

**SALMON RECOVERY FUNDING BOARD
MINUTES - REGULAR MEETING**
(as revised at the October 2004 Regular Meeting)

June 24 & 25, 2004

Yakima Area Arboretum
Yakima, Washington

Day 1

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Brenda McMurray	Yakima
Jim Peters	Olympia
Mark Clark	Director, Conservation Commission
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources

CALL TO ORDER:

Chair Bill Ruckelshaus opened the meeting at 10:14 a.m.

Chair Ruckelshaus reviewed the agenda.

REVIEW AND APPROVAL OF MINUTES

Brenda McMurray would like several changes made to the April meeting minutes:

- Add "without additional resources" on page 11,
- Revise wording on page 12 to include discussion on having Review Panel meet with Board, and
- Check the October meeting dates.

Brenda McMurray MOVED to approve the April meeting minutes as amended. Jim Peters SECONDED the motion. The April minutes were APPROVED as amended

MANAGEMENT AND STATUS REPORTS

Director's Report

Director Laura Johnson provided this report.

Director Johnson provided additional detail on the agenda and other adjustments to the schedule.

She thanked the Yakima lead entity for helping us prepare for this meeting and introduced both Frank Sweet, Yakima lead entity coordinator, and Richard Visser, Department of Fish and Wildlife.

Director Johnson noted that Debra Wilhelmi is planning to attend day two of this meeting for a short recognition ceremony.

Joel Fruedenthal, Mid-Columbia Regional Recovery Group, will provide an update on the status of the Mid-Columbia group on day two of this meeting.

Director Johnson has been recruiting to fill the position previously held by Debra Wilhelmi and is looking forward to getting this position filled.

Financial Report

Director Johnson presented this agenda item. (See notebook item 2b for details.)

- It looks like there should be about \$32.8 million for the rest of the biennium for grant projects and special projects. This may not be the exact amount, give or take a million.
- We are currently in the middle of the 2003-2005 biennium.
- Later in this meeting the Board will be discussing the 05-07 budget proposal for both operating and capital.
- Chair Ruckelshaus discussed the appropriation by the Congress - the original request from the administration was \$100 million. The number out of the House Subcommittee was \$80 million. The Chair has heard that this money would be restricted to be spent on endangered fish only based on ESU. If the \$80 million stands, Washington state would get fewer funds than in the past. We will probably not know what the final number is until late 2005.
- Director Johnson discussed the need for the state funds to provide a greater match to the federal funds to show the state's support of salmon recovery funding.
- Tim Smith, Fish and Wildlife, reported that Idaho is planning to reintroduce a reauthorization bill on the Pacific Coast Salmon Recovery Funds (PCSRF) money and the amount of money requested is \$250 million. The Chair suggested the SRFB stay out of this issue.

OWEB SRFB JOINT MEETING

The next joint meeting of the Oregon Watershed Enhancement Board (OWEB) and the SRFB is scheduled to be a half-day meeting on September 15, 2004, in Hood River.

Previous OWEB director, Geoff Huntington, is now working directly for Governor Kulongoski. Part of his new job is coordination between OWEB and the SRFB.

The Conservation Commission meeting is scheduled for September 15 and 16, so Mark Clark and Jim Peters will be unable to attend the joint meeting with OWEB. Stu Trefry will represent the Conservation Commission at this meeting.

Chair Ruckelshaus **MOVED** to approve having the joint meeting with OWEB on September 15, 2004, in Hood River. Brenda McMurray **SECONDED**. The Board **APPROVED** the motion to have the meeting.

Dick Wallace suggested a topic for the September meeting on how Oregon and Washington will handle the restriction if the congressional money is required to be spent on endangered species only.

Projects Report

Rollie Geppert presented this agenda item. (See notebook item 2c for details.)

Rollie pointed the Board to the table on the memorandum behind tab #2c, noting the new column identifying the number of projects completed but still open for monitoring purposes. The total count of completed projects is 52 percent - the highest percentage of completed projects to date.

Rollie provided to the Board estimated numbers for the 5th Round – 207 projects requesting \$56 million. This is down slightly from the 4th Round. This would be the highest number of projects to be presented to the Board for funding. The number may go down prior to the July 16 deadline.

The Chair asked about the types of projects and the quality of the projects.

Rollie responded that about 19% of the projects have been identified as “projects of concern”. These are projects that applicants now have time to make adjustments to before they submit them to the SRFB for funding.

Chair Ruckelshaus would like Rollie to see if this number matches past rounds.

