



Washington State Conservation Commission

August 26, 2018

TO: Conservation Commission Members
Mark Clark, Executive Director

FROM: Ron Shultz, WSCC Policy Director

SUBJECT: 2019-21 Operating and Capital Budget Proposals Approval and
Prioritization.

Requested Action: Two decisions are needed by the Commission at the August Special Meeting:

- Review, prioritization, and approval of the proposed 2019-21 WSCC operating budget.
- Review, prioritization, and approval of the proposed 2019-21 WSCC capital budget.

Discussion:

At the July Commission meeting, the Commission approved staff proceeding with development of budget request decision packages for a number of operating and capital budget proposals. Now the Commission must give final approve for these proposals to be submitted to the Governor's Office and the Office of Financial Management (OFM) by the deadline of September 12.

In addition to approval of the budget submittal, the Commission must prioritize the items in both the operating budget and the capital budget. OFM requires this prioritization as part of our budget submittal.

At the Commission's Special Meeting, Commission staff will review each of the proposed decision packages and the amount of the funding request. Attached is list of each decision package and the amount of the request. The Commission has reviewed this list at previous meetings. Little has changed in terms of the activities to be funded in each item. Some of the funding amounts may have changed slightly.

Operating Budget Proposals

Conservation Technical Assistance

Background

The majority of Washington's diverse natural resources are either on or contiguous with privately owned land. Across the state, natural resources are impacted by landowner activities. Private landowners prefer and trust the non-regulatory, information/incentive-based approach to learning how to properly manage the resources connected to their land. Incentive-based programs address these concerns by engaging willing landowners to take action to correct impacts. Conservation Districts are the only public entity with the sole statutory mandate to provide non-regulatory, incentive-based, service to landowners.

Current Situation/Problem Statement

Non-regulatory, incentive based conservation programs effectively implement natural resource improvements and build landowner engagement and commitment, yet these programs are criticized because natural resource concerns, like poor water quality or lack of fish habitat, persist. Four things account for this limited progress:

- (a) Non-regulatory, incentive-based conservation has never been funded commensurate with the scale of the demand and need with thousands of landowners not receiving help;
- (b) Funders are usually more interested in paying for the construction of conservation projects than for the planning and development work it takes to get those projects ready to build; in effect paying for the "golden egg" without paying for the "goose" that lays it.
- (c) Small amounts of funding distributed in a "scatter shot" pattern do not result in enough implementation to move the dial on a resource concern. Literature tells us 70% implementation of conservation is needed in a discrete area to see improvement.
- (d) Some work that could be construed to be operational, such as technical assistance to livestock operations, has been funded from the capital construction budget because the work needed to get done and there was at least some connection to project design that could connect to project construction.
- (e) As noted in the Commission's Natural Resource Investments decision package, there is a backlog of conservation projects totaling \$30 million.
- (f) Landowner participation at high levels requires trusting relationships which take time to develop and maintain. Current program-based funding models don't support that.
- (g) There has never been adequate funding for conservation districts to coordinate among the various natural resource agencies to help focus available resources to address specific impacts or enhance habitat in discrete watersheds;

Proposed Solution

This proposal will, for the first time, provide an additional foundation of state funding for each conservation district to meet expanding landowner demand for non-regulatory, incentive-based programs.

Natural resource concerns and landowner needs identified by conservation district and agency data are the basis of conservation district plans of work. Those plans target coordinated and proactive outreach and engage landowners with existing programs for measured resource results. In this new approach, conservation districts receive a stable level of funding to ensure consistent service is provided to landowners, natural resource conditions of a geographic area are identified, and a targeted outreach strategy is developed.

With this funding, conservation districts will ensure availability and consistency of conservation services and proactively provide outreach to landowners to build relationships using technical assistance and incentive programs when needed. It will also allow conservation districts to better focus attention on the resource base and also provide resources to solicit other funding to leverage the state's investment.

Conservation districts will track where practices are implemented by landowners. The Conservation Commission will coordinate conservation district activities with other agency partners to enhance effectiveness of existing programs to address resource concerns.

Funding for this Decision Package is directly related to statewide implementation of: Results Washington, Voluntary Stewardship Program, Puget Sound Action Agenda, as well as the goals and programs of every natural resource agency working in Washington.

Non-regulatory, incentive based conservation programs effectively implement natural resource improvement projects and build landowner engagement and commitment, yet these programs are criticized because natural resource concerns, like poor water quality or lack of fish habitat, persist. Four things account for this limited progress:

- a) Non-regulatory, incentive-based conservation has never been funded commensurate with the scale of the demand and need with thousands of landowners not receiving help;
- b) Small amounts of funding distributed in an "on-demand" pattern do not result in enough implementation to move the dial on a resource concern. Literature tells us 70% implementation of conservation is needed in a discrete area to see improvement.
- c) Landowner participation at high levels requires trusting relationships which take time to develop and maintain. Current program-based funding models don't support that well.
- d) There has never been adequate funding for conservation districts to coordinate among the various natural resource agencies to help focus available resources to address specific impacts or enhance habitat in discrete watersheds;

