

SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES

Date: May 23, 2023

Place: Site Tour – Nisqually Watershed Lead Entity Site Locations

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	Levi Keesecker	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:

The Salmon Recovery Funding Board (board) met at the Double Tree Hotel in Olympia, Washington where **Chair Breckel** called the meeting to order at 8:15 AM and requested roll call to determine quorum. **Julia McNamara**, Recreation and Conservation Office (RCO) Board Liaison, performed roll call and determined quorum, noting **Member Jeromy Sullivan** was absent. **Chair Breckel** reviewed the agenda and the tour schedule for the day.

Motion: Move to Approve the **May 24, 2023**, Agenda
Moved By: Member **Joe Maroney**
Seconded by: Member **Kaleen Cottingham**
Decision: **Approved**

Tour:

Members of the board and staff completed a tour hosted by the Nisqually Tribe and the Nisqually Land Trust with stops at board-funded projects throughout the Nisqually Watershed.

RECESS: 3:15 PM

Returned to the Double Tree Hotel in Olympia.

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Date: May 24, 2023

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

Salmon Recovery Funding Board Members:

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Jeromy Sullivan	Kingston	Tom Gorman	Designee, Department of Natural Resources
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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 noted **Member Jeromy Sullivan's** absence.

Motion: Move to Approve the **March 8, 2022**, Meeting Minutes
Moved by: Member **Joe Maroney**
Seconded by: Member **Chris Endresen-Scott**
Approved: **Approved as amended**

Member Cottingham amended the March minutes to include "*and staff*" in the section that she had recognized International Women's Day so that the sentence reads "*...highlighting the equality of women displayed on the board and staff...*".

Chair Breckel recognized retiring RCO staff, Dave Caudill and Keith Dublanica. Members of the board acknowledged their careers and shared appreciation for their work on salmon recovery. Mr. Caudill and Mr. Dublanica gave brief remarks.

Item 1: Director's Report

Director Megan Duffy provided an overview of RCO activities in the last quarter, recognizing Jeannie Abbott for her extensive efforts organizing the successful Salmon Recovery Conference in April and providing an update on staff changes, including the hiring of John Foltz, Outdoor Grants Manager, Kate McLaughlin, part-time Outdoor Grants Manager, and Monica Atkins, Administrative Assistant. RCO is actively recruiting a Governor's Salmon and Recovery Office (GSRO) Science Coordinator and an Executive Coordinator for the Washington Invasive Species Council (WISC).

Legislative and Policy Update

Brock Milliern, Policy and Legislative Director, highlighted several bills, beginning with House Bill (HB) 1138, which gives the Department of Ecology (Ecology) more authority in drought declaration and relief funding, providing better preparedness and response. HB 1170 prompts the state's Climate Response Strategy update. HB 1181 requires climate change and resiliency to be built into the growth management act planning. HB 1322 regarding the Walla Walla water 2050 plan, requires that the plan be used as an integrated water resource strategy in a coordinated effort between Washington and Oregon, affected federally recognized tribes, affected federal, state, and local agencies, and other stakeholders. HB 1775 provides a modest change to the liability for regional fish enhancement groups (RFEs) on certain salmon recovery projects. Senate Bill (SB) 5371 creates additional protections for Southern Resident Killer Whales (SRKW), expanding the distance of vessels around SRKWs to 1000 yards and changing permitting requirements and costs for commercial whale watch and paddle tours. SB 5433 for the Department of Natural Resources (DNR) provides funding and authority for the removal of aquatic derelict structures.

Mr. Milliern highlighted the salmon funding in the capital budget beginning with the Brian Abbott Fish Barrier Removal Board (BAFBRB), which was funded at \$48,407,000, an increase of about eighty percent. The Estuary and Salmon Restoration (ESRP) and Washington Coastal Restoration and Resilience Initiative (WCRRRI) came in just slightly less than in the previous session at \$14,309,000. Puget Sound Acquisition and Restoration (PSAR) received full funding at \$59,165,000.

The board's grant program was funded at \$20 million, a decrease of \$10 million from the last session, which is concerning. While \$25 million was provided for riparian grant funding, Mr. Milliern noted that staff will work over the next several months to highlight the board's grant program as a critical component in salmon recovery.

Members suggested statistical analysis of programs that use pre-session lists compared to the board process and comparing targeted investment data.

Director Duffy suggested that staff could engage in such an analysis, however it would also be critical to consider the overall impact on the salmon recovery system of changing the SRFB grant process to be pre-session list oriented.

Chair Breckel noted that there is more money for salmon recovery than ever before, but it is spread across more programs and the board has an important role in focusing the funds into a coordinated effort that will strengthen salmon recovery.

Regarding the capital budget, Mr. Milliern shared that he will be speaking with members of the legislature about the way project lists are developed for programs like the Fish Barrier Removal Board and PSAR large cap project and the importance of allocating funding to the projects in the order that they are ranked on the project lists provided.

Mr. Milliern finished his presentation by sharing that RCO made significant requests in the operating budget this session and received \$3.4 million in capacity funding for lead entities and salmon recovery regions, noting that overall, it was a very good session for the operating budget. Additionally, RCO received operating funding for a Diversity Equity and Inclusion (DEI) Coordinator, a Tribal Liaison, and a Riparian Coordinator.

