

MINUTES
Board of Directors Meeting
Friday •October 27, 2006
Law Offices of Riddell Williams, Seattle, Washington

ATTENDANCE

Members present: Gloria Burton, Donn Etherington, Billie Heath, Alicia McRae, John Smith, Stella Vasquez, and Mike Youngquist. Members participating by phone: Guillermo Castaneda, Erik Nicholson, Mario Villanueva. Members not present: Juan Aguilar, Pete Garza, Mike Gempler, Dixie Kracht, Tomás Villanueva, Ex Officio members present: Janet Abbett, Washington State Department of Community, Trade, and Economic Development. Staff present: Tom Byers and Kristi Buck - Cedar River Group; Executive Director-Elect: Brien Thane.

WELCOME AND INTRODUCTIONS

Since Mario Villanueva was participating by phone, John Smith was asked to chair the meeting. John called the meeting to order at 10:45 a.m. A quorum was recognized.

APPROVAL OF THE MINUTES

The Minutes of the September 15th, 2006 Board meeting were reviewed. Guillermo Castaneda moved approval. His motion was seconded by Erik Nicholson and passed unanimously.

EXECUTIVE COMMITTEE REPORT

- **Executive Director Contract.** Mario Villanueva reported that the members of the Search Committee had discussed the terms of the contract in a conference call and successfully negotiated the terms of a Letter of Engagement with Brien, who will begin his service as the Executive Director of the Trust on Wednesday, November 1st. For the next sixty days he will be working at the Cedar River office.
- Brien indicated that he had met with Tom to discuss the transition and potential future roles for Cedar River Group in the work of the Trust. He indicated that Tom had put together a list of activities which CRG would like to keep working on, including fundraising, the Farmworker Survey, and the “green seasonal housing project” in Skagit County. He said that he will be meeting with Tom next week to get into the details. Brien asked the Board to authorize him to negotiate a contract with Cedar River for future work to be approved at the next meeting. It was pointed out that Cedar River Group’s current contract with the Trust expires on October 31st. After some discussion, Mario Villanueva moved that Cedar River Group’s contract be extended to allow Tom and Kristi to continue working for the Trust under Brien’s direction until a new contract can be developed. Stella Vasquez seconded the motion which carried unanimously.
- Brien then provided the Board with a list of initial expenditures for setting up the office of the Trust. Guillermo Castaneda asked if we had a specific budget for setting up the office, and Brien indicated that he was working on that. The Board members all agreed that the list of initial expenditures was very reasonable. Mario Villanueva moved to approve an

expenditure of \$8,000.00 for initial set-up expenses, with a review in one month. Billie Heath seconded the motion, which passed unanimously.

- Brien pointed out that the transition will require the Trust to put a myriad of policies and procedures in place now that we have a full-time employee. He will continue to work with the members of the Executive Committee to address those issues.
- **Board vacancy.** We currently have one vacancy, created when Heyward Watson resigned before moving to Canada. Heyward has since moved back to take the Executive Director's position at Impact Capital. Tom Byers asked the Board whether they wished to invite Heyward to return to the Board or select one of the several other candidates that have been suggested. Mario Villanueva stated that as a member of the Impact Capital Board, he had seen the excellent work Heyward is doing to reinvigorate that organization. However, Heyward seems to be extremely busy, and it is not clear that he would have the time required to participate actively on the Board of the Trust. After some discussion it was agreed that a conference call of the Nominating Committee will be convened during November, at which all of the potential candidates will be reviewed, and the committee will make a recommendation.

FINANCE REPORT

Brien stated that he and Marty Miller had agreed that Brien will continue to present the financial report to the Board at future meetings. ORFH's contract is in place for the rest of the year, and Brien will work with them to determine their future role. ORFH has agreed to continue Brien's medical coverage for six months to allow him time to find another health plan.

Brien presented the Finance Report which shows the Trust with a balance of more than \$170,000.00 in cash and a letter of credit for \$1,485,000.00 to be drawn upon on a reimbursable basis. It was noted that the report does not show receivables, and that we have invoices for the Farmworker Survey that have been billed to the Community Health Plan of Washington and Skagit County that are quite substantial. Future financial reports will track those receivables separately.

Brien requested the authority to sign checks on behalf of the Trust, along with the current signatories (Mario, Gloria, Dixie, Mike Gempler and Marty Miller). Two signatures are required on every check. Mario moved to add Brien to the list of those authorized to sign checks, and his motion was seconded by Mike Youngquist. The motion passed unanimously.

Gloria Burton asked about the cost of the Executive Director search, and whether it fell within the amount budgeted. Tom and Brien reported that the cost was several thousand dollars less than we had budgeted.

FUNDRAISING REPORT

- **Enterprise Foundation Proposal.** Tom reported that he has received an e-mail message from Kollin Min at Enterprise that states that they intend to grant \$50,000.00 to the Trust to provide funding for the design of a "green" seasonal housing project in Skagit County.

- **DOE Proposal.** Tom also reported that Janet Abbett had told a DOE official, Rachel Jamison, about the “green” seasonal housing project, and that Ms. Jamison had since attended a meeting of the Design Team and suggested that the Trust apply for a grant from DOE to help with the costs of the project planning. Tom said that she was very enthusiastic and is providing a great deal of help to him in preparing the proposal, which is due on October 31st.
- **Meeting with the Gates Foundation.** Brien reported that he and Tom met on October 23rd with Katie Hong, director of Northwest giving at the Gates Foundation to discuss the Trust’s request for funding. Prior to the meeting, Katie had provided Tom with a list of questions about the proposal which served as the basis of discussion during the meeting. Brien and Tom both felt the meeting had gone quite well, and another meeting will be scheduled in the coming weeks to continue the discussion.

