

SALMON RECOVERY FUNDING BOARD

MINUTES - REGULAR MEETING

September 27, 2007

Room 172 NRB
Olympia, Washington

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

Steve Tharinger (Acting Chair)	Clallam County
Joe Ryan	Seattle
David Troutt	Dupont (afternoon session)
Carol Smith	Designee, Conservation Commission
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources
Barb Aberle	Designee, Department of Transportation

CALL TO ORDER

Acting Chair Steve Tharinger opened the meeting at 9:05 a.m.

Steve Tharinger talked about the reception held on September 26 recognizing Chair Ruckelshaus, Larry Cassidy and the rest of the work of the SRFB. In October, Governor Chris Gregoire will be making announcements of a new SRFB chair and board members.

Steve noted that this is Director Johnson's last meeting and that Governor Gregoire also has acknowledged Johnson's work for the state, with the Recreation and Conservation Office (RCO), and for the SRFB.

Director Johnson expressed how much fun she has had on this board and working with the state. She thanked the board for the comments and work it has done.

Director Johnson then discussed the agenda and noted the need to add time after the approval of minutes for adoption of resolutions for Larry Cassidy and Bill Ruckelshaus.

REVIEW AND APPROVAL OF JULY 2007 MEETING MINUTES

Director Johnson reviewed two minor typographical corrections to the July minutes that were made before the meeting.

David Troutt **MOVED** to approve the July 2007 meeting minutes. Joe Ryan **SECONDED**.

The Board **APPROVED** the corrected minutes as presented.

RESOLUTIONS

Director Johnson presented these resolutions.

Joe Ryan **MOVED** to approve Resolution #2007-03. David Troutt **SECONDED**. The board **APPROVED** Resolution #2007-03 - Service Recognition for William D. Ruckelshaus.

Joe Ryan **MOVED** to approve Resolution #2007-04. David Troutt **SECONDED**. The board **APPROVED** Resolution #2007-04 - Service Recognition for Larry Cassidy Jr.

MANAGEMENT AND STATUS REPORTS

Director Johnson provided this agenda item. (See notebook item #2 for details)

Director and Financial Services Report:

Director Johnson provided her last director's report, thanking staff for their hard work and dedication. The Recreation and Conservation Funding Board has presented 3 names for the new director to the Governor. This decision should be made in October or early November. A new director should be on board by the December SRFB meeting.

The financial report is included in the written report behind tab 2. Director Johnson reviewed this memorandum noting that we finally got the decision on 2007 Pacific Coastal Salmon Recovery Fund (PCSRF). There may be about \$100,000 less funding due to a technical glitch that the SRFB will need to approve. Although there has been good work done in Washington D.C., it does not appear that Congress will have its 2008 budget finalized before Christmas.

Steve asked if not knowing the federal 2008 budget will affect this grant round. Director Johnson reported that it would not affect this grant round, if it affects any, it would be the next grant round.

Project Management Report:

Brian Abbott presented this agenda item.

Brian reported that there are now 334 active SRFB projects and 38 active Family Forest Fish Passage Program (FFFPP) projects. He will brief the board on this program in the future.

The salmon grants section is hiring a new grant manager and will be starting the interview process tomorrow.

Brian reported that staff would like to start planning another salmon conference for 2009. The last conference had about 400 attendees. Staff will come back to the board in December with an outlined plan for this conference and request for funding. Staff has also heard requests for more SRFB workshops held throughout the year with a bigger

conference held every-other year. This would be something that the board might want to look at including in its work plan.

SRFB Staff also has heard another request for a regional entities conference in fall 2008. Staff also will come to the board in December with an outline and estimated costs.

Process streamlining is a bigger issue than just for the SRFB and includes the RCFB. The Legislature has addressed the need for streamlining. RCO has hired Berk and Associates, Inc. to find what takes projects so long to complete and has asked the consultant to make recommendations. This report isn't due until February but staff should be able to update the SRFB in December. Rachael Langen and Brian recently attended a Lead Entity Advisory Group meeting to get feedback on some streamlining suggestions. The Berk report will guide the process.

Steve Tharinger noted that he appreciates the work toward streamlining.

2008 MEETING SCHEDULE

Director Johnson reviewed the proposed schedule. (See notebook item #3 for details.)

