



Washington State
Conservation
Commission

2021-2023 Capital Budget Request





Washington State Conservation Commission

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TAB A



STATE OF WASHINGTON
CONSERVATION COMMISSION

PO Box 47721 • Olympia, Washington 98504-7721 • (360) 407-6200 • FAX (360) 407-6215

September 14, 2020

TO: David Schumacher, Director
Office of Financial Management

FROM: Carol Smith, Executive Director
Washington State Conservation Commission

SUBJECT: 2021-2023 SCC Capital Budget Request

Our state faces multiple natural resource challenges, including salmon and orca recovery, climate and drought resiliency, shellfish recovery, and forest health protection. Here's the good news — several landowners in every county are ready and willing to invest their time and money in being part of the solution. The only thing preventing them is they need help with the cost and construction of conservation projects. These projects not only provide effective, multi-benefit solutions for our most pressing natural resource issues, they also create jobs and drive economic activity.

The Washington State Conservation Commission (SCC or "Commission") is requesting capital funds to continue the following programs that empower landowners and conservation districts in every corner of our state to get these vital conservation projects on the ground.

Natural Resource Investments (NRI), \$11,905,000

Enables conservation districts to help local landowners pay for and construct conservation projects that address the most pressing state and local priorities, such as removing fish barriers, building manure storage facilities, and installing livestock exclusion fencing. At this time, 186 landowners are ready to invest in 356 practices on their properties to improve natural resources, and we expect that number to grow.

Conservation Reserve Enhancement Program Riparian Planning (Cost Share & TA), \$7,725,000

Provides matching funds to continue management and implementation of CREP, the largest riparian restoration program in the state and a vital tool for salmon and orca recovery. CREP engages private landowners as partners in restoring salmon habitat by planting trees and vegetation along salmon-bearing streams (riparian buffers). Requested state match represents 20% of program funding, which brings in the remaining 80% from federal dollars.

CREP Riparian Planting (Practice Incentive Payment PIP Loan Program), \$500,000

Gives the SCC spending authority to administer revolving loan funds to private landowners when they incur upfront costs for CREP projects. Without the PIP Loan, landowners could wait several months to be reimbursed for expensive project costs, which is a barrier for CREP participation, especially for low-income individuals.

Regional Conservation Partnership Program (RCPP) \$7,962,000

Covers state match needed to bring millions of Farm Bill dollars to Washington for RCPP projects that unite multiple partners in solving natural resource issues. The SCC has been designated to pass-through required state capital match for nine RCPP projects. RCPP projects create hundreds of jobs and make measurable progress on urgent issues, including fish passage, flood control, orca recovery, water supply, forest health, and farmland preservation.

Shellfish Funding \$4,326,000

Enables landowners to work with their local conservation district to install an estimated 150-200 practices that help keep our shellfish growing areas healthy and open. Funding will be administered through the SCC using a targeted approach to invest in high-priority watersheds and build cumulative results for water quality.

Irrigation Efficiencies \$4,000,000

Supports projects currently under development that enhance water supply for people, farms, and fish. On-farm irrigation and water delivery systems will be replaced with more efficient, modern systems that conserve water. Saved water will be returned to streams to enhance flow — benefitting salmonid species and water quality — without risk of relinquishing irrigators' water rights.

Thank you for your consideration of these requests.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carol Smith', with a stylized flourish at the end.

Carol Smith
Executive Director

Policy #	15-02 Cultural Resources Policy
Applies to:	All Conservation Districts
Effective Date:	July 1, 2015 as approved by the Commission

PURPOSE

The Washington State Conservation Commission (WSCC) is sensitive to the cultural resource concerns of the tribes in Washington State and in an effort to help preserve and protect those cultural resources, the Commission encourages each District to communicate with their local tribes regarding the conservation work that they do, in an attempt to develop a working relationship that supports their conservation activities while protecting important cultural resources.

The WSCC for its part, will ensure that future activities of the Washington State Conservation Commission (WSCC) are compliant with the [Governor's Executive Order 0505](#) regarding the preservation and protection of our statewide Archeological and Cultural Resources in the disbursement of State funds to conservation districts for capital construction projects to conserve the state's natural resources.

POLICY

Before a Conservation District can be reimbursed for conservation practices (capital construction projects) with WSCC managed funds (regardless of the source, such as Operational Funds or Capital funds), a District must provide documentation to WSCC that:

1. a GEO-0505 review has been completed or
2. the project/practice is exempted from the GEO-0505 review or
3. a GEO-0505 review is not needed.

PROCEDURE

Procedural guidance to implement this policy is attached and also posted to the WSCC Cultural Resource Website at: <http://scc.wa.gov/cultural-resources-2>.

Current updated cultural resource information will be maintained on the website.

EFFECTIVE PERIOD

This policy is effective July 1, 2015

Attachments

GEO-0505 Complied statement,
Options for Cultural Resource Review
Cultural Resource review procedure with WSCC assistance
Flow Chart of CR Review with WSCC assistance



Governor's Executive Order 05-05 Complied Statement

(Use when requesting reimbursement from WSCC)

1. Identify the Practice/project that this statement applies to: _____

2. Please check one below and complete the blanks:

_____ **Another State or Federal agency**

Cultural Resource Review was completed by: _____ (BPA, WDFW, etc)

_____ **District Completed**

Cultural Resource Review was completed by: _____ Conservation District

_____ **WSCC assisted compliance**

Cultural Resource Review was completed by: _____ Conservation District with WSCC assistance.

_____ **Exempted**

Cultural Resource Review is exempted by a statewide exemption or other exemptions known as _____ (reference other exemption or provide a copy)

_____ **Does Not apply**

Cultural Resource Review does not apply because: _____

_____ **Prior to Policy**

This practice was completed prior to July 1, 2015, and is not covered under policy recently approved and effective July 1, 2015. (Attached documents for reimbursement are being submitted after 7/1/15)

_____ **Substantially completed prior to policy**

This practice was substantially completed before the Cultural Resource Review Policy took effect on July 1, 2015

3. Submitted by:

Authorized District Signer or a Professional Archeologist

Date

(must be provided to WSCC Financial Staff prior to eligibility for grant reimbursement)



Washington State Conservation Commission

District Options for Cultural Resource Review when using WSCC funds

PROCEDURE:

I. Cultural Resources Goal:

The WSCC goal for the Cultural Resources Review process is to comply with GEO-0505, minimize the impact of any conservation work on Cultural Resources, and to get conservation practices implemented in a cost effective manner.

II. Final Authority:

Because the Governor's Executive Order 0505 holds WSCC accountable for Cultural Resource reviews for Projects funded by WSCC, the WSCC Executive Director will make final decisions regarding whether a Cultural Resource Site Survey or any additional Cultural Resource activities are required prior to WSCC grant reimbursement.

III. Applicability:

This process applies to all District construction projects that are funded in whole or in part with WSCC managed funds.

The cost of complying with the Cultural Resources review process is eligible for grant reimbursement.

IV. Cultural Resources review can be completed in one of three ways:

Option A. Another State or Federal agency completes the review which is documented by a:

1. "GEO-0505 complied statement" signed by an authorized District signer.
(Statement would say: Cultural Resources Review completed by the Bonneville Power Administration (BPA), or Washington Department of Fish and Wildlife (WDFW), etc.

Option B. District completes the review which is documented by a:

1. "GEO-0505 complied statement" signed by an authorized District signer or
2. "GEO-0505 complied statement" signed by a Professional Archeologist

Option C. WSCC assisted compliance with GEO-0505, if requested by District

The WSCC has a procedure to assist districts with the Cultural Resources review of the District's cost shared practices, if assistance is requested by the District.

The WSCC will notify the District when the Cultural Resources review is completed and the District will document the completion by a:

1. "GEO-0505 complied statement" signed by authorized District signer, based upon the report from WSCC.



Washington State Conservation Commission

V. Compliance documentation before WSCC payment.

District must provide a signed "GEO-0505 Complied Statement" to financial staff prior to eligibility for grant reimbursement.

*A standard "GEO-0505 Complied Statement" template is to be used for Options A, B, and C above in which an applicable box (i.e. Complied, Exempted, Does not apply, or Cultural Resources Review completed by another agency) is checked.

VI. Internal Cultural Resources documentation:

Each District is responsible for internally documenting their GEO-0505 compliance which would be subject to review by a responsible agency, such as WSCC.



Option C – Procedures for WSCC Assisted Cultural Resource Reviews

-In order to comply with GEO-0505, the WSCC will use the following procedures when WSCC assists districts with their District's CR review.

Step 1. The District will determine if the project involves any ground disturbing activities or involves any structures 50 years or older and if a CR Review is needed (considering authorized exemptions).

- If the answer is "NO", the District must document this in their practice file.
- If the answer is "YES", go to step 2 and/or 3.

Step 2. For any activities involving structures 50 years or older, the district fills out a Historic Property Inventory (HPI) form on DAHP's Historic Property Inventory online database for DAHP's review. Department of Archeology and Historic Preservation (DAHP) may require more intensive investigation or mitigation of impacts to the structure depending on the historical significance of the building. The district may need assistance from a Professional Archeologist or WSCC staff when dealing with Historic Properties.

Step 3. For any ground disturbing activity, the District must complete DAHP's EZ-1 form to describe the project.

If the District chooses to go ahead and have a professional archeologist do a site specific cultural resources survey (with the archeologist following DAHP guidelines), then the complete survey report will accompany the EZ1 form. (A district may choose to have a Cultural Resource Site Specific Cultural Resource Survey done at any time the District thinks one is warranted.)

-DAHP EZ forms available at: <http://www.dahp.wa.gov/governors-executive-order-05-05>

-DAHP CR Report Cover Sheet at: http://www.dahp.wa.gov/sites/default/files/CRSURVEYcoversheet_Aug2011.doc

Note: This step could certainly be augmented by the District working with any Tribe that is interested and willing to work with the district. Any tribal agreement concerning the project, verbal or otherwise, should be documented and included with the EZ1 report.

Step 4. The District will submit a copy of the EZ-1 Form electronically, and if available, a site specific cultural resources survey, and any previous tribal or DAHP correspondence regarding the project to the WSCC.

Step 5. The WSCC will compile and process all of the appropriate forms and correspondence:

a. If an EZ-1 Form is submitted by the District, the following will be sent out by the WSCC:

- 1) WSCC tribal cover letter with the Director's signature and the EZ1 form to all potentially interested tribes.
- 2) An email to DAHP for review with the EZ1 form and all project correspondence including and tribal, WSCC, and District correspondence.

b. If both an EZ1 form and a Site Specific Cultural Resources Survey have been submitted by the District, the following will be sent out by the WSCC:

- 1) WSCC tribal cover letter with the WSCC Director's signature and only the Cultural Resource Survey (and no other correspondence unless necessary) asking for concurrence to implement to all potentially interested tribes.
- 2) WSCC's email requesting DAHP's review with electronic versions of all WSCC letters, any tribal or district correspondence, and the survey.

Step 6. The WSCC will send DAHP's and the tribes' correspondence and responses, or a lack of response notice to the District,

- a. If DAHP and tribes respond that there will be no effect to cultural resources or do not respond within the 30 day request period then the WSCC will notify the district that the project will be considered to have complied with GEO-0505 and the project may be implemented.

The District will insure that every person working on the project site be familiar with the District's Inadvertent Discovery Plan (IDP) procedures in case any cultural resources are discovered.

The District will consider all mitigation measures into the project that are mentioned in any responses.

- b. If DAHP or a tribe requests more information, the District will be asked to compile required information and submit to WSCC and the cultural resources review process will continue.

- c. If DAHP or a tribe suggests that a Site Specific CR Survey is warranted, then the District in consultation with WSCC will decide if a survey is to be done. If one is done then go back to Step 4 and proceed.

- d. If the District, DAHP, or the tribes determine there will be a negative effect on cultural resources or historic properties, that cannot be avoided or adequately minimized, then go to step 7.

Step 7. The WSCC Executive Director's may make a determination that a project will have an effect on Cultural Resources or historic properties that would trigger a process of formal consultation regarding whether the effect is adverse or not. Or the WSCC Executive Director may determine that a project will have no effect or minimal effect on CR or historic properties. Due to the potential risk to the agency, the WSCC Executive Director will review a project with the Commission's prior to making a no effect or minimal effect decision.

The WSCC will coordinate the formal consultation process, if formal consultation is needed.

Formal consultation can result in a memorandum of agreement detailing how the adverse effects will be resolved. The CR process is complete after the MOA has been signed by the appropriate consulting parties and then the District/Landowner may proceed with project activity.

WSCC may ask for a professional archeologist to provide input into the process at any time, if needed.

Useful References

-The WSCC Coordinator will maintain tribal contact information and provide it upon request.

-The WSDOT web site also has a current list of tribal contacts at:

<http://www.wsdot.wa.gov/tribal/TribalContacts.htm>

-Tribal cultural resources contact information at:

<http://www.dahp.wa.gov/sites/default/files/Washington%20Tribes%20Contact%20List.pdf>

-Washington Department of Archaeology and Historic Preservation (DAHP) EZ forms at:

<http://www.dahp.wa.gov/governors-executive-order-05-05>

-Governor's Office of Indian Affairs at: <http://www.goia.wa.gov/>

-Tribal information map at: <http://www.goia.wa.gov/Tribal-Information/Map.htm>

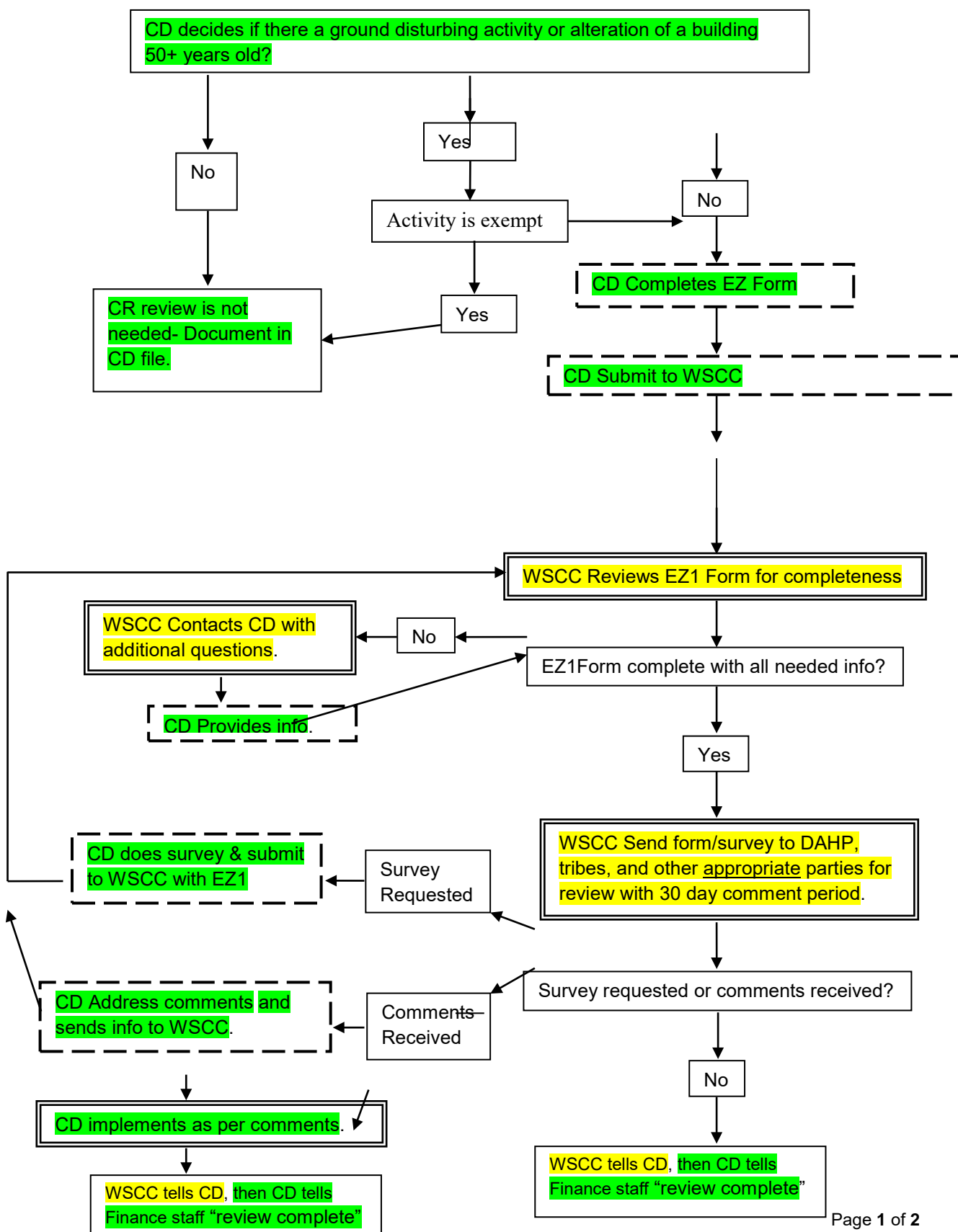
-National Historic Preservation Act, 16 USC 470: <http://www.usda.gov/rus/water/ees/pdf/nhpa.pdf>

-Protection of Historic Properties, 36 CFR 800: <http://www.usda.gov/rus/water/ees/pdf/36cfr800.pdf>

-Advisory Council for Historic Preservation: <http://www.achp.gov/>

-National Register of Historic Places at: <http://www.cr.nps.gov/nr>

Procedural Flow Chart for WSCC Assisted Cultural Resource Reviews (Option C) (6-24-15 version)



Continued: Procedural Flow Chart for WSCC Assisted Cultural Resource Reviews (Option C)(3-6-15)

Section 106 versus Governor's Executive Order 05-05

- Section 106 of the National Historic Preservation Act is applied to actions funded by federal agencies.
 - If Section 106 has been conducted for a project by a federal agency, it may be accepted by WSCC for compliance with GEO-0505.
- Governor's Executive Order 0505 is required for all state funded capital construction projects. This includes projects with both state operating and capital funds provided by the WSCC.
 - GEO-0505 cannot be adopted to meet Section 106 requirements for federally funded projects.
 - The Conservation Commission can accept another state agency's GEO-0505 process to meet WSCC cultural resources review requirements.

Correspondence: Washington State Conservation Commission is responsible, as the funding agency, for contacting the Department of Archaeology and Historic Preservation (DAHP), affected tribes, and other interested parties to meet cultural resource review requirements. Previous approval from DAHP nor the tribes does not necessarily fulfill these requirements but may be considered. WSCC may delegate this to a District with the capacity to do their own GEO-0505 compliance.

EZ Forms: found at <http://www.dahp.wa.gov/governors-executive-order-05-05>

- EZ-1: This form is to provide information about ground disturbing activities.
- EZ-2: This form is to provide information about alterations to buildings 50 years or older.

Ground Disturbing Activities: This refers to any work that impacts the soil or ground from its current conditions. There is no threshold for this criterion. If the activity requires any work that goes below the surface of the ground, it requires a cultural resources review, unless exempted by agreement with DAHP

Changes to Project Design or Project Area: If there are any changes made to the project area or design after cultural resources review has been completed, review will have to be reinitiated in order to capture the changes. It is suggested that cultural resources review begin only after the final design is complete to expedite the process.

Timing: The time period it takes for cultural resources review occurs cannot change. Please plan ahead to ensure enough time is permitted prior to implementation, which could be 45 days or more.

Eligibility

- All activities associated with cultural resources review are grant eligible.
- Construction or BMP implementation that occurs prior to cultural resources review may not be eligible for reimbursement.

Questions? Contact WSCC at email at: commission@scc.wa.gov or call 1.360.407.6200

**** NOTE:** In cases where practices or projects are done involving other state agency funds or federal funds, those other agency CR guidelines should be followed and may be considered to have taken care of WSCC CR requirements.

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Capital FTE Summary

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS004

Date Run: 9/10/2020 2:18PM

FTEs by Job Classification

<u>Job Class</u>	<u>Authorized Budget</u>		<u>2021-23 Biennium</u>	
	<u>2019-21 Biennium</u>			
	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Environmental Planner 4			1.0	1.0
Environmental Specialist 4			1.0	1.0
Fiscal Analyst 3			0.3	0.3
Management Analyst 5			0.2	0.2
Program Specialist 3			1.0	1.0
Program Specialist 4			0.5	0.5
WMS 1			1.0	1.0
WMS 2			1.0	1.0
Total FTEs			6.0	6.0

Account

<u>Account - Expenditure Authority Type</u>	<u>Authorized Budget</u>		<u>2021-23 Biennium</u>	
	<u>2019-21 Biennium</u>			
	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
057-1 State Bldg Constr-State			580,000	580,000

Narrative

FTEs manage and support the capital grant programs that are critical to meet the statutory conservation objectives. None of these programs would be possible without this support; they are an essential element of each program's implementation, monitoring and reporting. \$580,000 is based on actual compensation rates for specified classifications and support costs.

