

**METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS  
777 North Capitol Street, N.E.  
Washington, D.C. 20002-4239**

**MINUTES  
Board of Directors' Meeting  
COG Board Room  
September 10, 2003**

**BOARD MEMBERS, ALTERNATES AND PARTICIPANTS PRESENT AND NOT PRESENT**

**\*SEE ATTACHED CHART FOR ATTENDANCE**

**STAFF**

**David J. Robertson, Executive Director  
Lee Ruck, General Counsel  
Paul DesJardin, Director of Planning  
Robert E. Griffiths, Department of Transportation Planning  
Stuart Freudberg, Director of Department of Environmental Programs**

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**1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Chair Hill called the meeting to order at 12:10 p.m. with a recitation of the pledge of allegiance.

**2. APPROVAL OF MINUTES OF JULY 9, 2003**

Motion was made, seconded and carried unanimously to adopt the minutes of the July 9 meeting.

**3. AMENDMENTS TO AGENDA**

There were no amendments to the agenda.

**a) Presentation of Certificate of Appreciation to Outgoing COG President John Koskinen**

Chair Hill asked that staff send a letter of congratulations on behalf of the Board of Directors to Fire and Rescue Chief Mary Beth Michos of Prince William County. She was recently selected as the International Fire Chief of the Year, the highest honor a Fire Chief can earn. Ms. Michos is active in COG's Fire Chiefs Committee.

In recognition of his contributions to COG, the Board presented a Certificate of Appreciation to COG President John Koskinen, who stepped down as D.C. City Administrator.

Mr. Koskinen expressed appreciation to Board members and to COG. He commended COG for rising to the occasion after 911 and said that some of the accomplishments that can be made at COG are things jurisdictions would not be able to do by themselves.

**b) Recognition of President Pro Tem Robert Dorsey**

COG First Vice President and Rockville City Council Member Robert Dorsey was recognized as President Pro Tem.

**c) Executive Director's Report**

The Executive Director highlighted activities as of September 2003 by other COG policy bodies, officials and staff.

**5. ADOPTION OF CONSENT AGENDA ITEMS 10.A**

Motion was made, seconded and carried unanimously to adopt the consent agenda.

**6. THE BLACKOUT OF 2003 AND RECENT STORM-RELATED POWER OUTAGES – REVIEW OF THE EVENTS, THEIR IMPLICATIONS, AND NEXT STEPS FOR THE NATIONAL CAPITAL REGION**

Bruce Romer, Montgomery County CAO, and Chuck Clinton, Director of the District of Columbia Energy Office, briefed the board on the recent blackout and storm-related outages that affected the region.

Mr. Romer opened the discussion by summarizing the extent of the blackout, which occurred on August 14, 2003. New York, New Jersey, Massachusetts, Michigan, Ohio, in the U.S. and Ottawa and Ontario in Canada, were affected and about 50 million people were impacted. Fortunately, the Washington metro area was only marginally affected.

One of the reasons the metropolitan region was not affected was due to the strength of the region's power grid, which is considered the best in the world. The grid's official name is the PA-NJ-MD Interconnection and is one of the largest and best operated grids in North America. Known for its high quality, the PJM grid is a collaboration of the stakeholder process. Although there is no guarantee that future outages will not occur, the region is generally in good shape.

Nationally, the U.S. Department of Energy (DOE) Secretary Spencer Abraham and Canadian Natural Resources Minister Herb Dhaliwal, formed a U.S./Canadian task force to oversee a comprehensive inventory of causes of the outages and provide recommendations for ensuring that such an event does not recur.

Additionally, the DOE will lead teams into the field to conduct an independent investigation and recommend remedial actions. Congress recently held hearings and met with industry officials and representatives of the affected state governments. Information is still being analyzed and Congress expects to receive a report in the next several months.

Locally, COG's DEP recently met with the three state energy office directors. The Energy Policy Advisory Committee (EPAC) will meet on September 18, 2003, to discuss preparedness and planning. The Water Utilities Work Group met on September 3 as part of the RECP, and the meeting was well-attended by the appropriate officials.

Mr. Romer turned his discussion to the storm events of August 26. About 141,000 PEPCO customers were affected, including customers of other utility companies. Some experienced power outages for up to 4 days. PEPCO had restored power to about 90,000 customers before a second storm came through the next day and undid much of their work.

