TO: Conservation District Supervisors

FROM: Mark Clark, Executive Director


I am pleased to share with you the Washington State Conservation Commission (SCC) 2014 Area Meeting Report. The report represents a snapshot of our year, including programmatic achievements, partnership updates, key services provided, and our vision as we head into 2015.

Thank you for another year of hard work and collaboration that has resulted in stewardship of our state’s natural resources. This year the SCC celebrated its 75th year—a milestone that demonstrates the strength of the partnership we share with you.

Thanks again, and I look forward to seeing you at your Area Meeting!
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About the State Conservation Commission

The Washington State Conservation Commission (SCC) is the coordinating state agency for all 45 conservation districts in Washington State. The SCC was created by the Legislature in 1939 (RCW 89.08.070) to support conservation districts through financial and technical assistance; administrative and operational oversight; program coordination; and promotion of district activities and services.

Together, the SCC and conservation districts provide incentive-based services that make it easier and more affordable for private landowners to achieve on-the-ground conservation goals. Our non-regulatory, incentive-based approach helps us develop strong, trusting relationships with landowners. Through these relationships, we help citizens become active and informed participants in the effort to protect Washington’s natural resources.

MISSION STATEMENT

To lead the wise stewardship of soil, water, and related natural resources for and with the citizens of the state.

VISION

Washington State shall have healthy soils, water, air, and ecosystems, with sustainable human interaction with these resources.

The Conservation Commission is recognized as the independent and trusted agency-of-choice that implements stewardship in the State of Washington in partnership with conservation districts, and other agencies and organizations.

Conservation districts are seen as the implementers of actions in local areas to accomplish natural resource conservation goals.
STAFF CHANGES

Since the 2013 Area Meetings, the SCC has welcomed Alicia Johnson (Administrative Assistant), Shana Joy (Policy Assistant and Puget Sound Regional Manager), and Melissa Vander Linden (Fiscal Analyst). Dr. Carol Smith, long-time coordinator of the Conservation Reserve Enhancement Program (CREP), accepted the job as manager of the Department of Ecology Environmental Assessment Program this summer. The SCC posted the Habitat and Monitoring Coordinator job announcement on September 26 and will fill the position soon.
COMMISSION STRATEGIC PLANNING SESSION

In May 2014, the Board of Commissioners participated in a strategic planning session (facilitated by Ray Ledgerwood) to explore the immediate and long-term priorities of the Washington State Conservation Commission (SCC). During the session, they identified a list of the top 10 strategic actions that Commissioners and staff should accomplish in fiscal year (FY) 2015.

FY15 Strategic Actions:

1. Communication and Outreach activities at state and county fairs and job fairs...information booths on natural resource issues, jobs, and education needed.
2. Build targeted marketing (legislators, public at large, specific audiences).
3. Implementation activities related to the tribal treaty rights at risk letter.
4. New budget and allocation process completed and implemented for transparency.
5. Coordination with other agencies using the model area concept for getting together on an area-wide project(s) to address an area-wide resource concern.
6. Meeting on long term sustainable funding and action plan developed
7. Good Governance, administration efficiencies need to be focused for accountability with legislation
8. Impact on natural resources demonstrated with data, monitoring and Discovery Farms concept
9. Technical capacity built through certification, training on technical proficiencies needed
10. Commission is a leader in facilitating change in culture to be a positive, results oriented conservation district family by involving partners an opportunities

REVISING OUR MISSION STATEMENT

This summer a subcommittee of Commission members and staff revisited the SCC mission statement and decided to revise it to make it more concise, inspiring, and unique to the agency.

Before finalizing the revision, Commissioners want to hear from conservation districts. In the coming weeks SCC staff will send conservation districts the draft mission statement and request feedback. In the meantime, please give these questions some thought: What do you feel is the primary purpose of the SCC, and what is it that makes us unique from other entities?
The Administration, Budget, and Financial division of the Washington State Conservation Commission (SCC) involves seven full-time employees (FTEs). These staff play a critical role in helping the SCC perform essential day-to-day functions, process conservation district payments, and meet state agency requirements.

