



WASHINGTON COAST SUSTAINABLE SALMON PARTNERSHIP

SUMMARY OF BOARD OF DIRECTORS MEETING

June 16, 2010

10 am – 2 pm

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

WCSSP Board members as indicated in bold.

In attendance:

Mark Swartout, Chair, WCSSP
Miles Batchelder, WCSSP staff
Bob Burkle, WDFW
Dana Jo Dietz, WCSSP staff

Grays Harbor County Lead Entity Group (GHCLE)

Terry Baltzell, Chehalis Basin Fisheries Task Force
April Boe, The Nature Conservancy
Lee Napier, Lead Entity Coordinator
Andy Olson, Confederated Tribes of the Chehalis
Mark Swartout, Thurston County
Terry Willis, GHC Commissioner

North Pacific Coast Lead Entity Group (NPCLE)

Rich Osborne, Lead Entity Coordinator

Pacific County Lead Entity Group (PCLE)

Mike Johnson, Lead Entity Coordinator
Key McMurry, WBWRCC, Key Environmental Solutions
Faith Taylor-Eldred, Pacific County

Quinault Lead Entity Group (QINLE)

Dave Bingaman, Quinault Indian Nation
John Sims, Lead Entity Coordinator

ILA Designated Representatives

Andy Olson, Confederated Tribes of the Chehalis
Mark Swartout, Thurston County
Faith Taylor-Eldred, Pacific County
Terry Willis, GHC Commissioner

UPCOMING MEETINGS:

Wednesday, July 21	10 am – 2 pm	Port of Grays Harbor, 111 S. Wooding, Aberdeen
Wednesday, August 18	10 am – 2 pm	Port of Grays Harbor, 111 S. Wooding, Aberdeen

WELCOME

Chair Mark Swartout welcomed everyone and asked them to introduce themselves. He then acknowledged that we had some new people, Terry Baltzell, Chehalis Basin Fisheries Task Force, and Andy Olson, Confederated Tribes of the Chehalis Reservation.

ELECTION OF CHAIR AND VICE CHAIR

Swartout explained that he's been the Chair of the Interim Advisory Committee and agreed to facilitate today's meeting until such time as the new Board of Directors elected a Chair. He called for nominations for Chair.

John Sims asked for "Point of Order – Since the Quinault Indian Nation has not yet seated their Board, are we proper in going forward with this action?" Swartout indicated maybe we should start with that topic, and that is whether the Quinault Lead Entity has voting rights at this point. For those who weren't at the last meeting, he reported that at that meeting the group had voted to approve the Bylaws, which is what set us up to move from interim status to the organization we have today. Since we don't have reference manuals on how to deal with issues like this, we have to deal with them as they arise. The vote at the last meeting was three Lead Entities approving the Bylaws, with one abstention, the Quinault. This is what Sims is referring to, how do we proceed voting for Chair and Vice Chair? Swartout said that we all agree that the Quinaults need to be here at the table and participate in discussion; the question is whether they have voting rights.

Key McMurry noted, if she remembered correctly, that until the Quinault Lead Entity (QINLE) adopted the Bylaws and became part of the Board, they were not going to have voting rights. Swartout said that he didn't think each of the organizations had actually adopted the Bylaws, but that each Lead Entity representative had received guidance from his/her Lead Entity on whether to vote yes or no, which they brought to the May meeting.

Lee Napier agreed, saying that her organization had reviewed the Bylaws to see if they wanted to proceed. Rich Osborne disagreed, saying that he thought we had adopted the Bylaws with the agreement that we would work on perhaps amending them. He knows that his Lead Entity considers that the Quinault have to adopt the Bylaws to be part of the Board. Mike Johnson said that his group hadn't specifically discussed the matter of voting, but he concurs with Osborne in his understanding.

