

PROPOSED Salmon Recovery Funding Board Meeting Agenda

December 10-11, 2009

Room 172, Natural Resources Building, Olympia, WA 98504

Time: Opening sessions will begin as shown; all other times are approximate.

Order of Presentation:

In general, each agenda item will include a presentation, followed by board discussion and then public comment. The board makes decisions following the public comment portion of the agenda item.

Public Comment:

If you wish to comment at a meeting, please fill out a comment card and provide it to staff. Please be sure to note on the card if you are speaking about a particular agenda topic. The chair will call you to the front at the appropriate time.

You also may submit written comments to the Board by mailing them to the RCO, attn: Rebecca Connolly, Board Liaison at the address above or at rebecca.connolly@rco.wa.gov.

Special Accommodations:

If you need special accommodations to participate in this meeting, please notify us by December 1, 2009 at 360/902-3086 or TDD 360/902-1996.

THURSDAY, DECEMBER 10

OPENING AND WELCOME

- 9:00 a.m. **Call to Order** *Chair*
- Determination of Quorum
 - Review and Approval of Agenda (*Decision*)
 - Approval of October 2009 Meeting Minutes (*Decision*)

MANAGEMENT AND PARTNER REPORTS (Briefings)

- 9:10 a.m. **1. Management Status Report**
- a. Director's Report
 - b. Financial Report
 - c. Policy Report
 - d. Governor's Government Reform Efforts
 - e. Update on PCSRF 2010
 - f. 2010 SRFB Work Plan
 - g. RCO Work Plan Update
- Kaleen Cottingham
Mark Jarasitis
Steve McLellan
Steve McLellan
Kaleen Cottingham
Rebecca Connolly
Rebecca Connolly*

General Public Comment: *Please limit comments to 3 minutes*

- 9:30 a.m. **2. Salmon Recovery Management Reports**
- a. Grant Management
 - b. Governor's Salmon Recovery Office
 - c. Update on Monitoring Forum
 - d. Budget Update
- Brian Abbott
Phil Miller
Ken Dzinbal
Rachael Langen*

10:20 a.m. **BREAK**

SALMON RECOVERY FUNDING BOARD MINUTES

REGULAR MEETING

October 16, 2009 • Natural Resources Building Room 172 • Olympia, Washington

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

Steve Tharinger (Chair)	Clallam County
Harry Barber	Washougal
David Troutt	DuPont
Don "Bud" Hover	Okanogan County
Bob Nichols	Olympia
Carol Smith	Designee, Conservation Commission
Melissa Gildersleeve	Designee, Department of Ecology
Scott Anderson	Designee, Department of Transportation
Sara LaBorde	Designee, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources

MEETING CALLED TO ORDER

Chair Steve Tharinger opened the meeting at 9:06 a.m. Chair Tharinger determined that the board met quorum.

Kaleen Cottingham introduced Lucienne Guyot, the new Administrative Assistant for the Salmon and Conservation Sections.

Kaleen highlighted the following late additions to the board notebooks:

- Suggested amendment from the Conservation Commission for the August meeting minutes
- Draft minutes for the September special meeting
- Letter sent to Governor on behalf of the SRFB on Transforming the Natural Resources agencies
- Letter sent to Patty Murray about the Pacific Coast Salmon Recovery Fund

Chair Tharinger presented the agenda. The board approved the October 2009 agenda as presented.

REVIEW AND APPROVAL OF AUGUST AND SEPTEMBER 2009 MEETING MINUTES

Carol Smith suggested an additional change to the amended August minutes, changing "Conservation Districts" to "Conservation Commission" on page 20, item #12, paragraph five.

Bud Hover MOVED to approve the August minutes as amended. Bob Nichols SECONDED. The board APPROVED the August 13-14, 2009 minutes as amended.

David Troutt MOVED to approve the September minutes as presented. Bud Hover SECONDED. The board APPROVED the September minutes as presented.

ITEM #1: MANAGEMENT STATUS REPORT

Kaleen Cottingham, RCO Director, presented this agenda item.

Kaleen Cottingham asked if board members had questions about the content of the management report. The board did not have any questions.

Kaleen noted that RCO Policy Specialist Megan Duffy is conducting an assessment for Substitute House Bill 2157, an effort to examine coordination between Lead Entities and the Watershed Planning Units. The assessment report is due to the Governor's office on December 1, 2009.

Kaleen provided an update on the status of the effort to reform the Natural Resources agencies. RCO bundled a series of letters from each of the boards and submitted them to the Natural Resources subcabinet. Bob Nichols noted that the cabinet is reviewing external comments, and two or three subcabinet meetings have been scheduled. He stated that recommendations based on submitted comments would be ready by December. Chair Tharinger asked if regions and lead entities have provided comments to the committee. Kaleen responded that regions commented in a letter signed by Executive Director of the Lower Columbia Fish Recovery Board and Council of Regions member, Jeff Breckel. She added that Phil Miller created a document to help regions and lead entities respond, and that the GSRO would be submitting its own comments as part of the RCO package.

ITEM #2: SALMON RECOVERY MANAGEMENT REPORT

Brian Abbott, Salmon Section Manager; Phil Miller, Governor's Salmon Recovery Office; Ken Dzinbal, Monitoring Forum Coordinator; and Rachael Langen, Deputy Director presented this agenda item.

Grant Management and Project Presentations

Brian Abbott gave an overview of the 2009 grant round, noting that the grant round commenced in March, slightly earlier than previous years. The Review Panel met on September 28 and 29 to evaluate 177 proposed projects, 45 of which were requesting Puget Sound Acquisition and Restoration Funding. The review resulted in 58 projects of concern (POCs). This year, the Review Panel chose not use the Need More Information (NMI) category, which explains the increased number of POCs. The panel met with each of the Salmon Recovery Regions for presentations on proposed projects during the week of October 12. Discussions with the regions answered many of the Review Panel's questions, resulting in the number of POCs being cut in half. This total is similar to past years. Brian stated that this year's project review went well, and applications were cleaner than in past grant rounds.

Brian added that the RCO is updating their metrics in the PRISM database to comply with federal Pacific Coast Salmon Recovery Fund (PCSRF) requirements. Staff is preparing to roll out a progress report module in PRISM, which will help produce more complete final reports.

Tara Galuska and Jason Lundgren, Salmon Outdoor Grant Managers, gave project presentations. Tara presented the Nisqually Estuary Restoration project. The \$2.4 million dollar Nisqually project is the largest grant that the Salmon Recovery Funding Board has ever given to a project. The funds came out of collaboration among several lead entities.

When the project is completed, it will open up over 700 acres of estuarine habitat, 37 acres of surge plain, and 264 acres of newly created freshwater habitat.

Bud Hover asked whether removing one dike and creating another dike to protect the freshwater habitat is creating artificial habitat, or if it is correcting the construction that was done in the past. Tara responded that historically, the area was all estuary and the current construction is a compromise to protect the refuge, including the trail, historic barns, and multiple uses of the land.

Chair Tharinger asked Tara to outline where the old dike used to be. Tara traced the old dike on the map of the Nisqually Refuge in the project presentations.

David Troutt, Nisqually Tribe, added the project is opening 22 miles of slough habitat. Project construction was completed at the end of September. The Nisqually Wildlife Refuge will hold a public ceremony on November 12, 2009. David thanked the board, and noted that their hypothesis is that this action will double the survival of fall Chinook in the Nisqually River. Chair Tharinger asked about monitoring efforts associated with the Nisqually. David responded that finding money to do monitoring is difficult, but the tribe is working with the United State Geological Survey (USGS), which will be contributing to monitoring efforts. Bud Hover asked if they had good baseline data. David responded yes. Scott Anderson added that estuary restoration projects lend themselves well to the assisting with the natural return of native habitat because there is generally a strong dormant seed source for saltwater marsh so restoration of native vegetation occurs very quickly.

Jason Lundgren presented the Cashmere Pond Off-Channel project, sponsored by Chelan County. The project built a 1,200-foot channel and improved a 2-acre pond for off-channel rearing for threatened species in the lower Wenatchee basin. The goal is to prevent fish stranding and improve water quality. The project cost \$282,555, and included partners from the Bonneville Power Administration, the Department of Fish and Wildlife, and the Department of Transportation.

David Troutt asked if they found warm water fish. Jason responded that they did find catfish and a couple other non-native warm water fish. The project was recently completed, and the County expects the project to provide cool water summer habitat for salmonid populations. Tara Galuska presented the Little Quilcene Delta Cone Removal, sponsored by the Hood Canal Coordinating Council. This project was funded by Puget Sound Acquisition and Restoration (PSAR). The project was proposed and approved for funding at the August board meeting. Tara explained that delta cones are an unnatural buildup of sediment at the mouth of the river, caused by manmade dikes. Bud Hover asked why the delta cone was removed when the river is moving naturally. Tara responded that removing the delta cone allows the reestablished fresh water channels to move freely in the estuary. Richard Brocksmith, Lead Entity Coordinator for the Hood Canal, added that the project came in \$300,000 under budget.

Governor's Salmon Recovery Office

Kaleen noted that Phil is filling in as the interim team leader, while the search for a GSRO Director continues. Phil explained that the transition to RCO has gone smoothly, and said that he wanted to highlight a few things on his report.

First was the 2008 Federal Columbia River Power System Biological Opinion (FCRPS BiOp). In September, the federal defendants filed additional documents that respond to questions raised by Judge Redden. These documents include a more extensive Adaptive Management Implementation Plan and an Estuary Habitat Memorandum of Agreement with the State of Washington. Washington is a defendant intervener in the challenge to the 2008 FCRPS Biological Opinion. The parties to the litigation are awaiting further ruling by Judge Redden.

Phil explained that in September, the Obama Administration (federal defendants) submitted new materials to Judge Redden. Also, an MOU with Washington was signed, which provided supporting work in the estuary below Bonneville Dam. At this point, there is continued dialogue between the defendants and plaintiffs about that material, and the judge has yet to rule.

Implementation is proceeding, which is important to each of the four Columbia Basin regions. The estuary agreement is particularly significant to recovery work the Lower Columbia Fish Recovery Board. The implementation of the biological opinion (BiOp) also highlights the Upper Columbia, Snake River, and Tucannon River.

Phil also discussed the Mid-Columbia Steelhead plan that was adopted by the National Oceanic and Atmospheric Administration (NOAA) in late September. This plan is the first of three. These plans are significant because they allow us to look at interdependencies across the state. Bud Hover asked who is coordinating the multi-state plans. Phil responded that plans focus on evolutionarily significant units (ESU) areas, and NOAA as a convener. The Regional Implementation Oversight Committee is overseeing the BiOp.

Bud expressed concern that the Upper Columbia's success heavily depends on other states engaging in the recovery process. He wants to ensure that other states are contributing financially to salmon recovery. He asked if other states' PCSRF funds would be spent in a coordinated way that helps Washington meet our goals. Phil responded that each state has an individual approach, and they are still working on unifying efforts, particularly outside of the BiOp.

Bob asked Phil how much effort other states are putting into the recovery effort. Phil responded that coordinated efforts have improved from the beginning of the salmon recovery effort. Chair Tharinger noted that it's the GSRO's role be the spokesperson, tracking the issues and commitments. Phil agreed that looking at interdependencies across states spotlights who is taking action and who is not. Harry Barber agreed with Bud that it would be interesting to see how Idaho and Oregon's funds allocated to salmon recovery compare to Washington State. Phil responded that there is information about PCSRF funding that goes into the report by NOAA, and that by November, the board will have a financial report from each of the regions. The information can be taken to the other states to ask questions about equal effort among the other states.

Bob Nichols explained that GSRO and Washington have led the way, in terms of funding and resources, and that NOAA is pushing from the top down to other states. Phil responded that other states have committed to staying the course by attending multistate forums, so there is a point of information exchange and a place to ask pressing questions. However, the interactions are dependent on receiving funding and maintaining staff capacity. Chair Tharinger directed Phil to ask the board for any necessary letters of support to move this effort forward.

Phil concluded his update with the announcement that there is a transition in leadership at the Washington Coast Sustainable Salmon Partnership (WCSSP). Miles Batchelder is the interim director for the WCSSP.

Monitoring Forum

Ken Dzinbal, Executive Coordinator for the Forum on Monitoring, noted that the Forum last met on September 11. At that meeting, they adopted business rules, high-level indicators for salmon, and categories for high-level indicators for watershed health. The Forum agreed to invite two new members to join the Forum, the Bonneville Power Administration, and the Columbia River Inter-Tribal Fish Commission (CRITFC). Chair Tharinger said that he appreciates Ken's and the Forum's work on indicators. He found the monitoring memo to be very helpful. Bob Nichols asked how many listed salmon populations there are for the state that will be included in the fish abundance indicators. Sara LaBorde said that she would get a list sent to him. Bob noted that he wants to know how each population is measured. Ken responded that in his presentation, he will go over the statewide monitoring efforts and the indicators to orient everyone in the direction that the Forum is headed. The indicators do not provide a pathway to implementation, but do point things in the right direction and help to focus on the types of measurements that will be needed. It would be good to measure the majority of populations, but for now it needs to be a representative sample. The Department of Fish and Wildlife does a lot of work to determine which populations are most important for measurement. Having everyone agree to the same indicators should make measurement easier over time.

Bob clarified that the Salmonid Stock Inventory (SaSI) report, was a comprehensive report whereas the high level indicators provide a sample of statewide populations. The board discussed the purpose and utility of the indicators as being an accessible and unifying monitoring document.

David Troutt asked if the Forum is considering other viable salmonid population (VSP) parameters. Ken responded that the workgroup recognized that the VSP measures were difficult to explain to the public, and decided to focus on the simple question: "Are there more or fewer salmon?" Ken explained there is nothing in the Forum's charter that restricts them from looking at other VSP parameters. David responded that if the ultimate goal is delisting of populations, then reported measures need to support delisting criteria. Ken agreed.

Ken presented the high-level indicators for salmon that the Forum recently adopted. He also presented the watershed health indicators that are now proposed. The Forum has adopted six categories for the watershed indicators. He hopes that they will have defined the measures by December. The protocols need to be adopted by July 2010. Chair Tharinger noted that they would discuss funding later and invited comments on the indicators. He stated that he appreciates the work of the Forum.

Budget for Lead Entity Support

Rachael Langen gave a presentation on the status of supporting the lead entity program. On June 18, Governor Gregoire directed a 2 percent reduction in funding, which equates to \$49,000 for the RCO. RCO does not have much General Fund State money, but the lead entity contracts and administration make up about half of RCO's general fund state allocation. Lead entity contracts make up 42 percent and the administration is 6.5 percent.

When the most recent revenue forecast came out in September, OFM asked RCO to indicate where they could take potential additional cuts. A five percent cut for RCO is just over \$153,000, including nearly \$56,000 from the lead entity program. At this point, RCO feels confident that it can support the lead entity program, including the lead entity coordinator and training, through the end of the biennium.

David Troutt asked what was not covered for Lead Entity Advisory Group (LEAG) that the Department of Fish and Wildlife used to cover. Rachael responded food is no longer provided at meetings, and conference calls have replaced face-to-face gatherings.

Bob Nichols asked Rachael to send the board the table showing the budget breakdown from her presentation. Rachael distributed the table after the presentation.

ITEM #3: REPORTS FROM PARTNERS

Steve Martin, Executive Director of the Snake River Salmon Recovery Board presented the Council of Regions Report. Richard Brocksmitth provided the LEAG update.

Steve Martin, Executive Director of the Snake River Salmon Recovery Board, reviewed the written Council of Regions report.

- Regions were involved in the Forum on Monitoring's determination and approval of the high-level indicators.
- COR members acknowledged appreciation for the GSRO and RCO in their effort during the organizational transition, noting that the process has been seamless and transparent.
- Should the SRFB decide to revisit regional allocations, COR would like to be included in any such discussions.
- Steve mentioned a letter of support from all of the Regional Boards regarding the Pacific Coast Salmon Recovery Fund (PCSRF) to Senator Patty Murray from all of the regional salmon recovery regions.

Chair Tharinger thanked the regions for the letter to Senator Murray, since she is a key person in moving forward legislation. Kaleen added that RCO sent the letter to Rich Innes, RCO's contact in Washington, D.C., who is drafting a house delegation letter to the Senate and will use the information from COR letter and the board's letter.

Richard Brocksmitth mentioned that the Lead Entity Advisory Group (LEAG) focus has been operations, budgeting, and planning. LEAG updated the mission and structure document to reflect the administrative move from the Department of Fish and Wildlife to the Recreation and Conservation Office. LEAG is also taking a hard look at operations, tightening their belts, and using backfill funds to cover costs in short term. Richard noted the following cost saving changes to LEAG's general operations:

- Conference calls replacing in-person meetings
- Executive committee members not being reimbursed for travel
- No food at LEAG meetings
- Fewer staff requests to RCO

LEAG hopes that the cuts are a short-term belt tightening exercises.

Agency Updates

Department of Ecology, Melissa Gildersleeve

- Ecology is awaiting the announcement of a new director as Jay Manning was asked to serve as the Chief of Staff. Polly Zehm is the interim director.
- Ecology just finished their grant workshops.

Conservation Commission, Carol Smith

- The Commission is currently developing their annual report, which gives summaries of their programs.
- There was an increase in CREP participation. In total for the last 10 years, CREP has restored a total of 700 miles of riparian stream, around 12,000 acres. Some of the CREP projects partner with Salmon Recovery Funding Board sponsors for instream work and barrier removal.
- The Commission is also working on efforts in accountability, training districts to use data systems for implementation monitoring.

Department of Natural Resources, Craig Partridge

- Funding for the Forest & Fish Program recently ended. The program received \$4 million each year from PCSRF and supported a regulatory adaptive management program under the Cooperative Monitoring Evaluation and Research Program. The legislature put in its place a B&O tax mechanism on Forest Products businesses. The fund, which finances the science side of the program, is down and created a gap for this biennium. This has raised concerns about this funding approach.
- Commissioner Goldmark convened about 20-30 people for meeting to discuss adaptive management and Forest and Fish program.
- There will be a discussion next month about the budget shortfall, which may result in a supplemental budget request to the legislature for the near term and ideas for funding the science program long term.
- DNR is moving forward with the multispecies aquatic resources habitat conservation plan that has a lot of overlap with the Puget Sound initiative. That will be DNR's third major programmatic Habitat Conservation Plan (HCP).

Kaleen asked about the habitat conservation plan's impact on potential engineered logjams for state aquatic lands. The RCO has heard that sponsors are concerned they will be charged by DNR to carry out projects on aquatic lands. Craig had not heard that concern, but he will follow up with Kaleen.

Department of Transportation, Scott Anderson

- The Department of Transportation fish passage program completed 5 stand alone fish passage projects and corrected 11 barriers. Two other projects were shovel ready, but were pushed back to next summer due to construction difficulties. Scott offered to give a presentation at a future meeting.

In response to questions from Chair Tharinger and Bob Nichols, Scott explained that the fish passage project program started in 1991. There are funds set aside in a "retrofit" budget, which is used to correct barriers from a prioritized list of projects.

Department of Fish and Wildlife, Sara LaBorde

- Phil Anderson was appointed Director. Phil led the 21st Century Salmon effort, which she feels will bode well for aligning the department's activities with the Salmon Recovery Funding Board and regional recovery boards.
- WDFW is managing a \$5 million budget reduction due to the 2 percent cut.
- The Stream Habitat Restoration Guidelines were updated in 2001-02. Revising the guidelines will cost about \$97,000. The Puget Sound Partnership has \$74,000 in unused PSAR funds, and may be able to contribute \$50,000-60,000. WDFW is looking for partners to move the project forward. The revisions will include the large woody materials piece.
- In the Lower Columbia, WDFW is wrapping up an alternative gear study. They have installed a purse seine, a beach seine, and a merwin trap to see how well they can selectively harvest fall Chinook.
- WDFW established a Hatchery Scientific Review Group contract with RCO. HSRG is going to implement a 3-5 year project to study alternative gear fishing in the Columbia River.
- Lower Columbia Salmon Recovery Board will be releasing their draft plan that points to DFW's Conservation and Sustainable Fisheries Plan.

ITEM #4: DATES FOR 2010 MEETINGS

Rebecca Connolly, Board Liaison, presented this item.

Rebecca Connolly noted that statute requires the board to publish its meetings by January 1 of each year. Staff believes the board's work can be covered in four meetings, but will add conference calls or other special meetings if needed. If the budget allows, there are two travel meetings: Bellingham in May and Yakima in October. These may be moved to Olympia depending on the state's budget situation.

Dates	Location
February 18-19, 2010	Olympia
May 20-21, 2010	Bellingham
October 7-8, 2010	Yakima
December 9-10, 2010	Olympia

Bob asked if the board is obligated to hold two-day meetings, rather than just a long one-day meeting. Kaleen responded that the board generally plans for two-day meetings, but that once the agenda is set, can cancel the second day if everything is covered in the first day. The board also discussed the benefit of two-day meetings when project tours or extensive travel by board members is required.

Bud Hover MOVED to approve the proposed meetings schedule as presented and direct staff to make the appropriate notifications. David Troutt SECONDED.

The board APPROVED the motion unanimously.

ITEM #5: EARLY ROUND PUGET SOUND ACQUISITION AND RESTORATION GRANT AWARDS

Brian Abbott, Salmon Section Manager presented this agenda item.

Brian Abbott presented RCO's staff recommendation for the board to approve funding for projects #09-1446A, #09-1379C, #09-1482A and #09-1277R as part of an accelerated grant round in the Puget Sound Acquisition and Restoration (PSAR) grant program. The Puget Sound Partnership's (Partnership) Recovery Council and Leadership Council have approved the projects, and each project underwent review by the board's technical review panel. Kaleen Cottingham added that these projects are consistent with the PSAR allocation among Lead Entities.

Chair Tharinger asked Brian to explain the special condition added by the review panel for #09-1446A, Kiket Island Conservation Acquisition. Brian referred to the review panel's concern about the long-term plans for the State Parks-owned property, and the potential impact to the nearshore environment caused by public access to the site. He stated that the public access issue was resolved by the special condition ensuring State Parks enforcement of day-use recreational activities on the acquired site.

Chair Tharinger asked if the Klein Farm Acquisition and Restoration; #09-1482A was an example of the need for policies that address the potential issues related to managing acquisitions with farmlands in rural counties.

Brian responded that RCO staff is reviewing acquisition policies and processes in the upcoming Manual 18 updates. Staff is examining the benefits of conservation easements as compared to fee simple. Brian explained that in the case of the Klein Farm Acquisition, the Stillaguamish Tribe provided a response to the concerns of the county agricultural boards. Kaleen added that RCO has a letter of record from the Tribe, and at the local level, the advisory committee is having some discussions about the issue.

Bud asked if the Klein Farm site were approved, if the land would be taken off the tax roll. Bud followed up that question by asking if local government had been consulted regarding the financial impact to the county; and how the land would be maintained. Grant Manager Kay Caromile noted that she is not aware of any tax issues, but she stated that she was aware of the Stillaguamish Tribe's maintenance intentions for the riparian zone. Bud Hover asked if tribal land ownership takes the property off the county's tax roll. Kay offered to find out the tax implications of the acquisition and follow up with Bud. Kaleen added that there will be deed restrictions on the property. David Troutt stated that since RCO is holding a deed of right on the land, it could not go into trust by the tribe. The land would be in a fee simple ownership, and eligible for being taxed, but at a lower level.

Chair Tharinger asked Brian if the policy goal is to open habitat restoration or preserve riparian areas while still allowing other uses of the land, such as agriculture.

Brian responded that the review panel analyzes the costs and benefits specific to each acquisition, noting that funding match often affects how upland areas are addressed.

Bud added that he wants to ensure that local governments are aware of the impact on taxes when land is moved from private ownership into a conservation easement held by a state agency.

Carol Smith asked Brian if some projects come in as acquisition projects, but are really combination projects with the restoration piece not quite ready. She would like to see better evaluation criteria for reviewing the projects, to ensure the best projects are funded.

Bud Hover MOVED to approve the funding for projects #09-1446A, Kiket Island Conservation Acquisition; #09-1379C, Klein Farm Acquisition and Restoration; #09-1482A, Skagit Bay Nearshore; and, #09-1277R, Qwuloolt Estuary Restoration – Construction. Bob Nichols SECONDED.

The board APPROVED the motion unanimously.

ITEM #6: NATIONAL FISH AND WILDLIFE FUND SMALL GRANT PROGRAM

NFWF Staff Cara Rose presented this agenda item.

Cara Rose gave a brief history and overview of the National Fish and Wildlife Foundation's (NFWF) Community Salmon Program. Since 2003, NFWF has funded 223 grants totaling \$3.4 million in SRFB dollars. She stated that they have had \$3 in match for every \$1 of board funds. The Community Salmon Fund program helps to build partnerships among the federal government, the state government, and local communities by funding small scale salmon recovery projects.

Cara stated that, based on discussions with RCO staff regarding fund availability, NFWF was asking the board to approve \$700,000 for the Community Salmon Fund program in fiscal year 2010. Cara stated that with the federal funds, the total funding for the program would be \$1.4 million. Federal funds cannot be used for administration, so the 10 percent administrative costs come from the state funds.