**STAFF ROLES**

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<tr>
<th>Name</th>
<th>Responsibilities</th>
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<tbody>
<tr>
<td>Debbie Becker</td>
<td>Budget, Accounting, Grant oversight, including Non Shellfish funding activity, State Auditor Contact. Activities also includes Human Resources, Agency Operations and Fiscal Notes</td>
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<tr>
<td>Lori Gonzalez</td>
<td>Agency Administrative Services, Commission meetings, Executive Assistance. Commissioner Assistance and Compensation, IT / Agency needs. Meeting Planning and coordination. Supervisor Elections and Appointment Recordkeeping</td>
</tr>
<tr>
<td>Karla Heinitz</td>
<td>GRANTS: PIP PROGRAMS: Shellfish, Livestock OTHER: Miscellaneous Contracts, Cost Share Programs Expert, Legislative Bill Tracking, Fiscal Notes, Agency LEAN</td>
</tr>
<tr>
<td>Alicia Johnson</td>
<td>Agency Administrative Support, Travel planning, Meeting coordination and scheduling, Inventory, Archiving, Receipt books, Safety Officer, Agency Transportation Officer; All-District Google Groups, web assistance</td>
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<tr>
<td>Melissa Vander Linden</td>
<td>GRANTS: Livestock TA grants, Engineering Grants, CREP TA and CS Grants, Comp Rates OTHER: CPDS help desk and training, VISA Reconciliation, Agency Travel</td>
</tr>
<tr>
<td>Courtney Woods</td>
<td>GRANTS: Shellfish, Implementation, Irrigation OTHER: Newsletter, Accounting, Allotments, District/OFM Performance Measures, End of year tracking, Agency travel, Interagency billings</td>
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**15-17 BUDGET SUBMITTALS**

The 15-17 Operating and Capital budgets were submitted in September. This submittal culminates several months of work and partnership with WACD, WADE, and conservation district staff and supervisors. Full content from each budget package can be found on the Commission’s website.

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Operating Budget

The Operating Budget includes many OFM-mandated components and the five funding packages approved by Commission members during their special meeting in August.

Unfortunately, one of the packages is the required 15 percent general fund reduction. This is a significant $2 million impact to the budget and will have detrimental effects on the work of conservation districts across the landscape. A partner package is included requesting the restoration of the 15 percent to the agency budget.

The remaining operating packages are valued at $4.3 million, a 32 percent increase. However, this increase simply restores the agency budget to levels in 2008.

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<th>State Conservation Commission Budget Spending</th>
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<td>Staffing/Salaries</td>
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<td>Average Annual FTEs</td>
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<td>Interagency Reimbursements</td>
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<td>Totals Objects</td>
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Source of Funds:

- General Fund-State (001-S): 9,582, 14,766, 16,357, 14,031, 13,209, 7,359
- State Bldg Constr-State (057-1): 7,700, 3,630, 3,524, 2,044, 8,293, 3,196
- General Fund-Federal (001-F): 20, 117, 528, 1,084, 1,616, 298
- St Tax Bldg Constr-State (355-1): 0, 0, 0, 1,220, 1,760, 0
- Conservation Assist-State (552-1): 253, 141, 104, 266, 75, 4
- Water Quality Cap-State (11W-1): 0, 0, 3,693, 667, 0, 0
- Other Funds: 0, 31, 118, 30, 0, 84

Total Funds: 17,556, 18,685, 24,324, 19,341, 24,953, 10,962

Capital Budget

The 15-17 Capital Budget also includes several OFM-mandated elements and ten packages approved and prioritized by Commission members in August.

The total new appropriation request in the Capital budget is $39.3 million and $20 million in federal spending authority. The re-appropriation requests total $3.7 million and are estimates of the account balances on July 1, 2015. These amounts, combined for the ten packages, result in a total request of $63.0 million for conservation district work with private landowners across the state.

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Looking Ahead: Reversing the Trend of Budget Reductions

If the 15 percent general fund reduction is not restored, the SCC and conservation districts will have suffered a nearly *50 percent reduction in general fund appropriations in just six years* (see figure above). This is an alarming and dangerous trend that must be addressed.

The SCC and conservation districts must develop a strategy that helps us tell our story more effectively. The “Success Stories” submitted by conservation districts this spring were invaluable to our budget submittal because they captured measurable impacts conservation districts are making across the state and quotes from landowners who participated in projects. We encourage you to continue to submit success stories (contact Laura Johnson to learn how, ljohnson@scc.wa.gov). But, we need to do more.

Currently, we fail to effectively track both the direct and indirect role SCC funding plays for conservation districts. If conservation districts lost all SCC funding, how many projects funded by other state, federal, and NGO partners wouldn’t be possible due to a lack of funding to cover district operations and/or matching funds? It’s important that we capture all the conservation impacts being made and the full extent that conservation districts leverage general fund dollars. Otherwise, we can’t fully communicate the importance of the SCC budget request to the Governor or legislature.