Terry Willis asked for a Point of Clarification, asking Swartout if he meant that each Lead Entity did not have to go back and accept the Bylaws? He said that with Lee Napier consulting with the Chehalis Basin Partnership, and the Partnership said that they were OK, then Lee would vote yes for the Lead Entity Group. In other words, neither Grays Harbor County nor the Chehalis Basin Partnership actually adopted the Bylaws.

McMurry read from the May 19th Meeting Summary: "At the June meeting, the three Lead Entities who at that point will have sitting Board members approve the amended Bylaws." Her understanding was that until the QINLE accepts the Bylaws and appoints Board members, they're not voting members of the Board, although their input would be heard. Napier agreed; that is why she pushed last month for Grays Harbor County to have at least one Board member appointed.

Dave Bingaman said that his understanding is that the Quinault do not have standing on the Board right now, that each Lead Entity was to agree to the Bylaws and appoint Board members, and then come back to the WCSSP Board and approve the Bylaws, which they did last month. The Quinault Nation is not ready to accept the Bylaws. So, his understanding now is that the Board is currently made up of three Lead Entities who have the power to vote, and the Nation does not have the power to vote. He added that the Council is on retreat this week and therefore no one else was able to come to this WCSSP

meeting; he himself is not authorized to vote for the Nation. Mike Johnson asked Bingaman if he had a sense of how close the Nation was to approving the Bylaws. Bingaman explained that Phil Miller had come out last week to meet with the Land and Natural Resources Committee and other Council members. Since then, it's basically been a lack of time for the LNRC to make a recommendation to the Council, who will decide yes or no, and appoint Board members.

Swartout asked Bingaman if actions are taken today that are a vote of the three Lead Entities that have Board members, will the Nation, once they approve the Bylaws, accept all actions taken prior to that time? Bingaman responded that he explained to the LNRC that WCSSP had moved forward to create the Board because WCSSP felt it had to do that to meet their deliverable, but that there was concern within WCSSP that this would be seen as not caring, that is, moving forward without the Quinault. Bingaman thinks that this same explanation would apply to any decisions made. So he thinks that the QIN LNRC will understand that any actions taken by this Board, they will have to recognize. He doesn't think it's going to be an issue.

Swartout asked if there were any other points of discussion on this matter. There were none.

Swartout asked for nominations for Chair. Napier noted that this will be for a short term, only through our September meeting when annual officer elections are held according to the Bylaws. McMurry nominated Mark Swartout for Chair. Rich Osborne seconded the nomination. Swartout asked if there were any other nominations. There were none. Swartout asked for a motion to close nominations. Terry Willis moved to close nominations. Swartout asked if there were any objections to closing nominations. There were none. Swartout said he accepted the position of Chair through the September meeting.

Swartout asked for nominations for Vice Chair. Mike Johnson nominated Faith Taylor-Eldred to be Vice Chair. McMurry seconded the nomination. Taylor-Eldred said she has some concerns about time, but since the position is just through September, she can accept the nomination. Swartout asked if there were any other nominations. There were none. Andy Olson moved to close nominations. Napier seconded the motion. There were no objections to closing nominations. Taylor-Eldred accepted the position of Vice Chair through September.

APPROVAL OF May 19, 2010 MEETING SUMMARY

In response to a question, Dietz explained that she had not included Katie Krueger's addition to the Summary because the next sentence clarified what Krueger was concerned about. Swartout asked if there were any objections to approving the May 19, 2010 Meeting Summary. There were none.

Dietz reminded everyone that as soon as a Meeting Summary is approved by the group, the Summary is accessible for review, download and printing on the WCSSP website (www.wcssp.org) under the Meetings tab. For example, as of tomorrow, all Meeting Summaries up and including May 2010 will be available on the website.

FINANCIAL REPORT

Dietz asked if there were any questions or concerns about the financial report. She indicated that because there are new people, she included the first page of the Budget which does not include expenditures, but only total budget allocation amounts.

