

**SOUTH SOUND ALLIANCE EXECUTIVE COMMITTEE
MEETING SUMMARY
SEPTEMBER 25th 2-4 at Mason County Public Works
100 W. Public Works Drive, Shelton**

Attending Executive Committee members:

**Randy Neatherlin, Mason County Commissioner
Jeff Dickson, Squaxin Island Tribe
Pat McCarthy, Chair, Executive of Pierce County
Connie Ladenburg, Pierce County Council
David Troutt, Nisqually Tribe**

July meeting summary – approved

Council Update – Justin Hall

The Alliance Council met yesterday. They got an update from Laura Blackmore and Mike Parton on the Monitoring and Adaptive Management. This is going to be on the Executive Committee's October agenda. They also reviewed both the funding information and the legislative strategy that's being discussed today. If we move on with the agenda, those concerns can be shared where they're relevant to the discussion.

Announcements

Regarding surface water and raise the grade monitoring in Pierce County. The results of 41 streams and 8 lakes organized by watershed have been published. 90% are improving, 40% in two indices. Of the 4 streams that are in decline, "Mark Dickson" is in the South Sound.

Funding and Legislation Discussion

The Puget Sound Partnership took on the extremely difficult task of rounding up information from the seven Lead Organizations in terms of what has been funded and where. Funding charts showing that data for the South Sound were provided.

Stephanie Suter noted that if you're looking at the total funds South Sound is eligible for, Puget Sound Partnership (PSP) also funds some local priorities (econet grants) and 1 million into monitoring and adaptive management. Regardless South Sound has gotten a very small percentage. PSP has looked at what's implemented by county. She noted that from what she's seen, all 4 counties in South Sound

received similar amounts to other counties in the Puget Sound. PSP hasn't dissected funding by LIO.

Justin Hall noted that the Alliance Council asked whether the local benefit of regional projects was/could be represented.

Dan Wrye noted that PSP needs to be commended for identifying these projects and generating this new database. The grants from seven different entities represent very complicated tracking. The results of the data depend on how you sift through it. It's true that there are trans-regional benefits, but that takes a level of slicing and dicing that's very difficult to do. At the end of the day it's a very small percentage in South Sound.

Sue Patnude asked whether there was any data on how many grant requests had been received and unfunded – and from where.

Jeff Dickison responded that in answer to pursuing the funds aspect – from Squaxin's perspective, we've been diligent at looking at the Lead Organization (LO) Request For Proposals (RFPs). In the chart on Page 3, the majority of funds have gone to LO funding. We've been critical of this approach of funding. That has not translated into funds going to the local level. Examining the dollars that each LO does distribute – they choose the areas of funding that they distribute money to. Those areas have not aligned with local priorities. Even if we wanted to apply, we would be applying for funding projects that are outside the local priorities. This speaks to the more fundamental problem of using the LO model for funding, in that they are following their own direction as to what is important instead of following local priorities – which we've had established for some time.

Pat McCarthy suggested that the information be sent to PSP and their board. PSP represented at our last meeting that there just needed to be a few tweaks. They clearly need to have this information.

She went on to state that while PSP was a good idea and having grassroots organizations get together to prioritize was a good concept, the implementation has been flawed. You have all these LOs with each of their own agenda and rules. Navigating each of them is difficult. What is the role of the Local Integrating Organizations (LIO) if LOs are directing all the funding? If it was just one LO, at least that would be clear. My preference would be that the PSP get the funding and we work with them to direct it further.

At our last meeting, one of the requests was to create the same language. I don't know if you can get one LO to agree with another LO on language specifics. That puts the burden on us.

David Troutt stated that Jeff is correct – page 3 (of the funding charts) tells the story we need to be telling. There were a lot of proponents that Recreation and Conservation Office (RCO) should distribute the funds. The Governor and the cabinet disagreed, because they fundamentally didn't believe in the locals to get it done. For example the Nisqually Council is no longer funded. The State doesn't value local control. There's a constant tension. To eliminate entirely a watershed Council process that has been bought into by many shows that our fundamental hurdle is that many folks out there don't value local priorities. The very first hurdle is that we have to convince others that we have value. The folks making the decisions about funding do not trust us. There are people saying that Salmon Recovery Council (SRC) funding local projects does not work.

The legislative effort has really got people thinking about this and about our message. There are also some negative consequences and confusion. There's some resistance to LIOs in general. How do we approach these hurdles and not lose sight of the goal.

