



WASHINGTON COAST SUSTAINABLE SALMON PARTNERSHIP

SUMMARY OF ANNUAL BOARD OF DIRECTORS MEETING

September 21, 2011

10 am – 2 pm

Port of Grays Harbor, 111 S. Wooding, Aberdeen WA

DECISIONS and ACTION ITEMS from THIS MEETING

APPROVAL of AUGUST 17, 2011 MEETING SUMMARY

Dietz asked if there were any corrections or additions to the meeting summary for the August 17, 2011 Board meeting. Hearing none, Swartout declared the August Meeting Summary approved.

BUDGET REDUCTION EXERCISE, 5% AND 10%

The following line items were suggested by various Board members for reduction:

- Lead Entity Regional Participation, if we had, say, four conference-call Board meetings per year (there was serious disagreement as to whether conference calls worked well for Board meetings);
- RTC Chair, by reducing the number of RTC meetings;
- Rent, by going from having three office rooms to two.

The line items that Board members seemed to agree could be cut were:

- Refreshments (we don't have to provide lunch at Planning workshops);
- Lead Entity Regional Participation, if we combined meetings or used conference calls for Planning meetings;
- Office supplies and Copier Maintenance by reducing the use of paper;
- Phone by going from two phone lines to one.

Batchelder pointed out that RCO is asking for the results of this exercise by October 14th, which is before our next Board Meeting. It was discussed whether the results of the budget reduction exercise is something that the Board should formally approve or whether an email discussion based on staff proposals would suffice. . . . Batchelder was asked to see if RCO would extend their deadline to October 19th, the date of our next Board meeting. Failing that request, we could perhaps have a short conference-call, Special Board Meeting before October 14th.

ELECTION OF NEW VICE CHAIR

Swartout reminded everyone that Faith Taylor-Eldred is no longer able to continue on the WCSSP Board, nor as Vice Chair because of her new job responsibilities, and therefore the Board needs to elect a new Vice Chair for a two-year term. . . . As of the previous day, September 20th, the following had been nominated for the position of Vice Chair: Mike Johnson, Dave Bingaman, and Katie Krueger. Krueger and Bingaman declined nomination. In accordance with Robert's Rules of Order, Swartout asked three times if there were any further nominations for Vice Chair. There were none. He asked if there were any objections to electing Mike Johnson as Vice Chair for a two-year term. There were no objections.

(continued)

RE-ALLOCATION OF SRFB PROJECT FUNDING WITHIN THE REGION

Batchelder made a redistribution proposal to finalize our 2012 project funding, as follows:

QINLE Christmas Creek 1, 2 and 3	\$ 7,844
GHLE Trib to Steven's	17,522
NPCLE Hoh River Knotweed	119,092 + 30,000 requested by NPCLE yesterday
QINLE F-15	13,710
QIN Lunch Creek	6,991
Remainder, for QIN Moses Prairie or ?	23,206

. . . Lee Napier noted that she doesn't know if the flagging of the GHCLE Juvenile Fish Project will require extra funds to fulfill requests by the SRFB Technical Review Panel . . .

. . . Johnson asked whether the Moses Prairie project could be phased; Sims said that it does involve several culverts, and one segment of the overall project is design-only for one of those culverts. . .

. . . If Board members are comfortable with it, Batchelder suggests that he, Napier and Sims get answers to questions (above) about the GHCLE Juvenile Fish Project and the design-only segment of the QIN Moses Prairie Project and then decide how the remaining \$23,206 be spent. Swartout asked if there were any objections to the overall redistribution of funds as presented above and proceeding as outlined concerning the \$23,206. There were no objections.

PROPOSED "SISTER" NON-PROFIT CORPORATION

Swartout summed up what we seem to have agreed upon today. . . We definitely want to form this non-profit. In doing this, we need to do everything we can to prevent the Foundation from changing direction away from WCSSP, but at some point we have to move forward. So, Swartout thinks that guidance to staff from today's discussion is to strengthen the draft Articles and Bylaws as much as possible.

