

KING CONSERVATION DISTRICT

Board of Supervisors

Meeting Minutes

March 13th, 2017

Supervisors Present: Dick Ryon – Chair, Bill Knutsen – Vice Chair, Max Prinsen – Auditor, Jim Haack, Burr Mosby

Associate Supervisors Present: Nancy Tosta via phone

Guests Present: Hope Gibson (City of Kent), Bryan Higgins (City of Kent), Bill Peloza via phone for part of meeting (City of Auburn), Char Davies (CPA on contract with KCD)

Staff Present: Bea Covington, Ava Souza, Brandy Reed, Josh Monaghan, Deirdre Grace, Rachel Konrady, Jessica Saavedra, Emily Carlson, Matt Maria,

Preliminary Matters:

Meeting called to order at 5:13pm by Dick Ryon. All attendees introduced themselves. Ryon asked for additions or corrections to the current agenda.

Reed noted that Borne will be the sole presenter today for new business item three under “New Business” and asked for the agenda to be revised to reflect this.

Consent Agenda:

Ryon read the consent agenda items aloud and all items were voted on.

Board Minutes – 02.16.17

KCD LIP Applications:

1. AI 17-010 LIP Budget Revision Request: Fantello 2015-101: Waste Storage. Facility

Member Jurisdiction Grant Applications

1. AI 17-011 City of Kent – Green Kent Partnership Year 8

Knutsen asked that AI 17-010 LIP Budget Revision Request: Fantello be removed from the consent agenda for further discussion. Knutsen took this action because he noticed that the dairy plan in the LIP request calls for 20 cows, however, the waste management facility outlined in that plan only has capacity for 13 cows.

Knutsen moved, Prinsen seconded passed unanimously a motion to approve the consent agenda as amended (5 ayes, 0 nays)

Saavedra called Bill Peloza from the city of Auburn and asked him to report to the board via phone. Peloza thanked KCD for the grant that the Auburn Farmers Market Program received. This project is projected to support farmers and build the economics of King County. He asked if there were any comments from the board. Dick Ryon commented that Peloza and Nancy Tosta are both in Washington DC today. Ryon thanked Peloza and commended him for an excellent application. Peloza reminded the board that there is an agricultural forum this month. KCD will be attending. Peloza will be on that panel presenting about how farmers markets are formed. Prinsen expressed his thanks for sending staff to clarify the EBT portion of this farmers market project. Peloza thanked the staff of KCD for their support and the board for their support on this project.

Pulled Consent Agenda Items:

Nancy Tosta joined the meeting via phone at 5:17pm.

The item AI 17-010 LIP Budget Revision Request: Fantello 2015-101: Waste Storage Facility was pulled from the consent agenda by Knutsen for further discussion. Konrady explained that the current herd at the Fantello property is 13 units and the owner is planning to expand to 20 cows. The farm plan supports his planned animal units but KCD staff has planned a supplemental, additional bin for manure storage once the herd expansion occurs. The plan in the future will also include creamery waste and this will be liquid, meaning that waste storage needs will be different in the future. The disconnect occurs because Fantello does not have a creamery license right now. He may approach different funding sources for his second waste storage facility. Konrady reminded the board that the plan and LIP changes meet his current needs. Knutsen commented that the farmer is building a mixed use facility and this makes logical sense. Prinsen was concerned around the two different numbers of cows in the plan and wants to keep all of KCD's plans and work transparent. Prinsen commented that perhaps a clause detailing this discrepancy could be added to the current plan. Knutsen was satisfied with this explanation.

Knutsen moved; Prinsen seconded passed unanimously a motion to approve AI 17-010 LIP Application: Fantello 2015-101 Management (5 ayes, 0 nays)

Presentations:

KCD Grant Opportunities – Covington/Maria

Covington introduced Maria and his work as the Grants Coordinator for KCD. The goal of Maria's work is to find a diversified funding strategy for KCD. The first slide illustrated the projected earnings and what has been awarded to KCD in grants year to date. The presentation detailed grants by major program area. This is not the extra money added so far, it is just the approved budget. Covington explained this as "old money for old work". These are known and previously utilized sources of income.