We see this as a goal for the Commission and districts in the coming year — to find a way to better capture and communicate stories that show the full impact of the incredible work you do.

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EFFICIENCIES

Each year the administration and budget team identifies efficiencies that will reduce workload for both SCC and conservation district staff.

A couple of efficiencies adopted this year include:

- **Voucher processing:** SCC financial staff reduced the time it takes to process payment requests to an average of 1.65 days!

- **Adoption of e-fillable forms (Adobe FormsCentral):** Adobe FormsCentral has allowed the SCC to create online forms and reports that can be completed by conservation district staff. No special software is needed for the user except Adobe Reader. We pay an annual fee of $143 for unlimited forms and online storage. When a conservation district completes a form, it’s time-stamped and stored in our account where it can be filtered by field and exported as a PDF or Excel document. This allows us to review submittals, ensure deadlines are met, and evaluate content for additional purposes. We have reduced time spent processing documents, recording receipt of documents, and managing data. We now use this system for financial forms, budget appropriation, annual report submissions, supervisor training, and success story submissions. Next year we plan to use Adobe FormsCentral for elections and appointments and for registering participants for events and meetings.

| Conservation Commission Processing of Conservation District Payment Requests** |
|-------------------------------------------------|----------------|----------------|
| Number of Vouchers Processed | Average Verification Time | Average Processing Days |
| FY14 | 2,090 | 3.26 | 1.65 |
| FY13 | 2,154 | 2.42 | 2.52 |
| FY12 | 1,677 | 1.89 | 2.15 |
| FY11 | 1,634 | --* | 2.05 |
| FY10 | 1,763 | --* | 2.24 |
| FY09 | 1,355 | --* | 2.25 |

*did not track verification time during these periods
**does not include time on agency accounting, trainings, contracts, and other staff responsibilities

Have you been reading the Financial Times?

In May 2013, the SCC financial staff launched a monthly newsletter to provide conservation districts with updated information on grants, cost-share, vouchering, and more. Each month the newsletter features articles that address frequently asked questions about one or two hot topics.

**Finance Road Trip:** The finance team also is embarking on a six-stop road trip this fall with a goal to provide financial trainings for every conservation district! This trip would not be possible without the help of the SCC admin team!
District Operations and Services

SERVICES PLANNED FOR FISCAL YEAR 15

The Washington State Commission Conservation (SCC) District Operations Services staff (Regional Managers) will provide high-quality services based on the input of conservation district supervisors and managers from district meetings, and the WACD Area Meetings. Additional services planned include:

- Continue facilitation assistance where high-priority natural resource and “people” issues exist including the Coordinated Resource Management (CRM) and other collaborative processes.

- Develop quality training opportunities for Supervisors working with WACD and Washington Conservation Society, including training modules suitable for individual instruction and group presentation.

- Continue work with the district employees technical work group on certification programs for Dairy Nutrient Management and Riparian Management; collection of information on training needs and proficiencies of technical employees; training course development; and mentoring.

- Develop avenues and relationships to increase funding for local conservation projects based on the information entered in the state Conservation Practice Data System (CPDS), prioritized using local district criteria and contained in each district five-year and annual plans of work. Regional Managers are available to assist with arranging meetings among districts with state and federal agencies and non-government organizations (NGOs).

- Work with any remaining conservation districts that haven’t signed the revised Cooperative Working Agreement with NRCS, including agreement with addendums tailored to each district / field office need.

- Continue work with conservation districts and NRCS on task orders under the current $1 million Contribution Agreement.

- Work with conservation districts to develop stronger partnerships with state and federal agencies and NGOs to increase funding resources, shared resources, and coordination of programs.

- Assist conservation districts wanting to do a county-wide resource assessment with NRCS as part of an update to their long-range plan.

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SERVICES COMPLETED IN FISCAL YEAR 2014

Training: Regional Managers provided supervisor orientations for all new (and some experienced) district supervisors and district employees. A concept paper has been drafted by a partnership team of WACD, WSCC, and Washington Conservation Society (WCS) members for the next generation of supervisor training and leadership development. Coordinated training to meet the requirement for Open Government training legislation recently passed. Provided training at WADE Conference at the District Supervisors track on the following topics; Preventing Sexual Harassment; Developing the State Budget Request for 15-17 Biennium; Supervisor Open “Mike”; Supervisors Powers, Authorities, Legal Considerations; Board Member Leadership, Empowerment and Effectiveness; Your Workforce and Face of the CD; Partnering for Conservation Services and Program Delivery; Governance and District Operations; Informing and Involving the Publics; Public Records Retention and Availability; Funding Your District’s Program; and a Supervisor Roundtable with NRCS, WSCC, WACD Leaders.

