

2015 ANNUAL REPORT



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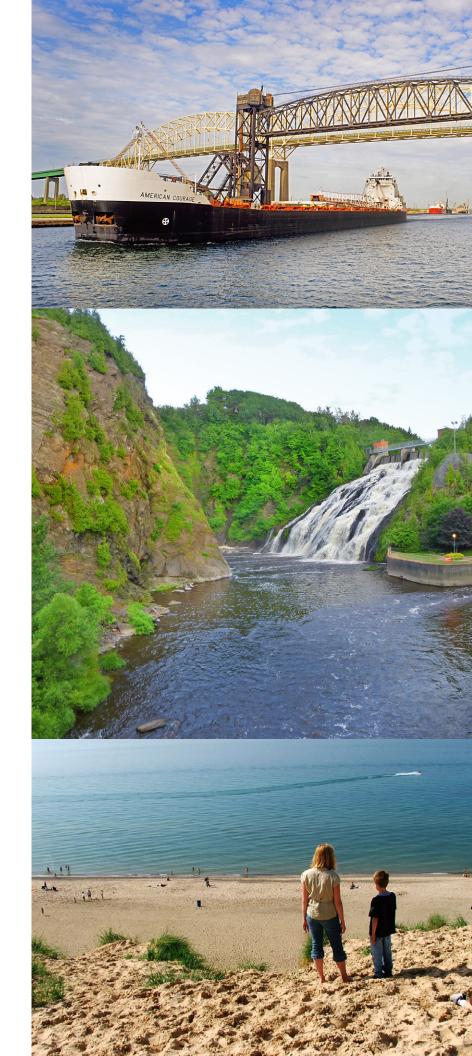
RUSSELL RASMUSSEN Administrator, Water Division, Wisconsin Department of Natural Resources

Photos, top to bottom: American Courage departs the MacArthur Lock at the Soo Looks heading toward Lake Superior in Sault Ste. Marie, Michigan, ©Richard G. Rateick, Jr.

Hydroelectric generating station near the St. Lawrence River in Parc des Chutes, Rivière-du-Loup, Québec, ©flickr/madi-flickr.

A Lake Michigan view from Indiana Dunes National Lakeshore, Michigan City, Indiana, ©flickr/Tom Gill.

Cover photo: The Big Sable Point Light on Lake Michigan in Ludington State Park, Mason County, Michigan, ©flickr/ Rachel Kramer.





Jon W. Allan

Tim A. Eder

Celebrating six decades of collaboration for the Great Lakes-St.Lawrence River region

May 2016

The Great Lakes Commission was founded in 1955 by joint legislative action of the eight Great Lakes states. In 2015, we were proud to celebrate our sixtieth and strongest year yet of enabling our member states and provinces to speak with a unified voice on behalf of the Great Lakes - St. Lawrence River region and its 48 million residents.

Over the past year, we focused heavily on our core service of bringing people together to share common problems in the region and collaborate on solutions to those problems. Below we share three of the many projects in which we made significant progress toward shared solutions in 2015.

LAUNCHING BLUE ACCOUNTING FOR BETTER REGIONWIDE DECISION-MAKING

In 2015, we took a huge step toward ensuring a vibrant economy, healthy environment and high quality of life for the region by launching our Blue Accounting Initiative with The Nature Conservancy and cornerstone support from the C.S. Mott Foundation. Currently, more than 100 different entities - including eight states and two provinces - invest billions of dollars in restoring and maintaining the Great Lakes system, but we don't have a way to measure the effectiveness of this effort across ecological, economic, social and cultural outcomes. Our decisionmakers - and the public -need a way to share information and measure progress so that they can better allocate limited resources and understand the values of their decisions. To that end, Blue Accounting brings together Great Lakes leaders to create shared goals and metrics to track progress toward those goals.

This approach is currently being tested in three pilot projects that seek to: 1) secure safe and sustainable water in the Great Lakes, which serve as the source of drinking water for more than 40 million people; 2) reconnect waterways by removing barriers like dams and road crossings that block fish and disrupt ecosystems; and 3) effectively manage and prevent the spread of destructive aquatic invasive species.

Blue Accounting will also upgrade and combine two Great Lakes information services - the Commission's well-established Great Lakes Information Network and The Nature Conservancy's innovative Great Lakes Inform - into one regionwide resource.

Overall, we believe Blue Accounting is an important step toward making sure that the money and time we spend protecting and restoring the largest freshwater system on Earth are utilized in the most efficient and effective way.

CONVENING LEADERS TO FIGHT AQUATIC INVASIVE SPECIES

In 2015, we continued our leadership role in working with partners to prevent the spread of invasive species in the Great Lakes watershed, including in high-risk Chicago waterways. Aquatic invasive species (AIS) threaten the ecological health of the Great Lakes by competing with native species for food and habitat and disrupting the normal food chain. They are also an economic threat, costing Great Lakes communities and businesses hundreds of millions of dollars each year.

