

SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES

Date: March 8, 2023

Place: Hybrid - Room 172, Natural Resources Building, 1111 Washington Street SE; Olympia, WA and online via Zoom

Salmon Recovery Funding Board Members:

Jeff Breckel, Chair	Stevenson	Annette Hoffman	Designee, Washington Department of Ecology
Jeromy Sullivan	Kingston	Tom Gorman	Designee, Department of Natural Resources
Kaleen Cottingham	Olympia	Chris Pettit	Designee, Washington State Conservation Commission
Chris Endresen-Scott	Conconully	Jeremy Cram	Designee, Department of Fish and Wildlife
Joe Maroney	Spokane	Susan Kanzler	Designee, Washington Department of Transportation

This summary is to be used with the materials provided in advance of the meeting. The Recreation and Conservation Office retains a recording as the formal record of the meeting.

Call to Order:

Chair Breckel called the Salmon Recovery Funding Board (board) meeting to order at 9:00 AM and requested roll call, determining quorum. **Julia McNamara**, Recreation and Conservation Office (RCO) Board Liaison, performed roll call and determined quorum, noting **Member Jeremy Cram** was attending online and **Member Jeromy Sullivan** was absent.

Motion: Move to Approve the **March 8, 2023**, Agenda

Moved By: Member **Kaleen Cottingham**

Seconded by: Member **Chris Endresen Scott**

Decision: **Approved**

Motion: Move to Approve the **December 7, 2022**, Meeting Minutes

Moved by: Member **Chris Endresen Scott**

Seconded by: Member **Kaleen Cottingham**

Approved: **Approved**

Member Kaleen Cottingham recognized International Women’s Day, highlighting the equality of women displayed on the board and staff, and their contribution to salmon recovery. After supporting Member Cottingham’s recognition, **Chair Breckel** spoke about the passing of former and original board member, Larry Cassidy, and his many accomplishments in salmon recovery.

Item 1: Director’s Report

Director Megan Duffy noted that legislature is over halfway through session, with riparian habitats being a continued topic of discussion among stakeholders and legislators.

She also noted RCO’s ongoing examination of its internal structure to ensure it has the best structure in place for the number of programs and funding sources it supports; Jeannie Abbott’s, Governor’s Salmon Recovery Office’s (GSRO) Program Coordinator, continuing planning of the April 2023 Salmon Recovery Conference; the May Puget Sound on the Hill event; and staff updates.

Finally, Director Duffy highlighted Governor Jay Inslee’s upcoming visit to Mill Creek to look at that project with the local Regional Fisheries Enhancement Group (RFEG), Tri-State Steelheaders, and John Foltz, Executive Director of the Snake River Salmon Recovery Board.

Legislative and Policy Update

Brock Milliern, Policy and Legislative Director, said that Legislative session commenced on January 9, and will run through April 23. The next revenue forecast is March 20, and the House and Senate budgets will be released shortly after. RCO is currently tracking around 65 bills and several budget provisos that may have impacts to RCO programs.

Concerning salmon recovery, RCO has been tracking riparian work/funds that may be included in the Capital Budget Committee’s budget and two bills, including Senate Bill 5371 regarding protecting the Southern Resident Killer Whales (SRKW) from vessels and changing the distance that boats must stay from SRKW from 300 yards to 1000 yards; and House Bill 1686 regarding establishing a joint committee on salmon recovery. Mr. Milliern also provided an update on the agency’s budget and budget requests, which is available below.

Recreation and Conservation Office Capital Funding 2023-2025

RCO 4670-New Appropriations	Agency Request	Governor Request
As of	09/20/2022	01/09/2023
Bond Funds		
Estuary and Salmon Restoration	\$25,512,000	\$25,492,000
Family Forest Fish Passage Program	\$10,870,000	\$10,870,000
Puget Sound Acquisition and Restoration	\$65,419,000	\$50,000,000
Salmon Recovery	\$82,000,000	\$40,000,000
Springwood Ranch	\$14,000,000	\$14,000,000
Washington Coastal Restoration and Resiliency Initiative	\$17,593,000	\$17,563,000
Brian Abbott Fish Barrier Removal Board	\$96,600,000	\$48,146,000
Upper Quinault River Restoration	---	\$2,000,000
Federal Funds:		
Pacific Coast Salmon Restoration Fund	\$75,000,000	\$75,000,000
Total	\$384,994,000	\$283,071,000

Member Pettit asked about the integration of the Climate Commitment Act (CCA) auction revenues into the capital budget, and Mr. Milliern explained that the outcome of the auction was unlikely to change the projected CCA funds available. Mr. Milliern said that the Brian Abbot Fish Barrier Removal Board (BAFBRB) and the Family Forest Fish Passage Program (FFFPP) both received CCA funding in the Governor’s proposed budget.

Mr. Milliern then discussed the operating requests. The largest request was support for lead entities and the salmon recovery regions at \$4.7 million, which was fully funded in the Governor’s proposed budget.

Item 2: Salmon Recovery Management Report

Governor's Salmon Recovery Office Report

Erik Neatherlin, GSRO Director, summarized the work done over the last quarter.

Legislative and partner activities include GSRO testifying for key bills and accepting an invitation to present at the Governor's office with the Washington Department of Fish and Wildlife (WDFW) at a panel discussion providing an overview of salmon recovery.

Katie Knight-Pruit, GSRO Salmon Recovery Coordinator, has been meeting with leaders from other agencies to discuss what is being moved through the legislature, which has been a great exercise in keeping communication open between agencies.

