**SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES**

**Date:** December 13, 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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| **Jeff Breckel, Chair** | Stevenson | **Annette Hoffman** | Designee, Washington Department of Ecology |
| **Kaleen Cottingham** | Olympia | **Tom Gorman** | Designee, Department of Natural Resources |
| **Chris Endresen-Scott**  | Conconully | **Levi Keesecker** | Designee, Washington State Conservation Commission |
| **Joe Maroney** | Spokane | **Jeremy Cram** | Designee, Department of Fish and Wildlife |
| **Vacant** |  | **Susan Kanzler** | Designee, Washington Department of Transportation |
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**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 9:01 AM. **Julia McNamara**, Recreation and Conservation Office (RCO) Board Liaison, performed roll call, determining quorum.

**Motion:** Move to approve the **December 13 Agenda**.

**Moved by:** Member **Endresen-Scott**

**Seconded by:** Member **Cottingham**

**Approved:** Approved

**Motion:** Move to approve the **September 13-14 Meeting Minutes**.

**Moved by:** Member **Cottingham**

**Seconded by:** Member **Endresen-Scott**

**Approved:** Approved

# Item 1: Director’s Report

In the interest of time, **Director Megan Duffy** referred the board to the written director’s report included in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf).

### Legislative and Policy Update

**Brock Milliern**, Policy and Legislative Director, shared the supplemental budget requests, which included $7.56 million for the Washington Coast Restoration and Resiliency Initiative (WCRRI) and $20 million for board projects. The 2024 Legislative session begins January 8 and runs through early March. November’s revenue forecast anticipated $191 million in revenue increase for this biennium and $579 million next biennium. An additional revenue forecast occurs on February 20, 2024, informing the final supplemental budget.

Mr. Milliern plans to provide the board Legislative updates throughout session and anticipates Climate Commitment Act (CCA) funding use discussions concerning salmon recovery.

# Item 2: Salmon Recovery Management Report

### Governor’s Salmon Recovery Office

**Jeannie Abbott**, Governor’s Salmon Recovery Office (GSRO), provided an update on the Spokane Watershed Lead Entity, recently named the Spokane Salmon Restoration Collaborative, receiving resolutions in support from the Spokane Tribe of Indians; Pend Oreille and Spokane Conservation Districts; Stevens, Lincoln, and Spokane Counties; and the City of Spokane. The Coeur d’Alene Tribe expects to sign their resolution by the end of December. The technical committee identified data gaps and projects that could meet habitat needs of Redband trout and reintroduced salmon.

Ms. Abbott referenced the timeline outlined in the meeting [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf), explaining that the lead entity expects to host its first grant round in January 2026. Ms. Abbott will provide status updates about the development of the lead entity and allocation options.

**Member Maroney** asked if there had been outreach to the Pend Orielle lead entity yet. Ms. Abbott noted she had spoken with Mike Lithgow, Pend Oreille Lead Entity Coordinator, but has not yet formally interacted with the Pend Orielle lead entity. She wanted to ensure the board was comfortable with the proposed timeline before doing so.

Additional GSRO updates were provided in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf).

#### *General Public Comment*

None.

# Item 3: Partner Reports

### Council of Regions

**Mara Zimmerman**, Council of Regions (COR), shared that in October, COR met for an all-day retreat to address strategic planning in 2024. COR directors hold monthly calls to organize participation in groups such as Salmon Recovery Network and the Brian Abbott Fish Barrier Removal Board. Four Columbia River regions meet monthly to coordinate input to Columbia River policy and priorities. Since the September meeting, both the Lower Columbia Salmon Recovery Board (LCSRB) and the Yakima Basin Fish and Wildlife Recovery Board (YBFWRB) have presented to the Salmon Recovery Network specific regional recovery challenges and opportunities.

Ms. Zimmerman addressed the decision items on the agenda noting that since September, COR worked with RCO staff to provide input on the policies and some regions may offer individual feedback during specific agenda items. COR recommended edits to Item Four, riparian policies, to specifically allow instream and floodplain activities as eligible activities if they significantly support riparian goals.

Regarding Item Six, match, COR recommends waiving match requirements, but requiring documentation of cost share sources and amounts. Under any option, COR wanted to emphasize the importance of leveraged funds and work with project sponsors to document how diverse funding sources implement salmon recovery.

For Item Eight, large project list, COR supported the development of a large project list.

### Washington Salmon Coalition

**Mike Lithgow**, Washington Salmon Coalition (WSC) Chair, directed the board’s attention to the letter provided by the WSC regarding match included in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf) and to other letters submitted by various lead entities from around the state for additional perspective. Additionally, Mr. Lithgow directed attention to lead entity project update reports that WSC submitted.