Marc Duboiski provided a PowerPoint presentation of completed projects in the Yakima lead entity area. Two projects were highlighted:

01-1269 – City of Yakima, Naches Water Treatment Plant Screening

01-1254 – Northwest Service Academy, Lmmuma Creek Restoration

GOVERNOR’S SALMON RECOVERY OFFICE REPORT

The Governor’s Salmon Recovery Office (GSRO) report was presented as a written report. Steve Leider was available to answer questions. (See notebook item 2d for details.)

Brenda McMurray asked about quarterly updates on the regional recovery plans. Director Johnson noted that since the September Board meeting will not be a regular meeting, staff will send a written update to the Board.

LEAG REPORT

Brian Walsh read a written report from Shirley Solomon into the record. (See handout for details.)

The next LEAG meeting (workshop follow-up) will be held on July 26, 2004, in Ellensburg.

Chair Ruckelshaus discussed comments he has heard from lead entity coordinators that LEAG doesn’t represent their viewpoint. The SRFB depends on LEAG to provide the Board with the lead entity viewpoint of different issues.

Brian reported that LEAG has been struggling with this and trying to find a way to get to this point.

The Chair said that it is okay to not all agree with the issues, but the Board needs to know what the feelings are and what the differences are.

SUBCOMMITTEE REPORT

Brenda McMurray noted that some new information has come to the subcommittee and they would like to defer this discussion until after lunch.

There are three pieces for this report: two specific project amendments and the subcommittee's report on returned funds that the Board will need to make a decision on at its October 2004 meeting.

5TH ROUND UPDATE

Steve Tharinger, identified to provide a portion of this agenda item, was unable to attend this meeting and sent his regrets. Rollie Geppert and Steve Leider will provide this report.

Rollie Geppert provided an update on the technical advisor meetings. (See notebook item #5 for details.)

He reviewed the process for technical advisor visits. These visits began on March 31, 2004 and concluded on June 22, 2004. Two of the lead entities decided not to have the technical advisors visit their area but the rest of the lead entities did.

Lead entity project lists range from one project (Foster Creek) to 18 (Yakima) and from a \$160,000 request to a \$4.3 million request.

Director Johnson reported that this information will be included in the summer report to the Board.

Steve Leider reported that after the technical advisor visit meetings are complete, the first phase of the work is through. The next phase will start after the applications and lists are submitted on July 16.

The Chair discussed the need to keep the work of the Board, staff, ITF, SRFB Review Panel, and technical advisors transparent.

Craig Partridge summarized the ITF meeting that was held on May 26, 2004. (See notebook tab #5 for details.)

Discussion was had on how the Board will be able to make the funding decisions, what criteria should be used, and how the Board can prioritize between lead entities. Questioned how the Board will be able to balance the information and the need for a hierarchy of watersheds.

The Chair asked Steve Leider to pose the question to the Review Panel and see if they can provide a ranking process for the lead entities' areas.

The Board will need to allocate the funding in the most efficient way possible.

One way to fund the best projects is to fund the lists that match closest with the strategies.

SUBCOMMITTEE REPORT

Brenda McMurray provided the Subcommittee Report. (See notebook item #4 for details.)

Returned Funds From Previous Grant Cycles

Rollie Geppert provided a PowerPoint on possible options for the Board to adopt for returned funds from previous grant cycles.

Option #1 – All unspent funds are returned to the SRFB

- Simple to administer
- Some excellent projects may go unfunded
- Funds not added to future lead lists
- Little incentive to be thrifty

Option #2 – Unspent funds returned to SRFB

Case-by-case determination using the authority matrix and subcommittee

Option #3 – Lead entities would identify how to spend the returned funds

- Timely on-going decisions
- If funds aren't spent then returned to SRFB

Present the proposal at the October 2004 SRFB meeting for decision.

Returned Funds Round 5 and Beyond

Examine option #3

The Chair discussed the need for the Board to create incentives for the lead entities to continue to be cost effective. He is concerned that some of the options may cause lead entities overestimate the project costs since they would be able to keep the overruns. This is more of a cost effectiveness discussion. The projects need to be completed in the most cost efficient way possible.

Dick Wallace informed the Board that the subcommittee did discuss having a portion of the money staying with the lead entities and a portion coming back to the Board.

Director Johnson noted that this is a topic the lead entities need to provide feedback on, either through LEAG or individual lead entities.

The Board would like staff to get comments and input from LEAG and come back to the Board in October with a recommendation.

Mark Clark suggested the option with decisions at the subcommittee level. The randomness keeps more flexibility in the system.