The 2010 SRFB budget would provide less than half of the past funding, so the Community Salmon Fund needed an alternative way of conducting the grant rounds. The proposed solution is to distribute funds according to a "regional options". Cara explained that the distribution of Community Salmon Funds was based on the SRFB allocations. However, that approach would allocate only \$25,000 to the Northeast Washington region. The regional directors and NFWF decided the minimum for running a grant round should be \$75,000. To get the \$75,000 in the NE, they subtracted 4.02 percent from each of the divided Puget Sound regions.

Bud Hover asked Cara about long-term monitoring of the funded projects. Cara responded that the program does not have the funds for long-term monitoring efforts, but that grantees that secured project funds in earlier grant rounds can request funding for maintenance and monitoring projects. The implementation monitoring is providing baseline data.

Bud Hover asked if the Community Salmon Fund program is working with the Regional Salmon Recovery Boards. Cara responded that NFWF works with lead entities to provide technical input into prioritizing projects. Bud Hover recommended notifying the regions of Community Salmon Projects in their area for regional monitoring efforts.

Bud Hover MOVED to approve \$700,000 to fund the Community Salmon Fund program for fiscal year 2010, with funds distributed according to the regional area option presented to the board in October 2009. Bob Nichols SECONDED.

The board unanimously APPROVED the motion.

ITEM #7: MONITORING FORUM RECOMMENDATIONS ON SRFB-FUNDED MONITORING

Ken Dzinbal, Monitoring Forum Coordinator, presented this item. Jennifer O'Neal, Mara Zimmerman, and Paul Cereghino provided additional information as requested by the board.

Ken Dzinbal presented the Monitoring Forum's funding and monitoring recommendations, which they prepared in response to a request from the Salmon Recovery Funding Board (SRFB). The recommendations are intended to answer the following questions:

- Is the SRFB funding the correct monitoring programs?
- Have we learned enough to revise or update technical design, sampling details, or general monitoring program details?
- Can we improve the timing of funding cycles, avoid last-minute requests, and improve stability of long-term programs?

Ken then explained that purpose of the four main types of monitoring: implementation; effectiveness; intensively monitored watersheds; and status and trends

Bob Nichols asked about the implementation monitoring done by RCO Staff. Kaleen directed the question to Brian Abbott, who explained that after a project is closed, a grant manager develops a final report in PRISM to ensure project completion and a final inspection of the work. This information is stored in PRISM.

Effectiveness Monitoring

Ken explained how the board currently approaches effectiveness monitoring through a contract with TetraTech.

Chair Tharinger asked are there feedback loops in the effectiveness monitoring to improve the design and development of new projects. Ken responded that data are being shared to some extent, but the Forum's workgroup does not think it is sufficient. One of the workgroup's proposals will help make monitoring data more accessible to grant managers and project sponsors.

Bud Hover asked how project effectiveness is measured. Ken responded that there are different measurements for different types of projects. Bud Hover asked about the measurements for engineered logjams. Jennifer O'Neal of Tetra Tech responded that the measurements include the number of juvenile fish that are using the structure, amount of pool refuge before and after construction, and the amount of large woody debris in the stream.

Chair Tharinger noted that the board needs to consider how the monitoring information is distributed in the salmon recovery community. Ken agreed and suggested finding innovative ways to maintain the information without printing expensive reports.

The Forum provided a list of recommendations for project effectiveness monitoring:

1. Stay the course, with some adjustments to current contract
2. Finish out original project schedule and sampling matrix
3. Improve adaptive management outreach to project sponsors and lead entities
4. Forum should develop a statewide (multi-agency) approach to effectiveness monitoring

5. Migrate reach-scale effectiveness monitoring data to an existing state database

Board members discussed recommendation #3, to improve outreach, as well as the need to share the information by project. In response to a question from Chair Tharinger, Jennifer O'Neal explained that the information collected by TetraTech is viewed by category, not by project. David Troutt and Sara LaBorde suggested that the Habitat Work Schedule (HWS) is a web-based application that could share monitoring data. Ken and Jennifer responded that someone would need to evaluate how to get the monitoring information into HWS and posted to a website.

Bob Nichols asked how the board moves the Forum's recommendation to develop a statewide (multi-agency) approach to effectiveness monitoring forward. Ken responded that the Forum suggested that the board award a contract, costing no more than \$50,000, for a consultant to organize and synthesize the current monitoring data. Bob Nichols asked if the partners who will benefit from this will contribute, or if they will also need their own consultant. Ken responded that the board could ask for funding partners through the Forum and reach the Northwest Power and Conservation Council, the Puget Sound Partnership, and the tribes. He explained that if the board made the first step to support funding, it would encourage other parties' involvement. Bob Nichols suggested making the funding contingent on securing funding from other sources. Ken agreed.

Carol referred to Bob's question about what other agencies could provide funding and reminded the board that many agencies will freely provide staff time to provide data to the consultant. She also responded to Bud Hover's earlier question of how project effectiveness is being measured, noting this was a good question because what is being measured and how (i.e., monitoring protocols) differ among agencies. Chair Tharinger asked if her agency is willing to get on board. Carol answered that her agency is willing to participate, but in the past when the Conservation Commission released their plan for effectiveness monitoring, they did not receive responses. She stated that it could be related to the lack of common metrics, and people not knowing how to respond to the data.

Bud Hover added that it seems as though each of the regions and agencies are not openly sharing data. He would like to see a common language and purpose behind the monitoring efforts. Ken explained that is why the Forum is suggesting hiring someone to review all the data. Bob Nichols suggested submitting a recommendation for the \$50,000 for the consultant to the Natural Resources Reform committee to integrate it into their plan for later next year.

Harry Barber asked about the practical value of monitoring versus an academic exercise. He asked if the people who do the monitoring communicate with the people in the field, and if monitoring activities influence field work. Chair Tharinger encouraged audience members to think about responses to Harry's questions.

Ken noted that the Monitoring Forum represents 28 different organizations, and it would serve all 28 members organizations and agencies to have a consultant review current monitoring data.

Intensively Monitored Watersheds

Ken then discussed intensively monitored watersheds (IMWs), noting that it is the only type of monitoring that tells whether restoration results in more salmon. He listed three key questions for IMWs:

- Does habitat restoration produce more fish?
- Can we identify the most effective restoration efforts?
- What are the actual cause-effect relationships between habitat restoration and fish production?

To answer the key questions, the Forum recommended that the board continue project implementation monitoring for PCSRF funded projects with 2009 funds. The forum also presented the following recommendations:

- The board needs to determine whether the current IMWs are areas in which to continue investing.
- Connect IMW Monitoring staff with lead entities and regions to improve implementation of IMWs.
- The Forum should assist the board in improving the IMW program and in assessing whether to continue funding.

Chair Tharinger asked Ken about what the Forum needs from the board. Ken responded that he would like to see Intensively Monitored Watersheds (IMWs) factored into the board's review of proposed projects, and would like to see the review panel have a chance to ask about the IMW treatment's role in the review process. Ken invited Bill Ehinger, from the Department of Ecology, to help answer the board's questions about the priorities of the IMW program.

David Troutt noted that perhaps IMWs are not aligning with the primary objective of addressing high priority areas. Craig Partridge added that the board and the Forum might need help from the federal government with saving the fish and setting up the monitoring requirements. The board discussed the nexus of project prioritization and the information gathered by IMWs, and whether the board should continue funding IMWs when they are not in the highest priority areas. Bill Ehinger explained the successes and challenges of the four complexes: the Skagit, Strait of Juan de Fuca, Hood Canal, and the Lower Columbia. The current sites were chosen with the consideration of time and money, building on existing monitoring efforts; which were not necessarily highest on the recovery lists.

Ken asked the board to send him their questions so that he could make them available to discuss at the IMW workshop. Harry responded that he wants to hear Ken and Bill to give recommendations rather than have a workshop. Kaleen expressed concern that the board would not have time to discuss this issue before Ecology begins work in March of 2010.

Status and Trends

Ken introduced Mara Zimmerman to help discuss the Department of Fish and Wildlife's Fish-In/Fish-Out program (fish status and trends monitoring). Ken explained that Fish-In/Fish-Out is the only program currently supporting the high level indicators for salmon. The Forum recommends that the board continue their support of the program.

Ken concluded with the forum's final recommendation for status and trends monitoring: for the board to support the development of a landscape scale habitat remote sensing program. He explained this recommendation is a priority of the forum for the last several years and a priority of the Comprehensive Monitoring Strategy. It would fill a significant gap at the watershed level. The Department of Fish and Wildlife has been a longtime proponent of the program, and noted that Fish and Wildlife is prepared to come back in December with a proposal for the board.

David Troutt asked Ken how the development of a landscape scale habitat remote sensing program lines up with the watershed characterization work that the Department of Ecology and the Puget Sound Partnership are currently working on in the Puget Sound. Ken responded that the Partnership recently started a process to describe how they would characterize watersheds in Puget Sound. Melissa Gildersleeve offered to get Ken in touch with the point persons from Ecology.

Sara LaBorde added that she is meeting with Josh Baldi (Ecology) and Chris Townsend (Partnership) at the end of October, and one of the topics is to ensure watershed characterization and IMWs are aligned. The goal of the meeting is provide feedback to the board for how does the IMW run into the watershed's characterization and how does it connect to local governments' shoreline management updates.

Nearshore Monitoring

Paul Cereghino gave a detailed overview of the Nearshore Monitoring Recommendations and announced that there is an RFP going out for developing nearshore monitoring protocols.

Kaleen asked if Ken would be coming back to the board today or in December to approve the \$50,000 that was held by the board in 2008 for the request for proposals. Ken responded that he would come back in December.

Ken concluded his presentation with a summary of the Forum's review for the Monitoring Forum, answering a few of the key questions proposed by the board at previous meetings, as well as the total monitoring funding requests. Chair Tharinger thanked Ken for his presentation, and his work and the work of the Forum.

Bob stated that if the board approved the \$50,000 for a consultant on effectiveness monitoring, then the board should receive a follow up report on the progress. He would also like to see a letter from the chair of the Forum in support of the contractor's work.

PUBLIC COMMENT:

Richard Brocksmith, LEAG Chair and Lead Entity Coordinator for Hood Canal, noted that the board is focusing heavily on state sponsored monitoring. He suggested that the statewide strategy should include smaller organizations and sponsors.

Chair Tharinger noted that this could be a change within Manual 18 to expand the monitoring data set by allowing citizen participation. The Chair noted that they first need to have a common set of protocols.

Richard added that the Habitat Work Schedule should be used for mapping progress in recovery areas.

Jeff Breckel, Executive Director of the Lower Columbia Fish Recovery Board, suggested taking what agencies and organizations are doing now, and make their processes more efficient incrementally and over time. He also would like to have monitoring programs ask why some projects are not effective: was it the wrong technology, wrong design, or the system approach?

Chair Tharinger noted that there should be some common language to standardize monitoring efforts.

Bob Nichols asked Jeff if he is telling the board not to spend the \$50,000. Jeff responded that the board should focus on improving the efficiencies among agencies and be realistic about their expectations for the \$50,000 investment in coordinating monitoring efforts.

Harry asked how long-term implementation monitoring was done. He also questioned whether it would be more cost effective for sponsors to monitor projects instead of TetraTech, noting it also could provide a larger sample size. Brian responded that RCO staff does check the projects through other site visits or through local sponsors. Brian also explained that sponsors are eligible under their administrative costs to conduct implementation monitoring.

David noted that he hears Harry asking for a deliverable from the \$50,000 to maximize sample size, which would include using groups on the ground to increase sample size. Chair Tharinger responded that the board would need to discuss David's proposal because it is a policy change.

Chair Tharinger noted that he would like to have a motion to approve the \$568,000 for the October request, with the RCO director to allocate and do contracts as discussed.

David Troutt MOVED to approve \$568,000 as presented for contracts to be signed by the Director. Bud Hover SECONDED.

Bob Nichols asked for a letter of support from Chair Tharinger, on behalf of the Salmon Recovery Funding Board, and a report six months after the contract has been issued indicating how the board understands the funds will be used as part of the Natural Resources reorganization. Kaleen responded that she would like to see Ken estimate the timeline for the report. Chair Tharinger noted that Bob's suggestion was not part of the motion.

The board unanimously APPROVED the motion.

ITEM #8: DISCUSSION OF UPCOMING POLICY CHANGES

Dominga Soliz, Policy Specialist, and Brian Abbott, Salmon Section Manager, presented this agenda item

Scope Changes for Acquisition Projects

Dominga Soliz briefed the board on the proposal to change the process for scope changes for acquisition projects. The policy change is intended to clarify the definition of a "major" scope change. RCO held a stakeholder meeting, submitted a memo for public comment, and is currently collecting comments on the memo.

Craig Partridge asked if this is the same issue as Washington Wildlife and Recreation Program discussed a few years ago. Kaleen confirmed that it is the same issue and explained that that RCO is going to bring a policy for both Recreation and Conservation Funding Board and Salmon Recovery Funding Board. She added that the next recommendation will be criteria for the board's sub-committee.

Puget Sound Partnership (Partnership) Alignment

Dominga explained that there are three elements to the alignment.

- The initial proposal asks sponsors in Puget Sound to submit a letter with their application certifying the proposed project is not in conflict with the Puget Sound Partnership Action Agenda.
- The second proposal is to activate existing criteria relating to whether projects are referenced in the Action Agenda.
- The third proposal is to update placeholder language that states funding preference will be rewarded to Puget Sound Partners, without -giving less preferential treatment to entities that are not eligible to be partners. The Partnership is still determining the criteria for a "Puget Sound Partner."

RCO held a stakeholder meeting, submitted a memo for public comment and is currently collecting comments.

Craig Partridge asked if there are any projects that would be high performers in the SRFB grant process that would conflict with the Action Agenda. Brian responded that he could not name any high ranking proposed projects in conflict with the Action Agenda. Kaleen responded that this proposal is not only for the Salmon Recovery Funding Board, but also for the Recreation and Conservation Funding Board, so RCO wants a consistent policy for both boards.

Changes to Manual 18

Brian explained staff's plan for updating Manual 18, which is slated to be adopted by the board in February 2010. Chair Tharinger asked Brian to highlight the most notable changes to the manual. Brian pointed out the following revisions:

- Adjustments to the timing of the application schedule
- Clarifying the terms "private landowner" and "local partner"
- Changing the reimbursement policy for large woody debris
- Providing guidance for acquisition projects for determining whether a project is fee simple or a conservation easement
- Reviewing the appropriate split between riparian zone and upland areas for acquisition projects
- Requiring sponsors to provide at least a preliminary design in restoration projects, or creating a condition that designs are reviewed before construction funds are released

Brian concluded by noting that RCO staff would be collaborating with lead entities, regions, and sponsors to prepare recommendations for the board.

PUBLIC COMMENT:

Julie Morgan, Executive Director of the Upper Columbia Salmon Recovery Board, expressed concerns from Chelan and Okanogan County Commissioners about land acquisitions removing land from agricultural production and consequently decreasing tax revenue for the county and county funded programs. Julie read a selection of comments from Bob Bugert, Executive Director for the Chelan-Douglas Land Trust. Bob asked the board to consider changes to Section 2, Acquisitions in Manual 18. His comments

suggested policy updates to allow projects to contain term conservation easements and long-term leases as an alternative tool for landowners who are not interested in a permanent conservation easement.

On the issue of fee simple acquisition of agricultural land, Kaleen noted that the legislature asked RCO to do an assessment of the various tools for land conservation (i.e., conservation easement, fee simple, lease, term conservation easements). It is a legal, practical, economical assessment. RCO has contracted with the Seattle law firm of GordonDerr, who has contracted with an economic subcontractor. Kaleen thanked Julie for her timely comments, noting that the report is due to the legislature by mid-December, and she will report to the board when it is completed.

Chair Tharinger asked if the board's project money could legally be used for short-term easements. Brian responded that currently policy requires the land to be held in perpetuity, regardless of whether it was acquired in fee simple or through a conservation easement.

CLOSING COMMENTS

Chair Tharinger announced that the next meeting is on December 10 – 11, 2010 in Olympia.

Kaleen asked Grant Manager Tara Galuska to introduce RCO's newest intern. Tristan Vaughn is a sophomore at Evergreen State College and will be working at RCO throughout the 2009-2010 academic year.

Meeting adjourned at 4:35 p.m.



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

December 2009

TO: Salmon Recovery Funding Board Members
FROM: Kaleen Cottingham, Director
SUBJECT: Director and Agency Management Report, December 2009

Looking at Grant Projects in Okanogan County

In October, I toured Okanogan County to see our grants in action. I spent the first two days with staff from the Recreation and Conservation Office (RCO) and the Washington Department of Fish and Wildlife (WDFW) touring the Scotch Creek and Sinlahekin Wildlife Areas, which received several grants from the Washington Wildlife and Recreation Program (WWRP). On the third day of the trip, I joined other RCO staff, Bud Hover, and staff from the Methow Conservancy and Upper Columbia Salmon Recovery Board to see salmon recovery in the Methow and Twisp watersheds. The projects we looked at ranged from restoring a small creek to removing a dam. Discussions revolved around land use in the Methow, where only 10 percent of the land is privately owned, balancing agricultural and habitat needs, state and federal permit regulations, conservation tools and incentives, and the big picture of salmon recovery on a reach and watershed scale. The three-day tour of Okanogan County gave me a chance to see the valuable work happening and the investments made by RCO.

Transforming Natural Resources Agencies

RCO submitted a package of comments to the Governor on ideas for reforming the way natural resources are managed in Washington. The package included a letter on behalf of RCO and the Recreation and Conservation Funding Board, as well as separate letters from each of RCO's other boards. The Natural Resources Subcabinet is continuing to gather comments and will make recommendations to the Governor and Commissioner of Public Lands in mid November. I expect a government reform proposal, encompassing all areas of state government, to be announced in late November or early December and I will keep you informed.

Natural resource reform also was before the Senate Natural Resources, Ocean, and Recreation Committee and the House Agriculture & Natural Resources Committee. The Senate committee also had a briefing from the Invasive Species Council on its progress to date. The next committee assembly is in early December and is expected to focus on the latest revenue numbers and the supplemental budget. The next session of the legislature will convene on January 11.



Two Audits Begin

The State Auditor has begun auditing the federal Pacific Coastal Salmon Recovery Fund grants handed out by the Salmon Recovery Funding Board, including the overall process, grant payments, grant reporting, grant recipient monitoring, and revenue reporting. We have had our entrance interview and will be working with them primarily through Mark Jarasitis and Lisa Nelson in our financial section.

The Joint Legislative Audit Review Committee (JLARC) is examining the state's recreational boating programs, including looking at revenue sources, expenditures, the roles of state and local governments, and how other states pay for boating programs. JLARC expects to complete its review in September 2010. We have had our preliminary meeting and intend to work with them primarily through Jim Eychaner. They also will be meeting with other boating agencies and boating groups. Because of this audit, suggestions to the Governor's office regarding consolidating boating programs have been deferred until the audit is completed next year.

Employees on the Move

- Phil Miller has been selected as the executive coordinator of the Governor's Salmon Recovery Office (GSRO). He is knowledgeable about salmon recovery and the role GSRO plays with regional and watershed partners. Phil has worked with GSRO since its inception more than 10 years ago, when he started as a regional coordinator to the Lower Columbia Fish Recovery Board. His role expanded to being the liaison to other regional organizations, and he was very helpful with the transition of GSRO into RCO during the past several months. Before working at GSRO, Phil worked at the Department of Ecology, assessing the comparative health and ecosystem risks of key environmental issues facing the state. He has a Bachelor of Arts degree in environmental issues from Northeastern Illinois University and a Master's degree in environmental management from Vermont College. He also attended law school at William Mitchell School of Law in Minnesota.
- Elizabeth Butler has been selected as the grants manager for the conservation section. She has been working for the Trust for Public Lands since 2006 and before that spent some time with Seattle's Department of Neighborhoods. She brings with her some very impressive acquisitions experience including working on projects such as Judd Cove, Glen Cove, the Pacific Crest Trail, and Kiket Island. She began working with us on November 9.
- Tristan Vaughn has joined us as the grant management intern. He is a sophomore at The Evergreen State College and comes to us with extensive volunteer experience in the conservation field and a background in environmental science. He will work with us through May.

News from Our Sister Boards, Councils and Groups

Recreation and Conservation Funding Board (RCFB)

The Recreation and Conservation Funding Board met October 8 and November 5.

At the October meeting, staff presented preliminary policy thoughts on how to begin incorporating sustainability issues and practices for recreation and conservation projects into our grant programs. The board has decided to make this a priority for policy discussions in 2010. The board also discussed its policies related to indirect cost reimbursement. While it decided not to change its current policy that disallows reimbursing indirect costs, they did ask staff to improve communication with sponsors about allowable costs and work to lessen the administrative burden associated with grant applications. The board also approved grant funding in the Recreational Trails Program and approved the use of unspent funds in the Washington Wildlife and Recreation Program's farmland program.

At the November meeting, the RCFB approved policies regarding grant alignment with the Puget Sound Partnership Action Agenda and scope changes for acquisition projects. Staff will present both of these policies to the SRFB in December for consideration. The RCFB also approved policies in the WWRP Farmland and Riparian categories. The board approved grant funding in the Firearms and Archery Range Recreation program and the Land and Water Conservation program.

Washington Invasive Species Council

The council acted quickly to pull together talking points and a fact sheet for the Governor's meeting with the Premier of British Columbia, who was to become the final signatory of the Columbia River Basin Interagency Invasive Species Response Plan for Zebra and Quagga Mussels. In other work, council staff has been looking into options for education materials that will be paid for with a grant from the U.S. Fish and Wildlife Service, writing its annual report to the legislature, creating an invasive species policy database to identify existing invasive species policies and gaps, developing a survey to gather information for a baseline assessment of invasive species work around the state, and following up calls to its hotline.

Biodiversity Council

At a two-day meeting in Leavenworth, the council wrapped up a project that used the council's conservation opportunity framework at a regional scale. Building on the lessons learned from that initiative, the council launched a new project to create a land use planning and biodiversity conservation partnership, with the intent to bring together conservation experts and planners to identify and deliver needed conservation tools. The council also voted to extend the biodiversity scorecard project for two additional months and to collaborate with the University of Washington on a proposal for an additional year of project funding for the scorecard.

Forum on Monitoring Salmon Recovery and Watershed Health

The Forum recently adopted high-level indicators for salmon abundance (adult spawner abundance, adult harvest, and juvenile abundance) by population. These indicators are aligned with similar indicators adopted by the Northwest Power and Conservation Council and the Puget Sound Partnership, as well as being consistent with the recent guidance published by NOAA. The Forum also adopted categories for high-level Indicators for watershed health, helping to focus the remaining discussion around achieving agreement across regional agencies on the actual metrics to be included in assessments of watershed health. The Legislative charge requires the forum to adopt watershed health indicators by December, and it is on track to do so. In other work, the Forum approved business rules and made recommendations to the Salmon Recovery Funding Board on monitoring allocations.

Habitat and Recreation Lands Coordinating Group

The lands group met October 28 to organize the second Annual State Land Acquisition Coordinating Forum and to discuss preparing the forecast of state land acquisitions and disposals for the 2011-2013 biennium. The lands group will host the annual forum on February 3, 2010 for agencies to coordinate acquisition grant requests. Non-profit organizations, local government representatives, and others will be invited to attend. The biennial forecast report and companion map will be published in June 2010. The lands group also reviewed a draft annual report and work plan that will be submitted to the Office of Financial Management in December.

ATTACHMENT A: SALMON RECOVERY FUNDING BOARD BUDGET SUMMARY

For the Period of July 1, 2009 - June 30, 2011, actuals through 10/2009 (fm04) 11/16/09
 Percentage of biennium reported: 16.7%

	BUDGET		COMMITTED		TO BE COMMITTED		EXPENDITURES	
	new and reapp. 2009-2011	Dollars	% of budget	Dollars	% of budget	Dollars	% of comm	
<u>GRANT PROGRAMS</u>								
State Funded 01-03	\$135,410	\$135,410	100%	\$0	0%	\$0	0%	
State Funded 03-05	\$1,903,862	\$1,903,862	100%	\$0	0%	\$288,320	15%	
State Funded 05-07	\$4,739,719	\$4,739,719	100%	\$0	0%	\$616,093	13%	
State Funded 07-09	\$10,377,639	\$9,217,387	89%	\$1,160,252	11%	\$605,498	7%	
State Funded 09-11	\$9,350,000	\$259,458	3%	\$9,090,542	97%	\$0	0%	
State Funded Total	26,506,630	16,255,836	61%	\$10,250,795	38.7%	1,509,910	9%	
Federal Funded 2005	\$6,593,960	\$4,864,345	74%	\$1,729,615	26%	\$906,548	19%	
Federal Funded 2006	\$8,850,150	\$8,038,795	91%	\$811,355	9%	\$1,527,493	19%	
Federal Funded 2007	\$14,305,923	\$14,285,926	100%	\$19,997	0%	\$2,966,679	21%	
Federal Funded 2008	\$20,312,568	\$19,821,729	98%	\$490,839	2%	\$1,504,344	8%	
Federal Funded 2009	\$23,864,900	\$13,234,346	55%	\$10,630,554	45%	\$0	0%	
Federal Funded Total	73,927,501	60,245,141	81%	\$13,682,360	19%	6,905,064	11%	
Lead Entities	6,217,345	4,225,248	68%	1,992,096	32%	295,726	7%	
Forest & Fish	1,638,485	1,638,485	100%	-	0%	0	0%	
Puget Sound	62,353,371	31,385,757	50%	30,967,614	50%	1,645,889	5%	
Family Forest Fish Pass Prog	7,390,106	3,514,844	48%	3,875,262	52%	1,299,581	37%	
Subtotal Grant Programs	178,033,438	117,265,310	66%	60,768,128	34%	11,656,170	10%	
<u>ADMINISTRATION</u>								
SRFB Admin/Staff	5,084,072	5,084,072	100%	-	0%	680,111	13%	
Technical Panel	400,000	400,000	100%	-	0%	46,021	12%	
Subtotal Administration	5,484,072	5,484,072	100%	-	0%	726,132	13%	
GRANT AND ADMINISTRATION TOTAL	\$183,517,510	\$122,749,382	67%	\$60,768,128	33%	\$12,382,302	10%	

Allowable Activities and Structures Policy

Staff is comparing the compatibility of activities and structures to the statutory purposes of grant programs and funding sources. The goal is to identify which activities and structures are incompatible with specific grant programs in order to help ensure that initial public investments are protected. Staff is forming stakeholder workgroups to identify which activities and structures do not fit with specific grant programs. Staff also convened a workgroup to examine how revenue-generating activities and structures are limited by tax-exempt bond rules. The workgroup submitted a memo to the State Office of the Treasurer on this issue and is awaiting a response. Staff will update the board on progress and anticipates submitting final recommendations to the board in October 2010.

