

SALMON RECOVERY FUNDING BOARD SUMMARIZED MEETING AGENDA AND ACTIONS

June 14-15, 2017

Item	Formal Action	Follow-up Action
<p>1. Consent Agenda</p> <ul style="list-style-type: none"> A. Approval of March 1-2, 2017 Meeting Minutes B. Correction to the Puget Sound Region’s Puget Sound Acquisition and Restoration (PSAR) Project List Adopted December 2016 C. Approval of May 24, 2017 Retreat Summary 	<p>Decision</p> <p>June 14, 2017 - Motion: Approved, as amended to remove Item 1C</p> <p>June 15, 2017 – Motion: Approved May 24, 2017 Retreat Summary as amended.</p>	<p>No follow-up action requested.</p>
<p>2. Management Report</p> <ul style="list-style-type: none"> • Director’s Report <ul style="list-style-type: none"> – Pacific Coastal Salmon Recovery Fund (PCSRF) Audit – Status of Governor’s Salmon Recovery Office Hiring and Organization Changes – Status of 2017 PCSRF grant application – Joint Board Meeting and Tour in 2018 with Oregon Watershed Enhancement Board • Legislative, Budget, and Policy Updates <ul style="list-style-type: none"> – Status of the state budget for salmon recovery – Washington, D.C. Meetings Regarding PCSRF – Puget Sound Partnership Day on the Hill • Performance Update <i>(written only)</i> • Financial Report <i>(written only)</i> 	<p>Briefings</p>	<p>No follow-up action requested.</p>
<p>3. Salmon Recovery Management Report</p> <ul style="list-style-type: none"> • Governor’s Salmon Recovery Office Report <ul style="list-style-type: none"> – 2017 Salmon Recovery Conference Follow-Up • Salmon Section Report <ul style="list-style-type: none"> – 2016 Applicant Survey • Recently Completed Projects 	<p>Briefings</p>	<p>No follow-up action requested.</p>

<p>4. Reports from Partners</p> <ul style="list-style-type: none"> • Governor’s Office – Salmon Policy Advisor to the Governor • Council of Regions Report <ul style="list-style-type: none"> - COR Work Plan for Allocation efforts in the future • Washington Salmon Coalition Report • Regional Fisheries Enhancement Group Coalition • Board Roundtable: Other Agency Updates 	<p>Briefings</p>	<p>The board decided to establish a schedule for addressing policy questions and issues raised by the Council of Regions beginning in early 2018. RCO staff will work with the regions to bring a schedule back to the board.</p>
<p>5. Overview of LEAN project to streamline the project selection process</p>	<p>Briefing</p>	<p>No follow-up action requested.</p>
<p>6. Water Rights Acquisition Interim Policy</p>	<p>Decision Motion: Approved</p>	<p>The board approved the Interim Water Rights Valuation Policy as written in Item 6, Attachment A of the meeting materials.</p> <p>Members Rockefeller, Breckel, and Duffy will work with staff to discuss and develop policy guidance for decision at a future board meeting.</p>
<p>7. Follow-up from May 24, 2017 Board Retreat</p> <ol style="list-style-type: none"> A. Review Retreat Summary B. Role of the Board in Assisting with Potential De-listing Scenarios in Regions Nearing Recovery Targets <ul style="list-style-type: none"> • Snake River Recovery Region • Hood Canal Coordinating Council 	<p>Briefing</p>	<p>RCO and GSRO staff will work with the regions to bring a proposal to the board regarding how the board might play a role in supporting the delisting process.</p>
<p>8. Monitoring Panel – 2017 Recommendations</p>	<p>Briefing</p>	<p>No follow-up action requested.</p>

