

# Stillaguamish River Clean Water District Advisory Board

## BOARD MEMBERS

**Single Family Ratepayer –  
Stillaguamish Drainage**  
Dale Shelton (Chair)

**Single Family Ratepayer –  
Skagit Drainage**  
Vacant

**Single Family Ratepayer –  
Port Susan Drainages**  
Vacant

**Single Family Ratepayer - Lakes**  
Miriam Lancaster

**Single Family Ratepayer –  
Tulalip Drainage**  
Vacant

**Ratepayer – At-Large #1**  
Vacant

**Ratepayer – At-Large #2**  
Dave Ridgeway

**Ratepayer – At-Large #3**  
Bob Landles (Vice Chair)

**Ratepayer – At-Large #4**  
Ray Brown

**Farm Rate Payer**  
Kurt Strotz

**Commercial, Industrial, and Other  
Ratepayer**  
Kelly Wynn

**Diking, Drainage, and Flood Control  
Districts**  
Max Albert

**Snohomish Conservation District**  
Steve Van Valkenburg

**Snohomish Health District**  
Steve Rice

**Washington Department of  
Ecology**  
Vacant by agency choice

**Washington Department of Fish  
and Wildlife**  
Vacant by agency choice

**Stillaguamish Tribe**  
Vacant by agency choice

**Tulalip Tribes**  
Vacant by agency choice

**Surface Water Management Staff**  
Sean Edwards and Elisa Dawson

Snohomish County Public Works,  
Surface Water Management  
3000 Rockefeller Avenue,  
Everett, WA 98201  
(425) 388-3464  
[www.cwd.surfacewater.info](http://www.cwd.surfacewater.info)

## Meeting Summary

Thursday, November 17, 2016 5:30 – 7:30 PM  
Peace Lutheran Church, Silvana

### Attendance

**Board Members Present:** Max Albert, Miriam Lancaster, Bob Landles, Steve Rice, Dave Ridgeway, Dale Shelton, Kurt Strotz

**Board Members Excused:** Ray Brown, Steve Van Valkenburg, Kelly Wynn

**SWM Staff:** Elisa Dawson, Sean Edwards, Gregg Farris

**Guests:** Colleen Crotty, Graham Logen, Eric Schuh

### Welcome, introductions, agenda review, and meeting summary

Clean Water District Advisory Board (CWDAB) Chair Dale Shelton opened the meeting at 5:31 p.m. with introductions and review of the meeting agenda. Bob Landles moved to approve the 10/13/16 meeting summary. Max Albert seconded the motion. **The 10/13/16 meeting summary was approved.**

Sean Edwards provided hard copy information packets including the following materials:

- CWDAB 11/17/16 preliminary meeting agenda
- CWDAB 10/13/16 meeting summary draft
- Snohomish Health District Letter Complaint 140596
- Stillaguamish Clean Water District 2016 Cash Fund Balance
- Subsidies to the Stillaguamish Clean Water District
- CWDAB 2016 Schedule, Priorities, and Focus Topics
- Boards and Commissions Public Records Handout 2016

### Subcommittee reports

**Stillaguamish Watershed Council (SWC):** Dave Ridgeway reported that he attended the 11/16/16 SWC meeting. The SWC discussed the impacts of more development proposed within the Arlington Urban Growth Area (UGA). The proposed development is for another car dealership within the floodplain near Island Crossing and would require additional fill to be placed within the floodplain. Max Albert shared that this additional fill would further exacerbate flooding in the area which is already a problem. Dave shared that the SWC also discussed the application for a septage treatment plant at the east end of downtown Stanwood. Dave noted that there has been some public opposition to the application, which was discussed at a public meeting on November 10, 2016. Lastly, Dave reported that the SWC discussed the outcome of the last LIO meeting, where the LIO made the decision on how to spend \$100,000 on local Near Term Action (NTA) projects. He said that members were frustrated with the process of deciding how to spend the money, both because of the large amount of time taken to choose, and because of the small amount of money available to fund NTAs.

