# Proposed Agenda June 14-15, 2017



washington state Recreation and conservation office Salmon Recovery Funding Board

Regular Meeting Natural Resources Building, Room 172, 1111 Washington Street SE, Olympia, WA 98501

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

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

**Public Comment:** To comment at the meeting, please fill out a comment card and provide it to staff. Please be sure to note on the card if you are speaking about a particular agenda topic. The chair will call you to the front at the appropriate time. Public comment will be limited to three minutes per person. You may also submit written comments to the board by mailing them to RCO, Attn: Wendy Loosle, Board Liaison, at the address above or to wendy.loosle@rco.wa.gov.

**Meeting Accommodations:** Persons with disabilities needing an accommodation to participate in RCO public meetings are invited to contact us via the following options: 1) Leslie Frank by phone (360) 902-0220 or email <u>leslie.frank@rco.wa.gov</u>; or 2) 711 relay service. Accommodation requests should be received by May 31, 2017 to ensure availability.

# WEDNESDAY, JUNE 14

#### **OPENING AND WELCOME**

1:00 p.m.	Ca	all to Order	Chair
	•	Roll Call and Determination of Quorum	
		Review and Approval of Agenda (Decision)	
1:05 p.m.	1.	Consent Agenda	Chair
		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	
MANAGE	ME	NT AND PARTNER REPORTS	
1:10 p.m.	2.	Management Report	
		Director's Report	Kaleen Cottingham
		<ul> <li>Pacific Coastal Salmon Recovery Fund (PCSRF) Audit</li> </ul>	
		<ul> <li>Status of Governor's Salmon Recovery Office Hiring and Organization Changes</li> </ul>	
		<ul> <li>Status of 2017 PCSRF grant application</li> </ul>	
		- Joint Board Meeting and Tour in 2018 with Oregon Watershed	
		Enhancement Board	
		<ul> <li>Legislative, Budget, and Policy Updates</li> </ul>	Wendy Brown
		<ul> <li>Status of the state budget for salmon recovery</li> </ul>	
		<ul> <li>Washington, D.C. Meetings Regarding PCSRF</li> </ul>	
		<ul> <li>Puget Sound Partnership Day on the Hill</li> </ul>	
		Performance Update (written only)	
		Financial Report (written only)	

3. Salmon Recovery Management Report	
<ul> <li>Governor's Salmon Recovery Office Report</li> </ul>	Sarah Gage
<ul> <li>2017 Salmon Recovery Conference Follow-Up</li> </ul>	
Salmon Section Report	Tara Galuska
<ul> <li>2016 Applicant Survey</li> </ul>	
Recently Completed Projects	Grant Managers
4. Reports from Partners	
<ul> <li>Governor's Office – Salmon Policy Advisor to the Governor</li> </ul>	JT Austin
Council of Regions (COR) Report	Steve Manlow & Scott Brewer
<ul> <li>COR Work Plan for Allocation Efforts in the Future</li> </ul>	
Washington Salmon Coalition Report	Amy Hatch-Winecka
Regional Fisheries Enhancement Groups	Colleen Thompson
Board Roundtable: Other Agency Updates	SRFB Agency Representatives
General Public Comment: Please limit comments to 3 minutes.	
BREAK	
SINESS: BRIEFING	
5. Overview of LEAN Project to Streamline the Project Selection Process	Kaleen Cottingham
	& Wendy Brown
SINESS: DECISION	
5. Water Rights Acquisition Interim Policy	Kat Moore
ADJOURN FOR THE DAY	
	<ul> <li>Governor's Salmon Recovery Office Report         <ul> <li>2017 Salmon Recovery Conference Follow-Up</li> <li>Salmon Section Report                 <ul></ul></li></ul></li></ul>

# **THURSDAY, JUNE 15**

#### **OPENING**

9:00 a.m.	Call to Order	
	<ul> <li>Roll Call and Determination of Quorum</li> </ul>	

#### **BOARD BUSINESS: BRIEFINGS AND DECISIONS**

9:05 a.m.	7.	Follow-up from May 24, 2017 Board Retreat	Kaleen Cottingham
		A. Review Retreat Summary (Briefing)	
		B. Role of the Board in Assisting with Potential De-listing Scenarios in Regions Nearing Recovery Targets ( <i>Decisions</i> )	
		Snake River Recovery Region	Steve Martin
		Hood Canal Coordinating Council	Scott Brewer
		Public Comment: Please limit comments to three minutes per person.	

#### 11:00 a.m. BREAK

11:15 a.m. 8. Monitoring Panel - 2017 Recommendations (Briefing)

#### 12:00 p.m. LUNCH

#### **BOARD BUSINESS: DECISIONS**

#### 1:00 p.m. 9. Funding Decisions:

•	Α.	Funding Projection for 2017-2019	Wendy Brown
	В.	<ul> <li>Funding Decisions</li> <li>Salmon Recovery Regions for Fiscal Year (FY) 2018</li> <li>Lead Entities for Fiscal Year (FY) 2018</li> <li>Communication and Fundraising Plans</li> </ul>	Kaleen Cottingham & Sarah Gage
		<ul> <li>Monitoring Contracts using 2017 PCSRF award</li> <li>Monitoring Panel using 2017 PCSRF award</li> </ul>	Keith Dublanica
		<ul><li>Technical Review Panel using 2017 PCSRF award</li><li>Set 2017 Grant Round Target</li></ul>	Tara Galuska
3:00 p.m.	BREAK	4	
BOARD B	USINESS	S: BRIEFINGS AND DECISION	
3:15 p.m.	10. Coi	npliance Issues	
-	A.	Compliance Overview (Briefing)	Myra Barker
	В.	Conversion Request: Chelan-Douglas Land Trust, Entiat Troy Acquisition (RCO # <u>09-1455</u> ) ( <i>Decision</i> )	Marc Duboiski

#### **BOARD BUSINESS: REQUEST FOR DIRECTION**

4:15 p.m.	11. Work Plan for 2017-2019 Biennium	Wendy Brown
		& Scott Robinson

5:00 p.m. **ADJOURN** 

#### Salmon Recovery Funding Board June 14-15, 2017 Consent Agenda

**BE IT RESOLVED**, that the following June 14-15, 2017 Consent Agenda items are approved:

- 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

Moved by:	
Seconded by:	
Adopted Date:	



#### **REGION: PUGET SOUND**

NORTH OLYMPIC PENINSULA LEAD ENTITY FOR SALMON					Salmon Allocation	PSAR Allocation		
2016 Dec	embe	er (Ranked List i	s in "Accepted" status)	Number of Projects	: 10	\$0.00	\$0.00	
Alternate		Project Number,	Project Name	Grant	Sponsor	Proposed Salmon	Proposed PSAR	
or Partial	Rank	Project Type	Project Sponsor,	Request	Match	Funding	Funding	Total Funding
	1	<u>16-1373</u>	Lower Elwha Klallam Tribe	\$1,325,210.00	\$237,000.00	\$0.00	\$1,325,210.00	\$1,562,210.00
		<u>Rs</u> t	Little River Large Woody Debris					
	2	<u>16-1367</u>	Jamestown S'Klallam Tribe	\$1,041,845.00	\$183,855.00	\$0.00	\$1,041,845.00	\$1,041,845.00
		Acq, Rest	Dungeness Floodplain Restoration-Kinkade Phase					
	3	<u>16-1529</u>	North Olympic Land Trust	\$284,822.00	\$50,263.00	\$0.00	\$284,822.00	\$335,085.00
		Acq	Upper Elwha River Protection					
	4	<u>16-1369</u>	North Olympic Salmon Coalition	\$188,561.00	\$0.00	\$0.00	\$188,561.00	\$188,561.00
		<u>Pln</u>	Lower Hoko River Restoration Planning					
	5	<u>16-1375</u>	North Olympic Land Trust	\$632,612.00	\$111,638.00	\$0.00	\$632,612.00	\$744,250.00
		Acq	Lower Elwha River Protection					
			Totals:	\$3,473,050.00	\$582,756.00	\$0.00	\$3,473,050.00	\$3,871,951.00
			Remaining Allocation	on:		\$0.00	(\$3,473,050.00)	



# Salmon Recovery Funding Board Briefing Memo



#### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date:	June 14-15, 2017
Title:	Correction to the Puget Sound Region's Puget Sound Acquisition and Restoration (PSAR) Project List Adopted December 2016
Prepared By:	Tara Galuska, Salmon Section Manager, Recreation and Conservation Office

#### Summary

This memo provides background regarding an error on the North Olympic Peninsula Lead Entity's project list, originally approved by Salmon Recovery Funding Board (board) at the December 2016 meeting. Staff recommends that the board amend the project list to rectify the error by adding an omitted project, RCO Project #16-1367, Dungeness R. Floodplain Restoration- Kinkade Phase, and authorizing the Recreation and Conservation Office (RCO) Director to enter into project agreements once funding is approved by the Legislature.

#### **Board Action Requested**

This item will be a:

Request for Decision
Request for Direction
Briefing

#### Background

On December 8, 2016, the Salmon Recovery Funding Board (board) approved projects and funding as listed in the 2016 Salmon Recovery Grant Funding Report (funding report), including project lists submitted by the Puget Sound Region. The North Olympic Peninsula lead entity project list was included as part of the motion to approve projects in the Puget Sound Region. The original motion language stated the following:

"Move to approve the list of Puget Sound Acquisition and Restoration (PSAR) projects identified in the Puget Sound and Hood Canal Regions, as listed in Attachment 9 of the 2016 Salmon Recovery Grant Funding Report, dated December 8, 2016, excluding project #16-1293, Zylstra Lower Lake Acquisition in the San Juan Lead Entity and project #16-1741, SF Snoqualmie Levee Setback Design in North Bend in the Snohomish Basin Lead Entity, and authorize the RCO Director to enter into project agreements once funding is approved by the Legislature."

An error within PRISM, the Recreation and Conservation Office (RCO) grant management database, resulted in the inadvertent omission of a project submitted by the North Olympic Peninsula Lead Entity (NOPLE) from the funding report: RCO Project #16-1367, Dungeness R. Floodplain Restoration- Kinkade Phase. This project, sponsored by the Jamestown S'Klallam Tribe, ranked second on the list submitted by NOPLE and the Puget Sound Region in the PRISM database; the project was recommended for funding by the Salmon Recovery Funding Board Review Panel. The funding report underwent a multi-step review by RCO staff, lead entities, and regions. This error was not identified prior to the December meeting and the board approved the funding list for PSAR projects without this project.

#### Staff Recommendation

Attachment A includes a revised list of PSAR projects for the NOPLE Lead Entity. The original list was approved by the board at its December 2016 meeting as part of Attachment 9, 2016 Salmon Recovery Funding Report. The original PSAR list erroneously omitted Project #16-1367, Dungeness R. Floodplain Restoration- Kinkade Phase, sponsored by the Jamestown S'Klallam Tribe. The revised PSAR list found in Attachment A corrects the list and adds Project #16-1367, the second-highest ranked project, as submitted by the Lead Entity.

Staff recommends approval of Attachment A and to delegate authority to the RCO Director to enter into project agreements once funding is approved by the Legislature.

#### Attachments

A. 2016 Salmon Recovery Funding Report, Attachment 9: Ranked Salmon Project Lists, Amended May 2017



Salmon Recovery Funding Board Briefing Memo

# APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date: June 14-15, 2017

Title: Director's Report

# Summary This memo outlines key agency activities and happenings. Board Action Requested This item will be a: Request for Decision Request for Direction Briefing In this Report: • Agency update • Legislative, budget, and policy updates • Fiscal report • Performance update

#### Agency Update

#### Salmon Recovery Network

The Salmon Recovery Network (SRNet) is a consortium of state and federal agencies, tribes, regions, lead entities, regional fisheries enhancement groups, and other nonprofits, which is focused on improving communication among salmon recovery partners and refining the staffing and project funding needs. At their last meeting, members identified the following actions and are now implementing them: 1) including economic data and stories on the multiple benefits of salmon recovery in outreach materials; 2) hosting a "call to action" webinar in March; and 3) continuing strategic conversations with additional groups to further involve them in SRNet. Given the condition on the continued funding for facilitation, SRNet will be addressing the board's expectation that SRNet identify a plan of action towards a private non-profit status. A report is expected by the board's December meeting.

#### **Restructuring the Governor's Salmon Recovery Office**

With the passing of Brian Abbott, executive coordinator of the Governor's Salmon Recovery Office (GSRO), RCO initiated conversations with staff and partners concerning the role of GSRO and any necessary structural changes. After a mid-March discussion with agency partners, Director Cottingham decided to proceed with the hiring of an executive coordinator and wait to make structural changes until the new person is on board and final budgets are passed. RCO received 28 applications for the executive coordinator position and held interviews at the end of May, using a two-part process involving partners and staff. Our hope is to have a new director onboard by July 1.

#### Three-State Gathering to Discuss Federal Funding of Salmon Recovery

On March 21, Director Cottingham met her Oregon and California counterparts and federal staff from the National Oceanic and Atmospheric Administration (NOAA) in Portland to discuss the Pacific Coastal Salmon Recovery Fund (PCSRF). The meeting allowed state directors and federal regional staff to become more familiar with each state's programs and to discuss the future of PCSRF funding, which is the federal grant for salmon recovery. NOAA staff discussed its role in Endangered Species Act consultations, the importance of PCSRF, news regarding appointments in their agency under the new administration, and the outlook for funding.

#### Trekking to the Other Washington

Several trips to Washington, D.C. were planned this spring to educate Congress on salmon-related topics. First was a Puget Sound-focused trip organized by the Puget Sound Partnership. In mid-May, several Salmon Recovery Funding Board members, RCO staff, and partners, along with our Oregon and Idaho counterparts, met with congressional members from Washington, Oregon, and Idaho about maintaining federal salmon funding through the PCSRF. They also visited leaders at NOAA's National Marine Fisheries Service and the Office of Management and Budget. Lastly, the Upper Columbia Salmon Recovery Board went to D.C. to talk about salmon recovery from the regional perspective.

#### **Tribal Summit**

The Nisqually Indian Tribe hosted the second Tribal/State Natural Resources Summit in March. The summit was attended by state natural resource agency directors and their key staff, as well as the chairs and council members from most of the tribes in the state and some who have usual and accustomed areas in the state. The summit provided an opportunity to focus on natural resources issues, including topics such as climate change, water quality, shoreline management, and hatcheries. Other issues that were discussed included the Pacific Salmon Treaty, North of Falcon process, legislative action on state regulatory programs, and state and federal budgets. Director Cottingham spoke about being coordinated in our efforts to secure continued funding for a wide variety of programs. Governor Jay Inslee attended the second day, where the topics were summarized and actions discussed.

#### Federal Audit of PCSRF Awards Initiated

The Department of Commerce auditors are conducting a federal audit of several of RCO's PCSRF awards (2010 and 2011). The auditors are looking at all elements of the awards, including direct expenditures, related administrative costs, metric reporting, match, grants, and contracts. They began in May and expect to finish in August.

#### **Multiple Planning Projects Underway**

- Lean Project: The RCO is beginning to scope out a Lean study to look at the processes for recruiting, vetting and presenting projects to the SRFB (see Item 5 for more details). With funding highly likely in the final budget, it appears that RCO will be conducting the study in the first year of the biennium. Meetings have begun with Lean experts at the Department of Enterprise Services to help staff understand the Lean process, scope out the project, and consider whether to utilize pre-qualified Lean consultants.
- **Next Biennium:** RCO Deputy Director Scott Robinson is in the final stages of putting together the process RCO will go through to update the agency's biennial strategic and staffing plans. The process involves staff input and will be implemented in a manner that allows for RCO to respond as quickly as possible once a budget is passed by the Legislature and signed by the Governor. Both funding boards also will be discussing their policy priorities for the coming biennium at their

retreats over the next several months. All of these will factor into the agency work plans for the biennium.

#### **Update on Sister Boards**

#### **Recreation and Conservation Funding Board (RCFB)**

The RCFB met May 10-11 to discuss the Statewide Comprehensive Outdoor Recreation Plan, learn about upcoming policy changes and conversion issues, approve the ranked project lists for four grant programs, and hold a public hearing for the latest amendments to the agency rules in the Washington Administrative Code. The meeting concluded with a discussion of survey results from the past grant round's applicants and advisory committees, the policy work plan for the next biennium, and planning for the RCFB's retreat in mid-July.

#### Washington Invasive Species Council

Council members and staff participated in a session at the recent 2017 Salmon Recovery Conference in April; the session was titled "Invasive Species: New and Emerging Threats to Salmon Recovery," which discussed new threats that are on the horizon that may significantly impact salmon recovery efforts if not prevented or managed. The council and staff also attended the May 23<sup>rd</sup> <u>Scotch Broom Ecology and</u> <u>Management Symposium</u>, hosted by the Snoqualmie Indian Tribe. The symposium brought together more than 230 people from Pacific Northwest states and provinces.

#### Legislative Update

#### **Board Members Have Confirmation Hearings**

Two members of the Salmon Recovery Funding Board had their Senate confirmation hearings this legislative session - Nancy Biery and Phil Rockefeller. As of the writing of this memo, these two members had their confirmations passed out of committee and moved to the confirmation calendar, which is one step away from official confirmation. The remaining board members will continue to serve on their board as per normal, and Recreation and Conservation Office (RCO) staff will work on getting their confirmations through next session.

#### Senate and House Budget Proposals

As of the writing of this memo, the Senate and House proposed budgets have been released. RCO's operating budget remains at the carry-forward level, with additional funding provided for two salmon-related projects and a few minor exceptions of budget 'puts and takes.' The two operating budget projects, included in both budget proposals, are:

- \$750,000 to the Hood Canal coordinating council to conduct an ecosystem impact assessment on the Hood Canal. The assessment is to study any causal relationship between the Hood Canal Bridge and migrating steelhead and salmon.
- \$312,000 to the Nisqually River Foundation for implementation of the Nisqually Watershed Stewardship Plan.

Here are the details of the RCO capital budget as proposed by both the Senate and House:

Program	RCO Request	Senate	House
Washington Wildlife and Recreation Program	\$120,000,000	\$80,000,000	\$80,000,000
RCO Recreation Grants	\$0	\$0	\$0
Aquatic Lands Enhancement Account (ALEA)	\$6,600,000	\$1,000,000	\$1,000,000
ALEA – Bonds Backfill	\$0	\$0	\$0
Youth Athletics Facilities	\$12,000,000	\$4,077,000	\$4,077,000
Boating Facilities Program	\$17,166,000	\$17,175,000	\$17,175,000
Nonhighway and Off-Road Vehicle Activities	\$13,194,000	\$13,195,000	\$13,195,000
Firearms and Archery Range Recreation Program	\$813,000	\$813,000	\$813,000
Salmon Recovery (SRFB-State)	\$55,300,000	\$20,000,000	\$19,711,000
Puget Sound Acquisition and Restoration	\$80,000,000	\$30,000,000	\$40,000,000
Estuary and Salmon Restoration	\$20,000,000	\$10,000,000	\$8,000,000
Family Forest and Fish Passage Program	\$10,000,000	\$5,000,000	\$5,000,000
Fish Barrier Removal Board Grants	\$51,400,000	\$19,747,000	\$19,747,000
Coastal Restoration Grants	\$12,500,000	\$12,500,000	\$10,000,000
Boating Infrastructure Grants	\$2,200,000	\$2,200,000	\$2,200,000
Land and Water Conservation Fund	\$4,000,000	\$4,000,000	\$4,000,000
Recreational Trails Program	\$5,000,000	\$5,000,000	\$5,000,000
Salmon Recovery - Federal	\$50,000,000	\$50,000,000	\$50,000,000
Update to the Public Lands Inventory (one-time)	\$250,000	\$230,000	\$230,000
Total	\$460,446,000	\$274,937,000	\$280,148,000

Details related to the salmon recovery funding that were called out specifically in the budgets include the following provisos:

- Senate: In the Salmon Recovery Funding Board section, \$170,000 is provided to execute a lean study to bring efficiencies to the project development and prioritization process.
- House: In the Salmon Recovery Funding Board section, \$170,000 is provided to execute a lean study to bring efficiencies to the project development and prioritization process, \$2,400,000 is provided for predesign planning grants for lead entities, and \$641,000 is provided for predesign planning grants for regional fisheries enhancement groups.
- Both Budgets: The Fish Passage Barrier Removal Board is renamed the Brian Abbott Fish Passage Barrier Removal Board.

Sine die, the last day of the regular session, was April 23. The Legislature is now in its second special session, having been called back by the Governor on May 23<sup>rd</sup>. In addition to completing and passing the final budget, the Senate may also move some additional confirmations as well as revenue bills.

# **Fiscal Report**

The fiscal report reflects Salmon Recovery Funding Board activities as of May 11 2017.

#### **Balance Summary**

Fund	Balance
Current State Balance	\$147,914
Current Federal Balance – Projects	\$2,050,530
Current Federal Balance – Activities, Hatchery Reform, Monitoring	\$5,655,076
Lead Entities	\$0
Puget Sound Acquisition and Restoration (PSAR) and Puget Sound Restoration	\$2,979,082

#### **Salmon Recovery Funding Board**

For July 1, 2015 - June 30, 2017, actuals through May 11, 2017 (FM 22). 91.6% of biennium reported.

	BUDGET	СОММІТ	TED	TO BE COMMITTED		EXPENDITURES	
Programs	New and Re- appropriation 2015-2017	Dollars	% of Budget	Dollars	% of Budget	Dollars	% of Completed
State Funded							
2011-13	\$4,890,891	\$4,890,891	100%	\$0	0%	\$2,231,218	46%
2013-15	\$11,872,091	\$11,872,090	100%	\$0	0%	\$6,535,807	55%
2015-17	\$14,820,200	\$14,672,286	99%	\$147,914	1%	\$4,027,239	27%
Total	31,583,182	31,435,267	<b>99</b> %	\$147,914	1%	12,794,263	41%
Federal Fund	ed						
2011	\$4,577,913	\$4,577,913	100%	\$0	0%	\$4,577,913	100%
2012	\$8,493,420	\$7,654,100	87%	\$839,321	13%	\$5,318,935	72%
2013	\$8,564,766	\$8,553,107	99%	\$11,659	1%	\$6,415,398	75%
2014	\$15,724,199	\$15,200,823	99%	\$523,376	3%	\$9,921,883	65%
2015	\$18,173,121	\$17,813,920	98%	\$359,201	2%	\$7,914,713	44%
2016	\$17,045,000	\$11,372,951	67%	\$5,672,049	33%	\$651,587	6%
Total	72,578,419	65,172,813	<b>89</b> %	\$7,405,605	11%	34,800,429	54%
Grant Progra	ms						
Lead Entities	7,643,306	7,643,306	100%	0	0%	4,996,704	65%
PSAR	84,358,048	81,378,965	96%	2,979,082	4%	42,597,746	52%
Subtotal	196,162,953	185,630,352	<b>9</b> 4%	10,532,602	6%	95,189,143	51%
Administratio	on						
Admin/ Staff	7,294,310	7,294,310	100%	-	0%	5,651,787	77%
Subtotal	7,294,310	7,294,310	100%	-	0%	5,651,787	77%
GRAND TOTAL	\$203,457,263	\$192,924,662	95%	\$10,532,602	5%	\$100,840,930	52%

Note: Activities such as smolt monitoring, effectiveness monitoring, and regional funding are combined with projects in the state and federal funding lines above.

#### Performance Update

The following data are for grant management and project impact performance measures for fiscal year 2017. Data included are specific to projects funded by the board and current as of May 9, 2017.

#### **Project Impact Performance Measures**

The following tables provide an overview of the fish passage accomplishments funded by the Salmon Recovery Funding Board (board) in fiscal year 2017. Grant sponsors submit these performance measure data for blockages removed, fish passages installed, and stream miles made accessible when a project is completed and in the process of closing. The Forest Family Fish Passage Program and Estuary and Salmon Restoration Program are not included in these totals.

Forty salmon blockages were removed so far this fiscal year (July 1, 2016 to May 9, 2017), with nineteen passageways installed (Table 1). These projects have cumulatively opened 80.94 miles of stream (Table 2).

#### Table 1. SRFB-Funded Fish Passage Metrics

Measure	FY 2017 Performance
Blockages Removed	40
Bridges Installed	5
Culverts Installed	14
Fish Ladders Installed	0
Fishway Chutes Installed	0

#### Table 2. Stream Miles Made Accessible by SRFB-Funded Projects in FY 2017

Project Number	Project Name	Primary Sponsor	Stream Miles
<u>10-1767</u>	Donkey Creek Culvert – 2010	Pacific Coast Salmon Coalition	1.4
<u>11-1261</u>	Grisdale Fish Passage Restoration-Save and Pig Pen	Grays Harbor Conservation Dist	7.6
<u>11-1396</u>	QIN Lunch Creek Fish Passage Projects	Quinault Indian Nation	0.02
<u>11-1525</u>	Coleman Cr - Ellensburg Water Company Project	Kittitas Co Conservation Dist	0.53
<u>12-1459</u>	Like's Creek Fish Passage Project (II)	South Puget Sound SEG	1.02
<u>12-1707</u>	Fred Johnson Culvert Replacement Project	Pacific Conservation Dist	0.75
<u>13-1052</u>	Davis Slough Fish Passage and Flow Restoration	Skagit County Public Works	1.3
<u>13-1053</u>	Skagit Forks Off-Channel Restoration & Feasibility	Fish & Wildlife Dept of	0.2
<u>13-1117</u>	Raft River Tribs: 4040 Rd Fish Passage	Quinault Indian Nation	2.44
<u>13-1398</u>	Rattlesnake Creek SR 129 Culvert Replacement	Asotin Co Conservation Dist	8.97
<u>13-1426</u>	West Beach Creek Restoration Phase 2	NW Straits Marine Cons Found	0.2
<u>14-1158</u>	Greenhead Slough Barrier Removal	Sustainable Fisheries Found.	10
<u>15-1038</u>	Boyer Road Fish Barrier Culvert Correction	Chehalis Basin FTF	2.5
<u>15-1069</u>	Rayonier-Middle Fork Hoquiam Culvert Replacement	Chehalis Basin FTF	2.65
<u>15-1102</u>	F-5 Road Fish Barrier Removal Project	Quinault Indian Nation	0.27
<u>15-1161</u>	Weyerhaeuser-Middle Fork Satsop Passage Project	Grays Harbor Conservation Dist	9.3

Project Number	Project Name	Primary Sponsor	Stream Miles
<u>15-1162</u>	Weyerhaeuser-West Fork Satsop Passage Project	Grays Harbor Conservation Dist	3.61
<u>16-1328</u>	Big Creek Polson Camp Rd Barrier Correction	Chehalis Basin FTF	4.84
<u>16-1337</u>	Johns River Tributaries Barrier Correction	Chehalis Basin FTF	11.19
<u>16-1338</u>	Mox Chehalis Branch Road Barrier Removal	Chehalis Basin FTF	12.15
		Total Miles	80.94

#### Grant Management Performance Measures

Table 3 summarizes fiscal year 2017 operational performance measures as of May 9, 2017.

Table 3.	<b>SRFB-Funded</b>	<b>Grants:</b>	Management	Performance	Measures

Measure	FY Target	FY 2017 Performance	Indicator	Notes
Percent of Salmon Projects Issued Agreement within 120 Days of Board Funding	85-95%	84%	•	One hundred and five agreements for SRFB- funded projects were due to be mailed this fiscal year to date. Staff mail agreements on average 60 days after a project is approved.
Percent of Salmon Progress Reports Responded to On Time (15 days or less)	65-75%	87%	•	A total of 480 progress reports were due this fiscal year to date for SRFB-funded projects. Staff responded to 419 in 15 days or less. On average, staff responded in 7 days.
Percent of Salmon Bills Paid within 30 days	100%	100%	•	During this fiscal year to date, 1,502 bills were due for SRFB-funded projects. All were paid on time.
Percent of Projects Closed on Time	60-70%	73%	•	A total of 114 SRFB-funded projects were scheduled to close so far this fiscal year. Eighty-three of these projects closed on time.
Number of Projects in Project Backlog	0	12	•	Twelve SRFB-funded projects are in the backlog. This is the same as the last board meeting.
Number of Compliance Inspections Completed	75	49	•	Staff have inspected 49 worksites this fiscal year to date. They have until June 30, 2017 to reach the target.



#### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date:	June 14-15, 2017
Title:	Salmon Recovery Management Report
Prepared By:	Sarah Gage, Program Manager for Lead Entities, Governor's Salmon Recovery Office Tara Galuska, Salmon Section Manager, Recreation and Conservation Office

#### Summary

The following memo highlights lots of good work recently completed by the Governor's Salmon Recovery Office and the Recreation and Conservation Office.

#### **Board Action Requested**



Request for Decision Request for Direction Briefing

#### **Governor's Salmon Recovery Office**

 $\boxtimes$ 

#### 2017 Salmon Recovery Conference

The 2017 Salmon Recovery Conference was well-received by the overflowing crowd. Held April 25–27, 2017, in Wenatchee, the conference was co-hosted by the Salmon Recovery Funding Board (board), the Washington Department of Fish and Wildlife (WDFW), Long Live the Kings, and Pyramid Communications, with the Upper Columbia Salmon Recovery Board serving as regional co-host.

By the numbers:

- 850 attendees, representing more than 250 organizations, more than 28 tribes or tribal consortia, 8 states and Washington, D.C.
- Washington State made up the majority of participants, followed by Oregon, and then Alaska, British Columbia, Colorado, D.C., California, Idaho, Utah.
- 40 breakout sessions, about 290 presenters, and 16 plenary speakers or panels

At the time of the writing of this memo, 195 people responded to the post-conference evaluation survey:

- Nearly 90% reported that their overall impression of the conference as well as the conference content was "Good" or "Great."
- 96.9% said they would attend the conference again.
- 25% said that they were covering all or part of their attendance with funds from the board.
- 4% said they would not attend the conference if they couldn't bill their costs to the board.
- 87% attended all three days

Jay Manning's heartfelt and rousing talk ranked highly among survey respondents. Attendees expressed great appreciation for the reception by John Sirois and Darnell Sam, as well as for panelists Tim Ballew and Willie Frank, who spoke on treaty rights.

#### **Hatchery Reform Videos**

The Governor's Salmon Recovery Office (GSRO) hatchery reform videos received their world premiere during the mid-day plenary session of the first day of the 2017 Salmon Recovery Conference.

Brian Abbott envisioned these videos a few years ago as a means of telling the salmon hatchery reform story. With that vision and funding from the board, GSRO formed the project management team, hired Wahoo Films, and produced the four videos. One video is a <u>five minute overview</u>; the other three are shorter and focus on the <u>importance of hatcheries to tribes</u>, <u>hatchery reform</u>, and the <u>use of genetics in hatchery management</u>.

The videos will be distributed via the websites and social media channels of the Recreation and Conservation Office and the Washington Department of Fish and Wildlife. Additionally, the team requested partner organizations to share the videos and use them to promote discussion.

Jennifer Johnson, GSRO Implementation Coordinator, served as the project manager for the videos, working closely with board member Erik Neatherlin. The production team included staff from Wahoo Films, the Northwest Indian Fisheries Commission, the Columbia River Inter-Tribal Fish Commission, several individual tribes, the Upper Columbia Salmon Recovery Board, the Washington Department of Fish and Wildlife, members of the Hatchery Scientific Review Group, and those interviewed for the videos.

#### Status of the Pacific Coastal Salmon Recovery Fund Application

Each year, the Recreation and Conservation Office (RCO) submits a single Washington State application to the National Oceanic and Atmospheric Administration (NOAA) for Pacific Coastal Salmon Recovery Fund (PCSRF) grant funding. The application is prepared on behalf of the Salmon Recovery Funding Board (board), Washington Department of Fish and Wildlife (WDFW), and the Northwest Indian Fisheries Commission (NWIFC).

NOAA released the PCSRF Funding Opportunity on January 18, 2017. RCO met with NWIFC and WDFW to coordinate a budget request and to work on respective sections of the application. RCO turned in the pre-application on March 3, 2017, and its revised final application on April 3, 2017.

At the time of the writing of this memo, staff anticipates that the 2017 PCSRF grant amount to Washington State will be announced within the first week of June. The application was for the full amount allowable, \$25 million. RCO, WDFW, and NWIFC have set a time to negotiate any needed adjustments.

#### Status of the Proposal for the Effectiveness and Evaluation Tool (EET)

Staff from GSRO, the Washington Departments of Ecology and Fish and Wildlife, the Puget Sound Partnership, the Skokomish Tribe, and others collaborated on a proposal to the Environmental Protection Agency (EPA) Exchange Network for a tool to evaluate and communicate what is working to restore Puget Sound. At the time of the writing of this memo, the response to the Effectiveness and Evaluation Tool (EET) proposal was expected in early June.

The EET would assemble existing information about restoration actions and outcomes; test the effectiveness of management actions at both the sub-watershed and regional scales; and display the results for non-technical audiences.

Keith Dublanica, GSRO Science Coordinator, attended the EPA Exchange Network conference in Philadelphia, PA in mid-May. He learned that the EPA may be interested in holding a future Exchange Network conference in the Pacific Northwest.

#### **Recreation and Conservation Office - Salmon Section Report**

#### Salmon Recovery Funding Board Grant Management

#### 2016 Grant Cycle Update

In December 2016, the Salmon Recovery Funding Board (board) approved \$13.1 million for seventy-four projects and approved twenty-eight alternate projects. The board also approved \$1,529,210 for three restoration treatment projects within Intensively Monitored Watersheds (IMWs). Most of these projects are now active with agreements in place and moving forward.

#### **PSAR Projects approved by the SRFB in 2016**

In December 2016, the board approved ninety-six Puget Sound Acquisition and Restoration (PSAR) projects for the 2017-19 biennium, contingent upon legislative appropriations. Finally, the board approved a regional Puget Sound Partnership Large Capital project list that includes eighteen projects.

Once the Legislature funds the PSAR program for the 2017-19 biennium, the Recreation and Conservation Office (RCO) will send out project agreements to those PSAR projects within the funding level that have been ranked and approved by the board. The total project requests for PSAR funding amounts to \$139 million. On behalf of the Puget Sound Partnership, RCO requested \$80 million for these PSAR projects in the capital budget. The Governor's proposed capital budget included \$50 million. The Senate budget is currently at \$30 million and the House is at \$40 million for the PSAR account. A budget is expected to be approved by the Legislature by June 30, 2017.

The proposed allocation of 2017-19 PSAR funds continues to include two components: 1) allocation of the first \$30 million using the watershed-based formula to ensure every watershed continues to make significant progress; and 2) allocation of any amount above \$30 million to the Large Capital project list, in ranked order. The <u>2016 Funding Report</u> includes the complete list of all approved projects.

#### 2017 Grant Cycle Update

Manual 18 was published in February 2017, the grant round was announced, and PRISM was opened to receive applications. A grant round kick-off meeting with staff and the Salmon Recovery Funding Board Review Panel (review panel) was also held in February, and all lead entity site visits were scheduled February through June 2017. A record-breaking 111 participants attended an online application workshop held on March 8, 2017. As of May 10, 2017, there are currently 173 pre-applications submitted in PRISM. May and June 2017 are busy months for staff and the review panel, as the majority of lead entity project site visits happen within these two months. The final application due date is August 10, 2017. The grant cycle includes federal Pacific Coastal Salmon Recovery Fund (PCSRF) funding and salmon state funding.

Following the legislative session, congressional budget approval, and PCSRF award decisions, RCO will have an estimate of the total amount of funding available for the 2017 grant round. RCO will then use the interim regional allocation formula approved by the board in March 2017 to inform the salmon recovery regions of the funding amounts likely available for projects in the 2017 grant round. Projects will be ranked and submitted through the lead entity process and reviewed by the review panel.

The board will be asked to approve all projects at the December 6–7, 2017 meeting.

#### Salmon Recovery Funding Board Applicant Survey 2016

As part of the grant round evaluation and improvement process, RCO staff surveyed Salmon Recovery Funding Board (SRFB) grant applicants in 2014 to ask questions about the grant application, evaluation, and review process. The process resulted in the creation of a task force to review the subsequent 2016 grant round timeline and process; the task force did not make any major changes to the grant round timeline, but other improvements were made to the application process by staff. Following these improvement efforts, staff requested feedback in a second survey from 2016 grant round applicants.

#### **Survey Approach**

Survey recipients were selected from PRISM if they were designated as the primary, secondary, or lead entity contact for a 2016 SRFB project with a status of "application complete." RCO staff distributed the survey to 195 applicants on January 26, 2017. The survey closed February 27, 2017.

#### **Survey Responses**

Based on the number of recipients, the survey had a 26 percent response rate (about fifty people).<sup>1</sup> The response rate is roughly equivalent to that of biennially-surveyed Recreation and Conservation Funding Board applicants.

#### **Summary of Comments and Survey Responses**

Overall, applicants highly rated their satisfaction with the 2016 SRFB grant round.

When asked about the application process, most respondents understood the Recreation and Conservation Office (RCO)/Salmon Recovery Funding Board (SRFB) application process and what they needed to complete. A majority of survey respondents reported that they did not participate in the application workshop/webinar in 2016.

A majority of respondents felt that completing the application in PRISM Online worked well. Respondents also identified a number of suggested improvements to the application process.

A majority of respondents agreed that the application checklist in Manual 18 was a useful tool and the eligibility criteria were clear. Respondent comments suggested that there is sometimes confusion between local/regional requirements and RCO/SRFB requirements.

Although respondent comments suggest that the salmon project proposal contains some redundant or repetitive questions, a majority felt that it helped them to fully describe the goals and objectives of their project. Respondents also offered suggestions on how to improve the salmon project proposal.

A majority of respondents agreed that the Technical Review Panel's comment form from the site visit was helpful. Most respondents also agreed that they understood the Technical Review Panel process and its purpose, found the panel feedback useful to their project development, and found the panel members to be knowledgeable. However, survey comments suggest that the Technical Review Panel may lack familiarity with local processes/project elements, and its feedback sometimes lacks constructive elements.

