

Meeting Date: December 2011
Title: Appendix B: SRFB Amendment Request Authority Matrix
Prepared By: Tara Galuska, Senior Grants Manager and Brian Abbott, Section Manager
Approved by the Director: 

Proposed Action: **Decision**

Summary

Recreation and Conservation Office (RCO) staff has prepared three options for the Salmon Recovery Funding Board (board) to consider for updating Manual 18 Appendix B Amendment Authority Matrix. The matrix was developed and approved in 2005 and has never been updated. Staff has developed three options for the SRFB to consider.

Staff is making this proposal as part of the updates to Manual 18 in an effort to streamline the process. Many of the amendments that go to the subcommittee have been routine in nature.

Staff Recommendation

Staff recommends that the board approve one of three options being presented. While there are advantages and disadvantages to each, staff is not offering a specific recommendation other than to choose one of the three.

Proposed Motion Language

- Move to adopt Option __ as presented.

Background

Appendix B: SRFB Amendment Request Authority Matrix was adopted by the board in June 2005. This matrix describes when contract amendments can be approved by the director, by the subcommittee, or by the entire board. The matrix is used by RCO staff, sponsors, and the board to guide contract amendment decisions for projects.

Prior to Appendix B, amendment information and signature authority was found in several different manuals. Appendix B was created to consolidate that information in one place and to give sponsors of salmon projects, the board, and staff an overview of the amendment process and signature authority.

Since 2005, staff has found that the majority of the amendments requested are straightforward and non-controversial. Some of these non-controversial amendments have been approved by

the director and some have been, because of the matrix requirements, presented to the subcommittee. Only a handful of amendment requests have gone to the full board.

It often takes additional effort to prepare materials for the subcommittee and time to schedule conference calls or meetings. This additional time can cause delays to projects. Therefore, staff is proposing options to streamline the process and give additional delegation authority to the RCO director. In all options, the RCO director can refer decisions on amendments to the board. In addition to the increased delegation of authority, staff has proposed several clarifying amendments to the matrix that are consistent across all three options.

Analysis

RCO staff has prepared three options for the board to consider for revising Appendix B for the 2012 Manual 18 update. In all three options, the RCO director retains the ability to submit any amendment request to the full board or the subcommittee.

Clarifying Edits for All Options

The following changes to the Authority Matrix are proposed for all three options to clarify process

- The “close short” amendment is removed from the matrix, because it does not require advance approval and is a standard fiscal amendment.
- The statement “available to review change” has been added to the board’s Technical Review Panel, so that RCO staff and the board may submit any amendment to the Review Panel for their review.
- Clarifies that the subcommittee may either approve or recommend most amendments; the current Appendix B appears to limit the subcommittee’s option to recommend and refer an amendment to the full board.

Option 1 – Use existing Appendix B matrix and process.

This option keeps *Appendix B: SRFB Amendment Request Authority Matrix* unchanged, other than clarifying edits. In addition, this option retains the process that has been used since 2005 for approving amendment requests from project sponsors.

Under the existing matrix, some amendment requests can be handled by the director, but many others are subject to approval by the board’s subcommittee. For example, the director may approve cost or scope changes up to 20 percent, but the subcommittee approves greater changes. The director also may approve an acquisition project site change to a contiguous location, but the subcommittee approves non-contiguous acquisitions and site changes for other project types.

Amendments approved by the director are managed with internal meetings as need. The subcommittee typically meets by conference call about once each quarter as needed. If the

status quo is retained, staff would schedule regular quarterly conference calls with the subcommittee.

Option 2 – Update Appendix B. Add appeals process.

This option gives the RCO director broader authority to make decisions regarding project amendments. The director keeps the ability to refer any amendment to the board subcommittee for further review and decision. The subcommittee would be used at the director's discretion for requests that are complex, controversial, or outside the normal range.

This option also adds a process so that a sponsor could appeal decisions about amendments. Appeals about a decision made by the director would be reviewed by the subcommittee, while an appeal of a decision of the subcommittee or board would be reviewed by the full board. Appeals by sponsors will not be part of the consent agenda.

Option 3 – Use existing Appendix B, but move to consent agenda format for decision making. Add appeals process.

This option uses the existing Appendix B with no changes (except for clarifying edits), but uses a consent calendar process for decisions on amendments. A consent agenda is voted on as a single item with no discussion by the board. All amendments placed on the consent agenda will have the director's recommendation for approval. Board members receive the consent calendar items with their other meeting materials for review. If a board member disagrees (in advance of the board meeting) with the director's recommendation to approve, the amendment would be pulled from the consent agenda and submitted to the board subcommittee for review and decision.

This option also adds a process so that a sponsor could appeal decisions by the director not to refer an amendment to the board for consent. Director decisions would be reviewed and decided upon by the subcommittee.