Capital FTE Summary
2021-23 Biennium
 *

Report Number: CBS004
Date Run: 9/10/2020 2:18PM

<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget

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Ten Year Capital Plan by Project Class
 2021-23 Biennium
 *

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS001

Date Run: 10/1/2020 12:36PM

Project Class: Program

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2021-23	New Approp 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29	Estimated 2029-31
0	91000015 2019-21 CREP Riparian Contract Funding									
	057-1 State Bldg	1,900,000		656,000	1,244,000					
	Constr-State									
0	91000017 2019-21 CREP Riparian Cost Share - State Match									
	057-1 State Bldg	1,800,000		776,000	1,024,000					
	Constr-State									
0	92000004 Conservation Commission Ranch & Farmland Preservation Projects									
	057-1 State Bldg	7,533,000	2,559,000	143,000	4,831,000					
	Constr-State									
Total: Program		11,233,000	2,559,000	1,575,000	7,099,000					

Project Class: Grant

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2021-23	New Approp 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29	Estimated 2029-31
0	30000017 Match for Federal RCPP Program									
	001-2 General	1,929,000	329,000	42,000	1,558,000					
	Fund-Federal									
	057-1 State Bldg	5,341,000	5,341,000							
	Constr-State									
	Project Total:	7,270,000	5,670,000	42,000	1,558,000					
0	40000004 2019-21 Improve Shellfish Growing Areas									
	057-1 State Bldg	4,000,000		806,000	3,194,000					
	Constr-State									
0	40000005 2019-21 Natural Resource Investments									
	057-1 State Bldg	4,000,000		381,000	3,619,000					
	Constr-State									
0	40000006 2019-21 Match for Federal RCPP									
	057-1 State Bldg	6,249,000		2,426,000	3,823,000					
	Constr-State									

471 - State Conservation Commission
Ten Year Capital Plan by Project Class
 2021-23 Biennium
 *

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS001

Date Run: 10/1/2020 12:36PM

Project Class: Grant

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2021-23	New Approp 2021-23	Estimated 2023-25	Estimated 2025-27	Estimated 2027-29	Estimated 2029-31
0	40000009 2019-21 Water Irrigation Efficiencies Program									
	057-1 State Bldg	4,000,000			4,000,000					
	Constr-State									
0	40000010 2019-21 CREP PIP Loan Program									
	552-1 Cons Assistance	100,000		17,000	83,000					
	Acct-State									
0	91000009 CREP Riparian Cost Share - State Match 2017-19									
	057-1 State Bldg	2,600,000	1,047,000		1,553,000					
	Constr-State									
0	92000013 Match for Federal RCPP Program 2017-19									
	057-1 State Bldg	4,000,000	967,000		3,033,000					
	Constr-State									
0	92000014 CREP PIP Loan Program 2017-19									
	552-1 Cons Assistance	400,000	50,000		350,000					
	Acct-State									
1	40000016 2021-2023 Natural Resource Investments for the Economy and Enviro									
	057-1 State Bldg	43,905,000				11,905,000	8,000,000	8,000,000	8,000,000	8,000,000
	Constr-State									
2	40000013 2021-2023 Conservation Reserve Enhancement Program (CREP)									
	057-1 State Bldg	37,500,000				7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
	Constr-State									
3	40000015 2021-2023 Conservation Reserve Enhancement Program (CREP) PIP loa									
	552-1 Cons Assistance	2,500,000				500,000	500,000	500,000	500,000	500,000
	Acct-State									
4	40000017 2021-2023 Regional Conservation Partnership Program (RCPP) Match									
	057-1 State Bldg	30,725,000				9,725,000	5,250,000	5,250,000	5,250,000	5,250,000
	Constr-State									
5	40000018 2021-2023 Improve Shellfish Growing Areas									
	057-1 State Bldg	20,000,000				4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
	Constr-State									
6	40000014 2021-2023 Water Irrigation Efficiencies Program									
	057-1 State Bldg	20,000,000				4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
	Constr-State									

471 - State Conservation Commission
Ten Year Capital Plan by Project Class
 2021-23 Biennium
 *

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS001

Date Run: 10/1/2020 12:36PM

Total: Grant	187,249,000	7,734,000	3,672,000	21,213,000	37,630,000	29,250,000	29,250,000	29,250,000	29,250,000
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Total Account Summary

<u>Account-Expenditure Authority Type</u>	<u>Estimated Total</u>	<u>Prior Expenditures</u>	<u>Current Expenditures</u>	<u>Reapprop 2021-23</u>	<u>New Approp 2021-23</u>	<u>Estimated 2023-25</u>	<u>Estimated 2025-27</u>	<u>Estimated 2027-29</u>	<u>Estimated 2029-31</u>
001-2 General Fund-Federal	1,929,000	329,000	42,000	1,558,000					
057-1 State Bldg Constr-State	193,553,000	9,914,000	5,188,000	26,321,000	37,130,000	28,750,000	28,750,000	28,750,000	28,750,000
552-1 Cons Assistance Acct-State	3,000,000	50,000	17,000	433,000	500,000	500,000	500,000	500,000	500,000
Total	198,482,000	10,293,000	5,247,000	28,312,000	37,630,000	29,250,000	29,250,000	29,250,000	29,250,000

Ten Year Capital Plan by Project Class

*

Report Number: CBS001

Date Run: 10/1/2020 12:36PM

<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Functional Area	*	All Functional Areas
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Include Enacted	No	No
Sort Order	Project Class	Project Class
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

TAB B

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TAB D

471 - State Conservation Commission Capital Project Request

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 2:35PM

Project Number: 40000016

Project Title: 2021-2023 Natural Resource Investments for the Economy and Enviro

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 1

Project Summary

By funding the Natural Resource Investments (NRI) program, this request empowers managers of working lands from every county of our state to take part in conserving Washington's natural resources for the future. Most land managers want to do the right thing and take care of our land, water, and air. The common barriers that prevent them are having the expertise and finances to construct conservation projects that address resource concerns on their properties. NRI provides an answer to these barriers by administering capital funds to our state's 45 conservation districts (through the State Conservation Commission), who then use it to help local land managers pay for and construct conservation projects. Due to the popularity of this program, hundreds of landowners currently are waitlisted for NRI program assistance.

Project Description

This funding will enable operators of working lands in every county of our state to construct projects that improve the health of our air, water, and soil for all.

Problem Addressed

Activities on working land — including the production of food and fiber on which we depend — can negatively impact our state's natural resources if not properly managed. These activities can input pollution into our water and air, impact habitat for species such as salmon and sage grouse, trigger soil erosion, and cause other impacts to resource priorities. Most working land managers want to do the right thing for conservation, but barriers stand in their way.

Common hurdles to practicing conservation and complying with regulations for land management are: 1) the cost to upgrade farm practices; and 2) the need for technical expertise to determine and construct site-specific best management practices that address local natural resource concerns. Washington farmers and producers often work long hours and get by on a razor thin profit margin. This makes it difficult to keep up on and comply with regulations and take advantage of innovative, and sometimes expensive, conservation practices and technology. For example, every mile of livestock fence installed costs an estimated \$25,000, and constructing a steel manure storage tank can cost hundreds of thousands of dollars. Many landowners simply can't install these practices on their own, leading to steadily increasing impacts to natural resources.

Regulatory agencies provide a necessary backstop by using enforcement as a last resort to address violations and egregious instances of landowner impacts to natural resources. However, many landowners want to do the right thing; it's the previously mentioned barriers that prevent them. Regulatory agencies also recognize that, in many situations, a non-regulatory approach is less costly and time-consuming than enforcement, and the money and time expended are invested directly in effective practices that help solve the environmental problem. These voluntary solutions often are farm-friendly, which improves economic resiliency. Moreover, providing an opportunity to solve a natural resource issue in a partnership with the landowner can result in positive behavior changes that lead to long-term resource stewardship and positive government interaction.

Facilitating voluntary, long-term resource stewardship and public-private relationships have been the strengths of the State Conservation Commission (SCC) and our state's 45 conservation districts for over 80 years. Since 2012 one of our most effective tools has been the Natural Resource Investments (NRI) program, which makes it easier and more affordable for land managers to engage in voluntarily conservation on their properties. Through this program, the SCC administers state capital funds to each conservation district who then uses it to help landowners cover a portion of the cost of farm-friendly conservation practices on their properties. Conservation districts also provide the expertise needed for project design and construction. In short, NRI clears barriers to conservation, facilitates projects that otherwise may not occur, and engages landowners with the success of their projects.

Because this cost-sharing model has been so successful in engaging land managers with conservation, the entire \$4M allotment for NRI was spent in the last biennium. Conservation districts statewide have waiting lists of interested landowners, including farmers and ranchers, who want and need the help of NRI to install more conservation projects.

Washington's natural resources need us to make more progress. Many private landowners — who own over half the land in our state — are ready and willing to help. But we need continued funding for NRI to break down the barriers to getting more conservation on the ground.

Proposed solution and services provided

Capital Project Request

2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 2:35PM

Project Number: 40000016

Project Title: 2021-2023 Natural Resource Investments for the Economy and Enviro

Description

Funding requested in this NRI proposal will be used to share the costs of constructing \$11,905,000 worth of on-the-ground conservation projects across the state that are currently backlogged. At this time, 186 landowners are ready to invest in cost-sharing projects to install 356 practices on their properties to improve natural resources, though we anticipate this number to continue growing.

In addition, NRI funding will enable a small number of emergency cost-share projects when natural disasters, such as wildfires and floods, occur.

The following are examples of wait-listed NRI projects currently planned for implementation during the 21-23 biennium:

- Improving Water Quality/Quantity: Livestock manure storage and handling facilities, irrigation system upgrades and improved technology, riparian buffer plantings and streambank restoration, low impact development and stormwater mitigation, pesticide-reducing technology and fertilizer applications in cropping systems.

- Salmon and Orca Recovery: Culvert replacement and fish passage barrier removal, riparian habitat protection and restoration, large woody debris placement in streams, fish screening to restrict fish mortality in irrigation systems, livestock exclusion fencing, riparian buffer plantings, off-stream water sources for livestock.

- Forest and Rangeland Health: Reforestation or revegetation, thinning of overstocked forest stands, rangelands restoration, pest management, construction of fuel breaks.

- Natural Disaster Recovery: Agricultural fence repair and replacement, field management practices to reduce topsoil loss, emergency erosion control measures (e.g., re-seeding or revegetation), addressing geological or other hazards to life and property.

- Energy Conservation: On-farm energy efficient technology and equipment.

- Soil Health and Erosion Control: Cover crops, no-till or direct seeding, nutrient management, and vegetation buffers to retain soil on-site and increase crop productivity.

Benefits for all

NRI funding will be invested in every county of our state with multi-benefit and wide-reaching positive impacts. Washington farmers, ranchers, and private forest landowners and managers will be empowered to complete conservation projects on their working lands, supporting rural livelihoods and production of food and fiber. Where conservation districts encompass urban and sub-urban areas, residents will have the opportunity to implement conservation projects to help mitigate stormwater runoff, support backyard wildlife habitat, and improve wildfire preparedness.

All conservation projects are designed to provide cleaner air, cleaner water, healthier soils, and wildfire resiliency of our forest and rangelands, which benefit all Washingtonians through improved environmental, recreational, and economic opportunities. In some cases, projects help land managers adapt to regulatory protections like for critical areas, shorelines and endangered species. Through the financial cost-share support for implementation of these projects, we help keep working lands working and protect our food system and agricultural economy. Projects like erosion/flood protection and home wildfire preparedness also reduce the risk to life, home, and other property damage from natural disasters which can displace communities and be a significant cost to individuals and local governments.

Agriculture is one of our state's top economic activities, employing over 164,000 people and generating \$49 billion annually. Moreover, we all reap the benefits of Washington's farmers, since they produce so much of our food. Washington's 45 conservation districts work with farmers and ranchers throughout the state to help them address natural resource issues in a

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Description

manner that at least maintains and often boosts the economic viability of their operations. This work also provides numerous environmental benefits for the public, including cleaner air, cleaner water, productive soils, and healthy forests and rangelands for greater climate change and wildfire resiliency.

Alternatives explored

Not funding this proposal will come at a huge cost to our natural resources, our public-private conservation partnerships, and our agricultural economy. Progress made by investing NRI dollars in urgent natural resource issues — such as salmon recovery in Puget Sound, erosion control in the Palouse, addressing the forest health crisis in Eastern and Central Washington, and saving our Southern Resident Killer Whales, to name just a few — will be jeopardized. Farmers and other private land managers will lose access to the expertise and financial assistance they need to address natural resource issues on their working lands. Many food and fiber producers will continue to struggle to keep their operations viable and in compliance with regulatory requirements without this assistance available to them. If these problems cannot be addressed voluntarily due to lack of funding, more regulatory action will be required, increasing costs to the state for enforcement and appeals. By relying more on regulatory enforcement, animosity will rise among private landowners who will have more enforcement actions imposed.

To maximize the impact of their work, conservation districts creatively leverage state funding with a variety of other local, state, federal, and non-governmental organization grants and partnerships. Districts match every dollar of state funding with up to five dollars of funding from other sources and are able to complete large projects pulling together several funding sources where a single grant is insufficient. Without the funding provided through NRI, many of these additional projects that leverage other financial resources cannot move forward.

The goals set out in the Governor's Results WA and the Puget Sound Partnership Action Agenda as well as salmon recovery plans and locally led long -range plans of each conservation district will not be met.

Assumptions and calculations

The amount of funding requested is sourced directly from the backlog of projects compiled in a database at the Conservation Commission as well as very conservative estimates of emergency cost-share funding needs anticipated based on prior experiences with natural disaster recovery work following the Okanogan and Carlton Complex wildfires.

Expansion or alteration of a current program or service:

The SCC received \$4M in FY19-21 for the NRI program. Please see our 2019 Annual Report

What are other important connections or impacts related to this proposal?

Impact(s) To:
Identify / Explanation

Regional/County impacts?

Yes

Identify: Each project completed with this funding attributes to broader efforts at the county, watershed, and regional level to achieve natural resource conservation goals. In some cases, projects help landowners adapt to changing regulatory and planning guidance.

Other local gov't impacts?

No

Identify:**Tribal gov't impacts?**

No

Identify:**Other state agency impacts?**

No

Identify:

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Description

Responds to specific task force, report, mandate or exec order?

Yes

Identify: Many projects completed by conservation districts attribute to salmon/orca habitat restoration called for by the Orca Task Force and Fish Passage Barrier Removal Board

Facility/workplace needs or impacts?

No

Identify:

Capital Budget Impacts?

No

Identify:

Is change required to existing statutes, rules or contracts?

No

Identify:

Is the request related to or a result of litigation?

No

Identify lawsuit (please consult with Attorney General's Office):

Is the request related to Puget Sound recovery?

Yes

References cited from the 2018 Action Agenda associated with direct and indirect benefits provided through funding of the Natural Resource Investments (NRI) program. Many of the Conservation Districts are coordinating directly with the Puget Sound Partnership in roles such as Lead Entity (LE) coordination, LE citizens committees, Local Integrating Organization (LIO), Salmon Recovery Council and many of the various subcommittee and planning level activities coordinated by the partnership. The Districts have an important role as a non-regulatory technically based partner that can work with both rural and urban cooperators in efforts to address the priorities identified in the Action Agenda.

FUND 1.2. Explore and utilize new sources of funding, and *enhance existing sources*

CHIN1.1. Continue to engage with local implementing entities (including tribes, counties, cities, Lead Entities, WRIAs, and others) on preservation of salmon habitat, issues relating to land use, critical areas, and other issues affecting salmon recovery and restoration work.

CHIN1.6. Monitor and report on landowner use and implementation of incentive-based programs to address salmon habitat protection and restoration needs. Regional coordinating entities can use monitoring data to track local progress and pursue adaptive management and corrections as needed; where necessary, tailor program implementation to local conditions to achieve salmon recovery goals at the watershed scale.

CHIN2.2. Initiate discussions and identify specific actions around water science, management, and conservation.

CHIN2.3. Plan for future needs and changing climate and ecosystem conditions: Protect and improve, where needed, the water-holding capacity of watershed uplands to increase groundwater, augment summer low flows, and reduce flood risks.

CHIN2.5. Address and manage water quality parameters, including: • Excess nutrient loading (such as nitrogen) for all sources, and with specific attention to pathways associated with wastewater treatment outfalls • Elevated temperatures • Sediment • Toxics CHIN

CHIN2.6 Incentivize and accelerate stormwater management for new and existing development

CHIN7.1. Protect and/or restore critical habitat for salmon populations.

ORCA1.1. Implement the Governor's Southern Resident Orca Task Force recommendations, as well as the Chinook salmon and Toxics in Fish Implementation Strategies

FP3.1. Develop and implement outreach, education, and/or incentive programs

SHELL1.4. Promote voluntary and incentive-based programs that help working farms contribute to Puget Sound recovery.

SHELL1.9. Improve water quality to prevent downgrades and achieve upgrades of important current tribal, commercial, and recreational shellfish harvesting areas. SHELL1.10. Support implementation of TMDL studies and other necessary water cleanup plans for Puget Sound to set pollution discharge limits and determine response strategies to address water quality impairments. SHELL1.11. Develop and implement local and tribal PIC programs.

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2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 2:35PM

Project Number: 40000016

Project Title: 2021-2023 Natural Resource Investments for the Economy and Enviro

Description

BIB3.1. Facilitate the increased use or performance of best management practices in working/rural lands.

Proviso

Up to three percent of the appropriation provided may be used for the agency to administer the grant or loan program. Up to five percent of the appropriation provided may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for shellfish projects.

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2021-23 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	43,905,000				11,905,000
	Total	43,905,000	0	0	0	11,905,000

		Future Fiscal Periods			
		2023-25	2025-27	2027-29	2029-31
057-1	State Bldg Constr-State	8,000,000	8,000,000	8,000,000	8,000,000
	Total	8,000,000	8,000,000	8,000,000	8,000,000

Operating Impacts

No Operating Impact

Capital Project Request

2021-23 Biennium

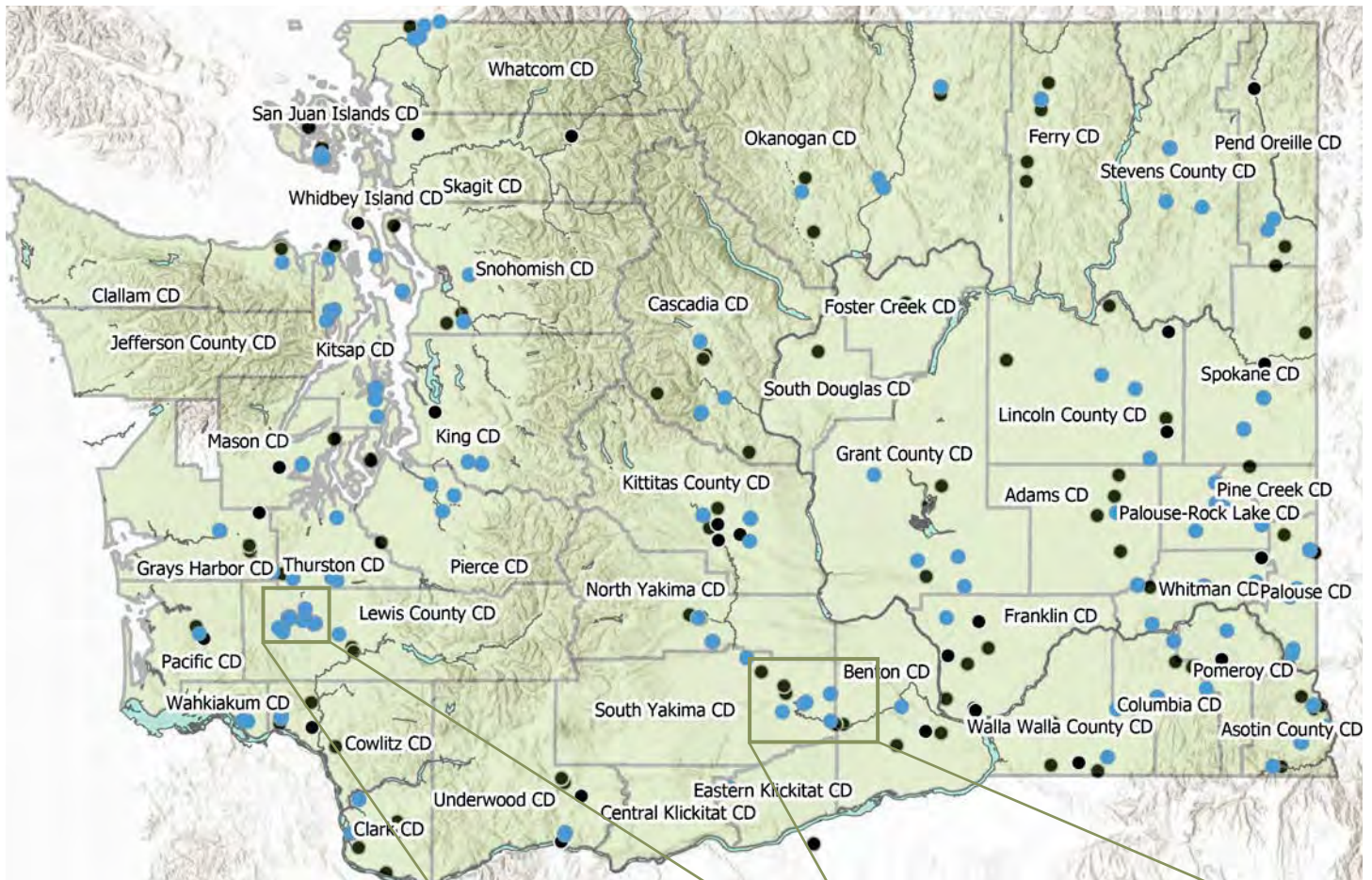
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<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000016	40000016
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

Natural Resource Investments (NRI)

Conservation districts use NRI funding to cover a portion of the cost of best management practices (BMPs) as an incentive for landowners to implement them on their properties. BMPs advance progress toward natural resource objectives, such as improved water quality and habitat, and are farm-friendly.

Funding expended in FY19: \$3.4M



Legend

- Conservation district boundaries
- BMPs completed in fiscal year 2019
- BMPs completed in fiscal year 2018
- Impaired waters / TMDL list (see inset maps)

- NRI projects are strategically located to address natural resource concerns.
- For example, many water quality projects are located along impaired water bodies where pollutant levels exceed the Total Maximum Daily Load (TMDL), as shown in the inset maps above.

Success Stories



Lewis Conservation District leveraged NRI funding from the State Conservation Commission and secured multiple grants to help landowners install 26 screens on irrigation diversions in the Chehalis Basin that protect fish from being drawn into pump intakes.

The TMDL (total maximum daily load) Plan for Hangman Creek in Spokane County identifies loss of riparian function as one of the major reasons for water quality degradation in this watershed.

Spokane Conservation District leveraged NRI dollars and other funding to complete streambank stabilization and restoration projects along approximately two miles of Hangman Creek.

Projects have improved fish habitat and water quality.

Photos show project site before (top) and after project implementation (bottom).



2019 Highlights



235

best management practices installed



24,497

trees and shrubs planted



49,471

feet of stream protected

Learn more about NRI:
www.scc.wa.gov/nri

Expected Use of Bond/COP Proceeds

Agency No:	4710	Agency Name	State Conservation Commission
Contact Name:	Sarah Groth		
Phone:	(360) 407-6205	Fax:	(360) 407-6215
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	40000016	Project Title:	Natural Resource Investments (NRI)

Agencies are required to submit this form for all projects funded with Bonds or COPs, as applicable. OFM will collect and forward the forms to the Office of the State Treasurer.

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? ☒ Yes ☐ No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? ☐ Yes ☒ No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? ☒ Yes ☐ No
4. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental entity (business, non-profit entity, or the federal government), including any federal department or agency? ☐ Yes ☒ No
5. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? ☒ Yes ☐ No
6. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (businesses, non-profit entities, or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? ☐ Yes ☒ No
7. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any nongovernmental entity, for the use of, or in connection with, the project or assets? A nongovernmental entity is defined as

- a. any person or private entity, such as a corporation, partnership, limited liability company, or association;
 - b. any nonprofit corporation (including any 501(c)(3) organization); or
 - c. the federal governmental (including any federal department or agency).

☐ Yes ☒ No
8. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? ☐ Yes ☒ No
9. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? ☐ Yes ☒ No
10. Will any portion of the Bond/COP proceeds be used for staff costs for tasks not directly related to a financed project(s)? ☐ Yes ☒ No

If all of the answers to the questions above are "No," request tax-exempt funding. If the answer to any of the questions is "Yes," contact your OFM capital analyst for further review.

Capital Project Request

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 4:04PM

Project Number: 40000013

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP)

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 2

Project Summary

To recover salmon — including Chinook, which are the primary prey of our endangered orca — Washington must restore more salmon habitat. This request provides matching funds for program management and project implementation to continue the Conservation Reserve Enhancement Program (CREP), a program that engages private landowners as partners in restoring salmon habitat, primarily by planting trees and vegetation along salmon-bearing streams (riparian buffers). In its 20+ years, CREP has demonstrated measurable natural resource improvement across the state, such as cooler water, improved water quality, and increased spawning ground. CREP is critical to our state's strategy for endangered salmon and orca recovery and is related to Puget Sound Action Agenda Implementation. It's also cost-effective. State match represents 20% of program funding, which brings in the remaining 80% of program funding from federal dollars. This investment not only improves watershed health, it stimulates local economies and private-sector employment.

