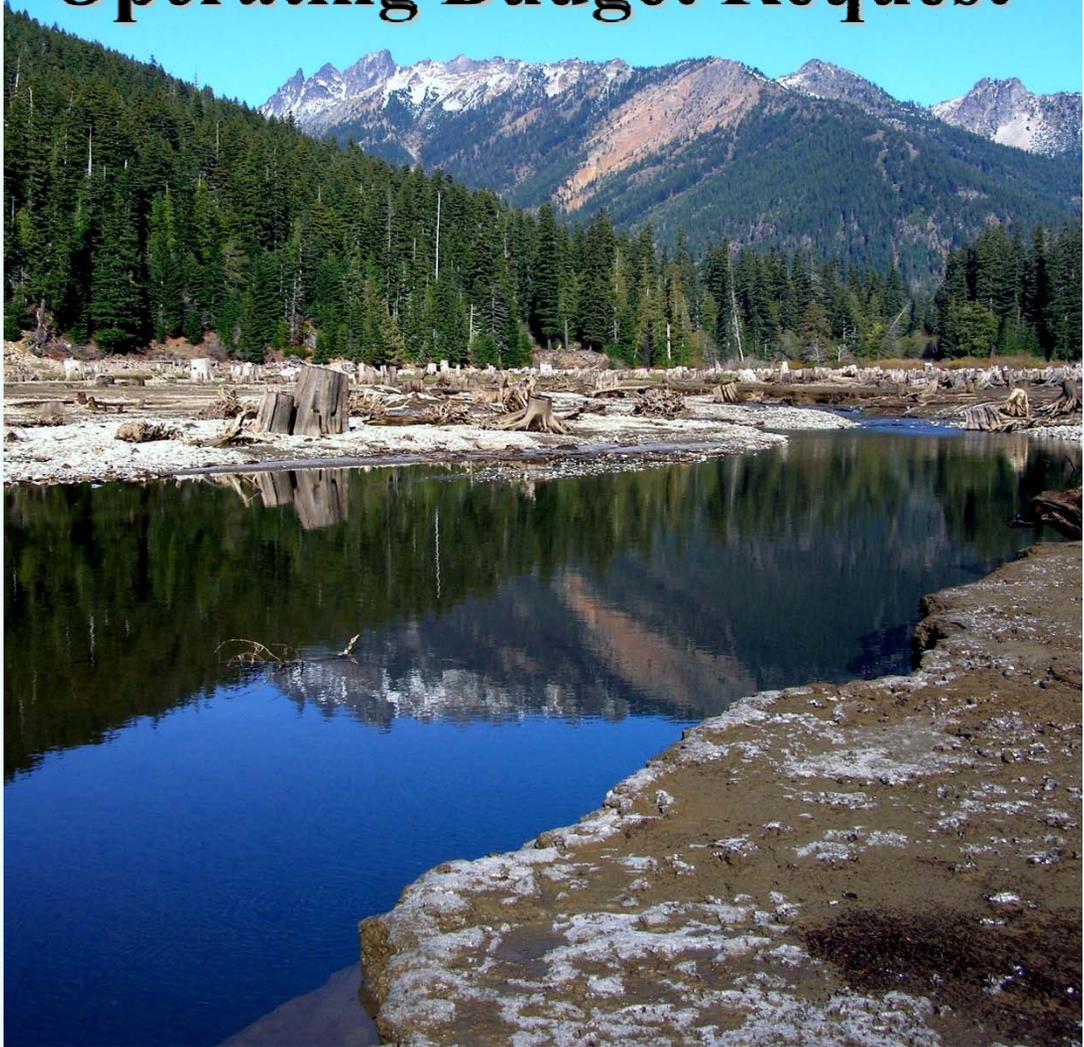


2012 Supplemental Operating Budget Request



Miranda Wecker, Chair
Fish and Wildlife Commission

Phil Anderson, Director
Department of Fish and Wildlife

September 22, 2011



Washington
Department of
FISH and
WILDLIFE



STATE OF WASHINGTON

Department of Fish and Wildlife

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September 22, 2011

Mr. Marty Brown, Director
Office of Financial Management
300 Insurance Building
Olympia, Washington 98504-3113

Dear Mr.  Brown:

Enclosed is the 2012 Supplemental Operating Budget Request for the Washington Department of Fish and Wildlife (WDFW), as approved by the Fish and Wildlife Commission.

The last three years have been exceptionally difficult for everyone making and implementing budget decisions. The global recession was deeper than any in decades, and the notable absence of a rebound in the job market has stifled state revenue growth, creating an incessantly unstable economic environment.

We understand that every agency must do its part in crafting solutions to the current dilemma. However, we find ourselves out of any good options to suggest. Over the last three years, the Department has permanently lost 37% of its general fund support. Back out the inflationary and workload increases of \$5.4 million, and the figure becomes an ongoing loss of 41%.

Our Department provides three main benefits: resource conservation, economic growth, and recreation. Our conservation activities all ranked in the top third of the most recent POG process, yet we have had deep cuts. Much of our state general fund use directly results in increases to economic activity. The fish we produce and the fisheries we manage generate \$2.7 billion of economic activity each year. Despite concerns about jobs and growth, we have sharply reduced the salmon production that supports recreational, commercial and tribal fisheries. Lastly, our work that supports outdoor recreation is funded solely through user fees, so there is no general fund to cut.

We have managed the last few years of reduction through several tools:

Strive for efficiencies. We have cut layers of management and support. While this approach protects our on-the-ground functions, it is now leading to operational inefficiencies. We are seeing greater risks, liabilities and claims in the agency as supervision has been spread ever thinner. We are also seeing declines in productivity as infrastructure reductions result in Information Technology bottlenecks. Some



“efficiencies” are simply illusory: releasing fish from hatcheries earlier saves some staff, utility and food costs, but their survival rate drops.

Use other funds. Federal funding is now declining. Our license fee revenue is inadequate to sustain current hunting and fishing opportunities, and would be inappropriate for most work we do with state general fund. We were able to shift funding for some hatcheries to private sources, but that model is struggling and there is no known interest in further partnerships.

Reduce programs and service levels. These are the most painful reductions, where the agency mission is compromised, and we cannot help but wonder if the dollar savings are worth the impact to our citizens and our natural resources.

Our options for reductions in this supplemental budget will negatively impact natural resource conservation and will damage private business infrastructure that relies on our services and products. A quick overview of our budget reveals that 96% of our state general fund use falls into just four main areas: fish production, recovery and fisheries management (41%), enforcement (20%), and habitat conservation (21%). Fourteen percent covers the general fund’s portion of executive policy, infrastructure and staff support functions. There are no good choices left.

The attached reduction proposals generally have one of two types of impact:

Further cuts that will hurt the economy. Given our uses of state general fund, this budget submittal describes the impacts of closing three hatcheries and reducing or closing four fisheries. This would directly lead to a loss of jobs and economic activity.

Further cuts that will increase risk. Under these proposals, there would be less protection of natural resources: fewer staff to protect fish life through Hydraulic Permits, fewer staff to leverage outside grants to recover salmon populations, no staff to detect invasive mussels in ballast water, and less leadership to ensure the department operates efficiently and effectively.

Given how unpalatable these cuts will be to the state’s decision makers, we expect there will be continued pressure to try to shave off additional slices of funding for certain activities, rather than eliminating whole activities. As an agency, we have asked more and more of our staff who remain. Back-office functions have just half the recommended staff relative to their workload. We have low levels of WMS employees. Our agency federal indirect rate, which reflects the size of support functions, is lower than our peers. We do not believe we can push any more work onto staff; we need to let go of work functions in this round of reductions.

As part of this package, you will also see we have some budget requests for additional authority. These fall into two categories: unavoidable costs and cost increases, which unfortunately hit the state general fund, and emerging needs and opportunities, which are generally covered through specific license fees in restricted sub-accounts where revenues can support program expansions.

Mr. Marty Brown
September 22, 2011
Page 3

We look forward to working with you as you develop your statewide budget proposals. We welcome new ideas we may have missed, or ongoing refinement of these ideas.

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, at 360-902-8128 for any further information.

Sincerely,



Phil Anderson
Director

Enclosure

cc: Chris Stanley, Budget Assistant, Office of Financial Management
Joe Stohr, Deputy Director, WDFW
David Giglio, Technology and Financial Management Assistant Director, WDFW
Lee Rolle, Chief Financial Officer WDFW
Owen Rowe, Budget Director, WDFW

**WASHINGTON DEPARTMENT OF FISH AND WILDLIFE
2012 Supplemental Operating Budget Request**

Table of Contents

SUMMARY

Recommendation Summary at Agency Level	01
Operating Budget Request Summary by Agency Priority	09
Summarized Revenue by Account and Source	11

DECISION PACKAGES

Maintenance Level

AA – Fish Food Cost Increases	13
AB – Wildfire Season Costs	17
AC – Payments in Lieu of Taxes and Assessments.....	21
AD – Information Services Board IT Security Compliance	25
AE – Increase Private/Local Authority.....	29

Performance Level

AF – Wolf Population Monitoring.....	35
AG – Black Bear Monitoring and Management	39
AH – Deer and Elk Conflict Management	43
AI – Mountain Goat and Bighorn Sheep Recovery	47
AJ – Point Whitney Staff Consolidation.....	51
AK – Co-location of Southwest Regional Office	55
AL – Large Carnivore Conflict Management	59
XA – Reduce Senior Management Staff	63
XB – Suspend Compensation for Wildlife Damage	67
XC – Reduction in Hatchery Maintenance	71
XD – Reduce Payments in Lieu of Taxes	75
XE – Hoodspout Hatchery Reduction	79
XF – Close Samish Salmon Hatchery.....	83

**WASHINGTON DEPARTMENT OF FISH AND WILDLIFE
2012 Supplemental Operating Budget Request**

Table of Contents

XG – Close Nemah Salmon Hatchery.....	87
XH – Reduce Puget Sound Toxic Contaminant Samples	91
XI – Eliminate Puget Sound Contaminant Samples	95
XJ – Reduce Chum Protection and Recovery	99
XK – Reduction of Puget Sound Shellfish Harvest	103
XL – Close Puget Sound Herring and Reduce Urchin	107
XM – Reduce Puget Sound Crab and Shrimp Management.....	111
XN – Close Grays Harbor Salmon and Sturgeon.....	115
XP – Eliminate Ballast Management – Columbia River	119
XQ – Eliminate Ballast Management in Puget Sound	123
XR – Delay Hydraulic Project Approval Program Permitting.....	127
XS – Reduce Salmon Recovery.....	131
XT – One-Time Equipment Reduction	135

State of Washington
Recommendation Summary

Agency: **477 Department of Fish and Wildlife**

Dollars in Thousands

	Annual Average FTEs	General Fund State	Other Funds	Total Funds
2011-13 Current Biennium Total				
Total Carry Forward Level				
Percent Change from Current Biennium				
Carry Forward plus Workload Changes				
Percent Change from Current Biennium				
M2 AA Fish Food Cost Increases		180		180
M2 AB Wildfire Season Costs		470		470
M2 AC PILT and Assessments		2,872		2,872
M2 AD ISB IT Security Compliance	1.3	254	380	634
M2 AE Increase Private/Local Authority	26.0		6,314	6,314
Total Maintenance Level	27.3	3,776	6,694	10,470
Percent Change from Current Biennium				
PL AF Wolf Population Monitoring	0.8		150	150
PL AG Black Bear Monitoring & Management	1.2		200	200
PL AH Deer and Elk Conflict Management	2.5		443	443
PL AI Mountain Goat & Bighorn Sheep Recovery	1.0		350	350
PL AJ Pt. Whitney Staff Consolidation			150	150
PL AK Co-location of SW Regional Office	0.2	151	227	378
PL AL Large Carnivore Conflict Management	0.7		150	150
PL XA Reduce Senior Management Staff	(7.0)	(1,760)		(1,760)
PL XB Suspend Comp for Wildlife Damage		(300)		(300)
PL XC Reduction in Hatchery Maintenance		(42)		(42)
PL XD Reduce Payments In Lieu of Taxes		(160)		(160)
PL XE Hoodspout Hatchery Reduction	(1.0)	(253)		(253)
PL XF Close Samish Salmon Hatchery	(1.3)	(267)		(267)
PL XG Close Nemah Salmon Hatchery	(2.0)	(727)		(727)
PL XH Reduce PS Toxic Contaminant Samples	(1.2)	(302)		(302)
PL XI Eliminate PS Contaminant Samples	(2.0)	(411)		(411)
PL XJ Reduce Chum Protection & Recovery	(1.1)	(154)		(154)
PL XK Reduction of PS Shellfish Harvest	(1.0)	(257)		(257)
PL XL Close PS Herring & Reduce Urchin	(1.1)	(187)		(187)
PL XM Reduce PS Crab and Shrimp Mgmt	(1.8)	(280)		(280)
PL XN Close Gray Harbor Salmon & Sturgeon	(2.0)	(383)		(383)
PL XP Eliminate Ballast Mgmt Columbia River	(1.0)	(176)		(176)
PL XQ Eliminate Ballast Mgmt in PS	(1.0)	(176)		(176)
PL XR Delay HPA Program Permitting	(3.0)	(630)		(630)
PL XS Reduce Salmon Recovery	(2.0)	(374)		(374)

PL XT One-Time Equipment Reduction		(100)		(100)
Subtotal - Performance Level Changes	(22.3)	(6,788)	1,670	(5,118)
2011-13 Total Proposed Budget	5.1	(3,012)	8,364	5,352
Percent Change from Current Biennium				

M2 AA Fish Food 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 listed under the Federal Endangered Species Act. WDFW requests additional funding to address the 20% increase in fish food costs that took place since January 2010 due to cost increases associated with the fish food nutrient base and market availability. Without additional funding, salmon plants into local streams will be reduced and/or state hatchery closures will be necessary.

M2 AB Wildfire Season Costs

Each year, wildfires on Washington Department of Fish & Wildlife's (WDFW) lands cause damage to habitat, facilities and wildlife. WDFW is required to pay local fire districts and the Department of Natural Resources (DNR), who are responsible for fire suppression activities on WDFW lands. Funding is requested for fire suppression, habitat restoration, and winter feeding associated with 2011 and 2012 wildfires. This work is necessary to protect human health, facilities and structures, and fish and wildlife habitat. Current budget levels do not include funding for these activities and WDFW requests a permanent appropriation similar to how fire suppression costs are provided to DNR in order to secure consistent funding for this activity.

M2 AC PILT and Assessments

The Washington Department of Fish and Wildlife (WDFW) is required by RCW 77.12.201 to make payments in-lieu of property taxes (PILT) for Department-owned lands to counties that elect to receive this payment. Counties choose from three different formulas to compute the PILT payment. Depending on the formula, PILT calculations can vary substantially. The WDFW is also required to pay assessments for weed control, storm water management, and lake management and dike districts. In fiscal year 2012, PILT payments for WDFW properties will increase due to an anticipated use of an alternate formula for computing PILT rate in Kittitas County, increases in assessments and for the acquisition of additional land in counties that elect to receive PILT.

M2 AD ISB IT Security Compliance

WDFW requests additional funding to comply with revised IT Security Standards by August 2012 as mandated by the Information Services Board (ISB) Policy 401.S4. WDFW, like many other agencies, operate in the State Governmental Network (SGN) which is a shared network with each agency trusting the other to facilitate the exchange of information and leverage common systems. Many agencies have highly confidential and sensitive personal information regarding the citizens of the state which is a target for identity thieves and other criminals. For the SGN to be effective at securing citizen data in a shared environment, each agency is expected to meet the minimum requirements set forth so to not create loopholes or backdoors for malicious users to use as a method of attacking another agency or the State network as a whole. The following supplemental request is needed to ensure that WDFW is able to meet the minimum requirements of the State IT Security Policy. WDFW is able to achieve only partial compliance within existing resources and additional funding is necessary to meet full requirements in the areas of encrypting confidential data, network access security and event monitoring and logging.

M2 AE Increase Private/Local Authority

Washington Department of Fish & Wildlife (WDFW) receives General Fund- Private/Local (GF-P/L) revenue from many sources to provide services and mitigate the environmental impacts of counties, cities, public utility districts (PUDs), and tribes. Review of 2009-11 biennial revenues and expenditures indicate a need for additional GF-P/L authority above the current appropriation level in order to meet demand for Department services.

In addition, this package includes a request for a technical adjustment to the Special Wildlife Account (SWA) to increase SWA- Private/Local authority and decrease SWA-Federal authority. This adjustment nets to zero, and simply corrects an accounting error that the Department would like to rectify.

PL AF Wolf Population Monitoring

Wolves are re-colonizing Washington and WDFW has the primary responsibility for monitoring wolves in Washington. By radio-marking and tracking wolves, we will be able to help mitigate livestock damage by notifying livestock producers of wolf presence and implement pro-active, non-lethal management tools to minimize wolf-livestock conflicts. We will be able to determine when packs and territories become established and when we achieve recovery objectives for the species. WDFW requests authority to spend revenue from the endangered species license plate to monitor wolf population status and trends in Washington.

PL AG Black Bear Monitoring & Management

WDFW requests additional funding to research, select and implement a new black bear population estimate and monitoring methodology. Currently, only demographic information from harvest reports are used to create population estimates that guide the development of bear hunting seasons. This funding will enable WDFW to better understand the short-term impacts of regulation and environmental changes on black bear populations without the time lag associated with data based solely on harvest information.

PL AH Deer and Elk Conflict Management

As the state's human population continues to grow, interactions between wildlife and humans are more frequent, resulting in increased damage to property and livestock. The Legislature directed the Washington Department of Fish and Wildlife (WDFW) to address these growing issues through significant amendments to Chapter 77.36 RCW. A dedicated Wildlife Conflict Management Program, with staff to deal with these conflicts quickly and efficiently, is the key to successful outcomes and healthy, sustainable wildlife populations. Ongoing funding is requested for a program to address chronic property and livestock damage in the hardest hit areas of the state. Funding necessary to support this program would be generated by increasing the number of hunting permits available for sale, estimated to generate additional Wildlife Fund State revenue of approximately \$450,000 per year.

PL AI Mountain Goat & Bighorn Sheep Recovery

Recent research identified several areas where historic populations of mountain goats have experienced dramatic declines or local extirpations in the north Cascades. WDFW would like to develop and implement a plan to take mountain goats from areas where their populations are robust and release them into suitable habitats in the north Cascades that are vacant, or to boost populations that are currently at low levels.

At the same time, bighorn sheep population levels across the western states have been significantly constrained in recent years due to a disease that is primarily transmitted by the intermingling of domestic and wild sheep. In order to address the transmission of the disease, bighorn sheep would be instrumented with tracking devices to determine their movements and improve our understanding of home ranges. This information would be shared with the U.S. Forest Service (USFS) to inform domestic sheep grazing allotment plans and minimize the overlap with bighorns.

PL AJ Pt. Whitney Staff Consolidation

WDFW requests increased spending authority in the State Wildlife Account to expend lease revenues collected at the Point Whitney shellfish facility in Brinnon. There is a time sensitive opportunity for WDFW to expand the current lease at Point Whitney and increase lease revenues. The lease expansion would also reduce the maintenance and repair costs to WDFW at this site. The revenue collected would be used to improve operational efficiency and effectiveness by relocating WDFW staff stationed at Point Whitney to the greater Port Townsend area and consolidating them with other WDFW staff located on the Olympic Peninsula.

PL AK Co-location of SW Regional Office

Due to several issues and problems, WDFW is requesting funds to relocate the SW Region office to a facility better suited to the Department's mission. Currently, the office is located in an economically depressed high crime area, which increases risks to staff and equipment. There have been twenty-eight (28) documented incident reports filed by the security company so far this year at this facility. Relocating this office will situate the agency in a facility that is suitable for many decades to come, and avoid attempting to negotiate a lease renewal at the current facility, which expires 11/30/2012. Relocating to another building allows better access for the public, less costly travel for the field staff, adequate space and security for staff and equipment, decreased security costs, provides a safe environment for staff and visitors, decreases property vandalism, and decreases utility costs.

PL AL Large Carnivore Conflict Management

As the state's human population continues to grow, interactions between wildlife and humans are more frequent, often resulting in damage to property and livestock. This issue is even more pronounced with large carnivores and their interactions with people. The concerns extend beyond property damage to concerns for personal safety. The Legislature directed the Department of Fish and Wildlife to address these growing issues through significant amendments to Chapter 77.36 RCW. Dedicated staff to deal with these management challenges proactively through education and outreach; monitoring carnivore locations, movements, and survival; and responding to incidents quickly and efficiently, is the key to establishing successful outcomes and maintaining healthy, sustainable carnivore populations. Ongoing funding is requested for a program to address management priorities, livestock losses, and public safety concerns related to carnivores in key areas of the state. Funding necessary to support this program would be generated by developing cougar and wolf background license plates to generate revenue of approximately \$150,000 per year beginning in FY13.

PL XA Reduce Senior Management Staff

Under this reduction option, the Department would eliminate up to seven senior management positions and spread supervisory and policy duties out to remaining managers. This will result in decreased coordination, oversight, and training of staff throughout the agency, and a seriously diminished policy presence to work with local governments, tribes, other agencies and federal partners.

PL XB Suspend Comp for Wildlife Damage

This initial 5% reduction option will suspend crop damage payments and funding for professional crop evaluative work to assist private landowners who experience crop losses caused by wildlife during the 2011-13 biennium. Reducing these payments could potentially decrease tolerance for deer/elk populations near agricultural communities, as well as result in economic losses to agricultural producers.

PL XC Reduction in Hatchery Maintenance

This 5% General Fund-State reduction option will reduce hatchery maintenance. Currently, funding is used for emergencies and "band-aid fixes." Due to past reductions, the Department's maintenance budget is a fraction of that needed for responsible asset management. Additional cuts will further reduce the Department's ability to manage these assets, such as reducing dredging and maintenance of three intakes at \$12,000 each. If a major flood event occurs, gravel and debris will choke off these intakes because dredging didn't occur. The hatcheries may lose their ability to draw water resulting in major fish loss. This fish loss could mean a negative impact to ESA listed salmon and/or a loss of revenue to the State's economy. If the intakes are damaged, repairs may require a capital request of at least \$70,000 for each intake.

PL XD Reduce Payments In Lieu of Taxes

Washington Department of Fish & Wildlife (WDFW) is statutorily required to make payments on Department-owned lands where counties elect to receive payments in-lieu of property taxes (PILT). This initial 5% reduction option requests a temporary statutory amendment in Part IX of the omnibus operating budget to make a one-time reduction in the amount of GF-S for PILT payments that WDFW is required by statute (77.12.201) to submit to counties during the 2011-13 biennium. This reduction will require modification to RCW 77.12.203, and equates to a 10% reduction of the amount of GF-S currently budgeted as pass-through funding to counties.

PL XE Hoodspout Hatchery Reduction

This initial 5% reduction option will significantly reduce salmon production at the Hoodspout Salmon Hatchery, located in the Hood Canal region. This will result in the elimination of fifty-five percent (55%) of the current chum production in the Hood Canal region, as well as a twelve percent (12%) reduction of hatchery fall Chinook to the Hood Canal area. The tribal and state commercial chum fisheries that occur in Hood Canal will be reduced by as much as sixty percent (60%). Contemporary economic analysis indicates chum production in the Hood Canal region generates over \$6 million dollars in local personal income.

PL XF Close Samish Salmon Hatchery

This secondary 5% GF-S reduction option results in the closure of the Samish Hatchery and will result in the elimination of all fall Chinook production in the Nooksack/Samish region. The tribal and state commercial fall Chinook fisheries that occur in this region as a result of this production will essentially be eliminated. Contemporary economic analysis indicates this production provides \$1,460,500 annual economic value as measured in personal income.

PL XG Close Nemah Salmon Hatchery

This secondary 5% reduction option will close the Nemah Salmon Hatchery in the Willapa Bay in southwest Washington. Closure of this facility will result in the elimination of 3,000,000 fall Chinook salmon and 300,000 chum salmon, annually. This represents a forty-three percent (43%) reduction in fall Chinook production and a thirty-eight percent (38%) reduction in chum production in Willapa Bay.

Fisheries that will be negatively affected by the elimination of this production specifically include the state commercial and recreational fisheries within Willapa Bay and more generally, the greater Washington coastal fisheries. The estimated economic effect to the Willapa Bay region could be a loss in local personal income in the commercial fisheries at \$208,000 per year. There will be an impact on the recreational salmon fisheries in this area as well.

PL XH Reduce PS Toxic Contaminant Samples

WDFW samples two key indicator species in Puget Sound for toxic contaminants every two years. This initial 5% reduction option reduces the sampling frequency by 50% so that sampling will occur every four years, limiting WDFW's ability to respond to toxic contaminants and monitor pollution trends in the Puget Sound. If implemented, this package will decrease the amount of available technical, toxic trend information necessary to implement the Puget Sound Action Agenda. Further, collection and analyzing capacity will be negatively affected, reducing our ability to report and communicate sampling results with resource managers, scientists, and policy makers.

