

KING CONSERVATION DISTRICT

Board of Supervisors

Meeting Minutes

September 12, 2016

1 **Supervisors Present:** Dick Ryon-Chair, Bill Knutsen-Vice Chair, Max Prinsen-Auditor, Jim Haack

2 **Associate Supervisors Present:** None

3 **Guests Present:** John Taylor, Shawn Bunney, Monty Edwards, Eric Nelson by phone

4 **Staff Present:** Ava Souza-Clerk, Brandy Reed, Josh Monaghan, Deirdre Grace, Ann Horner,  
5 Rachel Konrady

6 **NRCS Staff Present:** None

7 Chairman Ryon called the meeting to order at 5:02 pm.

8 Introductions were made and the agenda was amended to add a presentation by King County staff  
9 member John Taylor.

10 **Knutsen moved; Prinsen seconded passed unanimously a motion to approve the amended**  
11 **agenda (4ayes, 0 nays)**

12 Ryon read through the consent agenda action items and numbers. Item 16-051 was pulled for  
13 further discussion. Konrady noted that item 16-052 regarded a KCD staff member. The Board  
14 acknowledged this and did not pull this item.

15 **Knutsen moved; Prinsen seconded passed unanimously a motion to approve the changed**  
16 **consent agenda (4ayes, 0 nays)**

17 **Public Comment:**

18 Monty Edwards made a comment regarding the Bonomi bridge project. Edwards stated that  
19 \$50,000 came from the Washington State Conservation Commission, and that amount has been  
20 returned. Edwards then explained that Walter Bonomi will reapply and those funds should be  
21 part of the bridge when it is built. Knutsen stated that the NRCS and the KCD Landowner  
22 Incentive Program are working on getting funds, and it will be up to Bonomi to get the remaining  
23 20%.

24 **Pulled Consent Agenda Item: 16-051 LIP APP: Krainick: Stream Crossing**

25 There then was discussion about the way that the money for the Krainick stream crossing project  
26 is being spent, and the LIP application states that it is a box culvert and will be \$20 per foot, but  
27 provides no detail about the way money is spent. Konrady explained that the way KCD processes  
28 the budget is in a lump sum by linear foot, for both removal and installation, and the culvert has  
29 a circular bottom with a four foot diameter, as shown on the engineered design. Knutsen then

asked if fish will be affected by this project. Konrady replied that it is for a stream with seasonal flow, there are not any fish on the farm, and invited the Board to see the project once it is completed.

**Knutsen moved; Prinsen seconded passed unanimously a motion to approve AI 16-051: Krainick: Stream Crossing (4 ayes, 0 nays)**

**Presentation:**

**Managing Polluted Stormwater Run-Off - John Taylor, King County**

John Taylor then presented on the importance of managing stormwater run-off, explaining how the more an area is developed, the more hydrology is interrupted, and the more stormwater runs off causing water to become dirty and ultimately killing fish. Taylor went on to say King County charges a tax per parcel bringing \$24 million a year in revenue, which is then split into four groups: maintenance, programs that support agricultural and rural residents, habitat restoration, and best run government, including inspecting and complying with permits from the Department of Ecology. Taylor explained that King County could assume responsibility for some pipes near roads, but there is a huge cost to replace facilities. Taylor also explained that King County has built a grant program to cost share with landowners who have impervious surfaces on their parcels, and there is the potential to increase rates 37-57% for parcel owners, and emergency repairs are much more expensive than preventative measures. Taylor stated that King County wants to have the debate over the Surface Water Management Fee and Stormwater Programs finished and a rate established by the second week of November, taking effect January 1<sup>st</sup>, 2017 and connecting to the Agricultural Drainage Assistance Program at KCD.