Osborne noted that Lead Entities are spending their regional/Plan participation allocations at different rates and he wondered if there's any possibility of reallocating funds between Lead Entities if that seems appropriate. Napier, speaking as fiscal agent representative, said that, yes, she hopes we will reallocate at some point, perhaps start looking at that in January, or sooner if there's a need.

COMMUNITY SALMON FUND UPDATE

Batchelder noted that everyone should have received the RFP for the 2010 Community Salmon Fund round. Proposals are due July 21, 2010, to be submitted online. The scope this year, for the first time, is regional, so it's one round for approximately \$109,000 for all five WRIAs. Average grants will be \$35,000 – 50,000 with maximum of \$75,000. At a previous meeting, we agreed to form a committee to review proposals; WCSSP is the community-based group that CSF specifies to review proposals, along with CSF designated people. So each Lead Entity needs to appoint two people to this regional review committee; they do not necessarily need to be "technical" people. Please bring the names of your appointees to WCSSP's July meeting.

Batchelder clarified that CSF is not necessarily looking for regional projects, although if Lead Entities have projects that match up, perhaps they should consider combining them. It was also clarified that anyone in the region can propose a project, so the proposals may not all come out of Lead Entities.

Bingaman suggested that small funds like this can be used as match for larger projects. However, Napier has determined in conversations with SRFB that because CSF funds are federal, they cannot be considered match for SRFB projects. Sims asked if we can get that clarified in writing since SRFB also has a State component; Batchelder said he thinks it is already in writing and he will find and provide it.

2010 STATE OF THE SALMON REPORT

Batchelder reminded everyone that every two years the Governor's Salmon Recovery Office (GSRO) publishes a State of the Salmon Report; the last one was in 2008 so it's time to start preparing the 2010 report. He has been told that it will be a much shorter document than 2008. GSRO will be changing the way they describe watersheds, eliminating the anecdotal "Watershed Watch" sections, and using the Monitoring Forum's high level indicators and Ecology's status and trends monitoring. He doesn't have a lot of specifics, but in the meeting packet, he did provide a draft outline of the Report. GSRO will be coming to us to outline the threats, which fits in well with our Planning development calendar. GSRO will be sending out forms for the region to complete, which Batchelder will forward to everyone. We will be getting further direction from GSRO on what information they want. The deadline for all input is August 1st. Batchelder assured the group that there will be a description of where we are in the development of our Regional Plan.

REGIONAL PLAN UPDATE

Right now the technical sub-committee of the Planning Committee is working on a “Roll Up” of the TAIM charts so as to reduce the number of indicators and measures to those that are most essential and inclusive. We plan to schedule the next, Threats, Workshop for the end of July.

He also reported that we’re beginning to put plan elements as they’ve evolved into Miradi software, which will create helpful charts along the way as well as make production of the final Plan document easier.

In addition, the NetMap contract has been finalized and Keven Bennett at the Olympic Natural Resource Center is preparing some basic maps for our use. Keven’s time through the end of June when his contract runs out is generously being provided to us by NPCLE. Batchelder clarified that, in addition to the original hydrology layers, etc., that Earth Systems Institute (ESI) provides, the DNR Roads Layer plus wetland layers and SaSI/SaSSI data layers are in NetMap for individuals to access if they choose (that is, they are not default, automatic layers). In addition, any data in proper GIS format from other sources can be imported into NetMap. Napier reported that we have received the final invoice from ESI and are waiting for word from WCSSP staff that the deliverable has been met.

Johnson brought up two questions about NetMap: Is the estuarine model being worked on? What will be our process when a new data layer is available for integration into NetMap? Batchelder responded that no new layers will be added to NetMap by ESI; however, we can import them into NetMap as optional layers to use. Everyone agreed that we should work on establishing QAQC policies and procedures.

