

# Hood Canal Coordinating Council

JEFFERSON, KITSAP & MASON COUNTIES;  
PORT GAMBLE S'KLALLAM & SKOKOMISH TRIBES



## **Regular Meeting of the Board of Directors – Meeting Summary**

14 April 2015; 1:00 PM to 4:00 PM, Oxford Suites, 9550 NW Silverdale Way, Silverdale, WA

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### **Board of Directors Present**

Randy Neatherlin, Mason County, HCCC Chair  
Alex Gouley, Skokomish Tribe  
Hans Daubenger, Port Gamble S'Klallam Tribe  
Phil Johnson, Jefferson County  
Rob Gelder, Kitsap County

### **Ex-officio Members Present**

Puget Sound Partnership Representative. Stacy Vynne  
Partnership Ecosystem Recovery Board Representative, Teri King

### **Call to Order, Introductions, Approval of Meeting Agenda**

Randy Neatherlin, HCCC Chair, called the meeting to order. A quorum was present. Staff requests an amendment to the agenda to consider a motion giving the Chair authority to sign the HCCC annual filing with the Secretary of State for the Charitable Organization Registration Renewal.

Board outcome: A motion was made by Rob Gelder to approve the meeting agenda as amended, seconded by Phil Johnson, and the agenda was approved.

### **Public Comment**

Randy Neatherlin opened the meeting for public comments.

Constance Ibsen, Lower Hood Canal Watershed Coalition, requests that HCCC develop a written policy and timeline for the public to provide input on near-term actions for the action agenda updates in order to respond and submit to the Board for Puget Sound Partnership consideration.

### **Consent Items**

All matters listed under Consent Items have been distributed to each member of the Board for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If a separate discussion is desired, that item may be removed from the Consent Items and placed as an additional topic by request.

1. Draft Board Meeting Summary 10 March 2015
2. Cash Disbursements: February 2015
3. Expenditures: July 2013 – February 2015

*HCCC Board Outcome:* A motion was made by Rob Gelder to approve the consent items, seconded by Phil Johnson, and the items were approved.

### **Secretary of State Annual Charitable Organization Registration Renewal Filing**

Robin Lawlis requested that the Board approve the annual renewal filing for the Charitable Organization, due May 31, 2015, with the Secretary of State. It needs to be signed by the Board Secretary, Randy Neatherlin, Chair.

HCCC Board outcome: Rob Gelder made a motion authorizing the Chair to sign the annual filing for the Charitable Organization Registration Renewal with the Secretary of State for the HCCC 501(c)(3). The motion was seconded by Hans Daubenberger and approved.

### **“Our Hood Canal” Website, Integrated Watershed Plan (IWP), Human Well-Being**

Haley Harguth, HCCC Watershed Planning and Policy Coordinator, introduced the Board and public to the new “Our Hood Canal” website. She provided an update of the IWP approach and an overview of the progress on the human well-being indicators, which were introduced at the 2014 HCCC Annual Conference. The purpose of this highly-interactive website ([ourhoodcanal.org](http://ourhoodcanal.org)) is to tell people what we do through an outreach tool; it is the living home of our IWP. We still have our core website ([hccc.wa.gov](http://hccc.wa.gov)) with more technical program information. Haley gave a demonstration of the site and reiterated that this is a work in progress.

Board discussion: Randy acknowledged the benefits of the website and asked if there are other topics the Board wants included. Rob asked about the completion of the salmon information and Scott responded that we didn’t want to wait to launch the site until it was fully developed with all of the salmon and other information and science included. Hans said the disclaimer on Hood Canal shellfish harvesting areas regarding safety should be placed directly above the map with a link to the local health departments. Phil asked about forestry and habitat along the seashore and if there is a link to Dept. Natural Resources since they have been very supportive. Teri King said it takes a while to figure out the legend on the map and suggested some improvements. It was recommended to also link Dept. of Fish and Wildlife for beach closures. Rob said we need to consider crafting by the assumption for what people absorb and ask if we can capture that here by utilizing the feedback and questions tool. Scott said that at the last annual Hood Canal conference we explained the human well-being indicators and we will continue to look at this periodically for changes. It is related to the IWP and we can use this to help determine future discussion topics for the Board. Haley added that we will work to make those conclusions more evident.

Scott said that one year ago the Board adopted the IWP strategies and since then we have had some revisions and updates that we’d like to discuss with the Board at the June retreat. In response to Constance’s comment, we plan to review the 2016 action agenda update process for the June retreat and distribute it to the public. Teri asked if we are only focusing on these five components and what if a near-term action is not one of these. Scott said the five components are for webpage purposes to get us up and running and the actions can address any of the focal components. Haley requested that people contact her with any other suggestions.

