

*SALMON RECOVERY FUNDING BOARD
MINUTES - REGULAR MEETING*

May 14, 2009

Camas Fire Station #42
Camas, Washington

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

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

ITEM #1: MEETING CALLED TO ORDER

Chair Steve Tharinger opened the meeting at 9:18 a.m.

Board member Harry Barber, of Washougal, Washington welcomed the Salmon Recovery Funding Board (board) and meeting attendees to the Camas/Washougal area.

Chair Tharinger determined that the board met quorum.

Review and Approval of May 2009 Meeting Agenda

Bud Hover moved to approve the May 2009 meeting agenda as presented. Bob Nichols seconded. The board approved the agenda as presented.

ITEM #2: REVIEW AND APPROVAL OF FEBRUARY 2009 MEETING MINUTES

Bud Hover moved to approve the February 2009 meeting minutes as presented. Bob Nichols seconded.

The board **APPROVED** the February 12-13, 2009 minutes as presented.

ITEM #3: MANAGEMENT STATUS REPORT

Kaleen Cottingham, RCO Director, presented this agenda item.

Kaleen Cottingham gave the board a brief financial report, noting that Brian Abbott would give a debrief of the April 2009 Salmon Habitat Conference and Megan Duffy would give an update on the federal stimulus. Kaleen mentioned the Pacific Coast Salmon Recovery Fund (PCSRF) was not included in the Obama budget, but that Commerce Secretary Gary Locke explained this was a clerical error, and intended to include the funds in the budget.

Megan Duffy discussed the state's federal economic stimulus proposals. RCO staff worked with the Puget Sound Partnership to develop a list of initial stimulus projects in the Puget Sound. The Governor's Salmon Recovery Office (GSRO) reviewed the first round of project proposals for the rest of the state. The second review examined projects in relation to criteria developed by the state, including

meeting the governor's guidelines for use of federal stimulus dollars in Washington State. Agency directors approved and forwarded a list of 52 recommended projects from various sponsors around the state to Governor Gregoire, who provided a letter of endorsement for each. Two projects were removed following the endorsement. Sponsors submitted their applications and the letters to National Oceanic and Atmospheric Administration (NOAA) for a total request of \$100 million.

Megan noted that NOAA expected to begin contacting successful sponsors in mid-May, and that all applicants should know their status between mid-June and early July. Kaleen added that \$170 million is available, and there may be an informal allocation of \$30 million to the state or the region. The agency has also heard that the state's applications were extremely competitive in the process.

Bob Nichols thanked RCO for facilitating and organizing the stimulus application. Craig Partridge thanked Mark Jarasitis, RCO's Chief Financial Officer, for helping the Department of Natural Resources with the stimulus application process.

Chair Tharinger asked if sponsors should submit projects for SRFB funding if they also submitted it to NOAA. Kaleen responded that the Puget Sound Partnership sent a memo to sponsors and lead entities encouraging them to put projects on both lists. NOAA will award funds before the board's grant round.

Brian Abbott summarized the recent Salmon Habitat Conference. He presented attendance statistics (482 total attendees, 343 paid attendees, and 44 exhibitors) and the results of the electronic conference evaluation survey of 88 conference participants. Of those who completed the survey, 97 percent said they would attend the conference in 2011. One conference highlight was Congressman Norm Dicks' evening speech. The budget for the conference totaled \$56,282. The registration revenue was \$27,360, so the final cost to the board was \$28,922. This is about \$21,078 under the approved of \$50,000 budget. Brian also thanked Lori Lawrence, the conference coordinator, for her excellent work.

Bob Nichols asked what would happen to the surplus \$21,000. Brian responded that the surplus would be part of project funds.

Bud Hover noted that the people he spoke with, particularly from the Methow and the Okanogan, were impressed with the conference and enjoyed themselves. Chair Tharinger praised Brian for his work on the conference. Kaleen added that the conference is included in the RCO's 2009-11 budget. Bob Nichols suggested recording a list of topics from conference discussions and presentations that the board should consider as policy issues or innovative ideas. Brian answered that the satisfaction survey included a question about suggested discussion topics. Chair Tharinger suggested requesting policy suggestions at the next conference.

Brian also announced that the 2009 grant round is off and running. The technical review panel and RCO staff are using a new software system, SharePoint Services, for scheduling site visits, editing documents, and reviewing projects materials. Grant staff is holding successful applicant workshops and applicant workshops in late May, and the PRISM database is being upgraded to match the PCSRF database.

ITEM #4: 2009-11 Budget and Legislative Update

Rachael Langen, Deputy Director, and Jim Fox, Special Assistant to the Director, RCO

Rachael presented a comparison of the 2007-09 budget with the 2009-11 budget that was passed. The following programs were affected in the capital budget:

- Family Forest Fish Passage Program (FFFPP)– decreased funding of \$1 million
- Puget Sound Estuary and Restoration Fund- increased funding of approximately \$6 million (moved from Washington Department of Fish and Wildlife to RCO)
- Salmon Recovery Funding Board (Federal) – anticipated increase in funding
- Salmon Recovery Funding Board – decreased funding by \$8 million
- Habitat Restoration – increased funding from a federal stimulus grant

The net difference in salmon-related funding, assuming that the PCSRF estimates are accurate, is negative \$6 million, not including the ESRP funds.

Rachael noted that the state operating budget decreased funding for the Monitoring Forum, Salmon Recovery Funding Board, and GSRO. The board's technical review panel also received less money from the operating budget, but funding was shifted to the capital budget

Chair Tharinger noted that he felt the all things considered, the board and RCO fared well in the budget cycle. Kaleen added that the budgets from the Governor, House, and Senate all approached funding salmon recovery in the same way.

Harry Barber noted that the estimated \$60 million from the federal government was an increase, and asked what the funds totaled during the last budget cycle. Kaleen responded that funds totaled \$42 million. She explained that in 2008, we applied for \$25 million, and received \$23.5 million. In 2009, Congress increased the total funds, so we were able to apply for \$30 million. RCO is assuming the amount of eligible funds will remain the same in 2010.

Rachael discussed Substitute House Bill 2157, the transition of GSRO and lead entities to RCO. The primary goal has been good communication among the groups. RCO staff met with the Lead Entity Advisory Group (LEAG) to discuss their questions, hopes, and concerns about the transition. LEAG was most concerned about maintaining a connection between lead entities and local watershed stewards. On April 22, 2009, RCO held a stakeholder meeting to prioritize services that GSRO provides. The meeting also discussed how GSRO staff would fit into to RCO's organizational structure. The transition will most difficult on GSRO staff due to the retirement of GSRO's Director Chris Drivdahl. Rachael is working with RCO staff to get the regional and lead entity contracts out by June so that contracts are signed by July 1, 2009.