<p>9. Funding Decisions</p> <p>A. Funding Projection for 2017-2019</p> <p>B. Funding Decisions</p> <ul style="list-style-type: none"> • Salmon Recovery Regions for Fiscal Year (FY) 2018 • Lead Entities for Fiscal Year (FY) 2018 • Communication and Fundraising Plans • Monitoring Contracts using 2017 PCSRF award • Monitoring Panel using 2017 PCSRF award • Technical Review Panel using 2017 PCSRF award • Set 2017 Grant Round Target 	<p>Briefing Decision</p> <p>Motion: Approved</p>	<p>The board moved to delegate to the RCO Director the authority to implement the funding decisions listed below once the Legislature adopts a budget for the 2017-2019 biennium. Should the final legislative budget be different than anticipated, the RCO director shall confer with the board chair to call a special meeting of the board to adjust the following funding decisions:</p> <ul style="list-style-type: none"> • The 2017 Grant Round Target shall be \$18 million, including up to \$350,000 in funding for regional monitoring projects • Funding the SRFB Technical Review Panel with \$200,000 from PCSRF • Hold \$500,000 for cost increases. • Regional and Lead Entity Capacity Contracts -- fund capacity funding at a total of \$4,568,185, which includes \$1,689,500 for lead entities and \$2,878,685 for regional organizations in fiscal year 2018, as summarized in Item 9B, Tables 1, 2, and 3. (NOTE: Some of this funding will go into current contracts for July and August; the rest into new contracts for remainder of the fiscal year.) • Reallocate returned Lead Entity Fiscal Year (FY) 2017 funds to Support Washington Salmon Coalition Priorities -- up to \$50,000 in anticipated unspent lead entity capacity to support its statewide efforts in the 2017-2019 biennium. • Approve funding for lead entity training and a WA Salmon Coalition (WSC) chairperson (\$12,500). • Approve Monitoring Contracts for Federal Fiscal Year (FFY) 2017 <ul style="list-style-type: none"> ○ \$208,000 for status and trends; ○ \$324,478 for project effectiveness monitoring ○ \$1,381,308 for IMW monitoring contracts ○ \$100,000 for the monitoring panel contracts
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<p>10. Compliance Issues</p> <p>A. Compliance Overview</p> <p>B. Conversion Request: Chelan-Douglas Land Trust, Entiat Troy Acquisition (RCO #09-1455)</p>	<p>Briefing</p> <p>Decision Motion: Approved, with conditions as stipulated in Option 2</p>	<p>The board moved to conditionally approve the replacement property upon completing a public comment period, and delegate the approval authority to the RCO Director, once public comment period is complete and no issues arise during the public comment period. If any major issues arise during public comment period, then the replacement property decision will be brought back before the board.</p>
<p>11. Work Plan for 2017-2019 Biennium</p>	<p>Request for Direction</p>	<p>The board requested that the delisting conversations and actions be clearly identified under the policy priority for the role of the board.</p>

SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES

Date: June 14, 2017

Place: Natural Resource Building, Room 172, 1111 Washington St SE, Olympia, WA

Salmon Recovery Funding Board Members Present:

David Troutt, Chair	Olympia	Carol Smith	Department of Ecology
Nancy Biery	Quilcene	Susan Cierebiej	Department of Transportation
Bob Bugert	Wenatchee	Erik Neatherlin	Department of Fish and Wildlife
Jeff Breckel	Longview	Megan Duffy	Department of Natural Resources
Phil Rockefeller	Bainbridge Island		

It is intended that this summary be used with the materials provided in advance of the meeting. The Recreation and Conservation Office (RCO) retains a recording as the formal record of the meeting.

Opening and Welcome

Chair David Troutt called the meeting to order at 1:03 p.m. and welcomed the board, staff, and audience. Staff called roll and a quorum was determined. Member Biery and Member Rockefeller participated via conference line. Member Brian Cochrane was excused.

Motion: Agenda, as amended to hear Item 6 first and postpone Item 1C until June 15, 2017
Moved by: Member Jeff Breckel
Seconded by: Member Bob Bugert
Decision: Approved

Management and Partner Reports

Item 2: Management Report

Director's Report: Director Cottingham shared news regarding the 2017 Pacific Coastal Salmon Recovery Fund (PCSRF) award from the National Oceanic and Atmospheric Administration (NOAA); the agency applied for \$25 million and will be awarded approximately \$18.8 million for 2017. NOAA acknowledged the visible efforts to address their feedback in this year's application, specifically in regards to allocation, capacity issues, and the amount of money going to hatchery reform; they appreciated the agency's work and noted that it made a difference in the funding award.

In other PCSRF-related news, Director Cottingham shared that the PCSRF funds from 2010 and 2011 are currently being audited by the Department of Commerce, Office of the Inspector.

With the Legislature in their second special session and no budget agreement reached at this time, the agency is undergoing contingency planning efforts. Should a budget not be passed before the end of the biennium (June 30, 2017), all contracts will be suspended and staff temporarily laid off. Official notice will go out to contractors and staff on June 20.

Director Cottingham updated the board on the status of the hiring process for the new GSRO Executive Coordinator; applications are still under consideration.

Deputy Director Scott Robinson is leading the agency in updating the RCO Strategic Plan, contingent upon what the Legislature approves in their budget. Currently, no changes are anticipated for salmon-related functions and programs.

Director Cottingham followed up with the board on recent trip to Washington, D.C. to connect with congressional members and staff regarding PCSRF. Overall, conversations went well and the team seemed to gain support with those contacted. Among the issues addressed were suggestions for expanding funding; as a result, the Washington Department of Fish and Wildlife (WDFW) has initiated efforts to organize a tour for congressional staff, likely in August. Chair Troutt expressed interest in bringing the group to the Hood Canal to discuss the success of summer chum recovery efforts.

Director Cottingham reminded the board of the joint meeting with the Oregon Watershed Enhancement Board (OWEB) at Skamania Lodge, scheduled for June 26-27, 2018, which includes a dinner and project tour; she suggested that board members arrive early to have a pre-meeting dinner with their Oregon counterparts on the evening of June 25, 2018. The board agreed.

