

Skagit Watershed Council
Meeting of the Board of Directors Notes
August 1, 2024, 10:30am-12:00pm

Present: John Stein (Chair), Aundrea McBride (Interim Executive Director), Brendan Broke, Devin Smith, Michael Kirshenbaum, Kara Rowe (via Zoom), Emmett Wild, Alison Studley (joined via Zoom at 10:51)
Guest: Holli Watne (SWC staff)

(Underline indicates decision point; parentheses indicate attachment #; *bold indicates action item)

Call to Order: 10:39. Quorum achieved.

Agenda (#1) approved with some additions. Motion by Michael, Devin seconds. Unanimous.

Board Notes for June 2024 (#2a) and July 2024 (#2b) approved, with some minor edits. Motion by Michael, Emmett seconds. All others approve, except Brendan who abstains.

ED Report

Financials:

- We changed bank accounts in May, thus two checking account reports.
- We rolled over our existing CD with the same bank as before, same term (11 months), better interest rate.
- We finished our fiscal year with \$36k extra Puget Sound Acquisition and Restoration money (part of our RCO contract) due to staffing vacancy savings. The surplus was added to the “Professional Services” line item in the budget.
- There is a discrepancy between the surplus on the budget sheet and the surplus amount from PRISM. ***Aundrea will investigate this and report back to the board.** It’s possible that this is due to a grant being billed but not yet received.

Financial Reports for May 2024 (#3a) and June 2024 (#3b) were approved. Motion by Brendan, Devin seconds. Unanimous.

Updates about the grant round:

- All 7 of the projects tagged with “needs more information” have been cleared. 2 with design review conditions.
- The “Project of Concern” (POC) tags on the Pressentin and Smokehouse projects have been cleared.
- The POC on the Similk project was actually a determination of ineligibility because the road construction aspect of the project did not meet preliminary design criteria in time, held back due to contracting issues with the County. RCO has agreed to clear the POC if the road construction is removed from the proposal. The project has been rescoped and

will be available for the LECC to review just before the meeting. The TRC will meet in a special meeting to rescore the new scope prior to the LECC meeting.

- As a result of this change, Similk has reduced its ask significantly (\$4M to \$1.3M).
- RCO does not usually make exceptions like this for POCs. We'll need to be clear in communicating about the process. ***Aundrea has some verbiage from Mark Duboiski that she'll send around**
- Smokehouse has withdrawn from this regular grant round but will remain on the PSAR Large Cap and Targeted Investment lists.
- Island Unit has also withdrawn from the regular round and will only compete for PSAR Large Cap.
- With these changes, we will be able to fund all the remaining projects. Devin suggests that if we have extra money, we loan it to other watersheds. TRC suggested extra money go into acquisition projects. Aundrea wonders if we could allocate more than was requested for a project like Pressentin. Alison says there's an issue with match, they do not have enough match to increase the proposal amount. Devin suggests he might be able to help with in kind match. ***Aundrea will talk to Alison and Devin about this.**
- Kara is hearing from farm crews that it would be nice to set up a maintenance fund for projects, money to give some TLC to existing projects. This would require a grant application or adaptive management of an existing project. It can't be part of this grant round at this point but we are open to ideas like this for future grant rounds.

Updates about active projects:

- TWiG reviewed and recommended a cost increase for SFEG's 2023 collaborative riparian project due to unexpected cultural resources requirements. They have sent it to the Board for final approval, as a majority of the LECC.

Motion to allocate the \$6770 of existing PSAR returned funds to SFEG's 2023 Collaborative Riparian Project by Michael. Brendan seconded. Alison abstains. All others agree.

Other LECC members will be canvassed for input on the decision via email (Mark, Owen, Scott and Heather).

Audit:

- We've been researching audit options. It will cost about \$24k, which is five times the amount that's in the budget for this. Aundrea has talked to Alison and CPAs about this, and it seems that a financial review, which is much less expensive than an audit, will meet our requirements. Our current financial policy says that an audit is needed, but since most of our operating funds are from grants and not public funds, (and no federal grants over \$750k) a full audit isn't really needed. Alison says we could update our financial policy to change this language.
 - It has been 6 years since we had our last audit.

- The current financial policy says that we need an audit every 4 years, to coincide with the end of WA annual budget cycle (July).
- Alison suggests that every time there's a leadership change is also a good time for an audit.
- Brenden says that our money is already reviewed very well by RCO. Maybe this is what we should be doing every few years instead of an audit.
- ***Kara will investigate possible audit options that might be more affordable.**

Motion to include language about financial review (as opposed to a full audit) in our financial policy and the addition of a line stating this will also be done when there's a leadership change by Devin, Kara seconds. Unanimous.