In attendance:

WCSSP BOARD OF DIRECTORS

Mark Swartout, Chair

North Pacific Coast Lead Entity Group (NPCLE)

Rich Osborne, NPCLE Lead Entity Coordinator

Katie Krueger, NPCLE, Quileute Tribe

Quinault Indian Nation Lead Entity Group (QINLE)

Dave Bingaman, QINLE, Quinault Indian Nation

Grays Harbor County Lead Entity Group (GHCLE)

Lee Napier, GHCLE Lead Entity Coordinator

Mark Swartout, GHCLE, Thurston County

Mark White, GHCLE, Chehalis Tribe

Pacific County Lead Entity Group (PCLE)

Mike Johnson, PCLE Lead Entity Coordinator

Key McMurry, PCLE, Key Environmental Solutions
(on conference phone)

OTHERS

John Sims, QINLE Lead Entity Coordinator

Terry Willis, GHC Commissioner

Miles Batchelder, WCSSP Staff

Dana Dietz, WCSSP Staff

UPCOMING MEETINGS:

Wednesday, Oct. 19, 2011	10 am – 2 pm	Conference Room, Forks Office, DNR, 411 Tillicum Lane, Forks
Wednesday, Nov. 16, 2011	10 am – 2 pm	Port of Grays Harbor, 111 S. Wooding, Aberdeen

WELCOME/QUORUM

Chair Mark Swartout welcomed everyone and asked that each person introduce him/herself; in particular, he welcomed a new board member from the Grays Harbor Lead Entity, Mark White, Director of Natural Resources for the Chehalis Tribe. Swartout confirmed that there was one Board member representative from each Lead Entity Group and therefore there was a quorum present.

APPROVAL OF AGENDA

Swartout asked if there were any additions to the agenda for today's meeting. Katie Krueger said she had an announcement. No other items were raised; the agenda was accepted. Later in the meeting, it was agreed to remove the Data Needs discussion from today's agenda because the Budget Reduction Exercise discussion took longer than anticipated; it was agreed to add the Data Needs discussion to the October Board Meeting Agenda.

ANNOUNCEMENTS

Effects of Energy Industry Devices on the Ocean Fisheries

Katie Krueger reported that at the recent American Fisheries Society (AFS) conference, there were presentations about studies being done on the impacts of energy devices on coastal fisheries. A lot of these devices are being put in place before we really know how they affect the fisheries. There are two sources of problems – the devices themselves, and the magnetic fields of the cables used. She is concerned because the research is most often on just one species of fish, not on across-the-board effects on all marine species. In addition, she estimates that a significant amount of the research is backed by government or the energy industry, with an agenda to show the safety of the devices, for permitting and revenue. She said she would distribute the electronic program of the conference, through which you can access the research abstracts and contact information for the speaker on the AFS website (when posted). Dana Dietz said that many people involved in the MRCs are already very concerned about this.

Regional Salmon Plan

Batchelder reported that Plan development has slowed a little because of the amount of comments we've received, some of which point out weaknesses in the way the Plan is organized, which he wants to correct. Mainly this involves articulating more clearly the ecosystem management nature of the Plan.

Questionnaire: Involvement of State and Federal Agencies in Regional Salmon Recovery Efforts

Batchelder reported that RCO and COR have instigated a discussion about how state and federal agencies might better support regional salmon recovery efforts. They are getting feedback on this issue from around the state; he will be distributing a simple questionnaire to get feedback from those in our region. He asks that folks fill out a separate survey for each agency. In particular, he wants feedback from individuals who have an opinion about how state agencies are doing in relationship to salmon recovery efforts. He needs this feedback in the next two weeks. Krueger expressed her concern that two weeks is too short because she can't answer this kind of survey alone; she needs to get more extensive and formal feedback from the tribe because it could have political repercussions. Batchelder said that he would be collating the responses, without reference to who said what; Krueger said this did not negate her concern. In answer to a question, Batchelder said he would use the information in discussions with agencies at the regional level, which will then roll up to statewide discussions, etc. He reported that NOAA's Protective Services Division is doing a similar exercise concerning federal support of local, regional salmon efforts.

October Board Meeting to be in Forks

The October Board Meeting will be held in Forks, specific location to be determined. *[NOTE: Later determined to be held at the conference rooms of the Dept. of Natural Resources (DNR), 411 Tillicum, Forks.]*

APPROVAL of AUGUST 17, 2011 MEETING SUMMARY

Dietz asked if there were any corrections or additions to the meeting summary for the August 17, 2011 Board meeting. Hearing none, Swartout declared the August Meeting Summary approved.