Next, Maria showed the board “new money for old work” which identified funding sources that Maria has identified and will pursue to support current work. These grants are all applied for. Knutsen asked about the certainty of receiving these grants. Most of these grants are pending and will be awarded within the next month and a half. The planning is done assuming 50% of the funds are awarded to KCD. Even at the 50% award level, these programs achieve the \$300,000 goal set forth in the budget. Maria commented that KCD is very competitive for these grants. KCD has a strong track record. Knutsen inquired about the conversations that Maria has had with grant providers. Maria commented that he has had conversations with grant funders and feels confident. Reed commented that there are several grants that KCD is currently negotiating. One of the local NTAs was selected for EPA funding. KCD is in discussion with WA Ecology to finalize this work. There is a certain degree of uncertainty around federal grant streams and therefore KCD is waiting for more information. Covington remarked that this program is on-track as we round the second quarter.

Covington then discussed the anticipated projects through the end of 2017. These sources of funding are potential grants. Ryon asked about how these grant opportunities are found. Maria indicated that KCD staff have identified and even applied to some of these programs in the past. Maria’s presence ensures that the proper skills are matched to writing grants and that we have the capacity to apply for these grants. Prinsen commented that cycle-identification would be useful. Maria commented that this is a project that they are working on. Maria is building a database to track this information.

Covington remarked that this is a window into what a diversified funding stream might look like. Prinsen inquired about administering these grants. Maria will be the lead for this, but will coordinate closely with staff members who report on these projects. Ryon inquired about corporate funding. Knutsen inquired about WRIA funds. KCD did not apply this year for WRIA funds but is interested in this in the future. Tosta inquired about situations where KCD is competing with organizations that KCD funds (nonprofits, WRIA, etc.). Covington responded that there is an informal communication network in place to allow for systematic targeting of monies. There is not a formal tracking method. Maria commented that the scale of the grants KCD applies to would limit the competition with the organizations that they fund. Knutsen commented that perhaps there could be a situation where a large organization applies for money and helps distribute funds and administrate the grants.

Covington remarked that this is a factor to look out for and to avoid competing with organizations that we don’t want to compete against. Tosta commented that we don’t want to knock someone out of the game who is doing good work on the ground. Funding may become more and more of a challenge in the future. Ryon commented that we can work together and collaborate with other organizations. Maria commented that collaboration is a key for success on many grant applications. Haack commented that this is all fitting within KCD’s current charge of work. Maria affirmed this.

Covington introduced the “new work and new money” category that illustrates potential areas of growth from both private and public grants. Given the current scope of KCD’s work, we could approach these groups because their missions align with ours moving forward. This is expanded from previous staff work.

Covington showed the current costs of the programs and what match or leverage potential KCD would have to supplement grants. If one third of KCD's rates and charges were used as match for a grant, then we could obtain more grant money overall. However, these funds would be committed to match on these grants. Leveraging an entire budget is not ideal. Prinsen commented that low levels of matching funds may make an application less attractive. Maria explained to the board that there is potential for synergy within the work we already do to create appropriate match for grants. These matching funds are intended to help make money go farther toward KCD's identified goals. Prinsen commented that there will not be new money coming in, the funds leveraged are from old money and old work. Maria commented that this is a slow process that will shift slowly. The point is to illustrate that KCD could receive grant money while keeping up with our current program of work. Covington commented that this exercise was to see the viability of a path like this, and this exercise has showed that this is a valid potential future funding stream.

Covington remarked that private foundation giving is dependent on personal relationships. This means that KCD will be asking the board and the advisory committee to connect Covington and Maria with possible funders. Prinsen commented that there is a line to walk to avoid losing KCD's current level of funding.

Prinsen inquired about grant software. Maria commented that it would be beneficial to move through one grant before we commit to a software. Prinsen reminded the board about tech-soup, which provides low cost software to non-profits.

Finance:

Review of Financials to Date – Souza/Covington

Souza presented the finance report with Char Davies, the CPA and MIP specialist for the district. Davies has been helping the district clarify tracking and reporting. Now, there will no longer be a lag in funding reporting. There are additional changes with an eye toward more clarity.

There are two separate sets of reports. The budget to actual is not included here. The reports are a balance sheet and income statement. The current operating budget is displayed as well as reserve funds. The income statement is also broken into operating budget and reserve funds.