*HCCC Board outcome:* HCCC Board was provided with updates on progress of the “Our Hood Canal” web page, Integrated Watershed approach and human well-being indicators.

### **Local Integrating Organization (LIO) and Ecosystem Recovery Board Representation for Hood Canal**

Scott Brewer announced that there is an opening for a Hood Canal Action Area alternate to the Ecosystem Recovery Board (ECB). The HCCC Board was asked to consider appointing an alternate to fill the vacancy. We propose periodic updates and status reviews to the HCCC Board by the Ecosystem Recovery Board representatives. Currently Teri King represents the action area through 2016. Scott suggested the Board appoint an alternate to help Teri as the program evolves; the LIO may have a greater role in the future. HCCC staff or a member of the Board could become involved, but the number of meetings and work effort are a consideration. Rob suggested

mirroring the terms and also thinks the communication flow is important with the relationship with the Partnership and funding. Teri said if the Board names an alternate, that representative should plan to attend the Leadership Council meetings (she has made all but one and this is valuable). Randy thinks having someone who is completely vested is a positive move. Rob believes it would be a challenge for elected officials so Phil suggested HCCC staff. Hans asked Teri if it would be beneficial if there was a committed person partnering as an alternate; she responded that it would. Hans thinks it's important that both the primary and the alternate try to attend all of the meetings because it's easier to stay connected and in the communication loop. Randy asked the Board to consider a motion to nominate Scott Brewer.

*HCCC Board outcome:* A motion was made by Rob Gelder to nominate Scott Brewer, HCCC Executive Director, as an alternate for the Partnership Ecosystem Recovery Board to be forwarded to the Partnership Leadership Council for official appointment, seconded by Phil and approved. Furthermore, HCCC Board directs HCCC staff to arrange for periodic updates and status reviews from the Ecosystem Recovery Board representatives for the Hood Canal Action Area as the Partnership's Leadership Council liaison.

Scott, in turn, accepted the role and assured the Board that he will provide updates. Teri suggested Scott be on the salmon recovery monitoring workgroup, a seat formerly held by Richard Brocksmith. Stacy will look into the status of this seat.

### **ILF Mitigation Program**

Patty Michak, HCCC Mitigation Program Manager, gave an update on the Port Gamble southern mill site proposed mitigation action and discussed an option agreement for the potential acquisition of a Conservation Easement on a portion of the Port Gamble Mill site for mitigation purposes. Patty reviewed 30% design drawings, potential mitigation credits, and an option to expand our footprint. She facilitated a meeting with the Interagency Review Team (IRT) yesterday to review the revised 30% design and they are considering recommendations for credit generation.

Board discussion: Teri King asked about the intertidal excavation and toxics, such as harmful algae. Patty said that we've done soil characterization work in the uplands but not the tidelands. In-water clean-up actions by Pope Resources will take place mid-July with pile removal and then dredge work this fall-winter. Phil asked if spending the mitigation dollars fits the project. Patty responded that the mitigation project is sized to match the mitigation project budget and that we are working with IRT to meet credit sale obligation. Hans asked about additional dredging and intertidal actions and believes this is more of an issue with subtidal dredging which would address some of Teri's issues, but we should look into it to be sure.

Jessica Kuchan, Mentor Law Group, said she and Joe Mentor are working with Patty on an option agreement for two easements, conservation and mitigation work. They've met with the landowners' legal counsel, and have had discussion with the Port Gamble S'Klallam Tribe, and Kitsap County legal counsels, and there are still issues to resolve. It is very complicated to work through liability and potential future clean-up issues, what the action will be, and protecting HCCC contractually. The Department of Ecology (Ecology) will contribute up to half of a million dollars for acquisition of development rights and they want a signed option agreement with the landowner by the end of April; however, we need to understand the nature of the land and related issues for which we are buying easements.

Scott would like to talk to Ecology for an extension to May 2015 so the Board can consider further. Randy said we can authorize the Chair and Vice Chair to move forward in between meetings to meet the deadline. Rob said regarding timing there needs to be an appraisal of the property and with the deadline of the biennium the funding may not be (re)appropriated so Ecology is reacting to that restriction. Patty said that an appraisal is underway and that we'll have a draft appraisal April 30 and a final appraisal June 1<sup>st</sup>. The option agreement is between HCCC and Pope Resources to move this forward to keep the dialogue going with the parties. Hans asked

about the cost of the agreement. Jessica said it is \$500, plus the consideration of funds already spent for investigating the property.

