

**Puget Sound Leadership Council
Meeting Summary
GA Auditorium
210 11th AVE SW
Olympia, Washington
March 31, 2009**

Members Present:

- Bill Ruckelshaus
- Martha Kongsgaard
- Billy Frank, Jr.
- Diana Gale
- Steve Sakuma
- Bill Wilkerson

Staff and Other Presenters:

- David Dicks, Executive Director
- Lynda Ransley, Deputy Director
- Martha Neuman, Action Agenda Director
- Chris Townsend, Special Assistant to Executive Director
- Paul Bergman, Communications Director
- Tammy Owings, Special Assistant to the Leadership Council
- Diane Hodgson, Management Assistant to Bill Ruckelshaus
- Terry Wright, Special Assistant for Bill Frank, Jr.

*It is intended that this summary be used along with notebook materials provided for the meeting.
A full recording of this meeting is retained by Puget Sound Partnership as the formal record.*

Action Items:

- Approve revised 2009 Leadership Council Meeting schedule
- Approve Stimulus Package proposal
- Approve recommendation for distribution of FFY08 EPA funds

Meeting Summary:

- Council Update
- Action Agenda Implementation Update
- State and Federal Budget
- 2009 Legislative Session
- Floodplain Briefing
- Council Discussion

CALL TO ORDER – Bill Ruckelshaus, Chair

Chair Ruckelshaus called the meeting to order at 9:35 a.m. and reviewed the agenda for the day.

COUNCIL UPDATE – David Dicks, Executive Director

David Dicks provided an update on what has happened with the Puget Sound Partnership since the last meeting:

- Introduced new Deputy Director Lynda Ransley. Lynda joined us from Snohomish County
- Reminded the Council about the April 14 Town Hall event – Frontline “Poisoned Waters”
- Talked about the National Estuary Program Supplement and need to make revisions to the Action Agenda to meet the EPA requirements – the Council will be asked to approve the revision at its May meeting
- Reported that the Puget Sound Georgia Basin Conference was a success and thanked Chris Townsend for his work on this conference
- Reported Neah Bay tug bill was signed by Governor Gregoire – this has been an ongoing issue for about 10 years and this year finally reached a compromise – an Action Agenda initiative
- There is a lot happening with the budget, federal funds, and stimulus funds – this will be discussed more later in the meeting
- Working on integration between the Partnership and the Puget Sound Nearshore Estuary Reserve Program (PSNERP) – there will be a Memorandum of Understanding between Fish and Wildlife, Recreation and Conservation Office, and the Partnership

The group discussed the need to build the various partnerships and possible need for an “office of partnerships” to coordinate with the different groups. They also discussed the federal bill that was proposed last session but was put on hold due to concern about duplication of efforts. David will have the revised bill soon that he can circulate. The new idea is to not have an “office” but a structure for working with EPA, or to have a linked entity for working with both the Partnership and EPA without duplicating efforts.

ACTION AGENDA IMPLEMENTATION – David Dicks, Martha Neuman, and Lynda Ransley
(See meeting materials for details.)

David explained to the Council that Martha Neuman provided a table that lists the Action Agenda implementation products in a little different arrangement than the Council has seen in the past – this chart will be used to stimulate conversation around implementation of the Action Agenda.

He then laid out the three initial charges to the Partnership:

1. Create a single, unified Action Agenda based upon science to guide the protection and restoration of Puget Sound by 2020
2. Raise public awareness regarding threats to the Sound and channel energy and resources into necessary actions
3. Hold the entire system accountable for results

The Partnership has been progressing on all three charges with adoption of the Action Agenda on December 1, 2008. He reminded the Council that the Action Agenda will be a constantly evolving document. Implementation of the plan and laying the foundation for durable progress will be the 2009 goal for the Partnership.

The Council discussed Question 4: "Where do we start?" Staff has thought about ways to get projects funded and are figuring out what needs to be done before the next actions can take place. The Council wants to provide the public an opportunity for comment on what needs to be done and in what order. The Council would focus on partnerships and people because now is a powerful time to engage people: People don't have money, but have time and are concerned with climate change. The Partnership needs to focus on consensus building so that when we do have the funding, we're ready to implement.