New hires and contractors

- There are 4 promising candidates for the Program Assistant position. SWC staff plus Rick Hartson will be conducting interviews next week. Aundrea is hoping to start the new hire in early September.
- Two consultants have submitted proposals for the Riparian Database project.

New Business

Skagit County offered SWC a contract that would require SWC to change its leadership structure (as required in the contract they sent in January), including allowing only co-managers, the County, Diking and Drainage Districts and the Conservation District a right to be on the board and make decisions for the organization. This is contrary to our bylaws.

- John says that the County contract is unenforceable because it requires Aundrea to circumvent the Board and SWC's decision-making structure.
- Devin suggested that we promptly respond with a "we're not interested at this time" because they deserve a response.
- We will call a vote on this.

Motion by Devin, seconded by Michael to reject the Skagit County contract as written, and reject Skagit County's repeated request to restructure the Watershed Council. All approved. None opposed.

The Board will respond to the county in a letter that states that the Board rejects the contract as written for reasons that were expressed in the original letter. The letter will be accompanied by the Board's first letter of response to the County's contract draft sent in January and will include the extra information that has already been sent to them by Aundrea about how Lead Entities function. We will let them know if they find it appropriate to send a revised contract, we will consider it. This letter will be sent by the end of the month. ***Aundrea will draft this and send it out to be reviewed by the subcommittee.**

Old Business

2024 Workplan: This plan is not that much different from the last version sent by Richard for 2022. Here are some highlights of changes/new items/discretionary items:

- #14 is part of M&AM work plan that is more specific than in the past
- #18 has been on the to-do list for many years.
- #27 is new and involves a website overhaul. The language is intentionally vague as this is still in the conceptual phase.
- #28 includes the communication grant with SRSC and NOAA.
- Riparian Grant is a project started last year that will actually be implemented in this FY.
- #37 Policy topics include some Financial and Personnel changes, as needed.
- #38 is the board retreat. That's new.
- #46 is new requirement from the Puget Sound Partnership to include HEAL Act criteria as a scored criteria in grants.

Feedback from the board:

- *Michale would like to see some rough %s of how much work each item is in future workplans.
- Devin would like to add adaptive management process as #7.5
- PSAR should be called out as an acronym.
- The acronym used for the Community Engagement Staff person needs to be standardized.

2024-25 Workplan approved, as amended. Motion by Brendan, Devin seconds. Unanimous.

Retreat Update:

Padilla Bay NERR has been confirmed as the location of the upcoming Board Retreat. We will have the big room for the first day and the small room for the second day.

Staff Plan:

This plan includes a redistribution of tasks between the most recent 'normal' configuration of staff (1FTE Executive Director, 1FTE Watershed Coordinator, .5FTE Community Engagement Coordinator, and .4FTE Office Manager) to 1FTE ED, .75FTE Watershed Coord., .5FTE CEC, .4 OM, and new .5FTE Program Assistant.:

- Executive Director (also the Lead Entity Coordinator) – 1FTE
- Watershed Coordinator – 0.75 FTE (hoping to hire by November, needs to be trained by December to be ready for the next grant round)
- Program Assistant (0.5 FTE hoping to hire in Sept, maybe up to 0.75 FTE after Scottie retires)
- Community Engagement – 0.5 FT

The ED will still be the Lead Entity (LE) Coordinator (as Richard was), which means she'll do all of the "big picture" work, including communicating, speaking for the council, and attending regional and state meetings. The Watershed Coordinator will be the technical person who will maintain the LE process, the data for SWC, and some reporting. Aundrea is still working on the fine details of how the tasks will be divided up.

The board generally feels that this is a good path forward.

Devin suggests that job announcements could be offered as a range of FTEs.

The new staffing plan (#5) was reviewed and approved, with the note that this can still be fine-tuned. Motion by Brenden, Michael seconds. Unanimous.

Adjourn = 12:07

Upcoming Events:

August 8, 9:00 to 12:00—LECC Project Ranking Meeting

September 5, 10:30 to 12:00--regular Board meeting

October 3, 10:30 to 12:00--regular Board meeting

October 31, 9:00 to 12:00—day 1 of Board retreat

November 7, 10:30 to 12:00--regular Board meeting

November 12, 1:00 to 4:00—day 2 of Board retreat