The reserve fund columns have been expanded into another sheet that details the contents of the reserve funds. It is also broken into sheets that will have activity (LIP, etc.).

Next month, there will be more detail to add – budget vs actual for the current operating fund and the reserve funds that are planned to be spent this year as "budget items". This will allow budget to actual analysis on these reserve items.

Prinsen asked about a burn-rate based on the projected final estimates for the total year. Davies remarked that the budget will be much finer tuned than in the past. Prinsen inquired about salaries and payroll and how those could be analyzed as actuals because they are already committed. Char

indicated that will all be incorporated into the planning. Souza reminded the board that May and November are the key points where rates and charges funds are given to the district. Prinsen remarked that budget analysis will allow us to see that although the cash flow is negative, the operating budget is still on track.

Covington remarked that both versions of the budget will be in the board packets as regularly monthly statements. Quarterly budget reports will also occur. Each reserve account will be detailed out. There is also a cash breakout that is added to the budget.

AI 17-012 check numbers 19185 through 19294 for a total of \$522,561.56 non-payroll EFT's totaling \$6,788.18 Bank Fees of \$48.00 and February 2017 payroll and benefits for \$201,885.14 – Souza

Souza introduced the regular cash register. Everything is on budget. Tosta commented that she did not receive the information from the scan sent to her this evening. Tosta will receive it after the meeting.

Prinsen moved; Knutsen seconded passed unanimously a motion to approve AI 17-012 check numbers 19185 through 19294 for a total of \$522,561.56 non-payroll EFT's totaling \$6,788.18 Bank Fees of \$48.00 and February 2017 payroll and benefits for \$201,885.14 (5 ayes, 0 nays)

Updates:

Annual Meeting – Souza

Souza gave an update on the annual meeting. Approximately 120 people showed up and 150 RSVP'd to the event. All the awardees attended except for one person. This is good attendance, especially considering that the Annual Meeting date had poor weather. Thirty-four items were sold in the auction. Souza thanked everyone who contributed to the silent auction. The raffle was also very successful. \$177 went to a participant and \$177 went to the district from the raffle. \$1835 raised from the silent auction. Souza distributed a list of all the contributors and everyone will receive a thank you. Knutsen and the board commended Souza and the Operations team on their excellent work.

Annual Board – Souza

Souza commented that the staff and board must take a sexual harassment and workplace expectations training to stay in compliance. The commitment is one to two hours. Ryon clarified that this is required training. Souza commented that this is recommended by insurance providers. The choices for training dates are May 25th or April 13th from 5pm to 7pm. The board decided to hold the training on May 25th from 5pm to 7pm. The training will be at the district. Mosby noted an unexpected potential conflict with his schedule and will check and see if there is a conflict.

174 Legislative Days & Flower and Garden Show – Grace

175 Grace reported to the board on the calendar of committee meetings. The events that may be
176 particularly interesting to the board are highlighted in the document. Grace and her team had a
177 successful legislative days event. They met with 31 of the over 50 legislatures and received a very
178 positive response. There will be a report put together and presented at next month's board meeting.
179 There was a lot of interest in tours (projects). Grace is looking for ways to incorporate more
180 legislators to tour the work KCD does in their district. There will be two or three through the
181 summer and fall. Knutsen commented that KCD met with legislators themselves most of the time
182 rather than staff.

183 Grace reported on KCD's participation in the NW Flower and Garden show. Their polls indicate
184 that KCD is increasing its name recognition by working this event. KCD publicized their free soil
185 tests and the work of sister conservation districts. This is a great way to reach urban audiences.
186 Ryon commented that the board appreciates the community engagement from Grace and her team.