Legislative Preview

The 2010 legislative session will begin January 11. This is a 60-day session that is expected to focus heavily on budget issues, with lawmakers needing to close a projected \$1.8 billion operating budget gap. Changes in the capital budget are expected to be minimal, although it is likely that any unobligated funds or fund balances will be “swept” to assist with the operating budget problem. Other major issues besides the budget are expected to include government reform, including any legislative changes needed to implement the Governor’s natural resources reform recommendations.

Natural Resources Building
1111 Washington St SE
Olympia WA 98501

PO Box 40917
Olympia WA 98504-0917



(360) 902-3000
TTY: (360) 902-1996
Fax: (360) 902-3026

E-mail: Info@rc.o.wa.gov
Web site: www.rc.o.wa.gov

STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 1D

TITLE: Governor's Government Reform Efforts

PREPARED BY: Steve McLellan, Policy Director

APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

Summary

The 2009-2011 budget directed the Governor's Office to convene a group of representatives from the natural resources agencies to identify consolidation opportunities that would improve service delivery and reduce costs.

On September 14, the Natural Resources subcabinet released a series of reform ideas to the public for comment. The Recreation and Conservation Office worked with all of its boards and councils, including the Salmon Recovery Funding Board, to submit comments on the proposal. Staff provided copies of this board's letter to members at the October 2009 meeting.

The public comment period for the Natural Resources Reform report ended October 28, 2009. The Governor's office reports that it received hundreds of comments through a web site and email account.

In early November, the Natural Resources Subcabinet made recommendations to the Governor and the Commissioner of Public Lands for which ideas should be pursued through legislation or executive order. We expect that the Governor will make an announcement on her reform package in early December. Staff will share that information with board members by email and at the December board meeting.



Natural Resources Building
1111 Washington St SE
Olympia WA 98501

PO Box 40917
Olympia WA 98504-0917



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

(360) 902-3000
TTY: (360) 902-1996
Fax: (360) 902-3026

E-mail: Info@rc.o.wa.gov
Web site: www.rc.o.wa.gov

MEETING DATE: December 2009 **ITEM NUMBER:** 1E
TITLE: Update on Pacific Coastal Salmon Recovery Funds for 2010
PREPARED BY: Steve McLellan, Policy Director
APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

Summary

As reported in August, the Obama Administration initially did not provide funding for Pacific Coastal Salmon Recovery Funds (PCSRF) in the fiscal year 2010 budget, instead preferring to use the funding for a nationwide habitat restoration effort. At the urging of west coast congressional members and others, the administration restored funding at the \$50 million level in their budget request. The budget passed out of the House on June 18 with a \$50 million funding level. It was referred to the Senate Committee on Appropriations where PCSRF funding was raised to \$80 million. At this time, it remains unclear what the final budget will include for PCSRF funding. We do not expect any changes to the requirement for a 10 percent monitoring allocation or to the allowance for a three percent administrative charge.

If the National Oceanic and Atmospheric Administration follows the same process as in 2009, the state's grant application for 2010 likely will be due in February. In the past, the deadlines for submittal have been tight, with only a few weeks between the announcement, pre-application deadline, and final due date.

Staff will update the Salmon Recovery Funding Board on any new information at the December meeting.





STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 1F

TITLE: Proposed Board Work Plan for 2010

PREPARED BY: Rebecca Connolly, Board Liaison

APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

Summary

The Salmon Recovery Funding Board (board) plans to meet four times in 2010 to award grant funding and provide policy direction for the grant programs and planning activities. Staff has prepared a 2010 work plan (Attachment A) for board consideration to ensure that high-priority topics can be addressed in a timely fashion during the year.

Staff Recommendation

Recreation and Conservation Office (RCO) staff recommends that the board use the work plan for 2010. Staff will update it as needed to reflect board priorities and legislative assignments.

Background

The board adopted a work plan for 2009 that noted the meeting dates and the key briefings and decisions for each. Some of the items on the work plan had to be delayed due to workload and unanticipated legislative assignments, but many others were accomplished. For example, the board and RCO made significant progress on the following work plan activities:

- adopting a strategic plan for the Salmon Recovery Funding Board;
- presentations by four regions;
- addressing key policies including engineered log jams, land transfers, scope changes, and alignment with the Puget Sound Partnership's Action Agenda; and
- considering Monitoring Forum recommendations and assessing monitoring contracts.

Next Steps

Staff will implement the board's work plan through meeting agendas and materials as directed.

Attachments

- A. Proposed 2010 SRFB Work Plan



ATTACHMENT A: SRFB WORK PLAN – CALENDAR YEAR 2010

Meeting	Standing Topics	Region ¹	Policy Briefings	Other Briefings	Follow Up Items (board requests)	Decisions
February 18-19 Olympia	Director's Report Fiscal Report Policy Report GMAP update Salmon Recovery management reports		Legislative update Impacts of supplemental budget on allocation of funding Incentives for using Veterans Conservation Corps in projects Engineered logjams Initial scoping discussion: board priorities for project size and type	GSRO: <ul style="list-style-type: none"> Regional reviews and approach to financial reports Scope of 2010 State of Salmon Report, data needs <i>Placeholder: PCSRF grant application</i>	<ul style="list-style-type: none"> DOT presentation on fish passage program FFFPP 	Manual 18 for 2010 Grant Round <i>Placeholder: PSAR awards</i> Monitoring contracts ² (effectiveness, IMW, fish-in/fish-out)
May 20-21 Bellingham	Partner Reports Agency reports	Hood Canal Puget Sound	Legislation and budget: <ul style="list-style-type: none"> Session review & assignments Legislation for 2011 Development of 2011-13 Budget Deed of right Allowable activities and structures Initial scoping discussion: working lands SRFB process and grant round options Water policy	Project Tour Recommendations from the IMW workshop		Legislation for 2011 ³ 2011-13 Budget ³ Monitoring contracts ² (effectiveness, IMW, fish-in/fish-out) Scope change policies Engineered logjams <i>Placeholder: PSAR awards</i>

¹ Regional area presentations required by contract (once per biennium).
² February or May, pending PCSRF funding. Possible special conference call meeting.
³ Possible special meeting

Meeting	Standing Topics	Region ¹	Policy Briefings	Other Briefings	Follow Up Items (board requests)	Decisions
October 7-8 Yakima		Snake Upper Columbia	Legislative assignments (if any) Manual 18 for 2011 grant round Follow-up discussion: board priorities for project size and type	Project Tour Monitoring Forum Indicators and Protocols, Status of Monitoring System		2011 grant round process and schedule Water policy 2011 SRFB Schedule <i>Placeholder: Deed of right</i> <i>Placeholder: PSAR awards</i>
December 9-10 Olympia		Coast	Manual 18 for 2011 grant round	State of Salmon Summary of FY 2010 Regional Financial Reports		Allowable activities and structures SRFB Grant awards <i>Placeholder: PSAR awards</i> Work plan for 2011



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 1G
TITLE: RCO Work Plan and Performance Measures Update: Salmon
PREPARED BY: Rebecca Connolly, Board Liaison
APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

Summary

The Recreation and Conservation Office (RCO) uses performance measures to help the agency reduce reappropriation and improve the way we do business. Staff combines the measures and the agency work plan updates in the monthly GMAP¹ report. This memo provides highlights of agency performance related to the activities of the Salmon Recovery Funding Board (board).

Grant Management

The following measures are among those that help us to check our processes at several points in the grant management cycle. Additional detail is shown in the charts in Attachment A.

Measure	Target	Performance (as of 11/1/09)	Indicator
Percent of projects closed on time	75%	53%	↓
Percent of projects closed on time and without a time extension	50%	47%	↔
Fiscal month expenditures	4.9%	5.2%	↑
Bills paid within 30 days	100%	90%	↔

The RCO also measures the number and percent of agreements that are issued and signed on time. Staff will report these measures to the board in February, May, and October of 2010, for the grants approved in December 2009.

¹ GMAP stands for Government Management Accountability and Performance, and is the cornerstone of the Governor's accountability initiative. Like other agencies, the RCO is expected to use GMAP management tools to monitor and improve key results, even we do not participate in the Governor's accountability forums.



Key Agency Activities

The RCO also tracks progress on key activities through its fiscal year work plan. The following are a few of the 49 actions that the operations team reviews on a monthly basis.

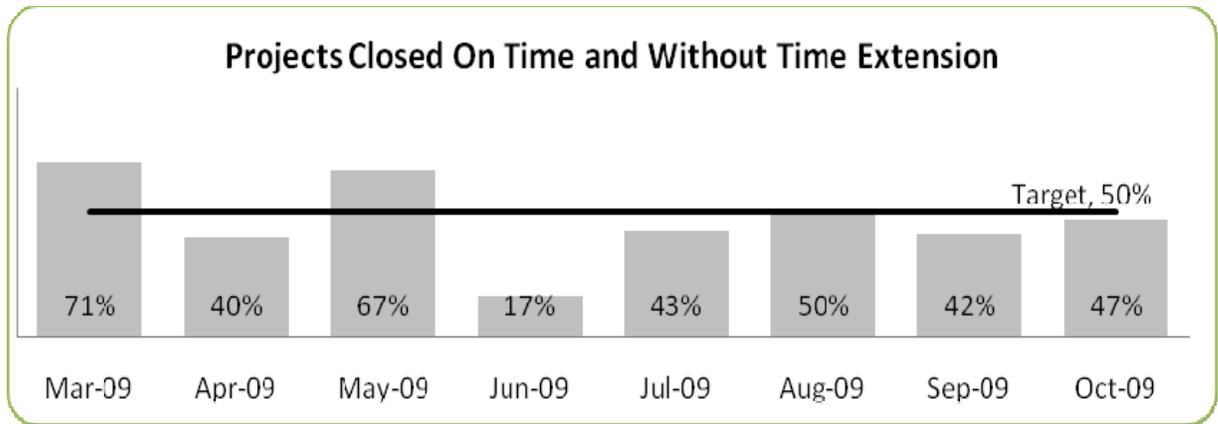
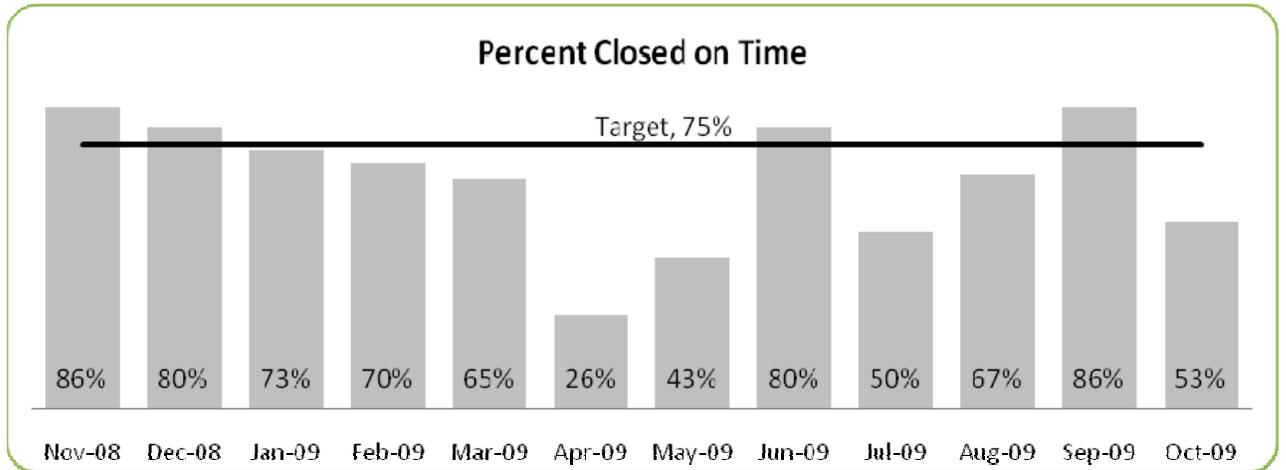
Agency Work Plan Task	Current Status	Indicator
Create operations manual for grant management	Writing is in progress.	↑
Implement electronic billing	Will start design no sooner than March of 2010.	↑
Re-categorize manual topics and launch web-based interface	Began evaluating tools available from the Department of Information Services, and revisiting project approach.	↑
Implement a new module in PRISM for sponsors to use to enter progress reports directly into PRISM. Progress reports can be submitted at anytime, not just with billings.	Implemented October 14, 2009	Completed
Modify PRISM in order to meet our reporting requirements with NOAA.	In final design	↑
Implement sub-recipient (sponsor) audits, Develop risk basis for determining which sponsors will be audited	Initial work completed for internal review. Some progress on setting targets for the number of reviews to conduct.	↔

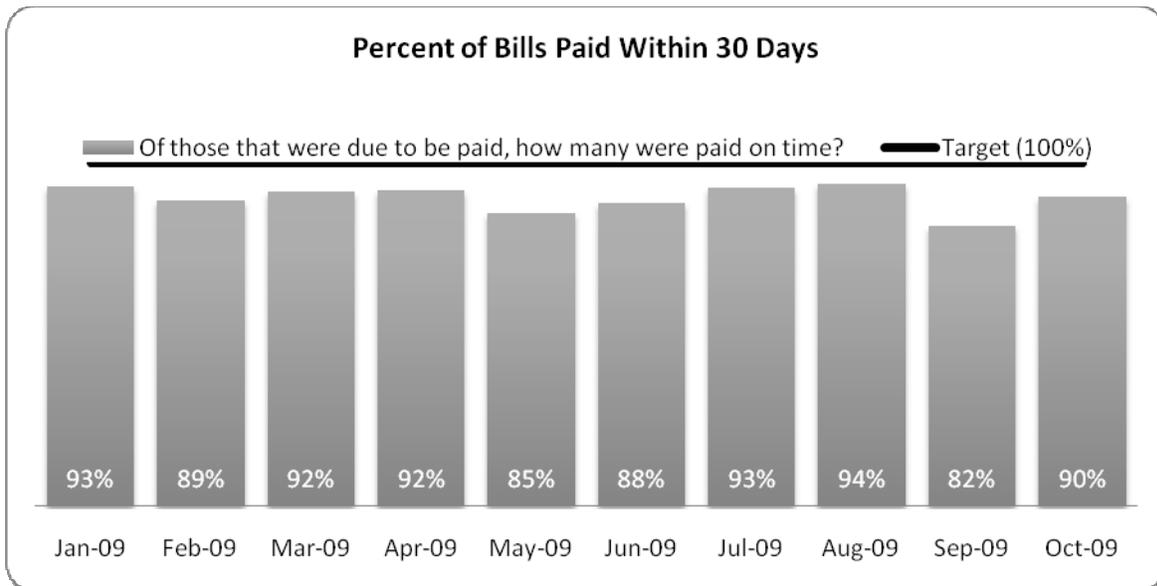
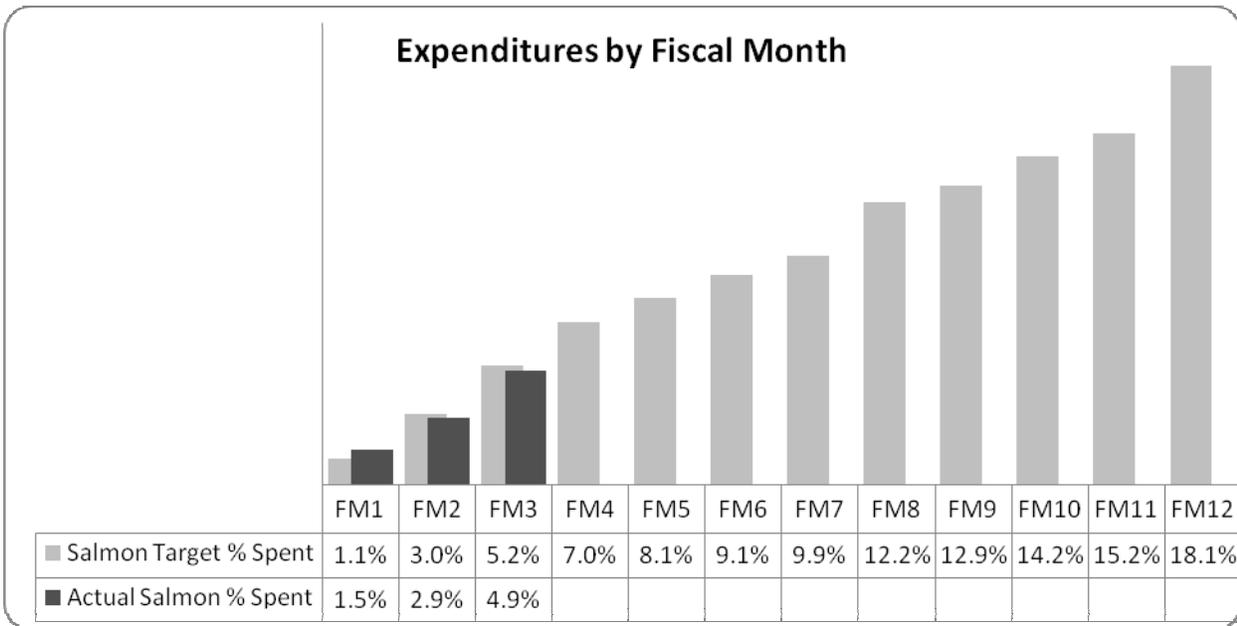
Attachments

- A. Performance Measure Charts

ATTACHMENT A: PERFORMANCE MEASURE CHARTS

The following graphs show data for salmon recovery grants for projects, capacity, and monitoring.







STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 2A
TITLE: Management Report: Salmon Recovery Grant Management
PREPARED BY: Brian Abbott, Section Manager
APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

2009 Grant Round Project Review

Lead entities submitted 177 projects to the Recreation and Conservation Office for consideration for funding in the 2009 grant round. The grant round includes competition in two programs:

- 45 projects are requesting Puget Sound Acquisition and Restoration (PSAR) funding; and
- 132 projects are requesting Salmon Recovery Funding Board (board) funding, which is a mix of state and federal funding.

In addition to the projects noted above, the board approved eight early action PSAR projects in May and October. The RCO estimates that there will be about \$47.9 million available (both salmon and PSAR funds) for the 2009 grant round.

The review process has been as follows:

- September 28 and 29: Review panel met to develop the post application individual project comments.
- October 1: Staff made these comment forms available to regions, lead entities, and sponsors.
- October 12 – 16: Regional area meetings took place.
- The purposes of the meetings are to (1) relate how the project list addresses priorities in the regional recovery plans and lead entities' strategies; (2) explain how consideration of social, economic, and cultural values by citizen committees changed the technical committees' ranking; and (3) clarify responses to any important unresolved project related concerns that have been identified by the panel.
- October 16 – 23: Sponsors provide a written response to review panel concerns
- October 28 – 30: Review panel met by conference call to review responses and finalize their project comment forms. RCO released the project comment forms for review.

The project comment forms will be finalized after November 13, and will be included in the Funding Report scheduled to be released for public comment on November 20. The final Funding Report will be presented at the December board meeting.

Manual 18 Update for the 2010 Grant Round

RCO staff are working with stakeholders to develop recommendations to the board for changes to Manual 18. Staff will be providing a memo with recommendations at the December board meeting. The goal is to adopt Manual 18 in February.



PRISM Modifications

We are working with National Oceanic and Atmospheric Administration (NOAA) and RCO's programmers to make significant updates to PRISM to implement NOAA's new metrics. Funds from the 2008 and 2009 Pacific Coast Salmon Recovery Fund (PCSRF) grants are funding the work. In addition, RCO has been working on a module in PRISM for progress and final reports. This module will increase communication between RCO staff and sponsors. Lead entities and regions also will have access to help them track their projects' progress. The progress report module is now active in PRISM and being tested by a few selected sponsors.

Project Administration

Since the beginning of the salmon recovery effort in 1999, 1,531 projects have been funded. As of November 7, 2009, sponsors have completed 1,055 projects (68.9 percent).

Funding Cycle	Fiscal Year	Active Projects	Pending Projects	Completed Projects	Total
GSRO Federal 1999	1999	0	0	94	94
Early Action (IRT) State 1999	1999	0	0	163	163
SRFB - Early (State) 2000	2000	1	0	89	90
SRFB - Second Round 2000	2001	3	0	145	148
SRFB - Third Round 2001	2002	2	0	130	132
SRFB - Fourth Round 2002	2003	8	0	80	88
SRFB - Fifth Round 2004	2004	15	0	94	109
SRFB - Sixth Round 2005	2006	40	0	69	109
SRFB - Seventh Round 2006	2007	56	0	40	96
SRFB - 2007 Grant Round (<i>includes PSAR</i>)	2008	206	0	31	237
SRFB - 2008 Grant Round ⁱ	2009	103	1 ⁱⁱ	2	106
Family Forest Fish Passage Program	To Date	41	317 ⁱⁱⁱ	118	159
Totals		475	1	1055	1531
Percent		31.02%	.00065%	68.9%	

IRT: Interagency Review Team (Early Action grant cycle);
 GSRO: Governor's Salmon Recovery Office

ⁱ The numbers in the table include some "programmatic grants," so the 2008 grant round totals differ from those in the text.

ⁱⁱ These projects are awaiting signature. A project is not under agreement ("active") until both parties have signed.

ⁱⁱⁱ FFFPP projects landowners that have applied to the program and are waiting to become a high priority for funding. These projects are not included in totals.



STATE OF WASHINGTON

GOVERNOR'S SALMON RECOVERY OFFICE

Natural Resources Building, PO Box 43135 • Olympia, Washington 98504-3135

MEETING DATE: December 2009 **ITEM NUMBER:** 2B
TITLE: Management Report: Governor's Salmon Recovery Office
PREPARED BY: Phil Miller, Executive Coordinator

APPROVED BY THE DIRECTOR:

Recreation and Conservation Office (RCO) Director Kaleen Cottingham selected Phil Miller as the Executive Coordinator for the Governor's Salmon Recovery Office (GSRO). His appointment was effective on November 16, 2009. Updated work plans and performance measures for GSRO for the remainder of the 2009-2011 biennium, consistent with RCO management systems, will be completed by January.

Highlights of other recent developments and activities involving GSRO include:

2008 Federal Columbia River Power System Biological Opinion (BiOp)

On November 23, Judge Redden heard oral arguments on the Adaptive Management Implementation Plan (AMIP) submitted by the federal defendants in September. The Judge had asked the federal defendants to consider how the AMIP might be legally included in the BiOp and its Administrative Record. The GSRO will provide a brief update on the outcome of the oral arguments at the December meeting of the Salmon Recovery Funding Board (board).

Columbia Basin Anadromous Monitoring and Evaluation

The GSRO coordinated with executive directors of regional organizations in the Columbia River basin to contribute to developing the first-ever Anadromous Monitoring and Evaluation Strategy for the basin. This strategy is intended to align monitoring with the BiOp, and to complement the Northwest Power and Conservation Council's Fish and Wildlife Program, ESA recovery plans, and other needs. NOAA-Fisheries, the Columbia Basin Fish and Wildlife Authority, Northwest Power and Conservation Council, and Bonneville Power Administration were co-leads for this major collaborative effort. Participants for Washington included GSRO staff, executive directors of regional organizations, members of their regional technical teams, Monitoring Forum agencies, and others. Technical work took place this summer and culminated in a series of technical policy workshops in October and November. Work products include a draft overarching monitoring strategy for the basin and lists of associated monitoring projects to address the BiOp and other priorities.