Legislative and Policy Updates: Wendy Brown, RCO Policy Director, briefed the board on the current special legislative session and proposed budget for salmon recovery. The Legislature is now in their second special session; with the continued need to address the McCleary decision in the state budget, the House and Senate have not reached an agreement at this time. Ms. Brown reminded the board of the proposals in the Senate and House budgets as they relate to salmon funding. She summarized the Salmon Recovery Funding Board (SRFB) appropriation budget proviso which includes the Lean study, capacity funding, and project development for the RFEs and lead entities. Additionally in the proposed budget are the Coast Restoration Grants program's project list, which includes nineteen projects, and the Fish Barrier Removal Board (FBRB) project list which includes thirteen. A proposal to rename the FBRB to the "Brian Abbott Fish Passage Barrier Removal Board" is included in both budgets. For federal budget proposals, Washington received an \$18.8 million PCSRF grant award. In the President's budget proposal, federal funding may see extreme cuts, with zero funding allocated for PCSRF, the Habitat Work Schedule, and the Puget Sound Geographic Program.

Board Business: Decision and Request for Direction

Item 6: Water Rights Acquisition Interim Policy

**Presented in order per the motion to amend the agenda*

Kat Moore, Salmon Section Senior Grants Manager, provided background on RCO acquisitions and water right acquisitions as detailed in the board materials (Item 6), highlighting how staff have identified key differences between water rights acquisition and land acquisition projects.

Ms. Moore summarized the issues encountered by staff regarding RCO project [#16-1606](#), Swauk Creek - Permanent Flow Restoration, sponsored by Washington Water Trust (WWT). Funded in December 2016, the project would purchase two water rights; the water acquired would be entered into the WWT's Water Rights Program and protected from downstream diversion. In summary, staff found that the sponsor was following acquisition procedures for valuation (used by the other funders for the project), instead of following RCO's acquisition procedures which require an appraisal. Ms. Moore summarized staffs' efforts to research other procedures to determine how best to proceed with this project, as well as draft a long-term water rights acquisition policy that staff can refer to which would support consistency among projects and other funding sources.

She described the proposed Water Rights Acquisition Interim Policy, based on a modified version of the National Fish and Wildlife Foundation's (NFWF) policy; the NFWF is considered an expert in funding water rights, their staff have considerable experience in water rights acquisition, and they have water rights

attorneys who developed the policy with them. Approving the interim policy would support completion of the Swauk Creek project, serving until the board could determine whether to develop water rights acquisition procedures for review and approval at a future meeting.

Ms. Moore responded to board questions regarding the longevity of other organizations' policies and how they were vetted. The Department of Ecology has followed their process for at least 15 years. She also explained that NFWF is willing to share their reports and information should an RCO project be located within an area in which they work.

The board discussed the monitoring component of water rights acquisitions, specifically whether this is an element that should be added to the evaluation process in order to ensure that the investment is appropriate and successful. The board discussed potential limitations on future use of the land where a water right is protected, considering that the main purpose from the board's perspective is maintaining the benefit to salmon.

Ms. Moore requested board direction on whether to add further policies or procedures for water rights acquisition. She provided examples, pointing out the current lack of policy and guidance: the application process does not include relevant questions; the manuals do not dictate extensive policies; and long-term compliance protocols would need to be drafted.

Public Comment

No public comment was received at this time.

Motion: Move to approve the Interim Water Rights Valuation Policy as written in Item 6, Attachment A of the meeting materials.
Moved by: Member Jeff Breckel
Seconded by: Member Phil Rockefeller
Decision: Approved

Members Rockefeller, Breckel, and Duffy will work with staff to discuss and develop policy guidance for decision at a future board meeting.

Management and Partner Reports (continued)

Item 3: Salmon Recovery Management Report

Governor's Salmon Recovery Office (GSRO): Sarah Gage, GSRO Lead Entity Program Manager, provided an update on behalf of GSRO. She highlighted the 2017 Salmon Recovery Conference, held in April in Wenatchee, describing feedback from a participant survey. Ms. Gage updated the board on the further development and dissemination of the hatchery reform videos, premiered at the conference and available on YouTube. She gave status updates for two applications, both recently submitted: the PCSRF application and the Evaluation and Effectiveness Tool (EET) proposal.

Salmon Grant Management Report: Tara Galuska, Salmon Grants Manager, provided updates on the 2016 and 2017 grant rounds. Ms. Galuska provided information and results from the 2016 applicant survey conducted in January and February 2017. Actions identified from the survey to improve the application process include: simplification of the grant round process; improve attendance and participation in the application workshop; and share results with the Technical Review Panel and lead entities.

Recently Completed Projects: Ameer Bahr, Salmon Grants Manager, presented information on the Milwaukee Dock Eelgrass Restoration, sponsored by the Suquamish Tribe (RCO #13-1137). Josh Lambert, Salmon Grants Manager, presented information on the Qwuloolt Estuary Restoration Project, sponsored

by the Tulalip Tribe and the City of Marysville (RCO #01-1290, 03-1196, 04-1587, 06-1604, 07-1624, 09-1277, 10-1469, and 14-1492). Alice Rubin, Salmon Grants Manager, presented information on the Hurst Creek Habitat Restoration Pilot Project, sponsored by The Nature Conservancy (RCO #13-1077).

