Department of Natural Resources
09-11 Operating Budget Request
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Agency Budget Request Decision Package Summary

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

Agency: 490 **Department of Natural Resources**

9/5/2008
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Budget Period: 2009-11

Decision Package Code	Decision Package Title
PL-EF	Sustainable Public Access
PL-AH	Aquatic Habitat Conservation Plan
PL-EE	Unstable Landforms
PL-FP	Improving Forest Fire Prevention
PL-EB	Landowner Incentives
PL-EG	Access to Biodiversity Information
PL-EA	Expert Forestry Assistance
PL-IA	Initial Attack Fire Engine Crews
PL-EC	Evergreen Community Implementation
PL-FH	Forest Health Implementation
PL-SG	Eastern WA Subsurface Geology
PL-ED	Landscape-Level Wildlife Assessment
PL-AD	Increased Derelict Vessel Removal
PL-AC	Aquatic Land Investigation/Cleanup
PL-SM	Surface Mine Reclamation
PL-DH	Digitizing Historical Survey Books

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Maintenance Level

Operating
Existing Cap

State of Washington
Decision Package

FINAL

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

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	619,100	549,200	1,168,300
Total Cost	**619,100**	**549,200**	**1,168,300**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**4.5**	**4.5**	**4.5**

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 (NRCAs). 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

-- public access and management planning
-- public use impact abatement and monitoring
-- ecological restoration
-- community outreach
-- trail and parking maintenance
-- 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

Tahoma Forest North --	$17,700 (PS)
Charley Creek East --	$17,500 (PS)
Hamma Hamma Balds --	$59,700 (PS)
Camas Meadows --	$40,300
Mount Si --	$93,100 (PS)
Tiger Mountain South --	$23,200 (PS)
Upper Sultan Basin --	$83,000 (PS)
Stavis Creek --	$53,100 (PS)

Washington Wildlife and Recreation Program - 07-09 Biennium

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

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
	Plus 22% agency admin	$ 200,300
	Total (The C2A total, shown above)	$ 1,107,000
Revision:	New cost amount (new salary schedule)	$ 949,400
	Plus 27% agency admin	$ 214,300
	New Total	$ 1,163,700

Performance Measure Detail

Activity: A021 Natural Areas

Incremental Changes

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 furthers 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 NRCAs 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 NRCAs.

-"Improve the health of Washington citizens."
Walking/hiking is the number one form of recreational activity. NRCAs, and even some NAPs 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?

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.

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.

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

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Fire Supp

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **FS Fire Suppression Maint. Adjustment**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

The Department of Natural Resources (DNR) is responsible for responding to and suppressing wildland fires. These costs have been paid from General Fund (state, federal, and private/local), Disaster Response Account (Disaster), and the Landowner Contingency Forest Fire Suppression Account (LOC - a non-appropriated, allotted fund) depending upon the cause and location of the fire. This request represents the adjustment to align funding with recent fire suppression expenditure history.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
001-1	General Fund - Basic Account-State	11,234,300	8,905,300	20,139,600
001-2	General Fund - Basic Account-Federal	2,746,600	2,746,600	5,493,200
001-7	General Fund - Basic Account-Private/Local	(13,000)	(13,000)	(26,000)
030-6	Landowner Conting F Fire Suppress-Non-Appropriate	599,700	599,700	1,199,400
	Total Cost	**14,567,600**	**12,238,600**	**26,806,200**

Package Description:

One of the responsibilities of DNR is to respond to and suppress fires on DNR protected lands. In addition, DNR also provides support to other state, federal, and local jurisdictions in suppressing fires. If support is provided to another Washington state agency costs are charged against GF-State and reimbursed by the respective agency. If support is provided to a federal or other state entity costs are charged against GF-F federal or GF-L local with a billing sent to the respective entity and treated as revenue to the state general fund.

Each biennium DNR prepares an estimate of necessary funding for the ensuing two-year period. This estimate is based on annual expenditures adjusted for inflation over a period of time most representative of what is expected for the upcoming biennium. The past several biennia the department has used the last ten-years expenditures, dropping the two highest and two lowest adjusted years and averaging the remaining six. This method has not kept pace with the actual trend of higher fire fighting costs over the past decade. In contrast, this request is based on annual expenditures adjusted for inflation for the last seven years and averaged. This result is compared to the carry forward level and the difference is reflected in a maintenance level request.