FINANCIAL REPORT

Dietz pointed out that this is the first financial report for the 2011-13 biennium. She explained that at the top right is the percentage of biennium that has passed (July and August = 2/24 months = 8.3%). In the same column are the percentages spent within each line item as of August 31st. She asked if there were any questions.

BUDGET REDUCTION EXERCISE, 5% and 10%

Batchelder drew attention to a letter in everyone's packet from RCO asking each region to carry out a budget reduction exercise at 5% and 10% to indicate which items in the current budget might be reduced and what effects these reductions would have on regional activities. Although the Lead Entity Groups will also be asked to do this exercise, today Batchelder wants to hear feedback and get direction from the Board about how the regional WCSSP budget might be reduced. Based on this feedback, staff will develop the information RCO is asking for.

In answer to a question, Batchelder said that he thinks that the results of this exercise are for SRFB to have something concrete on which to base their funding decisions, should they arise; that is, what can be cut with little programmatic effect versus what cuts would cause the elimination or slowing of programs and activities. Any cuts would not take effect until at least the beginning of 2012, or one-quarter through the biennium; Osborne pointed out that when this biennium's budget was originally agreed upon, the hope was that cuts would not occur until the second year, beginning July 1, 2012.

Batchelder said that all line items are up for consideration, but that some items would be difficult to reduce and other items he and others felt should be protected (staff salaries, RTC chairman expenses). In addition, he is hoping that we can propose cutting the Lake Ozette facilitation funding by a straight 5% and 10% (i.e., \$1,000 and \$2,000) without reducing the services to that committee, using a combination of appealing to Triangle Associates and perhaps providing some services via WCSSP staff. He suggested that lead entities' regional participation costs could perhaps be reduced by reducing the number of meetings we have; it was suggested that we might consider having planning committee meetings on the same day as Board meetings, or having Board meetings only 10 months out of the year. There were objections to the idea of having only 10 meetings per year.

The following line items were suggested by various Board members for reduction:

- Lead Entity Regional Participation, if we had, say, four conference-call Board meetings per year (there was serious disagreement as to whether conference calls worked well for Board meetings);
- RTC Chair, by reducing the number of RTC meetings;
- Rent, by going from having three office rooms to two.

The line items that Board members seemed to agree could be cut were:

- Refreshments (we don't have to provide lunch at Planning workshops);
- Lead Entity Regional Participation, if we combined meetings or used conference calls for Planning meetings;
- Office supplies and Copier Maintenance by reducing the use of paper;
- Phone by going from two phone lines to one.

Swartout said that he thinks WCSSP has very little room within the budget to make cuts without affecting, for instance, completion of the Plan. Osborne suggested that we could clearly make that point if we end up with a proposal that reduces the Contracted Services (Plan Facilitation, RTC Chair and Data Steward) line items; if we make this kind of proposal, we should be able to revise the WCSSP Work Plan and contracts to delay completion of the Plan. Dietz pointed out that the problem with delaying completion of the Plan is that the Plan is what is going to allow us to go to other sources to get funding. Swartout observed that we can probably do a 5% reduction without affecting programmatic activities too much, but that once we try to carve out a 10% reduction, we will be forced to more substantially reduce activities in our Work Plan.

Mike Johnson pointed out that in relationship to the Lead Entity budgets, ours are at the low end to begin with in relationship to others in the state; 10% of \$40,000 is likely to affect activities more than 10% of \$100,000, for instance. There is a basic amount of funding that's required simply to operate. He said that he thinks WCSSP is in somewhat the same position.

It was pointed out that RCO funding of Lead Entities has developed such that it does not accurately reflect the amount of work involved and/or required by each Lead Entity; in fact, there's a Lead Entity area (San Juans) that does not even have anadromous fish. Krueger said that this is an issue that needs to be tackled; she felt it was the most important thing she'd heard all day. She will draft a letter raising the issue of inequity and send to other WCSSP members for comment. Batchelder said that it is a big issue to tackle. Osborne said that the issue was suppose to have begun to be tackled last year; in addition, he didn't think we should focus on one or two Lead Entities, since there are many inequities in the distribution of funds. Lee Napier agreed with Osborne that we shouldn't be criticizing other Lead Entities, but instead should address the inequities in the overall picture. Sims provided some background by explaining that the San Juan Lead Entity was formed because of large eelgrass beds in the area, which are critical habitat for salmon.