Over half of respondents identified their RCO/SRFB grant manager as the resource they use most often when they have questions about their project or the grant round process. Those who used another resource did not appear to do so because their grant manager was unhelpful or lacking in knowledge.

<sup>&</sup>lt;sup>1</sup> The number of responses to each question in the survey varies from this total because some participants skipped questions and/or did not complete the survey.

#### How These Data are Being Used

RCO staff will use the survey results to identify key areas in need of improvement for the 2018 grant cycle timeline and process.

Tara Galuska, RCO Salmon Section Manager, will present the survey data to the board at the June 2017 meeting, to the Washington Salmon Coalition's (WSC) in June 2017 and at the next Technical Review Panel meeting.

#### **Survey Key Action Items**

- Continue to search for ways to simplify the grant process.
- In response to low participation in 2016, evaluate the objectives, content and format of the application workshop/webinar. (Participation improved this year.)
- Review applicant survey results with the Washington Salmon Coalition in Chelan in June 2017.
- Share the results with a multi-agency water and salmon grant coordination workgroup.
- Review applicant survey results with Technical Review Panel members.
- Implement changes in 2018.

#### Salmon Recovery Funding Board Grant Administration

#### **Viewing Closed Projects**

Attachment A lists projects that closed between January 30, 2017 and May 9, 2017. Each project number links to information about a project (e.g., designs, photos, maps, reports, etc.). Staff closed out fifty-four projects or contracts during this time period.

#### **Amendments Approved by the RCO Director**

The table below shows the major amendments approved between January 31, 2017 and May 9, 2017. Staff processed sixty-eight project-related amendments during this period; most amendments were minor revisions related to administrative changes or time extensions.

Project Number	Project Name	Sponsor	Program	Туре	Date	Amount/Notes
13-1144	Lower Ohop Restoration Ph III	South Puget Sound SEG	Puget Sound Acq. & Restoration	Cost Change	02/17/17	Decrease \$75,000 of total PSAR funds. This savings is a result of less engineering needed than scoped (final and as-built), and other savings realized during project management.

#### Table 1. Project Amendments Approved by the RCO Director

Project Number	Project Name	Sponsor	Program	Туре	Date	Amount/Notes
15-1109	Wishkah Gardens Acquisition	Forterra	Salmon Federal Projects	Cost Change	02/01/17	Increase grant budget by \$4,100 because of appraisal review value coming in above estimated land cost. Match will increase by \$724 to maintain current match rate.
15-1111	Columbia Estuary - Chinook Conservation Project	Columbia Land Trust	Salmon State Projects	Scope Change	02/13/17	Scope change to add 38 acres of estuary habitat to project area at no additional cost.
15-1257	Big River and Umbrella Creek Riparian Restoration	Makah Tribe	Salmon Federal Projects	Cost Change	02/10/17	Reduce match from \$93,812 to \$65.081 as fringe is not eligible as match. No change in actual staff hours and match is more than the 15% minimum.
14-1260	Illabot Creek Protection and Restoration	Skagit Land Trust	PSAR	Cost Change	02/15/17	Reduce PSAR cost by \$55,500 due to lower value of easement.
14-1356	Stillaguamish Floodplain Protection	Stillaguamish Tribe	PSAR	Cost Change	03/25/17	Add \$106,827 returned PSAR funds to acquire property in grant.
13-1065	Upper Dungeness Large Wood Restoration	Jamestown S'Klallam Tribe	Salmon State Projects	Cost Change	03/21/17	Increase PSAR funds by \$17,000 to account for increased project material costs.
16-1703	SJC Salmon Conservation Easement Protections	Friends of the San Juans	Puget Sound Acq. & Restoration	Project Type Change	03/24/17	Change the project type to a Planning and Acquisition project to include the landowner outreach efforts.
15-1045	Beach Lake Acquisition and Restoration	Coastal Watershed Institute	Puget Sound Acq. & Restoration	Cost Change	03/22/17	Increase cost of \$100,000 PSAR funds to cover cost overruns in demolition, and relocation.
13-1273	South & Middle Forks Reach Acquisition, Phase II	Whatcom Land Trust	Puget Sound Acq. & Restoration	Cost Change	03/29/17	Reduce costs of \$76,075 PSAR funds due to one property not acquired.

Project Number	Project Name	Sponsor	Program	Туре	Date	Amount/Notes
11-1320	Lower Cowiche Creek Restoration, Phase 2 & 3	Mid- Columbia RFEG	Salmon Federal Projects	Cost Change	04/10/17	Change project type from restoration to combination restoration/planning.
13-1407	Walla Walla Basin Fish Screen Projects 2013	Walla Walla Co Cons Dist	Salmon Federal Projects	Cost Change	04/03/17	Increase cost by \$2,242 and sponsor match by \$390 for a total cost increase of \$2,632 to install two additional screens that are already designed and permitted.
15-1172	Lake Creek Wetland Complex Protection	Skagit Land Trust	Puget Sound Acq. & Restoration	Cost Change	04/10/17	Adding \$72,000 of '09-11 PSAR funds to the project scope due to increased costs for cultural resources, dock and boardwalk removal, and invasive species (yellow flag iris) removal from wetland area.

The following table shows projects funded by the board and administered by staff since 1999. The information is current as of May 9, 2017. This table does not include projects funded through the Family Forest Fish Passage Program (FFFPP) or the Estuary and Salmon Restoration Program (ESRP). Although RCO staff support these programs through grant administration, the board does not review and approve projects under these programs.

#### **Table 2. Board-Funded Projects**

	Pending Projects	Active Projects	Completed Projects	Total Funded Projects
Salmon Projects to Date	25	414	2,160	2,599
Percentage of Total	1.0%	15.9%	83.1%	

#### Attachments

A. Salmon Projects Completed and Closed from January 30, 2017 – May 9, 2017

# Salmon Projects Completed and Closed from January 30, 2017 – May 9, 2017

Project Number	Sponsor	Project Name	Primary Program	Closed / Completed Date	Project Snapshot
01-1457	Skagit Land Trust	Upper Skagit Acquisition	Salmon Federal Projects	03/08/17	Snapshot Link
09-1277	Tulalip Tribe	Qwuloolt Estuary Restoration - Construction	Puget Sound Acq. & Restoration	04/28/17	Snapshot Link
11-1306	Cowlitz Conservation Dist	Andrews Home Place Restoration	Salmon Federal Projects	02/13/17	Snapshot Link
11-1378	Cowlitz Conservation Dist	Andrews Alberti Site Stream Restoration	Salmon Federal Projects	03/03/17	Snapshot Link
11-1396	Quinault Indian Nation	QIN Lunch Creek Fish Passage Projects	Salmon State Projects	01/30/17	Snapshot Link
12-1211	Skagit River Sys Cooperative	Upper Skiyou Slough Floodplain Restoration	Salmon Federal Projects	03/21/17	Snapshot Link
12-1327	Yakima County Public Services	Naches River Ramblers Acquisition and Restoration	Salmon Federal Projects	04/11/17	Snapshot Link
12-1385	Jefferson County of	Dosewallips and Duckabush Acquisitions 2012	Salmon State Projects	03/21/17	Snapshot Link
12-1438	Chelan Co Natural Resource	Lower Nason Creek RM 3.7 - 4.7 Restoration	Salmon Federal Projects	02/17/17	Snapshot Link
12-1459	South Puget Sound SEG	Like's Creek Fish Passage Project (II)	Salmon Federal Projects	05/03/17	Snapshot Link
12-1651	Cascade Col Fish Enhance Group	Methow River Riparian Planting	Salmon Federal Projects	03/20/17	Snapshot Link
12-1724	Colville Confederated Tribes	Colville Floating Fish Trap	Salmon Federal Activities	03/27/17	Snapshot Link
12-1949	NW Indian Fisheries Comm	Tribal Hatchery Reform 2012 Monitoring	Salmon Federal Activities	02/17/17	Snapshot Link
13-1033	Chehalis R Basin Land Trust	Elliott Slough Acquisition Project	Salmon State Projects	02/15/17	Snapshot Link
13-1044	Stillaguamish Tribe of Indians	N F Stillaguamish ELJ Project III	Salmon Federal Projects	03/08/17	Snapshot Link
13-1053	Fish & Wildlife Dept of	Skagit Forks Off-Channel Restoration & Feasibility	Puget Sound Acq. & Restoration	03/13/17	Snapshot Link
13-1068	Lower Elwha Klallam Tribe	Ediz Hook Beach Restoration: Phase 3	Puget Sound Acq. & Restoration	03/09/17	Snapshot Link
13-1077	The Nature Conservancy	Hurst Creek Habitat Restoration Pilot Project	Salmon Federal Projects	03/09/17	Snapshot Link
13-1081	Wahkiakum Conservation Dist	Elochoman River Restoration, Woods Property	Salmon Federal Projects	03/09/17	Snapshot Link
13-1099	Tukwila City of	Duwamish Gardens Restoration	Puget Sound Acq. & Restoration	04/17/17	Snapshot Link

Project Number	Sponsor	Project Name	Primary Program	Closed / Completed Date	Project Snapshot
13-1106	Snohomish County Public Works	SnoCo Beach Nourishment Const	Salmon State Projects	04/28/17	Snapshot Link
13-1248	South Puget Sound SEG	Edgewater Beach Nearshore Project	Salmon State Projects	04/03/17	Snapshot Link
13-1280	Lummi Nation	Larson Reach Phase 2 In-Stream Restoration	Puget Sound Acq. & Restoration	02/28/17	Snapshot Link
13-1320	North Yakima Conserv Dist	Floodplain Restoration with Beaver Dam Analogs	Salmon State Projects	02/28/17	<u>Snapshot Link</u>
13-1363	Umatilla Confederated Tribes	S. Touchet RM 8.5 Channel Realignment	Salmon Federal Projects	04/05/17	Snapshot Link
13-1422	Pierce County Planning	Alward Road Acquisition	Salmon Federal Projects	01/30/17	Snapshot Link
13-1425	Skagit Watershed Council	Skagit Protection Strategy Update	Puget Sound Acq. & Restoration	05/04/17	Snapshot Link
13-1426	NW Straits Marine Cons Found	West Beach Creek Restoration Phase 2	Puget Sound Acq. & Restoration	02/15/17	<u>Snapshot Link</u>
14-1006	Skagit Conservation Dist	PERS SRV Review Panel - Slocum	Salmon Federal Activities	04/11/17	Snapshot Link
14-1058	Skagit River Sys Cooperative	Similk Beach Estuary Restoration Feasibility	Puget Sound Acq. & Restoration	02/23/17	<u>Snapshot Link</u>
14-1373	Lower Elwha Klallam Tribe	Elwha Floodplain Restoration Planning Project	Salmon Federal Projects	03/27/17	Snapshot Link
14-1377	King Co Water & Land Res	Middle Boise Creek - Vanwieringen	Salmon Federal Projects	04/12/17	Snapshot Link
14-1392	Lower Columbia Fish Recov Bd	Wind River Community Based Strategy Development	Salmon State Projects	04/28/17	Snapshot Link
14-1659	Nooksack Indian Tribe	SF (Nuxw7íyem) DS Hutchinson Phase 2a Restoration	Salmon Federal Projects	03/26/17	<u>Snapshot Link</u>
14-1888	San Juan County Land Bank	Huntley Conservation Easement	Puget Sound Acq. & Restoration	03/07/17	Snapshot Link
14-1913	Friends of the San Juans	West Sound Pocket Beach Restoration	Puget Sound Acq. & Restoration	02/03/17	<u>Snapshot Link</u>
14-1957	Kitsap County Comm Development	E. Kitsap Steelhead Habitat Evaluation	Salmon Federal Projects	02/02/17	Snapshot Link
14-2015	Fish & Wildlife Dept of	2013 Implement Washington Fishery Agreements	Salmon Federal Activities	05/03/17	Snapshot Link

Project Number	Sponsor	Project Name	Primary Program	Closed / Completed Date	Project Snapshot
14-2171	Fish & Wildlife Dept of	Tribal Mass Marking Puget Sound and Coast 2013	Salmon Federal Activities	04/03/17	Snapshot Link
14-2181	Fish & Wildlife Dept of	WDFW Lower Columbia VSP Monitoring – 2014	Salmon Federal Activities	05/04/17	Snapshot Link
15-1038	Chehalis Basin FTF	Boyer Road Fish Barrier Culvert Correction	Salmon State Projects	04/04/17	Snapshot Link
15-1102	Quinault Indian Nation	F-5 Road Fish Barrier Removal Project	Salmon State Projects	03/15/17	Snapshot Link
15-1124	Snohomish Co Surface Water	Jim Creek Restoration Ph II	Salmon Federal Projects	02/10/17	Snapshot Link
15-1150	Chehalis R Basin Land Trust	East Fork Hoquiam River Surge Plain Acquisition	Salmon Federal Projects	03/16/17	Snapshot Link
15-1166	Skagit Fish Enhancement Group	Skagit Side Channel Barrier Final Designs	Puget Sound Acq. & Restoration	03/07/17	Snapshot Link
15-1315	Fish & Wildlife Dept of	Asotin Intensively Monitored Watershed Monitoring	Salmon Federal Projects	04/03/17	Snapshot Link
15-1471	Kitsap County of	Illahee Forest Preserve	PSAR Large Capital Projects	04/17/17	Snapshot Link
15-1565	Ecology Dept of	IMW Skagit FFY 2016	Salmon Federal Activities	04/04/17	Snapshot Link
15-1566	Ecology Dept of	IMW Straits (FFY 2016) WDOE	Salmon Federal Activities	04/04/17	Snapshot Link
15-1567	Ecology Dept of	IMW Lower Columbia (FFY 2016) WDOE	Salmon Federal Activities	04/03/17	Snapshot Link
15-1568	Ecology Dept of	IMW Hood Canal (FFY2016) WDOE	Salmon Federal Activities	04/03/17	Snapshot Link
15-1569	Fish & Wildlife Dept of	WDFW Smolt Monitoring 2016	Salmon Federal Activities	04/07/17	Snapshot Link
16-1151	South Puget Sound SEG	Little Fish Trap Beach Restoration Design	Puget Sound Acq. & Restoration	02/22/17	Snapshot Link
16-2102	Pyramid Communications	SOS16 Web Design	Salmon Federal Activities	02/27/17	Snapshot Link

# Draft Council of Salmon Recovery Regions Work Plan for Statewide Salmon Recovery Approach to Allocation Recommendations Presented to SRFB June 15, 2017

# Background

## **Capital Allocation Funding**

The following work plan for the Council of Salmon Recovery Regions (COR) was developed in response to discussion with the Salmon Recovery Funding Board (SRFB) at their March 2017 meeting regarding development of a capital funding allocation approach for 2018 and beyond. At the March meeting the SRFB adopted an interim capital allocation approach for the 2017 grant round. COR is now charged with providing an approach for SRFB to consider at their June 2017 meeting that will inform capital allocation decisions for 2018 and beyond. The SRFB is expected to make a decision on 2018 regional project allocation at the December Board meeting.

## **Capacity Allocation Funding**

In 2016, Washington's Pacific Coastal Salmon Recovery Fund (PCSRF) award was reduced by 7.5% from \$20.0 to \$18.5 million. The National Oceanic and Atmospheric Administration (NOAA) indicated this was driven by the relatively high percentage of Washington's application in the capacity funding category. This budget reduction translated into a 19.5% decrease in capacity funds to Regions and Lead Entities, which substantively reduced our collective ability to accomplish key salmon recovery functions. Considering this and current and future budget uncertainties, COR believes that it is important to re-evaluate how capacity dollars are allocated to Regional Organizations and Lead Entities. The intent is to develop specific long-term capacity allocation recommendations to the SRFB. However, the directors understand that the proposed LEAN study will provide an opportunity for Regions to help shape long-term capacity funding for both Regional Organizations regarding capacity funding. COR may revisit the need to provide independent recommendations to the SRFB at the end of the LEAN process.

# **Process Overview**

#### Goals

For both the capital and the capacity discussions, COR's goal is to provide the Salmon Recovery Funding Board (SRFB) with recommendations that:

- Empower the regional organizations with the ability to guide allocation of capital and capacity dollars;
- Provide for regional organization and lead entity infrastructure funds that ensures maintaining a viable and credible statewide program;
- Address and are grounded in legislatively established mandates; and,
- Allow for adjustments due to potential increases or decreases in funding.

#### Principles

It is important to ensure the process will:

- Provide a forum for open discourse;
- Be objective, transparent, defensible and repeatable;
- Ensure allocation methods are based on objective, meaningful and consistent criteria and reflect legislatively established roles and responsibilities;
- Consider and accounts for the scope, complexity, breadth and level of integration (e.g., recovery, sub-basin planning, watershed planning, etc.) reflected in adopted recovery plans;
- Strike a balance between avoiding further listings and recovering listed species;
- Recognize and support geographical consolidations, functional efficiencies, and funding diversification that have been achieved to date;
- Provide a discrete timetable and notification for any future allocation shifts;
- Reduce the risk of unintentional consequences that would risk the future of the statewide program; and,
- Consider all key funding resources available across the state and within a regional program.

#### Partnering and Coordination

Throughout the process, COR will work to inform and engage with the GSRO, RCO and the SRFB Allocation Subcommittee members (if available) to guide the process and ensure transparency. COR will also seek additional resources and agency support (i.e., NOAA, Regional Technical Review Teams, WDFW and Ecology) as needed to help identify, evaluate, gather and refine metrics and data.

#### Process

This work plan separates the capital and capacity discussions. While there is a clear relationship between capital and capacity needs, there are also distinct considerations that need to be acknowledged when evaluating lead entity versus regional needs. In recognition of the SRFB LEAN process expected to begin later this year, COR will work on providing recommendations for capital and capacity allocations through parallel tracks. COR will provide the SRFB with recommendations for refining capital allocations at their December 2017 meeting, for implementation in 2018. Given that both the LEAN study and the COR discussions can help build upon and inform each other, COR will work on a parallel track to address capacity needs through engagement in the LEAN process.

#### Funding

The regional directors agree to designate funds in an amount to be determined from their regional organization grants to support this work. COR will also explore other possible funding sources to accomplish this work plan. Cost of this work will be discussed during Task 1. Every effort will be made to devise a realistic budget before embarking on Tasks 2 and 3.

# Task 1 Finalize Framework

*To be completed by August 2017* 

COR will finalize the scope of work, schedule and cost for implementing the work plan. COR will put forward any policy questions to the SRFB and receive feedback at the June meeting to help guide process. Following the SRFB's feedback, COR will update the work plan, determine the contracting process, outline a more detailed schedule, develop a budget and identify draft and final work products to shape the final recommendation report.

# Task 2 Capital Allocation

# **2.1.** Refine Statewide Approach for Funding Capital Projects

COR will identify what data scrubbing needs to occur to increase confidence in the agreed-upon metrics (both current and potential changes in metrics). COR will then convene collectively in a session facilitated by the contractor to determine the final set of criteria and metrics to be used moving forward. COR will:

- 1. Meet to build a share understanding of current draft allocation formula and negotiated interim allocation;
- 2. Work collectively to identify what data scrubbing needs to occur to increase confidence in data, metrics, and associated weightings;
- 3. Work collectively and with GSRO to coordinate data validation with NOAA, WDFW, and/or others, and to conduct the data scrub; and
- 4. Convene collectively in a facilitated session to determine the final set of suggested criteria and allocation formulas for presentation to the SRFB.

## **Evaluation and Refinement of Interim Metrics and Data**

- ESA-listed and non-listed salmon and steelhead populations
- Bull trout populations
- Anadromous tributary and nearshore/estuarine miles
- Number of WRIAs

## **Evaluation of Other Factors for Possible Consideration**

- Regional complexity (social, cultural, tribal, political complexities)
- Recovery priorities (biological and geographical complexities)
- Certainty of success of recovery priorities
  - Ensure not listed in future
    - Getting to delisting
    - Keeping unlisted species from being listed
    - Keeping species from going extinct
- Breadth of recovery actions a region undertakes

This evaluation will include documenting the relationship of potential criteria to capital needs, the strength of the relationship, and the level of data availability, measurability, and consistency.

# 2.2. Alignment of Principles, Criteria and Data Sources

COR will work with GSRO, WDFW and the contractor to explore, identify and update data sources in a manner that supports the criteria and principles established in Task 2.1. Individual consultations with the regions may be necessary to determine the best avenues for securing and scrubbing the data. COR will convene collectively to review the data sources and determine the final metrics to be used, and those that require further analysis. A presentation will be given to COR, as a whole, on the status of that metric around

the state, so that the directors can either agree on the data or direct the contractor to focus more time on ensuring consistency across the state.

# 2.3. Conduct Data Verification

Following agreement on the data and metrics, COR will work with the contractor to evaluate and verify the data, including determining the confidence-level of the metrics and its applicability to the funding allocation approach that is framed by the criteria.

# 2.4. Determine Weightings of Criteria

The contractor will meet with each region to gather input on weighting of the criteria. Considerations and questions will include the following:

- How will the data be used?
- How important the data as it relates to the criteria?
- How much confidence is there in the data?
- How consistent are the protocols used to gather the data?
- Policy considerations set by SRFB?
- Information provided by other resource agencies

COR will convene to establish principles and a framework for weighting of the data and/or criteria. COR will also provide the rationale for final criteria and weightings.

## 2.5. Develop COR Recommendation to SRFB

Upon completing tasks 2.1-2.4 above COR will provide their recommendations to the SRFB for consideration and decisions. In the event a consensus recommendation cannot be reached, the suite of options will be forwarded to the SRFB for discussion and a decision.

# Task 3 Funding Regional Organization and Lead Entity Capacity

The intent of this element is to outline key policy questions and needs that will support the LEAN study. COR believes that it is important in the LEAN study to thoroughly evaluate the existing process of allocating capacity dollars across Regional Organizations and Lead Entities. The goal of this evaluation should be to ensure dollars are allocated in a consistent and transparent manner that maintains an effective broad-based and statewide recovery program. At this point, COR will defer independently pursuing the following work elements in order to engage in the LEAN study, as possible, to address the key needs and questions identified.

# **3.1** Identify Statewide Approach to Salmon Recovery for Funding Regional Organization and Lead Entity Functions

COR will undertake a needs assessment to review regional organization and lead entity functions both required or mandated by statute, and added based on specific regional assignments. It is hoped this work can be used to provide consistency in identifying statewide needs during SRFB LEAN Study.

Needs assessment: Compile a comprehensive list of capacity needs to provide the foundation for identification of data, criteria, and weighting of metrics. Considerable work was completed by the directors and lead entities in 2016 that can be considered. Key functions identified include:

- Regional Organization
  - Preparing, refining, and updating salmon recovery plans
  - o Building consensus on recovery initiatives
  - Completing priority recovery actions
  - Informing and engaging the public
  - Monitoring and reporting on progress
- Lead Entity
  - Develop and maintain a habitat strategy/work schedule;
  - Conduct outreach and build community support; and,
  - Solicit, develop, prioritize and submit ranked habitat projects lists to the SRFB.

#### **Considerations for Capacity Allocation Principles and Criteria**

The following summarizes potential criteria for review and consideration for establishing capacity allocations. In considering the criteria, COR will determine: 1) whether they reflect legislatively established Lead Entity or Regional Organization functions; 2) are consistent with the stated goals and process considerations and principles; and, 3) can be consistently applied across the state in a transparent and repeatable manner.

#### **Potential Capacity Criteria and Considerations**

In reviewing potential capacity criteria, COR will evaluate and consider the following:

- Interrelated Capital allocation principles
- "Keep the lights on" base allocation to administer responsibilities of the lead entity or regional organization, and identify opportunities for efficiencies and consolidation of existing functions
  - "Add-ons" can then be calculated based on the articulated need(s) to achieve success.
- What it takes to manage the recovery plans
- All funding sources
  - There is a need to have continued (future) public funding.
- Outreach and education needs
  - Recognize the need for a societal paradigm shift that emphasizes salmon recovery importance, a healthy environment, and future economic stability
- Uniqueness of region, complexity, area size, number of jurisdictions
  - Identify specific limitations that would prevent management or implementation of the salmon recovery plans
- Biological complexities
  - Number of ESU's, DPS's, MPGs (including strata), etc.
  - o Number of listed and non-listed salmon, steelhead and bull trout populations
  - o ESA Species status (endangered, threatened)
  - Population status in relation to recovery goals (e.g., nearing recovery versus large gap)
  - o Others?
- Geographical complexities
  - Number of anadromous nearshore and stream miles
  - o Number of WRIAs

- o Others?
- Recovery plan complexities
  - Single versus all-H approach (habitat, harvest, hydro, hatcheries, ecological interactions)
  - Level of integration with Watershed Planning, Northwest Power and Conservation Council Sub-basin Planning, and other efforts
  - Number of key implementing partners
  - Number of lead entities within a region
  - o Others?
- Social, cultural, tribal, and political complexities
  - Number of counties and cities within Region or Lead Entity boundaries
  - Number of special purpose districts
  - Community engagement in, and contribution toward, recovery efforts
  - o Number of actively engaged treaty and non-treaty tribes
  - Presence of Usual and Accustomed fishing areas
  - Level and frequency of tribal coordination/consultation needed
  - o Others?

## Alignment of Principles, Criteria and Data Sources

COR will work GSRO and the contractor to explore potential criteria and principles listed in Task 3.1 that reflect capacity needs, and identify supporting data sources. Individual consultations with the region will be necessary to determine the best avenues to secure the data. COR will convene to review the data sources and determine the metrics to be used for identifying capacity needs, or that require further analysis.

A presentation will be given to COR, as a whole, on the status of that metric around the state, so that the directors can either agree on the data or direct the contractor to focus more time on ensuring consistency across the state.

- Regional Capacity: The rationale should describe the relationship to capacity work, and the degree to which the criterion could be consistently applied across the state.
- Lead Entity Capacity: Metrics may include those used in capital allocation discussions, including
  anadromous stream miles and numbers of populations since both of those have a fundamental
  relationship to the scope and complexity of work needed to develop and maintain a habitat strategy,
  project list, etc. One key question to answer is whether Lead Entity capacity funding should be
  determined by the Regional Organization, and therefore incorporated as a portion of the regional
  allocation.

## **3.2 Conduct Data Verification**

Following agreement on the data and metrics, COR will work with the contractor to evaluate and verify the data, including determining the confidence-level of the metrics and its applicability to the funding allocation approach that is framed by the criteria.

## 3.3 Determine Weightings of Criteria and Data

The contractor will meet separately with each region to gather input on weighting of the data and/or criteria. Considerations and questions will include the following:

- How will the data be used?
- How important the data as it relates to the criteria?
- Is the data consistent across regions?
- How much confidence is there in the data?
- How consistent are the protocols used to gather the data?
- Policy considerations set by SRFB?

COR will convene to establish criteria for evaluating capacity needs and principles for weighting.

#### 3.4 Develop COR Recommendation to SRFB

Upon completing Tasks 3.1-3.4, COR will document their recommendation for SRFB consideration and decisions. In the event a consensus recommendation cannot be reached, the suite of options will be forwarded to the SRFB for discussions and decisions.

#### WSC Executive Committee

Amy Hatch-Winecka, Chair Deschutes WRIA 13 Salmon Recovery Lead Entity

John Foltz, Vice Chair Snake River Salmon Recovery Board Lead Entity

Jacob Anderson Klickitat Lead Entity

Dawn Pucci Island County Lead Entity

Jason Wilkinson Lake Washington, Cedar, Sammamish Watershed (WRLA 8) Lead Entity

Kirsten Harma Chehalis Basin Lead Entity

Byron Rot San Juan Lead Entity

#### Members

Mike Lithgow Kalispell-Pend Oreille Lead Entity

Bill Armstrong Quinault Indian Nation Lead Entity

Richard Brocksmith Skagit Watershed Council

Joy Juelson Upper Columbia Salmon Recovery Board Lead Entity

Cheryl Baumann N.Olympic Lead Entity for Salmon

Steve Manlow Lower Columbia Lead Entity

Alicia Olivias Hood Canal Lead Entity

Ashley Von Essen Nisqually Lead Entity

Tom Kollasch Pacific County Lead Entity

Doug Osterman Green, Duwamish and Central Puget Sound Watershed (WRIA 9) Lead Entity

Vacant: West Sound Watershed Council

Becky Peterson WRIA 1 Salmon Recovery Board

Frank Hanson N. Pacific Coast & Quinault Indian Nation Lead Entities

Lisa Spurrier Pierce County Lead Entity

Pat Stevenson Stillaguamish Tribe Lead Entity

Donald "Kit" Crump Co-Lead for Stillaguamish Watershed Lead Entity

Gretchen Glaub Snohomish Lead Entity

Jennifer Holderman WRIA 14 Lead Entity

Trisha Snyder Yakima FWRB



June 2, 2017

David Troutt, Chairman Salmon Recovery Funding Board WA Recreation and Conservation Office PO Box 40917 Olympia, WA 98504-0917

Dear Chairman Troutt and Board Members,

The Washington Salmon Coalition is pleased to provide you with an update on our work and activities over the last several months:

#### **LE Process Update**

The work carried out each year by the Lead Entities is the foundation of the Washington Way. It pulls together a broad cadre of individuals with diverse backgrounds, all collaborating to create the best solution for salmon recovery in local communities throughout the state. Thanks to this robust foundation, the SRFB has supported created and supported, many funding streams call upon the Lead Entities to identify and prioritize projects that fit those individual requirements. We have seen evidence of this throughout the state, from the Yakima Basin Integrated Plan to the Fish Passage Barrier Board, Floodplains by Design, BPA funds to PSAR. The Lead Entity process is the mechanism by which recovery is occurring.

Over the last several months, the statewide grant round has shifted into high gear and Lead Entities are incredibly busy. Lead Entity Coordinators are bringing together their local technical teams to review and refine the technical rigor of project proposals. Coordinators are also reviewing final proposals for completeness, executing site visits in tandem with the Review Panel, then planning and facilitating the project ranking meetings to generate a final project list.

Site visits are an integral component of the process. It is an excellent opportunity for applicants to garner advice from attendees on ways to improve their proposals, and applicants are encouraged to revise their applications in response to feedback, which comes from local and statewide reviewers. Lead Entity Coordinators assist sponsors respond to verbal and written comments and the result is a more beneficial project.

# Washington Salmon Coalition Annual Meeting and Climate Workshop– June 6-8, 2016

The Washington Salmon Coalition annual meeting took place in Chelan June 6-8. This year, we were excited to add an additional day to share case studies on how Lead Entities

# WASHINGTON SALMON COALITION Community-Based Salmon Recovery



# WASHINGTON SALMON COALITION

**Community-Based Salmon Recovery** 

throughout the state are letting climate change science guide their project selection and process modifications. This workshop was originally scheduled for September, 2016 but was eliminated due to PCSRF budget cuts. We were able to reintegrate the training with financial support from the Puget Sound Partnership—and we are grateful they were willing to invest in the discussion.

The WSC meeting agenda included a discussion with partners on funding and coordination and how to refine our process, ideas for the future structure of the Salmon Recovery Network, a discussion to affirm our priorities moving forward, and the selection of WSC Executive Committee leadership. The proposed Executive Committee leadership group was:

- Chair: John Foltz (Columbia representative)
- Co-Vice Chair: Alicia Olivias (Hood Canal representative)
- Co-Vice Chair: Jason Wilkinson (Puget Sound representative)
- Puget Sound Member: Amy Hatch-Winecka
- Puget Sound Member: Dawn Pucci
- Puget Sound Member: Byron Rot
- Coast Member: Frank Hansen
- Columbia Member: Jake Anderson

# Lead Entity Funding Capacity Support Extension

The Washington Salmon Coalition would like to draw your attention to and seeks your support of Item 9: *Funding Decisions*, in the SRFB's meeting packet. As noted above, the Lead Entities represent the foundation of community-based salmon recovery in Washington State. To aid us in development and growth, Lead Entities and WSC have benefitted from the facilitation and organizational support, to date provided by Long Live the Kings and Cascadia Consulting.

The successes noted over the preceding three years year of WSC and LE's (collaborative approach to Legislative Outreach, the WSC logo, finalizing the Lead Entity Reference Guide, etc.) have been largely a result of the support that the SRFB provided to WSC when you unanimously approved the Washington Salmon Coalition request in 2014, 2015 and 2016. This action allowed the use of \$50,000 (reduced to \$35,000 in 2016 due to PCSRF cuts) in anticipated unspent lead entity SRFB capacity grant funds to support WSC's statewide efforts as outlined in our Action Plan.

With these successes in mind, we believe WSC is accomplishing our goals and are



# WASHINGTON SALMON COALITION Community-Based Salmon Recovery

working towards the embodiment of our broader vision of collaborative, multi-partner investment in salmon recovery. The organizational support has been critical and we hope that we can renew this contract into 2017-19. Thank you for your support!

# Lead Entity Staff Changes

The Yakima Basin Fish and Wildlife Recovery Board would like to introduce Trisha Snyder as their new Lead Entity Coordinator. Welcome Trisha!

We also welcome Kirvie Mesebeluu-Yobech, the new Lead Entity Coordinator for the West Sound Watersheds Council. Kirvie replaces Marian Berejikian, who has moved on. We wish Marian good luck and are excited to meet Kirvie.

Neighboring Lead Entity Coordinators will be offering mentorship to these new folks as they work with their communities to implement priority recovery projects.

# Statewide LE News and Updates

Facebook project of the Month From Jason Wilkinson - Lake Washington/Cedar/Sammamish Watershed (WRIA 8)

#### Salmon have a cool new hangout along the Sammamish River!

Thanks to the City of Bothell's work last summer, Chinook and coho salmon now have access to a reconnected and restored 1,080-foot side channel in Sammamish River Park. Fed by cold springs, the side channel will be vital for salmon searching for cool water refuge on this chronically warm river. To further improve habitat, the City added 35 log

structures and more than 35,000 native plants. And the thousands of folks who use the Sammamish River Trail have a great view of this restoration in action, as new, roomy box culverts were added where the channel flows under the trail. For more information please visit: <u>https://</u> <u>secure.rco.wa.gov/prism/search/</u> <u>projectsnapshot.aspx?</u> <u>ProjectNumber=15-1054</u>.

Pre-project culvert outlet





Pre-project

Installation of the box culvert



Completed outlet and downstream



# WASHINGTON SALMON COALITION Community-Based Salmon Recovery

# "Just add wood!"

Project Installs Engineered Logjams in the Stillaguamish River to Replicate Historic Natural Logjams

The *Stillaguamish Watershed Chinook Salmon Recovery Plan* (2005) recognizes that historic land use and flood control measures have led to a lack of large, stable woody material in the river. This lack of large, stable wood is a major environmental deficiency in the Stillaguamish River that limits the production of wild Chinook salmon. Large, stable wood, often in the form of logjams, located in the bed and banks of the river provide multiple benefits to Chinook salmon during the full range of their freshwater life-cycle, including, but not limited to: 1) Redirection of water flow promotes bed scour and pool formation. Pools provide holding for adult spawners and refuge for outmigrating juveniles; 2) Projecting wood provides visual cover and protection from predators; 3) Pools intercept and allow the mixing of cool, subsurface water with river water, a process known as hyporheic exchange; 4) Stable wood allows for the sorting of streambed material, providing spawning gravel, and in some cases leading to the establishment of vegetated bars and mid-channel islands; 5) Woody material is a medium for insects and other fish food.



Partially completed ELJ, as viewed from the side

As directed by the *Chinook Recovery Plan*, Stillaguamish Tribe of Indians constructed two Engineered Logjams (ELJs) in the North Fork Stillaguamish River during the summer of 2016. ELJs are located in reaches of the river that have a documented history of utilization by spawning adult Chinook salmon. The logjams are constructed by excavating a portion of temporarily dewatered riverbed to an elevation just lower than a scour depth calculated by an engineer. Alternating layers of logs with rootwads are then installed in an interlocking fashion by a large log loader up to an elevation that coincides with an expected flood depth.


Riverbed material which was excavated from the hole is then piled back into and on top of the logjam to ballast the structure. ELJ's constructed by the Tribe are typically 40' to 50' long and 40' wide, and vary in height depending upon the expected flood elevation at a given location. The two ELJs constructed last summer each include three large, live cottonwood trees with rootwads installed near the summer low-flow elevation. Hopefully, these cottonwood will continue to live and grow, quickly developing root structure, and sprouting trunks that will promote the development of vegetated mid-channel islands.



Completed ELJ on the North Fork Stillaguamish River following a flood. A dead spruce tree was captured by the face of the logjam as it floated down the river.

For more information, please visit <u>NF Stillaguamish ELJ Project III</u>. Scott Rockwell – Stillaguamish Tribe <u>srockwell@stillaguamish.com</u>

It has been a pleasure to share our news and projects with you each quarter—thank you for your support and encouragement!

Amy Hatch-Winecka Chair, Washington Salmon Coalition Deschutes WRIA 13 Lead Entity Coordinator



### Salmon Recovery Funding Board Briefing Memo

#### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date:	June 14-15, 2017
Title:	Overview of Lean Efforts to Streamline the Project Selection Process
Prepared By:	Wendy Brown, Policy Director, Recreation and Conservation Office

#### Summary

This memo provides background information on Lean Management and how it would apply to the salmon recovery Lean study, which is likely to be included in the final 2017-19 budget. A very general timeline is also provided.

#### **Board Action Requested**

This item will be a:

F	Request fo	or Deci	sion
F	Request fo	or Dire	ction
E	Briefina		

#### Background

In both the Senate and House 2017-19 budget proposals, the Legislature instructs the Recreation and Conservation Office (RCO) to execute a Lean study to bring efficiencies to the Salmon Recovery Funding Board project development and prioritization process. With proviso language included in both budgets, but short of final budget, RCO staff started to sketch out the steps and timing needed to conduct this study.

#### What is Lean?

Lean management is an approach to running an organization that supports the ideal of continuous improvement, a long-term approach that systematically seeks to achieve small, incremental changes in processes in order to improve efficiency and quality. It's a philosophy that has its roots in manufacturing, but is applicable to any organization – private, governmental, large or small. Lean management seeks to eliminate any waste of time, effort or money by identifying each step in a business or management process and then revising or cutting out steps that do not create value.