This proposal affects DNR's fire suppression activity.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The fire suppression activity is committed to the following DNR goals - losses to life from fire are prevented and property loss is minimized as well as natural resources damage from wildfires on DNR-protected lands are minimized. This is a biennial adjustment, based on an adjusted seven-year average, to provide the base level of funding for emergency fire suppression. This proposal has no impact to the performance measure "Percentage of total wildfires contained at or below 10 acres on DNR protected land".

Performance Measure Detail

Activity: A013 Fire Suppression

Incremental Changes

No measures submitted for package

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

This proposal supports DNR's strategic plan as follows:

Losses to life from fires are prevented and property loss is minimized. Responding to wildland fires requires support from trained fire fighting staff and specialized equipment to keep fires small and property losses to a minimum.

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

This proposal supports the following "Priority of Government":

Improve the safety of people and property. Wildland fires have the potential to cause substantial loss to property. DNR strives to keep these losses to a minimum.

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

This proposal contributes to the statewide result "Improve the safety of people and property". It is a high priority activity in preparing for and responding to statewide emergencies.

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

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

Each biennium DNR prepares an estimate of necessary funding for the ensuing two-year period. This estimate is based on annual expenditures adjusted for inflation over a period of time most representative of what is expected for the upcoming biennium. The past several biennia the department has used the last ten-years expenditures average, dropping the two highest and two lowest adjusted years and averaging the remaining six. This method has not kept pace with the actual trend of higher fire fighting costs over the past decade. In contrast, this request is based on annual expenditures adjusted for inflation for the last seven years and averaged. This result is compared to the carry forward level and the difference is reflected in a maintenance level request.

The department also examined other methodologies in order to determine an appropriate base funding level for the 2009-11 fire suppression biennium. Of these two were selected most representative of the actual fire suppression cost over recent history. The first method is a ten-year average based on annual expenditures adjusted for inflation that drops the two highest and two lowest adjusted years and averages the remaining six. The second is the last three completed biennia based on annual expenditures

adjusted for inflation using the average for these six years. These methods were compared to the carry forward level and the difference was reflected as a maintenance level need. DNR considers the seven year average as the best fit for what to expect in 2009-11 based on continued fire conditions of recent history. The results are listed below;

Method	GF-S	GF-F	GF-L	LOC
1) 10 Year Avg. w/o 2 hi & 2 lo	$10,441,000	$843,000	($46,600)	$346,200
2) 7 Year Average	$20,139,600	$5,493,200	($26,000)	$1,199,400
3) Last 3 Completed Biennia	$21,613,400	$5,847,400	($30,000)	$1,500,400

*Attached table shows 10-year history data and the three methods mentioned above.

What are the consequences of not funding this package?

DNR is required by law to respond to wildfire on lands subject to the Forest Fire Protection Assessment. Regardless of appropriated funding levels, the department would continue to do this. The availability of an average appropriated funding level assures that the department can pay its fire suppression bills during an average fire season. In those years when fire suppression costs exceed available appropriation, the department works with the Legislature on additional funding through the supplemental budget process.

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 requested funds are based on a seven-year average of adjusted actual expenditures. Expenditures are adjusted to reflect costs in 2008 equivalent dollars. Expenditures by object reflect the ratio between objects in FY 2008 actual expenditures as of phase I. All dollars have been rounded to the nearest $100.

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

All costs are ongoing.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	5,728,300	4,812,500	10,540,800
B	Employee Benefits	1,009,300	847,900	1,857,200
E	Goods And Services	7,190,300	6,040,800	13,231,100
G	Travel	639,700	537,400	1,177,100
Total Objects		**14,567,600**	**12,238,600**	**26,806,200**

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Fuel Rate

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **8F Fuel Rate Adjustment**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

This package seeks funding to offset the rise in fuel prices during the 2009-11 biennium.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
001-1	General Fund - Basic Account-State	293,100	253,400	546,500
014-1	Forest Development Account-State	108,300	93,600	201,900
01B-1	Off Road Vehicle Account-State	23,100	19,900	43,000
02R-1	Aquatic Lands Enhancement Account-State	9,200	7,900	17,100
041-1	Resource Management Cost Account-State	152,200	131,500	283,700
04H-1	Surface Mining Reclamation Account-State	3,600	3,100	6,700
139-1	Water Quality Account-State	6,900	5,900	12,800
190-6	Forest Fire Protection Assessment-Non-Appropriate	92,300	79,800	172,100
193-6	State Forest Nursery Revolving Acct-Non-Appropriate	8,200	7,100	15,300
198-6	Access Road Revolving Account-Non-Appropriated	56,200	48,500	104,700
	Total Cost	**753,100**	**650,700**	**1,403,800**

Package Description:

This package seeks funding to offset the rise in fuel prices during the 2009-11 biennium.