Phil said Ecology needs a firm agreement between the parties before they will move this forward, and a signed option agreement is evidence and asked if we could agree in principle to the projects as is and after it is put forward, then sign it with a meeting of the two officers. Randy said that's all that would be involved--a small risk option with no worry of enforcement--and the Chair and Vice Chair could sign on the Board's behalf. Jessica said the option agreement requires an affirmative action to engage the option, which is different than a purchase and sales agreement, reserving a right to ask for that agreement. This is a conveyance of intent with a nominal amount of money in good faith. If there was an issue, the parties would have to agree to fix it or come back to the Board for a decision in a special meeting.

*HCCC Board outcome:* A motion was made by Rob Gelder to authorize the Executive Director to sign the option agreement for acquisition of a conservation easement on a portion of the Port Gamble Mill site, following the review of the option agreement and consent by the Chair and Vice Chair upon completion. The motion was seconded by Phil Johnson and approved.

### **2013-15 HCCC Programs Budget Review**

Tom Goishi, HCCC Accountant, presented a quarterly review of the HCCC budget and programs. There are no outstanding liabilities. Rob asked about the amount remaining and plans for spending noting that these numbers are based on two months ago. Tom explained that the financials are delayed a month with some Board meetings occurring as early as the 10<sup>th</sup>. Rob is fine with that reporting and understands the timing. Tom explained that HCCC receives \$20,000 each quarter for the aquatic rehabilitation program, which is unspent due to changes in personnel and new staff working primarily on the LIO and Dept. of Health Pollution Identification and Correction (PIC) programs. It is like a savings. Overall we are underspent of approximately \$900,000 mostly in the PIC, Salmon Recovery and PSAR programs. Tom noted there are extra measures of security built into the internal controls and the disbursements show all of the transactions.

Scott addressed the budget with the new biennium approaching. In the governor's office and the House of Representatives, we are at status quo. However, the Senate budget is lower and if it holds, we will need to take some reductions. A lot of the funding gets mixed in with federal appropriations. Our planning at the June Board retreat will give us more definition about what we expect and how it affects our programs. Stacy said the Partnership is concerned about the budget being adequate for basic activities and the restrictions that were set on PSAR as restoration only funds. Hans asked about the amount of funding and the impacts on the PSAR designation and that the best return on our investment is protection. Stacy said we need it to be \$30 million and with less each lead entity would see a reduction in allocation. Thom Johnson suggested the acquisitions could be funded through SRFB rather than PSAR.

*HCCC Board outcome:* HCCC Board was provided with an update and progress on the 2013-15 program budgets.

### **Lead Entity Program Update**

Alicia Olivas, HCCC Lead Entity Coordinator, reviewed the appointments for the 2015 Lead Entity Citizens Advisory Group (CAG) and Technical Advisory Group (TAG) and gave an update on the projects list that will be recommended to formally apply for potential funding during the 2015 Salmon Recovery Funding Board (SRFB) round. Documents distributed: Board Briefing Memo and attachment: HCCC Lead Entity 2015 Grant Round Proposals; and 2015 HCCC Lead Entity Advisory Group Membership roster.

Alicia reviewed the background of past Board decisions and phases of the grant round. Phase I is the preliminary evaluation of projects to ensure they are the best projects to address the

issues for salmon recovery. In February the Board appointed its committee members. Alicia introduced Ron Figlar Barnes, Thom Johnson, Alex Gouley, and Hans Daubenberger, members present today. On March 31 the HCCC CAG and TAG committees met to evaluate proposals according to prioritization guidance, technical screening, and potential funding source. Recommendations were made to help build and improve proposals as sponsors develop and submit SRFB applications, which are due on 21 April 2015.

Phase II of the 2015 HCCC Lead Entity process begins with application submittals, reviews, and site visits in May. Visits include HCCC Advisory Group members, SRFB Review Panel, RCO Grant Manager, Partnership Ecosystem Recovery Coordinator, and any interested members of the public. Following the visits will be a public comment period. This leads into the evaluation phase that will be based on the March prioritization evaluation, including certainty a project is able to achieve the objectives addressing the targeted priority action, landowner and community support to achieve the targeted action, and cost effectiveness of the benefit gained. This evaluation will result in a draft list of projects according to allocation guidance. The list will be further refined at the 15 July 2015 Board meeting in which the CAG and Board meet as the full Citizens Committee to compile the final list of projects to be submitted for SRFB review and funding decisions.