Item 2: Salmon Recovery Management Report

Governor's Salmon Recovery Office Report

Erik Neatherlin, Governor's Salmon Recovery Office (GSRO) Director, highlighted letters included in the board materials that addressed appropriation levels for the Pacific Coastal Salmon Recovery Fund (PCSRF). These appropriation support letters are led by Senator Maria Cantwell, Representative Rick Larson, and Governor Inslee's office.

The Puget Sound Day on the Hill, led by the Northwest Indian Fisheries Commission and the Puget Sound Partnership, was successful in advocating for Puget Sound recovery, salmon recovery, and orca recovery.

Jennifer Quan is the new Regional Administrator for the National Oceanic and Atmospheric Administration (NOAA) West Coast and Dr. Thomas Purce has been appointed to the Northwest Power and Conservation Council. Mr. Neatherlin noted the importance of having leaders in these positions that understand and are champions of salmon and orca recovery.

Jeannie Abbott, GSRO Program Coordinator, requested approval to begin planning the 2025 Salmon Recovery Conference and hiring Western Washington University (WWU)

Conference Services to assist. Additionally, Ms. Abbott requested volunteers for the steering committee.

Member Cottingham noted that some online conference attendees had experienced issues with the hybrid model and the pre-recorded presentations and asked if there was a way to address that for future conferences. Ms. Abbott explained that going forward, a hybrid model may not be practical, but it is something the new steering committee will discuss.

Motion: Move to start planning now for the 2025 Salmon Conference
Moved by: Member **Kaleen Cottingham**
Seconded by: Member **Joe Maroney**
Approved: **Approved**

Chair Breckel, Member Cram, and Member Maroney volunteered for the steering committee.

Tara Galuska, GSRO Orca Recovery Coordinator, highlighted SB 5371, which will increase distance between vessels and SRKW to 1000 yards, providing space for SRKWs to successfully forage and echo-locate salmon. Ms. Galuska noted that this will be implemented in 2025 and Washington Department of Fish and Wildlife (WDFW) will be forming a workgroup to help guide implementation recommendations.

Ms. Galuska announced that through the State and Public Environmental Policy Act, an orca supplemental checklist was developed and is now published and available for use.

Ms. Galuska started an intergovernmental workgroup that meets quarterly to collaborate and coordinate across many fronts of orca recovery. This workgroup includes state agency leads, the United States Coast Guard (USCG), NOAA, the Environmental Protection Agency (EPA) and three Washington state tribal organizations.

WDFW is performing a periodic status review for orcas, which will be published soon and extend the current status of endangered at the state level.

The Puget Sound Partnership has an orca indicator on their action agenda and has been hosting workshops to further develop and refine those indicators.

Ms. Galuska shared the new report from NOAA that was published in March on inbreeding of orcas and the impacts on breeding ability over time.

Chair Breckel asked if there was any recommendation that was made by the study on how to address inbreeding. Ms. Galuska noted that addressing all threats and working

on recovery efforts will help make inbreeding less of a threat and that salmon population growth is of high concern.

Member Cottingham asked for an update on the release of the orca Tokitae, from the Miami Seaquarium. Ms. Galuska noted that an official proposal and tribal consultation need to happen, but there has been momentum from the public, such as the non-profit Friends for Tokitae, and a press conference with the owner of the Indiana Colts, who is financing part of the effort.

Salmon Section Report

Marc Duboiski, RCO Salmon Grants Section Manager, introduced John Foltz and Kate McLaughlin, the new members of the salmon team and noted that since November 2021, the salmon team has added six new staff.

Mr. Duboiski updated the board on the 2022 Funded Projects sharing that of the 133 board-funded projects, 115 have active agreements, with the remaining expected to be under contract soon. Mr. Duboiski noted that some of these projects have been delayed until PSAR funds are approved. Additionally, there are thirty-eight new projects that will be eligible for contracts starting July 1, 2023, when PSAR funding becomes available.

The 2023 Grant Cycle is underway with 150 applications in review, forty-seven of which are cleared and five that will be cleared if sponsors agree to the conditions. The remaining applications will be reviewed in mid-July.

Mr. Duboiski briefly highlighted salmon team field visits to Hood Canal, North Pacific Coast, Snake River, and the Salmon Recovery Conference in Vancouver.

Chair Breckel asked if staff is at capacity yet. Mr. Duboiski answered that they are stretched on capacity, but training new staff will help.

Chair Breckel took a moment before the break to introduce Levi Keesecker, the new representative for the State Conservation Commission (SCC). **Member Keesecker** is a natural resource scientist at the SCC and supports conservation districts, counties, universities, and non-profits across the state. Member Keesecker also works on the Volunteer Stewardship Program.

General Public Comment

None.

Break: 10:12AM -10:30AM

Item 3: Partner Reports

Council of Regions

Alicia Olivas, Salmon Program Implementation Manager and Lead Entity Coordinator (filling in for Alex Conley), provided a written update to the board. Ms. Olivas noted that the Council of Regions has been working towards implementing the 2023 grant round, held monthly work calls, and organized core participation in groups, such as the Salmon Recovery Network (SRNet) and BAFBRB.

Ms. Olivas shared appreciation for Director Duffy and Erik Neatherlin for their help organizing calls with WDFW leadership. Four Columbia River Regions have continued monthly meetings to discuss and coordinate regional input on Columbia River policy priorities with other state partners.

