



# Washington State Conservation Commission

## Staff Notes on the Conservation Commission Special Meeting August 23, 2016 – Lacey, Washington

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The State Conservation Commission (SCC) met in Lacey, Washington on August 23, 2016 in a special meeting called for the purpose of a discussion of and take action on the proposed 2017-19 SCC operating and capital budgets to be submitted to the Office of Financial Management (OFM). The SCC also discussed and took action on the SCC Strategic Plan goals and strategies document. Below are the staff notes from SCC staff providing an overview of the discussion on these topics, and how they might affect you. Also attached are the motions from the meeting and associated documents.

### Proposed 2017-19 Operating Budget

Commission members reviewed the OFM provided carry-forward level for the agency. They also reviewed and discussed the proposed new funding requests. These include additional funding for the Voluntary Stewardship Program; a new Conservation Technical Assistance program; funding for elements of a Working Lands program; a Disaster Preparedness and Recovery program; and funding for fire recovery projects and Firewise projects. Brief descriptions of these proposals are provided in the attachments to these staff notes. Following an opportunity for public comment, the Commission members agreed to prioritization of the new funding requests (as required by OFM), and passed a motion approving the funding levels and proposals. A copy of the motion and funding amounts is attached.

### Proposed 2017-19 Capital Budget

Commission members reviewed the proposed capital budget for the next biennium. They also discussed the proposed increased funding requests in various program areas. Commission members supported the requests but encouraged staff to develop strong proposals for OFM that will include clear expression of need and description of what would be purchased with the requested funding. SCC members also identified a priority for the new funding requests as required by OFM. For the capital budget, the Commission identified two #1 priorities – shellfish and non-shellfish funding. The

members saw these two programs as linked and didn't want to separate them. They also identified two #2 priorities – CREP contract and engineering. These items are similar in they both propose to add much needed capacity for district activities which will allow for faster and more effective implementation of on-the-ground projects. A copy of the funding table with priorities is attached, along with a summary of the proposals.

### WSSC Strategic Plan Strategic Areas and Goals

The Commission reviewed the document “WSSC Strategic Plan Strategic Areas and Goals”. This document, which is attached to these notes, reflects an overarching outline of the Commission’s strategic areas and highlights of goals for each area. This is a high-level document that will be further developed in future SCC meetings. The Commission approved the use of this document as support for the budget proposals to be submitted to OFM.

### Next Steps

Following the approval of the Commission on the proposed operating and capital budgets taken at their Special Meeting, Commission staff will finalize the required decision package documents and submit them to OFM by the September 9 deadline.

Once the decision packages are completed and submitted to OFM they will be posted at the SCC website for review.

Conservation districts will have an opportunity to review and discuss how to advance these proposals at the WACD Area Meetings scheduled over the month of October.



Washington State  
**Conservation Commission**

## WSSCC Special Meeting

Lacey, Washington - August 23, 2016

Agenda Item:

Discussion of budget status and action on the 2017-19 proposed operating and capital budgets for submittal to OFM.

Meeting Motion:

Motion by Commissioner Longrie to approve the SCC Operating Budget and modified prioritization as reflected in the meeting packet (SCC S.M. Doc. 01-16). Seconded by Craven. Motion passes.



## 2017-19 Operating Budget Request

	<u>2015-17 Actual</u>	<u>Carry-Forward</u>	<u>WSCC Request</u>	<u>WSCC Priority</u>
Fiscal Year 2015	6,778,000			
Fiscal Year 2016	6,848,000			
Fiscal Year 2017		6,810,000		
Fiscal Year 2018		6,797,000		
<b>Sub-Total</b>	<b>13,626,000</b>	<b>13,607,000</b>		
State Toxics	1,000,000	1,000,000		
VSP	7,600,000	7,600,000	9,350,000*	3
Food Policy Forum	50,000			
Wildfire Recovery	6,800,000			
Firewise	1,000,000			
Conservation Technical Assistance			5,030,000	1
Working Lands			1,648,000	2
Disaster Preparedness and Recovery			630,000	4
Fire Recovery/Firewise			6,460,000	5
<b>TOTAL</b>	<b>30,076,000</b>	<b>32,226,000</b>	<b>15,518,000**</b>	

\* = NOTE: The request VSP figure of \$9,350,000 includes the \$7,600,000 carry-forward figure. The request on top of carry-forward is \$1,750,000

\*\* = NOTE: This figure does not include the \$7.6 million VSP, but does include the \$1,750,000.



## Voluntary Stewardship Program

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OFM released the agency carry-forward funding levels and included continuation of the \$7,600,000 for VSP. As base funding this amount will allow continued development of local VSP work plans. However the funding is insufficient to support finalizing the 27 VSP work plans, review of the VSP work plans by state agencies, and implementation of the VSP work plans by the counties once the work plans are approved. Also, the volume of work plans and time required for their development is requiring more staff time than previously predicted for the Conservation Commission. This reduced capacity has limited the ability of the Conservation Commission to respond to county requests for assistance.