Dick noted that is one reason to look at the matrix again and better define the choices.

Options and staff recommendation will be presented for decision at the October SRFB meeting.

Klickitat Mill Restoration Project

Cost increase request for \$404,873. (See notebook item #4a for details.)

The subcommittee just learned that WDFW has offered to provide \$200,000 toward this project so it can be completed this summer.

Public Testimony:

David McClure, lead entity coordinator for Klickitat County and project sponsor, asked the Board to provide this cost increase. The local Technical Advisory Group (TAG) reviewed this request before it was brought to the Board. Three concerns by citizen members:

1. Is this project necessary,
2. Can this project be completed, and
3. Is this the most cost effective way to complete the project?

This is a very large project and very visible in the community. Twenty-one priority areas in Klickitat – Snyder Creek ranked 17 of 21 but that was under the assumption that this project would be completed – once revisited the priority may move up to 10 or 11.

Board Discussion:

Director Johnson asked Brenda McMurray where the \$200,000 from WDFW would go – would it up the cost of the overall project or decrease the request to the SRFB? Brenda reported that it would be a \$200,000 reduction in the request to SRFB from \$404,873 to \$204,873.

Discussion on submitting this project in the 5th Round would cause more cost overruns as there are already permits in place and a WDFW crew lined up to finish the project this summer.

The Chair is concerned about approving the cost increase for this project. He does not feel comfortable approving a project increase at this level without the lead entity review and approval.

Brenda agreed with the Chair that the same concerns were voiced in the subcommittee discussions. The Board can deny this cost increase and take it through the 5th Round lead entity process to see where it comes back to the Board.

Brenda's recommendation is to deny this request and ask them to bring back through the 5th Round process.

Jim Peters made a MOTION to deny this request and take through the 5th Round cycle.

Brenda McMurray SECONDED the motion. Board APPROVED the motion to deny this request.

Dave McClure asked if the lead entity process were to rank this project high, could they get the money before the funding cycle so the project can be completed this summer? Director Johnson noted that this would take a lot more discussion and review since the effect of this on other lead entities and the funds would need to be looked at.

Donkey Creek Culvert #02-1602

Cost increase request for \$64,250. (See notebook item #4b for details.)

Chair Ruckelshaus is concerned with the cost increase and changes in this project. Brenda McMurray said this memo may have been written before all the information on the request was received.

The Chair wants more information to show the due diligence. Director Johnson reported that staff, the subcommittee, and Tim Smith will work on a revised memorandum outlining the due diligence on this project.

Public Testimony:

Don Haring believes a revised memorandum would be able to explain the situation better.

Tim Smith reported that staff reviewed the SRFB projects in active status and no other projects would be affected by this change.

The subcommittee will work with SRFB staff and WDFW staff to revise the memorandum to better document the request and bring it back before the Board for decision.

Director Johnson recommended skipping over topic #6, Legislative and Policy Issues, at this time and going straight to the Monitoring discussion under topic #7.

MONITORING

Jim Fox provided a preview of this agenda topic. This presentation is in preparation for a programmatic grant request that will be brought before the Board on day two of this meeting.

Steve Leider, GSRO, and Bob Bilby, Weyerhaeuser, provided a PowerPoint on the monitoring efforts.

Steve discussed the 3-legged stool to monitoring:

1. Project-scale effectiveness
2. Watershed-scale intensive monitoring
3. Broad landscape status/trends

Steve believes there is a fourth leg on the monitoring stool, which is implementation monitoring.

Brenda McMurray and Chair Ruckelshaus both commented on the pyramid and asked for arrows to go both up and down showing the flow of data.

Director Johnson discussed one recommendation in the monitoring strategy, which is to cluster restoration projects in the IMW. She doesn't want, or need, an answer now, but it is something the Board may want to think about when developing criteria for future funding cycles.

The Chair wants to know, within the existing law, the ability for the Board to fund validation monitoring projects.

Director Johnson believes this is something the Board is legally able to do and the congressional funding actually requires 2% go toward validation monitoring following the Washington monitoring strategy.

Dick Wallace also would like to see what the correct balance of funding would be for monitoring efforts.

Director Johnson discussed the pending Executive Order (EO), which establishes a Monitoring Council with possible meeting later this summer. As soon as the EO is signed, a copy will be sent to the SRFB members.

Brenda asked if the monitoring council will be made up of the same groups who were on the first monitoring group that developed the statewide monitoring strategy.

Director Johnson reported that this effort will have a permanent council with many of the same people involved in the original strategy development group.

