

2016 Supplemental Operating Budget Request



Bradley Smith, Chair
Fish and Wildlife Commission
Jim Unsworth, Director
Department of Fish and Wildlife

October 5, 2015



*Washington
Department of*
**FISH and
WILDLIFE**



State of Washington
DEPARTMENT OF FISH AND WILDLIFE

Mailing Address: 600 Capitol Way N, Olympia, WA 98501-1091 • (360) 902-2200 • TDD (360) 902-2207
Main Office Location: Natural Resources Building, 1111 Washington Street SE, Olympia, WA

October 1, 2015

Mr. David Schumacher
Director, Office of Financial Management
300 Insurance Building
Olympia, WA 98504-3113

Dear Mr. Schumacher:

Enclosed you will find the 2016 Biennial Operating Budget Request for the Washington Department of Fish and Wildlife (Department), as approved by the Fish and Wildlife Commission. We have developed this request to maintain current service levels and to deal with high priority budget and policy challenges that we face after the development of the 2015-17 biennial budget. The Department has limited our requests to activities that are central to protection and preservation of the state's fish and wildlife resources and recreational opportunities.

Looking towards the future, I am pleased to announce the creation of a new statewide multi-year public outreach initiative that will help the Department strengthen our relationships with key constituents. The initiative, "Washington's Wild Future: A Partnership for Fish and Wildlife" is beginning with six regional "listening" forums where senior department staff and members of the Fish and Wildlife Commission will travel around the state over the next several weeks to talk and listen to anglers, hunters, and members of the public who pursue outdoor recreational and commercial opportunities related to fish and wildlife management. As the project moves forward, we will make additional efforts to reach out to groups that have not been part of our traditional clientele. The public comments and proposals will help to determine priorities for conserving and managing Washington's fish and wildlife in the coming years.

Ultimately, we will use the input we receive from the public and key stakeholders to help improve our day-to-day operations, and to shape our budget, legislative and fee proposals to the 2017 Legislature. By starting this outreach now, we hope to generate strong support for our legislative and budget proposals, and to build a foundation that strengthens our existing relationships and helps us establish new ones.

It is important to understand that the state's fish and wildlife resources are central to the economy of the state especially in rural areas that are in need of economic development. Fishing, hunting and wildlife watching activities contribute over \$4.5 billion to the state each

David Schumacher

October 1, 2015

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year in economic activity. Commercial fishing supports thousands of jobs and many millions in personal income.

Thank you for your time and consideration of these requests. We look forward to supporting your efforts in developing the Governor's budget proposals, and we welcome new ideas and further refinement of these proposals.

Department staff members are available to assist you with evaluating this request and will be happy to answer any questions as they arise. Please contact Owen Rowe, Budget Director, at (360) 902-2204, or David Giglio, Assistant Director of Technology and Financial Management, at (360) 902-8128 for further information.

Sincerely,



James Unsworth, Ph.D.

Director

Enclosure

cc: Office of Financial Management:
Heather Matthews, Budget Assistant, Office of Financial Management
Jim Cahill, Senior Budget Assistant, Office of Financial Management
Washington Department of Fish and Wildlife:
Joe Stohr, Deputy Director
David Giglio, Technology and Financial Management Assistant Director
Lee Rolle, Chief Financial Officer
Owen Rowe, Budget Director

**WASHINGTON DEPARTMENT OF FISH AND WILDLIFE
2016 Supplemental Operating Budget Request**

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Recommendation Summary

Agency: 477 Department of Fish and Wildlife

Dollars in Thousands

	Annual Average FTEs	General Fund State	Other Funds	Total Funds
2015-17 Current Biennium Total				
Total Carry Forward Level				
Percent Change from Current Biennium				
Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 2A Hatchery Utility Cost Increases		90	10	100
M2 2B SW Regional Office Relocation		240	359	599
M2 2C Wildfire Season Costs		129		129
Total Maintenance Level		459	369	828
Percent Change from Current Biennium				
PL Q1 Sustain Fishing in Washington	7.8	1,578	3,359	4,937
PL Q2 Coordinated Fish Barrier Removal	1.2	307		307
PL Q3 Modern and Accessible WDFW Website	1.0	114	455	569
PL Q4 Improve Maintenance of State Lands	2.0		450	450
PL Q5 Marine Vessel Grant Match		76	674	750
PL Q6 Transportation Project Mitigation	0.4	100		100
Subtotal - Performance Level Changes	12.4	2,175	4,938	7,113
2015-17 Total Proposed Budget	12.4	2,634	5,307	7,941
Percent Change from Current Biennium				

Recommendation Summary

Agency: 477

Dollars in Thousands

Annual Average FTEs	General Fund State	Other Funds	Total Funds
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M2 2A Hatchery Utility Cost Increases

Washington Department of Fish and Wildlife (WDFW) hatcheries produce fish that support Washington's tribal, commercial, and recreational fisheries and contribute to fish recovery efforts for salmon and steelhead listed under the Endangered Species Act . WDFW requests funding to meet increased utility costs at hatchery facilities. This request supports electricity, natural gas, sewer, garbage, and oil heat costs. Without funding to offset increased utility costs, salmon and trout raised for local waters will decline.

M2 2B SW Regional Office Relocation

During the 2013-15 biennium the Department requested and received funding to move the Southwest Regional Office to another location better suited to the Department's mission. However, in January 2015 the developer pulled out of the agreement brokered by the Department of Enterprise Services (DES), citing increased construction costs. The current office is located in an economically depressed, high crime area, where vandalism and public safety have been issues. This biennium the Department is continuing to work with DES to solicit and evaluate proposals for new space for the office. Funding is requested for one-time move costs and a lease rate increase.

M2 2C Wildfire Season Costs

The Washington Department of Fish and Wildlife (WDFW) is required to pay local fire districts and the Department of Natural Resources (DNR) for their support in fighting wildfires on WDFW lands. Funding is requested for fire suppression, habitat rehabilitation, and infrastructure costs associated with wildfires occurring during the first six months of FY 2016. Fire suppression and restoration funding is necessary to preserve investments in fish and wildlife habitat, to protect human health and safety, and to defend facilities and structures in affected areas of the state.

PL Q1 Sustain Fishing in Washington

The Department proposed legislation last session to increase fees on commercial and recreational fishing licenses to support increased workload associated with a deteriorating hatchery system, higher standards for fishery monitoring, challenges in ESA permitting, and declining federal support for lower Columbia River salmon production. The proposed legislation was not adopted. However, the enacted operating budget included language directing the Department to spend down the State Wildlife Account fund balance during the 2015-17 biennium but the requisite expenditure authority was not provided. This decision package proposes to obtain the necessary spending authority to continue to maintain fishing opportunities while work continues on a fee bill for consideration by the 2017 Legislature. The State Wildlife Account portion of this request will support recreational fishing opportunities and state general fund is requested to support commercial and tribal fishing activities.

PL Q2 Coordinated Fish Barrier Removal

Repairing fish passage barriers is one of the most ecologically beneficial and cost-effective means of rebuilding salmon and steelhead runs because large areas of spawning habitat can be re-opened to these Endangered Species Act (ESA) listed fish . In response to a federal court injunction, the State of Washington has begun replacing all state-owned barriers, but that does not address barriers that belong to local governments or are privately owned. WDFW requests funding to coordinate with local restoration organizations and municipalities to identify and correct the highest priority fish passage barriers. When barriers have been identified and assessed, the Fish Passage Barrier Removal Board, chaired by WDFW, will recommend a coordinated project list identifying the highest priority barriers that have the most immediate benefit and then monitor and advise on the correction of those fish barriers. Ultimately, wild salmon and steelhead will be restored to thousands of miles of upstream habitat, making for healthier and larger populations. [Related to Puget Sound Action Agenda Implementation.]

Recommendation Summary

Agency: 477

Dollars in Thousands

Annual Average FTEs	General Fund State	Other Funds	Total Funds
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PL Q3 Modern and Accessible WDFW Website

The Washington Department of Fish and Wildlife (WDFW) website receives an average of 30 million visits per year for fishing and hunting guides, a wolf sighting reporting system, customized features like interactive rule development, and a host of historical data, not to mention the WILD license sales system. Its operating platform, built 20 years ago, has essentially remained the same, and the website does not provide mobile functionality nor does it comply with accessibility and usability laws. No longer providing an easily accessible portal to WDFW services, the website risks public dissatisfaction, uninformed customers, and inefficient staff time to maintain it. WDFW requests funding to replace the current site with a website that is readable from mobile platforms, accommodates current and new applications, and allows visually-impaired users to access Department information, as required by state and federal law.

PL Q4 Improve Maintenance of State Lands

The Department of Fish and Wildlife's 700 water access sites and one million acres of wildlife lands need continuous maintenance and enforcement presence. To fund this work, eight percent of Discover Pass sales revenue is deposited into the State Wildlife Account. WDFW requests authority to spend available fund balance from Discover Pass sales on tasks that keep lands and access sites open, maintained, and safe for recreation.

PL Q5 Marine Vessel Grant Match

The Department of Homeland Security recently awarded the Department of Fish and Wildlife's Enforcement Program a grant to replace two aging marine vessels with a new 38-foot command and control vessel. WDFW will use the new boat in the central Puget Sound basin where its primary missions will be to enforce recreational and commercial fishing regulations, provide boating safety presence and response, and support search and rescue operations. The Department requests one-time funding for the 25 percent state match requirement to acquire this vessel.

PL Q6 Transportation Project Mitigation

The 2015 Legislature passed E2SSB 5996 directing the departments of Fish and Wildlife (WDFW), Ecology (ECY), and Transportation (DOT) to work together, as well as consult with other relevant entities, to develop a policy framework and streamlined mechanism for encouraging off-site fish passage barrier mitigation as environmental compensation for DOT project impacts. The legislation passed after the operating budget was enacted, so funding was not provided for implementation. WDFW requests spending authority to fulfill the new requirements outlined in this legislation, and has begun coordinating with ECY, who is also submitting a budget request, and with DOT.

Agency Budget Request Decision Package Summary

(Lists only the agency Performance Level budget decision packages, in priority order)

Agency: 477 Department of Fish and Wildlife

Budget Period: 2015-17

Decision Package	
Code	Decision Package Title
PL-Q1	Sustain Fishing in Washington
PL-Q2	Coordinated Fish Barrier Removal
PL-Q3	Modern and Accessible WDFW Website
PL-Q4	Improve Maintenance of State Lands
PL-Q5	Marine Vessel Grant Match
PL-Q6	Transportation Project Mitigation

Washington Department of Fish and Wildlife

2016 Supplemental Operating and Capital Budget

Puget Sound Action Agenda Decision Packages

Operating Budget Decision Packages:

1. PL-Q2 Coordinated Fish Barrier Removal- \$307,000 GF-S

- A6: Protect and Recover Salmon
 - A6.1: Implement high priority projects identified in each salmon recovery watershed's 3-year work plan
 - A6.1.3: Fish passage barriers. WDFW will assess and prioritize fish passage barriers by watershed within the Puget Sound.

Capital Budget Decision Packages:

None

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: 2A Hatchery Utility Cost Increases
Budget Period: 2015-17
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

Washington Department of Fish and Wildlife (WDFW) hatcheries produce fish that support Washington's tribal, commercial, and recreational fisheries and contribute to fish recovery efforts for salmon and steelhead listed under the Endangered Species Act. WDFW requests funding to meet increased utility costs at hatchery facilities. This request supports electricity, natural gas, sewer, garbage, and oil heat costs. Without funding to offset increased utility costs, salmon and trout raised for local waters will decline.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	45,000	45,000	90,000
04M-1 Recreational Fisheries Enhancement-State	5,000	5,000	10,000
Total Cost	50,000	50,000	100,000

Package Description:

Utilities (electricity, natural gas, sewer, garbage, and oil heat) support production of salmon, trout, and game fish at WDFW's 80-plus hatchery facilities. This fish production supports tribal, commercial, and recreational fisheries in the State of Washington, as well as recovery and conservation programs for fish populations listed under the Endangered Species Act.

In the 2013-15 biennium, hatchery utilities cost \$3.0 million, a six percent increase over the previous biennium. Recognizing that utilities were increasing hatchery costs across the state, the Department requested and received one-time authority of \$107,000 in the 2015 supplemental budget. Assuming that utilities will remain at FY 2015 levels, WDFW requests \$100,000 of authority to cover 2015-17 biennium costs.

Name and Phone Number of Subject Matter Expert:
Kelly Cunningham, Deputy Assistant Director
Fish Program, Department of Fish and Wildlife
(360) 902-2325

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding will allow WDFW to continue to produce hatchery fish at currently-projected production levels. This, in turn, will allow Washington's hatcheries to provide the fisheries that people depend on for jobs (commercial fishing and related industries), that meet federal treaty obligations, that support local economies (tourism, lodging, restaurants, wholesalers and retailers of recreational equipment, boats and licenses), that provide family recreational opportunities, and that protect Washington's fishing cultural heritage.