Jim Fox added that House Bill 2157 included consolidated reporting, with the State of the Salmon Report, Monitoring Forum's Report, and the SRFB's Biennial Report being combined into one. The bill also tasked RCO with looking for efficiencies in salmon recovery. The studies are due to the governor by December 1, 2009. Megan Duffy explained that RCO would convene a workgroup of at least eight staff members from agencies mentioned in the legislation, LEAG, the Council of Regions, and Regional Fish Enhancement Groups. The draft report will be distributed for public comment by November, then ready for approval at the December meeting. David Troutt asked about the tribal voice in the discussion. Megan responded it would be a good addition to the group, and will work with David to find a representative.

Melissa Gildersleeve explained that from Ecology's perspective, the SRFB's work is beneficial to water quality and quantity, and she is interested in exploring ways for the state to offer water quality credits for salmon habitat work.

Kaleen Cottingham mentioned that the Governor's office is leading a process to consider possible options for restructuring the natural resource agencies to be more efficient and effective. Harry Barber suggested a mapping exercise for the board's grants to look at the current processes and find efficiencies there first.

Chair Tharinger asked Bob Nichols to share his perspective in finding efficiencies. Bob stated that both the board and policy makers must be more creative in the current budget climate and continue to find efficiencies. He stated that the option of doing nothing is off the table, so progress will be made.

Craig Partridge noted the short timeline for finding efficiencies and making progress. Kaleen suggested that collaborative working relationships between agencies were a good model. She noted the FFFPP and ESRP programs as examples, and said that the relationship is strengthened with an MOU.

Chair Tharinger added that the Board's role is to incentivize collaboration, and efficiencies will bring more money to restoration projects.

David Troutt noted that as funds become increasingly scarce, he wants to make sure that the board is careful that improved efficiencies continue to contribute to salmon. He reminded the board that the 2514 program and salmon recovery are independent of one another, and that the 2514 program has a negative history with salmon recovery. David noted that there are fundamental differences that need to be addressed for the programs to move forward.

Jim Fox noted that the Lower Columbia most likely will be used as a pilot study for integrating the relationships among permitting organizations and recovery staff. Bob explained that permitting and developing mitigation discussions have been around for a while, and the provision is a move to begin working together.

Public Comment:

Joe Ryan, Salmon Program Manager of the Puget Sound Partnership, stated that the Partnership is opening six positions to manage more geographically-focused areas addressed within the Puget Sound. The Partnership would like to make on-the-ground progress on important actions to implement the Action Agenda in local communities. The initial feedback from local organization is to have an integrative plan.

Chair Tharinger asked if the pilot could propose a process similar to the Habitat Conservation Plan to obtain permitting for implementing strategies and cover numerous projects within a geographic area. Melissa responded that the connection between the Endangered Species Act and the Clean Water Act creates permitting limitations that are difficult to address.

Bud Hover asked about the Partnership's new staff. Joe Ryan explained that the new staff members are recovery coordinators, expanding their roles beyond the current work of the three watershed stewards. New staff will manage smaller and more focused areas to improve integration with the lead entities and local organizations.

Public Comment:

Jeff Breckel, Executive Director of the Lower Columbia Fish Recovery Board, stated that the Lower Columbia has found that sharing resources benefits everyone involved. The Lower Columbia is working with Clark County on the "Mitigation Marketplace," bringing people with a variety of mitigation sites together with those who are in need of mitigation. The marketplace will provide guidance for organizations in need of sites, saving time and costs.

Chair Tharinger responded that a challenge for mitigation is the requirement for "no net loss" to the impacted habitat. Chair Tharinger cited the challenges of a current mitigation issue he is handling in Port Angeles regarding widening a highway in a wetland area. Bob Nichols would like to see the

collaborative projects highlighted in one area of the state to serve as an example for other regions of the state. Jeff Breckel agreed.

ITEM #5: REPORT FROM PARTNERS

Chris Drivdahl, GSRO, Steve Martin, COR, Richard Brocksmith, LEAG presented this agenda item.

Chris Drivdahl briefly referred to her written report to the board, and spent a few moments reflecting on her last 11 years with the Governor's Salmon Recovery Office. Bob Nichols added that Chris did not mention the amount of energy that went into reporting the State of the Salmon Report.

Julie Morgan provided the Council of Regions (COR) Report in place of Steve Martin. COR is looking into recalibrating their efforts through restructuring. COR is working closely with Megan Duffy and Chris Drivdahl through the economic stimulus application process.

Richard Brocksmith reviewed the lead entity presentations at the last few board meetings and then discussed the work of the Lead Entity Advisory Group. Richard noted that lead entities need support from RCO staff as the program moves from the Washington Department of Fish and Wildlife to RCO. Support needs include updating contracts and training lead entity coordinators. Richard referred to agenda item #13, the Biennial Grant Round, and stated that LEAG has not discussed the option of the grant round. He asked that the board not make any decisions about the funding round.

Chair Tharinger responded that the discussion of item #13 would be about capacity and number of projects that lead entities are currently managing. The Chair asked Richard to explain the LEAG report's reference to "need[ing] an identity that is separate from the RCO." Richard responded that lead entities want to remain connected, to other agencies, including Ecology and the Department of Natural Resources, on the policy and technical issues unrelated to the grant managing sections of the RCO.

Harry Barber asked if there is any thought of renaming of RCO to Recreation, Conservation, and Salmon Recovery Office. Jim Fox responded that when the name was last changed, staff decided on a short, simple, and general name to be inclusive of the boards that the agency manages. Craig Partridge added that RCO's identity has become much more inclusive of managing and contributing to policies and decisions, in addition to funding and grant management. He noted that in the name change to RCO, the phrase "interagency" was omitted, but RCO remains a place where agencies can work together.

Bob Nichols commented that moving the Governor's Salmon Recovery Office to RCO will add to salmon recovery efforts because of GSRO's cross cutting work with other agencies. David Troutt responded that the legislative intent was to clarify the policy decisions in salmon recovery, so a discussion of reorganizing natural resources groups will be critical. Jim added that the goal is to make policy decisions from an ecosystem level.

In response to LEAG's concern about having an individual voice, Jim suggested that lead entities come to the Board to raise issues and make sure everyone is on the same page.

ITEM #6: EARLY ROUND PUGET SOUND ACQUISITION AND RESTORATION (PSAR) GRANT AWARDS

Brian Abbott, SRFB Program Manager, presented this agenda item.

Brian gave some background information about the accelerated grant round, and stated that the goal was to get projects "on the ground."