Meeting recessed at 3:15 p.m. for a local tour and dinner.

SALMON RECOVERY FUNDING BOARD

MINUTES - REGULAR MEETING

June 24 & 25, 2004

Yakima Area Arboretum
Yakima, Washington

Day 2

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Brenda McMurray	Yakima
Jim Peters	Olympia
Mark Clark	Director, Conservation Commission
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources

CALL TO ORDER:

Meeting reconvened at 8:24 a.m.

Chair Ruckelshaus welcomed everyone and noted appreciation to the local lead entity for the tour and salmon dinner.

The Chair also presented Debra Wilhelmi with Resolution #2004-09 which he read into record and made a motion to adopt. The rest of the Board seconded this Resolution.

Debra responded and talked about the differences she is finding between the natural resource agencies and other state agencies. Natural resource agencies seem to have more passion for their work. She's found other agencies don't have the same passion.

PROGRAM REPORTS AND UPDATES

Washington and Oregon Small Grants Program

Oregon Watershed Enhancement Board Small Grant Program

Presented by Ken Bierly and Wendy Hudson, Oregon Watershed Enhancement Board (OWEB) staff.

The OWEB small grant program has been in existence for four years. They currently have 300 active grants. Funding is distributed to the 28 "teams" in Oregon. Teams are made up of multiple watersheds. Each team is given \$100,000 for distribution. OWEB gives final approval of the team list. Each project is capped at \$10,000 in funding. They are just starting to work on an effectiveness-monitoring program. Wendy provided a PowerPoint presentation on the OWEB small grant program. (See notebook for details.)

Brenda McMurray asked if there was any connection between the teams and the watershed council groups. Ken responded that they are required to interact with each other.

OWEB distributes \$2.5 million to its small grants program (state funding), \$25 million to its large grant program (state funding), and \$11 million in Pacific Coast Salmon Recovery Funds (PCSRF).

Director Johnson asked about funds for education and outreach. OWEB is looking into an education/outreach/assessment small grant program since the fund source for the small grants program does not allow funding of education/outreach/assessment type projects.

National Fish and Wildlife Foundation Small Grant Program

Presented by Jennifer Taylor and Nick Pearson, National Fish and Wildlife Foundation (NFWF) staff.

Jennifer provided a PowerPoint presentation on the NFWF small grant program.

Final approval for funding is completed by lead entities and NFWF Director, Krystyna Wolniakowski.

There are several differences between the two grant programs, both plusses and minuses. Both programs work with local partners and provide a source of funds for projects that would probably not be funded in a larger grant program. OWEB limits the request amount to \$10,000 where Washington allows up to \$50,000. Oregon has a statewide program, Washington's is a pilot program in a few areas only.

YAKIMA REGIONAL BOARD

Paul Ward and Joel Freudenthal of the Yakima Sub-basin Fish and Wildlife Planning Board.

Paul welcomed the Board to Yakima and provided the Board with a brief history of the lead entity and regional recovery processes. A lot of progress has been made over the last couple years and Chair Ruckelshaus recognized this effort and the coordination taking place in this region.

Joel thanked the Board for the funding that has helped with these efforts.

Brenda McMurray has watched both the adversarial and now cooperative efforts going on in the basin and appreciates the people who have put the energy toward these efforts.

PROGRAM REPORTS AND UPDATES - CONTINUED

Puget Sound Nearshore Ecosystem Restoration Project (PSNERP)

Curtis Tanner representing both the Department of Fish and Wildlife and US Fish and Wildlife Service.

Curtis provided a PowerPoint presentation update on PSNERP activities. (See handout for details.)

Craig Partridge asked where this report will go to besides the Corps. Curtis responded that it would go to all the partners including the SRFB.

Chair Ruckelshaus said they need to make sure they stay linked with the regional planning efforts also. Curtis agreed.

Brenda McMurray wants to make sure that PSNERP identifies early action projects and to get this information out to the local entities so those projects can begin to be worked on.

Instream Flow

Dick Wallace provided a quick synopsis of water right history – the full presentation will be held when Hedia Adelsman is available to provide this presentation.

Water law is very complex and has a long history around the idea of “first in time first in right”. After many years of not setting instream flows, the Department of Ecology is now very active in beginning to set instream flows in priority areas across the state. Ecology is now installing gauging and metering efforts with real time displays on the Internet. More Water Masters are in place now than in the past, which provide the regulatory arm in the watersheds.