2010 PROJECT FUNDING SUB-ALLOCATION

Swartout reiterated his goal from our May meeting that we would vote on sub-allocation this month. In addition, he strongly urged the group to agree first on the criteria and then discuss and argue about the weighting. He reported that he has asked Miles to put together a list of criteria that includes everything that anybody suggested:

- WRIA acreage
- Salmonid Stream Miles
- Ocean Shoreline miles
- Estuary/lake shoreline miles
- Salmonid diversity list
- ESA listed salmonid stocks

Osborne reported that yesterday NPCLE agreed that if the group can’t agree on these criteria, that a five-way split be used this year and we ask SRFB to give us guidance on formula next year. He also noted that if these criteria (and measures and weighting) are agreed upon today, he would need to take it back to NPCLE for approval. He noted that the one metric that everyone has acknowledged as being incorrect is Quinault stream miles. It was because of this that NPCLE agreed last month to use last year’s formula with the inclusion of a better approximation of stream miles from the Quinault.

CRITERIA:

There was extensive discussion about whether to include ESA listed salmonid stocks in the sub-allocation formula, including the fact that sockeye and bull trout are included in the salmonid diversity list.

Bingaman commented that the discussion reflected the Quinault's objection to the WCSSP sub-allocation process, "We do not have a technical group of staff here looking at this particular data... we haven't vetted this with technical staff for political staff to understand what we're voting on here. This is exactly our objection to how we're moving forward."

Swartout responded to Bingaman by saying that if that argument continues, we're going to end up with the TRT telling/guiding us what to do. That's the background for us making these decisions.

Osborne responded by disagreeing with Bingaman, saying that each one of these variables has gone through technical review; we have scientific references to document how they were determined.

Swartout summarized what he thought he was hearing, that we should include ESA listed species in the formula and that we should assign values: 2 for NPCLE, 1 for QINLE, 1 for GHCLE and 0 for PCLE.

MOTION to accept ESA listed salmonid stocks as criteria for sub-allocation, with the following values: 2 for NPCLE, 1 for QINLE, 1 for GHCLE and 0 for PCLE. Made by Andy Olson; seconded by Mike Johnson. No objection.

Moving on to a decision about including Salmonid diversity list in the sub-allocation formula, Swartout led some discussion, looking at the footnote/data which Osborne pointed out was vetted by Devona Ensmenger, and asked for a motion.

MOTION to accept Salmonid diversity list as criteria for sub-allocation. Made by Andy Olson; seconded by Terry Baltzell. No objection.

Concerning Estuary/lake shoreline miles, Osborne reminded the group that these figures were developed by Tony Hartrich. Bingaman pointed out that there was a discussion this year about what specifically an estuary encompasses, and he's not sure if these numbers reflect the previous, more restricted definition, or the more recent one. Osborne clarified that this is the older definition, which is simply Grays Harbor and Willapa Bay, mouth to mouth, because of the difficulty in measuring the more recent definition.

MOTION to accept Estuary and lake shoreline miles as criteria for sub-allocation. Made by Andy Olson; seconded by Key McMurry. No objection.

The group looked at the numbers for Ocean Shoreline miles; in response to a question, Batchelder said the numbers came from the work Hartrich had done for the sub-allocation process in 2007.

MOTION to accept Ocean shoreline miles as criteria for sub-allocation. Made by Terry Baltzell; seconded by Andy Olson. No objection.

There was no discussion at this point about including Salmonid Stream Miles. In the earlier discussion, Mike Johnson reminded everyone that at the technical sub-allocation meeting earlier in the year, a 16% gradient had been agreed upon to define salmonid stream miles to be used as soon as we can obtain data using the gradient definition.

MOTION to accept Salmonid stream miles as criteria for sub-allocation. Made by Andy Olson; seconded by Terry Baltzell. No objection.

In response to a question, Batchelder said that the WRIA acreage was either from Tony Hartrich or Mike Nordin, he couldn't remember. They include ocean waters, up to three miles offshore. Batchelder noted that we don't have terrestrial-only acres; we'd have to get them.

MOTION to accept WRIA acreage (total acreage minus ocean acreage but ocean acreage does not include estuary acreage) as criteria for sub-allocation. Made by Andy Olson; seconded by Key McMurry. No objection.