**Lakes:** Miriam Lancaster stated that currently Lake Howard and Lake Loma are listed to have toxic algae; this is down from last month in which Armstrong, Howard, and Loma were all listed. The listings at Lake Howard and Loma Lake are cautionary, meaning that the amount of toxic algae does not exceed 6 parts per billion (ppb) action level. Miriam advised that the amount of algae can increase quickly even during winter months, so the cautionary warning is serious for both humans and pets. Miriam also reported that information can be found online for each lake at <http://www.snohomishcountywa.gov/1109/Information-on-Your-Lake>.

**Snohomish-Stillaguamish Local Integrating Organization (LIO):** Bob Landles reported that he attended the last LIO meeting on November 15, 2016. The meeting purpose was to determine how to spend the \$100,000 that the Puget Sound Partnership allocated to the LIO on a project at the local level. Before this meeting, the Puget Sound Partnership had selected the Near NTA proposals which they chose to fund at the regional level which were: Mountains to Sound: Collaborative K-12 Education Program, at \$54,168; Financing Options for Healthy Onsite Sewage Systems, at a partial award of \$100,000; and Integrated Floodplain

Management is listed as “Funding TBD based on availability of funds.” The LIO had previously decided to fund a local NTA which was rated as a High Priority. The LIO shared additional information from NTA proposal applicants off of the High Priority list which they had gathered since the last meeting for the LIO. The High Priority NTAs were divided into their corresponding groups: Stormwater, Shellfish, and Habitat. Because no NTAs from the Snohomish-Stillaguamish LIO were chosen for funding at the regional level from the Habitat category, the LIO decided that they would spend their local funding on only Habitat projects. In conclusion the LIO decided to fund the following habitat projects: Living With Beavers at full funding of \$50,000, and Removal of Creosote Pilings in the Snohomish Estuary at partial funding of \$50,000.

**Shellfish Protection:** Sean Edwards presented a letter from the Snohomish Health District which acknowledges completion of the Feller-Thoms manure pile clean-up. The pile has been removed from the site for composting, and the land where the manure pile was has been seeded. Sean noted that this has been a high priority ongoing case for several years through the PIC program, and everyone is pleased to see the case closed. He noted that the Department of Ecology plans to continue to sample downstream for effectiveness monitoring. Sean also noted the Lower Stillaguamish PIC Phase 2 NTA did not receive funding for this year. He said that the NTA will be up for review for funding again this time next year. Sean mentioned one thing he noticed about the regional review of NTAs was that the active commercial shellfish harvesting in Skagit Bay was not acknowledged. He said that the regional funding was focused on projects that will open additional acreage to shellfish harvesting, rather than projects that protect and maintain existing shellfish harvesting acreage.

**Finance:** Max Albert reported that the Finance Subcommittee met with Surface Water Management Director Will Hall, and SWM Supervisors Gregg Farris and Mike McGuinness on November 16, 2016 to discuss the state of the finances for the Stillaguamish Clean Water District. Max briefly reported that SWM Director Will Hall informed the Finance Subcommittee that because of uncollected revenues from the United States Navy and United States Forest Service, the CWD’s cash fund balance is projected to be \$418K in the red if SWM spends their entire 2016 CWD budget. Max noted that Gregg Farris will report on more details and the consequences of this lack of funding in his report later in the meeting.

**Discretionary Fund:** Max Albert said that due to the current state of the finances in the Stillaguamish Clean Water District, SWM Director Will Hall has chosen to put a hold on approving all Discretionary Fund applications. Therefore, the two current Discretionary Fund applications remain pending SWM Director approval.

**Lower Stillaguamish Pollution Identification and Correction (PIC) Advisory Committee:** Dale Shelton reported that there will be a Puget Sound Regional PIC Workshop on December 7, 2016. The meeting will be at Skagit Valley College in Mount Vernon from 10AM- 2:30PM. It has been a year since the last Puget Sound Regional PIC Workshop. Topics at this workshop will include new and evolving science and technologies, effective outreach strategies, and ways to gain voluntary compliance with regulatory backstops when voluntary compliance cannot be reached.

