

**Skagit Watershed Council**  
**Meeting of the Board of Directors – Final Notes**  
**May 7, 2015 SWC Office, Mount Vernon, WA**

(\* indicates action item;      indicates decision)

Attendance: (Vice Chair) Steve Hinton, Bob Everitt, Richard Brocksmith, Brenda Cunningham, Loren Everest, Margaret Fleek, Carolyn Kelly, and Colleen McShane.

Not in attendance: Chair Ken Dahlstedt, Jon-Paul Shannahan

The meeting was called to order at 8:58 AM with a quorum, with Steve Hinton presiding.

### **Minutes**

Bob moved and Colleen seconded approval of the April 9, 2015 notes with one change: in the Financial report, replace “March 2014” with “February 2015.” Approved unanimously.

### **Draft Agenda Review**

Brenda moved and Carolyn seconded approval of the Agenda with two additions and one deletion, with unanimous approval of the Board: 1) Brenda would like to discuss the possibility of nominating Michael to the Board pending her own resignation. 2) Carolyn wants to add coordination with 3FI on the salmon workshop for non-technical people to the work plan. The Executive Session was tabled pending the Officers meeting next Monday.

### **Executive Director Report**

- Richard made general comments about the February and March 2014 financials. #3 in the board packet is a simple memo dated April 27, 2015 that confirms the difference in summary income and expense lines between February’s Profit & Loss (P&L) and budget vs actual reflect both the difference in those tools (e.g. P&L doesn’t capture fixed assets like the computer purchase) as well as differences in how income/expenses were handled for the Annual Lunch. This doesn’t require any corrections to the previously distributed financial report, but Richard did note that in all future budgets he will show expected income/expense from events.  
For March financials, the negative balance of \$2,384 is because March is one of two months in the year with three pay periods as well as an increase in payment to consultants which have not yet been reimbursed. For the full fiscal year, there is a significant profit shown that can be applied to furthering our mission.  
Richard also spoke to the indirect cost comparison he prepared for the Board packet. The difference between 2014 indirect expenses and reimbursements via indirect cost rate with RCO was only -\$768, so our estimate was very accurate. This year to date, SWC is in the black on indirect costs.  
Carolyn moved and Loren seconded the motion to approve the February and March 2015 financials as included in the board packet, which passed unanimously.
- Review the Progress Report on the Work Plan (packet item #5).

Richard shared that most of our annual objectives have been met since August 2014. Next month the board will engage in a discussion about community engagement planning which was an objective that was only partially completed in the last year. Another partially completed objective was 3 year work plan (3ywp). While the 2014 3ywp was on target, the change to and timing of PSP's 4-year work planning will give the SWC organization and Board time to develop a project work plan in fall and winter 2015 for submittal in 2016.

Regarding #12, the SWC Protection Strategy work is behind schedule, but the subcommittee will meet May 21 and refocus their efforts. A lot of this was due to time and capacity limitations of the ED and staff as well as the complexity of the policy work. The \$39.5K (of original \$40K) funding from the SRFB is ready to be used to help complete the project before the next grant round. This protection strategy screens protection projects in or out. The board has appreciated the increased level of feedback about how the money is being spent and how the projects were scored. What we've done for 15+ years has been consistent with the priorities and has laid an excellent foundation to realize goals, though in hindsight, due to the scoring process as well as land availability, the land acquisitions are somewhat checker-boarded across important reaches. The hope is to have the focus be more strategic at the reach scale while sticking with most of the original policies: acquisitions of specific lands and projects with the most benefit at the least cost focused on high quality habitats for the benefit of multiple, listed species.

- Review Draft 2015-2016 Work Plan (#9) and Budget (#10)  
We had projected income of \$550,000, but we're going to get income of about \$275,000. Big drivers on the budget are savings from a delayed staff hiring and consultant support which we didn't spend down as budgeted. However, we may not expect the same money to be available to us in all future years so there is some merit in using re-appropriations to allocate resources sustainably. Richard confirmed that SWC is consuming all funds that would otherwise expire and will carry forward multi-year funds for future needs. A weakness of this scenario is we've not taken advantage of all resources available to us. **\*The Board wants to have oversight on this issue going forward. We do need to look at funding consultant services for the monitoring and adaptive management plan, for one example.**
- Richard did execute a contract to SRSC for \$2,500 under his authority for GIS work to help with Protection Strategy and train Chris.
- Richard shared a quick update on legislative status of budgets and budget proviso. He noted that the latest report was that the Legislature doesn't appear to be inclined to drop the provision for limiting PSAR funds to restoration only (i.e. not acquisitions).
- The Lead Entity Program is moving along fine at this point; please ask any questions.