Constructed in the early 1900s, the Chicago Area Waterway System created an artificial connection between the Mississippi River and Lake Michigan, carrying sewage away from the Great Lakes and allowing ships to pass between the two watersheds. While this system has done much to protect public health and promote economic development, the artificial connection between the two major watersheds has also become a high-risk area for the spread of AIS.

Recognizing this threat, the Commission convened the Chicago Area Waterway System Advisory Committee, which consists of representatives from regional public and private stakeholders, representing governmental, commercial, recreational, business, and environment sectors. Over the last two years the Advisory Committee worked to reach consensus on the best short and long-term measures to prevent Asian carp and other AIS from using Chicagoland waterways to move from the Mississippi River basin to the Great Lakes basin.

The Great Lakes Commission directed an independent firm to produce the analyses necessary to support the Advisory Committee's decision-making. This work culminated in letters to President Obama and Congress recommending that funding be made available to further study the feasibility of developing special AIS control mechanisms and positioning them at strategic locations in the Chicago Area Waterway System.

We will be continuing our work with the Advisory Committee as we track progress in designing and implementing ways to control the spread of AIS at the Brandon Road Lock and Dam and pursue a long-term solution to this AIS threat.



Buffalo, New York, with Buffalo City Hall in the background as seen from the Erie Basin Marina on Lake Erie, @flickr/Bill Flannery.

BUILDING CONSENSUS ON RESTORING LAKE ERIE WATERS

Out of control large blooms of algae are harming Lake Erie, creating dead zones for fish and wildlife, causing billions of dollars of damage to the commercial fishing and tourism industries, and threatening the drinking water supply for millions. Phosphorus -- a key contributor to the growth of toxic algae -- often gets into the Great Lakes through agricultural runoff and releases from wastewater plants. In August 2014, more than 400,000 people in Ohio were left without access to drinking water for two days due to a dense bloom of toxic algae.

This public health crisis spurred the Commission to convene the Lake Erie Nutrient Targets (LENT) Working Group in 2014 to look at how to reduce nutrients and improve water quality in Lake Erie. The LENT group included leaders from Michigan, Ohio, Pennsylvania, and New York and the province of Ontario.

In June, the Great Lakes and St. Lawrence Governors and Premiers held their Leadership Summit in Quebec City. One of their achievements was a commitment from the Governors of Ohio and Michigan and Premier of Ontario to a 40 percent reduction in the amount of phosphorus entering Lake Erie's Western basin by the year 2025, with an interim goal of a 20

percent reduction by 2020. This commitment illustrates the alignment of Commission projects with priorities of the Governors and Premiers in two important ways: first, the phosphorus reduction targets build directly on the work of the Lake Erie Nutrient Targets Working Group, which fleshed out a ten step plan designed to meet the reduction targets; and second, the Commission's Source Water Initiative -- to be launched in mid-2016 -- will continue this important work to reduce phosphorus in Lake Erie. The Initiative will directly respond to one of the action items outlined in the LENT plan by using Blue Accounting processes and methods to create a system to track progress toward the 40 percent phosphorus reduction target.

LOOKING TO 2016 AND BEYOND

2016 is off to an exciting start at the Commission. We are completing work on an updated five-year strategic plan to guide our work from 2016 through 2020. We are also growing, with three new strategic hires in the past year and more to come in 2016.

We continue our work leading a broad coalition of partners in advocating for policies that benefit the Great Lakes region, including continued Congressional support for the Great Lakes Restoration Initiative (GLRI). The GLRI is producing real results, with more than 2,900

projects implemented, six of the worst "toxic hotspots" cleaned up, a 70 percent increase in farmland enrolled in conservation programs in priority watersheds, 150,000 acres of habitat restored, and 3,800 miles of rivers opened for native fish.

Thank you for your continued support for the Great Lakes Commission. We are proud of the work we have accomplished together over the past 60 years. We look forward to the next 60 years of helping the states and provinces of the Great Lakes and St. Lawrence River region speak with a unified voice to ensure a vibrant economy, healthy environment and high quality of life.

Jon W. Allan, Chair

Tim A. Eder, Executive Director

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Funders and Supporters

The funders listed below provided support to the Great Lakes Commission in **calendar year** 2015.

The great majority of Commission programs and projects are pursued in partnership with other agencies and organizations, and benefit from their funding support. A listing of 2015 funders and supporters is provided below. Thanks to all for their assistance!

Commonwealth of Pennsylvania

Council of Great Lakes Governors

Ecology & Environment, Inc.