Five projects were submitted by two Puget Sound lead entities: three from Nisqually and two from Hood Canal. The review panel visited the Nisqually projects on April 27, 2009. The panel has not visited Hood Canal this year, but visited the proposed project sites during the 2008 grant round. The panel had

questions about the Mashel projects. Staff recommended that the Board approve the following:

- Funding for projects #09-1400, #09-1383, and #09-1438
- Contract amendment and funding for project #07-1631, and
- Partial funding of project #09-1393 with the opportunity for the technical issue in reach 4 to be discussed with the review panel in June. If the issue is resolved, fully fund the project.

Brian explained that board approval is contingent upon review by the SRFB review panel (with no issues identified) and approval of projects by the Puget Sound Recovery Council and the Partnership Leadership Council. The board's approval gives the RCO Director the authority to enter into agreements after the budget becomes effective on July 1, 2009.

Kaleen Cottingham explained that the proviso language in the budget requires the projects to go to the Leadership Council, and to then the Salmon Recovery Funding Board. However, the meetings are not scheduled in this order, so the projects are contingent upon approval of the Leadership Council.

Public Comment:

Joe Ryan, Salmon Program Manager of the Puget Sound Partnership, thanked the RCO staff for facilitating the process, and getting projects on the ground this summer and take advantage of the available funds.

Bud Hover asked Brian about the concerns on the Mashel project and the contingency. Brian responded that there are questions about logjams that are being installed on reach 4, and whether the project is a bank stabilization project or salmon recovery. The panel and the project sponsor need to continue their dialogue. Joe Ryan added that the concern from the panel relates only to reach 4 of the project, so if the panel does not approve the area in question, the project will move forward without the inclusion of the reach in the accelerated round. Kaleen added that the board's policy is not to fund projects that are exclusively bank stabilization, so the question is whether the project meets board policy.

Bud Hover **MOVED** to approve projects #09-1400, #09-1383, #09-1438, and #09-1631 contingent upon the review of the Salmon Recovery Funding Board's Technical Review Panel, the Puget Sound Partnership's Leadership Council, and the Puget Sound Salmon Recovery Council. Bob **SECONDED**. David Troutt recused himself from the vote. Motion **APPROVED**.

Bud Hover **MOVED** to approve project #09-1393 contingent upon on the review of the Salmon Recovery Funding Board Technical Review Panel and the approval of the Puget Sound Salmon Recovery Council on the stream large woody debris project. Bob **SECONDED**. David Troutt recused himself from the vote. Motion **APPROVED**.

The Chair noted that David Troutt did not need to recuse himself from the vote since the approval of the projects will not provide David with any personal gain. David noted that he would still like to abstain to support the appearance of fairness.

ITEM #7: STRATEGIC PLAN

Megan Duffy and Brian Abbott, Recreation and Conservation Office

Megan Duffy explained that the board adopted its first strategic plan in 2001. During 2008, the board assessed the strategic plan, considered how resources are allocated and whether there might be potential efficiencies within the salmon recovery effort. At its February 2009 meeting, the board asked RCO staff to prepare a revised strategic plan that incorporated the following elements:

- A broader mission statement that reflects the board's support for the various elements necessary to achieve overall salmon recovery; and
- A funding allocation strategy that (1) includes projects, monitoring, and human capital and (2) designates habitat restoration projects as a critical part of the board's mission.

Megan presented a revised strategic plan, as provided in the notebook materials. She noted that the plan addresses the board's requests in February, as well as its ongoing discussions about funding coordination, support for its partners and efficiencies among them, the "4-h's" of salmon recovery, existing board principles and values, public engagement, and accountability.

Megan stated that if the board adopted the plan, per staff recommendation, staff would make it available to the public. Otherwise, she suggested that the board provide staff with additional direction and consider a revised version at the August meeting.

Carol Smith recalled a previous board discussion to include more of the "4-Hs" and asked if the proposed strategic plan includes using funding from other pots of money. Megan responded that seeking additional funding is implicit. Carol explained that she is concerned that the habitat funding will be used to fund non-habitat related projects.

Bud Hover responded that as the board moves close to implementation, he would like to see the strategic plan providing an option for funding other types of projects. Bud said that he supports the proposed changes to the strategic plan, which give the board more flexibility to fund projects that the board has not to-date funded.

Craig added the updated strategic plan states that funds can support projects, human capital, and monitoring, so while the mission statement is broad, the key actions provide specific guidelines for funding projects.

Bob Nichols agreed that the board needs flexibility to fund other types of projects. David agreed with Bud in supporting a flexible approach to funding, and noted that key actions do not prevent creative thinking, as long as the primary goal is measureable benefits to fish.

Bud Hover **MOVED** to adopt the strategic plan as presented. Harry Barber **SECONDED**.

Craig Partridge noted that in the past, monitoring efforts have been a bit of a conundrum between the board and the Monitoring Forum. He stated that the language in the plan looks fine, but questioned whether it will adequately carry out monitoring efforts. The Chair noted that the Monitoring Forum's new role as a body that gives policy direction has strengthened the group. Kaleen added that page four of the strategic plan provides for direct coordination with the Monitoring Forum. Craig said that Kaleen's clarification was helpful.

Bud Hover reminded the board that previous discussions have been to encourage sharing information among agencies and boards with the greater goal of recovery.

Bob Nichols asked why the Puget Sound Nearshore Partnership was separated from the Department of Fish and Wildlife, on page 6, section d. Kaleen responded that there is currently a transition, so RCO staff decided to keep it separate. Bob posed a few questions about the potential redundancy of the bullets titled "Assessing Results" and "Accountability" on page one. He asked if the term "accountability" is related to money or monitoring. Megan responded that while the two bullets are directly related, staff felt it was important to keep them separated.

Bob also asked about the bullets titled “Coordinated, Bottom-up Approach” and “Community Priorities” on page one. He asked if the two bullets were expressing the same point. Megan responded that the bullets are also directly related, but the first highlights the work of the lead entities while the second conveys the board’s willingness to considering community priorities in funding decisions.

Melissa referred to the federal agencies listed on page six and asked if the strategic plan was trying to capture only funding agencies. If not, she suggested that the plan also include the United States Fish and Wildlife Service and the Environmental Protection Agency. Megan noted that it was not specifically a funding list, and that additional agencies could be added. Chair Tharinger would like to see the Department of Transportation added. Megan responded that staff could make the additions to the list of federal agencies.

Motion **APPROVED**.

ITEM #8: FUNDING ALLOCATIONS AND DECISIONS

RCO Staff, Regional Directors, presented this item.

Brian Abbott explained how staff calculates the project funds available for the 2009-11 biennium. He pointed out the different revenue sources, noting that the Pacific Coast Salmon Recovery Fund (PCSRF) funding is an estimate. David Troutt asked about the match. Kaleen Cottingham responded that it is 33 percent, and that the state will use both PSAR and board funds. Kaleen emphasized that the PCSRF funding level could be different since the budget and allocations are not set yet.