I'm proposing that we put the legislative strategy on hold while we develop a comprehensive strategy – identifying all the windows we need to go through and sequence them. What is our path to success towards funding projects? We need to get Environmental Protection Agency (EPA) and the state cabinet members to understand the models. The resistance we're running into is that people don't think we know what we're doing.

Randy: I suggest sending funding charts to PSP with an established list of priorities – projects. Got to ask to get.

Pat McCarthy suggested that if we stand down on legislation there should be a strategy to change the format. We should propose a structure as we have on the flow chart and start to build the case. Whether it's this structure or not. I know it can work if we've got the right structure – we saw that with the (American Recovery and Reinvestment Act (ARRA) dollars. The real champion needs to be the PSP. If they want to stay with the old structure and tweak it – then we're dead in the water.

Jeff Dickison disagreed with standing down. David's idea assumes that we can convince people over time with good arguments, because we have a compelling model and approach. It assumes that we can change their minds – state agencies and to some degree EPA. The characterization by those agencies that locals can't do the job is just a diversion /red herring. There are plenty of local models that do the job and work just fine. I've seen the local level work very effectively. There's plenty of capacity and ability. I look at this from the perspective that this is about control and we're not going to change people's minds about control. If that's the case, then we need to keep pushing forward on multiple perspectives at multiple targets. I heard it characterized that we were trying to have state legislation change EPA. That's a mischaracterization. We can work on changing EPA's view. We need to influence EPA. We need to resolve the status of LIOs in terms of being a direct line to recovery by providing the underlying legal basis. We need to get our own house in order in terms of accountability, and educate people that South Sound is different and unique in relation to other areas. We know what the priorities are. I'm not a linear approach strategist – we need to take multiple paths – taking all the pieces and recognizing that they all need to move forward (albeit at different rates of speed) and they'll come together at some point down the road. I have no problem upsetting the apple cart and moving forward on multiple fronts to get there.

Randy Neatherlin stated that we have to show what we would do with the funds if we get that money. That's a big piece that people need to see. We need to be able to show that we are different also. It's a combination of those two things.

David Troutt responded that he's not proposing we do only one strategy at a time. But I don't think we've decided yet what all our goals and strategies are or should be. I think that – talking to people about what we want to accomplish will get things done. There's an opportunity with EPA, and the PSP needs to be involved and say with clarity what the role of the LIO is. Then we need to go with them and get buy in. The retirement of Norm Dicks really weakened our legislative power. I'm not ready to dismiss working more cooperatively. EPA's already told us they are not going to cancel the contract with the LOs. We need to line everything up for the end of that contract -2 year mark . We should come back to the October meeting after a task force meeting to develop that strategy.

Sue Patnude stated that having worked in state agencies – they will hold on to the money. They will not want to share. The processes that we've been involved in over the last 25 – 30 years have been long processes to bring money to the local level. The RTPC and Council came out of a long process that brought money to

the local level. The important issue is who we are and what our principals are – and what our strategy is. At the Puget Sound Recovery Caucus, Lummi tribe stood up and said that if we're not willing to talk about political projects and really work on them and the stuff that isn't pleasant to talk about then we're not going to get recovery done. We're unique. We have a lot to offer. We need to be strong in what that means.

Pat McCarthy stated that there is power in numbers. If PSP is not with us then I really do think that we're dead in the water. The story about what happened in the straits with the unfunded grants regarding oil spills is disconcerting. I love the idea of a task force to tweak and work on this. Then we can run it by the entities and get staff and technical folks and board members. Once we think this is doable – we probably need a meeting with the PSP for us to make that case. We should also reach out to the Straits - and perhaps one or two other interested LIOs and see if they want to do it together.

Connie Ladenburg asked how effective is it to be acting independently if we're seen by the LOs or EPA as part of a system of LIOs? Are we standing on our own? How does what we're doing fall into line with PSP? How is there commonality with the LIOs?

Stephanie Suter: PSP is holding meetings for the LIOs coordinators to meet (3 so far). Currently they are looking at some of the things LIOs have in common, and at funding. Next steps are having the leadership from LIOs meet with EPA and having LOs attend to move forward.

Dan Wrye: No two are the same. There is no one structure. The seven action areas are in statute. The PSP's vision was 11 LIOs originally, then two bowed out and some have not organized.