Provided staff support for the District Technical Employees work group that have collected current data on proficiency and training needs inventory of the 165 technical employees and are developing a certification system for Dairy Nutrient Management Planners and Riparian Management Planners; Twelve conservation district employees are completing their training in conservation planning, leaving only two districts without a level three conservation planner on staff.

District Operations Assistance: District Operations Briefs were developed and distributed on the following subjects: Reporting Lobbying Activity; Debarment for Grant Funding Availability; Procedure for Establishing Rates and Charges Funding; Two New Unpaid Holidays Policy; Supervisor Email via Separate District Address. Continued assistance to districts in district operations and related Good Governance Process. A redesigned website is available for district operations reference materials on the SCC website. Provided facilitation assistance to districts on revisions to long-range plans, development of annual plans of work, district reorganization and/or consolidation, and relationships with landowners and partners.

WACD and NRCS Partnership Activities: Provided facilitation assistance to five USDA Local Work Groups in the development of natural resource priorities for Farm Bill programs. Continued work with conservation districts on Cooperative Working Agreements with NRCS including field office leases. Sadly...

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only seven conservation districts remain in the same office space as NRCS as a result of NRCS charging rent or equivalent services for space. Conducted a Buffer Outreach project with five districts to promote buffer practice implementation throughout the state. Commission and district staff are providing input into Farm Bill communications strategies.

**District Technical Service Provider Task Orders:** Conservation districts have continued to enter into task order agreements with the Commission for Farm Bill program delivery work funded by NRCS. A 50-50% statewide agreement provided for NRCS and State of Washington funding for the task order implementation on various Farm Bill programs by 19 conservation districts throughout the state. The total value of the work in 13 task orders with 11 districts is just under $500,000.

**Cultural Resources:** A Cultural Resources Policy for Commission funded cost share is being developed by SCC Staff and a Commission committee and should be approved before July 1, 2015, for the Commission use with conservation district projects to comply with the Governor’s Executive Order 0505. Staff have also been participating in the State Agencies Cultural Resource coordination meetings.

**Elections:** Provided guidance on the conduct of conservation district elections and appointments; Clarified statutory language and provided statewide consistency in the election and replacement of conservation district supervisors. Provided guidance to districts on election record retention policy. Policy and procedure clarifications were gathered from past election cycles and presented to the Commission and districts for comment, review, and adoption. Investigations of election irregularities were conducted. On-line and in-person trainings were provided by the Commission Elections Officer and Regional Managers observed several elections to spot-check how they were carried-out. A webinar was hosted by SCC on election procedures, appropriate forms, materials and documents that posted to our web page along with the recorded session.

**Audits and Schedule 22:** In consultation with the State Auditor’s Office (SAO), completed the fourth year of implementing the Schedule 22, which is a unified district operations and audit system combining the old district operations review, internal audit and some audit functions into one tool that guides where SAO will audit each year. This process allows districts, with the assistance of Regional Managers, to review how well they meet State requirements. State audits have been completed in districts for the year, meetings

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NATURAL DISASTER MANAGEMENT, RESPONSE, AND RECOVERY

The SCC continues to support the mission of our state’s conservation districts to enhance and protect natural resources. One area that has become an increasing focus of the Commission is in natural disaster response and recovery efforts. Immediately after a natural disaster there are private landowner needs that often are overlooked and unmet by the traditional emergency response network. Conservation districts can play an important role on private lands by meeting those unmet needs. The Commission works to support local conservation district efforts and to enhance its own staff ability to interact with the emergency response network.

Oso Landslide

With the support and direction of the Executive Director, Commission staff participated in response and recovery efforts related to the March 22, 2014 Oso Landslide. That participation included:

1. Specially trained Commission staff assisted the State Emergency Operations Center (EOC) in support of the Emergency Management Divisions' (EMD) activation on the Oso Landslide disaster. Commission staff served in the Finance and Administration, EOC supervisor, and Operations sections. Staff became very familiar with the "WebEOC" computer system and other operative systems of the EOC so we can participate in future EOC activations. Duties during the activation included:
   - Helping with development of the EOC staffing level and distribution pattern,
   - Verifying disaster information,
   - Operation and coordination of the EOC, and
   - Attending a variety of face-to-face meetings with EOC section chiefs and the EOC supervisor.

