**SAN JUAN ISLANDS CONSERVATION DISTRICT**

**Regular Monthly Meeting of the Board of Supervisors**

**August 25, 2023**

**Location:** at 530 Guard St., Friday Harbor, WA 98250, and via Zoom

**In Attendance**

**Supervisors:** Vicki Heater, Lynn Bahrych, David Bill,

Carson Sprenger (absent), Claire Crawbuck

**Associates:** James Skoog (absent), Thom Pence

**Staff:** Paul Andersson, Tony Fyrqvist, Kai Hoffman-Krull, Margaret Long

**Partners:** Jean Fike, WSCC Puget Sound Regional Manager; Alan Chapman, WACD NW Region Representative; Cathy Smith, NRCS,

**Public:** None in attendance

**MEETING SUMMARY – Final**

Vicki Heater convened the regular meeting held in person and via Zoom at 8:30am.

**Welcome and Introductions**

Maggie Long was introduced as the District’s farm plan intern working closely with the regular Planner. She was part of the Islands Conservation Corps (ICC) last season and is starting with the 2nd season of ICC on 9/5/23.

1. **Agenda Approval:**

As there were no additions or corrections the agenda was approved by consensus.

1. **July 28th 2023 Regular Meeting Minutes Approval:**

Lynn made a motion to approve the 7/28/23 regular meeting minutes. The motion was seconded by Claire. The minutes were approved without discussion or changes.

1. **Financial Officers Report – July 2023 Financials**

The Financial Summary Report of 7/31/23 (included as an addendum with complete District financial statements) highlighted the monthly fluctuation in grant invoicing, with July demonstrating a substantially lower level of activity than June.

The primary reason for lower activity was the end of the biennium being 6/30/23 and several of the new district grants had not yet been executed or signed by the end of July.

Balance Sheet

Due to high volume in June many of the invoices were collected during July and August leading into the Operating Account showing a near record level balance of $339,430 as of 8/24/23.

The funding delay in processing YCC-NCLI (No Child Left Inside) grant, and unavailability of the Bureau of Land Management (BLM) grants led to YCC payroll related expenditures for May – July in the total amount of $46,338 being charged to the operating account, however, the impact of this was mitigated by:

* The signing of the YCC-NCLI grant in August with an effective date of 7/1/23 which enables the District to recover $18,687 in July YCC payroll expenses.
* August payroll expenses can also be covered by the YCC-NCLI grant.
* Continued funding from donors, partner agencies and smaller grants.

Further reflecting the lower volume of activity in July, accounts receivable as of 8/23/23 consisted of only 3 items (mainly VSP and Implementation) amounting to $44,363.

Statement of Revenue and Expense

Total revenues of $54,771 were substantially down from $222,015 during the previous month.

The two major annually recurring expense items were:

* $3,778 payment of annual dues to Washington Association of Conservation Districts (WACD).
* $13,420 premium payment for liability and property insurance to Enduris.

The $6,000 capital expense was for a purchase of a 2009 Ford Expedition for the District. The District vehicle/vessel fleet currently consists of:

* 2013 Nissan Leaf.
* 1998 Toyota Tacoma.
* 2008 Ford Expedition EL XLT.
* 2009 Ford Expedition EL XLT.
* 1988 Boat XLM - Olympic Cabin with 150 Honda and Trailer.

District Payroll Cost

The District payroll cost during July covering 17 staff members - including the 5 YCC summer Crew Leaders - amounted to $75,022 which was comparable to the previous month. ICC has also a staff member on call, who has not been paid for several months but plans to work with the crews this fall.

Credit Card Detail report reflected standard activity.

Lynn made a motion to approve the financial documents containing:

* The Balance Sheet
* Statement of Revenues and Expenses
* Credit Card Details
* Bank Reconciliation
* Adjusting Journal Entries
* Payroll

David seconded the motion.

Additional discussion covered appreciation of the YCC program which has now become part of the community. Board members have been approached by parents of participants wishing to make anonymous contributions to the program due to the appreciation of positive experiences provided for their children.

Expressions heard included:

* “Life changing experience”.
* “Preparing conservation stewards of the future”.

The motion carried.

Discussion of the Grant Pipeline Report emphasized:

* Not being awarded any of the district’s four Sustainable Farms and Fields (SFF) applications. Reapplication for the Biochar and Climate Smart Technical Assistance grant will take place when a new grant cycle is opened.
* Our collaboration with Washington State Department of Natural Resources which continues with several grant applications for wildfire training for ICC crews.
* Receiving Salmon Recovery Funding (SRF) for $165,000 for continued Garrison Creek restoration.
* Receiving $45,000 from San Juan County Environmental Stewardship Department for riparian restoration and outreach.

The budget document submitted to WSCC with the Annual Work Plan was used as a baseline for developing a pro-forma budget for the bank loan applications. It demonstrates total projected revenues of $1.6 million in FY 2024 growing to $1.9 million in FY 2025 and finally to $2.1 million in FY 2026.