Mr. Neatherlin discussed the federal items noting Puget Sound Day on the Hill will be held in Washington DC the week of May 8; a letter addressed to Secretary Raimondo from the Pacific Salmon Recovery State (WA, AK, CA, ID, OR) highlighting the opportunities for collaboration associated with the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA) and providing a combined message from the west coast; and that **Jeannie Abbott** submitted the Pacific Coast Salmon Recovery Fund (PCSRF) application ahead of schedule on March 1.

Mr. Neatherlin provided an update on the newest and 26th lead entity, the Spokane Tribe. The focus is on habitat protection and restoration associated with the reintroduction of salmon, steelhead, and resident red-band trout above the blocked area of Chief Joseph and Grand Coulee Dams. The tribe is in the process of formalizing the lead entity and a limiting factors analysis is also underway and expected to be complete in 2024. The Spokane Tribe will provide an update at a future board meeting.

Board members asked about funding for the limiting factor analysis, when the lead entity would receive funding through RCO's grant round, and which region the lead entity would be in. RCO staff explained that the tribe contracted out the limiting factors analysis. Additionally, conversations regarding allocation will be ongoing as the lead entity gets organized, completes its limiting factors analysis and is formally established, meeting statutory lead entity requirements.

Jeannie Abbott provided information on the upcoming Salmon Recovery Conference scheduled for April 18-19 in Vancouver, Washington, with a theme of "A Shared Future". There are 690 people registered, with 634 registered to attend in-person.

The opening session will include a blessing and drum song by the Cowlitz Tribe as well as a pre-recorded message from Governor Inslee. There will be a panel of researchers from the 2022 Pan-Pacific Expedition, an international collaboration of the US, Canada,

Russian Federation, Republic of Korea, and Japan studying the winter ecology of Pacific salmon. **Chair Breckel** and **Director Duffy** will be emceeding the event, which includes 25 sessions with 112 presentations throughout the two-day conference.

Tara Galuska, GSRO Orca Recovery Coordinator, shared information about an upcoming event honoring Billy Frank Junior's birthday and commitment to salmon recovery at River Ridge High School. She and Katie Pruit will represent GSRO.

In relation to SRKW and orca, Ms. Galuska highlighted Senate Bill 5371, adding that not only will it require 1000 feet vessel distance, but it also requires the creation of a diverse workgroup to implement the provisions of the bill; Washington Department of Ecology's (ECY) inclusion of the Orca checklist in the State Environment Policy Act (SEPA).

The federal Save Our Sound bill passed and will create a Puget Sound Office in the EPA and give greater attention to the region, positively affecting SRKW. Additionally, the National Defense Act passed with provisions that include a Cetacean Desk (i.e., marine mammal office) to inform large vessels on the presence of whales to help avoid ship strikes; Quiet Sound has been doing voluntary slow down trials that have been successful; the WDFW periodic review is underway and continues SRKW endangered status recommendation; and Ms. Galuska intends to establish an intergovernmental workgroup for SRKW to meet quarterly that includes NOAA, United States Coast Guard (USCG), EPA, and the three tribal commissions.

Salmon Section Report

Marc Duboiski, Salmon Grants Section Lead, provided an overview of the section's activities in the past quarter. This included the transferring of regional and lead entity areas to new staff, the upcoming retirement of Salmon Grants Manager Dave Caudill, 96 of the 133 board funded projects becoming active, Watershed Review Panel work, the review of 2023 projects, an overview of the newly staffed grant review panel, and project cost increases and potential decisions. Of note, there have been two meetings of the Watershed Review Panel since the December board meeting, where the panel decided to split the five plans into two different groups for review purposes, putting together Watershed Restoration Inventory Area (WRIA) 7 (Snohomish River) with WRIA 8 (Cedar Sammamish River), and combining WRIA 13 (Deschutes), WRIA 14 (Kennedy-Goldsborough in Mason County) and WRIA 15 (East Kitsap County).

Chair Breckel asked what the expectations for board feedback on the draft recommendations were. **Mr. Duboiski** clarified that draft recommendations will be available for the May meeting when the board can provide their comments and

feedback, and approval will be requested at the September meeting to meet the October deadline for official recommendations to the Department of Ecology.

For the 2023 grant cycle, review of project applications from the Hood Canal, Stillaguamish, and Nisqually began. The annual application workshop was held virtually January 24, with 65 attendees, and grant/project timelines, project eligibility, and policy changes were discussed.

In June 2022, the board approved adding \$250,000 to the cost increase fund, bringing the total available funds to \$1 million. Currently, \$725,000 remains to be used between now and May 2023. In the Puget Sound Region, the lead entities can use returned PSAR funds for cost increases. In May, the board will be asked to participate in a discussion and decision on what to do with the remaining Cost Increase Fund for the 23-25 biennium.

General Public Comment

None.

Item 3: Partner Reports

Council of Regions

Mara Zimmerman, Executive Director of the Coast Salmon Partnership, reminded the board that the Council of Regions (COR) exists to bring together the state's seven salmon recovery regions to share information between regions. They continue to work with lead entities and RCO to ensure that the 2022 grant awards are contracted and to initiate the 2023 board grant round. They appreciate being involved in conversations surrounding the Targeted Investment and match policies. Several COR directors have ongoing dialogues with the Army Corps of Engineers about what can be done to faster implement Corps permits. The four Columbia River Regions continue to meet and discuss Columbia River policy.

Ms. Zimmerman acknowledged giving input on agenda Item 4 and thanked Nick Norton for his work facilitating discussions on Targeted Investment. She noted that agenda Item 6 aligns with the COR's goals of match policy. She thanked the GSRO for their dedication to the Item 8 State of Salmon Report, appreciating the chance to provide input on the final report.