Batchelder pointed out that RCO is asking for the results of this exercise by October 14th, which is before our next Board Meeting. It was discussed whether the results of the budget reduction exercise is something that the Board should formally approve or whether an email discussion based on staff proposals would suffice. Batchelder's sense was that it will be used to explain to SRFB what the effects of budget reductions would be, not as a draft of actual budget reductions. However, despite Batchelder's sense of the situation, it was pointed out that it could be used as a new budget draft, in which case the Board would want to formally approve it. Given all this, Batchelder was asked to see if RCO would extend their deadline to October 19th, the date of our next Board meeting. Failing that request, we could perhaps have a short conference-call, Special Board Meeting before October 14th.

ELECTION OF NEW VICE CHAIR

Swartout reminded everyone that Faith Taylor-Eldred is no longer able to continue on the WCSSP Board, nor as Vice Chair because of her new job responsibilities, and therefore the Board needs to elect a new Vice Chair for a two-year term. He added that this will put the Chair and Vice Chair on alternating two-year cycles, which is good for organizational continuity in any case. As of the previous day, September 20th, the following had been nominated for the position of Vice Chair: Mike Johnson, Dave Bingaman, and Katie Krueger. Krueger and Bingaman declined nomination. In accordance with Robert's Rules of Order, Swartout asked three times if there were any further nominations for Vice Chair. There were none. He asked if there were any objections to electing Mike Johnson as Vice Chair for a two-year term. There were no objections. Swartout congratulated Johnson on his election, and said that he will set up a three-way call the day before each Board meeting between himself, Batchelder and Johnson to go over the agenda.

REALLOCATION OF SRFB PROJECT FUNDING WITHIN THE REGION

Batchelder brought attention to an email he sent out last week describing both the WCSSP Board decisions last month as well as SRFB's decisions in the interim about the 2010 Bear River project funds:

August 17 WCSSP Board Meeting

The WCSSP Board of Directors tentatively agreed, depending upon the actual funds available and pending LE affirmations, to re-allocate unused project funding as follows:

- *\$54,000 to the partially funded QIN Christmas Creek Culverts*
- *\$17,500 to the partially funded GH Trib to Steven's Creek*
- *Any remainder to the partially funded NPC Hoh River Assessment*

August 31 Salmon Recovery Funding Board Meeting

The SRFB voted to redirect the Bear River Funding to Pacific County Lead Entity's 2010 alternate project – Ellsworth Creek Restoration, which is also the number two project on their

2011 list. This action frees \$85,989 for regional re-allocation, together with the \$22,376 from our 2011 allocation already available, for a total of \$108,365.

In addition, because the rest of the coastal LEs had contributed some of their 2010 project funds to the Bear River Project, the SRFB agreed to return an additional \$110,000 to the region for other alternate projects. As there were no other alternate projects in 2010 other than the Ellsworth Creek restoration project, RCO has agreed that the \$110,000 can be applied to alternate projects from the 2011 grant ground, provided we carefully track which dollars are going where, and seek formal, and final, approval for the funding decision at the December SRFB meeting when all other project funding decisions are made.

Batchelder summarized by saying that this means that WCSSP has about \$208,000 additional to distribute. He also reported that the NPCLE Citizens' Committee at their meeting yesterday, Sept. 20th, approved a \$30,000 increase in the grant request for the Hoh River Knotweed Control project with the request that the WCSSP Board direct available project funding toward this increase *after* funding the previously identified partially funded projects *and* the Quinault F-15 and Lunch Creek projects.

Batchelder reported that RCO has asked that we track the \$108,365 and the \$110,000 separately for administrative purposes. With that in mind, he showed the following chart of remaining funds and proposed use of them. This is the chart that NPCLE saw yesterday and approved. This is the re-allocation he is seeking Board approval for today; it leaves \$23,206 not yet allocated to any specific project. The decision about the \$23,206 will have to wait for further consideration – for example, could Moses Prairie be phased?

