

RECREATION AND CONSERVATION FUNDING BOARD SUMMARIZED MEETING AGENDA AND ACTIONS, JUNE 25, 2010

Agenda Items without Formal Action

Item	Board Request for Follow-up (<i>Due Date in Italics</i>)
Management Report	<p>The board asked Kaleen to send a copy of the memo to Rep. Kretz and offer to meet with him. (<i>June – completed</i>)</p> <p>The board wants to ensure that they have time at a future meeting to discuss the options and identify the approach they want to take for developing a grant program for community gardens. (<i>2011 schedule</i>)</p>
Acquisition Policy Updates and Potential Changes	Staff should proceed with the work as planned, and provide a briefing in August. (<i>August</i>)
Request for Board Guidance: City of Kent Stormwater Proposal	If the city of Kent wants to proceed, they need to return with more detailed information. Staff needs to provide more information about how the funding sources affect the policy and decision.
Performance Review and Board Work Plan	<p>The board requested edits to the strategic plan and work plan (Summer – completed)</p> <ul style="list-style-type: none"> • Rewrite Principle #3 to read “The plans and strategies (conservation and/or recreation) of federal, state, tribal, local government, and other partners should help guide the identification and prioritization of projects.” • Put the phrase “close to home” back into Strategy 1.B.5. • Add the revision to the conversion policy (in the agency work plan) to the board work plan.
Preparing for the 2011 Legislative Session	The board did not request legislation for 2011. Staff should proceed with 2011-13 budget development, with a board decision in August. (<i>August</i>)

Agenda Items with Formal Action

Item	Formal Action	Board Request for Follow-up (<i>Due Date in Italics</i>)
Consent Calendar	Approved	
Boating Infrastructure Grants: Request to Delegate Authority to Director	<p>Approved</p> <ul style="list-style-type: none"> • Delegated authority to the director to submit Tier 1 and Tier 2 projects to the U.S. Fish and Wildlife Service for federal fiscal year 2011 	Report the final project ranking and the projects sent for federal consideration (<i>October</i>)
Conversion Request: City of Newcastle, May Creek Trail Addition, RCO #91-211	<p>Rejected</p> <ul style="list-style-type: none"> • Conversion request was denied, pending further board discussion of conversion policy. 	<p>Staff to research and report on the board’s current authority regarding conversions</p> <p>Newcastle request to be considered at future meeting (<i>possibly October</i>)</p>

RECREATION AND CONSERVATION FUNDING BOARD SUMMARY MINUTES

Date: June 25, 2010

Place: Walla Walla Community College, Walla Walla, Washington

Recreation and Conservation Funding Board Members Present:

Bill Chapman, Chair	Mercer Island	Stephen Saunders	Designee, Department of Natural Resources
Steven Drew	Olympia	Rex Derr	Director, State Parks and Recreation
Jeff Parsons	Leavenworth	Dave Brittell	Designee, Department of Fish and Wildlife
Harriet Spanel	Bellingham		
Karen Daubert	Seattle		

It is intended that this summary be used with the notebook provided in advance of the meeting. A recording is retained by RCO as the formal record of meeting.

Thursday, June 24, 2010

Joint Meeting with the State Parks Commission

Fred Olson and Bill Chapman made opening remarks, welcoming the board members for the first joint meeting between the two boards. Board members then participated in an extensive discussion of the ways in which they could promote greater sustainability in their work.

Members of both boards noted the various approaches, environmental and cost trade-offs, and the importance of sharing information among agencies and project sponsors as this dynamic field evolves. Key points included:

- Policy development should proceed simply and slowly, with careful consideration to unintended consequences. The first step should be policy statements, without changes to evaluation criteria.
- Any policy should prioritize incentives rather than requirements. However, incentives should not penalize good projects where sustainable approaches are impractical or too costly. Proven technologies should be prioritized over newer practices. The cost and location of the materials are also elements of sustainability.
- Lowering the long-term costs should be weighed against initial cost savings.

Board members agreed that the discussion was valuable. They agreed to hold additional joint sessions either annually or biennially, with topics to be determined in the future.

Friday, June 25, 2010

Opening and Management Report

Chair Bill Chapman called the meeting to order at 8:38 a.m. Staff called roll, and a quorum was determined.

- The Recreation and Conservation Funding Board (board) approved the agenda as presented.
- The board reviewed Revised Resolution #2010-09, Consent Calendar.

Resolution 2010-09 moved by: Derr and seconded by: Daubert
Resolution APPROVED

Representative Maureen Walsh welcomed the board to Walla Walla. She discussed recreation and conservation projects and efforts in the area, in particular those related to salmon recovery.

Item 2: Management Report

RCO Director Kaleen Cottingham reviewed her management report. In particular, she noted the state audit findings and discussed the changes that the agency has made, and reviewed a memo that she wrote to the board about the agency's response. She assured the board that the agency has not paid for items that the state did not receive, and that we have systems in place, including a risk-based approach to sponsor audits. Kaleen also noted that we are improving those systems and moving to performance based contracts. She concluded by explaining the circumstances related to the grants that were audited. Rachael Langen noted that the mitigation plan had been delivered to OFM for approval on Wednesday June 23.