The agency performs many land management and resource protection functions that require extensive travel by DNR staff. DNR visits are imperative to efficiently performing these functions. Without this inflationary increase, the Department will be unable to maintain its current level of land management on nearly 5.0 million acres, and become less efficient in its field operations.

Fuel costs are funded at $2.48 per gallon in the Department's 09-11 carryforward level budget. Department staff drive approximately 23,700,000 miles each biennium, using approximately 1,540,000 gallons of fuel. Per the June 2009 Transportation Revenue Forecast Council, FY 10 fuel costs are projected at $3.64 per gallon, and FY 11 costs are projected at $3.50 per gallon. These increased costs will be partially offset by DNR's goal to reduce miles driven by 5%.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Staff will continue performing current level of land management and resource protection functions.

This request impacts many DNR activities, including State Lands Management (Product Sales, Silviculture, Roads); Aquatic Lands Business Management; Forest Practices (Rules, Manage Adaptively, Small Forest Landowner Office); Fire Control; Recreation and Natural Areas.

Performance Measure Detail

Activity: A001 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 proposal supports the Department of Natural Resources' strategic plan as follows:

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

Land management activities such as timber sales and silviculture depend on site visits to achieve its objectives.

DNR is faithfully implementing its responsibilities as a regulator. Resource protection functions such as forest practices regulation depend on site visits to achieve its
objectives.

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

This proposal supports the following Priorities of Government:

1) Improve the quality of Washington's natural resources. The department performs many land management and resource protection functions that require site visits to be effective.

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

This proposal supports the following statewide results:

Improve the quality of Washington's natural resources.

Achieve sustainable use of public natural resources
Preserve, maintain and restore natural systems and landscapes
Establish safeguards and standards to protect natural resources

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

This fuel rate adjustment allows the department to maintain its current level of land management activities on nearly 5.0 million acres, including those in the Puget Sound Basin.

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

The Department has explored two alternatives. It could: 1) reduce current mileage levels by 36 percent, or 2) increase its vehicle usage rates and reduce program activities to cover the increased vehicle costs.

The alternatives were viewed under the assumption that the high fuel prices will continue and are not a one-time event.

1) The agency could direct its operating programs to reduce mileage driven by 36 percent. This would keep the total fuel cost at funded levels. Cutting this deeply in miles driven would severely limit the agency's ability to do its proprietary and regulatory job and does not provide a sustainable solution. However, DNR has set a goal to reduce miles driven by 5%; this assumption is incorporated into the calculations of this request, reducing the initial cost estimate by approximately $275,000.

2) The agency could increase its expenditures on fuel to retain it at the 95% level. This large of an increased cost to the programs, without the added funding from this request, would mean reductions in program areas, including staff needed to meet program deliverables.

Requesting a separate inflation package to cover the increased costs of fuel, incorporating a 5% reduction target, is our recommended alternative. It provides a long-term solution for what appears to be a long-term condition by allowing the fund to increase its vehicle mileage rates to cover the added fuel cost while providing funding to programs to meet this increased cost and maintain their program deliverables.

What are the consequences of not funding this package?

Without additional resources, the Department will be forced to revisit the alternatives of reducing current mileage levels, or reducing program deliverables to cover the increased fuel cost.

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

Fuel costs are funded at $2.48 per gallon in the Department's 09-11 carryforward level budget. Department staff drive approximately 23,700,000 miles each biennium, using approximately 1,540,000 gallons of fuel. Per the June 2009 Transportation Revenue Forecast Council, FY 10 fuel costs are projected at $3.64 per gallon, and FY 11 costs are projected at $3.50 per gallon. These increased costs will be partially offset by DNR's goal to reduce miles driven by 5%. The net increased cost is $753,000 in FY 10 and $650,700 in FY 11.

The distribution of these costs by fund is based upon historical vehicle usage data by program.

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

The increased cost of fuel is considered an on-going cost.

