



Meeting Minutes
Nisqually River Council
April 19, 2013
Northwest Indian Fisheries Commission
Conference Center, Olympia
Information: 360.438.8715

Attendees:

Council Members

Nick Bond – *Town of Eatonville*
JW Foster – *City of Yelm*
Edna Fund – *Lewis County*
Cindy James – *Department of Ecology*

Doug McClelland – *Dept. of Natural Resources*
David Troutt – *Nisqually Indian Tribe*
Cindy Wilson – *Thurston County*
* **CAC Representatives (3)**

Citizens Advisory Committee Members

Mary Foster*
Fred Michelson
Karelina Resnick*

Marjorie Smith
Robert Smith*

Guests

David Bakter – *Earth Economics*
Chris Ellings – *Nisqually Indian Tribe*
Kim Gridley – *Nisqually Indian Tribe*
Katrina Jones – *The Evergreen State College*
Emmett O'Connell – *NWIFC*

Chris Schutz – *Pierce County*
Tracy Stanton – *Earth Economics*
David Stepetin – *Nisqually Indian Tribe*
Stephanie Suter – *Puget Sound Partnership*
Barb Wood – *Thurston County*

Staff & Associated Nonprofits

Justin Hall – *Nisqually River Foundation*
Joe Kane – *Nisqually Land Trust*
Don Perry – *Nisqually Stream Stewards*

Rebecca Shaub – *Nisqually River Education Project*
Sheila Wilson – *Nisqually River Education Project*
Ashley Von Essen – *Nisqually River Council*

1. Call to Order, Approval of Minutes and Agenda

Call to Order – David called the meeting to order at 9:08am.

Approval of Meeting Minutes and Agenda – There was a motion to approve February's meeting minutes as presented. They were approved, as was the agenda for April.

2. Introductions, Reports

Advisory Committee Reports

- *Citizens Advisory Committee* – Karelina reported that the CAC has taken a new direction in developing Citizens Conservation Certification assessment. Their goal is to have something to show the Council within the next 6 months.

Karelina reported that the CAC would like to sit down with members of the NRC and NLT to see how the organizations are working towards goals of public access in the Nisqually Watershed. The CAC wishes to offer their services to make access on Land Trust properties a reality.

- *Chair Report* – David reported that he is fresh off the island, spending almost two weeks vacationing in Hawaii.

It was discovered yesterday that financial support from Department of Ecology will be discontinued beginning July 1, 2013. David will be attempting conversations with elected officials in order to direct funds to the Nisqually River Council, including penning a letter to Senator Karen Fraser with permission from the Council. Anyone wanting to see the letter before it is sent should contact Ashley. Edna suggested that calls be made as soon as possible because of the late season of the legislature. David shared that this is the second time this issue has arisen with Ecology, the first time resulting in the formation of the NRF to take in alternative funds. It is the future goal of the Council to seek more stable funding. The NRC needs to secure between \$150,000 and \$200,000 for the biennium.

Base funding for the upcoming PSAR budget has been secured, with \$60 million being proposed by the Senate and \$70 million proposed by the House. However, the total budget needed to implement all science-based watershed plans is \$80 million. There is concern that the insufficient funding levels may prevent important projects from being completed. Stephanie will send Ashley information pertaining to the budget for the upcoming biennium in hopes of rallying support amongst Council members.

David has been in contact with Sally's Jewell's assistant, the newly appointed secretary for the Department of Interior, in regards to the National Blueways Program. He wishes to ensure that the Nisqually Watershed makes it into this year's pilot program, instead of next year when the program opens up to the public.

A Request for Proposal (RFP) has been released by Thurston County in regards to the In-Lieu Fee Mitigation Program. (<http://www.ecy.wa.gov/mitigation/ilf.html>) The prospectus is open for comment until May 17, 2013 and can be found on Ecology's ILF website at: <http://www.ecy.wa.gov/mitigation/docs/ThurstonProspectus.pdf>. Barb will email information concerning this matter to Ashley, who will then share it with the NRC contact list.

- *Staff Report* – Ashley reported that she has been working on uploading NREP's water quality data to the EPA's STORET data warehouse. The EPA's WQX STORET portal has undergone a few changes, becoming less user-friendly as a result. She intends to find a means to make access easier for teachers, students, and members of the community.