PL XI Eliminate PS Contaminant Samples

This secondary 5% reduction option to the WDFW's Puget Sound toxic contaminant program will completely eliminate the program. Currently, WDFW samples key indicator species English Sole and Puget Sound herring for the presence of numerous contaminants to inform and guide policy and decision makers about the presence of toxic contaminants in the Puget Sound food web and the general health of Puget Sound fishes. This reduction would result in resource managers, decision makers, and policy makers not being able to make informed decisions about toxic contaminants and the overall health of Puget Sound. This program and the resulting data is part of the Puget Sound Partnership Action Agenda.

PL XJ Reduce Chum Protection & Recovery

This secondary 5% reduction option will reduce the summer chum recovery efforts in Hood Canal and Grays River, reduce WDFW's monitoring of hatchery straying impacts on wild fish, and reduce the monitoring of associated salmon recovery programs. These reductions will decrease the work on recovery of listed chum salmon in Hood Canal tributaries and in the Grays River. This work will reduce and in some cases eliminate the ability to ensure the appropriate mix of natural/hatchery adults for spawning. It will also reduce or eliminate the genetic analyses to verify marks and assess recovery programs.

PL XK Reduction of PS Shellfish Harvest

This initial 5% reduction option reduces the amount of clam and oyster seed planted on public beaches by 30%, which will reduce the recreational harvest of clams and oysters from public beaches in Puget Sound by approximately 20% or more in 2-3 years. It also reduces shellfish disease and predator control permitting functions by 50-65% and reduces intertidal clam and oyster assessment and management activities.

Reducing the regulatory permitting of shellfish transfers from restricted areas to mandatory functions will increase the conservation risk of shellfish diseases, predators, and pests being spread to other beaches. This will place the economic stability and profitability of Washington's commercial industry at greater risk and threaten native shellfish.

PL XL Close PS Herring & Reduce Urchin

This initial 5% reduction option will close the commercial Puget Sound Pacific Herring bait fishery and reduce the commercial sea urchin and sea cucumber harvest by approximately 30%. Loss of staff capacity would require the Department to passively manage the commercial sea urchin and sea cucumber fisheries on a more conservative basis, resulting in lost harvest opportunity. Fishers will no longer be able to buy fresh herring bait from a local market. Commercial sea urchin and sea cucumber fishers will lose income and the fisheries will not be as economically viable. The resulting ex-vessel value (price received by fishermen) decrease could be approximately \$500,000 per year.

PL XM Reduce PS Crab and Shrimp Mgmt

This initial 5% reduction option will eliminate one of two lead biologists who manage Puget Sound crab and shrimp commercial and recreational harvest, and also eliminates a scientific technician in the commercial shrimp management unit. Consequently, there will be less capacity to negotiate harvest sharing agreements with tribal co-managers, plan and structure recreational and commercial state fisheries, manage and regulate those fisheries in-season, analyze and assess data, and generate biological and harvest reports. This action may result in delays in opening winter crab commercial and recreational fisheries, more conservative harvest quota for shrimp and may also result in the inability to adjust crab quotas in-season to increase harvest opportunities.

PL XN Close Gr Harbor Salmon & Sturgeon

This secondary 5% reduction option will close all state commercial salmon and sturgeon fisheries in Grays Harbor, including commercial fisheries for Chinook, coho, and chum salmon and white sturgeon. These fisheries produce an ex-vessel value (price received by fishermen) of approximately \$180,000 per year.

This reduction would eliminate one biological and one statistical support staff that are needed to plan and execute these fisheries. The biological position also manages and plans for all recreational fisheries on the coast from the Queets to the Columbia. The statistical position provides fishery modeling and forecast expertise for Chinook, coho, and chum salmon for western WA fisheries, as well as assessments of stock status, run contributions by age class, and predicted exploitation rates for salmon and steelhead stocks in Washington.

PL XP Eliminate Ballast Mgmt Columbia River

This initial 5% GF-S reduction option will eliminate the WDFW ballast water monitoring capacity in the Columbia River. WDFW monitors commercial vessels entering Washington ports that have the highest risk of transporting aquatic invasive species in their ballast water. As a result, the risk of not intercepting vessels with ballast water containing aquatic invasive species will increase. This proposed reduction increases the potential for catastrophic impacts to Washington's economy, including hydropower, agriculture, and other water dependent activities.

PL XQ Eliminate Ballast Mgmt in PS

This secondary 5% GF-S reduction option will eliminate the WDFW ballast water monitoring program in the Puget Sound. WDFW monitors commercial vessels entering Washington ports that have the highest risk of transporting aquatic invasive species in their ballast water. This reduction will eliminate the remaining state ballast water inspector. As a result, the risk of not intercepting vessels with ballast water containing aquatic invasive species will increase. This proposed reduction increases the potential for catastrophic impacts to Washington's economy, including hydropower, agriculture, and other water dependent activities.

PL XR Delay HPA Program Permitting

Hydraulic Project Approvals

- Initial 5% reduction option is \$207,956 and 1.0 FTE
- Secondary 5% reduction option is \$421,854 and 2.0 FTEs

Thousands of construction and maintenance projects on or near water occur each year that can damage or destroy fish, shellfish and their habitats. Hydraulic Project Approval (HPA) biologists review plans for these projects and set conditions to avoid or minimize impacts to fish life. At the 5% GF-S reduction option, WDFW will eliminate 1.0 FTE, and the 10% GF-S reduction option will eliminate an additional 2.0 FTEs. These options will result in a significant delay for hundreds of HPA applicants and there will be less onsite review to tailor permit conditions to the specific needs of the site. Onsite reviews provide the best opportunity to identify project designs that protect fish life and allow for project refinement that translate into cost control measures for the applicant. Applicants will likely experience increased costs for their projects and the Department will reduce fish protection.

PL XS Reduce Salmon Recovery

The Watershed Stewardship Team (WST) coordinates and informs over 60 entities for salmon recovery projects. WSTs provide technical assistance to a variety of salmon recovery partners including landowners, non profits, state and federal agencies and tribes. Each WST biologist is an expert in their respective watershed and provides a variety of assistance as determined by the local needs, ensuring local efforts have the greatest likelihood of success. This secondary 5 percent GF-S reduction option will eliminate 2.0 FTEs dedicated to salmon recovery actions. This option will cause loss or delays in delivering necessary expertise for effective salmon recovery projects and loss or delay in securing over \$70 million in recent grant cycles for many of these recovery projects. As a result, degradation of salmon habitat will accelerate. Loss of habitat is recognized as one of the primary causes of reduced salmon populations in the state.

PL XT One-Time Equipment Reduction

This initial 5 percent GF-S reduction option reduces the Department's ability to purchase equipment by \$100,000 during the 2011-13 biennium.

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: 2011-13

Decision Package

<u>Code</u>	<u>Decision Package Title</u>
PL-AF	Wolf Population Monitoring
PL-AK	Co-location of SW Regional Office
PL-AL	Large Carnivore Conflict Management
PL-AH	Deer and Elk Conflict Management
PL-AI	Mountain Goat & Bighorn Sheep Recovery
PL-AJ	Pt. Whitney Staff Consolidation
PL-AG	Black Bear Monitoring & Management
PL-XA	Reduce Senior Management Staff
PL-XT	One-Time Equipment Reduction
PL-XB	Suspend Comp for Wildlife Damage
PL-XC	Reduction in Hatchery Maintenance
PL-XD	Reduce Payments In Lieu of Taxes
PL-XE	Hoodspport Hatchery Reduction
PL-XF	Close Samish Salmon Hatchery
PL-XG	Close Nemah Salmon Hatchery
PL-XH	Reduce PS Toxic Contaminant Samples
PL-XI	Eliminate PS Contaminant Samples
PL-XJ	Reduce Chum Protection & Recovery
PL-XK	Reduction of PS Shellfish Harvest
PL-XL	Close PS Herring & Reduce Urchin
PL-XM	Reduce PS Crab and Shrimp Mgmt
PL-XN	Close Gray Harbor Salmon & Sturgeon
PL-XP	Eliminate Ballast Mgmt Columbia River
PL-XQ	Eliminate Ballast Mgmt in PS
PL-XR	Delay HPA Program Permitting
PL-XS	Reduce Salmon Recovery

The GF-S reduction options in this catalog are not listed in priority order. Each one of the reduction options is clearly marked as to whether it is an initial 5 percent, or secondary 10 percent GF-S reduction option. Each package should be judged on its individual principles and impacts. The Department has provided these options as mandated by the Office of Financial Management.

State of Washington

Summarized Revenue by Account and Source

Budget Period: 2011-13
 Dollars in thousands
 477 - Department of Fish and Wildlife
 Agency Level
 AR - 2012 Supplemental Budget
 Supporting Text Included

	Maintenance Level		Performance Level		Biennium Totals		Total
	FY2012	FY2013	FY2012	FY2013	FY2012	FY2013	
001 - General Fund							
AE - Increase Private/Local Authority	3,157	3,157					
Total - 0541 - Contributions Grants - P/L	3,157	3,157			3,157	3,157	6,314
001 - General Fund - Private/Local	3,157	3,157			3,157	3,157	6,314
Total - 001 - General Fund	3,157	3,157			3,157	3,157	6,314
104 - State Wildlife Accou							
AH - Deer and Elk Conflict Management				450			
Total - 0245 - Hunting/Fishing Lic - S				450		450	450
AL - Large Carnivore Conflict Management				150			
Total - 0299 - Other Licenses Permi - S				150		150	150
AJ - Pt. Whitney Staff Consolidation			30	120			
Total - 0402 - Income From Property - S			30	120	30	120	150
104 - State Wildlife Accou - State			30	720	30	720	750
Total - 104 - State Wildlife Accou			30	720	30	720	750
110 - Spec Wildlife							
AE - Increase Private/Local Authority	(1,464)	(1,464)					
Total - 0315 - Dept of Interior - F	(1,464)	(1,464)			(1,464)	(1,464)	(2,928)
AE - Increase Private/Local Authority	1,464	1,464					
Total - 0541 - Contributions Grants - P/L	1,464	1,464			1,464	1,464	2,928
110 - Spec Wildlife - Federal	(1,464)	(1,464)			(1,464)	(1,464)	(2,928)
110 - Spec Wildlife - Private/Local	1,464	1,464			1,464	1,464	2,928
Total - 110 - Spec Wildlife	0	0			0	0	0
477 - Department of Fish and Wildlife - State			30	720	30	720	750

477 - Department of Fish and Wildlife - Federal	(1,464)	(1,464)			(1,464)	(1,464)	(2,928)
477 - Department of Fish and Wildlife - Private/Local	4,621	4,621			4,621	4,621	9,242
Total - 477 - Department of Fish and Wildlife	3,157	3,157	30	720	3,187	3,877	7,064

AE - Increase Private/Local Authority

Washington Department of Fish & Wildlife (WDFW) receives General Fund- Private/Local (GF-P/L) revenue from many sources to provide services and mitigate the environmental impacts of counties, cities, public utility districts (PUDs), and tribes. Review of 2009-11 biennial revenues and expenditures indicate a need for additional GF-P/L authority above the current appropriation level in order to meet demand for Department services.

In addition, this package includes a request for a technical adjustment to the Special Wildlife Account (SWA) to increase SWA- Private/Local authority and decrease SWA-Federal authority. This adjustment nets to zero, and simply corrects an accounting error that the Department would like to rectify.

AH - Deer and Elk Conflict Management

As the state's human population continues to grow, interactions between wildlife and humans are more frequent, resulting in increased damage to property and livestock. The Legislature directed the Washington Department of Fish and Wildlife (WDFW) to address these growing issues through significant amendments to Chapter 77.36 RCW. A dedicated Wildlife Conflict Management Program, with staff to deal with these conflicts quickly and efficiently, is the key to successful outcomes and healthy, sustainable wildlife populations. Ongoing funding is requested for a program to address chronic property and livestock damage in the hardest hit areas of the state. Funding necessary to support this program would be generated by increasing the number of hunting permits available for sale, estimated to generate additional Wildlife Fund State revenue of approximately \$450,000 per year.

AJ - Pt. Whitney Staff Consolidation

WDFW requests increased spending authority in the State Wildlife Account to expend lease revenues collected at the Point Whitney shellfish facility in Brinnon. There is a time sensitive opportunity for WDFW to expand the current lease at Point Whitney and increase lease revenues. The lease expansion would also reduce the maintenance and repair costs to WDFW at this site. The revenue collected would be used to improve operational efficiency and effectiveness by relocating WDFW staff stationed at Point Whitney to the greater Port Townsend area and consolidating them with other WDFW staff located on the Olympic Peninsula.

AL - Large Carnivore Conflict Management

As the state's human population continues to grow, interactions between wildlife and humans are more frequent, often resulting in damage to property and livestock. This issue is even more pronounced with large carnivores and their interactions with people. The concerns extend beyond property damage to concerns for personal safety. The Legislature directed the Department of Fish and Wildlife to address these growing issues through significant amendments to Chapter 77.36 RCW. Dedicated staff to deal with these management challenges proactively through education and outreach; monitoring carnivore locations, movements, and survival; and responding to incidents quickly and efficiently, is the key to establishing successful outcomes and maintaining healthy, sustainable carnivore populations. Ongoing funding is requested for a program to address management priorities, livestock losses, and public safety concerns related to carnivores in key areas of the state. Funding necessary to support this program would be generated by developing cougar and wolf background license plates to generate revenue of approximately \$150,000 per year beginning in FY13.

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AA Fish Food Cost Increases
Budget Period: 2011-13
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 listed under the Federal Endangered Species Act. WDFW requests additional funding to address the 20% increase in fish food costs that took place since January 2010 due to cost increases associated with the fish food nutrient base and market availability. Without additional funding, salmon plants into local streams will be reduced and/or state hatchery closures will be necessary.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	90,175	90,175	180,350
Total Cost	90,175	90,175	180,350

Package Description:

Fish food purchased by WDFW supports salmon fish production for tribal, commercial and recreational fisheries in Washington, as well as recovery and conservation programs for fish populations listed under the Federal Endangered Species Act. Fish food expenditures are budgeted at approximately \$4.9 million per year.

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

Fish food costs for WDFW have increased 20% since January 2010 due to the rising cost of the base marine derived nutrients from which fish food is made, and the global market demand for fish food.

Without additional funding to support current fish production, strategies to address this cost increase include negotiating salmon production reductions with treaty tribes, and/or closing selected hatcheries to offset the cost increases.

Funding this package will allow fish production at Washington's hatcheries to continue to provide the fisheries that people depend upon for jobs, to meet federal court orders, to support local economies, to provide family recreational opportunities and to protect Washington's fishing cultural heritage.

The majority of salmon production at WDFW owned hatcheries is linked to federal court orders with treaty tribes. Production reductions in the geographic areas served by court orders require negotiations with individual tribes. These geographic areas include all of Puget Sound including Hood Canal, the Strait of Juan de Fuca, and the North Coast.

The proposed implementation schedule is:

July 2011 thru June 2012 -

- (1) Fish production reductions will be identified and negotiated with treaty tribes;
- (2) Hatchery closures will be identified.

September 2012 -

- (1) Production reductions and hatchery closures necessary to offset the shortfall will be implemented.

Name & Phone number of Subject matter expert:

Heather Bartlett, Hatcheries Division Manager, 360-902-2662.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request will allow WDFW to continue producing fish at current levels. Without funding, there will be approximately 20% less fish food requiring production reductions resulting in a proportionately higher rate in lost salmon production.

The salmon fisheries benefit all districts within Washington.

Performance Measure Detail

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

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

This decision package supports two of the Department's goals contained in the 2011-2017 Strategic Plan:

Goal 1: Conserve and protect native fish and wildlife; and

Goal 2: Provide sustainable fishing, hunting and other wildlife recreational experiences.

Does this decision package provide essential support to one of the Governor's priorities?

The proposal supports the Governor's initiatives including the environment, and contributes towards economic recovery. The Governor states, "Our natural resources not only provide beauty and recreation, they are the lifeblood of our economy."

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

The proposal supports the Natural Resource/Recreation strategy included in the Priorities of Government:

- Achieve sustainable use of public natural resources.

- Provide stewardship of cultural and recreational assets.
- Ensure quality cultural and recreational experiences.

It rates as a high priority due to economic benefits provided to local businesses and its contribution to the sustainable use of public natural resources. It contributes to preserving and protecting recreational and cultural assets, traditions and values, and provides access to and availability of commercial and recreational opportunities.

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

Fish and wildlife benefit Washington's economy every year.**
 \$1.6 billion - Commercial fishing+
 \$1.1 billion - Sport fishing*

**Source: Department of Fish and Wildlife: "Washington Department of Fish and Wildlife Stewards of the state's natural heritage."
 +Source: Fisheries Economics of the United States 2006 (NOAA)
 *Source: U. S. Fish and Wildlife Service, 2006 National Survey of Fishing, Hunting and Wildlife-Associated Recreation.

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

WDFW utilized various strategies to offset higher fish food costs in 2009-2011 to maintain current fish production levels and fish health and to remain within hatchery operational budgets. These included:

- (1) Altering feeding regimes, releasing fish earlier at smaller sizes, reducing other hatchery operational costs on a one-time only basis, and shifting purchases to companies that have had the lowest increases in costs; and
- (2) Purchasing the fish food with the agency purchasing card which provides a less than 1% rebate back to the hatchery to help offset the costs.

These strategies helped related to providing some savings to offset fish food purchases in 2009-2011 and some of them will be continued, but are not anticipated to provide relief into 2011-2013 to offset the additional cost increases. 2009-2011 reductions in other operational costs to help offset fish food costs were identified as one-time only and not sustainable into future biennia. Releasing fish early as a long-term strategy is not a feasible option because the survival rate is reduced.

Assessing different fish feeding regimes and utilizing lower costing fish food when possible will continue.

What are the consequences of not funding this package?

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 businesses, i.e. restaurants, recreational equipment, boats, license revenues), to provide family recreational opportunities and to protect Washington's fishing cultural heritage. Hatchery practices and infrastructure to produce these fish have been undergoing change to optimize protection of native fish.

Without funding, strategies to address the fish food cost increases include:
 (1) Negotiating salmon production reductions with treaty tribes; and/or
 (2) Closing selected hatcheries to offset cost increases.

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

Funding needed is based on the percentage of increase in fish food costs over calendar years 2010 and 2011.

7.75% Increase January 1, 2010 thru June 30, 2010:
\$872,135 (GF-S fish food expenditures) x 1.0775 (7.75% increase) = \$939,725

8.50% Increase July 1, 2010 thru December 31, 2010:
\$939,725 x 1.085 = \$1,019,602

1.7% Increase January 1, 2011 thru June 30, 2011:
\$1,019,602 X 1.017= \$1,036,935

1.5% Increase July 1, 2011 thru December 31, 2011:
\$1,036,935 x 1.015 = \$1,052,489

\$1,052,489-\$872,135 (Base) =\$180,350

\$180,350 / \$872,135 = 20.7% increase

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

This fish food costs increase is ongoing and funding is needed in future biennia to maintain current hatchery production levels. Fish food costs may increase in future biennia dependent upon market conditions.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	90,175	90,175	180,350

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AB Wildfire Season Costs
Budget Period: 2011-13
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

Each year, wildfires on Washington Department of Fish & Wildlife's (WDFW) lands cause damage to habitat, facilities and wildlife. WDFW is required to pay local fire districts and the Department of Natural Resources (DNR), who are responsible for fire suppression activities on WDFW lands. Funding is requested for fire suppression, habitat restoration, and winter feeding associated with 2011 and 2012 wildfires. This work is necessary to protect human health, facilities and structures, and fish and wildlife habitat. Current budget levels do not include funding for these activities and WDFW requests a permanent appropriation similar to how fire suppression costs are provided to DNR in order to secure consistent funding for this activity.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	235,000	235,000	470,000
Total Cost	235,000	235,000	470,000

Package Description:

Current budget levels do not include funding for wildfire suppression, winterfeeding and habitat restoration activities. This request is a placeholder to address anticipated costs associated with wildfires that occur during the 2011 and 2012 wildfire seasons. An update will be provided once the fire season is over and suppression and recovery costs have been identified.

Fire suppression prevents fires from spreading to private lands, including important commercial timberlands. Habitat restoration is often required after a wildfire to provide suitable habitat for fish and wildlife by controlling erosion, restoring native perennial vegetation, and limiting the spread of noxious weeds. Also, providing alfalfa hay for elk prevents them from moving onto private lands in search of food resulting in reduced damage claims by crop growers.

Each year there is a high risk of wildfires causing impacts to WDFW owned habitat and property, including fences and other structures. WDFW is required to pay local fire districts and DNR for fire suppression services. After a fire, immediate habitat rehabilitation is often required to control erosion, restore native perennial vegetation, and limit the spread of noxious weeds. Loss of habitat can result in greater winter wildlife mortalities. To mitigate habitat loss caused by devastating fires, winterfeeding is often necessary to prevent damage to private lands from wildlife seeking food. Habitat restoration and winterfeeding serve to decrease wildlife damage claims and the resulting compensation paid to landowners.

Without additional funding to address wildfire associated costs, WDFW will be forced to absorb the costs required to be paid to local fire districts and DNR for fire suppression, thus resulting in a reduction of core activities.

Supplemental funding will cover costs associated with wildfires on WDFW lands, including fire suppression, habitat restoration and rehabilitation, facility and structure replacement and winter feeding activities.

Damaged habitat for fish and wildlife will be rehabilitated and restored quickly through seeding and planting vegetation, fertilizing, weed control, and establishing water bars and other erosion control measures. Winter mortalities and wildlife damage to private lands will be minimized and DNR and local fire districts will receive payment for their fire suppression activities.

WDFW is requesting a permanent appropriation. Similar to how fire suppression costs are paid by DNR, WDFW requests an on-going appropriation in order to have consistent funding for this activity. Funds not needed would remain unspent and if additional funds are needed during a particularly bad fire season, then an additional amount would be requested. This will provide a more consistent means of funding and will not necessitate a budget request each year.

Wildfire suppression is triggered by wildfires throughout the fire season, typically June through September. WDFW has agreements in place with DNR and local fire districts to respond to wildfires on WDFW lands. After the fire damage assessment, habitat rehabilitation, and structure replacement will occur in the spring. Feeding during the winter is necessary if forage has been destroyed during the fire.

This package would provide funding for fires that occur statewide.

Name and Phone Number of Subject Matter Expert:
Paul Dahmer, Wildlife Area Section Manager (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 on WDFW-owned property also protects adjacent private orchards and agricultural lands by reducing the loss of browse and forage vegetation that deer and elk depend on. Additionally, protecting and rehabilitating wildlife habitat on public lands, providing winter feed until forage resources rebound, and providing landowner compensation for agricultural losses 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 2011-17 Strategic Plan. Fire suppression, habitat restoration and winterfeeding allow the Department to manage its wildlife areas to protect diverse wildlife populations and provide compatible wildlife recreational opportunities.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package relates to the Governor's priority, "Concern for Our Environment" and supports the WDFW mission of protecting, restoring, and enhancing fish and wildlife and their habitats.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package makes a key contribution to the statewide result, "Improve the Quality of Washington's Natural Resources." The activity "Manage Land and Access" is funded as a highest priority purchase. The need to "Protect Fish, Wildlife, and Habitat" is funded as a lower priority purchase with the strategy to preserve, maintain, and restore natural systems and landscapes.

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

Wildfire suppression, habitat restoration of burned areas, winterfeeding and landowner compensation will reduce the potential for human/wildlife conflicts as well as minimize potential for wildlife mortalities this winter.

Recently, DNR informed WDFW staff that their ability to provide fire suppression on non-forested lands is not statutorily authorized. This may require a more costly means of obtaining fire suppression for these lands.

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

The most expedient and efficient suppression techniques are chosen to control each fire situation. Habitat restoration is not proposed for all lands burned. Some lands recover naturally over time and other areas cannot be treated cost effectively. Devastating fires resulting in forage destruction necessitate feeding deer and elk during the winter. Funding in the land management base budget is insufficient to cover these unpredictable emergency situations.

What are the consequences of not funding this package?

Not funding wildfire suppression costs will prevent WDFW from meeting contractual obligations for fire suppression. Without rehabilitation and winterfeeding activities, big game winter range will not be able to support wintering deer and elk. As a result, animal damage claims will increase with no funding to address them. Weed problems and erosion will increase and the wildlife carrying capacity of the range will decline. Federally listed salmonids often live in streams adjacent to lands affected by wildfires. Not funding rehabilitation activities will reduce WDFW's ability to limit sediment delivery into rivers, thereby causing a negative impact to fish stocks.

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

None at this time. However, capital facilities are often destroyed in wildfires. In this event, a capital budget request package would 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

Cost estimates are based on a 10 year average. Exact costs resulting from wildfires on WDFW lands will be provided after the current fire season is complete and suppression costs and recovery plans have been identified. Extra authority will revert to GF-S balance.

Goods and services include \$235,000 for costs related to fire suppression activities, range rehabilitation (e.g., seeding, planting, equipment rental), winter feeding, structure replacement and landowner agreements.