Puget Sound Lead Entity Grant Amendments

The Puget Sound Partnership and Puget Sound lead entities have agreed to include the tasks related to Puget Sound Acquisition and Restoration capacity funding and National Estuary Program (NEP) in the scope of work of their lead entity grants. Doing so creates efficiency because it reduces the number of contracts from three to one. The GSRO is working with the Partnership and lead entities to amend the lead entity grants accordingly. As of November 17, 2009, eight of an expected sixteen PSAR amendments have been written and seven of an expected fourteen NEP amendments have been written. GSRO will provide a brief update at the December board meeting.

Natural Resources Building
1111 Washington St SE
Olympia WA 98501

PO Box 40917
Olympia WA 98504-0917



(360) 902-3000
TTY: (360) 902-1996
Fax: (360) 902-3026

E-mail: Info@rc.o.wa.gov
Web site: www.rc.o.wa.gov

STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 2C

TITLE: Monitoring Forum Update

PREPARED BY: Ken Dzinbal, Monitoring Forum Coordinator

APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

Summary

The Washington Forum on Monitoring (Forum) will meet on December 2, 2009.

At the Salmon Recovery Funding Board (SRFB) meeting on December 10-11, staff will provide an update on the Forum's actions and decisions. Topics will include:

- adoption of watershed health indicators,
- additional recommendations for SRFB monitoring allocations,
- an update on the Columbia Basin integrated anadromous fish monitoring strategy, and
- updates on the IMW workshop and effectiveness monitoring strategy

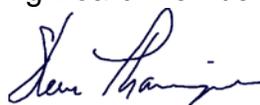




STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

November 17, 2009

TO: Salmon Recovery Funding Board Members
FROM: Steve Tharinger, Chair 
SUBJECT: FURTHER REDUCTIONS IN STATE GENERAL FUNDS

At the last several meetings of the Salmon Recovery Funding Board (SRFB), we discussed reductions to the state's General Fund (GF-S) and the impact on salmon recovery infrastructure. As you will recall, in Camas we heard the results of the 8% reduction exercise, although the board did not ultimately impose such a budget reduction. The budget situation has worsened since our Camas meeting and we are again faced with making some very hard decisions on funding. Because of an anticipated \$2 billion shortfall in state general funds (expected to increase to \$2.5 billion by the next forecast), OFM has asked the Recreation and Conservation Office (RCO) to continue identifying additional areas for budget reduction. At our December 10 and 11 meeting, the SRFB will make decisions on possible areas to reduce.

Background:

May, 2009: At our May meeting in Camas, the SRFB decided against a proposed 8% reduction in the funds supporting Regional Recovery Organizations and Lead Entities. The board encouraged the organizations to look for efficiencies.

October, 2009: At our meeting in October, staff presented the impacts of a 2% reduction to GF-S proposed by the Office of Financial Management (OFM). The total for the agency was \$49,000. As you will recall, the proposed share of this cut was \$12,221 to Lead Entity organizations. At that time, we supported RCO's administrative decision to back-fill these dollars with federal funds returned by the Department of Fish and Wildlife from its administration of lead entities. These funds would otherwise have been used for projects.

From a total funding perspective, at that time there was no impact on Lead Entity funding. However the proportion of support Lead Entities receive from GF-S was reduced from 50% to 42.5%. This reduced level of state support becomes the new floor for future GF-S funding decisions.

November, 2009: The State's budget deficit continues to be a huge concern. OFM recently let RCO know that an additional cut of \$250,000 GF-S would likely be



necessary (for a total of \$299,000 GF-S). RCO was asked to identify very specific and sustainable reductions to programs (not across-the-board cuts). Staff identified and submitted to OFM recommendations for the potential cuts (see below). It is unknown if these particular reductions will be accepted by OFM for the supplemental budget or if other decisions will be made. The budget situation is serious enough that even more reductions are possible.

Reduction Proposed	Area	Specific Impacts
\$13,500	Biodiversity Council	Eliminate one pilot project, to be determined by Council
\$16,000	Invasive Species Council	Eliminate .1 FTE
\$78,000	Monitoring Forum	Eliminate data portal
\$11,500	Salmon Support at OFM	Reduces travel and goods and services for Governor's Office staff
\$58,000	GSRO	Eliminate .5 FTE
\$73,000	Salmon Infrastructure: Lead Entities, Technical Review Panel, Salmon Administration	Specific areas of reduction to be determined by SRFB
TOTAL: \$250,000		

The proposed \$73,000 GF-S reduction to salmon infrastructure is the difference between the sum of the reductions to other program areas and the required \$250,000 cut. This amount is less than a proportional, across-the-board share would have been.

The vast majority of GF-S funds appropriated in the 2009-2011 budget go to SRFB-related efforts, the Governor's Salmon Recovery Office, and the Monitoring Forum (64.2%, 14.6%, and 9.8%, respectively). The SRFB-related efforts cover Lead Entity capacity, the technical review panel, travel and logistics for the SRFB, and a portion of the costs for the RCO director and legislative liaison. The Lead Entities in the Puget Sound Region also receive \$2,868,967 for in Puget Sound Acquisition and Restoration (PSAR) capacity funds and \$700,000 in Environmental Protection Agency National Estuary Program (NEP) funds.

A disproportionate amount of the proposed additional reduction is coming from Monitoring Forum and GSRO. The Monitoring Forum took a \$281,000 reduction last biennium and an additional \$2,863 cut as part of the 2% exercise. A major cost center managed by the Monitoring Forum is proposed to be eliminated. One of the four FTEs in the GSRO is currently vacant and, if filled, is proposed to be cut to ½ time.

Decisions:

At the December SRFB meeting, there are two decisions the board will need to make:

1. How to allocate the \$73,000 reduction to salmon infrastructure funding; and,
2. Whether to reduce infrastructure and capacity costs by \$73,000 or use federal project funds to back-fill some or all of the reductions.

Allocating the \$73,000 Reductions:

The following budget information provides helpful context for this decision.

- **Lead Entities:** The 2009 – 2011 base budget for Lead Entities is \$3,026,000. At the time the budget was passed, Lead Entities received 50% of funds from GF-S and the other 50% from Pacific Coast Salmon Recovery Funds (PCSRF). The result of the earlier 2% reduction in GF-S to Lead Entities and decision to backfill this with federal dollars changed the proportion to 42.5% GF-S and 57.5% federal.
- **Regional Recovery Organizations:** Regions receive 100% of their funds from PCSRF. Because of the source of funds, these organizations have not faced budget reductions.
- **Technical Review Panel:** The Technical Review Panel is supported partially with GF-S dollars. The budget for the panel is \$400,000. 12.5% of these dollars (\$50,000) are GF-S, while the remaining 87.5% (\$350,000) are state capital funds and PSAR capital dollars. There are 8 panelists representing different disciplines. The average contract per panel member is about \$48,725 per biennium.
- **Salmon Administration:** This category is made up of a variety of costs including funds that could be used as needed to contract for special services and travel for board members. For example, there is \$9,000 currently available for undefined contracts. Also, the cost for an out-of-Olympia board meeting is approximately \$1,900 more than an Olympia meeting. The increased cost reflects additional travel for board members and additional facility costs. For 2010, two meetings are planned to occur in Olympia, one in Bellingham, and another in Yakima. The remainder of this area supports a portion of the funding for the RCO's director and legislative liaison.

Options: There are many ways to allocate the \$73,000 reduction. Some of these are listed below. This list is not inclusive of all potential ideas.

1. *Divide the cut proportionately based upon percentage (%) of GF-S for each of the three categories (Lead Entities, Technical Panel, Salmon Administration);*

	Total GF-S	Proportion of \$73,000	Proportion of \$
Lead Entities	\$1,285,000	72.6%	\$52,998
Technical Panel	\$50,000	2.8%	\$2,044
Salmon Admin	\$435,000	24.6%	\$17,958

2. Leave Lead Entities whole and divide the cut between Technical Review Panel and Salmon Administration;

	Total GF-S	Proportion of \$73,000 reduction	Proportion of \$
Lead Entities	\$1,285,000	0%	0
Technical Panel	\$50,000	10.2%	\$7,450
Salmon Admin	\$435,000	89.8%	\$65,540

3. Reduce Lead Entities by full amount and ask these organizations to determine how to allocate the reduction;

	Total GF-S	Proportion of \$73,000 reduction	Proportion of \$
Lead Entities	\$1,285,000	100%	\$73,000
Technical Panel	\$50,000	0%	0
Salmon Admin	\$435,000	0%	0

4. Expand the reductions to include a reduction in funding for Regional Recovery Organizations which would to offset GF-S reductions:

	Funding	Proportion of Funding	Proportion of \$73,000
Lead Entities	\$1,285,000 GF-S \$1,841,000 PCSRF	49.4%	\$36,062
	\$2,868,967 PSAR (Puget Sound Lead Entities only) \$700,000 EPA/NEP (Puget Sound Lead Entities only)		
Regions	\$6,037,370 PCSRF	44.5%	\$32,485
Tech Panel	\$50,000 GF-S \$247,000 CAP-State \$103,000 PSAR	2.0%	\$2,117
Salmon Admin	\$435,000 GF-S	3.2%	\$2,336
TOTAL	\$13,567,337	100%	\$73,000

5. Some combination of options; or
 6. Another option?

Reducing Funds OR Re-allocating project funds:

There is precedence, although contentious, for replacing GF-S reductions with funds that would otherwise support projects. At the October meeting, the board did not object to RCO's administrative decision to use PCSRF funds returned by the Department of Fish and Wildlife to backfill reductions for Lead Entities (\$9,000 for LEAG coordinator, \$16,000 training, and \$12,221 from the 2% cut). It is also possible to backfill some activities with state capital funds when the activity is related to a construction project. Lead Entities and the Technical Review Panel, for example, would both qualify. Both federal funds and capital funds are used to support salmon recovery projects. Any backfilling would reduce the funds available for projects for the 2010 grant round.

Conclusion:

Please give the information in this memo considerable thought before our December 10 and 11 meeting. This agenda item is scheduled for the morning of December 10. At that meeting, we will have a presentation by RCO staff and will also hear from the Regional Recovery Organizations and the Lead Entities with their thoughts and recommendations. We will then discuss how we want to proceed and will make a decision on the two funding questions that I have presented.

Please let me know if you have any questions.

cc: Kaleen Cottingham
Rachael Langen

Council of Regions Report Salmon Recovery Funding Board

December 10, 2009

Prepared and submitted by COR representative, Steve Martin

RCO Policies and Procedures:

COR members participated in an RCO conference call on November 18 to provide review and input on Manual 18 updates and the Lead Entity – Regional Organizations manual. Further review and comments will occur in December in advance of the January deadline. An update of the November meeting will be presented by RCO staff at the December 10 SRFB meeting.

Monitoring Forum:

COR representation at the next Monitoring Forum is being coordinated.

Letter to Congresswoman Murray Reinforcing Importance of PCSRF Funding:

COR directors submitted a letter to Congresswoman Murray urging support for the PCSRF appropriation. We understand that the Senate has passed legislation that includes an appropriation of \$80 million for the PCSRF account. The House version of the bill does not include a PCSRF appropriation. A House/Senate conference committee will be convened to resolve the differences in the two bills. COR is considering a letter to the Washington House delegation urging support of the Senate appropriation.

Letter to the Honorable Christine Gregoire

COR directors submitted a letter to the Honorable Christine Gregoire in which we shared our initial thoughts and recommendations on her initiative to “reform the naturals” – the letter is attached to this report. As of the writing of this report there has been no response to the letter.

Other:

Columbia basin update:

Columbia basin organizations also continue to participate in the Columbia Basin Coordinated Anadromous Fish Monitoring facilitated workshop process. This process, involving CBFWA, BPA, NOAA, NPCC, and northwest tribes and state fisheries agencies, is working to develop a Columbia Basin monitoring framework and to identify and rank monitoring needs and initiatives in the basin based on requirements under the FCRPS BiOp, addressing VSP needs, and/or providing project effectiveness information.

Item #3b

**The Lead Entity Advisory Group Report
will be provided at the meeting.**



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 4
TITLE: 2011 Project Conference Planning and Budget Request
PREPARED BY: Brian Abbott, Section Manager
APPROVED BY THE DIRECTOR:

Proposed Action: Decision

Summary

Recreation and Conservation Office (RCO) staff would like to start the planning process for the third project conference for sponsors. These conferences allow us to look at lessons learned as we continue forward with salmon recovery efforts. Lead entities and sponsors support continuing this event every two years.

Staff needs sufficient time to secure a facility and plan logistics, so we propose that we begin the planning process now for an April 2011 conference.

Staff Recommendation

Staff recommends that the Salmon Recovery Funding Board (board) fund a salmon project conference in April 2011, using returned funds and registration fees to cover the estimated cost of up to \$63,000 for a two-day event.

Proposed Motion Language:

Move to approve funding of up to \$63,000 for a salmon project conference to be held in April 2011.

Background

The board funded successful project conferences in 2007 and 2009. With nearly 1,153 projects funded at a public cost of \$253 million, these conferences are an important way to look at lessons learned as we continue forward with salmon recovery efforts. Staff will present additional background information at the December board meeting.

RCO staff will use the 2009 conference evaluation and the lessons learned to help plan the 2011 event. The 2011 conference will be a two-day conference designed as a forum to highlight what has worked in salmon recovery, what has not, and how to improve the quality and cost-effectiveness of projects.



We plan to use an organizing subcommittee to help guide conference planning and agenda development. The subcommittee will potentially include the following:

- RCO staff
- Representative from the Lead Entity Advisory Group (LEAG)
- Representative from the Regional Fisheries Enhancement Group (RFEG) Advisory Board
- WDFW RFEG Representative, Habitat Division
- Washington Conservation Commission Field Representative

The estimated costs for a two-day conference are as follows:

Consultant or project staff	\$15,000
Facility rental & meals	\$44,000
Materials and advertising	\$ 4,000
Subtotal	\$63,000
Registration (Estimated 400 @ \$80)	(-\$32,000)

Additional information is shown in Attachment A.

Next Steps

If approved, staff will build a work plan and start the conference planning process.

Attachments

- A. Additional information about 3rd Salmon Habitat Projects Conference (April 2011)

ATTACHMENT A: ADDITIONAL INFORMATION ABOUT 3RD SALMON HABITAT PROJECTS CONFERENCE (APRIL 2011)

Purpose

- Create a forum for project sponsors to exchange information about successful salmon habitat protection and restoration projects funded by the SRFB from 1999 to present.
- To honor and appreciate the work performed by all SRFB project sponsors.
- What this isn't: Discussion of strategy, recovery plans, funding, legislation

Timing: April 2011

Location: Seattle-Olympia area

Audience

Up to 700 salmon habitat project enthusiasts:

- Project sponsors
- Lead entities (technical & citizen committees)
- Tribal interests
- Conservation Districts
- Land trusts
- Estuary enthusiasts
- Regional Fisheries Enhancement Groups
- NOAA Fisheries
- U.S. Fish and Wildlife Service
- State and local governments
- Governor's Salmon Recovery Office
- Washington Department of Fish & Wildlife watershed stewards, area habitat biologist & technical staff
- Salmon Recovery Funding Board and its Review Panel and technical advisors
- Others

Presenters

Speakers to present in one of five categories:

- Habitat restoration: instream, passage/diversion/screen/inventory, riparian, upland
- Nearshore
- Acquisition
- Assessments
- Monitoring

Registration

- Free to lead entity coordinators, project sponsors, presenters and organizing sub-committee
- \$80 per person for all others



Item #6

**The Monitoring Contracts materials
will be mailed separately
before the December meeting.**

planning groups that operate under the state's Watershed Planning Act (Revised Code of Washington 90.82) and the state's Salmon Recovery Act (Revised Code of Washington 77.85).

The RCO conducted the assessment in two phases:

1. Reviewed planning and implementation documents, including watershed plans and detailed implementation plans; lead entity strategies and three-year work plans; regional salmon recovery plans; and, the Puget Sound Action Agenda.
2. Held discussions with key planning participants in the 29 WRIAs where both watershed planning and salmon recovery processes are occurring. Discussions were structured around four key topics:
 - How have watershed planning processes and salmon recovery efforts been coordinated?
 - What obstacles have prevented greater coordination?
 - Are there potential coordination opportunities that haven't been taken advantage of?
 - What types of incentives would cause or promote greater coordination?

Staff made several key findings through the literature review and discussions with watershed and salmon recovery entities.

- Coordination already is occurring in many of the Water Resource Inventory Areas (WRIA) that are engaged in watershed and salmon recovery planning. The level and type of coordination is dependent upon the characteristics of a specific watershed, including geography, historical and community factors, and legal constraints.
- While there are opportunities for additional coordination, each watershed has developed current coordination structures and mechanisms based on its own unique characteristics; therefore a "one size fits all" approach to coordination likely will not work well.
- Incentives could encourage additional coordination. The most effective incentive likely would be stable sources of funding that allow for some flexibility in how the dollars are used. Additionally, the opportunity to use existing sources of funding, such as mitigation dollars from development projects, could encourage a more integrated approach to watershed health.
- There are existing barriers to coordination, but many of these barriers likely could be lessened or removed. The state could support additional coordination by implementing additional program and agency coordination at the state level.

Based upon the document review and interviews with key planning participants, RCO developed a draft report, which was circulated for review. Comments are being reviewed for incorporation, and the final draft is expected to be finalized in time to meet the statutory deadline of December 1. The RCO will submit the final assessment report to the Governor's Office on December 1.

SHB 2157, Sec. 6 (2)

SHB 2157, Sec. 6 (2) directed the RCO and Office of Regulatory Assistance (ORA) to identify a pilot project that effectively integrates salmon recovery and watershed planning missions and objectives and that demonstrates ways to achieve efficient permitting processes.

The RCO and ORA began by developing the following guidelines to identify potential pilot projects.

Scope	A typical or common small to mid-scale development project that (1) requires state and local permits and (2) has impacts with spatial and functional relationships to both watershed planning and salmon recovery objectives such that project mitigation could produce benefits for both in a given watershed or basin.
Intent	To demonstrate ways to achieve efficient permitting and project impact mitigation processes and to implement priority projects identified in local or regional salmon recovery and/or WRIA-based watershed plans.
Potential Criteria	<ol style="list-style-type: none">Project and mitigation of its impacts can demonstrate use of integrated salmon recovery and watershed planning missions, objectives, and strategiesPotential project mitigation actions have been identified in an approved salmon recovery, watershed planning, or implementing document such as the Habitat Work Schedule or a Detailed Implementation PlanProject and its actual or potential impact mitigation plan has clearly defined parameters, scope, outcomes, estimated costs, and reasonable timeframe (i.e., project would be ready-to-go as much as possible.)There are existing and related permit streamlining efforts occurring (i.e., sponsor can leverage existing efforts with a new effort)Lessons and outcomes from pilot project can be expected to apply elsewhere

Staff from the ORA, RCO, and Governor's Salmon Recovery Office (GSRO) used these guidelines to identify the Lower Columbia as the preferred region for a pilot project. This selection was based, in part, on existing permitting integration efforts. The GSRO, RCO and ORA staff are working with the Lower Columbia Fish Recovery Board (LCFRB) staff to identify a project that could meet the established criteria. LCFRB staff will identify several projects **that staff will consider in light** of the criteria, and a recommendation will be forwarded to the Governor's office on December 1.

ESHB 1244, Sec. 304

ESHB 1244, Sec. 304 directed RCO to assess capacity issues related to the support and implementation of salmon recovery. This assessment is ongoing and unlikely to assist with currently-required budget reductions, but may inform future funding discussions when they occur.

Progress to Date

The RCO staff began this assessment by exploring the potential for efficiencies in the salmon recovery implementation structures. Given the differences among the various lead entity and regional areas, staff found that there is likely no single mechanism that would result in across-the-board efficiencies and improvements in capacity issues. Instead, each region and lead entity area and structure would need to be considered in light of how they operate in their given area and within the board's process.

One mechanism to address these differences could be performance-based contracts for the lead entities. Such contracts would align them with the specific activities and recovery actions occurring in the recovery regions. Tailored deliverables would help ensure that the lead entities implement the most effective actions by the most effective and efficient means. Performance would be measured based on the specific deliverables and tracked.,

Next Steps

Staff believes that this assessment is part of a broader conversation that the board has been conducting over the course of the last year. Specifically, the board has discussed core functions, capacity, processes, grant cycle timing, distribution of funds, and budget reductions. In August 2009, the board directed staff to examine in 2010 the overall SRFB process and its various components including timing of the grant cycle, funding approaches for more complex projects, and the role of the technical review panel.

The capacity issues addressed by ESHB 1244 are directly related to these process issues, so staff proposes that the capacity assessment continue within the context of the analysis requested by the board.

The RCO will develop a work plan that details how staff will examine the overall board process and capacity issues. The review will incorporate previous work on core functions, capacity, and coordination efforts. Staff will present the work plan to the board in February 2010 for consideration.

SHB 1957, Sec. 7

SHB 1957, Sec. 7 directed RCO to evaluate various land preservation mechanisms such as fee simple acquisitions, conservation easements, term easements and others. The evaluation includes considering the ability of each mechanism to respond to future economic, social, and environmental changes and examining the relative advantages, disadvantages and costs of each.

Due to internal staffing constraints, RCO contracted with GordonDerr to do the assessment. GordonDerr's effort has included a review of existing literature and interviewing key stakeholders and experts in land preservation.

The report will not identify a single preservation tool that provides an advantage over other mechanisms. Instead, the report will identify several tools and evaluate them with a series of criteria including the ability to achieve conservation objectives, cost over time, ability to respond to future changes and funding constraints. The final report also will include a case study to illustrate the differences in the various mechanisms in a given scenario.

A draft report was delivered to RCO in mid-November, and was circulated for stakeholder comment. The final report is due to legislature in January 2010.

A scope change that does not meet these criteria would be considered a major scope change and would need to be presented to the board's subcommittee for approval. The policy also describes the process by which scope changes for acquisition projects are reviewed by staff, including when the director might use the technical review panel to evaluate the request, and whether decisions will be made by the director or the board subcommittee.

Proposed Motion Language

Move to adopt the policy language for scope changes in acquisition projects as shown in Attachment A.

Background

Sponsors that propose acquisition projects must identify either a property or properties within a multisite stream reach, estuary, or nearshore area in their application. Single properties and properties prioritized within a multisite area are evaluated before funding is awarded. If the board awards grant funds, the property or prioritized multisite area properties are described in the contract with the RCO.

There have been situations in which sponsors need to purchase property other than the property that they originally proposed in the application and incorporated into the agreement with the RCO. When this request for a change in geographic boundaries happens after a contract is signed, but before the RCO reimburses for the acquisition, it constitutes a scope change.

Sponsors sometimes request this kind of scope change when they cannot complete the original target acquisition because negotiations with the landowner fail, or because the sponsor identifies other land that it prefers to purchase.

Current policies require board approval for major changes in any project's scope¹, but do not define a major scope change. Some recent requests to the RCFB and the Salmon Recovery Funding Board have highlighted the need for a clear and consistent policy for decisions related to acquisition scope changes.

The same issue and policy proposal affect programs funded by the RCFB. The RCFB approved the policy as it is presented here at its November 5, 2009 meeting.

Analysis

Staff worked with a group of stakeholders to develop a policy proposal to (1) define a "major" scope change and (2) determine a process for approving scope changes related to acquisition projects.

¹ On June 9, 2005, the Salmon Recovery Funding Board delegated the approval authority to a subcommittee, as shown in Manual 18, Appendix O – SRFB Amendment Request Authority Matrix.

Stakeholders included the following:

Name	Organization
Bill Koss	State Parks and Recreation Commission
Dan Budd	Department of Fish and Wildlife
Elizabeth Rodrick	Department of Fish and Wildlife
Craig Calhoun	Department of Natural Resources
Peter Mayer	Vancouver-Clark Parks and Recreation, Washington Recreation and Parks Assn.
Bob Bugert	Chelan-Douglas Land Trust
Marcia Fromhold	Washington Wildlife and Recreation Coalition

Define a “Major” Scope Change

Scope changes to purchase property other than the property identified in the agreement with RCO can result in a project that is significantly different than it was at the time of evaluation and contract formation. Stakeholders agreed that the RCO scope change policy should:

- Ensure the intent of the original grant contract with RCO is met; and
- Promote fairness to applicants that competed against the project for funding.

Policy should assure competing applicants and the public that only the board subcommittee could approve a scope change that significantly changes a project’s values. Since current policy requires major scope changes to be approved by the board subcommittee, the policy assurance that is needed can be accomplished by defining the term “major scope change.”

RCO staff currently considers several criteria in deciding whether a scope change will change a project significantly:

- Is the substitute property eligible in the same category as the original project?
- Does the substitute property have similar conservation values, habitat types and target species, recreational values, or salmon recovery values as the original project?
- Is the substitute property contiguous or geographically close to the original project?
- Would the substitute property have scored well or better than the original project?

Stakeholders examined these criteria and included them in a proposed policy to define a major scope change.

Determine Process for Approving Scope Changes

Stakeholders and staff also agreed that the process for requesting and evaluating a scope change should be clarified. The clarified process is described and shown in the picture on the following pages.

