTY	71,000.00	(71,000.00)	
PORTER COUNTY	60,000.00	(60,000.00)	
MARSHALL COUNTY	10,000.00	(8,668.00)	1,332.00
TOTALS	553,267.82	(450,823.11)	102,444.71

RELEASE OF FUNDS 2018	ALLOCATION	SPENT	BALANCE
C. BURKE ENGINEERING	225,000.00	(144,000.00)	81,000.00
NORTH STATE ENVIRO (10% RET)	49,432.76	(49,432.76)	
YELLOW RIVER DRONE FLIGHT AND ANALYSIS (FEB. 2018 FLOOD)	3,055.00	(3,055.00)	
2018 EMERGENCIES UNPAID BY PAST FUNDS	15,767.82	(15,767.82)	
TOTALS (OUT OF \$600,000.00)	293,255.58	(212,255.58)	81,000.00
TOTAL COMMITTED UNSPENT			382,689.54
TOTAL AVAILABLE (2019-02-07)	306,744.42		

ATTACHMENT 2

KRBC ADMINISTRATIVE BUDGET for 2019		
INCOME	2018 BUDGET	2019 BUDGET
Jasper	3,800.00	3,800.00
Lake	5,450.00	5,450.00
La Porte	11,350.00	11,350.00
Marshall	7,750.00	7,750.00
Newton	2,700.00	2,700.00
Porter	5,500.00	5,500.00
St. Joseph	6,650.00	6,650.00
Starke	6,800.00	6,800.00
Rental on River Edge Farm	48,800.00	48,800.00
Revenue from Thayer Farm (share crop)	27,000.00	20,000.00
Auditor of State of IN	52,486.00	52,486.00
Total Receipts	178,286.00	171,286.00
Disbursements		

Executive Director Agreement (FKA, NIRPC)	110,000.00	115,008.00
NIRPC Agreement (FKA, Accounting & Office	15,700.00	15,308.40
Phones, Postage, Copying	5,000.00	500.00
Expenses, Mileage, Meetings	8,000.00	8,000.00
Officers Continuing Education	2,000.00	0.00
ASFPM/INAFSM Dues and Conference	3,000.00	500.00
Property Maintenance & Insurance	10,000.00	2,000.00
Website	1,000.00	2,000.00
Total Disbursements	154,700.00	143,316.40
Misc/Education Outreach (Canoemobile)		12,500.00
Total Disbursements after Outreach	154,700.00	155,816.40

ATTACHMENT 3

MEMORANDUM

To: KRBC Members
From: Scott D. Pelath, Executive Director
Subject: Legislative Update
Date: February 11, 2019

Before this Thursday's meeting, I wanted to provide a written update on key legislative matters affecting the Kankakee River Basin Commission (KRBC). I anticipate that many of you will have questions for me, and I wanted to assist everyone in formulating further inquiries.

There are two primary pieces of state legislation of primary interest to us. The first is the state budget, which quantifies the KRBC's funding for the next two years. The second is House Bill 1270, which we discussed at length at our January meeting, and I summarized for you in a memorandum a few weeks ago.

Finally, this past Saturday, I met with U.S. Rep. Pete Visclosky -- who serves on the Energy and Water Appropriations Subcommittee - regarding the current prospects for large-scale federal funding.

At our last meeting, you directed me to prioritize adequate funding for the KRBC while also advocating for the inclusion of needed skills and viewpoints. I was grateful

for this guidance, and have striven to make positive suggestions to lawmakers and affected stakeholders regarding the future of the basin.

STATE BUDGET (HB 1001)

As I reported previously, Gov. Holcomb's executive budget did not include KRBC funding beyond the usual administrative allocation granted to all river basin commissions. While it is always more convenient to start with a specific number in the Governor's budget, it is more of a luxury than a need. When the executive branch is uncertain of a specific figure, they often will leave it up to the legislature to fulfill its power of the purse.