PEPCO and BG&E have three weeks from the date of power restoration to submit reports to public services committees in Maryland and DC. Action will not be considered until the reports have been evaluated. Mr. Romer said he believes that the appropriate COG committees should follow-up on the results.

Mr. Clinton stressed the importance of energy efficiency, which is the most direct source of energy in our control. The Alliance to Save Energy recently awarded the city of Austin, Texas, for being the most outstanding area in promoting energy efficiency.

He provided a DC perspective of this issue. In the 1990s, the median annual income jumped from \$43,000 to \$68,000, but energy consumed in the residential sector remained relatively flat due to the efficient use of energy. Between 1980 and 2000, 42 million square feet of commercial office space was added, but the use of energy has remained relatively flat. Again, due to energy efficiency.

Mr. Clinton addressed the transportation sector, stating that although congestion is increasing—it went up 34% between 1982 and 1997—there's been no measurable increase in fuel use. The reason? Energy efficiency.

Mr. Clinton also stressed the importance of comprehensive planning. He called the Board's attention to a handout, the 2003-2007 Comprehensive Energy Plan, which represents a comprehensive and coordinated plan. He recommended that attention be pointed to all sectors—transportation, commercial, industrial, residential and government. The public must be educated about the value of energy conservation. Research and development is also important. The CAOs and the Board should consider a regional energy plan.

Mr. Romer added that officials in Montgomery County will meet with PEPCO in an "after action" meeting on Friday, September 12. Council Member Nancy Floreen will represent Montgomery County.

In response to Supervisor Penelope Gross's concerns about aging infrastructures and generators, Mr. Romer said that although the issue of generators was touched upon during Y2K, there has been no further discussion. Regarding aging infrastructures, he said that at one point, Montgomery County had attempted to learn if there was a pattern to power outages in the county. A pattern seemed to emerge in some areas that were hardest hit: areas in the older parts of the county. However, aging infrastructures of power companies may not be the cause of outages in those areas. Other factors may be involved.

Various Board Members expressed concerns about blame for the power outages and the value of sharing information with customers. In response, Mr. Romer said that frustration usually increases inversely to the amount of information available. Information sharing is important.

Board members presented questions about deregulation, the loss of power during thunderstorms and other matters. Mr. Romer assured them he'd pass along their concerns when he met with PEPCO this week.

Commissioner John Lovell commented that elected officials have to be responsible for enacting laws and ordinances that won't inhibit the growth of infrastructures.

## **7. BRIEFING ON CHESAPEAKE BAY POLICY COMMITTEE RECOMMENDATIONS ON FUNDING FOR BAY RESTORATION EFFORTS**

Mayor Pro Tem Bruce Williams opened the discussion. At the recent COG Board Retreat, Chesapeake Bay policy issues were singled out for intense review and action. The Chesapeake Bay Policy Committee seeks the Board's approval on its proposed approach to funding measures needed to restore the Bay. The four policy principles are equity, sound science, non-regulatory and local government voice.

The Committee recommends funding in three areas: wastewater, urban stormwater and agriculture. Ms. Gross outlined how developments in the Chesapeake Bay Program have led to new goals, which pose a challenge to the region. The COG region—representing the single largest urban region in the Bay watershed—is likely to grow as the population increases from 4.2 million in 2000 to a projected 6.1 million in 2030.

The Chesapeake Bay Policy Committee was created in 1998 and was considered a major step in recognizing the critical importance of Chesapeake Bay restoration issues. The 2000 Chesapeake Bay Agreement, also known as C2K, has established an ambitious set of new goals, which will require substantial financial expenditures.

In light of COG's original 40% goal for the reduction of nutrients, the region's wastewater plants have reduced nitrogen discharges—the largest challenge facing the region—by 55% from 1985 levels. The reduction was accomplished through the expenditure of millions of dollars at the local level, which were matched by cost-share funds from the states and the federal government.

Ms. Gross stated that the C2K commits to correcting the nutrient- and sediment-related problems in the Bay and its tidal tributaries sufficiently to remove the Bay and tidal portions of its tributaries from the list of impaired waters under the Clean Water Act by 2010. The Bay Program has developed "load allocations", which are essentially a maximum level of nutrients and sediment that the Bay can absorb while maintaining sufficient water quality to support its living resources. Meeting the nitrogen allocation will require significant further reductions in both wastewater and stormwater sources.