Ms. Olivas noted that the council supports the proposed Targeted Investment policy in Item Four of the agenda, which creates a strong framework for future targeted investment grant rounds and effectively highlights the role of regional organizations in identifying key recovery needs. Additionally, the council encouraged the board to pursue option one, no match, regarding match policy in Item Five of the agenda, noting the option removes match requirements while maintaining the ability to track and report non-board leveraged projects. Regarding Item Seven of the agenda for funding decisions, the council agrees with the staff recommendation to not pursue targeted investments at this time.

Washington Salmon Coalition

Mike Lithgow, Washington Salmon Coalition (WSC) Chair and Pend Oreille Lead Entity Coordinator, shared that WSC supports the proposed Targeted Investment policy in Item Four of the agenda with the caveat that the implementation of the policy is monitored and can be modified in the future if needed. WSC is supportive of revising the match policy and encourages the board to continue to support policy staff.

Regional Fisheries Enhancement Groups

Lance Winecka, Director of South Puget Sound Fisheries Enhancement Group, represented the Regional Fisheries Coalition and noted that the projects included in the board tour the prior day represent the future of restoration, which requires collaboration among lead entities, regions, and landowners to plan for large scale projects. Regarding Item Five of the agenda, Mr. Winecka expressed support for using leverage instead of match for better implementation of large-scale projects and encouraged the board to consider options with no match.

Mr. Winecka noted that Regional Fisheries Enhancement Groups (RFEs) continue to be the primary sponsors for board projects and shared appreciation to the board for funding opportunities.

Chair Breckel commented that leverage can still be used with match. Mr. Winecka replied that the RFEs support identifying all sources of funding used for a project and that it be reported at the completion of a project, noting it can be difficult for a project sponsor to accurately estimate project cost.

Chair Breckel asked Ms. Olivas and Mr. Lithgow their thoughts on match, and both agreed with Mr. Winecka's comments. Ms. Olivas noted that the timing of grants matters, and reporting match creates an additional barrier as different sources of funding may be on different timelines.

Item 4: Targeted Investment Policy Decision

Nick Norton, Policy and Planning Specialist, summarized the process that staff and a working committee went through to create the proposed changes to Manual 18, Appendix J: Targeted Investments (TI) Program. Currently the board can choose from five potential targeted investment priorities: approaching recovery, SRKW recovery, populations at risk, future threat abatement, and emergency response. Rather than focus on one specific priority, the working committee and staff decided to shift priority focus to project pace and scale and regional impact.

Chair Breckel and members of the board discussed and support this shift, pointing to the Mill Creek in Walla Walla as an example of a long-term project that exemplifies this new approach, and noted the importance of leaving room for learning and adapting that occurs in a multi-phased approach.

Chair Breckel noted it is important to provide the opportunity to reach beyond the current scale of projects on most lead entity project lists. Mr. Norton noted that the pathway and process of targeted investments goes through local and technical review, which harnesses the mechanisms that promote a high technical standard to assess whether a project is ready to receive larger funding amounts to complete a bigger scope of work in a single phase of funding (i.e., scale-up).

Mr. Norton further explained proposed revisions to the original process for project selection. In the previous TI grant round, the process worked as follows:

- allocation of funding
- Application
- project technical review

- regional ranking/selection,
- Review panel scoring and ranking; and
- Board funding

The proposed new process approach would consist of:

- allocation and project guidelines
- regional solicitation and project selection
- full application submittal
- technical review,
- Review panel scoring and ranking, and
- Board funding.

The significant change of moving regional solicitation and selection to after allocation and guidelines, but before application and technical review will allow regions to play the role of soliciting projects with the opportunity to have more authority over how funding is used in their regions.

Member Hoffmann wondered what the key arguments against making this change was. Mr. Norton explained that capacity was a concern, as this new process could create more work for regions. **Director Duffy** noted there will be an increase in regional capacity based on funding from this biennium. While more strategic, this change will require a significant investment of time up front for regions to decide on targeted investments. **Member Cottingham** noted that during discussion in the working group, the regions would have a more advanced role in timing, but not more complex.

Alicia Olivas commented that from her perspective, this new process fits well with their current process and gives the regions the ability to decide which limiting factors are more important; however, this creates a difficult situation where regions are submitting very diverse types of projects without any control over how they would rank. For example, metrics for Hood Canal chum are different than eastern Washington salmon, and Ms. Olivas shared concern over the Hood Canal region competing well at the state level. **Member Endresen-Scott** noted this was discussed on the committee and that the evaluation criteria scores would reflect the limiting factors of the region's recovery plan to level the playing field.

Mr. Norton discussed the importance of including flexibility so that staff and the board can adjust criteria as needed, and this flexibility has been imbedded into the process so that it can be a more responsive as necessary depending upon funding sources and directives. **Chair Breckel** asked how criteria can be adjusted in a timely manner. Mr.

Norton answered that it is difficult to know, and staff will need to perform some additional upfront work to adjust criteria when needed.

Mr. Norton described the changes to criteria that aimed to better accommodate a breadth of project types.

- More extensive descriptions of point values were added for less variation among the review panel members, but more discernment in scoring projects.
- Some criteria were split to provide better project determination at the regional level.
- Some point values were changed. For example, points associated with multiple species benefits were reduced after feedback from regions indicated that this penalizes projects that have a substantial impact on single species or single life stage of a single species.
- A category was added for funding impact to provide discernment around projects where the funds are uniquely capable of impacting project scale, reducing the timeline, or harnessing efficiencies.
- Cost benefit criteria was removed to be used as a tie breaker instead of scored criteria.

Public Comment

None.