Joe Ryan noted that last year most of the meetings were changed to one-day meetings and asked if we really need to reserve all Fridays this year. He would like to set a realistic schedule so that he is not making last minute changes to his calendar.

Steve Tharinger asked if the board would like to have regional meetings to get out and look at the areas.

Joe would be glad to have meetings around the state but would like to see more targeted field trips, ones that would be used by the board to help make decisions.

Steve appreciates the field trips and likes to see how projects have been executed.

Dick Wallace also appreciates the field trips, which provides the board with a visual of the projects, another ability to meet local entities and serve as an outreach. He does understand Joe's comments on targeting the field trips.

David agrees that there are last minute changes to do one-day meetings and would like to know ahead of time. He also would like to get out around the state.

Joe Ryan **MOVED** to approve Resolution #2007-01, 2008 SRFB meeting schedule. David Troutt **SECONDED**. The Board **APPROVED** the 2008 meeting schedule as presented.

Director Johnson noted that approval of this schedule lets everyone know that there will be a December 2008 funding meeting and staff will be able to come back with a proposed issues for future board meetings.

FUNDING REQUESTS

Coastal Region Support

Lee Napier presented this agenda item. (See notebook item #4a and handout for details.)

Lee reviewed the current process and request for \$406,808, which funds the region through June 2008 and gets the coastal region in-line with the rest of the regional boards' budget processes. This request includes funds for staff.

Chris Drivdahl noted that a letter was sent yesterday supporting the creation of the Washington Coast Region. (See handout.)

Dick Wallace asked Chris if this is the first time where there were pass-through funds to the lead entities for their assistance. Chris reported that other regions also use this process.

Tim Smith voiced his support for the coast region and really likes the way it was created and supported. The message is that we are not just responding to stocks in decline but in keeping healthy stocks healthy.

David Troutt asked if staff had a chance to scrub the budget to make sure it was clear. Director Johnson reported that Chris Drivdahl has worked closely with the region to put forward the best budget request.

David noted that in the budget report there is a line item for \$500,000 in returned funds and asked if this is a good estimate. Director Johnson believes this is fairly accurate and that the board, in its wisdom, set aside the amount for this request.

Steve Tharinger would like the board to look at an annual schedule for programmatic funds so there is time for review and budget preparation. He wants to make sure it is clear that the funds for this region would be state funds since the federal funds are for Endangered Species Act (ESA) stocks. Chris reported that there are a couple ESA listed species in this area, Lake Ozette Sockeye and Bull Trout.

Director Johnson agrees with need of a schedule for the programmatic requests.

David Troutt **MOVED** to approve funding the Washington coast region. Joe Ryan **SECONDED**.

Public Testimony:

Steve Martin, Snake River Region, noted that he is a strong supporter of the Coast and believes that this is a great opportunity and will allow the lead entities to come forward and request funding for regional efforts. This is not a bad thing but wanted to make sure the board was aware of this new expectation.

Board **APPROVED** funding for the Coastal Region in the amount of \$406,808.

National Fish and Wildlife Foundation (NFWF) Projects

Cara Rose and Dennis Canty presented this agenda item. (See notebook item #4b for details.)

Cara reviewed a request for \$1.5 million. She provided an update on what NFWF has done in past awards. There is one more grant cycle for the 2007 money with an application due date of November 1.

Cara highlighted what this program provides. These are small-scale, community-level projects. They work with the lead entities in selection and review of the priority projects. Since 2003 they have awarded 142 grants totaling \$4.4 million including almost \$2 million in SRFB funds. There are 27 lead entities this year and a proposed start time of Spring 2008 in coordination of grant rounds with projects to be completed in 2010. They look forward in continued work with the SRFB.

Dennis Canty reported that it was hard to get this program going but once it was up and running it has been a tremendous success.

Steve asked if the timing of this program has any conflicts with the SRFB grant process.

Cara reported that the schedule proposed in the memo is not set in stone; they try to work with the lead entities to develop a schedule that best fits their needs. Dennis reported that they met with each lead entity to see when they wanted their projects. Some want to link with the SRFB schedule but others want to de-link so they adjust to what is best for the lead entities

Steve asked about monitoring these projects. Cara reported that they are working with Bruce Crawford and striving to link the same measurements so the work can be used for both. There is a possibility for funds to be used for monitoring projects that have already been funded by the SRFB.