187

188 Dairy Plans – Wilde

189 Monaghan introduced Wilde, a resource planner with the district who is the poultry expert in-
190 house. Wilde is working on reviewing and creating dairy management plans. Dairies account for
191 about 25% of farm sales and manage a significant land base in King County. There is a trend of
192 diminishment of King County dairies (only about 20) that range from 1 cow to 1000s. The average
193 dairy here homes about 200 cows. Wilde is showing two plans today for the board's signatures.
194 By certifying these plans, we say that the producer has a system to mitigate potential environmental
195 impacts. Prinsen inquired whether the plans as required or voluntary. Wilde indicated that these
196 plans were created with producers who entered the program voluntarily. After this project is
197 completed, Wilde will be updating other plans that have lapsed. Prinsen indicated that it may be
198 beneficial to focus on dairies that are at risk of being converted into housing operations. Ryon
199 asked about the most difficult aspect of dairy farming. Wilde indicated that the testing and
200 recording element of dairy farming is difficult and they are regulated by many different agencies
201 and this can be confusing to landowners. Mosby inquired about the purpose of documenting
202 irrigation. Wilde responded that those records are used to ensure that manure is applied properly
203 to fields and nutrient pollution is avoided.

204 **Knutsen moved; Mosby seconded, passed unanimously a motion that these plans be**
205 **approved for execution by the chair (5 ayes).**

206 Advisory Committee Updates and Pending Actions – Monaghan & Reed

207 Monaghan noted that the board has approved awarding funds from the Regional Food System
208 Program last year. Now we are looking to report back on the program and how the Regional Food
209 System Program has been executed. Many groups have been interviewed and stake holders have
210 been surveyed. This has then been distilled into potential changes to the program, reflecting what

211 emerged from the inquiry. A portion of the money is a competitive grant program and the rest of
212 the money was invested in priorities that have been identified through stakeholder groups. On
213 Wednesday March 24th, the working group will bring recommendations to the advisory committee.

214 The recommendations have been created by the working group (about 10 individuals representing
215 diverse organizations). The competitive grant program will add extra points for grants that hit on
216 five key points – infrastructure, consumer demand, land access, food safety, business management.
217 Strategic initiatives identified include – direct marketing support, institutional marketing support,
218 and farmers market manager support. Prinsen commented that some of the grants that were
219 awarded last year could not follow through. He asked about how much risk is involved in this
220 process? What is the dollar division between these two items (competitive grant program and
221 strategic initiatives)? Monaghan commented that last year there were projects with late starts.
222 However, these programs are moving forward despite the challenges. Specifically, the meat
223 processing unit is under new management. Covington remarked that the reviewers from last year
224 are returning and this will bring lessons learned back into the program.

225 Covington inquired about potential for checking in about this in the future. Knutsen commented
226 that as long as the information moves forward with the points detailed above, he is in favor.

227 Monaghan commented that there is a lack of dairy support in previous work. There is opportunity
228 to look at opportunities to fund and support dairies. There are many potential possibilities to
229 support dairies. Knutsen commented that there may be some opportunity to collaborate with the
230 Farm Bureau. Monaghan added “Dairy needs assessment” to the strategic initiatives RFP.

231 Prinsen commented that most of the charities that he knows are working with low-income lunch
232 opportunities. Prinsen feels that there may be materials that can be provided to sack lunch groups.
233 Grace commented that district staff has meetings this week which will be aimed at these same
234 goals. There is a good potential for partnership with USDA support. Prinsen commented that we
235 need to connect more explicitly with schools to identify sources of food for reduced fee lunches.
236 Mosby indicated that there may be opportunities to work with distributors to bring smaller growers
237 and their produce to schools.

238 Covington remarked that this is a productive conversation because it stimulates ideas that could
239 be put forward by applicants to the grant program seeking funding.

240 **Knutsen moved; Mosby seconded, passed unanimously a motion to approve AI 17-016 the**
241 **grant modification and strategic initiative project as presented (5 ayes, 0 nays).**

242 Ryon called for a break at 7:12pm.

243 Board meeting resumed at 7:19.

244 Reed reported on the advisory committee updates. The urban forestry initiative working group
245 meets to engage the member jurisdictions in potential funding opportunities. The work group is
246 proposing a pattern change for one year. The established process is as follows: \$150,00 allocated

for potential projects every year. This money is only for member jurisdictions. The district communicates with member jurisdictions about RFPs and project development while engaging with the working group throughout the process. Together, the work group recommends the projects to the advisory committee and the board gives final approval. This team is on-course to meet KCD's objectives for this program. The program is expanding and is very diverse and responsive to member jurisdiction needs. Flexibility is key to working with the member jurisdictions. However, the process has missed the south King County jurisdictions.