Guiding principles for lean management include:

- 1. Defining value from the standpoint of the end customer.
- 2. Identifying each step in a business process and eliminating those steps that do not create value.
- 3. Making the value-creating steps occur in tight sequence.
- 4. Repeating the first three steps on a continuous basis until all waste has been eliminated.

The concept was first derived from the Toyota Production System and developed over a forty-year period. It began with efforts to reduce die change time on the stamping press and ultimately led to a significantly

reduced need for standing inventory, warehouse space, forklifts, and unnecessary space. At the same time, the flow of work become interruption-free, waste was eliminated, and the work process was improved. In order to improve the work of the die press and reduce waste the managers at Toyota did not instruct the workers, but rather asked the workers to think. They were challenged to innovate and find ways to speed the process by eliminating unnecessary activities. It was the front line workers, who were on-the-spot, and who were truly the world's greatest experts in their work, who experimented, watched the data, and learned from the facts.

This model of improving the work process by those who do the work is the essence of lean management. It is management that observes, encourages, challenges, and learns. It is management that gathers the facts, encourages experimentation, and spreads best practices.

Here are some ways of describing lean philosophy or culture (from, *Management Meditations*, Larry Miller, <u>www.lmmiller.com</u>):

- Lean is a culture of continuous improvement practiced at every level of the organization and by every team.
- Lean is the application of the scientific method of experimentation and study of work processes and systems to find improvements.
- Lean is respect for people. It is respect for the voice of the customer, and it is respect for those who do the work.
- Lean is the elimination of waste in all its forms. Lean is the ability to distinguish between work that actually adds value to your customers and work that does not. By eliminating waste, you free resources to devote to value-adding activity that serves your customers.
- Lean is a culture of teamwork, shared responsibility and ownership that cuts through organization walls or silos.
- Lean is flow. Lean is an interruption free process that flows from beginning to end without interruption.

#### What Does Lean Mean for Salmon Recovery?

As applied to salmon recovery, the lean government framework includes five main elements (Figure 1):

- Purpose: What problem(s) are we trying to solve and what is each of our role in finding a solution?
- Capability: What skills do each of us bring to our job in salmon recovery? Are there essential skills that are missing?
- Process: What is the work that needs to be done to accomplish our goals in salmon recovery and how can we make process improvements?
- Management System: How can our managers and leaders do a better job of tracking progress and quickly making process adjustments?
- Mindset: What are the values and assumptions that we bring to work every day that may be interfering with or contributing to the success of our efforts?



# Lean Government Framework

### Purpose

Let's get clear about the problem we are trying to solve for customers and the role each team member has in solving it. Capability

Let's get clear about the capabilities staff, lead entities and regions need to do the work in our processes.

Let's get clear about the

leadership behaviors and systems required to help

everyone see when we are on track or off and

Management System

quickly make adjustments.

Let's get clear about the work that needs to be done to accomplish our purpose, make process performance visible, solve problems and improve the work.

### Process

### Mindset

Salmon

Recovery

In WA

Let's get clear about the values and assumptions that support this way of working and being.

#### General Timeline

If the budget proviso is included in the final budget for 2017-19, RCO staff will meet with the Department of Enterprise Services in July 2017 to retain the services of a Lean expert to help scope and guide this process. What the process actually entails will be influenced by our consultant's recommendations on how best to proceed. Lead entities, regional organizations, sponsors, and staff will all be included in the process. The expectation is to have a set of recommendations by April or May 2018 and begin implementation at that time, as appropriate.

## COLUMBIA BASIN WATER TRANSACTIONS PROGRAM WATER VALUATION POLICY

#### I. PURPOSE

The purpose of this memo is to outline the Columbia Basin Water Transaction Program (CBWTP) policy for valuation of transactions funded by the Program.

#### II. STRATEGIC OBJECTIVE

To ensure a prudent and fiscally responsible allocation of funds, CBWTP shall evaluate price and terms of all transactions funded, in part or in full, by the program. The objective of the valuation review is to ensure that water right holders are fairly compensated and that transaction terms are reflective of market values or other verifiable economic basis that represent fair and reasonable compensation.

#### III. VALUATION POLICY AND PARAMETERS

#### A. Engagement and Request of Valuation

- i. A valuation analysis is required for all transactions partially or wholly funded through the program.
- ii. One of three levels of analysis is required, depending on the funding request and specific circumstances of the proposed transaction:
  - 1. Full Valuation Report
  - 2. Basin Specific Valuation Report
  - 3. QLE Price Documentation
- iii. The following applies to all transactions requesting funding from the CBWTP for FY2012 and beyond.

#### **B.** Full Valuation Report:

- i. <u>Value Requirement:</u> Unless otherwise determined, CBWTP will require a Full Valuation Report for all transactions with a requested total funding amount of **\$500,000 or greater**. CBWTP may require a Full Valuation Report for transactions less than \$500,000 at its discretion.
- ii. <u>Definition</u>: A Full Valuation Report will provide an independent assessment of fair market value of the subject water right(s). The analysis will utilize a minimum of two valuation approaches and will assess current regional water supply and demand conditions

and alternative market opportunities for the subject water rights through a highest and best use analysis. The valuation report will evaluate the depth, or lack thereof, of a market for the subject water right, develop a profile of the most likely buyers, and an analysis of pricing issues under the identified market conditions. If appropriate, price adjustment premiums and discounts shall be analyzed and supported which address issues such as seniority, marketability, location, and other relevant factors. Market participant interviews, published data, and other research documents shall be used to assess market conditions, prospective buyer profiles, and regional water supply and demand conditions. All sources will be documented and referenced appropriately in a comprehensive valuation report.

- iii. <u>Report Engagement:</u> The QLE will be responsible for engaging a qualified valuation firm to conduct a full valuation report. The qualified valuation firm will identify and select the appropriate valuation approach based on the terms of the proposed transaction, market conditions and characteristics of the subject water right. Costs incurred may be reimbursable through the CBWTP on a case-by-case basis.
- iv. <u>Timing</u>: For transaction requests of \$500,000 or more, the Full Valuation Report is required as part of a complete transaction funding application, and must be submitted prior to TAC review. In the event that CBWTP requests a Full Valuation Report for transaction funding requests of less at \$500,000, the Report must be submitted prior to CBWTP submission of the transaction to the Council and BPA for funding.

#### C. Basin Specific Valuation Report:

- i. <u>Value Requirement:</u> Unless otherwise determined, CBWTP will require a Basin Specific Valuation Report for all transactions with a requested funding amount of greater than **\$100,000** but less than **\$500,000**.
- ii. <u>Definition</u>: A Basin Specific Valuation Report will provide an independent assessment of value of water rights in the particular basin. The analysis will support a value range rather than a single value. In addition, the report will be provided in summary format and provide limited detail and documentation on data and analysis.
- iii. <u>Timing</u>: For transaction requests greater than \$100,000 but less than \$500,000, the Basin Specific Valuation Report is required as

part of a complete transaction funding application, and must be submitted prior to TAC review.

iv. <u>Report Engagement:</u> CBWTP will be responsible for ordering and engaging WestWater Research or other qualified valuation firm to conduct the Basin Specific Valuation Report. In basins where such a report is not yet available, the QLE must provide a QLE Price Documentation Report as described below.

### **D.** QLE Price Documentation Report:

- i. <u>Value Requirement:</u> All transactions requesting funding but not otherwise required to provide a Full or Basin Specific Valuation Report will provide a QLE Price Documentation Report.
- ii. <u>Definition</u>: A QLE Price Documentation Report is an internal evaluation developed by the QLE requesting transaction funding from CBWTP. The Price Evaluation Report will include a summary analysis that supports and justifies the transaction price. The valuation analysis will be presented in summary form and provide summary data and a description of the analytical framework used by the QLE to derive the transaction price.
- iii. <u>Report Engagement:</u> A QLE Price Evaluation Report shall be conducted by the QLE requesting transaction funding from CBWTP.

#### **E. Valuation Policy**

- **i.** Upon satisfactory review of the valuation analysis, the CBWTP will undertake the following actions:
  - 1. For transactions subject to the Full Valuation Report, CBWTP will recommend to BPA the full funding request (less cost-share, if any) if the valuation analysis demonstrates that the negotiated transaction prices is within 15% the estimated fair market value for transactions under \$500,000 or within 10% for transactions over \$500,000; or
  - 2. For transactions subject to the Basin Specific Valuation Report, CBWTP will recommend to BPA the full funding request (less cost-share, if any) if the valuation analysis demonstrates that the negotiated transaction price is within the range presented by the Basin Specific Valuation Report.

- 3. The CBWTP is unable to recommend to BPA the full funding request of transactions where the negotiated transaction price significantly exceeds the supporting valuation analysis.
- ii. In the event of a valuation dispute, the QLE, at its own expense, may obtain a second independent valuation from a third party. The third party may not be furnished with the original valuation report prior to completing their analysis.
  - 1. If the second valuation does not differ by more than 10% from the initial valuation then the average of the two reports shall be considered the market value of the subject water right.
  - 2. If the second valuation differs by more than 10% from the initial valuation, CBWTP will have final determination of the fair market value for the valuation dispute and the amount it recommends to BPA for transaction funding. CBWTP may seek additional written comment from each valuation team to provide clarification on significant points of departure between the two valuations before making a funding recommendation to BPA.







#### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date:	June 14-15, 2017
Title:	Water Rights Acquisition Interim Policy
Prepared By:	Kat Moore, Senior Outdoor Grants Manager, Recreation and Conservation Office Salmon Section

#### Summary

Due to inconsistencies between acquisitions procedures of three funders for Project #16-1606, Swauk Creek Permanent Flow Restoration, Recreation and Conservation Office staff worked with water rights acquisition sponsors, attorneys, and other funders to understand key differences between water rights acquisition and land acquisition projects. Staff proposes that the Salmon Recovery Funding Board (board) approve an interim policy (Attachment A) based on a modified version of the National Fish and Wildlife Foundation's valuation process in order to accomplish the Swauk Creek project. Staff also requests board direction on whether to develop water rights acquisition procedures for review and approval at a future meeting.

#### **Board Action Requested**

 $|\times|$ 

 $\boxtimes$ 

This item will be a:

Request for Decision Request for Direction Briefing

#### Summary

In 2016, the Salmon Recovery Funding Board (board) funded the Swauk Creek Permanent Flow Restoration Project (RCO #<u>16-1606</u>). The project was the first stand-alone water rights acquisition funded by the board and will be the only project of this type completed with board funding to date.

While developing the project agreement and project milestones, Recreation and Conservation Office (RCO) staff discovered that the sponsor, Washington Water Trust (WWT), was following the acquisition procedures approved by the project's other funders, the National Fish and Wildlife Foundation (NFWF) and the Washington Department of Ecology (Ecology); both of which have been funding water rights acquisitions for over fifteen years. However, RCO's acquisition procedures are not consistent with the procedures followed by the other water rights funders and RCO does not currently have acquisition procedures specific to water rights.

RCO staff worked with water rights acquisition sponsors, attorneys, and other funders to understand key differences between water rights acquisition and land acquisition projects. Staff proposes that the board approve a modified version of NFWF's valuation process as interim policy, called the Salmon Recovery Funding Board Interim Water Rights Valuation Policy (Attachment A) in order to accomplish the Swauk Creek project.

At the June 2017 meeting, staff will request board direction on whether to develop water rights acquisition procedures for review and approval at a future meeting. Acceptance of the interim policy will allow for more consistency and compatibility with other funders, and development of the procedures will clarify project deliverables for water rights acquisitions.

#### Background

#### Water Rights Acquisitions as Eligible Project Type

The Salmon Recovery Funding Board (board) currently allows the purchase of water rights as an eligible project type as long as the project addresses habitat conditions or watershed processes that are important to salmon recovery.

<u>Manual 18, Salmon Recovery Grants</u>, and <u>Manual 3, Acquisition Projects</u>, provide the eligibility requirements and procedures for acquiring real property with funding from the board. Manual 3 includes water rights as an eligible acquisition type, and Manual 18 further requires that all acquisitions, including water rights, be perpetual.<sup>1</sup>

Although the board allows acquisition of water rights as an eligible project type, it has never funded a stand-alone water rights acquisition until 2016, when the Swauk Creek project was approved. The board has funded acquisition projects which included both the land and associated water rights. In those projects, the water rights were appraised with the land and included in the property value. The board has also funded restoration projects that resulted in water savings, but has not had a stand-alone instream water right acquisition project.

In order for acquired water to be protected as instream flow, water rights purchased by an eligible sponsor must be held in trust by Ecology.

#### **Acquisition Procedures**

Manual 3, *Acquisition Projects*, provides sponsors and RCO grant managers the framework and required process and documentation for real property acquisitions. Except for highlighting additional requirements for conservation easement purchases, Manual 3 does not have separate acquisition procedures for the type of acquisition proposed (e.g., timber rights, water rights, carbon, etc.). Through the RCO website, a helpful "Acquisition Toolkit" is available for sponsors and RCO grant managers as a step-by-step guide for acquisitions.

#### How Water Rights Acquisitions Differ from Land Acquisition

The waters of Washington State collectively belong to the public and cannot be "owned" by any one individual or group. Instead, individuals or groups may be granted rights to use water (called usufructuary rights). Ecology issues water right certifications to water rights users for a certain location, use or purpose, and amount. When a holder wants to change the use of their water right (even when changing to instream), Ecology reviews the application for change and issues a "Report of Examination." The Report of Examination is a summary of the water right change application and Ecology's investigation (validation) of the water right. The final Report of Examination contains Ecology's approval or denial of the change request. This process can take up to, or sometimes over, a year and only involves the transfer of the right, not the value of the right.

<sup>&</sup>lt;sup>1</sup> Manual 18, page 13

There is a parallel process which may speed up the water right transfer involving a Water Conservancy Board (WCB), which allows for the processing of water right transfer applications at the local level. The WCBs were established by state law as an alternative to the conventional application process, to provide timelier water right change decisions. All WCB decisions are ultimately reviewed and affirmed, reversed, or modified by Ecology. Because Ecology has a statutory requirement to review WCB decisions within a set number of days, the change in use process may be quicker through this route.

Since 1991, Ecology was given statutory authority to hold water rights in trust under the Trust Water Rights Program. This program allows instream water rights to be protected from relinquishment. Since 2001, Ecology has used this authority to acquire water rights to increase instream flow through its voluntary acquisition program in sixteen watersheds with vulnerable salmon and trout populations (eight each on the east and west sides of the state). Ecology funds two primary partners, Trout Unlimited and the Washington Water Trust, to work with farmers, ranchers, and other water-right holders to participate in salmon recovery by selling, leasing, or donating their water where critically low stream flows limit fish survival.

Another key difference between water rights acquisitions and land acquisitions is in the valuation process. For land acquisition, the valuation process is conducted through a standardized appraisal process. For multiple reasons, the appraisal standards may present challenges for valuing water right(s) transactions.

Water rights acquisition and land acquisition differ in other ways. For example, water rights are not deemed valid until they are assessed through the water rights change process. Ecology and their partners negotiate in good faith, but the purchase or lease is contingent upon Ecology's Report of Examination following a legal change of the water right to instream flow. Once that is complete, a deed of trust water is recorded with the county assessor. The due diligence tasks for a water rights transaction are different than for land transactions. RCO staff is working with water rights acquisition experts, and other funders to develop water rights acquisition procedures in order to ensure consistency and compatibility with more experienced water rights funders; clarify grant expectations and deliverables.

#### **Current Water Rights Acquisition for Funded Project #16-1606, Swauk Creek Permanent Flow Restoration**

In December 2016, the Washington Water Trust (WWT) received board funding to buy a senior water right on First Creek, a tributary to Swauk Creek in the upper Yakima River basin. This will substantially increase the amount of water left in both Swauk and First Creek for steelhead. In the summer, flows become so low in First Creek that there's a risk of it drying up. This project will benefit a highly productive fish-bearing reach, which begins near Liberty and extends downstream to where Swauk Creek joins the Yakima River near Cle Elum. It will add 1.71 cubic feet per second and 448.5 acre feet per year of permanent water flows to First and Swauk Creeks. Because water acquired will be entered into the Washington Trust Water Rights Program, it will be legally held in trust by Ecology and protected under Washington State law.

The project is a top-tier salmon recovery priority in the upper Yakima River watershed, offering benefits to listed steelhead and bull trout, reintroduced coho and Chinook salmon, and resident trout. Swauk Creek is used by middle Columbia River steelhead, which are listed as threatened with extinction under the federal Endangered Species Act. The board approved \$247,850 in salmon funding, with the WWT providing \$71,463 in match. Multiple funding sources are supporting this project; the project agreement (including reported match) only represents a pro-rated 62.5% portion of the larger project. Other funders include Ecology, through the Washington Water Acquisition Program, and the National Fish and Wildlife Foundation (NFWF), through the Columbia Basin Water Transaction Program (CBWTP).

WWT followed the acquisition process approved by their other funders. In particular, WWT did not commission an appraisal or appraisal review (as defined in the *Uniform Standards of Professional Appraisal Practice*) to value the water right on First Creek. Instead, WWT provided a "Basin Specific Valuation Report" for the Yakima Basin, and because the report for the Yakima Basin had limited data points for the Swauk watershed, WWT did a more intensive internal valuation based on prices paid in the nearby Teanaway to provide additional support for the pricing. The steps that WWT followed to value the water right complied with NFWF's "*Columbia Basin Water Transaction Program: Water Valuation Policy*" (Attachment B). Both Ecology and NFWF have approved the valuation range which WWT proposed for the acquisition.

#### Valuing Water Rights

#### **Manual 3 Appraisal Requirements**

Manual 3, *Acquisition Projects*, provides the policies and procedures sponsors must follow for real property acquisitions. Manual 3 includes uniform requirements for all acquisition types, and does not distinguish separate policies or valuation for water rights acquisitions.

RCO determines just compensation to landowners based on appraisals and reviews of those appraisals. The project sponsor first contracts for an appraisal of the property to determine the market value of the property. Then the project sponsor contracts for an independent review of the appraisal to confirm the market value identified in the appraisal.

Appraisers must follow one of two appraisal standards: the *Uniform Appraisal Standards for Federal Land Acquisitions* (often referred to as "Yellowbook") or *Uniform Standards of Professional Appraisal Practice* (often referred to as "USPAP").

When the estimated value of the property does not exceed \$10,000, and the acquisition is not complex, project sponsors may be exempt from having to meet appraisal and appraisal review standards. Such exemptions must be requested in writing before closing on the property. In lieu of the appraisal standards, a project sponsor may submit a written "Finding of Value" that includes:

- The preparer's name, experience, and qualifications. The preparer must have sufficient understanding of the real estate market and shall not have any interest, direct or indirect, in the real property to be valued for compensation. Project sponsor staff may not prepare the "Finding of Value."
- A description of the methods and factors used to reach the value for compensation. This description must have enough detail to allow RCO to understand how the preparer used market information to decide a market value.

#### National Fish and Wildlife Foundation (NFWF) Valuation Requirements

The Columbia Basin Water Transactions Program (CBWTP) was developed in 2002 to address chronically diminished stream flows in tributaries of the Columbia River. Funding for this program is provided by Bonneville Power Administration in cooperation with the Northwest Power and Conservation Council, and is administered by the National Fish and Wildlife Foundation (NFWF). Funds from Ecology's Washington Water Acquisition Program often provide match to CBWTP projects. Additionally, both Ecology and NFWF provide capacity funds to two non-profit sponsors in Washington, Trout Unlimited, and Washington Water Trust. These operating funds help the sponsors develop projects, complete due diligence tasks, and assist Ecology in changing the water rights in preparation for closing purchase and sale agreements.

NFWF developed a Water Valuation Policy which determines how water rights are valued for transactions funded by the CBWTP; Ecology also follows NFWF's valuation policy. The policy has three levels of analysis required, depending on the estimated value of the water rights, summarized below:

- **1. Full Valuation Report**: For all transactions of \$500,000 or greater. Provides an independent assessment of fair market value of the subject water right(s). This is a comprehensive report which provides a value range for a specific water right. This is the most similar to the RCO appraisal requirement.
- 2. Basin Specific Valuation Report: For all transactions between \$100,000 and \$500,000. Provides an independent assessment of the value of water rights in a particular basin. The analysis will support a value range rather than a single value. The report is in summary format and provides limited detail and documentation on data and analysis.
- **3. Price Documentation**: For transactions under \$100,000. Provides an internal evaluation developed by the sponsor requesting funding. Includes a summary analysis that supports and justifies the transaction price. Provides summary data and a description of the analytical framework used by the sponsor to derive the transaction price.

If Ecology is also involved in the project as a funder, they will review the valuation analysis of the water right transaction.

#### **Analysis of Valuation Methods**

In discussions with NFWF, Ecology, and the Oregon Watershed Enhancement Board, RCO staff identified several reasons why appraisals are not the primary method of valuation for water rights.

- **Comparable sales.** An appraisal is like any other statistical sampling process whereby a better estimate of value is achieved by obtaining more data points. The problem with water rights transactions is that in many watersheds there are few sales, and even within the sales there may be few comparable sales, due to the type of water right. One funder, Ecology, has their own database of water rights purchases that they maintain based on over fifteen years of water rights purchasing which informs Ecology's review of valuation reports.
- **Type of right valued.** Water rights have multiple variables: priority date, the amount of water, the kind of water (e.g., ground water versus surface water), the authorized purpose of the use, the location of the diversion or withdrawal, and the kind of ownership (e.g., single owner versus shared ditch). Finding comparable sales which allow the appraiser to compare "apples to apples" may be impossible.
- Valuation Professionals. In speaking with both water rights funders and sponsors, they all agree that professionals who have experience valuing water are extremely limited. Water right appraisals are uncommon, and most appraisers are unfamiliar with water rights, water law, and hydrology and may be challenged to perform an accurate valuation especially for a stand-alone water right acquisition. All experts interviewed by staff mentioned WestWater as their primary consultant. In 2016, NFWF issued a Request for Quotes and Qualifications (RFQQ) for Independent Contractors to Support the CBWTP. As a result, NFWF has a small pool of qualified consultants who can provide water rights valuation services, along with legal services, and transactional support. NFWF has shared this list with RCO and their project partners.
- **Appraisal standards.** There are no specific standards from USPAP or Yellowbook for appraising water rights as stand-alone property interests. Instead, water rights are generally appraised as partial interests in real estate. As with other partial interest valuations (conservation easements, timber, and minerals) the most common methodology employed is a "*before and after*" analysis. Typically the value of a parcel of land with water is compared to the value of the parcel without

water, and the difference in value is the estimated value of the water right. Appraisers have also adapted other appraisal standards, such as the "*income capitalization*" method (effect of the water on net income is considered to be the contribution of the water right), or the "*development cost*" method (relative cost of obtaining replacement water from alternative sources is compared). All of these appraisal methods are adaptions which appraisers use to fit water rights into the Yellowbook and USPAP standards.

• **Timing.** One key difference between RCO and NFWF/Ecology is the timing of the funding. The Washington Water Trust and Trout Unlimited receive operational funding for landowner outreach, project development and due diligence, and contracting tasks from Ecology and NFWF, and work very closely with their funders as they develop their projects. Because Ecology will be involved as the ultimate holder of the water rights, and they will need to process the change application and issue the Report of Examination, they are very involved in project development. By the time the sponsors apply for board grant funding for the actual acquisition, they have been working with the water right holder, Ecology and possibly NFWF, to develop the project, estimate the value, and may even have an agreed upon purchase price. This project development may have taken years. Because the board expects sponsors to complete projects within three years, it may not be feasible for the board to be involved in the early stages of the project.

#### **Key differences**

Although staff supports adopting a modified version of NFWF's Water Valuation Policy, it is important to identify the differences between RCO's current requirements and NFWF's policy:

- **Full valuation report requirement**. RCO requires a standard appraisal for land acquisitions over \$10,000. NFWF requires a full valuation report water rights acquisitions over \$500,000.
- **Value range versus point value**. RCO requires that all levels of valuation produce a point value. NFWF allows all of the analysis reports to produce a value range.
- **Report author**. RCO does not allow the sponsor to prepare the "Finding of Value" (report for properties less than \$10,000). NFWF allows the sponsor to prepare the "Price Documentation Report" for water rights acquisitions under \$100,000.
- **Review appraisal**. RCO requires the sponsor to contract for an independent review of the appraisal to confirm the market value identified in the appraisal. NFWF, Ecology, and OWEB do not have this requirement.

#### SRFB Interim Water Rights Valuation Policy

Despite the differences in valuation between RCO and the National Fish and Wildlife Foundation (NFWF), staff recommends adopting NFWF's valuation framework. NFWF (therefore, the Bonneville Power Administration), Ecology, and OWEB have all accepted the same valuation policy. With over fifteen years in water rights acquisitions, the other funders have much more experience in water right transactions than RCO.

Consistency with the funders who will likely be the matching funding source is important for sponsors in their project planning and negotiations. Additionally, because of the reasons described above, an appraisal may not be the most appropriate level of analysis for water rights. The expense of a water rights appraisal could cost anywhere from \$10,000 to \$20,000, and may not provide any additional benefit to determine the market value of the water right.

RCO staff tailored NFWF's valuation policy to reflect the board's process, but kept the framework consistent. An option was added for RCO to request that Ecology review the valuation reports as needed.

Program staff from Ecology's Water Acquisition Program have expressed a willingness and interest in providing RCO that review.

#### Staff Recommendation

#### **Interim Water Rights Valuation Policy**

Staff recommends approval of the Interim Water Rights Valuation Policy in Attachment A.

#### Next Steps

#### **Application and Review**

Staff began developing a set of supplemental questions focused on water rights acquisition projects using the application proposals from the Oregon Watershed Enhancement Board and the National Fish and Wildlife Foundation as guidance. Staff anticipates including these supplemental questions in Manual 18 for the 2018 grant round and may propose an addition to the review panel evaluation criteria specifically for water rights acquisition projects.

#### Water Rights Acquisition Process Framework

Staff would like to develop a set of standard procedures for water rights acquisition projects. To support this effort, staff collected checklists and grant requirements from sponsors and funders in order to develop milestones for the project agreement and to ensure sponsors and grant managers are clear on grant deliverables. The standard procedures would be an update to Manual 18 and potentially be included in Manual 3 should the Recreation and Conservation Funding Board also approve them.

Staff will request board direction on developing a draft process framework at the June meeting.

#### Attachments

- A. Salmon Recovery Funding Board Interim Water Rights Valuation Policy
- B. Columbia Basin Water Transactions Program Water Valuation Policy

#### 1. Purpose

The purpose of this interim policy is to outline the level of analysis required for valuation of water rights transactions funded by the Salmon Recovery Funding Board. This policy is adapted from the Water Valuation Policy provided by the National Fish and Wildlife Foundation, which administers the Columbia Basin Water Transaction Program, a primary funder of water rights transactions in Washington State in partnership with the Washington Department of Ecology.

#### 2. Objective

To ensure a prudent and fiscally responsible use of funds, Recreation and Conservation Office staff shall evaluate price and terms of all transactions funded, in part or in full, by the Salmon Recovery Funding Board. The objective of the valuation review is to ensure that water right holders are fairly compensated and that transaction terms are reflective of market values or other verifiable economic basis that represent fair and reasonable compensation.

#### 3. Levels of Valuation

One of three levels of analysis is required, depending on the estimated acquisition costs and specific circumstances of the proposed water rights acquisition.

#### 3.1. Full Valuation Report

- 3.1.1. <u>Value Requirements</u>: Unless otherwise determined, the Salmon Recovery Funding Board will require a Full Valuation Report for all transactions with an estimated acquisition cost of **\$500,000 or greater**. The Salmon Recovery Funding Board may require a Full Valuation Report for transactions less than \$500,000 at the discretion of the Recreation and Conservation Office Director.
- 3.1.2. *Definition:* A Full Valuation Report will provide an independent assessment of fair market value of the subject water right(s). The analysis will support a value range rather than a single value. The analysis will utilize a minimum of two valuation approaches and will assess current regional water supply and demand conditions and alternative market opportunities for the subject water rights through a highest and best use analysis. The Full Valuation Report will evaluate the depth, or lack thereof, of a market for the subject water right, develop a profile of the most likely buyers, and an analysis of pricing issues under the identified market conditions. If appropriate, price adjustment premiums and discounts shall by analyzed and supported which address issues such as seniority, marketability, location, and other relevant factors. Market participant interviews, published data, and other research documents shall be used to assess market conditions. All sources will be documented and referenced appropriately in a comprehensive Full Valuation Report.
- 3.1.3. <u>Report Engagement</u>: The sponsor will be responsible for engaging a qualified valuation firm to conduct a Full Valuation Report. The qualified valuation firm will identify and select the appropriate valuation approach based on the terms of the proposed transaction, market

conditions, and characteristics of the subject water right. Costs for the Full Valuation Report are eligible for reimbursement through the Salmon Recovery Funding Board grant award.

3.1.4. *<u>Timing</u>*: The Full Valuation Report is required prior to the reimbursement or escrow request for the transaction. The Full Valuation Report must be accepted by the Salmon Recovery Funding Board grant manager, and may be reviewed by the Washington Department of Ecology.

#### 3.2. Basin Specific Valuation Report

- 3.2.1. <u>Value Requirement</u>: Unless otherwise determined, Salmon Recovery Funding Board will require a Basin Specific Valuation Report for all transactions with a requested funding amount **of greater than \$100,000 but less than \$500,000**.
- 3.2.2. <u>Definition</u>: A Basin Specific Valuation Report will provide an independent assessment of value of water rights in the particular basin. The analysis will support a value range rather than a single value. In addition, the Basin Specific Valuation Report will be provided in summary format and provide limited detail and documentation on data and analysis.
- 3.2.3. *Report Engagement:* The sponsor will be responsible for providing the Salmon Recovery Funding Board with the Basin Specific Valuation Report. The Salmon Recovery Funding Board will accept a Basin Specific Valuation Report commissioned by another funding source. The sponsor / applicant, or other funding source, must engage a qualified valuation firm to complete the Basin Specific Valuation Report. If the project is located in basin where a Basin Specific Valuation Report is not yet available, and the Salmon Recovery Funding Board is the only funding source for the project, the sponsor must commission the Basin Specific Valuation Report from a qualified valuation firm. If the project is also receiving funding from the Washington Department of Ecology or the National Fish and Wildlife Foundation, and the other funder has determined that a Basin Specific Valuation Report is not required, but instead the Price Documentation Report (described below) will suffice, the Salmon Recovery Funding Board may defer to the other funder's requirement. Costs for the Basin Specific Valuation Report are eligible for reimbursement through the Salmon Recovery Funding Board grant award.
- 3.2.4. <u>*Timing:*</u> The Basin Specific Valuation Report is required prior to reimbursement or escrow request for the transaction. The Basin Specific Valuation Report must be accepted by the Salmon Recovery Funding Board grant manager, and may be reviewed by the Washington Department of Ecology.

#### 3.3. Price Documentation Report

- 3.3.1. <u>Value Requirement</u>: Unless otherwise determined, Salmon Recovery Funding Board will require a Price Documentation Report for all transactions with a requested funding amount **of less than \$100,000.**
- 3.3.2. <u>Definition</u>: The Price Documentation Report will include a summary analysis that supports and justifies the transaction price. The valuation analysis will be presented in summary form and provide summary data and a description of the analytical framework used by the sponsor to derive the transaction price.

- 3.3.3. <u>Report Engagement:</u> The Price Documentation Report may be completed by the sponsor receiving funding from the Salmon Recovery Funding Board or by a qualified valuation firm. Costs for the report are eligible for reimbursement through the Salmon Recovery Funding Board grant award.
- 3.3.4. <u>*Timing:*</u> The Price Documentation Report is required prior to reimbursement or escrow request for the transaction. The Price Documentation Report must be accepted by the Salmon Recovery Funding Board grant manager, and may be reviewed by the Washington Department of Ecology.

#### 4. Approval of Negotiated Transaction Price

- 4.1. For all levels of analysis, the Salmon Recovery Funding Board will approve payment for the water right(s) transaction if the negotiated transaction price is within the value range presented in the appropriate analysis report.
- 4.2. If the sponsor negotiates a transaction price which exceeds the value range presented in the report, the sponsor may agree to pay a higher price but is responsible for the costs above the value range. The sponsor may only seek reimbursement from the Recreation and Conservation Office based on the accepted value range. Required match must also be within the accepted value range; payments above the accepted value range may not be used as match.
- 4.3. The Recreation and Conservation Office will reimburse the sponsor for eligible expenses and for the water right(s) purchase based on the Recreation and Conservation Office grant funding agreement percentage.



# MONITORING PROGRAM ANNUAL REVIEW

# 2017 Recommendations

Salmon Recovery Funding Board Monitoring Panel

May 2017

Cover Photo - Juvenile Coho Salmon, Jennifer Weinberg McClosky, National Park Service

# **2017 MONITORING PANEL**

Pete Bisson, Chair	Bisson Aquatic Consulting, LLC
Marnie Tyler, Co-Chair	Ecolution, LLC
Ken Currens	Northwest Indian Fisheries Commission
Dennis Dauble	Environmental Assessment Services
Leska Fore	Puget Sound Partnership
Jody Lando	Stillwater Sciences
Micah Wait	Wild Fish Conservancy

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# **EXECUTIVE SUMMARY**

At the request of the Salmon Recovery Funding Board (SRFB), the SRFB 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. The fourth component of the SRFB monitoring program, implementation monitoring, is conducted by Recreation and Conservation Office (RCO) grant managers and was not evaluated by the monitoring panel. This report also includes a brief summary of the monitoring panel's progress on developing a conceptual framework for implementing adaptive management within the SRFB restoration program.

Over the course of 2016 and early 2017, the monitoring panel met with principal investigators of each monitoring component to provide guidance on how their projects would be evaluated. In 2016, project leaders' annual reports were due at the end of the calendar year instead of April of the following year. This earlier reporting deadline made it possible for the monitoring panel to complete its review and provide recommendations before the SRFB meets in June to decide funding for 2018 and to ensure contracts can placed by the new fiscal year. As a result of moving the reporting deadline, a shortened period of activity was evaluated by the panel (i.e., project leaders were summarizing accomplishments over the last 8 months rather than the last 12 months). The monitoring panel convened meetings and teleconferences with principal investigators to gain a deeper understanding of the SRFB monitoring program and to understand the technical underpinnings of each component.

Monitoring panel members individually evaluated each component and deliberated potential modifications to the projects. The panel members brought a diversity of background and experience, and we did not have unanimous opinions on the monitoring projects. Divergent opinions are noted within the program discussions; however, the panel collectively agreed to the recommendations included in this report.

The monitoring panel incorporated the same terminology for assigning status as that used by the SRFB Technical Review Panel, i.e., *clear, conditioned,* or *project of concern*. Clear projects are considered technically sound with no recommended changes in program implementation during the coming year. Conditioned projects are recommended as clear to proceed if the principal investigators agree with specific conditions included within the 2017 contract. Projects of concern have technical weaknesses or concerns specifically identified by the monitoring panel that cannot be rectified without extensively redesigning the project. No projects met the criteria for projects of concern.

In the monitoring panel's 2017 review, one project was identified as clear (Status and Trends Fish Monitoring) and five were conditioned (Asotin IMW, Hood Canal IMW, Lower Columbia IMW, Skagit IMW, and Strait of Juan de Fuca IMW). Because the Project Effectiveness project is in transition between the initial phase (Phase 1) of the effort (the monitoring plan designed and initiated in 2003) and a second phase (Phase 2) currently being developed, the monitoring panel deferred its comprehensive

evaluation until the Phase 1 data analysis and final report is completed. Therefore, we recommend the project be conditioned, contingent on completion of the analyses and final report by the new contractor (Cramer Fish Sciences) and development of a plan for Phase 2 implementation beginning in 2019. The monitoring panel is in agreement that additional discussion is needed to focus and refine the objectives of Phase 2 of Project Effectiveness Monitoring.

Four of the IMW projects conditioned last year were also conditioned in the 2017 review process; however, the panel felt that sufficient progress was made to warrant assigning a status of conditioned again in 2017, rather than a project of concern. Progress made in addressing previous panel concerns is noted in the body of the assessments for these projects.

We continue to worry that the protracted pace of restoration actions for some of the IMW projects will have negative impacts on the statistical design of the studies, resulting in very lengthy post-restoration monitoring requirements. To avoid this, restoration treatment projects should be entering a construction phase within the next four years for all IMWs unless there are extenuating circumstances for extending treatment periods, i.e., circumstances that demonstrably add to the scientific value of a study. Based on the historical implementation of the IMWs, it is our observation that this is not likely to occur without explicit directives from the Board, accompanied by funds dedicated for restoration treatments. At the inception of the western Washington IMWs, the onus for conducting restoration actions was placed on salmon recovery regions:

"Salmon Recovery Regions should support IMWs through selecting specific watershed restoration projects in IMW treatment watersheds to help establish measurable thresholds of change."<sup>1</sup>

This has not proven to be an effective model for implementing restoration treatments, due in part to challenges in coordination among regions, lead entities, and IMW principal investigators, and in part due to the structure of the competitive process for securing project funds. In the early years of SRFB IMWs, project scientists had limited involvement in identifying potential restoration project types, specific actions, and potential project locations. The emphasis for IMW scientist involvement was on measuring and interpreting results and on assisting the region in determining if restoration actions proposed by local sponsors would undermine the study. The types of projects needed to successfully meet the objectives of the IMW study design are not necessarily the projects that will receive the highest score in a lead entity ranking exercise, which has limited restoration treatment implementation in IMW watersheds. The potential impacts of the impediment to implementation were recognized by the Board early on; the possibility for funding these projects separately was summarized in the October 2005 SRFB meeting minutes. This was reiterated in a 2006 review of the IMW program completed by the State of Washington Independent Science Panel (p. 2):

*"Serious weaknesses include the apparent disconnect between how treatments (i.e., the restoration actions) are selected and funded in relation to experimental design and IMW* 

<sup>&</sup>lt;sup>1</sup> Governor's Forum on Monitoring Recommendations to the Salmon Recovery Regions (2005) p. 6.

monitoring needs, and uncertainty about the duration of the commitment to fund the long-term nature of the IMW program".