Brian then discussed the other obligations and costs that must be met with the revenue, including the lead entity and regional contracts. He explained that when those other costs are subtracted from the total revenues and projected returned funds, the total project funds are estimated at \$68.2 million: \$29.9 million for PSAR and \$38.3 for SRFB. He noted that the division of the \$38.3 would be discussed later in the day. Kaleen noted that the hatchery money would be subject to the same distribution of PCSRF funds in the future as today, but there is pressure to put more into hatchery reform.

Megan Duffy then discussed the background of funding for human capacity (lead entities and regions), and how the board established the 8 percent target reduction in the combined region and lead entity budgets.

Brian described the lead entity funding by regional area, explaining their budgets and the amount of the eight percent cut. He clarified that the Puget Sound and the Washington Coast regions propose to use regional dollars to support the lead entities.

Chris Drivdahl discussed the regional organization summary. She referenced notebook item Attachment B page one, which listed the five topics that regional areas addressed. She emphasized that the eight percent is not without impact, but the consequences are not as dire as anticipated. One exception is that the board needs to continue planning on the Environmentally Significant Unit (ESU) scale and in Puget Sound. The state needs to begin the process for a steelhead plan and the Coast needs a sockeye plan as well as their implementation plan. Chris noted that the operating funds will not be enough to cover these additional recovery plan actions and implement the plans. She stated that delaying implementation would mean that people will forget the importance of recovery. She went on to state that Washington will see consequences if it doesn’t work with the federal government, Oregon, and Idaho in larger scale ESU plans. Chris referred to Barry Thom’s (NOAA) letter stressing importance of state’s participation in the effort.

Melissa Gildersleeve asked about the habitat implications of the plan. Chris responded that regions are working with ESUs. Chair Tharinger asked Chris about the regional allocations. Chris Drivdahl recommended two separate discussions: the first on the operational budget of the regional allocations, then a second discussion to address the additional planning requirements.

Each of the regional areas gave a ten-minute presentation about the approach and effect of the target reductions on the regions and lead entities.

Steve Martin, Executive Director of the Snake River Salmon Recovery Board, gave the first regional area presentation. Harry Barber asked Steve to share the efficiencies that the Snake implemented. Steve responded that the Snake moved from individual consultants to Walla Walla Community College administering the program. Snake works closely with Idaho and Oregon in coordinating ESU wide efforts.

Alex Conley, Executive Director of the Yakima Basin Fish and Wildlife Recovery Board, provided a handout with highlights of the Yakima 2009-11 work plan. He noted that the Mid-Columbia is working with NOAA to complete the recovery plan by December, supplementing monitoring efforts to the steelhead plan, and developing an action plan for the Bull Trout. The target cut would slow down the work in the Mid-Columbia, but not stop the positive recovery work. Klickitat's response to the eight percent cut is to have sponsors complete data entry, limit meetings to project selection instead of strategizing, and decrease conference and training funding.

Kaleen asked Alex about his rate of spending. Alex responded that the region had a unique biennium. Bud asked about the impact of slowing down regional operations. Alex responded that the cut influences staffing and stretches current staff's time. Bud asked how it affects implementation. Alex responded that staff shortages make it difficult to have enough time to carryout tasks and certain things fall off the table.

Jeff Breckel, Executive Director Lower Columbia Fish Recovery Board, explained that their board has 82 recovery partners, and nearly 800 actions in the recovery and watershed plans to implement. The eight percent reduction means that the board will not be moving ahead as quickly with the partners in recovery. Lower Columbia will be moving forward with the 35 partners that are most influential in regional salmon recovery. Lower Columbia is still finishing their recovery plan.

Chair Tharinger asked about the Lower Columbia partners. Jeff responded that the partners are asked if their work is consistent with the Lower Columbia's recovery plan and recovery goals. The Lower Columbia hoped to bring on a monitoring staff person. With the reductions, this round will not allow for the additional staff. Chair Tharinger asked if the regions are the best organization to carry out monitoring, to which Jeff responded that the regions must contribute or the data are not collected.

Julie Morgan, Executive Director of the Upper Columbia Salmon Recovery Board (UCSRB), noted the Upper Columbia's monitoring efforts, and stated that there is a new monitoring coordinator in the Methow. The UCSRB is focused on upcoming Regional Technical Team's analysis workshops, outreach and education, and working with the Forest Service (who owns the majority of the land in Chelan County). Julie noted their habitat project, which works with the lead entities and public utilities districts to look at efficiencies in project implementation. The eight percent reduction concerns the lead entities with regard to their ability to do public outreach. Chair Tharinger asked Julie if they would like to see staff members or projects, and if the board views projects as a priority. Julie responded that in the Upper Columbia, capacity is a greater limiting factor than project funding.

Bud Hover would like to see money spread around to the regions evenly to help them move forward faster. He stated that, as a UCSRB member, his goal is to delist as quickly as possible. He proposed

putting the carryover money into the regions. Julie noted that the eight percent would heavily affect the region.

Chris explained that the Northeast area of the state continues to remain uninterested in becoming a region due to the capacity.

Nancy Allison, Executive Director of the Washington Coast Sustainable Salmon Partnership, explained that the Coast is developing a restoration plan and formalizing the regional organizational structure. The region is not tied to an ESA recovery plan and can create a plan that maintains healthy salmonid populations. The coast collaborated with the Wild Salmon Center to write a grant request to the National Fish and Wildlife Foundation for a needs assessment for the coastal region, and a second request to purchase reporting tools. The biggest impact of the eight percent reduction is the lead entity participation within the region. Since the regional organization is relatively new, they are still working with lead entities to dedicate time for regional commitments. The other impact will be the regions' staffing, primarily the employee who oversees outreach, consequently limiting community feedback and the scientific technical base for the restoration plan.

Scott Brewer, Executive Coordinator of the Hood Canal Coordinating Council, noted that the region covers Hood Canal Summer Chum and operates inside the Puget Sound Region. Scott is confident that in spite of the reduction, the region will be able to continue their summer chum action plan. The plan is now in the adaptive management phase, looking at data and comparing it to the identified goals. The region has an established relationship with hatchery and harvest organizations, but needs to continue work with the land use managers. The eight percent reduction will affect monitoring capacity, which was slated to be increased, and capacity to assist the counties. Hood Canal worked to find efficiencies in administrative overhead.