Additional funding above the \$7.6 million is requested in the amount of \$1,750,000 for a biennial total of \$9,350,000. This amount will provide additional funding to the 27 VSP counties to support completion of the plans and plan implementation. Funding will also support state agency participation in the technical panel as required by the VSP statute. The technical panel will review the VSP work plans as they are completed and submitted to the Conservation Commission for approval. Additional funding will also supported needed capacity at the Conservation Commission to review and process the 27 VSP work plans as required by statute.

### Fiscal Summary - Cost per fiscal year:

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Staffing	\$169,000	\$169,000	\$169,000	\$169,000
FTEs	1.5	1.5	1.5	1.5
Admin/travel	\$31,000	\$31,000	\$31,000	\$31,000
Grants	\$4,475,000	\$4,475,000	\$4,475,000	\$4,475,000
Totals	\$4,675,000	\$4,675,000	\$4,675,000	\$4,675,000

## Conservation Technical Assistance

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This decision package requests additional resources for conservation districts to implement incentive-based programs in an approach where natural resource conditions of a geographic area are identified, and a targeted outreach strategy is developed. With this funding, conservation district staff will proactively provide outreach to landowners to build relationships in the area and offer incentive programs where needed.

Conservation districts will track where practices are implemented by landowners in the target area.

Funding in this request will also support Conservation Commission staff facilitation of a variety of multi-entity discussions at the state and local level. Commission staff is increasingly requested to provide facilitation services to help resolve complex and sometimes acrimonious natural resource issue discussions at the state and local levels. This activity is consistent with several elements of the Commission's strategic plan, which call for the Commission to be a more visible leader in addressing the interaction between landowners and managers (public and private) and natural resources. But responding to these opportunities and increasing requests have required shifting away from current funded priorities. Additional resources would allow the Commission to engage while continuing to perform other duties.

Under the Conservation TA proposal, conservation districts (CDs) will take the following approach to identifying, implementing, and monitoring this program:

- Identify and Prioritize Resource Concerns
- Identify Key Parcels
- Develop and Implement Outreach Strategy
- Provide Technical Assistance
- Assist Funding Practices
- Conduct Monitoring of Resource Concern(s) and Practice Implementation
- Adaptively Manage

Conservation districts will identify critical local natural resource concerns which may include one or more of the following issue areas. CDs were recently asked to identify which of the resource concern areas below in which they would be most interested. They could identify more than one. To date, 36 of 45 districts have responded with the following results:

- ▶ Parcel Resource Assessments – N/A (this is an approach not resource)
- ▶ Forest Management & Rangeland Health - 31 districts
- ▶ Critical areas outreach and assistance - 9 districts
- ▶ Soil Health and Erosion - 32 districts
- ▶ Air Quality - 10 districts
- ▶ Riparian Habitat - 33 districts
- ▶ Marine Shorelines - 11 districts
- ▶ Invasive species/noxious weeds - 28 districts
- ▶ Endangered Species - 22 districts
- ▶ Stormwater - 22 districts
- ▶ Water Quality / Water Quantity - 34 districts

**Fiscal Summary - Cost per fiscal year:**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Staffing	\$220,000	\$220,000	\$220,000	\$220,000
FTEs	2.0	2.0	2.0	2.0
Admin/travel	\$45,000	\$45,000	\$45,000	\$45,000
Grants	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000
<b>TOTALS</b>	<b>\$2,515,000</b>	<b>\$2,515,000</b>	<b>\$2,515,000</b>	<b>\$2,515,000</b>

## Natural Disaster Preparedness and Recovery

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Natural disasters are increasing in frequency and severity in Washington State. Conservation district and Commission staff play an important role in the aftermath of such disasters. The Commission, through its partnership with conservation districts, provides intergovernmental coordination, damage assessment, individual private landowner technical assistance, and recovery grants and cost-share to serve the natural resource needs of survivors of those disasters.

This budget decision package provides funding to support the Commission and districts in three areas:

- Disaster response and recovery training for District staff
- Natural disaster response and recovery funds and matching funds
- Forest health, Firewise, and defensible space education and funds

### Disaster response and recovery training for District staff

Funding would be used to train District staff to provide disaster response and recovery services, allowing them to reach disaster survivors quicker and more effectively.

Training opportunities will be leveraged to insure that the Commission and conservation district staff members are integrated into current state and federal training efforts. Training opportunities available through the state, and federal partners will be utilized.

Both the Commission staff member and the designated district employees will be trained in disaster assistance operations and response and recovery programs. Specifically, they will be trained in the response and recovery programs and grant opportunities uniquely available to private landowners, including local, state and federal programs. District staff will also be trained to provide the appropriate disaster assessment and damage information to support the FSA County Executive Director (CED) in their information gathering efforts.