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

Similar to how fire suppression costs are dealt with by DNR, WDFW requests an on-going appropriation in order have consistent funding for this activity. Funds not needed would remain unspent and if additional funds are needed during a particularly strenuous fire season, an additional amount would be requested at that time.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	235,000	235,000	470,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AC PILT and Assessments
Budget Period: 2011-13
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Washington Department of Fish and Wildlife (WDFW) is required by RCW 77.12.201 to make payments in-lieu of property taxes (PILT) for Department owned lands to counties that elect to receive this payment. Counties choose from three different formulas to compute the PILT payment. Depending on the formula, PILT calculations can vary substantially. The WDFW is also required to pay assessments for weed control, storm water management, and lake management and dike districts. In fiscal year 2012, PILT payments for WDFW properties will increase due to an anticipated use of an alternate formula for computing PILT rate in Kittitas County, increases in assessments and for the acquisition of additional land in counties that elect to receive PILT.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	1,436,236	1,436,236	2,872,472
Total Cost	1,436,236	1,436,236	2,872,472

Package Description:

In fiscal year 2012, WDFW anticipates PILT to be approximately \$2,663,419 due to land acquisition and selection of an alternate formula for computing the PILT rate in Kittitas County. This request is to cover the per year increase of \$1,436,236 in fiscal years 2012 and 2013. WDFW is unable to absorb these costs without significant impact to other programs and activities, resulting in loss of timely service delivery to the public and core functions. This supplemental request supports:

-\$2,346,244 (FY12 \$1,173,122 and FY13 \$1,173,122) - Estimated increased costs due to highest possible inter-local levy rate changes of PILT assessments that could occur in Kittitas County.

-\$140,000 (FY12 \$70,000 and FY13 \$70,000) - Greater tax assessment versus estimated assessment (late assessment increase in Okanogan County in 2011) the payment is needed for both 2012 and 2013 fiscal years.

-\$35,888 (FY12 - \$17,944 and FY13 \$17,944) - New lands acquired or scheduled for closing in the 2011 tax year and payment needed for fiscal year 2012.

-\$350,340 (FY12 - \$175,170 and FY13 \$175,170) - PILT related to new acquisitions resulting from anticipated new grant receipts.

The Department's largest land holdings are in Kittitas County. In 2011, WDFW paid \$130,884.80 to Kittitas County.

The Kittitas County PILT is currently calculated with the following rate methodologies:

- 30,808.72 acres assessed at .70/ acre rate
- 139,427.17 acres assessed at 1984 rate

It is unknown if Kittitas County will elect a new PILT rate. Based on the trend with neighboring counties the WDFW has identified the potential impact that could occur with this change. The county has until December 31, 2011 to make this decision. The supplemental assumes that Kittitas County elects the highest open spaces rate (\$7.66 acre) and applies it to all eligible acreage.

This request will cover the - per year increase of \$1,436,236 in fiscal years 2012 and 2013. With this increase in funding WDFW will have funding to make the full PILT payments to the various counties in compliance with RCW 77.12.201 and RCW 77.12.203 without significantly decreasing the level of agency activities associated with other WDFW activities such as enforcement, selective fisheries, hatchery production, fish and wildlife management and research, salmon recovery, HPA permitting activities, land management, and core business support functions.

PILT payments are required to be processed by April 30 of each year. These payments would be made during 2012 and 2013 and are anticipated to be ongoing.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

With this increase in funding WDFW will be able to make full PILT payments to the various counties and remain in compliance with RCW 77.12.201 while continuing its land management programs that benefit fish and wildlife and provide public recreation such as hunting, fishing, bird watching, wildlife photography, and hiking.

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 is an important component to the successful implementation of WDFW's Strategic Plan. One of our top strategies in the plan is sound management of WDFW lands and access sites. Making PILT payments to local governments is essential to good management

Does this decision package provide essential support to one of the Governor's priorities?

This request directly supports "Concern For Our Environment," which states: "Washington is also home to a rich diversity of fish and wildlife species and the unique habitats upon which they depend." WDFW land ownership, which provides habitat for fish and wildlife, requires the payment of taxes and assessments.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package contributes to "Improve the quality of Washington's natural resources." The activity to "Conserve fish and wildlife habitat and sustain recreational opportunity through sound public land management' and the need to "Protect essential fish and wildlife habitat" with the strategy to preserve, maintain, and restore natural systems and landscapes are both funded in the Priorities of Government process.

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

The payments to counties and local governments are statutorily required. WDFW anticipates that Kittitas County will elect an alternative means of calculating PILT this year resulting in increased costs. Other counties may follow suit and elect the alternative way to calculate PILT.

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

These payments are required by statute and WDFW is unable to absorb these costs without significant impact to other core programs and activities.

What are the consequences of not funding this package?

RCW 77.12.201 and RCW 77.12.203 require these payments. If not funded, WDFW will be out of compliance with legally required assessments and payments, or will have to cut core fish and wildlife activities to offset the increased costs to remain in compliance.

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

WDFW uses funding received in the capital budget to acquire properties.

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

None.

Expenditure and revenue calculations and assumptions

In fiscal year 2012, PILT payments for WDFW properties are anticipated to increase due to the acquisition of additional land in counties that elect to receive PILT and the use of an alternate formula for computing PILT rate in Kittitas County.

-\$2,346,244 (FY12 \$1,173,122 and FY13 \$1,173,122) - Estimated increased costs due to highest possible inter-local levy rate changes of PILT assessments that could occur in Kittitas County.

Calculated by estimating inter-local levy rate of \$7.66 per acre applied to 170,236 acres equals a total annual PILT payment of \$1,304,008 less current fiscal year 2011 amount of \$130,886 for a net annual increase of \$1,173,122.

-\$140,000 (FY12 \$70,000 and FY13 \$70,000) - Greater tax assessment versus estimated assessment (late assessment increase in Okanogan County in 2011) the payment is needed for both fiscal years 2012 and 2013.

Increase of \$0.91 per acre on 76,650 acres equals \$70,000.

-\$35,888 (FY12 - \$17,944 and FY13 \$17,944) - New lands acquired or scheduled for closing in the 2011 tax year and payment needed for fiscal year 2012.

Calculated by using a blended rate of \$5.50 per acre times an estimated 3,265.26 to be acquired in 2011.

-\$350,340 (FY12 - \$175,170 and FY13 \$175,170) - PILT related to new acquisitions resulting from anticipated new grant receipts.

Calculated by using a blended rate of \$6.50 per acre times an estimated 26,949 acres to be acquired in 2012.

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

These costs are ongoing and should be carried forward into future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	1,436,236	1,436,236	2,872,472

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AD ISB IT Security Compliance
Budget Period: 2011-13
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

WDFW requests additional funding to comply with revised IT Security Standards by August 2012 as mandated by the Information Services Board (ISB) Policy 401.S4. WDFW, like many other agencies, operate in the State Governmental Network (SGN) which is a shared network with each agency trusting the other to facilitate the exchange of information and leverage common systems. Many agencies have highly confidential and sensitive personal information regarding the citizens of the state which is a target for identity thieves and other criminals. For the SGN to be effective at securing citizen data in a shared environment, each agency is expected to meet the minimum requirements set forth so to not create loopholes or backdoors for malicious users to use as a method of attacking another agency or the State network as a whole. The following supplemental request is needed to ensure that WDFW is able to meet the minimum requirements of the State IT Security Policy. WDFW is able to achieve only partial compliance within existing resources and additional funding is necessary to meet full requirements in the areas of encrypting confidential data, network access security and event monitoring and logging.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	70,360	183,160	253,520
104-1 State Wildlife Account-State	105,540	274,740	380,280
Total Cost	175,900	457,900	633,800
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	.7	1.9	1.3

Package Description:

WDFW maintains several unencrypted, unprotected databases containing Washington resident personal information that meet the definition of confidential data. Due to the decentralized nature of the hatchery and wildlife area workforce, nearly 900 WDFW employees connect to the State Government Network (SGN) from many different locations, through multiple internet service providers, utilizing older VPN technology that require only a user id and password pair to verify identity. Event monitoring and logging activities are non-existent, including responding to attempts to compromise the SGN from systems emanating from or targeting Fish and Wildlife systems. This is due to the absence of an organized storage, analysis, and review policy and no available staff resources to perform this work. These current practices do not meet the revised IT Security Standards (Policy 401.S4) set forth by the ISB.

The revised IT Security Standards (Policy 401.S4) provide increased requirements and the expectation that all state agencies achieve full compliance by August 2012. WDFW is able to achieve only partial compliance within existing resources and additional funding is necessary to meet requirements in the areas of encrypting confidential data, network access security and event monitoring and logging.

- Encrypt confidential data: With the requested funding, WDFW will purchase the higher level license necessary to encrypt several databases containing confidential Washington state resident data.

- Network Access security: Additionally, WDFW will switch from the older VPN technology currently used by nearly 900 employees to connect to the SGN to the newly required, two-factor authentication services offered by the Department of Enterprise Services at a monthly, per-user rate.

- Event Monitoring and Logging: WDFW can create event monitoring logs within existing resources. With increased funding, additions to the current Microsoft Enterprise Agreement for capabilities and the additional staff necessary to support and maintain this requirement will be secured.

It is proposed that these changes take effect on or before the August 2012 deadline.

Name and Phone Number of Subject Matter Expert:
Michael DeAngelo, 360-902-2320

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

By encrypting WDFW servers, unauthorized access to confidential information will be prevented reducing the risk of identity theft, loss of public confidence and the potential for legal claims and damages.

Utilizing current VPN technology ensures continued connection to the SGN and safeguards WDFW IT, data and fiscal assets by preventing unauthorized access through two-factor authentication services. A single, unsecure agency can provide "open door" access to the entire SGN.

WDFW agency and employee accountability will increase for all IT system actions, reducing risk that could expose the agency to legal claims and damages.

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 directly relates to the use of sound business practices and effectively managing agency assets as described in Goal 4 of the WDFW 2011-17 Strategic Plan.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Governor's priorities of providing efficient state government services and providing for the public safety of people and property in Washington state.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package contributes to the statewide result of improving the security of the state IT systems and increased government accountability.

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

This decision package supports the overall state direction to become more accountable in protecting state resources from malicious intent and improving securing Washington residents' confidential information from identity theft and other crimes.

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

The Department explored ways of implementing services internally to lower the implementation costs. In particular, the 2-factor authentication requirement, because it is the most costly component of the package. In the end, rather than building an internal service at a lower cost, it was decided that leveraging DIS services was more consistent with the direction of the state and can further help the state achieve greater economies of scale.

What are the consequences of not funding this package?

Without sufficient funding of this package, WDFW will not be in compliance with the state security standard by August 2012 as required. In addition, the continued lack of protection of state resources and resident personal information will increase financial and legal risk as well as reduce confidence in the state's ability to manage its technology resources.

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

Event Monitoring and Logging (software and storage):

- Microsoft System Center Suite training and configuration added to current MS enterprise agreement: \$910 per biennium.
- One FTE (at the ITS 4 level) starting 4/1/2012 to perform activities of configuration, administration, reviewing and responding to log events: \$115,500 (\$184,800 for future biennia).

Network Access Security:

- VPN (DIS Shared service) at \$17.50/user/month for 900 users, assuming a 4/1/2012 start date: \$236,250 (\$378,000 for future biennia).

Encrypt confidential data:

- Upgrade database software: \$68,880 (\$17,220/processor/year x 2 processors).
- Expand virtual server environment to support database servers and storage: \$23,890. \$1,526/month lease beginning 4/1/2012 plus one-time setup fee of \$1,000 (\$36,624 for future biennia).
- Backup services (DIS Shared service) to encrypt confidential data: \$60,000. (Note: the actual cost is \$140,000 per biennium, but we will achieve \$80,000 per biennium savings when we shut down our in-house backup service).

Administrative overhead is calculated at 23.51% and included in Object E. Total administrative overhead is \$33,500 in FY12 and \$87,200 in FY13 and ongoing. Administrative FTE's are included at .40 in FY12 and .90 in FY13 and ongoing.

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

One-time costs:

- One-time setup fee for leased server: \$1,000.

Ongoing costs:

- All other costs: \$632,800.

Impacts to future biennia:

- Salary, benefits, leases and services purchased from DIS assume a start date of 4/1/2012. Impacts to future biennia total \$457,900 per year. Administrative overhead of \$87,200 per year is included in this figure.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	17,300	69,300	86,600
B Employee Benefits	5,800	23,100	28,900
E Goods And Services	152,800	365,500	518,300
Total Objects	175,900	457,900	633,800

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AE Increase Private/Local Authority
Budget Period: 2011-13
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

Washington Department of Fish & Wildlife (WDFW) receives General Fund- Private/Local (GF-P/L) revenue from many sources to provide services and mitigate the environmental impacts of counties, cities, public utility districts (PUDs), and tribes. Review of 2009-11 biennial revenues and expenditures indicate a need for additional GF-P/L authority above the current appropriation level in order to meet demand for Department services.

In addition, this package includes a request for a technical adjustment to the Special Wildlife Account (SWA) to increase SWA- Private/Local authority and decrease SWA-Federal authority. This adjustment nets to zero, and simply corrects an accounting error that the Department would like to rectify.

Fiscal Detail

Operating Expenditures		<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-7	General Fund - Basic Account-Private/Local	3,156,950	3,156,950	6,313,900
110-2	Special Wildlife Account-Federal	(1,464,000)	(1,464,000)	(2,928,000)
110-7	Special Wildlife Account-Private/Local	1,464,000	1,464,000	2,928,000
Total Cost		3,156,950	3,156,950	6,313,900

Staffing		<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs		26.0	26.0	26.0

Revenue		<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
<u>Fund</u>	<u>Source</u>			
001 General Fund	0541 Contributions Grants	3,156,950	3,156,950	6,313,900
110 Spec Wildlife	0315 Dept of Interior	(1,464,000)	(1,464,000)	(2,928,000)
110 Spec Wildlife	0541 Contributions Grants	1,464,000	1,464,000	2,928,000
Total Revenue		3,156,950	3,156,950	6,313,900

Package Description:

Washington Department of Fish & Wildlife (WDFW) receives General Fund- Private/Local (GF-P/L) revenue from many sources to provide services and mitigate the environmental impacts of counties, cities, public utility districts (PUDs), and tribes. This mitigation is required by state and federal law to decrease impacts related to fish, shellfish, and wildlife losses. With this funding, WDFW operates hatcheries, and provides technical expertise and scientific research services for the conservation, protection and propagation of fish and wildlife.

WDFW also receives compensation, gifts and grants to be used for the protection, propagation and conservation of wild animals, wild birds and game fish.

Review of 2009-11 biennial revenues and expenditures indicate a need for additional GF-P/L authority above the current appropriation level in order to meet demand for Department services.

In addition, this package includes a request for a technical adjustment to the Special Wildlife Account (SWA) accounting to increase local authority and decrease federal authority. This adjustment nets to zero, and simply corrects an accounting error that the Department would like to rectify.

Increased GF-P/L authority is necessary to provide contracted services that the Department has entered into.

In the 2009-11 and 2011-13 biennia, WDFW has received substantial GF-S cuts. This has created an incentive to seek out partnerships and find additional sources of funding, creating a higher reliance on GF-P/L as a funding source. During the current biennium, the Department will have more than 400 active GF-P/L contractual agreements, many of which can span several years.

The Department experienced a 20 percent increase of GF-P/L expenditures from the 2007-09 to the 2009-11 biennium and this trend indicates the need for increased authority in the 2011-13 biennium.

The Department's request for increased GF-P/L authority for the 2011-13 biennium was not fully funded and more complete data for the entire 2009-11 biennium provides the basis to request an increase in authority to cover expenditures 10 percent above the 2009-11 biennial level.

In addition, WDFW currently has more authority than needed in the federal SWA appropriation and not enough local SWA authority in order to spend available fund balance. Therefore, this package also requests a neutral shift in authority from the SWA-Federal to SWA- Private/Local account.

Funding this request will allow WDFW to meet the demand for services from GF-P/L sources.

Examples include:

- PUDs with dams are directed by the Federal Energy Regulatory Commission (FERC) to provide funding to mitigate damages/impacts from those dams. WDFW receives funding under these mitigation agreements, usually to operate/maintain hatcheries and fish passages.
- Many tribes do not have the expert staff necessary to operate tribal hatcheries. They contract with WDFW to operate these facilities and/or provide technical assistance.
- Tribes and other entities contract with WDFW to perform specialized genetics and otolith ID work and other habitat related scientific assessments.
- WDFW offers a variety of technical assistance and fish and wildlife information to counties, cities, tribes and other organizations for the development and implementation of habitat restoration projects and for planning under the Growth Management Act (GMA) and Shoreline Management Act (SMA) which mandate the protection of fish and wildlife habitat.
- WDFW also needs to maintain adequate spending authority to receive dollars from special grant sources (Pacific Salmon Commission, Pacific States Marine Fisheries Commission, etc.).

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Increased GF-P/L authority will enable the Department to continue to meet contractual agreements with the services the parties have agreed upon.

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

Activity: **A035** **Enforcement** **Incremental Changes**

No measures submitted for package

Activity: **A036** **Hydraulic Project Approvals** **Incremental Changes**

No measures submitted for package

Activity: **A037** **Ecosystem Restoration** **Incremental Changes**

No measures submitted for package

Activity: **A038** **Provide Sustainable Hunting and Wildlife Viewing Opportunities** **Incremental Changes**

No measures submitted for package

Activity: **A039** **Land Management** **Incremental Changes**

No measures submitted for package

Activity: **A040** **Protect and Recover Threatened and Endangered Wildlife** **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

Activity: **A043** **Fisheries Management** **Incremental Changes**

No measures submitted for package

Activity: A044 Monitor and Control Aquatic Invasive Species

Incremental Changes

No measures submitted for package

Activity: A045 Habitat Conservation Technical Assistance

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 the Department's ability to achieve Goal 3: Deliver high-quality customer service, from the WDFW 2011-17 Strategic Plan.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package directly supports the Governor's priority "Protect natural resources and cultural and recreational opportunities in Washington".

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package request relates directly to the following statewide results:

- (1) Preserve and protect our state's natural resources
- (2) Improve cultural and recreational opportunities.

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

Local governments and private entities depend on the services WDFW provides to meet their obligations.

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

The alternative would be to wait and request an unanticipated receipt when GF-P/L revenues exceed current expenditure authority. Our expectation is that the this increase in authority should be included in the 2011-13 budget.

What are the consequences of not funding this package?

If additional GF-P/L authority is not received, WDFW will not be able to provide the necessary services to our customers. Local governments and private entities depend on WDFW and will not meet their legal obligations. Hatchery operations will be reduced resulting in a reduction in fish production. There will be limited ability to provide cities and counties with updated scientific assessments to meet their GMA/SMA update requirements, resulting in losses of critical fish and wildlife habitat across the state. WDFW will also have reduced capability to design habitat restoration projects, reducing the effectiveness of these projects and adversely affecting recovery of threatened and at-risk fish and wildlife species.

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

2009-11 Private / Local (001-500) expenditures	\$51,840,800
10% additional need	+ \$5,184,100
Total needed	\$57,024,900
Less Current 2011-13 Priv / Local Authority	-\$50,711,000
Amt requested	\$6,313,900

Based on 09-11 spending, the amount requested will be:

Salaries - object A = 50%

Benefits - object B = 20%

Goods & Services - object E = 30%

Avg salary - object A = \$60,000

\$1,578,500 / \$60,000 = 26 FTE's / year

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

This funding would be on-going.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	1,578,500	1,578,500	3,157,000
B Employee Benefits	631,400	631,400	1,262,800
E Goods And Services	947,050	947,050	1,894,100
Total Objects	3,156,950	3,156,950	6,313,900

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AF Wolf Population Monitoring
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

Wolves are re-colonizing Washington and WDFW has the primary responsibility for monitoring wolves in Washington. By radio-marking and tracking wolves, we will be able to help mitigate livestock damage by notifying livestock producers of wolf presence and implement pro-active, non-lethal management tools to minimize wolf-livestock conflicts. We will be able to determine when packs and territories become established and when we achieve recovery objectives for the species. WDFW requests authority to spend revenue from the endangered species license plate to monitor wolf population status and trends in Washington.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104-1 State Wildlife Account-State	75,000	75,000	150,000
Total Cost	75,000	75,000	150,000
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	.8	.8	.8

Package Description:

WDFW has the primary responsibility for monitoring wolves in Washington. The Department is completing the Wolf Conservation and Management Plan (Plan) which will serve as a guide to recover and manage wolves as they naturally disperse into the state and re-establish a sustainable breeding population. Gray wolves are a state-listed endangered species and are federally listed as endangered in the western 2/3 of the state. The delisting objective in the draft plan outlines that the state would need 15 successful breeding pairs for 3 consecutive years.

A comprehensive wolf population monitoring program is an essential part of the Wolf Conservation and Management Plan. Monitoring is expected to be most intense while the wolf population is listed and is necessary for us to understand wolf recovery and status, how wolves will disperse on the landscape, and how they will select and utilize habitat and prey resources.

The funding will be used to implement a program to monitor wolf population status and trends, including: monitor the locations of wolves and determine when packs and territories become established by capturing, radio marking, and tracking wolves; and determine demographic and population parameters of wolves. Gathering wolf population information specific to Washington will be important to confirm assumptions made in the Plan about home range size, habitat utilization, and prey selection using information primarily from adjacent states.

A comprehensive monitoring program will assist with understanding population status relative to the state recovery objective. In addition, by radio-marking and tracking wolves, we will also be able to notify adjacent private landowners of wolf presence and

implement pro-active, non-lethal management tools to minimize wolf-livestock interactions.

The implementation schedule is July 1, 2012 - June 30, 2014.

Name and Phone Number of Subject Matter Expert:
Rocky Beach, Wildlife Diversity Division Manager 360-902-2510

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The benefits are statewide, particularly for the eastern 2/3 of the state, from the Cascade Mountains east to the border with Idaho.

Performance Measure Detail

Activity: A040 Protect and Recover Threatened and Endangered Wildlife Incremental Changes

No measures submitted for package

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

Goal 1: Conserve and protect native fish and wildlife.

Objective A:
Enhance conservation practices to improve protection and restoration of fish, wildlife and habitat.

Strategies

- 1. Promote compliance with natural resource laws.
- 4. Initiate new and enhance existing partnerships with conservation and other organizations to help conserve Washington's fish and wildlife.
- 5. Complete and implement the highest priority conservation actions.

Does this decision package provide essential support to one of the Governor's priorities?

This priority relates directly to Governor's priority of improving the quality of Washington's natural resources. The gray wolf is listed as an endangered species in Washington; monitoring and recovering this species would be a significant measure of success for this important indicator.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

The gray wolf is listed as endangered species in Washington; monitoring and recovering this species would be a significant measure of success for this important indicator.

This activity ranked 29 of 148 Activities in the 2011-13 POG Result Area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

This decision package will reduce livestock conflicts and provide a viewable wildlife/ecotourism opportunity.

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

The Department explored alternatives of using existing staff resources to monitor re-colonizing wolves. Because of the broad geographic extent of areas that are being reoccupied by dispersing wolves, and the dedicated time it takes to trap and radio-collar wolves, it was not efficient or possible to utilize existing staff to achieve the desired success rates for monitoring newly establishing packs. It is expected that in 2012-13, Washington will see increased numbers of wolf packs become established in the northeastern, southeastern, and Cascades Mountains regions of the state.

What are the consequences of not funding this package?

This package would provide for an additional .6 FTE that would focus on monitoring re-colonizing wolves in the state. Without the funding package, the state would be more limited in the extent of monitoring newly establishing packs that could be conducted with existing staff resources. As a result, we would have fewer wolf packs that could be monitored to determine if we were achieving the recovery objectives for the species. Without radio-collars, it would be more difficult to address conflicts with livestock if they occur.

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

Revenue:

The revenue for the Orca license plate is collected by the Department of Licensing. The current fund balance for this account is sufficient to support this request.

Expenditures:

Salaries and Benefits:

.6 FTE at a level of F&W Bio 3 would focus on monitoring re-colonizing wolves in the state.

Goods and Services:

Standard costs are included for goods and services. In addition, includes additional field supplies necessary for program operations (radio telemetry equipment).

Travel:

Statewide travel for trapping and tracking wolves = \$7,000 / yr.

Infrastructure and support costs of 23.51% is included in goods and services totaling \$14,300 / yr. Administrative FTE's are included at 0.2/ yr.

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

All costs will be on going.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	33,300	33,300	66,600
B Employee Benefits	12,600	12,600	25,200
E Goods And Services	22,100	22,100	44,200

G Travel	7,000	7,000	14,000
Total Objects	75,000	75,000	150,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AG Black Bear Monitoring & Management
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

WDFW requests additional funding to research, select and implement a new black bear population estimate and monitoring methodology. Currently, only demographic information from harvest reports are used to create population estimates that guide the development of bear hunting seasons. This funding will enable WDFW to better understand the short-term impacts of regulation and environmental changes on black bear populations without the time lag associated with data based solely on harvest information.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104-1 State Wildlife Account-State	50,000	150,000	200,000
Total Cost	50,000	150,000	200,000
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	.0	2.4	1.2

Package Description:

WDFW utilizes a forecasting method called reconstruction modeling to develop statewide black bear population estimates. This method relies upon the demographic information of harvested animals from harvest reports.

Because of lag time associated with the receipt and compilation of harvest reports, WDFW cannot be sufficiently responsive to the variety of environmental and man-made changes affecting black bear populations. It is necessary that WDFW identify an alternative forecasting method capable of accounting for this variety of factors to increase the validity of population estimates for the black bear population.