Chair Ruckelshaus talked about recommendations from the Science Panel for Science Policy work groups and how the Council could expand these work groups to get at the issues this way. We need to get the implementation system and other processes in place so we are ready when the funding is available.

Billy Frank reminded the group that the Puget Sound Partnership is supposed to be a new agency but we're acting like the old agency. He stressed the need to go through the laws and identify what needs to be changed so we are ready for 2010 legislative session. We need to be able to say what we are doing – it doesn't look like we are doing anything (other than the tug boat) and we need a strategy for going into the next session.

Chair Ruckelshaus agreed with the need for a systematic way of looking at the laws and getting a plan in place so we are ready for the 2010 legislative session. We also need to have a communication system in place to let people know what we are doing and so the Leadership Council can answer people when asked about what is being done for Puget Sound.

David reported that he will be explaining what staff are looking toward in his presentation and hopes the presentation lays out what has been going on and what will be happening – at the end of the presentation he will ask the Council to let him know whether we need to move it up a notch or if staff are on the right track.

David reviewed the 2009-11 work priorities and roles the Partnership will play. The 2009 work priorities will be to:

1. Integrate the Action Agenda into local and regional restoration, protection, and pollution control programs and efforts,
2. Implement key actions in the Action Agenda, with the Partnership playing a variety of roles, and
3. Build a foundation for success that includes accountability, communication, science, and monitoring.

Martha Kongsgaard would make two changes to the list: for the second bullet she would add "look at what's missing" and she would move "creation of an accountability system" up to number one on the list.

Diana Gale has heard rumblings that we aren't meeting the statute and we need to do this. She would like staff to go through and note where we are with each statutory requirement. David agreed with the need to get all the actions on a big board with the list of have-to-do's. We need to get a lot of processes in place. He has heard that the Partnership is viewed as going in the right direction nationally.

The group discussed the need to identify "partners" and how to do this. It is important to provide incentives for the local groups to get and keep them involved. There are a lot of examples that can be used for getting groups mobilized to help implement the Action Agenda. We need to honor the efforts currently existing at the local level but still find efficiencies and integrate across watersheds and the Sound. Lynda Ransley reported that she has started informal discussions with Joe Ryan and the agency liaisons. Chair Ruckelshaus would like to pull together a group of people to create a template; he will work with David to put together a process. Diana Gale would like to work on this also.

Terry Wright noted that this issue is critical to the tribes and he would volunteer to assist with this. He also noted the need to celebrate the successes.

David reported that the state caucus meetings are going to be director-level meetings and that he will start going to the federal caucus meetings. Bill Wilkerson and Billy Frank both noted the need to include the tribes.

The group discussed the inversion theory, noting how it didn't work this year because the Action Agenda was not completed. Now that we have the Action Agenda we will be able to better align it in the next budget round. The Council discussed ways to align state budgets and how to identify the stop/go/modify/gap process.

Senator Kevin Ranker joined the group and talked about the Neah Bay tug bill and how this will be funded by the industry. He thanked David and staff for the work on this as well as Ecology and the oil industry. He also recognized the work of Bruce Wishart and People for Puget Sound. He reported he is working with the legislative committee reviewing state budgets and he is stressing that the Puget Sound Partnership should be a priority.

Martha Neuman then presented the performance management portion of this agenda item.

The Council discussed the need to get the list of indicators. There are several groups that are developing indicators. This needs to be coordinated and the list of indicators for the Puget Sound must be completed soon. The Monitoring Forum is developing high-level indicators for the state and will have the list by the end of the summer. The Science Panel is also working on a list of indicators and will provide its recommendation to the Leadership Council for approval soon.

The Leadership Council wants a draft list of indicators to decide on by the May meeting so the intermediate outcomes can be decided this summer for inclusion in the November 1 report.

