

Puget Sound Salmon Recovery Council

Meeting Summary

Thursday, March 23, 2006, 9:30 – 2:30 | Seattle Central Library

Introduction and Overview of Revised Recovery Council Meeting Sequence

Jim Kramer and Jagoda Perich-Anderson welcomed the Recovery Council members and observers and provided a brief overview of upcoming discussion topics. The Council reviewed the revised sequence of meetings as outlined below:

April 21, 2006: Decision on criteria for ESU funding allocation

May 25, 2006: Discussion of ESU Funding scenarios proposal

July 27, 2006: Decision on ESU funding allocation (select scenario)

September 13, 2006: Implementation issues and event

October 25-26, 2006: Shared Strategy Event – Two day combined gathering with the Puget Sound Partnership to highlight the Recovery Plan and Partnership Achievements

November 15, 2006: Implementation issues & 2007 outlook

Note: Dates for the meetings are unchanged

The new sequence of meetings will allow the Council to more effectively implement an iterative process for identifying issues, relay information, discuss issues among respective constituents, and make Council decisions in subsequent meetings.

Council Decision: The Council supported the new sequence of meetings and the rationale for the change.

Recovery Council Approach for Decision-making

The Council discussed the proposed staff recommendation for moving forward with a consensus-based approach for Council decision-making instead of the previously proposed voting process. The proposed consensus approach would require a 2/3 quorum of Council membership for decision-making. The purpose of the 2/3 quorum would be to ensure that the decisions made by the Council as a collaborative body would be in accordance with the composition, views, and will of the communities and agencies active in recovering salmon in the Puget Sound Region.

Bill Ross presented the following proposed scale for the four levels of consensus and the fifth option, to hold off on the final decision until more discussion occurs to resolve the portion of a proposal someone cannot live without:

1. Endorsement – I like it
2. Endorsement with minor contention – I basically like it
3. Agreement with reservations – I can live with it
4. Stand aside – I don't like it but I do not want to stop it
5. Block – I cannot live with it

During the discussion, Council members brought forth the following issues regarding the proposed consensus approach for decision-making:

- > The intent of remaining with a consensus-based approach, over a voting process, is to keep unity among the Council and retain the collaborative spirit in which the Recovery Plan was crafted as the group moves into the implementation phase.
- > Consensus is the right approach for the Council's decision-making process at this stage. The Council retained the ability to consider moving to another process for decision making, such as voting, if needed in the future.
- > A 2/3 super-majority quorum may place too much power in the Council minority on specific issues. Having a few Council members not present at a meeting could halt the decision-making process by not fulfilling the requirement for a quorum. A simple majority quorum may be a better approach.
- > If the Recovery Council does not have a super-majority in attendance at every Council meeting, then we are not succeeding at convening the Region together to restore salmon. Council staff will monitor Council attendance through RSVPs prior to meetings; and, if attendance is insufficient, will contact members to identify and resolve participation issues.
- > Government agencies may be required to abstain from certain Council decisions, such as funding recommendations by the Council for which a particular agency is the ultimate decision-maker. For these decisions, a quorum would still be in effect and the agency abstaining, if present, would still contribute to the quorum.
- > Representatives' alternates are expected to carry the full authority in Council decision making. Proxy voting from Council observers would not be allowed because it would not be possible to accurately reflect the level of consensus or non-consensus held by a Council representative who was not in attendance at the meeting.

The Council expressed general consensus approval of the consensus-based approach for decision-making and the requirement for a 2/3 quorum. A few members held reservations (mentioned above) about the requirement for a 2/3 quorum, but felt they "could live with it" and did not want to stop the process.

Council Decision: The Council approved the consensus-based approach for decision-making and reserved the right to re-examine this approach later if desirable.