Item 4: Reports from Partners

Governor's Office – Salmon Policy Advisor: JT Austin provided an update on current activities from the Governor's Office on natural resources and salmon policy. She described the motivation to build partnerships and support collaboration, specifically seeking proposals for initiatives that the Governor can support to benefit salmon. She is seeking input and guidance from salmon recovery experts and requested that the board help her connect with professionals and advocates in the field. She highlighted the current focus on tribal perspectives and participation, noting the importance of coordinating with statewide tribal representatives and treaties.

Break: 3:05 p.m. – 3:15 p.m.

Item 1: Consent Agenda

**Out of order, due to amended agenda.*

The board reviewed the consent agenda, which included approval of the March 1-2, 2017 meeting minutes, the May 24, 2017 meeting minutes, and a correction to the Puget Sound Region's Puget Sound Acquisition and Restoration (PSAR) project list originally adopted in December 2016.

Motion: Consent Agenda, as amended to remove the May meeting minutes (Item 1C) for consideration on June 15, 2017
Moved by: Member Bob Bugert
Seconded by: Member Jeff Breckel
Decision: Approved

Item 4: Reports from Partners (continued)

Council of Regions (COR): Steve Manlow, Lower Columbia Fish Recovery Board, Jess Helsley, Coast Salmon Partnership, and Laura Blackmore, Puget Sound Partnership, provided an update on behalf of COR, focusing on the COR Work Plan (see board materials, Item 4). Mr. Manlow summarized the recommendations included in the work plan. He also described policy questions for which COR seeks board feedback and guidance; he provided a letter to the board outlining these questions (a copy maintained for the public record is available). COR remains committed to bringing a recommendation to the board in December regarding an allocation decision.

The board discussed the questions shared in COR's letter. Chair Troutt summarized the purpose for discussing allocation formulas, in part from internal pressure and needs, and part federal input from NOAA to determine what salmon recovery measures are successful. Originally, the board set a target for resolving the allocation issues by December 2017 to align with the PCSRF application deadlines. Considering the interface between science and policy in many of the issues raised by COR, Chair Troutt suggested establishing a prioritized schedule for addressing these questions that allows time for data collection, analysis, and proper discussion. He proposed December 2018 as a target for resolving each issue. Mr. Manlow and Ms. Helsley agreed upon a 2018 target; however, they conditioned their response upon the need to discuss the target and next steps with fellow regional directors. They discussed the remaining concern that an interim proposal may become permanent; regions are decidedly for a longer timeframe for finding a resolution.

The board discussed a potential meeting schedule to discuss these questions and issues in 2018, aligning with COR discussions so that they complement one another. The board and COR agreed to initiate board

policy discussions in early 2018 at board meeting; allowing the regions make the first attempt at resolving disagreements or challenges; and have decision at the board meeting in December 2018.

Washington Salmon Coalition (WSC): John Foltz, Vice Chair, provided an update on the work of WSC during the past quarter, including a lead entity update, information about their annual meeting, extended support for lead entity capacity (two letters of support for this topic are included in the meeting correspondence), staffing changes, and statewide project news and updates. Staffing changes include new executive membership for WSC: John Foltz will assume the role of chair, with Amy Hatch-Winecka remaining as a member; Alicia Olivas and Jason Wilkinson will each co-vice-chair the group. Details of each activity are outlined in their report in the board materials (Item 4).

Regional Fisheries Coalition: Colleen Thompson, provided an update on behalf of the coalition regarding their budget requests for the biennium. With bipartisan support, the potential outlook for their budget remains positive. After session ends, the coalition will continue to seek long-term funding and resolutions for their budget needs. The RFEGs will participate in a workforce study in the next year that assesses the need for jobs in the natural resource sector, as well as in a survey that will support educational pathways for a diverse range of student needs. She concluded with updates on staff changes, naming Tammy Wiseman as the new executive director in the Lower Columbia RFEG.

Washington State Department of Transportation (WSDOT): Member Cierebiej reported on the upcoming 2017 construction of thirteen fish passage projects statewide, which will open approximately fifty-three miles of fish habitat. She shared she will not be present at the meeting tomorrow as she is attending a design kick-off meeting for a fish passage project.

Washington State Department of Natural Resources (DNR): Member Duffy shared information about the agency's RMAP process, reporting on statistics for barriers to fish removed and forestry issues. Hilary Franz, the DNR Commissioner of Public Lands, signed a Good Neighbor Agreement with the U.S. Forest Service, allowing DNR to help manage work on federal and state forestlands. This partnership could help with restoration projects, facilitating coordination with local partners to achieve work related to salmon recovery.