Chair Tharinger asked at what level the adaptive management takes place. Scott responded that the adaptive management takes place at the Hood Canal Coordinating Council, because changes are unique to the Summer Chum Program. The chair noted that adaptive management is a cross-regional group, so it is an issue deserving of further discussion. The council is holding a Summer Chum Salmon Recovery Symposium on June 9, 2009 to look at the status of summer chum, and then initiate the adaptive management process. The council hopes to discuss bigger issues such as, the impacts of climate change, land use development, and population growth.

Chris Drivdahl added that NOAA just issued the first draft of their Monitoring Framework. NOAA's Framework takes a global approach that could be adapted to meet the needs of the specific ESU. Kaleen noted that the Monitoring Forum is developing an organized review process to provide a unified state response to ESA level proposals.

Joe Ryan, Salmon Program Manager, Puget Sound Partnership, explained that the key priority for his region is integrating salmon recovery with overall ecosystem recovery in Puget Sound. Local capacity is lagging and governments are strapped for funding. He noted that observations suggest that we are losing ground in the Sound, but status and trends monitoring is behind so they cannot confirm it. They are doing some monitoring with help from Department of Ecology. They are trying to fund the efforts at the watershed scale so there is data at that scale. Puget Sound could move recovery more quickly without the eight percent cut. The landowner willingness is incredibly difficult to organize and the cut will negative impact the regional efforts. Steelhead recovery planning efforts are a controversial issue in Puget Sound, as some entities feel it is a diversion from recovering Chinook. Smaller streams are much more important to steelheads, where larger streams are more important to Chinook.

Bob Nichols asked if there were two issues on the table: the 8 percent reduction and the returned funds. Chris Drivdahl reminded the board to look at the issues as providing one contract for regional organizations and a second contract for ESU scale recovery plans with specific deliverables.

David Troutt asked to clarify the fund totals before holding a policy discussion and noted that project funds could be moved. After hearing reports from the regions, David suggested that the board discuss the option of keeping the lead entities whole and then have a separate discussion about the eight percent reduction.

Chair Tharinger asked Chris Drivdahl about the cuts. Chris responded that the 8 percent cuts would have an effect, especially with monitoring and outreach.

Bud Hover stated that spreading out the money from one big project and dedicating it to regions would help many projects move faster. Bob asked for clarification about the discussion that is on the table. Chair Tharinger responded that the board asked regions and lead entities to present how they could make an eight percent cut from their budget. He noted that determination of lead entity budgets is urgent, as RCO needs to write the lead entity contracts prior to the new biennium.

Bud suggested backfilling the eight percent cuts with returned funds from the current biennium. David noted the board is dealing with three different funding decisions:

1. The eight percent cut to the regions,
2. The eight percent to the lead entities, and
3. How to allocate the returned funds.

Chair Tharinger asked Chris Drivdahl if, where appropriate, a single contract could be drafted that would include lead entity, regional organization, and additional recovery planning funding and deliverables. Chris replied that they could be together, but suggested keeping them separate to focus on the distinct deliverables. Kaleen noted that separate contracts are less efficient, but more accountable. Either way, it is manageable.

Harry Barber stated that he is hesitant to encourage more planning, and has trouble with the lack of cuts that were suggested by regions, aside from the Snake. Chris noted that the Puget Sound assessment calls for more efficiencies.

Bud Hover stated that the funds are available within the organization, and that he does not think the board should slow progress if the cuts are not necessary.

David Troutt **MOVED** to fill the proposed 8 percent cut of \$249,280 for lead entities through regional and surplus returned funds. Bud Hover **SECONDED**.

Bob Nichols asked for clarification about the motion. Brian Abbott explained that there are about \$1 million in federal funds and \$600,000 in state funds currently available for board use. If the board retained \$750,000 for cost increases, then \$850,000 would remain. He cautioned that staff had included the \$850,000 in the calculations for the next grant round, so using those funds would take money away from the grant round.

The Chair clarified that the funds would be used for lead entities rather than grant funding.

MOTION APPROVED. Troutt, Tharinger, and Hover in favor. Barber and Nichols opposed

David Troutt **MOVED** to fund the regions at \$5,737,370 for the biennium. Bud Hover **SECONDED**.

MOTION APPROVED. Troutt, Tharinger, and Hover in favor. Barber and Nichols opposed.

David Troutt **MOVED** to fund the lead entities with additional funding of \$2,875,920 for the 2009-11 biennium. Bud Hover **SECONDED**.

Brian clarified that the total funding for the lead entities would be the sum of the amounts in the two motions. The board confirmed that Brian had correctly stated the board's intent.

MOTION APPROVED. Troutt, Tharinger, and Hover in favor. Barber and Nichols opposed.

Chris Drivdahl noted that the funding level as approved would be adequate for moving forward with both recovery and the ESU planning efforts.

Bud Hover **MOVED** to approve funding of \$550,000 for the regional organizations to conduct specific ESU planning efforts, with RCO to determine deliverables. David Troutt **SECONDED**.

Bob Nichols explained that he was willing to support the ESU planning with the 8 percent cut, but in light of the last two votes, he will not support this motion. Bud Hover clarified that the board was able to find funding to fill the cut, and the board is operating within their budget. Chair Tharinger stated that the cuts would come from projects. Chris Drivdahl added that if the board decides to write one regional contract, it should be specified that the money should not be considered as part of the base for regional needs. Chair Tharinger agreed and stated that is one of the reasons why RCO will write individual regional contracts with separate deliverables.

Harry agreed with Bob and would like to see the board find the over \$750,000 in the last two votes. Chair Tharinger noted that the votes decreased project money.

MOTION APPROVED. Troutt, Tharinger, and Hover in favor. Barber and Nichols opposed.

Item #9, 2009 Grant Round Policies, was deferred until Friday to give staff time to incorporate the regional and lead entity funding decisions into the project funding allocations.

ITEM # 10: MONITORING

Ken Dzinbal, Executive Coordinator Forum on Monitoring, Recreation and Conservation Office, Dr. Mara Zimmerman, WDFW, Jim Scott, WDFW, presented this agenda item.

Kaleen introduced Ken, Mara, and Jim, and noted that the presentation is a follow up to the October 2008 meeting presentation by Tim Smith. Ken gave an overview of the four pieces of the presentation: fish in/fish out monitoring, estuarine protocols, preliminary recommendations from the Monitoring Forum, and contracts on effectiveness and IMW monitoring

Dr. Mara Zimmerman gave an overview of the Department of Fish and Wildlife (WDFW) fish in/fish out monitoring. She explained that fish in/fish out combines the certainty of IMW monitoring with the spatial coverage of status and trends monitoring. "Fish in" refers to the number of salmon that return to spawn. WDFW uses spawner surveys in large watersheds and 100% capture weirs in smaller watersheds. "Fish out" is the number of juveniles that leave the watershed/freshwater to the ocean. "Fish out" is measured because the ocean conditions are very different from freshwater conditions. Fish in/fish out influences salmon recovery because it is included in the NOAA Listing Status Decision Framework, makes data accessible to NOAA and regional recovery boards, and is a tool for adaptive management. She explained that they are learning that salmon are thriving in unexpected places, such as Asotin

Creek. She went on to explain that researchers are improving the efficiency and cost effectiveness of data collection.