Funding Needs and Finance Strategy for Implementing the Recovery Plan

The Council reviewed the anticipated cost and proposed finance strategy for implementing the Recovery Plan. The estimated cost for implementation of the 10-year plans will require a doubling of current funding levels (over the next 10 years) – to a total of \$1.4 billion over the next 10 years. Attaining the needed funding would require:

- > A concerted effort of raising funds at three levels: watershed/community, Puget Sound-wide, and State/Federal
- > Creating a watershed level building block for funding requests through sequenced work programs
- > Achieving consensus on strategic funding priorities at the regional ESU level
- > Ensuring a SRFB process that supports efficient and effective implementation across the region
- > Identifying and tapping into new funding sources for the sequenced and prioritized watershed work programs. (New sources of funding refer to existing funding sources not currently used for salmon recovery per se, which could be directed to the projects in the plan such as a portion of environmental mitigation funds, as well as 'new' funding sources such as foundation grants.)

Jagoda Perich-Anderson presented an overview of the objectives for local and regional funding sequencing and priorities development. For the proposed financing strategy, investments would need to:

- > Meet ESU recovery criteria and honor tribal treaty rights
- > Demonstrate wise investments and prioritization of needs for salmon recovery
- > Position the region to sustain public and political support
- > Enable all watersheds to improve from current conditions.

The sources and strategies for attaining needed funds under the proposed financing strategy include:

- > Maintaining current levels of federal funding and increasing state (SRFB) funding for salmon recovery
- > Using a percentage of environmental mitigation dollars from development on salmon project sites
- > Attaining federal dollars from programs not currently going to salmon recovery for projects benefiting salmon (e.g. agricultural incentives for riparian buffers on private farmland)
- > Attaining additional private and public grants for salmon restoration;
- > Maintaining or increasing local contributions to salmon recovery across the region as a whole.

The Council identified the following issues and topics during the discussion:

- > The estimated \$1.4 Billion needed for implementation of the Recovery Plan includes only capital projects. Programmatic steps that would also require funding are not included in the estimate. Recovery Plan implementation would require a significant investment in non-capital efforts as well as capital projects.
- > Some members noted redirecting funds, such as agricultural subsidies, to salmon recovery projects may be difficult and may conflict with other priorities that these programs currently support.
- > Tribes are already stretched to the limit in terms of resources and shifting money for additional projects will require resources for sufficient tribal engagement. This process would require careful coordination with the tribes.
- > Some coordination with the tribes in this effort has begun. Tribal representatives have accompanied Evergreen consultants to meet with and educate Lobbyists in D.C. about the Puget Sound salmon plan.

Council Conclusion: The Council expressed overall support for the proposed finance strategy and efforts currently under way.

Action Item: Jim Kramer will send Council members a short description of the efforts underway to direct federal funding to agricultural incentives for salmon recovery.

Proposed Salmon Recovery Funding Board Funding Allocation Process

The Council examined and discussed the proposed changes to the Salmon Recovery Funding Board's (SRFB) funding allocation process. The proposed process would allocate funding to the eight recovery regions in Washington State instead of on a project-by-project basis. Each region would then determine its own priorities and process for distributing funds.

One of the discussions under way among the eight regions is the question of what an equitable distribution would be. Currently, the Puget Sound/Hood Canal Recovery Regions combined receive approximately 65% of SFRB funds. One proposal that was put forward at the SFRB Issues Task Force is to drop this share to approximately 30%. However discussions are still under way and it would be useful for this region to make a counter offer.

The Council identified the following issues regarding the proposed SFRB funding allocation process and the appropriate Recovery Council actions to take:

- > If the proposed plan for the SFRB to allocate funds to the eight salmon recovery regions in Washington State is implemented, our region would be required to relinquish a certain proportion of SFRB funding compared to years past. The Council should try to negotiate for an acceptable level of change in funding in the spirit of supporting the overall state-wide salmon recovery needs.
- > Recovery regions in the state receiving block allocations from SFRB would still be required to demonstrate a strategic approach for carrying out salmon recovery in order to attain the funds. The proposed SFRB funding allocation would not be a “blank check” given to the regions.
- > Regardless of the proportion of SFRB funds distributed to the Region, the SFRB allocation alone will not be enough to reach the estimated \$1.4 billion needed for implementation over the next 10 years.
- > It is important to focus energy on enlarging the overall pool of funds available to be distributed by SFRB and other sources. Through a coordinated and concerted fundraising effort, our Region may be able to implement the plan even with a smaller proportion state-wide of the total pool of SFRB funds.
- > The Lower Columbia recovery region has reportedly acknowledged that its potential ‘formula-based’ increase from approximately 8% to 24% of their allocation of SFRB funding may result in too much of a reduction for Puget Sound. Other regions have evidently indicated that they feel the same way. This presents an opportunity for the Puget Sound/Hood Canal Region to negotiate for an equitable proportion of SFRB funds.
- > It is important to note and remember that our Region contributes \$47 million in local matching funds. Other regions do not bring in as much from local matching funds and, reducing Puget Sound’s proportion may significantly reduce our ability to pull in this level of local match.
- > Local governments are currently experiencing funding difficulties due to reduced revenues. A significant reduction in the historic SFRB allocations could discourage their continued support of salmon recovery activities.
- >

Council Decision: The Council agreed that a reduction of 50% of the current funding level is inappropriate but agreed that a 15% to 20% decrease in SFRB funding for the Puget Sound region could be acceptable. They added the hope that the Region would gain political credit for supporting state-wide needs as well as increase the overall pool of SFRB funds in the future.

The SFRB is expected to make its final decision on the funding allocation process at its April 6th Meeting.

Action Item: The Council requested Jim Kramer to represent the Council in continuing negotiations with the other regions and offer a 15-20% reduction to the proportion of SFRB funds

which the Puget Sound Region, including Hood Canal, has received in years past (instead of the potential 50% reduction). They encouraged coordinating with Doug Osterman, LEAG Chair and Jeanette Dorner, member of the SRFB Issues Task Force as these discussions continue.

Watershed Work Programs

The Council reviewed how the three year Watershed Work Programs are being developed across Puget Sound. Each of the watershed recovery planning groups is developing priorities and sequencing activities needed to achieve success over the next three to four year increment of their 10-year workplan as laid out in their Recovery Plan chapters. The TRT and Council Policy Workgroup will work with the watersheds to ensure that priorities also reflect ESU-wide recovery criteria. EPA grant funds will be made available to support continued refinement of work programs and capacity building for the watersheds to integrate salmon recovery and Puget Sound recovery efforts

Council Conclusion: The Council expressed general support for the activities under way and the future direction of the watershed work programs as presented.

Matching Funding to Local Priorities – Watershed Sequencing

The Council examined and discussed the draft criterion for matching funds to local priorities for salmon recovery. The proposed criterion, to be used by watersheds as they develop their 3-year work programs, includes sequencing activities within each watershed to ensure the suite of actions is consistent with their respective strategies, salmon population(s) needs, and ESU recovery criteria.

The following are the proposed components of watershed sequencing:

- > Ensure habitat protection addresses the most critical near-term functions and areas
- > Address key factors limiting recovery
- > Target likely early improvements in one or more Viable Salmon Population parameters (VSPs)
- > Sequence actions per Technical Recovery Team (TRT) guidance
- > Sequence actions to re-establish natural salmon production (if needed)
- > Ensure actions are consistent with the May 2005 TRT review comments, and comments prepared by the National Marine Fisheries Service Northwest Region in the Supplement to the draft Puget Sound Salmon Recover Plan.
- > Actions benefit Chinook and other salmon species
- > Actions are part of larger Regional efforts (e.g. comprehensive monitoring)
- > Consider the magnitude of effort needed to attain a trajectory toward recovery
- > Actions build the capacity to implement the 10-year program.

The Council discussed the following points regarding watershed sequencing:

- > Actions build the capacity to implement the 10-year program.
- > The work programs should consider a watershed's contribution to ESU recovery consistent with the role articulated in the Recovery Plan
- > It is important to agree on definitions of terms to ensure consistency and communication across watersheds.