Government of Ontario

Government of Québec

Great Lakes Fishery Commission

Great Lakes Fishery Trust

Great Lakes Protection Fund

Illinois Department of Natural Resources

International Joint Commission

Joyce Foundation

LimnoTech, Inc.

Michigan Department of Environmental Quality

Michigan Technological University

Navigant Consulting

National Oceanic and Atmospheric

Administration (NOAA)

NOAA National Sea Grant College Program

Ohio State University

State of Illinois

State of Indiana

State of Michigan

State of Minnesota

State of New York

State of Ohio

State of Wisconsin

The Nature Conservancy

U.S. Army Corps of Engineers

U.S. Department of Agriculture,

Natural Resources Conservation Service

U.S. Environmental Protection Agency (U.S. EPA),

Great Lakes National Program Office

U.S. EPA, Region 5,

Air and Radiological Division

U.S. Fish and Wildlife Service

U.S. Geological Survey

West Michigan Shoreline

Regional Development Commission

Revenues and Expenses

The financial report covers the Great Lakes Commission's **fiscal year**, which concluded June 30, 2015.

The Great Lakes Commission concluded FY 2015 in sound financial condition, with operating revenues of over \$6.5 million. Total expenses exceeded revenues by 1.35 percent.

Overall, the Commission continues to effectively manage its general, restricted and cash reserve funds to achieve the goals and objectives of the organization.

These figures were confirmed by an independent audit, which is conducted each year to examine the Commission's financial operations. The 2015 fiscal year ended June 30, 2015.

Revenues

Grants and contracts	\$ 7,037,320	92.38%
State contributions	480,000	6.30%
Meetings, publications, misc.	40,765	0.54%
Interest income	16,267	0.21%
Change in fair value of investments	43,235	0.57%
Total	\$ 7,617,587	

Expenses

Grants and contracts	\$ 5,013,998	64.95%
Personnel	2,120,890	27.47%
Office operations	275,120	3.56%
Program activities	131,957	1.71%
Travel	125,383	1.62%
Communications	52,801	0.68%
Total	\$ 7,720,149	
Change in net position	(\$ 102,562)	-1.35%

Commissioners, Alternates and Observers

As of July 2015. Delegation chairs are in bold.

Illinois

Wayne A. Rosenthal, Illinois Dept. of Natural Resources

Benjamin J. Brockschmidt, *Illinois Chamber of Commerce*

Stephanie Comer, Comer Family Foundation

Joe Deal, City of Chicago

Dan Injerd, Illinois Dept. of Natural Resources

Indiana

Jody W. Peacock, Ports of Indiana

Thomas W. Easterly, *Indiana Dept.* of Environmental Management

Steve Fisher, American Great Lakes Ports Association

Kay L. Nelson, Northwest Indiana Forum

Chris Smith, Indiana Dept. of Natural Resources

Indiana Alternates

John Davis, Indiana Dept. of Natural Resources

Bruno Pigott, Indiana Dept. of Environmental Management

Michigan

Jon W. Allen, Michigan Dept. of Environmental Quality

Ian R. Davison, Ph.D., Central Michigan University

Hon. Bill Schuette, Attorney General Helen Taylor, The Nature Conservancy

Hon. Rebekah Warren, State Senator

Michigan Alternates

Dr. Roger Eberhardt, Michigan Dept. of Environmental Quality

S. Peter Manning, Dept. of the Attorney General

Minnesota

John Linc Stine, Minnesota Pollution Control Agency

Hon. Ann Rest, State Senator

Hon. Carrie Ruud, State Senator

Hon. Paul Torkelson, State Representative

Hon. Jennifer Schultz, State Representative

Hon. Bob Gunther, State Representative

New York

Marc Gerstman, New York State Dept. of Environmental Conservation

Philip Reed, Jefferson County Legislator

James M. Tierney, New York State Dept. of Environmental Conservation

Donald E. Zelazny, New York State Dept. of Environmental Conservation

Ohio

James Zehringer, Ohio Dept. of Natural Resources

Hon. John Eklund, State Senator

Craig W. Butler, Ohio Environmental Protection Agency

James H. I. Weakley, Lake Carriers' Association

Ohio Alternates

Michael Bailey, Ohio Dept. of Natural Resources

John D. Baker, International Longshoremen's Association

Karl Gebhardt, Ohio Environmental Protection Agency

Gail Hesse, Ohio Lake Erie Commission

Ontario

Bill Carr, Office of International Relations and Protocol

Robert Fleming, Ministry of the Environment Rosalyn Lawrence, Ministry of Natural Resources