Carol asked Mara for recommendations on how to improve the connection between the role of fish in/fish out with recovery plans in regards to improving the consistency of reporting to U.S. Fish and Wildlife and NOAA. Jim Scott responded that the State of the Salmon has been an important step in forcing more consistent reporting across the state of Washington. Second, the development of the Department of Fish and Wildlife's Hatchery and Harvest work schedule will improve access to fish information to the recovery boards. Third, develop a pathway from scientists collecting data directly to the recovery boards to provide annual reports evaluating consistency and disseminating information.

Bob Nichols asked why the state is carrying out the federal mandate for monitoring salmon populations. Jim Scott responded that the Department of Fish and Wildlife has a mandate to conserve Washington's fish, but also the state receives a large amount of federal funding for the monitoring.

Harry Barber asked how NOAA sets the escapement goals, and how the numbers relate to recovery. Jim Scott responded that Fish and Wildlife first developed a steelhead science paper, and then developed a State Steelhead Management Plan. One of the key components of the management plan is to increase escapement numbers for the foreseeable future and show a projected trend to display expected performance for a certain period of years. David Troutt asked if increasing the numbers is linked to habitat recovery or a sense of increased productivity capability of the system. Jim responded that staff engaged in recovery planning, and did technical analyses to understand the current productivity and spawner capacity. From that, they developed their best understanding of what escapement goals should be. He noted that there is a lot of uncertainty about the current capacity, so their decision was to test it by pushing more spawners into the system.. Jim indicated that David is correct; that there is a point when putting spawners in, will not produce smolts out. Jim explained the approach is for DFW to experimentally push spawner numbers up, and see what kind of productivity the system has the capacity to hold. Bob would like a presentation from Jim as he develops measurement tools to understand system capacities in Washington.

Paul Cereghino gave a brief presentation on the Estuary and Salmon Restoration Program's monitoring and evaluation development. Paul explained that the program brings together state and federal funds for projects that focus on nearshore ecosystem processes. The program just received \$7 million in state funds to be administered through the RCO. Kaleen explained that ESRP projects often provide matching funds to SRFB projects; approximately 70 percent of Puget Sound projects are matched with SRFB funds. Paul explained that the ESRP and SRFB relationship is increasingly relevant as SRFB has a lack of nearshore expertise, particularly on the Technical Review Panel. As Puget Sound ecosystem restoration expands, the overlap will be increasingly important.

Paul would like to introduce the Board to Rapid Assessment Protocols (RAP). Kaleen reminded the Board that there is a \$50,000 earmark for developing nearshore-monitoring protocols. Paul concluded his presentation by outlining the RAP development outputs.

Carol Smith asked how ESRP's program work integrates with the Forum on Monitoring's development of the High Level Indicators. Paul responded that he does not consider this as a new project, but as a more efficient way of managing contracts. Craig asked how red flags are identified in a Rapid Assessment Protocol. Paul responded that you look for high level indicators of health, and qualitative evaluations, such as professional observation. Chair Tharinger pointed out that there are benefits to RAP, but there are also some hurdles. Paul noted that the focus of RAP is to provide clarity on the questions and the approach on answering the question, instead of prejudging the policy questions.

Ken Dzinbal confirmed that the board would like to see RCO and ESRP move forward with an integrative partnership.

Ken gave a presentation to the board on the contracts for Intensively Monitored Watersheds and Project Effectiveness Monitoring, which will expire on June 30 unless the board extends the contracts.

In October 2008, the Salmon Recovery Funding Board discussed its current approach to monitoring, and how to ensure that they invest in the most important and useful monitoring. Some members of the SRFB expressed an interest in input from the Washington Forum on Monitoring (Forum) on SRFB monitoring priorities. In addition, the board's draft strategic plan sets forth monitoring strategies and actions.

As reported in February, the Forum convened a workgroup to review current SRFB programmatic monitoring efforts. The workgroup has met several times, focusing first on the current core monitoring programs supported by the SRFB.

Harry Barber asked if there is an opportunity to employ state workers to conduct monitoring, or is the Board committed to the Tetra Tech contract. Ken answered that Tetra Tech employees are on the ground, and for now there would not be a cost saving. Next biennium may be different. David asked why the IMW on Skagit for fall Chinook has not moved forward. Ken responded that he would like to facilitate discussion about opportunities and limitation, as well as costs and benefits. Ken noted that IMW work is tied to whether or not restoration works at the watershed level, and how much restoration is necessary to see a response. Bob Nichols would like to see Jim Scott's presentation paired with the IMW presentation.

Bud Hover **MOVED** to extend the current Intensively Monitored Watershed (IMW) Monitoring Contract from July 1, 2009 to June 30, 2010, providing funding not to exceed \$1,467,000. Harry Barber **SECONDED**

MOTION APPROVED. Troutt, Tharinger, Hover, Barber, and Nichols in favor.

Bud Hover **MOVED** to extend the current Project Effectiveness Monitoring Contract from July 1, 2009 to April 30, 2010, provided additional funding not to exceed \$360,000. Harry Barber **SECONDED**.

MOTION APPROVED. Troutt, Tharinger, Hover, Barber, and Nichols in favor.

ITEM # 11: SERVICE RECOGNITION – JIM FOX AND CHRIS DRIVDAHL

Kaleen Cottingham read a letter of gratitude and congratulations to Chris Drivdahl from Governor Christine Gregoire. The board shared stories and praised her service and contributions to salmon recovery in Washington state. Bob Nichols **MOVED** to approve Resolution #2009-02. Bud Hover **SECONDED**. Motion **APPROVED**.

Kaleen Cottingham read a letter of gratitude and best wishes to Jim Fox. Bob Nichols **MOVED** to approve Resolution #2009-01. Bud Hover **SECONDED**. Motion **APPROVED**.

The meeting adjourned for the day at 5:35 p.m.

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
Melissa Gildersleeve	Designee, Department of Ecology
Craig Partridge	Designee, Department of Natural Resources

Meeting reconvened at 10:50 a.m. following a tour of local board-funded projects.

ITEM #9: 2009 GRANT ROUND POLICIES

Brian Abbott, Section Manager, Recreation and Conservation Office, and Steve Leider, Governor's Salmon Recovery Office and Salmon Recovery Funding Board Review Panel presented this agenda item.

