

DRAFT

**Alliance Executive Committee Meeting Agenda
December 5, 2013, 2:30 – 4:30pm
Tacoma County-City Building, 7th Floor, Rainier Conference Room
930 Tacoma Avenue South**

2:30

Introductions

Executive Committee Members:

**Executive McCarthy
Council Member Ladenburg
David Troutt
Commissioner Neatherlin
Jeff Dickison**

Other Members:

**Tom Kantz
Stephanie Suter
Dan Wrye
Sue Patnude
Al Schmauder
Amy Hatch-Winecka
Denis Curry
John Bolender
Barbara-Ann Smalko
Chris Schutz**

2:40 – 3:40

Marc Daily/Michael Grayum/Martha Kongsgaard (Invited)

- *Go over the bill*
- *Discuss approach to address AHSS concerns*

Marc, Martha, Michael are all unavailable (out of town?)

Executive McCarthy asked Dan Wrye to walk everyone through the bill.

Page 3 new definitions – LIO definition.

- On line 6, “Local integrating organizations may be may be informal forums or formal “egional alliances...”.

- Line 8, “Puget Sound tech review team means the committee formed by the Puget Sound Partnership to review advise and comment on draft ecosystem recovery strategies prepared by regional alliances.
- Line 17, “Regional ecosystem recovery strategies means the comprehensive schedule of projects, programs, and other activities developed by regional alliances....”

David Troutt:

What is the genesis of these changes

Dan answered that these were part of the original proposal. He noted that there had not been a lot of comment back on that original.

- Page 9, New Section: This proposed section discusses different options for the organization of LIOS.
 - Line – 9: Regional Forums, ...Forums act to provide input.
 - Line 15:Regional Alliances – formalized associations organized under

Regional Alliances are patterned after AHSS. They are organized with an Executive Committee and a broadly inclusive Council.

(2) LIOs recognized by the Leadership council before 2013 are deemed Regional Forums. Additionally the AHSS is deemed a Regional Alliance for the South Sound.

(3) Leadership Council shall adopt criteria for adopting additional regional alliances (but no more than 7)

Stephanie Suter noted that this is saying that out of the 9 LIOs, all are grandfathered in as forums. With only the Alliance grandfathered in as a Regional Alliance.

Council member Ladenburg asked Why are we an Alliance and they aren’t?

Dan Wrye stated that the federal jurisdiction as well as the state will require some fiduciary and technical standards in order to be willing to allocate funding directly. This format provides the minimum bar for that. There needs to be an executive committee of elected policy makers and tribal representatives as well as the Council.

Commissioner Neatherlin noted that the Hood Canal Coordinating Council had elected officials put together by RCW. He noted that this makes them a government entity and therefore accountable as governments are. It changes things and makes them each entity dependable.

Dan Wrye noted that the intent of grandfathering in as forums is to do no harm to existing LIOS. To describe that the added level of formality is a needed step in terms of moving up to the development of a strategy. That is an optional decision. They don’t have to change. He also noted that, taking a bigger step back, there is no direct value unique to AHSS as we already have this format and are developing our strategy. We could go one our own, but we includes the other LIOs in the statute to fill a void.

The operational difference between the two (a forum and an alliance), is the development of the Ecosystem Recovery Strategy. This provides an incentive for that additional work to develop

David Troutt asked why there are only 7 Alliance allowable.

Dan Wrye responded that this was a direct response to the original conversation about regional allocations. The target discussed was roughly 4-5 million dollars. The regional allocation divided by 7 gets us there.

Executive McCarthy stated that we can change it from 7 to 9.

Dan Wrye concurred. This is a conversation starter, based on the decision back in October on the target amounts.

Commissioner Neatherlin added that this bill shows the other LIOs that they are important too. The bill goes through and they are more able to get funding . That's the point.

David Troutt pointed out that if we limit it to less LIOs than exist now, then that will be problematic.

Dan Wrye expressed that if we mandate that all LIOs have to be regional forums then the question is are we imposing that model on all the LIOs?

David Troutt noted that with this model, the Alliance and 6 others would be golden but that then the others would be out of luck.

Dan Wrye noted that if the Executive Committee wants to make that change they can.

Commissioner Neatherlin stated that we should just make that change so we can move that process forward. Or can we just remove the limitation all together.

Dan Wrye clarified - remove subsection 3 at the bottom of page 9?

David Troutt stated that we will need a formalized structure for EPA. Some will object that we are dictating the structure – and we'll have to deal with that. But currently all the interests have a seat at the table.

Commissioner Neatherlin added that it can be part of the policy of the organization that is administering the money.

The Executive Committee agreed that Page 9, line 37 should read, "The council shall adopt criteria and processes for approving additional regional alliances."

Dan Wrye continued. The two things this bill does are providing a basis for LIOs in law, and providing an opportunity for formalized LIOs who do certain things to get a funding allocation.

Page 10

New section.

Regional Alliances shall develop etc....

The Executive Committee agreed that the work “Action” be removed from the phrase “Action Area” throughout this section.