The cost of meeting C2K's commitment is \$18.7 billion. COG staff has been working with local waste- and stormwater officials to translate the overall number into the potential impact on ratepayers and farmers in the region. She noted that the region's governments and citizens could pay more if the program's goals are eventually met through the regulatory framework represented by Total Maximum Daily Loads. As a result, the clean-up could become local governments' responsibility with little or no cost-share assistance. Ms. Gross stressed the need to continue to work toward a voluntary approach and identify federal and state initiatives that will provide cost-share funds.

Mayor Judith Davis continued the presentation by discussing equity in seeking reductions, pointing out that state, federal and local governments should share the costs. The region's achievement in reducing nitrogen discharges is the best example of the success of the cooperative approach to funding. As the result of a 50/50 split of costs between local entities and the states or federal government, essentially all wastewater plants in the region will have upgraded their processes to remove greater levels of nitrogen in the future.

By contrast, very little of the land developed before 1985 has been retrofitted to implement controls. Although costly, reducing the load figures prominently in the formulas for achieving new load allocations. Maryland has identified up to \$80 million to be used for wastewater upgrades through FY2008. Virginia, however, has a funding deficit and has identified no new funds.

Ms. Davis said that several legislative initiatives have been identified that could provide funds to local governments. The Chesapeake Bay Nutrient Reduction Act is specifically designed to provide cost-share to wastewater plants. Unfortunately, the Committee doesn't foresee the bill going forward in Congress at the moment. The other initiative is aimed at creating a new provision under the federal transportation funding program that the state and local governments might use for water quality and stormwater controls on earlier developed land. This bill is likely to be postponed until the next Congress.

The Chesapeake Bay Foundation recently proposed that a regional authority be created with the power to levy taxes to pay for restoration efforts. Ms. Davis said she thinks it's worthwhile to study these ideas and hopes to provide detailed proposals for the Board's consideration at a future Board meeting.

Mr. Lovell briefed the Board on why agriculture is an important part of the Bay restoration effort. Agriculture is the single largest source of nutrients within the Bay watershed as a whole and accounts for about 41% of the total estimated load. Reducing agricultural loads is essential to achieving overall reduction goals for the Bay and will help maintain equity among sources. If cost-share programs can be integrated with sensible regulations, some agricultural reduction measures may be cost-effective in reducing nutrient and sediment loads.

Mr. Lovell stated there are already considerable funds available for agriculture best management practices under existing state and federal programs; however, to make further progress toward reducing loads, innovative approaches may be needed. One potential funding source is a special provision of the 2002 Farm Bill, known as the Chesapeake Bay Working Lands Nutrient Reduction Pilot Program. The provision would authorize up to \$100 million in federal funds for several innovative practices. Unfortunately, the program language has not yet been issued by the U.S. Department of Agriculture.

Mr. Williams asked the Board to adopt R39-03, which would give the Committee authorization to pursue the development of some of the funding vehicles for waste water, stormwater and agriculture. He stressed the need to educate fellow elected officials and the community about Bay issues and expressed disappointment that insufficient registration for the Chesapeake Bay educational workshop resulted in its cancellation. Alternatively, he asked Board members to set up individual briefings for elected officials and staff from member governments. He noted that an educational video will be available for viewing and briefings.

Ms. Floreen asked whether the transportation initiative, with respect to stormwater and urban stream restoration efforts, is tied to a particular project. In response, Stuart Freudberg of COG said that a \$10 billion national pot of money is available for earmark for transportation projects.

Chair Hill asked whether COG had ever put together legislative packets for consideration by general assemblies. Mr. Robertson said that COG hasn't prepared a formal legislative packet for state legislators; however, COG staff anticipates developing a more comprehensive outreach program to state officials, which could include COG policy recommendation for state review and action.

Mr. Williams suggested the date of January be inserted to the end of the resolution for specific proposals.

Motion was made, seconded and carried unanimously to adopt Resolution R39-03.

## **8. PRESENTATION ON THE TRANSPORTATION PLANNING BOARD'S REGIONAL MOBILITY AND ACCESSIBILITY STUDY**

Robert Griffiths of COG briefed the Board on the TPB's Regional Mobility and Accessibility Study, called for by TPB when they adopted the 2000 Constrained Long-Range Transportation Plan (CLRP) for the National Capital Region. Federal regulations limit long-range transportation plans to projects likely to be funded in the future. Consequently, the study is limited and constrained.