### Natural disaster response and recovery funds and matching funds

This decision package would establish a disaster response and recovery fund within the Commission dedicated to accessing and leveraging federal disaster recovery funding programs to provide cost-share recovery programs in affected local communities after natural disasters. Funds will be used to fund directly, or as federal match, projects that protect critical natural resources destroyed in the natural disaster.

Funding will be used as cost-share to private landowners to assist them with replacing critical agricultural and other property infrastructure related to natural resource management, stabilize soils, and partially fund conservation district staff time to coordinate landowner cost-share and coordination with other entities assisting with fire recovery efforts. Projects include critical area seeding and planting, fence repair/construction, stock water system repairs, noxious weed control, and hazard reductions such as flash flood diversions and/or hazard tree removal.

The Commission and Districts' ability to respond quicker and with more flexibility to natural disaster survivors' needs results in a quicker recovery and contributes to the overall resiliency of the local community.

Forest health, Firewise, and defensible space education and funds

By providing preventative education, fuels reduction, and implementation of best management practices, private landowners can increase their ability to recovery from these natural disasters and strengthen their local communities.

The Commission and Districts will assist DNR to address the growing problem of unhealthy private forest and rangelands, as well as the associated and growing threat of wildfire and its impact on natural resources and private property by working with conservation districts and their communities, to as well as state and federal agencies through public education, technical assistance and on the ground treatment through best management practice implementation to restore our forests and range lands.

The Commission and Districts will assist owners of private lands to proactively work to minimize the impact of future wildfires by the identification of areas at risk to wildfire through Community Wildfire Protection Plans and the implementation of fuels reduction projects in critical areas.

**Fiscal Summary - Cost per fiscal year:**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Staffing	60,000	60,000	60,000	60,000
FTEs	.5	.5	.5	.5
Admin/travel	5,000	5,000	5,000	5,000
Grants	250,000	250,000	250,000	250,000
Totals	315,000	315,000	315,000	315,000

## **Working Lands Viability**

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The loss of farmland in Washington State threatens our ability to produce locally grown food and undermines one of our top economic activities – agriculture production and processing. The state Office of Farmland Preservation (OFP) located at the State Conservation Commission (SCC) is charged by statute to examine and address the factors contributing to the loss of farmland. The approach taken by OFP to address farmland loss is to utilize a number of tools to support farm viability. If farmers can make money farming their land, they will be more likely to stay in agricultural production and the land remains as working farmland.

This proposal seeks funding for four programs that support working lands viability:

- Vets on the Farm
- Food Systems / Small Farms
- Farmland Preservation
- Energy Conservation / Climate Adaptation & Resiliency

### **Vets on the Farm**

Developed at the Spokane Conservation District, Vets on the Farm is an innovative program to help our veterans by providing them with opportunities to own and operate their own farm or work in agriculture or other conservation/natural resource career field. The success of the program in Spokane, and the interest of veterans groups and the state Department of Veterans Affairs points to the opportunity to expand this program statewide.

Funding in this decision package will provide for the development and expansion of such a statewide program.

### **Food System/Small Farms**

A key component to ensuring farmers can stay on the land is to have vibrant markets for their products. If farmers are making money farming, they will stay on the land. Profitable farming will also attract new farmers. An increasing trend in interest in local foods creates an opportunity for improving the economic viability of farms, particularly of smaller farms.

These farms are more reliant on local market opportunities. Conservation districts are ideally situated to provide information to farmers on market opportunities. In fact, many conservation districts are involved at the local level in food policy issues. Food policy is also an issue gaining in importance for urban legislators and local governments.

Funding in this decision package will support new opportunities for the SCC, OFP, local engagement and leadership on food policy and food system issues. New funding will also support conservation district engagement at the local level with other entities engaged in food policy actions. This local engagement will result in local strategic initiatives to increase farmer opportunities in new markets. The SCC and OFP will also work with conservation districts, the Washington Department of Agriculture (WSDA), WSU Extension, the Association of Washington Counties, and the Association of Cities, and other local and regional entities and non-profits to identify and implement approaches to enhance the viability of small farms through the development of strategic initiatives.

### **Farmland Preservation**

The Office of Farmland Preservation (OFP) was established at the SCC in 2007 with the specific purpose of identifying and addressing the factors contributing to the loss of farmland. Among the many tools OFP uses to address the loss of farmland, conservation easements are proving to be increasingly popular. Current funding for these easements at both the state and federal levels has been insufficient to meet the need. Furthermore, conservation criteria used in existing state programs tend to focus on habitat and environmental elements over maintaining the farm in agricultural production.

The proposal includes additional resources for the OFP to conduct additional research on affirmative farming easements, examining the cost to acquire, the legal issues relating to acquiring easements, innovative incentives for keeping land in farm production, including approaches to modifying existing programs, reviewing models from other jurisdictions, and other topics.