2. In conjunction with staffing the EOC, attended an informational session on recovery of costs for state and local agencies put on by the State EMD and FEMA.

3. Participated in the Snohomish CD FEMA Oso reimbursement “kick-off” meeting. After Hurricane Sandy, the Stafford Act was amended to allow for FEMA to pay 75 percent of a local and state govern-

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ment’s (qualified) disaster response expenses to be paid under certain terms. The qualifications and terms are quite complex, but FEMA and EMD work together to present these changes to public assistance applicants. Local and state governmental agencies seeking reimbursement submit a request for public assistance (RPA) to the State EMD public assistance folks.

4. Coordinated volunteering to assist other state agencies with the Oso Landslide response.

**Carlton Complex Fire**

During the Carlton Complex Fire in Okanogan County this past August 2014 (the largest wildfire in Washington State history), the Commission assisted the Okanogan Conservation District (and continues to do so) in a variety of ways:

1. Staff helped coordinate initial efforts with Okanogan CD and Cascadia CD to hold an informational meeting for agencies and entities related to the Firestorm, and have participated in subsequent coordination meetings for governmental agencies.

2. The Commission and Okanogan and Cascadia CDs organized a stakeholder meeting for local, state and federal agencies and entities to coordinate programs that might be used in recovery efforts.

3. Okanogan CD has taken the lead on engaging the federal Emergency Watershed Program (EWP) in recovery efforts. The Commission will serve as sponsor for the EWP and partner with the District to get recovery and prevention work done. Recovery and prevention efforts will focus on erosion control and flood control structures to be constructed on private lands.

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4. Okanogan CD coordinated the State and Local Burn Area Emergency Response Team (BAER team) — the first of its kind in the nation. Typically after wildfires on federal lands, the US Forest Service brings in a team of experts (engineers, hydrologists, geologists, soil scientists, etc) under a BAER team to conduct an analysis of the burned area to assess immediate live, safety, and property protection needs on that federal land. Okanogan CD was successful in putting together a local team of experts to assess State and Private lands which typically are overlooked in the Federal BAER team analysis. The Commission has worked with Okanogan CD to staff that BAER team.

5. Commission staff attended technical work group meetings and other disaster recovery coordination meetings of federal, state, local agencies, and NGOs.

6. The Commission worked with Okanogan CD to obtain 15 rain gauges which are needed in Okanogan County to give early warning in the burned areas of flash flooding during the coming months. The Department of Ecology was able to re-purpose 5 or so of their existing gauges to this task, and the National Weather Service placed them and began receiving data in September.

7. Commission staff continues to work on all the disaster-related paperwork, forms, and documentation necessary to support the relief efforts. Commission financial staff mostly has been assigned this daunting task, but they have been doing a wonderful job. We assisted Okanogan CD with interpreting FEMA rules and regulations regarding public assistance.

Washington State Conservation Commission members and staff visited the “Firewise” home of Peggy and Nobel Kelly (pictured above) in the Chiliwist Valley in Okanogan this July. Days later, as news of the Carlton Complex Fire became more and more daunting, we worried about the Kellys and their home. But, the Kellys’ home survived. The work they had done protected their home and made their property safely accessible for firefighters.

Photo provided by Skagit Conservation District
The Commission’s statute sets out a key role and duty for the agency in our state’s natural resources policy development and implementation:

To encourage the cooperation and collaboration of state, federal, regional, interstate and local public and private agencies with the conservation districts, and facilitate arrangements under which the conservation districts may serve county governing bodies and other agencies as their local operating agencies in the administration of any activity concerned with the conservation of renewable natural resources.

2014 POLICY ACTIVITIES

Commission staff is very engaged in a variety of processes, work groups, task forces, and other activities in an effort to present into these processes the role and value of the Commission and districts. A few of the areas in which we are currently engaged include:

**Precision Conservation:** A concept that has increased in prominence recently has been “precision conservation.” This refers to the implementation of best management practices in a manner that targets the natural resource concerns in a specific geographic area with the objective of getting the highest degree of landowner participation in the area. Research suggests, and some program examples such as the Conservation Reserve Enhancement Program (CREP) have shown, when the number of landowners implementing best management practices (BMPs) is over 75 percent in the geographic area that’s when measurable improvement in the resource condition is observed.