Mike Kaputa, Chelan County, provided his views on Ecology’s instream flow efforts. Last month the Entiat Planning Unit adopted its instream plan. There are two different flow sets – one for fish and one for water resource management. The Entiat set flows for both, not just the water resource flow. This has paved the way for the Wenatchee to take on instream flow setting. The Board had supplied the original funds for the instream flow setting in the Entiat for looking at fish flows. This has been a success and is leveraging other efforts.

2004 PROGRAMMATIC GRANT REQUESTS

10a –New Programs and Activities in 2004: Call for Proposals Fall 2004

- Statewide monitoring,
- Assessments that span multiple lead entity areas, and
- Small grants

Jim Fox introduced this topic. Staff is asking Board direction on this process to be brought to the Board at the October meeting.

Monitoring Efforts

Brenda McMurray would like to know how much has been spent to date. The Chair would also like to know what we are getting versus what is being spent.

Jim Peters mentioned the need to continue efforts with limiting factors and SSHIAP.

Jim Fox agreed to the need of a long-range strategy on monitoring funding. The Board can’t keep funding piecemeal each year. Hopefully, the monitoring council effort will help with this coordination.

Craig Partridge noted that there are several monitoring efforts around the state (Forest and Fish monitoring, Puget Sound ambient monitoring, and several other efforts) and as the Board moves forward with its monitoring efforts, it needs to be complimentary to these other efforts both in the data gathered and budgetarily. It looks like the Priorities of Government

(POG) process will continue even with a new governor. The POG process at times sees complimentary processes as a redundancy which equals inefficiency and a prime situation to fold all the efforts into one place, which might not accomplish the multitude of goals that the current system is accomplishing. As the Board moves forward with monitoring efforts, it needs to make sure it is able to portray to a skeptical budgetary process that efficiencies are in place.

Craig asked if LEAG has weighed in on the status and trends monitoring efforts and SRFB budget proposals. The Chair noted that these are issues that need to be taken to the LEAG for response before the October meeting.

Assessments over multiple lead entities

Jim Fox presented this agenda item to the Board. This type assessment does not usually come before the Board through a lead entity since it spans more than one lead entity area. Five criteria for funding of this type project have been provided to the Board. (See notebook for details.)

Brenda McMurray is in favor of this type funding in concept but has concern about lead entity buy-off on a project before funding.

Chair Ruckelshaus responded that these projects would come before the Board in December and would need to have lead entity endorsement before implementation.

Brenda is concerned that these projects would come to the Board after the lead entities have already submitted their 5th Round lists (for this proposed first try).

The Chair reported that these projects would also go through the SRFB Review Panel process. He suggested funding as a pilot this cycle and work toward a more coordinated effort in the next grant cycle.

Tim Smith reported that many of these projects have been talked about in the lead entity areas but there has not been a method for the lead entities to put these projects forward.

This is a pilot project for this round and will be evaluated before continuing the process in the next round.

The RFP is out now with an October 8 deadline for funding decisions at the December meeting.

Small grant program

Jim Fox introduced this portion.

Brenda McMurray is still concerned that the lead entities may not be in favor of this type of process being implemented mid-stream of an existing grant cycle and would like the Board to take time to work through this process more before implementing.

The Chair suggested putting out a request for feedback from the lead entities and address this at the October meeting.

Director Johnson agreed that we should discuss with the lead entities more. This proposal does not have to be brought to the December Board meeting for funding but could have a separate cycle for the small grants program.

Jim Peters always thought it was a "small project" program not a "small grant" program.

Staff will work with lead entities and refine concept for October meeting.

10b – Requests for additional funds

Jim Fox presented this agenda item. (See notebook tab #10 for details.)

Three requests for additional funds:

- Puget Sound Nearshore Ecosystem Restoration Project (PSNERP),
- Intensively Monitored Watersheds (IMW), and
- Smolt monitoring efforts

PSNERP

Due to a shortage of funds, they are requesting another \$80,000 for continued work on this project. Future funding for 05-07 budget will be requested through the Legislature.

Chair Ruckelshaus asked how much other groups have contributed to this effort. Tim Smith responded that the federal agencies have contributed about \$1.1 million and about \$200,000 in cash has been contributed from other sources. The original \$375,000 provided by the Board helped leverage the additional funds.

Jim Peters asked why there is need for the additional costs.

Tim reported the \$80,000 would go to several different areas and this money fills the gap in all the activities to last through the 03-05 budget.

Chair Ruckelshaus supports the funding for the PSNERP.

Brenda McMurray MOVED to approve Resolution #2004-04 providing an additional \$80,000 to WDFW for the PSNERP project. Jim Peters SECONDED the motion. Board APPROVED Resolution #2004-04.