### **Energy/Climate**

The USDA has emphasized the importance of energy efficiency programs for farmers as an effective tool for reducing farmer costs while addressing the increasing demands for sustainable energy production. We are also increasingly experiencing the impacts of climate change on our natural resources, with the most visible impacts being increased wildfire danger and more severe droughts.

The funding in this decision package will implement and support conservation district technical assistance capacity to assist landowners with energy assessments and implement practices to more efficiently use energy. Funding will also support SCC

engagement in climate discussions and work with conservation districts and other entities to develop approaches to make landowners more resilient to the potential changes.

**Fiscal Summary - Cost per fiscal year:**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
<b>Staffing</b>				
Vets on the Farm	\$40,000	\$40,000	\$40,000	\$40,000
Food System	\$70,000	\$70,000	\$70,000	\$70,000
Farmland Preservation	\$70,000	\$70,000	\$70,000	\$70,000
Energy/Climate	\$20,000	\$20,000	\$20,000	\$20,000
<b>FTEs</b>				
Vets on the Farm	.3	.3	.3	.3
Food System	.5	.5	.5	.5
Farmland Preservation	.5	.5	.5	.5
Energy/Climate	.2	.2	.2	.2
TOTAL FTE:	1.5	1.5	1.5	1.5
<b>Admin/travel</b>				
Vets on the Farm	\$5,000	\$5,000	\$5,000	\$5,000
Food System	\$5,000	\$5,000	\$5,000	\$5,000
Farmland Preservation	\$5,000	\$5,000	\$5,000	\$5,000
Energy/Climate	\$4,000	\$4,000	\$4,000	\$4,000
<b>Grants</b>				
Vets on the Farm	\$300,000	\$300,000	\$300,000	\$300,000
Food System	\$150,000	\$150,000	\$150,000	\$150,000
Farmland Preservation	\$15,000	\$15,000	\$15,000	\$15,000
Energy/Climate	\$140,000	\$140,000	\$140,000	\$140,000
TOTAL COSTS:	\$824,000	\$824,000	\$824,000	\$824,000

## Fire Recovery / Firewise

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The Conservation Commission has been actively working with Conservation Districts (CD's) and assisting partners with the implementation of fire recovery activities needed due to the fires of 2015 as well as the Carlton Complex fire of 2014. To date funds for many projects have been awarded to landowners and there is no doubt that many additional projects will be awarded and implemented prior to the end of the current biennium. However, a number of obstacles have become evident in regards to the current supplemental funding allocation that could likely contribute to the full \$6.8 million supplemental allocation not being able to be spent on projects. Examples of these obstacles are as follows:

- Estimation of Costs: Cost estimates were developed at a time after the fires when there was little information. New information changed the actual project costs.
- Time Period to Implement: Due to the supplemental budget not being signed until mid-April and the funding expiration of June 30<sup>th</sup> of 2016 it was found that this short time period to implement projects could be an obstacle for landowners and projects.
- Uncertainty of Federal Programs (EWP and EQIP): A portion of the supplemental allocation was intended to assist in the implementation of Federal programs from NRCS and FSA. The NRCS requested funding from the Emergency Watershed Program (EWP) to address sites that were in imminent danger of loss of life or property. The NRCS also requested funding from the Environmental Quality Incentives Program (EQIP) to address fire related losses. Federal allocation for both of these programs was very late in approval.
- Federal ECP program: ECP was generally utilized to fund fencing that was lost due to the fires. ECP payments are calculated in such a way that any other public assistance would reduce the federal payment to the landowner. For this reason, in most cases, state funding is incompatible with projects that are also receiving ECP payments.
- Landowner Interest: As a result of the items above and other factors, many landowners either decided to move forward without assistance due to time constraints or elected to not participate due to frustration or other factors. Some landowners that may have been initially interested dropped during the long wait time (in the case of the Carlton Complex almost 2 years).

There are several anticipated projects that cannot be completed prior to the end of the biennium due to one or several of the factors above. For this reason we have included funding figures for the upcoming biennium to address these anticipated projects. We have also included funding figures to provide CD's the ability to respond and assist with current or future fire related losses that could not be addressed with the 2016 supplemental funds.

Firewise

Firewise funding is requested in the amount of \$2,000,000. Districts partner with the DNR for outreach and education efforts on forest health, Firewise , and defensible space for private landowners. However, those efforts are inadequate to meet the needs to provide that education and outreach before a wildfire occurs. Conservation districts are working with private landowners on projects after the most recent fires in 2014-2015.

By providing preventative education, fuels reduction, and implementation of best management practices, private landowners can increase their ability to recovery from these natural disasters and strengthen their local communities. The Commission and conservation districts will assist DNR to address the growing problem of unhealthy private forest and rangelands, as well as the associated and growing threat of wildfire and its impact on natural resources and private property by working with conservation districts and their communities, to as well as state and federal agencies through public education, technical assistance and on the ground treatment through best management practice implementation to restore our forests and range lands.