Distribution (allocation) of \$108,365 in unused Pacific County Lead Entity funds:

Lead Entity		Project	Project Funding Needs	Remaining Available Funding
(from Pacific County)				\$108,365
1	Quinault Indian Nation	Christmas Creek Culverts #1, #2, and #3	\$7,844*	\$100,521
2	Grays Harbor County	Trib to Steven's Creek	\$17,522	\$82,999
3	North Pacific Coast	Hoh River Assessment and Feasibility Study	\$119,092	< \$36,093 >

*Note: At the Board Meeting, the QIN Lead Entity reported a shortfall of \$54,000 for the Christmas creek project, but the completed appendix F (LE submission to SRFB) lists that shortfall as \$7,844.

Distribution (allocation) of \$110,000 from Bear River funds:

Lead Entity		Project	Project Funding Needs	Remaining Available Funding
(from Bear River Project)				**\$110,000
1	North Pacific Coast	Remainder of Hoh River Assessment and Feasibility Study	\$36,093	\$73,907
2	Quinault Indian Nation	F-15 Road Impounded Pond Enhancement	\$13,710	\$60,197
3	Quinault Indian Nation	Lunch Creek Fish Passage	\$6,991	\$53,206
4	North Pacific Coast	Additional Hoh Knotweed	\$30,000	\$23,206

5	Quinault Indian Nation	Trib to Moses Prairie Fish Passage	\$71,948	< \$48,742 >
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About the additional \$30,000 requested for the Hoh Knotweed Project, Osborne explained that when Jill Silver originally figured the budget for it, she was erroneously thinking that it was a 2011 project, not a 2012 project. She had about \$24,000 from other sources for a 2011, but it won't be available for a 2012 project. So that \$24,000 plus some other unexpected costs resulted in her requesting an additional \$30,000. The unexpected costs are due to field-observed Hoh conditions being worse than she originally thought.

Batchelder also noted that in returning the \$110,000 to the region, SRFB waived its own policy. This effort was led by Pacific County Lead Entity who wanted to make sure SRFB realized that other Lead Entities in the region had release their funding to PCLE for the Bear River project, so they felt the unused Bear River funds should be used for other projects in the region. Batchelder thanked Johnson for spearheading this effort.

With that background, Batchelder made a redistribution proposal to finalize our 2012 project funding, as follows:

QINLE Christmas Creek 1, 2 and 3	\$ 7,844
GHLE Trib to Steven's	17,522
NPCLE Hoh River Knotweed	119,092 + 30,000 requested by NPCLE yesterday
QINLE F-15	13,710
QIN Lunch Creek	6,991
Remainder unallocated, for QIN Moses Prairie or ?	23,206

Dave Bingaman said that he very much appreciates potential funding for QIN projects, but that QIN can easily forego taking on the Moses Prairie project due to their own staffing constraints. He also noted that it works out well that there's funding to replace all of the Christmas Creek Culverts at once, since doing them at one time will result in a cost savings.

Lee Napier noted that she doesn't know if the flagging of the GHCLE Juvenile Fish Project will require extra funds to fulfill requests by the SRFB Technical Review Panel; she needs to have that discussion with the project sponsor. So, she requests consideration of holding some of the \$23,206 remaining in case the GHCLE Juvenile Fish project needs it.

Johnson asked whether the Moses Prairie project could be phased; Sims said that it does involve several culverts, and one segment of the overall project is design-only for one of those culverts. So there is the potential to separate parts of the overall projects into segments. Sims wasn't sure what the cost of the design-only segment was set at.

Batchelder noted that we'll have an answer to some of these questions by Monday, Sept. 26th, because we have a meeting with the SRFB Technical Review Panel then. If Board members are comfortable with it, Batchelder suggests that he, Napier and Sims get answers to questions (above) about the GHCLE Juvenile Fish Project and the design-only segment of the QIN Moses Prairie Project and then decide how the remaining \$23,206 be spent. Swartout asked if there were any objections to the overall redistribution of funds as presented above and proceeding as outlined concerning the \$23,206. There were no objections.

Batchelder said that he feels really good about how 2012 project funding has worked out; only a few projects weren't funded, and we've worked well together to best and most efficiently spend project dollars. Swartout thanked everyone for working together on these tough issues; he thinks it shows how far WCSSP has developed as an organization.

PROPOSED "SISTER" NON-PROFIT CORPORATION

Swartout outlined this agenda item as moving forward in our discussions as to whether to form a non-profit corporation. Batchelder reported that at the last meeting, the Board had asked staff to bring to this meeting a proposal to form a “sister” non-profit corporation, based on model of the Nisqually River Council/Foundation. Staff developed drafts of Articles of Incorporation and Bylaws, which are in today’s packet.