Intensively Monitored Watersheds

The Board has funded \$600,000 for this project to date. This request is for an additional \$650,000 and additional funds to add a couple more basins into the monitoring efforts for a total request of \$1.09 million.

Chair Ruckelshaus noted that it is the nature of this type work, as you start working on them they tend to expand. The Board needs to be very careful with funding these efforts since there are limited funds. There was a question on review of the extrapolation of this information.

Bob Bilby thought that the extrapolation report could be peer reviewed.

Dick Wallace reported the need to have the confidence level up on this information and peer review. This request also fills in information on Chinook.

Jim Peter MOVED to adopt Resolution #2004-05 providing an additional \$650,000 to the IMW project. Brenda McMurray SECONDED the motion. Board APPROVED Resolution #2004-05.

Smolt Monitoring

WDFW is requesting \$250,000 for the second year of the biennium for continuing the smolt monitoring project. WDFW intends to request FY2005-07 funding from the Legislature.

Marnie Tyler, who took over as WDFW designee when Tim Smith needed to leave the meeting, confirmed that WDFW will be requesting this funding from the 2005 Legislature.

Greg Volkert, WDFW, explained the WDFW smolt monitoring efforts.

Jim Peters feels this is clearly a programmatic process and an ongoing process that should be funded through the Legislature but, until they do, the Board needs to fund.

Jim Peters MOVED adoption of Resolution #2004-06 providing \$250,000 to WDFW to continue smolt monitoring efforts. Brenda McMurray SECONDED the motion. Board APPROVED Resolution #2004-06.

2005-2007 OPERATING AND CAPITAL BUDGETS - INTRODUCTION

Director Johnson introduced this agenda item and explained the state budget process and request to get feedback from the Board.

The Director suggested to Chair Ruckelshaus to have a two-person subcommittee to review and assist with the budget process.

In the capital budget proposal there is an \$84 million request to be used for grants in the 05-07 biennium (\$28 Million state and \$56 million federal dollars).

Brenda McMurray believes the request should be higher than \$84 million, and even if we don't get it this will send a message.

The Chair reported that the Board is asking for more than in the past biennium and thinks the Board will be in a better position once the recovery plans are completed.

Dick Wallace would suggest giving staff the latitude to massage this request. Last year's request from lead entities was \$56 million, the need is out there and the Legislature needs to know this.

Chair Ruckelshaus identified Jim Peters and Steve Tharinger as a Legislative subcommittee to work with staff on legislative issues and Larry Cassidy and Brenda McMurray as the Budget subcommittee.

Brenda asked about the Family Forest Fish Passage (FFFP) program request being separate. Director Johnson reported that since this memo was written, there has been discussion of the FFFPP funding going to DNR with technical assistance by WDFW and possibly the SRFB. If this is put in another budget, it is better to have it separate at least for discussion purposes.

Reappropriation will change up until the last minute.

Brenda McMurray MOVED to adopt Resolution #2004-08 the SRFB 2005-2007 Capital Budget Request. Jim Peters SECONDED the motion. Board APPROVED Resolution #2004-08.

Operating Budget

Director Johnson noted that an operating budget doesn't really exist for the SRFB because it is carried through the IAC. In past funding cycles, the IAC has passed through the operating funding for the SRFB. SRFB Chair Ruckelshaus and IAC Chair Val Ogden will be meeting soon and this will be one of the discussion items on the agenda.

Chair Ruckelshaus suggested having the Budget subcommittee work with staff to develop the operating budget request.

Jim Peters MOVED to adopted Resolution #2004-07 the SRFB 2005-2007 Operating Budget Request. Brenda McMurray SECONDED. Board APPROVED Resolution #2004-07.

LEGISLATIVE AND POLICY ISSUES

Subcommittee of Jim Peters and Steve Tharinger will work with staff to develop a legislative package.

Public Testimony:

Richard Brocksmith, Hood Canal Coordinating Council (HCCC), talked about pre-allocation of funds. He would like to move ahead with pre-allocation before December. He would like to know if some of the lead entities could have these funds in October.

Jim Fox reported that the wording of pre-allocation was dropped very early in the process. It was actually worded as "the first increment of funding," this will be an amount derived by formula. This first increment along with remaining funds will be allocated at the December meeting.

Chair Ruckelshaus also noted that the funding wasn't guaranteed and that projects would still need to go through the rating process and be part of the full package.

