

Puget Sound Leadership Council
Meeting Summary
GA Auditorium
210 11th AVE SW
Olympia, Washington
February 19, 2009

DAY 1

Members Present:

- Bill Ruckelshaus
- Martha Kongsgaard
- Billy Frank, Jr.
- Diana Gale
- Dan O'Neal
- Steve Sakuma
- Bill Wilkerson

*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 Meeting Summaries from November 21, 2008 and December 1, 2008

Meeting Summary:

- Opening and Introductions
- Leadership Council Member Updates
- Executive Director's Report
- Agency Work Plan
- Federal Funds Strategy
- Overview of Process for Selection of PSAR and NS Projects
- Performance Management and State of the Sound
- Department of Natural Resources
- Science Updates

9:00 a.m. CALL TO ORDER – Bill Ruckelshaus, Chair

Chair Ruckelshaus called the meeting to order and reviewed the agenda for the day.

COUNCIL MEMBER UPDATES/COMMENTS - Councilmembers

Chair Ruckelshaus discussed how, now that the Action Agenda is complete, the Partnership is moving from a planning agency into an implementing agency. This is a tough budget time so the funds will be limited but this may actually assist by giving us time to get organized for going forward once the economy turns around and funding becomes available.

The Council needs to decide whether to continue having Council members assigned to the Action Areas in the future.

The Council talked about the need to adjust the meeting schedule for the remainder of the year and to arrange meetings around topics areas.

Bill Wilkerson has talked to a few people about the land use issue and they are very interested in forming a work group on this topic. He believes they could have something for presentation at the March/April meeting. Martha Kongsgaard noted the need to include the Land Conservancy in that work group. Steve Sakuma reported the agriculture group in Skagit County released an issue paper on agriculture and land use and this would be good information to include in the discussions.

Dan O'Neal would like to have Transportation included as a future meeting topic.

Diana Gale complimented the work of the Beach Watchers. She is not a Beach Watcher but has taken 20 of the required hours of training. She recently attended a meeting at Ecology on performance measures with Mary Beth Brown and found it useful.

Chair Ruckelshaus noted the need to move issues along and to do that through the Leadership Council. The question is how to do this and the timing.

EXECUTIVE DIRECTOR UPDATE

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

A stimulus funding packet was passed last week in Washington D.C. Jim Cahill will provide an overview later in the meeting

There was a good meeting with the Ecosystem Coordination Board (ECB). This was Chair Ron Sims' last meeting, as he will be going to his new job as the Undersecretary to Housing and Urban Development. The Leadership Council needs to discuss replacement for Ron as the South Central Puget Sound Action Area Representative. There was concern with the Governor's proposal to cut about 200 boards and commissions and what this means to ECB. David reported that the ECB would not be cut. The EPA was helpful in keeping them in place since to be a National Estuary Preserve an ECB type board needs to be in place

Chris Townsend briefed the Council on how the Puget Sound Georgia Basin (PSGB) Conference was set up to interwork both science and policy and built off Action Agenda topics along with Canadian needs. This conference was meant to create networks and focused on developing a "Call to Action" plan. The Call to Action will be provided shortly but some of the highlights included reconvening of the transboundary science panel,

British Columbia's recommitment to Georgia Basin work, and agreement on need for creation of a joint set of indicators.

Chair Ruckelshaus agreed this was a great conference and discussed the need to have not just the science cross-links but to also pull together policy cross-link groups. Chris agreed and noted that this is starting.

Terry Wright noted that tribes were very appreciative in being included in this conference more than in the past. Many times the discussion was around calling this conference the Salish Sea Conference and may want to do this for the next meeting, which will be held in British Columbia in 2011. This year the conference was not pure science, as in the past, but included both science and policy, the transition went very well.

David updated the Council on the idea for proposing legislation for creation of a Puget Sound taxing district. It has been decided that the timing is not right for putting this idea forward but it will be kept on the back burner for a future session.

He also reported that Michael Grayum has joined the Partnership staff. Michael comes to us from the Department of Natural Resources and will be our legislative contact.

David reviewed several fund sources and discussed the need to have a longer discussion at a future meeting on how the Council would like to be involved in the distribution of these funds. At this meeting, Joe Ryan will update the Council concerning the PSAR funds to implement 3-year work plans.

He noted that staff recently had a retreat. This was the first chance to have the whole staff to get together. Staff discussed the agency vision and mission. He also reported that new deputy director Lynda Ransley will be starting on March 2. She will be helping to get the agency work plan completed.