The CLRP showed that future transportation problems in the region will get worse. The COG Board called for a study to evaluate alternative options to improve mobility and accessibility between the regional activity centers and regional core. Special elements of the study are additional highway and transit facilities and capacity, land use considerations and the Regional Congestion Management Program.

The Joint Technical Working Group worked on the study and held a series of monthly meetings and briefings. TPB asked the group to develop a list of measures of effectiveness to identify the 2000 CLRP's shortcomings.

One example of the findings is that the region is forecast to add twice as many jobs as households in the next 25-30 years. As a result, the region is forecast to need an additional 250,000 in-commuters from outlying areas to bring growth and the forecast into balance.

Another finding is that Regional Activity Clusters are forecast to capture more than 70% of the region's employment growth, but less than 40% of its household growth. The Centers tend to be more oriented toward employment centers rather than mixed use with a lot of residential.

One implication of these findings is the growth in automobile travel is expected to increase faster than employment or population. Another issue is the unevenness of growth in the western and eastern regions. More economic activity occurs in the west. These are some of the major shortcomings identified in the study.

Mr. Griffiths went through a list of five proposed alternative land use scenarios; the goals of each include some measure of balancing growth in certain areas with forecasts.

Chair Hill expressed concerns about providing incentives for "live near where you work" and believes that COG should set an example in developing such incentives. She said there is a lack of affordable housing in areas where people work. Mr. Griffiths said that the issue of affordable housing often comes up and admitted the need to consider a variety of income ranges in housing development.

Council Member Jay Fiset added that Arlington has a "live near where you work" incentive program, but that officials needed special permission from the Virginia General Assembly to implement it. New employees get up to \$3000.00 for the purchase of a home within Arlington County. Jurisdictions may need to seek permission individually.

Mr. Griffiths assured the Board that he will seek their input on developing policies that will allow such incentives to happen.

After more discussion, Mr. Griffiths concluded his presentation by reporting on the current status of Regional Mobility and Accessibility Study scenarios. A consensus has been reached on four of the five land use scenarios and the regional HOV/HOT lanes scenario has been sketched out conceptually. The next steps are a detailed specification of elements of the recommended Regional Congestion Management Program. Transportation assumptions for each alternative land use scenario will be developed, as well as detailed specifications for Regional HOV/HOT lanes scenario.

Paul DesJardin of COG added that Planning Directors have been intensively involved in the process. The Metropolitan Development Policy Committee is also interested in making changes recommended in the study.

#### **9. REPORT ON OUTCOMES OF COG RETREAT – JULY 25-27, 2003**

Dave Robertson thanked Board Members and other participants for attending the COG Annual Retreat. He said the experience was helpful to him as the new Executive Director. Before giving his summary report, he said that the Executive Committee had a conference call and assisted in developing the present Board agenda, which was a direct outcome of discussion at the retreat.

The Strategic Plan Outcomes included a consensus that the Plan will be comprehensively reviewed on a 3-5 year cycle, but that in annual increments the Board will look at specific goals and measures that can be incorporated in the budget and Board's monthly agenda.

Regarding the Bylaws discussion, many issues were put on the table. Key issues were membership and the role of policy officials in the policy committees. COG has a very strong network of policy committees, but when issues come forward to the Board, there hasn't seemed to be much substance for Board action.

Other issues include staffing, the role of the Board parliamentarian, the role of governors and state legislators and how COG can reach out to them. The Bylaws Committee will meet on Friday, September 12 to further discuss some of the issues and changes. The Board will consider recommendations of the Bylaws Committee in a work session tentatively scheduled for October. The Bylaws will require approval of the full Board at the December 11 annual meeting and luncheon.

Mr. Lovell raised concerns about a proposed legislative packet—mentioned earlier by Chair Hill—that would be forwarded to state legislatures and hoped that COG would present more than just Chesapeake Bay issues so that COG is not seen simply as an environmental group pushing one issue.

Mr. Dorsey mentioned that he would like to find a way to pursue the idea of a legislative packet. Mr. Robertson said that the Strategic Plan calls for COG's engagement with state legislators. He'd like to work with the Executive Committee to decide the best way to share information.

Ms. Gross commented that she found the retreat to be valuable in getting to know Board members better.

#### **10. THE BOARD WAS REMINDED THAT THE NEXT BOARD MEETING WOULD BE OCTOBER 8, 2003**

There being no further business, the meeting was completed at 2:00 p.m.