Agency: 490 Department of Natural Resources
Decision Package Code/Title: 9V Oper costs for new capital projects
Budget Period: 2009-11
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

During 07-09 the Department of Natural Resources (DNR) added newly acquired natural areas acreage, conserving biological diversity. Funding meets legislative direction "... to secure for the people of present and future generations the benefit of an enduring resource of natural areas" (RCW 79.70.010). Funding implements direction to provide access for education and low-impact recreation on natural areas (Chapters 79.70 and 79.71 RCW), and prevents a deterioration of service levels on existing natural areas, which occurs if existing resources are spread over a larger land base. Funding allows resource protection, weed control, restoration, environmental education, planning for and accommodating public access, and other land management tasks.

Fiscal Detail

<table>
<thead>
<tr>
<th>Operating Expenditures</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>001-1 General Fund - Basic Account-State</td>
<td>619,100</td>
<td>549,200</td>
<td>1,168,300</td>
</tr>
<tr>
<td>Total Cost</td>
<td>619,100</td>
<td>549,200</td>
<td>1,168,300</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Staffing</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Annual Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTEs</td>
<td>4.5</td>
<td>4.5</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Package Description:

This budget proposal is based on the operating costs previously communicated to the Office of Financial Management on Form C2A that accompanied the land acquisition requests for the 07-09 Biennium. [Note: Cost estimates have changed since C2A submittal due in part to the new state salary schedule which included the salary survey.]

This proposal provides funding for basic maintenance and operation of natural areas managed by DNR. This newly acquired funding maintains the state's investment in all DNR-managed natural areas because a deterioration of service levels on existing natural areas would occur if current resources were to be spread over a larger land base.

Over the past 35 years, the State of Washington has acquired approximately 126,100 acres of DNR-managed conservation lands at a cost of more than $400 million, creating 52 natural area preserves (NAPs) and 29 natural resources conservation areas (NRCA). While representing only about 2 percent of DNR-managed lands, this investment protects areas identified by scientists, other citizens, and DNR staff for rare and threatened plants and animals, scenic views, and rich natural habitats. Newly acquired lands add to the protection of rare and diminishing natural features, but they also add to the ongoing land management costs of the DNR Natural Areas Program.

Typical activities at these new land acquisition sites include:
-- ecological assessment and analysis
-- weed control and monitoring

September 5, 2008
-- public access and management planning -- community outreach
-- public use impact abatement and monitoring -- trail and parking maintenance
-- ecological restoration -- signage
-- payment of the annual forest protection (fire fighting) assessment and weed control assessment.

New sites routinely require additional neighbor contact, community involvement, and site-specific assessments and weed control planning. Significant additions to some sites, or completion of some site designs, triggers the need for a management planning process to determine appropriate public access and other land management concerns.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The land and resource management activities noted above will be implemented on the following newly acquired sites:

(PS = Sites within a county adjacent to the Puget Sound)

Trust Land Transfer - 07-09 Biennium

<table>
<thead>
<tr>
<th>Site NAME</th>
<th>Budget (PS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tahoma Forest North --</td>
<td>$17,700 (PS)</td>
</tr>
<tr>
<td>Charley Creek East --</td>
<td>$17,500 (PS)</td>
</tr>
<tr>
<td>Hamma Hamma Balds --</td>
<td>$59,700 (PS)</td>
</tr>
<tr>
<td>Camas Meadows --</td>
<td>$40,300</td>
</tr>
<tr>
<td>Mount Si --</td>
<td>$93,100 (PS)</td>
</tr>
<tr>
<td>Tiger Mountain South --</td>
<td>$23,200 (PS)</td>
</tr>
<tr>
<td>Upper Sultan Basin --</td>
<td>$83,000 (PS)</td>
</tr>
<tr>
<td>Stavis Creek --</td>
<td>$53,100 (PS)</td>
</tr>
</tbody>
</table>