CTA Budget total calculations:

\$ 225,232	admin costs
+ \$ 20,484	grant writing & project development – \$56.90 composite rate x 360 hours
\$ 245,716	Subtotal
- \$ 90,000	current maximum implementation grant
\$ 155,716	Subtotal
+ \$ 34,650	Livestock TA
\$ 190,366	Subtotal
x 45	districts
\$ 8,566,470	Total
\$ 530	Round-up Adjustment
\$ 8,567,000	Annual request:

2017-19 Request: \$ 5,030,000
2017-19 Actual: \$ 0

Funding Request in 2019-21: \$ 17,134,000

Fiscal Year 2020 \$8,567,000
Fiscal Year 2021 \$8,567,000

Working Lands

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 (WSCC) 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.

OFP work over the past several years has identified four areas of opportunity to advance farmland preservation while maintaining the economic viability of agriculture. These opportunities are addressed in this decision package and include:

1. **Vets on the Farm** (\$345,000 per fiscal year)

\$45,000 to coordinate Statewide VOTF program; \$17,500 for 12 conservation districts per year to coordinate local VOTF program; 6 VOTF learning Farm grants - \$15,000 each.

Funding in this decision package will:

Allow WSCC to work with interested agencies and stakeholders and develop 12 Vets on the Farm coordinators across the state. Coordinators will establish a program in their respective county or conservation district bringing local stakeholders, growers, farmers, ranchers and veterans together through internships, mentorships, educational offerings, and employment and acquisition opportunities.

2. **Food System/Small Farms** – Cost per fiscal year: \$225,000; \$450,000 biennium

1. Ten Districts funded at \$10,000 per year - per district;
2. \$75,000 per year and .5 FTE at the SCC for staff capacity to coordinate state and federal agencies and to engage these entities with various local efforts;
3. Five Small Farm implementation grants - \$10,000 per grant per year.

Funding in this decision package will:

Support new opportunities for WSCC and OFP to improve local engagement and leadership on food policy and food system issues. Through this increased engagement and leadership in food policy venues, improved public policies will be developed and recommendations for action presented to the Governor and legislature. Support conservation district engagement at the local level with other entities engaged in food policy actions. Funding in this decision package will result in the production of county strategic food system plans.

3. Farmland Preservation – Cost for the biennium: \$180,000.

Program support and implementation –

1. .5 FTE at the Conservation Commission at \$75,000 annually.
2. Strategic Planning - Three Districts per year (6 per biennium) - \$5,000 per conservation district to develop farmland preservation strategic plans.

Cost per fiscal year: Program Support and Strategic Planning - \$90,000 per year (\$180,000 biennium);

Funding in this decision package will:

Provide resources for WSCC through 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.

Provide administrative support for capital funded pilot projects working with farmers and farmland owners to identify and facilitate innovative solutions to land transition that are tailored to meet the unique needs of the individual parties as well as the constraints and opportunities attached to specific land parcels.

Fund three conservation districts per year (six for the biennium) to develop farmland preservation strategic plans. These plans will identify opportunities to engage landowners strategically at farms with the highest value for the support of local and statewide priorities.

4. Energy/Climate – Cost per fiscal year: \$164,000; \$328,000 biennium

1. 4 Districts per year - \$17,500 per conservation district to coordinate audits and outreach
2. 4 Districts per year - \$17,500 per conservation district to plan and coordinate Climate Resiliency planning.
3. SCC: .2 FTE at \$24,000 to oversee the program.

Funding in this decision package will:

Implement and support conservation district technical assistance capacity to assist landowners with energy audits and implement practices to more efficiently use energy. Funding will also support WSCC engagement in climate discussions and work with conservation districts and other entities to develop approaches to make landowners more resilient to the potential changes.

2017-19 Request: \$1,648,000
2017-19 Actual: \$ 0
2019-21 Request: \$ 1,303,000

Voluntary Stewardship Program

The Conservation Commission is tasked by statute to implement the Voluntary Stewardship Program (VSP). The 2017-19 biennium was the first biennium for full funding of the program. In the past two years VSP counties have been developing their local work plans for review by the VSP technical panel. Funding has supported this plan development.

This request would provide funding to implement VSP, including all 27 county work plans, support for the 12 non-VSP counties as they implement programs similar to VSP to protect critical areas, and state agency participation in evaluation, review, and monitoring of work plan success.

The SCC is charged by the VSP statute to oversee and administer the VSP. The SCC has allocated one FTE and portions of four other FTE's to accomplish those administrative tasks, which include formulating the VSP Technical Panel and Statewide Advisory Committee (SAC) and conducting their meetings, having staff serve on the Technical Panel, serving as the statewide clearinghouse for VSP information, policy and procedure, conducting outreach and education events, meetings, and webinars, creating and managing a VSP web page, and satisfy reporting requirements under the VSP statute.