Senator Phil Rockefeller joined the group and shared his thoughts. Now that we have the Action Agenda in place, we need to find ways to execute it. We are in an extremely challenging point in

our state's and country's history. We are looking at deep cuts but hope to find ways to keep the fund-base in place so when the economy turns around, we will be ready to work on the actions.

At state level, he and Senator Ranker have been talking to Senator Fraser. They have asked her to look at capital budget projects that are on the Action Agenda list and to give those projects priority. We do have a catch-up problem with the Action Agenda - not being ready in time for inclusion in the Governor's budget - but this shouldn't be a problem in the future.

Chair Ruckelshaus thanked Senator Rockefeller for his support and leadership. He agreed with the need to use this time efficiently so we will have processes in place, once the economy turns around we can begin implementing.

Senator Rockefeller suggested the Partnership continue to sift through the Action Agenda to keep prioritizing efforts – it is a large effort and we don't want groups to go off in different directions, but rather map out the priorities.

Lynda Ransley then provided an overview on what staff has been working on and reorganizational needs in getting ready for implementation of the Action Agenda.

STATE BUDGET AND FEDERAL FUNDING UPDATE – Jim Cahill and Joe Ryan (See notebook handout for details.)

Stimulus Package Approval

Joe Ryan explained the process used for compiling the list of projects and request for Leadership Council approval. On March 6 NOAA published the federal funding criteria for the \$170 million in funding nationwide. One criterion was that the projects are ready to go. Requests were sent out to Puget Sound entities and we received \$140 million in project requests. Although he would like to fund them all, not all are the most competitive for nationwide funding. The most competitive projects are projects that have permits in place, design complete, and contracting in place.

The list Joe provided was presented to the Salmon Recovery Council last week. The Recovery Council endorsed the process for the salmon projects on the list, but did not comment on the non-salmon related projects (about 80% were salmon projects).

David explained that NOAA is asking the Partnership to look at the list and identify what projects are the best for the environment, ready to go, link to the Action Agenda and/or the Salmon Recovery Plan, and create the most jobs. We don't want to give NOAA the full list of projects; that wouldn't provide any benefit to them. In the long run, going through a prioritization process gives us a better chance for getting additional funding in the future.

Bill Wilkerson **MOVED** approval of the stimulus project list. Martha Kongsgaard **SECONDED**. Council **APPROVED** the list as presented.

Josh Baldi, Ecology, spoke on the State Revolving Fund and how the Action Agenda is broader than just restoration projects – the State Revolving Fund has set guidelines for projects. Ecology

received about \$400 million in project requests but only about \$70 million in funds. There may still be an opportunity for the Partnership to review of these projects.

David reported that Bruce Wulkan from the Partnership is on the project review team for the stormwater 'green projects.'

Bill Wilkerson **MOVED** to send a letter to Ecology concerning the State Revolving Fund project list and need for linkage to the Action Agenda. Billy Frank Jr. **SECONDED**. Council **APPROVED** sending a letter to Ecology.

State Budget Update

Jim Cahill the current budget status in the Legislature:

- House operating budget: 25-30 % reduction in Partnership administration and Public education and outreach
- Senate operating budget: lined up with the Governor's budget and was good for us
- House capital budget: expecting less funding over all for the capital budget
- Senate capital budget: is expected out later in the week

Chair Ruckelshaus asked for a line-by-line difference between the three operating budgets. Jim will provide this.

Approval of recommendation for distribution of remaining FFY08 EPA Funds

Today Jim is asking for Leadership Council approval of the proposal presented for distribution of the remaining FFY08 EPA funding. Jim explained the process used to get this list in place and the changes made since the last meeting.

David explained the reason behind putting this proposal forward, which some feel is science heavy – although not the level of funding the Science Panel proposed. This is one of the only fund sources that can provide funding for the science projects.

Bill Wilkerson noted that he was critical of this list at first, but now understands how the list was developed. He is still not sure that the EPA is going to agree with the list. He believes they may want to have more on-the-ground projects.

Chair Ruckelshaus believes that EPA will be ok with this list because they are aware of the need to put processes in place to implement the Action Agenda. He does want to make sure the Leadership Council gets a process in place to be comfortable with approving projects for funding.