John Foltz, Director of the Snake River Salmon Recovery Board, noted that flexibility is key to adaptation and preparation. Mr. Foltz shared that the board's targeted investment in the Mill Creek Project expedited the work as well as leveraged significant other funds. **Chair Breckel** added that the success of this type of project validates targeted investments.

Mike Lithgow noted that monitoring and adaptively managing this policy will be important and approved of moving forward with these changes.

Ms. Olivas commented there needs to be a mechanism to fund large, complex projects, citing Duckabush as an initial targeted investment project that allowed the region to piece together funding, add momentum, and begin design work. Ms. Olivas noted that scale with large projects like this is a struggle, and including a mechanism that still allows for timing and phasing flexibility will help.

Lance Winecka echoed Ms. Olivas' comments, and he anticipates an increase in preliminary type designs. Mr. Winecka noted that flexibility will likely lead projects to progress.

Member Cottingham noted that the board should have a list ready to share with legislature in the event funds are not available in 2025. **Chair Breckel** agreed and recognized this policy may need changes in the future.

Members discussed the changes, expressing overall support. **Member Gorman** shared concern around reducing points for multiple species, noting there may be harm in other species. Mr. Norton clarified that reducing the points was an effort to be more specific in targeting investments. **Member Hoffmann** recommended that the board be sensitive to the fact that speeding up projects is not always positive, and that it can be important to have technical checks and balances in certain circumstances when the pace is quickened.

Motion: Move to Approve the new targeted investment program language as proposed in Item Four of the May 2023 Meeting Materials.
Moved by: Member **Kaleen Cottingham**
Seconded by: Member **Joe Maroney**
Approved: *Approved*

Public Comment

None.

LUNCH: 12:10 PM – 1:00 PM

Item 5: Match Policy Options Assessment

Member Gorman returned from lunch at 1:02 PM.

Nick Norton reminded the board of the request made during the June 2022 board retreat to examine the existing board match policy. During the March 2023 meeting, Mr. Norton shared project match data gathered from speaking with sponsors and stakeholders in the salmon recovery community. The consensus was that the fifteen percent match threshold is too high for some sponsors, possibly eliminating good projects, and too low to matter overall compared to what is contributed to projects throughout the program. Mr. Norton noted that the match requirement does not appear to be meeting its original objectives of local investment (skin in the game), but it can create negative impacts on the pace and scale of project implementation while also serving as a capacity constraint for project sponsors.

Director Duffy clarified to **Member Endresen-Scott** that she thinks funders most appreciate how much total funding contributed to a project versus how/the mechanism

(fifteen percent match) used to achieve that overall funding. Mr. Norton presented two policy options for the board’s consideration, which represent alternate approaches to existing match policy and additional funds.

- 1) Option One: No Match – Match is not required; however, if a scope of work using board funding requires other resources to be completed, those additional funds need to be included upfront and in the final report.
- 2) Option Two: Simpler Workflow – Match is required but shared in a simpler way and *all* matching funds would need to be included in the final report.

Mr. Norton provided an example scenario to remove and replace two culverts at the cost of \$1 million each, for a total of \$2 million. Currently, the minimum amount of match would be reported. With Option One, sponsors could report the \$2 million in the scope of work and tell where that money came from and how it was spent. For Option Two, sponsors would report \$1 million in match, rather than just the fifteen percent minimum match.

Members Maroney, Hoffmann, and Breckel expressed concern with Option 1 (no match) as there is not a full way to capture the full funding and applicants may no longer feel inclined to break down projects into phases. Chair Breckel noted that match makes the board more competitive and explains to legislature where funds are coming from and justifies the spending.

Member Maroney did not want to impose administrative burden on sponsors or lead entities.

Member Hoffman suggested formalizing a way for the projects to tell the whole watershed story, which may take pressure off using match to formally capture the full story.

Mr. Norton explained the pros and cons of the two options.

Option One	
Pros	Cons
<ul style="list-style-type: none"> • Eliminates all project barriers 	<ul style="list-style-type: none"> • Some down-scoping to remove additional leverage.
<ul style="list-style-type: none"> • Reduces sponsor workload 	<ul style="list-style-type: none"> • Some request size increases
<ul style="list-style-type: none"> • Improves leverage reporting 	
Option Two	
Pros	Cons
<ul style="list-style-type: none"> • Reduces some project barriers 	<ul style="list-style-type: none"> • Project implementation risks

<ul style="list-style-type: none"> • Reduces sponsor workload 	<ul style="list-style-type: none"> • Merging project complexity
<ul style="list-style-type: none"> • Increases leverage reporting 	<ul style="list-style-type: none"> • Operation unknowns

Members suggested formalizing a way for projects to tell the whole watershed story versus using match, renaming “no match”, creating a metric goal to assess after closed salmon project contracts, and possibly identify project types that need match and types that do not. **Member Cottingham** suggested incorporating an “aspirational leverage” goal that the board could then assess once contracts are closed to determine whether the goal was met.

Mr. Norton also suggested that if the board wanted to retain match, it might consider revisions to the existing policy that considered possible variable match such as:

- Variable by project type
- Variable by request amount
- Variable by entity type
- Variable by location
- Add to what counts.

If the board wanted to pursue this approach, staff recommends focusing on two of the options above: variable by project type and variable by request amount, both of which are currently being done in limited ways and could be expanded.