Project Description

The situation for Southern Resident Killer Whales (SRKW or orcas) and Chinook and other salmonids is dire. There's a renewed call for urgency to implement solutions.

According to the Governor's Salmon Recovery Office, much of Washington State has ESA-listed salmonid species in its streams. Nearly all of our basins have streams with 303(d) listings, which means they have failed to meet water quality standards (DOE 2004). Tension is rising in areas such as Skagit Valley, where there has been insufficient progress to reduce water temperatures that are dangerously warm for salmon.

Degraded riparian habitat is a key limiting factor of healthy, robust salmon populations. One of the best strategies to support existing salmon populations and allow them to increase is to protect and expand quality riparian habitat in salmon-bearing streams of the Puget Sound and Columbia River. Because orcas rely on Chinook salmon, increasing habitat for salmon populations is also one of the top recommendations of the SRKW Task Force.

The Conservation Reserve Enhancement Program is a voluntary program administered at the federal level by the Farm Service Agency (FSA) and at the state level by the State Conservation Commission (SCC) to improve habitat for ESA-listed salmon in Washington. It offers incentives to farmers to plant native vegetation along salmon-bearing streams, rather than crops. Vegetation forms a buffer between agricultural land and salmon streams, keeping water clean and cool. This also makes CREP an important tool for water quality improvements in our state and compliance with the Clean Water Act.

Despite measurable improvements for salmon in watersheds with high levels of CREP participation, state funding for CREP has not been sufficient to maximize its potential and restore the level of habitat salmon need in streams adjacent to agricultural land in the Puget Sound and Columbia River.

After planting a riparian buffer, it takes about five years in western Washington and 10 years in eastern Washington to yield measurable biological success. It is imperative to install more CREP plantings now to expedite the creation of more quality riparian habitat for salmon. With the agricultural sector being hit hard by COVID-19 and subsequent economic downturn, CREP is a means to support producers since it provides reliable monetary compensation for the creation of these riparian buffers.

The SCC has submitted decision packages for CREP over many biennia but has not received the full amount requested. This reduces the amount of federal dollars coming to Washington that provide payments to farmers to, in effect, grow trees in lieu of crops in riparian areas.

Funding in this proposal will continue support for on-the-ground implementation of CREP's proven-effective best management practices (BMPs) for salmon, such as planting riparian buffers, and help secure ongoing federal investment in Washington's salmon recovery efforts.

Capital Project Request

2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 4:04PM

Project Number: 40000013

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP)

Description

CREP is the greatest tool that we have to restore salmon habitat on private lands. Since its inception in 1999, CREP has enabled landowners to enhance salmon habitat along over 925 miles of stream — that's the distance from Seattle to the Grand Canyon. The program restores sensitive riparian areas while compensating farmers for lost production and allows them to be part of the solution for salmon recovery. Conservation districts and FSA partner with willing farmers and plant native trees and shrubs along the riparian area of streams on privately owned farmland, while removing livestock and agricultural activities this buffer. Riparian buffers are preserved under 10-15 year renewable federal contracts through FSA, which pays farmers rent for the acreage they plant. In the past decade, CREP has become the largest riparian restoration program in the state with nearly six million trees planted on over 1,375 agricultural sites predominantly located in our largest, most important watersheds in the state.

Once established, the riparian buffers planted through CREP offer numerous benefits:

- Shade cast from tree canopy cools water temperatures.
- Leaf litter and plants provide nutrients and promote insect production that contribute to the food web.
- Trees that fall into streams provide habitat and help shape streams to a more natural condition.
- They function as a natural "water treatment plant" that improves water quality for human uses, such as drinking water, recreational use, and shellfish harvesting.
- Native trees and shrubs sequester carbon, which contributes to climate change resiliency.

The CREP model encourages private partners to go above-and-beyond program requirements. The average CREP buffer width is 140 feet, even though the FSA minimum buffer width for CREP is 50 feet. Conservation districts use this 50-foot buffer as a conversation starter. More often than not, once the landowner sees the benefits of a wider buffer — whether it is the financial incentive or the opportunity to have a greater area of desirable fish and wildlife habitat installed and maintained (or both) — there is a willingness to go well beyond that 50-foot minimum.

CREP is good for fish, and it's good for our economy:

- It aids the state budget by infusing an 80% match of federal funds into Washington's economy.
- There is almost no maximum to the amount of federal funding that can be brought to Washington to plant these riparian buffers that improve salmon habitat and water quality while providing financial incentives to farmers. The limiting factor is the amount of state match that can be used to leverage federal funding.
- Landowners are paid rent for the acreage of land they restore for salmon, providing a reliable income source — something many farmers appreciate.
- CREP provides private-sector jobs for people who grow plants and prepare and maintain the land that is planted with the buffers.
- Improvements in salmonid populations also increase the economic value of their fisheries.

The environmental and economic benefits summarized above depend on funding from this request. Funding will meet Washington State obligations for program and project management, implementation and maintenance of CREP riparian plantings in association with the USDA Farm Services Agency.

Funding supports the on-the-ground expertise and management needed for successful, site-specific riparian plantings. CREP requires a working partnership between the SCC, conservation districts, local FSA offices, and the farmers who want to enroll in the program. Considerations of watershed effects, soil type, and landowner goals must be factored in on a site-by-site basis, and it takes a great deal of planning and careful communication with each landowner and planting contractor to ensure success, which is why project management is so crucial to ensuring success.

Alternatives Explored

Capital Project Request

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 4:04PM

Project Number: 40000013

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP)

Description

CREP requires state match to secure federal funding. Without sufficient state funding, the program will end. Conservation districts would be unable to continue managing ongoing CREP projects or enroll new farmers into the program. The partnership with FSA would dissolve.

The cessation of CREP would:

- End most of the recovery actions for riparian conditions on agricultural lands and slow progress towards salmon and orca recovery.
- End the infusion of several millions of federal dollars into our state each biennium. This would negatively impact the economy and reduce employment, cutting at least 116 private-sector jobs per year.
- End restoration actions that are important for compliance with the Clean Water Act and that contribute to the goals of the Puget Sound Action Agenda.
- Reduce future water quality and salmon habitat improvements, with negative impacts to tribes that rely on salmon and shellfish for traditional food. Failure to fund this ongoing effort could put the state at increased risk of a legal challenge by Washington's treaty tribes.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: 89.08

Application process used

Landowners work with FSA and conservation districts to determine eligibility, develop a plan and enter a contract with FSA for program participation. Once incurred costs are approved by FSA, state issues state portion of cost-share payment through the district to the landowner and awards maintenance as needed for up to five years for each planting. Districts are awarded technical assistance funds to recruit and manage projects based on program size.

Growth Management impacts

Under GMA, all jurisdictions are required to designate resource lands of long-term commercial significance. These lands include agricultural, forestry and mineral resource lands. Furthermore, jurisdictions planning under the GMA must designate and protect critical areas, which include wetlands, critical wildlife habitat, aquifer recharge areas, geologic hazards, and frequently flooded areas. This proposal supports these local requirements and objectives through the implementation of on-the-ground projects. All locally implemented projects are planned and implemented in a manner consistent with local comprehensive plans and ordinances.

Funding

Expenditures

2021-23 Fiscal Period

Capital Project Request

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 4:04PM

Project Number: 40000013

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP)

Funding

Acct Code	Account Title	Estimated Total	Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	37,500,000				7,500,000
	Total	37,500,000	0	0	0	7,500,000

Future Fiscal Periods

	2023-25	2025-27	2027-29	2029-31
057-1 State Bldg Constr-State	7,500,000	7,500,000	7,500,000	7,500,000
Total	7,500,000	7,500,000	7,500,000	7,500,000

Operating Impacts

No Operating Impact

Capital Project Request

2021-23 Biennium

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<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000013	40000013
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids



Conservation Reserve Enhancement Program (CREP)

2019 marked the 20th anniversary of CREP, the largest riparian restoration program in Washington. Farmers are compensated for voluntarily growing native vegetation along streams, rather than crops, through this federal and state funded program. The vegetation forms a buffer between agricultural land and salmon streams, keeping water clean and cool and improving salmon habitat.

Good for Salmon, Good for Orca


Nearly all CREP-eligible streams are within priority Chinook stock basins for our Southern Resident Killer Whales.

Legend

 Stream segments eligible for CREP


*Priority Chinook Stock Basins
for S. Resident Killer Whales*

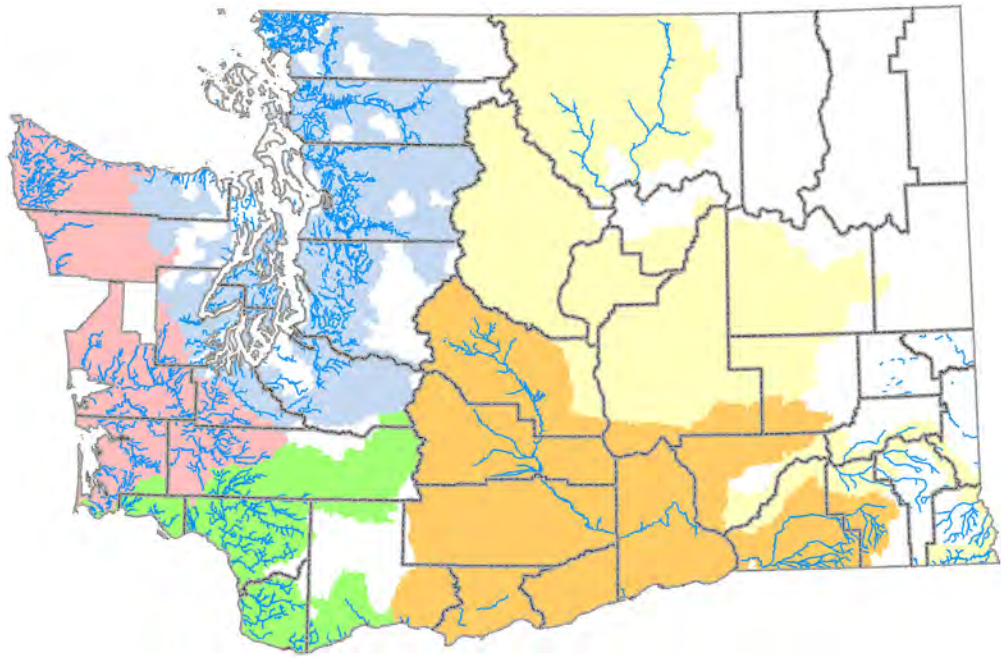
 Washington Coast

 Lower Columbia

 North/South Puget Sound

 Upper Columbia and Snake
Fall/Snake River

 Middle and Upper Columbia
Spring/Summer

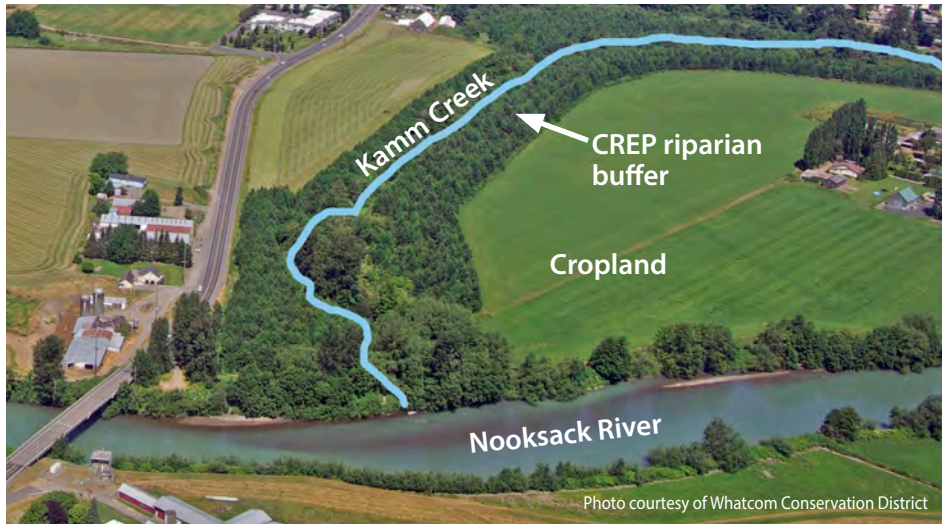


NOAA and Washington Department of Fish and Wildlife. (2018) Southern Resident Killer Whale Priority Chinook Stocks Report. Retrieved from: https://www.westcoast.fisheries.noaa.gov/publications/protected_species/marine_mammals/killer_whales/recovery/srkw_priority_chinook_stocks_conceptual_model_report__list_22june2018.pdf

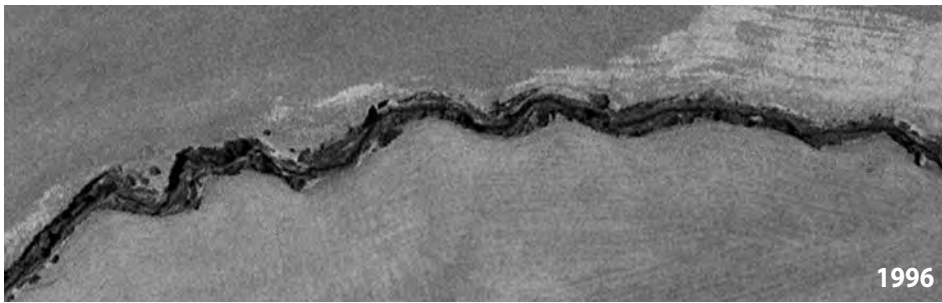
- Chinook salmon are the primary prey of our endangered Southern Resident Killer Whales.
- In watersheds with high levels of participation in CREP, Chinook returns have increased.
- This makes CREP vital to Washington's strategy to save our orcas.



What Does a Riparian Buffer Look Like?



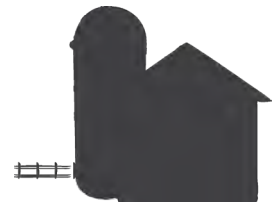
Success Story



Thanks to willing landowners and Walla Walla County Conservation District, there are over six contiguous miles of buffer along a stretch of Dry Creek where there are several cattle operations. Buffers are keeping cattle away from streambanks and filtering contaminants.

Contact our office (360-407-6200) or use the Telecommunications Relay Service (dial 711) to request content in an alternative format.

Celebrating 20 Years - Highlights to Date



1,375

agricultural sites voluntarily enrolled in CREP



925

miles of stream enhanced for salmon... that's the distance from Seattle to the Grand Canyon!



5.9 million

native trees planted



142

average width of riparian forest buffers (in feet)

Learn more about CREP

Visit: scc.wa.gov/conservation-reserve-enhancement-program

Contact:
Brian Cochrane
360-407-7103
bcochrane@scc.wa.gov

Updated: Jan. 2020

Expected Use of Bond/COP Proceeds

Agency No:	4710	Agency Name	State Conservation Commission
Contact Name:	Sarah Groth		
Phone:	(360) 407-6205	Fax:	(360) 407-6215
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	40000013	Project Title:	Conservation Reserve Enhancement Program (CREP)

Agencies are required to submit this form for all projects funded with Bonds or COPs, as applicable. OFM will collect and forward the forms to the Office of the State Treasurer.

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments?
☒ Yes ☐ No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments?
☐ Yes ☒ No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments?
☒ Yes ☐ No
4. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental entity (business, non-profit entity, or the federal government), including any federal department or agency?
☐ Yes ☒ No
5. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply?
☒ Yes ☐ No
6. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (businesses, non-profit entities, or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes?
☐ Yes ☒ No
7. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any nongovernmental entity, for the use of, or in connection with, the project or assets? A nongovernmental entity is defined as
☐ Yes ☒ No

- a. any person or private entity, such as a corporation, partnership, limited liability company, or association;
 - b. any nonprofit corporation (including any 501(c)(3) organization); or
 - c. the federal governmental (including any federal department or agency).
8. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments?
☐ Yes ☒ No
9. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes?
☐ Yes ☒ No
10. Will any portion of the Bond/COP proceeds be used for staff costs for tasks not directly related to a financed project(s)?
☐ Yes ☒ No

If all of the answers to the questions above are "No," request tax-exempt funding. If the answer to any of the questions is "Yes," contact your OFM capital analyst for further review.

Capital Project Request

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 3:57PM

Project Number: 40000015

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP) PIP loa

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 3

Project Summary

There is an urgent need for more riparian buffers in salmon-bearing streams to provide better salmonid habitat, cool water temperatures, and improve water quality. This request is to provide agency spending authority only for revolving loan funds administered to private landowners in conjunction with the Conservation Reserve Enhancement Program (CREP). In its 20+ years of implementation, the Conservation Reserve Enhancement Program (CREP) has demonstrated measurable 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 program has been highly successful and cost effective. Due to its ability to bring 80% federal funding into the state, it is a wise method to not only improve watershed health, but also stimulate local economies and private-sector employment.

Project Description

The Conservation Reserve Enhancement Program is a voluntary program administered at the federal level by the Farm Service Agency (FSA) and at the state level by the State Conservation Commission (SCC) to improve habitat for ESA-listed salmon in Washington. CREP pays farmers rent for acreage that they plant with native vegetation along salmon-bearing streams, rather than crops. Vegetation forms a buffer between agricultural land and salmon streams, keeping water clean and cool. This also makes CREP an important tool for water quality improvements in our state and compliance with the Clean Water Act.

Since its inception in 1999, CREP has demonstrated measureable natural resource improvement across the state, such as cooler water, improved water quality, and increased spawning ground.

Over the years, program partners identified barriers that prevented landowners from participating. One example is the financial burden landowners were carrying while they waited for project completion.

Under CREP, landowners are reimbursed for capital costs upon installation at 50% from FSA and 10% from SCC. Upon completion of all practices on the project, landowners receive a Practice Incentive Payment (PIP) from FSA in the amount of an additional 40%, thus covering all of their installation costs. As the program evolved, three factors related to the PIP became barriers to landowner participation in the program:

- The time between installation of the first practice and final completion is delayed, and landowners are left to carry the installation costs until final project completion;
- Large projects can be very expensive. Landowners incur large expenses paying contractors and must wait for re-imbursement upon project completion;
- Some low-income landowners simply couldn't afford to pay contractors their 40% share and wait for reimbursement.

Proposed Solution and Services Provided

To address participation barriers, the PIP Loan Program was developed in 2009 for CREP in Washington. Under this Program,

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Version: S1 2021-2023 Capital Budget Request

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Date Run: 9/10/2020 3:57PM

Project Number: 40000015

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP) PIP loa

Description

the SCC pays the landowner the PIP when expenses are incurred and receives an assignment of payment from the landowner that directly reimburses the SCC from FSA when the project is completed. That means the landowner no longer has to wait for project cost reimbursement.

The SCC currently has sufficient funds in circulation to ensure continuation of the PIP Loan Program, but needs authority to spend those funds and incentivize new projects as current loans are re-paid.

Spending authority requested in this proposal will continue support for on-the-ground implementation of best management practices (BMPs) to create riparian buffers that improve salmon habitat by reducing water temperature, improve water quality by serving as a filter to mitigate agricultural inputs to the water, and sequester carbon. This program has supported more than 90 landowners throughout Washington since its inception with over \$700,000 in loans that may not have otherwise participated in CREP.

The success of CREP is contingent on voluntary landowner participation. Successful CREP projects yield multiple benefits for salmon and our economy.

CREP buffers function as a natural "water treatment plant" that keeps water clean and provides salmon habitat. In watersheds with high levels of CREP participation (the Tucannon River in Columbia County and Ten-mile Creek in Whatcom County), results have included cooler summer water temperatures, higher numbers of returning young and adult salmon, and more miles of accessible stream habitat.

Economic benefits include the fact that CREP aids the state budget by infusing an 80% match of federal funds into Washington's economy. On a more local level, landowners are paid rent for the acreage of land they restore for salmon, providing a reliable income source — something many farmers appreciate. CREP also provides private-sector jobs for people who grow plants and who prepare and maintain the land that is planted with the buffers.

These and more benefits for Washington's natural resources and people depend on solutions that make CREP more participation-friendly, such as the PIP Loan Program.

Alternatives Explored

Continuation of the PIP Loan Program depends on state funding in this request.

Without sufficient loan support, many landowners — especially those who are low income — will be unable to carry the financial burden of waiting for project cost reimbursement, which will prevent them from enrolling in CREP. Fewer landowners enrolling

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Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP) PIP loa

Description

in CREP will severely impede progress toward salmon and orca recovery as less action is taken to restore riparian conditions on agricultural lands.

Continued barriers to CREP implementation also limits the infusion of several millions of federal dollars into our state each biennium under this program. This would have a negative economic impact and reduce private-sector employment.

Not funding the CREP PIP Loan Program also would limit restoration actions that are important for compliance with the Clean Water Act and that contribute to the goals of the Puget Sound Action Agenda. It would jeopardize future water quality and salmon habitat improvements, with negative impacts to tribes that rely on salmon and shellfish for traditional food.

Finally, failure to fund this ongoing effort will put the state at increased risk of a legal challenge by Washington's treaty tribes who depend upon salmon for commercial, subsistence and cultural purposes. The state has an obligation to provide salmon habitat to meet treaty obligations. Recent federal court decision indicate the state could be exposed to legal challenge if the state fails to address the negative habitat impacts that affect salmon survival.

Assumptions and calculations

This request is for authority to spend existing funds in a revolving account and is not a request for new funds. Under the CREP PIP, loans are issued, then repaid through an assignment of payment to ensure continued replenishment of the revolving account. Existing CREP funding covers the cost of administering the revolving funds.

Workforce assumptions at the SCC:
0.0 FTE

Strategic and performance outcomes

The Governor's Results Washington indicators addressed by this funding proposal include:

- 3.2.c Increase number of CREP sites to improve water temperature and habitat from 1,094 to 1,178 by 2020.

This proposal relates to the following WSCC strategic areas:

- Resource Conditions: demonstrate that voluntary conservation programs and services lead to natural resource improvements.
- Statewide Program Delivery: Program will meet local and state resource priorities.
- Sustainable Funding: WSCC and districts will have secure funding that allows us to retain talented staff and confidently launch long-term, strategic work plans.
- Partnering: WSCC is a "go-to" partner with FSA and NRCS that unites natural resources and agricultural stakeholders and implements collaborative, effective conservation solutions.
- Technical Capacity: Conservation districts have premier technical capability and capacity to create and implement conservation systems and programs.

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Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP) PIP loa

Description

Other collateral connections

CREP is strongly supported by the agricultural community, environmental groups, tribes, and other natural resource agencies, both federal and state. The Voluntary Stewardship Program operated by SCC relies on other conservation programs like CREP for leveraged implementation of practices on private farm lands to provide critical area functions and values that comply with the state's Growth Management Act.