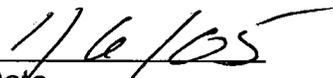
Chair Ruckelshaus commented that Shirley Solomon does not plan to continue as LEAG chair next year. He noted the good work she has done while being LEAG chair and the need to express the Board's appreciation of her work.

The June 2004 meeting was adjourned at 1:18 p.m.

ATTEST SRFB APPROVAL:



William Ruckelshaus, Chair



Date

Future Meetings: October 28 & 29, 2004 - Bellingham

SALMON RECOVERY FUNDING BOARD
RESOLUTION #2004-04

Puget Sound Nearshore Ecosystem Restoration Project Funding

WHEREAS, the Salmon Recovery Funding Board (SRFB) previously provided a grant to the Puget Sound Nearshore Ecosystem Restoration Project (PSNERP); and

WHEREAS, PSNERP has provided the SRFB, the SRFB Technical Panel and lead entities with tools to assist in the evaluation of marine nearshore assessment, restoration, and protection projects; and

WHEREAS, PSNERP has helped the SRFB Technical Panel and lead entities view these projects in the context of the overall Puget Sound marine ecosystem; and

WHEREAS, continued state participation in PSNERP will provide for a greater understanding of the Puget Sound ecosystem and lead to the identification of the highest priority habitat restoration and protection projects;

NOW, THEREFORE BE IT RESOLVED, that the SRFB provide a grant of \$80,000 to the Washington Department of Fish and Wildlife to continue participating in PSNERP for FY2005; and,

BE IT FURTHER RESOLVED, that the SRFB supports WDFW's and other agencies' requests for FY05-07 PSNERP funding from the Legislature.

 Brenda McMurray Moved Jim Peters Seconded

MOTION CARRIED / FAILED

SALMON RECOVERY FUNDING BOARD
RESOLUTION #2004-05

Funding for Intensively Monitored Watersheds

WHEREAS; Congress, the State Legislature, the Independent Science Panel, the *Comprehensive Monitoring Strategy*, and numerous other reports have indicated the importance of monitoring the effect of salmon recovery efforts on salmon and salmon habitat; and

WHEREAS, intensively monitoring select watersheds is necessary, along with project effectiveness monitoring and status and trends monitoring, to monitor the effect of salmon recovery efforts on salmon and salmon habitat; and

WHEREAS, the SRFB provided the Washington Department of Ecology funding for intensive watershed monitoring for FY2004; and

WHEREAS, a long-term commitment to intensively monitored watersheds is necessary to obtain the desired results; and

WHEREAS, adding the Straits of Juan de Fuca and the Skagit to the basins being intensively monitored will provide with a mix of fish species and land-use types that will allow extrapolation of monitoring results to other watershed in the state;

NOW, THEREFORE BE IT RESOLVED, that the SRFB provide a grant of \$1,090,000 to the Department of Ecology to continue intensive watershed monitoring in FY2005 in partnership with the Department of Fish and Wildlife; and,

BE IT FURTHER RESOLVED, that the Departments of Ecology and Fish and Wildlife are urged to coordinate this project with ongoing effectiveness monitoring, proposed status and trends monitoring, and related monitoring efforts being undertaken by the State of Oregon and by federal agencies in the Pacific Northwest.

Jim Peters Moved Brenda McMurray Seconded

MOTION CARRIED / FAILED

SALMON RECOVERY FUNDING BOARD

RESOLUTION #2004-06

**Funding for Washington Department of Fish and Wildlife
Smolt Monitoring**

WHEREAS, the Salmon Recovery Funding Board (SRFB) provided a grant to the Washington Department of Fish and Wildlife (WDFW) for smolt monitoring for FY2004; and

WHEREAS, the Legislature has not provided funding to WDFW for smolt monitoring and has in the past asked WDFW to seek funding for smolt monitoring from the SRFB; and

WHEREAS, lack of FY05 funding could result in the loss of continuity of long-term monitoring data; and

WHEREAS, WDFW intends to request smolt monitoring funding from the State Legislature for the 2005-07 biennium;

NOW, THEREFORE BE IT RESOLVED, that the SRFB provide a grant of \$250,000 to the Washington Department of Fish and Wildlife to continue smolt monitoring in FY05; and,

BE IT FURTHER RESOLVED, that the SRFB recommend to the Office of Financial Management and the Legislature that smolt monitoring and other agency monitoring programs that are not part of SRFB-funded IMW, effectiveness monitoring, or status and trend monitoring be funded as part of the agency's budget rather than from SRFB state or federal grant funds.