The concern was raised again in 2009 recommendations to the Board from the Governor's Forum on Monitoring:

"...the IMW monitoring design can only be successful in watersheds that complete the requisite restoration treatments. That is, the monitoring program will be successful only if the treatment plans associated with the monitoring design are implemented in the SRFB-funded IMW watersheds. The SRFB should evaluate and confirm that treatment efforts will be completed in concert with the IMW monitoring program. If not, the SRFB should consider either terminating the IMW monitoring contract or deciding how to fund the necessary restoration treatments. Intensive monitoring may not be cost-effective in watersheds that do not complete their restoration treatment plans in a timely way."

A subsequent evaluation commissioned by the Board resulted in the following recommendation for the IMW program (Stillwater 2013):

"...the Board would need to support funding of projects in those watersheds, independent of any local priorities. The Adaptive Management cycle (and common sense) argues that without a commitment to project funding within these watersheds, there is no sense in providing monitoring funds and effort. The "policy question," and one that cannot be answered by this review, is thus whether the Board's interest in scientific understanding and long-term accountability trumps the principle of Regional allocations."

The SRFB decision to dedicate up to \$2 million for three years to IMW restoration treatments took effect in 2014 with striking results. Several restoration treatment projects were implemented in each of the three years, across different IMW complexes. This infusion of funds meant that not only was there funding available specifically for the IMW projects, it also created a nexus for lead entities and regions to work together on IMW restoration treatments because there was now a chance that these projects might receive funding. The likelihood for IMW treatments being funded through their existing ranking process was generally low. This led to improved collaboration among regions, lead entities, and project scientists. The monitoring panel was established in 2015 and worked to further enhance this collaboration through: 1) recommended modifications to Manual 18 requiring more direct involvement of project scientists in certifying restoration projects in IMW watersheds; and 2) contract conditions stipulating a collaborative process for identifying and prioritizing IMW restoration treatment projects. The Board's decision to waive the match requirement for IMW restoration treatments provided an additional financial incentive that allowed these projects to score more favorably in the local ranking process.

Given the delays that have occurred to date in implementing restoration actions in IMW watersheds, and the importance of these results in evaluating the efficacy of the SRFB's restoration program, the panel encourages the Board to continue to dedicate funds for restoration treatments and consider

additional measures that would ensure completion of the restoration treatments in a timely manner. We recommend that the Board encourage regions with incomplete treatments (Lower Columbia, Hood Canal, and Skagit IMWs) to give high priority to IMW restoration actions within their regional restoration program.

In identifying time-bound conditions to these projects, it is the panel's expectation that schedule-related targets will be met or these projects may be identified as projects of concern in subsequent reviews.

### **Table 1. Summary of Monitoring Panel Recommendations**

#### **GENERAL RECOMMENDATIONS**

- 1. GSRO should continue the due date for the annual report for all principal investigators (PIs) as December 31 of each year, with the expectation that PIs will summarize data collected through September 30 of that year, unless an alternative data collection cutoff is mutually agreeable with GSRO. GSRO should continue to include a clear schedule of deliverables in the contract with each participating entity. For 2017, PIs should submit an annual report by December 31, focused on recent accomplishments and on progress made meeting conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date, and (d) uncertainties and future challenges to the project. All project leads should be asked to summarize key information in the same format within their report, as described in Appendix A to this report.
- 2. Complete Phase 1 of the current Project Effectiveness Monitoring in 2018, produce a final report, and develop a scope of work for an enhanced project effectiveness study Phase 2-to commence in 2019.
- 3. Fund the Asotin IMW and Strait of Juan de Fuca IMW in their post-treatment monitoring efforts. These two IMWs have completed their restoration treatments.
  - a. What constitutes a realistic post-restoration timetable will vary across studies; however, several IMW practitioners have suggested that treatment effects should be detectable within two consecutive salmon generations (6-8 years). Longer monitoring periods may be necessary for some habitat improvement actions, but the expectation is that improving trends should become apparent within a 6 to 8-year time window for many types of restoration.
- 4. Restoration treatment actions should be completed within the next three years for all IMWs unless there are extenuating circumstances for prolonging the treatment period. The monitoring panel believes it is counterproductive for restoration treatments in IMWs to continue with no clear concluding date because prolonged treatment periods confound study designs and post-treatment monitoring periods become even longer and possibly unrealistic. Continued funding for monitoring without completing treatments in a timely manner is an inefficient use of monitoring dollars. While monitoring data are informative, they will not yield answers to the questions IMWs were designed to answer unless treatments are implemented on a schedule that facilitates proper scientific evaluation.

- a. Continue to dedicate money for IMW restoration treatments in Lower Columbia, Skagit, and Hood Canal IMWs. We believe dedicated funding has shown immediate success in advancing the schedule of restoration treatments in western Washington IMWs.
- b. We recommend continued funding for those restoration actions that are (a) critical to the success of a particular IMW study, and (b) can be concluded within an agreed upon treatment time. For most IMWs where treatments have not been concluded, we suggest this window extends to 3 years.
- c. We generally oppose efforts to improve or fix restoration actions that have been altered by natural events such as high flows. Because the purpose of IMW treatments is to examine population-scale effects of habitat improvements typical of those currently being practiced, continued maintenance of restoration structures constitutes an activity that would not likely be carried out in most habitat improvement circumstances. Rather, we feel that post-restoration monitoring should evaluate the effectiveness of improvements as originally planned and built.
- 5. Require each IMW that has not yet completed restoration treatments to have a restoration treatment plan and implementation schedule dependent upon available funding. Given the uncertainty that project leads face in securing funds to implement restoration projects, they should indicate the number of years needed to complete construction of restoration actions rather than specify a specific completion date. Project scientists should work with partners to develop rough cost estimates for remaining treatments and should also develop a realistic timetable for concluding post-treatment monitoring. We recommend that projects lacking implementation schedules be conditioned to develop them (as noted in our specific comments for each project). We acknowledge that project leaders will rely on 1) dedicated funding from the SRFB, and 2) developing strong partnerships with successful restoration practitioners to scope specific projects and obtain cost estimates.

#### **PROJECT NAME**

#### STATUS

Asotin IMW Conditioned	INTENSIVELY MONITORED WATERSHEDS	
	Asotin IMW	Conditioned

**Monitoring Panel Recommendations:** The panel recommends that the following language be included in the project agreement:

- a. Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date (summarizing data collected through September 30, 2017), and (d) uncertainties and future challenges to the project. See Appendix A.
  - i. Include a section in the annual report that specifically addresses any conditions applied in the previous reporting period.

b. Continue post-treatment monitoring in 2017. Do not alter or repair existing post-assisted log structure treatments to ensure results of the study will reflect the efficacy of restoration actions without continued maintenance. New log additions may take place only if it can be shown that such additions will not affect the original study design.

#### **Hood Canal IMW**

#### Conditioned

**Monitoring Panel Recommendations:** The panel recommends that the following language be included in the project agreement:

- a. By September 30, 2017, submit a schedule for completing restoration treatment and post-treatment monitoring. Table 1 included in the 12/31/16 report provides an adequate list of anticipated restoration actions, but the number of years needed to construct each project should be included and whether or not projects could be completed concurrently (i.e., is there sufficient capacity in IMW project partners for these projects to be completed concurrently if funding were available). If any additional projects are anticipated for inclusion in the study, they should be added to this table. The post-treatment monitoring schedule may be expressed in terms of the number of years following the completion of restoration actions, rather than specifying a precise date.
  - i. Include a cost estimate for each restoration treatment project and each planned year of post-treatment monitoring.
- b. Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date (summarizing data collected through September 30, 2017), and (d) uncertainties and future challenges to the project. See Appendix A.
  - i. Include a section which specifically addresses any conditions applied in the previous reporting period.
- c. Project staff should focus restoration monitoring efforts on Big Beef and Little Anderson Creeks. Stavis Creek should remain an unrestored control watershed. Seabeck Creek should either be dropped from the study or should serve as a second control watershed, because the likelihood of implementing a sufficient number of habitat improvement projects that would result in significant population-scale benefits in Seabeck Creek is low.

Lower	Columbia	a IMW
LUWEI	COLULINA	

Conditioned

**Monitoring Panel Recommendations**: The monitoring panel recommends that the following language be included in the project agreement:

a. Project leaders should work with the Technical Oversight Group and LCFRB to identify and prioritize any remaining restoration projects and to identify rough costs for each project in Abernathy and Germany Creeks. This should be summarized and submitted to the GSRO by September 30, 2017. Restoration projects in Abernathy Creek should receive priority over new projects in Germany Creek to enable habitat improvements in Abernathy Creek to be completed as soon as possible so that post-restoration monitoring can commence.

- i. Include an updated version of Tables 1 and 2 of the December 28, 2016 report (Habitat Restoration Actions in Abernathy and Germany creeks). For restoration projects which are in "Proposed" status (or not yet proposed), the table should estimate the number of years expected in order to initiate construction. If construction will be phased, include a column for the number of years anticipated to complete construction.
- ii. Include a cost estimate for each restoration treatment project and each year of posttreatment monitoring.
- b. Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date (summarizing data collected through September 30, 2017), and (d) uncertainties and future challenges to the project. See Appendix A.
  - i. Include a section which specifically addresses any conditions applied in the previous reporting period.

#### **Skagit IMW**

Conditioned

**Monitoring Panel Recommendation**: The monitoring panel recommends that the following language be included in the project agreement:

a. Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date (summarizing data collected through September 30, 2017), and (d) uncertainties and future challenges to the project. See Appendix A. The 2017 annual report should also include updates of the information presented in Table 3, Table 4, and Table 5 of the April 2016 annual report.

Strait of Juan de Fuca IMW Conditioned

**Monitoring Panel Recommendations**: The monitoring panel recommends that the following language be included in the project agreement:

- a. A comprehensive progress report should be completed by December 31, 2017, which includes the key summary tables of Appendix A. This report should describe the restoration efforts, habitat changes, and fish population responses in the Strait IMW to date. The progress report should also include a discussion of the focused questions that have been discussed at the April 2017 workshop and an outline of any new work or analytical techniques that are being contemplated. Include a cost estimate for each planned year of post-treatment monitoring.
- b. As specifically recommended by the project leads, a table of restoration treatments by river, reach, and year should be compiled. This would include but is not limited to information related to the piece counts of wood by size classes, which could allow for future evaluation of localized or downstream changes in wood loading assuming that the TFW reaches include

both treated and untreated reaches. In addition, an effort to quantify the number and size of pieces of wood in log jams would reduce the potential for wood accumulations to mask LWD signals in the systems.

#### STATUS AND TRENDS FISH MONITORING Clear

**Monitoring Panel Recommendation**: Continue support of the Status and Trends Fish Monitoring conducted by Washington State Department of Fish and Wildlife.

PROJECT EFFECTIVENESS	Conditioned
	contactorica

**Monitoring Panel Recommendations**: The monitoring panel recommends that the following language be included in the project agreement:

The contractor should adhere to the reporting and sampling schedule modifications recommended by the monitoring panel. Specifically,

- a. Annual reporting shall be streamlined for the completion of this phase of the study. The annual report due in December 2017 shall focus on describing progress made in addressing monitoring panel concerns. Summary and analysis of data collected in 2016-2017 shall be incorporated by the new contractor in the 2018 final report.
- Discontinue sampling locations identified as having poor sampling pairings (those sampled in very different seasons) based on the completed review of each Phase I site's sampling history.
- c. Discontinue Phase I sites where a site was poorly paired with a comparison location (e.g., side channel vs, main stem).
- d. Determine if data from sites undergoing a change in sampling protocols over time (e.g., CHaMP vs. EMAP habitat protocols) is usable for the intended reporting purpose.
- e. Determine how and if to continue sampling streams that are not wadeable. Consider alternative methods of assessing habitat conditions in large, deep sites.

# INTRODUCTION

The Salmon Recovery Funding Board Monitoring Panel was created in 2014 to advise the SRFB on key elements of its monitoring program. This report addresses one of the core tasks assigned to the panel: To evaluate the performance of each component of the monitoring program and provide guidance and funding recommendations to the SRFB. The following sections describe the annual review process and summarize the recommendations arising from our evaluation of 2016 project results. The evaluation process is a central element of the SRFB's adaptive management framework.

The SRFB Monitoring Program consists of four components: 1) Implementation (compliance) Monitoring, 2) Project Effectiveness Monitoring, 3) Intensively Monitored Watersheds, and 4) Status and Trends Fish Monitoring (also referred to as Fish In/Fish Out). The Governor's Salmon Recovery Office (GSRO) commissioned a report in 2014 that summarizes the current SRFB Monitoring Program (Crawford 2014). The 2014 report describes the evolution of each component of the monitoring program and provides greater detail on the operation of each component. Implementation monitoring is conducted by Recreation and Conservation Office (RCO) grants managers and was not evaluated by the monitoring panel.

The focus of the monitoring panel's work and thus the recommendations within this report relate to Project Effectiveness Monitoring, Intensively Monitored Watersheds, and Status and Trends Fish Monitoring.

Project effectiveness monitoring has statewide geographic representation. Five IMWs were included in the review: four are in western Washington (Hood Canal, Lower Columbia, Skagit, and Strait of Juan de Fuca complexes) and one in eastern Washington, the Asotin IMW in the Snake River Salmon Recovery Region.

Status and Trends Fish Monitoring is a statewide program conducted by the Washington State Department of Fish and Wildlife, of which SRFB funds support approximately 7 percent of the overall program. SRFB funds are used directly to support the following specific elements of the overall fish in/fish out monitoring effort: Touchet River juvenile summer steelhead; Grays River juvenile coho salmon and steelhead; Wind River adult coho salmon; Salmon Creek adult and juvenile summer chum salmon; Snow Creek adult summer chum salmon, and Snow Creek adult and juvenile steelhead; and Duckabush River juvenile summer chum salmon, Chinook salmon, and steelhead. It is important to note that some of these projects include both adult and juvenile fish estimates; others focus on either adults or juvenile emigrants.

# **EVALUATION PROCESS**

GSRO asked the monitoring panel to evaluate the technical soundness of each monitoring component and provide recommendations to the SRFB that can be used to help inform monitoring program direction and funding. Specifically, GSRO asked the panel to provide recommendations to the board on the following:

- Is the SRFB's monitoring program asking the right questions?
- How well are the contractors performing the work are there recommended improvements needed?
- Should the SRFB continue to fund the current monitoring components or modify how they are funded or implemented?

In initiating the evaluation, the following questions framed the review:

- Is the monitoring component functioning at a satisfactory level overall?
- Does the composition and administrative structure of the project team facilitate the project's success?
- Are study objectives clearly identified and adhered to?
- Will the experimental design meet the study objectives?
- Are adequate quality control measures in place?
- Will the data and results be useful for salmon recovery?
- Is there a plan and vehicle for sharing the results of the findings?

In crafting the evaluation strategy, the panel also looked to the SRFB-commissioned Stillwater Sciences report (2013), which was the impetus for the creation of the monitoring panel and monitoring program review. Based on the technical expertise of the group, the recommendations within the Stillwater report, and guidance from GSRO, the monitoring panel developed a four-step process for evaluating the SRFB monitoring program: 1) Develop a suite of criteria by which to evaluate each monitoring component; 2) Clearly articulate these criteria and performance requirements to monitoring practitioners; 3) Evaluate each monitoring component based on the review criteria; and 4) Make recommendations as appropriate for modifying the monitoring component and the review process in the coming year.

The monitoring panel developed the suite of criteria for evaluating each monitoring component in September of 2014, such that the panel's expectations could be clearly articulated to monitoring practitioners in advance of new contracts being initiated. The panel updated reporting requirements in the fall of 2015 and provided project leads with a description of what should be included in the annual report. In 2017, the schedule for reviewing each project's annual report was advanced from September to May to enable contracts to be placed at the start of the federal fiscal year. This change necessitated

that project leads submit their report by December 31, only eight months after submitting their previous progress report. As a result, project leads were directed to focus their report on developments since the last report and to specifically respond to any conditions applied during the last review and subsequent questions raised by the monitoring panel. Principal investigators of each monitoring component had an opportunity to respond to monitoring panel questions regarding their annual reports in writing and in a teleconference on March 3, 2017, after which the panel completed consensus evaluation forms for each project.

Individual monitoring panel members completed an independent review of each project. The panel then met collectively to identify a status rating and develop recommendations for the SRFB on March 22, 2017. The panel's initial recommendations were not unanimous. Where opinions on project status diverged a discussion occurred and consensus was reached.

Project status was documented in a comment form for each monitoring project (i.e., each IMW had its own comment form; there was a single form for the Status and Trends Fish Monitoring, and one form for Project Effectiveness Monitoring). The comment forms include any condition language recommended for inclusion by GSRO in the project agreement. Conditioning language for each project has been included in full in the body of this report, along with general observations and comments about the research study. The assessment forms follow the same terminology for assigning status as that used by the SRFB Technical Review Panel, i.e., clear, conditioned, or project of concern.

- **Clear projects** are those that are technically sound and the monitoring panel does not recommend any changes in how the program is being implemented in the coming year.
- **Conditioned projects** are those projects which are cleared to proceed with specific conditions to be included within the 2017 contract.
- **Projects of concern** have technical weaknesses or concerns specifically identified by the monitoring panel which the panel believes cannot be rectified without substantially re-designing the project.

# **RESULTS AND RECOMMENDATIONS**

In this 2017 review, one monitoring project was identified as clear (Status and Trends Fish Monitoring), five were conditioned (Asotin IMW, Hood Canal IMW, Lower Columbia IMW, Skagit IMW, Strait of Juan de Fuca IMW, and Project Effectiveness), and no projects were identified as projects of concern. Most of the projects conditioned in 2017 were also conditioned in the 2016 review process; however, the panel felt that sufficient progress was made to warrant assigning a status of conditioned again, rather than project of concern. Progress made in addressing panel concerns is noted in the body of the assessment form for each project. In identifying time-bound conditions to these projects it is the panel's expectation that the conditions will be met in 2017 or these projects may be identified as projects of concern in subsequent reviews.

The panel divides its findings into general recommendations applicable to all three components of the SRFB Monitoring Program (Project Effectiveness, Intensively Monitored Watersheds, and Status and Trends Fish Monitoring), and recommendations specific to each project.

### **General Recommendations**

1. To allow for contracts to be in place by October 1, the SRFB should continue to make tentative (preliminary funding decisions on monitoring projects at the June SRFB meeting based on the projected Pacific Coast Salmon Recovery Fund (PCSRF) award amount. Funding decisions can be formally adopted once the PCSRF award amount is confirmed.

The change in the funding decision date was requested by Washington Department of Ecology, which has administered the contracts to participating agencies in the western Washington IMWs. Delays in contracting have resulted in monitoring practitioners being faced with working without a contract, or missing time-sensitive tasks during the contracting period. The Board was informed of the proposed change at its June 23, 2016, meeting and the monitoring panel followed the accelerated schedule in 2017. After provisional funding decisions are made by the Board in June, final funding decisions are made by the RCO Director after the funding award amount from PCSRF is known. The monitoring panel notes that the new schedule advanced the annual report deadline for project leaders (December 31) and did not permit us to hold a full day meeting with PIs as was done in 2016. However, in general we feel that the new schedule was workable and reduced the possibility that some monitoring projects would work without contracts.

2. Annual reports need to be streamlined and concise, particularly for IMWs.

There is no need for the monitoring panel to see details of a study plan that has been reviewed previously, data several years old or previously summarized information. Annual reports should, however, include a summary of a) focal species of the project and listing status, b) objectives and working hypotheses of the study, c) key findings to date, and d) uncertainties and notable challenges faced by the project. In addition, annual reports should include a description of how

the project addressed any conditions in the previous year's contract. Annual reports do not need to be lengthy, but they do need to cover core objectives, recent progress, and challenges.

#### 3. *Periodic comprehensive progress reports are needed for each project.*

It is not necessary to produce a detailed progress report each year, however it is important that a comprehensive report be completed for each project every 4-5 years. These reports serve the important function of providing an overview of how the project is progressing relative to its original objectives, whether restoration actions are achieving desired habitat results, if fish populations are responding to improvements as anticipated, and whether alterations need to be made in monitoring activities or response metrics. For 2017, we have asked that a comprehensive report be prepared for the Strait of Juan de Fuca IMW.

# 4. The Project Effectiveness Monitoring effort should be refocused and a study plan developed for the next phase.

In 2016, a new contract was awarded to facilitate completion of sampling at the existing suite of restoration sites followed by final data analysis and Phase 1<sup>2</sup> project report. The design, protocols, and data from monitoring the different kinds restoration projects selected in 2004 (see Crawford 2015 for description) represent Phase I. The new contractor has suggested several modifications to the 2017 field work, and in general, the monitoring panel agrees with them. It is important that planning begin for the next phase of the reach-scale Project Effectiveness study. The next phase will build on results of the initial phase and may incorporate additional sites that better address current restoration questions, new response metrics that better indicate whether reach-scale objectives are being achieved, and improved techniques of measuring fish populations where habitat improvements have taken place. The final report on Phase 1 should be completed in 2018 and a study plan for Phase 2 drafted in 2017 and 2018 so that field work can begin in 2019.

### **Adaptive Management**

An independent review of SRFB sponsored monitoring in 2013<sup>3</sup> recommended that the SRFB have an explicit process for linking the kinds of information gained from monitoring to decisions about which salmon recovery activities are most effective. To do that the SRFB asked the Monitoring Panel to develop an adaptive management plan. Over the past year, we have organized goals, strategies, actions,

<sup>&</sup>lt;sup>2</sup> Crawford, B. 2015. The 2004-2014 Monitoring Program. Washington Salmon Recovery Funding Board and Fish Friendly, Inc., Olympia, WA. http://www.rco.wa.gov/documents/monitoring/WSRFB-MonitoringProgram\_2004-2014\_Dec%202015.pdf

<sup>&</sup>lt;sup>3</sup> Stillwater Sciences. 2013. Monitoring Investment Strategy for the Salmon Recovery Funding Board. Available: http://www.rco.wa.gov/documents/monitoring/SRFB\_MonitoringStrategyFinal.pdf

and indicators from existing SRFB planning documents and existing data collection to lay the foundation for an adaptive management plan.

The figure below describes how the key goals (here described as "outcomes"), identified by the SRFB in its strategic plan, fit within the broader scope of the goal to protect and restore salmon and salmon habitat by building on locally designed and implemented projects. The iterative process of planning, implementing, and improving represented by "sharpening the shovel" describes the scope of SRFB adaptive management.



Result chain illustrating the role of the SRFB in recovering Pacific salmon, SRFB desired outcomes, and the role of the SRFB adaptive management cycle.

During the next year, we will refine metrics and indicators; identify processes and schedules for how and when to incorporate the information into SRFB decision making; and work with staff to ensure that reporting is seamless with the communications strategy that the SRFB is also developing.

### **Intensively Monitored Watersheds**

The monitoring panel believes that the SRFB's Intensively Monitored Watershed monitoring component is a critical element in understanding the causal relationships and mechanisms affecting salmonid population trends and that IMWs will inform pathways to recovery for populations listed under the
Endangered Species Act. Five IMWs in the SRFB IMW program were reviewed by the panel this year: Asotin, Hood Canal, Lower Columbia, Skagit, and the Strait of Juan de Fuca.

We have concerns about the extended treatment application period being experienced by some IMW studies. In particular, certain assumptions underpinning the Before-After, Control-Impact (BACI) experimental design are compromised when treatments are spread over many years. This can be especially problematic when different types of habitat improvement actions occur in the same watershed over a long period of time; i.e., it becomes difficult to ascribe changes in fish populations to a particular restoration category such as wood addition, riparian revegetation, or culvert replacement. However, we also acknowledge that funding for restoration actions has, in some cases, not been available within the time window originally envisioned. In such cases, we support continued restoration only where it can be shown that it is consistent with the original study plan and where it will not result in the need to monitor post-treatment recovery for many more years. It is our position that restoration treatment implementation should be drawing to a close. Where additional treatments are needed to satisfy the original study design, those treatments should be entering a construction phase within the next four years. Initiating construction for restoration treatments should only extend beyond four years if there are extenuating circumstances that demonstrably add to the scientific value of a study. Based on the historical implementation of the IMWs, it is our observation that this will not occur without conscious effort on the part of the Board, accompanied with funds dedicated for restoration treatments.

Staggered treatment implementation has been exacerbated by inconsistent coordination across regions, lead entities, and IMW scientists. The initial concept to establish the western Washington IMWs did not clearly identify roles and responsibilities for conducting the studies. The Monitoring Oversight Committee's (2002) Comprehensive Monitoring Strategy identified a need for IMWs and specified the Washington Department of Fish and Wildlife, Washington Department of Ecology, and salmon recovery regions as partners, but did not further identify roles. The draft SRFB Monitoring and Evaluation Strategy (2003, p. 9) indicates that:

"Implementation of IMW efforts will use a phased approach. A team or consortium comprised of IMW partners and others will contribute to and help guide feasibility, design, implementation, analysis, and reporting activities. Key checkpoints will be identified based on experimental design timelines and frameworks for review of interim progress and results from IMW work."

This was clarified somewhat by the Governor's Forum on Monitoring Recommendations to the Salmon Recovery Regions (2005, p. 6), which placed the onus on salmon recovery regions to identify and implement restoration treatment projects:

"Salmon Recovery Regions should support IMWs through selecting specific watershed restoration projects in IMW treatment watersheds to help establish measurable thresholds of change."<sup>4</sup>

<sup>&</sup>lt;sup>4</sup> Governor's Forum on Monitoring Recommendations to the Salmon Recovery Regions (2005) p. 6.

This has not proven to be an effective model for implementing restoration treatments due in part to challenges in coordination between regions, lead entities, and IMW principal investigators, and in part to the structure of the competitive process for securing project funds. In the early years of SRFB IMWs, project scientists had limited involvement in identifying potential restoration project types, specific actions, and potential locations. The emphasis for IMW scientist involvement was on measuring and interpreting results and on assisting the region in determining if restoration actions proposed by local sponsors would undermine the study. The types of projects that will receive the highest score in a lead entity ranking exercise, which has limited restoration treatment implementation in IMW watersheds. The potential impacts of this were recognized by the Board early on; the possibility for funding these projects separately is summarized in the October 2005 SRFB meeting minutes. This was reiterated in a 2006 review of the IMW program completed by the State of Washington Independent Science Panel (p. 2):

"Serious weaknesses include the apparent disconnect between how treatments (i.e., the restoration actions) are selected and funded in relation to experimental design and IMW monitoring needs, and uncertainty about the duration of the commitment to fund the long-term nature of the IMW program".

The Independent Science Panel went on to recommend that the SRFB:

"Develop mechanisms to ensure coordination of improvement actions within identified IMW complexes are appropriately chosen and implemented at a large enough scale to be able to detect a response or lack of response consistent with the experimental design."

This concern was raised again in the 2009 recommendations to the Board from the Governor's Forum on Monitoring:

"The intensively monitored watersheds program is the most expensive monitoring program funded by the SRFB, but it is the only program capable of answering the fundamental question of whether habitat restoration results in increased production of salmon. However, the IMW monitoring design can only be successful in watersheds that complete the requisite restoration treatments. That is, the monitoring program will be successful only if the treatment plans associated with the monitoring design are implemented in the SRFB-funded IMW watersheds. The SRFB should evaluate and confirm that treatment efforts will be completed in concert with the IMW monitoring program. If not, the SRFB should consider either terminating the IMW monitoring contract or deciding how to fund the necessary restoration treatments. Intensive monitoring may not be cost-effective in watersheds that do not complete their restoration treatment plans in a timely way. The Forum recommends that the SRFB fund the current IMW monitoring through the coming field season (2010), while simultaneously evaluating whether to continue or terminate some of the IMW monitoring efforts for the following field season (2011)." A subsequent evaluation commissioned by the Board resulted in this recommendation relative to the IMWs (Stillwater 2013):

"...the Board would need to support funding of projects in those watersheds, independent of any local priorities. The Adaptive Management cycle (and common sense) argues that without a commitment to project funding within these watersheds, there is no sense in providing monitoring funds and effort. The "policy question," and one that cannot be answered by this review, is thus whether the Board's interest in scientific understanding and long-term accountability trumps the principle of Regional allocations."

The Board determined in 2014 to dedicate up to \$2 million for three years to IMW restoration treatments. The results were immediate and striking. Several restoration treatment projects were implemented in each of the three years, across different IMW complexes. This infusion of funds meant that not only was there funding available specifically for the IMW projects, it also created a nexus for lead entities and regions to work together on IMW restoration treatments because there was now a chance that these projects might receive funding. The likelihood for IMW treatments being funded through their existing ranking process was generally low. This led to improved collaboration among regions, lead entities, and project scientists. The monitoring panel was established in 2015 and worked to enhance this collaboration through recommended: 1) modifications to Manual 18 requiring more direct involvement of project scientists in certifying restoration projects in IMW watersheds; and 2) contract conditions stipulating a collaborative process to identify and prioritize IMW restoration treatment projects. The Board's decision to waive the match requirement for these projects provided an additional financial incentive that allowed these projects to score more favorably in the local ranking process.

Given the delays that have occurred to date in implementing restoration actions in IMW watersheds, and the importance of these results in evaluating the efficacy of the SRFB's restoration program, the panel encourages the Board to continue to dedicate funds for restoration treatments and consider additional measures that would ensure completion of the restoration treatments in a timely manner. We recommend that the Board encourage regions with incomplete treatments (Lower Columbia, Hood Canal, and Skagit IMWs) to give high priority to IMW restoration actions within their regional restoration program.

### Asotin IMW

The schedule for the SRFB Monitoring Panel review process was accelerated in 2017, resulting in a shorter activity period reviewed in this progress report. Although PIs were not required to update data analyses, updated summary charts, tables, and figures were expected in the December 2017 annual report. This review focuses primarily on the principal investigators' responsiveness to specific conditions and questions presented to PIs in the August 2016 review, including the status of restoration treatments

and the number of years of post-restoration monitoring that will be needed to see a response to treatments.

The Asotin IMW study continues to be among the better long-term investigations of restoration effectiveness currently being funded by the SRFB, providing an interesting contrast and alternative approach to the four IMWs in western Washington. For instance, it is the only IMW in eastern Washington and it uses a unique, hierarchical staircase rather than a BACI statistical design. Particular strengths of the study include:

- A broad spectrum of partnering organizations, including federal, state, and local entities.
- Rigid control over the application of habitat treatments.
- Good pre-treatment data on fish populations and growth.
- Detailed tracking of both introduced and naturally-recruited wood into the system.
- An effective fish marking and recovery program that enables tracking movements, growth rates, and productivity of steelhead and rainbow trout populations within treated reaches of the Asotin watershed.
- Broadly used, and thus comparable, habitat survey (CHaMP) methods.

The Asotin study appears to be one of the IMWs where target species, i.e., steelhead, are responding favorably to restoration actions (primarily post-assisted log structures - PALs) at the population level. Project leads have addressed our concern about the limited scale of treatment sites by expanding the distance over which PALs are applied and increasing the amount of wood in the three treatment streams. We are pleased to see that the restoration actions have been completed and that post-treatment monitoring is well underway.

We also appreciate steps taken to evaluate the importance of log jams as physical habitat and to assess benefits to stream food webs since it is clear that both pools and associated substrate for macroinvertebrate communities are lacking in the Asotin R. system. For this reason, we encourage the continuation of NREI and HIS modeling as described in the 2016 annual report as one approach to sort out the habitat versus trophic benefits of log structure additions.

Lastly, the IMW has dedicated and engaged leadership which is an asset to the success of the program. A particular strength of this project is the ability to implement treatments consistent with the original experimental design. Preparing research updates as documents that can easily be converted to manuscripts for publication fits well with the monitoring panel's interest in communicating results to the broader scientific community. Despite some concerns about the scaling of this study relative to other IMW's, the uniqueness of the system in the IMW portfolio, the low-cost techniques they are using, and the outstanding reporting and responsiveness from the project leaders merits continued investment. Research results so far show promise, and the study remains well-positioned to answer important research questions relevant to a large portion of Washington State. A section in next year's report should briefly summarize what was accomplished during the reporting period and specifically address any conditions assigned in the prior evaluation. It would also be helpful to see a list and approximate schedule of analysis topics expected to be covered in the "research updates".

In a future report, it would be valuable to see the project leaders' thoughts on why any habitat parameters may not be responding as predicted (see annual report pages 5-6), e.g., if thalweg and residual pool depths are not responding as expected, have there simply not been sufficient high flows to effect geomorphic changes, or might other factors be at play?

We support continuing to model and track steelhead smolt-to-adult return rates (SARs) even though survival outside the Asotin subbasin is not part of this IMW investigation. SARs are a common currency in tracking population status, and including this metric along with on-site density and production estimates would further strengthen the study in relation to other investigations in nearby river basins.

Lack of naturally occurring large woody debris could limit the longevity of restoration actions in Asotin Creek. It's unclear how much large wood was present historically. It would be informative to speculate on how much large wood was present historically, assuming if this information is available from aerial photos or via anecdotal evidence from former land owners.

#### Responsiveness to 2016 Monitoring Panel Comments

Project leaders were very helpful in providing the Monitoring Panel with comprehensive and detailed responses to our questions about the 2016 annual report. One concern was whether the limited geographical scale of the Asotin restoration study make it possible to detect effects on steelhead population abundance and movements. However, by increasing the number of PIT-tagged juveniles and expanding the range of PIT tag detection, project staff have gained an improved understanding of movements and survival rates. We are also pleased that project leaders are cooperating with ISEMP to develop a steelhead life cycle model that will help evaluate restoration effectiveness.

The Asotin IMW is one of two IMWs having completed restoration treatments. Thus, it is likely to be one of the first studies completed. In a response to Monitoring Panel questions, project leaders stated that post-treatment monitoring should continue (at constant funding levels) through 2023 – i.e., through two complete steelhead brood cycles. This suggestion is consistent with what other IMW project leaders have recommended elsewhere.

#### Study Limitations and Concerns

We think the greatest potential limitation to this study continues to be the limited spatial scale of the study overall and the size of restoration treatments, introducing challenges to evaluating population-level results. The PIs have, however, provided "before" figures of abundance across all three streams that can be aggregated for population level analyses. One limitation of the restoration treatments relates to the use of vertically driven fence posts to trap wood and the concern they will require ongoing maintenance to achieve desired habitat conditions. If for some reason the PALs are damaged from an exceptional hydrological event, comparing pre- and post-treatment steelhead occupancy of enhanced

reaches could become problematic. This raises a challenging question: To what extent can damage to PALs be "fixed" if it occurs, and how might maintaining the PALs compromise the results of the study?

The relationship between resident trout and steelhead production and life history strategies (e.g., residence time, age/size, growth) continues to be of interest. One concern is obtaining accurate estimates of steelhead spawning given redds may be constructed during spring periods of high flow and turbidity. Another related challenge is quantifying emigration and seasonal movement of juvenile steelhead/rainbow from Asotin Creek to Lower Granite Reservoir.

Most of the restoration work in this stream occurred during years when stream flows were low. 2017, however, provides an opportunity to examine the potential benefits of the restoration treatments following a high flow event. Flow magnitude and intensity can be important in shaping habitat.

# Recommendation: CONDITIONED. The monitoring panel recommends that the following language be included in the Asotin IMW project agreement:

Continue with post-treatment monitoring and study tasks detailed in the annual report. We recommend not altering existing PAL treatments to ensure results of the study will reflect the efficacy of restoration actions without continued maintenance. If additional in-stream habitat improvements are contemplated due to damage to existing PALs or to landowner acquiescence for additional habitat actions, such added work should be considered very carefully in light of how it might compromise the experimental design and the length of time needed for evaluating post-project effectiveness. In particular, if falling trees is considered a means to repair habitat improvements provided by PALs, care should be taken to limit tree additions solely to sites where PALs have been damaged and where fallen trees will not result in more in-stream wood than would have existed if the PALs had remained intact.

Although the primary focus of the IMW has been to assess physical habitat improvements resulting from the PAL additions, the evaluation of food web benefits of increased sediment storage is quite important and should be continued. We strongly support the trophic modeling and macroinvertebrate sampling elements of this study using NREI models in 2017. However, we recommend delaying any addition of nutrients to the study sites until after 2023, when the initial post-treatment monitoring ends and only then if evidence indicates the watershed is nutrient-limited due to human development activities.

The annual report should include a section highlighting key findings/uncertainties that identify critical information learned to date from the IMW as well as critical limitations and issues that hinder IMW success. This is being requested of all IMWs in an effort to broadly improve communication and transparency.

### **Hood Canal IMW**

The schedule for the SRFB Monitoring Panel review process was moved four months earlier in 2017 and thus a shorter activity period is reviewed in this progress report. PIs were not required to update data

analyses in the current report. A comprehensive progress report with detailed analyses is expected in December 2017. This review focuses primarily on the principal investigator's (PIs) responsiveness to specific conditions and questions presented to PIs in the August 2016 review, including the number of restoration treatments remaining and the years of post-restoration needed to see a response to treatments.

The Hood Canal IMW continues to offer a good example of small watersheds in Puget Sound with expanding urban development; the small streams that are being studied once constituted important spawning and rearing areas for populations of coho, chum, steelhead, and cutthroat trout throughout the southern Salish Sea. Perhaps most valuable, the presence of the Big Beef Creek research station with its history of federal, state, and university involvement helps to provide a focal point for long-term population-level investigations. The existing monitoring infrastructure here provides a lengthy time series of data at the mouth of the primary study basin, which allows for robust data collection with high confidence at a lower cost.