Allen Foundation. Mario reported that he, Brien and Tom met the following day with Peter Berliner and Marie Kurose to provide them with a Progress Report on the Trust’s activities. He said the meeting went very well, and that the Foundation representatives suggested that we submit a proposal to renew our current grant of \$250,000 for up to three additional years. The next opportunity to submit the grant will be in March, 2007.

REPORTS AND UPDATES

- **Senator Murray’s visit to Skagit Valley housing projects.** John Smith, Gloria Burton and Brien Thane reported on the Senator’s visit to Raspberry Ridge, the Archdiocese project in Mt. Vernon and other housing projects in Skagit County. The Trust representatives were very pleased with the time and attention the Senator gave to each project.
- **Journalist’s conference.** Alicia McRae and Donn Etherington reported that about twenty journalists were involved in tours of Heritage Glen and the Monitor Camp, spending at least an hour at each site. The tours were held in conjunction with a two-day rural children’s health conference conducted last week in Wenatchee.
- **Kelso community forum.** Tom Byers reported on the most recent WSFHT community forum, which was held at the Archdiocese project in Kelso earlier this month. The forum was a great success, with the Mayor of Woodland providing a great testimonial about the value of farmworker housing. A County Commissioner also attended, and offered to make support for farmworker housing an issue in the upcoming appointment of a State Senator from that district. Tom said that we owe Craig Nolte of the Federal Reserve Bank a huge debt of gratitude for sponsoring the forums that have been conducted this year across the State. He strongly urged the Board to continue the forums.

FARMWORKER SURVEY UPDATE

Tom handed out a brief Progress Report on the Farmworker Survey which was provided by Peter Connery of Applied Survey Research. We have exceeded the 2,400 target we set for completed

surveys, with more than 2,500 surveys in hand. Data has now been entered for over 2,200 surveys.

The team exceeded its targets in most areas of the state, but we are still lagging in western Washington. Apples interviews will not reach the target of 1,200, but we will have at least 1,000, which is probably not far off the mark in light of the labor shortages that occurred in conjunction with the apple harvest. Survey activity will continue through the end of October, and then the data processing and analysis will begin in earnest. Tom reminded the Board that expenditures for the survey are running higher than anticipated because of: 1) the high cost of travel for the interviewers because of the increase in gas prices; 2) longer than expected interview times; and 3) additional quality control measures put in place based upon Alice Larson's advice. Tom said that we still have a \$25,000 contingency fund to cover these items, but it is possible that the expenses will exceed that amount. He will work with Brien and Mario on a strategy to address this issue.

Tom suggested that the Board might want to consider holding an event to honor the survey workers for their extraordinary dedication. One way to do that might be to hold a reception in their honor in Olympia during the legislative session. Legislators could be invited to the event, and the survey results could be announced at that time. Stella Vasquez said that she very much agreed with the idea of honoring the survey workers because she had seen firsthand how hard they had worked and the sacrifices they had made. Erik Nicholson said that he agreed with the need to celebrate the work that the team has accomplished.

Guillermo Castaneda observed that it may be important to ask Alice Larson to address the issue of whether bias had been inadvertently introduced in the survey by the decision not to interview workers who are under 18 years of age. In light of the labor shortages, many farmers have tried to fill the gaps with younger workers. Alice will be asked to address that issue in her section of the report.

SEASONAL HOUSING AGREEMENT

- **Statement of Rights and Responsibilities.** Tom reminded the Board that during its September meeting the Board agreed to conduct a final review of the Statement and send in their comments within two weeks. He then handed out the record of correspondence that was generated to document the Board members comments. The record contained concerns from only two Board members: Erik Nicholson and Mike Youngquist, along with a suggestion from Pete Garza that Erik Nicholson and Mike Gempler be asked to meet to hammer out any remaining issues. Tom suggested that the remaining concerns seem to be on two different levels: 1) Mike Youngquist's suggestions are specific adjustments in the wording of the document that are designed to clarify who is responsible for discreet actions; and 2) Erik's concerns are more general concerns about how the responsibility to seek mediation for disagreements will be enforced. A spirited discussion followed about the purpose of the document. Erik and Guillermo voiced the need to clarify the means by which the agreement will be enforced, while Donn Etherington and John Smith said they regarded the agreement as a "good faith" document that sets a higher standard and operates at a different level than what can actually be

enforced by the Trust. At the conclusion of the discussion Guillermo Castaneda moved that Erik and Mike Gempler be designated as a committee to resolve the remaining issues so that the agreement can be finalized. Alicia McRae seconded the motion, which passed 8-1, with Donn Etherington voting no. Brien Thane indicated that he will organize the meeting and take notes.

COMMUNITY CAPACITY FUND

Brien Thane said that one of his first items of business as Executive Director will be to bring a proposal to the Board regarding the process that will be used to “get the Trust’s financial resources out on the street to help housing providers”. He indicated that he is thinking about a two-step process, in which the Trust moves quickly to make small grants to agencies which have housing projects that would be ready to go with a modest amount of help, and a longer-term process for larger grants. In designing the longer-term process, he intends to consult other grant-making organizations, so that we don’t have to reinvent the wheel. The Board members were generally supportive of this approach. Guillermo Castaneda offered to help Brien design the process, and Brien expressed appreciation for his offer.

CLOSING THOUGHTS

Guillermo Castaneda reminded the Board of the issue of small children’s presence in the fields because their parents have no alternative source of care or supervision. He stated that a number of serious injuries have resulted from this problem during the 2006 harvest season. He hopes that Trust will soon reach the point at which we have the resources to widen search for solutions to address this issue.

NEXT MEETING LOCATION/TIME

The next meeting of the Board will be held in Seattle on November 17, 2006.

ADJOURNMENT

The meeting was adjourned by consensus at 2:10 p.m.

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President