Carol Smith asked if they include maintenance for riparian projects as an eligible cost. Cara reported that maintenance is an eligible cost in the most recent round and will most likely continue to be an eligible cost.

Tim Smith asked if these projects are in PRISM. Director Johnson reported that they are. Tim discussed what a good program this is and how it is a way for the smaller scale projects to get funded.

Steve Tharinger discussed local programs and how NFWF assists with this process.

Director Johnson reported that the average for these projects is about \$40,000 with a maximum of \$50,000 so it does fill a different need. Cara reported that this year they are allowing for above the maximum costs to meet cost increases.

Public Testimony:

Jeff Breckel, Lower Columbia Fish Recovery Board, spoke in support of this program and how it has been extensively used in his area. He suggested allocating these funds similarly to how the board allots funds to the regions. He would like to see it divided by watershed areas.

Steve reported that one of the advantages is how NFWF has managed these funds and does not want to change something that is not broken.

David Troutt asked if this budget breakout was the same from last year. Cara reported that the budget is exactly the same.

Joe Ryan **MOVED** to approve funding NFWF projects. David Troutt **SECONDED**. Board **APPROVED** funding for National Fish and Wildlife Foundation in the amount of \$1.5 million.

Cara presented Director Johnson a photo in thanks and appreciation for her work with NFWF.

Intensively Monitored Watershed's (IMW's)

Bruce Crawford and Bill Ehinger presented this agenda item. (See notebook item #4c for details.)

Bruce reviewed the memorandum and request. This request is from Department of Ecology for a total of \$1,466,989 for FY 2008 and \$1,466,989 in FY 2009.

Bill Ehinger provided a presentation on the status of current IMW areas, results to date, and reasoning behind funding request and why certain areas of the state were selected for IMW monitoring. He highlighted a request for a total amount of \$6.5 million for estuarine restoration in the Lower Columbia area that is sufficient to detect fish changes. (See PowerPoint for details.)

Board Discussion:

Joe Ryan asked about developing the restoration plan for Lower Columbia and what a possible source is for the \$6.5 million. Bill noted that he does have a list of sources but that he does not have it with him.

Bruce noted that Bonneville Power Administration (BPA) has been funding projects in the Lower Columbia along with the non-profit Evergreen Foundation.

Jeff Breckel noted that the first amount was from State Department of Community, Trade & Economic Development (CTED) in 1998. The second source was \$1.2 million through the SRFB. This year another project is coming up and he imagines that most of this funding would come through the normal SRFB process. The \$6.5 million is a ballpark number.

Joe Ryan asked for clarification that the \$6.5 million would be on regular project list rather than a special appropriation from the SRFB. Jeff noted that it would be but depends on the regional allocation amounts and priorities in the region. They have given it a higher priority since it is an IMW. Jeff noted that they also would be looking for alternate sources of funds, such as BPA. Joe's concern with Lower Columbia is that we are making an investment that is modest compared to the total request and he had hoped that they would have some way forward that would take care of these funds.

Steve Tharinger asked if monitoring is still effective as projects are brought on over the next five or six years? Bill reported that it would fit depending on landowners and time frames, but does believe that the study plan can accommodate it if stretched out over time.

Carol Smith liked the idea for being able to monitor multiple species although she is concerned that we are driving and changing the prioritization of the region. She asked if this was the agriculturally based land use. Bill reported it is industrial forest land. She also asked about landowner willingness. Jeff Breckel reported that they have been working with the conservation district and they have been able to get support by the landowners.

David Troutt asked about the Skagit project and what kind of restoration has been done. Bill gave an update on the current restoration projects and restoration plan. David asked if they are hypothesizing the results or looking at absolute changes. Bill reported they look at absolutes and at the project level. David asked how much the cost for Skagit would be. Bill reported that the Skagit request would be about \$5 million. Bruce reported that this does not include the instream work and it is all estuary work.

David would like to have the IMWs come back with a study proposal for the Puget Sound.

Bruce discussed the difference between funding IMW projects through the regular process or through a separate programmatic funding process.

Steve reported that the SRFB has been funding these projects because no one else was and they felt it was important to fund this work. We all understand that we need to prove that the salmon funds are being well spent and that we are getting good results.