Puget Sound Action Agenda:

The protection and recovery of habitat, including salmon habitat, is one of three Strategic Initiatives in the 2016 Puget Sound Action Agenda. This funding proposal will directly support and implement this strategic initiative by supporting the on-the-ground implementation of projects that address negative impacts to salmon habitat. This funding request supports the following Ecosystem Strategies and Sub strategies found in the 2016 Action Agenda:

- Strategy 5 – Protect and restore floodplain function
- 5.4 Implement and maintain priority floodplain restoration projects
- Strategy 6 – Protect and recover salmon.
- 6.1 Implement high-priority projects identified in each salmon recovery watershed's three-year work plan.
- 6.4 Protect and recover steelhead and other imperiled salmonid species.
- Other sub strategies supported by this CREP funding request:
- 2.2 Implement and maintain priority freshwater and terrestrial restoration projects.
- 3.1 Use integrated market-based programs, incentives, and ecosystem markets to steward and conserve private forest and agricultural lands.
- 3.2 Retain economically viable working forests and farms.
- 9.4 Provide education and project management to prevent and reduce releases of pollution.
- 10.1 Manage urban runoff at the basin and watershed scale.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Loans

Growth Management impacts

Growth Management impacts Under GMA, all jurisdictions are required to designate resource lands of long term commercial significance. These lands include agricultural, forestry and mineral resource lands. Furthermore, jurisdictions planning under the GMA must designate and protect critical areas, which include wetlands, critical wildlife habitat, aquifer recharge areas, geologic hazards, and frequently flooded areas. This proposal supports these local requirements and objectives through the implementation of on the ground projects. All locally implemented projects are planned and implemented in a manner consistent with local comprehensive plans and ordinances.

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2021-23 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
552-1	Cons Assistance Acct-State	2,500,000				500,000

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Date Run: 9/10/2020 3:57PM

Project Number: 40000015

Project Title: 2021-2023 Conservation Reserve Enhancement Program (CREP) PIP loa

Funding					
Total		2,500,000	0	0	500,000
Future Fiscal Periods					
		2023-25	2025-27	2027-29	2029-31
552-1	Cons Assistance Acct-State	500,000	500,000	500,000	500,000
Total		500,000	500,000	500,000	500,000

Operating Impacts

No Operating Impact

Capital Project Request

2021-23 Biennium

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<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000015	40000015
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

Capital Project Request

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 4:45PM

Project Number: 40000017

Project Title: 2021-2023 Regional Conservation Partnership Program (RCPP) Match

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 4

Project Summary

This request covers state match needed to bring millions of Farm Bill dollars to Washington for Regional Conservation Partnership Program (RCPP) projects that unite multiple partners in solving natural resource issues. The Washington State Conservation Commission (SCC) has been designated to pass-through required state capital match for nine RCPP projects. On average, every state dollar invested in RCPP leverages over \$4.00 in federal and other partner contributions. RCPP projects create hundreds of jobs and make measurable progress on urgent issues, including fish passage, flood control, orca recovery, water supply, forest health, and farmland preservation. Without state match, these RCPP projects — most of which have been under development for years — will lose these environmental and economic benefits.

Project Description

Now, more than ever, we must take full advantage of solutions like the Regional Conservation Partnership Program (RCPP) that make state investments go further. This decision package enables Washington State to capitalize from the cooperative investment approach used by RCPP to achieve natural resource goals. By providing the minimum state match required for nine RCPP projects in the 21-23 biennium, Washington will see a high financial return on investment, measurable natural resource results, and job creation.

RCPP is a Farm Bill program that sends federal dollars to regional and watershed-scale projects where multiple partners coordinate conservation efforts, engage voluntary landowner participation, and leverage funds to maximize results. Examples of potential RCPP partners include conservation districts, state agencies, counties, tribes, and local non-profit organizations, such as land trusts.

RCPP grants are awarded to an identified project lead, such as a conservation district, to coordinate and implement five-year project agreements with participating partners. Funding is used to voluntarily engage farmers, ranchers, and forest landowners with eligible USDA Natural Resource Conservation Service (NRCS) conservation activities that address priority natural resource concerns in their area. [More information about RCPP is available on the USDA website.](#)

Washington has been one of the most successful states in the nation in receiving RCPP grants. Since its inception in 2014, partners here have put the program to work addressing priorities such as recovering threatened Mid-Columbia steelhead in the Yakima River Basin, sustaining healthy forests in southwest Washington, reducing sediment loads in the Palouse River watershed, and much more.

All RCPP projects — including those awarded in Washington — require non-federal match funding. The Washington State Conservation Commission (SCC) has been designated to pass-through state capital matching funds for RCPP projects in our state. State match represents only a portion of required matching funds, with the majority coming from other partner and local contributions. In fact, in terms of total project investment, every state dollar invested in RCPP leverages four dollars from federal and other partner sources. See attached RCPP Match.

Nine RCPP projects are requesting state match funding as part of their overall project budgets for the 21-23 biennium.

The projects — summarized in the attached RCPP Projects Detail — are vital to protecting and restoring natural resources, enhancing soil conservation, and contributing to clean air and water for the benefit of all Washingtonians.

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Project Title: 2021-2023 Regional Conservation Partnership Program (RCPP) Match

Description

RCPP project partners are at various phases of their work, some at the beginning, and some are years into their projects and already showing results. For example, to date, Palouse River RCPP partners have prevented enough sediment from entering the watershed to fill dump trucks lined back-to-back from the Olympia Capitol to the Space Needle. And, through the Greater Spokane River Watershed RCPP, landowners voluntarily have signed up to use conservation tillage, a practice that reduces erosion and improves soil health, on over 108,000 acres of farmland — for reference, that's a total area twice the size of the City of Seattle.

The RCPP projects that are requesting state match cannot continue building on these successes and realizing progress toward Washington's priorities without this funding.

Proposed solution

This decision package covers the minimum state match required (\$9,725,000) for nine RCPP projects in the 21-23 biennium.

While all Washingtonians benefit from the more sustainable water, air, soil, and food that result from these projects, those who are directly served by this request include:

- The farmers, ranchers, irrigators, and forest landowners in seven regions across our state who voluntarily signed up to take actions that contribute to project goals and are depending on RCPP partners to fulfill their contractual obligations to assist them. Without state match, RCPP partners will be unable to fulfill these obligations.

- Local food producers would be assisted with practical and innovative solutions to natural resource challenges that help them protect or improve their farms' bottom-line.

- New and beginning farmers, veterans, tribal members, limited English proficiency populations, limited-resource and socially disadvantaged participants who RCPP partners will place emphasis on serving based on the local community composition.

What is purchased

Requested state match will allow partners involved with these nine RCPP projects to realize environmental, agricultural, and economic goals for our state. This includes:

- Securing approximately \$75 million in federal and partner funding contributions that depend on state capital match.

- Constructing projects and implementing practices, such as planting riparian buffers and installing more efficient irrigation systems, that result in new and continuing progress toward Washington's goals, including forest health, salmon recovery, and farmland preservation.

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 4:45PM

Project Number: 40000017

Project Title: 2021-2023 Regional Conservation Partnership Program (RCP) Match

Description

- Creating jobs within each of the nine project areas.

The specific services that will be provided vary by RCP project. Examples include, but are not limited to:

- Assisting farmers with converting from conventional tillage to conservation tillage, which reduces erosion and improves soil health.
- Modernizing and improving water delivery systems, including converting irrigation to more efficient sprinkler systems.
- Implementing forest stewardship plans.
- Assisting farmland owners with securing easements that preserve farmland and associated ecological benefits.
- Identifying water pollution sources and engaging landowners with appropriate actions to solve it.

Why is this proposed solution the best option / alternative explored

State match is one piece of the overall RCP project budgets. Project leads already have secured RCP federal grants and financial commitments from agency, tribal, local, and NGO partners that cover the majority of project budgets. But all of this funding depends on securing the remaining state capital match.

Not funding this request could result in the loss of over \$34,000,000 in federal funding awards to the nine RCPs and the loss of additional leveraged partner contributions. The tremendous momentum and natural resource improvements already realized by the ongoing RCPs will be lost and extremely difficult to rebuild or regain in the future. Also, landowners and agricultural producers currently participating or considering participation would no longer have the opportunity to receive technical and financial assistance to implement conservation practices or establish conservation easements. Many current and anticipated jobs associated with these projects would be lost.

Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures.

The SCC has requested and allocated legislative appropriations of state match funding to RCPs since the 15-17 biennium.

15-17 biennium expenditures: \$1,378,668

17-19 biennium expenditures: \$4,958,618 (including re-appropriation)

19-21 biennium expenditures as of July 2020 : \$2,425,524

Decision Package expenditure, assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

The amount of state match funding requested by each RCP is pursuant to their individual project budgets and match funding sources utilized.

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

This proposal relates to the following WSCC Strategic Plan areas:

Resource Conditions – Demonstrate that voluntary conservation programs and services lead to natural resource improvements.

Resource Issue Facilitation – Coordinate local, state, federal, and tribal entities to identify and resolve natural resource issues.

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Project Number: 40000017

Project Title: 2021-2023 Regional Conservation Partnership Program (RCPP) Match

Description

District Operations – Enhance conservation districts' ability to deliver quality technical services that meet local and natural resource needs.

Statewide Program Delivery – Our programs meet local and state resource priorities. With conservation districts we maximize community-based models to deliver effective solutions.

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

Technical Capacity – Conservation districts have premiere technical capability and capacity to create and implement conservation systems and programs.

Public Outreach and Marketing – A diversity of citizens, stakeholders, and leaders, recognize the SCC and conservation districts for their achievements and collaborative approach.

Puget Sound Partnership Action Agenda - Identified Priorities

References cited from the 2018 Action Agenda associated with direct and indirect benefits provided through funding of the RCPP programs. Many of the Conservation Districts are coordinating directly with the Puget Sound Partnership in roles such as Lead Entity (LE) coordination, LE citizens committees, Local Integrating Organization (LIO), Salmon Recovery Council and many of the various subcommittee and planning level activities coordinated by the partnership. The Districts have an important role as a non-regulatory technically based partner that can work with both rural and urban cooperators in efforts to address the priorities identified in the Action Agenda.

FUND 1.2. Explore and utilize new sources of funding, and enhance existing source

SSF1.1. Develop (or adapt) an Implementation Strategy for the Summer Stream Flows Vital Signs of funding.

CHIN1.1. Continue to engage with local implementing entities (including tribes, counties, cities, Lead Entities, WRIAs, and others) on preservation of salmon habitat, issues relating to land use, critical areas, and other issues affecting salmon recovery and restoration work.

CHIN1.3. Develop a regional application of critical areas and ecologically important habitat, including coordination of data (GIS exercise) to compile this overlay.

CHIN1.6. Monitor and report on landowner use and implementation of incentive-based programs to address salmon habitat protection and restoration needs. Regional coordinating entities can use monitoring data to track local progress and pursue adaptive management and corrections as needed; where necessary, tailor program implementation to local conditions to achieve salmon recovery goals at the watershed scale.

CHIN2.2. Initiate discussions and identify specific actions around water science, management, and conservation.

CHIN2.3. Plan for future needs and changing climate and ecosystem conditions: Protect and improve, where needed, the water-holding capacity of watershed uplands to increase groundwater, augment summer low flows, and reduce flood risks.

CHIN2.5. Address and manage water quality parameters, including: • Excess nutrient loading (such as nitrogen) for all sources, and with specific attention to pathways associated with wastewater treatment outfalls • Elevated temperatures • Sediment • Toxics CHIN

CHIN2.6. Incentivize and accelerate stormwater management for new and existing development

CHIN7.1. Protect and/or restore critical habitat for salmon populations.

ORCA1.1. Implement the Governor's Southern Resident Orca Task Force recommendations, as well as the Chinook salmon and Toxics in Fish Implementation Strategies

FP3.1. Develop and implement outreach, education, and/or incentive programs

SHELL1.4. Promote voluntary and incentive-based programs that help working farms contribute to Puget Sound recovery.

SHELL1.9. Improve water quality to prevent downgrades and achieve upgrades of important current tribal, commercial, and recreational shellfish harvesting areas. SHELL1.10. Support implementation of TMDL studies and other necessary water cleanup plans for Puget Sound to set pollution discharge limits and determine response strategies to address water quality impairments. SHELL1.11. Develop and implement local and tribal PIC programs.

BIB3.1. Facilitate the increased use or performance of best management practices in working/rural lands.

BIB4.1. Identify strategies and approaches to reduce the impacts from forestry on freshw

The Governor's Results Washington indicators addressed by this funding proposal include:

2.2.b. Increase miles of stream habitat opened.

2.2.c. Increase number of fish passage barriers corrected.

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Project Number: 40000017

Project Title: 2021-2023 Regional Conservation Partnership Program (RCP) Match

Description

2.3 Increase the percentage of current state listed species recovering from 28% to 35% by 2020.
 2.3.b. Increase the 5-year running average of statewide sage-grouse population from 1,000 to 1,100 by 2017.
 4.1.a. Maintain current level of statewide acreage dedicated to working farms (cropland) with no net loss.
 4.2 Increase the average annual statewide treatment of forested lands for forest health and fire reduction from 145,000 to 200,000 acres by 2017.
 4.4 Reduce the rate of loss of priority habitat.
 4.4. b Reduce annual rate of conversion of marine and freshwater riparian habitat in Puget Sound and provide mitigation to ensure maintenance of today's habitat functions..

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: 89.08

Application process used

Under federal guidelines, state, local and non-profit entities are allowed to submit pre-proposals to NRCS for RCPP consideration. Following review of the pre-proposals, NRCS will select a few for full proposal submittal and consideration for final RCPP designation. Pre-proposals are scored on the availability of matching resources by partners and if no state funding match is available we will miss out on the opportunity to leverage state funding of up to \$34 million of federal funds.

Growth Management impacts

Implementation projects support GMA critical area protection requirements within respective project areas.

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2021-23 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	30,725,000				9,725,000
	Total	30,725,000	0	0	0	9,725,000
Future Fiscal Periods						
		2023-25	2025-27	2027-29	2029-31	
057-1	State Bldg Constr-State	5,250,000	5,250,000	5,250,000	5,250,000	
	Total	5,250,000	5,250,000	5,250,000	5,250,000	

Operating Impacts

No Operating Impact

Capital Project Request

2021-23 Biennium

*

<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000017	40000017
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

Representative Mike Chapman
132B Legislative Building
PO Box 40600
Olympia, WA 98504-0600

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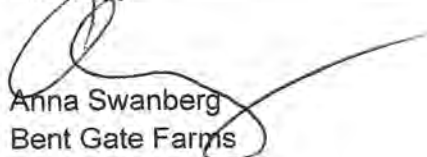
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Thank you for your support.

Sincerely,



Anna Swanberg
Bent Gate Farms

Anna Swanberg
182 Home Ln.
Port Angeles, WA 98362

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JLOB 314
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Olympia, WA 98504-0600

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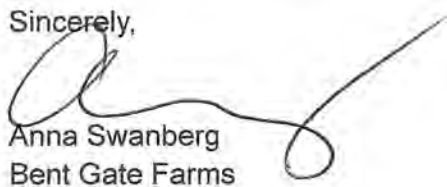
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PO Box 40424
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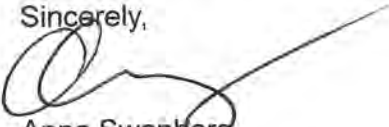
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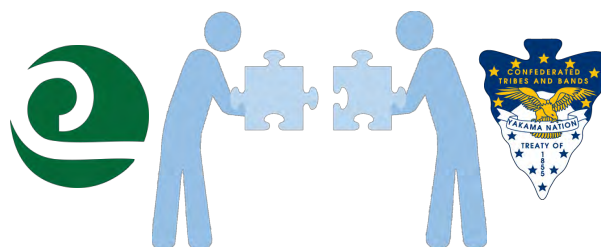
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YAKIMA INTEGRATED PLAN—TOPPENISH TO TEANAWAY PROJECT

REGIONAL CONSERVATION PARTNERSHIP PROGRAM (RCPP)

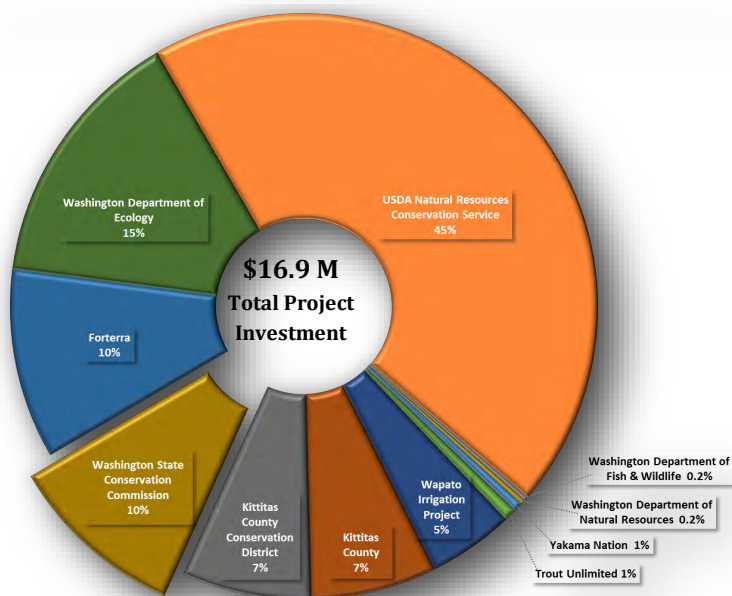
The **Kittitas County Conservation District** and the **Confederated Tribes and Bands of the Yakama Nation** are partnering to implement projects to support the Yakima Basin Integrated Water Management Plan.

The USDA Natural Resources Conservation Service (NRCS) awarded \$7.5 million to the project, of which 25% is on the Yakama Nation Reservation lands and 75% is in the Upper Yakima Watershed (Kittitas County).



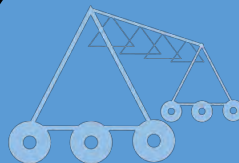
This River Runs Forever
Yakima Basin Integrated Plan

**Funding Sources for the Yakima Integrated Plan -
Toppenish to Teanaway RCPP Project**



Every 10 cents of Washington State Conservation Commission (WSCC) funds leverage 90 cents of additional conservation

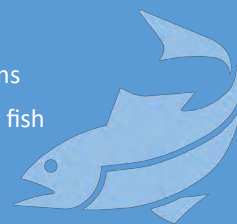
Drought Resiliency



- Conversion to high efficiency sprinkler irrigation systems
- Installation of buried pipelines
- Irrigation water management
- Water savings and acquisition for instream flows.

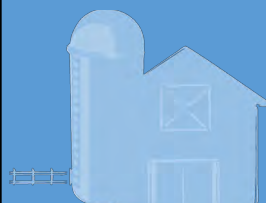
Fish Habitat

- Fish screens on irrigation diversions
- Barriers removed or corrected for fish passage
- Grazing management
- Riparian restoration (fencing and planting)
- Instream habitat structures



Protection of Critical Agricultural and Forestlands

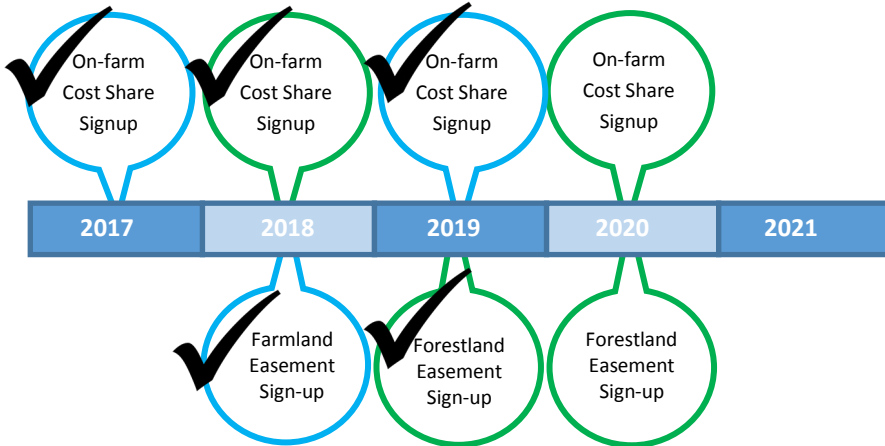
- Easements for 250 acres of farmland
- Easements for 140 acres of forestlands
- Management and restoration plans and actions for all



Upper Yakima River Watershed Portion of the RCPP Project
led by the KITTITAS COUNTY CONSERVATION DISTRICT

Who's Eligible for RCPP?

In Kittitas County, landowners & producers are signing up for the available programs through RCPP. The waiting list for funding includes more than 30 individuals and continues to grow as the projects develop.



*Fish screen
installed on a pump
diversion in a creek.*

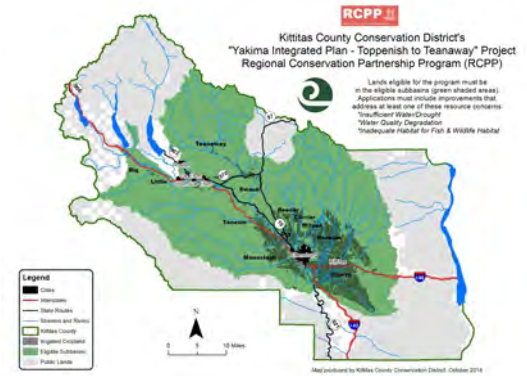


Conversion of 960 acres from rill to sprinkler irrigation (above) including the installation of nearly 40,000 feet of pipelines to date.



Who's Eligible for RCPP?

In Kittitas County, landowners & producers in the green shaded areas of the map below are eligible to apply for the federal funding. Applications are taken by the Kittitas County Conservation District during sign-up periods.



Completed Easements

A conservation easement was completed in 2020 for 274 acres of agricultural land. Development rights were extinguished for 37 tax parcels. This project is bisected by a one mile reach of Naneum Creek.