In order to engage south King County, there is an opportunity to try something different and this is a compelling opportunity. There is a project that aligns urban forestry programs with stormwater management programs. This is in a USDA grant funded program. Once submitted, the funding application was so impressive that there was a demand for regionalizing this program. The work group proposes that KCD urban forestry dollars be combined with NTA and USDA dollars. The KCD urban forestry dollars will make this project more robust and allow it to focus on the King County jurisdictions and get urban tree canopy assessments done and improve understanding of the relationship between tree canopy and stormwater volume. Rather than generating more ideas when we are ahead of schedule, let's take the opportunity to link with more south King County member jurisdictions and engage them around urban forestry topics. The proposal would repurpose these dollars for one time only. The result would be no RFP process in 2017. Haack asked about the project manager position and what they will do after this funding ends. Prinsen asked about the money distributed throughout the three counties included in this program. Reed commented that the cities of Tacoma, Kirkland, and Arlington will get their tree canopies analyzed through this program, without the use of KCD Urban Forest program dollars.

Tosta asked about the NTA funding and how the EPA cuts will impact this program. There are proposals to reduce current EPA funding will by 97% - a heavy impact. Reed commented that the national estuary program funding will be distributed this year. Second, the current 2016 NTA is not at risk in the same way that all future EPA funding is at risk. Tosta commented that there would be interest in a program like this. Stormwater is a major concern and this will resonate with multiple jurisdictions. Ryon inquired about the relationship between stormwater and canopy cover. Reed commented that the science is definitive and that urban forests contribute in some way to stormwater mitigation. This is a challenge because there is also pressure from high densities of population. This project would allow member jurisdictions to talk about urban canopy in a way that allows them to see canopy cover for the resource that it is. Ryon commented that there is a whole section of the landscape that needs to have trees re-introduced. This program will allow us to draw the connection between trees and the reduction of floods and stormwater.

Knutsen commented that this represents a shift from previous stance of the district. Therefore, KCD needs to be careful to continue this process. Reed responded that this would not exclude other member jurisdiction but would target underserved cities. Reed commented that there are three pots of money that target three different areas. Between the three funding sources, KCD will get the support needed. Ryon commented that this is a different, scientific way to show south King County member jurisdictions that they can benefit from this program. Haack inquired about the economic value of this assessment to cities we serve. Reed responded that canopy assessment and stormwater analysis allows you to see how increasing or decreasing tree cover impacts stormwater.

This will be presented to the advisory committee. Prinsen commented that this could inform other processes that cities implement. Knutsen marks that this is a departure from the previous system. However, because KCD is far ahead of the set goals, KCD is able to take a break from the regular work and address this additional need.

Knutsen moved; Haack seconded, passed unanimously a motion to approve AI 17-017 the urban forestry process and move forward with the project as presented (5 ayes, 0 nays).

ED updates – Covington (Totem Lake, WRIA's Food System Grant Modification) – Covington

Covington updated the board on Totem Lake. Caribu corporation owns the revisionary rights to the property. The lawyer hired by KCD is looking for Caribu Corp to coordinate with them and allow KCD to revise as needed.

Covington gave a WRIA update and is engaging with them in a more systematic way. Senior management staff are sitting in on these meetings. This is important as KCD engages with the Puget Sound Partnership and the changes at WRIA. Covington will be listening for interest from board members who are interested in sitting on WRIA committees. Prinsen is interested in WRIA 9.

Covington updated the board on the native plant sale. This year, 61,500 plants were purchased and all but 7 or 8 individuals picked up their pre-orders. The result was \$108,000 in sales, about \$10,000 to \$5,000 estimated to be raised in revenue.

New Business

AI 17-013 LIP Application: Steven Macdonald: Forest Health Management – Konrady

Konrady presented this as new business because it is a policy exception. This project involves a forest health cooperator who began implementing without a final contract. He misunderstood the difference between the bidding process and the contracting processes. The scoping and bidding can take several months. This individual believed that he had a contract and began work on the site in error. Going forward to avoid this confusion, the LIP team is creating a flow process form that explains the next steps for the LIP process to provide to landowners. The project will not be refunded until the project is vetted by KCD staff.