The board discussed ways to respond to clear the record and whether any further action is needed. They also noted that there are a number of things that were not found in the audit – and that the programs are fundamentally sound. The board asked Kaleen to send a copy of the memo to Rep. Kretz and offer to meet with him. The board also encouraged the RCO to complete its mitigation plan.

Kaleen also noted performance metrics and the expiration of the Biodiversity Council. Rex noted the hard work of the RCO to close the Kiket Island project.

Summary of 2010 Supplemental Budget Impacts

Steve McLellan, policy director, reviewed the legislative session and supplemental budget effects as described in the staff memo.

Grant Management Report

Section managers Marguerite Austin and Scott Robinson reviewed the information in the grant management memo. They discussed project review and evaluation, noting that the review teams included over 100 volunteers from throughout the state. Scott also noted that three interns are currently doing inspections for LWCF and boating grants to help reduce the backlog of inspections due. Marguerite discussed projects that received alternate funding, highlighted the Seahurst Park project in Burien and the Mount Vernon Kiwanis Park, and discussed the final report that staff are developing in PRISM.

Policy Update

In response to board questions at the March meeting, Steve McLellan, policy director, explained that community gardens are eligible in two programs and that the board has funded eight as part of other projects. The agency is authorized to participate in federal grant programs, so new legislation would not be needed if a federal community garden grant program were created. In response to questions from board member Drew, Steve gave further information about the Department of Health community garden grants. Board member Parsons suggested that there be additional outreach for stand-alone community garden projects. Steve noted that we are working to develop the partnership with the DOH. Board member Drew noted that the board would need to think about the definition, scope, and criteria for community gardens. Chair Chapman reminded the board that staff is still seeking funds and that there was a good discussion at the last meeting. Steve noted that there are many moving parts, and that we need to figure out the board's role in the broad scope. The board wants to ensure that they have time at a future meeting to discuss the options and identify the approach they want to take for developing a grant program.

Steve also noted the natural resources reform effort. We are participating in three activities – one front door web access; streamlining grant and loan processes; and building the natural resources GMAP system.

Board Decisions

The board took action on two topics, as follows.

Item 3: Boating Infrastructure Grants: Request to Delegate Authority to Director

Section Manager Marguerite Austin explained the circumstance that led staff to ask the board to delegate authority to the director to forward the list of eligible Washington State BIG projects to the U.S. Fish and Wildlife Service.

Resolution 2010-10 moved by: Derr and seconded by: Parsons
Resolution APPROVED

Item 5: Conversion Request: City of Newcastle, May Creek Trail Addition, RCO #91-211

Grant manager Laura Moxham explained the background and current circumstances surrounding the city of Newcastle's request for approval of a conversion of about 2.5 acres of the May Creek Trail Addition project. The city proposes to replace this property with about 1.1 acres of similar property.

In response to questions from board members, Laura and Newcastle Parks Manager Michael Holly provided the following additional information:

- The replacement property was purchased to satisfy the conversion.
- The replacement and conversion properties were appraised at an R-1 value, as if the retention pond were not there. The conversion property appraisal was done in April 2009; the replacement property was appraised in September 2008. The board expressed concern about the dates of the appraisals, given market changes.
- The trail will not cross private property to provide a crossing to Coal Creek Parkway because there is a new stoplight crossing.
- The city has control over the road and path near the surface water pond. There was no change in ownership to the school district; only a change in use.

The board discussed the request at length, expressing dismay that the conversion happened without board approval and noting the following concerns:

- Would approval set a precedent such that sponsors assume they can put stormwater ponds in RCO-funded parks?
- Are there financial or other penalties that the board can use to discourage sponsors from converting properties without prior approval?
- Could the requirements for conversions be higher if there is clear willful non-compliance from the sponsor?
- Does the board have a way to require that converted properties not be developed further, even after a deed restriction is removed through the conversion process?
- Can the board recoup revenue generated from the property prior to the conversion (e.g., sale of timber)?
- Is there a system through which the warnings and penalties could be progressively applied based on the severity of the conversion or situation?

Kaleen Cottingham, Marguerite Austin, and Scott Robinson provided the following information to the board:

- Staff is working on ways to ensure that sponsors know the rules, especially as their staff changes over time.

- The board does not currently have the authority to levy fines or receive payments. Requesting repayment of the grant would create a revolving loan fund.
- Staff has discovered a number of conversions during inspections. They expect to find more as inspections continue.
- One option for penalties would be to amend the existing high-risk policy to include sponsors that have conversions that were not approved by the board. Staff suggested that the policy should not be retroactive.

Michael Holly noted that the city would be willing to keep the deed restriction on the converted property, as well as the replacement property.

Resolution 2010-11 moved by: Derr and seconded by: Saunders

Amended as follows:

NOW THEREFORE BE IT RESOLVED, the Recreation and Conservation Funding Board expresses its concern with this conversion because it of its failure to respect the grant process. The board reluctantly approves the conversion request and the proposed replacement site for RCO Project #91-211A May Creek Trail Addition, and

BE IT FURTHER RESOLVED, the board authorizes the director to execute the necessary amendments, including retaining the deed of right on the converted property, and

Resolution FAILED 3-5

Members Derr, Chapman, and Saunders voted in favor; Members Brittell, Drew, Parsons, Spanel, and Daubert opposed the resolution.