Member Kanzler asked if a sliding scale approach has been considered, recognizing that some sponsors may have an easier time acquiring match than others. Mr. Norton answered that a sliding scale would fall under the variable by entity type or location alternatives. This is a complicated option across entities and geographies and could frustrate partners and stakeholders.

Member Endresen-Scott would like to capture the total cost of projects that the board is contributing to and would like to remove the extra steps involved in reporting. **Chair Breckel** suggested calling it a “cost share process”. **Member Cottingham** noted there is a statutory provision that allows the board to establish required match, using the term “match” and cautioned about changing the term to “cost share”.

Member Hoffmann noted that match may not be achieving the original goals it was intended to, but may be providing different benefits, and asked what the worst-case scenario under Option One might be. **Member Cottingham** suggested a worst-case scenario in which legislators are concerned that the board no longer requires match and assumes it needs no more funding.

Mr. Norton noted the difference between the two options is whether the board finds it necessary to include non-board funds in the scope of work. **Member Maroney** expressed concern that if not included, sponsors may underreport match.

Alicia Olivas shared that the cons for both options are happening currently and used the Kilisut Harbor ([RCO #14-1366](#)), in the Hood Canal as an example of a project that required a lot of leverage rather than waiting for match, noting sponsors want to tell the full funding story, but currently they are not because of what is in the contract.

Mr. Norton clarified that both options would ask sponsors to report other means of funding.

Ms. Olivas shared that the sponsors would tell more of the full funding story using Option One, when it is reported at the end, rather than in Option Two when match is required at the beginning.

Members of the board discussed the two options to provide Mr. Norton with direction. **Members Maroney and Hoffmann** preferred Option Two as a step towards Option One. **Member Cottingham** agreed with the idea that Option Two is a step towards Option One but encouraged the board to consider the notion of aspirational leverage. **Member Endresen-Scott** reminded the board that the reason match is being considered is because most board-funded projects already have or surpass the required fifteen percent match and leans towards Option Two. **Member Gorman** liked the idea of creating a way to show more leveraged funds through an aspirational goal and preferred Option One. **Member Cram** leaned towards Option One and noted that there are bigger funders that do not require match, while the board is a smaller funder with a rigorous application process and suggested no match on certain project types.

Chair Breckel emphasized that the priority should be to be able to show legislators that funds are being leveraged.

Member Cottingham would like to see a list of grant programs that do not require match.

Director Duffy summarized the main objectives discussed for direction:

- Capture all the dollars that go into a project and defining what a project is, not just the SRFB agreement scope.
- Reduce the burden on the sponsor.
- Accountability for the dollars and what is intended by the funders.

BREAK: 2:30 PM – 2:35 PM

Item 6: Monitoring Update

Intensively Monitored Watersheds Synthesis Report

Eric Neatherlin provided a monitoring update along with **Doctor Pete Bisson**, and GSRO Science Coordinator **Keith Dublanica**. Mr. Neatherlin reminded the board of who sits on the monitoring subcommittee, which includes Chair Breckel, Member Hoffmann, and Member Cram, as well as the Council of Regions, the Washington Salmon Coalition, and the GSRO. The subcommittee's purpose is to guide development of the board's monitoring initiatives. To that end, the subcommittee has been working on an Intensively Monitored Watersheds (IMW) Synthesis summary, an Adaptive Management Strategy and assessing a Remote Sensing pilot, monitoring a floodplain project.

The subcommittee recently completed the IMW synthesis, adaptive management strategy, and remote sensing pilot project. The subcommittee and staff are in the process of reviewing, discussing, and developing how the information will be incorporated into the board's program. The final step in this process will be to incorporate and operationalize the data from these reports.

Mr. Neatherlin briefly shared the IMW Synthesis process, which was facilitated by Dr. Bilby and involved IMW freshwater projects. It included an in-depth evaluation of questions generated during the Pacific Northwest Aquatic Monitoring Partnership (PNAMP) regional IMW review. The full report will be available by the end of May and will provide information on:

- Individual results and findings for each IMW complex;
- broader common findings across all the Washington IMW complexes;
- assessment and implications of using large woody debris (LWD) in freshwater systems;
- an increased understanding and interpretation of fish response;
- opportunities for IMWs to help refine our understanding of limiting factors; and,
- reinforces the importance of estuaries and provided insight for how to maximize protection or restoration strategies in estuaries.

Adaptive Management Strategy

Dr. Pete Bisson spoke about the development of the adaptive management strategy and provided recommendations from the monitoring subcommittee. They include:

- 1) Increase communication between the monitoring panel and review panel.
- 2) Develop a communication plan to give the monitoring committee an opportunity to share findings with others and learn from others.

- 3) Periodically reassess limiting factors, as new scientific insights come forward.
- 4) Annual monitoring project workshop, similar to what is currently being done in the Grande Ronde in Oregon.
- 5) Adaptive management report card presented to the board by the monitoring subcommittee each year.

Floodplain Remote Sensing Pilot Project

In 2019, the board discussed effectiveness monitoring and a pilot program was considered, using new approaches to assess the effectiveness of reach-scale habitat restoration. The board approved a pilot, using remote sensing to try and better characterize habitat improvements at larger scales. The pilot study locations included Eastern Washington on the Entiat River and Tucannon River, and Western Washington on the County Line-White River and Upper and Lower Fobes on the Nooksack River.