**Fiscal Summary - Cost per fiscal year:**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Staffing	60,000	60,000	60,000	60,000
FTEs	.5	.5	.5	.5
Admin/travel	10,000	10,000	10,000	10,000
Grants	3,160,000	3,160,000	3,160,000	3,160,000
Totals	3,230,000	3,230,000	3,230,000	3,230,000



# Washington State Conservation Commission

## WSCC Special Meeting

Lacey, Washington - August 23, 2016

### Agenda Item:

Discussion of budget status and action on the 2017-19 proposed operating and capital budgets for submittal to OFM.

### Meeting Motion:

Motion by Longrie to approve the SCC Capital Budget as modified in the meeting packet and prioritization as modified (SCC S.M. Doc. 02-16). Seconded by Welker. Motion passes.



## 2017-19 Capital Budget Request

	<u>2015-17 Actual</u>	<u>WSCC Request</u>	<u>WSCC Priority</u>
CREP Riparian Cost Share	2,600,000	3,500,000	3
CREP Riparian Cost Share – Reappropriation	800,000	500,000	
CREP Riparian Contract	2,231,000	4,007,400	2
CREP Riparian Contract - Reappropriation	500,000	400,000	
CREP PIP Loan	0	50,000	
CREP PIP Loan – Reappropriation	150,000	100,000	
Natural Resource Investments- shellfish	4,000,000	6,000,000	1
NR Investments – Shellfish reappropriation		xx	
Natural Resource Investments- non-shellfish	4,000,000	8,000,000	1
NR Investments Reappropriation	2,250,000	xx	
Match for Federal RCPP	5,000,000	9,646,200	4
Match for Federal RCPP – Reappropriation		4,051,630	
Irrigation Efficiencies (via Ecology)	4,000,000	5,000,000	
Lust Family Farm Preservation	1,619,000		
SCC Ranchland Preservation Projects	7,573,000		
Farmland Preservation – Reappropriation		xx	
Farmland Preservation – New Project		\$4,000,000	5
R&D Grant – Deep Furrow Drill	350,000		
Dairy Nutrient Demonstration Low Interest Loans	5,000,000		
Dairy Nutrient Loan Reappropriation		5,000,000	
Engineering		2,250,000*	2
Totals:		New: 37,453,600	
		New Over 2015-17: 5,080,000	

\* = Commission requested funding for each engineering region should be equal to 1 FTE. SCC will determine the standard FTE amount. This figure could change.



## CREP

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### Funding Request:

	<u>2015-17</u>	<u>2017-19</u>
CREP Riparian Contract	\$2,600,000	\$3,500,000
CREP Cost Share	\$2,231,000	\$4,007,400

### CREP Riparian Contract

Funding in this proposal will support Conservation Reserve Enhancement Program (CREP) contract development and implementation. This project provides funds for conducting landowner outreach, developing plans and managing project implementation to continue the work with private landowners.

Increasing concerns regarding the pace of progress on improving natural resource condition has led the Conservation Commission and conservation districts to identify how we can contribute to change the pace of restoration. At current rates (30.1 miles of buffer implementation per year) we estimate that another 290 years will be required to reach the 10,000 mile target set by the FSA for the program. Even at an ambitious rate established in the program's early phases (1999-2004), we estimate another 80 years would be required to reach our target. Current CREP funding for conservation districts supports limited program growth that is not meeting restoration targets and does not reflect the true cost of doing the work that is needed to maintain, much less expand the program.

Additional funding is requested for conservation districts with small programs and limited financial resources to support at least a part-time position whose sole responsibility is to develop relationships with potential program participants, actively promote the program, and provide growth consistent with program, Commission, and Results Washington goals. Larger conservation district programs are in need of funds to re-enroll projects and conduct mid-contract management.

### CREP Riparian Cost Share

This request is to provide matching funds for project implementation to continue the CREP with private landowners. The riparian cost share funding sought in this request will provide the state match for federal funding to continue this critical habitat restoration and conservation program. The state will provide 20% to match the federal 80% contribution.

Additional funding is requested for three efforts identified in Results Washington measures:

- A pilot program to determine net commodity prices for current crops and provide incentives to match that value in a one-time incentive that provides equivalent net income for producers of high-value crops such as cranberries, blueberries and orchards.
- A pilot program to offer a cumulative impact incentive to reward producers in a five mile reach that enroll 50% or more of the length with a one-time bonus, similar to a program offered by Oregon's CREP program.
- A pilot program to identify specific resource concerns in reach, then offer a one-time incentive to producers in that reach for signing up for CREP.