Performance Measure Detail

Activity: A041 Fish Production for Sustainable Fisheries

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This package supports numerous goals, objectives, and strategies in WDFW's 2013-15 Strategic Plan. Specifically, WDFW hatcheries' fish production supports Goal # 2: "Provide sustainable fishing, hunting, and other wildlife related recreational and commercial experiences" and Goal # 3: "Promote a healthy economy, protect community character, maintain an overall high quality of life, and deliver high quality customer service."

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

WDFW hatcheries' fish production supports the following Governor's Results Washington priorities: Goal 2, "Prosperous Economy," the goal topic, "Thriving Washingtonians," specifically subtopic "Quality Jobs" and outcome measure 2.1, "Increase the number of jobs in state by 150,000 by 2015;" Goal 3, "Sustainable Energy and a Clean Environment" under the goal topic, "Healthy Fish and Wildlife" outcome measure 2.2, "Increase the percentage of ESA listed salmon and steelhead populations at healthy sustainable levels from 19% to 25% by 2022."

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

Fish production benefits Washington's economy every year.

The "U. S. Fish and Wildlife 2011 Survey of Fishing, Hunting, and Wildlife Associated Recreation" report indicated that recreational anglers in Washington total approximately 938 thousand and fish a total of 13.4 million days, an average of 14 days per angler.

Fishing expenditures in Washington for these sport fishers total approximately \$1.0 billion. (Source: U.S. Department of the Interior, U.S. Fish and Wildlife Service, and U.S. Department of Commerce, U.S. Census Bureau. 2011 National Survey of Fishing, Hunting, and Wildlife Associated Recreation; available at <http://www.census.gov/prod/2012pubs/fhw11-nat.pdf>)

Commercial fishing contributes to the Washington seafood industry economic impact, estimated at approximately \$3.0 billion. (Source: National Marine Fisheries Service. 2014. Fisheries Economics of the United States, 2012. U.S. Dept. Commerce, NOAA Tech. Memo. NMFS F/SPO 137; available at <https://www.st.nmfs.noaa.gov/st5/publication/index.html>)

What alternatives were explored by the agency, and why was this alternative chosen?

Utilities are non-discretionary costs of fish production and support basic hatchery operations. Use of energy-efficient lights, limited use of heat, and recycling are methods currently utilized to limit utility costs. Other long-term alternatives such as development of wind, solar, or water power would require substantially higher capital budget funding requests.

What are the consequences of adopting or not adopting this package?

The primary consequence of not funding this request would be fish production reductions, which decrease fishing opportunities, negatively impact fishing license sales, and decrease local economic activity in rural communities statewide.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

FY 2014 hatchery utility bills were \$1,557,631 and FY 2015's were \$1,483,702, totaling \$3,041,333. Assuming that costs will remain constant from FY 2015, WDFW anticipates \$2,967,404 of costs for fiscal years 2016 and 2017.

Without an established base appropriation for hatchery utilities, WDFW assumes the average annual costs from the 2011-13 biennium as the base. This equals \$1,434,972, which is \$48,686 lower than anticipated annual costs. See attachment for details.

Flexible state funds represent \$44,665 of the shortfall, and the Recreational Fisheries Enhancement Account expenditure authority is short by \$4,900 per year. The proportions of funds used to pay hatchery utilities varies year to year, and must adhere to fund integrity principles. For instance, State Wildlife Account funds, which come from recreational fees, should be spent on raising fish that will be caught by recreational anglers, while fish destined for commercial and tribal harvests should be paid for by the state general fund and federal and private/local mitigation contracts.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
E Goods\Other Services	50,000	50,000	100,000

HATCHERY UTILITIES CALCULATIONS AND ASSUMPTIONS
Washington Department of Fish and Wildlife
2016 Supplemental Budget Request
ML 2A - Hatchery Utilities: Attachment

Fund	Actual Expenditures FY15*	Total Projected Need FY2016	Total Projected Need FY2017	Base Authority: Hatch Util Expenditures 11-13B Annual Average	Current Appropriation Levels			Excess / (Shortfall) Appropriation for 15-17		
					FY2016	FY2017	Total	FY2016	FY2017	Total
001-1 GF-State	\$309,766	\$313,061	\$313,061	\$321,179	\$321,179	\$321,179	\$642,358	\$8,118	\$8,118	\$16,236
02R-1 ALEA	\$478,070	\$376,415	\$376,415	\$298,394	\$298,394	\$298,394	\$596,787	(\$78,022)	(\$78,022)	(\$156,043)
104-1 Wildlife-State	\$259,206	\$317,661	\$317,661	\$342,899	\$342,899	\$342,899	\$685,798	\$25,238	\$25,238	\$50,477
TOTAL State Funds	\$1,047,042	\$1,007,137	\$1,007,137	\$962,472	\$962,472	\$962,472	\$1,924,943	(\$44,665)	(\$44,665)	(\$89,330)
04M-1 Rec Fisheries	\$76,131	\$83,236	\$83,236	\$78,336	\$78,336	\$78,336	\$156,672	(\$4,900)	(\$4,900)	(\$9,799)
071-190 Warm Water	\$1,580	\$1,632	\$1,632	\$1,931	\$1,931	\$1,931	\$3,861	\$298	\$298	\$597
001-2 GF-Federal	\$291,465	\$332,349	\$332,349	\$332,607	\$332,607	\$332,607	\$665,214	\$258	\$258	\$516
001-Z10	\$1,038									
001-7 GF-Local	\$66,446	\$59,348	\$59,348	\$59,627	\$59,627	\$59,627	\$119,254	\$279	\$279	\$558
TOTAL All Funds	\$1,483,702	\$1,483,702	\$1,483,702	\$1,434,972	\$1,434,972	\$1,434,972	\$2,869,944	(\$48,730)	(\$48,730)	(\$97,459)

2016 Supplemental Budget Request			
	FY2016	FY2017	Total
GFS	\$45,000	\$45,000	\$90,000
04M	\$5,000	\$5,000	\$10,000
TOTAL	\$50,000	\$50,000	\$100,000

* While ALEA is the state funding with the greatest shortfall, this package requests GF-S in its place as a more general source, not specific to use or agency.

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: 2B SW Regional Office Relocation
Budget Period: 2015-17
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

During the 2013-15 biennium the Department requested and received funding to move the Southwest Regional Office to another location better suited to the Department's mission. However, in January 2015 the developer pulled out of the agreement brokered by the Department of Enterprise Services (DES), citing increased construction costs. The current office is located in an economically depressed, high crime area, where vandalism and public safety have been issues. This biennium the Department is continuing to work with DES to solicit and evaluate proposals for new space for the office. Funding is requested for one-time move costs and a lease rate increase.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		240,000	240,000
104-1 State Wildlife Account-State		359,000	359,000
Total Cost		599,000	599,000

Package Description:

WDFW maintains a leased regional office in Vancouver to support the agency's mission in Region 5. The current office has not been suitable for the agency for several years. It is located in an economically depressed, high crime area which increases risk to staff and equipment; in particular, staff that need to access their vehicles after dark are at risk.

Functionally the facility does not have the space to store Department boats and equipment, the space is crowded, and does not have adequate parking for staff and the visiting public. There is zero growth space at this facility. The location does not provide convenient freeway access for the extensive field work conducted from the office. Additionally, ingress and egress from the facility with towed equipment is challenging and dangerous.

The proposed solution is to relocate all staff (90-plus) and equipment to a building more suitable to the public service and staff needs of the regional office.

The Department is working with the Office of Financial Management (OFM) Facilities Division and the Department of Enterprise Services (DES) Real Estate Division to secure a new building which staff would move to in FY 2017. Two successful proposals have been accepted through the DES solicitation process initiated in July 2015 and we are currently underway with OFM and DES to select a new location. Site visits and presentations are scheduled for September 30, 2015, with final selection scheduled for October 22,

2015. Both proposals are within the fiduciary guidelines of the OFM/Facilities approval letter dated May 26, 2015 (attached). The Department plans to move into the new space in December, 2016.

Name and Phone Number of Subject Matter Expert:
Julie Howard, WDFW Facilities Manager: 360-902-2205
Owen Rowe, WDFW Budget Director: 360-902-2204

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The specific outcomes expected are as follows: better access to the office for the public, easier and less costly travel for field staff, adequate space and security for staff and equipment, decreased security costs, safe environment for staff and visitors, decreased property vandalism, and decreased utility costs.

Performance Measure Detail

Activity: A032 Agency Administration

Incremental Changes

No measures submitted for package

Activity: A034 Manage Agency Facilities and Assets

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package supports our Strategic Plan's Goal 3: "Use sound business practices, deliver high quality customer service." The current location of the SW Regional Office Headquarters does not allow the Department to provide high quality customer service. The relocation will allow WDFW to conduct business in a more efficient manner. It would put the agency in a more accessible area of the SW region with better proximity to the I-5 corridor. The relocation will decrease fuel consumption with less field staff travel miles and reduce utility costs by relocating to a newer more energy efficient building, and improve the work environment for staff and the public.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This request supports the Governor's priorities under Results Washington, specifically Goal 3: Sustainable Energy and a Clean Environment. The topics "Clean Transportation" and "Efficient Buildings" will be supported by this proposal.

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

A new facility will provide a safer location for staff and the visiting public, better protection from vandalism for state owned equipment, more efficient use of staff time and vehicle miles, reduced greenhouse gas emissions, and reduced utility costs/usage.

What alternatives were explored by the agency, and why was this alternative chosen?

During last session the project was submitted to the OFM Facilities Division for approval. Two alternative options were analyzed for the move: Take no action, or look for alternative sites as defined and explored through an open solicitation process.

Not taking action was judged to be an unacceptable alternative since the space for staff and storage has become inadequate, it poses significant issues for the visiting public, and the landlord refuses to make improvements to the property.

The move was funded in the operating budget last session, and after the developer pulled out of the project the funding was removed from the budget as the move would be delayed until the 2015-17 biennium. This budget request seeks to restore funding for the move already authorized once by the legislature.

What are the consequences of adopting or not adopting this package?

Without additional authority, WDFW must decrease or stop programmatic work and use existing authority for the move and increased lease rate. Types of activities funded through the State Wildlife Account and state general fund may be affected, including activities that support the management of fish and wildlife populations.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

MOVING COSTS (One-Time)

The moving costs, \$545,000 in FY 2017 (\$327,000 State Wildlife Account, \$218,000 GF-S), are one-time and will be backed out at carry-forward in the 2017-19 biennium. The move is planned to take place December, 2016.

The one-time moving costs, as outlined in the OFM/Facilities approval letter, include the following elements:

DES Fees	\$90,000
Tenant Improvements	\$30,000
IT Infrastructure	\$115,000
Furniture Costs	\$120,000 (Correctional Industries)
Building Security & Access System	\$20,000
Moving Vendor & Supplies	\$110,000
Fish Lab & Evidence Storage	\$60,000

LEASE RATE INCREASE (Ongoing)

OFM estimated the new lease rate to be \$612,000 per year, based on a mix of office (\$23 square foot/year) and warehouse (\$8 square foot/year) space. The OFM estimate for the new SW Regional Office annual lease rate is \$94,000 per FY over the base budget of \$518,600.

This decision package requests \$54,000 in FY 2017 for increased lease costs for seven months, December 2016 through June 2017. The calculation is $\$94,000/12 * 7 \text{ months} = \$54,000$.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The moving costs, \$545,000 in FY 2017 (\$327,000 State Wildlife Account, \$218,000 GF-S) are one-time and will be backed out at carry-forward level in the 2017-19 biennium.

The lease rate for seven months in FY 2017 is \$54,000 and will be ongoing, with a carry-forward level adjustment to \$94,000 each year in FY 2018 and FY 2019: FY 2018 will be increased by \$94,000 (\$56,000 WL-S and \$38,000 GF-S) and FY 2019 will be adjusted by \$40,000 (\$24,000 WL-S and \$16,000 GF-S).

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
E Goods\Other Services		599,000	599,000



STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

May 26, 2015

TO: Joe Stohr, Deputy Director
Department of Fish and Wildlife

FROM: Amy McMahan, Senior Facilities Oversight Manager *AKM*

SUBJECT: AGENCY REQUEST FOR NEW SPACE

The Department of Fish and Wildlife (DFW) submitted to the Office of Financial Management (OFM) a request to relocate the Southwest Regional Headquarters in Clark County. This project provides needed space, vehicles/vessel security, access to transportation corridors, addresses egress/ingress problems and strategically relocates the Southwest Regional Headquarters in Clark County.

This project requires office space, warehouse space, covered yard storage space and secures parking for state owned field vehicles in a light industrial or office setting. This project will continue the colocation of DFW with the United States Army Corps of Engineers (ACE) in Clark County.