- > Hatchery improvements and harvest management should be integrated into watershed work programs where possible. This will require a coordinated effort with hatchery and harvest co-managers to ensure the work program is vetted correctly in the process.
- > Protection for salmon and salmon habitat would need to be developed carefully, especially because regulatory actions are not uniform across watersheds.
- > It will be important for the Recovery Council to work together to identify and address identified gaps in 3-year work programs as needed
- > Consider adding policy criteria such as community readiness to implement, ability to enforce existing regulations, investments in building a foundation of long-term public support.
- > The process would require careful communication and collaboration with the state and federal agencies that are members of the Council. If any regulatory issues arise concerning the ability to permit recovery actions, it is our hope that they will be communicated and resolved through the Recovery Council.

Council Decision: The Council expressed overall support for the proposed watershed sequencing criterion and process outlined.

Matching Funding to ESU Priorities

The Recovery Council examined and discussed the proposed ideas for establishing ESU-wide criteria for investment choices. These priorities pertain to only funds that can be transferred across watersheds (estimated at approximately 1/4 of available funds, such as SRFB funds). Until additional funding sources are attained, the proposal is to maintain the recent average proportional distribution levels.

Proposed ideas presented for establishing ESU funding priorities are listed below. Regional investments should support the following biological criteria:

Baseline: Meet ESU recovery criteria established in the five bio-geographical regions and improve current conditions in all watersheds. [Howard—it would be best to write out the ESU criteria—see plan.]

In addition to the baseline:

- > Ensure the highest risk populations do not disappear
- > Ensure the more robust populations continue to provide insurance of ESU resilience (e.g. population strongholds)
- > Target early improvements in Viable Salmonid Population parameters (VSPs) for natural-origin populations

Staff explained that once criteria were approved, regional scenarios of how funds could be allocated across the ESU to emphasize one or more criteria would be developed for Council consideration. The presumption is that local watershed areas receiving investments in support of achieving any of the ESU-scale criteria would match their 3-year work program priorities accordingly (for example, to actions that ensure a high risk population does not go over the brink).

The Council identified the following issues regarding matching funding to ESU priorities:

- > It will be important to take into account the habitat functions supporting the various life stages of salmon, such as the importance of near-shore habitat, when targeting funding

- for high risk and high value populations and incorporating priorities into the watershed plans.
- > The finance strategy in the Recovery plan does recognize the need to invest in nearshore habitat, hatchery reform, and agricultural incentives, though the specific sources of funds for these actions have not been identified.
 - > The Council should consider including funding priorities to help improve conditions for populations of other salmon species in tandem with the Chinook recovery efforts. The funding priorities should be broader than targeting only ESA-listed Chinook, especially when multiple species benefits are possible.
 - > Investment decisions should consider different methods of achieving the same outcomes in order to maximize funds and their effectiveness both at the watershed and ESU level, such as acquiring property versus regulating property. Until further work is done on the effectiveness of existing regulations to protect salmon habitat (one pilot in San Juan County is already under way), such choices may be difficult to discern and quantify in the near-term.
 - > In terms of regulating land for salmon recovery, some local governments maintain that they do not have the resources needed to enforce regulations to the desired level. Because this varies from watershed to watershed, the Council could consider ways to provide incentives for uniformity across the region to achieve the best results for protecting salmon.
 - > The criteria should include measures of success to track progress and ensure our investments are helping to achieve the desired results.

Council Conclusion: The Council expressed general support for the criteria proposed for ESU funding priorities as outlined with the additions discussed. A decision to adopt criteria for matching funding to priorities and sequencing will be made at the April Recovery Council meeting.

Action Items: Staff will prepare and distribute a description of the proposed criteria for both the 3-year work program sequencing and prioritization and for the ESU investment priorities, inclusive of Council member additions, by the first week of April. Council members will consider revised criteria, solicit input from the watersheds and their constituents and be prepared to make a decision on the criteria at the April 21st meeting.

Recovery Plan Adoption and Conservation Agreement

The Recovery Council policy work group is currently working with NOAA Fisheries to address and/or resolve issues with the Recovery Plan that may have been raised in the public comment on the draft Plan. The Recovery Council expressed a desire to ensure the Plan's original direction and objectives are not lost in the process and that resolution of issues, where needed, occurs through the collaborative process under which the Plan was developed.