Brian presented the proposed 2009 grant round policies. He introduced the administrative changes to Manual 18, including clarifying language regarding the ineligibility of for-profit businesses. He also explained that staff recommended eliminating the ineligibility language regarding forest practices related to Road Maintenance and Abandonment Plans to address a discrepancy between the RCW and the policy manual.

Craig Partridge clarified that the policy allows forest practices projects to be initially eligible for consideration. He noted that aligning the statute with the manual is a reasonable option to consider. Jim Fox added that there were concerns around the eligibility with the last sentence of the statute and a higher bar for proving the benefits of the project. The current language opens the door and allows the board to evaluate projects on a case-by-case basis to determine whether they meet the criteria for benefits to fish. Jim proposed that the board could ask staff to continue to develop the policy and make their decision at the August meeting.

Chair Tharinger suggested getting clear guidance from the Attorney General's office (AG). David Troutt noted that before the board informs sponsors that forest practice projects are eligible, it is important to get an opinion from the AG. Kaleen suggested staff could get the AG opinion, and then update the language and present it to the board in August or October.

David asked if there are any forest practices projects this round impacted by the policy. Brian explained that the approach would involve going to the AG when a project is proposed. David disagreed with this approach, and wants the policy language to be established before legwork begins.

Chair Tharinger responded that forest practice projects should remain ineligible, until the board and staff can consult the AG to finalize the policy.

Bud Hover **MOVED** to approve Policy Manual 2009 as amended to keep forest practices on the list of ineligible project elements. David Troutt **SECONDED**. Motion **APPROVED**.

Brian Abbott and Megan Duffy next presented information about the proposed allocation of project funds for the 2009-11 biennium.

Chair Tharinger asked if the \$30 million for PCSRF was money in hand, and Megan responded that the application was due to NOAA on May 20, 2009.

Bob Nichols noted that \$2 million of PSAR funds are shown as capacity funds, and asked why they were not included in yesterday's discussion about the capacity in the Puget Sound. Joe Ryan, Salmon Program Manager at the Puget Sound Partnership, responded that the funds are being used to get the best projects in the Puget Sound ready for funding.

The board discussed the need to see how their funds work with other fund sources to support projects, human capacity, and monitoring. Jim Fox reminded the board that the RCO staff attempted to quantify the source of funds for lead entities and regions, but the overlap made it difficult to determine accurate numbers.

Bud Hover stated that in the Upper Columbia, some of the capacity dollars may go back to the agencies, and he does not want to see regions penalized for obtaining other funding sources.

Bob Nichols asked what the follow up is to the discussion. Chair Tharinger clarified that the deliverables are included in the regional contract and budget. Bob would like to see an annual or biennial report to the board on the other sources of funding received by the regions.

Jim Fox asked about the \$750,000 that is set aside for cost increases for projects. Brian responded it was captured in the projected returns. Jim also asked if NFWF is interested in continuing funding of their community Salmon Fund grant programs, and wanted to know if there is money set aside for it. Brian responded that there are no funds set aside.

Brian offered three options for using salmon project funds during the biennium. He stated that RCO staff recommends option C, which would use exactly half of the projected total in each year. He explained that the board would need to select an option at this meeting. Chair Tharinger noted that option B, using all state funding in year one, would take advantage of the lower prices from contractors.

Public Comment

Steve Martin, Executive Director of the Snake Region, advocated for option A, using half of state funding in each year, to spread out federal funding at the regional level. He noted that NFWF requires state funding for match so there is a diminished opportunity in year two.

Jim Fox asked if there are obligations with the Partnership on the PSAR funds that would compromise NFWF's grant round. David Troutt asked if NFWF projects are focused in the highest priority recovery areas, and wondered if they are of the greatest value. Brian responded that the projects go through the lead entity process.

Public Comment

John Sims, WRIA 21 Lead Entity Coordinator, said that he found the NFWF process to be easier to execute. The review process was scientifically credible, and included fewer people. He would like to see the NFWF program continue.

Alex Conley, Executive Director of the Yakima Region, added that after brief discussion, the regions thought option C would be most beneficial. He stated that the Community Salmon Fund has been a good program, and allowed lead entities to be more experimental. He would hate to give up the NFWF fund.

Jeff Breckel, LCFRB, noted that Lower Columbia has a good relationship with NFWF and use the same process to review the projects. They also use the community involvement of NFWF and allowed the lead entity to work with smaller organizations. The NFWF program gives more flexibility.

Chair Tharinger noted that one possibility is option C with a \$600,000 to the NFWF program.

Bud Hover **MOVED** to approve Option C with \$18 million for each year and the balance dedicated to NFWF Community Salmon Fund. David Troutt **SECONDED**.

MOTION APPROVED.

ITEM #12: REGIONAL AREA PRESENTATION: LOWER COLUMBIA FISH RECOVERY BOARD

Jeff Breckel, Lower Columbia Fish Recovery Board, presented this agenda item.

Jeff provided a handout and presentation about integrated planning in the Lower Columbia region. He explained that goals and actions are integrated across watershed, ESU, and habitat restoration plans. They also addressed harvest issues in the plan.

He stated that the ESU recovery plan should be completed in 2010. The plan will integrate the Oregon and Washington plans, as well as NOAA estuary salmon recovery module. Key issues include recovery goals, hatchery and harvest coordination, coordination of estuary recovery efforts, and updating coho efforts. Coho were listed after their plan was approved by NOAA. Updates are driven by technical information, changes in population, and information about nutrient enhancement.

Jeff stated that as they move to implementation, they are using the same principles as they did in writing the plans. They are trying to advance the monitoring agenda and develop criteria to evaluate success of projects.

Jeff further discussed the “all h” approach. He stated that they want to reduce impacts for each population to achieve recovery, and that restoration cannot keep up with habitat loss. Jeff discussed local incentive programs that are working well in Clark County, and suggested that they be expanded into other counties.

Jeff explained that they are using implementation work schedule (IWS) system to implement recovery plans, scheduling and coordinating, and tracking progress. Kaleen asked if the IWS interfaces with the Habitat Work Schedule. Jeff responded that the IWS was developed before the HWS, and better tracks the reporting data.

Bob Nichols asked if the Lower Columbia needs to spend their monitoring dollars on status and trends, or whether it would be the better to conduct fish in/fish out monitoring. Chair Tharinger stated that he would like to see the regions identify the gaps and figure out how they can conduct monitoring to get the answers that NOAA and other federal mandates are seeking.

Jeff noted that they use a collaborative approach in pursuing the implementation of the recovery and watershed plans. Recovery of the region’s salmon and steelhead depends on the coordinated actions of numerous federal, state, tribal, and local partners. To date, collaborative efforts have resulted in new water resource rules and implementation guidelines, expanded stream and estuary restoration initiatives, and harvest and hatchery reforms.