Michael Grayum provided a legislative update reporting the agency is looking at how proposals are consistent with the Action Agenda, this is not an easy task. He reviewed the process that is being used for this session. The management team has assigned policy leads for different topics and each lead is responsible to review the bills associated with their policy expertise. There are weekly meetings with the policy leads and this group collectively decides on the agency position to take taking into account both the policy and political input. He believes the agency is better organized than a year ago.

The Council discussed how they could be included in the process. It is not possible for staff to go to the Council on all the issues but it may be that there are issues that Council members are concerned with and they could provide their individual input – no reason to bring the whole group together unless there is an emergent issue. It was

suggested to have Martha Kongsgaard be the Council principle contact for Michael and David on legislative issues with Bill Ruckelshaus as the back up and together decide if the whole Council needs to be pulled together on an issue.

AGENCY WORK PLAN – David Dicks (See meeting materials for details.)

David provided an overview on his thinking on the agency work plan and how to implement the Action Agenda.

Chair Ruckelshaus provided his thoughts on the organization, mission, goals, and suggestions on next steps – he provided a handout outlining his suggested organizational structure. He reported that Ilene Quigley has been asked to assist in developing an agency communication plan and will be providing her report shortly.

The Council all agreed that communication is very important for the agency both internally and externally. They also discussed potential staffing needs for a Partnership coordinator and Action Area coordinators. The Council believes it is critical for an integration/ implementation team to be put in place for work with the Action Areas. The new Deputy Director will have the assignment to put an accountability process in place for implementation of the Action Agenda. In the future, if the agency is given the task of grant approval, there will also need to be a grant approval process in place. Organizational structure and work planning will come back to the Council at a future meeting once the Deputy Director is on staff.

FEDERAL FUNDING STRATEGY – Jim Cahill (See meeting materials for details.)

Jim Cahill reviewed the stimulus packet information and explained how these funds could be allotted and whom we need to work with. He explained that some of the funds will be distributed to superfund sites through EPA and, in Washington State, a co-process with Ecology. Tom Eaton explained how the stimulus packet projects would be for projects that are shovel ready and don't have a legally responsible party. EPA is working at the national level to hone down the list of superfund sites to be funded.

Next week we will find out how to apply for the NOAA grant funding. Staff is working with both the Department of Fish and Wildlife and Recreation and Conservation Office on the response to this grant application, which includes funding for both salmon recovery and hatchery reform projects. Although not sure at this point, it looks like the list of projects needs to be provided within 30 days of enactment of the bill and to contract agreement within 90 days so we want to be prepared. Most of the funds will be distributed through competitive grants but we will provide a list of projects to support that help with implementation of the Action Agenda.

Proposal for Distribution of remaining FFY08 EPA Funds

Tom Eaton and Jim Cahill discussed the proposed spending plan for the final \$10 million of FFY08 EPA funds reporting that the Science Panel assisted in development of this list. Staff is still in discussion with some of the agencies on their spending plans around Action Agenda priorities. Tom and Jim reported that depending on how the process works, the funding wouldn't come to the Partnership but EPA will directly contract with the various agencies. Tom stressed the need for the Partnership to submit the list as soon as possible since these funds need to be obligated by September 2009.

The Council discussed the need to highlight the number of jobs being created due to funding of these projects both as a communication issue and an economic stimulus response even though these funds are not associated with stimulus funding. The world has changed and we need to be worried about jobs so should highlight the contributions. There was some concern that not all the projects are job intensive so may not want to focus on jobs associated with individual projects.

Martha Kongsgaard asked what the Science Panel is estimating implementation of the Biennial Science Work Plan will cost. Scott Redman reported that the initial estimation is about \$24 million.

PUBLIC COMMENT PERIOD

Arthur West, Citizen, appreciates the work of the Leadership Council but has issues with the agency and how the Action Agenda was developed. He believes the Action Agenda is long on politics and short on science and it didn't follow the SEPA process. Although the Action Agenda has good portions, the Model Toxic Control Act (MTCA) is one of the problems he sees since it cuts out the public in toxic problems and encourages business as usual under MTCA. He doesn't see any science in the Action Agenda to ensure the recovery of Puget Sound by 2020. He hopes the agency gets back to its mandate to include science.

Dan Wrye, Pierce County, South Puget Sound Action Area, believes there is a missing key partner in the federal funding. He noted that local governments are laying off staff who are working on land use issues. Managing stormwater is more than building facilities – need to prioritize the operational funding for stormwater also.