Tim Smith noted that when the board started down this path, everyone felt this was the way to go and that the designs were around the control not the treatments. He believes the board does need to fund the whole package and the board can't depend on the lead entities to change their priorities to fund IMW projects. Regardless of what the board decides today on the Lower Columbia, he feels strongly that the board needs to make the decision to do the treatments.

Joe agrees with the need for the board to decide if it wants to do this. It looks like treatments run about \$1 million per year and that is a lot out of the total budget. The

board needs to look for additional funding assistance such as through the Bonneville Power Administration.

Steve Tharinger asked if the board should suggest to Lower Columbia to make the IMW projects a higher priority in its ranking process.

Director Johnson reminded the board that \$2 million in state funds and \$2 million in federal funds were set aside. Through this morning's decisions on NFWF and the coastal region, the board has spent just under \$2 million. The board still has another request coming before them today for smolt monitoring for a total of \$326,000.

Steve asked Director Johnson if the board were to fund the IMW process for just one year at today's meeting would SRFB still fall within the programmatic budget.

Bruce Crawford believes an annual contract would be fine as this has been the process in the past. This would give Lower Columbia time to complete its study and identify projects.

Dick Wallace is not advocating for an agency position but is a supporter of IMWs. This has gone through the Independent Science Panel and he believes the 2 percent investment is the sustainable amount and well spent. He believes dropping the complex now is not a good option. He is okay with annual funding although it may put the board into a tighter budget situation.

Craig Partridge is not going to comment on the \$2 million. He noted that he is a strong supporter of the IMW process and does not believe it should be put totally on the local shoulders but also wants to have others step up to support this.

Steve favors the annual allocation and would like to stay in the budget.

Joe Ryan made a **MOTION** to approve one-year allocation funds with an expectation that we have a commitment to finish the projects, and in a year, the Lower Columbia will provide a sense of what it is willing to do and what others are willing to do on the cost of the restoration needed to do the monitoring.

Dick asked for clarification that this would be new language in the *NOW, THEREFORE BE IT RESOLVED* section of the resolution.

David Troutt **SECONDED** with the expectation that the board will spend some time together with Lower Columbia talking about the restoration plan expectation for funding partners and see how they put that together before we make future decision about that complex and fund one fiscal year of \$1,466,989.

Board **APPROVED** Resolution #2007-02 as amended to fund one-year allocation funds and the board will work with Lower Columbia to meet expectations before making any future funding decisions.

Smolt Abundance Monitoring

Greg Volkhardt provided a presentation on the fish-in-fish-out monitoring funding request. (See notebook item #4d and handout for details.)

Greg provided a presentation about the programs goals, the framework that was developed by the Governors Forum on Monitoring, which populations are funded for monitoring, the status of previous projects and described the funding request.

This is a request to continue funding ongoing Washington Department of Fish and Wildlife juvenile salmon abundance monitoring for a total of \$326,000.

Board Discussion:

David Troutt asked what the rationale is for continuing to monitor and invest in the non-framework populations. Greg reported that they are valuable at a local level and provide information.

Carol Smith asked if Tacoma Water is willing to fund due to the need for additional water storage and if so, why would the SRFB pay for something that may be a mitigation cost? Greg reported that this project was started previously and it would provide a long-term data set.

Tim Smith reported that last year the board asked them to fill in the holes with alternate fund sources to fill out the matrix.

Steve Tharinger asked if there is a place where all the data is being tracked. Bruce reported that it is not available yet but that the Forum held a workshop in June to discuss this issue and that WDFW does keep the smolt monitoring results. Steve would like a future meeting to have a full discussion on monitoring data and where the pieces are.

David is struggling with the non-framework projects but is ready to move forward with the others.

Greg discussed how last year the local request was to fund some of these non-framework projects. He is leaving it up to the board to decide whether or not to fund the non-framework monitoring efforts.

David Troutt made a **MOTION** to not include the non-framework projects but fund the framework projects for a total of \$208,000. Joe Ryan **SECONDED**. Board **APPROVED** funding for the smolt monitoring framework projects for a total of \$208,000.