With sufficient funding, WDFW will: 1) develop black bear population estimates in three black bear management zones using mark-recapture and/or DNA sampling research projects; 2) develop and test a survey method using female and cub survival as an indicator to population status; 3) evaluate population reconstruction modeling using demographic information from end of season harvest reports as an indicator of population status; and 4) continue to use harvested bear demographic information as a secondary indicator of population trends.

With the research, selection and implementation of an effective, real-time population monitoring technique, WDFW will maximize the ability to develop population estimates and further detect changes in black bear population status. This will enable us to simultaneously improve conservation of bears and maximize recreational harvest opportunity. This change will provide a management tool capable of evaluating the effects of black bear harvest strategies.

Implementation would begin in the summer of 2012; the study would run for three to five years; with a final report completed in year six. Once a technique is developed, it would be conducted annually.

Dave Ware, Game Division Manager, Wildlife Program (360) 902 2509

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This decision package has statewide impact.

Performance Measure Detail

Activity:

Incremental Changes

No measures submitted for package

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

The Department of Fish and Wildlife's 2011-2017 Strategic Plan contains a goal statement and a corresponding strategy associated with this decision package. Goal 1 states that the Department shall, "Achieve healthy, diverse and sustainable fish and wildlife populations". This goal has a corresponding objective to: "Protect and perpetuate wildlife species through sound wildlife management." In addition, the strategy is to "Manage game species to support healthy populations and sustainable recreational opportunities."

Does this decision package provide essential support to one of the Governor's priorities?

This request contributes to two Priorities of Government (POG) result areas; result area 8, improving the quality of Washington's natural resources and result area 9, improving cultural and recreational opportunities throughout the state.

For result area 8, the activities proposed as elements of this decision package appear as highest priority purchases (90% level) including conducting surveys of fish, wildlife and habitat.

Result area 9 has one activity identified in Priorities of Government that relates to this decision package; managing fish and wildlife harvest.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

The Game Management Activity ranked 22 out of 148 Activities in the 2011-13 POG Result Area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

Maintaining a balance in the population levels of predators and prey is important to many people. There has been recent criticism regarding the Department's understanding of predator population levels and impacts on other species. This proposal will help improve the Department's credibility and ability to measure impacts as well as develop appropriate management strategies.

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

We have continued to use harvest information and population models to ensure we are maintaining a sustainable population of black bears. In addition, we have attempted to monitor mortality rates for small scale manipulations of black bear populations without much

success due in part to the small scale of the project, which is driven by lack of funding.

What are the consequences of not funding this package?

The Department will continue to struggle to understand the short term or local population impacts of black bear management and harvest strategies. The time lag between observing a population change in the harvest data versus using a direct population estimation technique will hinder our ability to ensure that black bear populations are sustainable and we are maximizing recreational opportunity.

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

Revenue:

The revenue for the Bear, Deer & Elk license plate is collected by the Department of Licensing. The current fund balance for this account is sufficient to support this request.

Expenditures:

Salaries and Benefits:

In FY 13 -1.00 Fish and Wildlife Research Scientist 1 would be hired to develop and manage the study and a 1.00 Fish and Wildlife Biologist 1 would assist with capture and monitoring black bears.

Goods and Services:

FY 12 includes purchase field supplies & equipment necessary for program operations (e.g., radio telemetry equipment, bear traps, etc.)

Administrative overhead of 23.51% is included in goods and services FY12=\$7,500 and FY 13 ongoing =\$28,500 / yr. Administrative FTE's are included at 0.4 / yr.

Travel:

Standard costs are included for travel

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

All costs are ongoing. Once the study has been completed, the resulting monitoring technique would be employed.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages		81,300	81,300
B Employee Benefits		37,700	37,700
E Goods And Services	39,500	29,500	69,000
G Travel		1,500	1,500
J Capital Outlays	10,500		10,500
Total Objects	50,000	150,000	200,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AH Deer and Elk Conflict Management
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

As the state's human population continues to grow, interactions between wildlife and humans are more frequent, resulting in increased damage to property and livestock. The Legislature directed the Washington Department of Fish and Wildlife (WDFW) to address these growing issues through significant amendments to Chapter 77.36 RCW. A dedicated Wildlife Conflict Management Program, with staff to deal with these conflicts quickly and efficiently, is the key to successful outcomes and healthy, sustainable wildlife populations. Ongoing funding is requested for a program to address chronic property and livestock damage in the hardest hit areas of the state. Funding necessary to support this program would be generated by increasing the number of hunting permits available for sale, estimated to generate additional Wildlife Fund State revenue of approximately \$450,000 per year.

Fiscal Detail

Operating Expenditures		<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104-1 State Wildlife Account-State			443,000	443,000
Total Cost			443,000	443,000
Staffing		<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs		.0	4.9	2.5
Revenue				
<u>Fund</u>	<u>Source</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104 State Wildlife Accou	0245 Hunting/Fishing Lic		450,000	450,000
Total Revenue			450,000	450,000

Package Description:

Currently, Fish and Wildlife officers have the primary responsibility for responding to wildlife conflicts across the state. Because enforcement of fish and wildlife laws and responding to public safety issues are the priorities for officers, WDFW is often not very responsive to wildlife conflicts and property damage problems. Response is primarily reactive after complaints are lodged by property owners and the most common response is lethal removal. The 2009 Legislature authorized WDFW to significantly change the way wildlife conflicts are addressed.

With Washington's increasing human population and associated expansion for primary residences and recreational property, maintaining healthy wildlife population levels is more challenging. A significant part of that challenge is addressing increased interactions between humans and wildlife. These interactions can result in significant financial impacts to the affected landowner. Conversely, landowner actions can have significant impacts on the habitat wildlife require to survive.

A balanced approach is needed that equitably shares responsibility between the State and property owners in addressing wildlife interactions. Partnerships need to be developed with public and private entities so property owners have greater options for obtaining

assistance. This balanced approach requires landowners to first use practical self-help preventative measures, including materials and services provided by the Department and its partners, to prevent wildlife damage prior to seeking lethal options or compensation. When lethal removal is necessary, a landowner should have multiple options available for addressing the situation. Depending on the species and situation, the landowner may be responsible for the costs associated with that assistance.

With the financial obligation for assisting landowners coming from hunting license revenue, this proposal is to address deer and elk problems with dedicated staff. In many cases, population levels of deer and elk are lower than they might be because of the lack of support from landowners. Partnerships will be formed utilizing other public agencies as well as private sector wildlife control operators. These entities will be trained and permitted by WDFW to assist property owners with advice, remedial measures, and removal of problem animals.

Property owners will have more options for addressing conflicts caused by wildlife. Technical information will be more widely available and expanded partners will help assist property owners. In addition, a proactive approach will be implemented with landowners experiencing crop damage caused by deer and elk. They will receive quicker response, have a greater number of options and be able to anticipate and remediate problems quickly.

Staff will be hired and operating by fall of 2012. They will be contacting landowners in areas where there are chronic problems and establishing agreements for how property damages will be addressed. In addition, training modules and outreach materials will be developed to begin training and providing materials to the partners that will assist homeowners. These sessions could be conducted by winter of 2013 and materials made available statewide by spring of 2013.

Name and Phone Number of Subject Matter Expert:

Dave Ware, Game Division Manager, Wildlife Program (360) 902-2509

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Having dedicated staff available to quickly and proactively assist property owners will improve relationships with property owners who suffer chronic property damage from wildlife, increase satisfaction with the service they receive from the department to address their damage problems, and thereby increase their tolerance for healthy deer and elk populations. The increased tolerance will help achieve population objectives for deer and elk herds in the Blue Mountains, northeast Washington counties, and North Central Washington. These deer and elk populations are below objective which impacts hunting participation and economic benefits to rural communities.

This decision package will specifically benefit Eastern Washington.

Performance Measure Detail

Activity: A038 Provide Sustainable Hunting and Wildlife Viewing Opportunities

Incremental Changes

No measures submitted for package

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

The Department of Fish and Wildlife's 2011-2017 Strategic Plan contains a goal, an objective, and a corresponding strategy associated with this decision package. Goal 3 states that the Department will, "Use sound business practices, deliver high-quality customer service". The objective is to "Maintain high-quality customer service aligned with agency priorities and capacities". The strategy is to "Engage stakeholders and other citizens through proactive outreach efforts."

Does this decision package provide essential support to one of the Governor's priorities?

The Game Management Activity ranked 22 of 148 Activities in the 2011-13 POG Result Area "Protect Natural Resources and Cultural

and Recreational Opportunities".

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package request is tied to the Governor's priority "Concern For Our Environment" which states "Washington is also home to a rich diversity of fish and wildlife species and the unique habitats upon which they depend." Educating citizens about wildlife and how to live with them in our communities will help to ensure that wildlife is preserved for future generations to enjoy.

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

This proposal supports SHB 1778 regarding wildlife interactions. It specifically implements the legislation's shift in policy that all citizens share the responsibility to address property damage; the reliance should be on proactive, preventative measures; and facilitates landowner compensation for commercial crop losses caused by deer and elk.

By shifting priorities within the Department in 2008, two wildlife conflict specialists were created and stationed in Ellensburg and Yakima to address deer and elk damage to crops. These positions have proven themselves to be very effective with improved response times and landowner satisfaction as well as better management of the elk populations and achieving population objectives.

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

A stakeholder group evaluated a variety of funding alternatives and determined that the General Fund was the most equitable because all citizens benefit. However, due to the current budget shortfalls in the General Fund, user fees are being recommended as part of this package.

What are the consequences of not funding this package?

An erosion of public support and tolerance for maintaining healthy wildlife populations.

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

The capital budget includes a request for non-lethal measures for addressing property damage, such as exclusionary fencing, habitat protection, and the purchase of easements to provide forage for wildlife.

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

None.

Expenditure and revenue calculations and assumptions

Salaries and Benefits:

The expenditures are for adding three dedicated wildlife conflict specialists (Environmental Specialists 3), one each in Dayton, Colville, and Wenatchee to assist agricultural landowners. These are areas with chronic crop damage issues and areas where deer and elk population levels are below objectives.

In addition, 0.5 FTE (Natural Resource Scientist 4) will provide program oversight and monitoring with the development of partnerships, training curriculum, and technical support information; and 0.5 FTE (Customer Service Specialist 2) to assist constituents and provide support for the program.

Goods and services:

Standard costs associated with filed positions, and materials to supply landowners with hazing materials, repellents, fencing materials, habitat and forage enhancement, fertilizer, and other proactive measures to avoid property damage are estimated to be \$65,700 in goods and services per fiscal year to cover costs associated with the newly implemented program.

0.9 FTE (Administrative Support) and infrastructure and support costs of 23.51% are included in goods and services totaling \$84,300 per year.

Travel:
Standard travel costs associated with these positions are estimated at \$2,500/yr.

Equipment:
Standard costs are included for leases of three vehicles, computers, hazing equipment, and other standard field equipment, totaling \$3,500/yr.

Revenue:
The revenue calculation relies on increasing the number of multi-season deer and elk permits available for sale to hunters. Multi-season permits are a highly sought after special permit opportunity that allows selected hunters to hunt general archery, muzzleloader, and modern firearm seasons, rather than the general hunting season framework which requires hunters to select a single weapon type. Multi-season permits are available by special permit drawing only. Current, there are 2,000 multi-season permits for deer and 700 for elk. Increasing the total multi-season permits by 3,000 will provide funding to the proposed package. The base price for these permits is \$150 each. Therefore, the revenue is estimated at \$450,000 per fiscal year.

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 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages		205,200	205,200
B Employee Benefits		81,800	81,800
E Goods And Services		150,000	150,000
G Travel		2,500	2,500
J Capital Outlays		3,500	3,500
Total Objects		443,000	443,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AI Mountain Goat & Bighorn Sheep Rcvry
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

Recent research identified several areas where historic populations of mountain goats have experienced dramatic declines or local extirpations in the north Cascades. WDFW would like to develop and implement a plan to take mountain goats from areas where their populations are robust and release them into suitable habitats in the north Cascades that are vacant, or to boost populations that are currently at low levels.

At the same time, bighorn sheep population levels across the western states have been significantly constrained in recent years due to a disease that is primarily transmitted by the intermingling of domestic and wild sheep. In order to address the transmission of the disease, bighorn sheep would be instrumented with tracking devices to determine their movements and improve our understanding of home ranges. This information would be shared with the U.S. Forest Service (USFS) to inform domestic sheep grazing allotment plans and minimize the overlap with bighorns.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104-1 State Wildlife Account-State		350,200	350,200
Total Cost		350,200	350,200
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	.0	2.0	1.0

Package Description:

Mountain Goat Translocation:

A major research effort was recently completed that addressed mountain goat declines in the north Cascades. A new population monitoring technique was developed as a result of the research, and harvest strategies have become much more restricted. The new population monitoring techniques are currently funded using this source of revenue.

The recently completed mountain goat research effort identified several areas of the state where historic populations of goats have experienced dramatic declines or local extirpations. The management strategy to address this decline involves translocation of mountain goats into suitable habitat to establish or boost populations. This strategy is supported by a host of affected management agencies, tribal governments, and conservation organizations.

WDFW would develop and implement a plan to take mountain goats from areas where their populations are robust or otherwise available and release them into suitable habitats that are vacant or to boost populations at low levels. The plan would be developed with multiple partners and co-managers including tribes, the National Park Service, and the United States Forrest Service (USFS).

Bighorn Sheep Disease Management:

Bighorn sheep population management across the western states has been significantly constrained in recent years due to a disease that is primarily transmitted by the intermingling of domestic and wild sheep. Washington bighorn range has also experienced outbreaks and population level reductions. The most recent event occurred in the Yakima Canyon of central Washington in 2009. Current funding provides limited support for disease prevention research at Washington State University (WSU), population surveys across the state, and one or two capture and relocation efforts each year.

Recent events in the bighorn sheep arena include a policy decision by the USFS to change their management of grazing allotments to avoid overlap between domestic sheep and bighorns, and WSU's promising results from research for developing a vaccine. In combination, these two events could help address the greatest impediment to stable bighorn sheep populations and allow for expansion into other suitable habitat.

Bighorn sheep would be instrumented with tracking devices to determine their movements and improve our understanding of home ranges. This information would allow the USFS to modify domestic sheep grazing allotment plans to minimize overlap with bighorns. In addition, we would expand our efforts with WSU to speed the development of a vaccine to reduce the potential exposure from domestic sheep that might be vectors for disease.

Implementation schedule:

Mountain Goat Translocation: WDFW would complete a plan with our co-managers in 2012 and begin captures and relocations during the summer of 2013.

Bighorn Sheep Disease Management: WDFW would begin capturing bighorns and fitting them with tracking devices in the summer of 2012 and plotting their range over the next several years. Additional capture efforts would be conducted in 2013 and 2014. We would begin coordination with WSU to fund expanded research and development of a vaccine to prevent disease transmission during the summer of 2012.

Name and Phone Number of Subject Matter Expert:

Dave Ware, Game Division Manager, Wildlife Program (360) 902-2509

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

WDFW would restore mountain goat populations over a greater proportion of their historic range in Washington. We would also reduce the risk of transmitting disease from domestic sheep and goats to wild bighorn sheep which is considered the most significant limiting factor for bighorn sheep populations across their range in North America.

The major areas affected will be the central Cascades and the Blue Mountains of southeast Washington.

Performance Measure Detail

Activity: A038

Provide Sustainable Hunting and Wildlife Viewing Opportunities

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 the following goal in the Department of Fish and Wildlife's 2011-17 Strategic Plan, goal 1: Conserve and protect native fish and wildlife. Objective A: Enhance conservation practices to improve protection and restoration of fish, wildlife and habitat. Strategy 5: Complete and implement the highest priority conservation actions.

Does this decision package provide essential support to one of the Governor's priorities?

The decision package contributes to two Priorities of Government (POG) result areas: Improving the quality of Washington's natural resources, and Improving cultural and recreational opportunities throughout the state.

The activities proposed as elements of this decision package appear as highest priority purchases (90% level) in the POG result area of improving the quality of Washington's natural resources, including conducting surveys of fish, wildlife and habitat; and managing fish and wildlife harvest.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

The Game Management Activity ranked 22 out of 148 Activities in the 2011-13 POG result area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

Other impacts of this proposal would be to improve relationships between the state and treaty tribes. Our relationship with the sheep industry would also be improved through the development of a vaccine to reduce the likelihood of disease transmission from domestic sheep to bighorns.

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

We have initiated several of these strategies, but with limited funding it will take several years before they can be accomplished. Several of the conservation organizations that support these proposals have helped secure this funding by promoting and conducting the auctions or raffles of permits. They are strongly encouraging that these priority projects be completed.

What are the consequences of not funding this package?

Recovery and protection of mountain goat and big horn sheep populations would be delayed and the support (including outside funding) to accomplish the proposal would diminish.

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

Revenue:

The revenue balance in the auction and raffle sub-accounts for mountain goats, bighorn sheep, and multispecies permits is \$470,180. We expect the auctions and raffles for FY 2012 and 2013 in these sub-accounts to generate another \$433,000.

Salaries and Benefits:

1.00 FTE Natural Resource Scientist 4 to manage the expanded program and to develop an agreement with Washington State University to develop a vaccine to inhibit transmission of disease to bighorn sheep.

1.00 FTE Fish and Wildlife Biologist 4 to conduct capture, relocate, and monitor activities for mountain goats, and for data analysis and reporting. Salaries \$110,400 and benefits \$42,000.

Goods and Services:

Standard supply costs are included at \$5,500 for each FTE per year. DOP/HRMS costs are \$1,200 per year. Capture and handling supplies necessary for program operations are included at \$5,200 in FY13.

Infrastructure and support costs of 23.51% is included in goods and services totaling \$42,900. This increases to \$53,400 in FY14 and ongoing (an increase of \$10,500).

Travel:

Standard travel costs are included at \$2,500 for each FTE per year.

Motor pool vehicle costs are estimated at \$7,500 per year.

Equipment:

Capture equipment, radio telemetry equipment, transmitters and receivers necessary for program operations are estimated at \$69,700 per year, with an additional \$55,300 in FY13 for initial equipment costs.

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

All cost are ongoing. While we have some initial equipment and supply costs in FY13 for capture and handling activities (radio telemetry, transmitter and receiver equipment), that authority will transition to cover costs of wildlife capture in future years (contracts for helicopter services, utilizing our staff to conduct captures and placement of transmitters, and/or contracting with companies that conduct the entire capture, deliver the animals to us for placement of transmitters, then move the animals back to the place of capture).

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages		110,400	110,400
B Employee Benefits		42,000	42,000
E Goods And Services		60,300	60,300
G Travel		12,500	12,500
J Capital Outlays		125,000	125,000
Total Objects		350,200	350,200

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AJ Pt. Whitney Staff Consolidation
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

WDFW requests increased spending authority in the State Wildlife Account to expend lease revenues collected at the Point Whitney shellfish facility in Brinnon. There is a time sensitive opportunity for WDFW to expand the current lease at Point Whitney and increase lease revenues. The lease expansion would also reduce the maintenance and repair costs to WDFW at this site. The revenue collected would be used to improve operational efficiency and effectiveness by relocating WDFW staff stationed at Point Whitney to the greater Port Townsend area and consolidating them with other WDFW staff located on the Olympic Peninsula.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104-1 State Wildlife Account-State	30,000	120,000	150,000
Total Cost	30,000	120,000	150,000

Revenue

<u>Fund</u>	<u>Source</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104 State Wildlife Accou	0402 Income From Property	30,000	120,000	150,000
Total Revenue		30,000	120,000	150,000

Package Description:

A private commercial fish grower leases space at WDFW's Point Whitney shellfish facility in Brinnon to raise juvenile sablefish (black cod). The revenues from this lease are deposited into the Department's Wildlife Account are used to recover costs associated with the lease. Currently, the revenue collected exceeds the costs of the lease.

The commercial grower has approached WDFW with a request to expand their operations at Point Whitney. The proposed expansion would effectively displace WDFW staff currently stationed at this satellite facility. In addition, the request is time sensitive to ensure a smooth and coordinated expansion in the commercial grower's operations. Delays will force the grower to seek relief elsewhere to meet their expanding business needs.

The revenue generated by this lease provides WDFW with an opportunity to increase operational efficiency and effectiveness by consolidating and relocating several satellite offices, including Point Whitney, to a more urban setting. The Point Whitney facility and location are not essential to the business conducted by the staff stationed there. In fact, the remote location creates logistical, operational, maintenance, and security challenges.

WDFW is proposing to grant an expanded lease to the commercial grower and consolidate several WDFW satellite offices on the

Olympic Peninsula, including staff stationed at Point Whitney, to the greater Port Townsend area. The cost of office relocation and leasing new office space for staff would be paid for with the lease revenue collected from the commercial grower lease agreement. Any remaining revenue would be used for resource conservation and management, providing public outreach and education, and improving public service.

The commercial grower would expand their base of operations at Point Whitney and pay increased lease fees (illustrated in the dollar figures provided).

WDFW would relocate Point Whitney staff to the greater Port Townsend area and consolidate them with enforcement and salmon management staff in the area.

WDFW operational efficiency and effectiveness will be improved through staff consolidation in a more urban area.

Lease fees would pay for office relocation and operations.

This office consolidation will:

- (1) Increase collaboration between WDFW programs (shellfish, finfish, and enforcement).
- (2) Increase opportunities to partner and collaborate with other agencies and local non government organizations on marine education and stewardship programs. Potential partners include: Fort Warden State Park, North Olympic Salmon Collation, Jefferson County Marine Resources Committee, Port Townsend Marine Science Center, the Northwest Straits Commission, and the Northwest Maritime center, all located in the greater Port Townsend area.
- (3) Improve public access to staff.
- (4) Reduce staff commute and work travel distances and fuel consumption.
- (5) Provide better vendor and service center options at a lower cost.
- (6) Improve work safety and state resource protection by moving away from a remote location.

The commercial grower's request for expansion is time sensitive and they would like assurances by December 2011. WDFW would relocate the Point Whitney office and staff as soon as authorization is received to expend the lease revenue collected at Point Whitney and the lease agreement is updated.

Name and Phone Number of Subject Matter Expert:
Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Improved operational effectiveness and efficiency.
This decision package specifically benefits legislative district 24.

Performance Measure Detail

Activity: A043 Fisheries 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 to WDFW 2011-17 Strategic Plan, Goal 4: Use sound business practices and maintain a dedicated workforce.

Does this decision package provide essential support to one of the Governor's priorities?

This decision contributes to the Governor's goal of improving state government efficiency.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Improved state government efficiency and effectiveness would contribute to government accountability in the statewide results and would rate as a high priority in the POG process. The above narrative describes the expected improvements as a result of this decision package.

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

Moving WDFW staff to an urban location would provide increased opportunities to partner with other state or local entities for essential work and operations, increasing efficiency and fostering collaboration. Access to better services will also improve operations and reduce costs.

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

WDFW attempted to co-locate with another state agency or local organization. While there were no immediate opportunities that were cost effective, that option is still a long-term goal.

Maintaining our current office space and operations at Point Whitney is not a good, cost effective alternative for the long-term. The present location causes logistical, operational, security, and personnel challenges.

What are the consequences of not funding this package?

WDFW would lose an opportunity to partner with a Washington based business venture to align the unique geo-physical features at Point Whitney with commercial grower and fishery operations.

WDFW will be faced with maintaining office space at Point Whitney at an increased operational and capital cost, and diminished public service. This remote location creates logistical, operational, maintenance, and public safety challenges that increase costs, causes long trip and travel commutes for the public and staff, and makes retention of staff difficult.

It is an aging facility (built in the early 1950's) that will require substantial capital upgrades and renovations, both in the short and long-term. Areas of immediate need include repairs to fix a leaking roof and upgrades to correct malfunctioning phone and heating systems.

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

None at this time. However, if we maintain a presence at Point Whitney there will be capital costs associated with facility upgrades and renovations.

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

None.

Expenditure and revenue calculations and assumptions

Anticipated lease revenues total \$10,000 per month. The annual revenue would total \$10,000/mo. x 12 = \$120,000.

Office move and lease expenditures have not been negotiated at this time, so we are unable to provide specific details.

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

Moving costs are one-time expenditures. Office leases would be ongoing, as would any resource conservation and management, public

outreach and education, and public service costs. Expectations are that the impacts to future biennia would be budget neutral.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	30,000	120,000	150,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AK Co-location of SW Regional Office
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

Due to several issues and problems, WDFW is requesting funds to relocate the SW Region office to a facility better suited to the Department's mission. Currently, the office is located in an economically depressed high crime area, which increases risks to staff and equipment. There have been twenty-eight (28) documented incident reports filed by the security company so far this year at this facility. Relocating this office will situate the agency in a facility that is suitable for many decades to come, and avoid attempting to negotiate a lease renewal at the current facility, which expires 11/30/2012. Relocating to another building allows better access for the public, less costly travel for the field staff, adequate space and security for staff and equipment, decreased security costs, provides a safe environment for staff and visitors, decreases property vandalism, and decreases utility costs.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	151,200	0	151,200
104-1 State Wildlife Account-State	226,800	0	226,800
Total Cost	378,000		378,000
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	.3	.0	.2

Package Description:

WDFW maintains a leased regional office in Vancouver to support the agency's mission in southwest WA. The current office is no longer suitable for the agency. It is located in an economically depressed high crime area, which increases risk to staff and equipment. There has been a history of vandalism and theft, forcing the Department increase security to protect staff and equipment; in particular staff who need to access their vehicles after dark are at risk.