The Council received a copy of a draft Puget Sound Conservation and Recovery Agreement to be signed upon the Recovery Plan's adoption. The agreement will be discussed at the April meeting. The Council expressed support for continuing the discussion with the agencies over the agreement.

H-integration: Harvest, Habitat, & Hatchery

All-H Leadership Group was created as a sub-committee of the Council to advance the H-integration process for the region. An H-integration work group, consisting of policy and science

staff from all the H-sectors and related agencies, is preparing guidance and identifying tools and resources to help watersheds take the next integration step(s) in their areas. Their work program includes:

- > Precisely defining the term “H-integration”
- > Developing the concept and identifying ways to advance it
- > Identifying the components of H-integration
- > Identifying key parties that need to be involved with their roles and responsibilities
- > Conducting preliminary assessments of H-integration status for each watershed
- > Assessing how to document H-integration in terms of effects of VSP
- > Developing a conceptual framework for all-H verification and accountability
- > Identifying the tools available and their function for H-integration
- > Producing a short-term (2006) and long-term (2007+) work program

Council members received a copy of the draft H-integration 2006 Work Program to be discussed further at the April Council meeting. The Council expressed support for the H-integration efforts under way.

Puget Sound Partnership

The Puget Sound Partnership will conduct a series of forums and public meetings addressing recommendations on recovery of Puget Sound. In a manner yet to be determined, the salmon recovery plan will be a key part of the overall Puget Sound effort. There will be several public meetings held between April and May as well as additional topical forums to help the Partnership prepare for its first draft recommendations on recovering Puget Sound which are to be released in mid-June. It is the hope of the Partnership that its recommendations, due in October 2006, can influence the 2007 Legislature and that the integration of salmon recovery into a broader Puget Sound effort will positively support salmon recovery efforts. The Shared Strategy process serves as a model for engaging local communities with federal, tribal, state and local authorities to work collaboratively on recovery efforts and it provides a set of strategic projects/plans ready to be implemented.

The Council expressed support for the Puget Sound Partnership and the Salmon Plan efforts.

Action Item: Council members are encouraged to participate in the topical forums as well as the public meetings for the Puget Sound Partnership effort. Council input will provide a positive message about the momentum of salmon recovery in Puget Sound as well as how many actions to help salmon will also help improve Puget Sound’s health.

Action Item: Council members are encouraged to examine the eight Strategic Framework questions available on the Puget Sound Partnership website (www.pugetsoundpartnership.org) and provide input on the questions from a watershed and salmon recovery perspective.

The meeting adjourned at 2:30 PM.

Council Members/Alternates Participating

Brad Ack	Puget Sound Action Team
Randy Acker	Washington Department of Natural Resources
Elizabeth Babcock	National Oceanic & Atmospheric Administration – Fisheries
Josh Baldi	Washington Department of Ecology
Bill Blake	Stillaguamish (watershed)
Jeanette Dorner	Nisqually (watershed)
Tom Eaton	Environmental Protection Agency – Region 10
Don Davidson	Lake Washington / Cedar / Sammamish (watershed)
Mike Graham	Northwest Indian Fisheries Commission
Bernie Hargrave	US Army Corps of Engineers
Jayni Kamin	South Sound / Nearshore (watershed)
Darlene Kardonowy	East Kitsap (watershed)
Bob Kelley	Nooksack Tribe
Randy Kinley	Lummi Nation
Steve Lewis	ESA Business Coalition
Rob Masonis	American Rivers
Gwenn Maxfield	Island (watershed)
Jim Miller	Snohomish Basin (watershed)
Steve Mullet	Green/Duwamish (watershed)
Bob Nichols	Governor’s Salmon Recovery Office
Kevin Ranker	San Juan Islands (watershed)
Bruce Roll	Nooksack (watershed)
Joe Ryan	Washington Environmental Council
David Troutt	Nisqually Tribe
Jeannette Dorner	Nisqually (watershed)
Josh Weiss	Washington Forest Protection Association
Chris Weller	Elwha / Dungeness (watershed)

It should be noted that representatives for some Council slots are still in the process of being filled.

Approximately 25-30 observers attended from local watershed areas, local governments and state agencies.