Washington Salmon Coalition

Mike Lithgow, Chair of the Washington Salmon Coalition (WSC) and Lead Entity Coordinator for the Pend Oreille Lead Entity, shared that the first quarter of 2023 has

been a busy time for lead entities, but everything is going well. The coordination between GSRO, RCO, COR, Regional Fish Enhancement Groups (RFEG), and the WSC has increased and is working well. He reiterated Mara Zimmerman's comments on Mr. Norton's work on Targeted Investment and match policies and is grateful for the work RCO staff has done to increase funding capacity for lead entities. He described the documents that Cheryl Bowman of Klallam County submitted summarizing projects that are happening to help salmon.

Regional Fisheries Enhancement Groups

Lance Winecka, Executive Director of the South Puget Sound Salmon Enhancement Group, representing the Regional Fisheries Coalition, which is comprised of fourteen RFEGs across the state. He is excited for the upcoming Salmon Recovery Conference and will take time to meet with RFEGs, staff, and executive directors ahead of the conference. He appreciates all the work and coordination that goes into planning the conference, which allows salmon restoration practitioners to meet. He also thanked the board for the Manual 18 threshold updates that were approved last year and noted they have already been helpful in addressing projects across the landscape.

Mr. Winecka addressed the Army Corps of Engineers permit discussion, noting that the goal that has been agreed to is six months for a Nationwide Permit 27 authorization to be issued, which is important in allowing project sponsors to work one year ahead of time for construction, get more accurate bids, and start projects faster, compared with the previous two-year permit cycle.

Mr. Winecka commented on PRISM being a useful and efficient tool for the work the RFEGs are doing. He added that he and the RFEGs support match reform and recognize that match can come in many different forms, emphasizing that project sponsors are looking everywhere for funding to implement recovery projects.

Chair Breckel recognized the efforts the RFEGs contributed to making the last grant round a success.

BREAK: 10:10-10:25 AM

Item 4: Targeted Investment Staff Review Update

Nick Norton, Policy and Planning Specialist, summarized the progress of the board's December 2022 motion, directing staff to create a working committee to perform a comprehensive review of the Targeted Investments (TI) policy. The committee includes board members, RCO staff, and several partners.

When reviewing TI, the committee considered the current policy, the effects large funding allocations such as the \$75 million from the 2022 supplemental session and potential future funding from the Infrastructure and Investment and Jobs Act, and how that funding can be effectively leveraged.

The four objectives established by the committee include:

1. Leveraging funds with potentially different directives.
2. Utilizing funds not directed towards regional allocations, reaffirming that this funding is separate from the process that goes through regional allocations.
3. Funding projects with significant regional recovery benefits.
4. Providing certainty and consistency across grant rounds.

Objective three is notably the most important based on feedback from staff and the working committee to fund projects with the most significant regional recovery benefits.

Current established priorities limit regional involvement, and so the working committee developed three draft investment priorities that each region could use:

1. Increasing on-the-ground scale of project implementation.
2. Reducing phases required to complete well-developed projects.
3. Allowing long-term, complex projects to get off the ground.

Mr. Norton noted that the priorities are not all confirmed and may change over the course of the conversation.

Overall, the new goal would be to establish investment priorities that focus on regional priorities as identified in recovery plans, with enough notice and clarity in order to create a more diverse pool of applicants and promote certainty for regions and project applicants.

Mr. Norton went on to explain the process changes of how a project is solicited, reviewed, ranked, and funded. The working committee is currently considering five changes:

1. Switch to board investment priorities that do not inherently limit the number of eligible regions and do not change every biennium.
2. Remove the limit on the number of projects per region.
3. Shift to a "biennial TI fund plan" to provide information about predicted amounts of funding from different sources and for different project types, and amount of funding from these sources that will be allocated to TI over a two-year period.

4. Switch to an evaluation process where applicants submit a letter of intent, and the board invites a subset of proposals to submit a full application for funding consideration. These intent letters could be invited to submit a full application during the second year if new or unexpected funds become available.
5. Full applications not funded in the first year would be rolled over to the second year and funded in order based on additional funds available.

There will be an additional meeting of the committee on March 13, to discuss refining recommendations. The goal is to have an update to TI policy language ready for discussion and approval at the May board meeting so that the updated policy can be used during the 2023-2025 biennium. The March committee meeting will allow for a more thorough discussion of the role of the regions in this process. Mr. Norton expects to have a draft policy by the end of March, followed by stakeholder outreach in early April, and a final request for board approval in May. This timeline will align with the board's funding decisions.

Chair Breckel was supportive of regions identifying and tailoring projects around the priorities of their regions. However, he highlighted the importance of ensuring projects are compelling, contributing in significant ways to address the regions' key barriers.

Members of the board discussed the benefits of both incrementally funded projects approach and those that can be fully funded all at once. **Member Cottingham** cited the Mill Creek Project as an example of how bigger funding can get a project done faster with less phases, while **Member Hoffman** acknowledged how a phased approach acts as a form of checks and balances to ensure projects are on track.

Chair Breckel shared concerns over creating another grant fund, and the complications that entails as some regions may be more resource-rich than other regions with equal recovery needs. A pre-application process could be used to provide a streamlined process without having to commit a large amount of energy before deciding that a project is or is not viable.

Member Hoffman suggested taking lessons and data from the Intensively Monitored Watershed work and relating it to the targeted investment conversation.