Connie Ladenburg: That gets to the credibility piece. If I'm taking this to legislators, they are going to say why should I fund LIOs if some of them are developed and ...how do we make the LIO as a whole credible to the funders. Either we separate ourselves out or we figure out how to move everyone forward.

Jeff Dickison: As we convey this message about what we're trying to do – it's important that we convey that we're creating an opportunity – a path and an incentive for LIOs to organize and meet minimum requirements. That should help the PSP to develop more organization in LIOs that are lagging with clarity that goals are prioritized and accomplished at the local level, and with incentives.

We're not dictating that they have to. Likely several will be the guinea pigs and that is what's necessary. We're confronting a failed funding mechanism. It's failed multiple times to accomplish the goal and they are telling us that we cannot succeed. I take exception to that.

As far as the legislation goes – my perception of moving forward, is that it's critical in terms of timing that we move forward now for the next session. Do I think that in 2014 we would pass this legislation? No. Of course not. I think it will be a multi-session effort to get it right. We need to continue to move it forward and get the feedback and the blowback and eventually get it into legislation. I can't remember an out-of-the-gate success. The system doesn't work that way.

David Troutt:

I think we need a strategy. There is power in numbers. If we try to do this alone – we can damage ourselves and our credibility. Puget Sound Acquisition and Restoration (PSAR) started at 30 million then went to 25 and then 11 million. All of us lobbying together this year got to 80 million. We need to get to that page with this as well and we're not there yet.

Pat McCarthy: There is power in numbers with legislation – especially with something as complicated as this. I think we need a small task force that gets together in the next month to take this flow chart....we still have time. Next month we come back and revisit our next steps. We should reach out to PSP and at least one other LIO. There's a lot for the PSP to gain from making changes to this system.

Connie Ladenburg:

Do we already have a legislator champion? If there is one, we should bring them in sooner rather than later – to be a part of that taskforce.

Keri Rooney: A sponsor won't be a problem.

Randy Neatherlin: Do we have a project list?

Dan Wrye: Commissioner Romero made the excellent suggestion to develop an example project list – a face for our efforts. So, we do have that. (Gabby to re-distribute).

Pat McCarthy: We should reach out to the Straits to see if they want to join us. Stephanie, it would be good to meet again with PSP and work together to find that sweet spot. Keri and I recently met with Patty Murray and I would say that

Senator Murray is frustrated with the Northwest Straits Commission, so I think we could get a champion. Fraser, Heck, Kilmer – they would fight that fight for us. They’ve done it before.

David Troutt: The first step is developing that strategy, hopefully to be delivered by Partnership and staff.

Pat McCarthy: The technical review panel in the flow chart is crucial and key to point out. Gabby will convene a meeting or multiple meetings if needed with the task force (Dan Wrye, David Troutt, Randy Neatherlin, Stephanie Suter, and Sue Patnude) for this technical committee strategizing.

Jeff Dickison: Another task for the task force (maybe not before October)....we’ve got some (relative to Salmon Recovery) cleaning our own house. The South Sound chapter has no one accountable for Chinook recovery – LE structure is different. Let’s bring back to this group a consideration of a different approach. One of our tasks should be bringing back the proposal to get that house in line – to address a known problem. What would that look like and proposal/game plan.

Pat McCarthy: We haven’t given up on moving forward with a legislative strategy. Any one of us who have contacts with legislators who ought to be in the know – we should all be having those conversations. We have concerns, we’re working on a plan and we may need your help.

Partnership Update (Stephanie Suter – PSP)

The Partnership is working on a “preference” system with to incentivize grants to go through an LIO endorsement process. The only one now is Department of Ecology (DOE) for 5 optional points out of 10. PSP is having those conversations with EPA. At the last meeting, there were some questions about what the partnership is – so I brought a couple fact sheets that you can use as reference if you want. One thing – on the very last sheet, one thing that you might consider while you move forward is that the National Estuary Program (NEP) funds are a small portion of the funding that is out there. There are a couple on here that don’t apply to South Sound. But these are worth considering as other funding pools. That doesn’t get into other state or private funding. I’m also happy to meet or have a phone call to talk with any of the Executive Committee members.

David Troutt: It looks like there's money going directly to Padilla Bay. Is that a plausible option? Other entities have dollars that go straight to the area. Ongoing annual – to Padilla bay via Ecology.

4:00Announcements & Adjourn: Next Mtg. October 30th 2-4 Thurston County