Before proceeding, John Sims called into question whether any of this has been approved or not, given that the QINLE has not come to the table with any of its Board members. He proposed that this whole process be tabled until such time as that happens. Or, at least a note is made that the QINLE is not on record either for or against the decisions that have been made today. Mike Johnson agreed that it should be noted that the Quinault have not voted on these decisions; however, it was discussed at the beginning of the meeting how we would proceed, and we have, as a group, made these decisions.

Swartout noted that this morning Bingaman reported that he felt the QIN LNRC would recognize any decisions made by the Board, if they choose to participate on the Board. Bingaman concurred, but said that he thinks what Sims is saying is that, if QIN wanted to object to this decision-making process this morning, they didn't have the ability to. For each item, it was asked whether there were any objections, and since the QINLE does not have standing in voting, they could not object or approve.

METRICS:

Having decided on the criteria themselves, Swartout focused the group on deciding the data to use for each criteria. He reminded everyone that our data will hopefully improve every year; we know we don't have totally accurate data at this time.

About WRIA acreage, Swartout reiterated that because we decided earlier to exclude the ocean acreage from the WRIA acreage, we need to find a source for these numbers. Swartout asked about our timeline, whether we could come back to our July meeting with specific data sources and finalize agreement. Batchelder could forward various sources to everyone, so Osborne would have them before his July NPCLE meeting. Napier and Johnson, however, said they needed to proceed with figuring out projects, which requires knowing their sub-allocation sooner than July.

So, Swartout asked the group how they wanted to proceed. Given today's time constraints, Swartout asked if the group wanted to consider tabling any decision about the Dispute Resolution language; he asked if the QINLE is waiting for a decision on Dispute Resolution before they make their decision about organizational participation.

Bingaman answered that he didn't know for sure; however, he thinks that if the language proposed or something similar were approved, "it might clear that hurdle." Swartout asked that if the Dispute Resolution language were approved, could the QINLE potentially come back to WCSSP's July meeting having approved the Bylaws and appointed Board members. Bingaman said, "Potentially." He's hoping that the decision about participation will be made by then; he sees the Bylaws as one of the issues involved in the decision, but not the major stumbling block.

Swartout asked Bingaman whether he recommends the group use the rest of its time today to work on the sub-allocation table, or did he prefer that we try to resolve the Dispute Resolution item. Bingaman responded that he would have preferred that we would have gone into the Bylaws and not even dealt with the sub-allocation; he was "concerned that this discussion today may tip the scale."

Swartout asked the group how they wanted to proceed. After some discussion, the group agreed to try to get both items covered.

Returning to the metrics discussion, Batchelder displayed on the PowerPoint presentation the metrics as used the past few years. For WRIA acreage, Swartout summarized two options: accept the acreage as we have it for this year and subtract ocean acreage next year, or do the "quick math" of calculating ocean acreage by multiplying 3 miles times the ocean shoreline miles, converting to acres, and subtracting from WRIA acreage.

MOTION to use our current WRIA acreage for this year and then next year subtract ocean acreage (but not estuary acreage). Moved by Key McMurry; seconded by Andy Olson. No objections.

(These numbers are on the decision summary chart below.)

It was noted that the Salmonid Stream Miles is a combination of Hartrich's 2008 work and SaSI/SASSI; for on-reservation streams, Hartrich added type "D" and "H" stream miles according to the QIN Forest Management Plan. Adding these miles was approved by the group in 2008 and has been used for the past two funding rounds. Osborne summarized that the group has struggled with getting accurate numbers here; nothing is consistent across the region and this is the closest we've come.

Bingaman said he's given Batchelder Hartrich's work based on WDNR water typing, which Bingaman said is generally accepted to be more accurate. Napier said she could accept the WDNR metrics; however, GHCLE currently has a project working on water typing because WDNR is not felt to be accurate, so she doesn't feel WDNR would be the best. Johnson thinks we should leave the stream miles alone this year, and make a major effort next year to get salmonid stream miles using the 16% gradient throughout the Coast. Osborne agreed. The discussion about the relative validity of the WDNR water typing continued.