Public Testimony:

Alan Chapman, Endangered Species Act Technical Coordinated for Lummi, involved with fish population monitoring, would like to request funding for the tribe's efforts at a future date. He is expecting the request to be about \$30,000-40,000. They are working with WDFW to create a database that will make data more available on the Web. Steve suggested talking to NFWF about providing funding for this effort.

David believes the SRFB is open to receiving a proposal from Alan if he is able to put something together.

EXECUTIVE SESSION

The Board will begin the executive session at 12:15. Steve Tharinger reconvened the regular meeting at 1:02 p.m.

PARTNER AGENCY REPORTS

Dick Wallace provided an update on Climate Change (See report handout for details).

Carol Smith provided an update for the Conservation District. The Office of Farmland Preservation is up and running with a new leader, Steve McGonigal. A second update is the major riparian restoration program called Conservation Reserve Enhancement Program (CREP) is up for renewal this year. The agency has received very positive draft letters that encourage this program to continue. The next step is to be signed at the national and state level. They have received more money for Puget Sound projects requiring Conservation District to be more accountable for projects.

Tim Smith provided an update for Washington Department of Fish and Wildlife (WDFW) and noted that the agency went to Washington D.C. to work on Pacific Coastal Salmon Recovery Fund issues. For 2008, he doesn't expect a big increase but an increase is possible.

On behalf of WDFW and the lead entities they have completed a report comparing nearshore projects on the 3 year work schedules and a chapter on the Puget Sound Salmon Recovery Act. They are working on a gap analysis to make sure that these two programs match. This is complete and available through Laurie Vigue.

The habitat work schedule, is a database the agency will deploy to lead entities to show past, current, and future habitat projects. Training for lead entities is about to begin and the database should be completed by the end of the year.

The WDFW will put forward a supplemental budget request for lead entity support funds for \$400,000 based on a survey provided to lead entities coordinators asking how their level of efforts has increased since the program was initiated seven years ago. The response of the survey showed an increase in inflation not on needs of capacity.

The WDFW is working on a possible request to SRFB on fish utilization of nearshore. This expands on the smolt monitoring program to include nearshore information.

David Troutt asked about the request for lead entities and if SRFB needs to be included in this request. Jim Fox noted that the board has shown support recently by providing additional funds to the lead entities and it is a good idea to show support so that it doesn't look like only one agency is behind this.

David asked if they will need a letter from the SRFB supporting this request.

Director Johnson noted the need to start additional budget discussions for the next legislative session will start next spring. It is timely for the board to be involved in policy conversations about the level of support to the regions and lead entities.

Steve Tharinger asked about the database and if it will be housed in WDFW. Tim reported that it will be housed with the vendor, all the data will be deployed to the lead entities giving them the ability to put data into the system.

Jim Fox reported that in the last week there was a meeting with WDFW, Conservation Commission, RCO, and an Oregon group to coordinate the different databases and how they will be coordinated in the future.

Carol Smith reported that the Forum will have another workshop to work on this issue. This would be a time the SRFB could be included to learn about the different efforts.

2007 GRANT ROUND

Brian Abbott and Steve Leider provided this agenda item (See notebook item #5, handout and PowerPoint's for details.)

Brian reviewed the number of projects received September 17, 2007 with a total of 224 projects, 196 of them within the allocation. In comparison to last year, we received 115 applications and funded 100 of them. This is an increase close to 100 projects due to both funding sources. There are 96 projects requesting SRFB funds and 99 requesting Puget Sound Acquisition & Restoration Funds (PSAR), 11 which are design-only projects. Brian provided an update on the process.

Steve Leider provided additional update information. He is not aware of any concerns needing board guidance or direction at this time.

David Troutt asked if there are any interesting or unusual projects. Brian noted that there is a large project in Nisqually, all South Sound lead entities are sharing portions of their allocations to get this large project funded.

Jim Fox noted that about half the Puget Sound projects are marine nearshore and of those, one-third are assessments. How this is coordinated with Puget Sound Nearshore Partnership and the new Puget Sound Partnership is going to be a big discussion in the future.

PUGET SOUND DESIGN GRANTS – FUNDING APPROVAL

Brian Abbott provided this presentation. (See notebook item #6 for details.)

Brian reported that there are 11 design-only projects on the list although most of them are labeled *Needs More Information* (NMI) or a *Preliminary Project of Concern* (PPOC).