The presentation was then open for questions, and Bunney asked how long the rate study was. Taylor responded that it was a 2-year rate; the same rate for four years. Haack then asked how linear the rate is from where funds come from, to where the funds go. Taylor replied that they would continue with the quarters, providing many more services into rural and agricultural areas, as well as capitol. Nelson expressed concerns that KCD could be perceived as piling on since they also ask for agricultural drainage funds. Taylor responded that one set of dollars matches another set of dollars, and KCD would be bringing private property owners to the table. Nelson then asked Taylor to let KCD know if there is anything they can do to make sure the County Council knows they are not piling on to King County's proposal, and that KCD and King County are providing two distinct opportunities. Taylor responded that there needs to be a clear narrative about what is done with the funding. Prinsen added that KCD has a history of getting projects implemented quickly when it receives funding.

**Finance:**

**Financials to BOS timing/Plan-Souza**

Souza then gave a report on the financials, and inquired when the Board would want to see full financial presentations, explaining that at the presentation the expectation would be the full



financial plan. Prinsen stated that the financial sub-committee would meet on September 26<sup>th</sup> to present a financial report to the Board at the next meeting on October 10<sup>th</sup>, 2016.

**Prinsen moved; Knutsen seconded passed unanimously a motion to approve check numbers 18684 for a total of \$403,535.33 non-payroll EFT's totaling \$14,581.94, Bank Fees of \$153.00 and August 2016 payroll for \$140,207.15 (4 ayes, 0 nays)**

## **New Business**

Souza asked the Board to let her know if they would like to attend the Northwest Area Meeting hosted by the Pierce Conservation District on October 11<sup>th</sup>.

### **Enduris Insurance Update-Souza**

Souza updated the Board on Enduris, who have informed her that KCD owes them \$35,000, and are requesting a payment plan of six payments of \$5833.33 from October 2016 through March 2017. Souza asked the Board how they would like to proceed in this matter. There was discussion on previous conversations regarding this item, and Enduris originally claimed that KCD owed them \$50,000, which was settled to \$1000. KCD did not hear back about this for a year, then Souza received an invoice for \$35,000 from Enduris regarding this issue.

There was then a discussion on litigations for this item, and Souza stated that all litigations are closed, Enduris communicated that KCD would be contacted and had not received a specific bill for this item, but Souza has not inquired if they ever provided proof of payment or the amount owed. Knutsen stated that he is inclined to contest Enduris because KCD was told that there would be a \$1000 fee, Inslee Best capped the fee at \$25,000, there was never any discussion that the amount would be for more than this, and Marc Antonietti delivered this message to Sarah Hemphill. Souza stated that there is nothing on record with \$50,000, and most negotiations were completed by Hemphill over the phone.

There was then discussion on how KCD always paid Enduris on time and performed normal business practices. Prinsen agreed that KCD should contest Enduris and ask for better documentation, and if KCD does need to pay to inquire if they could pay next year so it could be in the budget.

Contracts between KCD and Enduris were then discussed, and Souza stated that KCD does not have a contract with Enduris, but wrote a policy with them. Haack inquired about general conditions in the policy, and Souza responded that was correct but there was a previous human resources legal situation where KCD did contact Enduris as well informing them of a potential legal situation, and worked with their attorney. Souza explained that in this instance, Enduris informed Souza that if KCD only worked with them, they only needed to pay them \$1000, and to always notify Enduris from now on of any similar situation, as well as KCD's attorney. The Board directed Souza to contact Enduris and ask for more documentation and inquire if there are settlement options.

## **Unfinished Business**

Reed provided a briefing regarding the Bonomi request for assistance, which was prepared by Haack, Knutsen, Jay Mirro, and Reed. Reed explained that the report compared a design by KCD to a design by David-O/Janicki, and determined the cost to install the bridge, design, and repair for a cost comparable to what Walt Bonomi preferred. After the analysis was completed, Reed's team moved forward with discussing options.