MOTION to accept the Salmonid stream miles WCSSP has used for the past two years for this year's sub-allocation. Moved by Key McMurry; seconded by Andy Olson. No objections.

(These numbers are on the decision summary chart below.)

Moving on to Ocean Shoreline miles, the numbers were identified as the ones used in past years, which Hartrich provided and footnoted the source.

MOTION to accept the Ocean shoreline miles metrics WCSSP has used in 2006 and 2007 for this year's sub-allocation. Moved by Mike Johnson; seconded by Andy Olson. No objections.

(These numbers are on the decision summary chart below.)

Concerning Estuary/lake shoreline miles, the source is the same as Ocean shoreline miles above.

MOTION to accept the Estuary and lake shoreline miles metrics WCSSP has used for the past two years for this year's sub-allocation. Moved by Andy Olson; seconded by Mike Johnson. No objections.

(These numbers are on the decision summary chart below.)

The displayed Salmonid diversity list came from Ensmenger's work, which has been used the last few years for sub-allocation.

MOTION to accept this Salmonid diversity list which WCSSP has used for the past two years for this year's sub-allocation. Moved by Key McMurry; seconded by Andy Olson. No objections.

(These numbers are on the decision summary chart below.)

Concerning ESA listed salmonid stocks, Swartout noted that the group had had an extensive discussion of this item earlier in the meeting.

MOTION to accept following values for ESA listed salmonid stocks as criteria for sub-allocation: 2 for NPCLE, 1 for QINLE, 1 for GHCLE and 0 for PCLE. Moved by Mike Johnson ; seconded by Key McMurry. No objections.

John Sims asked what was the purpose of a technical group if today this group delegated to itself the role of deciding the sub-allocation. He asked if we had the cart before the horse? Mike Johnson responded by saying that at the technical group meeting in Montesano, there were disagreements about criteria (particularly stream miles versus WRIA acreage) that he didn't think that group would have ever come to consensus on. The criteria list we're using today is a compilation of both group's opinions, which he feels is a compromise made by all parties in order to get a process in place. Few think that going with a five-way split is a good idea; this is the best alternative. Sims asked, "So, we're not going to have a technical group meet to discuss this?" Johnson replied, "This is a compilation of that Montesano group; these are most of the main things we talked about."

Osborne added that we just went through and found the sources for each of these variables, "so that's science . . . you know what your variable is, you know where it came from and how it was calculated, and you know what the limitations are . . . so I'm getting tired of it being said that this isn't science. It's as scientific as anybody else in SRFB is using."

Swartout determined that everyone could stay until 2:30pm, so that was agreed upon.

WEIGHTING:

There was lengthy discussion about what weights to assign to each criteria. In particular, the group discussed whether it should assign weights somewhat according to the confidence it has in the data, or weight solely on the importance of that criteria to salmon health/restoration/etc.

At the end of the discussion, the following weights were proposed:

MOTION to accept the following weights for this year’s sub-allocation. Moved by Andy Olson; seconded by Mike Johnson. No objections.

WRIA acreage	.10
Salmonid Stream Miles	.25
Ocean Shoreline miles	.05
Estuary/lake shoreline miles	.25
Salmonid diversity list	.25
ESA listed salmonid stocks	.10

WASHINGTON COAST SUSTAINABLE SALMON PARTNERSHIP SRF BOARD SUB ALLOCATION BY LEAD ENTITY GROUP						
		Value by Lead Entity				Total
		20	21	22/23	24	
WRIA acreage	0.10	960,478.52	863,608.97	1,770,272.29	783,392.70	4,377,752.48
Salmonid Stream Miles	0.25	1,295.00	1,030.00	2,727.00	1,501.00	6,553.00
Ocean Shoreline miles	0.05	80.30	45.40	14.10	32.60	172.40
Estuary/lake shoreline miles	0.25	37	12.6	155	210	414.60
Salmonid diversity list	0.25	9	9	8	6	32.00
ESA listed salmonid stocks	0.10	2	1	1	-	4.00