This project is approved as defined:

- Acquire approximately 21,400 square feet of office space, 10,000 square feet of warehouse space for a total of 31,400 square feet.
- The site selected shall:
 - Include 8,000 square feet of covered storage space with secure parking for 50 state vehicles and parking for 100 citizens and staff.
 - Be located in Clark County between exit 16 and the 205 interchange providing good access to the interstate for large vehicles towing boats and trailers.
- The estimated annual ongoing cost is \$515,000 for office space and \$120,300 for warehouse space for a total estimated cost of \$641,600, an increase of approximately \$150,200 annually.
- The one-time cost is estimated at \$539,000.
- The ongoing lease costs will be paid using the existing DFW lease budget and sublease funds from ACE. DFW will seek additional funds as needed in the supplemental budget.
- The one-time cost will be requested in the 2016 supplemental budget.
- The expected occupancy date is December 1, 2016.

This project is approved with the following conditions:

- Using the Department of Enterprise Services (DES) Real Estate Services defined solicitation process, DES shall seek proposals from developers for existing and new space options that include:
 - A standard private sector lease with an option to purchase at a future date.
 - A lease purchase contract where the state obtains equity in the asset through lease payments with ownership after 20 years.
- Terms for a lease purchase contract must comply with RCW 39.94 and will be subject to legislative approval.
- DES shall consult with OFM throughout the solicitation process.

This project has been modified from the documented project in the 2015-21 Six-Year Facilities Plan due to a failed solicitation in 2014.

If any of the terms and conditions noted above change, this project must be resubmitted to OFM for consideration. If you have any questions, please contact Chuck McKinney, Facilities Analyst, at chuck.mckinney@ofm.wa.gov or (360) 584-5039.

cc: Guy Norman, Southwest Regional Director, DFW
Owen Rowe, Budget Director, DFW
Julie J. Howard, Facilities Manager
Seth Wallace, Real Estate Services Operations Manager, DES
Stefanie Fuller, Leasing Agent, DES
John Martin, Architect, DES
Heather Matthews, Budget Assistant, OFM
Maurice Perigo, Capital Budget Assistant, OFM
Chuck McKinney, Facilities Analyst, OFM

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: 2C Wildfire Season Costs
Budget Period: 2015-17
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Washington Department of Fish and Wildlife (WDFW) is required to pay local fire districts and the Department of Natural Resources (DNR) for their support in fighting wildfires on WDFW lands. Funding is requested for fire suppression, habitat rehabilitation, and infrastructure costs associated with wildfires occurring during the first six months of FY 2016. Fire suppression and restoration funding is necessary to preserve investments in fish and wildlife habitat, to protect human health and safety, and to defend facilities and structures in affected areas of the state.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	129,000	0	129,000
Total Cost	129,000		129,000

Package Description:

WDFW's forested lands are protected through DNR's Forest Fire Protection Assessment (FFPA) program, so suppression costs for those lands are provided without subsequent billing. In contrast, WDFW pays DNR and local fire districts for suppression activity on its non-forested lands on a fee-for-service basis. In addition, WDFW incurs restoration costs for all of its fire-damaged lands, whether forested or not. The FFPA costs are a predictable, per-acre rate, but non-forested land suppression costs and all lands' restoration costs vary year-to-year, depending on the location and severity of forest fires. Current base level funding provided in the 2015-17 budget is \$344,000 per year for all suppression and restoration costs.

Several wildfires have impacted WDFW lands since July 1, 2015, burning over 30,000 acres in several eastern counties. The Okanogan Complex Wildfire, over 305,000 acres in size and the largest wildfire in state history, burned the majority of the Scotch Creek Wildlife Area and portions of the Sinlahekin and Methow wildlife areas. Over 90 miles of WDFW boundary fencing, several outbuildings, and hundreds of informational signs were destroyed in the fire. Trees and shrubs that previously stabilized steep hillsides were killed, creating slopes vulnerable to landslides and erosion similar to that seen after the 2014 Carlton Complex Wildfire. Thousands of acres providing critical winter range for 10,000 deer, sage grouse populations, listed salmon stocks, and many other species were impacted.

Supplemental funding will cover costs associated with wildfires on WDFW lands, including fire suppression of non-forested acreage, habitat restoration on all WDFW lands damaged by fire, winter feeding, and infrastructure such as boundary and elk fence repair/replacement.

While fire suppression costs will be paid as soon as invoices are received, habitat restoration and infrastructure work will begin later, as soon as possible and feasible. Native vegetation seeding is often best achieved in fall and spring. Elk fencing is often critical to have in place over the winter. At the time of writing this budget request, WDFW knows of \$129,000 of wildfire costs since July 1, 2015. Cost information continues to come in, though, so WDFW will provide an update in late 2015.

A perennial proviso in the omnibus budget states that the appropriation to pay for WDFW's wildfire costs be spent only on wildfire suppression. However, decision packages as well as legislative budget notes have clearly intended that appropriations be spent on suppression as well as restoration, and that is how the agency has used the funds. WDFW is requesting that the proviso language be changed during the 2016 session to include restoration.

Name and Phone Number of Subject Matter Expert:
Paul Dahmer, Land Stewardship & Operations Section Manager
Wildlife Program, Department of Fish and Wildlife
(360) 902-2480

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

WDFW's statutory responsibilities include the protection, preservation, and perpetuation of fish and wildlife and associated habitat. Fire suppression costs are required to protect people, wildlife, and habitat, and to keep fires from spreading to private lands. Fire suppression and habitat restoration on WDFW public lands also protects adjacent private orchards and agricultural lands by reducing the loss of browse and forage vegetation upon which deer and elk depend. Additionally, protecting and rehabilitating wildlife habitat on public lands can reduce wildlife conflicts with adjacent landowners.

Performance Measure Detail

Activity: A039 Land Management

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package contributes directly to Goal 1, "Conserve and protect native fish and wildlife," as identified in the WDFW 2013-15 Strategic Plan. Fire suppression and habitat restoration allow the Department to manage its wildlife areas to protect diverse wildlife populations and provide compatible wildlife recreational opportunities. It also supports the WDFW mission of protecting, restoring, and enhancing fish and wildlife and their habitats.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This decision package supports the Governor's Goal 3, "Sustainable Energy and a Clean Environment" and the Goal Topic of "Healthy Fish and Wildlife."

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

By allowing wildlife to remain on state lands more, wildfire suppression and habitat restoration of burned areas will reduce the potential for human/wildlife conflicts. They will also minimize potential for wildlife mortalities this winter. Investments in public lands made by the state will continue to preserve high quality fish and wildlife habitat and outdoor recreational opportunities for Washington citizens.

What alternatives were explored by the agency, and why was this alternative chosen?

An alternative to wildfire suppression is to let wildfires burn. The risk to human health and safety, the loss of fish and wildlife habitat, and the loss of recreational opportunity on public lands make this alternative unacceptable. An alternative to habitat restoration, which WDFW proposes for selected areas based on fire severity, would be to restore all burnt acres of habitat. This alternative is not desirable because some lands recover naturally over time and other areas cannot be treated effectively, so attempting to restore all acres would be a waste of resources.

What are the consequences of adopting or not adopting this package?

Wildfire suppression costs must be paid. Without funding, basic operating dollars will be diverted from core needs such as weed control, facility maintenance, and staffing.

Without restoration funding, habitat rehabilitation will not occur, resulting in soil erosion into streams, loss of wildlife food and cover, and weed infestations. Fish stocks will likely be threatened. Federally listed salmonids occur in many streams and rivers adjacent to WDFW lands regularly affected by wildfires. Big game populations including elk and deer use these same lands as critical winter range habitat for food. Without habitat restoration on fire-damaged critical winter range, elk and deer are likely to seek food on private lands, increasing the likelihood of damage claims.

What is the relationship, if any, to the state's capital budget?

No relationship exists at this time. However, capital facilities are often destroyed in wildfires. In this event, a capital budget request may be developed.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

WILDFIRE SUPPRESSION

WDFW pays for three types of wildfire suppression:

1. DNR charges a readiness fee for non-forested lands (shrub steppe, prairie) that WDFW owns, paid up front at 27 cents per acre; the cost was \$60,000 in fiscal year 2015 and is anticipated to be the same in fiscal year 2016.
2. DNR charges a readiness fee for forested lands that WDFW owns, paid up front on a per-acre and per-parcel basis. This is the FFPA and is already in WDFW's base budget; therefore new appropriation authority is not needed.
3. DNR and local fire districts bill WDFW for fire suppression work on non-forested lands (DNR is responsible for suppression costs on forested state lands via the FFPA program).

Because suppression activity is ongoing and invoices typically take several months to capture all costs for complex suppression efforts involving several entities, final costs are not known at the time of writing this request. The amount cited is based on 10-year averages. Request levels will be updated in late 2015 with actual costs.

HABITAT RESTORATION

Habitat restoration expenditures include the purchase and planting of native seeds and the control of noxious weeds. Costs are unknown at the time that this request is being written due to ongoing wildfire activity and the time required to assess and plan after wildfires have subsided. Similar to suppression costs, the amount cited in this request is based on averages and will be updated with actuals.

TOTAL REQUEST

Total FY 2016 costs estimated at this time are based on a ten-year average that omits the two high and two low years. Over the 10 years spanning 2006 through 2015, WDFW incurred annual average wildfire costs of \$306,000 for suppression and \$129,000 for habitat restoration, totaling \$435,000. These figures represent direct spending only, yet while suppression costs involve simply paying bills, restoration costs include staff time, goods, and services and therefore trigger indirect costs of \$38,000. Thus the full costs of wildfire to WDFW over the last 10 years has averaged \$473,000 per year.

With the 2015-17 biennial budget, WDFW has \$344,000 of annual base funding. WDFW is requesting additional funding of \$129,000 to match the 10-year average. The Department will update this request at the end of 2015 when the season's costs are better known.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

While wildfires and their costs occur every year, this request's funding is one-time, for FY 2016 only.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
E Goods\Other Services	129,000		129,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: Q1 Sustain Fishing in Washington
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

The Department proposed legislation last session to increase fees on commercial and recreational fishing licenses to support increased workload associated with a deteriorating hatchery system, higher standards for fishery monitoring, challenges in ESA permitting, and declining federal support for lower Columbia River salmon production. The proposed legislation was not adopted. However, the enacted operating budget included language directing the Department to spend down the State Wildlife Account fund balance during the 2015-17 biennium but the requisite expenditure authority was not provided. This decision package proposes to obtain the necessary spending authority to continue to maintain fishing opportunities while work continues on a fee bill for consideration by the 2017 Legislature. The State Wildlife Account portion of this request will support recreational fishing opportunities and state general fund is requested to support commercial and tribal fishing activities.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	609,000	969,000	1,578,000
104-1 State Wildlife Account-State	1,494,000	1,865,000	3,359,000
Total Cost	2,103,000	2,834,000	4,937,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	6.6	8.9	7.8

Package Description:

Managing fisheries in Washington is a complex multifaceted task involving hatchery production, Endangered Species Act (ESA) permitting for salmon and steelhead production, and monitoring and sampling to set seasons and provide opportunities for tribal, recreational, and commercial fishing interests. WDFW hatcheries produce 289.6 million salmon and steelhead and 35.6 million trout and warm water game species every year, supporting commercial and recreational fisheries and local and state economies by generating over \$540 million in annual economic activity.

Washington's recreational and commercial fishing opportunities and associated annual economic benefits are at risk due to declines in hatchery production, a deteriorating and poorly maintained hatchery system, challenges in ESA permitting, higher standards for fishery monitoring, and flat to declining federal funding that supports Lower Columbia River salmon hatchery production and recreational fishing opportunities statewide over the past several biennia. The Department cannot maintain historic levels of production at its current budgeted level for these activities.

Fish Production at Washington's hatcheries provide the fisheries that people depend upon for jobs (commercial fishing and related industries), to meet federal court orders, to support local economies (tourism, lodging, wholesale/retail business, i.e. restaurants,

recreational equipment, boats, license revenues), to provide family recreational opportunities and to protect Washington's fishing cultural heritage.

Washington's recreational and commercial fishing opportunities depend on production from WDFW's hatchery programs. However, there haven't been any significant increases in federal funding over the past several biennia and state budget cuts during the recession are undercutting the Department's ability to maintain the level of fishing opportunities that the public expects. Recently the Department had to eliminate the production of an additional 600,000 coho salmon from hatchery facilities in the lower Columbia River because of increased costs of production and flat to declining federal and state budget support for fishery production and management.

These challenges facing fishery management were proposed to be met with a commercial and recreational license fee increase via agency request legislation during the 2015 Legislative Session. However, the legislation was unsuccessful. Furthermore, the Department received direction in an operating budget proviso to spend down the State Wildlife Account fund balance to one month of reserves.