Overall, remote sensing has proven to be effective and more accurate at characterizing habitat improvements at a large scale than on-the-ground surveys. While remote sensing does a great job characterizing habitat changes, it does not tell where fish are, which will likely be considered in the future using new technology to better assess how the fish are responding to those changes, using environmental DNA and other technologies. Additional remote sensing benefits include cost effectiveness and ability to map entire floodplains rather than site specific field data methods, opportunities for collaboration and cost savings given its broad application, and its ability to be used for projects of any size.

Member Maroney discussed using drones for thermal imaging to identify cold water in places there is no other way to collect data. Dr. Bisson assured Member Maroney that they will be purchasing a drone.

Dr. Bisson briefly summarized the technical findings, sharing that remote sensing works on a larger area, but all the possibilities of using various kinds of new technology have not been fully explored to see how fish are being affected. The next steps in the study are to continue these discussions at the monitoring subcommittee level and bring more information and recommendations to the board's fall meeting.

Keith Dublanica, GSRO Science Coordinator, shared that the subcommittee recommends continuing funding for IMW monitoring and the monitoring panel. The subcommittee will continue dialogue over the summer and provide final funding recommendations to the board in the fall of 2023.

Member Keesecker noted the parallel efforts occurring with other groups and looks forward to seeing those collaborate.

Item 7: Funding Allocations

Jeannie Abbott, GSRO Program Coordinator, provided the board with a variety of funding decisions, including setting the amount for the latest grant round, review panel, cost increases, capacity funding, and monitoring. Ms. Abbott shared the total funding available.

Funding Available	23-25 Biennium
State General Funds (Lead Entities/Regions)	\$4,402,000
State Bond Funds (includes Admin)	\$20,000,000
Riparian (includes Admin)	\$25,000,000
Pacific Coast Salmon Recovery Fund (PCSRF) 2023-2024 (includes Admin)	\$37,000,000-48,000,000
Return Funds Used/Available	\$4,070,114
Total Funds Available	\$90,472,114-101,472,114

Notably, the PCSRF money was provided as a range, since funding from NOAA may not be finalized until June. The expected funding for the 2023-2025 biennium is \$90-101 million.

Ms. Abbott shared the available and projected project funding.

Project Funding	2023 Grant Round	2024 Grant Round
State Bond Funds for Grant Round	\$7,818,000	\$7,818,000
State Bonds Riparian	-	\$23,970,000
PCSRF for grant round 2023 and projected for 2024	\$9,037,815-13,999,315	\$9,037,815-13,999,315
Regional Monitoring Projects	\$350,000	\$350,000
Returned Funds Available	\$4,070,114	\$0
Cost Increases	\$675,000	\$500,000
Total Funds Available	\$21,950,929-26,912,429	\$41,675,815-46,637,315

Member Endresen-Scott had concerns with doing regional allocations for both rounds in both years without knowing what PCSRF would be and asked for the other board members thoughts on reserving the \$4 million in returned funds for a 2024 targeted investment grant round, once the PCSRF award is known. She would like to consider funding a \$20 million grant round for 2023 and use the \$4 million from returned funds for targeted investments if possible.

Members discussed the approach for funding a targeted investment grant round.

Members Cram and Maroney were hesitant to set aside \$4 million for targeted investments, not knowing if there will be any supplemental money. **Members Cottingham and Endresen-Scott** suggested holding the \$4 million until 2024 when PCSRF would be known.

Director Duffy provided clarification on Member Endresen-Scott’s proposal, as holding the \$4 million of returned funds for a potential targeted investment grant round in 2024 and using 2023 PCSRF funds and Infrastructure Investment and Jobs Act (IIJA) funds in the 2023 regional allocation. **Member Endresen-Scott** added that if PCSRF funding did not come in high enough to fund a \$20 million grant round in 2023, then Director Duffy would have the authority to delegate returned funds from the withheld \$4 million to meet the \$20 million minimum. If PCSRF comes in higher than expected, then the withheld \$4 million could be moved to the 2024 grant round for targeted investment and discussed in September.

Motion: Move to use the interim project allocation formula approved by the board at the March 2, 2017, board meeting to determine regional grant round amounts at a minimum of

\$20 million for the 2023 grant round, which includes \$350,000 for funding regional monitoring projects. Retain the current return funds for 2024 grant round or Targeted Investments unless needed to meet the \$20 million 2023 grant round.

Moved by: Member **Cottingham**
Seconded by: Member **Endresen Scott**
Approved: **Approved as amended.**

Member Maroney asked if the motion included authority for the director to shift the \$4 million to make \$20 million the way it is written. The board amended the motion to clarify, adding the last sentence *"Retain the current return funds for 2024 grant round or Targeted Investments unless needed to meet the \$20 million 2023 grant round"*.

Member Kanzler left the room at 3:55 PM.

Motion: Move to approve \$200,000 for the Salmon Recovery Funding Board (SRFB) Technical Review Panel.

Moved by: Member **Endresen Scott**
Seconded by: Member **Cottingham**
Approved: **Approved**

Motion: Move to retain balance of \$675,000 for Salmon Recovery Funding Board project cost increases.

Moved by: Member **Maroney**
Seconded by: Member **Endresen-Scott**
Approved: **Approved**

Member Kanzler returned 3:56 PM.

Motion: Move to delegate authority to the Director to enter contracts with Lead Entities and Regional Organizations to fund capacity for the 2023-25 biennium utilizing the funding amounts in Table 4, item seven memorandum of the May 2023 meeting materials.