Washington Department of Ecology (Ecology): Member Smith highlighted the [2016 Salish Sea Toxics Monitoring Review](#), a compilation of brief reports from the region directly related to salmon and other fish species. Ecology continues to monitor the legislative process; their concerns focus on bills that may potentially have a negative impact on several agencies' budgets.

Washington Department of Fish and Wildlife (WDFW): Member Neatherlin provided a budget update on behalf of WDFW. The agency continues to monitor their fee bill, noting that they anticipate taking a reduction, but they remain unsure of how it will play out. A large part of their agency request is focused on hatchery monitoring to ensure consistent operation with the Endangered Species Act (ESA). He shared that WDFW is already working on their supplemental budget; the agency continues to look for options to maintain the Long Live the Kings project for Puget Sound steelhead. He concluded by announcing the hiring of a tribal policy advisor, Jim Wood, and the appointment of a new agency policy director.

General Public Comment

No public comment was received at the meeting.

Board Business: Briefing

Item 5: Overview of Lean Project to Streamline the Project Selection Process

Wendy Brown, RCO Policy Director, summarized a budget proviso that directs the agency to execute a Lean study to bring efficiencies to the project development and prioritization process; the proviso provides \$170,000 solely for the work. Ms. Brown briefly described the elements of Lean practices and philosophy, focusing on how this might impact salmon recovery efforts at the agency. She explained next steps that the agency will take, should the proviso get funded in July 2017, which include two main components: 1) review and assessment of the current process for bringing projects to the board; and 2) implementation of the study's recommendations. To complete this work, RCO would potentially hire a Lean expert to conduct component 1 and a facilitator to conduct component 2. The goal is to develop a set of recommendations by April-May 2018. She shared the staff request to identify a representative/liason from the board to support the process; the board discussed the latter issue at their retreat on May 24, identifying Jeff Breckel and Phil Rockefeller.

Tara Galuska, Salmon Section Manager, shared information about internal processes to achieve Lean processes at the agency. Results from a review of the application, review, and internal procedures resulted in almost fifty hours saved in staff time.

Director Cottingham responded to board questions, stating that she would be willing to bring recommendations for amending the statute to remove barriers and ensure a successful outcome.

Closing: Day One

Chair Troutt adjourned the meeting for the day at 4:45 p.m.

SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES

Date: June 15, 2017

Place: Natural Resource Building, Room 172, 1111 Washington St SE, Olympia, WA

Salmon Recovery Funding Board Members Present:

David Troutt, Chair	Olympia	Carol Smith	Department of Ecology
Nancy Biery	Quilcene	Erik Neatherlin	Department of Fish and Wildlife
Bob Bugert	Wenatchee	Megan Duffy	Department of Natural Resources
Jeff Breckel	Longview		
Phil Rockefeller	Bainbridge Island		

Opening and Welcome

Chair David Troutt called the meeting to order at 9:09 a.m. and welcomed the board, staff, and audience. Staff called roll and a quorum was determined. Member Rockefeller participated remotely via conference line. Member Cierebiej was excused. Member Cochrane was absent.

The board, staff, and audience introduced themselves for the benefit of the public.

Chair Troutt recognized Amy Hatch-Winecka of the Washington Salmon Coalition. Ms. Hatch-Winecka recently completed her term in the role of WSC Chair, but will remain as a member. She thanked the board for their collaboration and efforts. Board members commended Ms. Hatch-Winecka's positive attitude, passion, and perseverance in her salmon recovery contributions.

Board Business: Briefings and Decisions

Item 7: Follow up from the May 24, 2017 Board Retreat

Item 7A: Review Retreat Summary

The board discussed the meeting summary from the board retreat held May 24, 2017. Director Cottingham made a friendly amendment to correct a date in the minutes.

Motion: Move to approve the May 24, 2017 board retreat summary minutes, as amended
Moved by: Member Bob Bugert
Seconded by: Member Jeff Breckel
Decision: Approved

Item 7B: Role of the Board in Assisting with Potential De-listing Scenarios in Regions Nearing Recovery Targets

Steve Martin, Snake River Salmon Recovery Board, Scott Brewer, Hood Canal Coordinating Council, Alex Conley, Yakima Basin Fish and Wildlife Recovery Board, and Nora Berwick, Mid-Columbia Forum, introduced themselves to the board. Chair Troutt shared that the recent trip to Washington, D.C. made clear the need for the board and salmon recovery partners to be clear in their goals in order to gain congressional support, which resulted in the discussion to help regions reach a delisted status.