The board noted that this is part of a broader discussion. They directed staff to research and report on its current authority regarding conversions. The city should not take further action on the conversion until after that discussion.

Briefings

Item 4: Acquisition Policy Updates and Potential Changes

Grant manager Leslie Ryan-Connelly explained that RCO staff is working on updates and revisions to Manual #3: *Acquiring Lands*. Changes will include clarifying procedures; ensuring consistency with other laws and rules; incorporating board-approved policies; and revising existing policy. She explained the different approval processes for procedural changes versus significant policy changes, and gave examples of both. Leslie concluded by describing the timeline and next steps for the process.

Board member Stephen Saunders made the following comments:

- RCO staff should check with the Department of Natural Resources (DNR) transactions team on how they do the work and how they have considered the issues.
- DNR is still working on moving to yellow book for appraisals, but found that few appraisers have yellow book certification. Training is difficult to access.
- Having landowner acknowledgment at the time of application could be a challenge because they are applying for large “envelopes” that could have over 100 owners. Leslie noted that they might need a different approach for landscape-scale projects.

There were no other board comments.

Item 6: Request for Board Guidance: City of Kent Stormwater Proposal RCO #04-1143 (Clark Lake Park Expansion 04)

Grant manager Karl Jacobs described the background and circumstances regarding the city of Kent’s proposal to use a portion of Clark Lake Park for off-site stormwater detention and treatment. The proposed stormwater pond is designed to have both ecological and passive recreational benefits to the park. Staff is asking the board to provide direction on whether the proposal (a) is a bona fide recreational amenity or (b) constitutes a conversion.

The board commended the city for bringing the proposal to the board before proceeding. However, they noted that the proposal lacks details and forces the board to make assumptions. The city should have a more complete, specific proposal, and a formal study that demonstrates that the work improves the park and/or is a real enhancement of the wetland. The board noted that the original intent was to mitigate stormwater, not to improve the lake. The scale of the pond in relation to the overall park also is a significant factor in a future decision. Finally, the board noted that the funding source (state versus federal) could affect their decision because of the different policies at the federal level. Based on the information available, several board members were inclined to consider this a conversion.

The board also discussed the general idea of using parks for off-site stormwater mitigation. Members noted concern that the intent of such proposals is usually mitigation cost savings, not park enhancement. They want to be certain that their decisions do not set a precedent that encourages sponsors to use parks for stormwater.

Item 7: Performance Review and Board Work Plan

Rebecca Connolly, Board Liaison and Accountability Manager, presented information about agency performance and the agency's updated strategic plan. She also asked the board to consider changes to its own strategic plan and to adopt a fiscal year 2011 work plan. The board asked for the following revisions:

- Rewrite Principle #3 to read "The plans and strategies (conservation and/or recreation) of federal, state, tribal, local government, and other partners should help guide the identification and prioritization of projects."
- Put the phrase "close to home" back into Strategy 1.B.5.
- Add the revision to the conversion policy (in the agency work plan) to the board work plan.

Member Drew moved to adopt the strategic plan and work plan with these edits. Member Dauber seconded the motion. Motion passed.

Item 7D: Deliverables for Director's Evaluation and Process Discussion

Chair Chapman briefed the board on the director evaluation process and asked for volunteers for the subcommittee. Subcommittee members will be Bill Chapman, Steven Drew, and Harriet Spanel.

Item 8: Preparing for the 2011 Legislative Session

Policy director Steve McLellan explained the decisions that the board will need to make in August regarding budget, and the legislative decision packages that the RCO will put forward regarding the Monitoring Forum and Invasive Species Council. The board indicated support for continuing both bodies.

McLellan also explained the new budget process, noting that the RCO will need to answer a number of questions. The board asked staff to provide the following information at the August meeting:

- The justification that the RCO will provide with the budget request
- Logic and strategy behind different WWRP funding levels
- Information from statewide sessions
- Recommendation on what we need versus the anticipated funding

The board recommended the following key messages for the agency, noting that these will be considered as they make their decision in August.

- Need to show the impact of lost momentum and staffing
- Need to respect partners and keep the momentum of programs that have just started.

** DRAFT **

- Demonstrate what we bought over the years and the public benefit.
- Tie to jobs and economic stimulus

State Agency Partner Reports

Board member Brittell reported that the Department of Fish and Wildlife is trying to do a better job of managing lands and communicating what they do. They are asking for operations and maintenance dollars in the next session.

Board member Saunders reported that the Department of Natural Resources also is hearing that they need to do a better job of managing lands that they own. They rely heavily on volunteers. He also raised the issue of making costs for activities that support the grant program eligible for reimbursement. These activities include training, supervision, and so on.

Meeting adjourned at 3:15 p.m.

Approved by:

Bill Chapman, Chair

Date