Prinsen moved; Knutsen seconded passed unanimously a motion to approve AI 17-013 LIP Application: Steven Macdonald: Forest Health Management (5 ayes, 0 nays)

AI 17-014 Envirothon Grant Addendum – Reed

Reed presented the Envirothon grant addendum. This is under the current master grant contract. The entity who was intended to host the state Envirothon competition was not able to complete that work and so KCD stepped up to fill this gap. This approves the grant and allows KCD to spend these funds to execute the competition on May 17th and 18th of 2017. Ryon recused himself from this vote because he will be a judge at both the NW Regional and Washington State Envirothon events.

Mosby moved; Haack seconded passed unanimously a motion to approve AI 17-014 Envirothon Grant Addendum (4 ayes, 0 nays)

AI 17-015 CPDS Project Ranking – Borne

Borne explained that KCD receives funding from the commission that is used to fund specific projects. These projects are ranked and funding is distributed when it is available per rank. The commission requires that the projects be approved by the boards of the CDs receiving funds. Borne updates the project list and has presented his ranking. The map distributed shows where some of these projects have taken place in the past.

These funds are significant when KCD can get them, so it is important to rank projects and have them ready for project implementation when the funding becomes available. Reed added that the Bonhami bridge project is on the list and this project could not be funded this year due to site-specific restrictions. The approval of this list keeps it up to date.

Knutsen moved; Prinsen seconded passed unanimously a motion to approve AI 17-015 CPDS Project Ranking (5 ayes, 0 nays)

Unfinished Business

Committee Participation – Ryon

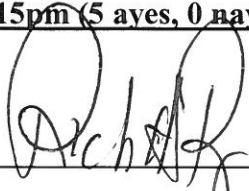
This topic is suspended until the next meeting due to the time constraints. Ryon requests that the board members please review the list of committees for the next board meeting. There are 31 committees that board members sit on. Look over the list and consider where KCD works and what to prioritize. This is an opportunity to make a difference and revitalize interest in KCD.

Prinsen inquired about the sponsorship of the Vashon Sheepdog Classic. This was an outreach opportunity like the NW Flower and Garden Show. There are 8,000 people who attend. It is necessary to demonstrate the value of the sheep dog classic to KCD.

For the Good of the Order - Ryon

Omitted due to lack of time.

Prinsen moved; Mosby seconded passed unanimously a motion to adjourn the meeting at 8:15pm (5 ayes, 0 nays)



Authorized Signature

4/29/2017

Date

Summary of Motions

Knutsen moved, Prinsen seconded passed unanimously a motion to approve the consent agenda as amended (5 ayes, 0 nays)

Knutsen moved; Prinsen seconded passed unanimously a motion to approve AI 17-010 LIP Application: Fantello 2015-101 Management (5 ayes, 0 nays)

Prinsen moved; Knutsen seconded passed unanimously a motion to approve AI 17-012 check numbers 19185 through 19294 for a total of \$522,561.56 non-payroll EFT's totaling \$6,788.18 Bank Fees of \$48.00 and February 2017 payroll and benefits for \$201,885.14 (5 ayes, 0 nays)

Knutsen moved; Mosby seconded, passed unanimously a motion that these plans be approved for execution by the chair (5 ayes).

Knutsen moved; Mosby seconded, passed unanimously a motion to approve AI 17-016 the grant modification and strategic initiative project as presented (5 ayes, 0 nays).

Knutsen moved; Haack seconded, passed unanimously a motion to approve AI 17-017 the urban forestry process and move forward with the project as presented (5 ayes, 0 nays).

Prinsen moved; Knutsen seconded passed unanimously a motion to approve AI 17-013 LIP Application: Steven Macdonald: Forest Health Management (5 ayes, 0 nays)

Mosby moved; Haack seconded passed unanimously a motion to approve AI 17-014 Envirothon Grant Addendum (4 ayes, 0 nays)

Knutsen moved; Prinsen seconded passed unanimously a motion to approve AI 17-015 CPDS Project Ranking (5 ayes, 0 nays)

Prinsen moved; Mosby seconded passed unanimously a motion to adjourn the meeting at 8:15pm (5 ayes, 0 nays)