Practices in RCPP Contracts with Producers 2017-2020

Practice	Units	Amount	Funds
430- Irrigation Pipeline	Ft	39,514	\$366,524
449- Irrigation Water Man- agement	Ac	832.1	\$25,118
533- Pumping Plant	No	14	\$94,583
442- Sprinkler System	Ac	958.9	\$1,191,484
587- Structure for Water Control	No	9	\$25,892
587- Structure for Water Control (fish screen)	No	1	\$1,960

Total in 15 Contracts	\$1,705,561
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For more information about the Yakima Integrated Plan—Toppenish to Teanaway RCPP Project, contact Anna Lael, a-lael@conservewa.net or 509-925-3352 ext. 207

MAPLE VIEW FARM LLC.
FAMILY DAIRY

bennett@olive.com

373 SCHMUCK RD.
SEQUIM, WA. 98382

OFFICE (360)683-5049
CELL (360) 460-9499

Ben & Troy Smith – Owners

August, 7th, 2020

Representative Mike Chapman
132B Legislative Building
PO Box 40600
Olympia, WA 98504-0600

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REGIONAL CONSERVATION PARTNERSHIP PROGRAM

P A L O U S E R I V E R W A T E R S H E D

Overview

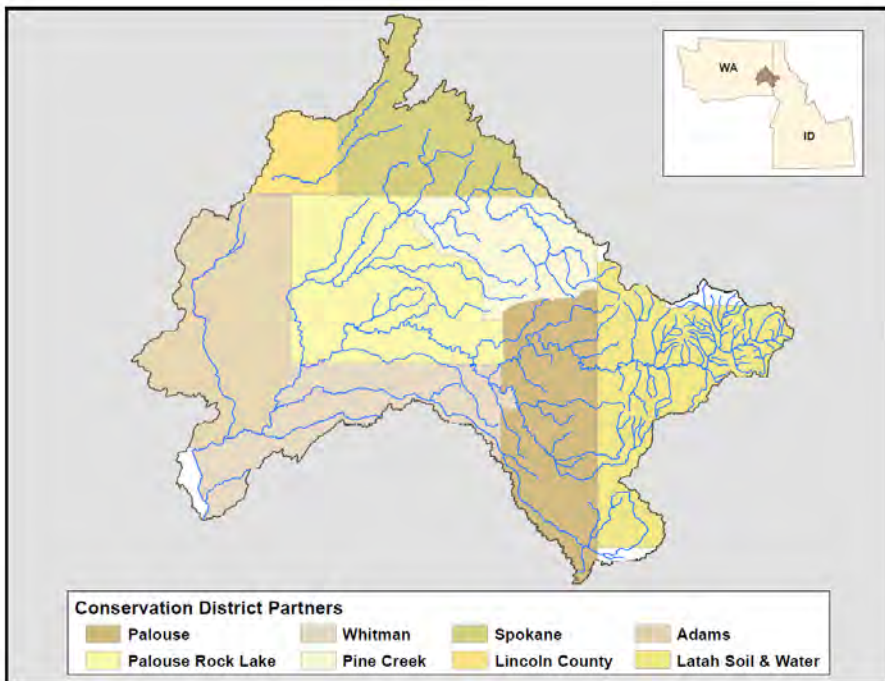
The Palouse River Watershed RCPP is a voluntary program directed through the Natural Resource Conservation Service (NRCS) that benefits water quality, soil health, and habitat within the Palouse River Watershed. Over the past 5 years, the program has provided \$5.5M of financial and technical assistance for conservation. Partners have contributed an additional \$7.5M in funding towards these goals. We were recently awarded a second round of funding to provide an additional 5 years and \$5.5M dollars to support conservation throughout the watershed.



Field site visit with a landowner to learn more about their current practices and future goals.

Partnership

The Palouse River Watershed RCPP has exceeded conservation goals due to the dedicated partners and experienced staff members that participate in the program. The following organizations have provided both technical and financial assistance :



Conservation districts:

Palouse (lead entity), Whitman, Palouse Rock Lake, Pine Creek, Adams, Lincoln County, Spokane, Latah Water & Soil

Private Organizations

Palouse Clearwater Environmental Institute, Palouse Land Trust, PNDSA

Universities

U of I, WSU

Agencies

NRCS, WSCC, Ecology, Nez Perce Tribe, WA Fish & Wildlife, ID Fish & Game

Resource Conservation

The Palouse River watershed is comprised of 67% Dryland Agriculture and 26% Rangeland. Implementing conservation practices within these landuses can have wide ranging and long lasting benefits to the landscape. The Palouse River Watershed RCPP recognized the need for technical and financial assistance to help land managers make decisions based on their personal operation and future goals.



Residue on cropland within the Palouse River Watershed reduces soil erosion caused by wind and water.

Technical Assistance

Throughout the program, experienced staff have assisted landowners by providing information on a diversity of topics. Some topics include:

- *Water Quality*
- *Weed Management*
- *Nutrient Management*
- *Native Plants*
- *Livestock BMPs*
- *Wetland Restoration*

Funding Best Management Practices

The program provides funding to help landowners adopt practices that reduce soil erosion, improve water quality, and create wildlife habitat. Examples include:

- *Reduced & Enhanced Tillage*
- *No Till/Direct Seed*
- *Nutrient Management*
- *Integrated Pest Management*
- *Cover Crops*
- *Riparian Forest Buffers*
- *Heavy Use Protection Areas*
- *Filter Strips*
- *Watering Facility*

Program Success and Outcomes

The overall success for the program can be attributed to our hard working landowners, dedicated staff, and outreach efforts. Over the past 5 years, the program has increased awareness of conservation, implemented best management practices, and decreased impacts to natural resources.



51,000 acres of conservation tillage



103,800 tons of soil saved



330 acres of riparian buffers



120,000 trees planted



500 acres of conservation easements

What does RCPP look like on the ground?



Removing fish barriers and replacing them with bridges that allow fish access.



Upgrading irrigation systems to more efficient sprinkler systems.



Installing fish-friendly screens on irrigation intakes.



Constructing livestock exclusion fencing and planting riparian areas.

Match for Regional Conservation Partnership Program (RCPP)

RCPP is a Farm Bill program that awards federal funding to projects where multiple partners invest in cooperative actions to solve natural resource issues in targeted areas. Grant awards require match, and the Washington State Conservation Commission (SCC) has been designated to pass-through state capital matching funds for successful RCPP recipients.

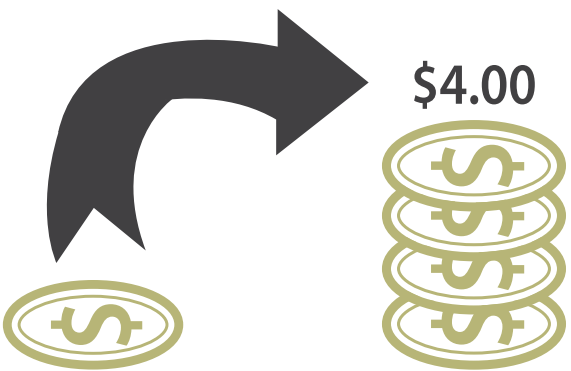
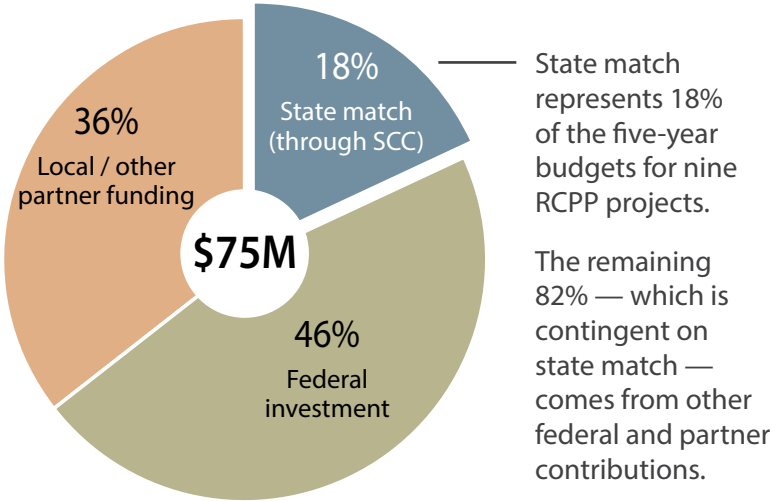
Funding requested: \$9,725,000

Why this request can't wait:

- ▶ RCPP is one of the most efficient ways for federal, state, tribal, and local partners to coordinate efforts and make landscape-scale improvements on urgent issues, including soil health, salmon and orca recovery, farmland preservation, drought resilience, and forest health.
- ▶ Partners of nine RCPP projects in Washington already have committed millions of federal and local funding to support their work. But they need state match to secure those commitments and make their budgets whole.
- ▶ Many of these five-year projects have been in progress for years, and landowners have signed contracts to work with partners on actions that meet project goals. Without state match, project leads will be unable to fulfill these contractual obligations, jeopardizing landowner trust.

A magnet for leveraged funds

TOTAL BUDGET MAKE-UP FOR NINE RCPP PROJECTS REQUESTING STATE MATCH (OVER FIVE-YEAR CONTRACT PERIOD)



On average, every dollar of RCPP state match will leverage \$4.00 in federal and other partner contributions.

Putting Washingtonians to work



1026 jobs



\$51M labor income

For each RCPP, several projects are constructed across a region, and that puts people to work. Over their five-year project periods, the nine RCPP projects will generate an estimated 1026 jobs and over \$51 million in labor income.*

*Based on Washington Input-Output Models for Impact Analysis from the Office of Financial Management

Contacts

Shana Joy, Regional Manager Coordinator
sjoy@scc.wa.gov | 360-480-2078

Alison Halpern, Policy Assistant
ahalpern@scc.wa.gov | 360-280-5556

scc.wa.gov | facebook.com/WashingtonStateConservationCommission



Contact our office (360-407-6200) or use the Telecommunications Relay Service by dialing 711 to request content in an alternative format.

SCC-RCPP-0820
August 2020

RCPP projects that receive state match through the SCC stretch across Washington, improving natural resource conditions and generating hundreds of associated jobs for our communities.




“I signed up for the reduced minimum tillage program to basically try to establish into a more no-till program for future years to maintain soil and organic matter. Working with the partners was easy... I’m hoping to see benefits like higher organic matter, which then may allow water to absorb into the ground and not run off, and to build up that long-term organic matter to hopefully see increased yields.”

- Ryan Kile, Whitman County farmer, on his experience working with Palouse-Rock Lake Conservation District as part of the Palouse River Watershed RCPP


Funding will be invested in the following RCPP projects

- 1 GREATER SPOKANE RIVER WATERSHED PROJECT**
Lead Partner: Spokane Conservation District
 - Engaging landowners with a suite of voluntary actions that reduce sediment, prevent nutrient runoff, improve water quality, and protect wildlife and fish habitat in the Spokane River Watershed.
- 2 PALOUSE RIVER WATERSHED IMPLEMENTATION PROJECT**
Lead Partner: Palouse Conservation District
 - Using incentives to engage agricultural producers with implementing the Palouse River Watershed Management Plan, including actions that improve water quality, benefit soil health, and reduce the need for regulatory action.
- 3 YAKIMA INTEGRATED PLAN – TOPPENISH TO TEANAWAY PROJECT**
Lead Partners: Kittitas County Conservation District and Confederated Tribes and Bands of the Yakama Nation
 - Completing projects that accelerate recovery of threatened Mid-Columbia steelhead by targeting high-priority watersheds, which currently produce more than 50 percent of the wild steelhead run in the Yakima River Basin.
- 4 MID-COLUMBIA**
Lead Partners: Confederated Tribes and Bands of the Yakama Nation, Kittitas County Conservation District, and North Yakima Conservation District
 - Increasing the scope and scale of Mid-Columbia steelhead recovery by engaging people with practices that improve instream habitat, remove and correct fish barriers, improve instream flow, and improve water quality.
- 5 MULTI-BENEFIT RIPARIAN BUFFERS FOR NORTHWEST WASHINGTON**
Lead Partner: Snohomish Conservation District
 - Implementing and managing riparian buffers that address producer priorities of agroforestry, carbon potential, and flood protection, while improving water quality and instream habitat for at-risk species.
- 6 PUGET SOUND CONSERVATION DISTRICTS (PSCD) REGIONAL FOREST STEWARDSHIP PILOT PROGRAM**
Lead Partner: King Conservation District
 - Strategically engaging forest landowners in priority areas of Puget Sound with actions that benefit forest conservation, fish and wildlife habitat, water quality, forest resiliency, and sustainable working forests.
- 7 PUYALLUP WATERSHED PARTNERSHIP**
Lead Partner: Pierce Conservation District
 - Working to permanently conserve 1,000 acres of prime farmland and assist landowners with restoration activities that enhance salmon habitat and preserve the economic and ecosystem benefits that farmland provides.
- 8 SOUTHWEST WASHINGTON SMALL FOREST LANDS CONSERVATION PARTNERSHIP**
Lead Partner: Washington Department of Fish and Wildlife
 - Assisting small forest landowners with development and implementation of forest stewardship plans that improve habitat, protect water quality, improve forest resiliency, and keep working forests working.
- 9 POOP SMART CLARK PROGRAM**
Lead Partner: Clark Conservation District
 - Connecting landowners with the tools they need to drive social change, adopt better management practices, and correct sources of sediment, nutrient, and bacteria runoff in Clark County.

What are some examples of RCPP accomplishments so far?



With assistance from Palouse River RCPP partners, farmers have started using soil-friendly conservation tillage on 80 square miles of land — that’s an area almost the size of Seattle!



x29K

Partners in the Greater Spokane Watershed RCPP have saved 436,028 tons of soil from entering rivers and streams — that’s enough to fill 29,028 dump trucks!

Regional Conservation Partnership Program – Linkages to Puget Sound Partnership Action Agenda - Identified Priorities

References cited from the 2018 Action Agenda associated with direct and indirect benefits provided through funding of the RCPP programs. Many of the Conservation Districts are coordinating directly with the Puget Sound Partnership in roles such as Lead Entity (LE) coordination, LE citizens committees, Local Integrating Organization (LIO), Salmon Recovery Council and many of the various subcommittee and planning level activities coordinated by the partnership. The Districts have an important role as a non-regulatory technically based partner that can work with both rural and urban cooperators in efforts to address the priorities identified in the Action Agenda.

FUND 1.2. Explore and utilize new sources of funding, and enhance existing source

SSF1.1. Develop (or adapt) an Implementation Strategy for the Summer Stream Flows Vital Signs of funding.

CHIN1.1. Continue to engage with local implementing entities (including tribes, counties, cities, Lead Entities, WRIAs, and others) on preservation of salmon habitat, issues relating to land use, critical areas, and other issues affecting salmon recovery and restoration work.

CHIN1.3. Develop a regional application of critical areas and ecologically important habitat, including coordination of data (GIS exercise) to compile this overlay.

CHIN1.6. Monitor and report on landowner use and implementation of incentive-based programs to address salmon habitat protection and restoration needs. Regional coordinating entities can use monitoring data to track local progress and pursue adaptive management and corrections as needed; where necessary, tailor program implementation to local conditions to achieve salmon recovery goals at the watershed scale.

CHIN2.2. Initiate discussions and identify specific actions around water science, management, and conservation.

CHIN2.3. Plan for future needs and changing climate and ecosystem conditions: Protect and improve, where needed, the water-holding capacity of watershed uplands to increase groundwater, augment summer low flows, and reduce flood risks.

CHIN2.5. Address and manage water quality parameters, including: • Excess nutrient loading (such as nitrogen) for all sources, and with specific attention to pathways associated with wastewater treatment outfalls • Elevated temperatures • Sediment • Toxics CHIN

CHIN2.6. Incentivize and accelerate stormwater management for new and existing development

CHIN7.1. Protect and/or restore critical habitat for salmon populations.

ORCA1.1. Implement the Governor's Southern Resident Orca Task Force recommendations, as well as the Chinook salmon and Toxics in Fish Implementation Strategies

FP3.1. Develop and implement outreach, education, and/or incentive programs

SHELL1.4. Promote voluntary and incentive-based programs that help working farms contribute to Puget Sound recovery.

SHELL1.9. Improve water quality to prevent downgrades and achieve upgrades of important current tribal, commercial, and recreational shellfish harvesting areas. SHELL1.10. Support implementation of TMDL studies and other necessary water cleanup plans for Puget Sound to set pollution discharge limits and determine response strategies to address water quality impairments. SHELL1.11. Develop and implement local and tribal PIC programs.

BIB3.1. Facilitate the increased use or performance of best management practices in working/rural lands.

BIB4.1. Identify strategies and approaches to reduce the impacts from forestry on freshwater quality.

Regional Conservation Partnership Program

Washington State Projects



2014 – 2015 Projects 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 water quality concerns and reduce water quality regulatory action on producers in this area of Washington and Idaho. One innovative project component includes the promotion of the Farmed SMART

opportunity for environmental markets.

Precision Conservation for Salmon and Water Quality in the Puget Sound

Lead Partner: Washington State Conservation Commission

The Puget Sound is the second largest estuary in the United States, and one of the most productive for salmon

ecosystem-wide process for targeting high priority areas in the Puget Sound to improve water quality and habitat for at-risk species, including Chinook salmon, bull trout, and steelhead.

Upper Columbia Irrigation Enhancement Project

Lead partner: Trout Unlimited, Inc.

This project will help fund irrigation irrigators and irrigation districts to modernize water delivery

infrastructure. Enhanced instream and rearing areas for Endangered Species passage during migration during

Columbia Tributaries. This project enhances existing conservation plans in the region and accelerates their implementation. Water savings from

placed back into the Washington State Trust Water Right Program.



Yakama Nation On- Reservation Lower Yakima Basin Restoration Project

Lead Partner: Confederated Tribes and Bands of the Yakama Nation

This project addresses critical needs for the integrated conservation and

water quantity, and water quality on the Yakama Reservation in the lower Yakima River basin project.

aquatic and riparian species, including Chinook and sockeye salmon, , and important cultural plant species.

Confederated Tribes of the Colville Reservation Water Quality and Habitat Improvement Project (216)

Lead partner: Confederated Tribes of the Colville Indian Reservation

The project focuses on reducing soil erosion and stream sediment by repairing or removing stream crossings, decommissioning forest roads, installing road drainage and protecting wetland/riparian areas. In addition, this project will improve range conditions through feral horse management and improve wildlife habitat for the sharp-tailed grouse and Columbia River redband trout.

Unlocking Carbon Markets for NIPF Landowners in the Pacific Northwest Project (516)

Lead partner: Pinchot Institute

By aggregating landowners into groups, the American Carbon Registry (ACR) reduces transaction costs for carbon credit trading and allows small producers to participate. This project will target approximately 250 non-industrial private forest landowners in Oregon and Washington who wish to participate in a regional carbon crediting program and who possess lands in NRCS and state priority areas

strategies. Targeted parcels will be between 75 and 4,000 acres in size, with the majority being less than 250 acres. NRCS and partner assistance will cover much of the initial expense of participating in carbon projects, the development of a forest management plan and subsequent implementation of pre-commercial thinning to enhance carbon stocks.



2016 Projects

Greater Spokane River Watershed Implementation

Lead Partner: Spokane Conservation District

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,

voluntary NRCS programs. Wildlife and

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 This new commodity

and encourage producers to cooperatively implement these practices on their farms. Project success will be evaluated by

to track improvements in water, soil and habitat.

WRIA 1 Salmon Recovery & Water Quality

Lead Partner: Whatcom Conservation District

The Nooksack watershed is in the top three percent of agricultural producing counties in the nation and has threatened or salmon

areas. Partners have recruited twenty-two landowners ready to implement priority projects remedying inadequate habitat for and wildlife in the Nooksack River watershed in North Puget Sound, Washington State. Partners will work with producers to: replace

passages in agricultural and rural areas; work

with Tribes to construct instream wooden structures to provide habitat for salmon; and integrate and publicize NRCS programs into the rural, agricultural and Tribal communities. The result will be higher priority and more strategic projects to recover salmon and improve water quality in downstream commercial, ceremonial and subsistence

2017 Projects

Puyallup Watershed Partnership

Lead Partner: Pierce Conservation District

Through the Puyallup Watershed Partnership, the Pierce Conservation District and ten diverse partners will assist landowners with permanent conservation easements and implement restoration activities through Environmental Quality Incentives Program funding assistance. The Puyallup in Washington contains the only remaining prime soils in Pierce County, is home to one of the most urban tribal reservations, and provides essential habitat for Endangered Species Act listed species of coho and Chinook salmon, steelhead, and bull trout. Since 2002, Pierce County has lost almost

the state average, due to rapidly encroaching development from the Seattle/Tacoma metropolitan area. That loss not only impacts farmers and food security but also diminishes

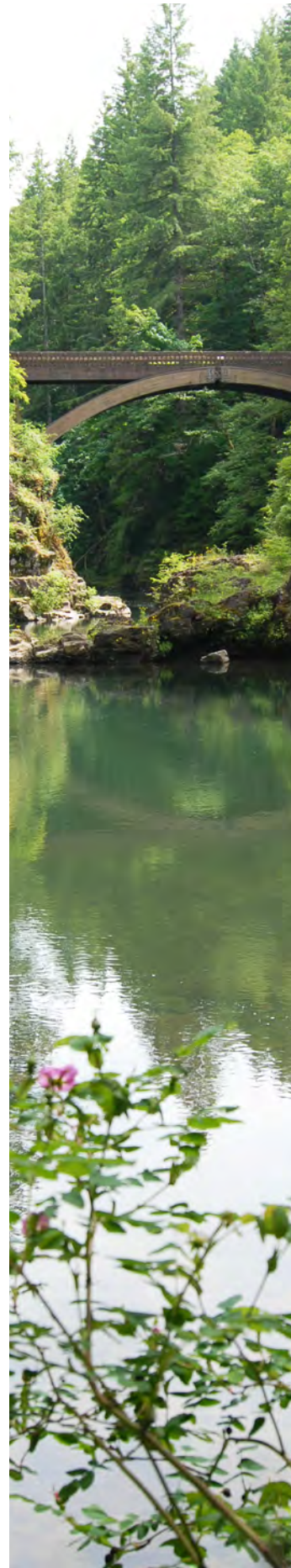
provides to water and soil quality.

Yakima Integrated Plan - Toppenish to Teanaway

Lead Partner: Confederated Tribes and Bands of the Yakama Nation

The Yakima Integrated Plan will accelerate the recovery of threatened Middle Columbia steelhead by targeting high priority watersheds which currently produce more than 50% of the wild steelhead run in the Yakima River Basin. These actions will also increase water supply and water quality for environmental, economic and cultural purposes. This project will fund actions supported by diverse partners to enact holistic, innovative solutions to natural resource conservation issues.

over 50 miles of channels across 2,500





acres; restore riparian vegetation on over access to over 480 acres of aquatic habitat; increase water retention in 2,000 acres of ephemeral channels; and improve grazing and 34,000 upland grazing acres. In addition, the project will target over 30,000 acres for 25,000 acres for Conservation Stewardship farmland through easements. Monitoring of these actions will occur through existing programs. The project stems from extensive Yakima Basin Integrated Plan Workgroup, which represents over 20 stakeholders from environmental, agricultural, and tribal interests working to restore habitat and conserve water resources in the Yakima Basin.

Southwest Washington Non-Industrial Private Forest Conservation Partnership

Lead Partner: Washington Department of Fish and Wildlife

Non-industrial private forest lands in southwest Washington are important to the regional and state economies. In addition to timber harvest, these working forests

wildlife habitat, protection of water quality,

and carbon sequestration to help combat climate change. The project area includes Grays Harbor, Mason, Thurston, Lewis and Clark Counties. Washington Department of

Natural Resources and conservation districts will conduct outreach and education activities and provide technical assistance to NIPF owners to develop and implement stewardship plans with funding from the Environmental Quality Incentives Program and Conservation Stewardship Program. Washington State Conservation Commission will distribute NRCS technical assistance funding to the conservation districts. Washington Department of Fish and Wildlife will administer the RCPP and wildlife habitat and species presence on lands enrolled in the Healthy Forests Reserve Program and other participating lands with willing owners. The HFRP program will be focused in the Chehalis watershed and includes provisions for conservation

marbled murrelet and northern spotted owl. Program participants could have multiple options for regulatory certainty by implementing conservation practices. Participating landowners will provide at least 25% cost share to match implementation funding from NRCS. Projects funded by the RCPP protect water quality, improve forest resiliency in the face climate change, and help meet regulatory requirements while keeping working forests working.