Mr. Lithgow addressed the board one last time as the WSC Chair and announced Aundrea McBride from the Skagit Watershed Council as the new chair.

### Regional Fisheries Enhancement Groups

**Lance Winecka**, Regional Fisheries Enhancement Groups (RFEG), highlighted a RFEG training held in Leavenworth, thanking the Washington State Department of Fish and Wildlife for funding most of the training.

Mr. Winecka shared the RFEG Draft Annual Report. The RFEGs and Lead Entities will hold meetings to discuss permitting and learn about using tools to engage the Army Corps of Engineers (Corps) to expedite the permitting process. RFEGs and Lead Entities plan to visit the Legislature at the end of January.

# Item 4: Additional Riparian Policies

**Nick Norton**, Policy Specialist, outlined the draft riparian policies for the riparian grant category. Based on board direction, partner, and Tribal feedback, staff developed draft [Manual 18](https://rco.wa.gov/wp-content/uploads/2019/05/SAL-Manual18.pdf) appendix language, detailing program processes and policies. .

**Director Duffy** emphasized that because CCA is a new funding source, certain commitments and obligations associated with CCA funding are still in development including reporting requirements, tribal consultation, and requirements that certain percentages of funding be dedicated to specific elements.

Mr. Norton highlighted the notable pieces of policy development that aimed at ensuring project success: Riparian Enhancement Plan, assessment and inventory guidance, match for blended projects, instream eligibility criteria, geographic envelope projects, and design elements. These are described in more detail in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf).

**Member Cottingham** asked about the letter from COR pertaining to floodplain re-grading. Director Duffy clarified that these comments were submitted by the Yakima Fish and Wildlife Recovery Board (YFWRB). **Alex Conley** was invited to provide comments. He shared a consensus was reached among COR, including proposed language for eligible instream work types to include floodplain, floodplain regrading, and side channel reconnection that significantly supports both riparian planting and natural regeneration. Mr. Norton summarized COR’s request to add floodplain re-grading and side channel reconnection as eligible work types and remove the requirement for the work types to be associated with a planting component, noting that instream restoration work would be expensive and possibly perceived as deviating from Legislative intent.

**Member Maroney** asked for clarification of how “majority” is defined under Assessment and Inventory Eligibility in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf), where it says “*… where the site-specific portion is the majority of the project.”*. **Kat Moore** explained that staff had not decided on a deliberate amount and that that analysis will be project based. Noting the invasive species plant removal component, Member Maroney asked if there was any coordination on priority species with the Washington Invasive Species Council (WISC). Mr. Norton noted that while there is not currently coordination with WISC, collaboration could help applicants describe the nature and need of an invasive species removal component to make the nexus between salmon recovery and invasive species clearer to the review panel.

Mr. Norton then explained the policies, including CCA language, ordinary high-water mark, cost increases, eligible costs, buffer widths messaging, and specific definitions that align with WDFW riparian recommendations.

Next steps involve trainings and a webinar, complete changes to the PRISM application, publishing changes in Manual 18, providing riparian enhancement plan examples, updating the RCO website with reports and resources, and additional innovative policy preparation.

Members discussed the pros and cons of including floodplain re-grading and side channel reconnection as eligible work types in the program. Acknowledging floodplains as a necessary step in ensuring a healthy riparian project, **Chair Breckel**, **Member Cottingham**, and **Member Endresen-Scott** shared concern over spending riparian funds on contouring, which could be better suited for other programs. **Member Cram** noted research has shown that natural revegetation has been proven to be more successful than artificial revegetation. **Member Hoffman** recommended identifying a metric of success for natural revegetation. **Director Duffy** suggested one approach is to limit the dollar amount that could be invested in contouring projects. **Member Maroney** supported including floodplains and side channel connections.

Following discussion, Member Cottingham was supportive of including floodplain re-grading and side channel reconnection as eligible in-stream work types if language explaining how the activity is important to successful revegetation was added to the manual. Mr. Norton explained that this is an expected deliverable in the riparian enhancement plan and existing criteria that would be considered by the review panel and staff.

#### *Public Comment*

**Alex Conley**, on behalf of COR, commented on adding floodplain re-grading as an eligible work type. To determine if a project is eligible for riparian funding, Mr. Conley suggested asking sponsors whether the project would be equally cost effective and successful without floodplain work.

**Motion:** Move to approve the riparian funding policies as presented by staff and included in Attachment A with the following changes: adding floodplain re-grading and side channel reconnection as eligible instream work types and removing the requirement that projects with eligible instream elements have a riparian planting component. Recreation and Conservation Office staff are authorized to make additional administrative or grammatical changes as needed to finalize these riparian funding policies prior to incorporation into Manual 18.