Washington Wildlife and Recreation Program - 07-09 Biennium

<table>
<thead>
<tr>
<th>Site NAME</th>
<th>Budget (PS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woodard Bay --</td>
<td>$36,300 (PS)</td>
</tr>
<tr>
<td>Stavis NRCA/Kitsap Forest NAP --</td>
<td>$36,400 (PS)</td>
</tr>
<tr>
<td>Stavis NRCA Riparian --</td>
<td>$36,300 (PS)</td>
</tr>
<tr>
<td>Lacamas Prairie --</td>
<td>$79,800</td>
</tr>
<tr>
<td>Klickitat Canyon --</td>
<td>$121,400</td>
</tr>
<tr>
<td>Methow Rapids --</td>
<td>$40,000</td>
</tr>
<tr>
<td>Washougal Oaks --</td>
<td>$40,000</td>
</tr>
<tr>
<td>Selah Cliffs --</td>
<td>$40,000</td>
</tr>
<tr>
<td>Elk River NRCA --</td>
<td>$36,400</td>
</tr>
<tr>
<td>Bald Hill --</td>
<td>$117,000 (PS)</td>
</tr>
<tr>
<td>Chehalis River Surge Plain --</td>
<td>$116,400</td>
</tr>
<tr>
<td>Cypress Island --</td>
<td>$19,400 (PS)</td>
</tr>
</tbody>
</table>

See Note Below ...

Total "Original Estimate" of First Biennium Cost $ 1,107,000
(Including $200,300 agency admin costs @ 22%; per the C2A instructions in 2006)
Subtotal of PS adjacent sites $ 592,700 (including 22% admin)

Note: Original C2A estimates did not include one-time costs for new FTEs, such as workspace, computer, and vehicle; thus costs have been adjusted as follows:

Background: Original cost amount (at old salary schedule) $ 906,700
Confirm 22% agency admin $ 200,300
Total (The C2A total, shown above) $ 1,107,000

Revision: New cost amount (new salary schedule) $ 949,400
Confirm 27% agency admin $ 214,300
New Total $ 1,163,700

September 16, 2008
Performance Measure Detail

Activity: A021 Natural Areas

No measures submitted for package

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

This proposal supports and further DNR's strategic goals as follows:

Goal:
Upland Resources provide substantial levels of trust revenue, conservation, and public benefits consistent with our fiduciary duty and legal commitments.

- Provide protection for ecologically sensitive lands and functions. Protection of the natural features on NAPs and NRCA is the primary goal of the Natural Areas Program, thus furthering DNR's goal through a commitment to providing substantial levels of conservation and public benefits on these lands.

- Work with others to define and implement responsible, appropriate uses of public lands, to control damage and limit liability exposure, and to provide beneficial public access. This proposal will assure adequate ecological maintenance activities and public use management, and it will provide for public involvement and educational activities (including innovative partnerships with volunteers and community-based organizations).

Goal:
Aquatic Resources are managed to optimize the full range of public benefits.

- Work with communities and governmental entities to improve the ecological health of aquatic resources. All DNR natural areas contribute in some way to the maintenance of healthy aquatic systems, and many include aquatic lands within their boundaries.

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

Yes, 12 of the 20 natural areas included in this budget package are within the Puget Sound watershed. They assure conservation of native ecological features, contribute to water quality and quantity, maintain overstory and understory, and provide wildlife and salmonid habitat.

POG: This proposal supports three State of Washington "Priorities of Government."

- "Improve the quality of Washington's natural resources."
  DNR manages natural areas to maintain pristine examples of native ecosystems and habitat, and to preserve threatened plant and animal species or communities. Natural areas serve as genetic resources for native plant and animal species, and they contribute to healthy watersheds and landscapes.

- "Improve cultural and recreational opportunities throughout the state."
  DNR natural areas are located throughout the state and provide outdoor environmental education opportunities, natural history interpretation, local historical information, and recreational/interpretive trails and primitive camping on several NRCA.

- "Improve the health of Washington citizens."
  Walking/hiking is the number one form of recreational activity. NRCA, and even some NAP where appropriate, have improved trails and trailheads encouraging public use in natural settings.