Kathy Fletcher, People for Puget Sound, had not seen the recommendation for the EPA funding – her one comment is parallel to Dan Wrye's concerns. If EPA and the Partnership values the role of local government and non-profits then they would look at funding support for these groups. She believes the list is long on studies and short on actions that will assist in the restoration of the Puget Sound. While the Science Panel has developed great ambitions on things to study further a balance has not been achieved between study and actions. She urged the need to readdress the priorities to include more actions.

David Bane, representing self, killer whale biologist, discussed concern with the Maury Island project and stressed the importance of this area for salmon habitat and the impact on killer whales that eat the salmon. Killer whales take advantage of habitat that has concentration of prey. Killer whales are much more affected by noise than other habitat.

OVERVIEW OF PROCESS FOR SELECTION OF PUGET SOUND ACQUISITION AND RECOVERY (PSAR) AND NEARSHORE PROJECTS – Joe Ryan (See meeting materials for details.)

Joe Ryan reviewed the PSAR project list and explained the process used to get to this list. He noted that the list was developed at a more optimistic time and the request is over the actual funding allocation of \$33 million. This list includes both the Puget Sound recovery area and the Hood Canal Summer chum evolutionarily significant unit (ESU).

Chair Ruckelshaus explained the Salmon Recovery Funding Board (SRFB) allocation process and talked about how in the beginning the project funding was decided by what does the most good for the fish and equitable to each watershed. As time moved on, the SRFB began working at the regional level and this is where the Salmon Recovery Council ranks the best projects at the Puget Sound regional level.

Chris Townsend is the Partnership lead for the Puget Sound nearshore work. Chris explained about the PSNERP General Investigation (GI) and how WDFW took the lead on this process when the Puget Sound Action Team stepped down from that role. The GI is needed to be eligible for federal funding. The Estuary and Salmon Restoration Program (ESRP) is in its third year – first two years had about \$15 million in grant funds, for this round it looks like there will be approximately \$7 million. There is a separate federal process to allocate the federal portion of the funds. Chris sits on the state side for allocation of the ESRP state funds. Staff is working on a process to integrate the PSNERP, ESRP, and other funding processes to eliminate the overlap.

Chris then discussed the process used to identify the draft list of proposed ESRP projects and reviewed the project list.

The Leadership Council needs to approve the final project list for forwarding to RCO for funding. Chris will provide the final list and decision packet to the Leadership Council for its approval.

PERFORMANCE MANAGEMENT AND STATE OF THE SOUND – Martha Neuman (See meeting materials for details.)

Martha Neuman reviewed the plan for development of the statutory-required State of the Sound Report noting that a similarly named report been done by the Puget Sound

Action Team. The Partnership may want to change the name of this report to reflect the change in the agency. The due date for this report is November 1, 2009, and could be used to influence the budget.

Science Panel chair Joel Baker joined in this discussion noting that the Science Panel is suggesting two separate needs for this year's Report. Since this will be a transitional year, the Panel would take this year to provide an update on progress over the last 8-10 years of the report and then lay out the new way of accounting for future reports.

Martha Neuman reported that we won't be able to get as far as we would like with the new information since the indicators are not in place but we will have the baseline information for updating the past reporting indicators.

David Dicks asked how many indicators were in the last report? Scott reported that there were 20-28. The Council discussed the list of provisional indicators versus the final indicators and desired outcomes and how long it will take to get to the final list of indicators. There was concern with how to get to the final list of indicators. Scott will come back to this discussion during the agenda discussion on monitoring work.

Science Policy Work Groups

Martha Neuman provided an overview of the suggestion to create science policy work groups to create connectivity between the three boards and actively work on issues with both science and policy connections. She discussed the type of assignments that would come to the first three science policy work groups staff would like to implement: Performance Management, Threats to Puget Sound Health, and Management Strategies. Each work group will have one or two representatives from the Leadership Council, Ecosystem Coordination Board (ECB), and Science Panel and a staff person assigned.

The staff recommendation is to have the Science Panel and ECB members be asked to join by chair Ruckelshaus and/or David Dicks so that the group has the strength behind it.

The Council believe creation of these work groups is a good way to move issues forward, get things done, and help to structure Leadership Council meetings around issues that have been vetted through these groups. This suggestion emphasizes the convening power the Leadership Council has. The Council doesn't want these to be study groups but action groups.

Hearing Council support, Martha Neuman will work with David and the chair to get the work groups in place with names associated.