## Natural Resource Investments - Shellfish

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Funding Request:

	<u>2015-17</u>	<u>2017-19</u>
Shellfish	\$4,000,000	\$6,000,000

Shellfish Protection and Restoration Projects

Since 2013, the Conservation Commission has implemented shellfish projects in a targeted approach to focus projects in local areas to produce measurable natural resource improvements. Funding in this proposal will continue support for on-the-ground implementation of best management practices that will address negative inputs to water quality that can lead to downgrades or closure of shellfish harvest areas. The negative inputs include not only nutrient inputs that directly affect shellfish, but will also address inputs that exacerbate ocean acidification impacts.

Management practices will be implemented in a targeted approach where conservation districts will identify a geographic area of concern where negative inputs are of the most concern and conduct outreach in these areas to identify potential shellfish projects. The projects are funded based on readiness of the landowner to proceed with the project, the level of risk posed by the condition of the land, the status of the shellfish growing area impacted, and the relationship of the proposed project to other implemented projects along the same stream system.

## Natural Resource Investments – Non Shellfish

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Funding Request:

	<u>2015-17</u>	<u>2017-19</u>
Non Shellfish	\$4,000,000	\$8,000,000

Natural Resources Investment for the Economy and Environment

Funding in this request will be used by conservation districts to assist landowners with the installation of best management practices (BMPs). BMPs include construction of fencing, stormwater management structures, manure management structures, water efficiency projects, and other on-the-ground projects protecting natural resources. Projects will protect and restore natural resources while maintaining viable agriculture by limiting transport of sediment, nutrients (nitrogen and phosphorous), and pathogens to our ground water, surface water, and air. Projects will also generate agricultural water savings through practices across the state improving in-stream flows and water quality, and conserve energy. Funding will support pre-project design and management, including engineering and cultural resource review, and support technical assistance during project implementation.

The process for allocating these requests funds to conservation districts requires the local conservation district to prioritize the projects at the local level to ensure they are the most beneficial projects for the resource concern. High priority projects are funded first. Priority is established at the local level by evaluating the benefits of the project to the overall resource concern.

The Conservation Commission conducts implementation monitoring of installed practices to ensure the projects are constructed according to specifications. This monitoring consists of personal, on-site inspections by Conservation Commission regional manager staff.

**Provisos** - *If a proviso is needed, explain why and include recommended proviso language.*

Proviso language is needed to help define the purposes for which the funding is to be used when addressing natural resource conditions statewide and distinguish the funding from shellfish funding.

Suggested proviso language:

The appropriation is provided solely for grants for natural resource enhancement projects necessary to improve water quality, water quantity, salmon habitat, air quality, endangered species, forest health, soil health, and other important natural resource issues.

## Match for Federal RCPP Program

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Funding Request:

	<u>2015-17</u>	<u>2017-19</u>
RCPP - New	\$5,000,000	\$9,646,200

The Regional Conservation Partnership Program (RCPP) is a program within the U.S. Department of Agriculture (USDA) and part of the 2014 federal Farm Bill. The RCPP encourages coordination between the Natural Resource Conservation Service (NRCS) and local partners to deliver conservation assistance to agricultural producers and landowners. RCPP combines four existing NRCS programs for improved coordinated delivery of these programs at the local level.

State, local, and non-profit entities are allowed to submit pre-proposals to USDA for RCPP consideration. Following review of the pre-proposals, USDA will select a few for full proposal submittal and consideration for final RCPP designation. The decision on pre-proposals has been made. The final decision on proposals isn't expected until January 2017.

Proposals submitted for final review will need to show availability of matching funds, including state dollars. This budget request would provide state matching funds for proposed RCPP projects.

Approved 2015 – Needing new funding:

**Palouse River Watershed (WRIA 34) Implementation Partnership**

Lead partner: Palouse Conservation District

Through implementation of the Palouse River Watershed Management Plan, more than 15 partners will work with producers to address TMDL concerns and reduce water quality regulatory action on producers in this area of Washington and Idaho. Innovative project components include promotion of the Farmed SMART Certification program (which provides an opportunity for environmental markets), enhanced incentives for riparian buffer establishment including five years of buffer maintenance, and the establishment of a watershed-wide monitoring effort that encourages landowner involvement in monitoring of natural resource conservation improvements. In addition to improved water quality, the project is expected to benefit fish and wildlife habitat, including four fish species of concern.

### **Precision Conservation for Salmon and Water Quality in the Puget Sound**

Lead Partner: Washington State Conservation Commission

Partners will use an ecosystem-wide system for targeting high priority areas to improve water quality and habitat for at-risk species, including Chinook salmon, bull trout, and steelhead. Within focus areas, a farmer-to-farmer approach will be used to increase participation and ensure buy-in from the local community. Opportunities to provide additional outreach to Hispanic and Asian producers and a strong consideration of Tribal needs are included in the project plan.