David Troutt clarified that the word scheduling refers only to project management.

Dan Wrye noted that the bill provides for review and approval by the Puget Sound Technical Review Team to include whomever they see fit to be on that technical review team (state, federal etc.)

It further provides that 45% of total funds be allocated to regional alliances.

Importantly, on page 11, row 6-7, we are showing that NO this does not take money from PSP.

Stephanie Suter noted that there is currently no money in that account – it would require the legislature to put some money in that account.

Commissioner Neatherlin noted that this could change that.

David Troutt noted that section (a) is intended to redirect LO funds. We recognize that we can’t do that?

Dan Wrye replied that the legislature can determine the framework of the contracts that are entered into.

David Troutt noted that if EPA determines that this is inconsistent with their oversight of funds, they can determine not to fund PS recovery.

Dan Wrye responded that that was unlikely to be supported through congressional legislation.

Executive McCarthy asked for the Partnership’s view.

Stephanie Suter responded that she had nothing new to share in response. PSP does not support a statutory change for the 2014 legislative session. They might work together to put something together for 2015. They want local priorities to be funded, but don’t believe the statutory change is the way to do that.

Dan Wrye noted that when he spoke to interim director Marc Daily, he was very clear that PSP does not support regional allocations .

Executive McCarthy clarified, asking does he like the current system?

Dan Wrye: He didn't say that.

Stephanie Suter noted that they are in a six year strategy. This is the fourth year money going out the door. There are two more years under this system. How much for year 5 and 6 has not been determined. We'd like to make improvements, but not through statute.

Executive McCarthy noted that one of the suggested improvements that came out of our meeting with PSP was that we need to be consistent with language. So that when applications are being reviewed things would be consistent. That we had to change out language so that DOE or DFW would see the connections. I'm not buying that that's the issue.

Stephanie Suter: For funding near term actions – there are currently are very few local ones. So, linking them now through the action area we hope will mean that that state organizations will then fund projects.

Executive McCarthy noted that hasn't been the history.

Commissioner Neatherlin added that the PSP is concerned, in his view, about losing control over the funds – so they are going for the status quo. How can we find a way? To allocate money to the local priorities is the right thing to do. How do we make this so that they aren't afraid of being irrelevant?

Stephanie Suter added that the money that comes through PSP – is about 3.7 mill. 25 million comes through the other state agencies. I can't speak to whether those agencies are afraid....the money that comes through PSP goes out.

Executive McCarthy stated: Exactly – this isn't speaking to what the PSP does with its money. This speaks to what the state agencies are doing with their money.

Stephanie Suter noted that a huge concern is that if we put this stipulation on allocation, the EPA can say we're not going to do this – we won't fund Puget Sound. That is a big concern from our perspective.

Executive McCarthy state that the Alliance has energy and momentum. We've done what we've needed to do. The irrelevancy comes from – why are we here? Why are we doing this? I thought this was supposed to be a different – grassroots – model. We've created this thing and now, to me, it's provided very little resources to account for the energy expended on our part.

Stephanie Suter asked whether the Alliance had spoken directly with state agencies.

Executive McCarthy noted that that interface is through PSP.

Dan Wrye added that some of the LOs have provided nothing competitively. There is a huge chasm.

David Troutt noted that the Tribes have been clear that we do not support this model.

Jeff Dickison stated that none of us expect that we'd be implementing this model without significant conversations with the EPA. EPA knows they have a problem. They don't know how to solve it. I fully expect that we'll be engaging them in that conversation.

David Troutt stated that his commitment is to the end result. The goal is to get money to local implementers for projects. I don't mind how we get there. This legislation will create conversations that are opportunities to come up with a plan that makes sense. If, Jeff is suggesting that we won't ram the legislation through, then I concur. My position is that it's not ready yet. I think we should be talking to PSP, state agencies and EPA to move them to where they need to be. This is a step on the path. But I'm concerned that if this gets passed, the PS could be defunded. I don't want to be fear mongering, but I think that's a real possibility. This is a loud shot over the bow. I'm thankful that we've started this conversation. The prize is the money not the legislation.

Executive McCarthy: So, next steps. The bill codifies things that need codifying and that grassroots structure should be supported. **Do we want to take this on the road – two by twos, or whatever, meet with the other LIOs, meet with state agencies and PSP to ask them if we could have the ALLIANCE meet with their board - so they can hear it from all of us?** We owe ourselves that opportunity. This is what we think is important. I don't think that the creators of the PSP would be happy with the current model. We've created a bureaucracy that isn't working. A working bureaucracy can be good, but right now there's not any benefit to the local voices that are putting their time and energy into this work.

She added that the Puget Sound Regional Council works. If they had this AHSS model, there wouldn't be a Regional Council. Everyone's work is acknowledged with true incentives. We're not there. We do a ton of common guidelines and so forth already.

Commissioner Neatherlin added that the way he looks at this is that we're trying to create a pocket to put money in that doesn't exist. People are defensive about it. I don't know if we can still create the pocket or not, but I worry that we'll lose leverage. That people are reacting the way they are tells me we have leverage. The fact that Marc, Martha and Michael are not here says a lot.

