

**Skagit County Conservation Futures Program Advisory Committee
(CFAC)**

Meeting Minutes

Tuesday, January 12, 2012

Members in attendance

Carolyn Kelly, Chair

Keith Wiggers

Andrea Xaver

Dave Hedlin

Mike Hulbert

Scott DeGraw, Vice-Chair

Members not in attendance

Alan Merritt

Staff in Attendance

Kendra Smith, Skagit County

Linda Christensen, Skagit County

Open

Meeting opened at 7:00 AM

Today's meeting is a continuation of the Tuesday, January 10, 2012 CFAC meeting.

Keith motioned to approve today's agenda which is concerning applicant prioritization and continuation of the purchased and development right acquisition process. Mike seconded. The motion passed.

Alan was unable to make the meeting today and informed Kendra that he feels the CFAC is on the right track if the scoring and ranking are done in the sequential manner proposed and he understands the process that needs to be done to prioritize and rank properties.

Carolyn said the score for the current properties does not include discretionary points. The CFAC needs to give Kendra direction in regards to the top properties.

Kendra distributed a 3-page handout: process for development rights, 2012 property scoring, and scoring and prioritizing. At the end of this meeting the CFAC should be able to assign discretionary points for each application if justified and appropriate. It was noted that these points should be used very carefully.

Going around the room, each CFAC member was given the opportunity to ask or comment on the scoring process.

Keith wants to get the current applications in order and hash out what system the CFAC will use in the future.

Mike wants to finish up the original agenda started on Tuesday. He is not comfortable with the current scores and feels the need to prioritize the properties and apply the new strategic plan scoring process.

Kendra wants to have a clear score system and take the next steps towards the CFAC recommendations for the sales and purchases. She is not sure a two cycle works given the grant cycles and the amount of funding available.

Andrea wants to focus today on finishing up the agenda from Tuesday's meeting. The sign placement will be handled between herself and Kendra. Today she wants to move forward and figure out a scoring process. She noted that the weakness of the program is from lack of funding and communication. There is also lack of time to focus on projects and public awareness. Money is always an issue.

Scott wants to see the CFAC get a process into place and use of CFAC time efficiently. He would appreciate information prepared prior to the meeting and distributed.

There was a lengthy discretionary point discussion and it was decided that this should be a separate discussion item.

Discretionary Discussion

Keith wants to accept the rating currently assigned to the properties with no criteria applied to change the points.

Dave felt in general the information on the spreadsheet articulates the score.

Mike had an issue with the FLP-160 property score. He would like to see FLP-147 property as number 5 and FLP-160 property as number 6. This gives the ranking more bang for the taxpayers money. He agrees with the remaining ranking.

Andrea needs more information about the properties in order to comment.

Scott explained that his process is to assign discretionary points for property description value; however he would not change anything now based on the information given.

Carolyn said that Mike's articulation is based on value. It isn't a wide reconstruction, but recognizes some of the CFAC's core values using tax money wisely and it could be defended.

Motion:

Keith moved that we accept the current ranking system and property scoring spreadsheet with the exception of switching FLP-160 property and FLP-147 property with Mike's justification. There appears to be more value because there is more acreage for the dollar for FLP-147 property. The motion was seconded by Mike.

Discussion:

Scott asked if we run into a situation to move others for the same reason the FLP-147 property and FLP-160 property were switched? Mike saw an obvious reason to switch because of the old point system. Scott asked if doing this is a red flag because we are not considering all. Keith said that

FLP-160 property stands out in value from the rest of the properties. Kendra would like the CFAC to adopt a number of discretionary points allowable for an audit trail and clearly explain why the CFAC assigned these additional points.

Friendly Motion Amendment:

Assign FLP-147 property two discretionary points. The motion passed.

It was determined that the FLP-161 property would not move forward due to lack of prime soils. For the record, the FLP-162 property applicant is not included as eligible due to no development rights associated with their property.

Kendra came back to her handout discussing development rights. We have gone through the initial scoring and are now into Phase II. She noted that we currently do not have a clear process on Bargain Sales. She asked, "do we now bring in all the applicants for a discussion of a bargain sale and make offers to reduce their take-home so they will be entitled to more points and move up the priority list?" It might be beneficial to speak about cash flow in general. How do we identify how much money we can use for each cycle round? She reminded the CFAC that more properties will likely come in for the second cycle. With the second cycle we won't know about USDA funding until possibly this summer.

Dave questioned what happens to properties in the queue that go unfunded in a particular cycle? Kendra responded by saying that the CFAC had said at a previous meeting that unfunded applications can be put into the next funding cycle. The priority scoring could change in that next cycle depending on the other applications. During each cycle the ranking could change.

Keith feels the CFAC should check with the Land Trust on how they handle bargain sales. Bargain sales are tax deductible, however there is strict criteria. The sale has to be a true gift and not used as a bargaining tool. Keith asked, when could the bargain be offered, during initial application or another time? It is against the rules to offer this later by adding more points. Staff should check with the legal department. The question is, when can we offer this? Keith felt that this should be offered only at the time of the original application. Another question is in regards to funding. If we have matching funds and if the property goes into a bargain sale, then does the grant funding change? It is a in-kind/match situation. The owner is donating the bargain sale amount so the match requirement for funding remains the same. We should contact NRCS to confirm their authority on this type of situation.

Mike said the program should spend all the money available in the current cycle and leverage it as much as possible and as wisely as possible. He also feels if we have funding sources available then we should use the money the program has on hand.

Keith said we could spend all available funds on all available projects as we go along. Andrea and Mike agreed on this concept.

Kendra mentioned that it might be important to keep extra funds in the current cycle for future outside funding opportunities during the year where the county could provide match money. An example would be a group such as DU wanting to donate some funds towards a certain property.

Scott is not comfortable with hypothetical opportunities as a reason to keep money in the program. How does the CFAC score a property when the funding opportunity is low and then a funding opportunity comes in later in the year?

Carolyn mentioned that even though we accept applications every six months it is not a commitment to fund because of the unknown grant funding. Kendra asked why we need to have two application dates. This complicates scoring and makes extra work if the funding is not available.

Andrea said that the program should purchase as many prioritized properties as available funding allows and asked if unfunded properties are eligible for the next funding cycle? Scott agreed.

Dave said that our point is to preserve farmland and take advantage of all funding and fund the properties in the queue as efficiently as possibly throughout the year.

Dave would like Scott to bring forth his ideas on the ranking process and give him 10 minutes at the beginning of the next meeting.

The meeting adjourned at 9:00 a.m.

Submitted by: _____
Linda Christensen

Approved by the CFAC Board on:

Chair Carolyn Kelly