This decision package will fund:

Implementation of 27 local county VSP work plans (\$6,750,000). Over the last four years, VSP counties have developed work plans describing the application of VSP. All work plans will be completed and approved by the end of the 2017-19 biennium. Counties will now transition to the implementation of these plan. Implementation must follow the elements of the work plans, including:

- outreach to landowners,
- developing individual landowner stewardship plans,
- monitoring the progress of the development and implementation of these individual plans,
- monitoring the status of protection and enhancement of critical areas.

Funding is calculated at \$250,000 per VSP county for the biennium. This compares to the funding provided in the 2017-19 biennium of \$220,000 per VSP county. The increase is based on feedback from the VSP counties as to the resources needed for implementation of the work plans. Many counties requested more than the \$250,000 amount, but Commission staff believe the \$250,000 amount is a reasonable state contribution. Commission staff is encouraging each VSP county to also make their own financial contribution to local VSP implementation.

How these funds will be used is up to each VSP work group. The only requirements is they need to meet the reporting requirements in statute and ensure progress on their VSP work plans. These activities could include: staff support to coordinate the implementation of the

work plan, including serving as staff for each county work group; establishing and maintain education and outreach on the VSP; monitoring, recording and processing data necessary for determining if the work plans goals and benchmarks are begin met; writing the two year and five year status reports; seeking sources of VSP project funds; and ensuring the county is in compliance with the other aspects of the VSP statute.

Grants for updating Critical Areas Ordinances relating to agriculture in six non-VSP counties (\$1,500,000). All counties in the state must protect critical areas through critical areas ordinances. The VSP created an alternative path to meet this requirement through development and implementation of a VSP work plan. Counties who did not opt-in to VSP must follow requirements for the periodic review and update of their critical area ordinances.

Updating critical area ordinances is an important component in the protection and improvement of critical natural resources. Agriculture is not exempt from critical area ordinance requirements. These ordinances are regulatory in nature and may impact on-the-ground agricultural activities. Because these ordinances must be updated, and because these updates may have impacts to maintaining a viable agricultural economy, this decision package proposes providing funding to non-VSP counties on a grant basis to support local collaboration for critical area ordinance updates.

There are 12 non-VSP counties. This proposal would fund 6 grants because not all 12 jurisdictions are required to update in the next biennium.

SCC administration of the VSP (\$500,000). The SCC is charged by the VSP statute to oversee and administer the VSP. The SCC has allocated one FTE and portions of four other FTE's to accomplish those administrative tasks, which include formulating the VSP Technical Panel and Statewide Advisory Committee and conducting their meetings, having staff serve on the Technical Panel, serving as the statewide clearinghouse for VSP information, policy and procedure, conducting outreach and education events, meetings, and webinars, and creating and managing a VSP web page.

Other agency participation in VSP (\$600,000). The WDFW, WSDA, and ECY join with the SCC to serve on the VSP Technical Panel. The Technical Panel was charged with approving each of the VSP work plans, but as VSP move into implementation of those plans, the Technical Panel's role shifts to the review and evaluation of the two year and five year reports of the VSP work groups for the on-going success of the plans and adaptive management actions undertaken. Agencies will also be coordinating with counties on VSP monitoring in the field.

WDFW's High Resolution Change Detection (HRCD) (\$575,000). VSP counties must monitor and document their work plan implementation is, at a minimum, protecting and not impacting critical areas. Monitoring these potential impacts allows the VSP work groups to adaptively manage their plans to achieve the resource protection goals. This is a requirement of VSP not found in non-VSP counties. A key tool for many VSP work groups is the use of High Resolution Change Detection (HRCD) technologies at WDFW.

HRCD is visual imagery from the air that allows technicians to determine whether changes are happening on the ground. Most VSP county work plans rely on this technology to support their outreach and landowner assistance work. Although WDFW has used this technology in a few counties, more resources are needed to support the use of HRCD in VSP work plan implementation.

WDFW requests \$575,000 per biennium for High Resolution Change Detection (HRCD) for counties using VSP. This would support the expenses of the analysis itself and 0.5 FTE to outreach to VSP Work Groups and help them utilize the data. VSP is being utilized by 27 of 39 counties covering 73% of the landmass of Washington State. The average biennial production cost of developing the HRCD data is estimated at approximately \$18,500 per VSP county (range \$6,000 to \$51,000). This cost includes hardware, software licensing, overhead, and the time for an analyst to evaluate every potential change and a scientist to calibrate and conduct the preliminary modeling. Cost for this analysis is estimated at \$500,400 per biennium. This budget request also includes \$74,600 for 0.5 FTE for an information/outreach specialist (with overhead) to work with each VSP group to ensure they can utilize the information.

Total funding request for VSP for the 2019-21 biennium is \$9,925,000.

2017-19 Request:	\$ 9,350,000
2017-19 Actual:	\$ 7,620,000
2019-21 Request:	\$ 9,925,000

Natural Disaster Resiliency on Private Lands: Mitigation, Planning, Preparedness, and Recovery

Natural disasters are increasing in frequency and severity in Washington State. Conservation district and Commission staff play an important role before, during and after 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.