Many conservation districts already implement BMP programs in this manner. However criticisms of incentive-based program implementation continue in many policy venues. The argument is incentive programs have been implemented for many years in watersheds but we are still seeing resource problems in these areas. The argument continues, since incentive programs haven’t achieved resource objectives they should be replaced with a more regulatory approach. The fallacy of this argument is incentive programs typically are not implemented in a manner intended to improve all conditions in the watershed. They are implemented to address natural resource concerns on a particular parcel. To that end, incentive programs have been, and can be, successful.

Precision conservation can be a tool that addresses these concerns while utilizing traditional district programs. The approach responds to the criticism of incentive programs by implementing these programs in a focused approach, targeting a resource concern in a defined area, and implementing the BMPs with the intention of improving the natural resource concern across the geographic area. Precision conservation

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approaches can be enhanced by coordinating funding from other local, state, federal and tribal partners. This makes incentive programs even more cost effective and efficient and brings more financial resources to conservation districts implementing the programs. Elements of the precision conservation approach are incorporated into the Commission’s response to the NWIFC request to adopt a required buffer width. The Commission is also implementing shellfish funding in this way – targeting specific geographic areas in the watershed to maximize impact of funded projects. Precision conservation will be the trend in the near future and conservation districts are ideally positioned to be the leader in the area.

**Buffers and Treaty Rights and Risk, SCC Response:** In September 2013, the NW Indian Fisheries Commission (NWIFC) requested the Conservation Commission adopt the NOAA Fisheries buffer table and apply the buffer requirements to all Commission funding. The request was based on a concern for the status of salmon recovery, particularly in the Puget Sound basin. After taking comment from conservation districts and others the Commission acknowledged the concerns regarding the status of salmon recovery and related water quality and habitat conditions, but did not agree the application of mandatory buffer widths was the only approach to achieve results. The Commission’s response included the following actions:

1. Identify ways to increase landowner participation in incentive-based programs.
2. Evaluate whether existing standards and practices used by conservation districts when working with landowners address natural resource concerns, and improve the process for changing the standards and practices (if necessary).
3. Evaluate the current system of identifying natural resource concerns at the watershed scale and how conservation districts incorporate this information into their work plans to determine whether changes are needed in this process.
4. Consider how these issues might be included in the next biennial budget development process for conservation districts and the Conservation Commission.
5. Identify funding sources necessary to assist conservation districts in implementing any recommended program changes.
6. Evaluate watershed scale processes to identify “lessons learned” that could inform work with conservation districts on these topics.
7. Identify, evaluate, and where appropriate implement monitoring approaches that will assist in tracking progress on improving natural resources concerns and apply adaptive management principles based on monitoring results. Benchmarks would also need to be identified to determine whether progress is being made.

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8. Continue support for the Voluntary Stewardship Program (VSP).

9. Continue to support the efforts of the Washington Association of Conservation Districts (WACD), and conservation districts individually, in their efforts to build and continue strong working relationships with tribes.

Commission staff will continue to work with conservation districts and others as we develop the path forward in each of these response areas.

**Water Quality:** In early 2014, Ecology Director Maia Bellon convened the Ecology Ag and Water Quality Advisory Committee, which includes a broad array of agricultural and environmental interests to improve working relationships and ensure both water quality protection and a healthy agricultural industry. The first four meetings through September 2014 have included a number of introductory presentations on the work Ecology does, the role of WACD, and work of the Conservation Commission. A key presentation was from Tip Hudson of WSU Extension who shared his system for risk assessment tools for landowners. Moving forward in the remainder of 2014 there will be discussions on a possible guidance document and further discussion of the relationship between what Ecology inspection staff do, and what conservation districts do working with landowners.

Because of the ECY Ag and Water Quality discussions, the previous work of the 3 Directors has been put on hold. The directors (WSCC, WSDA, and ECY) were meeting to discuss roles and best approaches to achieve water quality results on agricultural lands. These meetings were expanded to include NRCS and EPA to incorporate concerns from a federal perspective. Finally, NOAA Fisheries and WDFW were added to discuss proposed buffer tables and the Priority Habitat and Species work for salmon recovery.

The multi-agency discussions may soon start again with particular focus on the salmon habitat work as it relates to water quality and agricultural lands.