Reed then outlined the comparative analysis, and distributed two versions of the project cost sheet. One was the Bonomi bridge project if completed by KCD, and the other was the cost if completed by David-O/Janicki. Reed stated that the bottom line is, if considering project costs to funding secured or potentially secured, the net for KCD's design and David-O/Janicki's design are very close in number, but KCD is slightly less. Reed explained that this is money that the landowner would need to come up with to make this project whole and make the budget balance, and the two costs are roughly the same to the landowner, but the burden to KCD is greater if KCD were to design and implement this project. Reed then recommended that the Board consider contributing additional funding to David-O/Janicki, but KCD would agree to provide some level of funding. Reed's team is recommending an amount up to \$50,000, and asked if the Board would want to contribute to the project, with the caveat that KCD would not make that funding available until after the project is completed, documented as meeting standards, and that the NRCS has signed off.

There was then a discussion about how much KCD was likely to secure for funding, and what was the landowner's responsibility. There was a discussion around the original design of the project and funding, specifically if \$270,000 - \$300,000 could be secured from the NRCS, and if KCD's LIP process could potentially provide an additional match of \$33,000. With Reed's proposal KCD could augment this project, and Bonomi would be responsible for \$125,000. Knutsen stated KCD should collaborate with NRCS on this project, and Reed explained that KCD does not have an engineer hired, and therefore using a KCD engineer would take much longer than if using David-O/Janicki's design, but would assume more liability for this project if that were the case. Edwards replied that the design for the project was needed by November 18<sup>th</sup>. Reed then expressed the need to have a conversation regarding KCD's level of involvement on these projects going forward, with polices around performance.

**Knutsen moved, Haack seconded passed unanimously a motion for the presentation to Bonomi of David-O/Janicki construction as proposed by the subcommittee with an additional \$50,000 to come back to the Board for full signature by the next meeting (4 ayes, 0 nays)**

The Board and staff then discussed the payment plan for Bonomi. Reed explained Bonomi would manage two separate contracts; one with KCD and one with NRCS, but he must still apply for a \$30,000 LIP grant with KCD. Knutsen responded that when all permits are signed off by the County and NRCS and projects are completed, KCD will pay Bonomi.

At 6:31pm Chairman Ryon called for a break. The meeting reconvened at 6:45pm.

Ryon asked for an update on KCD's litigation issues. Bunney responded that they were successful at the King County Council, and the message has moved forward. Bunney explained he has been



144 in contact with DiJulio, attempted to contact Dow Constantine, informed Joe Russo about the  
145 developments, and John Taylor lined up a deputy prosecutor. There was then a discussion on  
146 making an announcement at the next Advisory Committee meeting, and Bunney and Prinsen  
147 recommended waiting because KCD is working on dual tracks for different outcomes, and Reed  
148 is working with the Treasurer's office. Bunney explained they are in a good position to work within  
149 the timeframe to execute the return to the rate payer, and reminded the plaintiff attorney fees will  
150 need to be paid, and asked the Board what they wanted in the visible handling of the motion. The  
151 Board asked that items be sent to Board members individually, and they can do a special meeting  
152 if need be, but Bunney reminded time is of the essence in this matter.

153 **Knutsen moved; Prinsen seconded passed unanimously a motion to authorize legal counsel**  
154 **for moving forward with the process of negotiating prepayment of modification to the**  
155 **settlement consistent with alternative investments in King County working lands and with**  
156 **concurrent services and adding with final motion to be reviewed by the Board authorized by**  
157 **the Chair. (4 ayes, 0 nays)**

158 Bunney then gave an update on Totem Lake, stating he used a third party to review, and he went  
159 back to the appraiser to work on better definitions and a counter offer, and is working on  
160 authorization. Bunney contacted Tracy Goodman to explain the process and thank her.

161 Ryon then spoke on Conservation Commission Board Appointments, explaining he had  
162 appointments for six Board members, and two of these candidates were for this Board. Both  
163 candidates are self-appointed, successful in their fields, familiar with KCD processes and mission,  
164 and either would be a good member to have at the table.