**Moved by:** Member **Cottingham**

**Seconded by:** Member **Maroney**

**Approved:** Approved

# **BREAK: 10:13 AM – 10:30 AM**

# Item 5: Watershed Plan Recommendation Report

Member Gorman returned from the break at 10:32 a.m.

**Kat Moore** provided a brief overview of the Watershed Plan review framework. The 2018 Streamflow Restoration Law required planning groups in fifteen water resource inventory areas (WRIA) to develop watershed plans that offset impact from new domestic permit-exempt wells and identify actions that provide a net ecological benefit. To be adopted, plans had to be approved by all members of local committees and plans that did not have unanimous approval were sent to the board for a technical review. The technical review looked at the anticipated consumptive water use, offset of consumptive use, and net ecological benefit.

Since May, when staff presented the draft report to the board, the draft report was open for a Tribal and public comment period from July through October. Comments informed changes to the revised final report and are included in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf).

**Hans Berge**, Watershed Review Panel Member, explained the components of the review.

* Consumptive Use – estimated water consumption from permit-exempt wells in 2018-2038. Considered whether the projections are technically sound and used consistent methodology.
* Water Offsets – actions that put water back into aquifers and streams that offset new consumptive use. Considered whether the project offsets the projected impacts to instream flow in all subbasins in the WRIA.
* Net Ecological Benefit – actions that provide additional benefits to aquifers and streams beyond the minimum offset. Considered whether the project provides additional benefits.

The review looked at five watersheds.

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| --- | --- | --- | --- | --- | --- |
| Watershed | SnohomishWRIA 7 | Cedar-SammamishWRIA 8 | Deschutes WRIA 13 | Kennedy-GoldsboroughWRIA 14 | Kitsap WRIA 15 |
| Area (square miles | 1,856 | 692 | 270 | 381 | 676 |
| County | King, Snohomish | King, Snohomish | Lewis, Thurston | Mason, Thurston | King, Kitsap, Pierce, Mason |
| Subbasins | 16 | 12 | 13 | 8 | 7 |
| Permit-exempt Wells | 3,389 | 967 | 2,916 | 4,294 | 5,215 |
| Water use (acre-feet per year) | 797 | 425 | 434 | 760 | 718 |
| Offset (acre-feet per year) | 1,444 | 1,805 | 1,801 | 1,725 | 2,873 |
| Water Offset Projects | 11 | 10 | 9 | 6 | 15 |
| Habitat Projects | 26 | 23 | 19 | 25 | 31 |
| Members approve/disapprove | 21/1 | 15/1 | 11/1 | 7/4 | 12/6 |

Mr. Berge noted that there were challenges coming to a member consensus in WRIA Fourteen and WRIA Fifteen.

Mr. Berge briefly summarized the review outcomes, also shared at the May meeting, of each WRIA before sharing recommendations. The review panel recommended that WRIA Seven and Eight could make improvements through better distribution of projects to match the needs of individual subbasins; reducing the uncertainty of the measurement of consumptive use; and improving the likelihood of projects being completed to provide net ecological benefits. For WRIAs Thirteen, Fourteen, and Fifteen recommended improvements included reducing projected water offset benefits for highly conceptual or uncertain projects; removing managed aquifer recharge (MAR) projects that use streamflow as source water; and removing estuary/marine projects that have no offset potential. The technical review concluded that consumptive use estimates were technically sound, and methodology was consistent across WRIAs. Water offsets were generally too optimistic, but after adjustment appear to be adequate but the benefits should be recalculated. Additionally, net ecological benefit projects will provide some additional ecological and instream benefits; however, some projects are overly optimistic, and implementation is uncertain. Mr. Berge summarized the Tribal and public comments for each WRIA, which can be found in full in the [materials.](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf) Overall, commenters highlighted climate change as an important consideration for context of withdrawals. Commenters also felt that adaptive management is necessary; there is an over reliance on habitat projects to mitigate water withdrawal; there is little data from existing exempt wells; and that there is an uncertainty of project implementation and benefits.

The technical review panel recommended revising and removing uncertain offset and habitat projects in WRIA Thirteen, Fourteen, and Fifteen; and that all plans benefit from addressing specific comments provided in Appendix A of the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf). Additionally, plan adaptation should address additional projects; feasible offsets should be prioritized; and updates need to address improved data and climate change.

**Member Maroney** asked how up to date the consumptive use data was for each WRIA, assuming the data may have been impacted by COVID-19. Mr. Berge shared that the data was provided by the Washington State Department of Ecology (Ecology) using pre-COVID-19 numbers but noted that some WRIAs have done voluntary monitoring projects to update data.