Functionally the facility does not have the space to store Department boats and equipment, house the staff, nor park agency, staff, or visitor vehicles. 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 with towed equipment. It is an old building with high utility consumption and is owned by a disinterested landlord who is trying to sell the property.

WDFW subleases space to both the WA Department of Ecology (Ecology) and the Army Corps of Engineers. These co-tenants will be relocating to the proposed facility along with WDFW if funded.

The proposed solution is to relocate the office to an area and building more suitable to the functions provided by this office location. Specifically, WDFW would move all staff (90+) and equipment to another location that mitigates the problems at the current location.

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

The current co-tenants will be relocating to proposed facility along with WDFW. This move will solidify the co-location of WDFW and Ecology and there is expressed interest from other natural resource entities to consider co-location at the same site.

Proposed implementation coincides with the November 2012 end of the current lease.

Name and Phone Number of Subject Matter Expert:
Julie J. Howard, WDFW Facilities Manager, 360-902-2205

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

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?

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 right on the I-5 corridor. The relocation would decrease fuel consumption with less field staff travel miles and reduce utility costs by relocating to a newer energy efficient building, and improve the work environment for staff and public.

Does this decision package provide essential support to one of the Governor's priorities?

This request supports the Statewide POG Strategy of Government Efficiency "Provide tools and resources to execute government functions." The relocation provides opportunity to support the Governor's direction to work towards efficiencies of natural resource agency functions. This move will solidify the co-location of WDFW and Ecology and there is expressed interest from other natural resource entities to consider co-location at the same site.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This relocation would provide a stable and efficient setting for a regional headquarters office of a state natural resource agency. It would result in increased quality of customer service as well as a more efficient operation. It would improve the quality of the work environment for staff as well as avoid continued costly and inefficient operations at the current location.

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

The proposed relocation would include a building constructed by the Port of Ridgefield to be leased by WDFW with an option to buy at a future date. Economic benefits would include the construction activity as well as cumulative economic benefits to the rural community with the everyday operations at the new location.

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

A full inventory was conducted prior to moving into the current location. It was difficult to find an existing facility that provided adequate office, storage, and parking. In recent years, co-location with the U.S. Forest Service in Vancouver was explored as well as the Department of Transportation (WSDOT) building in Vancouver. The Forest Service site lacked the needed storage space and the lease rate was very high. The WSDOT building was not vacated as expected and lacked needed office space. During the past two years, WDFW participated in a Natural Resource Consolidation forum that explored potential co-location options with the Port of Camas-Washougal, Port of Vancouver, and Port of Ridgefield. The Port of Ridgefield site was by far the best fit in terms of access for WDFW field activities as well as convenience for clients. Additionally, the Port of Ridgefield Commission adopted an environmental science and education development plan for the site, with a desire to create a natural resource and academic co-location opportunity.

WDFW believes that a relocation proposal is the only viable alternative. The physical location of the current office is a big liability and not something that can be altered. Based on past inventories, it would be extremely difficult to find a properly located building and site that fits the needs of the regional office to effectively function. Any existing building would require extensive alterations.

What are the consequences of not funding this package?

This proposal is requesting the opportunity to mitigate an office facility that just doesn't function well for the agency or its co-tenants. Continued occupancy in this facility is fraught with issues that will continue to force the agency into spending funds to alleviate building inadequacies into the foreseeable future. The staff safety issues and associated risk will continue. It is uncertain if the current landlord intends to continue leasing the site or plans to sell. If the lease is extended, the landlord has indicated his desire to increase the rate significantly.

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

None at this time.

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

None.

Expenditure and revenue calculations and assumptions

Object E includes:
GA Fees \$70,000

IT Costs \$192,000 This cost represent outfitting the new building with a phone system and a wiring/cabling networked computer system for over 100 FTEs. WDFW assumes staff will use existing computers and will use in-house staff for setting up these computers.

Building Access \$8,000
Move Vendor \$90,000
Total \$360,000

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

All costs associated with this proposal are one time.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	12,250		12,250
B Employee Benefits	5,000		5,000
E Goods And Services	360,000		360,000
G Travel	750		750
Total Objects	378,000		378,000

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: AL Large Carnivore Conflict Management
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

As the state's human population continues to grow, interactions between wildlife and humans are more frequent, often resulting in damage to property and livestock. This issue is even more pronounced with large carnivores and their interactions with people. The concerns extend beyond property damage to concerns for personal safety. The Legislature directed the Department of Fish and Wildlife to address these growing issues through significant amendments to Chapter 77.36 RCW. Dedicated staff to deal with these management challenges proactively through education and outreach; monitoring carnivore locations, movements, and survival; and responding to incidents quickly and efficiently, is the key to establishing successful outcomes and maintaining healthy, sustainable carnivore populations. Ongoing funding is requested for a program to address management priorities, livestock losses, and public safety concerns related to carnivores in key areas of the state. Funding necessary to support this program would be generated by developing cougar and wolf background license plates to generate revenue of approximately \$150,000 per year beginning in FY13.

Fiscal Detail

Operating Expenditures		<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104-1 State Wildlife Account-State			149,900	149,900
Total Cost			149,900	149,900
Staffing		<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs		.0	1.3	.7
Revenue				
<u>Fund</u>	<u>Source</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
104 State Wildlife Accou	0299 Other Licenses Permi		150,000	150,000
Total Revenue			150,000	150,000

Package Description:

The public is often critical of the Department's efforts to address wildlife conflicts and livestock losses. Response is primarily reactive after complaints are lodged by property owners and the most common response is lethal removal. The 2009 Legislature authorized the Department to significantly change the way wildlife conflicts are addressed, but did not provide funds to compensate livestock operators for losses.

A balanced approach is needed that equitably shares the responsibility between the state and property owners in addressing wildlife interactions. Partnerships need to be developed with public and private entities so property owners have greater options for obtaining assistance. This balanced approach requires landowners to first use practical self-help preventative measures, including materials and services provided by the Department and its partners, to prevent wildlife damage and livestock losses prior to seeking lethal options or compensation.

When lethal removal is necessary, a landowner should have multiple options available for addressing the situation. Depending on the species and situation, the landowner may be responsible for the costs associated with that assistance.

With the financial obligation for assisting landowners coming from special background license plate revenue, the focus of this proposal is to address large carnivores and potential issues they create using dedicated staff. In addition, partnerships would be formed utilizing other public agencies, private sector wildlife control operators, and non-governmental organizations. These entities would be trained and permitted as necessary by the Department to assist property owners with advice, remedial measures, and potentially the removal of problem animals. Outreach efforts for large carnivores have been effectively conducted by some non-governmental organizations for many years, the department plans to partner with them as well.

Implementation of this proposal will depend on the revenue generated from the sales of background license plates on wild carnivores as proposed in the agency request legislation regarding "large wild carnivore conflict management". If the bill passed, staff would be hired and operating by fall of 2012. Landowners in areas where there are chronic problems will be contacted. Agreements for how property damages would be addressed in the coming years will be established. In addition, training modules and outreach materials would be developed to begin training and providing materials to partners to help assist property owners so that sessions could be conducted by winter of 2013 and materials available across the state by spring of 2013.

Name and Phone Number of Subject Matter Expert:
Dave Ware, Game Division Manager, Wildlife Program 360) 902 2509

Rocky Beach, Wildlife Diversity Division Manager, Wildlife Program (360) 902-2510

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The result of having dedicated staff available to quickly and proactively assist property owners will improve relationships with property owners who suffer chronic property damage from wildlife carnivores and increase satisfaction with the service they receive from the department to address their damage problems.

This decision package provides statewide benefit.

Performance Measure Detail

Activity: A038 Provide Sustainable Hunting and Wildlife Viewing Opportunities 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 directly contributes to the WDFW 2011-2017 Strategic Plan, Goal 3: Use sound business practices, deliver high-quality customer service, Objective A: Maintain high-quality customer service aligned with agency priorities and capacities. This is achieved by engaging stakeholders and other citizens through proactive outreach efforts. Funding this decision package will allow the Department to directly address this strategy.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package is tied to the Governor's priority "Concern For Our Environment" which states "Washington is also home to a rich diversity of fish and wildlife species and the unique habitats upon which they depend." Educating citizens about wildlife and how to live with them in our communities will help to ensure that wildlife is preserved for future generations to enjoy. The Game Management Activity ranked 22 out of 148 Activities in the 2011-13 POG Result Area "Protect Natural Resources and Cultural and Recreational Opportunities".

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

The decision package contributes to two Priorities of Government (POG) result areas; Improving the quality of Washington's Natural Resources (result Area 8), and Improving Cultural and Recreational Opportunities Throughout the State (result Area 9).

For result area 8, three activities proposed as elements of this decision package appear either as highest priority purchases (90% level) or lower priority purchases (10%); these include providing outreach and education services, providing technical assistance, and conducting surveys of fish, wildlife and habitat. An additional three activities, all variations of managing human and wildlife conflict, specifically related to this package appear within the "Buy Next" listing.

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

This proposal supports recent legislation (SHB 1778) regarding wildlife interactions. It specifically implements the Legislature's shift in policy that all citizens share the responsibility to address property damage; the reliance should be on proactive, preventative measures; and facilitates livestock owner compensation for losses caused by bears, cougar, and wolves.

By shifting priorities within the Department in 2008, two wildlife conflict specialists were created and stationed in Ellensburg and Yakima to address deer and elk damage to crops. These positions have proven themselves to be very effective with improved response times and landowner satisfaction as well as better management of the elk populations and achieving population objectives.

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

A stakeholders group evaluated a variety of funding alternatives and determined that the General Fund was the most equitable because all citizens benefit. However, due to the current budget shortfalls in the General Fund, optional background license plate fees are being recommended as part of this package.

What are the consequences of not funding this package?

In general we are seeing a continual erosion of public support and tolerance for maintaining healthy wildlife populations, especially large carnivores. Livestock operators across the state have expressed concerns about losses from cougar and what is anticipated to occur from wolf re-colonization. Key areas include northeast, southeast, and the Cascade Mountains and Okanogan Highlands. All of these areas are very important to wildlife. Landowners need greater flexibility and support to mitigate and avoid livestock losses in order to increase support for maintaining healthy levels of large carnivores and other wildlife.

If we don't improve our assistance to landowners who experience damage, large carnivore population levels will be managed at lower levels because property owners will not continue to accept the burden of maintaining them. Concerns about large carnivores have increased steadily over the past several years and demands for compensation will increase. Public tolerance will continue to diminish and the pressure to reduce the number of carnivores will increase. The result will be fewer wild animals in this state.

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

The state's capital budget includes a request for non lethal measures for addressing property damage, such as exclusionary fencing, habitat protection, and the purchase of easements to provide forage for wildlife.

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

None.

Expenditure and revenue calculations and assumptions

Salaries and Benefits:

The expenditures are for adding one dedicated wildlife conflict specialists (Environmental Specialist 3), to assist livestock owners in areas with chronic depredation issues and areas where wolves are re-colonizing the state.

Goods and services:

Standard costs associated with field positions, and materials to supply landowners with hazing materials, repellents, fencing materials,

habitat management, and other proactive measures to avoid property damage are estimated to be \$40,800.

0.3 FTE (Administrative Support) and infrastructure and support costs of 23.51% are included in goods and services totaling \$28,500.

Travel:

Standard travel costs associated with assisting landowners are estimated at \$2,500/yr.

Debt Service:

Costs are included for leases of a vehicle, computer, hazing equipment, and other standard field equipment, totaling \$7,500/yr.

Revenue:

The revenue is based on the sales history of WDFW's wildlife series background plates. It is estimated that 3,750 plates will be sold @ \$40 per plate, which will generate approximately \$150,000 per fiscal year.

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

All costs are ongoing except for one-time cost of color supplies in the amount of \$16,700. However, beginning in FY 14, personal service contracts will be necessary to develop outreach programs and to assist landowners with proactive measures to avoid pet and livestock losses. The costs for these contracts are estimated to be \$57,000 per fiscal year.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages		50,300	50,300
B Employee Benefits		20,300	20,300
E Goods And Services		69,300	69,300
G Travel		2,500	2,500
P Debt Service		7,500	7,500
Total Objects		149,900	149,900

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XA Reduce Senior Management Staff
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

Under this reduction option, the Department would eliminate up to seven senior management positions and spread supervisory and policy duties out to remaining managers. This will result in decreased coordination, oversight, and training of staff throughout the agency, and a seriously diminished policy presence to work with local governments, tribes, other agencies and federal partners.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(880,000)	(880,000)	(1,760,000)
Total Cost	(880,000)	(880,000)	(1,760,000)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-7.0	-7.0	-7.0

Package Description:

At the 5% reduction level, the Department would eliminate up to five senior managers. At the 10% level, the Department would eliminate two more.

The Department is working through the details of how best to make such reductions. It is considering three sets of options (which are not mutually exclusive):

Special Assistants in the Director's Office

Regional organization (including the number of Regions, Regional Directors, Regional Program Managers, and Captains and Sergeants)

Headquarters organization (Division Managers)

As a result of these reductions, agency span of control will be increased, and oversight of staff will diminish. Additionally, there will be fewer senior managers to work with partner agencies, tribes, and other governments on the most difficult issues. Staff training, accountability, coordination will all diminish. Customer service, agency responsiveness and follow-through will also decline.

Name and Phone Number of Subject Matter Expert:

David Giglio, Assistant Director, Technology and Financial Management Program (360) 902-8128

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

NA.

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 cut would impair implementation of all of the Department's goals and objectives.

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This cut decreases the Department's contribution towards the Natural Resource/Recreation strategy included in the Priorities of Government (Transforming Washington's Budget):

- Achieve sustainable use of public natural resources.
- Provide stewardship of cultural and recreational assets.
- Ensure quality cultural and recreational experiences.

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

NA.

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

The Department uses State General Fund for six principle activities: Fish Production, Fisheries Management, Salmon Recovery, Enforcement, Hydraulic project Approvals and Habitat Conservation. (Additionally, GFS funds a fraction of its responsibility to support administrative functions.) This option was developed as a way to preserve the on-the-ground presence in the above areas.

What are the consequences of not funding this package?

NA.

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

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

All reductions are ongoing.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(600,000)	(600,000)	(1,200,000)
B Employee Benefits	(232,000)	(232,000)	(464,000)
E Goods And Services	(48,000)	(48,000)	(96,000)
Total Objects	(880,000)	(880,000)	(1,760,000)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XB Suspend Comp for Wildlife Damage
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5% reduction option will suspend crop damage payments and funding for professional crop evaluative work to assist private landowners who experience crop losses caused by wildlife during the 2011-13 biennium. Reducing these payments could potentially decrease tolerance for deer/elk populations near agricultural communities, as well as result in economic losses to agricultural producers.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(150,000)	(150,000)	(300,000)
Total Cost	(150,000)	(150,000)	(300,000)

Package Description:

New wildlife conflict legislation directs WDFW to develop proactive solutions with landowners to adjudicate deer/elk damage to commercial agricultural and horticultural crops. When damage continues after these cooperative solutions have been applied, landowners can make a claim to receive a one-time cash payment per year if they work with Department staff and a contracted state licensed/federally certified crop adjuster. This reduction option suspends these payments and the associated evaluative work and could potentially decrease tolerance for deer/elk populations near agricultural communities, as well as result in economic losses to agricultural producers.

Legislation (RCW 77.36.100) mandates that WDFW address conflicts with landowners regarding deer/elk damage to commercial agricultural and horticultural crops. Fish & Wildlife Police Officers are responsible to quickly adjudicate these claims so that WDFW can mitigate losses incurred by landowners. Currently Fish & Wildlife Police Officers assist landowners through a plethora of cooperative solutions, i.e.: providing agency permits, herding/hazing materials, lure crops, and landowner incentives. However, in the event the landowner sustains continued damage after these cooperative tools have been applied, he/she may apply for a "one-time" monetary cash payment per year. Landowners must work with department staff and a state licensed/federally certified crop adjuster on contract in order to make a claim with WDFW.

The damage compensation funds are used solely to pay claims and the services of professional crop adjusters on agency contract.

WDFW will suspend crop damage payments and professional crop evaluative work. There will be no staff reductions as a result of the suspension of these funds. The Enforcement Program will no longer process monetary claims for deer/elk damage nor pay for the

management of certified adjusters.

The proposed implementation date for this reduction option is January 1, 2012.

Name and Phone Number of Subject Matter Expert:
Garret Ward, Budget and Records Division Manager, 360-902-2835

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Suspension of deer/elk damage compensation funds could potentially decrease tolerance for deer/elk populations near agricultural communities, as well as result in economic losses to agricultural producers.

The Department will work primarily on increasing our cooperative and proactive solutions with landowners to adjudicate deer/elk damage to commercial agricultural and horticultural crops. The department will look to increase deer/elk damage permit options and continue to perpetuate cooperative solutions through Wildlife Management recommendations on upcoming seasons and specialized damage hunts.

Currently WAC 232-36-110 allows a landowner to request monetary compensation for deer/elk damage even after proactive measures have been applied. However, since the passage of new wildlife conflict rules in July of 2010, deer/elk damage claims for commercial crops have dropped significantly to just 12 claims in FY2010. This is a 66% reduction from the prior fiscal year. Additionally, by suspending compensation funds, Fish & Wildlife Police Officers will no longer be required to provide the level of service necessary in order to coordinate deer/elk damage compensation and therefore devote more time to fish & wildlife enforcement activities. Enforcement staff can spend in excess of 2,500 hours per fiscal year dealing primarily with commercial deer/elk damage complaints.

Since suspension of the compensation funds will substantially decrease the amount of time Fish and Wildlife Police Officers spend in the field to assist landowners with the compensation program, it will also suspend the administrative operation and management of state licensed/federally certified crop adjusters on contract.

Districts in which deer/elk damage compensation funds are suspended would primarily affect central and eastern Washington, but all districts of the state would be impacted by this reduction.

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?

No.

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

NA.

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

NA.

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

The Department first identified opportunities for savings or fund shifts and then looked for reductions that would have the least impact to the agency accomplishing its core conservation mission.

What are the consequences of not funding this package?

As a result of suspending deer/elk damage compensation funds, the agency will work primarily on increasing our cooperative and proactive solutions with landowners to adjudicate deer/elk damage to commercial agricultural and horticultural crops.

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

The Department's 10-year capital budget requests for consideration over \$7 million in funding for fencing to abate property damage.

The 2012 Supplemental Capital Budget requests \$250,000 for crop and orchard protection through a cooperative fencing program where the Department negotiates with landowners and will provide materials while the landowner installs and maintains the fencing.

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

None.

Expenditure and revenue calculations and assumptions

--\$60,000 General Fund-State and \$240,000 Wildlife Account-State are currently budgeted for this activity during the 2011-13 biennium, but \$300,000 General Fund-State will be reduced by internal agency fund source transfers to achieve this reduction.

--\$15,000 is budgeted for each contract / total of four contracts = \$60,000 for "personal service contracts".

--Remaining \$90,000 for "goods and services" are actual crop damage payments.

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

This is a one-time reduction.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
C Personal Service Contracts	(60,000)	(60,000)	(120,000)
E Goods And Services	(90,000)	(90,000)	(180,000)
Total Objects	(150,000)	(150,000)	(300,000)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XC Reduction in Hatchery Maintenance
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This 5% General Fund-State reduction option will reduce hatchery maintenance. Currently, funding is used for emergencies and "band-aid fixes." Due to past reductions, the Department's maintenance budget is a fraction of that needed for responsible asset management. Additional cuts will further reduce the Department's ability to manage these assets, such as reducing dredging and maintenance of three intakes at \$12,000 each. If a major flood event occurs, gravel and debris will choke off these intakes because dredging didn't occur. The hatcheries may lose their ability to draw water resulting in major fish loss. This fish loss could mean a negative impact to ESA listed salmon and/or a loss of revenue to the State's economy. If the intakes are damaged, repairs may require a capital request of at least \$70,000 for each intake.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(20,796)	(20,795)	(41,591)
Total Cost	(20,796)	(20,795)	(41,591)

Package Description:

There is currently an inadequate amount of funding provided to maintain the Department's hatcheries (about \$11,000 per hatchery). At the current level, hatcheries only have funding to make minimal repairs when systems fail. Often repairs are temporary and/or inadequate for the facilities' needs. This has led to a backlog of hatchery maintenance needs, leaving facilities at risk of catastrophic failure or loss. The estimated funding to maintain hatcheries at an adequate level is approximately \$130,000 per hatchery. This funding is critical to repair and maintain hatcheries, but at the current level is primarily used for emergencies and "band-aid fixes." The Capital and Asset Management Program (CAMP) estimates about \$8,880,000 per year is needed for hatchery maintenance. Currently, the Department can only fund less than ten percent of the activity using a combination of General Fund-State and Wildlife Fund-State funds.

The Department's infrastructure is deteriorating at an alarming rate. Reduced funding for maintenance has been affecting all Department programs for many years. Decreasing the maintenance budget for the Department's facilities will prevent staff from focusing on their primary work duties; increase the deferred maintenance backlog; increase capital budget requests for repairs and replacements of assets unusable because they weren't maintained; create utility inefficiencies; and increase the risk to staff and the public.

This reduction will continue to:

- Divert the construction crews and employees to work on emergency repairs and non-scheduled maintenance work.

- Divert operating and capital funds to make emergency repairs the Department could have prevented with regular maintenance.
- Increase the failure rate of Water delivery system pumps, generators, alarm systems, and piping. These systems are the lifeblood of our hatcheries. Failure to properly maintain them will lead to possible loss of critical fish stocks.
- Increase the capital budget request funding to replace or repair assets because the Department could not perform maintenance.
- Exacerbate the damage created by natural disasters (floods) because maintenance was not adequately performed.
- Divert funds from new projects to fix emergency repairs on current assets.
- Increase energy usage by unmaintained equipment.
- Risk of facility closures because facilities are unsafe for the public or employees.

Decreasing the maintenance budget for the Department's assets will increase operational costs and worsen the life cycle cost of facilities and infrastructure. Maintenance is needed to keep facilities operating properly, efficiently, and effectively. This decrease of funding further prevents us from performing maintenance on a routine and scheduled basis.

Name and Phone Number of Subject Matter Expert:
 Bill Phillips (360) 902-8382

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Taking this reduction project will reduce the ability for the agency to meet the following performance measures:

- Percentage of assets maintained to an adequate operational standard
- Percent of assets maintained to safety standards
- Percent of assets maintained to an adequate OFM standard

Performance Measure Detail

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?

No, this package reduces the Department's ability to implementing Goal 3 of the WDFW 2011-17 Strategic Plan: Use sound business practices to deliver high-quality customer service, Objective C: Effectively and efficiently manage agency assets.

Reducing maintenance for hatcheries will reduce the ability for the Department's assets to support its goals and objectives.

Does this decision package provide essential support to one of the Governor's priorities?

This option reduces support for Governor's priority "Provide stewardship of cultural and recreational assets," and "Establish safeguards and standards to protect natural resources." This reduction will reduce the Department's ability to manage assets that provide cultural and recreational opportunities and protect fish.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No, this option will reduce support for economic development and natural resources and recreation. This option can impact the ability for hatcheries to produce fish efficiently.

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

This request further reduces the maintenance program, which will place fish production a risk and ultimately increase the impact to the Department's capital budget. If facilities were maintained, the capital budget could focus on areas appropriate for capital funds verses using limited bond funds to replace items damaged due to a lack of maintenance.

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

NA

What are the consequences of not funding this package?

The Department must maintain its assets. This reduction package will continue to lead to more capital requests in the future to make up for lost maintenance. Reduced maintenance can also exacerbate the damage created by natural disasters (floods). In extreme cases, the Department could be forced to close facilities, which may reduce fishing opportunities and result in the loss of revenue to the State and the private sector. Failure to properly maintain facilities also places staff and the public at risk. Catastrophic loss of fish production could result if hatchery infrastructure is not maintained.

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

This request is expected to impact the Capital Budget. If there is an emergency and not enough funding to cover the damage, the Department may need to request emergency funds to fix the infrastructure/facility. Unmaintained assets are vulnerable to floods and unexpected failure. Repairs of failed systems often require the use/request of capital funds to recover.

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

None.

Expenditure and revenue calculations and assumptions

Object E: represents a reduction in equipment and supplies needed for hatchery maintenance. Included in object E is \$6,591, which represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

Object J: represents the reduce travel to hatcheries not receiving maintenance.