2018 Projects

Whatcom County Working Lands Conserving Watersheds

Lead Partner: Whatcom County

Whatcom County Working Lands Conserving Watersheds aims to protect working lands

Whatcom County to help to stabilize the critical land base needed to maintain a long-

industry. Many parcels within the priority watersheds are at risk of being developed to the degree where neither agriculture nor full ecosystem function can occur. Working Lands Conserving Watersheds will provide

incentives needed to keep their lands in production and will require actions are taken



Washington State

**Natural
Resources
Conservation
Service**

wa.nrcs.usda.gov/



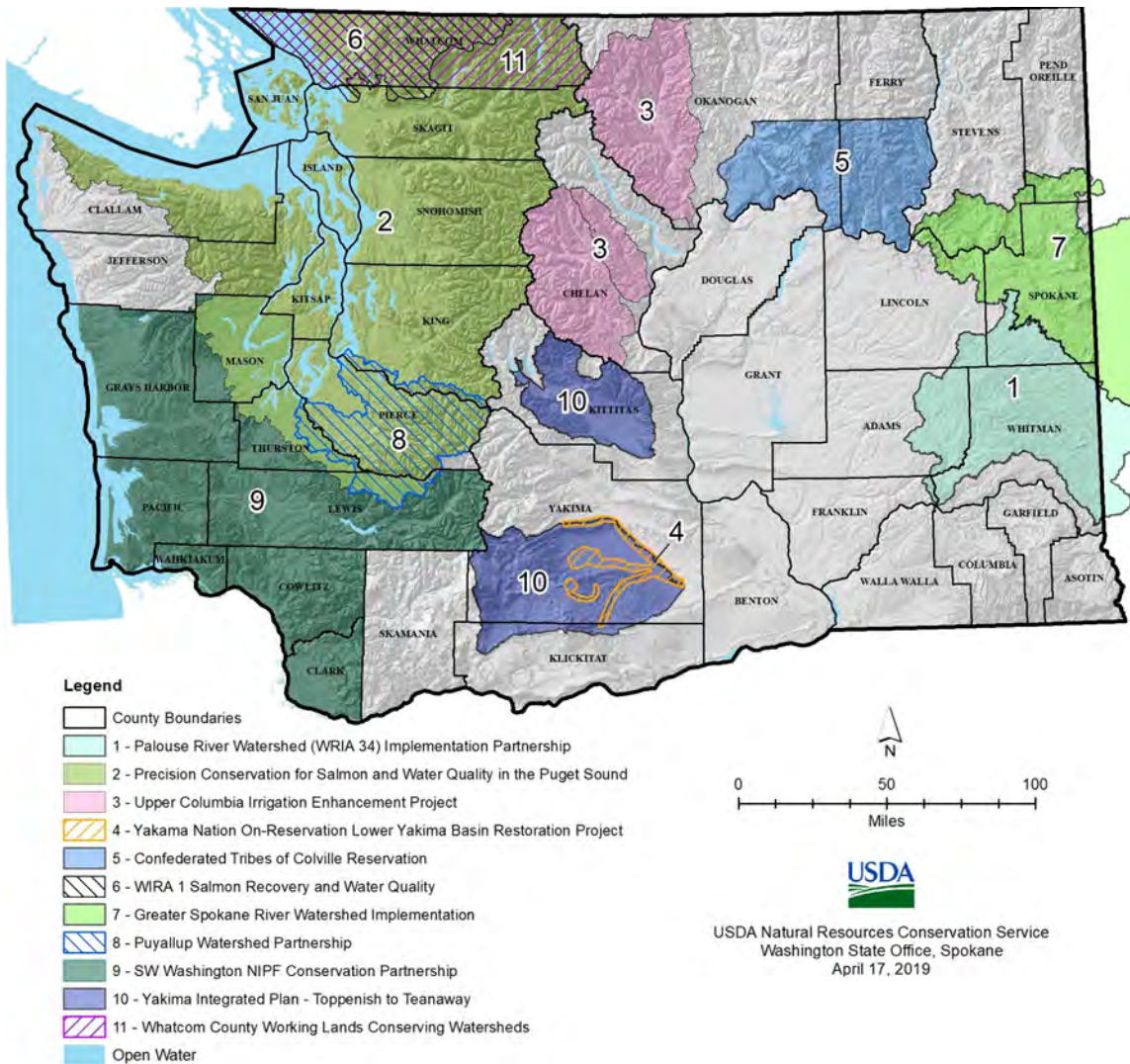
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Regional Conservation Partnership Program

Washington State Projects by the Numbers



Washington State 2015- 2018 RCPP Project Areas



Current RCPP Eligible Areas Cover Over Half of Washington State

Washington land area = Approx. 43,240,000 acres

RCPP project land area in Washington = Approx. 22,400,000 acres

52%* of Washington has a Sponsored RCPP Project Area

**Number rounded from 51.8%, percentage based on GIS data calculations.*





RCPP Projects by the Numbers 2015 - 2018

Map Reference	Program Year	RCPP ID	Funding Pool	Critical Conservation Area Name	Project Name	Estimated Total Partner Contribution (Non-NRCS) Financial Assistance & Technical Assistance	NRCS Funds Available for Partner (NRCS Funds)
1	14, 15	337	National		Palouse River Watershed (WRIA 34) Implementation Partnership	\$5,000,020	\$5,500,000
2	14, 15	464	National		Precision Conservation for Salmon and Water Quality in the Puget Sound	\$9,000,000	\$9,000,000
3	14, 15	513	CCA	Columbia River Basin	Upper Columbia Irrigation Enhancement Project	\$5,427,711	\$1,900,000
4	14, 15	502	CCA	Columbia River Basin	Yakama Nation On-Reservation Lower Yakima Basin Restoration Project	\$5,450,750	\$4,600,000
5	14, 15	216	State		Confederated Tribes of Colville Reservation	\$2,625,252	\$1,906,372
6	16	1344	State		WIRA 1 Salmon Recovery and Water Quality	\$1,375,000	\$1,080,000
7	16	1412	National		Greater Spokane River Watershed Implementation	\$12,422,675	\$7,760,000
8	17	1633	National		Puyallup Watershed Partnership	\$33,103,355	\$8,000,000
9	17	1650	State		SW Washington NIPF Conservation Partnership	\$1,912,500	\$1,031,997
10	17	1672	National		Yakima Integrated Plan - Toppenish to Teanaway	\$11,727,502	\$7,540,740
11	18	1680	National		Whatcom County Working Lands Conserving Watersheds	\$3,025,000	\$1,310,000
					Totals	\$91,069,765	\$49,629,109

Note: Partner contribution is based on the amount in the grant agreement or Memorandum of Understanding (MOU) for each project. Total amount expended to date is unavailable. The partners, via the grant agreement/ MOU, are accountable for their share.



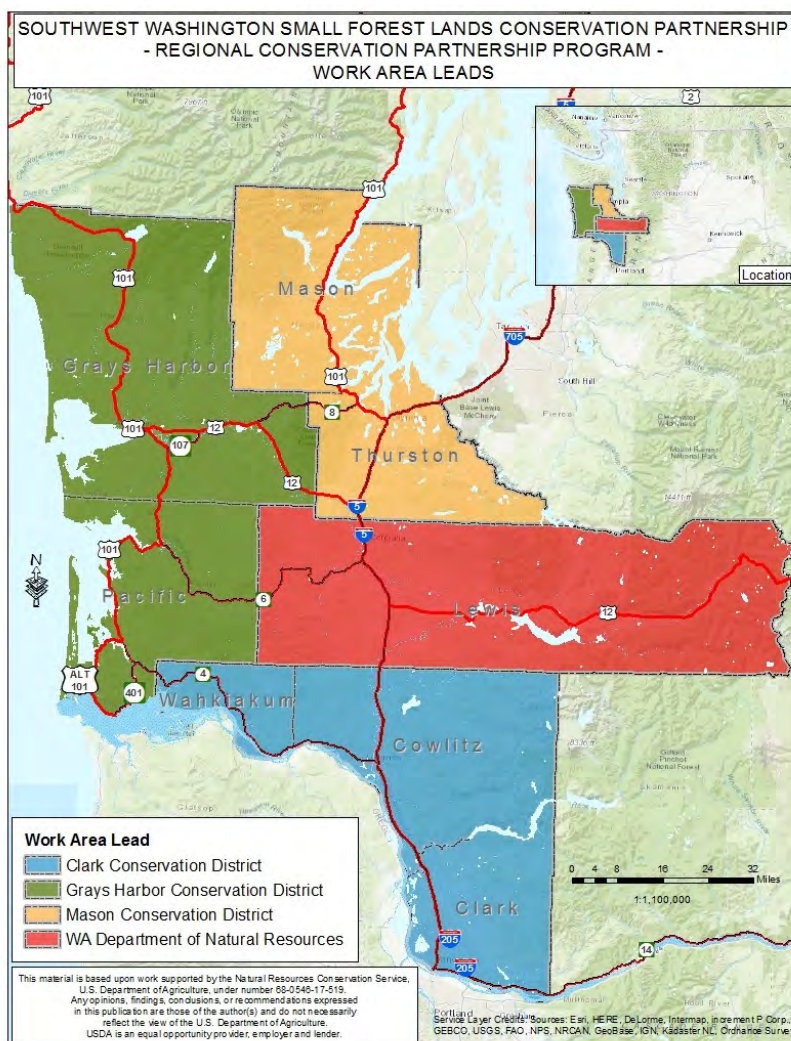
SOUTHWEST WASHINGTON SMALL FOREST LANDS CONSERVATION PARTNERSHIP

-REGIONAL CONSERVATION PARTNERSHIP PROGRAM-

Regional Partnership Brings Assistance to Southwest Washington Forest Landowners

Are you a forest landowner interested in technical or financial assistance to work on stewardship practices? The Southwest Washington Small Forest Lands Conservation Partnership is available to help. This effort is part of the Natural Resources Conservation Service (NRCS) Regional Conservation Partnership Program (RCPP) and covers eight counties. The Washington Department of Natural Resources (DNR), Washington State Conservation Commission (SCC), Washington State University Extension (WSU Ext.), Washington Department of Fish and Wildlife (WDFW), and eight conservation districts are partnering with NRCS to deliver the program.

The RCPP is voluntary and incentive-based. Funding from NRCS leverages funding from the state agencies to pay four stewardship foresters to provide technical assistance and a WSU Ext. Forester to provide outreach and education. Financial assistance from NRCS and state programs is available to implement stewardship practices to improve forest health, water quality, and wildlife habitat. Cost share is available through NRCS's Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP). The Family Forest Fish Passage Program (FFFPP) through DNR is available to correct fish passage barriers. Forest conservation easements through the NRCS Healthy Forests Reserve Program (HFRP) are also available. This program may provide regulatory predictability to forest landowners who conserve habitat for marbled murrelet, northern spotted owl, or fisher. For more information, please visit our [web app](#) to contact your local RCPP stewardship forester.



This material is based upon work supported by the Natural Resources Conservation Service, U.S. Department of Agriculture, under number 68-0546-17-519. Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the view of the U.S. Department of Agriculture. USDA is an equal opportunity provider, employer and lender.



308 West Stewart Avenue
P.O. Box 1057
Puyallup, WA 98371
www.pierced.org
253.845.9770
Toll Free: 866.845.9485

August 10, 2020

Mr. David Schumacher
Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

Dear Mr. Schumacher,

We are writing to express our support for the Washington State Conservation Commission's Regional Conservation Partnership Program (RCPP) match request for the 2021-2023 Biennium. If authorized, these funds will fully support land conservation efforts provided by local partners like ourselves, throughout the state, leveraging millions of additional federal and local dollars.

As the principal partners in delivering the Puyallup and Nisqually RCPP, the matching state funds from previous biennium and supplemental budgets have been vital in our efforts to conserve farmland in Pierce County. In fact, by the end of 2021 we anticipate closing conservation easement acquisitions on two to three farms, totaling 350 acres, that would not be possible without State Conservation Commission funds from the 2019 – 2021 Biennium.

Farmland is rapidly disappearing in Pierce County, with roughly 1,000 acres a year lost to development pressures. Since 1950, we have lost over 70% of our farmland. This is why our organizations joined to create the Strategic Conservation Partnership and in 2016 applied for the RCPP bringing over \$7 million in federal funds to bare for farmland conservation and another ~\$1 million for implementing best practices that improve habitat for salmon, create cleaner water, and help fight climate change by sequestering carbon in the soil.

Farmland is vital not only for the food production that we all rely on, but as an important ally in improving environmental conditions critical to our region's health and well-being. Without matching funds from the state, the federal dollars we've secured cannot be activated and we'll miss this opportunity.

We thank you for your continued support in these efforts.

Sincerely,

Allan Warren
Pierce Conservation District

Hilary Aten
PCC Farmland Trust



**PIERCE
CONSERVATION
DISTRICT**

Over 70 Years of Conservation

308 West Stewart Avenue
P.O. Box 1057
Puyallup, WA 98371
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Toll Free: 866.845.9485

Kathleen Berger
Pierce County Surface Water Management
Floodplains for the Future Coordinator

Kathleen Berger

Ryan Walker
Forterra

Ryan Walker

Michael Poteet
Pierce County Planning & Public Works –
Agriculture Initiative

Michael D Poteet



State of Washington
DEPARTMENT OF FISH AND WILDLIFE

Mailing Address: P.O. Box 43200, Olympia, WA 98504-3200 • (360) 902-2200 • TDD (360) 902-2207
Main Office Location: Natural Resources Building, 1111 Washington Street SE, Olympia, WA

August 27, 2020

Mr. David Schumacher
Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

RE: Support for State Conservation Commission RCPP Match 2021-23 Budget Request

Dear Mr. Schumacher:

I am writing to express support for the State Conservation Commission (SCC) 2021-23 biennial budget request for the Regional Conservation Partnership Program (RCPP) match. This budget request would fund Conservation District (CD) staff capacity to provide technical assistance to landowners.

RCPP is a voluntary and incentive-based Farm Bill program administered by the U.S. Department of Agriculture Natural Resources Conservation Service (NRCS). The program contributes to landscape scale conservation efforts by focusing work in a defined geographic area and leveraging NRCS funding with contributions from partners, typically at a 1:1 ratio. RCPP is intended to be partner driven to address local priorities that complement NRCS priorities. NRCS lacks staff capacity to deliver conservation programs. RCPP is one of the mechanisms that allows partners to assist NRCS with management and delivery of these programs. To date, NRCS has awarded \$51.2 million of funding to 12 RCPPs in Washington. SCC and CDs are actively involved in seven of these projects. SCC collectively seeks the state funding needed for CD staff to work on RCPP projects to help producers conserve natural resources while improving the viability of farming, ranching, and forestry operations.

The Washington Department of Fish and Wildlife (WDFW) is a partner in several of the RCPPs and is leading the Southwest Washington Small Forest Lands Conservation Partnership RCPP (SWSFLCP). This RCPP seeks to improve fish and wildlife habitat, forest health, and water quality while keeping working forests working. The program covers eight counties and includes eight CDs, SCC, the Department of Natural Resources (DNR), and Washington State University (WSU) Extension as the primary partners. NRCS awarded \$1.3 million of funding for technical and financial assistance for the SWSFLCP. WDFW is managing the partnership and will seek \$500,000 of match to help purchase forest conservation easements to conserve marbled murrelet habitat.

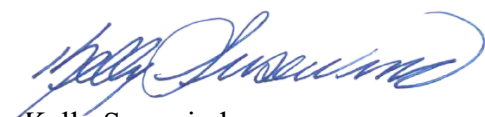
Many people describe Southwest Washington as the “wood basket” of the state. There are significant needs for technical and financial assistance to help forest landowners conserve natural resources while keeping working forests working. The SWSFLCP provides a collaborative approach to address these needs. Three CDs and DNR are providing stewardship foresters who work directly with forest landowners to plan and implement projects (e.g. conservation easements to protect marbled murrelet habitat, correcting fish passage barriers, thinning overstocked forests, and preventing stormwater runoff from forest roads from draining directly to streams). The CD stewardship foresters are critical to delivering the SWSFLCP; in fact, there is enough demand for their services that some of the foresters have waiting lists. This RCPP could not succeed without dedicated CD staff working directly with forest landowners. To date, the SWSFLCP has accomplished the following:

- DNR has provided over \$418,000 of match funding from the Family Forest Fish Passage Program to correct three fish passage barriers in the RCPP area;
- WSU Extension has hosted five Family Forest Field Days, 16 topical workshops, and five coached planning classes. These events combined for a total of 226 educational hours and were attended by 1,050 forest landowners;
- The CDs and DNR have worked with forest landowners to complete 413 site visits and develop 28 forest stewardship plans that make the landowners eligible for financial assistance from NRCS; and
- In May 2020 the SWSFLCP partners and NRCS held the first sign-up for landowners to apply for NRCS financial assistance to implement conservation practices.

The SCC RCPP budget request includes funding needed to maintain CD capacity to provide technical assistance for the SWSFLCP and six other RCPPs. This funding is critical to leverage NRCS funding and continue progress on conserving natural resources.

CDs have an established track record of working with landowners to conserve natural resources in a voluntary manner. It takes years to build the relationships and trust needed to make this model work. Many CDs rely on grant funding to pay for staff, which often results in high staff turnover, disrupting the process of building relationships with landowners. RCPP is an established conservation program with high demand from landowners. It is critical that SCC receive the funding needed to keep the RCPPs working effectively. CDs are working every day to help landowners conserve natural resources, including fish and wildlife habitat. Their work makes important contributions to quality of life for all Washingtonians. The CDs and SCC are highly valued partners of WDFW, and we strongly support the SCC 2021-23 biennial budget request for RCPP match.

Sincerely,



Kelly Susewind
Director

Mr. David Schumacher

August 27, 2020

Page 3

cc: Jim Cahill, OFM Senior Budget Assistant
Leslie Connelly, OFM Budget Assistant
Carol Smith, Ph.D., SCC Director
Shana Joy, SCC Regional Manager Coordinator
Alison Halpern, Ph.D., SCC Policy Assistant
Tom McBride, WDFW Legislative Director



Raw Milk from Jersey Cows - For All The Right Reasons

8/13/2020

Representative Mike Chapman
132B Legislative Building
PO Box 40600
Olympia, WA 98504-0424

Dear Representative Chapman,

My family and I are dairy producers in Clallam County requesting your support for the Washington State Conservation Commission Regional Conservation Partnership Program (RCP) Capital Budget Request for FY 21-23 biennium. It is my understanding that these funds are necessary to match federal funding from the USDA Natural Resources Conservation Service (NRCS), funds that will support conservation efforts around the state.

I am a participant in the Dungeness Watershed – Puget Sound RCP Project. I have been working with the Clallam Conservation District to plan and design conservation practices to be funded by the NRCS through their RCP Program. Over the next year these funds will allow for the installation of an above ground waste storage facility, provide new nutrient application equipment for our farm, and will enable the decommissioning of our old and potentially hazardous unlined earthen manure lagoon. This will help us manage and apply these nutrients at an agronomic rate and reduce our environmental impact through enhanced carbon sequestration in our pastures, furthering the sustainability of our farming operation.

Agriculture is core to our community's identity in Clallam County, with Sequim hosting our state's longest running festival, the Irrigation Festival. However, since the 1940's our region has seen a decline in farmland of over 70%. As a farm that bottles under their own brand our above mentioned project will enable our brand to resonate with the growing market of consumers who prefer to purchase from and support sustainable and environmentally conscientious farms. As our market expands we are able to build our brand and increase employment opportunities on our farm and in our community.

As I understand it, Clallam Conservation District has fully met their local matching requirements for RCP; however, this state match is necessary for other RCP projects throughout the state. Our family farm, Willow-Wist Farm, Inc. (doing business as Dungeness Valley Creamery) strongly supports your consideration for state matching funds that are necessary for other RCP projects.



Raw Milk from Jersey Cows - For All The Right Reasons

RCPP and the Conservation District have both played critical roles in assisting our farm to be a good steward of the land by protecting and improving water quality and conserving irrigation water, while at the same time improving the production of our farm.

Thank you for your consideration of funding these important projects. Please do not hesitate to contact me if you need additional information.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to be 'R. McCarthy'.

Ryan McCarthy
President, Willow-Wist Farm, Inc.
DBA: Dungeness Valley Creamery
1915 Towne Road
Sequim, WA 98382
(360)460-9224



Dungeness Valley Creamery Owners Ryan, Sarah, Tyler, and Wade with project site in background



Raw Milk from Jersey Cows - For All The Right Reasons

8/13/2020

Representative Steve Tharinger
JLOB 314
PO Box 40600
Olympia, WA 98504-0424

Dear Representative Tharinger,

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8/13/2020

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Dungeness Valley Creamery Owners Ryan, Sarah, Tyler, and Wade with project site in background



Raw Milk from Jersey Cows - For All The Right Reasons

8/13/2020

Senator Kevin Van De Wege
PO Box 40424
Olympia, WA 98504-0424

Dear Senator Van De Wege,

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Raw Milk from Jersey Cows - For All The Right Reasons

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Ryan McCarthy
President, Willow-Wist Farm, Inc.
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1915 Towne Road
Sequim, WA 98382
(360)460-9224



*Dungeness Valley Creamery Owners Ryan, Sarah, Tyler, and Wade
with project site in background*



Palouse Conservation District, Lead Entity
1615 NE Eastgate Blvd, Suite H
Pullman, WA 99163

September 8, 2020

Carol Smith
Washington State Conservation Commission
300 Desmond Drive SE
Lacey, WA 98503

Dear Carol Smith,

Palouse Conservation District is pleased to lend support for the Washington State Conservation Commission's (WSCC's) Regional Conservation Partnership Program (RCPP) Match funding request for the FY 2022-2023 Biennium Budget. The WRIA 34 RCPP in Eastern Washington will continue to provide an additional \$5.5 M over the next 5 years for improvements in water quality, soil health, and habitat throughout the Palouse Watershed. Over the past five years, the WRIA 34 RCPP Partnership has supported an incredible breadth of effective conservation measures targeting regional resource concerns by helping landowners to convert to no-till practices, implement soil health management systems and install riparian buffers.