The latest edition of the Nisqually River Notes has hit the stands. Ashley has begun pulling together the upcoming Spring publication, which must be released in June, before the Ecology 2013 funds dry up.

David added that due to busy schedules, staff was unable to look further into the notes and data collected at this year's annual planning retreat. Attendees were asked to share any thoughts on Nancy Lee, the event's facilitator. Staff will be reaching out to Council members very soon for help in developing a future action plan for the NRC and the Nisqually Watershed Stewardship Plan.

Allied Programs

- *Nisqually Land Trust* – Joe reported that NLT's 21st Annual Auction and Conservation Dinner was held at St. Martin's University on March 16th. JW Foster served as the Master of Ceremonies and Cindy Schorno returned as auctioneer. This year's event brought in over to \$81,000, the most profitable event to date. The Land Trust honored the Tribe's Restoration Crew as Partner of the Year for their hard work and dedication. Joe would like to thank everyone for their contributions and help in making the evening such a success.

The NLT is currently working on three projects, submitting an application for funding through Pierce County Conservation Futures. These projects include: a 3-acre parcel on the Mashel River, which connects lands owned by the Town of Eatonville and would be helpful in linking the trail system currently in development; a parcel in the Ohop Valley, situated near NW Trek, Ohop Lake, and a parcel currently owned by the Tribe, necessary for a future phase in the Ohop Restoration; a conservation easement on the Peterson Farm of 258 acres, including one mile of the Nisqually mainstem, in which the land owner donated half the property.

- *Nisqually River Education Project* – Sheila reported that the 21st Annual Student GREEN Congress took place March 21st at the Evergreen State College. 400 students from both NREP and South Sound Green schools came to share their water quality data, take part in fun and educational workshops, and watch Steffan Soule perform the “Magic of Water.” This marked the first year of presenting nearly 95% digitally for the State of the Rivers sessions, with only a few hiccups to show for it.

This year’s Eye on Nature fieldtrips have begun at the Nisqually National Wildlife Refuge, and will introduce 700 students to NatureMapping, sound mapping, and ethno-botany. This program works with ESD 113 and the Nisqually Reach Nature Center.

Columbia Crest Elementary of Ashford has recently been under threat of closure. The Eatonville School Directors met Tuesday night, deliberating for nearly 3 hours in attempt to reduce the budget between \$900,000 and \$1.1 million. The Board’s final decision was to keep the school open for the 2013-2014 calendar year, in hopes of moving towards developing a STEM (Science, Technology, Engineering, and Math) school. The Board will revisit this decision again May 1st. Sheila will be at Columbia Crest Tuesday, April 23rd for their annual Salmon Summit, bringing together every 4th, 5th, and 6th grader in the Eatonville School District.

Eatonville’s Annual May Day event will take place May 3rd at the high school.

The first project for the Eatonville Rain Garden Project will be a clean up of the Napa Auto Parts installation, taking place Saturday, June 1st.

Summer Teacher Institute will take place June 19-21st at the Nisqually National Wildlife Refuge. The topic for this year’s training will be “Climate Change and Ocean Acidification.”

NREP welcomes two new academic interns from the Evergreen State College for spring quarter, Rebecca Shaub and Kelly Oslick.

- *Nisqually River Foundation* – Justin reported that he has been communicating with the Model Forest Policy Program, which works to assist with communities in adapting to issues surrounding climate change. There has been one other program implemented in WA State, which has been successful thus far. As projects concerning forestry move forward, this program may be a good fit. It is thought that the Nisqually Watershed may be able to participate for free because of funding being offered. However, this program may take up a large amount of staff time, either Ashley’s or an added AmeriCorps position. Justin would like to be sure that the Council has no objections to his researching this effort. Fred asked about whether the Climate Solutions University would be willing to work with the NRC Forestry Committee as a joint effort. David answered that this connection should be considered in order to move forward both missions.

Justin has been working with NNRG, NLT, and Earth Economics as a part of the Payment for Ecosystem Services program. The Council will be informed of project details later in the meeting.

The Community Forest Phase 1 Project Summary has been released and circulated to the NRC mailing list. The Council having had the ability to review the summary over the past weeks, the committee is looking for an approval from the NRC to move forward with the project. This decision would also allow the NLT to become the ownership entity for properties purchased in the future. A motion was passed to support these items associated with the Nisqually Community Forest, which were both unanimously approved.