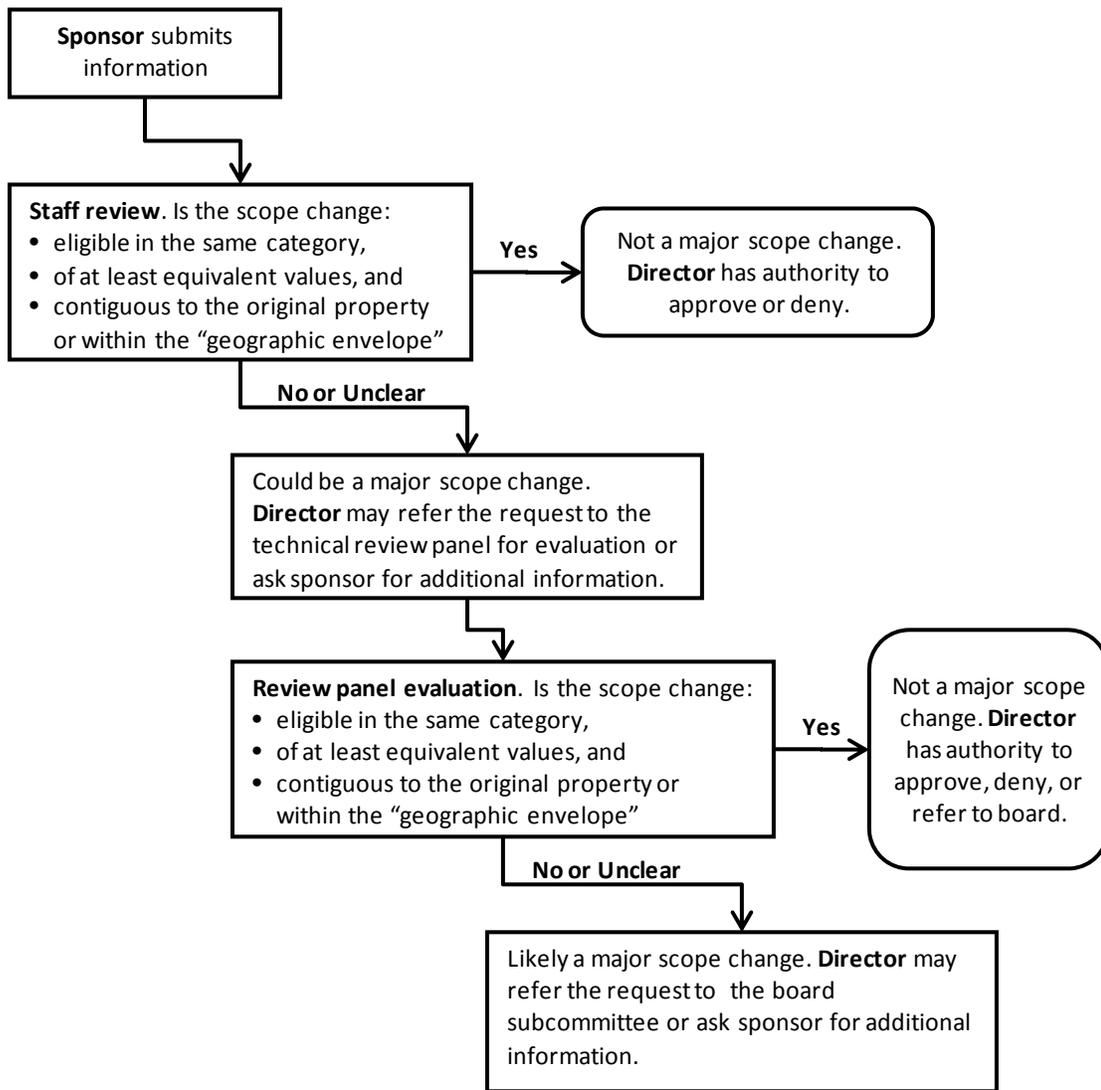
First, the policy should require that a sponsor submit additional information that justifies the request, including the following:

- documentation explaining why the original target property is no longer being pursued
- how alternatives to the request were considered
- how the new property meets program criteria
- a determination of the newly targeted property owner's willingness to sell
- how the amendment will affect the sponsor's ability to perform the obligations of the existing contract, and
- whether the lead entity was notified about the scope change request

In many cases, staff would review the request and make a recommendation to the director. In general, the director would be able to approve a scope change if it were eligible in the same grant program category, clearly had at least equivalent salmon recovery values, and were contiguous to the original property or within the multisite area delineated in the grant application. A scope change request that meets these criteria would not be considered a major scope change.

However, stakeholders suggested that in cases where it is unclear whether the amended project has similar and at least equivalent salmon recovery values as the original project, the RCO should submit the projects to the technical review panel. The review panel would determine how the values of the amended project compare to the values of the original project.

If the review panel found that the project had similar values, the change would be referred back to the director. If the review panel determined the amended project did not have similar values as the original project, the director would either submit the scope change request to the board subcommittee as a major scope change, or ask the sponsor to provide more information. The board subcommittee would either approve or deny the request based on criteria that staff will propose at the May 2010 board meeting.



Public Review

On September 28, 2009, staff circulated a draft to about 3,600 people who had expressed an interest to RCO in hearing about issues related to the Salmon Recovery Funding Board, Washington Wildlife and Recreation Program, and the Aquatic Lands Enhancement Account grant programs.

Eight people commented on the proposal. Attachment B includes the comments received, in summary format.

- Some respondents recommended that clear criteria be developed for the board subcommittee to use in determining whether to approve a scope change.

- Staff agrees with this recommendation, and will present the criteria for board consideration in May 2010.
- One comment recommends separating SRFB policy from WWRP policy.
 - Staff is conducting outreach to determine whether RCFB and SRFB criteria for approving major scope changes need to be different.
- One respondent noted that SRFB policies do not require sponsors to inform local governments of upcoming acquisitions in their jurisdictions.
 - Staff revised the proposal to require sponsors of SRFB-funded projects to notify the lead entity, rather than the local government, about the scope change request.

Next Steps

RCO staff is working with stakeholders to develop criteria that the board's subcommittee can use when deciding whether to approve a major scope change or reviewing the multisite reach area acquisition strategy. These criteria will be proposed at the May 2010 board meeting and, if approved, will be used by the board's subcommittee in future decisions on major scope changes.

However, staff believes it is important to adopt the definition of "major" scope change now so it is in place for the beginning of the 2010 cycle. In that way, project sponsors will be able to prepare their grant applications knowing the possible consequences of seeking major scope changes later in the process. Thus, if the Salmon Recovery Funding Board approves the policy revisions, RCO staff will implement the policies starting January 1, 2010 and will encourage applicants in the 2010 grant cycle to consider this policy when developing grant submittals.

Attachments

- A. Proposed Policy Language
- B. Public Comments on the Proposal

ATTACHMENT A: PROPOSED POLICY LANGUAGE

Manual 7

Staff proposes adding the following policy (including footnotes) to Manual 7 (Funded Projects) under the *General Policies* section:

Scope Changes for Acquisition Projects

This section describes guidelines for changing the scope of an acquisition project to a property other than property that is identified in the grant agreement. In order for a scope change to be approved, the sponsor must demonstrate that the newly targeted property:

- a. Is eligible in the same grant program category as the originally targeted property; and
- b. Has similar and at least equivalent conservation, farmland preservation, habitat protection, recreation, and/or salmon recovery values as the originally targeted property; and
- c. Is contiguous² to the originally targeted property or is within the recreation service area, geographic envelope or stream reach, estuary, or nearshore area identified in the grant agreement.

A scope change that meets these criteria can be approved by the director. A scope change that does not meet these criteria is considered a major scope change and the request must be submitted to either the RCFB or a SRFB subcommittee for approval. A major scope change for a project funded by both boards will be submitted to the RCFB and the SRFB subcommittee for approval. RCO staff will submit recommendations for approving or denying the scope change to the RCFB or SRFB subcommittee.

For RCFB funded projects, the director may submit the request for a scope change to an ad hoc review panel for evaluation before submitting the request to the RCFB. The review panel shall be comprised of at least 5 members who do not represent the interests of the requesting sponsor and who have experience evaluating projects in the same grant program or category.

For SRFB funded projects, the Director may submit the request for a scope change to the salmon recovery technical review panel for evaluation before submitting the request to the SRFB sub-committee.

Upon submittal of the request, the review panel shall determine whether the amended project has similar and at least equivalent conservation, farmland preservation, habitat protection, recreation, and/or salmon recovery values as the originally targeted property.

Requests for such scope changes also must include documentation from the requesting sponsor explaining:

² 'Contiguous' means 'touching.'

- Why the change is being requested and how the sponsor has considered alternatives to amending the agreement;
- How the newly targeted property meets each of the program evaluation criteria;
- How the amended project will affect the sponsor's ability to perform the obligations of the original agreement;
- A determination of the newly targeted property owner's willingness to sell;
- How the amended project will affect the sponsor's ability to spend the grant funds by the milestone dates set forth in the original agreement;
- That the sponsor has informed the local government (in the case of RCFB-funded projects) or lead entity (in the case of SRFB-funded projects) of the scope change request.

Manual 3

Staff further proposes revising policy Manual 3 (Acquisitions) as follows (underline indicates new language, strikeout indicates deleted language):

The following list summarizes many acquisition project decisions that may only be made by the IAG RCFB or SRFB in a public meeting. Each is in accord with statutes, rules, and RCFB and SRFB policies.

1. Initial grant approval.
2. Any project cost increase that exceeds 10 percent of the total previously approved by ~~IAG~~ RCFB or SRFB. Cost increases are not allowed in some ~~IAG~~ RCO programs.
3. A "conversion" that changes the project site or how the site is used from that described in the Project Agreement.
4. A ~~significant~~ major³ change in the project's scope. Typically, such a modification includes any that the Director feels may have changed the project's evaluation score. Not included are changes that do not significantly modify the way the public uses a facility or the intended habitat conservation, salmon habitat recovery, or recreational opportunity funded by ~~IAG~~ the RCFB or SRFB.
5. Changes in policy; for example, establishing new grant limits or eligible expenditures

³ Major scope changes for acquisition projects is defined in Manual 7 (Funded Projects) in the General Policies section.

ATTACHMENT B: SUMMARIZED PUBLIC COMMENTS ON THE PROPOSED POLICIES

Commenter	Summarized Comments ⁴	Staff Response
Steve Hahn, State Parks and Recreation Commission	<p>All policy revisions look good to me.</p> <p>I will suggest RCO consider working this issue from the opposite end (scoring criteria). If the goal here is to fund specific properties that scored high and were the original property presented to the review panel, give more weight to project sponsors who have executed Purchase & Sale Agreements signed with the land owner. Additional weight should be applied to project sponsors who have identified a specific property versus those who draw a circle around an area of interest and tell RCO "we will acquire one of these 15 properties within the long term boundary or project area"</p>	
Paul Cereghino, ESRP	Nearshore staff found the policy fair and useful	
Sean Edwards, Stillaguamish Lead Entity Coordinator	Informing the local government of the request would be a new requirement for SRFB projects. I believe it is assumed that local governments become aware of proposed SRFB projects through the local lead entity process.	Staff changed the recommendation accordingly.
Dave Bryant, City of Richland Parks and Recreation	I have no problem with these proposed changes	
Gregory Griffith, Department of Archaeology and Historic Preservation (DAHP)	<p>DAHP supports changes in acquisition scopes that will 1) result in significant cultural resources being protected by the acquisition; or 2) result in avoidance of impacts to significant cultural resources.</p> <p>DAHP recommends the following changes to the proposal:</p> <ul style="list-style-type: none"> • Amend the language to read: "Has similar and at least equivalent conservation, ..., <u>cultural resource protection</u>, recreation, ... values as the originally targeted property;" • Require the requesting sponsor to provide documentation identifying cultural resources that would be affected by the amendment.... • Have RCO notify and seek comments from DAHP and consulted tribal governments when considering acquisition scope changes. • Include a DAHP representative, tribal cultural resources staff, or other resource professionals on any ad hoc panel convened to evaluate and compare projects. 	These recommendations have not been included in the staff recommendation because other systems are in place for cultural resource review.

⁴ In some cases, the remarks have been edited for brevity.

Commenter	Summarized Comments ⁴	Staff Response
Joanna Grist, Washington Wildlife and Recreation Coalition	<p>This issue is not yet sufficiently refined. We believe that the RCO and work group should continue their efforts to achieve a successful policy. We would suggest the following:</p> <ul style="list-style-type: none"> • Separate the SRFB policy on this issue from the WWRP policy. The SRFB projects are not submitted to the Governor and Legislature and a LEAP project list is not included in the budget. • Convene a work group to more clearly distinguish and define “major” and “minor” scope changes. • Minor scope changes should be within the RCO director’s span of control. Major changes should go to the Recreation and Conservation Funding Board for decisions. ...If the changes are significant enough that they would have resulted in a change in the ranking they should not be approved unless there is no other alternate project. The RCO, on behalf of the RCFB, should make these major changes only in consultation with the leadership of the Legislature’s Capital Budget committees..... 	<p>Staff is conducting outreach to stakeholders to determine whether criteria for the SRFB subcommittee to use in approving acquisition scope changes should be different from criteria for the RCFB.</p> <p>A follow up call to WWRC advised that the proposal is consistent with the second and third comments and that the WWRC supports further outreach to develop board criteria for approving major scope changes.</p>
Mark Clark, State Conservation Commission	<p>We would support this change as long as the substituted project 1) has undergone a full technical review by the Technical Review Panel <i>with</i> improved criteria to evaluate acquisition projects in general, and 2) is compatible with other goals of our state, such as farmland preservation.</p> <p>The SRFB’s Technical Advisory Panel recommended that we should “develop criteria to help technical evaluation of acquisitions on a more standardized basis. These criteria should be designed to lead to better understanding of the extent to which habitat to be acquired is currently fully functioning and/or needs extensive restoration; the timeframe in which responses or improvements in habitat functioning are expected; and the continuity of the proposed acquisition with other protected or functioning habitat.” We agree with this recommendation.</p> <p>For proposed acquisition parcels that are not fully functional as salmon habitat, a plan should be required that details the needed restoration and costs, maintenance costs, and timeframe to achieve the claimed functionality.</p> <p>In addition, this review should be conducted by the Technical Panel rather than having a review through the Lead Entity or relying solely on information provided by the sponsor. ...Panel review would be consistent with the required review under RCFB as well.</p> <p>We also want to express support to change policy to use conservation easements on working lands.</p> <p>Lastly, we’d like to point out the need to define “stream reach” in your proposed policy. ...</p>	<p>Staff is conducting SRFB stakeholder outreach to define reach areas and develop criteria for the SRFB subcommittee to use in approving scope changes.</p> <p>Improving general acquisition criteria is outside the scope of this project.</p>

Commenter	Summarized Comments ⁴	Staff Response
Jennifer Quan, Department of Fish and Wildlife	<p data-bbox="402 321 1114 562">As we have reviewed the proposed policy changes in isolation of the entire RCO granting oversight process, we find ourselves in general agreement with the proposed solution. However, when assessing the results of the proposed policy and the ensuing (yet to be determined) procedures that will be added to already bureaucratic processes we are beginning to ask questions about whether the right problems are being addressed...</p> <p data-bbox="402 594 1114 867">In the current economic climate it is prudent that we ensure that we are meeting the goals and objectives of the Washington Wildlife and Recreation Program (WWRP) as well as the salmon recovery grants in an efficient manner. It may be instructive to revisit our respective roles and determine if there are more cost effective ways to achieve them – very simply, RCO administers the grant funds and WDFW (and other grant recipients) put the money and projects on the ground...</p> <p data-bbox="402 898 1114 1079">Finally, it is the Department's understanding that procedures for implementing the proposed policy changes have yet to be developed. We suggest that adoption of the proposed policy be postponed until there is a clear understanding and vetting of the procedures that could result from the proposed changes.</p>	<p data-bbox="1159 321 1511 772">In a follow-up phone call to the author, staff invited WDFW to work with the RCO to develop recommendations for ensuring program fairness while minimizing process. WDFW was encouraged to work with staff to develop scope change policies. WDFW understands the need to adopt the proposal now since the RCFB and SRFB will not meet before sponsors begin preparing 2010 grant applications.</p>



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 10
TITLE: Aligning SRFB Grants with the Puget Sound Partnership Action Agenda
PREPARED BY: Dominga Soliz, Policy and Planning Specialist
APPROVED BY THE DIRECTOR:

Proposed Action: Decision

Summary

The Recreation and Conservation Office (RCO) is required by statute to align the Salmon Recovery Funding Board grant program with the Puget Sound Partnership's Action Agenda. RCO staff worked with Puget Sound Partnership (Partnership) staff and other stakeholders to develop policy proposals for public comment. Staff is asking the Salmon Recovery Funding Board (board) to approve these policies for the 2010 grant round.

The same issue and policy proposal affect programs funded by the Recreation and Conservation Funding Board (RCFB). The RCFB approved a similar policy at its November 5, 2009 meeting.

Staff Recommendation

RCO staff recommends that the board adopt the revised policies, which would meet statutory requirements by:

- (1) Making SRFB projects that are in conflict with the Action Agenda ineligible for funding;
- (2) Activating existing criteria that addresses whether a project within the Puget Sound is referenced in the Action Agenda; and
- (3) Adding placeholder language noting that the board will adopt policies for giving preferential treatment to partners after a method is determined for designating Puget Sound partners.

Proposed Motion Language

Move to adopt the policy language presented by staff and shown in Attachments A, B and C for aligning the board's grant program with the Puget Sound Partnership's Action Agenda.

Background

As part of its fiscal accountability legislation¹, the Partnership is required to work with the RCO and other agencies to develop fiscal incentives and disincentives that implement the Partnership's Action Agenda, which identifies strategies to restore the health of the Puget Sound by 2020.

¹ RCW 90.71.340



In addition, the legislature amended the board's grant program statutes to align the program with Action Agenda priorities. The legislation requires the board to:

1. Prohibit funding for any project designed to address the restoration of Puget Sound if that project is in conflict with the Action Agenda (effective January 1, 2010);
2. Give preference to projects that are referenced in the Action Agenda; and
3. Give funding preference to Puget Sound partners without giving less preferential treatment to entities that are not eligible to be Puget Sound partners.

These requirements also apply to the Washington Wildlife and Recreation Program and the Aquatic Lands Enhancement Account grant programs, which the Recreation and Conservation Funding Board (RCFB) administers. In November 2009, the RCFB adopted policies that are nearly identical to those presented here.

Analysis

Staff worked with a group of stakeholders to develop policy proposals that include the following:

1. Revise program eligibility requirements to exclude projects in conflict with the Action Agenda
2. Activate program criteria that reflects whether eligible projects are referenced in the Action Agenda
3. Give funding preference to Puget Sound partners in comparison to other entities that are eligible to be a Puget Sound partner without giving less preferential treatment to entities that are not eligible to be Puget Sound partners

Stakeholders included the following:

Name	Organization
Bill Koss	State Parks and Recreation Commission
Peter Mayer	Vancouver-Clark Parks and Recreation, Washington Recreation and Park Association
Tami Pokorny	Jefferson County
Wade Alonzo	Department of Natural Resources
Sharon Claussen	King County Parks and Recreation
Linda Lyshall	Puget Sound Partnership
Mike Denny	Walla Walla Conservation District
Mike Tobin	North Yakima Conservation District
Dona Wuthnow	ALEA Advisory Committee, San Juan Co. Parks and Rec
Peter Dykstra	Trust for Public Land
Bill Robinson	Washington Wildlife and Recreation Coalition, The Nature Conservancy

Proposal #1: Exclude from Eligibility Projects that are in Conflict with the Action Agenda

The legislation for the SRFB, ALEA, and WWRP Habitat Conservation Account includes the following language:

“After January 1, 2010, any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.”

RCWs 77.85.130; 79.105.150; and 79A.15.040

Policy Approach

Although the legislation does not become effective until January 1, 2010, the Partnership has reviewed the 2009 SRFB project lists. The Partnership’s deputy director responded that none of the projects were in conflict with the Action Agenda.

RCO staff recommends that the board implement the legislation through the eligibility policy. Specifically, policy should state that a project that addresses the restoration of Puget Sound but that is in conflict with the Action Agenda is ineligible for program funds.

Proposed Process

The Partnership defines the Puget Sound basin as the geographic areas within Water Resource Inventory Areas (WRIA) 1 through 19, which includes the Puget Sound and Hood Canal salmon recovery regions. The Partnership suggested that RCO ensure that affected projects within these areas are not in conflict with the following Action Agenda priorities:

- Priority A: Protecting intact ecosystem processes, structures, and functions.
- Priority B: Restoring ecosystem processes, structures, and functions.
- Priority C: Reducing the sources of water pollution

The Partnership also provided staff with the following definition of “in conflict with the Action Agenda”:

- Projects that, when completed, result in water quality degradation in Puget Sound in which impacts are not fully mitigated using appropriate state approved protocols.
- Projects that, when completed, result in loss of ecosystem processes, structure, or functions in Puget Sound in which impacts are not fully mitigated using appropriate state approved protocols.

Stakeholders responded that this definition does not provide clarity to applicants and grant managers about what specifically would cause a project to be ineligible for funding. Consequently, stakeholders refined the definition into questions for sponsors to answer on a self-certification letter (Attachment A) that would be submitted with potential projects. Stakeholders then developed a process by which the Partnership would review and have the opportunity to comment on each sponsor’s self-certification letter. The review and letters would be submitted with the regional list by the application deadline for each grant cycle.

Proposal #2: Consider Whether Projects are Referenced in the Action Agenda

The Regional Area Project Matrix in Manual 18 already includes a criterion that reflects whether SRFB projects within the Puget Sound region are referenced in the Action Agenda. The criterion is currently inactive.

Comments received from the Puget Sound Partnership recommended that the policy explain that projects on three-year work plans would qualify as projects referenced in the Action Agenda. Staff revised the proposal accordingly.

Staff recommends that the criterion be activated and apply to the Puget Sound and Hood Canal regions. Staff recommends applicants work with their local lead entity to provide a reference to the project in the Action Agenda. The proposed language is shown in Attachment B.

Proposal #3: Give Funding Preference to Designated Puget Sound Partners Without Giving Less Preferential Treatment to Entities Ineligible to be Partners

The board's legislation includes the following language:

When administering funds under this chapter, the committee shall give preference only to Puget Sound partners, as defined in RCW 90.71.010, in comparison to other entities that are eligible to be included in the definition of Puget Sound partner. Entities that are not eligible to be a Puget Sound partner due to geographic location, composition, exclusion from the scope of the Puget Sound action agenda developed by the Puget Sound partnership under RCW 90.71.310, or for any other reason, shall not be given less preferential treatment than Puget Sound partners.

RCWs 77.85.240

"Puget Sound partner" means an entity that has been recognized by the partnership, as provided in RCW 90.71.340, as having consistently achieved outstanding progress in implementing the 2020 action agenda.

RCW 90.71.010

The Regional Area Project Matrix in Manual 18 already includes a criterion that addresses whether an applicant in the Puget Sound region is a designated Puget Sound partner, but the Puget Sound Partnership has not yet determined a method for designating Puget Sound partners.

Staff proposes that the board add placeholder language in a footnote to the existing criterion noting that the board will adopt policies for giving preferential treatment to partners after a method is determined by the Puget Sound Partnership for designating Puget Sound partners. Staff proposes that the criterion apply only to Puget Sound and Hood Canal salmon recovery regions. The proposed language is shown in Attachment C.

Public Review

On September 18, 2009, staff circulated a draft to about 2,500 people who had expressed an interest to RCO in hearing about issues related to the Salmon Recovery Funding Board, the Washington Wildlife and Recreation Program, and the Aquatic Lands Enhancement Account grant programs.

Eleven people commented on the proposal. Attachment D includes the comments received, in summary format. One comment recommends applying proposal #1 to all RCO grant programs. One comment recommends applying proposal #1 to Puget Sound restoration projects only. Several comments expressed concern about giving preferential treatment to the Puget Sound basin and recommended developing clear criteria for applying the legislation to grant programs.

Next Steps

If the board approves the policy revisions, RCO staff will update the manuals and implement the policies for the 2010 grant cycle and beyond.

Additional Policy Revisions

After the Partnership determines a method for designating Puget Sound partners, staff will continue to work with stakeholders on developing a funding preference system that does not give less preferential treatment to entities ineligible to be Puget Sound partners.

Attachments

- A. Draft self-certification letter
- B. Proposed program criteria
- C. Proposed funding preference placeholder language
- D. Public comments on the proposal

ATTACHMENT A: DRAFT SELF-CERTIFICATION LETTER

Staff proposes requiring SRFB applicants to submit the following letter with their application.

This letter certifies that the (Project Name) is not in conflict with the Action Agenda developed by the Puget Sound Partnership under RCW 90.71.310. I understand that a project designed to address the restoration of Puget Sound cannot be funded if it is in conflict with the Action Agenda.*

The following is a brief description of the (Project Name):

I certify that this project is within the Puget Sound basin (defined for these purposes as within Water Resource Inventory Area's 1-19)

I further certify that this project is not in conflict with the Action Agenda developed by the Puget Sound Partnership because (check all that apply):

When completed, this project will not result in water quality degradation in Puget Sound and meets or exceeds all permitting requirements.

When completed, this project will not result in loss of ecosystem processes, structure, or functions and meets or exceeds all permitting requirements.

Applicant Name: _____

Applicant Signature: _____

Date: _____

*Relevant program legislation will be referenced: either RCW 77.85.130; 79.105.150; or 79A.15.040.