**Snohomish County Funding for Savvy Septic low-income grants and rebates in the CWD for 2017**

Gregg Farris stated that Lisa Dulude’s NTA, Financing Options for Healthy Onsite Sewage Systems, received a partial award of \$25,000 from the Puget Sound Partnership’s regional funding decision. This grant will provide the \$25,000 needed to support Savvy Septic in the Stillaguamish Clean Water District for 2017. Gregg reported that Snohomish County expects the grant contract to be finalized early spring 2017. While the County waits for the actual funds to come through in early 2017, SWM will commit to funding applications within the CWD. This allows for there to be no short term gaps in funding for Savvy Septic in the Stillaguamish Clean Water District. The Board thanked Gregg for SWM’s work to continue to offer Savvy Septic in the CWD.

**CWD 2016 Year-end Cash Fund Balance and 2017 CWD Subsidies**

Gregg Farris presented to the Board a table summarizing the Stillaguamish Clean Water District 2016 Cash Fund Balance. The Cash Fund Balance table showed that, assuming the entire 2016 CWD budget is spent, Snohomish County’s year-end CWD cash fund balance is projected to have a deficit of roughly \$418,000. This deficit was caused at least in part by a lack of collected payment of CWD service charges from the United States Navy (Navy) and the United States Forest Service (USFS) since approximately 2011. Gregg clarified

that it was approximately 2011 when SWM began charging the Navy and USFS, and neither have paid their service charges since the charges were implemented. While SWM Management has previously reported to the Board on these uncollected service charges, more recent information indicates that the Navy will contest at least a portion, if not all, of the charges.

While SWM management has been aware of these uncollected charges, the County's method of accounting included these uncollected revenues in its balance of accounts receivable. However, accounts receivable is not the same as cash that is immediately available to be spent. Because revenue from the CWD and the Snohomish River and South County Watershed Management Areas (WMAs) are all combined into one bank account, SWM had not previously recognized the deficit in the CWD cash fund balance.

SWM is continuing to try to negotiate with the Navy for full or partial payment of the assessed CWD fees. The Navy has not yet provided a formal response to indicate how much, if any, of the current and past SWM service charges they would be willing to pay, though their formal response has apparently been sent to the Pentagon for review. SWM expects to receive a formal response from the Navy in the near future regarding these past invoices. Gregg reported that depending on the Navy's response, SWM may try other means to compel payment, such as political intervention from the Washington State delegation in Washington DC.

In addition, Gregg reviewed the Subsidies to the Stillaguamish Clean Water District handout in the packet, which indicates the type of funding the CWD will receive in 2017. The CWD differs from the WMAs in south Snohomish County by having a much lower population and therefore less revenue than the other WMAs. However, the CWD still covers as much land area and contains many important water resources. Trying to provide a comparable level of service as the rest of Snohomish County with less revenue leads to a budget deficiency in the CWD. Gregg described to the board the multiple ways that SWM has supplemented the 2017 CWD budget with significant amounts of funding from other revenue sources, though this is not a sustainable long term solution.

Now that SWM has examined the amount of the deficit in the Stillaguamish CWD cash fund balance, Gregg reported that SWM Director Will Hall has decided to temporarily suspend the CWD Discretionary Fund Grant Program until further notice. SWM is going to develop a draft list of projects or programs that will be considered for potential reductions in budgets and spending for the remainder of 2016 as well as 2017 to help reduce the projected CWD deficit. The draft list will be presented to the CWD Advisory Board for feedback sometime within the next month or two. Depending on when SWM compiles its draft of potential cuts, the CWD Advisory Board may need to plan to have a special meeting in December, or will discuss this at the next scheduled meeting on January 26, 2017.