Funding this decision package would train district staff to provide mitigation, planning, response and recovery services to private landowners and work more effectively with government agencies before, during and after natural disasters.

Training opportunities will be leveraged to insure that the SCC and conservation district staff members are integrated into current state and federal training efforts (NIMS, ICS). Training opportunities available through the state EMD, WSDA, and other state agencies and federal (FEMA, the Department of Homeland Security, United States Department of Agriculture (USDA), Farm Service Agency (FSA), etc.) partners will be utilized.

Both the SCC staff and the designated district employees will be trained in disaster assistance operations and response and recovery programs. Most importantly, they will be trained in the response and recovery programs and grant opportunities uniquely available to private landowners, including local, state (WSDA, EMD, DNR, Washington State Department of Fish and Wildlife (WDFW), etc.) and federal (USDA, FSA, National Resource Conservation Service (NRCS), etc.) 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 information gathering efforts. The local FSA CED uses the information provided by producers/farmers to help the CED in evaluating the extent of damage. The CED does not have staff available to help producers/farmers supply the information necessary to support a Disaster Assessment Report (DAR). The DAR is the mechanism that the USDA uses to support an agricultural disaster designation.

While there are numerous programs available to the local communities for recovery and restoration efforts after natural disasters through the federal government (FEMA, USDA, BLM, etc), all of these programs are underfunded, have strict criteria and match requirements, and limited staff which can assist disaster survivors with accessing the programs. Those programs include federal (FEMA (Public Assistance), FSA (Tree Assistance Program, Noninsured Crop Disaster Assistance Program, Emergency Forest Restoration Program, Emergency Conservation Program, Livestock Forage Program, Livestock Indemnity Program)) and state (ECY – Water Quality Grant Program and DNR's cost-share programs, for example). This budget package would train District staff in these programs so that disaster survivors will be able to access them easier, quicker, and

knowing someone who understands the process is there to assist them through the process.

With the training provided in this budget package, the SCC and Districts' ability to respond quicker and with more flexibility to natural disaster survivors' needs will result in a quicker recovery and contributes to the overall resiliency of the local community.

2017-19 Request: \$ 630,000

2017-19 Actual: \$ 0

2019-21 Request: \$ 400,000

Fire Adapted Communities, Forest and Rangeland Health Technical Assistance, and Wildfire Recovery

Conservation districts (CDs) have highly effective, established relationships with private landowners and land managers at the local level to address many, varied natural resource issues. In their unique, non-regulatory and voluntary, role districts have gained the trust of private landowners and land managers to make on-the-ground improvements to conserve natural resources. The State Conservation Commission (SCC) provides state level support and coordination for the activities of CDs. The mission of the SCC and CDs includes assisting private landowners with all natural resources conservation issues including forestry and wildfire preparedness. CDs are hearing increased demand statewide for assistance to develop fire resilient communities, and technical assistance around wildfire prevention and wildfire recovery. Forestry expertise exists in CDs but is not consistently distributed or available in all areas of the state due to limited resources.

This funding package proposes a holistic approach for forest and range health and Fire Adapted Communities that will prepare communities before, during and after wildfires. Mechanisms to accomplish this goal include:

- Forest health management for climate, fire, and disease resilience
- Implementation of the Firewise USA program
- Establishing defensible space around homes (the home ignition zone)
- Home hardening and other practices to reduce home/structure ignition
- Fuels reduction with private landowners and other wildfire resiliency activities on rangelands to make these landscapes more resilient to wildfire.

This funding will implement this proposed solution in the three action areas:

Fire Adapted Communities

Funding in this proposal will support the implementation of activities and practices which would serve to reduce the size and intensity of wildfires to make these landscapes more resilient to fire and reduces losses caused by wildfire. CDs work to promote and establish Fire Adapted Communities would include:

- Providing technical assistance and educational opportunities to homeowners and communities about the Fire Adapted Communities approach and actions that can be taken to increase wildfire resiliency.
- Increasing the number of rural homeowners directly engaged in actively implementing practices and projects that lower risk by improve defensible space around homes and home hardening practices.
- Implementing the Firewise USA program including assisting communities with becoming recognized as Firewise USA communities and increasing participation in this program.
- Promoting and implementing practices such as home hardening, emergency signage and evacuation planning, chipping days/programs, and fuels reduction in the home

ignition zone (within 100' around homes and structures), and forest health improvement BMP's by conducting outreach and providing technical and financial assistance to landowners.