The staff recommendation is to wait until the Review Panel looks at these projects to clear the PPOC or NMI labels. He requested the board delegate authority to RCO to fund these projects once these labels have been cleared.

Dick Wallace noted that the Puget Sound Partnership needs to review the projects and he wants to make sure that this happens and it is documented before we move forward with funding.

Brian clarified that before anything is funded this step will happen.

Tim Smith endorses this approach. The nearshore group has been trying to fund projects in stages and are finding that when doing this, the total cost of the project comes down because people have more accurate cost estimates. In the future, he would like to see other SRFB projects looked at with this process.

Joe Ryan **MOVED** to approve the staff recommendation but would like to hear from the audience for any concern. No one from audience mentioned any concern. David Troutt **SECONDED**. The Board **APPROVED** the staff recommendation to give RCO staff authority to approve the design-only projects once the Review Panel and Puget Sound Partnership have reviewed and removed NMI or PPOC labels.

2008 GRANT ROUND – PLANNING AND PREPARATION

Brian Abbott presented this agenda item. (See notebook item #7 for details.)

Brian refreshed the board about a memo and discussion from last April asking to revisit the transitional regional areas allocation in September and bring a recommendation to the SRFB in December. Brian reported that staff and Governor's Salmon Recovery Office were asked to work with regional areas and lead entities to come back with recommendations.

Brian noted some things to consider are that we probably will have less than \$25 million and we are not going to have the additional \$42 million PSAR funds so we are working with a smaller pot of money. We are proposing that the GSRO and SRFB staff work together and come to the board in December with a recommendation. Brian would like to see the board come to a decision at the December meeting.

Steve noted that this sounds like a good game plan, December is a busy meeting but the point of having it clarified in December might give them some time.

Brian clarified that staff will work with the regions and lead entities to find a recommendation so that this work is done before presented to the board.

Public Comment:

Barbara Rosenkotter, San Juan County Coordinator, wanted to let the board know that Puget Sound staff is transitioning to the Puget Sound Partnership; they met and made it clear that staff is quitting any additional work in the next few weeks. She is concerned

that if this needs to be discussed and resolved by December, they may have some staffing issues. She would like Puget Sound Partnership and Shared Strategy contacted to keep this discussion going.

Craig Partridge asked Brian if the meetings will be open to the public and urged a transparent process and clear explanation on how the decisions were met.

Standing Review Panel:

Brian discussed the concept about the need for a standing review panel available year-round. The advantages are that we can spread the workload throughout the year, we can build a better comfort level with lead entity and sponsors, the Review Panel will be better informed, and the Review Panel could follow through from application to implementation. Brian believes that the cost would be the same to have a year-round panel. He would like to have some discussion today and come back in December with more and begin this approach in 2008.

Steve Tharinger believes it is a good idea to have a standing panel but wonders if it loses some of the independence and in the end not need the Review Panel.

Brian noted that the reason we were able to get the Limit 8 permit streamlining was because we had the Review Panel and its review. He does not see it losing its independence.

Dick Wallace believes the panel is a good approach and believes it could help with streamlining the process.

Brian noted that lead entities would be part of the discussion because it will involve some adjustment with their schedules.

Director Johnson noted that during the public comment period there was someone in the audience who might have wanted to talk during the smolt monitoring item but was unaware of the testimony card process. This is a good reminder that at the beginning of each meeting we will need to clarify at what point public comment is needed.

GOVERNOR SALMON RECOVERY OFFICE (GSRO) REPORT

Chris Drivdahl presented this agenda item. (See notebook item #8 for details.)

Chris noted that she has nothing to add to her written report and would like to answer any questions or take comments.

Craig asked about the state agency action plan and how the GSRO is handling the incorporation of the statewide elements of recovery and the regional recovery plans.

Chris noted that they have had internal GSRO discussion but they don't have an answer at this time.

Chris gave some background on exploring a statewide approach that might make it easier and more economical for project sponsors to obtain the large woody materials. GSRO will be sending a survey to lead entities, regional organizations, and project sponsors to ask for costs, and what it can do to creatively reduce these costs.

Dick Wallace suggested using the *Extinction is Not an Option* as a template for issues needing to be done.

COUNCIL OF REGIONS REPORT

Steve Martin, Chairman of Council of Regions, presented this agenda item. (See notebook item #9 for details.)