Member Maroney agreed with Chair Breckel that creating a level playing field among regions while also moving salmon recovery forward is the priority right now. He has concerns over the effort levels a project sponsor is expected to put into a project without knowing the funding outcome, and he would like to see projects start as soon as funding is approved. He confirmed with **Director Duffy** that there are three years left

in the funding, and both the Infrastructure and Inflation Reduction Act (IRA) money are available, assuming the IRA will flow similar to the infrastructure bill.

Mr. Norton acknowledged that each region is unique in how they might want to approach the TI process, and initial concerns have been expressed about what level of information would be required in a pre-application and the technical expertise of the reviewers who would be charged with selecting final projects. Member Pettit, Member Gorman, and Mr. Norton discussed some of the challenges a two-step process could create, including the additional burden on capacity of sponsors to do additional work without knowing the return on investment and the pre-application review process slowing projects down. Chair Breckel suggested a biennium list structure be used to build a list for funding.

Item 5: Completed Salmon Recovery Funding Board Project Presentations

Chico Creek Fish Passage & Habitat Restoration #17-1417 & #19-1390

Kay Caromile, RCO Outdoor Grants Manager, introduced the Chico Creek Fish Passage and Habitat Restoration project (17-1417 and 19-1390), located in and sponsored by Kitsap County. This project replaced a triple box culvert that existed on Chico Creek. This watershed includes 10,000 acres and five stream channels that support one of the largest chum salmon runs in the Puget Sound. This specific project area is in both the Chico Salmon County Park and the Kitsap Golf and Country Club, on Chico Creek, 0.6 miles upstream of the mouth and upstream of State Route 3. This project builds on previous watershed work. The historic removal of riparian forests, development in floodplain, and accelerated peak flows have all worked to incise the channel and disconnect it from its floodplain.

These two projects built a bridge and restored the surrounding habitat, resulting in 16 miles of quality spawning habitat upstream of the bridge. The floodplain was also widened downstream and about two acres of riparian environment was planted, creating a restored channel that has pools, sorted gravel, and is now connected better to its floodplain.

Record low water flow during the spawning season, along with the channel shifting to flow through a log structure created an impediment to fish passage. As a result, the county worked with the Squamish Tribe and WDFW to install sandbags to revive fish passage around the log structure, which will be monitored to determine if additional changes need to be made.

Member Cottingham asked about the status of a similar project on Highway 3 and **Member Kanzler** explained that Washington State Department of Transportation (WSDOT) is currently replacing four box culverts with two bridges, which are on track to be completed by October.

Ruby Creek Fish Passage and Habitat Enhancement #18-1972

Sandy Dotts, RCO Outdoor Grants Manager, presented a summary of the recently completed Ruby Creek Fish Passage and Habitat Enhancement Project (18-1972), a WDFW project in partnership with the Colville National Forest.

The objective of Ruby Creek Fish Passage Project was to remove two fish passage barriers, restoring access to seven miles of bull trout and cutthroat trout habitat in the Colville National Forest, as well as resurfacing 12.5 miles of Ruby Creek Road to reduce sediment loads entering the stream and its associated wetlands. This project, in addition to two others previously funded, successfully removed all fish passage barriers from the drainage.

The total funding for this project was \$477,500 from SRFB and \$98,180 from sponsor match, for a total of \$575,680.

Member Maroney commented that the Corps got \$68.1 million to complete work on Albeni Falls dam, which is located on the Pend Oreille River near the completed project, by the first of next year. Several years ago, the Kalispel Tribe hired the United States Geological Survey (USGS) to do mapping within the Pend Oreille River, which identified the mouth of Ruby Creek as being significantly cold and potentially creating a new project to enhance the signature of the area at the mouth of Ruby Creek. Two similar projects have been funded in other drainages where cold water effuse exists with temperatures below 24 degrees Celsius, to expand the cold temperatures by a hundred-fold. These projects will be monitored for fish response with radio telemetry by the USGS for temperature for the next couple of years and may set the stage for future projects. He will be presenting on these projects at the Salmon Recovery Conference in April.

Lones Levee Restoration & Construction #19-1155

Bridget Kaminski, RCO Outdoor Grants Manager, summarized the Levee at Čakwab which will be referred to as Lones Levee, Restoration Construction project (19-1155), located on the Green River in King County. The Green River supports Coho, Chinook, chum, pink, sockeye, steelhead, and cutthroat trout.

LiDAR imagery shows the pre-restoration floodplain hydrology, indicating static downstream hydrology beginning at the existing levee, which contrasts with the dynamic upstream floodplain hydrology, and illustrates how the levee cuts offside channels from entering the historical floodplain. Aerial photos from the 1930s show multiple channels in the area prior to the completion of the levee. The removal of the levee allows for the establishment of new channels, which gives juvenile fish the opportunity to properly develop over three or four more months before traveling downstream to the Puget Sound where they will be 3-4 inches long, doubling their previous length and increasing survival rates. Studies of the Green River indicate that 97 percent of salmon that return are the ones that entered the Puget Sound at these larger sizes.

Additionally, the levee removal reconnected off-channel habitat, increased channel migration, flow splitting and wood recruitment and contributed to natural processes critical to the formation of high-quality salmon habitat. The expected result of this project is increased productivity, diversity, and abundance of Green River Chinook salmon and steelhead populations. Expected response to the levee removal includes the recovery of ten acres of high-quality off-channel habitat with nearly year-round connection to the main channel, 35-45 acres of re-established floodplain both upstream and downstream of the project area, and 20-25 acres of active river channels and higher quality spawning habitat.

The total cost of this project was \$6,527,973, of which the board's contribution, including sponsor match, was \$1,137,147.

Director Duffy asked what the neighboring landowner's engagement was like on this project. Ms. Kaminski answered that King County had purchased an easement from the adjacent landowner, but outside of that she was not sure of their involvement.