Moved by: Member **Cottingham**
Seconded by: Member **Maroney**
Approved: **Approved**

Motion: Move to delegate authority to the Director to enter contracts with the Regional Organizations for Fiscal Year 2024 at \$2,878,685 plus any return funds from previous Pacific Coastal Salmon Recovery Funds awards.

Moved by: Member **Endresen-Scott**

Seconded by: Member **Cottingham**

Approved: **Approved**

Motion: Move to delegate authority to the Director to enter contracts for the monitoring efforts displayed in Table 6 of item seven in the May 2023 meeting materials. The contracts shall not exceed \$2,000,000 for fiscal year.

Moved by: Member **Cottingham**

Seconded by: Member **Endresen Scott**

Approved: **Approved**

Public Comment

None.

The board will decide how to implement riparian funding in September.

BREAK: 4:05 – 4:11 PM

Most of the microphones died during the break. The remaining live microphones were passed to those who were speaking until they all eventually died.

Item 8: Watershed Restoration and Enhancement Plan Update

Kat Moore, Senior Grant Manager, presented the Watershed Restoration Enhancement Plan Review, completed by a team of six technical review panel members who reviewed five watershed restoration and enhancement plans. Ms. Moore explained that Washington is divided into sixty-two separate Watershed Resource Inventory Areas (WRIA).

The Washington Supreme Court's Hirst Decision of 2016 changed the way Washington State deals with domestic water use. Prior to this decision, home builders in rural areas could get water for domestic use by drilling a well and are exempt from the legal water rights framework because of their relatively low usage and are referred to as permit exempt wells today. The Hirst Decision required counties to make independent decisions about legal water availability before issuing building permits for new homes or subdivisions.

In response, the legislature enacted the 2018 Streamflow Restoration Act, which clarified how local governments can issue building permits for homes intending to use permit exempt wells as their water supply and required that the local watershed planning process happened in fifteen WRIs. Watershed planning groups were required to evaluate the projected water use by new permanent exempt wells over the next 20 years, to estimate their consumptive impact on the groundwater withdrawals on

instream flows, identify projects and actions to offset the usage, and provide a net ecological benefit to the WRIA.

Ms. Moore shared that there are five watersheds that have not completed or approved their plans. In the spring, a technical review panel was formed and divided up the five WRIAs. Three members reviewed WRIA seven (Snohomish) and eight (Cedar/Sammamish), and three members reviewed WRIA thirteen (Deschutes), fourteen (Kennedy/Goldsborough), and fifteen (Kitsap). The draft recommendations are provided in the [meeting materials](#).

Hans Berge, Program Manager and Senior Scientist at Kramer Fish Sciences and Watershed Review Panel Member, shared that the review panel was charged with looking at the plans and assessing whether:

- the consumptive use projections are technically sound and follow consistent methodology;
- identified projects provide water offsets for the projected consumptive use;
- the projects offset the projected impacts to instream flow in all the subbasins in the WRIA; and,
- the plans provide additional ecological benefits.

The review found that the consumptive use estimates were technically sound, and methodology was consistent across WRIAs. The water off-sets were generally too optimistic, but even after adjustments will be adequate to offset projected use, and projects did provide additional ecological and instream benefits; however, some projects may be overly optimistic.

The review panel's recommendations are that WRIA seven and eight meet the stated intent for restoration and enhancement plans. WRIAs thirteen, fourteen, and fifteen need some revising and removal of some offset and habitat projects given uncertainties associated with those projects. All WRIA plans will benefit from addressing minor comments that have been provided in the review panel's detailed comments. Next steps include providing a public comment period and bringing the final review back to the board in September for a decision.

Member Endresen-Scott asked if the review panel was made aware of the reasons the five watershed plans were not agreed upon by their respective committees. Mr. Berge explained that letters were provided that identified the reasons.

Member Cram commented that the estimates seemed lower than the typical wells. He noted that net ecological benefit is not well defined and larger projects can take a while

to be implemented. He suggested that projects that are on a longer time frame be removed. Member Cram further noted that there is not a clear understanding of how groundwater interacts with the surface water that fish also interact with.

Item 9: State Agency Partner Reports

Partner reports were provided before the lunch break.

Department of Ecology

Annette Hoffmann provided an update on the 6PPD-Quinone (6PPD-Q) issue. Ecology has a new 6PPD-Q coordinator who collaborates with other municipalities working on the same issue. Interested parties can sign up for email updates on Ecology's website, by searching "6PPD-Q" at ecology.wa.gov. Ecology provided the National Estuary Program funding to develop and implement an awareness of behavior change campaign aimed at reducing the 6PPD-Q found in stormwater, participates in many forums, tracks research happening in other states and takes a holistic approach to this threat.

Member Hoffman wanted the board and public to be aware of a grant opportunity at Ecology called the Spills Coastal Protection Fund Grant, which offers funds that can be used as match for the board and have been used to support several past board projects. Ecology received seventeen applications for the latest grant round, which closed on May 4 for the available \$250,000 of funding.

During the legislative session, funding was provided for:

- Reducing flooding in the Nooksack River Basin, including local and state project planning and implementation through the Nooksack Transboundary Taskforce. Ecology will be coordinating efforts with British Columbia.
- Grants for Tribal Governments to support their review and consultation regarding clean energy projects and programs.
- Updating the Statewide Climate Change Response Strategy and coordinate with other state agencies.
- Floodplains by Design, which received over \$17 million.
- Producing a strategic resource plan in the Walla Walla Basin.