Jeff presented a slide about tributary habitat, noting that new water rights will require water for water and habitat mitigation. Chair Tharinger asked Melissa Gildersleeve about the implications for water rights. Melissa asked for clarification about the term mitigation, because in her field it is a stringent term, and ensures that the impact of downstream habitat will be minimally disturbed.

David Troutt praised Lower Columbia for their innovative work, particularly with addressing harvest management.

Bob Nichols asked about the lack of data regarding the Chum population in the Cascades. Jeff responded that there are not many chum in the cascades strata.

Jim Fox asked Jeff about the Oregon side of the ESU, and if they have a similar bottom-up approach to salmon recovery. Jeff answered that they do not, and most of the recovery is carried out by state and federal agencies.

ITEM #13: CONSIDERATION OF BIENNIAL GRANT ROUND AND OTHER GRANT CYCLE OPTIONS

Brian Abbott and Megan Duffy presented this agenda item.

In response to a board request in February 2009, Brian and Megan presented the following options for future grant rounds, clarifying that none of the option contemplated changing the 2009 cycle.

- A. Status Quo
- B. Biennial Cycle
- B1. Biennial Cycle with legislative approval
- C. Region-determined cycles

Megan reviewed each option, the advantages and disadvantages, and the effects on the grant cycles.

The Board discussed option B1, the biennial cycle with legislative approval, and determined that they did not want to change the process that significantly.

Public Comment:

Joe Ryan, Salmon Program Manager, Puget Sound Partnership, stated that getting the best projects is a goal of the grant cycle. He stated that Partnership staff evaluated the quality of riparian projects selected by WWRP, and found that many of them were not high priority projects in the Action Agenda. He does not see the benefit in adding another layer.

Brian explained the timeline for implementing the four options, and Megan asked for guidance for the next steps for staff work on the project.

Chair Tharinger stated that he wants the board to be able to fund larger and phased projects. He asked if the board wanted staff to explore Option C, region-determined grant cycles. Bud Hover said that he supports the region-determined grant cycles because it would keep the process local, and that he would like more information on this option. Bud also recommended finding solutions or ways to resolve some of the listed disadvantages. Brian stated that he wants to talk to regional and local recovery staff to get more feedback about the process.

Public Comment:

Steve Martin noted that the status quo with the opportunity to carry over unspent funds to the next round fits the needs. Option B prevents active restoration projects in 2010. Steve does not support option C, because of the workload of staff.

Kaleen Cottingham asked Steve if his idea of keeping money includes keeping alternates on the list. Steve responded yes.

John Sims said that he supports option A, and noted that option B does not serve any good process. He is worried that the process will lose local influence over the biennial cycles.

Chair Tharinger suggested that staff focus on the problems they are attempting to resolve rather than timeline options.

The board directed staff to solicit more input from sponsor, lead entities and regions. Staff should then further develop the options and present them to the board at its August meeting.

ITEM #14: POLICY DISCUSSION RCW 77.85.1(7)

Megan Duffy, RCO presented this agenda item

Megan Duffy reviewed the discussion from the February meeting, and informed the board that in her recent conversations with Chelan County, the county expressed no additional comments or concerns with the policy as presented.

Bud Hover **MOVED** to approve the proposed conveyance policy, including the process and criteria, and direct staff to incorporate the policy into Grant Manual 18 and apply the policy to conveyance requests made in 2009 and subsequent years. David **SECONDED**. Motion **APPROVED**.

ITEM #15: FOLLOW UP ON THE STORAGE AND TRANSPORTATION OF LARGE WOODY MATERIALS

Lloyd Moody, Governor's Salmon Recovery Office

Lloyd describe a pilot project to try to match the wood needs of know restoration projects to wood on DNR lands. He explained that this would be a market-driven approach, assuming that they would find enough low-quality wood on DNR land to support harvesting and selling at a reduced rate to restoration projects. He stated that if successful, it would show good government and save money.

Lloyd described an informal assessment of three timber sites. He stated that they did not find enough of the wood they needed to support the market approach. He stated that they do not want to exclude DNR from process, however, because sometimes the weather makes it happen. His conclusion is that they need to be ready for negotiation, sale, and storage in those events.

Lloyd also described their work with the USFS, which can give away wood from the forests. The amount of wood from the forests currently depends on the forest managers, who must do an analysis and get approval to give away the wood. Lloyd said that this may be most important in eastern Washington. They need to correlate the benefit to the forest with the project they are supporting; that is, show that improving salmon habitat improves the forest.

Lloyd noted that another opportunity may be to work with Oregon because they have similar issues, which may make it easier to negotiate on federal level. He noted that Oregon allows sponsors to buy and stockpile wood with grants when the wood is available. In contrast, the board requires sponsors to have a specific project. The difference is a function of the funding sources. In Oregon, they account for

the wood after they use it. Lloyd also suggested a revolving account that would allow money to be used for gathering wood, with the account reimbursed from project funds. The Chair noted that it would be important to see the savings that would result from stockpiling the wood.

Lloyd noted that a good deal of project staff time is devoted to finding cheap wood. He noted that sponsors are using tools like Craigslist now, but that it is not as efficient as it could be. He suggested that partnering with other agencies, such as WSDOT, would be a good route to go. WSDOT uses a lot of wood for their mitigation projects. Lloyd discussed two proposals he had secured for creating a web-based wood management tool, noting that they are not comparable. Kaleen asked if it could be part of the Habitat Work Schedule – Lloyd said yes, but there would be extra costs for database development/maintenance and marketing to the affected parties.

Harry Barber asked about the transportation issues, and whether the costs are greater than the wood costs. He would like to see metrics for benefits to stockpiling and delivering as opposed to the current system. Lloyd agrees that a cost benefit analysis needs to take place to ensure that the proposed system is worthwhile. He noted that there is a 75-100 mile radius for transportation that makes the free wood worth the costs of the wood.

Lloyd talked briefly about best management practices to store wood. He is working with WSDOT.

Craig Partridge asked if Lloyd is keeping in touch with the sponsor community, and if so, are they enthusiastic about it. Lloyd noted that the sponsors he has talked to are excited about the market place. Bob Nichols suggested piloting the website or moving forward with next steps. Lloyd explained that WSDOT uses more wood in mitigation efforts than all of the salmon recovery efforts combined.

OTHER BUSINESS

Kaleen noted that the proposed one-day October meeting will take place. RCO staff will contact the Board about suggested dates. Chair Tharinger suggested agency updates at the next meeting. Bob Nichols requested updates on the legislative reporting.

ADJOURN

Meeting adjourned at 2:22 p.m.

Steve Tharinger, Chair

Next meeting: August 13-14, 2009
Olympia, WA