Forest and Rangeland Health Technical Assistance

Funding will support:

- Increased access to forestry and rangeland expertise and technical assistance for NCPF and range landowners and through stewardship and conservation planning. Activities on the property may include BMP's for livestock or crop production in addition to forestry and rangeland BMP's.
- Increased acres of healthy forest actively managed for wildfire resiliency by providing plans and connecting NCPF landowners to financial assistance resources available such as DNR's landowner assistance program, NRCS programs (e.g. EQIP), and others.
- Support public and private partnerships around implementing forest health practices. This includes fuels reduction cost share and/or pre-commercial thinning projects.
- Ensuring that educational opportunities such as field days, winter schools and other events are available to landowners statewide.
- Ongoing coordination with other agencies to leverage strengths and clarify roles to maximize progress toward local, regional, and statewide goals

Fire Recovery

Often, in post-fire scenarios, landowners do not have sufficient resources to address the losses that are sustained from the fire. Figuring out where to turn for help can be confusing and frustrating. A lack of timely assistance to impacted landowners can result in natural resources being more susceptible to further drastic degradation as what vegetative cover is left is washed away by erosive rainfall, soil is left open to the elements, and soil properties are altered in such a way to favor rapid runoff in areas of severe burn intensity. In some cases, nutrient loading accompanies soils erosion, further degrading water quality. In addition, economics and agricultural viability are also affected as crops and livestock are lost, grazing forages are burned, and critical infrastructure necessary for agricultural production is also lost such as fencing, pipelines, pumps, watering points, etc. This makes support for resources, both technical and financial, critical to helping landowners and land managers recover from fire events in order to protect our natural resources and agricultural economy.

Implementation of recovery measures from the fires of 2014-2017 are still needed. As of January 2018, CDs reported that cost share funds were still needed to address outstanding projects resulting from the 2014-17 fire seasons.

Having a source of recovery funds readily available will also make timely mitigation measures such as critical grass seeding to prevent erosion, possible and more successful. This proposal would allow the SCC and CDs to work with willing landowners to implement

measures such as this when they are most needed. The SCC will continue to seek federal funding as appropriate, but the state funding will allow a faster response to address the needs of Washington residents.

Forest Health and Rangeland Health Technical Assistance: \$900,000 per fiscal year = \$1,800,000

Fire Adapted Communities: \$2,000,000 per fiscal year = \$4,000,000

Fire Recovery: \$1,980,000 per fiscal year = \$3,960,000

CD Capacity: \$25,000 per FY = \$50,000

WSCC Admin: \$70,000 per fiscal year - \$140,000

2017-19 Request: \$ 6,460,000

2017-19 Actual: \$ 0

2019-21 Request: \$ 9,950,000

Conservation Education

Conservation districts have the educational experience, technical expertise, professional network, and local knowledge to deliver career-connected learning opportunities that will inspire and prepare Washington students in our rural and urban communities for our STEM (Science, Technology, Engineering, Math) job market.

This decision package will fund:

- Grants (\$1M) to help CDs develop and/or expand delivery of successful STEM, CTE, Envirothon, or other programs and curriculum aligned with state learning standards, including programs that integrate place based lessons and applied infield experience.
- A team of two (2) FTEs at the SCC (one eastside, one westside) to lead administration of grant funding and assist CDs with developing and implementing education programs, writing grant and AmeriCorps proposals, aligning programs with Common Core and Next Generation Science Standards (NGSS), and assisting with outreach, developing partnerships, and elevating CDs' role in providing K12 support. These positions also will work with CDs and K12 partners to track and measure how CD education programs funded by this proposal contribute to state education goals.
- Implementation of statewide education plan in coordination with K12 stakeholder(s) and alignment of CD K12 programs with the FieldSTEM™ model and/or formal career connected learning opportunities.
- Provision of professional development learning opportunities in FieldSTEM and NGSS, and for CD educators and teachers to expand teacher workshop facilitation skills and learn best practices for delivering Project Learning Tree (PLT), Project WILD, Project WET, Drain Rangers curriculum, and other infield lessons.

The two FTEs stationed at the SCC and funded in this package will:

- Lead administration of the \$1M in grant funding for CD education programs. This includes working with CDs and other state education stakeholders to develop grant guidelines that ensure that funded proposals advance state and local education goals and objectives.
- Work with CDs to track and report on outcomes and performance measures resulting from this funding.
- Work with conservation districts and partners to coordinate, streamline, and leverage education resources, including by sharing and adapting successful program models and curricula for use in new and/or underserved areas.
- Work with CDs to ensure programming aligns with Common Core and NGSS.

CDs will:

- Assess current (pre-grant funding) availability of field based STEM and career connected learning opportunities at the local level in order to establish a baseline and report on progress made with grant funding.
- Develop and implement proposals that increase access to field based STEM and/or career connected learning opportunities. This may include activities such as expanding existing or developing new programs that CD educators deliver to local schools and/or providing teacher workshops.

- Track and report to the SCC on the impacts and outcomes of grant funding (e.g. teacher satisfaction surveys, NGSS tracking).

A contractor (overseen by the SCC) will:

- Collaborate with the SCC, CDs, and other environmental stakeholders to integrate CD programs funded by this package into a state education plan.
- Assist with aligning CD K12 programs with the acclaimed FieldSTEM™ model and/or formal career connected learning opportunities. FieldSTEM (developed by the Pacific Education Institute) is a career connected, locally relevant, integrated, and field based learning experience that uses language and math skills to implement science and engineering practices outdoors.
- Develop two custom trainings for CD educators (one on the eastside, one on the westside) that advance CD educators' ability to develop and deliver field based
- STEM curricula and facilitate successful teacher workshops. This may include providing associated curricula and teaching materials.