1. **Old Business:**

Office and property acquisition – discussion of potential property purchase

The District has applied for a commercial real estate loan with 3 local banks:

* Heritage Bank – have received a letter with terms including:
	+ 7.01% interest rate fixed for 5 years.
	+ 10-year maturity with 25 year amortization
	+ 25% down payment
	+ .50% loan fee
* Savi Bank – still considering potential loan offer.
* Banner Bank – application was declined.

As an alternative to borrowing from a private lender the District is considering the USDA Rural Development Loan Program.

The question of fundraising for the building also surfaced. As of yet, there is no formal fundraising plan in place as there are still several preliminary steps to take to secure the building purchase.

An idea surfaced of the Plant Materials Center possibly utilizing the lower lot as branch office for plant material sales. It was determined that alternate uses for the building warrant further discussion at the end of the meeting.

The Director of the Spokane Conservation District has outlined the how they have leveraged activities on their “Conservation Campus” to include:

* Educational activities.
* Leased space.
* Workshops.
* Meetings.
* Environmental mediation.
* Business center.
* Pre-school.

Discussion of Cost Share program and policy updates

Last month’s Cost Share policy updates were briefly revisited. Staff continue working on updating project prioritization scorecards for ag, forestry and riparian projects.

The Policy Subcommittee will meet before the September board meeting to provide further review of scorecards.

1. **New Business:**

NW Cluster Engineer Interlocal Agreement (ILA) - Motion to approve updated Cluster Engineer Interlocal Agreement (ILA).

Chuck Gerdes is the cluster Engineer for Skagit, Whidbey, Whatcom and San Juan Conservation Districts, but an employee of Skagit CD.

Minor liability insurance related items were cleaned up in the ILA resulting in a requirement for reapproval. The agreement terminates on 6/30/26.

David made a motion to approve the updated ILA, which was seconded by Lynn. The motion passed.

Credit card custodianship – Motion to approve updates to staff who are district credit card holders.

Due to Kelsey Kittleson leaving employment at the District, Claire made the motion to approve:

* Establishment of 2 new Conservation District Credit Cards under the existing $20,000 credit limit for the Conservation District with the following sublimits:
	+ $1,000 Limit for Michael Rosekrans
	+ $1,000 limit for Julie Curtis
* Cancellation of the Banner Bank Card to Kelsey Kittleson which had $1,000 limit.

David seconded the motion which was passed.

SJICD Procurement Policies – Discussion of draft SJICD Procurement Policies

The Discussion covered:

* Municipal Research and Services Center (MRCS) handbook for procurement.
* Establishing appropriate types and procurement thresholds.
* Prevailing wages.
* When posting a public notice in the newspaper is appropriate.
* What constitutes a Sole Source” contractor.
* Establishing potential exclusions for certain types of necessary expenditures.
* The conversation will continue in a policy subcommittee meeting.

SJICD Board Self-Review, Officer Appointment and District Manager Performance Review – Discussion of items tentatively scheduled for September meeting.

The performance review for the District Manager will be performed in a separate Executive Session during the September Board Meeting.

Board self-review forms are being sent out.

The following proposed board member position changes were briefly mentioned:

* Carson Sprenger to Board Chair
* Vicki Heater from Board Chair to Auditor/Treasurer
1. **Staff and Program Reports:**

Staff and Program Reports – Document attached

Due to the comprehensive written report included with the Board package only a few items were separately mentioned:

* Bernard’s work with Geographic Information Systems (GIS) was commended.
* Potential shifting of responsibilities for some staff members.
* Increased collaboration between YCC and ICC programs.
* District Manager responsibilities are being alleviated with:
	+ New hire Mitch working with Sandy on eelgrass project.
	+ Walt taking primary charge of the Island Marble Butterfly (IMB) grant.
* Maggie is working as VSP intern.

Staff Presentation: ICC 2023-2024 season primer Kai Hoffman-Krull

Kai’s ICC presentation commenced with the mission statement for the program:

“The Islands Conservation Corps *combines academic course work and hands-on ecological restoration to cultivate the next generation of land stewardship professionals that understand the history and modernity of conservation from the ground up.”*

The goals of the programs include teaching the participants a multidisciplinary approach to obtaining skills in restoration ecology, field work, project management, business, and other areas of technical expertise.

An organizational chart for ICC was presented with the ICC Field Supervisor reporting to the ICC Program Manager. ICC will also have:

* 3 - 2nd year Masters Level Students:
	+ Finance Manager
	+ Project Manager
	+ Intern
* 9 high quality new incoming members for the season.

Season dates are 9/5/23 to 7/15/23. The program will close for the holiday season from 12/20/23 through 1/1/24. Western Washington University classes begin 9/25/23 and end 6/7/24.

A report titled “ICC in Focus: Improving Local Forestry Resiliency” was presented.