Approved in 2016:

### **Greater Spokane River Watershed Implementation**

- Proposed NRCS Investment: \$7.7 million (National)
- Lead Partner: Spokane Conservation District
- Number of Partners: 21
- Participating State(s): Idaho & Washington (lead state)

Significant sources of sediments and nutrients are carried to the Spokane River watershed by its larger tributaries, and low dissolved oxygen levels and algae blooms threaten aquatic life in the Spokane River, Lake Spokane and Coeur d'Alene Lake. Reducing nutrients is key to resolving water quality degradation throughout the Greater Spokane River Bi-State Watershed. TMDL and lake management implementation plans stress the need to address agriculture and forestry within these watersheds. This project supports regional momentum towards adoption of conservation tillage operations and best management practices. Tens of thousands of agricultural and forestry acres, including a tribal farm, will benefit through voluntary NRCS programs. Wildlife and fish habitat will be protected and long-term easements will be developed for several forest and wetland acquisitions. In addition, this project will introduce a new program that involves using the Risk Management Insurance models to compensate producers for the loss of productive land entered into vegetative buffers. This new commodity buffer program is designed to bridge the financial gap in current cost-share programs and encourage producers to cooperatively implement these practices on their farms. Project success will be evaluated by extensive watershed based field monitoring to track improvements in water, soil and habitat.

Proposal Submitted for 2017:

### **Yakima Integrated Plan - Toppenish to Teanaway Project**

Lead Partner: Kittitas Conservation District

Match Need: \$1,669,000 over 5 years

Proposal Total: \$9,425,925

This proposal includes grazing and habitat projects in the Yakama reservation on Toppenish Creek and Satus Creek. Other projects include irrigation improvements with the

Wapato Irrigation Project, sprinkler conversion projects, and fish screens/fish passage projects in the Kittitas valley. Also, conservation easements (ag easements & healthy forest reserves) and grazing improvements in the Teanaway valley.

### **Southwest Washington Non-industrial Private Forest Lands Conservation Partnership**

Lead Partner: WDFW

Match Need: \$375,000

Proposed Federal Total: \$1,300,000

This proposal will focus on providing technical and financial assistance to non-industrial private forest landowners and tribal landowners to improve forest health, fish and wildlife habitat, and water quality.

The program area includes Grays Harbor, Mason, Thurston, Lewis, Pacific, Wahkiakum, Cowlitz, and Clark Counties.

DNR and conservation districts will conduct outreach and education activities and provide technical assistance to NIPF owners to develop and implement forest stewardship plans with funding from the Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP). WSCC will distribute NRCS technical assistance funding to the conservation districts. WDFW will administer the program and assess fish and wildlife habitat and species presence on lands enrolled in the Healthy Forests Reserve Program (HFRP) and other participating lands with willing owners.

### **Soil Health in the Pacific Northwest**

Lead Partner: Okanogan Conservation District

Match Need: \$750,000

Proposed Federal Total: \$9,000,000

The Okanogan Conservation District, Wasco Soil and Water Conservation District and the University of Idaho Extension have partnered to help producers utilize soil health and water quality improving practices to mitigate long term risk, drought effects, and climate change impacts on farms throughout Idaho, Oregon and Washington. This will be done through adaptation of proven soil health improving practices, focusing on cover crops in cereal grain production systems in non-irrigated (dryland) regions of the Pacific Northwest. This proposal will utilize a regional approach to provide information to producers on soil health, provide cost share to allow producers to try cover crops on their farm, and monitoring to aid decision making by producers and agricultural professionals.

## Farmland Preservation

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Funding Request:

	<u>2015-17</u>	<u>2017-19</u>
Farmland Easement	\$9,192,000	\$4,000,000

New requested funding will support a project in development for a farm near an urbanizing area. The project will protect important habitat values while having a focus on preserving working farmland for future farmers.

## Engineering Project Design and Implementation

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Funding Request:

	<u>2015-17</u>	<u>2017-19</u>
Engineering	\$1,350,000	\$2,250,000

The State Conservation Commission (SCC) currently maintains a vital Professional Engineering (PE) program at conservation districts across Washington to provide engineering design services for constructing natural resource enhancement and conservation projects. The PE program allows for a wide range of projects focused on natural resource concerns and is utilized by private landowners, tribes, local, state, and federal entities. Projects funded by grants through entities other than the SCC often use PE program services. The PE program is required and necessary to implement capital budget projects.

This funding request will provide financial support to partially fund the cost associated with maintaining the SCC PE program for each regional engineering area. The regional conservation district PE within each area provides the following services such as project scoping and development, technical grant writing, project design, writing design specifications, construction contacting, construction oversight, project management and a range of other services valuable to conservation district staff, landowners, tribes and partnering stakeholders.

Current engineering funding provides \$75,000 per year to each of 9 clusters. This proposal seeks an additional \$50,000 per year per cluster.