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

All costs associated with this proposal are ongoing.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	(19,796)	(19,795)	(39,591)
G Travel	(1,000)	(1,000)	(2,000)
Total Objects	(20,796)	(20,795)	(41,591)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XD Reduce Payments In Lieu of Taxes
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

Washington Department of Fish & Wildlife (WDFW) is statutorily required to make payments on Department-owned lands where counties elect to receive payments in lieu of property taxes (PILT). This initial 5% reduction option requests a temporary statutory amendment in Part IX of the omnibus operating budget to make a one-time reduction in the amount of GF-S for PILT payments that WDFW is required by statute (77.12.201) to submit to counties during the 2011-13 biennium. This reduction will require modification to RCW 77.12.203, and equates to a 10% reduction of the amount of GF-S currently budgeted as pass-through funding to counties.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(80,000)	(80,000)	(160,000)
Total Cost	(80,000)	(80,000)	(160,000)

Package Description:

WDFW submits PILT payments to county governments (RCW 77.12.203) to offset the impact of WDFW land ownership, which is otherwise property tax exempt. In FY 2011, WDFW paid \$1,227,183 in total funds to 14 counties. This proposal is a one-time reduction in GF-S PILT payments during the 2011-13 biennium that the Department is required to submit to counties. This reduction would require an amendment to RCW 77.12.203 in the 2011-13 omnibus operating budget.

Name and Phone Number of Subject Matter Expert:
Dan Budd, Real Estate Services Manager (360) 902-8149

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

N/A

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?

No.

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No.

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

The counties that receive PILT funding will experience lower revenue collections due to a decrease in payments from the Department.

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

Reductions were identified based on the Department's activities where GF-S is used. Under the Land Management Activity, the only GF-S is budgeted as pass-through for PILT.

Furthermore under current law, the Department is submitting a maintenance level request for \$2.9 million GF-S for PILT and local government assessments, which presumably could be reduced under this option as well.

What are the consequences of not funding this package?

RCW 77.12.201 and RCW 77.12.203 require these payments be made to eligible counties. The Department would be in conflict with current state laws regarding PILT requirements.

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?

Two statutory changes would be required. First, all GF-S dollars budgeted for PILT should be provided solely for these payments under a separate subsection for PILT in WDFW's budget section. Secondly, the following amendment to RCW 77.12.203 would be required:

"During the 2011-13 biennium, payments in lieu of real property taxes and local assessments will be provided proportionately to each county based on amounts due and funding made available explicitly for this purpose."

Expenditure and revenue calculations and assumptions

The amount of GF-S currently budgeted for PILT payments during the 2011-13 biennium is \$1,647,539.

$\$160,000 / 1,647,539 = 9.7\%$ or 10% to the next nearest 0.5%.

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

This is a one-time reduction option during the 2011-13 biennium.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	(80,000)	(80,000)	(160,000)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XE Hoodspport Hatchery Reduction
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5% reduction option will significantly reduce salmon production at the Hoodspport Salmon Hatchery, located in the Hood Canal region. This will result in the elimination of fifty-five percent (55%) of the current chum production in the Hood Canal region, as well as a twelve percent (12%) reduction of hatchery fall Chinook to the Hood Canal area. The tribal and state commercial chum fisheries that occur in Hood Canal will be reduced by as much as sixty percent (60%). Contemporary economic analysis indicates chum production in the Hood Canal region generates over \$6 million dollars in local personal income.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(126,556)	(126,556)	(253,112)
Total Cost	(126,556)	(126,556)	(253,112)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-1.0	-1.0	-1.0

Package Description:

This reduction option will significantly reduce salmon production at the Hoodspport Salmon Hatchery, located in the Hood Canal region. This will result in the elimination of 12,000,000 chum salmon and 800,000 fall Chinook salmon annually, and in odd years an additional 500,000 pink salmon. Fisheries negatively affected by the elimination of this production include the salmon fisheries that occur off the Washington coast, Strait of Juan de Fuca and greater Puget Sound region, as well as the chinook and chum fisheries within the Hood Canal area. These production reductions identified will need to be negotiated with the affected treaty Indian tribes.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund-State revenues upon which the 2011-13 biennial state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5%-10% reduction in 2011-13 BN General Fund State budgets.

Hatchery fish represent over 75% of the fish caught in Washington fisheries, but hatchery production is a substantial component of the Department GF-S budget.

Hatchery production provides fishing opportunities for both treaty Indian fishers and state fishers. Although we value the contribution of Washington's hatchery programs to providing fishing opportunities, reductions in expenditures for our hatcheries will be required in order to maintain capacity of fish and wildlife population assessments, habitat protection and restoration, conservation planning, fishery management, and other core agency functions.

Salmon production reductions outlined above will save \$213,000 per biennium in General Fund-State. The salmon production reductions at the Hoodsport Hatchery will result in the elimination of fifty-five percent (55%) of the current chum production in the Hood Canal region, as well as a twelve percent (12%) reduction of hatchery fall Chinook to the Hood Canal area. The program currently contributes approximately 15,000 Chinook to Washington treaty and non-treaty fisheries. The tribal and state commercial chum fisheries that occur in Hood Canal will be reduced by as much as sixty percent (60%). Contemporary economic analysis indicates chum production in the Hood Canal region generates over \$6 million dollars in local personal income.

The majority of salmon production at WDFW operated hatcheries is linked to federal court-orders with treaty Indian tribes. Production reductions in the geographic areas served by court-orders require negotiations with the individual tribes. The production reductions identified above will need to be specifically negotiated with the Skokomish Tribe and those represented by the Point No Point Treaty Council, as well as some other Puget Sound area tribes.

Salmon production at WDFW operated hatcheries also support recreational and commercial fishing opportunities throughout the state. Recreational and commercial fisheries contribute significant revenue to local and rural businesses, as well as to WDFW through license sales. Businesses that rely on these fisheries, in turn, also contribute to revenue for the state of Washington.

An exact implementation schedule is still to be determined:

- Fish production reductions will be coordinated and negotiated with Puget Sound area treaty tribes; and
- Steps and process to reduce salmon production at the Hoodsport Hatchery will be outlined for full implementation.

Name and Phone Number of Subject Matter Expert:

Heather Bartlett, Hatcheries Division Manager (360) 902-2662

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The reduction will decrease the number of hatchery salmon available for harvest in fisheries that occur off the Washington coast, Strait of Juan de Fuca and greater Puget Sound region, as well as within the Hood Canal area. This reduction action:

- Eliminates 55% of the current chum production in the Hood Canal region;
- Reduces 12% of hatchery fall Chinook to the Hood Canal area;
- Reduces contribution of about 2,000 Chinook to Washington treaty and non-treaty fisheries;
- Reduces by as much as 60% the tribal and state commercial chum fishery that occurs in Hood Canal; and
- Impacts approximately \$6 million dollars in local personal income generated by the chum production in the Hood Canal region.

The salmon production reductions will impact western Washington and Puget Sound/Hood Canal fisheries.

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 reduction option would reduce the Department's ability to support two of the agency's goals contained in the 2011-2017 Strategic Plan:

Goal 1: Conserve and protect native fish and wildlife; and

Goal 2: Provide sustainable fishing, hunting and other wildlife recreational experiences.

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This reduction option decreases the Department's contribution towards "protecting natural resources and cultural and recreational opportunities in Washington state" in the Priorities of Government (Transforming Washington's Budget):

- Encourage sustainable use of public natural resources.
- Provide stewardship of cultural and recreational assets.
- Maintain quality cultural and recreational opportunities.

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

Reductions in salmon production diminish the economic benefits the state of Washington derives from fisheries, as well as reduces the overall recreational, social, and cultural values for the citizens of the state now and into the future.

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

The reduction to hatchery production was based on the following considerations:

- Have the tribes, state, or the Hatchery Scientific Review Group identified concerns about the risks a hatchery program may pose to wild salmon and steelhead populations?
- Do other Department, tribal, or federal hatchery facilities exist in the watershed or region that would help mitigate for the loss in production from a Department facility?
- How would a change in production affect fisheries?
- What is the efficiency (pounds produced per staff) and effectiveness of the program (percent survival from release to adult)?
- Have adult returns to the hatchery exceeded broodstock requirements?
- What legal obligations (contracts, court orders) are associated with production from the hatchery?
- What existing production will maintain mass marking to allow for continued fisheries and fishing opportunities?
- What reductions in expenditures for our hatcheries will be required in order to maintain capacity for other agency mandates such as preserving and protecting the state's natural resources?

While the Department can no longer preserve its core functions without relief from the current economic and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission for the salmon resource. Although these reductions reduce the Department's ability to meet fish production objectives, the core conservation mission is maintained.

What are the consequences of not funding this package?

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 businesses, i.e. restaurants, recreational equipment, boats, license revenues), to provide family recreational opportunities and to protect Washington's fishing cultural heritage. Hatchery practices and infrastructure to produce these fish have been undergoing change to optimize protection of native fish.

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

Hoodsport Hatchery Salmon Production Reductions =
 (12,000,000) chum salmon reduction per year
 (800,000) fall Chinook salmon reduction per year
 (500,000) pink salmon reduction in odd years

Fish Hatchery Specialist 2:
 Salary = \$37,640/yr
 Benefits = \$15,860/yr

Goods and Services:
 Personnel Support = \$5,500/yr
 DOP Charges = \$500/yr
 Fish Food Costs = \$31,000/yr
 Mass Marking Costs = \$16,000/yr

Hoodsport Hatchery Total: \$213,000 per biennium

\$40,112 of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws. This reduction is included in Object E.

Biennial budget savings: \$253,112 (\$181,000 GF-S operational costs and \$32,000 mass marking costs, \$40,112 infrastructure and support costs).

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

Given the economic losses associated with this package, the agency prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(37,640)	(37,640)	(75,280)
B Employee Benefits	(15,860)	(15,860)	(31,720)
E Goods And Services	(73,056)	(73,056)	(146,112)
Total Objects	(126,556)	(126,556)	(253,112)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XF Close Samish Salmon Hatchery
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This secondary 5% GF-S reduction option results in the closure of the Samish Hatchery and will result in the elimination of all fall Chinook production in the Nooksack/Samish region. The tribal and state commercial fall Chinook fisheries that occur in this region as a result of this production will essentially be eliminated. Contemporary economic analysis indicates this production provides \$1,460,500 annual economic value as measured in personal income.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		(267,372)	(267,372)
Total Cost		(267,372)	(267,372)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	.0	-2.6	-1.3

Package Description:

This secondary 5% reduction option will close the Samish Salmon Hatchery, located just north of Burlington and northwest of Sedro Woolley, in Skagit County. This option reduces WDFW Chinook production in Puget Sound by 20% through the elimination of annual production of 4,500,000 fall Chinook at the Samish Hatchery, and an additional 500,000 fall Chinook transferred to the Lummi Nation. Fisheries negatively affected by the elimination of this production include the commercial salmon fisheries that occur in the Bellingham Bay area for Indian and non-Indian fishers, as well as recreational salmon fisheries in the Strait of Juan de Fuca, San Juan Islands, and more generally the northern area of Puget Sound.

Elimination of this salmon production will need to be negotiated with the Lummi Nation.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund-State revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5% -10% reduction in 2011-13 General Fund State budgets.

Hatchery fish represent over 75% of the fish caught in Washington fisheries, but hatchery production is a substantial component of the Department budget.

Hatchery production provides fishing opportunities for both treaty Indian fishers and state fishers. Although we value the contribution of Washington's hatchery programs to providing fishing opportunities, reductions in expenditures for our hatcheries will be required in order to maintain capacity of fish and wildlife population assessments, habitat protection and restoration, conservation planning,

fishery management, and other core agency functions.

Salmon production reductions outlined above will save \$225,000 GF-S in FY 2013. The closure of the Samish Hatchery will result in elimination of hatchery fall Chinook to the Nooksack/Samish region. The production currently contributes approximately 15,000 to 20,000 Chinook to Washington treaty and non-treaty fisheries. The tribal and state commercial fall Chinook fisheries that occur in the Bellingham Bay area will be essentially eliminated. Contemporary economic analysis indicates this production provides \$1,460,500 annual economic value as measured in personal income.

The majority of salmon production at WDFW operated hatcheries is linked to federal court-orders with treaty Indian tribes. Production reductions in the geographic areas served by court-orders require negotiations with the individual tribes. The production reductions identified above will need to be specifically negotiated with the Lummi Nation.

Salmon production at WDFW operated hatcheries also support recreational and commercial fishing opportunities throughout the state. Recreational and commercial fisheries contribute significant revenue to local and rural businesses, as well as to WDFW through license sales. Businesses that rely on these fisheries, in turn, also contribute to revenue for the state of Washington.

Implementation Schedule:

- (1) Fish production reductions will be coordinated and negotiated with the Lummi Nation; and
- (2) Steps and process to close the Samish Hatchery and eliminate the fall Chinook production at the hatchery will be outlined for full implementation effective July 1, 2012.

Name and Phone Number of Subject Matter Expert:
Heather Bartlett, Hatcheries Division Manager (360) 902-2662.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The reduction will decrease the number of hatchery salmon available for harvest in fisheries that occur in the Strait of Juan de Fuca, in the San Juan Islands and waters north to the United States-Canada border.

This hatchery closure:

- Eliminates all fall Chinook production in the Nooksack/Samish region;
- Eliminates contribution of approximately 15,000 - 20,000 fall Chinook to Washington Indian and non-Indian fisheries;
- Eliminates a viable Indian and non Indian commercial fall Chinook fishery in Bellingham Bay;
- Eliminates about \$1,460,500 economic activity as measured in personal income that is generated from the Bellingham Bay area fishery; and
- Results in a mean loss of WDFW Chinook production in Puget Sound of 20%.

A loss of 20% of the overall WDFW Chinook production in Puget Sound will negatively affect all Chinook fisheries that occur within Puget Sound.

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 reduction option will reduce the Department's ability to support two of the agency's goals contained in the WDFW 2011-2017

Strategic Plan:

Goal #1: Conserve and protect native fish and wildlife; and

Goal #2: Provide sustainable fishing, hunting and other wildlife-related recreational experiences.

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This cut decreases the Department's contribution towards the Natural Resource/Recreation strategy included in the Priorities of Government (Transforming Washington's Budget):

- Achieve sustainable use of public natural resources.
- Provide stewardship of cultural and recreational assets.
- Ensure quality cultural and recreational experiences.

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

Reductions in salmon production diminish the economic benefits the state of Washington derives from fisheries, as well as reduces the overall recreational, social, and cultural values for the citizens of the state now and into the future.

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

The reduction to hatchery production was based on the following considerations:

- Have the tribes, state, or the Hatchery Scientific Review Group identified concerns about the risks a hatchery program may pose to wild salmon and steelhead populations?
- Do other Department, tribal, or federal hatchery facilities exist in the watershed or region that would help mitigate for the loss in production from a Department facility?
- How would a change in production affect fisheries?
 - What is the efficiency (pounds produced per staff) and effectiveness of the program (percent survival from release to adult)?
- Have adult returns to the hatchery exceeded broodstock requirements?
- What legal obligations (contracts, court orders) are associated with production from the hatchery?
- What existing production will maintain mass marking to allow for continued fisheries and fishing opportunities? and
 - What reductions in expenditures for our hatcheries will be required in order to maintain capacity for other agency mandates such as preserving and protecting the state's natural resources?

While the Department can no longer preserve its core functions without relief from the current economic and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission for the salmon resource. Although these reductions reduce the Department's ability to meet fish production objectives, the core conservation mission is maintained.

What are the consequences of not funding this package?

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 businesses, i.e. restaurants, recreational equipment, boats, license revenues), to provide family recreational opportunities and to protect Washington's fishing cultural heritage. Hatchery practices and infrastructure to produce these fish have been undergoing change to optimize protection of native fish.

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

Samish Salmon Hatchery Closure =
(4,500,000) fall Chinook salmon reduction per year

Fish Hatchery Technician - 0.65 FTE
Salary = \$19,400
Benefits = \$11,300

Fish Hatchery Specialist 3 - 1.00 FTE
Salary = \$38,800
Benefits = \$16,200

Fish Hatchery Specialist 3 - 1.00 FTE
Salary = \$45,800
Benefits = \$17,500

Goods and Services
Personnel Support = \$ 14,575
DOP Charges = \$545
Fish Food Costs = \$57,500
Mass Marking Costs = \$3,380

Samish Hatchery Total: \$225,000

\$42,372 of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws. This reduction is included in Object E.

FY 2013 budget savings: \$267,372 (\$221,620 GF-S operational costs and \$3,380 mass marking costs, \$42,372 infrastructure and support costs).

Samish Salmon Hatchery is also partially funded with U.S. Fish and Wildlife Service Federal Aid in Sport Fish Restoration Act funding also known as Dingell-Johnson (DJ) funds at \$22,000 per year. This funding will be reprogrammed to another hatchery facility and an equal amount of GF-S will be removed.

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

Given the economic losses associated with this package, the Department prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages		(104,000)	(104,000)
B Employee Benefits		(45,000)	(45,000)
E Goods And Services		(118,372)	(118,372)
Total Objects		(267,372)	(267,372)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XG Close Nemah Salmon Hatchery
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This secondary 5% reduction option will close the Nemah Salmon Hatchery in the Willapa Bay in southwest Washington. Closure of this facility will result in the elimination of 3,000,000 fall Chinook salmon and 300,000 chum salmon, annually. This represents a forty-three percent (43%) reduction in fall Chinook production and a thirty-eight percent (38%) reduction in chum production in Willapa Bay.

Fisheries that will be negatively affected by the elimination of this production specifically include the state commercial and recreational fisheries within Willapa Bay and more generally, the greater Washington coastal fisheries. The estimated economic effect to the Willapa Bay region could be a loss in local personal income in the commercial fisheries at \$208,000 per year. There will be an impact on the recreational salmon fisheries in this area as well.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(363,626)	(363,626)	(727,252)
Total Cost	(363,626)	(363,626)	(727,252)
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	-2.0	-2.0	-2.0

Package Description:

The Nemah Salmon Hatchery annually produces 3,000,000 fall Chinook Salmon and 300,000 chum Salmon.

This salmon production provides state commercial and recreational fisheries within Willapa Bay and more generally, the greater Washington coastal fisheries.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund-State revenues upon which the 2011-13 biennial state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5%-10% reduction in 2011-13 General Fund State budgets.

Hatchery fish represent over 75% of the fish caught in Washington fisheries, but hatchery production is a substantial component of the Department budget.

In this request, the Department will close the Nemah Salmon Hatchery in the Willapa Bay area of southwest Washington, thereby eliminating 3,000,000 fall Chinook salmon and 300,000 chum salmon, annually. This represents a forty-three percent (43%) reduction in

fall Chinook production and a thirty-eight percent (38%) reduction in chum production in Willapa Bay.

Fisheries that will be negatively affected by the elimination of this production specifically include the state commercial and recreational fisheries within Willapa Bay and more generally, the greater Washington coastal fisheries. The specific economic effect to the Willapa Bay region could be a loss in local personal income of an estimated \$208,000 per year.

Recreational and commercial fisheries contribute significant revenue to local and rural businesses, as well as to WDFW through license sales. Businesses that rely on these fisheries, in turn, also contribute to revenue for the state of Washington.

Implementation schedule is still to be determined. Process will be to outline and implement steps necessary to close the hatchery, including staffing reductions and elimination of production in order to meet the general fund reduction.

Name and Phone Number of Subject Matter Expert:
Heather Bartlett, Hatcheries Division Manager (360) 902-2662.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This hatchery closure and the associated salmon production reductions result in the elimination of 3,000,000 fall Chinook salmon and 300,000 chum salmon, annually. This represents a 43% reduction in fall Chinook production and a 38% reduction in chum production in Willapa Bay.

Closure of this hatchery and the related production elimination will impact western Washington and coastal fisheries.

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 cut will reduce the Department's ability to support two goals contained in the WDFW 2011-2017 Strategic Plan:

- Goal 1: Conserve and protect native fish and wildlife; and
- Goal 2: Provide sustainable fishing, hunting and other wildlife recreational experiences.

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This cut decreases the Department's contribution towards "protecting natural resources and cultural and recreational opportunities in Washington state "in the Priorities of Government (Transforming Washington's Budget):

- Encourage sustainable use of public natural resources.
- Provide stewardship of cultural and recreational assets.
- Maintain quality cultural and recreational opportunities.

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

Reductions in salmon production diminish the economic benefits the state of Washington derives from fisheries, as well as reduces the overall recreational, social, and cultural values for the citizens of the state now and into the future.

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

The reduction to hatchery production was based on the following considerations:

- Have the tribes, state, or the Hatchery Scientific Review Group identified concerns about the risks a hatchery program may pose to wild salmon and steelhead populations?
- Do other Department, tribal, or federal hatchery facilities exist in the watershed or region that would help mitigate for the loss in production from a Department facility?
- How would a change in production affect fisheries?
- What is the efficiency (pounds produced per staff) and effectiveness of the program (percent survival from release to adult)?
- Have adult returns to the hatchery exceeded broodstock requirements?
- What legal obligations (contracts, court orders) are associated with production from the hatchery?
- What existing production will maintain mass marking to allow for continued fisheries and fishing opportunities?
- What reductions in expenditures for our hatcheries will be required in order to maintain capacity for other agency mandates such as preserving and protecting the state's natural resources?

While the Department can no longer preserve its core functions without relief from the current economic and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission for the salmon resource. Although these reductions reduce the Department's ability to meet fish production objectives, the core conservation mission is maintained.

What are the consequences of not funding this package?

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 businesses, i.e. restaurants, recreational equipment, boats, license revenues), to provide family recreational opportunities and to protect Washington's fishing cultural heritage. Hatchery practices and infrastructure to produce these fish have been undergoing change to optimize protection of native fish.

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

Nemah Hatchery Closure =
(3,000,000) fall Chinook salmon reduction per year
(300,000) chum salmon reduction per year

Fish Hatchery Specialist 4
Salary = \$57,091/yr
Benefits = \$18,740/yr

Fish Hatchery Specialist 2
Salary = \$47,314/yr
Benefits = \$16,586/yr

Goods and Services
 Personnel Support = \$11,000/yr
 DOP Charges = \$1,130/yr
 Fish Food Costs = \$45,613/yr
 Other Supports & Materials = \$42,526/yr
 Mass Marking costs = \$66,000/yr

Nemah Hatchery Total: \$612,000 per biennium

\$115,252 of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws. This reduction is included in Object E.

Biennial budget savings: \$727,252 (\$480,000 GF-S operational costs and \$132,000 mass marking costs, \$115,252 infrastructure and support costs).

Nemah Hatchery is also partially funded with U.S. Fish and Wildlife Service Federal Aid in Sport Fish Restoration Act funding also known as Dingell-Johnson (DJ) funds at \$59,820 biennially. We would reprogram this funding to another hatchery facility and remove an equal amount of GF-S.

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

Given the economic losses associated with this package, the agency prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(104,405)	(104,406)	(208,811)
B Employee Benefits	(35,326)	(35,325)	(70,651)
E Goods And Services	(223,895)	(223,895)	(447,790)
Total Objects	(363,626)	(363,626)	(727,252)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XH Reduce PS Toxic Contaminant Samples
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

WDFW samples two key indicator species in Puget Sound for toxic contaminants every two years. This initial 5% reduction option reduces the sampling frequency by 50% so that sampling will occur every four years, limiting WDFW's ability to respond to toxic contaminants and monitor pollution trends in the Puget Sound. If implemented, this package will decrease the amount of available technical, toxic trend information necessary to implement the Puget Sound Action Agenda. Further, collection and analyzing capacity will be negatively affected, reducing our ability to report and communicate sampling results with resource managers, scientists, and policy makers.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(150,916)	(150,917)	(301,833)
Total Cost	(150,916)	(150,917)	(301,833)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-1.2	-1.2	-1.2

Package Description:

As part of the Puget Sound Action Agenda, WDFW samples two key indicator species in Puget Sound (Pacific Herring and English Sole) for toxic contaminants. This work is completed every two years and the analyzed data informs policy and decision makers about the toxic trends from pollution in the Puget Sound and the overall health of the ecosystem. This work is a GMAP indicator.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund -State (GF-S) revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5-10 percent reduction in the 2011-13 GF-S budget.

WDFW proposes to reduce sampling frequency for toxic contaminants in Puget Sound by 50 %. Instead of the current two-year cycle, key indicator species will be sampled just once every four years. WDFW will eliminate one Research Scientist 1 position and 0.17 FTE of a temporary Scientific Technician 2 in addition to the program funding necessary to collect and analyze samples.

A 50% reduction to Puget Sound toxic contaminant sampling will limit WDFW's ability to detect and respond to toxic contaminants and decrease availability of the technical, toxic trend information necessary to implement the Puget Sound Action Agenda. Collection and analyzing capacity will be negatively affected, reducing our ability to report and communicate sampling results with resource managers, scientists, and policy makers.

Timeline for this proposal is to be determined.

Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The frequency of sampling for toxic contaminants in Puget Sound will be reduced 50%.

All legislative districts connected to Puget Sound.

Performance Measure Detail

Activity: A042 Native Fish Recovery

Incremental Changes

No measures submitted for package

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

This reduction option impacts the WDFW 2011-17 Strategic Plan, Goal 1: Conserve and protect native fish and wildlife, Objective B: Increase protection and restoration of ecosystem functions.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's contribution towards the recovery of Puget Sound by 2020.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This Activity ranked 23 of 148 activities in the 2011-13 POG result area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

This work is part of the Puget Sound Action Agenda and a GMAP indicator.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing core functions. While the Department can no longer preserve its primary functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to core functions, while at the same time emphasizing our conservation mission.

