**SAN JUAN ISLANDS CONSERVATION DISTRICT**

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

**April 28, 2023**

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

**In Attendance**

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

Carson Sprenger, Claire Crawbuck

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

**Staff:** Paul Andersson, Tony Fyrqvist

**Partners:** Jean Fike, WSCC Puget Sound Regional Manager (absent); Alan Chapman, WACD NW Region Representative; Kathryn Smith, NRCS (absent); Robin Buckingham, NRCS

**Public:** None in attendance

**MEETING SUMMARY – Draft**

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

**Welcome and Introductions**

A short discussion about quantifying biochar benefits, application rates and costs took place upon gathering.

1. **Agenda Approval:**

The agenda was modified with the following additions and approved by consensus:

* 4. Old Business
  + State legislative and budget updates
* 8. Upcoming Trainings/Webinars/Events
  + May 20 – Composter Training, Orcas Island 9:30-12:30
  + June 17 – Lopez Island Prescribed Fire TREX Event
  + Recap of Trainings/Webinars/Events – Terrestrial Managers Group, Marine Resources Committee, VSP Site Visits with State Advisory Group members

1. **March 2023 Regular Meeting Minutes Approval:**

A motion to approve the 3/24/23 regular meeting minutes was made by Lynn and seconded by Carson. The minutes were approved without discussion or changes.

1. **Financial Officers Report – March 2023 Financials:**

The Financial Manager reviewed the March 2023:

* Balance Sheet
* Statement of Revenues & Expenses
* Credit Card Details
* Journal Entries

3/30/23 Balance Sheet

The deposit account balances for the month reflected operational stability. The increase in the operating account balance reflected primarily the $40,000 donation received from the Northeast Florida Community Foundation.

3/31/23 2/28/23 1/31/23

* Banner Bank Operating $240,950.23 $198,187.37 $234,807.25
* Liberty Bank Reserve $100,000.00 $100,000.00 $100,000.00
* Accounts Receivable $151,166.08 $153,299.82 $111,761.97

It was brought to the attention of the Board that the Liberty Bank Reserve Fund is currently divided into:

* $99,833.78 12-month Certificate of Deposit with an Annual Percentage Yield of 4.33%
* $500.00 balance being retained in a separate reserve deposit account being sufficient to avoid service charges. This separate reserve account has to be maintained as the District’s Line of Credit is assigned to disburse into this account.

Other factors impacting the operating account balances currently include:

* The fact that the District has not yet invoiced $44,091.41 to recover qualified expenses which have been paid under the WSCC Salmon Recovery Funding Grant 23-03-SRF.
* The District was recently going to purchase a Van for $18,500 and purchased a cashiers check for the same amount debiting the account. The van was not acceptable to the District and the cashiers check will be deposited back into the account.

The District has applied for an additional $20,000 in Conservation Technical Assistance (CTA) funding from WSCC to support the Implementation account which is depleted for the year as of this month. Implementation activities through the end of the FY are estimated to be roughly $20,000 and will deplete the district’s checking account balance if new funding isn’t received.

Operating account balance: $268,106.89 as of the board meeting date 4/28/23.

Accounts Receivables: $43,755.45, of which $25,703.01 are pending from DNR.

3/31/22 Income Statement notes:

The following significant “Ordinary Income” items were highlighted:

* $14,183.10 Assessment receipt was credited to District Account by SJC Treasurer, which is early as usually the deposits arrive in May and June for the April SJC Treasurer’s billing and in November for the October billing.
* Implementation has $5,134.37 in remaining funds and will be fully depleted with the District’s April payroll processing.
* CC-DOH-NEP and YCC (BLM Invoice) were the final invoices as both grants are now depleted. Shellfish and NRI grants have been depleted earlier.
* Misc. Donations includes the $40,000.00 received from Northeast Florida Community Foundation for purchase of a vehicle for the District.

The District is working with R&R Accounting to improve the accuracy of tracking expenses across several categories., including “Grant Services.”

A Grant Services expense of $2,865.75 for Blackcap Restoration will be moved to “Consultation”.

Grant Services also showed a YTD amount of $62,616.82 I, for which more detail was requested. 55,000.00 of this amount was an ICC expense to Western Washington University under “Washington Campus Compact 2022-23 Civic Leadership & Engagement Corps” for AmeriCorps student costs.

Credit Card Detail:

The Credit Card Detail report displayed standard charges plus disputed items undergoing review. The District’s Card #3 has been changed from Zoey Chue to Paul Andersson.

The District credit card limit increase from $10,000.00 to $20,000 per the motion of the Board on 1/27/23 was approved by Banner Bank.

Bank Reconciliation Report

The Bank Reconciliation Report was not reviewed in detail. It is prepared by R&R Accounting and is in compliance with all District and SAO guidelines.

Adjusting Journal Entries Report:

This report is prepared by R&R Accounting and any unusual entries outside of the standard payroll related tax, wage and benefit related entries would require further examination under the District’s double control of finances.

Payroll

March payroll included 10 employees in the total amount of $ $63,400.75.