Many of the deliverables and outcomes of the WRIA 34 RCPP, require significant contributions from partners in the form of both technical and financial assistance. Palouse Conservation District, on behalf of the partnership, is asking for \$1.2 M in matching funds for the FY 2022-2023 biennium. These funds are imperative for the overall success and impact of the WRIA 34 RCPP. Without this level of financial support, the partnership can expect to reduce research and monitoring assessments, reduce educational materials and outreach events and weaken partnership administration. Over the past 5 years, WSCC financial assistance has contributed to the overall success of the program and is a major reason the partnership was awarded an additional 5 years to continue this work. Requesting less funding would put the entire program in jeopardy, reduce service and assistance to landowners, and potentially require a reduction in staffing. Ultimately, the biggest detriment is to our landowners who depend on these conservation programs and financial support to continue their operations. With over 50 percent of land in Washington state being privately owned, we need more landowners to willingly participate in conservation projects and sustainable land management activities. Voluntary, incentive-based solutions are a proven-effective way to engage that landowner participation for the long-term. For these reasons, we strongly support the Regional Conservation Partnership Program and available funding through the Washington State Conservation Commission.

Sincerely,



Jennifer Boie, Director for Larry Cochran
Larry Cochran
Palouse Conservation District Board Chair

Expected Use of Bond/COP Proceeds

Agency No:	4710	Agency Name	State Conservation Commission
Contact Name:	Sarah Groth		
Phone:	(360) 407-6205	Fax:	(360) 407-6215
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	40000017	Project Title:	Regional Conservation Partnership Program (RCPP)

Agencies are required to submit this form for all projects funded with Bonds or COPs, as applicable. OFM will collect and forward the forms to the Office of the State Treasurer.

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? ☒ Yes ☐ No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? ☐ Yes ☒ No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? ☒ Yes ☐ No
4. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental entity (business, non-profit entity, or the federal government), including any federal department or agency? ☐ Yes ☒ No
5. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? ☒ Yes ☐ No
6. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (businesses, non-profit entities, or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? ☐ Yes ☒ No
7. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any nongovernmental entity, for the use of, or in connection with, the project or assets? A nongovernmental entity is defined as ☐ Yes ☒ No
 - a. any person or private entity, such as a corporation, partnership, limited liability company, or association;
 - b. any nonprofit corporation (including any 501(c)(3) organization); or
 - c. the federal governmental (including any federal department or agency).
8. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? ☐ Yes ☒ No
9. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? ☐ Yes ☒ No
10. Will any portion of the Bond/COP proceeds be used for staff costs for tasks not directly related to a financed project(s)? ☐ Yes ☒ No

If all of the answers to the questions above are "No," request tax-exempt funding. If the answer to any of the questions is "Yes," contact your OFM capital analyst for further review.

Capital Project Request

2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2020 2:57PM

Project Number: 40000018

Project Title: 2021-2023 Improve Shellfish Growing Areas

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 5

Project Summary

Agricultural activities, septic systems, non-point runoff, and other activities can negatively affect water quality, causing shellfish growing areas to close. According to the Washington Shellfish Initiative Phase II Work Plan the shellfish industry supports 2,710 jobs in WA, and generates \$184 million in revenue each year. The health of this industry, along with the wild shellfish harvest valued at over \$40 million annually and critically important –and treaty protected – tribal use is threatened each year by closures. In addition, poor water quality can exacerbate localized ocean acidification problems. Since 2013, the Conservation Commission has worked with conservation districts and landowners to implement shellfish projects using a targeted, watershed-based approach that protects water quality and helps shellfish areas remain open, saving jobs, local economies and treaty rights.

Project Description

In order to continue the Washington State Conservation Commission (SCC) Shellfish Program — which has contributed to efforts that resulted in shellfish growing area upgrades, including areas around Clallam, Kitsap, and Whatcom counties — state capital funding is needed for the 2021-23 biennium.

Identify the problem or opportunity addressed

Washington shellfish production is a vital industry for our state. It depends on good water quality; however, poor water quality has impacted shellfish growing operations throughout Puget Sound and in Pacific and Grays Harbor counties. In watersheds that drain into shellfish growing areas, upland human activities can contribute to poor water quality conditions that may cause those shellfish areas to close and keep closed areas from reopening. These activities include:

- Agricultural practices which, when improperly managed, can contribute manure and fecal material into nearby streams and rivers.
- Improperly maintained septic systems that can leak into waterways.

When these activities contribute to shellfish growing area closures, it restricts commercial, recreational, and tribal harvest opportunities. Often times the landowners whose activities contribute to the degraded water quality are unaware of the issue or, once aware, cannot afford to correct the problem. This inaction leads to worsening water quality and potential enforcement by a regulatory agency, which adds a penalty cost to the initial cost to address the issue.

In addition, ocean acidification has been identified as a critical issue along the Pacific coast in Pacific and Grays Harbor counties. Increased acidity of ocean waters negatively impacts shellfish growth from the larval stage by limiting the ability of the shellfish to form a shell. Although much of the ocean acidification issue is driven by larger ocean conditions, there are localized inputs, which can exacerbate acidity problems. Identified in the 2012 report of the Blue Ribbon Panel on Ocean Acidification, agricultural activities can contribute to these problems through improperly managed manure and fertilizers that get into Puget Sound and coastal marine waters.

Loss of recreational, commercial, and tribal shellfish harvest can cause significant economic impact to local communities, tribal economic and subsistence needs, and commercial shellfish operations. In addition, poor water quality can exacerbate localized ocean acidification problems. Maintaining harvestable levels of shellfish is a priority for the Governor and legislature, and is required by treaty agreements with tribes in the shellfish growing areas of the state.

Since 2013, the SCC Shellfish Program has helped landowners work with their conservation district to install hundreds of management practices on their properties that prevent pollution from flowing into our shellfish growing areas. Funding is

Capital Project Request

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2020 2:57PM

Project Number: 40000018

Project Title: 2021-2023 Improve Shellfish Growing Areas

Description

needed for the 2021-23 biennium to keep this momentum and keep local shellfish production strong and safe.

Proposed solution and Services Provided

This funding will help landowners work with their local conservation district to install an estimated 150-200 practices that help keep our shellfish growing areas healthy. Funding will be administered through the SCC Shellfish Program, which uses a targeted approach to invest funding in high-priority watersheds and build cumulative results for improved water quality. Conservation districts are community hubs of natural resource funding and expertise that empower landowners to take actions that keep our water, soil, and air healthy. Their staff provide site-specific plans and expertise to help landowners be better environmental stewards and farm more sustainably. And programs like the SCC Shellfish Program allow conservation districts to invest in part of the cost for landowners to build and install conservation projects. Often times, this is all landowners need to overcome the technical and financial hurdles to addressing environmental issues. This helps landowners stay in compliance and avoid enforcement penalties, which are costly to both the landowner and the responsible regulatory agency. Because conservation districts are so successful in building trust with local communities, regulatory agencies often refer landowners to their conservation district for assistance before pursuing enforcement proceedings.

In this proposal, conservation district will implement on-the-ground projects with landowners within watersheds that drain into shellfish growing areas. Projects will be identified in conjunction with other projects in a focused geographic area, such as a sub-basin in the watershed. The projects will be connected with local shellfish improvement efforts, such as a shellfish protection district. With the funding in this proposal, we can expect the increased number of on-the-ground projects implemented by conservation districts and landowners to address negative natural resource inputs.

Benefits for All

All Washingtonians benefit from this proposal through improved water quality and specifically the reopening of shellfish growing areas. Commercial and recreational shellfish harvesters will benefit by increased opportunities for harvest. Tribes will benefit from reduced pollution impacting shellfish growing areas, allowing for increased opportunities for them to exercise their treaty rights for the harvest of shellfish. Conservation districts benefit by having an additional source of funding with which to assist landowners in reducing impacts to waters of the state.

Alternatives Explored

Failure to fund this proposal will severely jeopardize the Governor's priority objective of re-opening currently closed shellfish harvest areas in Puget Sound. It also will set back the goals of the Puget Sound Action Agenda, where re-opening shellfish growing areas is one of the strategic initiatives.

Washington State is the nation's leading producer of shellfish with a total revenue of farmed bivalves at \$184 million annually according to the Washington Shellfish Initiative Phase II Work Plan the shellfish industry generates 2,710 jobs in the state, and the wild shellfish harvest in the state is valued at over \$40 million per year. Failure to fund this proposal will mean negative inputs to shellfish growing areas would go unaddressed, increasing the likelihood of continued closures of harvest areas negatively impacting this important economic activity in the state.

Moreover failure to fund this ongoing effort will put the state at increased risk of a legal challenge by Washington's treaty tribes who depend upon shellfish harvest for commercial and subsistence purposes. The state has an obligation to provide for available shellfish for tribal harvest to meet treaty obligations. Recent federal court decision indicate the state could be exposed to legal challenge if the state fails to address the negative habitat impacts that affect shellfish harvest.

Assumptions and calculations

This funding supports installation of USDA Natural Resources Conservation Service (NRCS) best management practices (BMPs). These practices include, but are not limited to: 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. The Improving Shellfish Growing Areas program received \$4M in funding in both the FY17-19 and FY19-21 biennia. Cost sharing through this funding in FY17-19 allowed private landowners to invest in 153 Best Management Practices (BMPs) to improve water quality in watersheds draining into shellfish growing areas.

Capital Project Request

2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2020 2:57PM

Project Number: 40000018

Project Title: 2021-2023 Improve Shellfish Growing Areas

Description

Eligible conservation districts identify areas within their respective counties where water quality conditions are such that there are negative impacts to downstream shellfish growing areas. Conservation districts conduct outreach to landowners within these areas to develop potential projects addressing impacts to water quality. These projects are completed and entered into the Conservation Commission's project database. Once per month, Conservation Commission staff review eligible projects to determine whether they satisfy qualification requirements including location of project, relationship of project to other nearby shellfish funded projects, and implementation success.

Strategic and performance outcomes

The SCC Shellfish Program supports and is included in objectives in Goal 1 of the Washington Shellfish Initiative, Phase II - Ensure clean water to protect and restore growing areas in Puget Sound and on the coast:

- 1.1 Support sustainable local nonpoint source pollution control programs and strategies. (DOH, ECY, WSCC, WSDA)
- 1.2 Advance efforts to ensure manure land-application practices do not negatively impact water quality. (WSDA, WSCC, ECY, EPA)

It also supports an objective of Goal 2 1 of the Washington Shellfish Initiative, Phase II – Embrace strategies to address ocean acidification's impact on shellfish:

- 2.2(a) Understand how local, land-based contributions affect ocean acidification by: providing support to water quality programs that reduce nutrient and organic carbon loading.

The SCC Shellfish Program decision package addresses several Puget Sound Action Agenda Shellfish Beds Vital Sign Regional Priority objectives.

Impacts on the Puget Sound Action Agenda

This funding request supports the PS Action Agenda (2018 proposed draft) shellfish beds vital sign regional priority:

SHELL1. Upgrade the Samish Bay or Portage Bay shellfish growing areas.

Reopen or upgrade previously downgraded shellfish growing areas.

Reverse the declining trends in water quality and protection of water quality in shellfish growing areas that are in "threatened" or "concerned" status.

Maintain the status of open shellfish beds classified as "approved" or "conditionally approved."

Prevent and control fecal pollution from humans (via onsite septic systems) and animals (livestock).

And supports the following regional priority approaches:

SHELL1.4. Promote voluntary and incentive-based programs that help working farms contribute to Puget Sound recovery.

SHELL1.6. Effectively manage and control pollution from small onsite sewage systems.

SHELL1.9. Improve water quality to prevent downgrades and achieve upgrades of important current tribal, commercial, and recreational shellfish harvesting areas.

SHELL1.10. Support implementation of TMDL studies and other necessary water cleanup plans for Puget Sound to set pollution discharge limits and determine response strategies to address water quality impairments.

SHELL1.12. Restore and enhance native shellfish populations.

SHELL1.13. Ensure environmentally sustainable shellfish aquaculture that is based on sound science.

SHELL1.16. Embrace strategies to address ocean acidifications impacts on shellfish.

This budget package also relates to the following WSCC strategic areas:

- Resource Conditions – Demonstrate voluntary conservation programs and services lead to natural resource improvements.
- Resource Issue Facilitation – Coordinate local, state, federal, and tribal entities to identify and resolve natural resource issues.
- District Operations – Enhance conservation districts' ability to deliver quality technical services that meet local and natural resource needs.
- Statewide Program Delivery – Our programs meet local and state resource priorities, and maximize community-based models to deliver effective solutions.
- Policy Leadership – Lead in the development and implementation of policies related to natural resource conservation and viable land use.

Capital Project Request

2021-23 Biennium

*

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Project Number: 40000018

Project Title: 2021-2023 Improve Shellfish Growing Areas

Description

- Partnering – We are a partner that unites natural resources and agricultural stakeholders and implements collaborative, effective conservation solutions.
- Technical Capacity – Conservation districts have premiere technical capability and capacity to create and implement conservation systems and programs.
- Public Outreach and Marketing – Citizens, stakeholders, and policy leaders recognize the SCC and conservation districts for their achievements and collaborative approach.

Performance outcomes

SCC staff evaluate projects prior to funding approval based on a set of criteria to ensure the proposed project is targeted in an area where there has been an identified water quality concern upstream of a closed shellfish growing area. Projects have a geographic focus where they can cumulatively contribute to needed improvements in water quality that protect open shellfish beds and allow those problematic shellfish areas to reopen sooner. This focused approach has led to hundreds strategically located projects that contribute to improved water quality conditions in shellfish growing areas around Puget Sound. See attached Shellfish Map and 2019 Shellfish Accomplishment attachment.

In preparation for the FY21-23 biennium, the SCC is working to streamline the project proposal process and to increase coordination with other partners to maximize the impact of these shellfish growing area improvement projects. We are working with the Washington Department of Health (DOH), EPA (Puget Sound Geographic Program - Region 10 Water Division), WSDA, local PIC programs, shellfish growers, and the 14 conservation districts with shellfish growing areas to develop additional criteria and to prioritize specific shellfish growing areas while ensuring that all eligible conservation districts receive project funding.

Other collateral connections

Intergovernmental

The SCC Shellfish Program supports and complements efforts by federal, state, regional, and local efforts to improve water quality of shellfish growing areas. It also supports Tribal shellfish production through improved water quality and direct funding of projects to improve Tribal shellfish beds. We anticipate support from the collaborating agencies and local partners.

Stakeholder response

Shellfish producers, agricultural, and environmental stakeholders all benefit from the SCC Shellfish Program proposal. We anticipate their support.

Proviso

Up to three percent of the appropriation provided may be used for the agency to administer the grant or loan program. Up to five percent of the appropriation provided may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for shellfish projects.

Location

City: Seattle	County: King	Legislative District: 036
City: Seattle	County: King	Legislative District: 043
City: Unincorporated	County: Clallam	Legislative District: 024
City: Unincorporated	County: Grays Harbor	Legislative District: 019
City: Unincorporated	County: Grays Harbor	Legislative District: 024
City: Unincorporated	County: Island	Legislative District: 010
City: Unincorporated	County: Jefferson	Legislative District: 024
City: Unincorporated	County: King	Legislative District: 001
City: Unincorporated	County: King	Legislative District: 005
City: Unincorporated	County: King	Legislative District: 011
City: Unincorporated	County: King	Legislative District: 030
City: Unincorporated	County: King	Legislative District: 031
City: Unincorporated	County: King	Legislative District: 032

Capital Project Request

2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2020 2:57PM

Project Number: 40000018

Project Title: 2021-2023 Improve Shellfish Growing Areas

Description

Location

City: Unincorporated	County: King	Legislative District: 033
City: Unincorporated	County: King	Legislative District: 034
City: Unincorporated	County: King	Legislative District: 037
City: Unincorporated	County: King	Legislative District: 039
City: Unincorporated	County: King	Legislative District: 041
City: Unincorporated	County: King	Legislative District: 045
City: Unincorporated	County: King	Legislative District: 046
City: Unincorporated	County: King	Legislative District: 047
City: Unincorporated	County: King	Legislative District: 048
City: Unincorporated	County: Kitsap	Legislative District: 023
City: Unincorporated	County: Kitsap	Legislative District: 026
City: Unincorporated	County: Kitsap	Legislative District: 035
City: Unincorporated	County: Mason	Legislative District: 035
City: Unincorporated	County: Mason	Legislative District: 035
City: Unincorporated	County: Pacific	Legislative District: 019
City: Unincorporated	County: Pacific	Legislative District: 019
City: Unincorporated	County: Pierce	Legislative District: 002
City: Unincorporated	County: Pierce	Legislative District: 002
City: Unincorporated	County: Pierce	Legislative District: 025
City: Unincorporated	County: Pierce	Legislative District: 025
City: Unincorporated	County: Pierce	Legislative District: 026
City: Unincorporated	County: Pierce	Legislative District: 026
City: Unincorporated	County: Pierce	Legislative District: 027
City: Unincorporated	County: Pierce	Legislative District: 027
City: Unincorporated	County: Pierce	Legislative District: 028
City: Unincorporated	County: Pierce	Legislative District: 028
City: Unincorporated	County: Pierce	Legislative District: 029
City: Unincorporated	County: Pierce	Legislative District: 029
City: Unincorporated	County: Pierce	Legislative District: 030
City: Unincorporated	County: Pierce	Legislative District: 030
City: Unincorporated	County: Pierce	Legislative District: 031
City: Unincorporated	County: Pierce	Legislative District: 031
City: Unincorporated	County: San Juan	Legislative District: 040
City: Unincorporated	County: Skagit	Legislative District: 010
City: Unincorporated	County: Skagit	Legislative District: 039
City: Unincorporated	County: Skagit	Legislative District: 040
City: Unincorporated	County: Snohomish	Legislative District: 001
City: Unincorporated	County: Snohomish	Legislative District: 010
City: Unincorporated	County: Snohomish	Legislative District: 021
City: Unincorporated	County: Snohomish	Legislative District: 032
City: Unincorporated	County: Snohomish	Legislative District: 038
City: Unincorporated	County: Snohomish	Legislative District: 039
City: Unincorporated	County: Snohomish	Legislative District: 044
City: Unincorporated	County: Thurston	Legislative District: 002
City: Unincorporated	County: Thurston	Legislative District: 020
City: Unincorporated	County: Thurston	Legislative District: 022

Capital Project Request

2021-23 Biennium

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Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/11/2020 2:57PM

Project Number: 40000018

Project Title: 2021-2023 Improve Shellfish Growing Areas

Description

Location

City: Unincorporated

County: Thurston

Legislative District: 035

City: Unincorporated

County: Whatcom

Legislative District: 040

City: Unincorporated

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: 89.08

Application process used

Eligible conservation districts identify areas within their respective counties where water quality conditions are such that there are negative impacts to downstream shellfish growing areas. Conservation districts conduct outreach to landowners within these areas to develop potential projects addressing impacts to water quality. These projects are completed and entered into the Conservation Commission's project database. Once per month, Conservation Commission staff review eligible projects to determine whether they satisfy qualification requirements including location of project, relationship of project to other nearby shellfish funded projects, and implementation success. Funding is awarded as funding is available.

Growth Management impacts

Under GMA, all jurisdictions are required to designate resource lands of long-term commercial significance. These lands include agriculture, forestry and mineral resource lands. Furthermore, jurisdictions planning under the GMA must designate and protect critical areas, which include wetlands, critical wildlife habitat, aquifer recharge areas, geologic hazards, and frequently flooded areas. This proposal supports these local requirements and objectives through the implementation of on-the-ground projects. All locally implemented projects are planned and implemented in a manner consistent with local comprehensive plans and ordinances.

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2021-23 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriates	New Appropriates
057-1	State Bldg Constr-State	20,000,000				4,000,000
	Total	20,000,000	0	0	0	4,000,000

Future Fiscal Periods

		2023-25	2025-27	2027-29	2029-31
057-1	State Bldg Constr-State	4,000,000	4,000,000	4,000,000	4,000,000
	Total	4,000,000	4,000,000	4,000,000	4,000,000

Operating Impacts

No Operating Impact

Capital Project Request

2021-23 Biennium

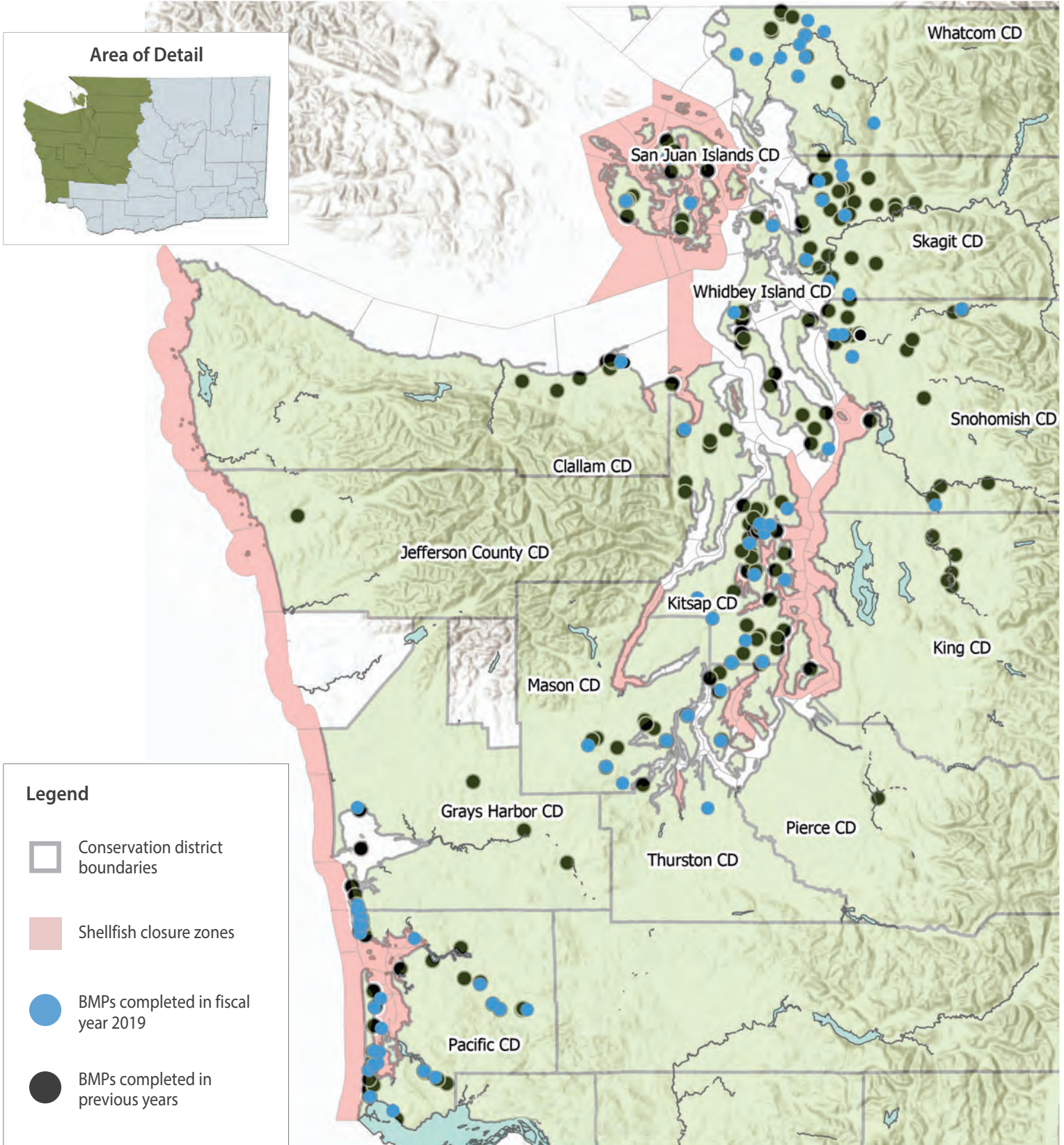
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<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000018	40000018
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

Shellfish Program

Our Shellfish Program uses a targeted approach to invest in best management practices (BMPs) implemented by conservation districts and landowners that build cumulative results for shellfish recovery. Priority is given to “project clusters” within a watershed where there’s a water quality concern.