In 2018-2019 state budget, the KRBC was allocated \$600,000. For the 2020-2021 budget, members of our legislative delegation, including Rep. Gutwein, publicly expressed confidence that the KRBC would be funded at least at that level over the next two years.

Last Monday, I met with House Ways and Means Chairman Todd Huston regarding our budget allocation. I was grateful that Reps. Gutwein and Pressel attended with me.

I made a direct request to the chairman for \$2.3 million in over the next two years.

I made the case for state funding beyond the previous amount for -- among many other things -- minimizing the sand coming out of the Yellow River and improving the banks of the Kankakee. We also were able to describe the costs of *not* improving the basin, which can include road repairs, emergency expenses, and lost revenue.

While the chairman was not in a position to give immediate assurances (he has to fund K-12 education and Medicaid, after all), I certainly was not jettisoned from the office. Overall, I thought it was a positive and cooperative meeting.

Later in the day, I shared the same request with the Ways and Means Committee's ranking member on the minority side.

The bottom line is that there are few guarantees, but we are guaranteed to get nothing unless we ask. I believe we have a strong case. Now it is a matter of how we compare to countless other strong cases and needs.

The House budget should be released near the end of the month. The measure then moves on to the Senate for the next round of consideration, although it certainly is easier to keep money in a state budget than it is to put it in.

There is more work to do, but I was particularly thankful to Rep. Pressel for getting the meeting scheduled

before the parade of those asking for dollars lengthened.

HB 1270

HB 1270, which would rename and change the governance structure of the KRBC, passed the House of Representatives in the same form that I described to you in my January 16 memorandum.

Right now, the bill is just sitting between chambers.

It will be another few weeks before the Senate begins work on bills that passed the House. In the interim, I met with the bill's Senate sponsor - Sen. Rick Niemeyer from Lake County - regarding his plans. He is open to input regarding the measure, and I believe wants to fully understand and consider all the views of lawmakers and interested parties before moving to the next step. Further revisions are certainly possible, and probably expected. Like everyone else, he cares most about actual outcomes.

The bill also does *not* currently contain the anticipated centerpiece: a local funding stream. I know that sustainable local funding is a priority of lawmakers, and the Farm Bureau is advocating for the initiative. It is not a simple task for anyone, though.

The first part - coming up with usable dollar figures - is fairly straightforward. The total acreage and the land uses are well defined, and they can be used to generate multiple revenue targets. Then come the much harder questions of what constituents will embrace or at least forgive. And lastly, there are the technical but important matters of how the dollars are collected, when they are transferred, how they flow, etc.

I expect to have more to report on this key matter over the next several weeks.

FEDERAL FUNDING

Pete Visclosky is a senior member of Congress and a longtime member of the U.S. House Appropriations Committee. He is also in a position to be of great assistance, especially on water issues.

There is always a great deal to learn from Pete about the federal budget process, which, to be charitable, has not been operating at its best for a number of years.

I worked in Congress over two decades ago, and one major change since then has been the elimination of earmarks. The days when you can put language in legislation that says "here is \$50 million for the Kankakee River" are long, long gone. You used to be able to fund bridges, dams, and airports like that, but no more.

When I met with the congressman, I appreciated the

review of what receives federal support these days. First, you need tangible local funding. Second, you need state funding. Third, you have to agree on exactly what you plan to do with the money. Once those things are in place, federal lawmakers can be in a position to help.

The congressman has a direct constituent interest in the basin. As the only appropriator in our state's congressional delegation, he stands ready to assist. Once we make our tough decisions and do our work, sizable federal investments become a possibility -- but probably not until then, even with advocates in key roles.

I have a habit of providing more information than perhaps you wanted or needed. Rest assured that I will report all of these things verbally on Thursday, and welcome any follow-up questions.

Thank you again for your service to the commission and the people of the basin.

I also especially thank the KRBC's legislative liaison, Lake County Commissioner Jerry Tippy, for his teamwork, extra time, and advice throughout this session of the General Assembly. We are fortunate to benefit from his hard work.