

Skagit Watershed Council
Meeting of the Board of Directors – Final Notes
August 6, 2015 SWC Office, Mount Vernon, WA

(* indicates action item; indicates decision)

Attendance: Chair Ken Dahlstedt, Richard Brocksmith, Loren Everest, Margaret Fleek, Steve Hinton, Colleen McShane, Carolyn Kelly, and Jon-Paul Shannahan.

Not in attendance: (Brenda Cunningham has resigned), Bob Everitt

The meeting was called to order at 9:05 am with a quorum. The draft agenda was accepted.

June Meeting Notes

Margaret moved and Colleen seconded approval of the June meeting notes as presented with no additions or corrections; motion passed unanimously.

Executive Director Report

- **Financial Reports** - Richard made general comments about the May and June 2015 financials. Richard reported no corrections need to be made. June is the end of fiscal year. The Board was pleased with the positive outlook. Richard spoke to his efforts to bill (both directly and indirectly) all eligible expenses and reduce delays in billing which has contributed to the positive bottom line. By improving this process, he has rarely had to dip into discretionary funds. Carolyn moved and Margaret seconded the motion to approve the May and June 2015 financial reports as included in the board packet; approved unanimously.

- **Budget Update** - Richard outlined potential refinements that could be made to the draft 2015-16 Budget approved on June 4, 2015. ***Richard will send out an amended budget in a couple weeks with the following items in mind:**
 - Expenditures: refine salaries, benefits and taxes downward slightly. Expenditures for professional services could go up with the positive income outlook.
 - Income: There will be more income than anticipated. Richard brokered a compromise at Puget Sound Salmon Recovery Council (SRC) to allocate more money for the watershed based on the allocation formula that recognizes that the Skagit has more fish than other places. So we have about \$40K more than anticipated, to be focused mostly on capital project development/implementation.
 - Monitoring & Adaptive Management program: PSP has \$400,000 for Phase 2 which it will allocate evenly to each of the watershed chapters which will amount to about \$25,000 for us. Since this was less than anticipated to meet expansive needs, ***Richard suggested the Board discuss if and then how to incorporate into the budget at the next meeting.**
 - Additional profit from cash in hand plus some extra funds in investments need to be reflected in the budget, likely as reserve. Richard recommended this go toward reserves and the Board felt that keeping a minimum reserve is beneficial as outlined in our Financial Policies. The other option to consider is spending a portion of this on one of the priorities outlined in the work plan.

Update on Subcontracting

- SFRB Riparian Project – Chris has taken the lead and is working with partners and members to develop a list of implemented projects to populate a database. We have capacity to support our partners and we are executing \$2500 contracts with Skagit River System Cooperative (SRSC) and Skagit Land Trust (SLT) initially. We anticipate doing the same with Skagit Fisheries Enhancement Group (SFEG) and possibly others. We will not do a contract with the US Forest Service for this given their complexity. We're not certain if a contract will result with Skagit County Public Works.
 - He will come back to the Board for a decision on expenditures over \$2,500; anything over \$10,000 will require a competitive bid.
 - Seattle City Light (SCL) and Upper Skagit Tribe – Most of SCL riparian projects have been subcontracted to one of the entities above, but discussion is ongoing with Denise. Upper Skagit has some projects, but they aren't broad in scale at this point; conversing with Rick. Probably won't rise to a significant contracting effort. Also Richard needs to talk with the Diking Districts as partners to characterize the quantity and quality of riparian restoration.
- Community Engagement – Richard executed a task order (about \$3,500) with Kulshan Services to develop a draft community engagement plan with goals and strategies. Kulshan Services will present this at the Board's September 3 meeting. The current contract (awarded competitively) to Kulshan Services is under spent, so we have additional funds to work with.
- SFRB Protection Project – We are behind schedule, and we need to bend our resources to get this done before the end of the year and the next grant round. We have moved staff resources to the project, and Chris is engaged in excellent ongoing technical analyses. We're continuing the conversation with SRSC for potential assistance, but there is nothing new to report. We could shift priorities out of riparian work, so Chris can support this wrapping up by end of the year. Additionally, we could contract with Kulshan Services for mapping and other assistance.
- **Member Organization Updates:**
 - Natural Systems Design - One of the M&AM subcommittee members worked with an existing member, TetraTech, as a monitoring expert. She has taken a job with Natural Systems Design (NSD) and for her to stay involved, it would be appropriate for her employer to be a member. She has support from NSD and they have submitted an application. Richard will accept their membership. TetraTech wants to continue to be a member and will still have a representative.
***Richard will provide an updated membership list at the next Board meeting.**
 - City of Anacortes – Richard is working with the City of Anacortes to become a new member of SWC. The hope is to announce this at the annual lunch in September, if the City Council agrees in coming weeks. There was wide support expressed by the Board for this membership.
 - City of Sedro Woolley – Richard has presented to the City Council twice, but there hasn't been a rush to join the SWC. The hope is to continue this dialogue as there are many good opportunities for collaboration into the future with Sedro Woolley. The Board supported a slow and steady approach.
- **Skagit Capacity Fund RFP** – Richard has held up doing a second RFP because we didn't have a good idea on capacity income and amount; now he is ready to move forward in the next couple weeks with the RFP. The Board encouraged Richard to launch now.
- **Lead Entity Program Update**
 - Milltown Project – The Milltown Preliminary Design project is our number one Lead Entity project, but their proposed match fell through and they don't have enough to meet the 15%