LUNCH: 12:20 PM – 1:01 PM

Item 6: Board Match Policy: Analysis and Impacts

Nick Norton, Policy and Planning Specialist, shared his goal to provide a comprehensive, data-driven foundation for conversations moving forward on the issue of match. During the board's retreat in June 2021, board members expressed interest in understanding the role of the SRFB match in relation to overall project funding, examining whether match is variable by geography, project, type or entities, and learning about the impacts to other state programs that have eliminated match.

One of the explicit areas of interest expressed at the retreat was the difference between match and leverage. Leverage is all the non-board resources that are part of a project. However, a sponsor can elect to only use some of that funding as match toward a project. There is also leverage that is ineligible as match, including previous acquisitions to secure the site, contributions from a non-profit between project phases, and a stewardship endowment.

Whether or not an applicant chooses to call something match has implications for the workflow that becomes attached to those dollars, rather than choosing not to funnel those resources into the grant agreement. Reported match funds are subject to invoicing, reimbursement calculation, and long-term compliance. Applicants have the option to include match in the original application budget, and as of August 2021, to report additional funds spent as part of the final report.

In response to **Member Pettit's** question concerning in-kind match, Mr. Norton noted that most applicants avoid including in-kind match due to difficulties in tracking, estimating value, and reporting relative to how much it contributes toward match requirements.

Member Hoffman asked what benefit there is to report more than 15 percent match in application. During a listening session with applicants, Mr. Norton was informed that some lead entities consider leverage within their ranking criteria or build it into their readiness to proceed considerations, which means that reporting more than 15 percent match can have an informal influence on how lists are made based on how much money is coming in and if the match could be lost if that project is not funded.

Mr. Norton discussed that match and leverage may not be considered as strictly by the lead entities as by the board.

Mr. Norton provided a brief timeline of the board's match history:

- 2000: 15 percent match assigned
- 2007/2008: Puget Sound Acquisition and Restoration Fund and Salmon Recovery Funding Board adopt design-only match waiver
- 2009: Road Maintenance and Abandonment plan projects must provide match above 15 percent
- 2017: Match waiver for IMW restoration projects
- 2021/2022: Match waived for riparian buffer projects and increased match for riparian projects based on the amount of upland acreage included

The timeline shows that the board has been willing to adjust match for certain project types.

Member Cottingham noted that none of the board decisions to the match policy was about leverage but was focused on policy encouragement or discouragement. Mr. Norton could not find a record that talked about this distinction between match and leverage in previous board decisions.

Mr. Norton continued to discuss the desired outcomes, noting that individual grant programs are distinct and match requirements are generally used to drive the following outcomes:

1. Local Support (project level) – match serves to demonstrate local support and commitment to the projects. This was a key consideration in past board decisions on establishing match requirements.
2. Return on Investment (funding list level) – applicants who bring in additional resources allow the board to contribute to a greater scope of work and potentially fund more projects on a list.
3. Demonstrate Effectiveness (program level) – match is a piece of the puzzle that demonstrates a funding program is effective, that other funders view this as a program worth matching and shows the legislature that there is support for the funding via additional resources.

Mr. Norton provided a few anecdotal perspectives gathered from listening sessions that indicate in-kind and donated match are inefficient to secure and hard to track and qualify. Feedback also included that sponsors avoid bringing in cash from their operating budget. Additionally, much of landowners' involvement is ineligible as match, including prior conversations, work to secure easements or permissions, and support that goes into maintaining the project after completion.

Mr. Norton presented charts depicting the types of match included in the over 1,000 projects that reported match since the inception of the board. Monetary funds (86 percent) are reported most often, with federal resources being the most common source of reported match.

Mr. Norton clarified questions from the board regarding private land ownership projects, which are difficult for owners to start on their own, and donated land, the value of which can be utilized as match. Much like the board conversation, Mr. Norton heard in listening sessions that the work that it takes to secure multiple grants to complete large projects and the liability associated with doing that amount of work, is a truer measure of "skin in the game".

Mr. Norton summarized the data and anecdotes, stating that match policy does not drive the local commitment as was intended.

Addressing Return on Investment, Mr. Norton summarized that requiring a 15 percent match does not appear to assist in funding going further. This appears to be because the regional allocation model maintains a consistent ceiling on the amount requested, with the board being a minority funder on larger cost project types and sponsors often reporting over 15 percent match regardless of requirements. It is notable that whether match is required at 5 percent or 15 percent, the workload associated is similar, and any required match comes with administrative capacity.

Member Pettit asked how the board came up with a statistically relevant return on investment. Mr. Norton answered that in terms of recovery outcomes, there is no data to effectively look at this question. Instead, he analyzed it via two questions: is the match policy what brings in the 15 percent and is it causing more projects to be funded?

Addressing program effectiveness, **Mr. Norton** concluded that a significant amount of the “financial story” is not being captured or reported as most sponsors report close to the minimum amount of required match, strategically avoid claiming match when it is not required, and the amount of additional leveraged funds is often much larger than the match funding.

Members voiced different perspectives during the discussion. There was recognition that requiring match created additional administrative work, that it can be a useful method for technical leverage and project oversight, and that if sponsors are providing match when it is not required, there may be fewer obstacles. **Member Cottingham** expressed support for eliminating match for most project types during a trial period, and **Member Maroney** expressed support for finding ways to reduce the administrative burden of tracking and reporting match. There was concern from **Member Kanzler** that this would limit the number of funded projects. **Mr. Norton** went on to discuss how match has the potential to impact the three key parts of salmon recovery:

1. Development: direct, negative impact on where and what types of projects request funding. In areas where public funding is not widely available, sponsors end up relying heavily on volunteers to get the 15 percent match, which restricts the types of projects that can be done.
2. Scope: can lead to down-scoping before or after signing a grant agreement if enough match cannot be secured.