Referring to a letter received from the Snoqualmie Tribe, **Member Cottingham** asked if the review panel’s recommendations address the inconsistency in MARs mentioned by the Tribe. Mr. Berge explained that MARs are systems that remove water from high flow times and hold it in a reservoir of some kind where it infiltrates into a floodplain and returns to surface water through groundwater. Mr. Berge noted that the report could have done a better job explaining the difference between MAR projects in each watershed. Ms. Moore added that this clarification can be added to the updated report in the final letter to Ecology.

#### *Public Comment*

**Kurt Nelson**, Tulalip Tribes Environmental Department Manager, was involved in streamflow watershed planning for WRIA Seven and Eight. Mr. Nelson shared that the Tulalip Tribes agree additional monitoring assessment accountability and data adaptation were necessary and with the special distribution of projects. The Tulalip Tribes suggested some adaptation in the form of funding future projects that met the same criteria as projects included in the plan that could address the spatial aspects of the project. Mr. Nelson expressed concern over the MAR project in WRIA Thirteen that uses hydrologic manipulation. In a final note, Mr. Nelson shared that there was uncertainty of how the plan would be implemented and adapted after the plan was adopted.

**Chair Breckel** asked if plan implementation was considered in the review and Mr. Berge answered that was outside the scope of the project and up to Ecology.

**Motion:** Move to approve the Watershed Restoration and Enhancement Plan Review Report, Recreation and Conservation Office: Attachment A with amendments to include clarifying language related to WRIAs Seven and Eight Managed Aquifer Recharge projects and submit the report to the director of the Department of Ecology.

**Moved by:** Member **Endresen-Scott**

**Seconded by:** Member **Cottingham**

**Approved:** Approved

# **LUNCH: 11:39 AM – 12:45 PM**

# Item 6: Match Waiver Proposal Options

**Nick Norton** provided a summary of the match policy discussion that has taken place over the past year. At the September 2023 meeting, the board expressed a desire to revise match to better capture all the outside funding included in SRFB funded projects. For the sake of clarity and consistency, Mr. Norton refers to the options as “waiving match” or “match waiver.” Staff considered three main areas of Manual 18 where match would remain variable.

* Riparian Planting Projects – to incentivize sponsors to meet buffer width requirements, match would be required for projects where planting is the primary purpose that are unable to meet the established buffer width requirements.
* Acquisition Projects – requires different tiers of match for acquisitions with upland components, with the intent of focusing funds in riparian areas.
* Design-Only Projects – match is not required for design-only projects less than $350,000 that are completed in two years.

Mr. Norton presented two options for board discussion and decision.

1. Full Match Waiver: Traditional 15% match is waived for all project types. This option is paired with new outside funding reporting requirements and program review and will require more secondary policy follow-up.
2. Partial Match Waiver: Match is waived for all project types except for certain acquisitions and riparian buffer projects (the three project types identified in the bullets above). This option would pair with new outside funding reporting requirements and a program review.

Both options would likely be implemented by 2025 and will not be in effect for the 2024 grant round.

**Kurt Nelson**, Tulalip Tribes, supported the full match waiver option, noting match restricts salmon recovery by burdening sponsors whose projects require multiple funding sources. Additionally, federal agencies are waiving match and requesting leverage that can be documented at project completion.

**Dick Wallace**, past board member representing Ecology and South Puget Sound Salmon Enhancement Group (SPSSEG) President, supported the full match waiver option, noting that match adds to the complexity of projects with no real benefit. **Chair Breckel** asked how the full spectrum of support is captured if match is not required. Mr. Wallace answered that, in his experience, most projects have multiple funding sources, with the administrative burden falling to the sponsor. **Kaylee Galloway**, Regional Fisheries Coalition (RFC), strongly supported the full match waiver option, noting that match is a financial barrier and administrative burden to salmon recovery partners. The full match waiver option would improve process efficiency, reduce administrative costs, expedite the completion of salmon recovery projects, and make funding more accessible and equitable. Ms. Galloway encouraged the board to consider individual letters submitted by RFEGs.

**Melissa Speeg**, Puget Sound Partnership (PSP), supported the full match waiver option and a partial match waiver at minimum, citing the administrative burden that match inflicts. Ms. Speeg noted that projects are complex, and match does not properly capture all funding sources. Additionally, without match, small projects could be completed with one funding source.

**Vanessa Kritzer**, Executive Director of the Washington Association of Land Trusts (WALT), supported the full match waiver option, which would put more good projects on the ground by saving time, reducing the administrative burden and barriers for new projects to begin, and increasing equitable access.