A motion was made by David to approve the financial packages for March 2023 consisting of:

* The Financial Statements
* Journal Entries
* Credit Card Detail
* Bank Reconciliation

The motion was seconded by Lynn and carried.

Grant Progress and Pipeline Report

A brief discussion ensued about the pending grants totaling $816,983.00. A particular mention was made of:

* The Puget Sound Partnership National Estuary Program Habitat Strategic Initiative Lead grant for $280,000 for Eelgrass which will necessitate the hiring of a Program Manager.
* The YCC grant application to Bureau of Land Management for $100,000.

1. **Old Business:**

2023 Supervisor Election recap

* Elections were held on 3/30/23 and Carson Sprenger was re-elected to the SJIC Board of Supervisors. The official announcement from WSCC should occur in May.
* Statewide elections debriefing identified that some districts experienced mild disturbances at voting locations, including weapons on the premise. Some districts reportedly use online voting and a combination of physical polling, mail-in ballots, etc. Some districts have opted not to host physical polling to keep costs low and reduce the opportunity for issues at the polling site. A variety of costs were discussed for various district election marketing and polling strategies, including the high costs of appearing on the general ballot.
* Pending state budget approval, WSCC is likely to conduct a $125,000 elections study to analyze the costs to districts for running elections in various capacities.

State legislative and WSCC budget updates

House and Senate have passed the budget which has been sent to the Governor for signature.

Some of line item comments on the WSCC budget included:

* Conservation Technical Assistance (CTA) for implementation - $10 million of funding was requested, but $1 million was received.
* $25 million was received for Riparian Grant Program, compared to last year’s $10 million.
* Sustainable farms and fields will be well supported with $30 million. This will include biochar, training, carbon sequestration and near shore environmental work (which could encompass District’s work on eelgrass).
* Forestry funding of $5 million will be transferred from DNR to WSCC, which should help sustain the District’s forest planning services. There was also conversation about the property owners finding consultants to complete forest plans and if this cost could be subsidized by the District in order to expedite the process for the many landowners on the wait list (10-15 consistently)
* $10 million has been allocated to funding Firewise projects.

SJICD job compensation study updates

The board received copies of employee pay scale analyses from Snohomish and Whidbey Conservation Districts, both produced by the consultancy Public Consultants.

Snohomish CD is much larger with up to 40 employees while Whidbey is much smaller than SJICD. SJICD wages are consistent with the mid-range of the Snohomish pay scale and the high end of Whidbey. It was mentioned that SJICD has 10 regular employees, 11 ICC staff members and seasonal YCC crew leaders (and crew members) making the total personnel roughly 20 year round.

The compensation subcommittee, including Vicki and Lynn, will review the reports further. Paul will produce a side-by-side comparison of Snohomish – Whidbey – SJICD employee positions and compensation rates.

At the end of the 6/30/23 Fiscal Year all SJICD staff compensation packages will be reviewed, per policy. The upward pressure on wages has been observed with inflation, increases in cost of living, and competitive hiring rates being at or above current earnings of employees who have been with the district for some time.

Office and property search updates

The District has been presented with a 5-year extension to the current lease at $2,100/mo. This represents an approximate 5% year-to-year increase over the past 5 years. We will contact the landlord to inquire about a 1-year lease with an option to renew for the additional 4-years.

The District has researched various options for financing a property acquisition ranging from arranging bond financing with Banner Bank – where the District maintains its primary operating account to other financing alternatives such as an owner carry contract, financing through NRCS/Department of Agriculture or capital fundraising.

The County Public Works building on Spring Street has been considered as a potential purchase option. A commercial appraisal dated 9/29/22 values the building at $1,110,000. The building is too large for the Conservation District, however, there is a strong possibility of subleasing space to conservation partner agencies.

The District need for additional space have been addressed in the 5-year plan:

* To accommodate growth and possibly housing NRCS staff at the District office.
* Convenient location with proximity to Town of Friday Harbor.
* Storage for the No-Till Drill.
* More functional conference room facility.

It was acknowledged that finding acceptable space for the district will be an ongoing conversation.

Honoring Lynn Bahrych for 5-years of service as a Supervisor for San Juan Islands Conservation District

Lynn received a certificate and a pin for her 5-years of service to the District.

Discussion of 1-Year and 5-Year Plans

The District’s updated 5-year plan is due by May 30, 2023 and is being drafted for board approval at the May meeting. There was a suggestion to move Climate Change to Objective #1 as it the highest level overarching goal on both the 5-Year and 1-Year plans.

The following goals reflect priorities for the district:

Goal1 – Climate Change

Goal 2 - Agricultural Stewardship

Goal 3 - Forest Stewardship

Goal 4 – Riparian Restoration

Goal 5 – Habitat Improvement

Goal 6 – Youth Conservation Engagement and Workforce Training

Goal 7 – Adult Conservation Education and Workforce Training

Goal 8 – Community Outreach

Goal 9 – Administrative and Operational Efficiency and Effectiveness

Goal 10 – Partnerships with Tribes and Agencies

1. **New Business:**

No new business was discussed at this meeting.