Steve noted that the topics in his report have a lot of redundancy with the Lead Entity Advisory Group (LEAG) and GSRO reports, which is a good sign that all the groups are communicating and sharing information. He highlighted a couple issues:

- Monitoring
- Implementation schedule

Steve Martin really likes the idea of the standing Review Panel and would like to see this happen and looks forward to the discussion.

The Council of Regions has reviewed the Fish and Wildlife capacity survey and agreed with the supplemental budget request.

Steve Martin commented on the behalf of the Snake River Board that it has submitted letters of support for Larry Cassidy and Bill Ruckelshaus clearly supporting and showing appreciation for their leadership.

Dick Wallace asked if the regions are seeing more strategic work and coordination between the regions such as what happened with the Nisqually project.

Steve Martin reported that one of the questions due from regions tomorrow is asking how they allocate funds throughout the regions and what they use to guide those priorities. There will be a direct answer to the question from seven regions tomorrow that will be shared.

Craig asked about the Technical Works schedule and noted that the Department of Natural Resources has a system for tracking.

LEAD ENTITY ADVISORY GROUP (LEAG) REPORT

Jeanette Dorner, Nisqually Lead Entity Coordinator presented this agenda item. (See notebook item #10 for details.)

Jeanette noted that she has recently been re-elected chair and Barbara Rosenkotter, San Juan Lead Entity Coordinator, is the new vice chair for LEAG.

Jeanette Highlighted:

- The board has been provided a list of projects that have been submitted to SRFB staff representing a lot of work and effort by lead entities.
- LEAG held a meeting in Wenatchee with the new LEAG Executive Committee members. LEAG has appointed a new representative to the Monitoring Forum, Pete Schrader.
- Cheryl Baumann has been working on a subcommittee to work on outreach.
- Lead entities are excited to get the habitat work schedule up and running.
- Appreciates that WDFW submitted a supplemental budget request and the LEAG will be looking at the additional work and how much more is needed to meet capacity needs. Jeanette recognized Laurie Vigue and the work she did and Teresa Mitchell who also works with the lead entities.
- Lead entities have noticed an increase in cost in all ten areas of a recent survey. The most increase is seen in coordination between regions and state agencies.
- Final issue is what has happened in the South Sound and the Nisqually project. This was a result of the regional coordination and although the talk has been around Nisqually it has been the rest of the South Sound lead entities who worked very hard to get this taken care of. There will certainly be a reverse direction of support in the future. This has been a very successful coordinated effort.

Steve Tharinger reminded Jeanette that when they are working on lead entity outreach to include their local legislators in the process. He noted that Norm Dicks is not inclined to provide the administrative capacity funds so we need to make sure the in-kind support being provided by the lead entities is recorded.

Tim Smith discussed the Nisqually and how this has worked.

Steve noted that the project is good for the area and fish but also is great for the water quality.

PUBLIC COMMENT

Jeff Breckel, Lower Columbia Fish Recovery Board, came with a request from sponsors in the region that the board and staff consider a change in the next grant cycle by making design projects with SRFB funds not require a match. The Lower Columbia has made a policy to not take on the large projects but to bring them in by phases. The sponsors can get match funds for development and acquisitions but not for the design portion.

Joe Ryan is in support of this. Director Johnson reminded the board that there are statutory requirements on this so the board will need to look at what the statutory requirements are.

Tim Smith responded that he thinks that it is a great idea. If we move in this direction, it brings up the question of what kind of future obligation do we incur if we fund engineering projects.

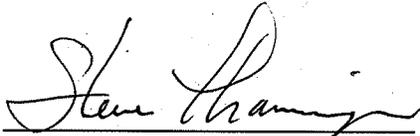
RESOLUTION #2007- 05

Steve Tharinger read into the record a resolution recognizing Director Johnson for her time with the board and wishing her well in her new endeavors.

David Troutt **MOVED** to approve Resolution #2007-05. Joe Ryan **SECONDED**. The Board unanimously **APPROVED** Resolution #2007-05 – Service Recognition for Laura E. Johnson, Director.

ADJOURN

Meeting adjourned at 2:16 p.m.



Steve Tharinger, Chair

Next meeting: December 13 & 14, 2007
 Kitsap Conference Center
 Bremerton, WA