Board members agreed that match creates an administrative burden and is a barrier for smaller projects and project sponsors; however, many members shared concern over removing match entirely, primarily how it might be perceived by program funders.

**Member Endresen-Scott** suggested a review period after two funding cycles to ensure the expectations of changing match are met.

**Member Cottingham** wanted to make sure that RCO and Director Duffy receive board support when explaining match changes to members of Legislature and emphasized the importance of retaining the riparian and upland acquisition policies.

**Member Maroney**, **Member Cottingham**, **Member Cram**, and **Member Gorman** supported the partial match waiver option. **Member Endresen-Scott** supported the full match waiver option but was open to the partial match waiver option. **Member Kanzler** supported both options but noted the importance of continuing to track the full funding story.

**Tom Kollasch**, a Lead Entity Coordinator and Project Sponsor, explained how including itemized match in PRISM is such a burden that only the minimum amount of match is shown because the rest is not required, takes too much time, and is too much of an administrative burden.

**Chair Breckel** supported a partial match waiver, but wanted to be clear that the changes were meant to achieve a decreased administrative burden.

**Cheryl Baumann** was unsure and concerned about the partial match waiver for acquisitions, noting that acquisitions are often expensive but necessary for restoration. Additionally, acquisitions that do not include uplands are often unrealistic.

**Member Cottingham** clarified to Ms. Baumann that match is required on acquisitions only if there is over fifty percent of uplands.

**Chair Breckel** wanted reporting of other funding to happen at the time of application and in the final report.

**Motion:** Move to replace standing matching share requirements for board-funded projects with a requirement to report on the outside funding(at application and final report)used to accomplish the scope of work funded by the board. The matching share requirements shall remain under the following circumstances: acquisition projects with more than fifty percent uplands, as defined in *Appendix L*; projects with riparian planting as a primary component that do not meet buffer standards as described in *Appendix K;* the board will review two grant cycles of information once implemented.

**Moved by:** Member **Cottingham**

**Seconded by:** Member **Endresen-Scott**

**Amended by:** Member **Endresen-Scott**

**Amendment approved by:** Member **Cottingham**

**Amendment seconded by:** Member **Endresen-Scott**

**Approved:** Approved as amended

**Member Endresen-Scott** amended the motion to include “*(at application and final report)*” and “*the board will review two grant cycles of information once implemented.*” so that it reads as written above.

**Kat Moore** asked if, once implemented, this change could be applied retroactively to projects that are funded between now and implementation. Mr. Norton noted that there may be some smaller pieces of policy presented at future meetings that could address this.

#### *Public Comment*

Comments were incorporated into the discussion above.

# Item 7: Willapa Coastal Forest Acquisition: Transfer to United States Fish and Wildlife Service

**Elizabeth Butler**, Salmon Recovery Grants Manager, explained the proposed acquisition transfer of the Willapa Coastal Forest (WCF) Phase One ([RCO #22-1803](https://secure.rco.wa.gov/prism/search/projectsnapshot.aspx?ProjectNumber=22-1803)), an acquisition of more than 1,000 acres of industrial timberland from Western Rivers Conservancy (WRC) to the United States Department of Fish and Wildlife Service (USFWS) to expand the Willapa National Wildlife Refuge (WNWR). Details of the project scope and other funding sources are in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf).

Although federal agencies are not eligible to receive board funding, the State Legislature provided guidance in [Revised Code of Washington (RCW) 77.85.130 (7)](https://app.leg.wa.gov/RCW/default.aspx?cite=77.85.130&pdf=true) on how to transfer board funded acquisitions to the federal government. In May 2023, Pacific County Commissioners approved Resolution 2023-036, included in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf), supporting the property transfer from WRC to USFWS. The USFWS determined they did not have the authority to assure that a future transfer would not occur, as they are directed by Congress. The National Wildlife Refuge System Administration Act of 1966 provides authority to USFWS to exchange or sell property out of the refuge system should the USFWS Secretary or Congress decide to do so, therefore a future transfer cannot be prevented.

**David Merchant**, Washington State Assistant Attorney General (AAG), worked with the USFWS attorney to draft a series of documents that will govern this transaction. Upon board decision, RCO will deliver the grant funds to WRC, which will purchase the property from the timber company and sign and record the deed of right. WRC will then convey the property to USFWS, but the deed of right will not apply to the federal government, instead, the property stewardship agreement will govern the conservation project. If USFWS transfers the property to a non-federal entity, the deed of right will apply to the new landowner. AAG Merchant has confirmed that the legal requirements of the RCW have been met.