**Voluntary Stewardship Program:** The Voluntary Stewardship Program (VSP) is a program established by the legislature in 2011 at the Conservation Commission. It is an alternative approach to addressing agricultural activities in critical areas under the Growth Management Act (GMA). Counties must act to opt-in to the program. A county not opting in must update their local critical areas ordinance using the traditional GMA approach and cannot exempt agriculture from the critical areas requirements. This approach leaves the county open to costly appeals if they fail to address ag activities. Twenty-eight counties opted-in to VSP. Counties opting-in are not required to take action until funding is provided. By July 2015 counties not implementing VSP, either due to lack of funding or some other reason, are removed from the program and must go back to the traditional GMA approach.

Counties are not required to begin planning until funding is made available. State funding was not forth-
coming in the first two years of the program, and Commission staff spent a considerable amount of time seeking federal funding. Finally, in the 2013 legislative session, funding was provided for two initial implementing counties – Thurston and Chelan. These two counties have been organizing and have begun the process of convening local work groups to build the VSP work plan. Local conservation districts in each county are participating in these efforts.

The Commission has requested full funding in the capital budget at $7.6 million in the upcoming 2015 legislative session.

**Water Quality Trading:** Last session, the legislature passed SHB 2454 directing the Conservation Commission to evaluate whether there are potential buyers and sellers in Washington watersheds for a water quality trading program. The SCC is to examine watersheds in which a total maximum daily load (TMDL) has been produced, assess whether there are potential buyers, or permit holders, and sellers of credit to support a water quality trading program consistent with the water quality trading framework developed by Ecology. This work is to be completed by October 2017.

A previous study done at the Conservation Commission in 2008 found private farms could supply substantial conservation gains through ecosystem markets. Water quality markets are promising, the study found, but will take longer to develop. More attention is needed to establish the appropriate market institutions before new markets are begun, the report concluded.

**Stormwater:** Commission staff has participated consistently in the Stormwater Work Group convened by Ecology. The group consists of representative from state and federal agencies, and from local cities and counties. SCC staff led a discussion in an agricultural stormwater runoff group examining actions that landowners can take to address stormwater. These discussions will continue.

**Results Washington:** Results Washington is Governor Jay Inslee’s performance management system for “building a more responsive, data-driven state government to get results.” State agencies are required to work together to develop strategic plans to meet five top goal areas of the Inslee administration. The Conservation Commission is the lead state agency for two indicators (objectives) under the goal “Sustainable Energy and a Clean Environment.” Those indicators are:

*Continued on next page...*
Policy, 2014 Activities – continued

1. Increase number of CREP sites to improve water temperature and habitat from 1,021 to 1,171 by 2015.

2. Increase number of implemented agricultural BMPs to improve water quality in shellfish growing areas in Puget Sound, Grays Harbor, and Pacific counties from 345 in 2008 to 750 by 2016.

The SCC is also participating on a third indicator (lead by the Department of Agriculture):

3. Maintain current level of statewide acreage dedicated to working farms with no net loss through 2015.

In September, Director Mark Clark gave a presentation to Governor Inslee on the status of the CREP indicator, which we are on target to achieve. The Governor was impressed by the CREP success story in the Tucannon River and encouraged the Commission, districts, and participating landowners not to be humble about promoting the results of this program:

“I encourage you to be vocal about your success. I think that’s important — getting citizens, taxpayers, to know they’re getting their money’s worth, that [CREP] really produces results... There’s a place for humility—this is not it.”

– Governor Inslee’s response to CREP successes in Results WA presentation
Programs and Activities

COORDINATED RESOURCE MANAGEMENT (CRM)

We continue to support several existing and new CRM groups. New groups include: Trout Lake, Black Wolf, North Lynden, Samish, three CRM groups in the Chehalis Basin, and one in Cowiche Creek. The Executive Committee meeting was held in Stevens CD in 2013 (wolves, livestock, and water quality) and planned for Grays Harbor and Pacific CDs in 2014 (shellfish and water quality). Success stories from previous CRM groups can be found on the SCC website: http://scc.wa.gov/coordinated-resource-management-program/.

OFFICE OF FARMLAND PRESERVATION (OFP) coordinated by Josh Giuntoli

OFP (RCW 89.10.010) was established to support the retention of farmland and the viability of farming for future generations. We work the farmland preservation issue with a variety of tools, including agricultural conservation easements, farm succession planning, estate planning, addressing regulatory issues, and land use. To help farmers stay on the land, it must be economically viable to continue farming. That’s why we work on issues relating to farmer access to farmers markets, local food availability, and value-added opportunities, such as mobile slaughter units. Maintaining the infrastructure of agriculture will help farming remain a viable economic opportunity for new and beginning farmers as well as those who have worked the land for generations.