The Hood Canal IMW team faces daunting challenges, two of which include a prolonged restoration application schedule and under-escapement of the primary target species – Coho Salmon. Contributors include lack of funding, coordination difficulties with partner organizations, reluctance by landowners to grant access or to enter into conservation easements, and implementation of some restoration actions without consultation. The difficulty with trying to limit the harvest of adult salmon before they enter the IMW watersheds is primarily associated with treaty harvest agreements with Hood Canal tribes and a mismatch between the scale of harvest zoning and trying to limit terminal fisheries primarily adjacent to the mouths of the streams. These problems will be time-consuming to resolve and in any event will only increase the amount of time needed to determine whether restoration activities in three of the Hood Canal IMW streams produce the desired effect. Nevertheless, the Hood Canal IMW is the best example of small watersheds in Puget Sound with expanding urban development within the SRFB portfolio of IMWs, Thus, despite the formidable difficulties faced by this IMW there is real value in continuing this research.

This study has three major strengths: 1) The small geographic scale makes restoration treatments and monitoring easier; 2) a long history of research, collaboration, and data collection at Big Beef Creek; and 3) investigators have developed useful hypotheses for habitat dynamics (e.g., high and low flows) driving salmonid life histories and population dynamics. This understanding has led choosing effective projects, such as reconnecting floodplains.

The Hood Canal IMW team has made significant progress in identifying habitat limiting factors and in predicting increases on salmon production resulting from restoration projects (assuming adequate adult escapement). The floodplain reconnection work in lower Big Beef Creek seems particularly well thought out and the recognition that extreme flow events, both high and low, may be critical to freshwater survival has helped them locate opportunities for habitat improvements and design restoration treatments. In addition, project leaders have improved their understanding of salmonid life histories and

population dynamics in the IMW streams. It is also noteworthy that the team is paying close attention to certain species (Chum and Cutthroat) that were not the primary focus of the study at the outset.

The observation that surface flows are often disrupted in parts of the streams during low flow periods is troubling. It appears that summer drying is fairly commonplace and that coarse and fine sediment accumulations are contributing to the problem of maintaining surface flow. It will be interesting to see if discontinuous surface flows occur in 2017, which has been much wetter than in previous years. Discharges great enough to mobilize and flush some of this sediment are needed, but big flood events may jeopardize restoration projects downstream and threaten houses and other capital developments. Restoring and maintaining surface flow in the small streams will be one of the most important challenges facing the Hood Canal IMW.

The history of restoration in the Hood Canal IMW watersheds, especially how projects were chosen and implemented that confounded the BACI experimental design, reminds us that IMWs are not just a test of how well scientists can assess watersheds, different treatments, and document change. Rather, they are a test of how the whole salmon restoration system in Washington works and our ability to document that. The development of the design and analysis of the Hood Canal IMW is progressing well, but the implementation of restoration projects in a timely way is a challenge. The few large projects that remain slated for the watersheds will not likely be funded through regular SRFB funding rounds. The Hood Canal lead entity is focused on restoring the streams that will best support the major spawning populations of ESA listed Chinook and Summer Chum. Dedicated IMW restoration funding is likely the only path for funding the remaining restoration in the IMW. If the SRFB cannot set aside dedicated IMW funding in the future, it would be wise for the IMW practitioners to plan for the end of the treatment phase of the experiment and focus on how best to learn from the projects that have been implemented.

The 2016 progress report was informative, well organized and included 2016 data and analysis. Table 1 in the 2016 annual report was particularly helpful. This IMW shows potential to generate meaningful results. We encourage the authors to think about the broader relevance and applicability of their study to salmonid recovery in the greater Puget Sound area.

It would be very unfortunate if the Big Beef Cr. research station property were to be sold by the University of Washington. If the Big Beef Cr. weir were to be no longer operational it would eliminate the most accurate and longest-term data collection site in this IMW. Project leads should continue to monitor this situation and develop contingency plans in case the research station is closed or access to the fish counting station is no longer possible.

#### **Responsiveness to 2016 Monitoring Panel Comments**

Project leads provided thoughtful responses to the monitoring panel's questions. We are pleased to hear that they are investigating new statistical methods to help them detect restoration-related habitat and fish population trends. The authors clearly attempted to address points raised by the monitoring panel in the 2016 evaluation. The ranked list of projects included within the progress report and subsequent question responses were helpful; local project sponsors should continue provide additional input to update the list as projects are reviewed by the SRFB Review Panel. The section that articulates

restoration objectives in quantifiable terms clearly identifies the parameters that will be measured to evaluate changes in complexity. While this discussion does not provide straightforward guidance to project sponsors or reviewers to direct restoration actions, the information is there. This sort of guidance appears to be conveyed through the existing, successful collaboration between PIs and local project sponsors, as demonstrated by the projects proposed to date.

#### **Study Limitations and Concerns**

The annual report states "Overall, the results of this exercise suggest that recently completed, planned and desired restoration projects in Hood Canal IMW streams do have substantial potential to increase smolt production. It is difficult to place too much confidence in the specific numbers predicted by the simulations due to potential discrepancies in the details of restoration projects planned for the Hood Canal IMW vs. those described in Roni et al. (2010). For example, it is our judgement that a one to two order of magnitude increase in smolt production following floodplain reconnection, as was predicted for Little Anderson and Seabeck creeks, seems unlikely. Regardless, the exercise emphasizes the large potential increase in abundance afforded by increasing overwinter habitat, and suggests it would be wise to dedicate resources towards pursuing these restoration projects." These statements imply a substantial amount of restoration needs to take place in order for the study to eventually reach a satisfactory conclusion. Further, project leads suggest that the SRFB budget for the Hood Canal IMW is insufficient for implementing restoration at a meaningful scale. This issue needs to be addressed.

The priority species for restoration in this area is Summer Chum Salmon, which is listed under the Endangered Species Act, while Coho Salmon are not. This means there is limited money for restoring watersheds lacking key Summer Chum populations. To some extent, harvest of Coho Salmon, reflecting complicated historical and social tradeoffs, limits the ability to use adult Coho returns as a metric of fish response.

The lack of dedicated SRFB IMW restoration treatment funds in 2017, combined with the decision by the Hood Canal Coordinating Council to restrict project funding in 2017 to Summer Chum recovery projects will greatly reduce the likelihood of future restoration treatments occurring in the Hood Canal IMW in 2017. Given the very low Coho escapement in this harvest unit, the panel also questions whether there will be enough fish present to respond to any improved habitat. The PIs note that based on stock-recruit curves for the study area, full seeding has been rare over the life of the IMW. The fragmented administrative structure of the study spread across multiple agencies weakens the scientists' ability to design and implement a study with certainty and efficiency. Coordination with and support from the local lead entity and regional organization does not appear strong in this IMW. Finally, the monitoring infrastructure at the mouth of Big Beef Creek, which makes it possible to maintain the long time-series of data, also alters floodplain ecosystem processes at a critical location in the watershed. The fish trap, because it can be operated only at low and moderate flows, limits the ability of the facility to detect fall migrant coho salmon, which the Strait IMW has shown to be significant contributors to adult recruitment.

# Recommendation: CONDITIONED. The monitoring panel recommends that the following language be included in the Hood Canal IMW project agreement:

Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date, and (d) uncertainties and future challenges to the project. See Appendix A.

Project staff should focus restoration monitoring efforts on Big Beef and Little Anderson Creeks. Stavis Creek should remain an unrestored control watershed. Seabeck Creek could be dropped from the study or should serve as a second control watershed, if it is determined that the likelihood of implementing a sufficient number of habitat improvement projects that would result in significant population-scale benefits in Seabeck Creek is low.

### Lower Columbia IMW

This review focuses primarily on the principal investigators' responsiveness to specific conditions and questions presented to PIs in the August 2016 review, including the status of restoration treatments and the number of years of post-restoration monitoring that will be needed to see a response to treatments. The schedule for the SRFB Monitoring Panel review process was accelerated in 2017, resulting in a shorter activity period reviewed in this progress report. Although PIs were not required to update data analyses, updated summary charts, tables, and figures were expected in the December 2017 annual report.

Of the western Washington IMWs, the Lower Columbia IMW is in the best position to deliver meaningful results in the shortest time frame. Substantial restoration has been implemented. A treatment plan for remaining restoration work is in place and recently updated. Project scientists have been particularly responsive; through their analyses, project leads have provided some of the clearest insights among western Washington IMWs as to the amount of time needed to complete restoration and to see treatment effects.

Important strides have been made in coordination between the study scientists and the Lower Columbia Fish Recovery Board (LCFRB). The panel is in particular pleased that the LCFRB not only considered IMW objectives and Coho analyses in identifying restoration actions and possible locations when developing the revised treatment plan, but also included direct participation from IMW project leaders in this process. The approach to develop the treatment plan is solid and the prioritization scheme for identifying restoration actions well thought out. This is a significant step forward that will support the IMW team in successful completion of the study.

The Lower Columbia IMW also benefits from additional funding sources beyond the SRFB to see that restoration treatments are implemented, chiefly the Bonneville Power Administration and the Lower Columbia Estuary Partnership. This is particularly important given the absence of SRFB funds dedicated

to IMW restoration treatments in 2017. The combination of available funding and a supportive, collaborative regional recovery organization put the Lower Columbia IMW in a strong position for attaining study objectives.

The study focuses on multiple anadromous species. Fish demographic information is generally sound thanks to the long-term adult and smolt estimates in the three watersheds. Because the time series of pre-treatment smolt data spans several fish generations, this study is well positioned to know how much post-treatment monitoring will need to be carried out. The investigators have carefully considered matching appropriate fish response metrics to the type of restoration action being implemented at a site. However, a very extended (and still ongoing) habitat restoration period has made it difficult to estimate how long the study will last until population level effects of different restoration activities can be statistically evaluated. The project leads should decide in the near future when the treatment period will end and when the post-treatment evaluation will be completed.

The assertion that additional habitat restoration is needed in order to show a statistically valid improvement in salmonid productivity raises the question of "How much is enough?" It also suggests that the diagnostic tools for analyzing limiting factors may have initially underestimated the amount of habitat improvement needed to realize hoped for increases in smolt production. At some point managers may legitimately ask whether continued investments in habitat improvement in the IMW watersheds are justified in terms of the incremental numbers of fish produced. Partner organizations supporting the Lower Columbia IMW could consider the option of ending restoration treatments after 2020 and devoting the next 10-15 years monitoring habitat and fish population recovery trends. The list of restoration actions completed to date and new projects under consideration for funding is impressive. It's difficult to argue that the treatment watersheds have been insufficiently restored relative to other watersheds in the Lower Columbia River.

The recovery of Chum Salmon in this IMW continues to be interesting. Any efforts to better understand the cause of increases in Chum populations will be well rewarded.

#### Responsiveness to 2016 Monitoring Panel Requests

The Monitoring Panel put conditions on this project in 2015, requiring more detailed explanation of potentially confounding effects of dewatering and hatchery operations in Abernathy Creek. The 2016 annual report addressed those conditions and comments directly or described the schedule for doing so (e.g., the passage evaluation). Investigators also provided clear answers to the Panel during the 2017 review.

The limiting factors and life stages section of the 2016 report did a good job of addressing Condition (a) from last year's report. Project leads provided reasonable answers to the monitoring panel's nine questions. In particular, it was very helpful to have an estimate of the number of additional Coho and steelhead needed to detect a treatment response within 5-10 years.

#### **Project Limitations and Concerns**

The chief limitation of the study remains the availability and reliability of funding for restoration treatments, though this IMW is in a stronger position than other western Washington IMWs given its access to alternative funding sources. The fragmented administrative structure across multiple agencies weakens the scientists' ability to design and implement a study with certainty and efficiency. However, the study team has worked hard to build support with the region and with the current rapport this IMW seems to be in the best position of any of the multi-agency IMWs to succeed. Other challenges that have been noted in past reviews are still relevant and include: data accessibility given the storage of different data pieces across multiple agencies; potential hatchery impacts, and the ongoing need for analysis of habitat metrics across the watersheds of the study.

The list of necessary restoration actions to recover the watershed is extensive. This means that the project is expensive and will require some time to be completed. It is unclear when enough restorations actions will be completed to look for post-treatment responses, which leads to inevitable questions from funders about how much is enough. This raises a key issue about the purpose of this IMW and others: Is the purpose to judge the efficacy of restoration techniques on fish response at a watershed scale OR to assess what it takes to recover a watershed to the point that clear fish benefits are observed?

# Recommendation: CONDITIONED. The monitoring panel recommends that the following language be included in the Lower Columbia IMW project agreement:

Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date, and (d) uncertainties and future challenges to the project. See Appendix A.

Provide an assessment and schedule for remaining restoration actions. Include, if possible, the likelihood of detecting a post-treatment response under different scenarios for which projects would be implemented and when the treatment phase would end.

Prioritize restoration investment on completing Abernathy Creek over investing in Germany Creek (unless something opportunistic presents itself in Germany Creek that would not detract from completing the Abernathy watershed restoration). Complete all Abernathy projects in the updated treatment plan (including Abernathy reaches 9B and 9C) before shifting restoration investment to Germany Creek.

### **Skagit IMW**

The schedule for the SRFB Monitoring Panel review process was accelerated in 2017, resulting in a shorter activity period reviewed in this progress report. Although PIs were not required to update data analyses, updated summary charts, tables, and figures were expected to be provided in the December 2017 annual report. This review focuses primarily on the principal investigators' responsiveness to specific conditions and questions presented to PIs in the August 2016 review, including the status of restoration treatments and the number of years of post-restoration monitoring that will be needed to see a response to treatments.

The Skagit IMW remains a valuable member of the SRFB IMW portfolio. The Skagit IMW includes a long time-series of monitoring prior to implementation of big restoration projects, works from a comprehensive set of data-driven restoration hypotheses, and relies on strong collaborative effort with federal agencies, Washington Department of Fish and Wildlife, and Puget Sound Tribes. The sampling approach is sound and results are compelling. It is currently the only SRFB-funded Washington IMW that examines restoration effectiveness in a large estuary, and it is one of the few IMWs that is showing a statistically positive response to restoration by the target species – Chinook salmon. The cooperators in the study have made genuine contributions to improving estuarine habitats and reducing competition among juvenile Chinook. They are on track to determining both local and system level responses to different types of tidal delta restoration actions.

Project leaders have applied restoration at a landscape scale to determine if the Chinook population bottleneck can be reduced or eliminated by improving estuary connectivity and enhancing structural habitat. The SRFB funds for this IMW are limited to data collection; however, there is a broader benefit due to the extensive collaboration from other entities and effective organization within this IMW. The investigators have done a good job of analyzing results and, overall, this project has an excellent record of peer-reviewed publication and other forms of technical transfer. Just as important, the monitoring results are suggesting questions that will be important in other watersheds. In particular, their work highlights the importance of life history diversity and density dependence in regulating juvenile Chinook population dynamics. It is noteworthy that individual projects have led to increased carrying capacity on the order of tens of thousands of fish, exceeding Recovery Plan estimates. The focus of most restoration work has been on improving habitats in the Skagit River tidal delta. Somewhat less attention has been paid to the importance of nearby pocket estuaries.

The Skagit IMW has broad applicability to other large river estuaries with estuarine-dependent salmon. It focuses on two key recovery questions that are not being addressed by other watershed-scale monitoring projects. Is capacity and connectivity in estuaries limiting Chinook salmon production? Will the estuarine system and Chinook populations respond to estuary restoration?

The significant habitat restoration at Fir Island and data management improvements in 2016 were both exciting developments. The panel will look forward to the seeing the Fir Island fish data and hearing how implementation of the new data system is working out in 2017. The efforts to apply what has been learned in the Skagit IMW to other watersheds is also laudable and exciting to see.

The April 2016 annual report was informative and well organized. The January update was also very helpful, particularly the final section on Skagit IMW related products. The SRFB, monitoring panel and public at large are keenly interested in understanding the broader benefit of continued IMW funding. We appreciate highlighting these specific outreach efforts and benefits. Tables 3 and 5 of the annual report as well as the details outlined in "Future Efforts" were particularly valuable for understanding work completed to date as well as what lies ahead.

The monitoring panel suggests expanding measurements of the new distributary channel to include depth. Having this information would improve comparisons between routes of passage, and provide a possible explanation for choices fish make under a range of flow regimes.

We agree that additional monitoring is needed following the implementation of the McGlinn Island Causeway project, in order to assess differential use of restored estuary habitat along a salinity gradient. This question is important towards the development of estuarine habitat restoration goals/targets for all of the major estuaries in Puget Sound.

#### Responsiveness to 2016 Monitoring Panel Requests

Project leaders provided succinct answers to the monitoring panel's two questions. The first question addressed the strength of interspecific effects on juvenile Chinook, and in particular the possibility that fish predators have been significantly limiting survival in the estuary and on the Skagit R. delta. The response discussed findings to date and suggested additional research that could help address the predation question. Also discussed was using surrogate species as survival indicators, and research that is anticipated to take place to determine the feasibility of surrogates (surf smelt) for juvenile Chinook.

The second monitoring panel question asked when a summary of findings would be completed. Project leaders responded that a more complete summary of Skagit IMW findings would be made available in its 2017 Annual report.

#### **Project Limitations and Concerns**

As in other western Washington IMWs, a potential weakness of this project is related to the pace of restoration implementation in the estuary. While there have been significant investments in estuary restoration in the Skagit over the last decade, a few projects have been slow to implement and there have been some hurdles with landowner willingness.

Project leaders described the formation of a new major distributary along the delta. This new channel has diverted juvenile Chinook from sampling locations downstream; however, it is pleasing to see that they have taken advantage of this unanticipated development to monitor the response of Chinook to newly available habitat. The monitoring panel actually sees this as a net plus in understanding behavioral patterns in the lower estuary.

Beach seining and surface trawl data from the 18 January 2017 Update memo suggest low numbers of juvenile Chinook salmon are present in the Skagit tidal delta, complicating the ability to measure a population response to restoration treatments.

# Recommendation: CONDITIONED. The monitoring panel recommends that the following language be included in the Skagit IMW project agreement:

Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date, and (d) uncertainties and future challenges to the project. See Appendix A. The 2017 annual report should also include updates of the information presented in Table 3, Table 4, and Table 5 of the April 2016 annual report. These tables were very helpful to the monitoring panel.

## Strait of Juan de Fuca IMW

The schedule for the SRFB Monitoring Panel review process was accelerated in 2017, resulting in a shorter activity period reviewed in this progress report. Although PIs were not required to update data analyses, updated summary charts, tables, and figures were expected in the December 2017 annual report. This review focuses primarily on the principal investigators' responsiveness to specific conditions and questions presented to PIs in the August 2016 review, including the status of restoration treatments and the number of years of post-restoration monitoring that will be needed to see a response to treatments.

A strength of the Strait IMW is the large scale of the restoration treatment – most of the anadromous zone of the watershed has been treated. The study was initiated in 2004. It is our understanding that all of the restoration treatments initially scoped for the basins have been completed; this is the first western Washington IMW to meet its initial restoration treatment goals. The PIs have not planned additional treatments but are considering possible future treatment types. Thus far, the study's most interesting discoveries relate to Coho Salmon and steelhead life history diversity and the associated contribution to adult salmonid populations. The detailed life history data for both Coho and steelhead generated in this IMW are outstanding, and the findings are relevant for other IMWs as well as restoration practitioners and fishery managers throughout the region. Less has been learned to date about population response to watershed scale restoration actions.

This initial focus of this IMW was to evaluate the effect of increased large wood in two treatment watersheds while not treating the adjacent reference watershed. Wood placement (primarily by helicopter) has been completed and the project is in the post-treatment evaluation phase. Overall, the fish population and habitat survey methods are scientifically sound. Project leads identified several analytical milestones: (1) updated fish tagging, movement, and adult spawning results, to be completed by June 2016, (2) analysis of restoration mediated habitat changes in East Twin Cr., to be completed by December 2017, (3) analysis of restoration mediated habitat changes in Deep Cr., to be completed by December 2018, and (4) a final report to be completed by December 2021. It is gratifying to see a schedule for completing the analyses. According to the annual report and responses to monitoring panel questions, all field work has been completed on schedule through 2016 although some analyses of 2016

habitat and fish population data will require additional work. Also noteworthy is the intention of holding a meeting of all Strait IMW participants in April 2017 to visit a subset of field sites, discuss progress on project objectives, identify actions needed to complete the analysis of monitoring data, and to consider new questions the study could address.

Over the course of the project it was found significant movement of early migrants in fall, particularly Coho, but also steelhead, has taken place in all three watersheds. It appears the primary goal of the study is to assess the effects of wood addition on stream habitat and fish populations. The observation that fall emigration constitutes an underappreciated but important component of life history diversity, and that fall emigrants contribute to adult returns, has shifted the focus of the IMW somewhat toward gaining a better understanding of life history diversity on population response to in-stream habitat improvements. Fall emigration of juvenile salmonids had also been detected in the Hood Canal and Lower Columbia IMWs, but research on the Strait IMW remains the most complete and has the most far reaching implications for other restoration projects that include in-stream habitat improvements.

Monitoring data from the Strait IMW are dispersed among a rather large group of federal, state, tribal, and private organizations. Without a coordinated attempt to maintain field data, archived reports, publications, and presentations there is a risk that an important component of the monitoring program could be lost if support for maintaining the data at a particular cooperating entity vanishes. We hope the partners in this project will develop a plan for data archival that will prevent important information from being lost.

Project leads have undertaken a variety of analytical approaches to examining the effect of the wood additions on habitat conditions and fish populations, and the monitoring panel compliments them for trying novel statistical approaches. However, thus far fish monitoring results have not revealed a strong response by Coho or steelhead to watershed-scale treatments, even though restoration of large wood has been fairly extensive in the two treated streams. Habitat trends suggest that in-stream conditions *might* be improving and it is possible that fish populations will respond in kind. However, the annual report also states "With a significance level of  $\alpha = 0.05$ , we would expect power to exceed 0.8 after seven 5-year monitoring cycles or after 35 years (Figure 2). Figure 2 suggests that there is an 80% probability of detecting a significant trend after seven monitoring cycles. Detection of significant changes in the other metrics (e.g., pool area and side channel length) would likely require even more sampling given the assumptions above and observed temporal patterns in these metrics". The project team is aware that 35 years is not a realistic post-treatment monitoring interval for fish populations, but does note that detection of habitat improvements should be possible with increased sampling frequency (annually) and improved analytical techniques.

This IMW is an important part of the suite of IMWs in the Western Washington. As one of the first IMWs implemented, it not only helped pioneer the approach but it also been a testing ground for how to actually implement key restoration treatments, such as installation of large wood structures. This has provided valuable "lessons learned" to other practitioners. The most well-known scientific result of the project so far has been the detection of an unexpected fall migrant Coho Salmon life history that is

contributing to adult returns, rather than the impact of log treatments on restoring fish abundance and distribution. This illustrates an ancillary benefit of the monitoring, because these kinds of discoveries often push biologists working in other drainage systems to look for similar behavior in fish populations inhabiting their watersheds, expanding the scope of our knowledge.

The Strait IMW has elected to employ restoration monitoring with Timber-Fish-Wildlife (TFW) protocols as a means of assessing site-specific habitat conditions (in contrast to the Hood Canal and Lower Columbia IMWs, where reach-scale projects were monitored before and after using EMAP measurement methods and metrics.) For watershed-wide trends the Strait IMW used EMAP (site selection and measurement methods) in all three streams.

According to the project team, the TFW data collected to date points toward one or both of the following:

- a. TFW survey data should be matched with the specific location of the restoration actions to evaluate action effectiveness for local (10s to 100s of meters) habitat changes that may be diluted in the larger scale analysis.
- b. More frequent sampling (i.e. annually) will likely be needed to detect small changes within a reasonable amount of time.

#### **Responsiveness to 2016 Panel Comments**

Project leads provided clear responses to the monitoring panel's questions and the additional clarifications given at the March 3, 2017, meeting were very helpful. However, it is apparent several important questions remained to be addressed at the April 20 workshop in Port Angeles. Hopefully that meeting will sort out the remaining analytical hurdles and identify the focused questions that could be addressed in future work in the Strait IMW study.

The 2016 report described a variety of analyses not available in previous reports. This is helpful, although there is no table of restoration treatments by location or any fish data or analyses. Presumably, these will be added to the 2017 annual report.

A description of data management and archival followed, with a table identifying where each data type can be found and how data can be accessed at each agency. Finally, the report addressed the anticipated study duration in terms of the number of years of restoration treatments remaining and the number of years of post-restoration monitoring needed to detect habitat and fish population responses, if present.

Project leads have received support from the Department of Ecology to build an IMW web page that can house the reports, presentations, etc. for all IMW's. This is being phased in over time for the entire agency with reference documents being added last, but is expected to be up-to-date (they are never finished) by December, 2017.

#### **Project Limitations and Concerns**

This IMW is one of only two SRFB-funded IMWs that have essentially completed the treatment phase of the study. We applaud the project leads for their diligence in bringing this phase of the project to an end. The monitoring panel hopes the project leads will not engage in any further restoration actions in East Twin Cr. and Deep Cr. until a suitable post-treatment monitoring period has been completed and results have been analyzed.

The study team has struggled to stay on top of data analysis and reporting. Despite extensive large wood treatments across the watershed, a habitat response to treatments has not yet been detected. The reasons for an absence of response are not fully understood and according to the study team may be related to the survey methods and the problem of matching survey and habitat restoration (large wood placement) locations. Data archiving is scattered across different agencies; however, the PIs have adequately addressed the concern about how to access data. The panel believes that the study would benefit from an increased leadership role from NOAA, given the amount of data collected and housed by that agency.

Investigators in some cases seem to be sticking with the original watershed analysis and limiting factor hypotheses. Currently it is not clear whether habitat improvements caused by wood additions are visible and detectable (field observations suggest they are, but statistical analyses indicate very high levels of variability in these highly dynamic watersheds). The problem is highlighted by the power analysis, which indicated that it would take 35 years to detect a restoration effect in Deep Creek for large wood and possibly longer in East and West Twin Creeks where sampling has often been less frequent. How should the monitoring program adapt based on the best hypotheses of what is driving population recovery rates? Is more sampling to increase statistical detection power needed? Are the log structures properly constructed and located? Is the original diagnosis only partially correct? Is this IMW treatment plan characteristic of large wood restoration and we should expect a similar response, or lack thereof, in other watersheds?

# Recommendation: CONDITIONED. The monitoring panel recommends that the following language be included in the Strait of Juan de Fuca IMW project agreement:

Submit an annual report by 12/31/17 focused on recent accomplishments and progress made in meeting any conditions applied during the current evaluation period. The annual report should concisely identify (a) focal species and listing status, (b) objectives and hypotheses of the monitoring effort, (c) key findings to date, and (d) uncertainties and future challenges to the project. See Appendix A.

In addition, a comprehensive progress report should be completed in 2017. This report should describe the restoration efforts, habitat changes, and whatever fish population responses can be deduced at this time in the Strait IMW to date. The progress report should also include a discussion of the focused questions that have been discussed at the April 2017 workshop and an outline of any new work or analytical techniques that are being contemplated.

As specifically recommended by the project leads, a table of restoration treatments by river, reach, and year should be compiled. This would include but is not limited to information related to the piece counts of wood by size classes, which could allow for future evaluation of localized or downstream changes in wood loading assuming that the TFW reaches include both treated and untreated reaches. In addition, an effort to quantify the number and size of pieces of wood in jams would reduce the potential for wood accumulations in log jams to mask large wood addition signals in the streams.

# Status and Trends Fish Monitoring (Fish In/Fish Out)

The Status and Trends Fish Monitoring is often referred to as fish in/fish out, or FIFO, because it measures adults as they move into freshwater and juveniles as they migrate out to the ocean. The status and trends monitoring is an essential component of the SRFB Monitoring Program. It provides data critical to understanding long term, watershed-scale status and trends of salmon populations. Data on salmon population abundance and productivity serve as foundational information used by the Intensively Monitoring Watersheds and Project Effectiveness Monitoring programs, salmon recovery decisions, and to manage commercial and sport fisheries. These data are also important elements in NOAA's 5-year status review for Endangered Species Act-listed species and provide basic data needed to assess the four viable salmonid population parameters which are used to determine listing status under the Endangered Species Act.

Although the SRFB funding comprises less than 10% of the overall program budget, it serves as an important component of the annual funding and is highly leveraged by other funding sources. Washington Department of Fish and Wildlife and collaborators do a good job of managing and reporting on this monitoring. The relatively small investments by the SRFB to support this kind of monitoring provide significant benefits to the region overall.

The FIFO team is doing excellent work with limited resources. Some FIFO projects are focused on enumerating returning adult salmon and steelhead, others on estimating the number of downstream migrants, and a few are attempting to census both adults and smolts. The latter studies are especially valuable because they facilitate tracking smolt to adult return rates (SARs) as well as smolts produced per spawner – a very useful metric that can be sensitive to habitat gains or losses in a watershed. Where possible, we encourage team members of monitoring studies that do not include both adults-in and smolts-out to seek funding opportunities to expand their scope to track both adult returns and smolt production. In addition, the finding from several IMW studies that fall migrants can contribute to adult escapement suggests that, in some watersheds, fall migrant trapping could yield new insights into population status and trends. We realize that additional sampling requires additional funding, but hope that teams can be opportunistic in securing more resources or cooperating with existing monitoring efforts that may be sponsored by other organizations.

Status and trend information on population abundance and productivity is used to inform other monitoring projects (IMW and project effectiveness), salmon recovery decisions and to manage

commercial and sport fisheries. Where possible the FIFO program monitoring attempts to pair counts of incoming adults with counts of outgoing smolts of the next generation to assess freshwater productivity, an important metric for determining the success of habitat restoration. Not all the programs funded under the FIFO program have both smolt and adult monitoring. Rather, the program leverages existing monitoring of one life history (usually the adult phase) by providing funding for the complementary phase.

The monitoring panel notes that most of the funding for this project supports field data collection and that comparatively little support is available for data analysis and reporting.

The project is doing a good job of using SRFB support to monitor ESA listed stocks, and based on answers given to monitoring panel questions, it is clear that their approach to when and where to conduct FIFO monitoring is reasonable and well thought out. However, given the issues around monitoring Puget Sound Steelhead, the panel should work with FIFO project leads to develop a path for improving the coverage of paired adult and juvenile steelhead monitoring in Puget Sound. PIT tagging arrays seem like a promising route, and we are pleased to see that SRFB funds are being used to advance this approach in the Touchet River. Increasing paired adult/juvenile monitoring of steelhead in Puget Sound is important because the one paired adult/juvenile monitoring site currently in place (Snow Creek) is a rain-shadow stream that may not be reflective of typical conditions in Puget Sound.

#### **Responsiveness to 2016 Panel Comments**

Excellent reporting and analysis was provided in 2016 (Salmon and Snow Creek, as well as the Touchet, Wind and Grays Rivers) that showcase the rigor and value of this monitoring program. FIFO data provide the backbone of information to inform salmon recovery efforts as well as other monitoring efforts such as IMWs and PE.

The monitoring panel and project leads should discuss funding options for the White Salmon and Wind Rivers, consistent with regional recovery goals. FIFO authors provided useful guidance in their response to comments. Key points are the following:

"In our Wind River report, we recommended expanding adult monitoring efforts to the White Salmon River, as opposed to shifting efforts away from the Wind River. The goal of this expansion would be to provide a more complete adult abundance estimate for the Upper Gorge stratum. After the removal of Condit Dam on the White Salmon River, the White Salmon River holds considerably more coho habitat than the Wind River. There is potential for a larger scale FIFO monitoring program on the White Salmon River than the Wind River, and this may ultimately hold a higher priority for coho salmon within the Upper Gorge stratum.

"However, the cost to implement FIFO monitoring in the White Salmon River with SRFB FIFO funds would be substantially higher than what is currently being allocated for the Wind River. Similar to the Grays River, juvenile trapping in the Wind River is funded by BPA and provides a cost-share to SRFB FIFO monitoring. That being said, catches of juvenile coho salmon in the Wind River have been too low to generate an abundance estimate. Although there is a smolt trapping project currently in place on White Salmon River led by the USGS Cook Lab, it lacks a long-term, secure source of funding. If longer-term funding for juvenile trapping in the White Salmon River could be secured and SRFB funding could not support adult surveys in both the Wind and White Salmon rivers, then shifting funding to the White Salmon River may be prudent."

#### **Project Limitations and Concerns**

The study is limited by the funds available for regular in-depth reporting, analysis, QA/QC, and statewide data summaries.

### Recommendation: CLEAR. The Status and Trends Fish Monitoring conducted by Washington State Department of Fish and Wildlife should be continued. If additional monitoring funds are available, the panel supports expansion of Status and Trends Fish Monitoring.

The panel offers several suggestions for enhancing the approach of this monitoring component as noted in the comment form to principal investigators. These include:

We encourage continued attempts to publish results of the FIFO studies in peer-reviewed journals. The recent Duckabush Chum Salmon manuscript is an excellent example of research that can help inform management decisions.

We realize that most studies have only one or two target species, but continuing to monitor the abundance of additional anadromous species, for example, in smolt traps, is worthwhile and will continue to provide insights into the current status and trends of non-target species.

It would be helpful to provide seasonal stream discharge data along with smolt abundance.

If funding is available and flow conditions permit, examine the possibility of expanding smolt monitoring to include a fall emigration period in watersheds where this life history strategy is an important part of population survival.

# **Project Effectiveness Monitoring**

The monitoring panel believes that Project Effectiveness Monitoring is an important component of the SRFB Monitoring Program. The study was one of the first efforts to design a single monitoring program to investigate the efficacy of different restoration and protection techniques that was meant to inform decisions about what kind of projects to fund. It has provided useful information on the localized (reach-scale) effects of different kinds of restoration treatments, initially addressing eight different categories of restoration.

Now over a decade old, Project Effectiveness Monitoring has matured and the monitoring panel has felt that it is now time for a deeper evaluation of the project. The panel noted in its 2015 recommendations to the Board that in 2016 the panel would focus additional review on Project Effectiveness Monitoring.

The Board also asked the panel in fall of 2015 to begin working with project scientists (Tetra Tech) on specific aspects of the study design, primarily the approach to fish sampling, to which the panel had recommended changes in approach. Work on evaluating the project effectiveness component began in earnest in early February 2016. The panel has had multiple interactions with the PE monitoring team since March 2017, both in person and via conference calls and exchange of written materials.

As a result of the 2016 review process, the monitoring panel recommended major changes to Project Effectiveness Monitoring. The changes were based on project design modifications deemed necessary to address study limitations. Chief among these were:

- 1. Truncate the current phase of the Project Effectiveness Monitoring study in 2018 (i.e. 2018 would be the last year of field data collection; compilation of data and preparation of the annual report may extend into 2019). Monitoring of some project types have ended, some are due to end soon, and some are scheduled to continue through 2025. After careful discussion with project leaders and evaluating the statistical impacts of moving some data collection points to an earlier year, the panel selected 2018 as an optimal date at which to end the current study in order to more quickly establish an enhanced study design for the next phase of Project Effectiveness Monitoring. Project types currently projected to continue through 2025 can be incorporated into a modified design for the next phase without any loss of data continuity.
- 2. Continue monitoring fish presence on the schedule that was included in the original study design. However, the low-flow sampling window should be tightened to a two-month period.
- 3. Conduct an in-depth data synthesis and interpretation of the initial phase of project effectiveness work (Phase I, see Crawford 2015 for description). This effort will be distinct from the annual report produced to summarize the 2018 field activities and thus the panel recommends that this be conducted as a stand-alone scope of work.
- 4. Scope a subsequent reach scale study with design modifications to continue Project Effectiveness Monitoring (Phase II). The scoping exercise should evaluate elements remaining unfinished in the Phase I scope of work, as well as consideration of new project types. The panel recommends that this scoping effort begin upon approval from the Board and continue through 2017. The monitoring panel will play a key role in shaping the Phase II design and will invite participation from additional subject matter experts. Design modifications which are currently recommended include:
  - a. Two or more years of pre-restoration treatment data, particularly for fish presence/absence.
  - b. Modifications to the timing of fish sampling.

- c. Stratification of project sites by geography, project type, species and run-timing, and stream size. Stratification recommendations will need to be cautiously balanced with funding constraints and sample size requirements.
- 5. The panel will work with the GSRO and the Board to structure project eligibility for projects to be included in the Project Effectiveness Monitoring study to ensure success within the funding process. The revised study design will require longer advance planning for project sponsors to ensure the 2-plus years of pre-project implementation fish monitoring and will require longer project implementation than is currently allowed under SRFB eligibility criteria.
- 6. The monitoring panel will assist GSRO in developing a scope of work for Phase II effectiveness monitoring. The scope of work will be scripted on critical elements deemed essential to the monitoring panel for a success study, while leaving some elements of implementation and analysis to the discretion of the project team selected by GSRO complete the work.

GSRO completed its review process in 2016 and selected a new contractor (Cramer Fish Sciences) to complete field work for the initial phase of Project Effectiveness Monitoring, draft the final report in 2018, and help develop a revised study plan for Phase II in consultation with the monitoring panel. Field work for Phase II is scheduled to begin in 2019, and as mentioned above, may include some of the Phase I monitoring sites that have been studied for more than a decade.

The monitoring panel held several meetings with the new contractor in late 2016 and early 2017. The primary purpose of the meetings was to discuss the transfer of data and analyses from the previous contractor and to review the plans for field work in 2017 and 2018. The new contractor has suggested that several sites be dropped from the suite of monitoring locations based on evidence that they are not achieving original study objectives with regard to their sampling periods or inappropriate pairings with nearby treatment or reference sites. In general, the monitoring panel concurs with the contractor's recommendations and has included these recommendations in the conditions for the 2017 contract.

# Recommendation: CONDITIONED. The monitoring panel recommends that the following language be include in the project agreement for Project Effectiveness Monitoring.

The contractor should adhere to the sampling schedule modifications recommended by the monitoring panel. Specifically,

- a. Annual reporting shall be streamlined for the completion of this phase of the study. The annual report due in December 2017 shall focus on describing progress made in addressing monitoring panel concerns. Summary and analysis of data collected in 2016-2017 shall be incorporated by the new contractor in the 2018 final report.
- b. Review each Phase I site's sampling history and identify sites sampled in very different months. Determine if data from sites with poor sampling time pairings should be discarded.