Results of a 2016 SCC survey of all conservation districts indicate that lack of capacity is the main limiting factor in CDs' ability to meet the demand for their education programs. This has been echoed in several discussions the SCC has facilitated with CD educators.

2017-19 Request: \$ N/A

2017-19 Actual: \$ N/A

2019-21 Request: \$ 1,395,000

Cultivating Stewardship Through Targeted Outreach

Washington is positioned to broadly employ Community Based Social Marketing (CBSM) to achieve natural resource objectives by leveraging an existing asset — conservation districts. CBSM follows a five-phase approach to 1) select a behavior to be promoted, 2) identify barriers/benefits associated with the behavior, 3) design a behavior-change strategy, 4) pilot the strategy with a small segment of a community, and 5) evaluate the impact of the strategy after it's been more broadly implemented. Using best available social science related to behavior change, CBSM strategies have helped practitioners around the world make measureable progress toward natural resource objectives. CBSM uses a combination of quantitative and qualitative methods to design, implement, evaluate, and adaptively manage campaigns.

This decision package will fund:

- Award of grants (\$935K) by the SCC to CDs to implement CBSM and/or targeted outreach campaigns that engage landowner participation in conservation efforts that address priority natural resource issues (e.g. salmon recovery, shellfish recovery, VSP implementation). Funding may also be used to assist with research methods, data collection, participation incentives, survey design, outcome tracking, and program evaluation.
- Provision of training and professional development opportunities for CD staff in CBSM and persuasive outreach principles.
- .5 FTE to administer funding, track progress, and report on funding outcomes.

SCC staff, including the .5 FTE funded by this package will:

- Lead administration of the \$925K in grant funding for CD CBSM or other targeted outreach campaigns. This includes working with CDs and social marketing practitioners to develop grant guidelines that ensure a high probability of success.
- Work with CDs to set, track, and report on outcomes and performance measures resulting from this funding.
- Work with CDs to coordinate, streamline, and leverage outreach resources, including by sharing and adapting successful outreach campaign models and sharing audience research and other data that supports future stewardship work.
- Coordinate trainings and/or professional development opportunities for CD staff in CBSM and persuasive outreach principles.

CDs will:

- Develop plans and submit funding proposals based on grant guidelines that outline how funding will contribute to a CBSM or targeted outreach campaign and anticipated measureable resource results.
- Implement activities outlined in their grant proposals, including conducting outreach to landowners within priority project area, assessing perceived barriers to adopting desired conservation behaviors, and developing/implementing strategies to address those barriers.
- Monitor and adaptively manage outreach and engagement methods.

- Track and report to the SCC on the impacts and outcomes of grant funding (e.g. increase in landowner engagement, measureable changes in natural resource conditions).

Note: These activities relate to goals outlined in the Communications, Partnership, and Outreach Committee's *2018-2020 Strategic Plan* related to increasing CD access to tools/technology/training, increasing recognition of CDs, and tracking the impact of outreach efforts.

2017-19 Request: \$ N/A

2017-19 Actual: \$ N/A

2019-21 Request: \$ 1,030,000

Agricultural Conservation Science Program

To address needs for the coordination of agricultural conservation science, and to continue implementation of specific research activities, requested funding will support an SCC Agricultural Conservation Science Program. Funding will address the following areas:

SCC Science Program Staff \$388,000

Will coordinate current scientific research with the collaboration of agencies and universities to ensure ongoing research is meeting the needs of landowners and our State's natural resources.

Certification and Technical Development (CTD) \$400,000

Requested funding will expand on the current certificate on and training programs offered through the CTD to increase the number of conservation district staff receiving training and increase the types of training to ensure that conservation planners are able to incorporate a variety of resource concerns into effective on-the-ground projects. Funding would also support engagement with other agency, Tribal, and university staff to utilize their expertise in trainings.

Grants for Research \$150,000

To address strategic research needs, funding would support improved coordination of new and ongoing research and identify areas of gaps or continued research opportunities. Funding would go to entities best suited to conduct the research. Funding would also support a system to ensure results of the research are communicated to landowners so we can improve on-the-ground implementation.

In addition, there are several areas where research has been initiated and funding is needed to finish the work and gather valuable results. These areas include:

MST Study \$200,000

Research is currently underway on the use of MST to better identify the source of water pollution. However funding will expire at the end of the 2019 fiscal year. Requested funding will continue this necessary work to further develop this tool of source identification.

Dairy Distillation \$100,000

Funding was provided in the 2017-19 biennium capital budget to support pilot projects relating to the distillation of dairy waste to address the issue of dairy nutrient management. Several project were funded but there was no funding to see successful projects funded in other locations. Funding is requested to further the distillation work.

Water Quality Trading \$150,000

Previously the Commission was asked to evaluate and identify opportunities for water quality trading. Funding was not provided to do this work. Funding is requested to support continued implementation of this task.