Additionally, Ecology was selected by the Environmental Protection Agency (EPA) to lead the Climate Resilient Riparian Systems Program in partnership with the State Conservation Commission SCC and Bonneville Environmental Foundation, which supports Floodplains by Design and will bring an additional \$30 million from the federal IJJA to Puget Sound watersheds to support riparian management over the next six years.

Ecology submitted five watershed plans to the board, expecting the review of the plans to be completed by the fall at which point Ecology will consider the recommendations and initiate rulemaking within six months of adopting the plan. In addition to facilitating these watershed plans, Ecology will offer competitive grants to incentivize their implementation.

Chair Breckel expressed interest in this grant noting the increased demand across the state to address streamflow challenges.

Department of Natural Resources

Tom Gorman discussed SB 3453, which establishes a derelict structure program and account and provides flexibility to deal with derelict structures and allows DNR to purchase tidelands or structures from a private property owner making it easier to complete a full removal. Currently, DNR is working on four large projects that are mostly focused on the Puget Sound and will have significant impacts once the derelict structures are removed. Member Gorman shared that DNR received operating funds to hire new staff to implement the program.

Additional funding was received for:

- Tire reef/pile removal which DNR will partner with Ecology on for proper disposal.
- Continued work in the Snohomish watershed removing derelict vessels and moving large wood in restoration projects.
- Climate act funds to expand DNR's environmental justice program.

Chair Breckel asked to what extent do structures exist on private land. Member Gorman clarified that DNR was instructed by legislature to work on the top four priority projects, one of which includes private ownership, and noted there are other instances where the new allowance of purchasing private land will be necessary.

Department of Fish and Wildlife

Jeremy Cram highlighted WDFW's top priority from the legislative session, a funding package called Restoring Washington's Biodiversity, which benefits salmon recovery. This broad, holistic ecosystem conservation objective touches on the core principles of WDFW and was supported by the legislature. The terms of the proviso benefit threatened and endangered species dealing with ecosystem conservation, specifically for assisting with growth management act planning, fish passage improvements, conservation education, species and ecosystem restoration and protection research.

WDFW received a climate package that deals with non-native predatory fish in the Chehalis and Columbia River systems and includes stream temperature monitoring and modeling and downscaling of climate models to better inform the future of watersheds.

Member Cram noted additional positive outcomes from the legislative session:

- HB 1775 which changes the liability for RFEs on certain salmon recovery projects.
- Funding for contaminants of emerging concerns will increase WDFW's toxics department's capacity. This will address where toxins exist in the food web and how toxins bioaccumulate in salmon and orcas.
- Funding for fishery monitoring, enforcement, and implementing Environmental Species Act (ESA) compliant fisheries.

Earlier in May, the Puget Sound Federal Taskforce kicked off, led by federal agencies in cooperation with state agencies.

Member Cram shared that a special meeting will be held on June 9 for anyone interested in information on hatcheries. Related to this special meeting, WDFW's commission is reviewing a draft comanager hatchery policy and will be compared with the existing 3634 Policy as part of the discussion at the meeting. The meeting will be recorded and available on [TVW](#).

Chair Breckel was interested in hearing how the recovery conversation fits into the State Environmental Policy Act (SEPA) report, noting the board has worked hard to ensure hatcheries both protect and enhance recovery efforts.

Department of Transportation

Susan Kanzler shared budget highlights that related to salmon recovery. Fish passage was funded at just over \$1 billion for the 2023-2025 biennium, for Department of Transportation (DOT) to meet the federal culvert injunction requirements by 2030. Beginning July 1 there will be 100 projects under construction and 300 by the end of the biennium. There are currently twenty-eight fish passage projects underway, twenty-two of which are expected to be completed this summer, with the remaining completed by next summer.

DOT's Chronic Environmental Deficiencies (CED) program was funded at \$6.3 million. This program uses nature-based solutions to protect transportation infrastructure while enhancing fish habitat. One CED site, the Graveyard Spit project, between Raymond and Westport, had \$20 million set aside to protect important fish and wildlife habitat and prevent further beach erosion.

Stormwater received \$6 million. Member Kanzler noted that while salmon recovery efforts across the board were well funded, stormwater was not funded in a meaningful way and recognized that DOT will need to do more outreach to make a connection between stormwater and salmon recovery.

Lastly, DOT received funding for Clean Fuels and Climate Resiliency.

Washington State Conservation Commission

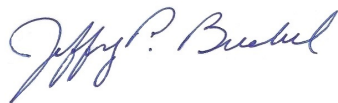
Levi Keesecker provided a few legislative budget updates:

- \$25 million for riparian. SCC will coordinate with RCO and partner agencies to develop their program's funding criteria.
- \$1 million for an agricultural science hub that will focus on applied social sciences of incentive-based conservation in agricultural landscapes at the watershed level and serve as a connector between engaged partners.
- \$3 million for conducting outreach and landowner engagement to support riparian restoration and projects.
- \$2 million for salmon communication and outreach campaigns to educate Washingtonians on the important role that riparian habitat plays in salmon recovery.
- \$30 million as co-applicants with Ecology for the riparian grant focused on the Puget Sound.

ADJOURN: 4:49 PM

Next meeting will be June 27 and 28, with a decision on match policies.

Motion:	<u>Move to adjourn early.</u>
Moved by:	Member Endresen-Scott
Seconded by:	Member Kaleen Cottingham**
Approved:	Approved



Chair Jeffery Breckel