Advantages and Disadvantages of the Options

	Advantages	Disadvantages
Option 1	<ul style="list-style-type: none"> • Has been in place since 2005 and sponsors and staff are accustomed to the process. • Director has authority to recommend any decision to the board. 	<ul style="list-style-type: none"> • Referral to sub-committee is time consuming and cumbersome. Not the most efficient process or timeline for sponsors. • Not a streamlined approach. • No appeals process identified, just assumed.
Option 2	<ul style="list-style-type: none"> • Streamlines decision process. • Timeline would be faster so projects can move forward. • Director retains authority to recommend any decision to the board. • Could lessen the time board has to spend on amendment review. • Record of director decisions could be added to the Salmon Section Manager Board report. 	<ul style="list-style-type: none"> • Board would not review director decisions unless appealed.
Option 3	<ul style="list-style-type: none"> • Streamlines decision process for some amendments. • Director has authority to recommend any decision to the board. 	<ul style="list-style-type: none"> • Timeline is delayed due to board meeting schedule. This can delay projects several months. • Full board would review all amendments coming out of Appendix B., rather than just the subcommittee.

Next Steps

Staff will highlight some of the proposed changes at the December board meeting. If the changes are approved by the board, staff will update the manual accordingly, and make it available for use beginning on January 6, 2012.

Attachments

- A. Appendix B for Options 1 and 3
- B. Appendix B for Option 2

Attachment A: Option 1 and 3 for Appendix B SRFB Amendment Request Authority Matrix

Adopted June 9, 2005, Proposed update December 2011

Changes from current version are shown in strikethrough and underline.

Amendment Request	Lead Entity	RCO Director	SRFB Subcommittee	SRFB Technical Review	SRFB	Example
All Project Types						
1. Increase project funds due to project overruns ¹	Consult ³	May approve up to 20 percent of the total project cost ²	<u>May approve or recommend over 20 percent of the total project costs²</u>	<u>Available to Review Change</u>	May approve over 20 percent	The site had different soil types than expected and it cost more than anticipated to do the geotechnical analysis, design, and install the culvert. The sponsor now requests an increase in SRFB funds.
2. Increase/ decrease project scope (no funding change)	Consult	May approve up to 20 percent scope change	<u>May approve or recommend scope change over 20 percent</u>	<u>Available to Review Change</u>	May approve scope change over 20 percent	Sponsor planted 3,000 trees and shrubs on 3 acres of riparian habitat, as outlined in the contract. Funds remain and the sponsor wants to plant an additional 100 trees and shrubs on adjacent acres. Sponsor plans to replace two barrier culverts. After designing the project, the sponsor realizes he only has funds to install one culvert. He requests a scope reduction, but still needs to use all the funds.
3. Project closes short		May approve				Sponsor completes all elements of a restoration project as outlined in the agreement under budget. The sponsor closes the project, and the funds are available to SRFB for redistribution.

¹ Cost increases only may be granted if funding is available.

² Change is limited to the dollar amount.

³ Consult means the lead entity obtains a decision from its technical and citizens committees.

Amendment Request	Lead Entity	RCO Director	SRFB Subcommittee	SRFB Technical Review	SRFB	Example
4. Change project type	Consult	Recommend	May approve <u>or recommend</u>	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor proposed to purchase floodplain or riparian habitat and reconnect a side channel on a portion of the site. The sponsor now proposes to only purchase the land.
5. Transfer sponsorship	Consult	May approve				Original sponsor is unable to start or complete the work and requests a different sponsor finish the project.
6. Reduce match	Consult	May approve up to 20 percent	May approve <u>or recommend</u> over 20 percent	<u>Available to Review Change</u>	<u>May Approve</u>	Sponsor received \$75,000 from SRFB and provided \$33,000 (30 percent) in match for a total project cost of \$108,000. Later, he realized he only could raise a match of \$14,000 (15 percent) for a total project cost of \$89,000. The sponsor requests a match reduction of 57 percent (\$19,000/\$33,000) and corresponding scope reduction.
Acquisition Projects						
7. Change site to a contiguous site	Consult	May approve site add / change		<u>Available to Review Change</u>		Sponsor proposed to purchase six parcels. One of the parcels is not available, and the sponsor asks to buy a different contiguous site.
8. Change site to a non-contiguous site	Consult	Recommend	May approve <u>or recommend</u> site add / change	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor proposed to purchase four parcels. One of the parcels is not available, and the sponsor asks to buy a different site on a different part of the river.
9. Pay more than fair market value (no increase in funding)		May approve up to 10 percent	May approve 10-20 percent		May approve over 20 percent	Sponsor and landowner negotiate a purchase price above the fair market value.

¹ Cost increases only may be granted if funding is available.

² Change is limited to the dollar amount.

³ Consult means the lead entity obtains a decision from its technical and citizens committees.