165 Ryon then spoke on Nancy Tosta's interest in becoming an Associate Board Member. There was  
166 discussion about Tosta joining the Board and attending a meeting to state her interest in becoming  
167 an Associate Supervisor. The Board requested Tosta attend the October Board meeting and  
168 comment on her interest in KCD and its programs.

169 Ryon then discussed position descriptions for Supervisors, and asked for ideas on how to engage  
170 Board members in subcommittees, suggesting that Board members can represent specific interests,  
171 with each member bringing a particular area of expertise to the table, and this is a discussion that  
172 should be had with the new Executive Director. Knutsen referred to KCD's mission, it has been  
173 three or four years since the Board had a retreat, and suggested that a retreat be held on a Saturday  
174 in November. Knutsen added that the Board should consider an effort to include staff, especially  
175 the new Executive Director. There was then a discussion on outlining Board Member expectations,  
176 and potentially going to the WSCC for procedures regarding Supervisor expectations, which could  
177 then be tailored to fit KCD's needs.

178 Knutsen then commented that Washington state has issued an edict that funding will be tight next  
179 year, and suggested meeting with the County delegation to have an opportunity to speak about  
180 Conservation Districts, and generate interest on all Conservation Districts before the legislature  
181 convenes.

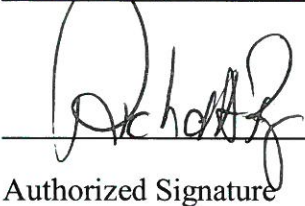


Reed then spoke on an opportunity to bring resolutions to the Northwest Area Meeting that would then be brought to the WSCC annual meeting. Prinsen proposed a resolution on property taxes, and stated he will send his draft to Souza who will send it to the rest of the Board.

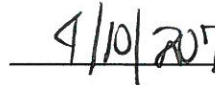
**Knutsen moved; Haack seconded passed unanimously a motion to approve Prinsen's proposed resolution on taxes - voluntary payment on property tax to go forward if Chairman Ryon and staff hear no decent prior to 20<sup>th</sup> of September (4 ayes, 0 nays)**

Reed then mentioned a resolution that she is working on, and involves improving the process of securing funds from the Washington State Conservation Commission when an LIP application has gone forward. Reed explained how KCD enters into a cost-share agreement based on negotiations, then waits for funding, and would like to go ahead with the project in the meantime. If the WSCC can backfill KCD on rates and charges, the system would be more efficient and projects could move forward more quickly. The Board directed Reed to move forward on this, agreeing that if KCD can complete a project with Commission funding after using LIP funding then they should.

**There being no more business before the board, the meeting was adjourned 7:52pm**



Authorized Signature



Date

#### **Summary of Motions**

**Knutsen moved; Prinsen seconded passed unanimously a motion to approve the amended agenda (4ayes, 0 nays)**

**Knutsen moved; Prinsen seconded passed unanimously a motion to approve the changed consent agenda (4ayes, 0 nays)**

**Knutsen moved; Prinsen seconded passed unanimously a motion to approve AI 16-051: Krainick: Stream Crossing (4 ayes, 0 nays)**

**Prinsen moved; Knutsen seconded passed unanimously a motion to approve check numbers 18684 for a total of \$403,535.33 non-payroll EFT's totaling \$14,581.94, Bank Fees of \$153.00 and August 2016 payroll for \$140,207.15 (4 ayes, 0 nays)**

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214 Knutsen moved; Prinsen seconded passes unanimously a motion to authorize legal counsel  
215 to moving forward with the process of negotiating prepayment of modification to the  
216 settlement consistent with alternative investments in King County working lands and with  
217 concurrent services and adding with final motion to be review by the Board authorized by  
218 the Chair (4 ayes, 0 nays)

219 Knutsen moved; Haack seconded passed unanimously a motion to approve Prinsen's  
220 proposed resolution on taxes-voluntary payment on your property tax. If Chairman Ryon  
221 and staff hear no decent prior to the 20<sup>th</sup> of September, it will go forward (4 ayes, 0 nays)