Mr. Martin began with a presentation about how the board can help regions who are nearing their recovery targets with reaching delisted status in the Middle Columbia River Region. Mr. Martin outlined NOAA's five-year status review process, their definitions for fish viability status reports, and the information that regions must submit in for the five NOAA listing factors. He explained that combining the information collected by NOAA with the monitoring being conducted in the Mid-Columbia would paint a more accurate picture of how a species is doing and whether delisting is appropriate and responsible. He also noted that for success there can't just be one or two populations that are viable enough to delist; it must be whole population groups. The ultimate goal is to increase viability for all populations, in all areas, at the same time. These actions would lead to fewer at-risk populations and, hopefully, strengthen all species as a whole against the effects of climate change. Mr. Martin described the region's current steelhead population distribution, viability status, goals, and current risks to survival. He provided details on potential delisting scenarios for the Umatilla/Walla Walla populations. He described the fish passage issues, challenges and necessary actions, resource and capacity funding, and potential outcomes of each scenario.

Mr. Conley provided information on potential delisting scenarios for the Yakima region populations, focusing on the Upper Yakima. He focused on Manastash Creek as one of the region's primary success stories, describing the now sustainable steelhead populations, achieved after fifteen years of work. He detailed the population metrics for abundance, productivity, and spatial structure, leading into a discussion of the main actions that would lead to each of these respective recovery goals. The main actions primarily focus on removal of fish passage barriers and habitat restoration; climate change remains the principle concern for undoing the work put into salmon recovery.

The board discussed the standards by which to measure the "closeness" of populations to delisted status, which remain relatively subjective. Mr. Conley and Mr. Martin responded to board questions regarding

necessary funding sources and partnerships, coordinated efforts, and timeframe for obtaining the biological opinions on each population from NOAA.

Ms. Berwick provided information on potential delisting scenarios for the John Day and Cascade Eastern Slope populations. She responded to board questions regarding specific actions needed to achieve population viability. Mr. Martin outlined the DPS-wide priorities for achieving recovery goals, focused on the data collection and research, predation reduction, hydro-system survival improvements, human capacity increases, and funding.

In response to Chair Troutt's question about investments and the timeframe for achieving the desired results, Mr. Conley estimated a best-case scenario for reaching goals in the next five-year status review in 2021. Ms. Berkley and Mr. Martin agreed, but clarified that more information and monitoring is necessary. The board discussed their role in contributing to reaching delisted status, beyond solely fiscal support. Mr. Martin identified the potential to extend eligibility of funding to other populations as one mechanism for providing support.

Scott Brewer presented information about the delisting potential and broad recovery goals for Hood Canal and Eastern Strait of Juan de Fuca summer chum. He began with a definition of recovery and delisting as outline in the Endangered Species Act (ESA), which extends beyond survival to establishing a viable, resilient, abundant, and naturally self-sustaining population. He emphasized the importance of this definition to northwest tribal practices and needs.

Mr. Brewer described the Evolutionarily Significant Unit (ESU), current population status, and the causes of decline, such as harvest practices, of the Hood Canal and Eastern Strait of Juan de Fuca summer chum population which led to ESA-listing. He summarized the Hood Canal Coordinating Council's published white paper which details components for updating quantitative recovery goals, adapting thresholds for abundance viability, balancing habitat protection and restoration actions, continued monitoring efforts, and addressing the population's spatial distribution. He shared statistics and trends for the regional populations, which demonstrate some positive progress and ultimately give hope to continuing recovery efforts into the future.

Mr. Brewer outlined next steps that describe how HCCC intends to reach their white paper goals. He responded to board questions about the board's role in supporting specific projects beyond financial contributions; there are some landowner issues to be addressed, however the main impact would be to Hood Canal shellfish populations and the need to balance habitat restoration efforts to maintain both fish and shellfish. Other negative factors for steelhead to consider include ocean acidification impacts to the Puget Sound region (although the Hood Canal appears to be less affected than other areas), food chain impacts, and low dissolved oxygen levels due to human-caused pollution and bridges that confuse fish and result in high-predation areas.

Mr. Brewer and Mr. Martin concluded with suggestions for how the board can assume a role in the delisting scenario process: communication at legislative and congressional levels to tell the salmon story; continued collaboration with the salmon recovery regions; capacity support for regions and lead entities; continued monitoring efforts, including the addition of long-term project eligibility; and promoting the message that salmon recovery is forever.

Chair Troutt requested that regions discuss and clearly outline next steps in which the board can play a supportive role. He acknowledged that some strategies may be short-term, but the long-term benefits support all those involved.

Public Comment

Jacques White, Long Live the Kings Executive Director, addressed the board regarding his organization's role in salmon recovery efforts. He mentioned recent trips to Washington, D.C. and contributions to the conversations about delisted status with NOAA. He commended the board's efforts and expressed support for Mid-Columbia river populations' delisting scenarios. He supported the next steps to clarify the role of the board and others who are interested in supporting the process to delisting.

Lunch Break: 11:43 a.m. – 12:20 p.m.

Item 8: Monitoring Panel – 2017 Recommendations

Keith Dublanica, GSRO Science Coordinator, introduced Pete Bisson, Monitoring Panel Chair, and Dr. Marnie Tyler, Monitoring Panel Member. The team presented the 2017 Monitoring Panel Annual Review and Recommendations.