Funding expended in FY19: \$3.8M





Project site before (top) and after (bottom) Whatcom Conservation District assisted a landowner with installing a heavy use area and watering facility for livestock in order to prevent polluted runoff.



The property is in the Deer Creek Watershed, a tributary to the Nooksack River, which drains to Portage Bay shellfish growing areas.

The District also used Shellfish Program funding to assist the landowner with roof runoff structures, underground outlets, and a covered manure storage facility.



Pacific Conservation District helped lead a multi-partner effort to address erosion at "Washaway Beach" that was on the verge of causing serious damage to drainage infrastructure. The Grayland area and local cranberry bogs were at high-risk for flooding, which would carry pollutants to hundreds of acres of shellfish growing area.



The District used Shellfish Program funding to construct a stone cobble berm, called a dynamic revetment, that protects the shoreline.

Last winter — for the first time in 100 years — no ground was lost at this project site.

Now the District is working to raise the revetment to 21 feet to address climate change predictions and will plant it with native vegetation.



150

best management practices installed



3,021,283

gallons of liquid manure per day safely transferred away from waterways



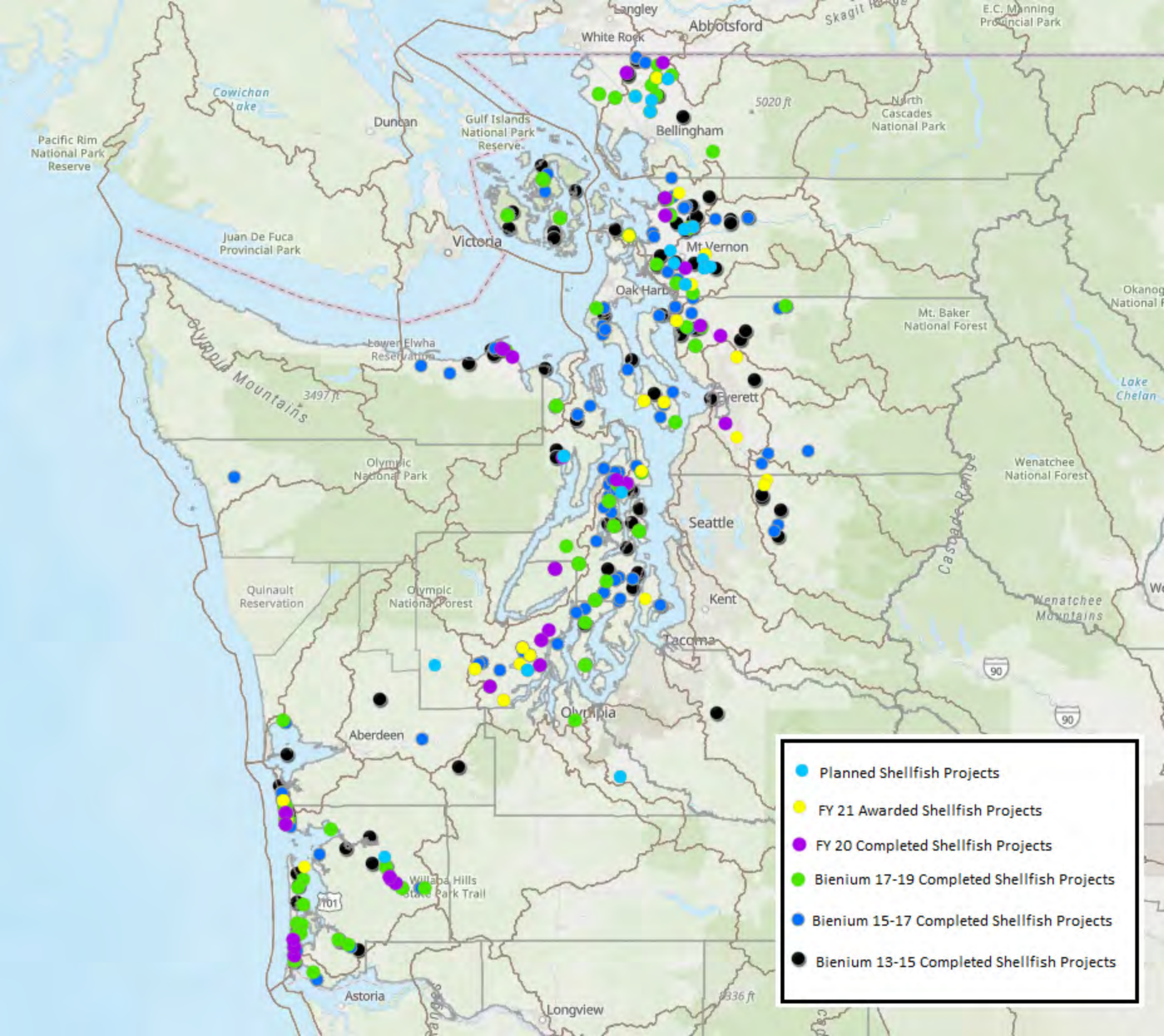
4,080

square feet of pervious surface installed to filter stormwater



Conservation districts have used Shellfish Program funding for projects that were part of efforts that resulted in the upgrade of thousands of acres of shellfish growing areas in Dungeness Bay, Birch Bay, and Drayton Harbor.

Learn more about the Shellfish Program:
scc.wa.gov/shellfish



Expected Use of Bond/COP Proceeds

Agency No:	4710	Agency Name	State Conservation Commission
Contact Name:	Sarah Groth		
Phone:	(360) 407-6205	Fax:	(360) 407-6215
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	40000018	Project Title:	Shellfish Investments

Agencies are required to submit this form for all projects funded with Bonds or COPs, as applicable. OFM will collect and forward the forms to the Office of the State Treasurer.

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments?
☒ Yes ☐ No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments?
☐ Yes ☒ No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments?
☒ Yes ☐ No
4. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental entity (business, non-profit entity, or the federal government), including any federal department or agency?
☐ Yes ☒ No
5. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply?
☒ Yes ☐ No
6. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (businesses, non-profit entities, or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes?
☐ Yes ☒ No
7. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any nongovernmental entity, for the use of, or in connection with, the project or assets? A nongovernmental entity is defined as
☐ Yes ☒ No

- a. any person or private entity, such as a corporation, partnership, limited liability company, or association;
 - b. any nonprofit corporation (including any 501(c)(3) organization); or
 - c. the federal governmental (including any federal department or agency).
8. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments?
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9. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes?
☐ Yes ☒ No
10. Will any portion of the Bond/COP proceeds be used for staff costs for tasks not directly related to a financed project(s)?
☐ Yes ☒ No

If all of the answers to the questions above are "No," request tax-exempt funding. If the answer to any of the questions is "Yes," contact your OFM capital analyst for further review.

Capital Project Request

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 3:46PM

Project Number: 40000014

Project Title: 2021-2023 Water Irrigation Efficiencies Program

Description

Starting Fiscal Year: 2022

Project Class: Grant

Agency Priority: 6

Project Summary

Funding will be invested in projects currently under development that enhance water supply for people, farms, and fish. On-farm irrigation and water delivery systems will be replaced with more efficient, modern systems that conserve water. Saved water will be returned to streams to enhance flow — benefitting salmonid species and water quality — without risk of relinquishing irrigators' water rights.

Project Description

The Washington State Conservation Commission (SCC) requests \$4,000,000 to administer Water Irrigation Efficiencies Program funds for conservation districts to help the agricultural community implement proven-effective water conservation measures and irrigation efficiencies projects.

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.

Problem and/or opportunity addressed

The problem driving this request is a significant one: finding sufficient water supplies to meet the needs of people, farms, and fish.

Irrigation for farm production uses significant amounts of water, mostly in the arid regions of the state, and this use impacts water needs for fish. There are several approaches to address this problem, but many have unintended consequences for our communities and economy. For example, water acquisition, development mitigation, and increased water rights enforcement could take agricultural lands out of production. These would result in negative economic impacts throughout the state and would reduce the ability to produce food for Washingtonians and beyond.

Another approach — improving on-farm water use efficiency — has other potential barriers, but each have been addressed in the design of the Water Irrigation Efficiencies Program. Those barriers relate to cost, technical expertise, and water rights.

Modern irrigation equipment and delivery systems are designed to be more efficient than historically used systems. But the cost and expertise needed for irrigators to upgrade to these systems often is prohibitive, and the “use it or lose it” aspect of water rights law puts irrigators at risk of relinquishing their water rights if water is conserved. The Water Irrigation Efficiencies Program breaks down these barriers by, 1) providing technical expertise to design and implement site-specific plans for upgrading to more efficient irrigation and water conveyance systems, 2) paying a portion of the cost to construct those systems, and 3) placing water left in streams in the Trust Water Rights Program that protects existing water rights from relinquishment.

Since its inception, the Water Irrigation Efficiencies Program approach has proven to be successful. The program has been proposed and funded every biennium since the 2001 legislative session with broad support. According to the Ruckelshaus Center's 2004 report, *Of Water and Trust*, “. . . it improves property values and provides greater options for land and crop use.” Currently, completed projects are saving enough water each year to cover the City of Yakima one-foot deep. This water is enhancing streamflow in 24 tributaries that are critical for salmonids.

Capital Project Request

2021-23 Biennium

*

Version: S1 2021-2023 Capital Budget Request

Report Number: CBS002

Date Run: 9/10/2020 3:46PM

Project Number: 40000014

Project Title: 2021-2023 Water Irrigation Efficiencies Program

Description

However, all previously appropriated program funding has been allocated to conservation districts who have projects in-progress and under-development with irrigators in their communities. Without continued funding, these and future new projects will be jeopardized, instream flows won't be enhanced, and disputes over water will heat up.

Proposed solution

Funding this request will enable the successful Water Irrigation Efficiencies Program to continue working with landowners who use irrigation to successfully improve the efficiency of their systems. Water saved through these projects will be placed back instream to help the state meet other resource needs.

The modern irrigation equipment and delivery systems constructed with this funding — for which demand is high — will deliver enough water to meet crop water demand with measurably less water than historic systems. The difference in the amount of water needing to be diverted is the saved water that will be left instream and transferred to the Trust Water Rights Program for management as instream flows. Associated water conservation measures free up additional water resources through wise-use management decisions and practices.

What are you purchasing?

Specifically, this request funds the construction of projects that return water to streams, which enhances the quantity of water instream for fish and other instream flow needs.

These projects are a mix of on-farm projects with private landowners and water conveyance projects with irrigation water purveyors. Conservation districts will continue to market the program and identify projects for future funding in the most critical basins throughout the state.

Additional water instream will help restore stream flows for fish and benefit water quality. Each implemented project, based on its increase in efficiency, nullifies both tailwater and/or deep percolation of over-irrigation below the root-zone of the crop. This thereby nullifies return flow that add sedimentation into fish-bearing streams, which can be detrimental to salmonid reproduction. This also reduces the risk of pushing nitrogen into the groundwater supplies.

The program creates some level of certainty of project-area water rights. Each project has a thorough water rights investigation done to ensure sufficient water for agricultural viability and sufficient saved water to be placed in the state's Trust Water Rights Program for instream flows. A new report of examination is written on each water right associated with the conservation project which clarifies both the Trust right and the water right left on the farm.

The agriculture community benefits by having more efficient use of water for irrigation, including reduced labor and maintenance costs, and the potential for increased production.

Alternatives explored, and why this option was chosen

This program depends on continuation of state funding. If this request is not funded, projects being designed and reviewed will not have funding to proceed. Irrigation efficiencies will not be achieved, and instream flows will not be enhanced. The state will

Capital Project Request

2021-23 Biennium

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Project Number: 40000014

Project Title: 2021-2023 Water Irrigation Efficiencies Program

Description

not achieve resource goals and objectives for water, potentially exacerbating ongoing disputes over water.

This program is cost-effective because the cost of the acquisition of water rights is directly tied to the price of the installed infrastructure rather than the more volatile water market. This should allow the program to get more conservation on the ground at a lower price than straight water acquisition.

On-farm irrigation systems create the potential for production increases in the project area. Modern technology of the new efficient irrigation systems can reduce crop-water stress by applying water more consistently over the field and adding water to the root zone only when the crop needs it and in an amount that it needs.

The instream resources benefit by the program acquisition of water rights which are more senior than the Instream Flow Rules in most of the basins that we target.

Assumptions and calculations

This project requires a total of 2.25 FTEs to continue working with conservation districts. This request also supports 1 FTE at Ecology through an interagency agreement for a preliminary review of applicant water rights. This will determine the validity of the water rights and assess the net water savings calculation for the irrigation efficiency improvements. This is the same level of FTEs supporting this capital project in prior biennia.

The amount of funding requested is sourced directly from conservation districts assessment of projects under development and proposals for future projects to be developed.

Strategic and performance outcomes

The benefit of improving instream flow and aquatic habitat from reducing on-farm water use (but still allowing crops to be grown) most closely aligns with Governor's Results Washington Goal 3 topics: Healthy Fish and Wildlife (sub-topic Pacific Salmon), Clean and Restored Environment (sub-topic Clean, Cool Water) and Working and Natural Lands (sub-topic Habitat Protection). By increasing the amount of water instream, fish are more likely to maintain healthy populations from higher water levels (enough water to live and reproduce), reduced water temperatures (enough cool water to better disperse heat), and through overall habitat improvements (food chain is maintained so they can find food to eat, shading from trees and plants is improved so the temperatures do not get to high, spawning grounds are available with the right size of gravel, etc.)

This request supports elements of the Commission's Strategic Plan to improve natural resource conditions. The objective of this request is to continue achieving progress on over-allocated water statewide in a way that:

- Creates water demand reduction;
- Protects existing water rights from interruption during drought years;
- Adapts irrigated agriculture to meet the challenges of a changing climate; and
- Creates instream habitat, passage, and fish flow.

This request will also strengthen long-term strategic relationships with agriculture, industrial, municipal, and tribal communities in Eastern and parts of Western Washington.

Capital Project Request

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*

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Project Title: 2021-2023 Water Irrigation Efficiencies Program

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2021-23 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriates	New Appropriates
057-1	State Bldg Constr-State	20,000,000				4,000,000
	Total	20,000,000	0	0	0	4,000,000

Future Fiscal Periods

	Account Title	2023-25	2025-27	2027-29	2029-31
057-1	State Bldg Constr-State	4,000,000	4,000,000	4,000,000	4,000,000
	Total	4,000,000	4,000,000	4,000,000	4,000,000

Operating Impacts

Total one time start up and ongoing operating costs

Acct Code	Account Title	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
FTE	Full Time Employee	3.5	3.5	3.5	3.5	3.5
057-1	State Bldg Constr-State	350,000	350,000	350,000	350,000	350,000
	Total	350,000	350,000	350,000	350,000	350,000

Narrative

2.5 FTE's will be located in SCC, 1 FTE will be at the Department of Ecology.

Capital Project Request

2021-23 Biennium

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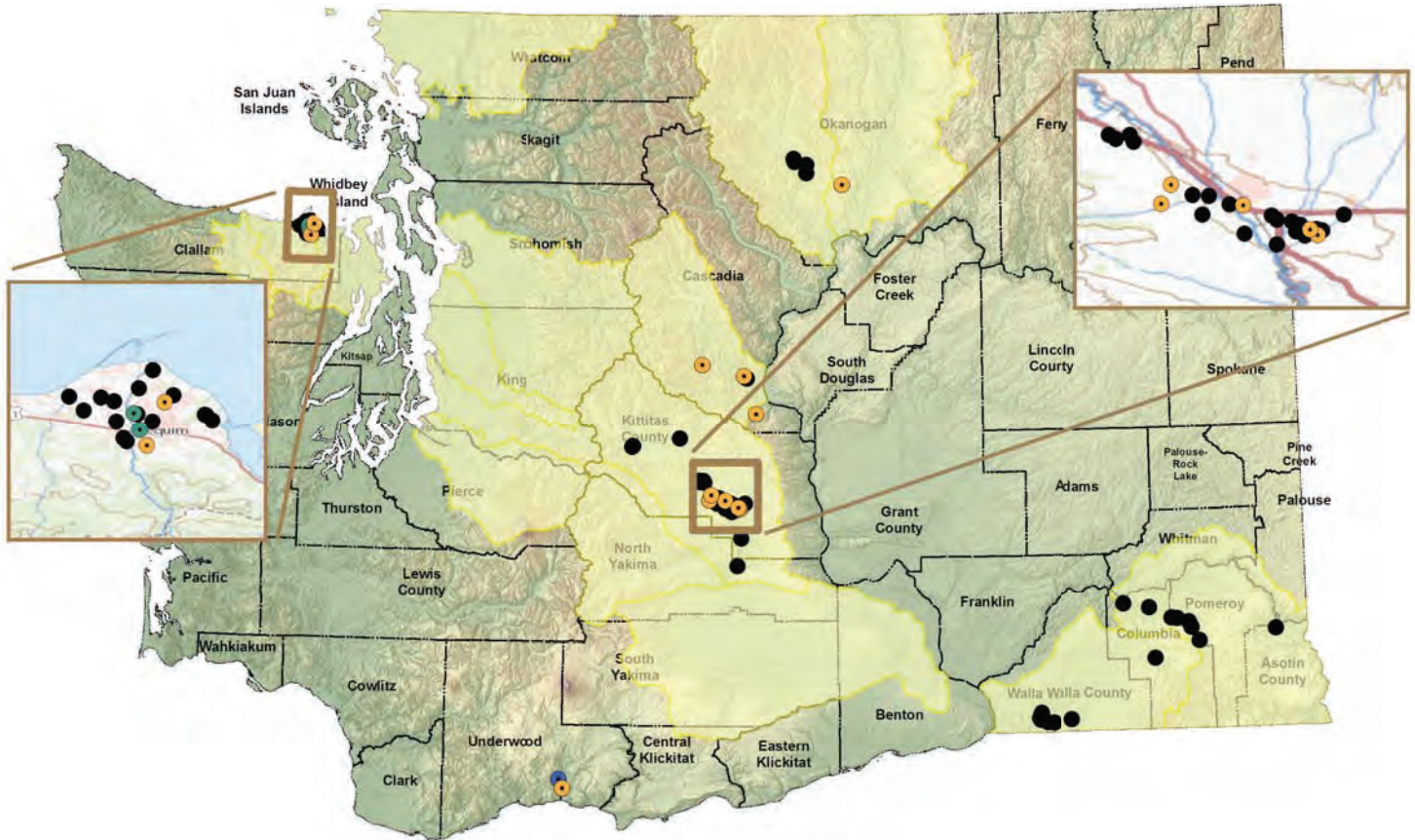
<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2021-23	2021-23
Agency	471	471
Version	S1-A	S1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000014	40000014
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

FY 2018 PROGRAM ACCOMPLISHMENTS

Irrigation Efficiencies Grant Program (IEGP)

2017-19 Funding: \$4,000,000
(through Department of Ecology)

Provides incentive-based solutions to reduce the water resource conflict between irrigated agriculture and salmon. Water right holders receive financial assistance for upgrading to more efficient irrigation systems. Saved water is returned to drought-prone streams that are home to ESA-listed salmonid fish species without risk of relinquishing irrigators' water rights.



Legend

- Conservation district boundaries
- 16 critical basins with shortage of water for fish
- Projects in progress (17-18)
- Planned projects (19-20)
- Completed projects (FY18)
- Completed projects (02-17)

IEGP Accomplishments to Date:

Since its inception in 2001, IEGP has:

- ▶ Completed **69 projects**.
- ▶ Saved **17,847 acre feet of water** per year.
- ▶ Saved **71.2 cubic feet of water per second** per year.
- ▶ Enhanced streamflow in **24 tributaries** critical for salmonids.

Examples of BMPs eligible for IEGP funding



Fish screens: These are required on IEGP projects. They protect juvenile fish from water diversions, such as irrigation pump intakes.



Center pivot systems: These are one of the most efficient and effective irrigation system types. They offer multiple benefits including saving water, energy, and time.



Soil moisture data collection: This is an important part of each on-farm efficiencies project.

It helps the farmer know how much water to apply and when.

FY 2018 Highlights

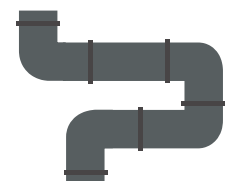
Examples of what was accomplished through the IEGP this fiscal year:



Completed two ditch-to-pipe projects that saved 2.2 cubic feet per second of water and returned 620 acre feet of water per year to the Dungeness River.



Participated on Drought Contingency Planning Taskforce, which included completing the final phase of rewriting the state's drought contingency plan.



Helped the Union Gap Irrigation District begin construction on a mitigation project to address impacts to an irrigation pipe that carries water through the Rattlesnake Ridge landslide area.

Learn more about IEGP:
scc.wa.gov/iegp

Expected Use of Bond/COP Proceeds

Agency No:	4710	Agency Name	State Conservation Commission
Contact Name:	Sarah Groth		
Phone:	(360) 407-6205	Fax:	(360) 407-6215
Fund(s) Number:	057	Fund Name:	State Building Construction Account
Project Number:	40000014	Project Title:	Irrigation Efficiencies

Agencies are required to submit this form for all projects funded with Bonds or COPs, as applicable. OFM will collect and forward the forms to the Office of the State Treasurer.

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? ☒ Yes ☐ No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? ☐ Yes ☒ No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? ☒ Yes ☐ No
4. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental entity (business, non-profit entity, or the federal government), including any federal department or agency? ☐ Yes ☒ No
5. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? ☒ Yes ☐ No
6. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities (businesses, non-profit entities, or the federal government) or granted or transferred to other governmental entities which will use the grant for nongovernmental purposes? ☐ Yes ☒ No
7. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any nongovernmental entity, for the use of, or in connection with, the project or assets? A nongovernmental entity is defined as
 - a. any person or private entity, such as a corporation, partnership, limited liability company, or association;
 - b. any nonprofit corporation (including any 501(c)(3) organization); or
 - c. the federal governmental (including any federal department or agency).☐ Yes ☒ No
8. Is any portion of the project or asset, or rights to any portion of the project or asset, expected to be sold to any entity other than the state or one of its agencies or departments? ☐ Yes ☒ No
9. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? ☐ Yes ☒ No
10. Will any portion of the Bond/COP proceeds be used for staff costs for tasks not directly related to a financed project(s)? ☐ Yes ☒ No

If all of the answers to the questions above are "No," request tax-exempt funding. If the answer to any of the questions is "Yes," contact your OFM capital analyst for further review.

TAB E