An alternative to eliminating this work is to fund this activity through the State Toxics Control Account (STCA), which would require additional STCA expenditure authority. Monitoring Toxic levels in the environment is an allowable use of ALEA funds under current law.

What are the consequences of not funding this package?

Information used to monitor toxic trends from pollution and guide recovery efforts in Puget Sound will be gathered two years later

than current practice.

This decrease in technical information will limit our ability to detect and respond to toxic contaminants and guide efforts to recover Puget Sound by 2020. We will be less able to detect improvements in the health of the Sound, and whether current strategies are working.

The loss of the staff position will reduce our capacity to analyze data, report on the findings, and communicate with resource managers, scientists, and policy makers.

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

Research Scientist 1
Salary = \$5,500/mo. x 12 months = \$66,000
Benefits = \$1,800/mo. x 12 months = \$21,600
Total Annual Cost = \$87,600

Scientific Technician 2
Salary = \$3,000/mo. x 2 months = \$6,000
Benefits = \$400/mo. x 2 months = \$800
Total Annual Cost = \$6,800

Object E Expenditures:
Cost per boat charter = \$1,400/day x 4 days = \$5,600/year
Cost per toxic contaminant sample analysis = \$1,000/sample x 20 samples = \$20,000/year
Materials and supplies = \$7,000/year
Total Annual Object E expenditures = \$32,600/year

\$47,833 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

All reductions are on-going.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(72,000)	(72,000)	(144,000)
B Employee Benefits	(22,400)	(22,400)	(44,800)
E Goods And Services	(56,516)	(56,517)	(113,033)
Total Objects	(150,916)	(150,917)	(301,833)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XI Eliminate PS Contaminant Samples
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This secondary 5% reduction option to the WDFW's Puget Sound toxic contaminant program will completely eliminate the program. Currently, WDFW samples key indicator species English Sole and Puget Sound herring for the presence of numerous contaminants to inform and guide policy and decision makers about the presence of toxic contaminants in the Puget Sound food web and the general health of Puget Sound fishes. This reduction would result in resource managers, decision makers, and policy makers not being able to make informed decisions about toxic contaminants and the overall health of Puget Sound. This program and the resulting data is part of the Puget Sound Partnership Action Agenda.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(205,579)	(205,580)	(411,159)
Total Cost	(205,579)	(205,580)	(411,159)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-2.0	-2.0	-2.0

Package Description:

As part of the Puget Sound Action Agenda, WDFW samples two key indicator species in Puget Sound (Pacific Herring and English Sole) for toxic contaminants. Assuming the first 5% reduction has been implemented, this work is completed every four years and the analyzed data informs policy and decision makers about the toxic trends from pollution in the Puget Sound and the overall health of the ecosystem. This work is a GMAP indicator.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund-State (GF-S) revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5-10 percent reduction in the 2011-13 GF-S budget.

WDFW is proposing to eliminate the sampling for toxic contaminants in Puget Sound. This reduction package includes the elimination of one Research Scientist 2 position, one Fish and Wildlife Biologist 2 position, and staff support dollars.

This reduction will completely eliminate the Agency's ability to detect and respond to toxic contaminants in Puget Sound. The loss of two key staff positions will eliminate our technical capacity to inform and communicate with policy and decision makers about the presence and trends of toxic contaminants, analyze data, report on the findings, and guide Puget Sound recovery efforts by 2020. This work is part of the Puget Sound Action Agenda and a GMAP indicator.

The implementation schedule for this reduction option is to be determined.

Name and Phone Number of Subject Matter Expert:
Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The sampling for toxic contaminants in Puget Sound would be eliminated.
All legislative districts connected to Puget Sound will be impacted by this reduction option.

Performance Measure Detail

Activity: A042 Native Fish Recovery

Incremental Changes

No measures submitted for package

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

This reduction option impacts the WDFW 2011-17 Strategic Plan Goal 1, Objective B: Increase protection and restoration of ecosystem functions.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's contribution towards the recovery of Puget Sound by 2020.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This Activity ranked 23 of 148 activities in the 2011-13 POG result area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

This work is part of the Puget Sound Action Agenda and a GMAP indicator.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the department can no longer preserve its primary functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to core functions, while at the same time emphasizing our conservation mission.

An alternative to eliminating this work is to fund this activity through the State Toxics Control Account (STCA), which would require additional STCA expenditure authority. Monitoring Toxic levels in the environment is an allowable use of STCA funds under current law.

What are the consequences of not funding this package?

This reduction will eliminate information on toxic trends from pollution in Puget Sound and any assistance from WDFW in guiding recovery efforts. This reduction will eliminate technical information on toxic contaminants, our ability to detect and respond to toxic contaminants, and technical guidance on recovering Puget Sound by 2020. The state will be less able to detect improvements in the health of the Sound, and whether current strategies are working. This work is part of the Puget Sound Action Agenda and a GMAP indicator.

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

Research Scientist 2
 Salary = \$6,000/mo. x 12 months = \$72,000
 Benefits = \$1,900/mo. x 12 months = \$22,800
 Total Annual Cost = \$94,800

Fish and Wildlife Biologist 2
 Salary = \$4,000/mo. x 12 months = \$48,000
 Benefits = \$1,600/mo. x 12 months = \$19,200
 Total Annual Cost = \$67,200

Object E Expenditures:
 Staff support costs = \$5,500/year/FTE x 2.0 FTE = \$11,000/year

\$65,159 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

This budget reduction would be on-going.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(120,000)	(120,000)	(240,000)
B Employee Benefits	(42,000)	(42,000)	(84,000)
E Goods And Services	(43,579)	(43,580)	(87,159)
Total Objects	(205,579)	(205,580)	(411,159)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XJ Reduce Chum Protection & Recovery
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This secondary 5% reduction option will reduce the summer chum recovery efforts in Hood Canal and Grays River, reduce WDFW's monitoring of hatchery straying impacts on wild fish, and reduce the monitoring of associated salmon recovery programs. These reductions will decrease the work on recovery of listed chum salmon in Hood Canal tributaries and in the Grays River. This work will reduce and in some cases eliminate the ability to ensure the appropriate mix of natural/hatchery adults for spawning. It will also reduce or eliminate the genetic analyses to verify marks and assess recovery programs.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(77,241)	(77,241)	(154,482)
Total Cost	(77,241)	(77,241)	(154,482)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-1.1	-1.1	-1.1

Package Description:

Hatchery salmon are otolith mass marked at hatcheries in Hood Canal and on the Grays River. This mark is used when the adults return to determine the hatchery-of-origin. This information allows: 1) Removal of fish that stray to the wrong streams, and 2) Spawning of the appropriate number of hatchery with natural stocks to reach genetic goals for hatchery production. Adult salmon are sampled for genetic analysis to verify the otolith decoding. This work allows WDFW to track the health of recovering populations to evaluate the success of our recovery efforts.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund-State (GF-S) revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5-10 percent reduction in 2011-13 GF-S budget.

This reduction would eliminate 13 months of staff time per year, primarily in the field work necessary for marking, sampling and spawning but also in genetics work. This will result in a reduction in effort in the field and a commensurate decrease in sampling and analysis.

This reduction will result in loss of information that is necessary to evaluate recovery efforts. It will also increase the potential for adverse impacts to natural stocks from hatchery strays and will keep us from meeting HSRG recommendations for hatchery/wild spawning ratios.

The proposed implementation schedule for this reduction option is to be determined.

Name and Phone Number of Subject Matter Expert:
Kenneth Warheit, Science Division Manager (360) 902-2595

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Monitoring of hatchery stocks and their impacts to naturally occurring fish will be decreased.
Hatchery Scientific Review Group (HSRG) recommendations may not be met for certain stocks.
Hood Canal includes districts 23, 24, and 35. Grays River is encompassed by district 19.

Performance Measure Detail

Activity: A042 Native Fish Recovery

Incremental Changes

No measures submitted for package

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

This reduction option impacts the WDFW 2011-17 Strategic Plan Goal 1: Conserve and protect native fish and wildlife, Objective A: Enhance conservation practices to improve protection and restoration of fish, wildlife and habitat.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's contribution towards improving the quality of Washington's natural resources by maintaining healthy fish and wildlife populations.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This Activity ranked 37 of 148 activities in the 2011-13 POG result area "Native Fish Recovery".

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

WDFW's ability to evaluate salmon recovery actions will be decreased. This means these salmon stocks may continue to be considered at risk and harvest and other human impacts will continue to be restricted.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the Department can no longer preserve its core functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission.

What are the consequences of not funding this package?

Reducing the monitoring/removal of hatchery strays means the hatchery fish will continue to impact native fish on the spawning grounds. The Department will be unable to meet target spawning ratios for native and hatchery fish which means the hatchery fish will

continue to be a genetic threat to the native stocks.

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

Scientific Technician 2:
Salary = \$3,031/mo. x 13 mo. = -\$39,400/year
Benefits = \$1,515/mo. x 13 mo. = -\$19,700/year
Total annual cost = -\$59,100
Lab and field supplies = -\$4,400/yr
Travel to sampling sites= -\$1,500/yr

\$24,482 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

This reduction would be on going.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(39,400)	(39,400)	(78,800)
B Employee Benefits	(19,700)	(19,700)	(39,400)
E Goods And Services	(16,641)	(16,641)	(33,282)
G Travel	(1,500)	(1,500)	(3,000)
Total Objects	(77,241)	(77,241)	(154,482)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XK Reduction of PS Shellfish Harvest
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5% reduction option reduces the amount of clam and oyster seed planted on public beaches by 30%, which will reduce the recreational harvest of clams and oysters from public beaches in Puget Sound by approximately 20% or more in 2-3 years. It also reduces shellfish disease and predator control permitting functions by 50-65% and reduces intertidal clam and oyster assessment and management activities.

Reducing the regulatory permitting of shellfish transfers from restricted areas to mandatory functions will increase the conservation risk of shellfish diseases, predators, and pests being spread to other beaches. This will place the economic stability and profitability of Washington's commercial industry at greater risk and threaten native shellfish.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(128,338)	(128,339)	(256,677)
Total Cost	(128,338)	(128,339)	(256,677)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-1.0	-1.0	-1.0

Package Description:

There are beaches that have a known presence of shellfish diseases, predators, or pests. To protect native shellfish and commercial shellfish growing areas, WDFW requires a permit for the transfer of shellfish from these restricted areas, preventing the spread of diseases, predators and pests to areas that are not currently impacted by them.

To enhance recreational harvest opportunity, WDFW stocks clam and oyster seed on popular public beaches. WDFW also conducts population assessments on public beaches to set seasons and provide sustainable recreational harvest opportunities based on scientific principles. Without this technical information, shellfish harvest opportunities will be reduced.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund -State (GF-S) revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5-10 percent reduction in the 2011-13 GF-S budget.

This reduction option will consolidate two Fish and Wildlife Bio 3 positions into one. The shellfish permitting function of one position would be reduced by 35% and the clam and oyster assessment and management functions of the other would be reduced by 65%.

The quantity of clam and oyster seed stocked each year would be reduced by 30%. The seed is currently purchased from commercial shellfish growers in Washington through a competitive bid process.

A reduction of shellfish disease, predator, and pest permitting to mandatory permitting only will increase the conservation risk to native shellfish and the commercial shellfish grower industry.

Clam and oyster assessments and management on public beaches will be reduced causing a loss of recreational harvest opportunity. The reduction would require some beaches to be put into a more passive management status due to the lack of technical information, resulting in a corresponding reduction of harvest shares and harvest opportunity.

The recreational harvest of clams and oysters in Puget Sound will be reduced by approximately 20% or more in 2-3 years due to the reduced stocking levels under this option.

Name and Phone Number of Subject Matter Expert:
Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The recreational harvest of clams and oysters in Puget Sound will be reduced.

The permitting of shellfish transfers would be reduced to statewide mandatory functions.

Technical information from the assessment and management of clams and oysters in Puget Sound will be reduced.

All legislative districts connected to Puget Sound and the Washington Coast will be impacted.

Performance Measure Detail

Activity: A043 Fisheries 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 reduction option impacts the WDFW 2011-17 Strategic Plan, Goal 1: A) enhance conservation practices to improve protection and restoration of fish and wildlife, and B) increase protection and restoration of ecosystem functions. And, Goal 2: A) increase the economic benefits and public participation derived from sustainable fish and wildlife opportunities.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's contribution towards improving the quality of Washington's natural resources by maintaining healthy fish and wildlife populations.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This reduction option decreases the Department's contribution towards the following natural resource POG goals:

Preserve, maintain and restore natural systems and landscapes; and

Establish safeguards and standards to protect natural resources.

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

Clam and oyster seed are purchased from commercial shellfish growers through a competitive bid process. A Washington company has been awarded this bid for many years.

Permitting the transfer of shellfish from restricted areas serves to protect Washington's large commercial shellfish industry and the commercial growers are supportive of this program.

Communities that are near shellfish bearing beaches will be economically impacted via a loss of recreational shellfish harvesting opportunities.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the Department can no longer preserve its primary functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission.

What are the consequences of not funding this package?

Reducing the permitting of shellfish transfers from restricted areas to mandatory functions will increase the conservation risk of shellfish diseases, predators, and pests being spread to other beaches. This will put the economic stability and profitability of Washington's commercial industry at greater risk and threaten native shellfish.

The recreational harvest of clams and oysters from public beaches in Puget Sound will be reduced by approximately 20% or more in 2-3 years.

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

Fish and Wildlife Biologist 3:
Salary = \$4,627/mo. x 12 months = -\$55,524/year
Benefits = \$1,702/mo. x 12 months = -\$20,424/year
Total Annual Cost - -\$75,948/year

Object E Expenditures:
Annual clam and oyster seed purchase from contract = -\$32,100/year

\$40,677 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

Given the economic losses associated with this package, the agency prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(55,500)	(55,500)	(111,000)
B Employee Benefits	(20,400)	(20,400)	(40,800)
E Goods And Services	(52,438)	(52,439)	(104,877)
Total Objects	(128,338)	(128,339)	(256,677)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XL Close PS Herring & Reduce Urchin
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5% GF-S reduction option will close the commercial Puget Sound Pacific Herring bait fishery and reduce the commercial sea urchin and sea cucumber harvest by approximately 30%. Loss of staff capacity would require the Department to passively manage the commercial sea urchin and sea cucumber fisheries on a more conservative basis, resulting in lost harvest opportunity. Fishers will no longer be able to buy fresh herring bait from a local market. Commercial sea urchin and sea cucumber fishers will lose income and the fisheries will not be as economically viable. The resulting ex-vessel value (price received by fishermen) decrease could be approximately \$500,000 per year.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(93,283)	(93,283)	(186,566)
Total Cost	(93,283)	(93,283)	(186,566)
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	-1.1	-1.1	-1.1

Package Description:

WDFW assesses sea urchin and sea cucumber populations in Puget Sound to establish commercial harvest quotas and manages a commercial herring bait fishery in Puget Sound for public benefit. WDFW dive team conducts the sea urchin and sea cucumber assessments by surveying defined transects throughout Puget Sound once every three years. A commercial herring bait fishery is conducted to provide fresh bait for recreational and commercial fisheries. Harvest quotas for herring are based on spawner deposition surveys.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund -State (GF-S) revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5-10 percent reduction in 2011-13 GF-S budget.

WDFW is proposing to reduce the assessment of sea urchin and sea cucumber populations in Puget Sound and passively manage the fishery, and eliminate the commercial herring bait fishery. This reduction option includes the elimination of one Fish and Wildlife Biologist 2 position from the dive team, and reduces a Scientific Technician 4 forage fish position by 1.5 staff months per year.

This will reduce the population assessment information needed to actively manage commercial sea urchin and sea cucumber dive fisheries. As a result, those fisheries will have to be managed on a more conservative basis, reducing the harvest level by approximately 30%. Commercial fishers would see a reduction in income and loss of economic stability in their fisheries.

Closing the Puget Sound commercial herring bait fishery will eliminate fresh herring bait from the market. Fishers would have to explore alternative markets for bait, and may have to pay higher prices.

Name and Phone Number of Subject Matter Expert:

Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The harvest of sea urchin and sea cucumber in Puget Sound would be reduced by approximately 30%.

The Puget Sound commercial herring bait fishery would be closed.

All legislative districts connected to Puget Sound will be impacted.

Performance Measure Detail

Activity: A043 Fisheries 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 reduction option directly impacts WDFW 2011-17 Strategic Plan Goal 2, Objective A) increase the economic benefits and public participation derived from sustainable fish and wildlife opportunities.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's contribution towards improving the quality of Washington's natural resources by maintaining healthy fish and wildlife populations.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This reduction option decreases the Department's contribution towards the following natural resource POG goals:

Preserve, Maintain and restore natural systems and landscapes; and

Establish safeguards and standards to protect natural resources.

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

NA

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the Department can no longer preserve its primary functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission.

What are the consequences of not funding this package?

This reduction option will reduce the economic stability and viability of the commercial sea urchin and sea cucumber fisheries in Puget Sound, and eliminate fresh herring as a recreational and commercial bait option in Puget Sound. Both will affect local business and economic benefits.

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

Fish and Wildlife Biologist 2:

Salary = \$4,088/mo. x 12 mo. = -\$49,036/year

Benefits = \$1,622/mo. x 12 mo. = -\$19,464/year

Total annual cost = -\$68,500

Scientific Technician 4:

Salary = \$3,800/mo. x 1.5 months = -\$5,700/year

Benefits = \$1,400/mo. x 1.5 months = -\$2,100/year

Goods and Services = -\$2,200/year

\$29,566 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

Given the economic losses associated with this package, the agency prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(54,736)	(54,736)	(109,472)
B Employee Benefits	(21,564)	(21,564)	(43,128)
E Goods And Services	(16,983)	(16,983)	(33,966)
Total Objects	(93,283)	(93,283)	(186,566)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XM Reduce PS Crab and Shrimp Mgmt
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5% reduction option will eliminate one of two lead biologists who manage Puget Sound crab and shrimp commercial and recreational harvest, and also eliminates a scientific technician in the commercial shrimp management unit. Consequently, there will be less capacity to negotiate harvest sharing agreements with tribal co-managers, plan and structure recreational and commercial state fisheries, manage and regulate those fisheries in-season, analyze and assess data, and generate biological and harvest reports. This action may result in delays in opening winter crab commercial and recreational fisheries, more conservative harvest quota for shrimp and may also result in the inability to adjust crab quotas in-season to increase harvest opportunities.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(140,222)	(140,222)	(280,444)
Total Cost	(140,222)	(140,222)	(280,444)
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	-1.8	-1.8	-1.8

Package Description:

WDFW manages commercial and recreational crab and shrimp fisheries in Puget Sound with two Fish and Wildlife Biologist 4 (FWB4) positions. A 0.8 FTE scientific technician collects and records biological and harvest data for the Puget Sound recreational and commercial shrimp fisheries.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund -State (GF-S) revenues upon which the 2011-13 state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5-10 percent reduction in the 2011-13 GF-S budget. This reduction option will consolidate two FWB4 crab and shrimp management positions into one (-1.0 FTE) and eliminate scientific technician time for shrimp management (-0.8 FTE).

There will be a 50% reduction in lead biological management capacity for fishery planning with tribal co-managers and in-season management for crab and shrimp in Puget Sound, including population assessments, data analyses, and regulation and accounting of harvest shares. This action may result in delays in opening winter crab commercial and recreational fisheries, more conservative harvest quota for shrimp and may also result in the inability to adjust crab quotas in-season to increase harvest opportunities. These delays and reduced opportunities would be a direct result of the lack of staff capacity to provide harvest analysis to policy makers.

In addition, there would be a corresponding reduction to in-season responses to requests for crab and shrimp data and data analyses, less capacity to respond to public inquiries, and less ability to actively communicate with both recreational and commercial fishers.

All legislative districts connected to Puget Sound will be impacted.

Name and Phone Number of Subject Matter Expert:

Craig Burley, Fish Management Division Manager, (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Crab and shrimp manager lead capacity in Puget Sound recreational and commercial fisheries will be reduced 50%.

The collection and recording of shrimp data would be reduced by 25%.

Performance Measure Detail

Activity: A043 Fisheries 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 reduction option impacts the WDFW 2011-17 Strategic Plan, Goal 2, Objective A) increase the economic benefits and public participation derived from sustainable fish and wildlife opportunities.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's contribution towards improving the quality of Washington's natural resources by maintaining healthy fish and wildlife populations.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This Activity ranked 28 of 148 activities in the 2011-13 POG result area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

Recreational and commercial crab and shrimp fisheries contribute directly to personal income to fisheries, and provide secondary economic benefits to local communities throughout Puget Sound.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing the Department's core functions. While the Department can no longer preserve its primary functions without relief from the current economic climate and associated funding limitations, the recommendations seek to minimize impacts to core recreational activities, while at the same time emphasizing our conservation mission.

What are the consequences of not funding this package?

Crab and shrimp manager capacity will be reduced by 50% in Puget Sound. There will be reduced biological capacity to negotiate harvest sharing agreements with tribal co-managers, plan and structure recreational and commercial state fisheries, manage and regulate

those fisheries in-season, analyze and assess data, and generate biological and harvest reports. This reduction may result in more conservative management of the resource and could reduce both commercial and recreational harvest opportunity, directly impacting personal income and enjoyment and economic benefits to local communities.

Recreational and commercial crab and shrimp fishers will receive less service from WDFW shellfish managers. This reduction would be felt in delays for crab and shrimp data and data analyses, requests during the season (catch summaries and remaining harvest quotas), and delays in response to public inquiries and communications with both recreational and commercial fishers (outreach and education).

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

Fish and Wildlife Biologist 4:
 Salary = \$4,600/mo. x 12 months = -\$55,200/year
 Benefits = \$1,700/mo. x 12 months = -\$20,400/year
 Total Annual Cost = -\$75,600

Scientific Technician 2:
 Salary = \$2,400/mo. x 9.6 months = -\$23,000/year
 Benefits = \$1,100/mo. x 9.6 months = -\$10,560/year
 Total Annual Cost = -\$33,600

Object E:
 Standard costs = \$5,000/year/FTE
 \$5,000 x 1.8 = -\$9,000
 Total Annual Cost = -\$8,900

\$44,444 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

Given the economic losses associated with this package, the agency prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(78,200)	(78,200)	(156,400)
B Employee Benefits	(30,900)	(30,900)	(61,800)
E Goods And Services	(31,222)	(31,222)	(62,444)
Total Objects	(140,322)	(140,322)	(280,644)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XN Close Gr Harbor Salmon & Sturgeon
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This secondary 5% reduction option will close all state commercial salmon and sturgeon fisheries in Grays Harbor, including commercial fisheries for Chinook, coho, and chum salmon and white sturgeon. These fisheries produce an ex-vessel value (price received by fishermen) of approximately \$180,000 per year.

This reduction would eliminate one biological and one statistical support staff that are needed to plan and execute these fisheries. The biological position also manages and plans for all recreational fisheries on the coast from the Queets to the Columbia. The statistical position provides fishery modeling and forecast expertise for Chinook, coho, and chum salmon for western WA fisheries, as well as assessments of stock status, run contributions by age class, and predicted exploitation rates for salmon and steelhead stocks in Washington.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(191,319)	(191,320)	(382,639)
Total Cost	(191,319)	(191,320)	(382,639)
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	-2.0	-2.0	-2.0

Package Description:

Working with the Quinault Indian Nation and Confederated Tribe of the Chehalis as co-managers, WDFW conducts commercial salmon fisheries in Grays Harbor. This includes the development of annual forecasts of abundance, fishery planning models, fisheries sampling, and post-season harvest assessment. Harvest related impacts to Endangered Species Act (ESA) listed green sturgeon are evaluated annually, and this information is included in subsequent year's harvest models. Harvest models are used to assess in-season catch and the impacts of harvest on specific salmonid stocks. Grays Harbor fisheries have an ex-vessel value of approximately \$180,000 per year. In addition to the Grays Harbor commercial fishery activity, these two staff members also provide:

- Preseason and in-season planning and management for all recreational fisheries on the SW WA coast.
- Working closely with co-managers and the public to maximize recreational harvest while maintaining healthy fish populations.
- Develop and finalize management plans between non-treaty and treaty co-managers leading to equitable fishing seasons both recreational and commercial fisheries.

- Develop exploitation rate models that allow for stock recovery while maintaining harvest opportunity.
- Provide harvest and survival analyses and reports to international groups such as the Pacific Salmon Commission leading to harvest allocations between nations, consistent with the Pacific Salmon Treaty.
- Develop standards and assess abundance and productivity to evaluate our progress towards salmon recovery.

Economic pressures in Washington continue, reducing the revenue the state receives to fund state services. Projected General Fund-State revenues upon which the 2011-13 BN state budget was developed are not likely to meet expectations. In response, the Governor has requested a 5%-10% reduction in 2011-13 BN General Fund-State budgets.

This reduction package will eliminate two FTEs and close Grays Harbor commercial salmon fisheries. The savings will average \$161,000 per year.