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Department of Natural Resources

Forest Fire Suppression Maintenance Adjustment

Data for FY 2008 based on AFRS (6-3-08) Report - Phase 1

				State			Federal		Local		Landowner		Total All Funds	
FY	CPI	IPD	Cohort # of Years	GF-S Actual	Disaster Actual	2008 Equivalent	Actual	2008 Equivalent	Actual	2008 Equivalent	Actual	2008 Equivalent	Actual	2008 Equivalent
1999	1.648	1.285		$13,059,000		$16,775,400		$0		$0	$670,000	$860,700	$13,729,000	$17,636,100
2000	1.694	1.250		$7,303,900	$1,334,100	$10,795,000	$659,300	$823,900	$140,600	$175,700	$376,000	$469,900	$9,813,900	$12,264,500
2001	1.747	1.212		$11,711,100	$1,316,900	$15,791,700	$2,312,900	$2,803,600	$59,100	$71,600	$372,000	$450,900	$15,772,000	$19,117,800
2002	1.785	1.186		$7,657,900	$21,946,000	$35,110,100	$3,181,500	$3,773,200	$20,500	$24,300	$344,800	$408,900	$33,150,700	$39,316,500
2003	1.820	1.164		$15,179,000	$0	$17,660,900	$8,431,300	$9,809,900	$159,400	$185,500	$1,202,000	$1,398,500	$24,971,700	$29,054,800
2004	1.861	1.138		$18,610,600	$7,200,000	$29,361,100	$2,960,300	$3,367,500	$40,800	$46,400	$117,600	$133,800	$28,929,300	$32,908,800
2005	1.917	1.104		$17,030,700		$18,807,500	$438,800	$484,600	$27,700	$30,600	$488,800	$539,800	$17,986,000	$19,862,500
2006	1.990	1.064		$11,410,100	$5,000,000	$17,457,400	$2,506,500	$2,666,500	$12,100	$12,900	$3,395,500	$3,612,200	$22,324,200	$23,749,000
2007	2.041	1.037		$34,426,100	$0	$35,708,000	$12,097,900	$12,548,400	$0	$0	$1,444,200	$1,498,000	$47,968,200	$49,754,400
2008	2.117	1.000		$15,525,900	$5,000,000	$20,525,900	$4,202,300	$4,202,300	$64,600	$64,600	$211,700	$211,700	$25,004,500	$25,004,500
10 Year Total				$151,914,300	$41,797,000	$217,993,000	$36,790,800	$40,479,900	$524,800	$611,600	$8,622,600	$9,584,400	$239,649,500	$268,668,900
Average Annual Cost by Scenario					GF-S/Disaster									
1) 7 Year Average			7		$22,712,300	$24,947,300	$4,831,200	$5,264,600	$46,400	$52,000	$1,029,200	$1,114,700	$28,619,100	$31,378,600
2) 10 Year Average w/o 2 Hi & 2 Lo*			6		$18,002,600	$20,098,000	$2,637,100	$2,939,500	$37,500	$41,700	$1,014,300	$688,100	$21,691,500	$23,767,300
3) Last 3 Complete Biennia			6		$23,076,700	$25,684,200	$4,936,100	$5,441,700	$43,400	$50,000	$1,165,500	$1,265,200	$29,221,700	$32,441,100
Biennial Estimate by Scenario														
1) 7 Year Average			7			$49,894,600		$10,529,200		$104,000		$2,229,400		$62,757,200
2) 10 Year Average w/o 2 Hi & 2 Lo*			6			$40,196,000		$5,879,000		$83,400		$1,376,200		$47,534,600
3) Last 3 Complete Biennia			6			$51,368,400		$10,883,400		$100,000		$2,530,400		$64,882,200
2009-11 Carryforward				$24,755,000	$5,000,000	$29,755,000		$5,036,000		$130,000		$1,030,000		$35,951,000
2007-09 Maint. Adjustment by Scenario														
1) 7 Year Average			7		Biennial Amount --->	$20,139,600		$5,493,200		-$26,000		$1,199,400		$26,806,200
2) 10 Year Average w/o 2 Hi & 2 Lo*			6		Biennial Amount --->	$10,441,000		$843,000		-$46,600		$346,200		$11,583,600
3) Last 3 Complete Biennia			6		Biennial Amount --->	$21,613,400		$5,847,400		-$30,000		$1,500,400		$28,931,200

Notes:

Consumer Price Index / Implicit Price Deflator are estimated based on the Washington Economic Revenue Forecast as of June 2008

All dollars are rounded to the nearest $100

* Methodology used in past has been the 10-year average without the two highest and two lowest years (option 2).

GF-Federal and GF-Local were not accounted for separately prior to FY 2000.

All actual costs are reflective of direct costs only (Agency administration was provided in FY 2002 and FY 2003 and is not included for this analysis).