SCIENCE – Joel Baker, Mary Ruckelshaus, and Scott Redman

Leadership Council Guidance on Puget Sound Science Update

Joel Baker and Mary Ruckelshaus provided an update on development of the Puget Sound Science Update. This report is to be developed by the Science Panel by April 2010. The Panel has discussed a different ways and tools to display the information. They are proposing a cultural shift for this report and use of a wiki type approach. Mary presented this suggestion to the Science Panel at its last meeting and they were very excited about the concept. The Panel wants to make sure the Council is okay with the draft outline and the idea that the Panel will complete this report in sections under different timelines instead of doing the full document at the same time. Joel is very excited about how this proposal would move us to a new world.

For their part, the Leadership Council needs to define the questions that they want to have answered in the Puget Sound Science Update.

The Council provided general support for this new way of doing things and between now and the May meeting will have the Science Policy groups address what questions to have answered and follow up at May Leadership Council meeting.

Process to Create a Coordinated Monitoring System

Scott Redman provided an overview of the work being done to develop a coordinated monitoring system noting that the Partnership has access to Ken Currens who has agreed to convene a group of experts to develop the assessment questions – those questions would then be used to evaluate existing monitoring and what is needed for a coordinated monitoring program over to be put in place over the next 18 months.

Joel reminded the group that the current monitoring efforts should continue but may need to be revised. Chair Ruckelshaus reminded the group that there has been a lot of information developed in the past and we need to gather that information in deciding on the monitoring system.

The Council provided agreement with the process to move forward.

Monitoring Consortium Request and Options

Scott reminded the Council that they heard from this group in July 2008 and over the next few months the Council needs to make a decision on the governance structure for the Monitoring Consortium. This decision would need to be made at either the May or July Leadership Council meeting. Scott highlighted two options recommended in the Monitoring Consortium Report, one housing the Consortium within the Partnership and the other as a separate private entity.

Chair Ruckelshaus suggested looking at how other entities that do this kind of work are organized. Scott reported that the Consortium has looked at other models but have not looked at the center of excellence for monitoring which is what the Chair just described.

Joel Baker noted that the Science Panel was presented with the two options and he believes it should actually be a hybrid model of the two options. He believes the Partnership needs to own this issue and the Consortium should start out being housed in the Partnership then after a couple years it could be moved to a private entity.

The Council would like staff to do an analysis of monitoring governance options with a chart of the pros and cons for each of the options. The Council will then hear input and make a decision in May.

DEPARTMENT OF NATURAL RESOURCES (DNR) – Lands Commissioner Goldmark

Chair Ruckelshaus introduced new Lands Commissioner Peter Goldmark.

Commissioner Goldmark provided his vision and thoughts on how DNR can work with the Partnership and provided his commitment to support the efforts as well as he can as the new commissioner. It will take a huge amount of work to coordinate implementation activities in the Action Agenda including the uplands, nearshore, and deep water – DNR is uniquely positioned to help and want to be a leader and modeler for this ambitious goal. As a scientist he has concern about the baseline goals. He is entering this conversation after it has started but he wants to catch up as quickly as he can and make sure he is engaged as fully as the Leadership Council sees fit and that DNR staff are available to assist.

Chair Ruckelshaus thanked the Commissioner for the support and noted that he is correct in how the Department is uniquely positioned to assist with the efforts. If things need to be changed in the Action Agenda then the Partnership is willing to make the changes.

The Commissioner noted that we will learn through the implementation process and with the adaptive management portion will be able to make changes. He has had discussions with David but there needs to be more discussions with the management of both DNR and the Partnership.

David is excited to have Commissioner Goldmark on board and looks forward to working with him in true partnership.

PUBLIC COMMENT:

Naki Stevens, People for Puget Sound, addressed the paper on the State of the Sound Report. She noted that the statute says the agency will review state agencies and make recommendations and she would suggest a notch up on doing this step. The other section on accountability concerning changes to statute that impend or deficiencies in the implementation of the Action Agenda – this part of the statute gives the Partnership and Leadership Council opportunities to fix these problems. People for Puget Sound will be sending a letter addressing these comments soon.

Chair Ruckelshaus hopes that many groups will provide input.

MEETING SUMMARIES

Martha Kongsgaard **MOVED** to approve both the November 21, 2008, and December 1, 2008, meeting summaries as presented. Steve Sakuma **SECONDED**. Meeting summaries **APPROVED** as presented.

3:30 p.m. ADJOURN

Leadership Council Approval



Bill Ruckelshaus, Chair

Date 1/28/10

Next Meeting: May 27 & 28, 2009
LaQuinta Inn and Conference Center
Tacoma