- c. Discard Phase I sites where a site was poorly paired with a comparison location (e.g., side channel vs, main stem).
- d. Determine the value of data from sites that underwent a change in sampling protocols over time (e.g., CHaMP vs. EMAP habitat protocols).
- e. Determine how and if to continue sampling streams that are not wadeable. Consider alternative methods of assessing habitat conditions in large, deep sites.

# REFERENCES

Governor's Forum on Monitoring. 2005. Recommendations to the Salmon Recovery Regions. December 7, 2005. 12 pp.

- Monitoring Oversight Committee. 2002. The Washington Comprehensive Monitoring Strategy for Watershed Health and Salmon Recovery. Volume 2 of 3. December 2002. 337 pp.
- State of Washington Independent Science Panel. 2006. Review of "Study Plan for the Intensively Monitored Watershed Program" (April 26, 2006 review draft). Report 2006-1. August 31, 2006. Olympia. 25 pp.
- Washington Salmon Recovery Board. 2003. Monitoring and evaluation strategy for habitat restoration and acquisition projects. Draft report.

# **APPENDIX A**

# Annual Reporting Template

Some practitioners requested more specific guidance on what should be included in the annual report. Standardized reporting format for key information will also be helpful for the monitoring panel and the SRFB. The monitoring panel strongly encourages all project leads to follow the suggestions below when preparing annual reports.

This appendix provides guidelines for reporting by IMW project sponsors to the SRFB on project goals, actions, outcomes, and conclusions. This simplified reporting allows the Board and Monitoring Panel to evaluate the value of projects more quickly, to identify outcomes that can be shared with other projects, and to draw regional conclusions based about the value and direction of funding for these projects. The suggestions in this appendix are considered a subset of the information included in the annual report; other aspects of the study will still need to be reported. Some information will stay the same from year to year (e.g., goals and responses to some of the questions below) while results and conclusions can simply be updated each year based on the work from the reporting period.

Sample templates are provided for three tables:

- Table 1: Project goals, actions, and indicators measured.
- Table 2: Year, actions, detailed description of what was done. An example figure is provided to illustrate timing of recovery actions.
- Table 3: Project goals, results/outcomes, and conclusions.

In addition, a series of questions are provided. Please respond in the same order as the questions are presented and include the questions as headings for your responses. Feel free to duplicate information from other documents and provide a citation or link to the specific pages.

# **Tables**

Table 1. Project goals, objectives (or actions), and indicator to measure whether action was successful. Example information, tables, and document from Boise Cr, WA (Hartema et al., 2014 - http://your.kingcounty.gov/dnrp/library/water-and-land/habitat-restoration/lower-boise-creek/boise-creek-monitoring-report-2013.pdf).

Goal	Objective/Action	Indicator
Provide channel roughness to provide habitat for salmon	<ol> <li>1) Install 150 pieces of LWD</li> <li>2) Riparian buffer</li> <li>3) Provide fish passage</li> </ol>	<ul> <li>1a) Number juvenile salmon</li> <li>1b) % pools</li> <li>2a) Buffer width</li> <li>2b) Tree survival</li> <li>3a) Length of stream open</li> </ul>

#### Table 1 variable description

- a. What were the goals of the project restoration?
- b. What were the specific objectives? E.g., install X pieces of wood, plant X acres of trees, open X acres of habitat.
- c. Use numbering to connect specific indicators to specific objectives.

Table 2. Project actions, year complete, and detailed description of actions completed. Example information, tables, and document from Boise Cr, WA (Hartema et al., 2014; 2014 - http://your.kingcounty.gov/dnrp/library/water-and-land/habitat-restoration/lower-boise-creek/boise-creek-monitoring-report-2013.pdf).

Action	Year	Detail
	complete	
1) Install 150 pieces of LWD	1) 2011	1a) Secured 12 rootwads; 6 spanning logjams
2) Riparian buffer	2) 2012	2a) Treated and mowed 5 acres of blackberry
a) Removed invasives	3) 2012	2b) 5,800 bare root plants, 1,050 native plants
b) Installed planted		3a) Excavated 600 ft channel
3) Provide fish passage		3b) Replaced 6 culverts

Table 2 variable description

- a. Year when the action was completed.
- b. Objective/Action (same numbering as in Table 1).
- c. Detail on what was done.

#### Figure 1. Timeline and description of projects for Asotin IMW.



Figure 2. Timeline of Asotin Creek IMW design, monitoring, and restoration implementation. The initial restoration design of 12 km of wood treatments was completed from 2012-2014. Another restoration treatment to extend South Fork will be implemented in 2016 along with adding more wood to existing structures to enhance their function.

Table 3. Goals, Results (outcomes), which variables have measures before and after restoration actions, conclusions.

Goal	Result/outcome	B/A data available?	Conclusions
Provide channel roughness to provide habitat for salmon	Juvenile salmon more abundant in new channel Pool area increased Temperature declined	Juvenile abundance % Pool area Area covered Number of redds	Juvenile abundance increased, but only 10%. Redds in new habitat represented 10% of total in river.

Table 3 variable description

- a. Goals (from Table 1)
- b. Brief summary of results, numbered (if possible) to align with actions from Table 1.
- c. List the variables for which before and after data are available.
- d. Conclusions are high level.

# Questions to be Addressed in Annual Reports

#### 1. Species of concern

a. What are your focal species and their associated listing status?

#### 2. Effectiveness

- a. What are the limiting factors believed to be in your watershed?
- b. How were specific restoration actions tied to limiting factors?
- c. Are the findings of this IMW applicable to other watersheds? Be specific about what findings are transferable and where? Specify criteria by which the findings translate to other watersheds (e.g. geomorphic conditions, climate regimes, land cover, ESUs, etc.).

#### 3. Collaboration and Communication

- a. Cite examples of how your program has collaborated with monitoring partners (including project sponsors, lead entities, and local, state, tribal, and federal agencies). The purpose of this is to demonstrate the depth and breadth of collaboration that is occurring; a comprehensive list of every communication with your partners is not necessary.
- b. List reports and other technical products (e.g. presentations, maps, graphics, videos, etc.) that have been produced and where they can be obtained by the public. The purpose of this is to document public access to the results of your work; a comprehensive list of all materials is not necessary.
- c. Provide examples of conferences/meetings in which your program presented or participated; a comprehensive list of every presentation is not necessary.

#### 4. Adaptive Management

- a. Please identify any specific changes made in your methodology over the reporting period.
- b. What challenges have you encountered in implementing your monitoring program?
- c. How will the findings of this IMW inform future salmon recovery (broad answers are appropriate)?



# Salmon Recovery Funding Board Briefing Memo



#### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

 $\boxtimes$ 

Meeting Date:	June 14-15, 2017
Title:	Funding Decisions: Funding Projections for 2017-19
Prepared By:	Wendy Brown, Policy Director, Recreation and Conservation Office

#### Summary

This memo summarizes projected state and federal funding levels for fiscal years 2018 and 2019.

Decision Direction

#### **Board Action Requested**

This item will be a:

Request for
Request for
Briefing

### **Background:**

Each year, the Recreation and Conservation Office (RCO) submits a single Washington State application to the National Oceanic and Atmospheric Administration (NOAA) for Pacific Coastal Salmon Recovery Fund (PCSRF) grant funding. The application is prepared on behalf of the Salmon Recovery Funding Board (board), Washington Department of Fish and Wildlife (WDFW), and the Northwest Indian Fisheries Commission (NWIFC).

The board portion of the PCSRF application includes funding for habitat projects, monitoring (required by NOAA), administration, and capacity. Capacity is described as the established organizational foundation that allows salmon recovery to take place at the grassroots level by maintaining a network of regional organizations and lead entities and, in past years, has included direct funding for both regional organizations and lead entities.

This year RCO removed the request to fund lead entities in the federal application and instead included funding for lead entities as part of the RCO state capital budget request. By removing capacity funding from the PCSRF application, a larger percentage of funds shifted into Priority 1 habitat projects, in an attempt to improve the competitiveness of our application. Additionally, the application identified some funding to implement the SRFB's communication strategy and/or to continue to support SRNet.

#### **Available Funds**

#### **Current Budgets**

As of the writing of this memo, NOAA has not decided how much to award the State of Washington in our PCSRF grant and the Legislature has not adopted the budget for the 2017-19 biennium. RCO anticipates approximately \$907,000 in general state funds for lead entities, the same amount provided in the 2015-17 budget. As mentioned above, we requested \$2.4 million in lead entity capacity funding in the state capital budget, in addition to the \$52 million request for project funds, as a shift away from PCSRF

funds. The Senate capital budget proposal appropriates \$20 million to the SRFB, with no specific call out for capacity funds. The House capital budget proposal appropriates \$16.5 million for projects and an accompanying \$2.4 million for lead entity capacity. However, it is important to note that the House budget specifically provides lead entity funding only to develop projects – any other capacity costs are not eligible to be covered with these capital funds.

RCO expects to hear from NOAA in early June regarding the federal amount awarded through the 2017 PCSRF application. As mentioned above, only the amount needed to fund regional organizations was included in this year's application.

#### **Returned Funds**

"Returned funds" refers to money allocated to projects/activities that returns when projects/activities either close under budget or are not completed. These dollars return to the overall budget. These returned funds have been available for cost increases and to increase the funding available for projects in the upcoming grant round, if the Legislature re-appropriates the funds as part of either the regular capital budget or a stand-alone re-appropriation bill.

In past years, the board made up the difference between the PCSRF award and the amount needed for regions and lead entities with returned PCSRF funds. Currently, due to reduced federal funding, specific federal grant requirements on "priorities", and the board's recent commitment to fund Intensively Monitored Watershed (IMW) projects, utilizing returned funds for capacity funding is no longer a sustainable strategy.

We currently have \$2.2 million in returned funds available for the 2017 grant round. Again, use of these funds depends on legislative re-appropriation.

#### Federal Fiscal Year 2017

The federal fiscal year 2017 budget includes \$65 million for PCSRF<sup>1</sup>. As of the writing of this memo, we do not yet know the amount of the Washington State PCSRF grant award for this federal fiscal year. Federal funding for the second year of the biennium (2018 grant round) will be unknown until Congress takes action on the federal fiscal year 2018 budget.

#### **Funding Scenarios**

The 'best case' scenario for funding in the 2017-19 biennium is that the state appropriates \$20 million to the SRFB, NOAA awards Washington \$20 million in the 2017 grant, and the PCSRF appropriation remains at \$65 million for the federal 2018 budget. The 'worst case' scenario for funding in 2017-19 is that the state appropriation to the SRFB is less than \$20 million, NOAA awards less than \$20 million in 2017, and the federal PCSRF appropriation is zeroed out in the 2018 federal budget. We also assume in the worst case scenario that only 50 percent of return funds are available in FY19.

Given that the difference in state proposed appropriation is minimal, in the table below we assume the state capital funds to be \$20 million in both the best and worst case scenarios. We also assume the 2017 PCSRF award to Washington to be \$20 million and the best case 2018 PCSRF award to be the same.

One final assumption made in the table 1 is that the proportion of PCSRF funds applied for at the \$25 million level remains the same at \$20 million. The amounts requested at the \$25 million level have been

<sup>&</sup>lt;sup>1</sup> Federal fiscal year 2017 runs from October 1, 2017 until September 30, 2018. PCSRF funds from federal fiscal year 2017 will likely be available in mid- to late summer 2017.

adjusted in Table 1 to reflect the estimated projected funding level of \$20 million. The SRFB may decide to adjust funding among the categories listed below when they make final funding decisions, within the constraints of the PCSRF award.

#### Table 1: Projected Funding for the 2017-2019 Biennium

		Predicted State Fiscal Year 2018	Best Case State Fiscal Year 2019	Worst Case State Fiscal Year 2019
Funding Availa	able for the 2017-19 Biennium			
State Genera	al Funds (Lead Entities)	\$453,500	\$453,500	\$453,500
State Bond	funds (includes Admin)	\$10,085,000	\$9,915,000	\$9,915,000
PCSRF* 201	7-2018 (includes Admin)	\$20,000,000	\$20,000,000	\$0
Return Fund	ls Used/Available	\$2,200,000	\$2,000,000	\$1,000,000
	Total Funds Available	\$32,738,500	\$32,368,500	\$11,368,500
Capacity (Le	ead Entities and Regional Organizations)			
State Gener	al funds (Lead Entities)	\$453,500	\$453,500	\$453,500
State Bonds	State Bonds (Lead Entities)		\$1,200,000	\$1,200,000
State Bonds (Regional Fisheries Enhancement Groups)		\$320,500	\$320,500	\$320,500
PCSRF (Leac	Entities)	\$0	\$0	\$0
PCSRF (Reg	ional Organizations)	\$2,900,000	\$2,900,000	\$0
	Subtotal	\$4,874,000	\$4,874,000	\$1,974,000
PCSRF Act	ivities			
Monitoring	and Monitoring Panel	\$3,016,350	\$3,016,350	\$0
Communica	tions Strategy and/or SRNet facilitation	\$120,000	\$120,000	\$0
SRFB Review	w Panel	\$160,000	\$160,000	\$0
PCSRF Activ	rities - Other	\$2,327,200	\$2,327,200	\$0
	Subtotal	\$5,623,550	\$5,623,550	\$0
Projects				
State Bonds	5	\$7,982,500	\$7,982,500	\$7,982,500
PCSRF		\$10,476,450	\$10,476,450	\$0
Regional Monitoring Projects (estimate)		\$400,000	\$400,000	\$0
Return Fund		\$2,200,000	\$2,000,000	\$1,000,000
		\$21,020,930	<b>φ20,000,900</b>	φο,982,50U
	Lean Study	\$170,000	\$0	\$0
	RCO Administration (State and Federal)	\$1,012,000	\$1,012,000	\$412,000
	Total Uses for 2017-19 Biennium	\$32,738,500	\$32,368,500	\$11,368,500

\* Pacific Coastal Salmon Recovery Fund (PCSRF)

## Washington Salmon Coalition Mission, Structure, and Action Plan

#### Lead Entities

Lead Entities are watershed-based salmon recovery groups created by local communities in Washington State via RCW 77.85.050 to work directly with their communities to ensure that we are making smart investments in salmon recovery and that the top priority projects are funded. The outcome of this work is to develop locally prioritized salmon recovery habitat project lists for their area that are consistent with a scientifically sound salmon recovery strategy and are supported by the local community. There are currently 25 state recognized Lead Entities contracted through Washington State's Recreation and Conservation Office (RCO) to facilitate the salmon habitat project identification and prioritization process for the watersheds that make up their local lead entity area. In addition to developing salmon habitat project lists, Lead Entities work with their local community to build support for local salmon recovery projects and work with local technical experts to develop and improve their science –based salmon recovery strategy. Lead Entities in a <u>regional salmon recovery plan area</u> also work with their region to ensure that their process and projects are consistent with that plan.

#### WSC Mission Statement

The mission of the Washington Salmon Coalition (WSC) is to support and strengthen the 25 Lead Entities in Washington State in their endeavor to restore, enhance, and protect salmonids and their habitats in a scientifically-sound manner that engages local communities and supports our economy.

#### WSC History

This group was originally constituted to provide advice to the Department of Fish and Wildlife (WDFW) on current and emerging policy issues associated with salmon recovery. It was called the Lead Entity Advisory Group (LEAG). Over time, LEAG evolved to mainly support the Lead Entity Program by serving as a forum for discussing lead entity issues and improving communication with the Salmon Recovery Funding Board (SRFB), RCO, WDFW, the Governor's Salmon Recovery Office, other state agencies, the Council of Salmon Recovery Regions, and other interested groups. Education and coordination in general are a central focus and theme. In December of 2013, the group changed their name to the Washington Salmon Coalition (WSC). The roles of Lead Entities and of WSC should evolve with the needs of salmon recovery and the changing landscape of Washington State's economy.

#### WSC Goals

WSC seeks to effectively communicate as a unified voice representing the interests of Lead Entities and their communities statewide with our partners, provide a communication forum for discussing emerging Lead Entity issues, and develop strategies for addressing these topics. WSC seeks to foster relationships and share best practices amongst colleagues and provide educational opportunities for the 25 Lead Entities in Washington State. WSC communicates as a collective voice that salmon recovery the "<u>Washington Way</u>" is yielding statewide results. WSC has the following goals; specific objectives can be found in Appendix A: WSC Action Plan.

#### Internal Goals:

- 1. Develop strategies to improve long-term stability of LE/WSC/Salmon Recovery funding
- 2. Periodically review and reaffirm WSC's identity and strategies
- 3. Encourage Lead Entity consensus on priority recommendations and communicate in a unified manner
- 4. Facilitate the interchange of information, relationship building, and mentoring amongst LEs
- 5. Support professional development and training opportunities
- 6. Utilize habitat work schedule (HWS) as an effective reporting and communication tool

#### External Goals:

- 1. Actively advise the Salmon Recovery Funding Board on local salmon recovery and Lead Entity issues
- 2. Promote the Lead Entity Program as the local, scientifically-based program for developing salmon habitat projects that fit within local community values
- 3. Increase Lead Entity efficacy and profile by engaging at regional, state, and national levels

#### WSC Membership:

WSC is made up of one representative from each of the Lead Entities across the state. Each lead entity shall appoint a WSC representative and alternate for their lead entity. Lead entity representatives and alternates can be, but are not limited to, lead entity coordinators, citizen committee members, technical committee members, RFEGs and "other partners.". WSC member positions will be filled as vacancies arise with names provided to the WSC Chair as requested.

Expectations and Requirements for WSC members:

- Members are expected to represent their local lead entity committees.
- Members are encouraged but not expected to attend all WSC meetings.
- Members are expected to review all WSC agendas and minutes to stay informed on what WSC is doing and to communicate to WSC about issues that are important to their lead entity.
- Members are expected to participate in the biennial training event and encouraged to participate in other development opportunities as they occur.
- Members are encouraged to use base funding in support of WSC in-person meeting participation. Doing so will allow WSC to maximize the benefit and professional development potential of our training funds.
- Members are encourages to participate on a standing WSC subcommittee (Communications, Funding, or Habitat Work Schedule).
### WSC Leadership:

WSC Executive Committee: This committee shall be composed of eight (8) of the WSC members. WSC Executive Committee members must include one member from each of three areas across the state (the Coast, the Puget Sound and the Columbia Basin), a representative from the Northeast (if that area desires representation), and either four (4) or five (5) at-large members to bring the total to eight (8). At no time should the Executive Committee consist of more than four (4) members from any one area. WSC Executive Committee members serve one year terms.

Executive Committee members are nominated or self-nominated for any open positions by WSC members at the last WSC meeting of the state fiscal year. There must be, at minimum, a quorum (more than half) of the WSC membership voting and successful candidates must have a majority of votes to be elected. WSC members who cannot attend the election meeting can give their vote by proxy to another WSC member who will be present.

Expectations for WSC Executive Committee:

- Executive Committee members are expected to attend all WSC meetings. If two or more meetings in a year are missed, the WSC members may choose to nominate a replacement at any time using the same process outlined above.
- Executive Committee members may be called upon to assist the WSC Chair in developing a WSC recommendation that is necessary before the next WSC meeting.
- Executive Committee members are expected to try to represent the views of Lead Entities across the state.
- Just like all WSC members, Executive Committee members may be reimbursed for travel and per-diem costs out of their own Lead Entity contracts while attending WSC related functions.

WSC Officers: WSC shall have a Chair, Past Chair, Vice Chair, Communications Officer, and Logistical Coordinator. Each of these positions shall serve a one year term, at the discretion of WSC members. Elections for Chair and Vice-Chair will follow the election of the WSC Executive Committee on the last WSC meeting of the state fiscal year. Candidates for these positions should already be members of the WSC Executive Committee, though exemptions are accepted if the majority of a quorum agrees. To elect officers there must be, at minimum, a quorum of the WSC membership voting and successful candidates must have a majority of votes to be elected.

WSC's Chair is responsible for presiding over WSC meetings, developing WSC agendas (in consultation with other WSC members and RCO staff) and overseeing the development and issuance of WSC recommendations and action items. In public settings the Chair presents viewpoints consistent with policy and direction set by WSC and reports back to WSC members about the nature and content of presentations. The Chair has signatory authority for WSC opinions and other communications and is the default representative of WSC at SRFB meetings. The Chair is by default a member of any WSC subcommittee.

WSC's Vice-Chair is responsible for assuming Chair duties when the Chair is not available. The Vice-Chair will assist in review of summary minutes from WSC meetings. The Vice-Chair may also assist the Chair in agenda development and in overseeing WSC action items.

WSC's Past Chair is available for consultation from the current Chair and Vice-Chair and is responsible for ensuring there is continuity in WSC leadership and activities. The WSC Past Chair has the option to serve a one year term if the WSC Chair remains the same from one year to the next. In this case the WSC Past Chair has the option to remain as a representative on the Executive Committee, or the position would become another at-large opening for election.

WSC's Communications Officer is responsible for ensuring summary meeting notes are prepared and disseminated. This responsibility involves coordinating with the Lead Entity Program Manager who creates the first draft summary notes.

WSC's Logistical Coordinator is responsible for arranging logistics for in-person WSC meetings and conferences, preferably by seeking volunteers on an as-needed basis.

### Lead Entity Program Manager

The Lead Entity Program Manager is a RCO/GSRO employee whose main responsibility is managing the Lead Entity program and their contracts, not WSC. However, the Program Manager shall provide input on the development of WSC agendas (working with the Chair, other WSC members, RCO/GSRO staff and SRFB), create the first draft summary meeting notes, and manage the LE website on RCO's home page. The Program Manager may perform other duties as developed by RCO/GSRO, including, but not limited to, drafting reports, coordinating activities, disseminating information, facilitating communication and formulating issues.

### WSC Meeting Guests

Salmon Recovery Funding Board staff, as well as the Governor's Salmon Recovery Office, Council of Regions, Regional Fisheries Enhancement Groups, Department of Ecology, Department of Natural Resources, Department of Fish & Wildlife, Puget Sound Partnership, the Council of Regions, Department of Transportation, Department of Agriculture, and the Conservation Commission and other partners are encouraged to attend and participate in WSC meetings and activities. SRFB requests for WSC comments or input have a high priority in the agenda setting process. WSC functions are open meetings. Guests are welcome to attend and to participate in discussions.

### Decision-making

A WSC recommendation on a topic relevant to lead entity business may be requested by the SRFB, RCO/GSRO, a WSC member, or other party. Such requests shall be in writing and submitted to the Chair at least two weeks in advance of a WSC meeting. The Chair, in consultation with other WSC members, shall decide whether to seek a WSC recommendation. A consensus based decision making process will be used as outlined below:

Any WSC member may suggest a recommendation for WSC to consider. Once a recommendation is suggested WSC will have a discussion about the recommendation then a call for consensus will be made

by the WSC Chair. The following options will be available for each WSC member to express their opinion on the recommendation:

- 1. Endorsement (I like it)
- 2. Endorsement with minor contention (I basically like it)
- 3. Agreement with reservations (I can live with it)
- 4. Stand aside (I don't like it but I don't want to stop it)
- 5. Block I can't live with it.

A WSC recommendation will go forward with the number of 1's, 2's, 3's, and 4's noted in the meeting record unless a member chooses option 5 to block the recommendation. If a member wishes to block the recommendation the Chair and other WSC members must try to find a new recommendation that the member will not block. If no consensus can be reached on a WSC recommendation then Lead Entities may express their opinion but no WSC recommendation will go forward. WSC members may give their consensus vote by proxy to another WSC member that will be attending the meeting. However, WSC members may only block a recommendation at a WSC meeting if they are present at that meeting.

When the WSC Chair is communicating the results of a WSC recommendation to others they should include the number of WSC members who participated in making the recommendation and the number of 1's, 2's, 3's and 4's.

If a WSC recommendation is requested under a very short-time frame the WSC Chair may call on the Executive Committee to assist the Chair in formulating a recommendation. At least four of the Executive Committee members must be willing to allow the recommendation to go forward for it to become a WSC recommendation. Any Executive Committee member can choose to block the recommendation if they feel strongly about it. Every reasonable effort should be made by the WSC Chair and Executive Committee to solicit opinions from other WSC members before making a WSC recommendation.

For an official consensus decision to be made, a quorum must be established. A quorum consists of more than half of the Lead Entity Coordinators in Washington State. Preferably, members would be physically present at a meeting where a decision is made, however presence will be counted when a WSC member has phoned in and votes may be cast via phone. Note that the selection process for the WSC Executive Committee and officers will be conducted by a WSC member vote rather than by consensus.

### WSC Agendas

The Chair, in consultation with WSC members and the LE Program Manager, decides upon the specific agenda items for a given meeting. The WSC Chair develops and distributes the draft agenda to all WSC members and other interested parties as an information service. Requests for agenda time for a particular WSC meeting should be at least two weeks in advance of the WSC meeting. Documents requiring review prior to the WSC meeting must be submitted to the WSC Chair at least two weeks before the meeting. WSC agendas shall designate between action/decision and discussion items. Draft agendas shall be approved by WSC consensus at the beginning of each meeting.

### **Appendix A: WSC Action Plan**

Washington Salmon Coalition (WSC) seeks to effectively communicate as a unified voice representing the interests of Lead Entities and their communities statewide with our partners, provide a communication forum for discussing emerging Lead Entity issues, and develop strategies for addressing these topics. WSC seeks to foster relationships and share best practices amongst colleagues and provide educational opportunities for the 25 Lead Entities in Washington State. WSC communicates as a collective voice that salmon recovery the "Washington Way" is yielding statewide results.

The following WSC goals and objectives make up the yearly action plan, which is to be updated annually at the last WSC meeting of the State fiscal year.

Internal Goals and Objectives:

- 1. Develop strategies to improve long-term stability of LE/WSC/Salmon Recovery funding
  - a. Utilize a WSC Funding Group to lead WSC members in accomplishing the following:
    - Short-term actions:
      - i. Communicate with Congressional delegation thanking them for their support of PCSRF funding and reminding them of the value of Lead Entities and salmon recovery in terms of economic importance, cultural significance, and ecological gain.
      - ii. Communicate with State Legislators to ensure they support the restoration of state matching funds that have been cut in recent years and reminding them of the value of Lead Entities and salmon recovery in terms of economic importance, cultural significance, and ecological gain. Send 2014 Lead Entity Directory with a cover letter to state legislators.
      - iii. WSC will participate in, and lead where appropriate, processes exploring funding mechanisms for salmon recovery, including:
        - Watershed funding stakeholder processes, such as Watershed Investment Districts, to identify interest and develop consensus concepts.
        - WDFW-sponsored dialogue with RFEGs and regional organizations on ways to increase/coordinate funding sources and identify new revenues for salmon recovery.
      - iv. Develop a position on creation of a systems approach to funding and a permanent program that integrates habitat and other water issues.
      - v. Work closely with COR and GSRO on implementing a joint Communications Plan.
        - Train key messengers (RCO, GSRO, SRFB, COR, WSC) in the use of the Message Framework and how to tailor it to their needs.

- Help Lead Entities identify the top 20 influencers in their area who need to understand the value of what the Lead Entities and their partners are doing.
- Share information and ideas amongst Lead Entities who are providing forums to share their salmon recovery project work; there is particular interest in highlighting successful projects on private property through landowner's telling the story.
- Work with COR and GSRO to define/refine relationships graphic

   designing visual framework for the salmon recovery network that would help convey connectivity, unity, organization, professionalism, and instill confidence in partners, funders, critics, and the public.

### Long-term strategies:

- i. Build a broader coalition to work with other salmon recovery partners to advocate for salmon recovery and develop common messages and a coordinated approach, while keeping in mind WSC-specific needs.
- ii. Explore mechanisms to advance salmon recovery through public/private funding , such as establishing a non-profit or working with established non-profits.
- iii. Explore ways to promote salmon recovery and secure private funding to develop a broader coalition of support
- 2. Periodically review and reaffirm WSC's identity and strategies
  - a. Review and update WSC Mission, Structure, and Action Plan as needed.
  - b. Annually update Appendix A: Action Plan
    - i. Develop additional detail for the Action Plan in the future, including responsible parties and budget.
  - c. Develop WSC Logo; revise letterhead.
- 3. Encourage Lead Entity consensus on priority recommendations and communicate in a unified manner
  - a. Have at least four WSC meetings, with at least two additional in person meetings a year at which a quorum is present.
  - b. Present consensus findings on important matters (e.g. to SRFB).
- 4. Facilitate the interchange of information, relationship building, and mentoring amongst LEs
  - a. Have at least four WSC meetings, with at least two additional in person meetings a year at which a quorum is present.
  - b. Put on a WSC training and education conference annually as funding allows, or at least once each biennium at which all coordinators are present.

- c. Participate in SRFB sponsored events with all Lead Entities participating, including the Salmon Recovery Conference each biennium.
- d. Maintain a Lead Entity Directory.
- e. Utilize WSC Communications and Outreach Team to lead WSC members in accomplishing the following:

Short-term actions:

- i. Maintain LE Coordinator Distribution List in Outlook ("WSC Internal Comms") that is kept current and sent to all LE Coordinators.
- ii. Contact new LE Coordinators with a "Welcome" and introduction to existing WSC via email.
- Facilitate the opportunity for new LE Coordinators to have an individual "seasoned" LE Coordinator who is geographically close to assist them in learning the position.
- iv. Revise the "Lead Entity Guidance" document.
- v. Include digital tools or tech-related information at each meeting.
- vi. Conduct semi-annual interviews with experienced LE's via a questionnaire and distribute through group sharing site.

Long-term strategies:

- vii. Create a web-based document library which includes templates, photos, forms and manuals that can be modified for local use, shared WSC documents, GIS files/overlays, and HWS documents.
- viii. Put on a WSC training and education conference annually as funding allows, or at least once each biennium, at which all coordinators are present
  - Include site visits
  - Utilize specialized skill sets
  - Spread organizational duties across more people
- 5. Support professional development and training opportunities
  - a. Put on a WSC training and education conference annually as funding allows, or at least once each biennium at which all coordinators are present.
  - b. Participate in SRFB sponsored events with all Lead Entities participating, including the Salmon Recovery Conference.
  - c. Provide additional training opportunities through at least two WSC sponsored professional development activities per year. Members are encouraged to use base funding in support of WSC in-person meeting participation. Doing so will allow WSC to maximize the benefit and professional development potential of our training funds.
- 6. Support efforts to ensure effective use of reporting and communication tools

- a. HWS action subcommittee will support GSRO efforts to ensure all Lead Entities are entering data into HWS in a consistent way regionally and state-wide so that roll up reporting is accurate and inclusive
  - i. Develop data dictionary for HWS specific labeling/codes (i.e. dormant vs conceptual status definitions).
  - ii. Streamline reporting codes eliminate reporting redundancies.
  - iii. Develop standard operating procedures, starting with what PCSRF requires from Lead Entities (long term objective).
- b. HWS action subcommittee will enable HWS to be a state-wide communication tool among Lead Entities and aid in the inter-Lead Entity communications
- c. Work with GSRO, Council of Regions and other partners to develop state-wide objectives for HWS.

External Objectives and Actions:

- 1. Actively advise the Salmon Recovery Funding Board on local salmon recovery and Lead Entity issues
  - a. Prepare WSC meeting materials for SRFB meetings and solicit for Lead Entity specific information to share with the SRFB.
  - b. Invite necessary agencies to WSC meetings and training/education events.
  - c. Maintain a network of salmon recovery professionals that can be called upon for questions and guidance.
- 2. Promote the Lead Entity program as the local, scientifically-based program for developing salmonid habitat projects that fit within community values
  - a. Utilize the WSC Communication and Outreach sub-committee to develop education and outreach materials for audiences including, but not limited to:
    - i. Salmon Recovery Partners
    - ii. Washington Legislature and Congressional Delegation
    - iii. Local Media
    - iv. Landowners
    - v. General public
  - b. Interact annually with legislative policy makers during legislative day and/or as opportunities arise.
- 3. Increase Lead Entity efficacy and profile by engaging at regional, state, and national levels
  - a. Serve as one of the only statewide groups for discussing and establishing consensus driven policy and funding advocacy for habitat/recovery project implementation.
  - b. Identify specific regional, state, and federal level policy issues that should be addressed at higher scales to effectively implement recovery, and elevate those issues to the appropriate entities for action.

- c. Invite necessary agencies to WSC meetings and training/education events.
- d. Foster stronger relationships at regional, state, and national levels.
- e. Work with Lead Entities to maximize use of the WSC training budget and Lead Entity base funding to implement this Action Plan.





### Salmon Recovery Funding Board Briefing Memo

### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date:	June 14-15, 2017
Title:	Funding Decisions
Prepared By:	Sarah Gage, Lead Entity Program Manager, Governor's Salmon Recovery Office Tara Galuska, Salmon Section Manager, Recreation and Conservation Office Keith Dublanica, Science Coordinator, Governor's Salmon Recovery Office

### Summary

The Recreation and Conservation Office (RCO) requests project and capacity funding as part of the annual grant application for the Pacific Coastal Salmon Recovery Fund (PCSRF) and as part of our biennial state capital and operating budget requests to the Legislature. Together, these funds pay for salmon habitat improvement projects, monitoring, hatchery improvement projects and programs, and support for the network of regional organizations and lead entities that underlie the locally-driven approach to salmon recovery in the state.

Item 9A provides information about the projected funding for the 2017–19 biennium. Item 9B provides information about specific activities that will advance the Salmon Recovery Funding Board's (board) biennial work plan.

At the June 2017 meeting, if funding amounts or availability is not yet known, staff recommends that the board make preliminary decisions and delegate authority to the RCO Director to enter into contracts consistent with those preliminary decisions once funding is available. Should the budget or PCSRF award be substantially different than predicted, the director will work with the chair of the board to call a special meeting to decide how to adjust the grant round target.

### **Board Action Requested**

This item will be a:

Request for Decisions Request for Direction Briefing

### **Board Decisions for the 2017 Grant Round**

The decisions outlined in this memo will support salmon recovery capacity, monitoring, and the Salmon Recovery Funding Board's (board) grant program for the 2017 grant round. At the writing of this memo, funding amounts are still unknown; therefore, staff recommends delegating authority to the Recreation and Conservation Office (RCO) Director to enter into contracts based on the information in Item 9A. If the legislative appropriation and the 2017 PCSRF grant are significantly less than projected, the director will work with the chair of the board to call a special meeting to decide how to adjust the grant round target.

Here are the specific staff recommendations:

1. Set a target of \$18 million for the 2017 grant round.

- 2. Approve capacity funding for each regional organization for fiscal year 2018.
- 3. Approve capacity funding for each lead entity for fiscal year 2018, with 2 months (July-August) of that amount being amended into the existing contracts and 10 months (September-June) budgeted into new contracts.
- 4. Approve funding for lead entity training and a WA Salmon Coalition (WSC) chairperson (\$12,500).
- 5. Reallocate returned lead entity capacity funds to support the priorities of the Washington Salmon Coalition (up to \$50,000, depending on the amount of returned 2017 lead entity capacity funds).
- 6. Reserve \$500,000 to be used for project cost increases for December 2017 through December 2018, to be used consistent with policies in Manual 18.

Staff will provide any new information concerning the budget at the June meeting.

### **Regional Organization and Lead Entity Capacity Contracts**

Existing lead entity capacity grants were originally scheduled to end on June 30, 2017. In light of the budgetary uncertainty in mid-May, RCO extended the time period for these grants until August 31, 2017. These contract amendments maintain the contractual relationships between RCO and the lead entities into the new fiscal year. No additional funding was added to these contracts.

Staff do not anticipate any scheduling changes to regional organization capacity grants, which end August 31, 2017.

#### **Staff Recommendations Regional Organization and Lead Entity Capacity Contracts**

Staff recommends the board fund capacity 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. This is the fiscal year 2016 funding level for both regional organizations and lead entities, which is the level prior to the reductions taken in 2017. Table 1 summarizes the recommendation; Tables 2 and 3 detail the funding recommendations for Regions and Lead Entities, respectively.

If the state budget or PCSRF award comes in significantly less than expected, staff recommend providing interim funding and calling a special board meeting to decide how to adjust the capacity funding and the grant round target.

Purpose	Current Funding FY 2017 (July 1, 2016 - June 30, 2017)	Proposed Funding FY 2018
Lead Entities	\$1,288,658	\$1,689,500
Regions	\$2,477,842	\$2,878,685
Projects	\$13,100,000	\$18,000,000 <sup>1</sup>
IMW Restoration Treatment Projects	\$1,530,000	\$0
SRFB Technical Review Panel	\$200,000	\$200,000

#### Table 1. Proposed Lead Entity and Regional Organization Funding for Fiscal Year (FY) 2018

<sup>&</sup>lt;sup>1</sup> Staff expect the PCSRF grant to come in between \$20 million and \$25 million. Based on this assumption and on the information presented in Item 9A, the board would have at least an \$18 million dollar grant round for year 2018 (December 2017).