What I heard was that they are not supportive of it now, but they might sit down with us later... and then still not be supportive. Maybe we need to make it clear that if they want to sit down with us, we can let this go - if they'll work with us to make it happen next year.

Council Member Ladenburg noted that: This is a great effort in accountability. We are talking about accountability. PSP should be encouraging that. It is bothersome that they aren't on board. If we start shopping this legislation, that will be a concern from a lot of people. Why aren't they backing you up? We should get into the weeds with their concerns. Passing the legislation would take a number of years, at least 2 years. 2014 can be dropping the idea – we

wouldn't get anything to pass, but having those conversations, planting that seed would be a good thing. Making this legislation even better, including the PSP.

Executive McCarthy: This does not hurt the Partnership. It emboldens them. Their fear is that the State (or maybe the feds) will go after them. They should be the overseer – but they are not. We should work our stakeholders and the other LIOs and talk with the PSP, and meet with the feds as well. I don't know how fruitful it will be with the state agencies. With the Feds – you need some verification and accountability.

David Troutt: I like the suggestion that we work with PSP. I don't oppose moving forward with this, if it doesn't have a poison pill attached. Right now it has a little bit of poison. The challenge is that EPA doesn't see the Surfboard process as working. They are incorrectly understanding the Tribes concerns about that process. I'm on board. Let me know where and when I can help.

Commissioner Neatherlin: For PSP the risk that is out there. It's strange to me that they aren't supporting this. They need to be a pro-active and unified front.

David Troutt concurred stating that he is hearing loud rumors around the idea that the governor and others might put PSP back under Ecology. The PSP should be working with us so that they have our support when that becomes an issue – at hearing. Marc and Martha need to give us a reason to give them continued support.

Executive McCarthy state that under the new model she would testify for them.

Commissioner Neatherlin concurred, adding that if we're working together that's great. If not, then where is the benefit?

Dan Wrye state that it seems important that we get some indication of the Partnership position on the regional allocation model. So my question to the EC is, is that a deal killer?

David Troutt stated that his understanding was that the Partnership was thinking about a stepwise process to get to a regional allocation.

Dan Wrye stated that he had been told directly by Marc Daily that the Puget Sound Partnership did not support regional allocations. We need to clarify that.

Executive McCarthy added that we need to ask him that. It's fair to say that one of the items this body is concerned about is that there may be no desire to do a regional allocation model. Is that true? We need to meet with them to know what the boogey man is – because I am not seeing it.

Dan Wrye: Maybe a follow up meeting with JT Austin might be appropriate. First message was yes there will be legislation. Second message was there is no decision on any PSP legislation. Now given what David said about rumors regarding PSP going back to Ecology, it may be a

good time to follow up with them and ask if there have been changes in their plans and to share our bill with their office.

DECISIONS:

- *The Executive Committee agreed that Page 9, line 37 should read, “The council shall adopt criteria and processes for approving additional regional alliances.”*
- *The Executive Committee agreed that the work “Action” should be removed from the phrase “Action Area” throughout section 7.*
- *The Executive Committee agreed that meeting with Puget Sound Partnership to discuss the legislation in person needs to happen early in the New Year and should include clarifying their view on regional allocations and potentially setting up a time to meet with their Leadership Council in person. They asked that Stephanie Suter talk with Marc, Martha and Michael. We’d like to meet with the administration. We’d like them to hear from us directly.*
- *In addition, other meetings with LIOs and other stakeholders should be set up. Alliance committee members (in twos) will schedule meetings to take the legislation on the road.*
- *Those members who are able to attend the Partnership Leadership Council meeting on December 13th will comment in the post-legislative discussion.*

4:00

Discussion of open Staff Coordinator position

Executive McCarthy indicated that it’s her understanding that Thurston County is willing to continue as fiscal agent, to replace Gabby. She added that Pierce County is willing to manage Executive Committee administration in the interim.

Several members noted that the interview panel should only be one process – not dividing into separate interview processes.

The Committee agreed to having Thurston County staff, Cindy Wilson, coordinate that interview process.

David Troutt noted that hiring the new person should be a joint decision. He asked who would be on the interview committee:

David Troutt
Dan Wrye
Stephanie Suter
Jeff Dickison
Sandra Romero (if she wishes)

The Committee also asked that both the job description and the applications be reviewed by the whole team.

Executive McCarthy asked whether the committee wanted to revisit the need for a science background? I do think there was some angst over experience for this position being in those areas.

There was no comment on the balance between science/administrative experience, other than to note that both were important. Gabby suggested that if the Committee decides to move forward with legislation, that they should consider a strong policy background as part of the equation.

Executive McCarthy asked Gabby to work with Dan to come up with a schedule.

NEXT EXECUTIVE COMMITTEE MEETINGS HAVE BEEN SCHEDULED FOR THE FOLLOWING DATES/TIMES (LOCATION TBD)
January 22nd, 2-4pm, March 26th, 2-4pm, May 28th, 2-4pm