Before detailed discussion of these two drafts, Batchelder said that there are two large questions that should perhaps be discussed first. One is the scope of the non-profit: would it be specifically limited to salmon recovery, or would it be crafted more generally to include other regional conservation efforts, for instance, those of the MRCs. WCSSP’s Plan includes, for instance, estuaries, nearshore and the ocean, so our goals already overlap those of other regional organizations.

The second large question is what should be the composition of the Foundation Board.

Concerning the question of the scope of the non-profit, Krueger pointed out that since our Plan does include estuaries, nearshore and ocean, there’s no need to give the non-profit organization a greater scope than WCSSP. If we were to widen the scope to specifically include the MRCs, it would then require that we get their approval of the Bylaws, etc., which would complicate the process. It is absolutely within the purview of WCSSP to get funding for estuarine, nearshore and ocean projects, so she doesn’t think we should delay creation of the non-profit by including other specific groups at this point. This doesn’t mean we won’t be working with them. She’s not concerned as much about a “hostile takeover” as about a subtle shift in purpose, funding and results being instigated by the Foundation Board.

Osborne proposed the idea of creating this non-profit as an ecosystem-management based organization, not just as a salmon organization. Krueger said that she has no objections to funding projects on a wider scale; she just thinks that including other organizations specifically, for example MRCs, would unnecessarily complicate the process of creating and developing the non-profit. In addition, she doesn’t think we should diffuse the purpose of this non-profit so that our original reasons for creating the non-profit are not answered and fulfilled. We need to remember why we’re creating this Foundation. And make it clear, because otherwise funders and contributors may say, for instance, “Oh, well, I’m interested in shrimp and I thought you worked in that field.” In addition, she thinks that other marine fisheries/natural resource industries are more profitable than salmon and, if we don’t make salmon the clear focus of this foundation, the funding will flow to other concerns. If we expanded the scope of the Foundation beyond salmon, we would also need to have a different name for it.

In answer to a question, Batchelder said that WCSSP as it stands now would continue to function as it does now. The Foundation would be separate, although there would be some cross-over of Board members, etc. The Foundation would serve as the fiscal agent and funding organization for WCSSP and its projects, whereas WCSSP policy issues would continue to be decided by the WCSSP Board of Directors.

Terry Willis said that in the draft Articles and Bylaws, she doesn’t see much of a connection between the proposed Foundation and WCSSP. She asked whether we are willing to see this organization go off on its own, with little connection to WCSSP.

The question of the composition of the Board revolves around keeping Foundation activities closely tied to WCSSP goals and activities. Willis said that her experience and knowledge is that the only way to assure a close tie is to make WCSSP Board and the Foundation Board the same. Even though the guidance of the WCSSP Plan is in the draft Foundation Articles and Bylaws, it doesn’t necessarily mean that the Foundation Board might not do something within the Plan but outside the decisions made by the WCSSP Board. Dietz said that the problem with having identical Boards is that the Foundation Board needs to have not so much policy and on-the-ground salmon people, as people who have contacts to people and organizations with money. Batchelder added that his experience is that the Foundation Board would require having a different membership than the WCSSP Board, in order to fulfill its funding purposes. Krueger pointed out that some WCSSP Board members might be the right people for the Foundation Board; we simply haven’t been asked to raise funds up to this point.

Batchelder said that he thinks that the Articles and Bylaws could be phrased to more strongly connect the Foundation with WCSSP goals and activities, and staff will work on that and talk to our pro-bono, WAACO attorney about that.

Swartout asked whether the intent was to have all project funding including SRFB funds come through this Foundation. Batchelder said that was the intent. In that case, said Swartout, we need to consider the amount of work for bookkeeping, auditing and other required paperwork. Substantial staff time will be required to raise funds, and then administer them, simply in order to pay for more staff time, much less administer project; will it be worth it? Dietz said that she thinks that the real possibility that the Foundation could get very large funding somewhat offsets the additional capacity/work that it would require. Batchelder said that we actually have fundraising as part of our 2011-13 Work Plan, so there is some time already built in. GSRO/SRFB continues to encourage us to get additional funds because they know that SRFB funds will never be able to accomplish what needs to be done for salmon.