Soil Health \$688,000

Funding will support implementation of the Soil Health Initiative by partner agencies and entities. The overall goal of this initiative is to advance understanding of soil health in Washington by establishing a baseline for soil health assessment, developing management options for improving soil health, and supporting on-farm implementation of soil health practices.

2017-19 Request: \$ N/A

2017-19 Actual: \$ N/A

2019-21 Request: \$ 2,076,000

Capital Budget Proposals

CREP Riparian Funding

This request is to provide matching funds for technical assistance and project implementation to continue the Conservation Reserve Enhancement Program (CREP) with private landowners. In its 15+ years of implementation, CREP has demonstrated measureable natural resource improvement across the state. CREP is also a critical component in our state's strategy to address endangered salmon and orca recovery and is related to Puget Sound Action Agenda Implementation. The CREP riparian 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.

This request combines funding previously requested in two separate decision packages: CREP Riparian Cost Share and CREP Riparian Contract Funding. The combining of funds means SCC can balance TA to increase spending of cost share, if necessary, so that fewer cost share funds remain unspent at the end of the biennium. Additional funding is requested for conservation districts with small programs and limited financial resources to support at least a part-time position who's 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.

Additional funding is also 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.

CREP Riparian Funding

2017-19 Request - CREP Contract: \$ 4,007,400
2017-19 Request - CREP Cost Share: \$ 3,500,000
2017-19 Actual (for both): \$ 5,600,000
2019-21 Request (for new combined program): \$ 7,500,000

CREP PIP Loan

This budget request is for the CREP PIP loan program. This loan program covers 40% of the restoration costs awaiting payment by the U.S. Department of Agriculture until the entire CREP restoration project is complete. Many landowners are unable to pay the restoration costs then wait for federal reimbursement. CREP PIP loans are bridge financing to allow landowners to complete CREP restoration projects under the CREP program. The loans cover the upfront costs pending funding from the federal agencies for final payment. This request is to access the full balance of funds available in the Conservation Assistance Revolving Account, and to allow the use of funds as loans. When the loans are repaid, the payment funds go to the Revolving Account to be re-issued in new PIP loans.

2017-19 Request: \$ 100,000

2017-19 Actual: \$ 50,000

2019-21 Request: \$ 499,000

Shellfish Funding

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 funded include fencing to limit livestock access to streams; buffer strips near streams to filter water flowing from the land into the stream; downspout and rain flow management around barns and agriculture areas; installation of equipment to reduce and eliminate toxic chemicals from flowing off crop lands and into streams; repair or replacement of failing septic systems; and assessment of geographic areas near shellfish growing areas to identify sources of negative inputs to water quality.

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.

In addition to funding for on-the-ground projects protecting water quality for shellfish purposes, this funding proposal includes funding for the following projects:

Willapa Bay Shellfish Restoration \$ 1,000,000

This project supports ongoing multi-agency efforts to provide alternative locations and management strategies for shellfish production impacted by burrowing shrimp.

North Cove Beach Protection and Restoration \$ 1,000,000

Funding will support ongoing multi-agency work to reduce impacts of beach erosion at this location in Pacific County.

2017-19 Request: \$ 6,000,000

2017-19 Actual: \$ 4,000,000

2019-21 Request: \$ 8,000,000

Natural Resource Investments

The health of the natural resources of Washington State is dependent on the number and quality of conservation systems installed by private land owners and producer to address natural resource issues. This decision package builds on the successful, trustful working relationship of land owners and producers have with their local conservation district staff and supervisors and the necessary technical, financial and educational resources available to plan and implement projects.

Funding in this request will be used by conservation districts to assist landowners & producers with the installation of best management practices (BMPs). BMPs include construction of fencing, stormwater management structures, manure management structures, water efficiency projects, forest & rangeland health, and other on-the-ground projects protecting natural resources.

Projects will protect and restore natural resources while maintaining viable agriculture and other natural resource based economies by limiting transport of sediment, nutrients (nitrogen and phosphorous), and pathogens to ground water, surface water, and air.

Projects will also generate agricultural water savings through practices across the state improving in-stream flows, water quality, water quantity, and conserve energy. Projects will improve soil and plant health and condition on lands throughout the state.

Funding will support pre-project design and management, including engineering and cultural resource review, and support technical assistance during project implementation.

Funding for this Decision Package is directly related to statewide implementation of: Results Washington, Voluntary Stewardship Program and Puget Sound Action Agenda.

2017-19 Request: \$ 8,000,000
2017-19 Actual: \$ 4,000,000
2019-21 Request: \$ 8,000,000

Match for RCPP

Capital funding is requested to provide continuing match funds for 7 RCPP projects covering a majority of the state. 5 of these projects are led by conservation districts and 2 are led by other partners. Current biennium funding is \$4 million in new funding for these projects; \$5 million less than was requested. This budget request is for the full remaining amount of state match funding needed for all of the current RCPPs.