### Table 2. Capacity Funding for Salmon Recovery Regions for Fiscal Year (FY) 2018

Regional Organization	Board Funding Adopted FY 2017	Proposed Funding FY 2018
Lower Columbia Fish Recovery Board	\$393,236	\$456,850
Hood Canal Coordinating Council	\$322,783	\$375,000
Puget Sound Partnership	\$593,181	\$689,162
Snake River Salmon Recovery Board	\$287,096	\$333,588
Upper Columbia Salmon Recovery Board	\$374,488	\$435,000
Coast Sustainable Salmon Partnership	\$261,743	\$304,085
Yakima Valley Fish & Wildlife Recovery Board	\$245,315	\$285,000
Total	\$2,477,842	\$2,878,685

### Table 3. Capacity Funding for Lead Entities for Fiscal Year (FY) 2018

Lead Entity	Board Funding Adopted FY 2017	Proposed Funding FY 2018
WRIA 1 Salmon Recovery Board Lead Entity	\$49,463	\$65,000
San Juan County Lead Entity	\$45,658	\$60,000
Skagit Watershed Council Lead Entity	\$60,878	\$80,000
Stillaguamish Co-Lead Entity (Stillaguamish Tribe)	\$19,024	\$25,000
Stillaguamish Co-Lead Entity (Snohomish County)	\$28,156	\$37,000
Island County Lead Entity	\$45,658	\$60,000
Snohomish Basin Lead Entity	\$47,561	\$62,500
Lake WA/Cedar/Sammamish Watershed Lead Entit	y \$45,658	\$60,000
Green/Duwamish & Central PS Watershed Lead En	tity \$45,658	\$60,000
Pierce County Lead Entity	\$45,658	\$60,000
Nisqually River Salmon Recovery Lead Entity	\$47,561	\$62,500
Thurston Conservation District Lead Entity	\$45,658	\$60,000
Mason Conservation District Lead Entity	\$45,658	\$60,000
West Sound Watersheds Council Lead Entity	\$45,658	\$60,000
North Olympic Peninsula Lead Entity	\$60,878	\$80,000
North Pacific Coast Lead Entity	\$45,658	\$60,000
Quinault Indian Nation Lead Entity	\$45,658	\$60,000
Grays Harbor County Lead Entity	\$45,658	\$60,000
Pacific County Lead Entity	\$45,658	\$60,000
Klickitat County Lead Entity	\$45,658	\$60,000
Pend Oreille Lead Entity	\$45,658	\$60,000
Upper Columbia Regional Salmon Recovery	\$102,743	\$135,000
Yakima Basin Regional Salmon Recovery	\$49,463	\$65,000
Snake River Regional Salmon Recovery	\$49,463	\$65,000
Lower Columbia Regional Salmon Recovery	\$60,878	\$80,000
Hood Canal Regional Salmon Recovery	\$60,878	\$80,000
Lead Entity Chair	\$4,500	\$4,500
Lead Entity Training	\$8,000	\$8,000
Total	\$1,288,658	\$1,689,500

### **Reallocate Funds to Support Washington Salmon Coalition Priorities**

### Background

Since 2014, the board has approved the use of unspent lead entity capacity funds to support the implementation of the Washington Salmon Coalition's (WSC) Action Plan and address other statewide lead entity needs. Staff recommend that the board continue to do so.

Due to lead entity coordinator vacancies and capacity related issues, not every lead entity is able to expend all of its capacity funds within the grant period. Since 2009, the annual unspent lead entity capacity fund balance is approximately \$50,000 on average, or about 3 percent of total lead entity capacity grants.

Each lead entity is expected to participate as a productive member of WSC, the statewide lead entity organization. The WSC provides a statewide forum to collectively discuss and address emerging issues in salmon recovery, especially as they relate to the lead entity function. A summary of its mission, structure, and action plan are included in Attachment A. WSC's action plan addresses sharing best practices, improving communications and outreach, providing educational opportunities, and creating a mentoring environment for newer lead entity coordinators.

Until the board approved the reallocation of unspent lead entity capacity funds, implementation of WSC's action plan was a significant and continuing challenge because lead entity coordinators already have full workloads in their own watersheds.

### Successful Approach

Following the board's initial approval of this approach in 2014, the Governor's Salmon Recovery Office (GSRO) issued a competitive request for proposals and ultimately selected Long Live the Kings and partners to provide support to the WSC.

The arrangement has been an unqualified success. The support has allowed lead entity coordinators to fully participate in coalition meetings and trainings, assured that the coalition completed several key activities in its action plan, and facilitated the exchange of information and mentoring among lead entities.

#### **Staff Recommendation for Unspent Lead Entity Capacity Funds**

Staff recommends that the board approve the WSC request to allocate up to \$50,000 in anticipated unspent lead entity capacity funds between July 1, 2017 and June 30, 2018 to support its statewide efforts.

In accordance with state contracting rules, GSRO/RCO will issue a competitive request for proposals and then contract with the successful vendor. WSC Executive Committee members will work with GSRO/RCO to develop a scope of work for the contract. The work will focus on assisting with the implementation of WSC's mission and action plan.

### Monitoring Contracts for Federal Fiscal Year (FFY) 2017

#### **Board-Funded Monitoring Efforts**

The following decisions are specific to the ongoing board-funded monitoring efforts included in the 2017 PCSRF application. These board-funded monitoring efforts have been reviewed and assessed by the board-funded monitoring panel and are addressed in its recommendations (see Item 8). The efforts

include the intensively monitored watersheds program, status and trends monitoring, and continuation of project effectiveness monitoring. If approved by the board, the new or renewed contracts will be have an expected start date of October 1, 2017 and ending December 31, 2017.

Additionally, continued support is requested for the monitoring panel, which is entering its fourth year of objectively assessing the board's monitoring program and making recommendations. The monitoring panel also provides review of regional monitoring project proposals and is addressing an appropriate structure for adaptive management. Staff anticipates processing monitoring panel members' existing personal service contracts cost increase and time extension amendments in place no later than September 30, 2017.

#### Department of Fish and Wildlife (WDFW) Status and Trends (Fish In/Fish Out) Contract \$208,000

The new contract with WDFW will continue the annual support provided for certain index stream monitoring (five streams) implemented state-wide, which is approximately 7% of the total WDFW Fish In/Fish Out sites.

### **Intensively Monitored Watersheds (IMW)**

The IMW program continues to provide comprehensive validation monitoring for the four IMWs in western WA, as well as support for one IMW in eastern WA. These include the Straits, Skagit, and Hood Canal IMWs in the Puget Sound region, the Abernathy IMW in the Lower Columbia, and the Asotin IMW in the Snake region. This is the second year in which the contracts have evolved where there are revised scopes of work specific to the tasks and deliverables for the project sponsors, including:

WA Department of Ecology to be contracted to provide overall oversight for four worksites. \$698,316 WA Department of Fish and Wildlife to be contracted for habitat monitoring in two worksites. \$268,684 WA Department of Fish and Wildlife to be contracted for fish monitoring in two worksites. \$489,000

### **Project Effectiveness**

The existing contract with Cramer Fish Sciences will continue for the 2018 field season. The scope of work supports the completion of Phase One of the project effectiveness program; the contractor will provide a synthesis document to date of the program in its entirety. In addition, the monitoring panel and the board monitoring sub-committee will discuss the potential for Phase Two of effectiveness monitoring.

### **Monitoring Panel**

The monitoring panel is entering its fourth year of operation, implementing their objective review and assessment of all of the board-supported monitoring efforts: Status and Trends; Intensively Monitored Watersheds; and reach-scale Project Effectiveness. In addition, the monitoring panel reviews regional monitoring projects which are included in the regional funding allocation that the board will consider at the December 2017 meeting. Project sponsors must submit an application that meets the criteria established in Manual 18 and also provide certification from the region.

The seven monitoring panel members provide subject matter expertise in a collegial and mutually supportive and respectful environment. The panel meetings include web-based meetings and conference calls, in-person reviews and interactions, as well as follow-up with monitoring principle investigators. The draft recommendations presented for board consideration (see Item 8) also include any conditions the monitoring panel deems appropriate to be included in the monitoring contracts.

This funding request supports the monitoring panel through September 30, 2018. Each panel member's contract will have a combined cost increase and time extension amendment processed for their continued

\$100,000

\$324,478

\$1,456,000

participation, as well as identified common tasks, scopes of work, field visits, and deliverables which are revised as appropriate and entered into PRISM. The monitoring panel chairman, Pete Bisson, is expected to continue his duties facilitating and coordinating the panel tasks.

The monitoring panel contracts were included in the 2017 PCSRF application to the National Oceanic and Atmospheric Administration (NOAA).

### **Staff Recommendations for Monitoring**

Staff recommends that the board delegate authority to the RCO director to enter into contracts for these approved board-funded monitoring efforts in the 2017 PCSRF application, mentioned above and as follows:

- Move to approve a total of \$2,088,478 for monitoring efforts in the following categories:
  - \$208,000 for status and trends;
  - \$324,478 for project effectiveness monitoring
  - \$1,456,000 for IMW monitoring contracts
  - \$100,000 for the monitoring panel contracts
- Move to delegate authority to the RCO director to enter into these contracts pending receipt of the PCSRF award.

### 2017 Grant Round Target (FYY 2017)

### Available Funds and 2017 Grant Round Projection

The board funds grants with state and federal money received for salmon recovery, the majority of which is allocated to capacity, projects, and monitoring. Funding is determined annually based on Washington State's annual PCSRF grant award and the state dollars appropriated by the Washington State Legislature each biennium as shown in Memo 9A, Table 1. Based on the budget projection in Memo 9A, staff recommends setting a target grant round amount at \$18,000,000.

### **Technical Review Panel**

To ensure that every project funded by the board is technically sound, the board's technical review panel evaluates projects to assess whether they have a high benefit to salmon, a high likelihood of success, and that project costs don't outweigh the anticipated benefits of the project. There is \$200,000 in the PCSRF application to support the technical review panel for 2017.

#### **Technical Review Panel**

Each year, the board reserves \$500,000 in addition to the grant round target for cost increase amendments requested by project sponsors. These funds are available on a first come, first served basis to sponsors seeking additional funds for cost increases to accomplish their existing scope of work. The RCO director has authority to approve cost increases or to request review and approval by the board. Amendments are reported to the board at each meeting.

### Staff Recommendations for the 2017 Grant Round (FYY 2017)

Staff recommends that the board set a target grant round of \$18,000,000 including funding for regional monitoring projects. Staff recommends not using the full amount shown as available to projects in Item 9A, because the budget for the PCSRF award for 2018 is not known at this time, and it is currently \$0 in the

President's proposed 2018 budget. The excess funds could be applied to projects in the 2018 grant round or to target areas where delisting may be a near-term opportunity. The board decided at the recent May retreat to hold a discussion at the June meeting regarding concepts for allocating additional funds, above the grant round amount, to areas where the state may have the opportunity to delist a species (for example, Hood Canal or Snake River).

Staff recommends that the board approve \$200,000 for the Technical Review Panel and reserve \$500,000 for cost increases. If the 2017 PCSRF award is less than projected, the RCO director will work with the chair of the board to call a special meeting to decide how to adjust the grant round target.

The interim project allocation formula approved by the board at the March 2, 2017 meeting will be utilized to allocate project funding to regions, with the board approving ranked project lists at its December board meeting.

### Table 4. Regional Allocations for Project Funding Using the New Interim Allocation Formula

Regional Salmon Recovery Area	Regional Allocation Percent of Total	2017 Allocation based on \$18 million
Hood Canal Coordinating Council	2.40%	\$432,000
Lower Columbia Fish Recovery Board	20.00%	\$3,600,000
Northeast Washington	1.90%	\$342,000
Puget Sound Partnership	38.00%	\$6,840,000
Snake River Salmon Recovery Board	8.44%	\$1,519,200
Upper Columbia Salmon Recovery Board	10.31%	\$1,855,800
Washington Coast Sustainable Salmon Partnership	9.57%	\$1,722,600
Yakima Basin Fish and Wildlife Recovery Board	9.38%	\$1,688,400

### Attachments

A. Washington Salmon Coalition Action Plan

### Washington Salmon Coalition Mission, Structure, and Action Plan

### Lead Entities

Lead Entities are watershed-based salmon recovery groups created by local communities in Washington State via RCW 77.85.050 to work directly with their communities to ensure that we are making smart investments in salmon recovery and that the top priority projects are funded. The outcome of this work is to develop locally prioritized salmon recovery habitat project lists for their area that are consistent with a scientifically sound salmon recovery strategy and are supported by the local community. There are currently 25 state recognized Lead Entities contracted through Washington State's Recreation and Conservation Office (RCO) to facilitate the salmon habitat project identification and prioritization process for the watersheds that make up their local lead entity area. In addition to developing salmon habitat project lists, Lead Entities work with their local community to build support for local salmon recovery projects and work with local technical experts to develop and improve their science –based salmon recovery strategy. Lead Entities in a <u>regional salmon recovery plan area</u> also work with their region to ensure that their process and projects are consistent with that plan.

### WSC Mission Statement

The mission of the Washington Salmon Coalition (WSC) is to support and strengthen the 25 Lead Entities in Washington State in their endeavor to restore, enhance, and protect salmonids and their habitats in a scientifically-sound manner that engages local communities and supports our economy.

### WSC History

This group was originally constituted to provide advice to the Department of Fish and Wildlife (WDFW) on current and emerging policy issues associated with salmon recovery. It was called the Lead Entity Advisory Group (LEAG). Over time, LEAG evolved to mainly support the Lead Entity Program by serving as a forum for discussing lead entity issues and improving communication with the Salmon Recovery Funding Board (SRFB), RCO, WDFW, the Governor's Salmon Recovery Office, other state agencies, the Council of Salmon Recovery Regions, and other interested groups. Education and coordination in general are a central focus and theme. In December of 2013, the group changed their name to the Washington Salmon Coalition (WSC). The roles of Lead Entities and of WSC should evolve with the needs of salmon recovery and the changing landscape of Washington State's economy.

### WSC Goals

WSC seeks to effectively communicate as a unified voice representing the interests of Lead Entities and their communities statewide with our partners, provide a communication forum for discussing emerging Lead Entity issues, and develop strategies for addressing these topics. WSC seeks to foster relationships and share best practices amongst colleagues and provide educational opportunities for the 25 Lead Entities in Washington State. WSC communicates as a collective voice that salmon recovery the "<u>Washington Way</u>" is yielding statewide results. WSC has the following goals; specific objectives can be found in Appendix A: WSC Action Plan.

### Internal Goals:

- 1. Develop strategies to improve long-term stability of LE/WSC/Salmon Recovery funding
- 2. Periodically review and reaffirm WSC's identity and strategies
- 3. Encourage Lead Entity consensus on priority recommendations and communicate in a unified manner
- 4. Facilitate the interchange of information, relationship building, and mentoring amongst LEs
- 5. Support professional development and training opportunities
- 6. Utilize habitat work schedule (HWS) as an effective reporting and communication tool

### External Goals:

- 1. Actively advise the Salmon Recovery Funding Board on local salmon recovery and Lead Entity issues
- 2. Promote the Lead Entity Program as the local, scientifically-based program for developing salmon habitat projects that fit within local community values
- 3. Increase Lead Entity efficacy and profile by engaging at regional, state, and national levels

### WSC Membership:

WSC is made up of one representative from each of the Lead Entities across the state. Each lead entity shall appoint a WSC representative and alternate for their lead entity. Lead entity representatives and alternates can be, but are not limited to, lead entity coordinators, citizen committee members, technical committee members, RFEGs and "other partners.". WSC member positions will be filled as vacancies arise with names provided to the WSC Chair as requested.

Expectations and Requirements for WSC members:

- Members are expected to represent their local lead entity committees.
- Members are encouraged but not expected to attend all WSC meetings.
- Members are expected to review all WSC agendas and minutes to stay informed on what WSC is doing and to communicate to WSC about issues that are important to their lead entity.
- Members are expected to participate in the biennial training event and encouraged to participate in other development opportunities as they occur.
- Members are encouraged to use base funding in support of WSC in-person meeting participation. Doing so will allow WSC to maximize the benefit and professional development potential of our training funds.
- Members are encourages to participate on a standing WSC subcommittee (Communications, Funding, or Habitat Work Schedule).

### WSC Leadership:

WSC Executive Committee: This committee shall be composed of eight (8) of the WSC members. WSC Executive Committee members must include one member from each of three areas across the state (the Coast, the Puget Sound and the Columbia Basin), a representative from the Northeast (if that area desires representation), and either four (4) or five (5) at-large members to bring the total to eight (8). At no time should the Executive Committee consist of more than four (4) members from any one area. WSC Executive Committee members serve one year terms.

Executive Committee members are nominated or self-nominated for any open positions by WSC members at the last WSC meeting of the state fiscal year. There must be, at minimum, a quorum (more than half) of the WSC membership voting and successful candidates must have a majority of votes to be elected. WSC members who cannot attend the election meeting can give their vote by proxy to another WSC member who will be present.

Expectations for WSC Executive Committee:

- Executive Committee members are expected to attend all WSC meetings. If two or more meetings in a year are missed, the WSC members may choose to nominate a replacement at any time using the same process outlined above.
- Executive Committee members may be called upon to assist the WSC Chair in developing a WSC recommendation that is necessary before the next WSC meeting.
- Executive Committee members are expected to try to represent the views of Lead Entities across the state.
- Just like all WSC members, Executive Committee members may be reimbursed for travel and per-diem costs out of their own Lead Entity contracts while attending WSC related functions.

WSC Officers: WSC shall have a Chair, Past Chair, Vice Chair, Communications Officer, and Logistical Coordinator. Each of these positions shall serve a one year term, at the discretion of WSC members. Elections for Chair and Vice-Chair will follow the election of the WSC Executive Committee on the last WSC meeting of the state fiscal year. Candidates for these positions should already be members of the WSC Executive Committee, though exemptions are accepted if the majority of a quorum agrees. To elect officers there must be, at minimum, a quorum of the WSC membership voting and successful candidates must have a majority of votes to be elected.

WSC's Chair is responsible for presiding over WSC meetings, developing WSC agendas (in consultation with other WSC members and RCO staff) and overseeing the development and issuance of WSC recommendations and action items. In public settings the Chair presents viewpoints consistent with policy and direction set by WSC and reports back to WSC members about the nature and content of presentations. The Chair has signatory authority for WSC opinions and other communications and is the default representative of WSC at SRFB meetings. The Chair is by default a member of any WSC subcommittee.

WSC's Vice-Chair is responsible for assuming Chair duties when the Chair is not available. The Vice-Chair will assist in review of summary minutes from WSC meetings. The Vice-Chair may also assist the Chair in agenda development and in overseeing WSC action items.

WSC's Past Chair is available for consultation from the current Chair and Vice-Chair and is responsible for ensuring there is continuity in WSC leadership and activities. The WSC Past Chair has the option to serve a one year term if the WSC Chair remains the same from one year to the next. In this case the WSC Past Chair has the option to remain as a representative on the Executive Committee, or the position would become another at-large opening for election.

WSC's Communications Officer is responsible for ensuring summary meeting notes are prepared and disseminated. This responsibility involves coordinating with the Lead Entity Program Manager who creates the first draft summary notes.

WSC's Logistical Coordinator is responsible for arranging logistics for in-person WSC meetings and conferences, preferably by seeking volunteers on an as-needed basis.

### Lead Entity Program Manager

The Lead Entity Program Manager is a RCO/GSRO employee whose main responsibility is managing the Lead Entity program and their contracts, not WSC. However, the Program Manager shall provide input on the development of WSC agendas (working with the Chair, other WSC members, RCO/GSRO staff and SRFB), create the first draft summary meeting notes, and manage the LE website on RCO's home page. The Program Manager may perform other duties as developed by RCO/GSRO, including, but not limited to, drafting reports, coordinating activities, disseminating information, facilitating communication and formulating issues.

### WSC Meeting Guests

Salmon Recovery Funding Board staff, as well as the Governor's Salmon Recovery Office, Council of Regions, Regional Fisheries Enhancement Groups, Department of Ecology, Department of Natural Resources, Department of Fish & Wildlife, Puget Sound Partnership, the Council of Regions, Department of Transportation, Department of Agriculture, and the Conservation Commission and other partners are encouraged to attend and participate in WSC meetings and activities. SRFB requests for WSC comments or input have a high priority in the agenda setting process. WSC functions are open meetings. Guests are welcome to attend and to participate in discussions.

### Decision-making

A WSC recommendation on a topic relevant to lead entity business may be requested by the SRFB, RCO/GSRO, a WSC member, or other party. Such requests shall be in writing and submitted to the Chair at least two weeks in advance of a WSC meeting. The Chair, in consultation with other WSC members, shall decide whether to seek a WSC recommendation. A consensus based decision making process will be used as outlined below:

Any WSC member may suggest a recommendation for WSC to consider. Once a recommendation is suggested WSC will have a discussion about the recommendation then a call for consensus will be made

by the WSC Chair. The following options will be available for each WSC member to express their opinion on the recommendation:

- 1. Endorsement (I like it)
- 2. Endorsement with minor contention (I basically like it)
- 3. Agreement with reservations (I can live with it)
- 4. Stand aside (I don't like it but I don't want to stop it)
- 5. Block I can't live with it.

A WSC recommendation will go forward with the number of 1's, 2's, 3's, and 4's noted in the meeting record unless a member chooses option 5 to block the recommendation. If a member wishes to block the recommendation the Chair and other WSC members must try to find a new recommendation that the member will not block. If no consensus can be reached on a WSC recommendation then Lead Entities may express their opinion but no WSC recommendation will go forward. WSC members may give their consensus vote by proxy to another WSC member that will be attending the meeting. However, WSC members may only block a recommendation at a WSC meeting if they are present at that meeting.

When the WSC Chair is communicating the results of a WSC recommendation to others they should include the number of WSC members who participated in making the recommendation and the number of 1's, 2's, 3's and 4's.

If a WSC recommendation is requested under a very short-time frame the WSC Chair may call on the Executive Committee to assist the Chair in formulating a recommendation. At least four of the Executive Committee members must be willing to allow the recommendation to go forward for it to become a WSC recommendation. Any Executive Committee member can choose to block the recommendation if they feel strongly about it. Every reasonable effort should be made by the WSC Chair and Executive Committee to solicit opinions from other WSC members before making a WSC recommendation.

For an official consensus decision to be made, a quorum must be established. A quorum consists of more than half of the Lead Entity Coordinators in Washington State. Preferably, members would be physically present at a meeting where a decision is made, however presence will be counted when a WSC member has phoned in and votes may be cast via phone. Note that the selection process for the WSC Executive Committee and officers will be conducted by a WSC member vote rather than by consensus.

### WSC Agendas

The Chair, in consultation with WSC members and the LE Program Manager, decides upon the specific agenda items for a given meeting. The WSC Chair develops and distributes the draft agenda to all WSC members and other interested parties as an information service. Requests for agenda time for a particular WSC meeting should be at least two weeks in advance of the WSC meeting. Documents requiring review prior to the WSC meeting must be submitted to the WSC Chair at least two weeks before the meeting. WSC agendas shall designate between action/decision and discussion items. Draft agendas shall be approved by WSC consensus at the beginning of each meeting.

### **Appendix A: WSC Action Plan**

Washington Salmon Coalition (WSC) seeks to effectively communicate as a unified voice representing the interests of Lead Entities and their communities statewide with our partners, provide a communication forum for discussing emerging Lead Entity issues, and develop strategies for addressing these topics. WSC seeks to foster relationships and share best practices amongst colleagues and provide educational opportunities for the 25 Lead Entities in Washington State. WSC communicates as a collective voice that salmon recovery the "Washington Way" is yielding statewide results.

The following WSC goals and objectives make up the yearly action plan, which is to be updated annually at the last WSC meeting of the State fiscal year.

Internal Goals and Objectives:

- 1. Develop strategies to improve long-term stability of LE/WSC/Salmon Recovery funding
  - a. Utilize a WSC Funding Group to lead WSC members in accomplishing the following:
    - Short-term actions:
      - i. Communicate with Congressional delegation thanking them for their support of PCSRF funding and reminding them of the value of Lead Entities and salmon recovery in terms of economic importance, cultural significance, and ecological gain.
      - ii. Communicate with State Legislators to ensure they support the restoration of state matching funds that have been cut in recent years and reminding them of the value of Lead Entities and salmon recovery in terms of economic importance, cultural significance, and ecological gain. Send 2014 Lead Entity Directory with a cover letter to state legislators.
      - iii. WSC will participate in, and lead where appropriate, processes exploring funding mechanisms for salmon recovery, including:
        - Watershed funding stakeholder processes, such as Watershed Investment Districts, to identify interest and develop consensus concepts.
        - WDFW-sponsored dialogue with RFEGs and regional organizations on ways to increase/coordinate funding sources and identify new revenues for salmon recovery.
      - iv. Develop a position on creation of a systems approach to funding and a permanent program that integrates habitat and other water issues.
      - v. Work closely with COR and GSRO on implementing a joint Communications Plan.
        - Train key messengers (RCO, GSRO, SRFB, COR, WSC) in the use of the Message Framework and how to tailor it to their needs.

- Help Lead Entities identify the top 20 influencers in their area who need to understand the value of what the Lead Entities and their partners are doing.
- Share information and ideas amongst Lead Entities who are providing forums to share their salmon recovery project work; there is particular interest in highlighting successful projects on private property through landowner's telling the story.
- Work with COR and GSRO to define/refine relationships graphic

   designing visual framework for the salmon recovery network that would help convey connectivity, unity, organization, professionalism, and instill confidence in partners, funders, critics, and the public.

### Long-term strategies:

- i. Build a broader coalition to work with other salmon recovery partners to advocate for salmon recovery and develop common messages and a coordinated approach, while keeping in mind WSC-specific needs.
- ii. Explore mechanisms to advance salmon recovery through public/private funding , such as establishing a non-profit or working with established non-profits.
- iii. Explore ways to promote salmon recovery and secure private funding to develop a broader coalition of support
- 2. Periodically review and reaffirm WSC's identity and strategies
  - a. Review and update WSC Mission, Structure, and Action Plan as needed.
  - b. Annually update Appendix A: Action Plan
    - i. Develop additional detail for the Action Plan in the future, including responsible parties and budget.
  - c. Develop WSC Logo; revise letterhead.
- 3. Encourage Lead Entity consensus on priority recommendations and communicate in a unified manner
  - a. Have at least four WSC meetings, with at least two additional in person meetings a year at which a quorum is present.
  - b. Present consensus findings on important matters (e.g. to SRFB).
- 4. Facilitate the interchange of information, relationship building, and mentoring amongst LEs
  - a. Have at least four WSC meetings, with at least two additional in person meetings a year at which a quorum is present.
  - b. Put on a WSC training and education conference annually as funding allows, or at least once each biennium at which all coordinators are present.

- c. Participate in SRFB sponsored events with all Lead Entities participating, including the Salmon Recovery Conference each biennium.
- d. Maintain a Lead Entity Directory.
- e. Utilize WSC Communications and Outreach Team to lead WSC members in accomplishing the following:

Short-term actions:

- i. Maintain LE Coordinator Distribution List in Outlook ("WSC Internal Comms") that is kept current and sent to all LE Coordinators.
- ii. Contact new LE Coordinators with a "Welcome" and introduction to existing WSC via email.
- Facilitate the opportunity for new LE Coordinators to have an individual "seasoned" LE Coordinator who is geographically close to assist them in learning the position.
- iv. Revise the "Lead Entity Guidance" document.
- v. Include digital tools or tech-related information at each meeting.
- vi. Conduct semi-annual interviews with experienced LE's via a questionnaire and distribute through group sharing site.

Long-term strategies:

- vii. Create a web-based document library which includes templates, photos, forms and manuals that can be modified for local use, shared WSC documents, GIS files/overlays, and HWS documents.
- viii. Put on a WSC training and education conference annually as funding allows, or at least once each biennium, at which all coordinators are present
  - Include site visits
  - Utilize specialized skill sets
  - Spread organizational duties across more people
- 5. Support professional development and training opportunities
  - a. Put on a WSC training and education conference annually as funding allows, or at least once each biennium at which all coordinators are present.
  - b. Participate in SRFB sponsored events with all Lead Entities participating, including the Salmon Recovery Conference.
  - c. Provide additional training opportunities through at least two WSC sponsored professional development activities per year. Members are encouraged to use base funding in support of WSC in-person meeting participation. Doing so will allow WSC to maximize the benefit and professional development potential of our training funds.
- 6. Support efforts to ensure effective use of reporting and communication tools

- a. HWS action subcommittee will support GSRO efforts to ensure all Lead Entities are entering data into HWS in a consistent way regionally and state-wide so that roll up reporting is accurate and inclusive
  - i. Develop data dictionary for HWS specific labeling/codes (i.e. dormant vs conceptual status definitions).
  - ii. Streamline reporting codes eliminate reporting redundancies.
  - iii. Develop standard operating procedures, starting with what PCSRF requires from Lead Entities (long term objective).
- b. HWS action subcommittee will enable HWS to be a state-wide communication tool among Lead Entities and aid in the inter-Lead Entity communications
- c. Work with GSRO, Council of Regions and other partners to develop state-wide objectives for HWS.

External Objectives and Actions:

- 1. Actively advise the Salmon Recovery Funding Board on local salmon recovery and Lead Entity issues
  - a. Prepare WSC meeting materials for SRFB meetings and solicit for Lead Entity specific information to share with the SRFB.
  - b. Invite necessary agencies to WSC meetings and training/education events.
  - c. Maintain a network of salmon recovery professionals that can be called upon for questions and guidance.
- 2. Promote the Lead Entity program as the local, scientifically-based program for developing salmonid habitat projects that fit within community values
  - a. Utilize the WSC Communication and Outreach sub-committee to develop education and outreach materials for audiences including, but not limited to:
    - i. Salmon Recovery Partners
    - ii. Washington Legislature and Congressional Delegation
    - iii. Local Media
    - iv. Landowners
    - v. General public
  - b. Interact annually with legislative policy makers during legislative day and/or as opportunities arise.
- 3. Increase Lead Entity efficacy and profile by engaging at regional, state, and national levels
  - a. Serve as one of the only statewide groups for discussing and establishing consensus driven policy and funding advocacy for habitat/recovery project implementation.
  - b. Identify specific regional, state, and federal level policy issues that should be addressed at higher scales to effectively implement recovery, and elevate those issues to the appropriate entities for action.

- c. Invite necessary agencies to WSC meetings and training/education events.
- d. Foster stronger relationships at regional, state, and national levels.
- e. Work with Lead Entities to maximize use of the WSC training budget and Lead Entity base funding to implement this Action Plan.



## Salmon Recovery Funding Board Briefing Memo



### APPROVED BY RCO DIRECTOR KALEEN COTTINGHAM

Meeting Date:	June 14-15, 2017
Title:	Compliance Overview and Briefing
Prepared By:	Myra Barker, Compliance Specialist

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### Summary

Staff will provide an overview of the Salmon Recovery Funding Board's compliance policies and an update regarding ongoing compliance efforts.

### **Board Action Requested**

This item will be a:

Request for Decision Request for Direction Briefing

### Compliance

The Recreation and Conservation Office (RCO) compliance portfolio includes projects that were completed as early as 1966 under the Interagency Committee for Outdoor Recreation (IAC) to a project that is completed today. A condition of the grant funding is that the project is operated and maintained for its intended purpose, which in the case of the Salmon Recovery Funding Board is for salmon recovery, for a specific period of time. The long-term obligation begins when a project is accepted by RCO as complete and is classified in a "post-completion" status.

The project agreement describes the scope and intent of each project, specifies the compliance period, and includes a restriction on conversion of the funded site without prior approval. The most common occasions when a conversion might occur involve a sponsor conveying grant-funded property for non-salmon recovery purposes or conveying property to a third party not otherwise eligible to receive salmon recovery grants. A more detailed definition of a conversion is found later in this memo.

The long-term obligation, or compliance period, can vary and is determined by the project type and ownership of the project area.

- Acquisition projects (fee simple acquisition or easement) have a perpetual compliance period.
- Restoration projects have a compliance period of ten years<sup>1</sup>.

Other project types funded by the Salmon Recovery Funding Board, such as monitoring, or planning projects, have no long-term compliance obligation following completion of the project.

<sup>&</sup>lt;sup>1</sup> For restoration projects on property not owned by the sponsor, the landowner agreement is incorporated into the project agreement and it may specify a compliance period that exceeds the ten-year minimum timeframe.

### **Compliance Portfolio and Inspections**

The number of projects in the compliance portfolio at RCO changes over time. Currently there are about 4,900 projects in the portfolio, comprised of projects from the Recreation and Conservation Funding Board (RCFB), the Salmon Recovery Funding Board (board), and RCO. There are about 750 salmon projects subject to compliance requirements<sup>2</sup>.

The agency's goal is to inspect each grant project site once every five years. This approach mirrors the inspection requirements of the federal Land and Water Conservation Fund (LWCF) program administered by the RCFB. Grant managers use a variety of tools, including aerial imagery and a combination of desk and field work, to conduct inspections. A project is assigned to a compliance area<sup>3</sup>, a PRISM feature that identifies projects located in the same area so that multiple inspections may be completed in one site visit.

It is important to note that a project may have more than one worksite<sup>4</sup> to inspect, which can be located in different areas. A few of the earliest funded IAC projects included more than one worksite, with one project having 44 worksites scattered throughout the state. Since that time, policy was developed directing sponsors to identify multiple worksites within a geographic envelope<sup>5</sup>.

Generally, staff prioritize inspections by those that are due or overdue, by funding source, and sites with known or potential compliance issues. Inspecting sites continues to be a challenge, given staffing levels and workload. In addition to managing an average of 95 projects (from pre-application to active status), each grant manager also conducts compliance inspections and works with sponsors on resolving compliance issues.

Currently, there are 171 salmon acquisition projects that are due or past due for a compliance inspection, of which, 73 projects have multiple worksites. To reach the agency's goal of inspecting a site once every five years, each grant manager would need to complete compliance inspections for 21 projects this year. The project may have only one worksite, but as noted, 43% have more than one worksite at different locations.

Additionally, this does not take into account the restoration projects that remain subject to compliance obligations that may be due for an inspection.

<sup>&</sup>lt;sup>2</sup> Restoration projects funded prior to April 2009 typically had a 5-year compliance period, resulting in about 400 projects that are presumed to have an expired compliance period.

<sup>&</sup>lt;sup>3</sup> A PRISM database term, a compliance area is a geographic area defined by an external source (a specific park, wildlife area, state park, trail, etc.). Projects located on private land or undefined areas are assigned a compliance area by the sub-watershed Hydrologic Unit Code (HUC) 6<sup>th</sup> field, or as otherwise assigned by RCO staff.

<sup>&</sup>lt;sup>4</sup> A PRISM database term for the specific location/s of the scope of work in a project. A project may have one or more worksites.

<sup>&</sup>lt;sup>5</sup> Manual 18, Salmon Recovery Grants

### The Compliance Policy

The compliance policy states:

"interests in real property, structures, and facilities acquired, developed, enhanced, or restored with RCO funds must be not changed, either in part or in whole, nor converted to uses other than those for which the funds were originally approved. If an RCO funded project is found to be changed or converted (out of compliance with the project agreement or agreement amendments), the project sponsor is responsible for replacing the changed or converted interests in real property, structures, or facilities with interests, structures, or facilities of equivalent size, value, and utility.<sup>6</sup>

There are varying degrees of non-compliance, with conversion being the most serious. Although a conversion is not prohibited, replacement for what is converted is required. The replacement requirements vary by program and project type but, at a minimum, the replacement must provide equivalent utility. The replacement must also meet the same eligibility requirements as a new proposal. A sponsor may not use RCO funding for purchasing or restoring the replacement.

A conversion is triggered when one or more of the following takes place, whether affecting a portion of, or the entire site:

- Property interests are conveyed for non-public outdoor recreation, habitat conservation, or salmon recovery uses.
- Property interests are conveyed to a third party not otherwise eligible to receive grants in the program from which funding was derived.<sup>7</sup>
- Non-outdoor recreation, habitat conservation, or salmon recovery uses (public or private) are made in a manner that impairs the originally intended purposes of the project area.
- Non-eligible indoor facilities are developed within the project area.
- Public use of the property or a portion of the property acquired or developed/restored with RCO assistance is terminated, unless public use was not allowed under the original grant.
- If a habitat project, the property or a portion of the property acquired, restored, or enhanced no longer provides the environmental functions for which RCO funds were approved originally.<sup>8</sup>

A sponsor must consider and provide evidence that alternatives other than conversion were considered. Additionally, the sponsor must submit the following information<sup>9</sup> for the request:

- A list and discussion of all alternatives for replacement or remediation of the conversion, including avoidance;
- Documentation that the replacement provides at least equivalent value and equivalent recreation or habitat utility; and
- Evidence that the public has been given a reasonable opportunity to participate in the identification, development, and evaluation of alternatives. The minimum requirement is publication of notice and a 30-day public comment period.

<sup>&</sup>lt;sup>6</sup> Manual 7, Long-Term Obligations

<sup>&</sup>lt;sup>7</sup> An exception is allowed under Salmon Recovery Funding Board rules: Property acquired for salmon recovery purposes may be transferred to federal agencies, provided the property retains adequate habitat protections, and with written approval.

<sup>&</sup>lt;sup>8</sup> Manual 7, Long-term Obligations

<sup>&</sup>lt;sup>9</sup> Manual 7, Long-term Obligations

### The Role of the Board in Conversions

The role of the board is to evaluate the practical alternatives considered for the conversion and replacement (including avoidance) and to consider whether the replacement property meets the requirements of providing at least equivalent value and at least equivalent habitat utility as set in RCO administrative rules and policies.

The board has delegated authority to the RCO director to approve a conversion if it is less than 20% of the original scope of the project and has a value of \$75,000 or less. In these instances, the director may defer the decision to the board.

### **Pending Conversion Approval Requests**

Staff are in initial discussions with project sponsors on three potential conversions on projects funded by the Salmon Recovery Funding Board. In addition, staff is currently working on two active conversions, listed in the table below. The conversion from the Chelan-Douglas Land will be presented for board consideration at the June 2017 meeting (see Item 9B of these materials).

Project Number	Project Sponsor	Project Name	Conversion Issue
# <u>04-1680</u>	Yakama Nation	Holmes Floodplain Property Protection	Land exchange
# <u>09-1455</u>	Chelan-Douglas Land Trust	Entiat Troy Acquisition	Land exchange

### Outreach

A specific outreach effort began in 2014 to notify sponsors of their long-term obligations on grant funded projects. The notice includes a description of the long-term obligation and a list of the sponsor's projects that are subject to compliance requirements. To date, 344 sponsors have been contacted for 1,931 projects. Of those contacted, 21% were salmon project sponsors on 292 projects.

RCO received limited responses to the notice; only about 9% of those contacted submit a reply. Responses ranged from "Thank you, we are in compliance" to "We transferred that property to another organization." Staff continue to work getting sponsors to understand their long-term obligation and on resolving the issues that were discovered through the outreach.

### Next Steps

RCO staff will bring compliance and conversion issues that require board review and approval as they arise.