Due to revenue \$4 million above forecast in the 2013-15 biennium the State Wildlife Account has sufficient balance to meet the recreational portion of this request while maintaining the direction in the operating budget to decrease the reserve during the 2015-17 biennium. Since recreational license holders are not the only group that would benefit from this package state general fund support is requested to support commercial and tribal fishing activities addressed in this package.

BUDGET SHORTFALLS ADDRESSED IN THIS DECISION PACKAGE:

Maintain lower Columbia Hatchery Production

Mitchell Act federal funding is provided to the agency from the National Oceanic and Atmospheric Administration (NOAA) under the Department of Commerce to mitigate the impact to salmon from the hydroelectric dams on the Columbia River. Apportionments have declined since FY 2011 and have been flat in recent years. The effects of inflation and past state budget reductions paired with the growing cost of producing salmon in hatcheries are outstripping our ability to continue to maintain historic levels of salmon production on the lower Columbia River. This production is extremely important for tribal, commercial, and recreational salmon fishing and contributes hundreds of millions to the state's economy. Recently, the Department had to eliminate the production of 600,000 coho salmon from hatchery facilities in the lower Columbia River because of increased costs of production and flat to declining federal and state budget support for fishery production and management.

The sum of \$984,300 for 2015-17 is requested to maintain hatchery production of 2.3 million salmon and steelhead with a total economic benefit to personal income value of \$1,033,084 (Wegge Report, 2009) which are at risk due to decreased state budget support and flat to declining federal support for fish production on the lower Columbia.

All dollar values are expressed in 2009 dollars (TCW Economics, Wegge Report, 2009).

Washington Fish and Wildlife Commission Policy: Columbia River Basin Salmon Management

The Fish and Wildlife Commission Policy, Columbia River Basin Salmon Management was developed and approved through an open and collaborative public process culminating in January 2013. Principle guidance contained within the policy is the development of commercial fisheries in key off channel areas. Development and continuation of hatchery fish released in these off channel areas is critical to offering commercially license fishers opportunity that target harvestable hatchery adult salmon returning to the Deep River area and the Cathlamet slough while minimizing impacts on ESA listed species.

The implementation of the policy will minimize commercial fishery impacts on listed species by reducing their time on the water or regulating fisheries in key off channel areas with an abundance of hatchery fish advances conservation and recovery of listed Columbia River stocks. Failure to fund this request will result in the elimination of the Cathlamet net pens and no increase in the coho salmon production in the Deep River net pens. This will be inconsistent with the direction of the Columbia River Management Reform Initiative, and may result in requests by commercial fishers to revisit the recreational-commercial sharing guidelines.

The Commission policy is aimed at increasing the recreational fishery opportunity and economic return by allocating a larger share of the salmon in the mainstem Columbia River to the recreational fishery. This action is in exchange for enhancing the off-channel fishing for the commercial fishery. The off-channel investments must be made to complete the package and avoid reducing the value of the commercial fishery. This policy has been developed in coordination with Oregon which has adopted a regulatory package consistent with the Washington policy. The Oregon legislature has funded off-channel enhancements on the Oregon side of the river that

primarily benefit Oregon commercial fishers. The off-channel hatchery salmon enhancements in this package are necessary to provide the intended benefits for Washington commercial fishers.

The sum of \$314,000 will fund the production of 200,000 coho salmon at the Deep River net pen site and 250,000 spring Chinook salmon at the Cathlamet net pen site. Enhancing commercial fisheries in these areas reduces the impact rate on ESA-listed species relative to commercial fisheries in the main stem of the Columbia River. This proposal would generate about \$500,000 of personal income each biennium for lower Columbia River communities, and is supported by the Wahkiakum County Commission and the City of Cathlamet.

If authority is not provided, production reductions will be necessary.

ESA Permit Challenges

Fish resources are assessed, monitored, and evaluated to ensure harvest and resource management actions are sustainable and based on sound science. This is accomplished through field investigations to count numbers of migrating and spawning fish, biometric assessments and population modeling, abundance testing by species, and test fisheries to verify abundance and monitor harvest levels to set fishing seasons and harvest limits to preserve these important resources.

Salmon and steelhead hatcheries and fisheries must be monitored at an enhanced level to ensure sustainable fisheries and compliance with ESA permits. However, federal funding for fishery and hatchery monitoring programs has been reduced. Inflation has reduced our ability to meet production targets and goals. Hatchery production and fisheries will be curtailed or eliminated if funding is not secured to implement more stringent monitoring programs.

Recent litigation in Washington and Oregon has shown the vulnerability of hatchery programs and fisheries to ESA-related litigation. Currently less than 15 percent of our hatchery programs in Washington have received ESA approval from the National Marine Fisheries Service (NMFS). We must have scientifically defensible and NMFS-approved hatchery and fishery management plans to maintain hatchery production and ensure the stability of future fisheries.

Recreational and commercial salmon and steelhead fisheries are threatened by; insufficient policy staff to address the broad ranging concerns now directed at these fisheries; insufficient funds to ensure ESA permitting of hatchery programs; and insufficient fishery monitoring to provide a strong foundation for fishery management. Failure to address these problems will result in the failure to maintain current salmon and steelhead fisheries that benefit both recreational and commercial fishers.

The proposed solution to obtaining the necessary hatchery permits is to hire additional staff to address the broad ranging concerns now directed at salmon and steelhead fisheries; ensure ESA permitting of hatchery programs that release fish and monitoring are the levels needed to ensure accurate accounting of fishery impacts to provide strong foundation for fishery management; improve coordination with tribal co-managers; and promote conservation and protect vulnerable wild fish.

Salmon and steelhead hatcheries and fisheries must be monitored at an enhanced level to ensure sustainable fisheries and compliance with ESA permits. However, federal funding for fishery and hatchery monitoring programs has been reduced. Hatchery production and fisheries will be curtailed or eliminated if funding is not secured to implement more stringent monitoring programs.

Without funding, hatchery programs may not be permitted and may not be able to release fish; and fisheries may not open due to insufficient resources to secure, implement, and defend federal permits which would result in widespread economic impact throughout the state.

Maintain Commercial Salmon Fisheries

Washington's commercial salmon fisheries provide local seafood, generate \$25 million dollars of annual economic activity, and provide more than 500 jobs. These benefits are threatened by declining state general fund support, higher standards for fishery monitoring, complex co-management issues, and challenges in ESA permitting

This decision package invests in maintaining commercial salmon fishing opportunities that target salmon and steelhead fishers, charter boat operators, fishing guides and fish dealers who most directly benefit from these fisheries. Enhance commercial fishery monitoring to ensure accurate accounting of fishery impacts and the conservation of Washington's salmon and steelhead.

Funding is needed to maintain salmon and steelhead hatchery production in Puget Sound, Grays Harbor, Willapa Bay, and the Lower

Columbia and to ensure sustainable commercial salmon fisheries through appropriate monitoring protocols. Failure to adequately fund this could result in significant hatchery production reductions or one or more hatchery closures; hatcheries may not release salmon due to an inability to secure ESA-permits or litigation. Closure or partial closures of commercial fisheries due to insufficient funds for catch sampling.

Increases in monitoring staff time is needed to ensure that impacts from actual catch verses presumed catch are captured, thus ensuring fisheries are meeting conservation requirements while continuing to offer harvest opportunity and maintaining the economic value of these fisheries. Absent the ability to fully monitor fisheries, reductions of these fisheries would need to occur.

Maintain Production at McKernan Hatchery

During the 2009-11 biennium, in response to serious budget reductions, the Department was directed to develop partnerships with user groups to maintain hatchery production. The Department entered into an agreement with a purse seine vessel organization to support the chum hatchery production at the McKernan Hatchery on Hood Canal during the recession and general fund reductions to WDFW to assure the continued production of chum that supports a commercial fishery.

McKernan Hatchery is one of a handful of facilities that is operating under the public private partnership agreements developed during the 2009-11 biennium. Unfortunately, the funding provided by the public/private partnership to support the operations of this facility since July 1, 2010 will not be available to the Department in FY 2017. As a result, funding is needed to continue production and release of 11,500,000 chum salmon.

The chum salmon produced in this hatchery primarily support state managed commercial fisheries in Hood Canal, Puget Sound. The facility also produces 21,600 steelhead that assist in the recovery of ESA-listed steelhead in this region. The total economic value from its recreational and commercial fisheries is estimated at \$3 million annually.

Closure of this facility will also result in lost revenue to the State of Washington. The chum production supports commercial and recreational fisheries and generates tax revenue which benefits state and local economies, especially those economies in rural areas.

State revenue supported by this production is generated by:

- " Commercial and recreational license sales;
- " \$5.3 million of excise taxes on commercial salmon landing is collected by the Department of Revenue; and
- " Surcharges on salmon licenses that support RFEG programs.

Maintain Ocean and Puget Sound Salmon Fisheries

Fish resources are assessed, monitored, and evaluated to ensure harvest and resource management actions are sustainable and based on sound science. This is accomplished through field investigations to count numbers of migrating and spawning fish, conduct biometric assessments and modeling, population modeling, abundance testing by species, and test fisheries to verify abundance and monitor harvest levels to set fishing seasons and harvest limits to preserve these important resources.

Commercial and recreational salmon fisheries are threatened by; insufficient policy staff to address the broad ranging concerns now directed at these fisheries; insufficient funds to ensure ESA permitting of hatchery programs; and insufficient fishery monitoring to provide a strong foundation for fishery management. Failure to address these problems will result in the failure to maintain current salmon and steelhead fisheries that benefit both recreational and commercial fishers.

Funding for FY 2016 monitoring has been secure by a one-time federal grant. The sum of \$411,000 will be necessary to maintain current levels of fish production in FY 2017.

Increases in monitoring are needed to ensure that effects to populations from actual catch verses presumed catch are captured, thus ensuring fisheries are meeting conservation requirements while continuing to offer harvest opportunity and maintaining the economic value of these fisheries. Absent the ability to fully monitor fisheries, reductions of these fisheries would need to occur.

Maintain Hatchery Facilities

Washington has invested more than \$500 million in state hatcheries to produce millions of salmon, steelhead, and trout, yet spends less than a tenth of a percent of that annually on maintenance. The failure last year of a water intake line at the Naselle Hatchery was a wake-up call that we cannot expect to avoid catastrophic failures and production reductions without adequately maintaining our

facilities. Delayed maintenance results in costly emergency repairs, partial failure of facility infrastructures, and increases safety risks for the staff who work there and the public who routinely visit these facilities. An example of costly repairs is the cost to replace a failed septic system at \$25,000 versus routine servicing of a septic system at less than \$1,500 over a five year period. Increased hatchery maintenance is needed to avoid catastrophic losses and reduce capital costs. This funding is needed to preserve and protect the state's substantial capital investment from the "Jobs Now Act" in the state's hatchery system. A greater investment in hatchery maintenance will help to reduce the cost of future capital needs in these facilities.

The sum of \$1.3 million is requested to preserve and protect the state's substantial capital investment from the "Jobs Now Act" in the state's hatchery system. A greater investment in hatchery maintenance will help to reduce the cost of future capital needs in these facilities.

IN SUMMARY

These challenges facing fishery management were proposed to be met with a commercial and recreational license fee increase via agency request legislation during the 2015 Legislative Session. However, the legislation was unsuccessful. Furthermore, the Department received direction in an operating budget proviso to spend down the State Wildlife Account fund balance to one month of reserves. In discussions with leaders of the Senate and House members recommended using fund balance to maintain hatchery production and meet other challenges managing fisheries during the 2015-17 biennium.

The State Wildlife Account has sufficient balance to meet the recreational portion of this request while maintaining the direction in the operating budget to decrease the reserve during the 2015-17 biennium. The Department is conducting significant stakeholder outreach throughout the state to determine the priorities of our stakeholders. Not surprisingly, requests to decrease fishing opportunities are not options that the public has brought forward during these meetings. Since recreational license holders are not the only group that would benefit from this package state general fund support is requested to support commercial and tribal fishing activities addressed in this package.

Subject Matter Expert:
Guy Norman (360) 902-2236

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

1. Washington's wild salmon and steelhead populations are meeting spawning goals or on a path to meeting conservation objectives .
2. Fishing opportunities for Washington's recreational fishers are maintained or enhanced .
3. The economic value of Washington's commercial salmon fisheries is maintained or enhanced .
4. The economic benefits of recreational and commercial fisheries in Washington increases .
5. Resource management activities are conducted in coordination with tribal governments consistent with federal and state law, the Centennial Accord, and any other applicable agreements between the Department and the tribes .