2017-19 Request: \$ 9,646,200
2017-19 Actual: \$ 4,000,000
2019-21 Request: \$ 11,800,000

Engineering Project Design and Implementation

Conservation district professional engineers are an essential piece of the conservation delivery system. Without the engineers on staff at conservation districts project design and implementation would not be completed. Projects from local, state, and federal entities rely on conservation district services would be delayed and substantially more expensive without this funding support. Engineers at the district level provide professional PE oversight to conservation district planners and technicians and ensure timely and efficient services to landowners for implementation of practices. Engineering is required and necessary to implement capital budget projects leading to increases in job creation and retention. This budget decision package would double the amount of each area's engineering grant support from the WSCC and we anticipate the result to be an increase of 25% of capital projects developed and implemented as well as the flexibility to take a more focused and targeted approach to address priority natural resource concerns.

2017-19 Request: \$ 2,700,000
2017-19 Actual: \$ 0
2019-21 Request: \$ 2,700,000

Irrigation Efficiencies

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes.

Historically, Ecology has included funding requests for the Irrigation Efficiencies Program in their agency budget requests. Ecology then engages with the Commission through an interagency agreement for implementation of the program at the Commission.

In this decision package the Commission would be requesting the funding for the program and the Irrigation Efficiencies Program would be located at the Conservation Commission. Ecology is supportive of this move. Commission staff and Ecology staff have been working closely together on the details of transferring the program.

Development of the funding request begins with a solicitation from conservation districts for possible projects in the upcoming biennium. Once this list is developed, Commission staff will work with Ecology staff to review the proposed projects. A final list is developed based on this review. From this list a final dollar figure is settled on and requested in the decision package.

Conservation districts receiving funds manage cost share agreements with landowners to ensure successful project implementation. The conservation districts also work with Ecology to ensure a portion of the water saved by water conservation measures or irrigation efficiency projects will be placed as a purchase or lease into the Trust Water Rights Program (TWRP) to enhance instream flows either permanently or for the life of the improvements.

All irrigation efficiency projects require conservation district, Commission and Ecology staff to help the landowner in the project eligibility determination, project design and approval, and net water savings determination. Once this is done, the projects can proceed. The amount of saved water placed into the TWRP must be equal to or exceed the percentage of the public investment in the conservation measure or irrigation efficiency. The public investment must not exceed 85 percent of the total cost of the conservation measure or irrigation efficiency. When awarding cost share agreements, conservation districts must give first priority to family farms and projects in fish critical and water short basins; but they may award for money for projects in other basins if local conditions warrant. Ecology works closely with the SCC when reviewing eligible irrigation efficiency improvement projects.

2017-19 Request: \$ 5,000,000
2017-19 Actual: \$ 6,500,000
2019-21 Request: \$ 7,340,000

Farmland Preservation

The Farmland Preservation Initiative decision package proposes to:

1. Focus farmland preservation through a geographical approach;
2. Support shovel ready, conservation district involved projects
3. Provide agricultural conservation easement take out funding related to the Washington State Housing and Finance Commission (WSHFC) Farmland Protection Acquisition & Protection Initiative (FarmPAI).

Project implementation will be administered by WSCC to ensure project funds are used consistent with state fiscal requirements. WSCC will also monitor progress on project implementation and provide technical assistance in outreach development and easement review & approval.

This decision package will fund:

- Acquisition of agricultural conservation easements in two pilot geographical areas of the state.
 - North Puget Sound Farmland – working in a targeted area with contiguous landowners in the counties of Snohomish, Skagit, Island, and Whatcom counties. (\$5M)¹
 - South Central Washington Farmland - working in a targeted area with contiguous landowners in the counties of Kittitas², Yakima³, & Klickitat⁴. (\$5M)
- Acquisition funding for specific projects currently identified by conservation districts as shovel ready⁵. (\$781,000)
- Easement takeout funding for land trust projects utilizing FarmPAI⁶. (\$1.25M)

This package will be designed to be flexible, allowing CDs to strengthen or expand existing programs, build new programs, and tailor programs to their local landscape, land uses, and school district needs.

2017-19 Request: \$ 4,000,000

2017-19 Actual: \$ 0

2019-21 Request: \$ 12,031,000

¹ Stillaguamish Valley Initiative – identified a 10-year goal of protecting 15,000 acres. Landowner outreach has identified 3,000 acres of interest in focus area. Supports operating budget request that would identify more landowners and prioritize land in geographic area.

² Kittitas Conservation District working with Forterra

³ North Yakima Conservation District working in priority watershed area

⁴ Eastern and Central Klickitat Conservation District priority watershed area

⁵ North Yakima Conservation Easement – 102 irrigated acres contiguous with CD held Lust Family Farm easement (\$780,050)

⁶ FarmPAI is currently being developed by stakeholders and WSHFC. Early indications are that WSHFC would set aside \$2.5M to establish a revolving loan program. Qualifying land trusts would use WSHFC funds to acquire farmland – WSCC funds would be used for easement buy out with land sold to new and beginning farmers or current farmers looking to expand.