This package would close commercial salmon and white sturgeon fisheries in Grays Harbor. Washington State would lose an average of \$180,000 in ex-vessel revenue annually. The recreational fishery planning and management for the SW WA coast will be reduced. As a result, if elements of SW WA fishery planning and management are assigned to other staff, there will be less public input, less response to public comment, less work with tribal co-managers, with the potential for loss of opportunity from more restrictive harvest regimes. The department will have less accurate methods for assessing harvest, less means for evaluating salmon and steelhead recovery, the potential for more impacts on salmon and sturgeon stocks of concern with the potential for loss of opportunity from more restrictive harvest regimes, and less participation in the Pacific Salmon Treaty process.

Name and Phone Number of Subject Matter Experts:

Ron Warren, Regional Fish Program Manager, Region 6 (360) 249-1201

Craig Burley, Fish Management Division Manager (360) 902-2784

Kenneth Warheit, Chief Scientist, Fish Program (360) 902-2595

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The income from commercial fin fish fisheries in Grays Harbor is eliminated.

A reduction in monitoring information used to assess all harvest impacts on stocks of concern including green sturgeon.

A reduction in recreational fisheries planning, public and tribal communication, and harvest opportunity on the SW WA coast.

A reduction in our ability to evaluate the parameters that are necessary for the management of fisheries, and salmon and steelhead recovery.

Legislative districts 19 and 24 encompass Grays Harbor, but effects of this reduction will be felt in adjoining districts, and statewide.

Performance Measure Detail

Activity: A043 Fisheries 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 reduction package directly affects two areas in the WDFW 2011-17 Strategic Plan: 1) enhance conservation practices to improve protection and restoration of fish, wildlife and habitat, 2) increase the economic benefits and public participation derived from sustainable fish and wildlife opportunities.

Does this decision package provide essential support to one of the Governor's priorities?

This cut reduces the departments contribution toward improving the quality of Washington's natural resources by maintaining healthy fish and wildlife populations.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Out of 148 activities in the 2011-13 POG these activities ranked 28th in "Protect Natural Resources and Cultural and Recreational Opportunities" and 37th in "Native Fish Recovery".

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

Commercial fisheries are conducted by Washington-based fishermen.

Monitoring of commercial fisheries provides additional information on run size and trends in stock abundance for populations of concern.

Recreational fisheries will be impacted by the loss of the biological FTE.

Relations with Canada and Alaska may be impacted by the loss of the statistical FTE.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the Department can no longer preserve its core functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission.

What are the consequences of not funding this package?

Washington will lose approximately \$180,000 in annual ex-vessel revenue in coastal communities, specifically in Grays Harbor.

This reduction would put the economic stability and profitability of the Washington commercial fishing industry at risk.

This reduction will jeopardize our ability to determine if our recovery efforts are working.

This reduction will affect our ability to manage fisheries, primarily along the Washington coast, but will also affect fisheries in Puget Sound and Columbia River.

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?

We would need to modify commercial fishing rules and regulations for Grays Harbor.

Expenditure and revenue calculations and assumptions

Fish and Wildlife Biologist 3

Salary = -\$51,600/yr
 Benefits = -\$20,400/yr
 Total cost = -\$72,000/yr

WMS 2/Statistics and Assessment
 Salary = -\$64,800/yr
 Benefits = -\$22,500/yr
 Total cost = -\$87,300/yr

Goods and Services
 Personnel and data costs = -\$1,200/yr
 Supplies = -\$500/yr

Grays Harbor fisheries: \$322,000

\$60,639 of this package represents the infrastructure and supports costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws. This reduction is included in Object E.

Biennial budget savings: \$382,639

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

Given the economic losses associated with this package, the agency prefers this reduction to be one-time and not impact future biennia.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(116,400)	(116,400)	(232,800)
B Employee Benefits	(42,900)	(42,900)	(85,800)
E Goods And Services	(32,019)	(32,020)	(64,039)
Total Objects	(191,319)	(191,320)	(382,639)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XP Eliminate Ballast Mgmt Columbia River
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5% GF-S reduction option will eliminate the WDFW ballast water monitoring capacity in the Columbia River. WDFW monitors commercial vessels entering Washington ports that have the highest risk of transporting aquatic invasive species in their ballast water. As a result, the risk of not intercepting vessels with ballast water containing aquatic invasive species will increase. This proposed reduction increases the potential for catastrophic impacts to Washington's economy, including hydropower, agriculture, and other water dependent activities.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(87,935)	(87,936)	(175,871)
Total Cost	(87,935)	(87,936)	(175,871)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-1.0	-1.0	-1.0

Package Description:

WDFW inspects the ballast water of commercial vessels entering the state to prevent the introduction of aquatic invasive species into Washington waterways. These inspections occur on approximately 5% of the commercial vessels entering state waters and on vessels with the highest level of identified risk.

WDFW would eliminate ballast water inspections on commercial vessels entering the Columbia River under this option. This budget reduction will be accomplished by eliminating one of two statewide ballast water inspector positions in WDFW.

If implemented, WDFW would pursue federal funding from the U.S. Corps of Engineers to attempt to maintain this essential function.

Name and Phone Number of Subject Matter Expert:

Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Ballast water inspections conducted by WDFW would be eliminated on the Columbia River.

Is there a specific legislative district that will be impacted?

All legislative districts adjacent to the Columbia River would be impacted. The hydropower responsible for the majority of power production in the state would be at greater risk.

Performance Measure Detail

Activity: A044 Monitor and Control Aquatic Invasive Species

Incremental Changes

No measures submitted for package

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

This reduction option impacts the agency's ability to achieve in the 2011-17 Strategic Plan Goal 1; Objective A -1) Promote and improve compliance with natural resource laws, and B) Increase protection and restoration of ecosystem functions.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option decreases the Department's contribution towards the goals in the "Transforming Washington's Budget" report:

"We must protect natural resources and cultural and recreational opportunities."

"We must promote economic development in a growing competitive environment."

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This reduction option decreases the Department's contribution towards the following natural resource POG goals:

Preserve, Maintain and restore natural systems and landscapes; and

Establish safeguards and standards to protect natural resources.

This Activity ranked 45 of 148 activities in the 2010 POG result area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

The introduction of aquatic invasive species into Washington's waterways, such as zebra or quagga mussels, has a high potential to adversely impact hydropower, agriculture, and other water-dependent commercial industries in the state. In turn, there would be significant negative infrastructure and economic impacts to those industries and local economies.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the Department can no longer preserve its primary functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission.

If implemented, WDFW would pursue federal funding from the U.S. Corps of Engineers to attempt to maintain this essential function.

Another alternative to eliminating this work is to fund it through the Aquatic Lands Enhancement Account (ALEA), which would require additional ALEA expenditure authority. Preventing infestations of aquatic invasive species is an allowable use of ALEA funds under current law.

What are the consequences of not funding this package?

Discontinuing commercial ballast water inspections in the Columbia River increases the risk of an aquatic invasive species introduction. Washington is home to extensive hydropower and agriculture activities and any detrimental introductions could have devastating economic consequences that would require billions of dollars to control. Once an aquatic invasive species is established, the ability to eradicate it completely is very low.

"The Independent Economic Advisory Board estimates the hydroelectric infrastructure on the Columbia River would incur an annual cost of \$250-\$300 million from the introduction of zebra/quagga mussels. This cost estimate does not include economic damages to the irrigation infrastructure nor fish losses."*

*Source - "Economic Risk Associated with Potential Establishment of Zebra and Quagga Mussels in the Columbia River Basin" July 2010, Northwest Power and Conservation Council - Independent Economic Advisory Board.

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

Introductions of invasive species could cause increased capital budget requests to maintain state facilities that are water dependent such as hatcheries and irrigation facilities.

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

None.

Expenditure and revenue calculations and assumptions

Environmental Specialist 4:
 Salary = \$4,600/mo. x 12 months = -\$55,000
 Benefits = \$1,600/mo. x 12 months = -\$19,000
 Total Annual Cost = -\$74,000 x 2 = -\$148,000

\$27,871 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

Given the potential economic losses associated with this package the Department prefers this reduction to be one-time.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(55,000)	(55,000)	(110,000)
B Employee Benefits	(19,000)	(19,000)	(38,000)
E Goods And Services	(13,935)	(13,936)	(27,871)
Total Objects	(87,935)	(87,936)	(175,871)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XQ Eliminate Ballast Mgmt in PS
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This secondary 5% GF-S reduction option will eliminate the WDFW ballast water monitoring program in the Puget Sound. WDFW monitors commercial vessels entering Washington ports that have the highest risk of transporting aquatic invasive species in their ballast water. This reduction will eliminate the remaining state ballast water inspector. As a result, the risk of not intercepting vessels with ballast water containing aquatic invasive species will increase. This proposed reduction increases the potential for catastrophic impacts to Washington's economy, including hydropower, agriculture, and other water dependent activities.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(87,935)	(87,936)	(175,871)
Total Cost	(87,935)	(87,936)	(175,871)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-1.0	-1.0	-1.0

Package Description:

WDFW inspects the ballast water of commercial vessels entering the state to prevent the introduction of aquatic invasive species into Washington's waterways. These inspections occur on about 5% of the commercial vessels entering state waters and target vessels with the highest level of identified risk.

This option would eliminate ballast water inspections on commercial vessels entering Puget Sound waterways. This reduction will be accomplished by eliminating the last ballast water inspector position in WDFW. Commercial vessel ballast water inspections in Washington will be discontinued, increasing the likelihood that aquatic invasive species will be introduced through ballast water discharges.

Name and Phone Number of Subject Matter Expert:

Craig Burley, Fish Management Division Manager (360) 902-2784

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Commercial ballast water inspections in Washington waterways would be eliminated.

All legislative districts adjacent to Puget Sound would be impacted.

Performance Measure Detail

Activity: A044 Monitor and Control Aquatic Invasive Species

Incremental Changes

No measures submitted for package

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

This reduction option impacts the agency's ability to achieve in the 2011-17 Strategic Plan Goal 1; Objective A -1) Promote and improve compliance with natural resource laws, and B) Increase protection and restoration of ecosystem functions.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option decreases an important contribution towards the recovery of Puget Sound by 2020.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This reduction option decreases the Department's contribution towards the goals in the "Transforming Washington's Budget" report:

"We must protect natural resources and cultural and recreational opportunities."

"We must promote economic development in a growing competitive environment."

This Activity ranked 45 of 148 activities in the 2010 POG result area "Protect Natural Resources and Cultural and Recreational Opportunities".

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

The introduction of aquatic invasive species into Washington's waterways, such as zebra or quagga mussels, has a high potential to adversely impact hydropower, agriculture, and other water-dependent commercial industries in the state. In turn, there would be significant negative infrastructure and economic impacts to those industries and local economies.

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

The Department first identified opportunities for savings or fund shifts and partnerships and looked for reductions that would have the least impact toward accomplishing our core functions. While the Department can no longer preserve its primary functions without relief from the current economic climate and funding limitations, the recommendations seek to minimize impacts to its core, while at the same time emphasizing our conservation mission.

If this option is taken, the WDFW will pursue federal funding from the U.S. Corps of Engineers, and other federal agencies to attempt to maintain this essential function.

Another alternative to eliminating this work is to fund it through the Aquatic Lands Enhancement Account (ALEA), which would require additional ALEA expenditure authority. Preventing infestations of aquatic invasive species is an allowable use of ALEA under current law.

What are the consequences of not funding this package?

Discontinuing commercial ballast water inspections in the Columbia River increases the risk of an aquatic invasive species introduction. Washington is home to extensive hydropower and agriculture activities and any detrimental introductions could have devastating economic consequences that would require billions of dollars to control. Once an aquatic invasive species is established, the ability to eradicate it completely is very low.

Puget Sound is one of the most ecologically diverse ecosystems in North America. It is a place of rare biological diversity and high economic value. The health and productivity of Puget Sound is a cornerstone of the region's quality of life and vibrant economy, from sport fishing to salmon and shellfish production to tourism.

Aquatic invasive species in Puget Sound's marine environment pose significant ecological and economic risks. Most introduced nonnative species do not have natural predators and spread quickly, outcompeting native organisms for food and space. In the past two years, three species of non-native tunicates have developed rapidly expanding populations in Puget Sound and Hood Canal.

In 2002, the federal Government Accountability Office (GAO) reported that "at least 160 non-native aquatic species had become established in the Great Lakes since the 1800s-one-third of which were introduced in the past 30 years by ballast water. The effects of such species are not trivial; the zebra mussel alone is estimated to have caused \$750 million to \$1 billion in costs between 1989 and 2000. Species introductions via ballast water are not confined to the Great Lakes, however. The environment and economy of the Chesapeake Bay, San Francisco Bay, Puget Sound, and other U.S. waters have also been adversely affected."

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

Introductions of invasive species could cause increased capital budget requests to maintain state facilities that are water dependent such as hatcheries and irrigation facilities.

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

None.

Expenditure and revenue calculations and assumptions

Environmental Specialist 4:
Salary = \$4,600/mo. x 12 months = -\$55,000
Benefits = \$1,600/mo. x 12 months = -\$19,000
Total Annual Cost = -\$74,000 x 2 = -\$148,000

\$27,871 included in object E of this package represents the infrastructure and support costs associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

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

Given the potential economic losses associated with this package the Department prefers this reduction to be one-time.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(55,000)	(55,000)	(110,000)
B Employee Benefits	(19,000)	(19,000)	(38,000)
E Goods And Services	(13,935)	(13,936)	(27,871)
Total Objects	(87,935)	(87,936)	(175,871)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XR Delay HPA Program Permitting
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

Hydraulic Project Approvals

- Initial 5% reduction option is \$207,956 and 1.0 FTE
- Secondary 5% reduction option is \$421,854 and 2.0 FTEs

Thousands of construction and maintenance projects on or near water occur each year that can damage or destroy fish, shellfish and their habitats. Hydraulic Project Approval (HPA) biologists review plans for these projects and set conditions to avoid or minimize impacts to fish life. At the 5% GF-S reduction option, WDFW will eliminate 1.0 FTE, and the 10% GF-S reduction option will eliminate an additional 2.0 FTEs. These options will result in a significant delay for hundreds of HPA applicants and there will be less onsite review to tailor permit conditions to the specific needs of the site. Onsite reviews provide the best opportunity to identify project designs that protect fish life and allow for project refinement that translate into cost control measures for the applicant. Applicants will likely experience increased costs for their projects and the Department will reduce fish protection.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(314,905)	(314,905)	(629,810)
Total Cost	(314,905)	(314,905)	(629,810)
Staffing	<u>FY 2012</u>	<u>FY 2013</u>	<u>Annual Average</u>
FTEs	-3.0	-3.0	-3.0

Package Description:

Under state law, HPA biologists review plans for culverts, bulkheads, bridges and other hydraulic projects on or near natural water bodies and set conditions on the work to protect fish life. HPA staff review and issue permits for over 4,000 projects a year, ensuring that fish and shellfish are protected and their habitats are maintained. The 3.0 FTEs in this decision package represent approximately 7% of this statewide effort.

This reduction option will eliminate 7% of staff (3.0 FTEs) who review and determine conditions to protect fish and their habitats for construction of projects in or near state waters. As a result, fewer on-site visits will occur where cost-effective measures are identified to meet applicants' needs and to protect fish. Response time to applications will increase significantly, delaying project start time. Permit conditions designed to protect fish life will be more standardized for certain types of projects, with less opportunity to custom fit for site-specific variation. This will result in reduced fish protection because standardized conditions may not be applicable to unique projects and sites (e.g. a culvert installation doesn't pass fish as intended). Applicants are likely to see increased project costs because

on-site consultation resulting in cost-effective project design will be reduced.

Response time to applicants will increase significantly, delaying start time for hundreds of projects annually. Fewer on-site visits will occur where cost-effective measures are identified to meet applicants' needs and to protect fish. Permit conditions designed to protect fish life will be more standardized for certain types of projects, with less opportunity to custom fit for site-specific variation. This will result in reduced fish protection because standardized conditions may not be applicable to unique projects and sites (e.g. a culvert installation doesn't pass fish as intended). Applicants are likely to see increased project costs because on-site consultation resulting in cost-effective project design will be reduced.

Name and Phone Number of Subject Matter Expert:
Lisa Veneroso (360) 902-2836

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

NA.

Performance Measure Detail

Activity: A036 Hydraulic Project Approvals

Incremental Changes

No measures submitted for package

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

This option reduces the Department's ability to implement several strategies identified in the 2011-17 WDFW Strategic Plan, specifically Goal 1: Conserve and Protect Native Fish and Wildlife. Key objectives of this initiative are protecting and restoring Washington's wild fish populations, including the habitat and ecosystem functions necessary for salmon survival and recovery.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's ability to contribute directly to the Governor's priority to protect and restore Puget Sound, as reflected in the Puget Sound Partnership's Action Agenda. Improving the effectiveness and compliance of the HPA program is a priority near-term action in the Action Agenda. Salmon recovery is a key performance measure in the Puget Sound Partnership's plan.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This activity ranked 18 out of 148 activities in the 2010 POG Result Area "Protect Natural Resources and Cultural and Recreational Opportunities." This also reduces the Department's ability to support the top two Priorities of Government Natural Resource strategies, including "Preserve, Maintain and Restore Natural Systems and Landscapes," and "Establish Safeguards and Standards to Protect Natural Resources."

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

Eliminating part of the agency's core commitment to fish protection throughout the state will negatively impact related agency initiatives and responsibilities, including harvest and hatchery production. Hampered fish protection has negative economic impacts by reducing harvest opportunities. Healthy fish populations mean a healthy natural environment that attracts recreation and the revenue associated with those activities.

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

Across the board cuts were considered and rejected because this would result in inefficiencies and disruption in several functional areas.

What are the consequences of not funding this package?

Permit applicants will suffer delays in processing. Fish protection will be reduced due to fewer onsite reviews to appropriately tailor permit conditions and there will be less follow-up for compliance to ensure permit conditions are correctly adhered to. Some projects will be more expensive for applicants because cost-saving measures will not be identified by staff.

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

This option may delay completion of WDFW funded capital projects where an HPA permit is required and may cause the Department to request higher reappropriation amounts for these projects.

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 following costs assumptions have been used:

Salaries (A) Object A is based on Fish and Wildlife Biologist 3 salary of \$56,000 per FY. Reduction of staff is assumed to take place in FY 12.

Benefits (B) Calculated by job class, the average benefits rate for the agency is equal to 37.9% of salaries.

Contracts (C) None involved.

Goods & Services (E) Object E, includes infrastructure and support costs and DOP and HRMS fees. \$99,810 of this package, included in object E, represents the administrative support associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

Travel (G) Travel is estimated at \$500/FY per FTE.

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 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(168,000)	(168,000)	(336,000)
B Employee Benefits	(63,600)	(63,600)	(127,200)
E Goods And Services	(81,805)	(81,805)	(163,610)
G Travel	(1,500)	(1,500)	(3,000)
Total Objects	(314,905)	(314,905)	(629,810)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XS Reduce Salmon Recovery
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

The Watershed Stewardship Team (WST) coordinates and informs over 60 entities for salmon recovery projects. WSTs provide technical assistance to a variety of salmon recovery partners including landowners, non profits, state and federal agencies and tribes. Each WST biologist is an expert in their respective watershed and provides a variety of assistance as determined by the local needs, ensuring local efforts have the greatest likelihood of success. This secondary 5 percent GF-S reduction option will eliminate 2.0 FTEs dedicated to salmon recovery actions. This option will cause loss or delays in delivering necessary expertise for effective salmon recovery projects and loss or delay in securing over \$70 million in recent grant cycles for many of these recovery projects. As a result, degradation of salmon habitat will accelerate. Loss of habitat is recognized as one of the primary causes of reduced salmon populations in the state.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(187,161)	(187,160)	(374,321)
Total Cost	(187,161)	(187,160)	(374,321)
 Staffing	 <u>FY 2012</u>	 <u>FY 2013</u>	 <u>Annual Average</u>
FTEs	-2.0	-2.0	-2.0

Package Description:

Salmon and steelhead are integral to Washington's ecological, commercial, recreational and cultural identity. The WDFW works to restore salmon populations by protecting and restoring marine and freshwater habitat. We work collaboratively with over 60 salmon recovery entities from Puget Sound to the Columbia Basin to develop and implement salmon recovery actions in watersheds throughout the state. This unique expertise is critical to securing over \$70 million annually to fund salmon recovery projects throughout Washington. The 2.0 FTEs in this reduction option represent approximately 20% of the statewide effort.

This reduction option will eliminate 20% of staff (2.0 FTEs) who act as primary agency contacts with salmon recovery entities across the state. In this role they develop and nurture partnerships to get important recovery projects on the ground as they deliver technical expertise and participate in the planning, prioritization and implementation of these major efforts.

Without this role, salmon recovery in the state will suffer. Our partnership with dozens of entities will be broken. Important recovery projects worth millions of dollars will be lost or delayed because they will not benefit from the technical expertise, partnership and coordination provided by these agency staff.

Name and Phone Number of Subject Matter Expert:

Lisa Veneroso (360) 902 2836

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

NA

Performance Measure Detail

Activity: A045 Habitat Conservation Technical Assistance

Incremental Changes

No measures submitted for package

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

This option reduces the Department's ability to implement several strategies identified in the 2011 17 WDFW Strategic Plan, specifically Goal 1: Conserve and Protect Native Fish and Wildlife. Key objectives of this initiative are protecting and restoring Washington's wild fish populations, including the habitat and ecosystem functions necessary for salmon survival and recovery.

Does this decision package provide essential support to one of the Governor's priorities?

This reduction option lessens the Department's ability to contribute directly to the Governor's priority to protect and restore Puget Sound, as reflected in the Puget Sound Partnership's Action Agenda. Salmon recovery is a key performance measure in the Puget Sound Partnership's plan.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This activity ranked 33 out of 148 activities in the 2011-13 POG Result Area "Protect Natural Resources and Cultural Recreational Opportunities". This option also reduces the Department's ability to support the top two Priorities of Government Natural Resource strategies, including "Preserve, Maintain and Restore Natural Systems and Landscapes," and "Establish Safeguards and Standards to Protect Natural Resources".

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

Eliminating part of the agency's core commitment to salmon recovery throughout the state will negatively impact related agency initiatives and responsibilities, including harvest and hatchery production. Hampered salmon recovery has negative economic impacts by reducing harvest opportunities. Healthy fish populations mean a healthy natural environment that attracts recreation and the revenue associated with these activities.

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

Across the board cuts were considered and rejected because this would result in inefficiencies and disruption in several functional areas.

What are the consequences of not funding this package?

This work is part of WDFW's core commitment to salmon recovery and salmon recovery will suffer without it. Important recovery projects worth millions of dollars will be delayed or even not implemented because of the lack of technical expertise, partnership and

coordination provided by these agency staff. One of the primary causes of reduced salmon populations, degradation of habitat, will accelerate.

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

NA

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 following costs assumptions have been used:

Salaries (A) Object A is based on Fish and Wildlife Biologist 3 salary of \$56,000 per FY. Reduction of staff is assumed to take place in FY 12.

Benefits (B) Calculated by job class, the average benefits rate for the agency is equal to 37.9% of salaries.

Contracts (C) None involved.

Goods & Services (E) Object E, includes agency standard costs and DOP and HRMS fees. \$59,321 of this package, included in object E, represents the administrative support associated with this program reduction. Recent administrative cuts have been deeper than program cuts, and administrative services reflect skeletal staffing levels. Future administrative cuts will therefore be proportionate to program reductions, and administrative functions will generally comply with state and federal laws.

Travel (G) Travel is estimated at \$500/FY per FTE.

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

Ongoing

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
A Salaries And Wages	(112,000)	(112,000)	(224,000)
B Employee Benefits	(42,400)	(42,400)	(84,800)
E Goods And Services	(31,761)	(31,760)	(63,521)
G Travel	(1,000)	(1,000)	(2,000)
Total Objects	(187,161)	(187,160)	(374,321)

Agency: 477 Department of Fish and Wildlife
Decision Package Code/Title: XT One-Time Equipment Reduction
Budget Period: 2011-13
Budget Level: PL - Performance Level

Recommendation Summary Text:

This initial 5 percent GF-S reduction option reduces the Department's ability to purchase equipment by \$100,000 during the 2011-13 biennium.

Fiscal Detail

Operating Expenditures	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	(50,000)	(50,000)	(100,000)
Total Cost	(50,000)	(50,000)	(100,000)

Package Description:

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This reduction will further inhibit the Department's ability to replace equipment resulting in greater risk of equipment failure and higher maintenance costs over time.

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 negatively impacts the Department's strategic plan goal of "Effectively and efficiently managing agency assets".

Does this decision package provide essential support to one of the Governor's priorities?

No.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No.

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

Not replacing equipment in a timely manner can lead to higher maintenance costs and safety risks over time.

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

The Department has explored many alternatives to meet OFM's requirement to submit state general fund reduction packages. This option is simply one of the reductions that has been chosen as an option by the Department.

What are the consequences of not funding this package?

N/A

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 will reduce object E expenditures by \$50,000 GF-S in each fiscal year during the 2011-13 biennium.

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

This is a one-time reduction.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
E Goods And Services	(50,000)	(50,000)	(100,000)