ATTACHMENT B: PROPOSED PROGRAM CRITERIA

Salmon Recovery Grants Manual 18, Regional Area Project Matrix

(Strikeout indicates deleted language, underline indicates proposed language)

How did your regional review consider whether a project:

(i) For Puget Sound and Hood Canal Region Only

- *Is sponsored by an entity that is a Puget Sound partner, as defined in RCW 90.71.010? ~~(Only Puget Sound Region answers this question).~~*
- *Is referenced in the action agenda developed by the Puget Sound Partnership under RCW 90.71.310? ~~(Only Puget Sound Region answers this question).~~ (Projects on three-year work plans will qualify as they are referenced under Near Term Action B.1.1 of the Action Agenda.)*

ATTACHMENT C: PROPOSED FUNDING PREFERENCE PLACEHOLDER LANGUAGE

Salmon Recovery Grants Manual 18, Regional Area Project Matrix

(Underline indicates proposed language)

Is the project sponsored by an entity that is a Puget Sound partner, as defined in RCW 90.71.010?*

* This criterion will apply only to projects within Water Resource Inventory Areas 1-19. This determination will be made on or before the project evaluation, not at some later date. When the Puget Sound Partnership determines a method for designating Puget Sound partners, the Salmon Recovery Funding Board will modify relevant policies. Policies will be designed to prevent less preferential funding treatment to sponsors not eligible to be Puget Sound partners.

ATTACHMENT D: SUMMARIZED PUBLIC COMMENTS ON THE PROPOSED POLICIES

Commenter	Comments ²	Staff Response
Peter Mayer, Vancouver- Clark Parks and Recreation, Washington Recreation and Park Association	<p>It seems premature and somewhat arbitrary to invoke preferential strategies, incentives and disincentives on a specific basin without understanding the basin’s status relative to the condition of other ecosystems in the state. Washington’s Biodiversity Conservation Strategy urges the utilization of the Conservation Opportunity Framework to classify lands based on their biodiversity significance and the risks from growth and development. I urge that this analysis be completed BEFORE a specific basin is targeted to receive preferential treatment.</p> <p>Statutory language appears to not address whether a project potentially “in conflict” with the PSP Action Agenda could be adequately mitigated to not be “in conflict” and thus be eligible. I urge further clarification.</p> <p>The PSP has not yet defined how eligible organizations residing in Water Resource Inventory Areas (WRIA’s) 1-19 might become partners. ... More explicit criteria must first be developed ... as the subjectivity of the [statutory] definition may lead to inconsistent interpretations in a critical funding preference situation.</p> <p>The statutory language concerning the three issues above has not been consistently applied across all grant programs and the PSP’s fiscal accountability legislation makes inconsistent references to RCO programs. Greater clarity regarding statutory requirements, legislative intent and program compatibilities is needed before broadly implementing alignment initiatives. I suggest that ONLY ALEA, the Salmon Recovery Program, and the WWRP Habitat Conservation Account be pilot tested for ONLY one grant funding cycle with issue #1 and #2 applied.</p>	<p>These comments are more related to RCFB-funded projects. RCO staff and the stakeholder group agree that the statutory language is complex, and in some cases, unclear. Stakeholders believe that the proposed processes seem to be the best option at this time.</p>

² In some cases, the remarks have been edited for brevity.

Commenter	Comments ²	Staff Response
Jim Aldrich, Friends of the Fields	<p>1) The criteria for determining if projects are "in conflict" with the Puget Sound Action Agenda need to be established to minimize subjectivity in making such determinations. It is very important the criteria be unambiguous and clearly defined.</p> <p>2) The criteria for determining if projects are "consistent" with the Puget Sound Action Agenda need to be established to minimize subjectivity in making such determinations</p> <p>3) Equitable execution of the "Puget Sound partner" requirement will be difficult to achieve. Any procedure/method developed to implement this must be validated to ensure a good project isn't negatively impacted by it.</p> <p>4) The criteria, used to determine if "affected projects" within Areas 1-19 follow the 3 priorities of the Partnership, must be well defined to minimize subjectivity in making such determinations.</p> <p>Thus, the main concern is that all criteria used to evaluate/assess projects must be straightforward and clearly defined.</p>	<p>Staff and stakeholders are proposing a process by which the RCO, the project sponsor, and the Partnership would work together to determine if projects are in conflict or consistent with the Action Agenda.</p> <p>Staff has recommended that the board add placeholder language to SRFB, ALEA, and WWRP policies noting that the board will adopt policies for giving preferential treatment to partners after a method is determined for designating Puget Sound partners.</p>
Sharon Claussen, King County Parks and Recreation	<p>Number 1 should be strictly interpreted to include Puget Sound <u>restoration</u> projects only.</p> <p>Number 2 should not be applied to the WWRP Outdoor Recreation grant account. The types of projects historically funded in this category; local parks, trails and water access are not elements that have nexus to the Puget Sound Partnership Action Agenda and would not be found referenced in the agenda.</p> <p>Number 3, giving preference to partners, should remain on hold until there is a process developed for identifying partners along with ample time for agencies to comply and adapt their projects to this new requirement.</p> <p>The stakeholder discussion also brought forth the concerns that there are no identified "state approved protocols" <i>and this language should not be used unless or until these protocols are developed and approved.</i></p>	<p>These comments are more related to RCFB funded projects. Recommendation 1 applies only to projects that address the restoration of Puget Sound.</p> <p>Recommendation 2 applies only to ALEA, the Salmon Recovery Program, and the WWRP Habitat Conservation Account.</p> <p>Staff has recommended that the board add placeholder language to the SRFB, ALEA and WWRP policies noting that the board will adopt policies for giving preferential treatment to partners after a method is determined for designating Puget Sound partners.</p> <p>This language is not in the self-certification letter.</p>

Commenter	Comments ²	Staff Response
James Cahill, Puget Sound Partnership	<p>We would ask that you add a sentence to Proposal #2 regarding projects funded by the Salmon Recovery Funding Board as follows: "Projects on three-year work plans will qualify as they are referenced under Near Term Action B.1.1 (page 42) of the Action Agenda."</p> <p>The other changes proposed by RCO in other parts of your letter seem to be the best option at this time.</p>	Staff revised the proposal accordingly.
Jack Wilson, Metro Parks Tacoma	<p>...The proposed policy changes ... appear to either prohibit or give a significant funding disadvantage to parks and recreation projects that are essential to the social, economic and environmental well being of our community.</p> <p>Metro Parks Tacoma like many other public organizations has taken many steps to change our practices to reduce the negative environmental impacts of our operations and facilities, and to enhance our natural world....</p> <p>We hope that the RCO policies strike a balance so that grant funding can continue to help communities such as Tacoma keep our families and children active, while also improving the health of Puget Sound.....</p>	This comment is more related to RCFB funded projects. Recommendations #1 and #2 apply only to ALEA, the Salmon Recovery Program, and the WWRP Habitat Conservation Account and do not affect the Outdoor Recreation Account, Local Parks Category.
Bob Lynette, R. Lynette and Associates Renewable Energy Consultants	<p>I believe that the requesting party for <u>all</u> grant programs administered by RCO should be required to certify that they are not in conflict with the Puget Sound Partnership's Action Agenda.</p> <p>Such certifications should not be restricted to only those grants that are aimed at restoration, but should include all new projects that could adversely impact Puget Sound.</p>	<p>In keeping with the legislation, recommendations #1 and #2 apply only to the SRFB, the ALEA, and the WWRP Habitat Conservation Account.</p> <p>Recommendation 1 applies only to projects that address the restoration of Puget Sound.</p>
Theresa Julius, Grays Harbor Council of Governments	<p>The phrase: "Give funding preference to Puget Sound partners without giving less preferential treatment to entities that are not eligible to be Puget Sound partners." makes me concerned for projects that are not in Puget Sound.</p>	

Commenter	Comments ²	Staff Response
Joanna Grist, Washington Wildlife and Recreation Program	<p>We believe that the first two staff recommendations should be approved so long as it is clear that they apply only to projects within the Habitat Conservation Account and are in the Puget Sound geographic region. We do not believe that the third proposal has had sufficient work to be approved. The definition by the Puget Sound Partnership of what constitutes a “partner” remains. <i>(Staff note: a follow up telephone call to WWRC clarified that the WWRC supports the third proposal as drafted but recommends further stakeholder outreach on the issue.)</i></p> <p>In addition, we believe that there are some principals related to the WWRP that should not be violated:</p> <p>The geographic distribution of funding should not be unbalanced in favor of projects in the Puget Sound geographic region Allocation of funding among WWRP categories should not be affected Any changes should be consistent with current WWRP statutes</p>	These comments are concerned with changes to the WWRP grant program.
Sandra Staples-Bortner, Great Peninsula Conservancy	<p>Proposal #1: Great Peninsula Conservancy supports the self-certification approach recommended here. We believe this will simply and accurately address the legislative mandate.</p> <p>Proposal #2: Our concern here is that very few projects are specifically referenced by name in the Action Agenda. We support an approach that takes a broad look at this guideline.</p> <p>Proposal #3: Because the Puget Sound Partnership has not yet determined a method for designating Puget Sound partners, it is difficult to evaluate this proposal. The interim language recommended for inclusion seems to satisfy the need for now.</p>	

Commenter	Comments ²	Staff Response
Leslie Betlach, City of Renton	<p>It is unclear what the relative status of the Puget Sound Basin is in comparison to other basins throughout the state. It is also unclear how the Puget Sound Partnership preferential strategies, incentives, and disincentives applied to a specific basin will affect other basins relative to statewide ecosystems.</p> <p>The Puget Sound Partnership has not yet defined how eligible organizations become partners. The subjectivity of the current definition in RCW 90.71.010(12) may lead to inconsistent interpretations, which could be critical if used as a funding preference. Criteria articulating “consistency” and “outstanding progress” needs to be developed providing clear objectives for entities interested in becoming partners.</p> <p>The Partnership has not yet defined how entities can incorporate new projects to be included as part of the Action Agenda. Further clarification is needed.</p> <p>Statutory language does not address whether a project “in conflict” with the Action Agenda has the opportunity to be mitigated so as not to be “in conflict,” and therefore eligible. Further clarification is needed.</p> <p>I also recommend that only the Aquatic Lands Enhancement Account (ALEA) Program, the Salmon Recovery Funding Board (SRFB) Program, and the Washington Wildlife and Recreation Program (WWRP) Habitat Conservation Account (not the <u>Outdoor Recreation Account</u>) be considered for policy revisions with a trial running through for one grant funding cycle. Following completion of the funding cycle, an evaluation using the predetermined criteria to determine effectiveness of the revised policy language should occur.</p>	<p>These comments are more related to RCFB funded projects.</p>
Jennifer Schroder, Kirkland Parks and Community Services	<p>I support the purpose of the Puget Sound Partnership Action Agenda (PSPAA) but I do not agree with the proposal to apply the Agenda’s criteria to the WWRP Local Parks account. Applying the proposed criteria would eliminate and/or reduce communities outside of the Puget Sound Basin from being competitive and we will see less funding for traditional parks.</p> <p>I support inclusion of ALEA, SRFB and the Habitat Conservation Account (<u>only</u>) of the Habitat Conservation and Outdoor Recreation Lands under WWRP. These grant accounts are a logical match to support the PSPAA, Local Parks account is not.</p>	<p>Recommendations #1 and #2 apply only to ALEA, the Salmon Recovery Program, and the WWRP Habitat Conservation Account and do not affect the Outdoor Recreation Account, Local Parks Category.</p>



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: December 2009 **ITEM NUMBER:** 11

TITLE: Proposed Changes to Manual 18 for 2010 Grant Cycle

PREPARED BY: Brian Abbott, Section Manager

APPROVED BY THE DIRECTOR:

Proposed Action: Briefing and Request for Guidance

Summary

The Salmon Recovery Funding Board (board) directed Recreation and Conservation Office (RCO) staff to revise Manual 18 so that it can be adopted earlier in the 2010 grant round, allowing lead entities and regions to use a final version of the manual when developing their projects and processes. Staff proposes that changes be limited to administrative edits and narrow policy issues. The RCO has discussed potential revisions with stakeholders, and will ask for board input on the policy issues at the December meeting.

Based on board guidance, staff will prepare a draft manual for public comment during January and for board adoption in February. Staff will provide stakeholders a "marked-up" version of the manual during the January public review period.

Timeline

To ensure that a revised Manual 18 can be adopted earlier in the 2010 grant round, RCO staff is using the following timeline.

This timeline allows for incorporation of lessons learned from the current grant round, including the review panel analysis and collective experience of sponsors, lead entities, and regions.



Policy Level Changes for Board Review

Staff provided a list of potential manual revisions at the October board meeting. Since then, staff has limited the number of proposed changes to administrative issues (see Attachment A) and a few policy issues that do not greatly affect established processes. Staff will explore bigger policy issues in 2010 for application in future grant rounds.

Staff would like the board to consider and provide input on the following policy issues so that staff can proceed with proposing changes for the 2010 grant round. These are the same issues that staff has discussed with stakeholders.

Definition of "Local Partner"

Section Two (Eligible Applications and Projects) requires that state agencies have a "local partner" that is independently eligible to be a grant applicant. In the 2009 grant round, there was some discussion among staff as to what constitutes a "local partner." Possible definitions for "local partner" included local land ownership, local offices, project funding contribution, or in-kind match.

Staff discussed this issue with lead entities who indicated that the current incorporation of the local partner terms is not widely considered to be problematic among lead entities and regions. They suggested that it be within the purview of the regions to approve local partners with the same priorities and local interests as a project sponsor. These local partners are approved by default if the region includes that project in its ranked list.

Staff Recommendation: Given this feedback, staff recommends leaving the language as it currently exists in Manual 18.

Require a 30% Design Review¹

On several occasions, the board has provided funding for projects based on a conceptual design, only to have the final design be something completely different. Currently, there is no opportunity or requirement for design review by the board's technical review panel.

The review panel has suggested that they review and provide comments on 30% design for restoration and design-only projects. They suggest that the review focus on project objectives, looking for "fatal flaws," and providing constructive comments to improve the project.

- For design-only projects, the review panel would review an "engineering scope of work" in lieu of the 30% design review to determine if they are focused on the appropriate design elements that will produce a 30% design.
- For restoration projects, there would be an option to have the "engineering scope of work" reviewed prior to starting.

¹ The term 30% design generally refers to a project design process that has selected a preferred alternative, completed a site survey, completed the basic project design concept drawings, and in some cases, is ready to apply for permits.

The review panel would determine the need for a review during the project evaluation process, and staff would incorporate a requirement for review into the project agreement. Staff would add this policy into Section 7 (Post-Grant Award Issues).

A limited number of restoration projects are structured with a design/build approach where a traditional 30% design review may not be feasible. Staff suggests that we work with these on a case-by-case basis.

Lead entities and regions identified some concerns with the recommendation. In particular, they are concerned about the timeframe for completing such a review and whether it would be charged against a sponsors' period of performance. Stakeholders also suggested that the local lead entity review panel conduct the review, with the board's review panel available for consultation.

Staff Recommendation: Staff would like guidance from the board on this issue. At minimum, staff recommends that the board consider using the existing review panel process to flag projects that could benefit from additional review. Factors that the review panel might consider are the project sponsor's history and effectiveness in implementing similar projects.

Acquisition Criteria

During the last several grant rounds, the review panel has struggled with criteria for evaluating acquisition projects. The most difficult task is assessing cost and benefit, in part because there is no specific guidance in the Appendix E-1 (Review Panel Evaluation Criteria) for acquisitions.

For the 2010 grant round, staff recommends that the review panel apply the existing benefit and certainty criteria, and that the board consider adding the following to Appendix E-1:

- If less than 40% of the total project area is intact habitat, the project must be categorized as a combination project that includes restoration

Lead entities and regions had minimal comments on this suggested approach. They did express concern about being able to comprehensively identify the restoration element of an acquisition project in advance, noting that the restoration element of a project is not always fully developed at the time of acquisition. They also noted that they would not want to see any limitations or loss of flexibility around acquisitions, and that it would be helpful to have a definition for "intact habitat."

Streamline Review Panel Review Process

The current review panel process has worked for the last several years, but some process participants have suggested the following changes to streamline the process.

- Continue early interaction, but require sponsors to submit more complete project information at that time. This would allow review panel members to develop a short list of projects that need in-depth review by the full panel. Staff would alert lead entities and sponsors about which projects could benefit from a full review panel discussion. Taking these steps earlier in the process benefits the review panel, lead entities, and sponsors.

- Schedule more time between the draft comment forms and the regional area presentations. Refocus the presentations on projects rather than strategy background and change the approach to create an information exchange between the reviewers and sponsor. In addition, restructure the regional area meetings to focus on the short list of projects where the review panel noted concerns.

The RCO is considering an administrative change that would create a new form for responses to review panel comments. Sponsors and lead entities would submit the form with the application at the due date. A few lead entities already provide this information and any new requirement would take into account existing processes.

Lead entities and regions had several responses to these proposals.

- The suggested changes add to the process rather than streamlining it.
- It would be helpful to have continued review and engagement of assigned review panel members throughout the local review process.
- Review panel members should either (1) be fully committed at the project development stage and remain engaged throughout the process, or (2) engage in a final review only.
- Consider having the full review panel review and provide comment only on potential projects of concern, as identified early in the process.

Lead entities and regions also provided general feedback about the review panel process in general. Some lead entities asked for a clearer explanation of the criteria used by the review panel to evaluate projects. Further, they noted that a disconnect can exist between priorities of the local technical committees and the review panel. In fact, some lead entities felt the review panel did not add value to the process. Others, however, noted that there is a decrease in projects of concern with the additional help of the review panel in the early review process.

Staff Recommendation: Based on the board's direction, staff would propose a series of changes to the review panel process designed to streamline the process. Staff will continue to work with lead entities and regions to refine the timing and review panel processes.

The entire review panel process could be looked at in 2010 for future grant rounds and might be part of the overall process discussion.

ATTACHMENT A: PROPOSED ADMINISTRATIVE CHANGES TO MANUAL 18

Administrative changes are small edits to manual text, small changes in process or timing that do not greatly affect local or state review processes.

Manual 18 Section	Proposed Change
Application Schedule	Update schedule to reflect 2010 calendar – no major time frame changes
Section 2	Define private landowner. A private landowner could be a for-profit business, but such businesses are not eligible for board funding. Staff will draft language.
Section 4	Clarify when a project partnership form is required and when it is optional.
Manual organization	Move section 4, Project Proposal, to Section 6
Section 6 – SRFB Evaluation Process	Develop a standard “response to comment” form (e.g., the Lower Columbia form) or a similar format that could be used by applicants and lead entities.
Section 7: Post-Grant Award Issues	Successful Applicant Workshop: staff is reviewing ways to be more efficient and save on travel costs while providing the same or greater level of information.
Section 7: Post-Grant Award Issues	Make the purchase of large woody debris before the start of the contract eligible for subsequent reimbursement. Staff will write policy to take advantage of available materials.
Section 7: Post-Grant Award Issues	Explore the eligibility of attorney fees for reviewing acquisition documents or landowner agreements and provide a recommendation.
Section 7: Post-Grant Award Issues	Liability insurance for restoration projects is not currently an eligible expense for reimbursement. However, for non-capital projects, liability insurance is an eligible reimbursable expense. Staff will explore the issue and provide a recommendation on how to reconcile the policies.
Section 7: Post-Grant Award Issues	Staff will draft additional language on the purchase of equipment for salmon restoration projects (e.g., sprayers for knotweed). Currently, equipment is not an eligible expense for restoration projects.
Section 7: Post-Grant Award Issues	Add the list of ineligible expenses that was taken out of the last Manual 8 – Reimbursement Manual update.
Section 7: Post-Grant Award Issues	Clarify the policy on advance payments and how sponsors need to document activities. Some changes to policy may be required.
Section 7: Post-Grant Award Issues	Develop clarifying language to address when construction supervision, permitting, and surveying costs can be used for the construction category billing.
Appendix B	Appendix B does not include non-capital items and elements, which was an oversight in last manual update.
Appendix L	Clarify the lead entity contract deliverables so that the submission requirements are consistent between Manual 18 and the lead entity contract deliverables. Staff will explore this issue. May not be a Manual 18 issue.
Appendix N, PSAR	In coordination with the Puget Sound Partnership, add language to describe the process for returned PSAR project funds.
Application Questions	Add a question in the application materials for projects previously proposed but not

Manual 18 Section	Proposed Change
PRISM	funded. (Review Panel Recommendation)
PRISM	Add PCSRF metrics. Most of this will be updated in PRISM, but there may be additional items included in the evaluation proposal.
Section 2	Acquisition Projects – add guidance on selecting the appropriate acquisition tool (i.e. fee simple or conservation easement)

Item #12

The Washington Department of Fish and Wildlife will present this topic at the December meeting.

**Public Comment Regarding Project #09-1639
(Hood Canal Lead Entity)**

**S. Bolek
A. Landram
B. Landram
K. VanBuskirk
R. Brocksmith**

From: Shantra Bolek [shantrabolek@gmail.com]
Sent: Sunday, November 15, 2009 10:38 AM
To: Connolly, Rebecca (RCO)
Subject: Theler Trails

To whom it may concern,

Walking the Union riverfront trails has been an incredible time of refreshment and restoration for so many families throughout the years. I fully support preserving wetland restoration and taking care of the world around us. However, if this means destroying a valuable natural treasure that already exists, right here in our backyards, then I would have to disagree. In the proposal it states:

Phase IV will consist of the dike breaching as well as trail improvements and facility upgrades for the PNWSC.

If taking away the dearly loved and heavily used waterfront trail is part of the project, then I'm not sure how this would lend to improvements. Please know that the trails have been an important part of families for nearly 20 years and is the only place in North Mason County to walk free from the dangers of automobiles and trucks. Removing them would do a huge disservice not only to our communities, but to all who enjoy the niceties that the Union riverfront Theler trails offers. I hope another avenue can be taken when it comes to preserving our wetlands.

Cordially,
Shantra Bolek

From: Autumn Landram [autumn-landram@bethel.edu]
Sent: Sunday, November 15, 2009 1:53 AM
To: info@hcseg.org; dpeterson@nmsd.wednet.edu; fredb@pnwsalmoncenter.org;
rbrocksmith@hccc.wa.gov
Cc: Small, Doris J (DFW); Connolly, Rebecca (RCO); tims@co.mason.wa.us
Subject: Wetland Trails

To whom it may concern,

As a member of the Belfair community, I wish to express my concern for any movement of the wetland trails away from their present, river-front location. I, for many years, have enjoyed the beauty of the river-front Union Theler Trails and wish to continue doing so. While I support the aim to restore the wetlands, I do not endorse this endeavor at the expense of the communities enjoyment of a local treasure.

I appreciate your careful attention.

Sincerely,
Autumn Landram

From: Bruce Landram [330capt@gmail.com]
Sent: Wednesday, October 28, 2009 4:23 PM
To: Richard Brocksmith; Connolly, Rebecca (RCO)
Cc: bruce
Subject: Requests regarding the Union River--Johnson Farm Dike Design app

Hi Richard and Rebecca,

Regarding the "Union Estuary -- Johnson Farm Dike Design" application:

Reference 2) c) "Phase III Final Project Design" the application states, in part; "...The final design process addresses and resolves all substantial issues that have been raised in the permitting and stakeholder review process...". This is confusing. It sounds like (all) the stakeholders have already had their chance for input. However, under 4) "Tasks and schedule" calls for "trail and community discussions; public process"...Fall 2010. To this date, few citizens on the street (or Theler Trails) know about this latest application for funds to plan for possible removal or breach & bridge (b&b) the Theler (dike) trails. If funded, will this study result in a "final plan", and if so, will the public have input *before* a final plan is decided upon and submitted for permit?

On the page titled: "Full Questionnaire", under "Worksite #1 Johnson Farm - WDFW Dike Questionnaire" question 2/2 asks "is the work site(s) located within an existing park, wildlife refuge, natural area preserve, or other recreation or habitat site? The answer is misleading by leaving out the fact that over 1/2 mile of the Theler Community Center Trail system sits on affected dikes.

Page 3, phase III still states "...for the 2010 construction window". Is this still a valid time frame? It conflicts with timeline chart on page 7. Would you clarify, please? Also, IF this is funded when would public input be facilitated, before or after final option choice? When would construction begin?

5) (page 7) "No major constraints, uncertainties or delays are anticipated." Is misleading. Without first asking the public for comments on the proposed "proposals", how can this statement be made? See IAC liens below.

On the HCCC website, the "cover" page for the Union Estuary - Johnson Farm Dike Design states the community involvement included 33 public outreach meetings between 12-2005 and 02-2009 in support of this project. This is just plain false. Most, if not all, of these meetings were focused on other projects such as; the Belfair Bypass, Belfair sewer/water runoff, Hwy #3 widening, Bypass "connectors" and ends, as well as the Pacific Northwest Salmon Center sites and Theler Community Center uses. Citing all these other gatherings and stating they resulted in support for either the URAP in '05 or the current Union River--Johnson Farm Dike Design '09 is misleading at it's core.