In addition to the RCW, [Manual 18](https://rco.wa.gov/wp-content/uploads/2019/05/SAL-Manual18.pdf) includes policy that guides the transfer of board-funded property to the federal government, including a provision for the review panel to assess substitute habitat protections. In October 2023, review panel members reviewed the conservation plan, property stewardship agreement, and the deed of right and concluded that the substitute protections meet the goals and objectives of the original project, benefiting salmonids and their habitat. The review panel provided recommendations to enhance riparian ecosystem protection and restoration for USFWS to consider as part of their next management plan update. RCO added a requirement to the property stewardship agreement that USFWS must notify RCO when management and restoration plans are open for public comment.

Ideally, the USFWS will forever own, protect, and steward the property to benefit salmon recovery in perpetuity. If USFWS fails to meet the obligations of the property stewardship agreement, RCO would need to file an injunction with the Federal District Court, and, if needed, sue the federal government for damages through Federal Claims Court. If USFWS transfers the property to another federal agency, the same substitute stewardship protections would apply; however, if they were to transfer to a non-federal entity, the property stewardship agreement and deed of right would still apply.

Staff have confirmed that the conveyance to the federal government aligns with [Manual 18](https://rco.wa.gov/wp-content/uploads/2019/05/SAL-Manual18.pdf) and USFWS attorney noted that a transfer to another agency is very unlikely. In developing the substitute habitat protections, staff tried to anticipate future challenges and provided input on opportunities for future stewardship as plans are developed for management and restoration. The risk of USFWS transferring this property to another owner or failing to live up to the responsibility of stewardship is likely very low.

Approving the conveyance and associated habitat protections as presented would enable the board to participate in a landmark acquisition prioritized by the lead entity and Pacific County Commissioners.

**Member Hoffmann** was under the impression that a memorandum of understanding (MOU) was not an enforceable document. AAG Merchant clarified that MOU is just the title of the document, and in this case is a stewardship agreement and deed of right. Member Hoffman also asked who at USFWS had the signature authority for this document. Ms. Butler answered that the Region One Real Estate Officer has authority.

**Member Cram** asked if the board would have a say in who could or could not buy the property if the USFWS decided to sell it. Ms. Butler explained that the board would not have that authority because USFWS takes direction from Congress. Additionally, Member Cram wondered if there was any potential for USFWS to focus on resource extraction. Ms. Butler and AAG Merchant agreed that the USFWS was focused on protection in national wildlife refuges and the risk of resource extraction was low.

**Member Hoffmann** asked if there were benefits in transferring to USFWS instead of state ownership. Ms. Butler noted that the property location made most sense to transfer into the federal wildlife refuge. This will also conserve state revenues as stewardship uses a lot of resources.

**Motion:** Move that the Salmon Recovery Funding Board approve the transfer of grant funded property from Project 22-1803, as described in the Item 7 Memorandum from the December 13, 2023, meeting materials, from Western Rivers Conservancy to the United States Fish and Wildlife Service. This transfer protects critical salmon habitat and expands the Service’s ownership and management of the Willapa Bay National Wildlife Refuge in Pacific County Washington. This transfer has also been approved by Pacific County per County Council Resolution 2023-036 in an open public meeting of the Council on May 23, 2023.

**Moved by:** Member **Endresen-Scott**

**Seconded by:** Member **Cottingham**

**Approved:** Approved

#### *Public Comment*

None.

# **BREAK: 2:35 PM – 2:50 PM**

# Item 8: Development of Large Project List for Funding

Before discussing the agenda item, **Brock Milliern** provided a Legislative update from the proposed Governor’s budget that was released at 1:00 p.m. RCO received the requested $7.56 million for WCRRI, and $25 million for board funding, which is $5 million more than requested. Additionally, RCO received $22 million for the Brian Abbott Fish Barrier Removal Board (BAFBRB) and $11 million for the Estuary and Salmon Restoration Program (ESRP). This funding is all Climate Commitment Act (CCA) funding.

Turning the board’s attention to the agenda item, Mr. Milliern explained the reasoning behind pursuing a large project list for funding. Over the last year, the board has emphasized the importance of a large project list, particularly a targeted investment (TI) round. In the original 2023 budget, many programs that received additional funding had a project list, while board funding decreased. The 2024 grant round is estimated to be around $27 million, with $25 million in the proposed Governor’s budget, allowing the capacity to develop a large project list.