Performance Measure Detail

Activity: A034	Manage Agency Facilities and Assets	Incremental Changes
No measures submitted for package		
Activity: A041	Fish Production for Sustainable Fisheries	Incremental Changes
No measures submitted for package		
Activity: A042	Native Fish Recovery	Incremental Changes
No measures submitted for package		

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This proposal supports key elements of WDFW's Goals 1, 2 and 3 within the agency's strategic plan. It aligns with WDFW's Goal 2 of "Provide sustainable fishing, hunting, and other wildlife-related recreational and commercial experiences", specifically strategic goals 2A - "Fishing, hunting, wildlife viewing, and other outdoor activities are enhanced and expanded." 2B - "Hatcheries and public access sites are safe, clean, and effectively support people's use and enjoyment of natural resources".

This proposal also supports WDFW's Goal 1 to "Conserve and protect native fish and wildlife" and Goal 3 to "Promote a healthy economy, protect community character, maintain an overall high quality of life, and deliver high-quality customer service."

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This proposal addresses the Results Washington Goal 2, for a "Prosperous Economy" by providing \$25 million in annual statewide economic benefits from commercial fisheries and \$543 million in annual statewide economic benefits from recreational fisheries .

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

This request contributes to the following statewide plans:

- Hatchery Fish Reform Policy
- Statewide Steelhead Management Plan
- Columbia Basin Salmon Management Policy
- Grays Harbor Salmon Management Policy

By using science to assess, monitor, and evaluate the commercial fisheries we ensure we do not deplete these finite resources .

Maintaining necessary levels of hatchery production preserves fishing opportunities which supports significant statewide economic activity.

This request meets specific outcome-based strategies and objectives adopted by the recreational PSRFE Citizen Oversight Committee as outlined in RCW 77.105.160.

What alternatives were explored by the agency, and why was this alternative chosen?

The agency considered a broad range of funding and revenue options last legislative session, however the proposed legislation was not adopted. The agency is continuing its work on a package for the 2017 legislative session that will propose potential increases to license fees as well as other revenue generating ideas.

Production reductions were another alternative considered by the agency. However due to the economic impact to the state, the direct loss to commercial fishing revenue, and the compounding effect of loss of license fee revenue to the Department, production reductions did not seem like a practicable option.

Reduced fishery monitoring was also considered however this option is not sufficient to meet increased ESA permitting requirements, nor would it allow us to meet hatchery reform objectives. This option would also result in reduced recreational and commercial opportunity resulting in a negative economic impact to the state.

Also when possible, we have worked to secure contractual fund opportunities to fund portions of our need. As an example, we were able to secure just over \$400,000 in stop gap funding from the Pacific Salmon Commission to maintain current level ocean salmon

fisheries in fiscal year 2016. We continue to look for contractual opportunities whenever and wherever possible.

What are the consequences of adopting or not adopting this package?

- The following are consequences of not funding this package:
- The closure or loss of production from one or more hatcheries, with associated reductions in recreational and commercial opportunity and lost economic benefit;
- Lost economic benefit as a result of partial failure of hatchery infrastructure;
- Reduced tax revenue into the state general fund associated with reduced recreational and commercial fishing opportunities;
- Hatcheries may not release salmon due to an inability to secure ESA-permits or litigation;
- The closures or partial closures of ocean troll fisheries due to insufficient funds for catch sampling;
- Low rates of commercial fishery monitoring in the Columbia River and coastal bays will result in uncertainty in fishery impacts;
- Annual tribal co-manager fishery agreements may be delayed or not completed due to a lack of staff time to work with the tribes;
- A failure to perform regular maintenance at hatchery facilities with the related risk of catastrophic failure and costly capital investments; and
- Continued and increased litigation to suspend hatchery production of salmon and steelhead.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Recreational Fishing Activities: \$3,183,793

1.17 FTE Natural Resource Scientist 4 positions beginning January 2016, will be a key component of the team working with Tribal co-managers to improve relationships and improve resource management. These positions will also assist with the collaborative co-manager monitoring and permitting of fisheries under the Endangered Species Act. They will analyze data collected during monitoring in the field, supervise lower level Scientific Technician positions, and make recommendations based on results of biometric assessments and population modeling to ensure that harvest and resource management actions are sustainable and based on sound science. These positions will have average travel costs (for meetings, negotiations, and supervising duties) and average goods and services costs.

0.75 FTE Fish and Wildlife Biologist 3 starting in FY16 as the project manager to oversee sample collection and supervise technicians conducting monitoring work in Puget Sound associated with meeting the requirements of the hatchery genetic management permits (i.e., collection and analysis of genetic data). This data is then used to determine season setting, and measure impacts of selective fisheries to wild fish to determine if conservation changes are necessary.

0.67 FTE Scientific Technician 4 position, starting full time in FY16, will assure data collection and entry is efficient and accurate. This technician will lead the monitoring and taking of biological samples from fish in recreational fisheries, and these data will be transferred to managers for decision making purposes to ensure that we stay within our fishery management and ESA responsibilities under federal law to allow for continued selective fisheries in Puget sound that meet conservation requirements..

0.42TE Scientific Technician 2 positions, starting in FY16, will be monitoring and collecting biological samples from fish in recreational fisheries, and these data will be transferred to managers for decision making purposes to ensure that we stay with our management and ESA constraints to continue recreational salmon fishing opportunities in Puget Sound.

0.67 FTE Scientific Technician 1 position, starting in FY 16 for adult and juvenile sample collection at various sites throughout Puget Sound. These samples will be used to provide fishery impact data that is used to determine impacts of selective salmon fisheries to wild fish.

0.08 FTE IT Specialist 2 is needed beginning in FY16 for genetic analysis.

2.72 FTE Maintenance Mechanic 2 positions, starting in FY16, will be on the road, visiting each hatchery site multiple times a year to perform scheduled maintenance. Travel and materials and supplies used in maintenance, such as light bulb, grease, and small tools are also included in the cost.

Commercial Fishing Activities: \$1,753,507

0.23 FTE Natural Resource Scientist 4 position, beginning January 2016, will be a key component of the team working with Tribal co-managers to improve relationships and improve resource management. This position will also assist with the collaborative co-manager monitoring and permitting of fisheries under the Endangered Species Act. They will conduct the analysis of data collected during monitoring in the field, supervise lower level Scientific Technician positions, and make recommendations based on results of biometric assessments and population modeling to ensure that harvest and resource management actions are sustainable and based on sound science. This position will have average travel costs (for meetings, negotiations, and supervising duties) and average goods and services costs.

1.0 FTE Scientific Technician 2 positions, starting in FY16, will be monitoring and collecting biological samples from fish in commercial fisheries, and these data will be transferred to managers for decision making purposes to ensure that we stay with our management and ESA constraints to continue recreational salmon fishing opportunities in Puget Sound.

0.09 FTE Scientific Technician 1 position, starting in FY16 for assistance with adult and juvenile sample collection. These samples will be used to provide fishery impact data that is used to determine impacts of selective salmon fisheries to wild fish.

0.54 Maintenance Mechanic 2 position, starting in FY16, will be on the road, visiting each hatchery site multiple times a year to perform scheduled maintenance. Travel and materials and supplies used in maintenance, such as light bulb, grease, and small tools are also included in the cost.

Object E includes costs associated with new and existing FTE's for recreational and commercial activities are rounded and listed below by fiscal year:

- Marking and tagging \$100,000
- Fish food \$232,000
- Fish transportation \$3,000
- Genetic sample analysis \$60,000
- Hatchery maintenance supplies \$145,000
- McKernan Hatchery operations \$48,000
- Fish monitoring trap costs \$20,000

Additional travel costs for new and existing FTE's of \$278,500 per fiscal year are assumed which includes costs for motor pool costs and per diem for hatchery maintenance work across the state.

Also included are \$5,000 per FTE, for a total of \$60,000 per year, for WDFW standard costs, which support and cover average employee's supplies, communications, training, and subscription costs per year, as well as central agency costs.

The remainder in object E includes an infrastructure and program support rate of 29.21%, and is calculated based on cost estimates for eligible objects each fiscal year. Fish food, equipment sub-objects JB-JZ, and debt service are exempt from the infrastructure and program support calculation.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

This is a one-time authority increase, to help the Department maintain salmon production, and to provide needed maintenance to hatchery facilities statewide while work continues on developing a revenue bill for consideration by the 2017 Legislature.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages	555,900	978,700	1,534,600
B Employee Benefits	240,700	444,700	685,400
E Goods\Other Services	1,178,900	1,259,400	2,438,300
G Travel	127,500	151,200	278,700
Total Objects	2,103,000	2,834,000	4,937,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: Q2 Coordinated Fish Barrier Removal
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

Repairing fish passage barriers is one of the most ecologically beneficial and cost-effective means of rebuilding salmon and steelhead runs because large areas of spawning habitat can be re-opened to these Endangered Species Act (ESA) listed fish . In response to a federal court injunction, the State of Washington has begun replacing all state-owned barriers, but that does not address barriers that belong to local governments or are privately owned. WDFW requests funding to coordinate with local restoration organizations and municipalities to identify and correct the highest priority fish passage barriers. When barriers have been identified and assessed, the Fish Passage Barrier Removal Board, chaired by WDFW, will recommend a coordinated project list identifying the highest priority barriers that have the most immediate benefit and then monitor and advise on the correction of those fish barriers . Ultimately, wild salmon and steelhead will be restored to thousands of miles of upstream habitat, making for healthier and larger populations. [Related to Puget Sound Action Agenda Implementation.]

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		307,000	307,000
Total Cost		307,000	307,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	.0	2.4	1.2

Package Description:

Washington's roads and highways present thousands of barriers to salmon and steelhead swimming upstream to their natural spawning habitat. When they cross streams, the pipes placed under the road, called culverts, can block fish by being either elevated, higher than the fish can jump, or too small, causing high water velocities. If the fish cannot pass, their ability to reach their spawning grounds, and upstream fishing areas, is severely limited. Steelhead and many species of salmon are currently listed under the Endangered Species Act (ESA) because they are at risk of extinction. Without full access up streams, these icons of our region will be significantly limited in their ability to recover.

A federal court injunction, issued in March 2013 in accordance with a lawsuit brought by 21 tribal governments, requires the state to remove state-owned culverts that block ESA-listed salmon and steelhead habitat by 2016 (by 2030 for Department of Transportation culverts). The 2014 capital budget provided funding to correct WDFW and other natural resource agency barriers . Supplemental operating budget funding was provided to WDFW for technical assistance to other state agencies correcting their barriers and for maintenance and recurring assessments on state-owned culverts to ensure they do not become barriers to salmon .

Also in 2014, the state legislature recognized that remediating only state-owned barriers will not solve the fish passage issue : barriers

may exist up- and downstream of the ones that the state has corrected, preventing the full benefit of state investments because fish still cannot access the full stream. To address these issues, the legislature passed Second Substitute Senate Bill 2251, creating the Fish Passage Barrier Removal Board (Board). The Board is tasked with identifying a coordinated approach to removing all fish passage barriers across the state, recognizing the need for the scheduling and prioritization. Prioritization must weight projects that:

- 1) benefit depressed or endangered stocks;
- 2) provide immediate access to high quality habitat;
- 3) are downstream from other blockages; and
- 4) are coordinated with other adjacent barrier removals.

The Board is also directed to make recommendations about proposed funding mechanisms and to ensure that barrier removals are consistent with other state salmon recovery efforts. WDFW is tasked with chairing the Board, which is composed of representatives of the departments of Transportation (DOT) and Natural Resources (DNR), the Governor's Salmon Recovery Office (GSRO), cities, counties, and tribal governments. No funding was appropriated for the Board.

While the Board is making progress on its tasks, it can do only so much without knowledge of how many barriers exist in the state, where they are, and the scope of correcting each one. Only with this information can the Board fully coordinate, identify funding options, and align efforts with salmon recovery. With the funding proposed in this decision package, the Board will develop a prioritized project list with information to determine where investments are most effective in opening up long stretches of spawning habitat. This work can only be completed with an inventory of all barriers. State agencies such as DOT, WDFW, and State Parks have done considerable work on mapping state-owned barriers. But there is still significant work necessary to identify and assess barriers that exist in cities and counties as well as on private property. Requested funds will go towards surveying local and private fish barriers, biologists and scientific technicians to scope the projects, and preliminary design by engineers. Increasing upstream habitat for these ESA-listed fish depends on this stage of the barrier correction process.

Name and Phone Number of Subject Matter Expert:

Julie Henning
360-902-2555

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

- Existing data will be publicly accessible: the fish passage database will have an online tool for stakeholders to retrieve fish passage data in their geographic areas and notify WDFW when they complete projects.
- Barrier inventory training program and, as a result, local partners collecting barrier data (directed by RCW 77.95.170)
- Identification of 50-100 individual fish barrier projects on city, county, and private roads by June 30, 2017
- Local restoration organization, municipality, and private landowner collaboration on priority barriers
- Outreach to willing landowners and local restoration groups to maintain goodwill between the Department and constituents and to leverage the desire of citizens to help improve spawning habitat
- Streamlined permit process with the Army Corps of Engineers to make the statewide fish passage effort more efficient for the next decade.
- Alternative funding proposals and opportunities for public/private partnerships
- Prioritized project list of barrier improvements for the 2017 Legislature.