3. Implementation: can directly or indirectly impact timelines and sponsor capacity through cost increases, match-deferrals, and cash flow. A case study included in the board's meeting memo on this item demonstrates how using in-kind value of donated wood can lead to unintended consequences that result in project extensions.

Mr. Norton's final synthesis is that board match requirement appears to not be greatly affecting desired policy outcomes but can create a drag on the pace and scale of project implementation.

Mr. Norton provided five potential areas for consideration which can be combined if desired and analyzed based on the opportunities and risks perceived by the board:

1. if match is required;
2. how match is administered;
3. what is eligible as match;
4. who must have match; and,
5. where match is required.

For each option, he provided some recent examples of other funders that use that approach or have shifted match policy.

Mr. Norton requested direction from the board to answer:

1. Does the Board want to examine alternate options as a next step in the conversation?
2. If so, what opportunities and risks does the Board perceive in potentially changing match policy?

Public Comment

Vanessa Kritzer, Executive Director of the Washington Association of Land Trust, encouraged the board to take direction provided in the memo to direct staff to analyze and recommend alternatives to the current match policy. She expressed appreciation for the adjustments made to the current match policy based on stakeholder input, including the recent policy changes on upland acquisitions.

Chair Breckel thanked Ms. Kritzer for speaking and directed the board to provide Mr. Norton with some feedback and direction, sharing that it would be in the interest of the board to capture the full picture of funds, including what is currently being used as leverage.

Director Duffy summarized the main ideas of the board discussion:

- 1) Look at the type of project, considering the difference between acquisition and restoration.
- 2) Decide what counts as eligible match.
- 3) Consider a no-match trial period, between two and four grant rounds.
- 4) Consider requiring incentive-based match for specific types of projects and no-match for others.
- 5) Tracking match and/or “leverage”.
- 6) Use new terminology “project funding cost-share summary” for telling the story of how funding is being used.

Member Maroney suggested considering a cap on project funding before match is required, and Member Endresen Scott would like the board to consider community equity.

Mr. Norton will continue to meet with the working groups to address what the board has asked for today and will provide an update with decisions at the May meeting.

BREAK: 2:45PM – 3:00

Item 7: Monitoring Update

Keith Dublanica, GSRO Science Coordinator, introduced the three contractors who will provide updates on their projects. Dr. Bob Bilby, Dr. Pete Bisson, and Dr. Phil Roni.

Intensively Monitored Watersheds Program Collaborative Synthesis

Dr. Robert Bilby provided an update of the Intensively Monitored Watershed (IMW) Synthesis. This work product, a Washington specific synthesis is a follow-up to the Pacific Northwest Aquatic Monitoring Partnership synthesis presented to the board in June 2022. At the June meeting, the board determined the value of an IMW synthesis specific to board funding both timely and opportune. In the early 2000s, the board agreed to support five IMWs to better understand the contributions habitat restoration has to salmon recovery. These actions were concentrated in five locations statewide and were part of the Comprehensive Forum for Monitoring Salmon and Watershed Health program. There are four freshwater IMWs and one estuary IMW. All board funded IMWs are ongoing. However, there is currently enough data to begin to help inform restoration efforts. This synthesis intends to provide an interim look at what has been learned so far and focus on the associated management implications.

Dr. Bilby provided an illustration of IMW design of the Strait of Juan de Fuca Complex, which is made up of three watersheds, East Twin, West Twin, and Deep Creek. The West Twin watershed was held as a reference with no implemented restoration projects. On

top of the restoration treatments in Deep Creek and East Twin watersheds, extensive monitoring systems were established across all three to monitor habitat conditions, fish populations, and treatment response.

The synthesis report will consist of an introduction, review of results from each IMW and indication of key management implications to date, and answer the main questions derived from data collected from multiple IMWs:

1. Have we accurately identified the factors that are controlling fish populations? Can the IMWs help us do a better job? Factors that are controlling fish populations have not been accurately identified.
2. Can we better define the attribute of wood placement projects with the greatest probability of generating a positive fish response? While there are some positive fish response from wood placement projects, the response is highly inconsistent.
3. Is low spawner escapement limiting fish response to habitat restoration? In some watersheds there is strong evidence that there are not enough fish returning to utilize the available habitat.
4. The Skagit Bay IMW, the only estuarine system in the study, provided the requirements for successful delta habitat restoration when monitoring juvenile salmon population responses. Observations of demographic changes were consistent with restoration efforts increasing nursery habitat capacity.

Most elements of the IMW synthesis are drafted, including respective IMW summaries, evaluation of density dependence, wood additions, and estuarine/delta habitat findings. Evaluation of limiting factors at the western Washington freshwater IMWs are currently incomplete. Dr. Bilby anticipates having a draft report complete within a month for a monitoring panel and principal investigator (PI) review, and a final synthesis by end of April.

Chair Breckel would like to see this report included in the technical review process to help determine the way the board plans and implements projects in the future. **Member Hoffman** would like to have more details on connectivity and suggested a connectivity score to be used in evaluations, possibly in targeted investments.

Member Pettit stepped out of the room at 3:24 PM.