As explained in the [materials](https://rco.wa.gov/wp-content/uploads/2023/11/SRFB-Agenda-2023December.pdf), TI appears to be an appropriate channel for a large project list. Mr. Milliern outlined the proposed parameters of a large project list. RCO intends to use the full amount received from the 2024 Supplemental Funding, minus administrative and review panel costs, to fund large projects and anticipates that projects that were not funded would become the basis for a large project request to the Legislature for the 2025-2027 biennium. Staff suggested limiting large projects to four per region and grants to between $1 million and $5 million. Mr. Milliern emphasized that this limit is a cap on the grant amount, not the project amount. Additionally, staff did not recommend new eligibility or evaluation criteria for this large project list; however, there was discussion of including evaluation criteria that would take projects that ranked higher at the regional level into account for the statewide competition.

Mr. Milliern shared the timeline, noting the process matches the regular 2024 grant round and finishes in time to submit a project list for the 2025-2027 biennium. Although this is a new concept, it follows existing board policies and the timing aligns with the next grant cycle and potential capacity of CCA funding.

**Member Cottingham** asked if, to better their chances, sponsors would try to get their projects on both the regular and large project list. **Nick Norton** believed the TI policy would require sponsors to choose one or the other, but not both.

**Alex Conley**, on behalf of the YBFWRB, shared that support for a large project list is conditional on seeing an equally robust effort to build funding for the regular grant program, noting that YBFWRB continues to believe that the regular grant program is the best funding route for most salmon recovery projects. Additionally, Mr. Conley suggested adding a scoring criterion that would award points based on project ranking to acknowledge regional priorities in the statewide competition.

**Chair Breckel** wanted to ensure that there were enough projects for the next biennial list and suggested increasing the number of projects allowed for each region.

**Member Endresen-Scott** and **Member Kanzler** shared concern that the $5 million grant limit was too low. Mr. Norton explained that $5 million was a strategic amount for the range of funding expected and **Jeannie Abbott** added that COR recommended the $5 million limit.

**Member Cram** shared support for a large project list but wanted other large projects to continue to be tracked for legislative purposes.

Mr. Conley noted that COR did not have a consensus on whether $5 million should be the cap. On behalf of YBFWRB, Mr. Conley expressed support for a $5 million cap, adding that without a cap it is difficult to form a list with strong, broad-based support.

**Steve Manlow**, LCFRB Executive Director, supported the proposal made by Alex Conley on behalf of YBFWRB to add criteria to the scoring process that will ensure funded projects align with regional priorities.

**Melissa Speeg** encouraged the board to increase board funding for the regular grant round. Ms. Speeg questioned the fairness of projects being capped at four per region since Puget Sound has fifteen lead entities. Additionally, Ms. Speeg encouraged the board to clarify how projects would be ranked so that sponsors have a clear understanding of which project would be best to put forward for a large project list.

**Member Cottingham** suggesting increasing the regional project limit to six or seven projects.

**Alicia Olivas** highlighted the benefits of a board approved large project list, which helps projects find other funding sources and gives reviewers a chance to assess how the project will benefit salmon recovery.

**Motion:** Move to approve the initiation of a targeted investment grant round in conjunction with the 2024 grant round with the project and funding parameters as described by staff, but with the following changes: 1) add supplemental ranking criteria that awards points based on how a project was ranked within a particular region; and 2) increasing the number of projects that each region can submit from four to six.

**Moved by:** Member **Cottingham**

**Seconded by:** Member **Endresen-Scott**

**Approved:** Approved

#### *Public Comment*

Comments were incorporated into the discussion above.

# Item 9: State Agency Partner Reports

This item was presented after Item 5.

### Washington State Conservation Commission

**Member Levi Keesecker** shared that the Washington State Conservation Commission’s (SCC) riparian grant guidelines were open for review and public comment open until January 2, 2024.

SCC’s new Executive Director, James Thompson, started on December 1, 2023.

### Department of Ecology

**Member Annette Hoffmann** provided an update on 6PPD-Quinone (6PPD-Q). Ecology is continuing to create infographics for better communication to the public on “The Connection Between Tires, Fish, and Us” and is developing sampling protocols for data collection. Additionally, Ecology’s environmental laboratory was accredited for analyzing 6PPD-Q in water. The hazard criteria used in assessing safer alternatives were revised and include toxicity on rainbow and Coho trout, toxicity of transformation products, and limits to acute toxicity (lethal concentrations) allowed. Staff continue to monitor 6PPD-Q research around the world, including results from wastewater treatment plants in Hong Kong, crumb rubber effects on marine lumpfish, interactions with dopamine, toxicology, and other research on how 6PPD-Q affects human health and aquatic environments. For more information and to sign up for updates visit the 6PPD-Q webpage at [ecology.wa.gov](https://ecology.wa.gov/Waste-Toxics/Reducing-toxic-chemicals/Addressing-priority-toxic-chemicals/6PPD).