This whole process of applying for funding that will cause change to someone else's property *before* full discussion with the owners seems like putting the cart before the horse. This same process caused a community firestorm back in '05 with the similar Union River Acquisition Project. Would it not be prudent to discuss with the owners/leaseholders/lien holders (NMSD taxpayers and citizens) for their input on the proposals so as to move forward as a unified coalition? I suggest the HCCC pull this application from 2009 consideration, and in conjunction with the WDFW, NMSD and the HCSEG/PNWSC sponsor public forums in order to reach consensus by all stakeholders before going forward.

No less than 8 times on the HCCC website for this application does it mention 45 acres will be recovered. This is misleading. Your own plate titled "pre-dike conditions" (see attach. 2) shows only about half of this acreage being touched by high tide. Not all of this land will turn to marine grassland, as only four times in a year does the tide rise to the 14' level (see attach. 1 -- chart) and less than 3 time a month does it rise above 13'. I live only 1 1/2 miles south of this farm. When Mason county staked my land for "setback" limits, they identified marine grassland only below the 13' level. Artist conceptual drawings aside, it would seem science would support that only considerably less than half of this 45 acre parcel will be turned into salt water grasslands. 10-15 acres might be more accurate. I and my family have lived on Hood Canal waterfront since 1946 just a few miles south of this farm. We've never had water much above 14', even in a storm. Note option 3 of the app. states: "...setback dike at 17.5 el., following roughly the 1890 shoreline" does not coincide with the "pre dike high-tide" line. It would appear, then a dike at 17.5 feet is completely unnecessary.

The science of this proposal just does not add up to the grant applicant's suggested claims:

I am in receipt of an e-mail dated 12/1/05 to a Theler Board member,

from:

Professor Charles "Si" Simenstad
Research Associate Professor
Coordinator, WETLAND ECOSYSTEM TEAM
School of Aquatic and Fishery Sciences, 324A Fishery Sciences
1122 N. E. Boat St., Box 3550
University of Washington
Seattle 98195

In response to the Theler board member's enquiry concerning the removal of the Theler dike system via the Union River Acquisition Project (IAC/SRFB '05) grant application he states, in part:

*"I completely recognize the competing desire to maintain desirable aspects of the METCC (Mary E. Theler Community Center) nature trails (in fact, I consulted with the METCC folks when they first conceived of the facility, etc). It might be argued that having the trails actually contribute to appreciation of estuarine habitat of salmon, even if it's not viable habitat. But, that being said, I would have to question the expenditure of, at a minimum, of \$1/2 million of public funds if the performance and the utility for juvenile salmon will be compromised by incomplete restoration. If I were the SRFB, I would look preferentially at the other sites/proposals were the funds WOULD support full removal of all the dike, filling of borrow ditches and complete recovery of all natural tidal, hydrological, sedimentological, etc. processes. **Perhaps this just isn't appropriate for the SRFB grant proposal?"***

I ask the HCCC TAG to review this science and change the application to reflect the scientifically accurate acreage that will be converted as well as the aspect that removing *this* dike system, unlike most others, may be unfruitful.

Note all three plates of this application erroneously name "Salmon Center" as property owners. The PNWSC has no stake in this project other than owning adjacent land. This is confusing to interested citizens and may confuse the SRFBBoard. Would you correctly identify ownership on these pictures and include "easements" on the land as title companies do? Also, please annotate the land to the west and south of the current dikes are NMSD land as well and explain how, if funded, removing or B&B effect this NMSD land?

While I'm glad to see the page 1 statement: "...pile supported walkways will be constructed over the breached area so that the existing trail system will be maintained", I'm confused as to why four (of the six) "proposals" that include removing all, or portions of, the trails without re bridging, remain in the application? I suggest the HCSEG and HCCC remove the four proposals that call for trail removal without same site replacement. I suggest letting the public know there is no option to tear out the current riverfront trails will allow for easier, and more broad, general public "buy in".

Question 1) e) is misleading to the SRFBBoard. This project is identical in purpose (except for the land acquisition) as the 2005 "Union River Estuary Acquisition" (UREA) project written by the HCSEG and sponsored by the HCCC to "remove" the Theler dikes/trails. You, Richard, even wrote a personal letter to the SRFBBoard (November 29, 2005) in support, and in defense of, this project even though it (the app.) created a community firestorm in the process. The UREA application went all the way to the final hours of consideration by the SRFBBoard before being "pulled" from consideration by Neil Werner of the HCSEG/PNWSC. I'm disappointed to see this misleading answer pass vetting by the HCCC. The SRFBBoard funding process requires accurate, complete and trustworthy answers from lead entities for the it to consider all merits of every application equally. This blindfolds the SRFBBoard to the realities of this application. I ask that the app. be changed, and the HCSEG answer "yes" to this question, and explain why they pulled it in '05.

I've asked the RCO for determination if their remains a "conversion" limitation on the grant that built the Theler Trails. I've not yet had a definitive response, but it appears there may well be. Has the HCCC asked the RCO (formerly IAC) of a possible "lien" on these trails? If not, I ask that you do so before submission of this app.

Richard, the former Johnson Farm dikes (now owned by WDFW with NMSD easements and adjacent landholdings) are not just your average mounds of dirt. These trails are in association with a founding Father's name and remain the heart and soul of the North Mason community. These trails have been reported to have over a hundred thousand attendees per year. It is the only place in North Mason County to walk on safe and level trails free from the dangers of automobiles and trucks. Seniors, joggers, bird/wildlife watchers and mothers with children/strollers can be seen on these trails every day, weather permitting. The beauty and serenity of the 3,000' of Union riverfront trail--that looks south down Hood Canal, is incomparable and irreplaceable. All this would be lost if the dikes were removed (and not bridged in their current place).

I wonder how many of your TAG and/or Community Group have not ever walked these trails before considering them to the excavator from an application based on questionable science, questionable results/needs, omissions, misleading statements and artistic license? This application, as it reads, is a solution looking for a problem, with benefits for a few private entities but with potentially great expense to the taxpayer and a local community.

Please pull this application from '09 consideration so the science can be reviewed, community input can be gathered beforehand and it can then be sent forward with a consensus. I believe this can be accomplished with cooperation and civil civic discourse.

Thank you for your time, Richard and Rebecca. I apologize for the length, but felt it important to give a complete review of this application prior to the ranking and funding meetings. Please forward copies of this e-mail to all your respective associates and boards for their review, as well. Again, thank you!

I remain available to discuss this note in person if it would prove helpful.

Regards,

Bruce

Bruce Landram
Belfair
360-286-7008c



From: Bruce Landram [330capt@gmail.com]
Sent: Friday, October 30, 2009 12:37 PM
To: Peterson, David; Werdall, Jeff
Cc: Wightman, Art; Art Wightman (artjw@girlscoutsww.org); Clarissa Ingwaldson; John Campbell; Laura Boad; Gaudio, Mike; Rielley Duckworth; Rielly Duckworth2; Parker, Stephanie; Bigelow Schirato, Margaret M (DFW); Sellers, Kim (RCO); Connolly, Rebecca (RCO); Ramsey, Michael (RCO); Tim Sheldon
Subject: Re: Grant Application?

Hi David and Jeff,

Thanks for your reply, David. I understand the ownership of the land/dikes. I think some of the confusion may lie within the application itself as some of the areas are poorly written, misleading and in conflict with other sections. One such example is all 3 tidal plates erroneously crosshatch ALL the land as "Salmon Center Property". By the way, have you seen today's local paper? Under Sunny Manary's by-line, under a quote by David she (erroneously) states, "...The trails are owned by the DFW *and the Salmon Center*". Yes, it is a confusing issue, :). And, just to clarify, you state above the funds "...have gone to the HCSEG". However, these funds will not be allocated until December, '09.

I understand the PNWSC is not an owner of the Dikes, however On pg. 3, Par. 2) "Project Design" b) of the app. reads; "Phase IV will consist of the dike breaching as *well as trails and facility upgrades for the PNWSC*". Indeed, this entire section focuses on the five development phases *of the PNWSC*. So while technically it's a true statement that the "PNWSC has no standing or decision-making authority with regard to our easement, the trails, or the dikes" according to the application, accomplishing the ultimate goal(s) of the grant would prove to be of clear and valuable benefit to the PNWSC.

I've no issue with this grant ultimately benefiting the PNWSC and the broader community. I'm in support of that. The more trails the better, looping or otherwise. One of my central concerns is that you, David, are on the PNWSC Board *and* represent the NMSD assets (trail easements) that will be affected should this plan reach it's ultimate goals.

Whether or not the PNWSC has "standing or decision making authority" is irrelevant. Any business between the school district and a corporation in which you are a board member is a conflict of interest. In this case, I still think it'd be prudent for you to recuse yourself, David.

This is an issue the NMSD Board should have been directly involved in from the very beginning by helping to create the options, with broad public awareness and input, that will be considered for funding. I ask you, Jeff, and the rest of the board, to intervene in the management of this issue by; reading the grant application, holding a public forum and voting on a resolution to support the HCSEG/PNWSC's efforts of reclamation and trail "connectivity" ***while insuring the Union River waterfront portion of the trails remain in their present position.***

While I have no reservation that Mr. Peterson is a responsible and trustworthy Superintendent, I want to ask, Jeff, that the NMSD Board consult with the NMSD lawyer and ask if any conflict of interest exists with David on the BOD of the PNWSC while the PNWSC's phases of development are listed within the application for which they will be benefactors of school district assets. If there are, please cause to have the Board manage the District's assets on this matter.

Lastly, I find this paragraph baffling;

"The NMSD Board has not scheduled hearings or discussions since there are no proposed alterations to our easement to discuss – only studies of options for estuary restoration. No application to breach or alter the dikes has been written or submitted. It would be inappropriate for the district to attempt to take control of this process. There are established processes in place to make these types of decision. Additionally, it would be irresponsible "cart before the horse" behavior for the district to take any position before the science is in and before any proposals are being deliberated."

David, it is not my intention to engage in rhetorical swordplay. It is a reasonable conclusion that if *all* the options listed "...for estuary restoration" include "alterations to our (NMSD) easement", then proposals do (already) exist.

This application includes six conceptual plans (proposals). The HCCC's website cover letter states: *"This project will assess **the existing conceptual plans** and develop the final engineering, design and permits needed to begin construction during the 2010 window"*. The goals of this application states the proposals from which the final design will be selected have already been listed. In my view the NMSD should have *already* been involved to assist in creating these six concepts as four proposals call for the removal of the Union Riverfront Trail easements from their present Union River waterfront location. Moving the current waterfront trails back inland to a mid-farm/swamp grass or Roesell roadside dike location(s) is not an equal value exchange. Bottom line: if this grant progresses to it's conclusion, the NMSD assets will be destroyed or breached and re-bridged.

Let's not confuse the issue by mixing "proposed options" with actual permitting. Once we're at the stage where (an) "...application to breach or alter the dikes has been written or submitted" it will be far too late for public discussion. At that point, of what value would public input be? This is my, and many others, concern as we are all major stakeholders.

I do agree that it would be inappropriate for the district to attempt to "take control" of this process. No one is asking for that. However, we are a major stakeholder with a great deal of "value added" assets involved. Offering input is not taking control. Quite the contrary. It's responsible and would serve to be a coalition building effort. It seems to me it would be helpful for the process if the NMSD Board heard from the public and added those inputs to the applicants proposals. Because *every* option within this application (from which the final solution will come) includes major alteration to high interest District assets, I believe it most prudent of the District to address the issue now by including public input during this current (phase III) planning phase, even if that means pulling the application and re-submitting next year.

You should be aware that this application is similar to an application sent in two years before your arrival, David; (see Union River Acquisition Project-HCCC 2005). That application created a firestorm around the community. It was subsequently pulled by the applicant after several concerned citizens spoke directly to the funding board in Olympia.

From this application it appears the process of what "proposals" will become the final project is already done.

With the WDFW's ability to "fastrack" a project you, the NMSD Board and the entire community could find ourselves (already) left out of influencing the options that end up becoming the final solution, possibly leaving us with the legacy of losing the Union River waterfront Theler trails. The NMSD Board needs to be involved in this discussion, facilitating community input, now. Later in the process may prove to be too late.

In reference to the local paper, what "project" does Manary's article refer to that will "...create a full loop trail ahead of schedule". To what "schedule" is she referring?

David, the Theler Trail system, in it's current location, is a high value community treasure for many reasons, including; historical, social, recreational, financial and even as a "soul of the community" place. North Mason does not have a traditional "town square" or park in which to gather or walk. We have the Theler Community Center and waterfront trail system.

I'm asking for the NMSD to protect this sacred community Trust in all it's beauty. *Adding to* the trail system would, of course, be a great benefit, as long as it does not cost the community (any) of it's current trail system or if doing so would cause another community firestorm as happened four yeas ago over the same issue.

I know your are extremely busy David, but perhaps it would be beneficial for you and I to meet personally on this matter. If so, please feel free to call me at your convenience. I am free most every day.

Thank you for your time on this important community matter, David and Jeff.

Regards,

Bruce
360-286-7008c

On Wed, Oct 28, 2009 at 10:02 AM, Peterson, David <dpeterson@nmsd.wednet.edu> wrote:

Bruce,

I've attached a copy of the access easement agreement between the Johnson's, Washington Department of Wildlife (now called "Washington Dept of Fish and Wildlife" = WDFW) and the District. It does a good, but not perfect, job of describing the rights and responsibilities of the three entities. WDFW is now the owner of all of the land on which the trails sit, making WDFW simultaneously the co-grantee and grantor. This is important: The Pacific Northwest Salmon Center (PNWSC) does not own or control the dikes, WDFW does. The District's easement is now attached to WDFW property.

As I understand it, the study of breaching the dike is supported by the owner of the dike (WDFW) and the Hood Canal Coordinating Council (HCCC). The research is being conducted by the Hood Canal Salmon Enhancement Group (HCSEG). The funds allocated to this research project have gone to the Hood Canal Salmon Enhancement Group. The funds are for a study to determine the potential ecological and environmental impact of any of several options to restore the Union River estuary. The PNWSC does not have any ownership of the question, the project, the dikes, or the trails.

The NMSD Board has not scheduled hearings or discussions since there are no proposed alterations to our easement to discuss – only studies of options for estuary restoration. No application to breach or alter the dikes has been written or submitted. It would be inappropriate for the district to attempt to take control of this process. There are established processes in place to make these types of decision. Additionally, it would be irresponsible "cart before the horse" behavior for the district to take any position before the science is in and before any proposals are being deliberated.

I do not know why the Board would sponsor a forum on this topic. The permitting process, if a permit is eventually sought, will include many opportunities for community input, conducted by the appropriate agencies. At such time that WDFW and/or HCSEG formally propose or seek a permit to alter the dikes, the NMSD Board will need to decide what actions, if any, the District will take. Except for any needed consultation with legal counsel, the Board will hold its discussions in public. All decisions will be taken in public. The dike/trail easement is the Districts only concern.

I have no plans to recuse myself from discussions of the PNWSC Board of Directors. There is no conflict of interest on any issue at this time, especially the trails. PNWSC has no standing or decision-making authority with regard to our easement, the trails, or the dikes. WDFW does. If there ever does come a time where the District and the PNWSC find themselves in conflict, I will need to withdraw from the PNWSC board at least until the dispute is fully resolved.

David

David Peterson, Superintendent

North Mason School District

From: Bruce Landram [mailto:330capt@gmail.com]

Sent: Tuesday, October 27, 2009 2:59 PM

To: Peterson, David

Cc: Werdall, Jeff; Wightman, Art; Art Wightman (artjw@girlscoutswv.org); Clarissa Ingwaldson; John Campbell; Laura Boad; Gaudio, Mike; Rielley Duckworth; Rielly Duckworth2

Subject: Re: Grant Application?

David,

Thank you for your thoughtful and informative response.

Both the HCSEG and the PNWSC are private organizations that stand to gain from this project's funding that includes public property and easements. I'm glad to hear you've made it clear to the HCSEG/PNWSC that the trails are to be "protected". I hope "protected" means where they are presently located, as is suggested within the application. While *adding* trails would be a benefit, if it means a loss of 3,000' of riverfront trails, it would be a great loss and a high price for the community to pay.

The following is not a personal comment, but rather one of "position(s)". As a board member of the PNWSC and the public's representative for the NMSD's easement asset, I'm concerned at the inherent conflict of interest posed by you representing a trails use issue that may benefit the PNWSC. Do you plan on recusing yourself from PNWSC discussions on this topic and allowing for the entire school board to host public discussion and ultimate approval of any action regarding the NMSD easement? That would seem prudent and be my preference.

Be aware that tide charts (see attached) for this end of Hood Canal, with the highest tides at 14"--and only four times a year, do not support the applicant's claims and artists conceptual drawings of how much of the farm will be "flooded". Even the plate within the application ("pre-dike conditions") (accurately) show the original high tide chart as touching only about half of the 45 acres. This depiction coincides with the tidal charts. Also, due to the infrequent and short duration of the highest tides, not all farmland touched by a high tide turns into marine grasslands. A dike at the 17.5' mark (at Roesell Rd.) seems completely unnecessary.

In any case, a bridge across the middle of this acreage will probably not be over water but rather over a combination of marine grass (similar to the land over which the south pier runs) and farmland.

Lastly, Acquiring funds that would cause change to someone else's property before getting their permission to do so seems like putting the cart before the horse. Would it not be wise to discuss the preliminary proposals with the asset owners (the NMSD taxpayers/residents) *before* applying for the funds, and then go forward as a unified coalition with a clear and mutually supported plan? I suggest the District sponsor a forum so as to hear from the public before supporting this application at this time.

Thanks for your time and consideration.

Regards,

Bruce

On Sat, Oct 24, 2009 at 4:40 PM, Peterson, David <dpeterson@nmsd.wednet.edu> wrote:

[Bruce](#),

I have shared with HCSEG my expectation that the trails, for which the district has an easement, are protected. Most of the dike is now owned by Fish and Wildlife, who would have to approve any action. Our easement was granted, in perpetuity, by both Fish and Wildlife and the Johnsons. I have shared with the Salmon Center that our easement is still in force even though ownership of the property has been transferred. I will be keeping an eye on this. At the moment, though, no specific plan for the wetlands restoration is being proposed. I believe several agencies will have to sign off on any project.

The HCSEG is required to study multiple options and report the results of the scientific reviews before they can get approval to take any action. One option being studied has 3 small breaches, with bridging. One includes near total removal of the dike, with an elevated walking trail through the newly restored wetlands. I think there are five different options being studied.

In the HCSEG's proposal describing the study, they do indicate that the desired option is to breach the dike in three places and to maintain the trails with foot bridges. As I understand it, any breach will require new set-back dikes to be created in order to keep the entire farm from going below water. A new set-back dike may provide opportunities for improved and extended trails. Regardless, they have to wait for the results of the study before any action can be proposed and permitted.

David

David Peterson, Superintendent

North Mason School District

From: Bruce Landram [mailto:330capt@gmail.com]
Sent: Saturday, October 24, 2009 1:53 PM
To: Werdall, Jeff; Peterson, David
Subject: Grant Application?

Hi Jeff and David,

Has the Hood Canal Salmon Enhancement Group (HCSEG) approached the NMSD with their latest application to the Salmon Recovery Funding board (SRFBoard) for funds to move/remove/ remove and re-bridge (R&R) (depending on which of the current "proposals" are followed) that portion of the Theler Trails that parallel the Union River? See the HCCC website under Union Estuary Johnson Farm Dike Design? Has the Board discussed or acted on this proposal?

Unless the option that chooses to remove and re-bridge is ultimately chosen and funded, this project would move the trails back to the middle of the Johnson farm and back to Rosell road, at a loss of over 1/2 mile of the beautiful southern Union River waterfront trail segment.

This project created quite a firestorm within the district four years ago when it was submitted, then pulled, to the SRFBoard under another name. I would hope the Board would preserve this portion of the trail "as is". It is the only place in all of North Mason county for seniors and mothers with young children/strollers, indeed all citizens, to walk safe from the danger of automobile and truck traffic. Not to mention the extraordinary beauty of that southern waterfront trail with it's view south down Hood Canal as well as the treasure and identity of this small community.

Thanks for your response...

Bruce

360-286-7008c

From: Bruce Landram [330capt@gmail.com]
Sent: Saturday, November 14, 2009 3:04 PM
To: Richard Brocksmith; Peterson, David; Neil Werner; Fred Barrett
Cc: Connolly, Rebecca (RCO); Tim Sheldon
Subject: Union Estuary
Attachments: HCSEG DIR. LTR '05.jpg; Final Flyer.doc

Hi Richard, David, Neil and Fred,

I'm forwarding you an informational sheet that is being circulated on the Theler Trails (see att. "Final Flyer.doc"). Considering the public assets involved, both local and regional community interest in the Union River dike design project is high. While adding new access and footage to the current trails will be a welcome improvement, maintaining access to the current Union river waterfront portion of the existing trails seems to be paramount. The current application stressing this point is an improvement over its predecessor. Richard has done a great job updating it.

I'd like to clarify some past miscommunication written by the HCSEG's manager in his Winter '05 letter to their members (see att. 2). This was written shortly after I, and one other community member, spoke to the SRFBoard in Seattle regarding the '05 application for funds to remove the Theler Trails. A vital part of our Great Northwest is its wildlife and the preservation of its natural beauty. As a lifelong resident, I've always favored efforts to support the protection and restoration of our natural resources. Toward that end, I fully support the successes of the HCSEG and the concept of the PNWSC. My past expressed concerns have been focused on the potential loss to the Union River Theler Trail system, not in opposition of any individual or organization.

Considering the uniqueness and high visibility of the involved assets, I believe broad public support is necessary, and will help this project succeed in its efforts to benefit salmon restoration while also maintaining current trail habitat and a community economic and recreational treasure. I'm looking forward to participating in a cooperative effort involving the community and the hosting organizations. Good luck in the '09 SRFB funding cycle.

Regards,

Bruce

HELLO FRIENDS OF THE THELER TRAILS

As many of you know, there has been a grant application written by the Hood Canal Salmon Enhancement Group (HCSEG) in cooperation with the Pacific Northwest Salmon Center (PNWSC). **If awarded, the funds will be used to study “breaching” the Theler Trail system in order to restore a portion of the adjacent farmland to salt water wetlands.** Both are publicly funded, private organizations with offices co-located on the old Johnson Farm adjacent to the Theler Trail system.

You can view this grant application at:

<http://hws.ekosystem.us/PView.aspx?sid=170&id=12968>

On this “cover page” slide your arrow down and right, then click on “Evaluation Proposal”. The other files are associated with this app.

RELEVANT FACTS:

- >The subject property and dikes *belong to you* -- managed by the Washington Department of Fish and Wildlife (WDFW).
- >The Theler Trails on top of these dikes are within a perpetual easement that *belong to you* – managed by the North Mason School District (NMSD).
- >The application’s “Sponsor” (Lead Entity) is The Hood Canal Coordinating Council (HCCC) of Poulsbo.
- >The State’s funding agency is The Salmon Recovery Funding Board (SRFB) of Olympia.
- >The SRFB’s administrative agency is the Recreation and Conservation Office (RCO) of Olympia.

WHAT CAN YOU DO?

While this application is only for funds to study and design the project, (not for construction), now is the time to inform these agencies of your interests and concerns. Suggested requests might be (but not limited to):

- 1) Ask to be kept informed of the public meetings. Ask for the meetings to be held at a convenient time for the general public (like a weekday eve., or Sat. am)
- 2) Ask the NMSD that your Board representatives be involved in the public discussion of these District assets, *before* your assets are committed to this project.
Most importantly,
- 3) **ASK FOR THE THELER TRAILS TO REMAIN IN THEIR CURRENT, RIVERFRONT, LOCATION.**

SEE REVERSE FOR E-MAIL ADDRESSES

This is a unique opportunity to be involved in a project resulting in a “win-win” outcome -- where wetland restoration *and* existing habitat/recreational facilities can be supported.

NOW is the time to be heard

Here are addresses for the involved organizations:

HCSEG: Neil Werner	info@hcseg.org
NMSD: David Peterson	dpeterson@nmsd.wednet.edu
PNWSC: Fred Barrett	fredb@pnwsalmoncenter.org
HCCC: Richard Brocksmith	rbrocksmith@hccc.wa.gov
WDFW: Doris Small	doris.small@dfw.wa.gov
RCO/SRFB Rebecca Connolly	rebecca.connolly@rco.wa.gov
Mason County Tim Sheldon	tims@co.mason.wa.us

Will you help by adding your voice to the list of concerned citizens who want to preserve this community and regional treasure, the Theler Trails, in their current location by sending a short and courteous e-mail to these offices today?

Letter From the Director

As some of you may be aware there is a war going on in Belfair. Yes, a war that has nothing to do with Wild Salmon but with turf and power. We need your support now to combat an insidious enemy as a few local citizens have taken it upon themselves to speak for the entire community of North Mason.

These individuals for what ever reason do not want the Pacific Northwest Salmon Center built in Belfair let alone anywhere else. They seem to have the innate ability to twist, reshape, distort, misinterpret, misconstrue or simply falsify the facts surrounding the Salmon Center. One would think they had nothing better to do with their time.

The PNWSC Board has been negotiating with both the Theler Community Center and the North Mason School Board for over a year trying to work out a mutually beneficial use of the original properties proposed for the site of the Salmon Center. Having not been able to come to any common ground we began looking elsewhere for a new site. What was found was a site that was an order of magnitude greater than we could have ever dreamed of.