Remote Sensing of Floodplain

Phil Roni of Cramer Fish Sciences provided a comprehensive summary of the floodplain remote sensing pilot that included four sites, two in Eastern Washington and two in western Washington. The goal of the pilot study was "proof-of-concept" to confirm that

the methods can be used to evaluate restoration response and are more cost effective than a purely field-based approach. There were nine study-plan questions having to do with the effect on floodplain area, active channel zone, morphology, fish habitat, sediment erosion and deposition, wood quantity, suitable habitat for juvenile and spawning salmonids, and riparian composition and function.

Of the four large floodplain projects included in the study, Dr. Roni focused on the White River County Line project. The project study methods included: obtaining Light Detection and Ranging (LiDAR) images, development of a hydraulic model, collecting supplemental field data where needed, and calculating metrics before and after restoration. The LiDAR images of the White River County Line project indicate before and after images of changes to depth and side channels, and the increase of pools and slow water in fish habitat. He then showed Habitat Suitability Index (HSI) images, which were calculated using depth and velocity to determine the most suitable areas for juvenile Chinook (465 percent increase in suitable areas) and spawning Chinook (47 percent increase in suitable areas). The percentage changes of the metrics for geomorphology and habitat were substantially increased after the levee removal. Riparian and large wood metrics also had significant percent changes.

The results of the pilot study indicate that most monitoring metrics for changes in floodplain, in-channel, and riparian habitat and conditions can be efficiently and accurately measured using LiDAR, other remotely sensed data is also effective at measuring these metrics, and project effectiveness can also be measured with these methods. Dr. Roni mentioned that some limited field data collection is needed for validation of a small number of metrics and under specific site conditions, such as stream channel bathymetry and canopy coverage. Dr. Roni provided recommendations for modifications to methodologies outlined in the original floodplain and riparian remote sensing study plan. The results from this project will be used to develop recommendations to the board at the May 2023 meeting.

Chair Breckel asked about the cost improvements of these projects and if any monitoring was happening around fish utilization of habitat suitability in these areas. Dr. Roni explained that doing these projects with traditional surveys, such as real time kinematics (RTK), or Total Station, would take a much longer time; however, for shorter projects, this kind of LiDAR might not have the same financial benefit. On the Middle Entiat, there is some fish monitoring happening that can be compared to a 2018 study.

Member Maroney wondered if any research was done in terms of stream channel connectivity and temperature. Dr. Roni clarified that there was no thermal imagery for

these study sites, but it could be added and supplemented with data loggers in stream channels.

Adaptive Management Process

Dr. Pete Bisson provided an overview of the progress and content from the draft monitoring and adaptive management strategy, sharing with the board comments, feedback, and insights from the board monitoring subcommittee and the Council of Regions. The goals are to improve restoration actions, inform board investments, and inform board monitoring program priorities. The first phase of the project was to develop a conceptual framework (resist, accept, direct) for restoration that includes targeted and surveillance monitoring. The second phase of the project was to come up with a good example. The Adaptive Management Working Group decided to use the Grande Ronde Model Watershed, the longest running adaptive management program focused on salmon in the Pacific Northwest. The third phase was to perform a comparison on the three board monitoring programs for project effectiveness (both IMWs and regional monitoring projects), to answer: what has been learned from the board monitored programs; how can this information inform the board restoration funding decisions; and how can this information guide monitoring programs?

The final phase is in progress and addresses the processes, roles, and responsibilities of the monitoring panel, review panel and the SRFB. This phase will provide a summary of data and information and provide recommendations on processes for better communication and outreach and processes to inform board funding decisions.

Dr. Bisson hopes to provide specific examples at the May meeting for feedback from the board, and to have this project wrapped up by the end of August, with the understanding that this is an ongoing process.

Item 8: State of the Salmon Report Update

Eli Asher, GSRO Policy Specialist, gave a detailed overview of the 2022 State of Salmon in Watersheds biennial report, which takes two forms: a website and an executive summary that is printable or downloadable.

The Executive Summary is specific to statewide populations that are on the endangered species list, noting various challenges and progress the populations are experiencing.

Member Pettit returned at 4:05 PM.

Additionally, the website addresses the “Four H’s” (Habitat, Hydro, Harvest and Hatchery) that continue to provide challenges to populations; prey impact; climate change; funding; and other topics.

Mr. Asher took a moment to recognize the passing of three influential leaders from the Northwest Indian Fish Commission during this biennium, Lorraine Loomis, Terry Williams, and Dale W. Johnson.

The website (www.stateofsalmon.wa.gov) has all the content from the report and more. Viewers can select a recovery region from around the state, and view stories, key takeaways, priorities, and progress. The website also includes interactive multimedia and content.

Chair Breckel commented on needing to pay more attention to how this report is used, noting that we are at a point where we should be asking why we are not seeing more progress. **Member Hoffman** asked for clarity on the analysis of productivity and the parameters used to determine those populations. Mr. Asher answered that they focused on abundance and not all Viable Salmon Population (VSP) parameters, with the caveat that other parameters are also being monitored.

Item 9: State Agency Partner Reports

State Agency Partner Reports were given after Item 5 due to being ahead of schedule.

Washington State Conservation Commission (SCC)

Chris Pettit provided an overview of Conservation Commission activities.

Discussing funding from the 2022 supplemental session funding, Mr. Pettit touched on the positive preliminary data received in association with recent riparian projects, funding being used to enhance nursery sites, and the demand for Sustainable Farms and Field funds, which assists with climate change resiliency via riparian buffers for carbon sequestration.

Additionally, the SCC has data management needs for collection and efficient dispersal of information.

During discussion, Chair Breckel inquired about private landowners’ response to riparian projects. Member Pettit explained both positive and negative interactions occur. For those that are negative, more effective communication on the importance of riparian work is necessary.