### Salmon Recovery Funding Board Briefing Memo



Meeting Date:	June 14-15, 2017
Title:	Conversion Request: Chelan-Douglas Land Trust, Entiat Troy Acquisition (RCO #09-1455)
Prepared By:	Marc Duboiski, Salmon Section Outdoor Grant Manager

### **Summary**

This memo summarizes a request from the Chelan-Douglas Land Trust 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.

### **Board Action Requested**

This item will be a:

Request for Decision Request for Direction Briefing

### **Overview of the Board's Role and Applicable Rules and Policies**

The subject of this memo is a proposed conversion of property acquired with a Salmon Recovery Funding Board (SRFB) grant, utilizing both state and federal funds. The sponsor, Chelan-Douglas Land Trust, requests approval to replace a portion of acquired property which has been conveyed/sold to a private landowner.

### The Role of the Board

Because local needs change over time, state laws and Recreation and Conservation Office (RCO) rules allow conversions of grant-funded projects if the project sponsor provides for adequate substitution or replacement as listed below.

The role of the Salmon Recovery Funding Board (board) is to evaluate the practical alternatives considered for the conversion and replacement (including avoidance) and to consider whether the replacement property meets the requirements set in RCO administrative rules and policies. The board does not have the authority in statute to levy penalties or dictate the future use of the property being converted.

### **Applicable Policies and Rules**

Washington Administrative Code<sup>1</sup> states that SRFB habitat land that was purchased with a board grant may not be converted to a use other than that originally approved without prior approval of the board. The board has adopted policy that defines when a conversion occurs for an acquisition project, the appropriate replacement measures, and the steps that sponsors must take to request approval.

<sup>&</sup>lt;sup>1</sup> WAC 420-12-080

For the Entiat Troy Acquisition project (RCO #<u>09-1445A</u>), the proposed action is a conversion because property interests were conveyed to a non-grant eligible private landowner.

### Conversions in the Salmon Recovery Funding Board Program

The board has adopted administrative rules for the SRFB to address a project sponsor's obligation to resolve a conversion for an acquisition project.<sup>2</sup> The applicable rules that apply to an acquisition project are as follows:

- The project sponsor will provide another interest in real property to serve as replacement. The replacement must:
  - Be of equivalent or greater habitat usefulness and location;
  - If an acquisition project, be interests in real property of at least equal market value; and
  - Be eligible in the SRFB account or grant program of the original project unless otherwise approved.

### Board Policies for All Conversions

In addition, the board has adopted policy that requires the project sponsor supply the following for any conversion<sup>3</sup>:

- All practical alternatives to the conversion have been evaluated and rejected;
- A list and discussion of all alternatives for the replacement or remediation of the conversion, including avoidance; and
- Evidence that the public has been given a reasonable opportunity to participate in the identification, development, and evaluation of alternatives. The minimum requirement is publication of notice and a 30-day public comment period.

### Background

The project in question is RCO #09-1445A, Entiat Troy Acquisition.

Project Name:	Entiat Troy Acquisition	<b>Project #:</b> 09-3	1455A
Grant Program:	Salmon Recovery Funding Board (Federa	al/State) Board funded date: Dec	2009
SRFB Federal Am	ount \$196,457	Original Purpose:	
SRFB State Amou	int \$ 67,800	This project acquired 65 ac	cres.
Project Sponsor	Match \$118,010		
Total Amount:	\$382,267		

In 2010, the Chelan-Douglas Land Trust (CDLT) purchased the 65-acre Troy property which encompasses floodplain habitat, a side channel off the mainstem Entiat River, and steep rock slopes upstream of Wenatchee, Washington (RCO Project #09-1455). The board funded the original application to acquire the property for \$350,000<sup>4</sup>.

Like many properties along the Entiat River, the parcel straddled both the county road and the river. The portion of the parcel to the west of the road includes the river and floodplain. Prior to the parcel

<sup>&</sup>lt;sup>2</sup> WAC 420-12-080

<sup>&</sup>lt;sup>3</sup> Manual 7, Section 2

<sup>&</sup>lt;sup>4</sup> \$247,975 in salmon funding; \$102,025 in sponsor match funding

acquisition, the seller developed the portion to the east of road with a well, electricity, and a trailer near the rocky slopes (Attachment A). CDLT attempted to purchase only the land to the west of road, but the seller was unwilling to segregate the parcel and insisted that CDLT purchase the full 65 acres. The converted property is 26 acres (Parcel A) of the 65 acres acquired (Attachment A). CDLT retains 39 acres (Parcel B).

### The Conversion

CDLT has protected salmon habitat lands in the "Stillwaters" reach (River Mile [RM] 16-26) of the Entiat River since 2001. To date, they own approximately 650 acres that include 7.5 miles of riverbank. Although the Entiat community strongly supports these acquisitions, concerns remain regarding the loss of developable-land in an area with an already small tax base. Very little private land exists in the Entiat River basin; most is located along the river.

In 2013, sensitive to these circumstances, along with the desire to be good neighbors with the Town of Entiat and the Entiat School District, CDLT contacted RCO about selling the upland portion of the 65-parcel. The upland portion had minimal, if any, salmon habitat value, and had infrastructure in place for residential development.

After learning that the Entiat Watershed Planning Unit supported and approved the sale of the upland properties, RCO authorized CDLT to commence the parcel segregation, market analysis, and sale of the "upland" portion, and requested CDLT to bring the salmon habitat replacement property to the Board for approval.

In 2016, CDLT completed the certificate of exemption with Chelan County, and sold the upland portion of the property to a private party.

### Details of Proposed Replacement Property

#### Location

The proposed replacement property is 11.45 acres and is approximately 4 miles downstream of the converted property (Attachment A). The property is within the high priority "Stillwaters" reach, as identified in the Upper Columbia Salmon Recovery Plan.

#### **Property Characteristics**

The proposed replacement property is west of the Entiat River road; has mature forested floodplain habitat, with backwater areas and side channels. (Attachment B).

### Analysis

In summary, the board considers the following factors in addition to the scope of the original grant and the proposed substitution of land or facilities:

- All practical alternatives to the conversion have been evaluated and rejected on a sound basis.
- The fair market value of the converted property has been established and the proposed replacement property is of at least equal fair market value.
- Justification exists to show that the replacement property has at least reasonably equivalent habitat utility and location.
- The public has opportunities for participation in the process.

### **Evaluation of Practical Alternatives**

As noted above, the Entiat River Planning Unit, the Town of Entiat and the Entiat School District approached CDLT about keeping developable land in private ownership for tax revenue purposes. CDLT has been working with RCO staff since 2013 to accommodate this request. The acreage converted has little to zero salmon habitat value.

The alternatives considered to conversion included:

- Sell the upland portion of the parcel to private landowner for development.
- Do nothing.

### **Evaluation of Fair Market Value**

The converted property and the replacement property have been appraised for fee title interests with market value dates that meet board policy. At the time of this memorandum preparation, the appraisal process is completed. The 26 acres of upland property was sold to a private party on July 8, 2016. Staff has reviewed all documentation regarding the converted property and the proposed replacement property.

	Converted Property	Replacement Property	Difference
Market Value	\$40,000	\$40,000	0
Acres	26 Acres	11.45 Acres	-14.55 Acres

### **Evaluation of Reasonably Equivalent Location**

The replacement property is located in the same high priority salmon habitat "Stillwaters" reach of the Entiat River as the converted property.

### **Evaluation of Reasonably Equivalent Utility**

The replacement property has superior salmon habitat characteristics as the converted property. It is undeveloped mature floodplain forest with backwater areas and side channels. The replacement parcel will provide far greater salmon and steelhead habitat value.

### **Evaluation of Public Participation**

The original idea of selling the upland acreage came from the Entiat River community, through the Entiat Watershed Planning Unit (EWPU). For more information on the members, the mission, previous meeting agendas and minutes please visit: <u>http://cascadiacd.org/ewpu-agendas-minutes 206-a.html</u>.

At the January 9, 2013 and July 10, 2013 EWPU meetings, and as part of the Entiat Landowner Steering Committee, the CDLT presented at the Entiat Grange Hall in Entiat, WA. CDLT staff explained the process for segregating off the upland portion of their SRFB acquired properties and the RCO conversion policy requirement of purchasing replacement land. At the July 10<sup>th</sup> meeting, the EWPU, after hearing no objections, supported the CDLT proposal to sell the upland portions of property in the Entiat Valley.

At the April 6, 2016 EWPU meeting, CDLT updated members of the listings of the multiple properties for sale and that the proceeds from the sale would be held in trust and used to purchase alternative properties. At this time CDLT requested any landowner contact information of potential replacement sites for the conversion.

In January 2017, although not required on closed projects, the Upper Columbia Salmon Recovery Board (UCSRB) was asked to review and approve the converted acreage and the replacement acreage, essentially to treat it as a scope change amendment on active/open projects. The citizen's committee and the regional technical team both approved the sale of the 26-acre Troy property and the purchase of the 11.45 acres Scoville property as replacement

### **Other Basic Requirements Met**

### Same Project Sponsor

The replacement property will be administered by the same project sponsor (Chelan-Douglas Land Trust).

### *Eligible in the Funding Program*

The replacement property is privately-owned and meets eligibility requirements.

### **Conversion Policy Requirements Met**

RCO staff reviewed the sponsor's conversion documentation and verified that all requirements are met.

### **Complete:**

- $\sqrt{}$  Administered by same project sponsor
- $\sqrt{}$  Fulfills a priority need in the Upper Columbia Salmon Recovery Plan
- $\sqrt{}$  Eligible as a project in the respective grant program
- $\sqrt{}$  Appraisal review of the conversion property and of the replacement property
- $\sqrt{}$  Title review of the replacement property
- $\sqrt{}$  Environmental assessment review of the replacement property

#### **Partially Complete:**

 $\sqrt{}$  Public opportunity to comment and solicit properties to serve as replacement

### Staff Recommendation and Request for Board Decision

Option 1: Staff recommends that the board approve the Chelan-Douglas Land Trust's request to use the 11.45-acre floodplain/riparian property as a replacement for the upland rocky-sloped, 26-acre property to satisfy the conversion.

Option 2: Staff recommends the board review whether the public comment process conducted by the Chelan-Douglas Land Trust meets the requirements of the policy. If yes, then proceed with Option 1. If no, then conditionally approve the replacement property upon completing a public comment period, and delegating 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.

### Next Steps

Should the board approve the replacement property conversion request, RCO staff will work with CDLT to record a partial release of the existing Salmon Deed of Right from the original 65-acre purchase. CDLT will then purchase the 11.45-acre replacement property and record a new Salmon Deed of Right on this parcel.

### Attachments

- A. Location and Aerial Parcel Maps of the Conversion Property
- B. Aerial Map of Proposed Replacement Property

# Location and Aerial Parcel Maps of the Conversion Property


## Attachment A



## Aerial Map of the Proposed Replacement Property





## Salmon Recovery Funding Board Briefing Memo



Meeting Date:	June 14-15, 2017
Title:	Work Plan for 2017-2019 Biennium
Prepared By:	Wendy Brown, Policy Director, Recreation and Conservation Office Scott Robinson, Deputy Director, Recreation and Conservation Office

#### Summary

This memo summarizes the policy priorities identified by the Salmon Recovery Funding Board (board) at the May 2017 retreat. Staff will use this information to develop a 2017-19 work plan that will be shared with the board following the Recreation and Conservation Funding Board's retreat in July 2017 and approval of the final 2017-19 operating and capital budgets by the Legislature.

## **Board Action Requested**

This item will be a:

Request for Decision Request for Direction Briefing

### Policy Priorities for 2017-19

At the May 24, 2017 board retreat, the Salmon Recovery Funding Board (board) identified seven policy priorities to work on over the next two years:

- 1. Contingency planning for major loss of state and/or federal funding
- 2. Lean project to streamline the process of presenting projects to the board
- 3. Board's role in salmon recovery beyond habitat projects
- 4. How to implement the Communications and Fundraising Plans
- 5. Capacity Allocation Formula
- 6. Project Allocation Formula
- 7. Policy on water rights acquired

The board also identified a desire to work with the Governor's Salmon Recovery Office to better track and identify progress towards de-listing of species. Without identifying any specific tasks that would influence their way of achieving this new focus, it is likely to result in some additional policy work in 2017-19.

RCO staff will include these priorities on the agency's 2017-19 Policy Work Plan, in addition to those identified by the Recreation and Conservation Funding Board (RCFB), Legislature, and staff. Some of the other policy tasks already identified for 2017-19 include the following:

#### Tasks Remaining from the 2015-17 Work Plan:

• Update the Public Lands Inventory

- Continue revising grant program policies for allowable uses and conversions, including mitigation projects, acquisition policies for replacement properties, requirements for conversions on development projects, and small or low value conversions
- Use of Upland Areas Acquired with Funds from the Salmon Recovery Funding Board and Recreation and Conservation Funding Board
- Evaluate whether to re-initiate a system of state-designated recreation trails
- Scope the development of a website that is a clearinghouse for trails information
- Develop requirements for water rights acquired with grant funds
- Provide incentives for applicants to submit trail user data in consistent way
- Complete the Nonhighway and Off-road Vehicle Activities (NOVA) fuel use study update
- Develop policies and grant requirements for salmon recovery research and monitoring manual.

#### Legislative Direction for 17-19:

- Update the Public Lands Inventory with funding provided in the 2017-19 capital budget
- Continue to track and provide data and information for the on-going JLARC study, 'Measuring Outcomes of Habitat and Recreation Acquisitions and Regulations.'

#### **Staff Recommendations:**

- Review and update of the following Washington Wildlife and Recreation Program (WWRP) categories: Urban Wildlife; Riparian Habitat
- Review and update the sustainability and environmental stewardship criteria
- Implement 2017 State Comprehensive Outdoor Recreation Plan (SCORP) recommendations
- Implement outcomes/board decisions from the Match Waiver Workgroup
- Identify and implement any policy implications arising from the current, internal grant processes LEAN projects
- Evaluate and perhaps revise the allowable use policy for acquisition projects
- Provide clarification about structures eligible for purchase and retention, particularly in a habitat project
- Identify and implement changes to the NOVA grant program needed to address the increased work load resulting from the increased gas taxes into the program
- Prepare Manual 18 updates for 2017 and 2018
- Prepare the Fish Barrier Removal Board Grant Program manual
- Implement outcomes of Results WA project to align salmon recovery-related grant programs among individual agencies

### **Final Work Plan**

A final policy work plan for the upcoming biennium will be shared with the board following the RCFB's retreat in July 2017 and approval of the final 2017-19 operating and capital budgets by the Legislature.

#### SALMON RECOVERY FUNDING BOARD SUMMARIZED MEETING AGENDA AND ACTIONS

## June 14-15, 2017

Item	Formal Action	Follow-up Action
<ul> <li>1. Consent Agenda <ul> <li>A. Approval of March 1-2, 2017</li> <li>Meeting Minutes</li> </ul> </li> <li>B. Correction to the Puget Sound <ul> <li>Region's Puget Sound Acquisition</li> <li>and Restoration (PSAR) Project List</li> <li>Adopted December 2016</li> </ul> </li> <li>C. Approval of May 24, 2017 Retreat <ul> <li>Summary</li> </ul> </li> </ul>	Decision June 14, 2017 - Motion: Approved, as amended to remove Item 1C June 15, 2017 – Motion: Approved May 24, 2017 Retreat Summary as amended.	No follow-up action requested.
<ul> <li>2. Management Report <ul> <li>Director's Report</li> <li>Pacific Coastal Salmon Recovery Fund (PCSRF) Audit</li> <li>Status of Governor's Salmon Recovery Office Hiring and Organization Changes</li> <li>Status of 2017 PCSRF grant application</li> <li>Joint Board Meeting and Tour in 2018 with Oregon Watershed Enhancement Board</li> </ul> </li> <li>Legislative, Budget, and Policy Updates <ul> <li>Status of the state budget for salmon recovery</li> <li>Washington, D.C. Meetings Regarding PCSRF</li> <li>Puget Sound Partnership Day o the Hill</li> </ul> </li> </ul>	<b>Briefings</b>	No follow-up action requested.
<ul> <li>Salmon Recovery Management Report         <ul> <li>Governor's Salmon Recovery Office Report                 <ul></ul></li></ul></li></ul>	Briefings	No follow-up action requested.

<ul> <li>4. Reports from Partners</li> <li>Governor's Office – Salmon Policy Advisor to the Governor</li> <li>Council of Regions Report <ul> <li>COR Work Plan for Allocation efforts in the future</li> </ul> </li> <li>Washington Salmon Coalition Report</li> <li>Regional Fisheries Enhancement Group Coalition</li> <li>Board Roundtable: Other Agency Updates</li> </ul>		Briefings	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.
5.	Overview of LEAN project to streamline the project selection process	Briefing	No follow-up action requested.
6.	Water Rights Acquisition Interim Policy	<b>Decision</b> Motion: Approved	The board approved the Interim Water Rights Valuation Policy as written in Item 6, Attachment A of the meeting materials. Members Rockefeller, Breckel, and Duffy will work with staff to discuss and develop policy guidance for decision at a future board meeting.
<ul> <li>7. Follow-up from May 24, 2017 Board Retreat</li> <li>A. Review Retreat Summary</li> <li>B. Role of the Board in Assisting with Potential De-listing Scenarios in Regions Nearing Recovery Targets</li> <li>Snake River Recovery Region</li> <li>Hood Canal Coordinating Council</li> </ul>		Briefing	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.
8.	Monitoring Panel – 2017 Recommendations	Briefing	No follow-up action requested.

9.	Funding Decisions		The board moved to delegate to the RCO
	A. Funding Projection for 2017-	Briefing	Director the authority to implement the
	2019	Decision	funding decisions listed below once the
	B. Funding Decisions	Motion: Approved	Legislature adopts a budget for the 2017-
	Salmon Recovery Regions for		2019 biennium. Should the final
	Fiscal Year (FY) 2018		legislative budget be different than
	Lead Entities for Fiscal Year		anticipated, the RCO director shall confer
	(FY) 2018		with the board chair to call a special
	Communication and		fellowing funding desisions
	Fundraising Plans		
	<ul> <li>Monitoring Contracts using 2017 PCSPE award</li> </ul>		• The 2017 Grant Round Target shall be
	<ul> <li>Monitoring Panel using 2017</li> </ul>		\$18 million, including up to \$350,000
	PCSRF award		projects
	Technical Review Panel using		projects
	2017 PCSRF award		Funding the SRFB Technical Review
	• Set 2017 Grant Round Target		Panel with \$200,000 from PCSRF
	-		Hold \$500,000 for cost increases.
			Regional and Lead Entity Capacity
			Contracts fund capacity funding at
			\$1,689,500 for load optition 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) charperson (\$12,500).
			Approve Monitoring Contracts for     Enderal Eiscal Vaar (EEV) 2017
			$\sim$ \$208,000 for status and trands:
			$\sim$ \$324 478 for project
			effectiveness monitoring
			<ul> <li>\$1,381,308 for IMW monitoring</li> </ul>
			contracts
			<ul> <li>\$100,000 for the monitoring</li> </ul>
			panel contracts

10. Co	ompliance Issues	Briefing	The board moved to conditionally
В.	Conversion Request: Chelan- Douglas Land Trust, Entiat Troy Acquisition (RCO #09-1455)	<b>Decision</b> Motion: Approved, with conditions as stipulated in Option 2	completing a public comment property upon 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.
11. W Bi	ork Plan for 2017-2019 ennium	Request for Direction	The board requested that the delisting conversations and actions be clearly identified under the policy priority for the role of the board.

#### SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES

Date: June 14, 2017Place: Natural Resource Building, Room 172, 1111 Washington St SE, Olympia, WA

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		

#### Salmon Recovery Funding Board Members Present:

## 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, 2017Moved by:Member Jeff BreckelSeconded by:Member Bob BugertDecision: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 RFEGs 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 #<u>16-1606</u>, 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 longterm 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:** Amee 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 <u>2016 Salish Sea Toxics</u> <u>Monitoring Review</u>, 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/liaison 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, 2017Place: Natural Resource Building, Room 172, 1111 Washington St SE, Olympia, WA

Salmon Recover	y Funding	Board	Members	Present:
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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: 8/23/17

David Troutt/Chair

Date

From: Jacques WhiteSent: Wednesday, June 14, 2017 4:05 PMSubject: Some things to consider in delisting discussion

Dear Salmon Recovery Board Members,

I would like to provide some written public comment regarding the Board discussion around the topic of prioritizing ESUs that are near meeting delisting criteria. Apparently the Oregon Coastal Coho recovery effort has been "close to recovery goals" but have been thwarted in delisting efforts on issues unrelated to progress on voluntary habitat restoration, things like not having a completed recovery plan, effectively addressing climate adaptation and demonstrating adequate rule-based habitat protection going forward.

Some points from LLTK's perspective:

- 1. LLTK thinks we should work hard to delist some stocks now to show ESA in combination with PCSRF, local match funding, and changes in management can be successful I.E. the \$1B federal investment in PCSRF continues to be very helpful and critical to success.
- 2. Applying more PCSRF/SRFB resources to specific basins near delisting status may be necessary to accomplish this in these two basins.
- 3. An overall question we think we need to answer is can the WA salmon recovery community put ourselves in a position to delist either HC Summer Chum or Snake River Fall Chinook in the next few years?
  - a. What are all the limiting factors to accomplish this in each basin?
    - i. Which of these factors can be accelerated by additional PCSRF/SRFB funding?
    - ii. Which of these factors might need to be overcome in some other forum out of SRFB control?
    - iii. Have people been communicating with NOAA about this and what do they say?
  - b. What are the risks and opportunity costs of redirecting resources to these two basins?
  - c. In that light, what is a reasonable amount/proportion of available PCSRF/SRFB resources to focus on these stocks?

Sincerely, Jacques

Jacques White | Executive Director Long Live the Kings | 1326 5th Ave. Ste. 450 | Seattle, WA 98101



RESTORING WILD SALMON AND STEELHEAD | SUPPORTING SUSTAINABLE FISHING

## Island County Salmon Recovery Lead Entity

P.O. Box 5000, Coupeville, WA 98239

June 9, 2017



Salmon Recovery Funding Board David Troutt, Chairman P.O. Box 409 17 Olympia, WA 98504-0917

<u>RE:</u> Support for Reallocation of Lead Entity Funds to Support the Priorities of the Washington Salmon Coalition Proposal

Dear Chair David Troutt and Salmon Recovery Funding Board Members,

As Lead Entity Coordinator for WRIA 6 (Island), I am writing in support of the Washington Salmon Coalition's (WSC) proposal to, once again, utilize unspent capacity funds to provide organizational support to the WSC.

For the past several years, the support the WSC received from the use of the reallocated capacity funds, via a contract with Long Live the Kings, has made a marked impact on WSC's work. The assistance with meetings - agenda development, logistics, note taking and conversation tracking - has ensured stronger follow through on decisions made and ideas developed during meetings and provided a better continuity of thought to other lead entity coordinators (LECs) that are new or unable to attend. In-person meetings provide exponential benefits to our collective and individual successes over phone meetings. However, in person meetings also require magnitudes greater amount of organization and facilitation. The organization of, and facilitation at, these meetings has enabled all LECs to be active participants in the discussions rather than losing 2-3 of us to handling logistics or not being able to contribute to the conversation because of note taking and agenda timing tracking and allows us to operate at full capacity at these meetings. LECs are required throughout the year to respond to requests for information with regards to operational or functional details, such as capacity cost estimates and allocation formula data support. In order to respond, the facilitators have assisted in tracking the conversations and data retrieval and responses, allowing for more complete and timely answers to questions asked. This kind of help will be invaluable in 2018 with the upcoming LEAN study that is likely to require a significant amount of response time and effort by the LECs.

These are just a few specific examples of the support received by the WSC. The benefits reach beyond these examples and are articulated in other letters of support that the Board is sure to receive. The WSC community as a whole has been grateful to the Board for the initial approval of reallocation of funds that enabled this support. I respectfully request that the Board approve the use of LE returned capacity funds for this purpose, once again. If you have questions, please contact me at <u>d.pucci@co.island.wa.us</u> or 360-678-7916.

Thank you kindly,

WRIA 6 (Island) Lead Entity Coordinator



410 B East Main Dayton, WA 99328 phone: 509.382.4115

www.snakeriverboard.org

June 5, 2017

Salmon Recovery Funding Board David Troutt, Chairman P.O. Box 40917 Olympia, WA 98504-0917

Dear Chair David Troutt and Salmon Recovery Funding Board Members:

The Snake River Salmon Recovery Board Lead Entity would like to thank the Salmon Recovery Funding Board for considering the approval of facilitation funding for the Washington Salmon Coalition from 2017 returned capacity funds.

The SRSRB Lead Entity supports the WSC effort and urges the SRFB to approve the use of return funds in this way. This proposal does not seek new funding, instead it identifies a mechanism which would effectively and efficiently utilize the entire amount of Lead Entity capacity funding available to the 25 Lead Entities across the state for the greater good of salmon recovery in Washington State. This same approach worked well over the past few years.

Providing a mechanism to aid the communication, logistics, and other top priority efforts outlined in the WSC Action Plan would relieve the time commitment of the WSC Chair & executive committee, while further enabling the WSC and each Lead Entity to effectively serve as the backbone for locally-based restoration efforts done the Washington Way.

Gaining the additional support proposed will significantly help in accomplishing the WSC's, Lead Entities, and the SRFB's broader goals and objectives. This effort has served to effectively use unused Lead Entity capacity funds in the past, maximizing the benefit of locally based salmon recovery to the citizens of the state of Washington.

Thank you for the opportunity to comment on this proposal.

Stin Martin

Steve Martin Executive Director Snake River Salmon Recovery Board











April 13, 2017

The Honorable Richard Shelby Chairman, Subcommittee on Commerce, Justice, Science, & Related Agencies Committee on Appropriations U.S. Senate S-128, U.S. Capitol Building Washington, DC 20510

The Honorable Jeanne Shaheen Ranking Member, Subcommittee on Commerce, Justice, Science, & Related Agencies Committee on Appropriations U.S. Senate S-128, U.S. Capitol Building Washington, DC 20510 The Honorable John Culberson Chairman, Subcommittee on Commerce, Justice, Science, & Related Agencies Committee on Appropriations U.S. House of Representatives H-310 U.S. Capitol Building Washington, DC 20515

The Honorable José Serrano Ranking Member, Subcommittee on Commerce, Justice, Science, & Related Agencies Committee on Appropriations U.S. House of Representatives H-310 U.S. Capitol Building Washington, DC 20515

Dear Chairmen Shelby and Culberson and Ranking Members Shaheen and Serrano:

As chief executives of our states, we write to express our support for continued federal investment in the Pacific Coastal Salmon Recovery Fund (PCSRF) in federal fiscal year 2018 (FFY18) and for the remainder of fiscal year 2017 (FFY17). PCSRF is a critically important program aimed at recovering salmon and steelhead populations in Western states, and the economically and culturally-important commercial, recreational and tribal fisheries that are dependent upon them.

We have appreciated your subcommittees' past support for this program, and we request that you maintain funding for PCSRF at \$65 million for the remainder of FFY17, and appropriate \$65 million for PCSRF for FFY18.

Thriving salmon and steelhead populations have been essential to the development of the Pacific Coast's economy and habitat, dating back long before the establishment of the United States of America. These populations are much more than elements of a healthy Pacific Coast ecosystem; they are also cultural icons woven into the fabric of our local communities and economies. To this day, the Pacific salmon fishery – the third-largest fishery in the nation – provides jobs and supports the livelihoods of thousands of Americans, and feeds many more in and outside the region.

Unfortunately, Pacific salmon and steelhead populations continue to face tremendous pressures. As it stands, there are 28 listed salmon and steelhead species that face the threat of extinction. In 2000, PCSRF was prudently created to alleviate these pressures and support the recovery of salmon across rivers, watersheds and coastal habitats in Western states. And over the last fifteen plus years this program has been the catalyst for effective and collaborative approaches to salmon recovery by federal,

state, local, tribal and private sector partners. In Washington, Oregon, Alaska, Idaho, California and Nevada; PCSRF investments, averaging \$76 million annually, have contributed to over 12,100 projects, and have opened over 10,000 miles of streams and over 1,060,000 acres of fish habitat.

Furthermore, PCSRF does not just benefit salmon and steelhead populations, but also directly supports economic activity and job creation throughout the region, particularly in rural communities. Recent analysis shows that every \$1 million invested through PCSRF and state matching funds leads to 17 new jobs and \$2.3 million in economic activity. This is a vital industry for our states that cannot be left by the wayside.

Historically, PCSRF investments have been matched by \$1.4 billion in state and tribal investments greater than a 1:1 match. While this program has enabled important progress, continued federal investment is crucial to maintaining this progress, and to achieving the goal of full recovery and a healthy, sustainable Pacific salmon fishery. Any attempts to drastically reduce appropriations for PCSRF in FFY2017 or FFY2018 would jeopardize the recovery of salmon and steelhead populations that mean so much to the commerce and culture of our Western states.

We thank your subcommittees for your past support and request your continued support for PCSRF. Thank you for your consideration of our request.

Sincerely,

Walha

Governor Bill Walker State of Alaska

Edul & Brim

Governor Edmund G. Brown, Jr.

State of California

Governor C.L. "Butch" Otter State of Idaho

Governor Kate Brown State of Oregon

Governor Jay Inslee State of Washington

CC: Members of the Alaska Congressional Delegation Members of the California Congressional Delegation Members of the Idaho Congressional Delegation Members of the Oregon Congressional Delegation Members of the Washington State Congressional Delegation The Honorable Richard Shelby, Chairman Subcommittee on Commerce, Justice, Science, and related Agencies, U.S. Senate Committee on Appropriations United States Senate Washington, DC 20510

The Honorable Jeanne Shaheen, Ranking Member Subcommittee on Commerce, Justice, Science, And related Agencies, U.S. Senate Committee on Appropriations United States Senate Washington, DC 20510 The Honorable John Culberson, Chairman Subcommittee on Commerce, Justice, Science, and related Agencies, U.S. House of Representative Committee on Appropriations United States House of Representatives Washington, DC 20515-4307

The Honorable José Serrano, Ranking Member Subcommittee on Commerce, Justice, Science and related Agencies, U.S. House of Representative Committee on Appropriations United States House of Representatives Washington DC 20515-3216

May 5, 2017

Dear Chairmen Shelby and Culberson, and Ranking Members Shaheen and Serrano:

We, the undersigned, representing diverse organizations with a broad reach across the Pacific Northwest, are writing to express serious concerns with proposals to eliminate federal support for a highly successful multi-state partnership – the Pacific Coastal Salmon Recovery Fund (PCSRF). As you consider the Fiscal Year 2018 budget, we respectfully request that you maintain funding for this crucial and effective program, one that is cooperative and non-regulatory.

This program leverages state and local support into jobs and economic vitality that sustain a way of life for countless numbers of families in our region. People from neighborhoods to state capitals have come together by the thousands in an unprecedented network of organizations, volunteers, businesses, local governments, elected officials, private landowners, farmers, fishers, and scientists, to work with state, tribal and federal governments to protect and restore what's good for all of us—salmon and the waterways on which they rely.

Congress established PCSRF in 2000 to reverse the decline of salmon and steelhead in the region and to maintain the healthy populations necessary for tribes to exercise their treaty fishing rights and to support native subsistence fishing. Under PCSRF, the National Marine Fisheries Service provides funding to Alaska, California, Idaho, Nevada, Oregon, and Washington, and tribes of the Pacific Coast region for implementing salmon recovery plans that help recover and sustain the species. The implementation of these recovery plans has allowed limited harvest opportunities to continue, the result of which provides economic benefits while also sustaining cultural vitality.

PCSRF provides vital anchor funding that is matched by the grant recipients and ensures a hefty commitment from local and regional partners. According to the most recent federal report to Congress, grant recipients have collectively implemented more than 12,000 projects to conserve West Coast salmon. "Projects have restored and improved access to important spawning and rearing habitats. PCSRF-funded activities also include robust planning and monitoring programs that inform strategic prioritization of projects and track salmon conservation accomplishments," according to the report. Not only do these investments benefit salmon, but they benefit the economy of local communities and the state as a whole. Every \$1 million invested in salmon restoration creates 15 - 33 jobs and 80 percent of the money invested in a local project stays within that county.

We know how to recover salmon. We have the people, organizations, and plans in place to deliver salmon recovery. And we know that salmon recovery efforts bring other benefits, such as healthier rivers and forests, less flood damage, and more economic resilience in rural communities. We are seeing those efforts paying off and witnessing the return of certain populations. Many challenges remain, but the commitment of our communities to salmon recovery is unwavering.

Salmon are ours to save. It took more than 150 years to bring salmon to the brink of extinction; it may take just as long to bring them all the way back. Now is not the time to abandon the gains we've made. Pulling out the

PCSRF funding would set this network adrift, making it more difficult, more expensive, and more time-consuming to realize all the benefits of salmon recovery investments. Federal commitment and resources are required to achieve full recovery and sustainability. We urge you to continue supporting the Pacific Coastal Salmon Recovery Fund.

Sincerely

Hilary Franz Washington Commissioner of Public Lands

Justin Parker, Executive Director NW Indian Fisheries Commission

Kaleen Cottingham, Executive Director Jeff Breckel, Board Member **Recreation and Conservation Office** 

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Sheida Sahandy, Executive Director Puget Sound Partnership

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Jim Unsworth, Executive Director Department of Fish & Wildlife

Maia Bellon, Executive Director Department of Ecology

Amy Hatch-Winecka, Chair

Washington Salmon Coalition

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Colleen/Thompson, Chair Regional Fisheries Coalition

Jacques White Executive Director tong Live the Kings

David Troutt, Chair Salmon Recovery Funding Board

Nancy Biery, Board Member Salmon Recovery Funding Board

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Salmon Recovery Funding Board

Bob Bugert, Board Member Salmon Recovery Funding Board

Phil Rockefeller, Board Member Salmon Recovery Funding Board

Susan Cierebiej, Board Member Salmon Recovery Funding Board

Brian Cochrane, Board Member Salmon Recovery Funding Board

Megan Duffy, Board Member Salmon Recovery Funding Board

Erik Neatherlin, Board Member Salmon Recovery Funding Board

Carol Smith, Board Member Salmon Recovery Funding Board

Scott Brewer, Executive Directo Hood Canal Coordinating Council

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Steve Manlow, Executive Lower Columbia Fish Recovery Board

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Laura Blackmore, Deputy Director **Puget Sound Partnership** 

Stur Martin

Steve Martin, Executive Director Snake River Salmon Recovery Board

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Melody Kreimes, Executive Director Upper Columbia Salmon Recovery Board

Jessica Helsley, Executive Director Washington Coast Sustainable Salmon Partnership

Alex Conley, Executive Director Yakima Basin Fish & Wildlife **Recovery Board** 

# **Hnited States Senate**

WASHINGTON, DC 20510

May 16, 2017

The Honorable Richard C. Shelby, Chairman Subcommittee on Commerce, Justice, Science, and Related Agencies Committee on Appropriations United States Senate Washington, DC 20510

The Honorable Jeanne Shaheen, Ranking Member Subcommittee on Commerce, Justice, Science and Related Agencies Committee on Appropriations United States Senate Washington, DC 20510

Dear Chairman Shelby and Ranking Member Shaheen:

Thank you for your continued support of the Pacific Coastal Salmon Recovery Fund (PCSRF). The PCSRF provides critical funding to facilitate the recovery of Pacific salmon populations and the commercial, recreational and tribal fisheries which rely on them. We ask you support the PCSRF at historic levels in the Fiscal Year 2018 appropriations legislation.

Pacific salmon are an economic driver in our home states. According to National Oceanic and Atmospheric Administration (NOAA), the commercial Pacific salmon fishery is the third largest in the United States, providing thousands of Americans with fishing and processing jobs. In order to maintain these vital economic drivers, Pacific salmon ecosystems must be restored and protected.

The PCSRF supports the conservation and recovery of Pacific salmon across rivers, watersheds, and coastal habitats throughout Washington, Oregon, Alaska, Idaho, Nevada, and California. Over the past 11 years, the National Marine Fisheries Service, states, tribes, and local project managers have developed an integrated approach to track progress, measure performance, and ensure accountability of the PCSRF program. This has contributed to the protection, restoration, and conservation of these vital species which are integral to the economic and ecosystem health of West Coast communities. As of last year, PCSRF grants have funded 12,800 projects to restore more than 1,100,000 acres of essential fish habitat and restored more than 9,500 miles of streams. Recent analyses also suggest that on average 17 new jobs and \$2.3 million in additional economic activity result for each \$1 million investment of PCSRF and state matching funds.

We also ask for increased support for NOAA's Protected Species (ESA) Salmon Program, including continuing specific support for Pacific salmon species. Further, we request that you support robust funding for the Pacific Salmon Management line, which has been integral in salmon management and recovery. Salmon management activities support long-standing federal mitigation, legal (e.g. United States v. Oregon Management Agreement) and international treaty obligations that will not be met under the proposed funding reductions. It is important to note that these accounts also support processing hatchery genetic management plans—which are critical to ensure conservation of wild fish and ensure sustainability of the West Coast hatchery system. Today, NOAA is years behind schedule on their review of hatchery genetic management plans, which could have devastating impacts on fisheries and the jobs that depend on them.

Continued commitment, collaboration, and resources are required to achieve the overarching goals of full recovery and sustainability of our fishing economies and culture. Thanks to your strong support, these actions are beginning to pay off. Salmon populations are recovering, and we are seeing stocks return to waters where they have been absent for years. In these challenging fiscal times, we greatly appreciate your continued efforts to maintain these critical programs which sustain the fisheries resources that are so important to our economies, our states, and to the nation.

Thank you again for your consideration of this request.

Sincerely,

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Maria Cantwell United States Senator

Mike Crapo United States Senator

Patty Murray

United States Senator

Jeffrey Merkley

United States Senator

Ron Wyden United States Senator

Dianne Feinstein United States Senator

Kamala D. Harris United States Senator