Gregg then opened up his presentation to questions and comments. The Board asked Gregg if the money collected in the CWD or WMAs need to be spent in their corresponding area. Gregg said that revenues collected within a CWD or WMA generally need to be spent within the area where they were collected. SWM may need to figure out a loan process to fill the deficit in the CWD funds. While the CWD does continue to collect revenue, a portion of this revenue may need to be used to pay back that loan, which could involve reductions to some of the projects and programs in the CWD. Max Albert noted that funds dedicated under Title 25A, such as the DF, should not have been used for other purposes, and should be restored as a top priority. Sean Edwards asked multiple questions about why the two current Discretionary Fund applications had been temporarily suspended and whether SWM had considered reductions to other programs instead. Gregg Farris responded that SWM would be considering reductions to project expenses for all projects and programs within the CWD both in 2016 and in 2017. Sean Edwards also expressed concern for the public relations aspect of freezing the two current Discretionary Fund applications. He mentioned the amount of time and effort applicants have put into their applications, and the need to get the message out to partners and potential applicants about the current status of the Discretionary Fund. Gregg said that he would bring the Board's concerns to SWM Director Will Hall, and that SWM will continue to work with the Board on how to resolve the budget deficiency in the CWD.

#### **Status of the CWD Advisory Board vacant positions**

Sean Edwards shared that Colleen Crotty's application for the Department of Ecology representative position on the CWDAB has been forwarded by the Executive's Office to the Snohomish County Council. Colleen is

the non-point source pollution inspector for the Department of Ecology and the CWD falls within her jurisdiction. Sean expects for Colleen's position to start in January, 2017. Graham Logen submitted an application on 11/16/16 for the CWDAB Single Family Ratepayer- Skagit Drainage Basin position. The position is currently vacant. Sean and Elisa will begin processing paperwork for Graham's application.

#### **Nominations for Board chair and vice-chair for 2017**

Max Albert nominated Dale Shelton for chair and Bob Landles for vice-chair of the Board. There were no other nominations. The Board will elect the 2017 chair and vice-chair at the January 2017 meeting.

#### **Priorities and focus topics for 2017**

Sean Edwards shared the CWDAB 2016 Schedule, Priorities, and Focus Topics. Normally, the Board would brainstorm for the 2017 schedule, priorities, and focus topics at this meeting. However, because of the change in the agenda to allow extra time to discuss budget concerns, **Sean will send out an email to seek input from the Board for the 2017 schedule, priorities, and focus topics.** Sean encouraged the Board to look at past letters the board has written to gather ideas for 2017 priorities. The Board will discuss this topic at the January 2017 meeting.

#### **Meeting review, new business, and public comment**

Sean Edwards said that due to the budget issues there may be a need for a special meeting in December. December 15 was proposed for a tentative date if needed. Sean will follow up with the board on a possible December special meeting pending SWM Director Will Hall's correspondence on funding implications for the rest of 2016 and 2017.

Bob Landles stated that his CWDAB Member Manual has only the original enabling ordinance for the CWD, and asked where the current code which established the CWD is located. Sean clarified that all the CWD code can be found in Title 25.A which is included in the CWDAB Member Manual.

Graham Logen made a public comment expressing the need for DD7 drainage maintenance, and specifically the need to replace culverts along Old Pacific Highway north of Stanwood that which are too high to adequately drain the land.

Sean shared the Boards and Commissions Public Records Handout 2016. He advised the Board to look over this handout and familiarize themselves with the Public Records Act. All CWDAB meetings, as well as emails to relating to the Clean Water District, are public records. Sean will continue to seek Public Records Act training for the CWDAB members within the next few months.

**The meeting adjourned at 7:32 p.m.**

**Next meeting:** Thursday, January 26, 2017, 5:30 – 7:30 p.m., Peace Lutheran Church, Fireside Room.

This meeting summary was prepared by Elisa Dawson. Please direct any questions or comments to Elisa at 425-388-6466 or [elisa.dawson@snoco.org](mailto:elisa.dawson@snoco.org). More information about the CWD is available at <http://cwd.surfacewater.info>.