- *Stream Stewards* – Don Perry reported that this year’s Stream Stewards class is almost full. There is a great mix of ages and occupations amongst the group. Connected with this year’s training, Don is working to recruit Eatonville high school students to participate with the town’s rain garden programs as part of their senior culminating projects.

The Nisqually Tribe and the Town of Eatonville will unveil their interactive, 3-dimensional diorama of the Nisqually Watershed, Saturday, April 27th, at the Eatonville Visitor Center from 10:00 to 11:30am. This scale model shows the terrain and topography of the watershed, as well as the salmon that occupy the river and their migratory paths. The diorama will be housed at the Visitor Center, which will be opened regular hours beginning Memorial Day weekend.

Don has been working on a new event, the Eatonville Salmon Fest, which will replace the Roy Salmon Homecoming. The event will take place Saturday, October 19th at Smallwood and Mill Pond Parks. The festival will be similar to the Nisqually Watershed Festival and will offer food, family-friendly activities, music, underwater cameras, tours, and more! Contributors include the Nisqually River Council, the Nisqually River Foundation, the Nisqually Indian Tribe, and Eatonville Chamber of Commerce. There might even be salmon there!!

- *Salmon Recovery Update* – Chris reported that The Puget Sound Chinook Recovery Plan requires an “adaptive management and monitoring program” to be included in each chapter associated with the various watersheds. The Puget Sound Partnership is offering \$40,000 for each chapter to develop this portion of their salmon recovery plans, including 40K for Nisqually and 40K for the South Puget Sound. These plans would be standardized by a common template and language that would allow for consistent strategy and the ability to track progress. There is a proposal to consolidate these watershed-specifics funds to develop a regional framework, which would combine funds allocated to Nisqually and South Puget Sound, along with a \$13,000 contribution from the Puyallup Chapter. This funding would pay for a regional staff position, housed by Alliance for a Healthy South Sound (AHSS), to develop, implement, and analyze each adaptive management monitoring plan. Chris is looking for an approval from the NRC to create this position. There was a motion to approve this proposal, which was supported unanimously by the Council.

Kim Gridley briefly went over the listing for the upcoming SRF Board Round and PSAR funding prioritization. As discussed at a previous meeting, the NRC agreed to support the allocation of funds to Phase 2 of the Ohop Restoration and Pierce Conservation District’s Knotweed Control Program. A sight tour for these projects is May 1st. \$1.8 million is the expected amount to be designated for the Nisqually Basin, as well as an extra \$45,000 from the last PSAR round, which would cover the majority of the Knotweed Program.

1. Phase 2 of the Ohop Restoration
2. Knotweed Control Program
3. Mashel Shoreline Project
4. Lower Powell Riparian Restoration (Probably will not receive funding this year)

Kim seeks approval on this prioritization list for submission to SRF Board. The motion passes.

The Tribe has received an \$80,000 grant from the state to complete a pilot Steelhead Recovery Plan, to be spent by the end of 2013. The committee is currently working create a plan to outline goals and objectives of the Tribe and the community. They will also be putting together a series of workshops, to ensure people are included in the process. Historically, there have been anywhere from 8,000 to 10,000 steelhead running annually, with a Tribal catch of 2,000 fish each year. This was once a very lucrative fishery for the Tribe and the 2nd largest run in the Puget Sound. Today, these numbers have dwindled to a mere 200 to 300 fish. Muck Creek, on Fort Lewis, will be one of the highlighted tributaries for steelhead recovery. It is the intention of the Council to bring Fort Lewis back to the table and get their assistance on these efforts. David Troutt will reach out to Paul Stuckey.

3. Developing New Funding Mechanisms in the Nisqually Watershed

Dave Bakter and Tracy Stanton, Earth Economics

Earth Economics, a non-profit organization founded in 1998, works to provide other non-profits, ecologists, government agencies, etc. science-based economic analysis, policy recommendations, and tools for finding

economic solutions for the future. They currently work with a number of organizations throughout the country to encourage efforts to ensure economic vitality and environmental sustainability. The 21st Century Washington Initiative is working to develop new funding mechanisms for ecosystem services, restoration and conservation in Washington State, including the Nisqually Watershed. The question is: what is the best way to generate enough income to implement all the ideas and efforts in the Nisqually? Benefits of the natural systems that lie in the watershed, or examples of natural capital, include soil formation, feeder bluffs, biological control, flood risk reduction, nutrient cycling, and pollination, to name a few. Not to mention, the Nisqually Watershed provides water for Olympia, an aesthetic viewshed of Mount Rainier and sequesters a great amount of carbon. A report completed in 2009, calculated the benefits of available ecosystem services to be between \$280 million to \$4.1 billion each year.