The key land stewardship partners with ICC have been:

* San Juan County Preservation Land Bank
* San Juan Preservation Trust
* Friends of the San Juans
* Bureau of Land Management
* State Parks
* National Parks

University of Washington was mentioned as a new agency partner with their 469 acre Friday Harbor Labs on San Juan Island, and almost 400 acres ecological preserve on Shaw Island.

Key educational partners have included:

* Western Washington University
	+ With additional funding from San Juan Island and Orcas Island Community Foundations.
* Washington State University Extension Office
* University of Washington Friday Harbor Laboratories
* Washington Department of Natural Resources
* US Forest Service
* Washington Fire Adapted Communities (WAFAC) Learning Network
* Rainshadow Consulting
1. **Subcommittees**

Policy Subcommittee – did not meet.

Forest Health Collaborative Subcommittee – meeting notes forthcoming.

1. **Upcoming Trainings/Webinars/Events:**

Farm Tours of the San Juans: SJI 9/22-24; Orcas 9/30-10/1; Lopez 10/6-10/8.

* 8-12 farms/island are participating
* Marketing materials are being printed
* Brochures and maps will be provided
* Program is spearheaded by District Natural Resources Project Manager Laura Pitts.

Midnight’s Farm Aggregation 2023 Soil Retreat – 9/7 - 9/9

“Aggregation 2023” is a 2 ½ day camp primarily involving interested soil scientists sharing common interests. The 35 invited participants include 2 staff members from the District.

Great Island Cleanup 9/30

Event Debriefs – San Juan County Fair: August 16-19

The District was represented as follows:

* District booth – in Green Village with local agency partners.
* YCC booth
* YCC trash collection
* No-Till Drill

The interruption in the inter-island ferry service on Saturday – when many residents from other islands wish to visit the Fair – was the cause of dissatisfaction.

1. **Partner Reports:**

Alan Chapman from WACD reported that:

* WACD is working through strategies for the Conservation Technical Assistance (CTA) funding request for the mid-biennial legislative session.
* Northwest Area Meeting will be scheduled for 10/3 or 10/4 which will focus on bylaws, resolutions, coordination with CDs and partnerships.
* Supervisor position on the WACD Board needs to be filled, actively searching for a suitable candidate.
* Annual Meeting will be held in Wenatchee. – it will be a hybrid meeting between online and physical attendance.

Kathy Smith from NRCS stated:

* CSP and EQIP cost share programs have an application deadline of 10/20/23.
* Substantial additional funding has been received in conjunction with the Inflation Reduction Act (IRA).
* Planning a riparian visit to False Bay Creek on San Juan Island in September, along with visits to other islands – except for Shaw.
* San Juan Preservation Trust properties are eligible for EQIP funding for forest thinning which could be performed in conjunction with ICC.
* Difficult to find private contractors to perform within EQIP funding guidelines. Program participants have received quotes in excess of $2,000/acre, which is excessive under the program.

Jean Fike from WSCC emphasized the following 3 items:

1. WSCC Executive Director hiring is ongoing with an executive recruitment firm. The Interim Director Kirk Robinson can only stay until 9/21/23 due to the limit placed by his retirement contract.
2. Application will be submitted under the supplemental budget for an additional $10 million in Conservation Technical Assistance (CTA) funding.
3. The Commission is engaged in the development of a Community Engagement Plan, which is an essential component of funding. However, as most of the community engagement happens at the district level CDs will be engaged and able to utilize a template from Environmental Justice Council.
4. **Public Comments:**

None.

1. **Idea Pot:**

At the end of the meeting there was general conversation about the following topics:

* Potential SJICD filing of WACD Resolution in 2023 promoting biochar as a livestock feed supplement. This has been allowed in California as it is proven to improve livestock digestive health. We will continue researching the barriers in Washington and attempt to gain legislative support. Apparently, the prohibitions are linked to FDA regulations but it has been challenging to discover the legislative history as the practice is allowed in Europe and other countries. It can be overridden by Washington State Legislature – and would allowing biochar would result in a need for fewer antibiotics while improving air and soil quality.
* Further discussion about utilizing a portion of the potential new District facility in partnership with the Plant Materials Center (PMC) to increase the local capacity to supply riparian and other conservation plants. However, as one of the USDA loan covenants dictates 75% owner occupancy the District will research further if this applies to square footage of the building only, or to the total area of the facility. Another suggestion included a possible dedicated area for local Master Gardeners for plant materials and sales.
* San Juan County Fair went well. In addition to enhancing public awareness for the District while handing out pollinator wildflower seed packets, and other informational brochures, many new contacts were established. The question of volunteer opportunities came up. However, it is realized that coordinating and organizing volunteers is a substantial job which is why San Juan County has established a full time Volunteer Coordinator position.
* Several contact names and email addresses were collected at the Fair. With the District’s Quickbase customer relationship management software we now have the ability to send out information on specific need basis.
1. **Adjourn:**

Meeting adjourned by Vicki Heater at 10:30am.

**Next Regular Monthly Meeting: Friday, September 22, 2023 from 8:30 am to 10:30 am.**