Performance Measure Detail

Activity: A037 Ecosystem Restoration

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This package supports WDFW's Goal 1: "Conserve and protect native fish and wildlife," contributing toward objectives A and C by opening up spawning habitat that is currently inaccessible to ESA listed fish.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This package supports Results Washington Goal 3: Sustainable Energy and a Clean Environment - Protect and restore Washington's wildlife. It will increase the miles of stream habitat opened and the number of fish passage barriers corrected per year (outcome measures 2.2b and 2.2c).

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

Correcting fish passage barriers on waterways that drain into Puget Sound directly supports the Puget Sound Action Agenda. Four items in the Near-Term Actions document relate to fish passage barriers, including A6.1.3: Fish Passage Barriers, which states that "WDFW will assess and prioritize fish passage barriers by watershed within the Puget Sound." Secondary owners of this NTA are DNR and the Recreation and Conservation Office. The work in this decision package will be state-wide. WDFW estimates that one-quarter of the work will relate to the Puget Sound.

Sub-strategy A6.1, Implement high priority projects identified in each salmon recovery watershed's 3-year work plan, is a Habitat Strategic Initiative sub-strategy and therefore considered a high priority measure for Puget Sound recovery. The NTA addresses identifying and prioritizing barriers to be removed, therefore this request takes the next step in the process and moving towards implementing specific projects.

In addition, this proposal supports the work of the Fish Barrier Removal Board. Second Substitute Senate Bill 2251 from the 2014 session created the Board, though no funding was appropriated for the bill's work. This proposal starts the implementation of the work of the statewide strategy to remove fish barriers and increase salmon populations.

Lastly, restoring fish passage yields direct benefits to local economies by providing fishing opportunities once fish populations are restored and harvest opportunity is supported. Opening many more miles of spawning habitat is one of the best strategies to help to avert future listings, or up-listings of ESA protected salmon or steelhead stocks in the state.

This proposal is consistent with the Treaty Tribes at Risk remedy actions.

What alternatives were explored by the agency, and why was this alternative chosen?

- Extend the timeline for development of the prioritized project list for consideration by the legislature. This alternative was deemed unacceptable due to 1) the time-sensitive nature of the work (this has momentum with the injunction and Board legislation), 2) the continued threat of lawsuits related to tribal treaty fishing rights, and (3) missing the opportunity to prioritize the significant investment in state barrier removal in alignment with barrier removal conducted by local governments and habitat restoration projects. Delaying even two to four years could have negative impacts.

- Wait to do this work until it is spurred by anticipated tribal lawsuits against municipalities and private landowners. This alternative was also deemed unacceptable because cooperative progress has been shown to be much more cost-effective and less arduous than court-ordered remedies.

What are the consequences of adopting or not adopting this package?

Without funding for this critical groundwork that will allow us to spend correction dollars most wisely, the state risks poor investments and missing the opportunity for strategic financial planning.

In addition, state and local governments risk spending resources on fixing barriers without maximizing the benefits to the salmon and steelhead recovery.

Finally, the Fish Barrier Removal Board members (DOT, GSRO, DNR, cities, counties, and tribes) are very supportive of this budget request by WDFW. Not funding this request will undermine the policy that the legislature established in 2014, as well as strain the relationships that the Board has been building to address the environmental and legal challenge of fish passage barriers.

What is the relationship, if any, to the state's capital budget?

The project list that is developed through this funding will better position the state to consider capital budget or transportation budget requests that have the greatest effect on restoring salmon and steelhead populations in the future. There is no current connection to the state's capital budget for non-state fish passage barriers.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

A total of 2.4 FTE will be required to do the work described. They include:

- 0.5 FTE Fish & Wildlife Biologist 4 (FWBio) to coordinate among restoration organizations, local governments, tribes, State, and private barrier owners to implement projects
- 0.5 FTE FWBio 4 and 0.25 FTE IT Specialist 3 to implement inventory program (database management, obtaining data from barrier corrections, provide training to stakeholders, and technical assistance with conducting the inventory)
- 0.25 FTE FWBio 4 and 0.2 FTE Environmental Engineer 3 to obtain landowner permissions and to initiate pre-designs that determine projects' scope and costs
- 0.3 FTE FWBio 4 for Fish Barrier Removal Board technical coordination and support
- 0.4 FTE Scientific Technician 3 for inventory assistance.

Salaries and benefits will total \$217,000 per year, and travel is estimated to be \$8,244 per year, assuming two overnight trips per month over 150 miles away. Goods and services, object E, include \$5,000 per FTE, per year, for WDFW standard costs, which cover an average employee's supplies, communications, training, and subscription costs per year, as well as central agency costs. Object E also includes an infrastructure and program support rate of 29.21%.

Puget Sound-related activities are estimated to be one-quarter of the work of this decision package, or 0.6 FTE and \$75,500 (General Fund-State).

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All work in this package is ongoing.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages		157,400	157,400
B Employee Benefits		59,900	59,900
E Goods\Other Services		81,400	81,400
G Travel		8,300	8,300
Total Objects		307,000	307,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: Q3 Modern and Accessible WDFW Website
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

The Washington Department of Fish and Wildlife (WDFW) website receives an average of 30 million visits per year for fishing and hunting guides, a wolf sighting reporting system, customized features like interactive rule development, and a host of historical data, not to mention the WILD license sales system. Its operating platform, built 20 years ago, has essentially remained the same, and the website does not provide mobile functionality nor does it comply with accessibility and usability laws. No longer providing an easily accessible portal to WDFW services, the website risks public dissatisfaction, uninformed customers, and inefficient staff time to maintain it. WDFW requests funding to replace the current site with a website that is readable from mobile platforms, accommodates current and new applications, and allows visually-impaired users to access Department information, as required by state and federal law.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	16,000	98,000	114,000
104-1 State Wildlife Account-State	62,000	393,000	455,000
Total Cost	78,000	491,000	569,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	.0	2.0	1.0

Package Description:

WDFW's website is the Department's most important public information tool. It receives an average of more than 30 million visits per year and contains 9,000 pages of information about every aspect of the Department's programs and services. People visit the site for many reasons: to look up fishing and hunting rules, to learn about recreational opportunities, to engage in rule development, and to submit online reports of poaching and dangerous wildlife sightings. In addition, it is the state's primary online portal for the sale of fishing and hunting licenses and the Discover Pass.

However, the website was originally designed in 1996 and site has not been significantly updated in nearly 10 years. The result is that it no longer provides convenient access to information, lacks mobile functionality, and does not comply with state and federal accessibility laws and usability standards for people with disabilities. The website has not been able to evolve with changing technologies and adequately fulfill public and WDFW needs for content and services.

WDFW proposes to align modern technology with the Department's mission by replacing the current website with a technologically up-to-date site that is readable from mobile platforms, accommodates current and new applications, and meets federal and state requirements for usability by people with visual disabilities.

This project will be conducted in two phases:

Phase 1: January through June 2016. This business analysis phase will include a usability study, user-centered design consulting, and internal review of existing website content. A contractor will provide project planning, a user needs assessment, user-centered interface design options, responsive (mobile-friendly) web design, training and mentoring of WDFW staff, and strategies for evaluating content on the existing website for migration to the new site.

Phase 2: July 2016 through June 2017. WDFW will design, develop, and implement a new website with the assistance of a web design contractor. Specific elements of Phase 2 will be based in large part on the results of Phase 1, but will include usability testing and refinement, implementation of work-based test results, and launch of the new site by December 2017.

WDFW priorities for its new website include an iterative process of scoping and implementing, starting with making the website mobile-responsive early-on. Using website survey analytics, the Department will roll out website components incrementally, based on users' needs. WDFW will require the specialized expertise of a consultant for Phase 2 in order to implement the new site in stages and respond to feedback. Managing multiple, iterative processes is intensive, requiring specific expertise, but the approach should result in greater customer satisfaction and a better end result.

In addition to using expert consultants, WDFW will hire two permanent web specialists in FY 2017 to participate in developing the new site, updating and migrating content to the new site, and implementing the results of usability testing. After the new site is launched, these staff will help to maintain the site and work with WDFW program staff to update content and develop new material on an ongoing basis. The current WDFW website team of 2.2 FTE (full-time webmaster and web developer, and part-time assistant) does not have the capacity required to ensure the website remains consistently accurate, up-to-date, and responsive to customers' needs and expectations.

Subject Matter Experts:
Bruce Botka, 360-902-2262
John Burrows, 360-902-8423

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This project will produce a wide range of positive and long-lasting improvements for the public and for the Department.

Public benefits include the following:

- A mobile-responsive website will make WDFW data available to a broader audience and provide resources to citizens while they are outdoors;
- Visually-impaired users will be able to navigate and find information much more readily;
- Content translation to other languages through cloud applications will increase access for limited English speakers;
- Increased compliance with hunting and environmental laws and regulations because of mobile and field access. This will be particularly useful during harvest seasons, when specific closures and openings are implemented on a daily basis, and results in greater sustainability of Washington's fish and wildlife;
- Application programming interfaces (API) will allow WDFW to share data with other entities for applications that will support fish and wildlife resources and access to outdoor recreation.
- Users' experience with the website will be substantially more positive and productive, as measured by the number and duration of website visits and an increase in the number of web-based transactions, such as license sales and poaching reports;
- Interoperability with other agencies' websites will allow WDFW to streamline coordination and communication on shared projects such as fish passage barrier corrections with Department of Transportation and fish catch reporting with Northwest Indian Fisheries Council.

Department efficiencies include the following:

- Content management will be streamlined and ensure greater quality control through workflows, resulting in efficiency and more accurate posted information;
- Fish and Wildlife Enforcement Officers will have mobile access to regulations and licensing information, for more efficient

enforcement of regulations;

-- WDFW field staff will be able to access and update more data while outdoors;

-- Federal and state requirements for ADA accessibility and usability will be met, which will eliminate the department's exposure to legal risk posed by the current, non-compliant site.

Performance Measure Detail

Activity: A032 Agency Administration

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package is essential to Goal 4 in the WDFW 2013-15 Strategic Plan, "Build an effective and efficient organization by supporting our workforce, improving business processes, and investing in technology." By improving communication and services to the public through a modern and accessible website, this decision package also supports the Department's other three goals : conservation of fish and wildlife (Goal 1), providing sustainable wildlife-related recreational and commercial experiences (Goal 2), and delivering high-quality customer service (Goal 3).

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This decision package aligns with two of the Governor's goals: (1) Sustainable Energy and a Clean Environment and (2) Efficient, Effective and Accountable Government. Funding will allow WDFW to continue activities directly supporting healthy wildlife and fish populations by providing high-quality customer service and easy access to information and regulations . This is essential to support the Goal Topic, "Customer Satisfaction and Confidence."

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

WDFW participates in many regional and statewide planning projects, including multi-agency initiatives involving local, state and federal organizations. The department's website plays a crucial role in communicating with the public about all aspects of these initiatives. Specific examples include wolf conservation and management, the Teanaway Community Forest management plan, and the annual North of Falcon salmon allocation negotiations.

With a more broadly available website (mobile-friendly and ADA-accessible) and a better organized, user-focused layout, WDFW aims to achieve greater compliance with fishing, hunting, and environmental regulations, thereby increasing success in meeting conservation goals and the Department mission.

What alternatives were explored by the agency, and why was this alternative chosen?

Three alternatives were evaluated:

1. Upgrade the current website, beginning with improvements in ADA accessibility. WDFW has been taking this approach for the past two years, working to deploy improvements recommended in an accessibility review by a non-profit contractor that specializes in ADA website remediation. Because of limited staffing, the Department has been able to implement only a portion to these recommendations.
2. The Department researched federal grant funding to implement far-reaching ADA standards that were released in 2010, which apply not only to technology and websites, but also to outdoor recreation. Unfortunately, the grant programs are only available to non-profit organizations, not governmental entities.
3. The third alternative is to use existing state resources, such as GF-S and/or revenue from hunting and fishing licenses and the Discover Pass. By diverting dollars from existing work, however, this option would reduce recreational opportunities and conservation efforts.

What are the consequences of adopting or not adopting this package?

Potential fishing and hunting license customers - and current license holders - will find it increasingly difficult to obtain the information they need to learn about outdoor recreation rules and opportunities. This will reduce compliance with important natural resource laws and regulations and increase risk to many threatened and endangered fish and wildlife species .