### **Committee Reports**

Richard shared activities of each of the following subcommittees and noted that there is only one committee report this month.

- TWG met on March 19; draft notes are under review, which were provided to board previously.

- There aren't any briefing materials for the Protection subcommittee. They met March 17 and draft notes are still in development. Richard will share more at the next Board meeting.
  - Seattle City Light has had two people at the table in the past, but this subcommittee membership needs to change. Seattle City Light has concluded they will have more efficient staffing if Denise Krownbell replaces Ron Tressler on the subcommittee, which frees up Ron to work on other pending projects. Ron's institutional memory will be missed; however, Denise has been an active guest of the subcommittee for years and would bring both experience and leverage to deliberations.
  - The Board unanimously approved the Seattle City Light staff replacement of Ron Tressler with Denise Krownbell on Protection Subcommittee.
- Monitoring & Adaptive Management Subcommittee: April Report (#6) - Board packet item #6 is an important update from the M&AM subcommittee and good background for a related discussion in New Business. Continued with scoping on freshwater tasks. The goal is to create a draft plan, but there are no specific recommendations yet on how/if to utilize SRFB funding. The draft plan will come to the Board for approval later this year or early next year. The hatchery and harvest perspectives are valuable aspects of the plan that have been brought along with a few key co-manager meetings, but representation on the subcommittee is largely on the habitat side of the work. Richard will show graphics on this during the business portion of the meeting.
- Steelhead/ Bull Trout Subcommittee: No update or meeting dates scheduled. They may meet in September, but it's not scheduled yet.

### Old Business

- Proposed SWC Personnel Policies (#7) have been discussed in past meetings, while just two new clauses were distributed recently by email.
 

Regarding Section 3.1, Employee Supervision, the Board revised the wording to remove the word "other" and also the Board added "review and" before the word "approval" in Section 7.2, Performance Reviews.

The Board discussed at length Section 4.5 and questions regarding 1) comp time and/or overtime for exempt employees; 2) the number of hours that constitutes a work week, 3) what qualifies as an exempt employee; 3) what's a work week? (Monday through Sunday or Saturday through Friday); 4) what's a work day - 8 hours whether full time or not?; and 5) If hours are flexed should a time period be defined within which they must be used?

Regarding changes as a result of these questions, Richard added the following definition: SWC's work week is defined as Sunday 12:01am to Saturday 12:00pm. **\*Carolyn will work with Richard to address any lingering concerns about comp time and flex time and overtime regarding exempt staff.**

Carolyn moved and Bob seconded approval of the proposed SWC personnel policies, with the three changes noted above.
- Reviewed Operating Manual and vote on revocation of 2010 Operating Manual. Richard outlined (in a memo in the Board packet) remaining items from the Operating Manual which weren't subsumed into the recently updated Bylaws and Financial Policies. **\*Regarding Board members being encouraged to participate in work groups, the Board**

**didn't mind if this clause went away. Regarding communications items, the intention is they will be brought into the community engagement strategy discussed next month.**  
Carolyn moved and Margaret seconded to revoke the 2010 Operating Manual and sweep some items as they apply into the Community Engagement Strategy, which was approved unanimously.

## **New Business**

- Draft 2015-2016 Work Plan and Budget

Richard reviewed the draft 2015-2016 Work Plan and Budget. He relayed that there was a lot of similarity between the last work plan and this year's. The Board reviewed each proposed objective.

**\* Regarding an item Richard deleted from last year's work plan since it was completed (updating the Chinook-focused Strategic Approach), he asked the Board to decide if SWC should address Chinook uncertainties this year or look at this issue down the road. \*Steve asked the Board members to email additional input to Richard in the next 2 or so weeks. Regarding the Proposed Budget for July 2015 - June 2016, \*Carolyn wants Richard to coordinate this with the Work Plan to make sure SWC has money for next year and if not, look for funding opportunities to get the work done. Richard will be more specific about how those funds are proposed to be allocated.**

Budget Discussion: Richard explained the income items which are moving targets and makes some assumptions with best available information on Proposed Budget (#10) document in the Board packet. **\*Budget estimates will be refined as the fiscal years starts to near its end, with new numbers presented next month, and they will be cross-referenced with the work plan.**

- Scope of Work for M&AM

Richard reviewed the scope of work and funding proposal regarding monitoring & adaptive management (#11). (This document wasn't in the packet since Richard presented it as a PowerPoint.)