The problem however, is that the contingent of nay-sayers continues with the same rhetoric. However, they are now contacting legislators, funding agencies and anyone else that might be in support of the Salmon Center. They do this with the goal of casting doubt on our purpose, our intentions and even our ability to carry out our vision and mission. It is time for all of our members to write or email your support to the very persons these people are now contacting.



HCSEG O'FISH'AL Newsletter

Streams of Wild Salmon

Winter Issue, 2005

Director's Letter cont.



They need to know that these individuals do not speak for you nor do they speak for the majority of citizens anywhere. I am asking each of you to reach out and lend a hand in support of both the Hood Canal Salmon Enhancement Group and the Pacific Northwest Salmon Center by contacting the Heather Balcomb @ heatherb@iac.wa.gov, Michael Ramsey @ michaelr@iac.wa.gov and Hans Dunshee @ dunshee.hans@leg.wa.gov and let them know of your involvement, commitment and support of our efforts to construct the Pacific Northwest Salmon Center. Once again I need to express urgency of this requested support. Please contact your neighbors, friends, county commissioners, and elected representatives in addition to those individual identified above. We need your continued support and we need it now!

From: Bruce Landram [330capt@gmail.com]
Sent: Monday, November 16, 2009 10:42 AM
To: Fred Barrett
Cc: Richard Brocksmit; Neil Werner; Peterson, David; Connolly, Rebecca (RCO); Tim Sheldon; Ramsey, Michael (RCO)
Subject: Union River--Theler Trails project clarification reply

Hi Fred,

Thank you for your reply.

I appreciate the PNWSC board members' statements that support keeping the Theler Trails linked in their existing location. However, the applicant for this project is the HCSEG. The public needs to hear this same support from the HCSEG board, as well as from the HCCC.

Assertions aside, the SRFB reviews and funds, and the general public evaluates, a project based on what is written in the application. Specific and clear wording in the application is vital. Otherwise, the SRFB may be misled and the general public most certainly confused.

The latest application written by the HCSEG, if funded to final completion, would have directly impacted the Theler Trail system. It stated:

"Design Alternatives Engineered and Mapped include (bold added for ease of review):

- 1) **Dike removed and no setback dike**; large area flooding with full flood tide to elevation 15.5'
- 2) **Remove existing dike almost entirely**, leaving a section at the south end as a scenic overlook. Construct setback dike at elevation 17.5' following roughly the 1890 shoreline.
- 3) Existing dike to remain in place with three breaches. Construct setback dike at 17.5 el., following roughly the 1890 shoreline. New trail tops setback dike. Pile supported bridge crossings constructed to link the existing trail. New trail constructed on the set back dike.
- 4) **Most of the existing dike to be completely removed**. Construct setback die (sic) at 17.5 el., following roughly the 1890 shoreline. Pier supported walkway traverses the reclaimed area for public access. New trail tops setback dike.
- 5) **Remove almost the entire existing dike**. Construct setback dike at 17.5 el., following roughly the 1890 shoreline. New trail tops setback dike. New trail constructed on the set-back dike.
- 6) Dike is breached in two optimum locations. Breach width is dependent upon obtaining optimum flow and wave action. Excavation the existing dike generally follows the original channels shown on the 1890 T-sheets, also will create a channel between the two breaches so that water is generally present in this are (sic) regardless of tidal action. Other areas will be shaped to enhance diversity, initiate a marsh plant community restoration, and provide diverse animal habitat."

Of these six proposals, four options called for removal of the waterfront trails with no replacement bridging.

Two called for breaching with only one proposed to re-connect the existing trail. These proposals were current up to 10-23-09. Can you see how the general public (who own the dikes on which the trails sit, and the

easements for the trails on these dikes) were concerned with these proposals, and confused by the conflicting assertions from the PNWSC board?

Quite recently (10-23-09), Richard updated the application to redefine the proposals to either: 1) no options, or 2) breaching in one or more places. He also included "the number one priority for the community and thus for this project is to maintain trail access for the public's enjoyment." These updates are a great improvement over the original. I compliment Richard on his work on this update. I do have ongoing concerns about other responses within this application, the specifics of which I will be discussing with Richard.

Perhaps an organization may measure their deeds by "...what you accomplish and how well you accomplish it". However, when involving high interest public property, such as the Theler recreational Trail system, I think you'd agree the "how well" must include meaningful, knowledgeable public input. Because the PNWSC and the HCSEG are a publicly funded private organizations, applicable "process" is even more vital to ensure success. The SRFBoard requires it, and the general public deserve it. In order for the public to respond with the constructive critique you ask for, they need to have honest and accurate information on which to base their input. My suggestion is that both Boards, and the HCCC, strive to provide consistent information through the application and dialogue with the public.

I'm hopeful that with the mutual commitments of the HCCC, HCSEG and the PNWSC to maintain access to the existing trails in their current location this project can, indeed, move forward. I believe broad public education and feedback *prior to* the selection of the final proposals will ensure the best opportunity for a win-win outcome: the HCSEG's restoration project as well as preserving the Theler Trail's current habitat and recreation sites. I'm appreciative the clarified application now includes a scheduled time period for this.

I compliment the PNWSC and the NMSD for their plans to add access and trail footage to the current system. These trails are the only place in North Mason where our citizens can walk free from the threat, noise and smell of automobile and truck traffic. Your "welcome mat" is most appreciated and I look forward to enjoying those new trails.

I look forward to participating in future community discussions that involve the Theler Trail system.

Regards,

Bruce

Bruce:

The Pacific Northwest Salmon Center has repeatedly asserted its commitment to the Theler trail system and for maintaining the current waterfront path along which the trail winds. Our goal has always been to keep the existing trail configuration, only to add pile-supported walkways (such as currently exists on the trail) over any sections of the dike that may be breached as part of the estuary restoration efforts currently underway.

This has been our consistent position for the entire time I have been president of the organization, and we have not wavered from that stand. Many of our founding board members helped establish the Theler trail system, and to a person not one of them would want any harm to come to those efforts.

The research moving forward to be conducted by PNWSC and our partner organizations (Hood Canal Salmon Enhancement Group and the Hood Canal Coordinating Council) will focus on how best to conduct the estuarial restoration within the constraints of maintaining the trails along their present path. There will be ample opportunity for public involvement along the way, and we invite that involvement and community participation.

It is my belief that our conversations should focus on moving forward, not dwelling on the past...would you not agree? Our deeds will be measured in what we accomplish and how well we accomplish it.

The Pacific Northwest Salmon Center's goal is to study, demonstrate and teach "Best Practice" in environmental stewardship. The community can expect that from us, and we invite constructive critique on our progress.

I look forward to a continued, honest dialog on these issues.

Fred Barrett

Pacific Northwest Salmon Center

PO Box 1289 | Allyn, WA 98524

Tel/Fax: +1.360.850.1090

Email: fred@fredbarrett.com

URL: www.pnwsalmoncenter.org

Skype: fredmbarrett

LinkedIn: www.linkedin.com/in/fredmbarrett

Twitter: twitter.com/fredmbarrett

"You can't rise above the noise unless you're in it to begin with."

From: Bruce Landram [330capt@gmail.com]
Sent: Monday, November 16, 2009 12:12 PM
To: Richard Brocksmith
Cc: Peterson, David; Neil Werner; Fred Barrett; Connolly, Rebecca (RCO); Tim Sheldon; Scott Brewer; Ramsey, Michael (RCO)
Subject: Re: Union Estuary

Good Morning, Richard,

I agree. However, it is presumptuous of you to write that people in this area who are taking valuable time to comment on this application are not *already* "fired up" about ecological issues, green jobs, more trails and improving the health of Puget Sound waters, etc. I, and many others, are active in such endeavours every week. That's why it's so unfortunate we have to stop all these positive efforts in order to expend energy to address an issue that was put forth four years ago, and then pulled for many of the very same issue currently causing concern and confusion today re: the Union Estuary Dike Design application.

Unfortunately, the only way the community (and the SRFBoard) has to evaluate this project is the application itself. The app. is what will be ranked, reviewed and funded. IF so funded, this is what would (or could) be constructed.

Prior to your recent re-write of 10-23-09, this application stated, in part:

"Design Alternatives Engineered and Mapped include (bold added for ease of review):

- 1) **Dike removed and no setback dike**; large area flooding with full flood tide to elevation 15.5'
- 2) **Remove existing dike almost entirely**, leaving a section at the south end as a scenic overlook. Construct setback dike at elevation 17.5' following roughly the 1890 shoreline.
- 3) Existing dike to remain in place with three breaches. Construct setback dike at 17.5 el., following roughly the 1890 shoreline. New trail tops setback dike. Pile supported bridge crossings constructed to link the existing trail. New trail constructed on the set back dike.
- 4) **Most of the existing dike to be completely removed**. Construct setback die (sic) at 17.5 el., following roughly the 1890 shoreline. Pier supported walkway traverses the reclaimed area for public access. New trail tops setback dike.
- 5) **Remove almost the entire existing dike**. Construct setback dike at 17.5 el., following roughly the 1890 shoreline. New trail tops setback dike. New trail constructed on the set-back dike.
- 6) Dike is breached in two optimum locations. Breach width is dependent upon obtaining optimum flow and wave action. Excavation the existing dike generally follows the original channels shown on the 1890 T-sheets, also will create a channel between the two breaches so that water is generally present in this are (sic) regardless of tidal action. Other areas will be shaped to enhance diversity, initiate a marsh plant community restoration, and provide diverse animal habitat."

With four of the six options planning to remove this community's waterfront trails altogether, and only one of the six to "re-bridge" so as to maintain it's current location and value, I'd hardly call that "...respect(ing) local community interests". Neither is omitting the Theler recreational Trails from the question that asks if the work

site is within "...other recreational....site"?, nor is allowing the artists drawings be named as "engineered" work when they are not.

Richard, the contents of this application were not "hypothetical", the issues are "serious" and were on "the wrong trajectory". Fortunately, I believe they can be positively effected by our mutual efforts. I thank you for your recent re-write to improve it's direction.

I don't believe we'd be in this situation had the "lead entity"--Hood Canal Coordinating Council (HCCC) and the "project sponsor" Hood Canal Salmon Enhancement Group (HCSEG) educated and listened to the broad public opinion and vetted the options *prior to* writing/vetting the original Union Estuary--Johnson Farm Dike Design application.

This same level of concern, confusion and yes, waste of time and effort, came up four years ago in response to the nearly identical (except for the acquisition portion) of the URAP '05 application. You were very aware of the sensitivity of altering this community's recreational facility then. You wrote a supportive letter to the SRFBoard and was active in the discussion during the SRFB meeting that led to it ultimately being "pulled" from consideration. A fact the current application omits.

Richard, if "it is already abundantly clear that the trails are a critical piece of the local condition, and all involved and all correspondence documents that." then why does the HCSEG re-submit an application that includes the majority of options that would tear them out without "re bridging"? Why then, does the HCCC continue to vet, rank and support it? I've asked you before, how many of the members of your community/technical advisory group(s) have *ever* walked the Theler trails, or talked to anyone (not associated with the HCCC/PNWSC/HCSEG) as to the historical, economical and cultural importance of these existing trails?

Please don't shoot the messengers at this time. This community is only reacting to what was written in the application by the HCSEG and vetted/ranked by the HCCC.

I'd like to sit down with you and discuss some answers to your question, "...I wonder if there may be a better way to utilize the energy..". I believe there is. I'm available all week, at any time. Would you please give me a ring and I'll be happy to drive up to Poulsbo and buy you a cup...

Thanks,

Bruce

360-286-7008c

P.S. Rebecca, would you include all correspondence on this issue in the SRFB folder for this application, please?

Thanks, Bruce

On Mon, Nov 16, 2009 at 10:59 AM, Richard Brocksmith <rbrocksmith@hccc.wa.gov> wrote:

Hi Bruce and All,

I wanted to just clarify that HCCC is not the "project sponsor" for the project, only the lead entity. The lead entity is responsible for coordinating a strategy for salmon habitat recovery, and reviewing, improving, and ranking project applications to implement that strategy. Obviously the Union River Estuary is a critical location for ensuring long-term viability of several populations of salmonids, so the lead entity committees are keenly interested in ensuring this project maximizes salmon recovery opportunities, but also respects local community interests to keep support for what we are all trying to do.

More generally, I wonder if there may be a better way to utilize the energy you, and I assume others, are expending with this flyer and requesting the community comment on this project. It is already abundantly clear that the trails are a critical piece of the local condition, and all involved and all correspondence documents that. So do we really need to get the local citizenry motivated/agitated about hypothetical issues that won't ever come to pass? It seems to me, and this is just my opinion, that if we are going to expend energy and get the citizens to spend time and energy on local issues, we should pick something that is serious and that is on the wrong trajectory, and yet can be affected by our combined efforts. Let's get people fired up about more trails, about better management of critical riparian areas, about decreasing fish kills, about creating/maintaining sustainable green jobs in North Mason, etc. Food for thought...

With Regards,

Richard

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Richard Brocksmith, Lead Entity Coordinator

Hood Canal Coordinating Council

(360) 394-7999 office

(360) 531-2166 cell

17791 Fjord Drive NE, Suite 124

Poulsbo, WA 98370-8481

www.hccc.wa.gov

rbrocksmith@hccc.wa.gov

From: Bruce Landram [330capt@gmail.com]
Sent: Tuesday, November 17, 2009 8:42 AM
To: Sellers, Kim (RCO)
Cc: Connolly, Rebecca (RCO); Ramsey, Michael (RCO)
Subject: Theler Trail system grants

Hi Kim,

I received your letter just yesterday. I also heard your phone message of last week. Thank you. I was out of the country when you left that message, so, delayed my reply as I awaited the referenced letter.

Thanks for your research and the update. The only question I have now seems to be for the salmon grant manager regarding the pending application that would affect the Theler trail system.

Michael,

What grant applies, and for how many more years would there be (a) "future conversion(s)" for which you would assist in the planning stage to "avoid"? What are the variables that define the options for avoidance?

Is a copy of this grant available online that I may be able to download for my files? If not, may I ask the RCO for a copy, please?

I had a very productive phone discussion with Richard Brocksmith (HCCC) yesterday. He's doing a laudable job of clarifying the Union Estuary application for the broader based community and the SRFB.

Thank you all for your assistance in this matter.

Please feel free to call me, Michael, if that would be a simpler way to discuss the above.

Regards,

Bruce

360-286-7008c

From: Bruce Landram [330capt@gmail.com]
Sent: Thursday, November 19, 2009 12:33 PM
To: Richard Brocksmith
Cc: Connolly, Rebecca (RCO); Ramsey, Michael (RCO); Tim Sheldon; Peterson, David
Subject: Thanks & Good luck

Hi Richard,

I've just reviewed your latest changes to the **Union Estuary - Johnson Farm dike Design**. Thank you for the opportunity for input into this high interest community project. Your hard work has greatly improved this application by addressing the errors, misleading answers and important omissions of facts contained in the original. I hope you can update the three "slides" which erroneously depict the PNWSC as the owner of the subject property in time to be included in the final SRFB folder.

Due to the high value and vital role this dike/trail system plays withing the North Mason community, I still have concerns about this project and it's management, should it be funded. However, I, along with many others, look forward to participating in the scheduled community forum(s). Once the science has been collected, please ensure these broad based community "work studies" take place in such a time and manner that the communities input has a place of influence in both the planning and permitting phases.

One point of clarification, please. Because this application is only submitted by the Hood Canal Salmon Enhancement Group (HCSEG), I believe a great deal of confusion would subside if the listed four phases and the five artist's renderings of the Pacific Northwest Salmon Center/Farm at Water's Edge (PNWSC/FWE) conceptual plans where entirely removed from this application. The PNWSC/FWE) has no stake in this project, except as benefits a neighboring property owner. I see no benefit or reason for this extraneous information to be included.

I compliment your extra efforts "herding the cats" on this application, and wish you luck with all your projects in the upcoming funding cycle. I hope I have not been overly burdensome in expressing my concerns. Please feel free to give me a call if I can be of any further input. See you on the 10th in Olympia.

Regards,

Bruce

From: Ken and Peggy [dukeof@hctc.com]
Sent: Saturday, October 31, 2009 7:02 AM
To: Connolly, Rebecca (RCO); Ramsey, Michael (RCO)
Subject: Fw: intent to flood long term agricultural resource land in Mason County
Attachments: IMAGE1.JPG

Rebecca and Michael, as I understand it the final applications for the salmon recovery funding board were due mid-September.

I feel that The Union Estuary Johnson Farm Dike Design application sponsored by the HCCC and the HCSEG warrants your close scrutiny. Please include the below e-mail in the record. Thank you Ken VanBuskirk

----- Original Message -----

From: [Ken and Peggy](#)
To: [Haugen, Sen. Mary Margaret](#) ; [Senator Tim Sheldon](#) ; finn.fred@leg.wa.gov
Cc: rbrocksmith@hccc.wa.gov ; [Small, Doris J \(DFW\)](#)
Sent: Saturday, October 24, 2009 8:58 AM
Subject: intent to flood long term agricultural resource land in Mason County

The Hood Canal Salmon enhancement group, one of the members of the Pacific NW Salmon Center, is seeking grant funds from the salmon recovery funding board with the end goal **of breaching NM school district/Theler trails to flood long term agricultural resource lands.** (Union Estuary Johnson Farm Dike Design) The final salmon recovery funding board applications were due in mid-September. The Department of Fish and Wildlife watershed steward, Doris Small, requested state attorney review of the proposal, but this review is not considered a formal "opinion". The last I heard the review had been postponed but should be done soon.

From my understanding of the attached letter the Office of the Attorney General will not issue a formal opinion unless requested by a legislator, prosecutor or state agency head. Would one of you request a formal opinion? Thank you

Ken VanBuskirk
NE 61 Davis Farm Road
Belfair, Washington 98528



Rob McKenna
ATTORNEY GENERAL OF WASHINGTON
1125 Washington Street SE • PO Box 40100 • Olympia WA 98504-0100

August 17, 2009

Kenneth A. VanBuskirk
NE 61 Davis Farm Road
Belfair WA 98528

Re: Public Records Request dated August 10, 2009
File Number: PRR-2009-00344

Dear Mr. VanBuskirk:

This letter is to conclude your public records request dated and received in our office on August 10, 2009. You requested the following documents:

Its my understanding that Doris Small who is an employee of the department of fish and wildlife and steward of a recently purchased farm in Mason County is seeking an opinion from the State Attorney General about the flooding of long term agricultural resource land through either the removal or breaching of historic dikes, which our local school district also holds an easement. The property is locally known as the Johnson farm in Belfair. Can I get a copy of the opinion when issued?

The Office of the Attorney General (AGO) has had no opinion request on this subject. In addition, the AGO will not issue an opinion based upon the request of an individual, only upon the request of a legislator, prosecutor, or state agency head. Finally, please note that an agency has no duty to create a record in response to a request; only existing records must be provided. *Smith v. Okanogan County, 100 Wn. App. 7, 14, 994 P.2d 857 (2000)*. Because there are no documents responsive to your request, we will now consider your request closed.

I am sorry that we were unable to assist you. Please contact me at Office of the Attorney General, P.O. Box 40100, Olympia, WA 98504-0100, if you have any questions. Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read "K.P. Bodnar", with a large, stylized flourish underneath.

K.P. BODNAR
Assistant Director
Public Records & Constituent Services

November 11, 2009

Regarding grant funding for the Union Estuary-Johnson Farm dike design as sponsored by the Hood Canal Salmon enhancement group and managed by Mike Ramsey of Recreation and Conservation Office.

Salmon Funding Recovery Board,

I first became aware of this project in 2005. At that time it was submitted as an “acquisition” project, under the title of Union River Estuary Acquisition. The grant application has now been resubmitted as an estuary restoration project and it has changed since it was submitted earlier this year. Citizen input to the Hood Canal Coordinating Council, who is the lead entity, has resulted in a longer timeline to allow more of a public process and input. The application has also been changed to reflect accurate ownership of the property. There remains current land use and Growth Management Act concerns around “flooding” long term agricultural resource land and considerable disagreement about how best to accomplish the project, either through different breaching options or entire removal options. The amount of land and habitat to be returned to prime salmon habitat is questionable. I have asked our elected State Representatives and State Senator to ask the Attorney General for a formal opinion on this matter. In addition the Fish and Wildlife Department’s property steward has asked for a “clean slate” when considering the options of dike breaching. I also understand there are some “conversion” restrictions on the dikes as well.

When considering the cost estimate summary for the project, of the \$130,000 total request only \$10,000 is requested for “Communications planning, outreach, and public involvement.”

I feel it is inappropriate to award the entire \$130,000 at this time. If development and assessment of options along with community input lead to a preferred alternative that leaves the dike intact then the \$80,000 requested for final design and the \$10,000 for permitting will not be needed. I feel there are other “acquisition” projects of existing prime habitat in the Hood Canal watershed, such as the Big Beef Creek Conservation project that would be a much more cost effective expenditure of funds.

Thank You
Ken VanBuskirk
61 NE Davis Farm Road
Belfair, WA 98528

From: Ken and Peggy [dukeof@hctc.com]
Sent: Sunday, November 22, 2009 3:22 AM
To: Ramsey, Michael (RCO); rbrocksmith@hccc.wa.gov; Connolly, Rebecca (RCO)
Subject: Union Estuary Johnson Farm Dike design

Richard, what happened to the public process and discussion of alternatives? The grant hasn't been discussed or awarded yet but one wouldn't know it from reading this article. It would seem that the preferred alternative has already been selected. This is long term agricultural resource land!

<http://www.kitsapsun.com/news/2009/nov/22/salmon-center-embraces-new-farm-home/>

"Plans are under way to punch one or more holes in the dikes to restore natural tidal wetlands on a portion of the farm property owned by the Washington Department of Fish and Wildlife. Bridges across openings in the dikes will maintain the continuity of the trails all the way to the Union River and beyond"

Please include this in discussions with the funding board and include in their informational packets. Thank you.
Ken

From: Richard Brocksmith [rbrocksmith@hccc.wa.gov]
Sent: Monday, November 16, 2009 10:18 AM
To: 'Ken and Peggy'; Small, Doris J (DFW)
Cc: Ramsey, Michael (RCO); Connolly, Rebecca (RCO); 'Senator Tim Sheldon'; 'Scott Brewer'; neil@hcseg.org
Subject: RE: The Union Estuary Johnson Farm dike design/ SRFB grant application
Attachments: Memo to HCCC LE Committees from Doris Small.docx

Hi Ken and All,

I received the attached Memo from Doris Small, WDFW Watershed Steward, yesterday. I believe this addresses the lead entity committee questions to the degree possible at this point. I hope it goes a long ways in addressing Ken's questions as well.

Please let us know if you have further questions,
Richard

<<{}{}> <{}{}> <{}{}> <{}{}>
Richard Brocksmith, Lead Entity Coordinator
Hood Canal Coordinating Council
(360) 394-7999 office
(360) 531-2166 cell
17791 Fjord Drive NE, Suite 124
Poulsbo, WA 98370-8481
www.hccc.wa.gov
rbrocksmith@hccc.wa.gov

From: Ken and Peggy [mailto:dukeof@hctc.com]
Sent: Monday, November 09, 2009 3:35 PM
To: Small, Doris J (DFW); rbrocksmith@hccc.wa.gov
Cc: mike.ramsey@rco.wa.gov; Connolly, Rebecca (RCO); Senator Tim Sheldon; 'Scott Brewer'
Subject: The Union Estuary Johnson Farm dike design/ SRFB grant application

Doris and Richard when I last heard from you this project was still awaiting legal review. With a month from the SRFB funding decisions it would seem imperative that the WDFW complete the legal review that says if the dike breaching is feasible or not given the current land use and Growth Management Act concerns. What happens to the proposed grant if the legal review says that it isn't feasible? thank you Ken

Memo to HCCC LE Committees from Doris Small, WDFW Watershed Steward

Dated 11/15/2009

At the HC LE TAG meeting, I was asked to contact our assistant attorney general for a legal review of the project proposal for design of estuarine habitat restoration at the WDFW Johnson Farm property. The TAG notes (as posted on the HCCC website) indicate that WDFW review if “dike breaching is feasible given the current land use and Growth Management Act concerns.” As funding is limited, the committee thought it would be useful to do a preliminary review to assure that there was not a known ‘fatal flaw’ that would preclude the habitat restoration project at this early stage of the project.

I’ve discussed the project with AAG Neil Wise and with Mason County planner Allen Borden. Most of the current development regulations pertain to what can & cannot be built on the property or adjacent properties. Our preliminary review indicates that habitat restoration is not precluded.

I’ve received a number of emails and calls from citizens concerned about retaining the trails in their current location. To be clear, we’ve known for a long time that removing or relocating the trails was not an option that met community needs. It may be that we analyze complete dike removal to quantify habitat restoration metrics as part of the design process, but this would be to develop suitable alternatives for dike breaching (and bridging to keep trails in current location). Community input to develop a complete set of objectives are part of the design process and one of the reasons to move forward on this project.

I hope that this information is sufficient to meet the conditional approval of the project. Please contact me at 360-895-4756 if you have questions.