Ecology continues to make efforts regarding climate change impacts affecting salmon, including impacts through water quality and quantity and ocean conditions. Primarily, Ecology is leading the update to Washington’s Climate Resilience Strategy. This work covers a range of activities to help improve how Washington prepares, responds, withstands, and recovers from climate change impacts through addressing communities, infrastructure, and natural and working lands. Ecology will consider ecosystem resilience and species and habitats as part of this work. For more information, visit the Climate Resiliency Strategy webpage at [ecology.wa.gov](https://ecology.wa.gov/Air-Climate/Responding-to-climate-change/Washingtons-climate-strategy).

Lastly, Member Hoffmann shared that Ecology contributed to the [Puget Sound Marine Waters 2022 Overview](https://www.psp.wa.gov/PSmarinewatersoverview.php), published in November, that involves an important part of the salmon-life history.

**Member Cottingham** asked about federal litigation filed on 6PPD-Q. Member Hoffmann was unsure about litigation but shared that the Environmental Protection Agency (EPA) is fast-tracking a petition by Tribes on 6PPD-Q and is currently gathering information through listening sessions.

### Department of Transportation

**Member Susan Kanzler** shared that Washington State Department of Transportation (WSDOT) constructed thirty-two fish passage projects in 2023, improving access to sixty-seven miles of habitat. This was the largest number of projects completed in a single year and salmon are spawning upstream of several projects. Nine other fish passage projects are anticipated to be completed by the end of next summer, including a bridge over Chico Creek on State Route Three in Kitsap.

The 2022 Washington Legislature authorized $500 million over sixteen years, beginning in 2023, for WSDOT stormwater retrofitting as part of the Move Ahead Washington package to enhance stormwater treatment from existing roads and infrastructure with an emphasis on green infrastructure retrofits. The Legislature directs WSDOT to prioritize projects that focus on benefits to salmon recovery and ecosystem health, reducing toxic pollution, addressing health disparities, and cost effectiveness. Projects treat stormwater when adding new pavement or resurfacing roads to meet current stormwater treatments, standards, and regulations. The stormwater retrofit program addresses stormwater impacts from existing transportation infrastructure through three main approaches: a project triggered approach, opportunity-based retrofits, and stand-alone retrofits. WSDOT is making progress on an interactive web-based map that shows stormwater retrofit priorities and projects. The final map will be publicly available and should be ready by summer of 2024.

WSDOT is addressing overarching habitat, water quality, 6PPD-Q, and human health goals that will endure beyond Move Ahead Washington funding and legislative changes.

### Department of Natural Resources

**Member Tom Gorman** shared that in early December, Department of Natural Resources (DNR) submitted two reports to the Legislature, the statewide [Kelp Forest and Eelgrass Health and Conservation Prioritization Plan](https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=2023_KelpAndEelgrassHealthAndConservation_Prioritization%20Plan_196dcf40-a44c-47f2-b973-7c11f578a5b0.pdf) and the [Kelp and Eelgrass Health and Conservation Prioritization – Monitoring Plan](https://deptofnaturalresources.app.box.com/s/0hc5a2l0las517yjcq1auau3b8fmehmk).

Additionally, with support from WDFW and WISC, DNR is seeking direct funding from the Legislature for European Green Crab (EGC) management. This direct appropriation would conserve WDFW funds and be primarily used for control work on the coast and monitoring in the Puget Sound, particularly in DNR preserves.

### Department of Fish and Wildlife

**Member Jeremy Cram** shared that in October, the WDFW Commission approved the co-manager hatchery policies and is pending signatures from individual tribes. WDFW Commission hosted four Special Hatchery Workshops on how hatcheries relate to Southern Resident Killer Whales (SRKW). The presentations can be found in the [WDFW Commission meeting minutes](https://wdfw.wa.gov/about/commission/meetings/2023).

WDFW riparian teams working on riparian systems assessments have been engaging with the Puget Sound Taskforce and other agencies to roll out tools for riparian systems mapping.

The National Oceanic and Atmospheric Administration (NOAA) agreed that the petition to list coastal Chinook and steelhead has merit, and WDFW is requesting support for monitoring these coastal species.

WDFW has made progress on the net gain proviso, which requires public projects to have an environmental benefit, and is hoping to move towards agency request legislation in the next full biennium.

Reports have been published to the [WDFW website](https://wdfw.wa.gov/species-habitats/invasive/carcinus-maenas) about EGC emergency management.

# ADJOURN: 3:26 PM

**Motion:** Move to adjourn early.

**Moved by:** Member **Cottingham**

**Seconded by:** Member **Endresen-Scott**

**Approved:** Approved

Approved by Jeffery Breckel