Department of Ecology (ECY)

Annette Hoffmann stated that the Department of Ecology is tracking legislation related to 6PPD-Quinone (6PPD-Q). Additional funding could fill information gaps including laboratory methods to measure 6PPD-Q in sediment for baseline monitoring, developing new criteria for best management practices, expand coordination with stakeholders and state and federal partners, and continue the search for safer alternatives to 6PPD-Q to ultimately eliminate the use of this chemical.

Member Hoffman also mentioned the Cap-and-Invest program, which limits allowable carbon emissions by certain entities and industries, requiring those businesses to purchase allowances to cover their carbon footprint. The number of allowances will be gradually reduced over time, urging those businesses to invest in greener technologies to ultimately reduce state-wide greenhouse gas emissions and transition to being energy neutral. The first auction of the allowances occurred on February 28, and all the allowances were sold, creating critical revenue for the Legislature to invest in clean energy projects and support communities affected by poor air quality and climate pollution. Member Hoffman expects a final report on revenue from this auction by March 28.

For more information on this program, go to ecology.wa.gov, where you can sign up to be notified of future auctions, read revenue reports, and more.

While members asked about the program, Member Hoffman directed them to Ecology's air quality program for detailed answers and more information.

Department of Natural Resources (DNR)

Tom Gorman updated the board on the ongoing work with the statewide Kelp and Eelgrass Health and Conservation Plan mentioning there are some regional workshops occurring in March. This is related to Senate Bill 5619 that passed during the supplemental session, which provided additional funding for the planning and expansion of monitoring work. The workshops are a direct result of this funding; one will be hosted on the coast and one in Puget Sound, with positive engagement so far.

The Derelict Vessel Removal Program also received funds in the supplemental session, leading to additional staff and more vessel removal with sustained funding. Other states are looking to Washington as the leader in derelict vessel removal with this program that continues to improve over time.

In the 2023 legislative session, House Bill 1789, related to funding for natural climate solutions passed off the house floor yesterday.

Two companion bills were passed off the House and Senate floors related to derelict structure removal, which includes funding for removal and general restoration of wharfs, piers, pilings, and tire-pile reefs which would have strong benefits to near-shore environments.

During discussion, board members inquired about the magnitude of derelict structures population and the local government's role in the removal process. **Member Gorman** replied that four very large projects totaling \$11 million within this bill are being targeted. However, there are 12-20 structures considered the "worst of the worst" and many more. If the bill passes, DNR would be looking at three biennia of support to target the worst sites they are aware of now. The bills would also provide grants to municipalities to conduct their own removal. Additionally, ECY is seeking funding to map derelict structures that DNR is maybe not aware of and would provide more tools to work with private landowners to complete removals.

Department of Fish and Wildlife (WDFW)

Jeremy Cram discussed how WDFW has launched the next phase in fish passage strategy implementation. A team is being assembled to integrate all the fish passage efforts that exist across the state with federal and local partners, including culverts but also expanding into other aspects of fish passage.

There has been more resolution on Fish-In Fish-Out (FIFO) proviso money, which has some implications for the board. WDFW was able to fund ongoing projects and initiate and focus on three new projects, including Fish In projects in the Samish River Basin, establishing a sonar team on the coast (both projects will focus on adult abundance), and a genetic project to better differentiate Chinook populations within the Skagit River. Because of the timeline, WDFW was able to upgrade infrastructure that needed improvement which included mostly smolt traps.

Member Cram acknowledged that WDFW is entering the North of Falcon season setting process, and that many of the forecasted salmon return reports are available.

Chair Breckel asked if WDFW is involved in NOAA's review of coastal steelhead. Member Cram replied that yes, there is a team assembled to provide a technical review related to the proposed listing utilizing data that exists, which will be informative to the process. The Steelhead at Risk report was cited in the requests to list this species, which acknowledged that more information is needed on coastal steelhead.

Department of Transportation

Susan Kanzler noted WSDOT has made funding requests related to fish passage, addressing the chronic environmental deficiencies and stormwater, all of which contribute to salmon recovery.

Addressing the Move Ahead Washington Funding, Member Kanzler noted that \$500 million will be put toward stormwater retrofitting to enhance stormwater treatment from existing roads and infrastructure. The proviso directs WSDOT to prioritize cost effective projects that focus on benefits to salmon recovery and ecosystem health to reduce toxic pollution and address public health disparities. WSDOT, along with other agencies, recognizes the connection between stormwater management, salmon recovery, and the overall health of the state.

WSDOT will also dedicate these funds to ramping up their stormwater program by updating their project prioritization. This includes robust outreach to governments and local tribes, non-governmental organizations, researchers, partners, and community members with the goal of an equitable distribution of resources across the state.

Member Kanzler noted there are many concerns and questions surrounding 6PPD-Q and WSDOT intends to make adjustments based on the best available science and input from the tribes and other partners. WSDOT is also working on other various projects where stormwater retrofit may include additional community ecosystem benefits.

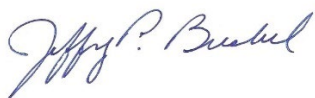
Member Kanzler shared that WSDOT had recently hired Tammy Schmitt as their new Fish Passage Monitoring and Performance Lead and Erin Mathews as their new Fish Passage Coordinator.

Chair Breckel asked about the 6PPD-Q and what treatments are being used to mitigate the contamination, **Member Hoffman** answered that promising research indicates that dirt filters it out as well as implementing bioswales, but more information is needed.

ADJOURN: 4:21 PM

Next meeting will be May 23 and 24, 2023, with decisions on targeted investment and match policies.

Approved by:



Chair Jeffery Breckel