The Salmon Recovery Funding Board Monitoring Panel (monitoring panel) conducted a review of the SRFB monitoring program that took place in 2016. The performance evaluation was completed for three of the four components of the monitoring program: Intensively Monitored Watersheds (IMW), Status and Trends Fish Monitoring (also referred to as Fish In/Fish Out – FIFO), and Project Effectiveness Monitoring. Mr. Bisson shared new outcomes from the monitoring panel's review, to include an accelerated reporting schedule and suggestions for a template for streamlined annual reports.

Mr. Bisson outlined the monitoring panel's general recommendations for IMW project reporting and restoration treatments. He provided details on the conditions placed by the monitoring panel in each of the following IMWs: Asotin, Hood Canal, Lower Columbia, Skagit, and the Strait of Juan de Fuca. The monitoring panel provided general recommendations for project effectiveness monitoring, including development of a scope of work for an enhanced project effectiveness study (Phase 2) which would commence in 2019. Mr. Bisson described conditions placed on project effectiveness to address the monitoring panel's concerns. For the FIFO component, the monitoring panel recommended continuing to support the process conducted by the Washington Department of Fish and Wildlife as currently scoped.

As described in the annual review, Mr. Bisson summarized the monitoring panel's goals and objectives, restoration accomplishments, timeline for completing future tasks. Remaining actions for the monitoring panel include: evaluating regional monitoring project proposals; developing an Adaptive Management Framework with board; and working with project leads to develop post-restoration monitoring timelines; and scoping plans for a possible Phase 2 of the Reach Scale Project Effectiveness effort.

Member Breckel requested clarification on what level of information, funding, and/or resources are needed to answer the questions of the monitoring program. He suggested that the monitoring panel also determine interim checkpoints to gauge continued progress and costs. Chair Troutt acknowledged the difficulties in identifying when monitoring goals are achieved, particularly with the uncertainty of how long it may take to reach a post-monitoring status.

Public Comment

Steve Manlow, Lower Columbia Fish Recovery Board Executive Director, made himself available for board discussions, but did not provide comments.

Item 9: Funding Decisions

Item 9A: Funding Projection for 2017-2019

Wendy Brown, RCO Policy Director, summarized the projected state and federal funding levels for fiscal years 2018-2019. She discussed assumptions made in the budget, considering the 2017 PCSRF award, state operating and capital budget proposals for salmon, and FY18 and FY19 returned funds projections. Ms. Brown concluded by presenting a table detailing how the projected funding amounts would be distributed across capacity for lead entities and regions, PCSRF activities, and projects.

Item 9B: Funding Decisions

RCO Director Cottingham, Tara Galuska, RCO Salmon Section Manager, and Keith Dublanica, GSRO Science Coordinator, presented the proposed funding decisions for the 2017-2019 biennium. Director Cottingham provided additional details on the funding amounts proposed for each decision and anticipated outcomes, all contingent upon the budget passed by the Legislature and available returned funds. She suggested postponing SRNet and communication plan decisions until the September meeting. Mr. Dublanica provided additional detail on the proposed funding amounts for the monitoring contracts, including the incorporation of the 2017 monitoring panel recommendations and conditions into the contract agreements.

Public Comment

No public comment was received at this time.

Motion: Move to delegate to the RCO Director the authority to implement the funding decisions listed below once the legislature adopts a budget for the 2017-2019 biennium. Should the final legislative budget be different than anticipated, the RCO director shall confer with the board chair to call a special meeting of the board to adjust the following funding decisions:

- The 2017 Grant Round Target shall be \$18 million, including up to \$350,000 in funding for regional monitoring projects.

Moved by: Member Jeff Breckel

Seconded by: Member Nancy Biery

Decision: Approved

Motion: Move to delegate to the RCO Director the authority to implement the funding decisions listed below once the legislature adopts a budget for the 2017-2019 biennium. Should the final legislative budget be different than anticipated, the RCO director shall confer with the board chair to call a special meeting of the board to adjust the following funding decisions:

- Funding the SRFB Technical Review Panel with \$200,000 from PCSRF
- Hold \$500,000 for cost increases.
- Regional and Lead Entity Capacity Contracts -- fund capacity funding at a total of \$4,568,185, which includes \$1,689,500 for lead entities and \$2,878,685 for regional organizations in fiscal year 2018, as summarized in Item 9B, Tables 1, 2, and 3. (NOTE: Some of this funding will go into current contracts for July and August; the rest into new contracts for remainder of the fiscal year.)
- Reallocate returned Lead Entity Fiscal Year (FY) 2017 funds to Support Washington Salmon Coalition Priorities -- up to \$50,000 in anticipated unspent lead entity capacity to support its statewide efforts in the 2017-2019 biennium.