The Department's failure to comply with ADA accessibility and usability requirements will continue, creating (a) a risk of legal action by members of the ADA community to compel WDFW to modify the existing site at great expense, and (b) the potential for reduced funding from the federal government (primarily USFWS), which requires WDFW to comply with civil rights laws and regulations.

As mobile technology becomes more widespread, the growing number of website visitors who use mobile devices will continue to have a poor experience and in some cases will not be able to obtain needed information and services. This will undermine Department efforts to effectively provide information about fishing, hunting, conservation, recreation, and the environment. It holds negative implications for an agency that strives to operate openly and transparently.

Wait times for online development projects and maintenance will increase. For example, public meeting agendas and information may be delayed, and news releases and rule change notices may not be published in a timely manner. Websites must be responsive to emerging circumstances, particularly those involving natural resources, and staff must have the capacity to meet immediate needs and develop complex, long-term projects.

Outdated and erroneous information provided on the website will increase, and customer satisfaction as measured by the frequency and duration of visits will decline as information becomes less reliable.

Website development and maintenance needs will increasingly outpace staff capacity. Future development of complex online applications such as Fish Washington will not be possible without seriously compromising quality control and other website priorities. Development of customer-focused, interactive programs such as mapping, public comment opportunities, and reporting systems for natural resources crimes and dangerous wildlife encounters, will be delayed.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

WDFW will contract with a website development expert for project planning, identifying user needs, evaluation of current content to migrate, responsive (mobile-friendly) web design, training and mentoring of WDFW staff, developing the website, and nimble implementation. WDFW anticipates \$60,000 in FY 2016 and \$240,000 in FY 2017 for this work in object C, personal service contracts.

An Information Technology Specialist (ITS) 3 will be responsible for basic website editing and content development, both for the first two years of transition to the new website and ongoing. An ITS 5 will be responsible for mobile applications on the website. Salaries and benefits will total \$201,000 annually, starting September of 2016.

Goods and services, object E, include \$5,000 per FTE, per year, for WDFW standard costs, which cover an average employee's supplies, communications, training, and subscription costs per year, as well as central agency costs. Object E also includes an infrastructure and program support rate of 29.21%.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Contracting amounts will be one-time. Amounts for staff will be ongoing at \$273,000 per year.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages		98,000	98,000
B Employee Benefits		35,000	35,000
C Professional Svc Contracts	60,000	240,000	300,000
E Goods\Other Services	18,000	118,000	136,000
Total Objects	78,000	491,000	569,000

Information Technology Addendum

Recsum Code and Title: PL-Q3 Modern and Accessible WDFW Website

Brief Description: The Washington Department of Fish and Wildlife (WDFW) website receives an average of 30 million visits per year for fishing and hunting guides, a wolf sighting reporting system, customized features like interactive rule development, and a host of historical data, not to mention the WILD license sales system. Its operating platform, built 20 years ago, has essentially remained the same, and the website does not provide mobile functionality and it does not comply with accessibility and usability laws. The website no longer provides an easily accessible portal to WDFW services, and thus risks public dissatisfaction, uninformed customers, and inefficient staff time to maintain it. WDFW requests funding to replace the current site with a website that is readable from mobile platforms, accommodates current and new applications, and allows visually impaired users to access Department information, as required by state and federal law.

If this investment includes the use of servers, do you plan to use the state data center?

Yes No, waiver received No, waiver not received Does not apply

Business Transformation – This set of criteria will be used to assess IT proposals supporting business changes to improve services or access to information for agency customers or citizens.

Business process improvement: Primary goal of the proposal is to transform an agency business process. This criterion will be used to assess the transformative nature of the project.

(INTENT: Incent agencies to take transformative projects that may include risk.)

First, We desire to migrate the current website into an overall content management system (CMS). A CMS will allow for content creation, approval and publishing workflows throughout the agency. These improvements will provide greater efficiencies, expand content creation and improve content review. Such a system will fundamentally transform and enhance the department’s ability to communicate with the public. Second, updating the website to interface with APIs will allow WDFW to access other sites’ features and applications, including in the cloud, to offer our customers more service without having to build it ourselves.

Risk mitigation: Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent quality assurance, organizational change management, training, staffing, etc.

(INTENT: Drive business value by encouraging risk taking that is well managed.)

This initiative will include outside professional experts who will guide the iterative scoping, planning, testing and implementation phases of the project. The current website staff do not have the time or

expertise to facilitate these processes. It is critical that the new website is responsive to user demands and agency communication needs. Outside experts will help ensure a successful migration and mitigate potential risks.

Customer-facing value: Add value in short increments. This criterion will be used to determine if the initiative provides “customer-facing value” in small increments quickly to drive agile strategy.

(INTENT: Drive agencies to producing value more quickly and incrementally.)

The intent of this initiative is to provide the public with a modern website that ensures a high quality user experience and meets all standards and policies governing online communication and service delivery on an ongoing basis. Specific focus areas include ADA accessibility, mobile accessibility and applications, non-English service, and ability for data and applications to interact with others. Providing customer-usable value – with ongoing updates and improvements – is the primary purpose of this initiative.

Open data: New datasets exposed. This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine-readable data from agencies.

(INTENT: Drive agencies to make more data available to citizens. We also value making data available internally for better decision making.)

This initiative will ensure the agency website complies with contemporary standards, features, and data delivery capabilities. Such a system will allow the agency to greatly expand its data delivery via mobile application development and content delivery. Fishing and hunting regulations are probably the most sought-after data, though data sets throughout the agency are useful to outside entities, such as fish planting, wildlife harvest, and fish catch.

Transparency/accountability: Project is clear, measurable, and immediate. This criterion will be used to assess if the initiative specifies the following: (1) Are the goals articulated? (2) Are performance outcomes identified, quantified and measurable?

(INTENT: Award more points for better project and outcome performance measures.)

The goals of this initiative are clearly identified (mobile-responsive, accommodating applications, and ADA-accessible) and the results easy to measure upon completion (website that meets those goals according to varied user testing).

Technology Strategy Alignment – This set of criteria will be used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security. This criterion will be used to assess the improvements to the overall security posture for an agency.

(INTENT: Award additional points to projects where intent is to improve the security across an agency.)

The initiative will allow the agency to migrate the website into a modern, contemporary content management system that is monitored continually for security vulnerabilities. Security updates, patches, system updates, and customer support for this system will be available to the agency on an ongoing basis.

Modernization of state government: Cloud first. This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy.

(INTENT: Drive agencies to look more intently at leveraging cloud-based solutions.)

This initiative will enable us to rebuild the agency website on a modern, ADA-accessible, and mobile-friendly platform that will utilize the cloud for technologies, possibly hosting or applications, that the current website cannot access.

Mobility: New mobile services for citizens. This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce.

(INTENT: Drive agencies to look for ways to deliver results and services that are accessible to citizens from mobile devices. While we also value mobility for employees, we place greater value on mobility for citizens.)

One of the key outcomes of this funding request is to provide our customers better mobile capabilities. About 50 percent of website visitors come to <http://wdfw.wa.gov> from a mobile platform (smartphone, tablet, etc.), but the site is not designed to support these devices.

As mobile technology becomes more widespread, the growing number of website visitors who use mobile devices will continue to have a poor experience. This will undermine our efforts to effectively provide information about fishing, hunting, conservation, recreation, and the environment. For instance, WDFW expects the public to comply with regulations that can change daily, we need to provide the ability to check those regulations while in the field. In addition, not being mobile-responsive holds negative implications for an agency that strives to operate openly and transparently.

Interoperability: Adds value in six months. This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes or exchanges data.

(INTENT: Drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise.)

The intent of this initiative is to develop a new website architecture that is based on one of the popular and widely used content management systems such as Drupal. This will allow us to develop new data sharing applications and APIs that are not currently possible using our legacy system.

Financial – This set of criteria will be used to assess the initiative’s financial contribution, including the extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

Captures new or unrealized revenue: This criterion is calculated based on the amount of new or unrealized revenue captured by the end of the 2017-19 biennium as a proportion of total investment. To get the full points in this category, projects must capture at least five times the amount of the investment by the end of the 2017-19 biennium.

By providing a more accessible and mobile friendly website we hope to reach broader customer bases; encourage greater participation in hunting, fishing and wildlife viewing; and ultimately achieve greater hunting and fishing license and Discover Pass sales.

Reduces costs: This criterion is calculated based on the amount of cost reduction by the end of the 2017-19 biennium as a proportion of total investment. To get the full points for this criterion, projects must reduce costs by at least two times the amount of the investment by the end of the 2017-19 biennium.

We do not anticipate this initiative will greatly reduce costs. While the business transformation aspects will result in efficiencies, those resources will be re-directed into the enhancements that will make our website what the public expects and needs.

Leverages federal/grant funding: This criterion is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

WDFW is researching grants for the ADA portion of this request. If a grant is identified and we are successful, we anticipate that up to one-fifth of the start-up costs could be covered. However, this is purely conjecture at this time.

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: Q4 Improve Maintenance of State Lands
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

The Department of Fish and Wildlife's 700 water access sites and one million acres of wildlife lands need continuous maintenance and enforcement presence. To fund this work, eight percent of Discover Pass sales revenue is deposited into the State Wildlife Account. WDFW requests authority to spend available fund balance from Discover Pass sales on tasks that keep lands and access sites open, maintained, and safe for recreation.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
104-1 State Wildlife Account-State	100,000	350,000	450,000
Total Cost	100,000	350,000	450,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	1.0	3.0	2.0

Package Description:

Discover Passes allow motor vehicle access to state parks and recreation lands that are managed by the Washington Department of Fish and Wildlife (WDFW), the Washington State Parks and Recreation Commission (Parks), and the Washington State Department of Natural Resources (DNR). The program is administered collaboratively by the three state agencies and has been an essential financing tool to keep state recreation lands open and accessible to Washington residents and visitors. Sales from day-use and annual passes are collected in the Recreation Access Pass Account and distributed monthly to Parks (84 percent), DNR (8 percent), and WDFW (8 percent) for operations and maintenance activities of state lands that support outdoor recreation. Stakeholders and recreationalists expect that money collected from Discover Pass sales will be used for this purpose.

WDFW has a fund balance available from the 8 percent portion of Discover Pass sales revenue that is deposited into the State Wildlife Account. WDFW requests expenditure authority to use these funds in the way they are intended - for operations and maintenance activities that keep lands open and safe for recreation. The sum of \$450,000 for the biennium will add staff capacity for wildlife areas, water access, and enforcement activities, as well as allow WDFW to acquire new equipment (e.g. tractors, graders, weed spray equipment), and contract for additional maintenance services (e.g. toilet pumping).

Enhanced operations and maintenance will include boat ramp, restroom, and parking area improvements; fencing; signage; weed control; graffiti, trash, and dumping clean-up; and increased enforcement to prevent unlawful acts and support Discover Pass compliance. Without additional spending authority, WDFW cannot perform this additional work, to support quality recreation for Washington residents and visitors.

Name and Phone Number of Subject Matter Expert:
Melinda Posner (360) 280-2670

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Specific maintenance that continues to need additional resources includes trash collection; graffiti and hazard tree removal; weed control; restroom cleaning and supplies; fence, gate, sign and kiosk building and repair; parking lot and road grading and resurfacing; and enforcing laws regarding vandalism and presence of illegal dwellings on state land.

Performance Measure Detail

Activity: A039 Land Management

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package supports WDFW's Goal 2, "Provide sustainable fishing, hunting, and other wildlife-related recreational and commercial experiences." It will provide for improved maintenance of public access sites and better experiences for the public who visit WDFW-managed lands.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This request supports Results Washington Goal 3, "Sustainable Energy and a Clean Environment" and the Goal Topic, "Working and Natural Lands." It contributes to Outcome Measure 4.3, "Increase participation in outdoor experiences on state public recreation lands and waters 1% each year from 2012 through 2016." Improving the public recreation experience on WDFW-managed lands will encourage increased participation.

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

State recreation lands are a significant economic driver, so the more inviting and well-functioning they are, the more economic activity they attract. Outdoor recreational activity in the state is estimated to generate \$4.5 billion annually and support more than 60,000 jobs statewide. Most of WDFW's wildlife areas and boat launches are in rural communities that rely heavily on this economic activity. Restaurants, motels, gas stations, convenience stores, as well as other businesses that support outdoor recreation benefit from the significant economic activity of Washingtonians and visitors.

What alternatives were explored by the agency, and why was this alternative chosen?

Other funding alternatives to support lands operation and maintenance are limited. Potential sources are the state general fund or redirection of existing WDFW appropriations. The legislature established the Discover Pass program as a fee-for-service model for state recreation lands, assuming that fees will support the costs of operation and maintenance of state recreational lands all costs. Redirecting funds from existing appropriations means delaying or eliminating other important WDFW work, such as developing the Land Information System. Allowing Discover Pass revenues to remain unspent is not an acceptable option either, in part because stakeholders expect money collected from pass sales to be used for this purpose, and because leaving monies collected for this purpose unspent impedes our ability to manage state lands that are in need of greater attention.