Jim Peters Moved Brenda McMurray Seconded

MOTION CARRIED / FAILED

RESOLUTION 2004-07

SRFB 2005-07 OPERATING BUDGET REQUEST

WHEREAS, the Salmon Recovery Funding Board (SRFB) submits its 2005-07 Operating Request Budget through the office of the Interagency Committee (IAC); and

WHEREAS, the Board has determined that operating budget support and certain additions are justified to ensure continuation of an effective program, monitoring of results, and reporting on program outcomes;

NOW, THEREFORE, BE IT RESOLVED, the SRFB hereby approves its 2005-07 Operating Budget base elements as presented;

FURTHER, the following enhancements will be submitted with the budget:

- ▷ PNAMP Support
- ▷ Review Panel, Technical Advisors & Assistance Enhancements
- ▷ Lead Entity Program, Enhanced Funding
- ▷ Implement Statewide Monitoring Strategy, Larger-Scale Trends.
- ▷ Natural Resources Information Portal
- ▷ Regional Plan Implementation
- ▷ FFFPP Operations
- ▷ Other?

AND BE IT FURTHER RESOLVED, the Director is authorized, in consultation with the Chair, to modify and/or update amounts presented as necessary to meet the Board and Office's budget needs or to comply with Office of Financial Management directives;

AND BE IT FURTHER RESOLVED, the Director is authorized to apply for other outside funding sources to supplement the operating budget consistent with the SRFB and/or IAC mission.

Resolution moved by: Jim Peters

Resolution seconded by: Brenda McMurray

Adopted/Defeated/Deferred (underline one)

Date: June 25, 2004

RESOLUTION 2004-08

SRFB 2005-2007 CAPITAL BUDGET REQUEST

WHEREAS, the Salmon Recovery Funding Board (SRFB), through the Interagency Committee for Outdoor Recreation (IAC), must submit a 2005-2007 Capital Request Budget and Ten Year Plan to the Office of Financial Management; and

WHEREAS, the SRFB recognizes the continuing need for funding to provide and protect important fish habitat and related programs;

NOW, THEREFORE, BE IT RESOLVED, that SRFB hereby approves its 2005-2007 Capital Budget and Ten Year Plan as follows:

Program	2005-07	2007-09	2009-11	20011-13	2013-15
Federal PCSRF - Grants	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000	\$56,000,000
State Funds – Grants & Programs	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000

AND BE IT FURTHER RESOLVED, the Director is authorized, in consultation with the Chair, to modify and/or update the amounts presented as new revenue forecasts become available or to comply with Office of Financial Management budget instructions;

AND BE IT FURTHER RESOLVED, the Director is authorized to apply for other outside funding sources to supplement the capital budget consistent with the IAC and/or SRFB mission;

AND BE IT FURTHER RESOLVED, the Director is authorized to submit any necessary reappropriation request.

Resolution moved by: Brenda McMurray

Resolution seconded by: Jim Peters

Adopted/Defeated/Deferred (underline one)

Date: June 25, 2004

RESOLUTION #2004-09

RECOGNITION AND APPRECIATION

WHEREAS, Debra Wilhelmi worked at the Interagency Committee for Outdoor Recreation (IAC) from January 16, 1993, through April 25, 2004, and

WHEREAS, Debra Wilhelmi has also served as staff to the Salmon Recovery Funding Board (SRFB) from its inception in July 1999 through April 25, 2004, and

WHEREAS, Ms. Wilhelmi's service with the SRFB assisted the citizens of the State of Washington in programs for conservation, stewardship, acquisition, and salmon habitat restoration, and

WHEREAS, the SRFB recognizes her work developing, implementing, and revising the PRISM data management system to track SRFB projects and provide a system in which the statewide comprehensive monitoring strategy data gathering can be documented and used to tell the salmon recovery story, and

WHEREAS, the Salmon Recovery Funding Board recognizes her service rendered to the Board during her tenure, and

WHEREAS, the Salmon Recovery Funding Board wishes her well in future endeavors.

NOW, THEREFORE, BE IT RESOLVED that, on behalf of the citizens of Washington and in recognition of Debra Wilhelmi's assistance to the SRFB in performing her responsibilities and duties as staff, the Board and its staff extends its thanks and appreciation to her, and

BE IT FURTHER RESOLVED that, a copy of this resolution be included in Ms. Wilhelmi's agency personnel file, along with a copy of the letter of appreciation to Ms. Wilhelmi.

Approved this 25th day of June 2004.

Moved: Bill Ruckelshaus Seconded: By All Board Members

Unanimously approved by the Board.