Swartout continued with the suggestion that we could have both fiscal agents, Grays Harbor and a foundation. He also reported that the Chehalis Basin Partnership has been going through a similar decision-making process, and discovered that there are foundations and agencies that are willing to provide funds for organizations such as WCSSP without creating a Foundation. He thinks that we're underestimating the quantity of work that Grays Harbor County does as our fiscal agent, and that as long as GHC is willing to serve as fiscal agent, we should ask them to do so. Then begin to create a foundation and seek additional capacity and project funding.

Both Bingaman and Osborne observed that partnerships between organizations are valued these days in the funding world. In addition, Osborne thinks that the one factor that the Foundation would really have going for it is its geographic scope, the Coast Region. There is a need for an organization with regional scope, and several well-established non-profit organizations would want to partner with us, provide funds, etc. instead of doing piecemeal work as they are now. Dietz pointed out that TNC, the Wild Salmon Center, Surfriders, etc. have supported and worked with us for three years; our new foundation already would have some credibility based on those years.

Osborne pointed out that the WCSSP Plan includes both ecosystem management and salmon, and that all kinds of projects easily result from its outline. Therefore, a foundation that is simply defined as supporting the funding of Plan activities/projects can seamlessly include nearshore/estuary projects without calling out specific organizations like the MRCs.

Batchelder reminded everyone that one of the other prime motivators for creating this non-profit was to make staff employees, and not contractors as we are with the fiscal agent being Grays Harbor County. He noted that this was a motivation for creation of the Nisqually River Foundation also, to provide best working conditions for staff. Both he and Dietz said that it would relieve several of their ongoing stressors to be employees, and so they are very motivated to create a foundation even with the additional work it would entail. Osborne observed that capacity grants from private foundations are much more prevalent these days than they have been in the past, so he thinks this is a really good environment in which to proceed with creating a foundation.

Swartout summed up what we seem to have agreed upon today. The staff are working really hard to create this sister organization; they're both dedicated to doing the right thing for WCSSP, but they also have specific needs that they need to have met that are not currently being met. We definitely want to form this non-profit. In doing this, we need to do everything we can to prevent the Foundation from changing direction away from WCSSP, but at some point we have to move forward. So, Swartout thinks that guidance to staff from today's discussion is to strengthen the draft Articles and Bylaws as much as possible. For instance, perhaps we can put into the Bylaws that it takes a 2/3 majority vote of the Foundation Board to change the Articles or Bylaws. Johnson suggested another idea, that perhaps the Foundation Bylaws can stipulate that any changes to the Foundation Articles have to be approved by both the Foundation Board and the WCSSP Board, or that at least the Purpose of the Foundation organization couldn't be changed without WCSSP Board approval also.

In general, he said, this Board needs to find a comfort zone in creating this Foundation such that there's the least possibility of the Foundation Board changing the purpose of the Foundation away from WCSSP.

Swartout summarized that the second question that this WCSSP Board needs to address, he thinks, is the Foundation Board. He proposed beginning the discussion by talking about how many Board members we think the Foundation Board should have, and then discuss the membership of the new Board, including how many Foundation Board members should be WCSSP Board members. He reminded everyone that the Nisqually River Foundation has a "not-to-exceed" number of Board members.

As a place to start the discussion, Batchelder reviewed what was in the current draft Bylaws concerning Board membership, which is modeled after the Nisqually Foundation documents. He said he thought that the total Foundation Board should number at least ten (10), that there should be some Foundation Board members (in addition to the WCSSP Chair) who were members of or appointed by the WCSSP Board, but that there needs to be seats into which we can recruit those who will further our fundraising goals. A difficult question is whether we have one Foundation Board member from each Lead Entity Group: will this fill the Foundation Board up without getting enough fundraising folks, or is it one of the ways to keep the Foundation connected to WCSSP? Osborne proposed having fifteen (15) people on the Foundation Board, with five (5) from the WCSSP Board (the Chair and four others appointed by the WCSSP Board). There was some discussion of having a percentage of the Foundation Board being appointed by the WCSSP Board.

ADJOURNMENT

Swartout thanked everyone for their participation. There being no further business, he adjourned the meeting.

Respectfully submitted,
Dana Dietz