Alicia reviewed the list of projects (in alpha order, not ranked) and explained the status of each. Alicia noted that some of the funding sources used as the required 15% match for SRFB projects could also see cuts in the legislative budget. This could prevent projects from moving forward even if there is SRFB funding. Issues on various projects were also discussed.

Alicia outlined the qualifications of the new candidates. For the CAG: Mason County brought forward Tom Davis and Lee Swoboda. The Port Gamble S'Klallam Tribe named Julianna Sullivan, Marine Biologist. Cheryl Baumann is a NOPLA Lead Entity Coordinator. For the TAG: John Cambilik and Eric Carlsen, both North Olympic Peninsula Lead Entity reps, and Mendy Harlow and Evan Bauder, both have project development and management experience.

Rob asked if any representatives were also project sponsors. Alicia said Tami Pokorny, Mendy Harlow and Evan Bauder are also project sponsors. Randy believes this won't be an issue in the future because of projects changing and they will review again in one year. Alicia said if they benefit from funding, they cannot participate in the evaluation—this is covered in the Conflict of Interest Policy. Randy requested that the CAG members address citizen comments and any issues as they arise.

*HCCC Board outcome:* A motion was made by Rob Gelder to appoint the additional members to the Lead Entity CAG and TAG committees as named; seconded by Hans Daubenberger, and the motion was approved.

## **Board Retreat Planning**

Scott Brewer discussed potential agenda items for the 17 June 2015 HCCC Board annual meeting and retreat (10:00 AM to 3:00 PM at the Silverdale Beach Hotel) for Board feedback on the following topics:

- 2013-15 program review and biennium close-out
- 2015-17 HCCC programs and budget review/approval
- HCCC communication framework, the IWP website and related outcomes
  - a. Bonneville Environmental Foundation and Laird Norton Family Foundation communication framework
- IWP updates with one year into the five-year strategic approach
- Near-term actions process to determine new actions for the 2016 action agenda, the process for solicitation, and its fit to the IWP

Board discussion: Rob suggested we go lighter on program review with less presentation format so that we have more time for interactive conversations to craft questions that we are trying to get at in an effort to define priorities for the upcoming biennium and communication strategy. Stacy suggested including EPA funding and LIO planning if that money is available in July.

*HCCC Board outcome:* HCCC Board provided guidance to the 17 June 2015 retreat topics for discussion.

### **Public Comment and Hood Canal Happenings**

Randy Neatherlin opened the meeting for comments.

Robin Lawlis: Distributed the updated HCCC Board meetings schedule confirming Tuesday, September 8 as the Board meeting date available for most of the members (venue is the new Mason County Transit Authority building in Shelton).

Ron Figlar-Barnes: The first HCCC meeting he attended was in 1984 with Donna Simmons as the head. As a representative for the Puget Sound Alliance, they struggled to raise \$1,500 for projects. The HCCC's heritage is substantial and we have worked for years to do things right to make an affect. The webpage should include the faces of people who formed the HCCC with their vision and what was accomplished in 30 years.

Thom Johnson: Alicia did a great job getting everything together; she facilitated a two-day meeting and people working together by consensus. The HCCC has a business plan put together by the National Fish and Wildlife Foundation who said they will help fill the gaps in funding so we should consider how to approach this at the Board retreat. Thom asked about the summer chum symposium planned for June. Scott said this may not happen in June but most likely later in the summer; he will discuss it with the Board at the retreat.

Stacy Vynne: The Partnership Leadership Council appointed two reps, who volunteered to work with the HCCC as an LIO--Jay Manning and Russell Hepfer. They will be involved with staff and the Board in the future.

Scott read an email from Wendell Jackson regarding a property badly needing conservation and in it he asked the Board to consider purchasing (see HCCC website 14 April 2015 Board meeting folder). Phil suggested this letter be given to the senators as a classic example for protecting salmon.

Let Haley know if anyone would like to attend the climate adaptation workshop on May 7 in Bremerton.

### **Adjournment and Next Meeting**

The Chair adjourned the meeting at 3:25 PM. Next meeting: Wednesday, 20 May 2015, 1:00 to 4:00 PM, Baymont Inn and Suites, 5640 Kitsap Way, Bremerton, WA. For more information about this meeting, contact Robin Lawlis, 360-394-0046 or [rlawlis@hccc.wa.gov](mailto:rlawlis@hccc.wa.gov).

Board meetings schedule can be found on the website at <http://hccc.wa.gov/About+Us/Board+of+Directors+and+Meeting+Agendas/default.aspx>

HCCC Board Chair Approval:

*Signature on file*

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