requirement. They want to go to design only plan which will lower their match requirement. Richard conveyed that it won't affect the requested dollars (at least upward) or the outcomes of the project. The Board expressed concern about projects that change after the lead entity review.

***Richard will provide an email to the Board next week to solicit their input on this change to the project's funding plan.**

- Goodell Project – The Goodell Creek Project has gotten a Project of Concern Designation. We will share the status of this in the Lead Entity committees and will be in ongoing discussions over the next couple months. The Board felt we need to honor the integrity of our processes to sanction these projects as well as keep all committees and the Board in the loop. There's a need for a final decision by November with a funding decision by December.
***The Board felt we should respond with a unified voice and work together.** Jon Paul noted that they are in active discussion regarding concerns and will keep the Board in the loop. Richard anticipates a fairly strong letter of support and other funding partners in support. More info will be coming soon.

New Business

- **Community Engagement Plan** - We have been meeting with outreach specialists in the watershed in an effort to begin planning to strengthen our message about watershed successes and challenges. The Board reviewed the scope of work developed internally. There are three levels of Engagement and five phases. The first phase includes a discussion of the plan goals, and strategies at the September Board meeting.
***The Board would like to provide more feedback at the September meeting** and appreciates Richard's efforts to get this outline to them. It appears to be a good start.
- **September Annual Lunch** – September Annual Lunch is in La Conner at Maple Hall on September 9 from 11:30 am to 2 pm with a salmon/salad lunch at 12:15. The program includes announcing new members, speakers, and election of Mike Kirshenbaum from the Land Trust to the Board. Program will feature four positive, recent case studies regarding work in the watershed, not necessarily just of the Watershed Council's. The overall message is we are working on partnerships, building membership, and making great strides throughout the watershed.
 - The Board supported featuring the following case studies: Skagit Estuary Restoration; Suiattle River Road Restoration; Wild and Scenic River Designation; Illabot Restoration Project; and strengthening of SWC.
The Board supported having the County speak to some of their progress at an upcoming quarterly meeting.
***Staff will get the announcement about the Annual Lunch out on Monday.**
- **Fish Barrier Removal Board** - Richard just received a WDFW request for a nomination by August 20 of a single subwatershed area (HUC 10) as a priority for this new program for planning for removal of fish barriers. There are some policy issues (e.g. steelhead and coho requirements as opposed to Chinook salmon) requiring the Board's guidance for the TWG. He didn't get this in time for it to be on today's agenda.
The Board will look forward to the TWG's recommendation. The Board noted its desire to follow the process SWC has agreed upon for vetting.
***Richard will provide information for the September agenda.**

The meeting adjourned at 10:03 am.