Highlights from 2014

- We partnered with Eastern Klickitat CD and North Yakima CD to sponsor five agricultural conservation easement projects on 21,080 acres. Funding for these will be determined by the upcoming 2015 legislature. If your board is interested in learning more about this partnership or agricultural easements in general, please contact the SCC for more information.

- We published a workbook supporting farm transfer decisions. It’s available on our website at http://ofp.scc.wa.gov/. In addition to the workbook, we plan to engage the professional and agricultural community this year to have continuing education seminars and farmer outreach events to promote the workbook and farm planning in general. We’ll also coordinate an event with county staff from across the state as well as others to convene a meeting to discuss county farmland programs, county planning, and other topics with stakeholders and conservation districts.

- This fall the updated Farmland Preservation Indicators Report will be released. This will be available online at http://ofp.scc.wa.gov/.

Continued on next page...
• OFP participates in the Washington State Food Systems Roundtable to promote the connection of food and farms. OFP also participates in the legislatively established Habitat and Recreation Lands Coordinating Group. Our role here is to coordinate projects with other state agencies and report land efforts statewide.

To stay connected to farmland preservation issues, sign up for the monthly Washington State Farmland Preservation Newsletter at http://ofp.scc.wa.gov/preservation-news/.

COMMUNICATION AND OUTREACH

In February of 2014, the Commission made permanent the Communications and Outreach Coordinator staff position currently filled by Laura Johnson. This has allowed the SCC to better-perform our duty to promote the programs and services of conservation districts (RCW 89.08.070).

Highlights from 2014

• **Communications work group developing “marketing toolkit”:** The Communication, Partnership Building, and Outreach (CPO) group is working with marketing firm Allison + Partners to develop a “marketing toolkit” to promote districts and build a CD identity. The toolkit will include messaging, customizable templates, a color palette, font library, campaign image, and eventually many other tools. Internally, group members are also building a photo gallery that will be available in the coming months. Group members represent SCC staff and Commissioners; CD staff and supervisors from each region; and partners from WACD and NRCS.

• **We’re (back) on Facebook!** We re-launched our Facebook page after several months absence. The page is updated several times a week and has become a great place to share articles about conservation district events and achievements. Since the re-launch in April, we have more than doubled our followers.

• **Success Stories:** 17 conservation districts replied to our request for Success Story submissions this spring, submitting 24 stories. Stories were formatted into one-pagers and a “folio” of success stories from across the state. These publications have been distributed to state, federal, tribal, and NGO partners. We promoted them on the home page of the SCC website, Facebook page, and sent them in weekly updates to Commissioners. They were also used to substantiate the SCC 15-17 Budget Request. Contact Laura Johnson (ljohnson@scc.wa.gov) to learn how to submit your story.
## Assistance on 2013 Resolutions

The Washington State Conservation Commission is currently involved with the following 2013 resolutions:

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<tr>
<th>Resolution</th>
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<tr>
<td>2013-01: Define the extent and effect of the Supreme Court Decision in the Lemire case on agricultural operations.</td>
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<td>2013-02: Ensure that District Consolidation remains a voluntary action of the boards involved.</td>
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<td>2013-04: Buffer Width Compliance</td>
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<td>2013-06: Communicating the Work of CDs with the Public</td>
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<td>2013-07: WACD Consolidation Policy</td>
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<td>2013-08: : Utilizing Cat 3 Funds to Pool Cost Share Dollars</td>
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<td>2013-11: Recommendations Addressing Ecology Letters to Producers</td>
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<td>2013-12: WSCC Reallocate Cat 1 Funding to Districts in Multiple District Counties</td>
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<td>2013-13: WACD, WSCC include Res no. 08-003 in discussions w/ DOE</td>
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<td>2013-15: Budget Dev and Allocation</td>
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<td>2013-16: Conservation Budget Dev</td>
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<td>2013-17: Consolidation and Budget Issue Separation</td>
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<td>2013-18: Long-Term Conservation Funding Opportunities</td>
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<td>2013-19: SCC Agency Partnership Agreements to Expand Existing Sources of Funding for Conservation</td>
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<td>2013-20: Harmonizing Local and State Natural Resource Priorities</td>
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<td>2013-21: Collaborative Agency Program Agreements for NR Management: EPA 319 Plan</td>
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<td>2013-22: Collaborative Agency Program Agreements for NR Management: IE Grant Program as Model</td>
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<td>2013-23: Mandating Specific Practice Implementation as a Condition for Landowner Participation</td>
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