- Approve funding for lead entity training and a WA Salmon Coalition (WSC) chairperson (\$12,500).
- Approve Monitoring Contracts for Federal Fiscal Year (FFY) 2017
 - \$208,000 for status and trends;
 - \$324,478 for project effectiveness monitoring
 - \$1,381,308* for IMW monitoring contracts
 - \$100,000 for the monitoring panel contracts

(*NOTE: The PCSRF 2017 grant does not fully fund the IMW contract (which will be short by \$88,478). In order to fully fund the IMW contract some funding will need to come from monitoring return funds. We currently have approximately \$14,000 in monitoring return funds. We expect more in the coming year.)

Moved by: Member Jeff Breckel
Seconded by: Member Nancy Biery
Decision: Approved

Break 1:50 p.m. – 2:00 p.m.

Item 10: Compliance Issues

Item 10A: Compliance Overview

Myra Barker, RCO Compliance Specialist, provided an overview of the Salmon Recovery Funding Board's compliance policies and an update regarding ongoing compliance efforts. She covered current compliance policies, project types subject to compliance monitoring, compliance periods, inspections, and conversions. She detailed the conversion process, including what constitutes a conversion and how it is resolved, as well as the role of the board in the conversion process.

In the conversion process, the board is responsible for the following:

1. Evaluate practical alternatives for the conversion and replacement (including avoidance).
2. Ensure the replacement property meets the requirements of the funding program.
3. Approve or deny the request.

Member Bob Bugert, a member of the Chelan-Douglas Land Trust, recused himself prior to the staff presentation for Item 10B.

Item 10B: Conversion Request - Chelan-Douglas Land Trust Entiat Troy Acquisition (RCO 09-1455)

Mark Duboiski, Salmon Section Outdoor Grant Manager, presented a request from the Chelan-Douglas Land Trust (CDLT) to use an 11.45-acre floodplain/riparian parcel as a replacement property to satisfy a conversion for RCO Project #09-1455, Entiat River Troy Acquisition.

Mr. Duboiski reiterated information presented by Ms. Barker, regarding the board's role in the conversion process, clarifying the decision presented before the board today to approve the proposed replacement property. He provided background and context for the conversion request, including the geographic location of the original project and the grant funding sources and sponsor match.

Mr. Duboiski described the proposed conversion area and replacement property, located approximately 4 miles downstream of the converted property. He summarized the staff and sponsor steps taken to comply with the conversion policy and process, with a focus on the final task of evaluating the public participation component. While the CDLT did conduct a public participation process (details in the board materials), the decision remains for the board to determine that the process meets the compliance policy for

conversions. Mr. Duboiski requested board discussion and feedback on the public participation process, prior to making a decision on the CDLT's request.

The board asked about the purpose of the public comment period; Ms. Barker explained that the purpose is to inform the public of the use and purpose of public funds. She clarified that the question to the public is the proposal for a conversion, as well as the proposed replacement property. She also described the common methods for notifying the public of a thirty-day comment period, often via the State Environmental Policy Act (SEPA process), a newspaper advertisement, and/or a posting on the sponsor's website.

Mr. Duboiski responded to Member Rockefeller's questions regarding the cost of alternatives documented in the conversion appraisal process. Member Rockefeller agreed that the proposed replacement property is suitable, but maintains that the public comment period is an important part of the process.

Chair Troutt asked staff to explore possibilities for providing guidance on specific methods for complying with the public comment period of the conversion process. He also asked whether extending the timeframe to allow for an additional 30-day period would be constrained by any time-sensitive issues. Mr. Duboiski explained that the willing seller has been waiting, but would likely be agreeable to allow for an additional thirty days.

Member Biery reminded the board of the importance of the perception of open public process and avoiding setting a negative precedent. Board members acknowledged these concerns.

Public Comment

No public comment was received at this time.

Motion: Move to conditionally approve the replacement property upon completing a public comment period, and delegate the approval authority to the RCO Director, once public comment period is complete and no issues arise during the public comment period. If any major issues arise during public comment period, then the replacement property decision will be brought back before the board.

Moved by: Member Nancy Biery

Seconded by: Member Jeff Breckel

Decision: Approved

Item 11: Work Plan for the 2017-2019 Biennium

Wendy Brown, RCO Policy Director, summarized the seven policy priorities identified by the board at their May 24, 2017 retreat. She described other policy needs that will be incorporated into the policy work plan for the 2017-19 biennium, including any potential budget provisos and other agency policy.

The board requested that the delisting conversations and actions be clearly identified under the policy priority for the role of the board.

Closing

Director Cottingham informed the board that the agency is working on restructuring staffing needs, in the hopes of increased funding. She also shared that the compliance staff and policy staff may see additional hires. A decision on the GSRO hiring process will be brought back to the board; additional changes to GSRO staff will not be made until the new executive director has been on staff for at least six months.

The next board meeting is scheduled for September 13-14, 2017, a joint travel meeting with the Recreation and Conservation Funding Board in the Nisqually Region.

Chair Troutt adjourned the meeting at 2:53 p.m.

Approved by:



David Troutt, Chair

8/23/17

Date