Bill Wilkerson **MOVED** to support the spending plan for the FFY08 EPA funds. Martha Kongsgaard **SECONDED**. Council **APPROVED** support of plan as presented.

Jim will work with EPA to put together a fund distribution process and make sure Leadership Council review and approval is included in the process.

FLOODPLAIN MANAGEMENT – David St. John (See notebook handout for details)
David St. John provided this briefing for the Council.

The issue is that there are levees all around the Sound. The maintenance plan calls to cut down the trees between 2-4 inches, yet the Endangered Species Act (ESA) calls for buffers and riparian vegetation for salmon.

A Biological Opinion on FEMA's National Floodplain Insurance Program in Puget Sound finds ESA jeopardy to salmon and orcas. NMFS identified 7 program areas needing changes and a deadline of 2011.

After David St. John provided his presentation the Council discussed the need to develop criteria to decide which issues the Council will take a stand on. There was a suggestion to create a decision matrix. This is an issue that the Council is not neutral on and there was consensus by the Council to work on this issue. This will be brought back to the Council at future meetings.

LEADERSHIP COUNCIL DISCUSSION – David Dicks and Lynda Ransley (See notebook handout for details.)

David talked about the Science Policy work groups and how these groups - made up of representatives from the Council, Ecosystem Coordination Board, and Science Panel - will work on issues identified by the Council that need both science and policy input. These new work groups will replace or merge with the existing Leadership Council subcommittees.

The Council talked about the need, if a decision needs to be made in May, to have several questions answered and more information provided on the Monitoring Consortium governance issue. Scott Redman believes there is some leeway in making decisions but staff does want a clear path forward. Scott will work with Chair Ruckelshaus and Bill Wilkerson on this issue and provide materials before the May Leadership Council meeting.

The Council discussed the need to meet deadlines but also the need to be strategic on which issues come to the Council. They would like to make a plan on what they need to achieve in the meetings and get ahead of the process.

PUBLIC COMMENT PERIOD

Naki Stevens, People for Puget, provided comments on Action Agenda revision, noting she was glad to see the focus on accountability. She would insert three words "benchmarks with deadlines" in several places in the document. People for Puget Sound will provide written comments and note where this wording should be inserted. She would use "accountability outcomes" rather than "outputs." She also suggested: a thorough review of agency roles and duties; thinking on how to get groups engaged; a competitive grant process for non-governmental groups; and would focus more on the regulation leg of the 3-legged stool. She asked whether there would be an opportunity for public comment on the implementation strategy.

David reported there would be an opportunity for comment on the implementation plan.

REVISED 2009 LEADERSHIP COUNCIL MEETING SCHEDULE (See meeting materials for details.)

The Council was presented with a revised meeting schedule, adding meetings in June, October, and December. The new meeting schedule would have meetings on:

- June 15, 2009
- July 16 & 17, 2009
- September 2 & 3, 2009
- October 8, 2009
- November 2 & 3, 2009, and
- December 8, 2009

Bill Wilkerson **MOVED** approval of the revised 2009 Leadership Council meeting schedule. Martha Kongsgaard **SECONDED**. Council **APPROVED** the revised 2009-meeting schedule as presented.

LEADERSHIP COUNCIL DISCUSSION

As the meeting was running late, Lynda Ransley asked the Council to give her feedback on the handout provided for this agenda item, which summarizes the Council role, operations, interface with other boards, and agency interaction. Martha Kongsgaard would follow Naki's suggestion to review the statute to ensure all roles are met.

David Dicks asked for a short executive session for the Council to discuss personnel issues.

The Leadership Council went into an executive session at 3:37 p.m. to discuss personnel issues.

The Council came out of the executive session at 4:15 p.m. and the Chair adjourned the meeting at 4:16 p.m.

4:16 p.m. ADJOURN

Leadership Council Approval



Bill Ruckelshaus, Chair


Date

Next Meeting: Next meeting May 27 & 28, 2009
 La Quinta Conference Center
 Tacoma, Washington