What are the consequences of adopting or not adopting this package?

If not funded, WDFW is unable to utilize monies already collected from Discover Pass sales. This request simply seeks to use dedicated user fees for a dedicated purpose. The state will not make optimal use of recreational users' contributions, and the state could see a decline in recreational user opportunities and experiences.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Increased spending authority will support 1.5 FTEs including 1.0 FTE for a wildlife area assistant manager (Fish and Wildlife Biologist 2), 0.25 FTE water access staff (Natural Resource Technician 2), and 0.25 enforcement officer (Fish and Wildlife Enforcement Officer 2) who are engaged in operations, maintenance, and enforcement activities . Salaries and benefits will total \$114,900 per year.

Goods and services, object E, include \$5,000 per FTE , per year, for WDFW standard costs, which cover an average employee's supplies, communications, training, and subscription costs per year, as well as central agency costs . Object E also includes an infrastructure and program support rate, and is calculated based on cost estimates for eligible objects each fiscal year .

Travel is estimated to be \$800 per year, based on increased patrols and travel to perform maintenance services .

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs will be ongoing at FY 2017 levels. FY 2016 amounts reflect only a few months of work.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages	14,600	81,100	95,700
B Employee Benefits	6,700	33,800	40,500
E Goods\Other Services	74,500	229,400	303,900
G Travel	300	800	1,100
P Debt Service	3,900	4,900	8,800
Total Objects	100,000	350,000	450,000

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Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: Q5 Marine Vessel Grant Match
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

The Department of Homeland Security recently awarded the Department of Fish and Wildlife's Enforcement Program a grant to replace two aging marine vessels with a new 38-foot command and control vessel. WDFW will use the new boat in the central Puget Sound basin where its primary missions will be to enforce recreational and commercial fishing regulations, provide boating safety presence and response, and support search and rescue operations. The Department requests one-time funding for the 25 percent state match requirement to acquire this vessel.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		76,000	76,000
001-2 General Fund - Basic Account-Federal		562,000	562,000
104-1 State Wildlife Account-State		112,000	112,000
Total Cost		750,000	750,000

Package Description:

The Department of Fish and Wildlife (WDFW) mission relies on Fish and Wildlife Officers to enforce natural resource regulations that protect fish and shellfish. These regulations in turn ensure sustainable recreational and commercial harvest opportunities as well as public safety. Enforcement presence on Puget Sound serves many functions, including the following:

- enforcing commercial and recreational regulations, such as illegal commercial-scale fishing when a season is closed;
- enforcing boating regulations, including safety among various user groups, such as paddle boarders and kayakers who are in shipping lanes;
- search and rescue;
- ballast water inspections for aquatic invasive species; and
- preventing protected southern resident orca whales from vessel harassment.

In addition to WDFW mission work, Officers have general police authority and protect the public's safety on the water. In fact, the Department of Fish and Wildlife has the greatest presence of any enforcement entity on the water.

WDFW Officers have the required special inspection and search authorities that other law enforcement entities in the state do not have. In addition, because of their continuous presence on the water, WDFW can be proactive as opposed to reactive to incidents. WDFW Enforcement Officers have the jurisdiction to board and inspect for fishing violations, during which other general authority infractions

may be discovered and addressed. WDFW Officers board more vessels than any other law enforcement entity, both day and night, on commercial fishing boats, cargo ships, and recreational vessels. The new WDFW Enforcement vessel will be versatile and vital to the continued regulation and security of the central and northern Puget Sound marine areas.

The Enforcement Program is proposing an investment of \$188,000 state funds toward a \$750,000 vessel to patrol the Puget Sound - a 300 percent return on investment. The new vessel will do the function of two outdated vessels, each having over 30 years of service, which need to be replaced. Its extended range capacity enables officers to sustain long durations on the water and cover a wide range of marine geography adjacent to King, Snohomish, and Kitsap counties. In addition, the command and control capabilities of the new vessel will allow better coordination and responsiveness in the event of wide-spread or emergency incidents.

The Department of Homeland Security awarded this grant to WDFW based on the Department's unique capacity: its continuous presence on Puget Sound waters, and thousands of public contacts each year for regulatory, safety, and conservation purposes. The vessel will be purchased and operating in early FY 2017.

Subject Matter Expert: Sargent Erik Olson at 206-459-5166 or Erik.Olson@dfw.wa.gov

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Purchasing this vessel with the grant reflects fiscal responsibility, public and marine protection, and government efficiency. \$188,000 of state investment will allow WDFW to meet the grant's 25 percent match requirement and purchase a \$750,000 vessel. The new, adaptable vessel will allow WDFW to maintain its presence around the Puget Sound and increase resources for protecting fisheries, search & rescue operations, public safety, natural disaster response, and regulation of commercial and recreational fishing. The new vessel will also be outfitted with advanced equipment that will enhance the capabilities and work of the Officers. This new vessel will allow WDFW Enforcement Officers to cover the water more effectively and efficiently, providing search and rescue operations and enforcing marine regulations in support of the Department's mission.

Performance Measure Detail

Activity: A035

Enforcement

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package supports WDFW's Goal 1: "Conserve and protect native fish and wildlife" by providing Department Enforcement Officers with updated equipment to allow them to better protect the fish and wildlife resources of our state. This request also supports Goal 4: "To build an effective and efficient organization by supporting our workforce, improving business processes, and investing in technology." The purchase of this vessel will allow officers to perform their duties more safely and effectively.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This request supports Results Washington Goal 4: "Healthy and Safe Communities" by improving Department Enforcement officers' ability to support local law enforcement in responding to criminal activities. This request also supports Goal 5: "Efficient, effective and accountable government" by utilizing a federal grant to save state dollars in the purchase of vessel that will provide improved quality of service to the public.

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

Puget Sound Action Plan:

The success of the Puget Sound Action Plan relies in part on compliance with regulations that support rebuilding the health of the

Sound's fish and wildlife resources. Because the vessel will be able to patrol Puget Sound in all weather, compared to the current vessels' limitations, and because of its command-and-control function to coordinate responses, this request enhances detection and response that support the Plan's success.

Area Maritime Port Security Plan:

The U.S. Coast Guard, U.S. Navy, state Military Department, and local port authorities cooperate under a federal plan to respond to natural disasters and human threats and attacks in the most efficient way possible. WDFW Enforcement's maritime detachment is key to the plan's success because our Officers are present in locations and at hours that other state and local law enforcement is limited to respond to public safety events. The U.S. Coast Guard often relies on and directs WDFW patrol vessels as an on-the-water response during these incidents. The vessel will provide enhanced response to natural disasters, oil spills, and public safety needs. Finally, state-of-the-art on-board equipment will increase police/homeland security capabilities while also providing nuclear/radiological detection capabilities for the Ports of Everett and Seattle.

Endangered Species Act:

This vessel's operational range overlaps a number of marine habitats that support ESA-listed and endangered species such as salmon, rockfish, and southern resident killer orca whales. Law enforcement vessels are required to adequately address poaching, ecosystem intrusions, and shoreline habitat destruction.

Sustainable Fisheries for Commercial and Recreational Uses:

Regulated fisheries require monitoring to ensure that harvests align with management plans and fishing activities are orderly. For instance, poachers take shellfish from unsanitary conditions, passing them onto the consumer at great risk to public health. Officers arrest poachers harvesting from sewer outfalls and other toxic areas each year. Being able to patrol uncertified harvest grounds increases public safety.

This vessel extends the Department's presence on the water and ability to ensure that fisheries are orderly and detect natural resource violations that require a fast and efficient vessel, such as: construction of unpermitted bulk heads and docks; removal of shoreline; vessel harassment of southern resident orca whales; illegal commercial fishing and geoduck poaching; and closed season harvests on a commercial scale.

What alternatives were explored by the agency, and why was this alternative chosen?

WDFW's alternatives are to use existing state funds to fulfill the match, or to postpone purchase until another grant opportunity arises. Both of these options siphon existing funding from current Enforcement presence. If the Department postpones purchasing a new boat, it would likely have to spend comparable state dollars on increased maintenance costs of outdated boats, reducing Enforcement presence even more.

What are the consequences of adopting or not adopting this package?

The major consequences of not funding this request would be a) to lose a federal funding opportunity of purchasing a very useful vessel at a quarter of the cost; and b) to continue paying more for an aging vessel that is nearing the end of its life cycle and is increasingly expensive to operate.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

The Department requests one-time funding of \$188,000 to provide 25% match for the federal grant.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The entire amount is a one-time cost for an equipment purchase.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
J Capital Outlays		750,000	750,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: Q6 Transportation Project Mitigation
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

The 2015 Legislature passed E2SSB 5996 directing the departments of Fish and Wildlife (WDFW), Ecology (ECY), and Transportation (DOT) to work together, as well as consult with other relevant entities, to develop a policy framework and streamlined mechanism for encouraging off-site fish passage barrier mitigation as environmental compensation for DOT project impacts. The legislation passed after the operating budget was enacted, so funding was not provided for implementation. WDFW requests spending authority to fulfill the new requirements outlined in this legislation, and has begun coordinating with ECY, who is also submitting a budget request, and with DOT.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		100,000	100,000
Total Cost		100,000	100,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	.0	.8	.4

Package Description:

After conferring with ECY, WDFW estimates that this legislation requires 0.75 FTE Environmental Planner 4 in fiscal years 2016, 2017, and 2018 to work with DOT and ECY on developing a mitigation framework. The legislation includes specific direction for the three agencies to create a statewide in-lieu fee program or similar framework to support off-site mitigation actions specific to fish barriers owned by local governments. This is a particularly complex and time-consuming effort, as it requires concurrence from all agencies with permitting authority, from the local to the federal level. Initially, the state agencies will examine existing alternative mitigation policies opportunities to align strategies with the intent of the legislation. Agencies will be consulting and coordinating with local governments, as well.

Name and Phone Number of Subject Matter Expert:
Julie Henning 360-902-2555

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This effort will result in a coordinated state agency mitigation framework that utilizes DOT mitigation funding to assist local governments with correcting fish passage barriers.

Performance Measure Detail

Activity: A037 Ecosystem Restoration

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package supports Goal 1 in WDFW's Strategic Plan, "Conserve and protect native fish and wildlife." The intent of the E2SSB 5996 would utilize DOT's environmental mitigation funding to increase numbers of fish barrier removals to support salmon and steelhead habitat restoration, which will benefit native fish and wildlife.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This package supports Results Washington Goal 3, "Sustainable Energy and a Clean Environment - Protect and restore Washington's wildlife." It will increase the miles of stream habitat opened and the number of fish passage barriers corrected per year (Outcome Measures 2.2b and 2.2c).

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

This is one funding mechanism that can assist local governments with fish barrier corrections. This effort can support the state's investments in: the culvert lawsuit, salmon recovery restoration projects, and the Family Forest Fish Passage Program.

What alternatives were explored by the agency, and why was this alternative chosen?

No alternatives were explored. E2SSB 5996 was enacted after the state budget was passed.

What are the consequences of adopting or not adopting this package?

If this package is not funded, WDFW will have to re-direct existing state general fund authority, compromising current habitat work.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Because the framework has yet to be developed, we cannot know for sure if some statute or rule changes will be needed, however WDFW's statute and rules are not likely to be impacted.

Expenditure and revenue calculations and assumptions

Currently identifiable costs are for three years, starting July 1, 2016. The fiscal note associated with E2SSB 5996 showed work starting a year earlier, but ECY and WDFW agree that with the delay in funding, work will have to start in FY 2017.

WDFW will need 0.75 FTE Environmental Planner 4 for the initial policy review and development of the program. This staff person will work closely with ECY and DOT to review existing alternative mitigation policies, and incorporate the guidelines in the legislation into the policy framework that can be used to implement an in-lieu fee mitigation program for fish passage. Additionally, the three agencies will consult and coordinate with local jurisdictions to incorporate their perspectives, and align this work with existing federal laws.

Salaries and benefits will total \$66,200. No travel will be incurred. Goods and services, object E, include \$5,000 per FTE, per year, for WDFW standard costs, which cover an average employee's supplies, communications, training, and subscription costs per year, as well as central agency costs. Object E also includes an infrastructure and program support rate of 29.21%.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs for FY 2018 and FY 2019 will be \$90,000 per year for salaries, benefits, and goods and services described above. WDFW anticipates ongoing costs after FY 2019, associated with program implementation, but they are indeterminate at this time. The nature and scale of the ongoing work will depend on several things, such as the funding mechanism that will be developed and how many DOT projects will qualify under the framework.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages		49,800	49,800
B Employee Benefits		16,400	16,400
E Goods\Other Services		33,800	33,800
Total Objects		100,000	100,000

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