Amendment Request	Lead Entity	RCO Director	SRFB Subcommittee	SRFB Technical Review	SRFB	Example
Restoration Projects						
10. Significant change in the project location	Consult	Recommend	May approve <u>or recommend</u>	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor is unable to replace a culvert at the proposed location and asks to replace a culvert on another river, WRIA, or to benefit different fish.
Studies/Assessments Projects						
11. Significant change in the location of study	Consult	Recommend	May approve <u>or recommend</u> location change	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor proposed to inventory barriers on a specific river and later asks to inventory another river, WRIA, or to benefit different fish.
12. Change type of study	Consult	Recommend	May approve <u>or recommend</u>	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor proposed to do an assessment on forage fish but after more research determines an inventory of barriers is more important.

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Attachment B: Option 2, Appendix B –SRFB Amendment Request Authority Matrix

Adopted June 9, 2005, Proposed update December 2011

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Sponsor may appeal any decision to the SRFB.

Amendment Request	Lead Entity	RCO Director	SRFB Subcommittee	SRFB Technical Review	SRFB	Example
All Project Types						
1. Increase project funds due to project overruns ¹	Consult ³	May approve over 20 percent of the total project costs² <u>May approve or recommend</u>	May approve or recommend over 20 percent of the total project costs² <u>May approve or recommend</u>	Available to Review Change <u>Available to Review Change</u>	May approve over 20 percent	The site had different soil types than expected and it cost more than anticipated to do the geotechnical analysis, design, and install the culvert. The sponsor now requests an increase in SRFB funds.
2. Increase/decrease project scope (no funding change)	Consult	May approve up to 20 percent scope change <u>May approve or recommend</u>	May approve or recommend scope change over 20 percent <u>May approve or recommend</u>	Available to Review Change <u>Available to Review Change</u>	May approve scope change over 20 percent	Sponsor planted 3,000 trees and shrubs on 3 acres of riparian habitat, as outlined in the contract. Funds remain and the sponsor wants to plant an additional 100 trees and shrubs on adjacent acres. Sponsor plans to replace two barrier culverts. After designing the project, the sponsor realizes he only has funds to install one culvert. He requests a scope reduction, but still needs to use all the funds.
3. Project closes short		May approve				Sponsor completes all elements of a restoration project as outlined in the agreement under budget. The sponsor closes the project, and the funds are available to SRFB for redistribution.

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³ Consult means the lead entity obtains a decision from its technical and citizens committees

Amendment Request	Lead Entity	RCO Director	SRFB Subcommittee	SRFB Technical Review	SRFB	Example
4. Change project type	Consult	Recommend <u>May approve or recommend</u>	May approve <u>or recommend</u>	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor proposed to purchase floodplain or riparian habitat and reconnect a side channel on a portion of the site. The sponsor now proposes to only purchase the land.
5. Transfer sponsorship	Consult	May approve				Original sponsor is unable to start or complete the work and requests a different sponsor finish the project.
6. Reduce match	Consult	May approve up to 20 percent <u>May approve or recommend</u>	May approve <u>or recommend</u> over 20 percent	<u>Available to Review Change</u>	<u>May approve</u>	Sponsor received \$75,000 from SRFB and provided \$33,000 (30 percent) in match for a total project cost of \$108,000. Later, he realized he only could raise a match of \$14,000 (15 percent) for a total project cost of \$89,000. The sponsor requests a match reduction of 57 percent (\$19,000/\$33,000) and corresponding scope reduction.
Acquisition Projects						
7. Change site to a contiguous site	Consult	May approve site add / change		<u>Available to review change</u>		Sponsor proposed to purchase six parcels. One of the parcels is not available, and the sponsor asks to buy a different contiguous site.
8. Change site to a non-contiguous site	Consult	Recommend <u>May approve or recommend</u>	May approve <u>or recommend</u> site-add/change	<u>Available to review change</u>	<u>May approve</u>	Sponsor proposed to purchase four parcels. One of the parcels is not available, and the sponsor asks to buy a different site on a different part of the river.

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Amendment Request	Lead Entity	RCO Director	SRFB Subcommittee	SRFB Technical Review	SRFB	Example
9. Pay more than fair market value (no increase in funding)		May approve up to 10 percent	May approve 10- <u>over 10</u> percent		May approve over 20 percent	Sponsor and landowner negotiate a purchase price above the fair market value.
Restoration Projects						
10. Significant change in the project location	Consult	Recommend <u>May approve or recommend</u>	May approve <u>or recommend</u>	<u>Available to review change</u>	<u>May approve</u>	Sponsor is unable to replace a culvert at the proposed location and asks to replace a culvert on another river, WRIA, or to benefit different fish.
Studies/Assessments Projects						
11. Significant change in the location of study	Consult	Recommend <u>May approve or recommend</u>	May approve <u>or recommend</u> location change	<u>Available to review change</u>	<u>May approve</u>	Sponsor proposed to inventory barriers on a specific river and later asks to inventory another river, WRIA, or to benefit different fish.
12. Change type of study	Consult	Recommend <u>May approve or recommend</u>	May approve <u>or recommend</u>	<u>Available to review change</u>	<u>May approve</u>	Sponsor proposed to do an assessment on forage fish but after more research determines an inventory of barriers is more important.

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