At the Conservation Commission's Special Meeting on August 23, 2016, the Commission approved the funding amount for 2017-19 and directed staff to identify a dollar figure adequate to fund 1 FTE in each engineering region. The \$2,250,000 figure may change after this analysis is completed.





# Washington State Conservation Commission

## WSCC Special Meeting

Lacey, Washington - August 23, 2016

### Agenda Item:

Discussion of budget status and action on the 2017-19 proposed operating and capital budgets for submittal to OFM.

### Meeting Motion:

Motion by Kropf to approve the agency strategic plan and goals as reflected in the meeting packet (SCC S.M. Doc. 03-16). Seconded by Beale. Motion passed.





**FOUNDATION FOR OUR WORK:**

**Our Mission**

To conserve natural resources on all lands in Washington State, in collaboration with conservation districts and other partners.

**Our Vision**

Our state shall have healthy soils, water, air, and ecosystems, and sustainable human interaction with these resources, including viable agriculture and forestry. The State Conservation Commission and conservation districts are recognized as trusted partners who incite voluntary stewardship and accomplish natural resource goals.

**Our Values:**



**SUSTAINABILITY** We envision a future with healthy, diverse landscapes—including viable working lands—voluntarily supported by informed resource stewards.



**RELATIONSHIPS** We foster strong partnerships with a diversity of stakeholders and maintain open communication and transparency to create trust.



**KNOWLEDGE** We value local knowledge, diverse cultures and ideas. We strive to offer voluntary, collaborative solutions that reflect state, local, and community priorities.



**ACCOUNTABILITY** We employ clear policies procedures, and performance measures that ensure effective, efficient use of public resources.



**RESPECT** We exhibit personal and institutional integrity for agency members and staff, conservation districts, and our partners.

**STRATEGIC AREAS AND GOALS:**

**Commission Operations**

With leadership from an engaged board, we hire and empower talented staff, support strategic decision-making, and employ clear procedures.

- Develop a clear, effective process for capturing feedback and evaluating our work.
- Create and follow a strategy that helps us demonstrate trust internally and with partners.
- Empower our leaders and staff with the appropriate skills and capacity to perform their work.

**Resource Conditions**

We demonstrate that voluntary conservation programs and services lead to natural resource improvements.

- Develop and employ a transparent process that helps us prioritize funding needs based on highest return.
- Develop and implement a natural resources conditions data plan.
- Explore creating an agency science program.

**Resource Issue Facilitation**

We're uniquely positioned to coordinate local, state, federal, and tribal entities to identify and resolve natural resource issues.

- Provide resources and training to conservation district personnel and supervisors that improves skills in conflict resolution, mediation, and collaborative negotiation.
- Increase awareness of our leadership in coordinating multi-agency discussions.

**Public Outreach and Marketing**

A diversity of citizens, stakeholders, and leaders recognize our agency and districts for their achievements and collaborative approach.

- Develop a marketing plan / strategy and explore effective communication outlets.
- Support the Communications, Partnership Building, and Outreach Committee.
- Engage landowners and partners in support for natural resource funding.
- Support district outreach and education efforts.

**Sustainable Funding**

Our agency and districts have secure funding that allows us to retain talented staff and confidently launch long-term, strategic work plans.

- Promote our story and accomplishments to partners and decision makers.
- Develop partnerships and build support among a diversity of partners.
- Document how we leverage funding and work with partners to promote each other's services.

**District Operations**

We enhance conservation districts' ability to deliver quality technical, financial, and educational services that meet local and natural resource needs.

- Use Good Governance rules to ensure money is spent wisely.
- Develop process to assess funding allocation to build district capacity, define roles and expectations for staff and supervisors, define process for dealing with detrimental behavior.

**Statewide Program Delivery**

Our programs meet local and state resource priorities. With districts, we maximize community-based models to deliver effective solutions.

- Promote the community-based nature of our work and effectiveness of voluntary approach.
- Demonstrate program effectiveness by providing solid, meaningful data.
- Continue effectiveness monitoring; evaluate and report the impacts of our programs.

**Policy Leadership**

We lead in the development and implementation of policies related to natural resource conservation and viable land use.

- Get district input the natural resource policy areas where they want our leadership.
- Support districts' engagement with county-level resource planning and implementation.
- Acquire necessary capacity to engage in key policy discussions.

**Partnering**

We are a "go-to" partner that unites natural resources and agricultural stakeholders and implements collaborative, effective conservation solutions.

- Define, respect, and support our agency role and the roles of our partners.
- Maintain relationships and foster new partnerships.
- Provide a clear picture to our partners of the role of voluntary conservation programs.

**Technical Capacity**

Conservation districts have premier technical capability and capacity to create and implement conservation systems and programs.

- Support and fund the Center for Technical Development; identify training needs; provide expertise and certification.
- Engage landowners and partners in support for natural resource funding.
- Urge districts to pool resources and expertise.
- Co-host trainings with our partners.