Earth Economics has already begun to identify, assign value, map and model the benefits, as well as analyze funding mechanisms that could be used for preserving the watershed's ecosystem services. They are now looking at potential sources of funding. These include:

- Investments in Watershed Services (Payment for Ecosystem Services)
- Regulatory Markets: trading, offset markets, mitigation banking
- Special fees: assessed by park service (voluntarily or required)
- Taxes
- Watershed Investment District
- Conservation Easements and Tradable Development Rights
- Loans
- Grants
- Special Purpose Districts
- Special Purpose Funds
- Voluntary Offsets

Many utilities are collecting "Natural Capital" rates, a set fee or percentage added to each customer's account. These funds are either set aside for future projects or invested into "Natural Services," such as a land trust or organization with similar project goals and objectives. This committee is currently in communication with the City of Olympia to possibly assign a rate to accumulate Natural Capital for the Nisqually Watershed.

Goals and outcomes of this program include:

1. To identify 3 to 5 potential funding mechanisms and provide overview of eco-benefits to residences, cities, firms, etc
2. Engage potential stakeholders.
3. Evaluate different funding mechanisms based on specific needs, implementing one of these within a year (by 2014)

Questions that need to be addressed to reach the goals of the program include:

1. How much funding is needed? (Need to be able to reach the target goal)
 - a. May look to bring in between \$1.5 million to \$3 million each year
2. How much funding is dedicated to habitat restoration annually?
3. Verify the scale of implementation for the funding mechanism.
4. Implement one in the first year of project
5. What is the scope of the work? What will this money do?
6. How will these decisions affect communities, those on fixed income, our children?

Earth Economics has begun to brainstorm potential funding mechanisms of the Nisqually Watershed.

1. Watershed Protection Charge (Driven by Water utility)
2. Application of special fee (MORA)
3. Tacoma Power
4. Watershed Investment District
5. JBLM
6. Per parcel property tax

Chris Ellings shared that the Nisqually Community Forest could be a possible springboard for promoting ecosystem services and developing funding mechanisms. The Community Forest has the potential to increase local job opportunities, milling opportunities, carbon sequestration, etc.

Sheila also mentioned that education should be a major part of the project, using a “sweeping” approach to educate students of all ages about the importance of natural capital, as well as preserving and restoring the natural systems of the Nisqually.

How can the NRC bring in investors? Joe mentioned that the committee could seek funding from the watershed’s distant landowners, such as those of North Carolina who own the majority of Pierce County. Dave Bakter mentioned that WA State has the 6th largest pension plan funds in the United States. Would it be possible to establish investment opportunities that have decreased risk as to utilize some of these funds?

It is believed that development of a Watershed Investment District is the ultimate goal. This would allow the Council to be in full control of directing funds as needed. This would assure resources are being put towards goals that are in line with the values of the NRC and the community.

Staff will look to determine annual funding goals and take a look at potential funding mechanisms for the Nisqually Watershed. Those with ideas or interest in pursuing this project should contact Ashley. Any progress will be emailed to the group or discussed at the next meeting.

Dave and Tracy’s full presentation is available on the NRC’s SlideShare website at: www.slideshare.net/Nisqually/developing-new-funding-mechanisms-in-the-nisqually.

4. For the Good of the Order

The 2013 Salmon Recovery Conference will take place May 14th-15th at the Vancouver Convention Center in Vancouver, WA. For more details, visit: <http://www.rco.wa.gov/SalmonConference.shtml>.

The Eatonville Stormwater Management Plan is currently being updated. The plan is only 80% completed at this time and will be circulated when finished and available for public comment.

Nick Bond has taken a position in the town of Port Orchard and will be leaving the Town of Eatonville. His current projects will be passed along to Doug Beagle, Town Administrator. Good luck to Nick in all of his future endeavors!

Adjourn – Meeting was adjourned at 12:03 pm.

*Next Meeting: Friday, May 17, 2013, 9:30am – 12:30pm
Wilcox Family Farms, Roy*