No recommendations yet and what Richard is going to present has not been reviewed by the M&AM subcommittee or the TWG. The M&AM will meet next week. Bringing this to the Board now signifies Richard's intent to be responsive to the Board's request to bring a funding draft to support the committee's efforts. There's no call to action made or required. Richard presented a PowerPoint about the Framework, the history, the Board's past direction to staff, the present situation, and potential next steps. It's anticipated that PSP has \$600,000 of which \$400,000 will be spread equally to all watersheds (e.g. \$25k to SWC). Richard shared a Phase I translation of the Skagit Chinook Plan which teed up the objective data and progress to guide future work. The Phase 1 translation overlaid goals over the components necessary for Chinook to persist and defined indicators that are capable of describing progress or lack thereof when comparing 2005 to the present. He shared the results in a detailed chart showing how to organize thinking about monitoring key status and trend indicators and whether the projects are accomplishing their goals with implementation and effectiveness indicators.

The M&AM Subcommittee has adopted a Phase II Scope of Work to update the monitoring chapter in 2015, which Richard outlined.

He shared a simple funding proposal for July 2015-2016:

Subcontracted to others:

SWC Lead Entity funds - ~\$40K

PSP M&AM Funds - \$25K

In-house FTE:

50% Watershed Coordinator (Chris' time)

20% Executive Director (Richards' time)

SRFB Project (Dec. 2015)

Compile Existing Recovery Plan Metrics - ~\$60K

Partner In-Kind Support - \$ unknown

Policy Questions Richard shared:

1. Is status and trends of general habitat and fish more important than implementation and effectiveness monitoring of projects?
2. Build an integrated monitoring program for both Chinook and steelhead?
3. When/how to bring in research since 2005, for example tributaries?
4. How to spend SRFB funding (up to 10% or \$124K/yr)?

Discussion: There are potential opportunities with partner funding to fund what we want and need. Don't limit activities by funding; instead **\*define what SWC wants, instead of patching things together.** The key is to get more than we can afford without cobbling something together, and rely on the Board to fill the funding gaps. There are deadlines to consider regarding funding. They are less inclined to rush to meet other entity's funding deadlines. We are ahead of what PSP wants, so we can easily meet any designated timelines and content with them. **\*The subcommittee needs to come up with a cohesive proposal for SRFB,** but it may not be possible given that specific timeline (which is OK since this money can go to projects).

Timing looks like this: A lot of work to do to get the SRFB money and it will be a big lift. Meeting on Monday, come up with details to define any proposed project, then vet it with TWG, then then take it to LECC, then to SRFB, which again is a big lift and set of assumptions we may not be able to meet.

LECC is meeting June 30 and July 7 at Skagit Publishing meeting room from 9 - 12. **\*The Board is welcome to bring ideas on the monitoring project forward.**

SWC could use some extra help to put together a work plan. Subcommittees can only do so much and the Board representatives are reaching capacity on staff. **\*The Board suggested to Richard that he explore having a consultant work with the committee in time for the June 4 Board meeting.**

- The Board reviewed draft June Council of Members meeting agenda (#12)  
**\*Richard will confirm with speakers who will give 10 minute presentations and will be the major focus of the event.**  
**\*Move the Councils' 2015-16 Work Plan to the end of the meeting if time and refer people to the website if there's no time. Drop committee presentations.**  
**\*Richard will show a slide showing the proposed projects on a map and providing context for the package.**

**\*The Community Engagement Plan discussion was moved to the September Council meeting.**

- Richard provided a review of four proposed changes to SWC Financial Policies (#13). He described operational limitations and recommendations to address them. Regarding one of these, Carolyn clarified that Richard (or staff) only needs to contact (even by phone call) and document the three entities for a bid as per due diligence.

Question: \$10K is a small amount, why make Richard go through so many hoops for \$10K?

Answer: Little contracts add up and we can't bundle over 10K; but we must be transparent as to our use of public funding. (Though there is a specific clause disallowing significant bundling already.)

**\*The Board will work to define the language on change item #1**, but the Board generally expressed agreement with the other 3 items.

- Review new Board position. Brenda is leaving after the LECC meeting. She currently has about a year left on her Board term - February 2016 expiration (same as three other Board members: Colleen Mc Shane, Carolyn Kelly and Bob Everitt.) She shared background context: She is stepping down from the SLT Board Chair role. The SLT is gradually acquiring or taking ownership of the TNC lands as is SCL, so they'll be playing a larger role which will entail more for the SLT. The TNC may be focusing at a higher, statewide policy level. Brenda shared that Martha Bray is retiring and Michael would be a good replacement. She will send his statement prior to the June Board meeting. Waive the two-meeting rule? Steve is reticent to waive anything; in light of the precedent of Colleen taking Dave's spot, Steve wants to honor the process and not make exceptions. They agreed that SLT is a critical member of the Board. The Board would like to implement and stagger these Board expirations in terms of succession planning. **\*Put Michael's nomination on the June agenda and the Council can vote at the September luncheon.**

Carolyn moved to adjourn. The meeting adjourned at 11:39 am.