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

September 5, 2008
Yes this request contributes to the following statewide results:

Improve the quality of Washington's natural resources.
-Preserve, maintain and restore natural systems and landscapes.
-Achieve sustainable use of public natural resources.

Improve cultural and recreational opportunities throughout the state.
-Provide stewardship of cultural and recreational assets.
-Ensure access to cultural and recreational opportunities.
-Ensure quality cultural and recreational experiences.

Improve the health of Washington citizens.
-Increase healthy behaviors.

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

Project sites within the Puget Sound Basin: Tahoma Forest North, Charley Creek East, Hamma Hamma Balds, Mount Si, Tiger Mountain South, Upper Sultan Basin, Stavis Creek, Woodard Bay, Stavis NRCA/Kitsap Forest NAP, Stavis Riparian, Bald Hill, and Cypress Island.

Project sites with significant aquatic features (municipal watersheds, wetlands, streams, rivers, aquatic lands): Charley Creek East, Camas Meadows, Upper Sultan Basin, Stavis Creek, Woodard Bay, Stavis NRCA/Kitsap Forest NAP, Stavis NRCA Riparian, Lacamas Prairie, Klickitat Canyon, Washougal Oaks, Elk River NRCA, Bald Hill, Chehalis River Surge Plain, and Cypress Island.

Agency partnerships include land acquisition grant funding through the Recreation and Conservation Funding Board at all 12 of the sites acquired via the Washington Wildlife and Recreation Program.

Resource management partnerships--either grant funding or shared workplans--are active with other state and federal agencies at Woodard Bay, Bald Hill, Camas Meadows, Lacamas Prairie, Washougal Oaks, Elk River, and Chehalis River Surge Plain.

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

DNR would attempt to maintain an increased number of sites with the current carry forward level of funding. This would result in some sites not having site monitoring and analysis/planning, and some sites not being made available for public access.

What are the consequences of not funding this package?

Access and public use of natural areas will become more limited for many sites that, with adequate staffing and funding, could be made available for scientific, educational or low-impact recreational use. Site monitoring and analysis/planning will not occur at some sites and will continue at a slower pace statewide.

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

This proposal implements land and resource management activities for natural areas that were acquired with funding in the 2007-2009 biennial state capital budget.

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 include the following new permanent, full-time positions: Natural Resource Specialist 2 and Environmental Planner 2.

Salaries and Benefits for additional staff months for existing part-time/seasonal positions include Natural Resources Specialist 3, Natural Resources Research Technician 3, and a Natural Resources Research Technician 2.

September 5, 2008
Goods and Services are estimated at the program average plus specific amounts for weed control and restoration, signs, fences, work crews, and forest protection assessments.

Travel is estimated at the program average.

No Revenue implications.

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

Initial one-time goods and services cost are $77,500.

Ongoing goods and services costs are $92,000 per biennium (included in the original C2A) plus $36,000 rent per biennium for a total of $128,000 per biennia.

<table>
<thead>
<tr>
<th>Object Detail</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Salaries And Wages</td>
<td>218,900</td>
<td>218,900</td>
<td>437,800</td>
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<tr>
<td>B Employee Benefits</td>
<td>78,300</td>
<td>78,300</td>
<td>156,600</td>
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<tr>
<td>E Goods And Services</td>
<td>131,100</td>
<td>114,000</td>
<td>245,100</td>
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<tr>
<td>G Travel</td>
<td>29,800</td>
<td>29,800</td>
<td>59,600</td>
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<tr>
<td>J Capital Outlays</td>
<td>54,900</td>
<td></td>
<td>54,900</td>
</tr>
<tr>
<td>T Intra-Agency Reimbursements</td>
<td>106,100</td>
<td>108,200</td>
<td>214,300</td>
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<tr>
<td><strong>Total Objects</strong></td>
<td><strong>619,100</strong></td>
<td><strong>549,200</strong></td>
<td><strong>1,168,300</strong></td>
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