John Lieou, Ministry of Transportation

Ontario Alternates

Brian Nixon, Ministry of the Environment and Climate Change

Eric Boysen, Ministry of Natural Resources and Forestry

Jill Hughes, Ministry of Transportation

Ranissah Samah, Office of International Relations and Protocol

Pennsylvania

Kelvin Burch, *Pennsylvania Dept. of Environmental Protection*

Robert W. Light, *Penn State Erie, The Behrend College*

Pat Lupo, Benedictine Sisters

Pennsylvania Alternates

Lori A. Boughton, *Pennsylvania Dept. of Environmental Protection*

Herb Packer, Pennsylvania Dept. of Environmental Protection

Québec

Eric Marquis, Québec Government Representative in Chicago

Étienne Chabot, Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques

Nathalie Camden, *Ministère des Forêts, de la Faune et des Parcs*

Marc Gagnon, Fednav Limited

Josée Hallé, Ministère des Transports du Québec

Québec Alternates

Eve Joseph, Ministère des Transports du Québec

Jérome Faivre, Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques

Frédéric Lecomte, *Ministère des Forêts, de la Faune et des Parcs*

Wisconsin

Russell Rasmussen, Wisconsin Dept. of Natural Resources

Lynn Dufrane, Nicolet National Bank

Stephen G. Galarneau, Wisconsin Dept. of Natural Resources

Dean Haen, Port of Green Bay



Great Lakes Commission Staff

Front row (from left): Mélanie Adam, Erika Jensen, Michèle Leduc-Lapierre, Katherine Hollins, Heather Braun, Victoria Pebbles, Tim Eder, David Betcher, Sarah Cook, Gary Overmier, Pat Gable, Lisa Denys. Back row: Laura Kaminski, Becky Pearson, Guan Wang, Michael Schneider, Matt Doss, Samuel Molnar, Tom Crane, Steve Cole, Jeff McAulay, Marty Morrice, Joe Bertram, Stuart Eddy, Laura Andrews.

Observers

Alliance for the Great Lakes, Joel Brammeier

Canadian Government (Federal), Program Officer, Environment and Energy

Chippewa Ottawa Resource Authority, Mike Ripley

Coastal States Organization, Mary Munson

Council of Great Lakes Governors, David Naftzger

Council of Great Lakes Industries, Kathryn Buckner

Ducks Unlimited, Gildo M. Tori

John G. Shedd Aquarium, Michelle Parker

Great Lakes and St. Lawrence Cities Initiative, David Ullrich

Great Lakes Environmental Law Center, Nick Schroeck

Great Lakes Fishery Commission, Bob Lambe Great Lakes Observing System, Kelli Paige

Helsinki Commission, Monika Stankiewicz

International Joint Commission, Trish Morris

Maritime Administration, Great Lakes Gateway, Floyd Miras

National Association of Conservation Districts (vacant)

National Oceanic and Atmospheric Administration (NOAA), Great Lakes Environmental Research Laboratory, Deborah Lee

NOAA Office of Ocean and Coastal Resource Management, Jeffrey L. Payne

NOAA Sea Grant, Robert W. Light

National Park Service, Martin Sterkel

National Wildlife Federation, Mike Shriberg

Northwest Indiana Forum (vacant)

St. Lawrence Seaway Development Corp., Craig H. Middlebrook The Nature Conservancy (Michigan Chapter), Richard Bowman

U.S. Army Corps of Engineers, Jan Miller

U.S. Coast Guard, Ninth Coast Guard District, Rear Admiral June Ryan

U.S. Department of Agriculture, Natural Resources Conservation Service, Terry Cosby

U.S. Department of Energy, John Krummel

U.S. Environmental Protection Agency, Great Lakes National Program Office, Chris Korleski

U.S. Fish and Wildlife Service, Craig A. Czarnecki

U.S. Geological Survey, Russell M. Strach

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About the Commission

The Great Lakes Commission was established in 1955 with a mandate to "promote the orderly, integrated and comprehensive development, use and conservation of the water resources of the Great Lakes basin." Founded in state law with U.S. federal consent, with membership consisting of the eight Great Lakes states and associate member status for the provinces of Ontario and Québec, the Commission pursues four primary functions: communication and education, information integration and reporting, facilitation and consensus building, and policy coordination and advocacy.

Each Member jurisdiction is represented by a delegation consisting of three to five members who are appointees of the respective governor or premier, legislators or senior agency officials. A board of directors, consisting of the chair of each delegation, is the Commission's executive body.

In carrying out its initiatives, the Commission works in close cooperation with many partner organizations, including U.S. and Canadian federal agencies, binational institutions, tribal/First Nation governments and other regional interests. Representatives appointed by partner entities participate extensively in Commission activities through a formal Observer program. The Commission is supported by a professional staff in Ann Arbor, Mich.



Photo: Hiking the Oberg Mountain Loop with a view of Lake Superior in Tofte, Minnesota, ©flickr/Tim Wilson.