1. **Staff and Program Reports:**

Staff and Program Reports – Documents attached

District Cost Share Program was also provided as a separate attachment.

* District has updated the scoring matrix to evaluate and prioritize cost share projects. This provides objective scoring system through quantitative and qualitative analysis.
* Discussed critical areas vs. high urgency projects.
* Discussed water storage for agricultural use vs. use for domestic supply.

Discussed the site visit by seven VSP Technical Coordinators on 4/11/23 to Redmill Farm, False Bay Preserve and New Hannah Farm. Overall, the guests were impressed with work being done and left with a positive response. They were driven to the sites in a 15 passenger van rented by the District.

Island Marble Butterflies have been spotted again and many new sites are being considered or coming online at this time.

There was an idea about including a program photo for many sections in the Program Reports, which could help it to be converted to a more public-facing document, although further editing would still be required.

A substantial conversation ensued about prescribed burns:

* DNR Funding for “Burn Management Organizations”
* DNR prescribed burn training
* Development and availability of burn crews
* Working together with local fire districts
* Difficulty of predicting costs of prescribed burns
* Determining who assumes liability of the burns
* ICC is engaging in burn training

The District is in process of hiring 2 well qualified YCC Program Coordinators: One on San Juan Island and the other one on Lopez. They will start training immediately with the currently outgoing Coordinator. Kelsey recently received compliments from the Weed Control Board as to being able to answer all of their questions in an eloquent and knowledgeable fashion.

Conversation also included the riparian plant propagation program and availability of plants from local nurseries. The WACD Plan Materials Center received many larger orders during the fall and ran out of stock of several varieties.

A discussion ensued about the differences in Designated Forest Land (DFL) criteria, and codes, currently existing between the State of Washington and San Juan County.

Brief discussion regarding the successful Terrestrial Manager’s Group (TMG) retreat on Orcas on 3/28-3/29.

Lynn Bahrych has engaged DNRs Western Washington Cost Share program for herself and neighbors to receive cost share funding for forest health practices. The 1-page application is very easy and a site visit will be the next step, schedule for early May.

The Environmental Quality Incentives Program (EQIP) application for Forestry Cost Share provides the following advantages:

* EQIP can support the writing of forest management plans.
* Once the application completed it can be used to apply for additional grants.
* Robin Buckingham from NRCS assured that they will work in conjunction with the District to assure a good fit for each project. There are currently about 4 landowners in San Juan County working on NRCS ag and forestry projects.

1. **Subcommittees** – no meetings.
2. **Upcoming Trainings/Webinars/Events:**

May 20 – Composter Training Orcas Island 9:30 – 12:30.

* District staff will partner with a landowner from Orcas Island to organize this training.

June 12-14 – WADE Annual Conference, Leavenworth, WA.

* The District received a $600.00 scholarship and 2 Supervisors will be attending.

June 17 - Lopez Island Prescribed Fire TREX Event

* Details and dates are still pending.

1. **Partner Reports:**

Robin Buckingham from NRCS:

* Discussed Inflation Reduction Act (IRA) sign-ups
  + The Act contains $20 billion over 5 years to support USDA’s conservation programs that yield climate-change mitigation benefits
  + The FY23 IRA funding for NRCS-Washington includes an additional $2.2 million for IRA-EQIP and an additional $5.4 million for IRA-CSP.
  + Last year’s sign-ups are moving forward to contracts
* Forest Management Plans
  + Districts can coordinate with NRCS to determine eligibility and set up for future work with NRCS
  + NRCS can relieve pressure in District’s Forest Plan pipeline
  + The forest Management Plans must be in place before funding and they can be written by:
    - A District Planner
    - An approved Technical Service Writer from NRCS Registry listing

Discussed precommercial thinning and habitat preservation, and option for commercial harvesting. For a commercial harvest a “Harvest Plan” must be in place which is not interchangeable with a Forest Plan.

The County Assessor, and the Specialist at the Assessor’s Office, have substantial leeway with interpretation of Designated Forest Land, and with the renewal decision of the DFL Designation.

Alan Chapman from WACD stated:

* An outside firm is being engaged to aid in the search for the new Executive Director for the Commission between July and December 2023. The findings will be presented to the Selection Committee with hopes of not replicating the previous process.
* PMC Sales have been strong.
* Mentioned that several district have not paid their dues yet.
* Briefly discussed WACD work plan.
* The Annual Meeting Site selection process has started from the East side of the state. It must be able to accommodate 100 personal attendees.
* The Livestock Committee reiterated the desire to resolve the water quality vs. the water rights issues. This has led into the debate between regulatory and voluntary achievements of environmental goals.
* King CD has reported uninvited and disruptive attendees at their online public meetings and is refining a method to rapidly remove the hostile attendees from the electronic site.

1. **Public Comments:**

None.

1. **Adjourn:**

Meeting adjourned by Vicki Heater at 10:30am.

**Next Regular Monthly Meeting: Friday, May 26, 2023 from 8:30 am to 10:30 am.**