BYLAWS: DISPUTE RESOLUTION

Batchelder outlined what has occurred so far: our WAACO attorney, Judy Andrews, sent a Dispute Resolution draft which he, Batchelder, edited for our group since several items in the draft didn’t apply to WCSSP. He sent his edited draft to Swartout and the LE Coordinators, plus Bingaman. Since it was QIN who asked for a Dispute Resolution clause, Bingaman asked the QIN lawyer to review and edit. This final edit is what was passed out at this meeting.

Bingaman explained that they had added a Step 4 (going to binding arbitration through a totally unbiased outside party, the Judicial Arbitration and Mediation Services). So, he explained, it tries to resolve the situation in-house, using GSRO (or some other organization), but GSRO still has a bias.

Batchelder clarified that, according to this proposal, the party that is aggrieved can elevate the resolution up through the steps, with the final one being binding arbitration by a neutral third party. Johnson asked whether that means, for instance, if PCLE is outvoted by the other LEs and gets mad, PCLE can institute this process. Batchelder said, "Yes."

Napier pointed out that we have Ground Rules that are based on consensus, and founding documents that provide for one vote per Lead Entity if consensus cannot be reached. Her question is how does the proposed Dispute Resolution procedure interface with those procedures; why aren't the ground rules and founding document procedures adequate?

Osborne related that he has voting members of NPCLE who are outvoted, don't accept the outcome, and go out on their own and try to change the outcome, which they have the right to do. But that doesn't change NPCLE's decision. Osborne said he doesn't understand how a "voting body" means anything if we institute this dispute resolution procedure.

In response to a question, Batchelder relayed that GSRO is willing to step into this mediation role if requested.

Sims pointed out that although this is likely a very rare, infrequent occurrence, he thinks that nonetheless we need to provide for the possibility. Both Osborne and Johnson disagreed, saying that if we create the process, it will be used. McMurry commented that Dispute Resolution is always a clause in contracts, but not in organizational Bylaws, in her experience.

Napier raised questions about who was going to pay for the mediation. She does not think that it is an allowed expense for the region or the Lead Entities. The cost of this process was a concern of several at the meeting. If we approve Dispute Resolution as part of the Bylaws, it binds everyone to participate in the process, even if they don't have the funds to pay for it. Johnson said he felt very uncomfortable about the budget and time that would be required if we approved this. Napier said that she doesn't necessarily disagree with having a Dispute Resolution procedure, but she simply can't agree with anything that potentially creates a cost that she just can't cover.

Swartout suggested that he put forward for inclusion in the Bylaws a more detailed process for reaching consensus; he's thought it should be included in the Bylaws and might speak to some of these concerns. Osborne, Johnson and McMurry agreed that we should follow up on Swartout's suggestion. Napier said she was hearing the group say that the proposed Dispute Resolution doesn't "work" for the group.

Since this was brought to the table by QIN, Batchelder asked Bingaman to comment. Bingaman said he wasn't given any guidelines on what would be acceptable, just that they needed something to deal with lack of consensus.

Swartout wanted to make two assignments. One to Bingaman to consider bringing to the July meeting revised Dispute Resolution language that would deal with concerns raised today, in particular, the cost. The other is to Batchelder, and indeed anyone, to bring language that outlines a step-by-step process for

coming to consensus that we might consider adding to the Bylaws. Swartout suggested that we might want to add more detail about reaching consensus, with the first three Steps of Dispute Resolution inserted at the very end if consensus was not reached. He asked Bingaman to take that idea back to QIN for consideration. It would eliminate the cost factor.

ADJOURNMENT

There being no further business, the meeting was adjourned by Chair Swartout.

Respectfully submitted,
Dana Jo Dietz