FY 2001 reflects a shift of $2,000,000 from GF-S to GF-F to more accurately show expenditures charged to Appropriation 060 - Wildfires State/Federal Lands

FY 2006 reflects GF-S overage of $721,100

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Ag. Trust

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **AT Agricultural Trust Land Management**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

The Agricultural College Trust Account (ACTA) was created in 1999 to be used for management costs associated with management and silvicultural work on trust lands. The ACTA's sole source of revenue is a transfer from the state General Fund-State (GFS). The implementation of the Board of Natural Resources' Sustainable Harvest Plan has also resulted in increased management activity on the Agricultural College Trust lands. In order to continue this increased activity, the Department requests an increased appropriation in both GF-State and the ACTA appropriations. If these appropriations are not corrected, management activities on these trust lands will need to be reduced by about 21%, resulting in a reduction of projected revenue to the Agricultural College Trust Permanent Fund of approximately $1,800,000 in 09-11.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
001-1	General Fund - Basic Account-State	282,600	282,600	565,200
830-1	Agricultural College Trust Manage-State	282,600	282,600	565,200
	Total Cost	**565,200**	**565,200**	**1,130,400**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**2.6**	**2.6**	**2.6**

Package Description:

The Agricultural College Trust Account (ACTA) was created in 1999 to be used for management costs associated with management and silvicultural work on trust lands. The ACTA's sole source of revenue is a transfer from the state General Fund (GFS). DNR continues to implement the decadal Sustainable Harvest Plan (SHP) adopted by the Board of Natural Resources in September 2005. This plan calls for increasing the timber harvest on state lands while significantly improving the ecological health of the forests. In 2007-09 biennial operating budget the legislature funded DNR's request for additional Resource Management Cost Account (RMCA) funding to carryout the SHP. However, Agricultural Trust lands are also impacted by the Sustainable Harvest Plan (SHP), but no additional funding was provided in the ACTA and GFS. If these appropriations are not corrected, management activities on these trust lands will need to be reduced by about 21%, resulting in a reduction of projected revenue to the Agricultural College Trust Permanent Fund of approximately $1,800,000 in 09-11.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DNR continues to implement the decadal Sustainable Harvest Plan (SHP) adopted by the Board of Natural Resources in September 2005. This plan calls for increasing the timber harvest on state lands while significantly improving the ecological health of the forests. In the 2007-09 biennial operating budget the legislature funded DNR's request for additional Resource Management Cost Account (RMCA) funding to carryout the SHP. However, Agricultural Trust lands are also impacted by the Sustainable Harvest Plan, but no additional funding was provided in the ACTA and GFS. If these appropriations are corrected, management activities on these trust lands will continue, resulting in the projected 09-11 revenues to the Agricultural College Trust Permanent Fund of $8.8 million (June 2008 forecast).

This request impacts the following DNR State Lands Management activities: Product Sales, Silviculture, Science and Data Stewardship, Leasing, Mapping and Survey, and Asset Planning and Transactions.

Performance Measure Detail

Activity: A035 State Lands Management - Product Sales

Incremental Changes

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

-Upland resources provide substantial levels of trust revenue, conservation, and public benefits consistent with our fiduciary duty and legal commitments.
Generate trust revenue in the most effective and efficient manner possible.
Be a model for natural resource stewardship and sustainable resource management.
-Trust asset are continually enhanced and managed to generate substantial financial support for current and future trust beneficiaries
Manage trust assets in the interest of each trust beneficiary for both the short and long term.

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

This proposal supports the following Priorities of Government:

-Improve the quality of Washington's natural resources.

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

This proposal supports the following statewide results:

Improve the quality of Washington's natural resources.
-Achieve sustainable use of public natural resources
-Provide good science and resource monitoring data to support decision making
-Preserve, maintain and restore natural systems and landscapes

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

Washington State University funding and programs would be impacted if reductions to Agricultural Trust revenue were to occur.

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

Adjust the level of management activity to carryforward level. This is projected to have a significant negative impact on revenues to

the Agricultural College Trust Permanent Fund.

What are the consequences of not funding this package?

If DNR's GFS and ACTA appropriations are not corrected, management activities on these trust lands will need to be reduced by about 21%, resulting in a reduction of projected revenue to the Agricultural College Trust Permanent Fund of approximately $1,800,000 in 09-11.

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

Salaries and benefits for 2.6 FTEs are based upon Natural Resource Program Specialist (grade 52) as a representative classification. Goods and services and travel are based upon program averages. The GF-State deposit into ACTA is shown as object MB. Agency administrative cost is calculated at 27% and is included in Object T.

If DNR's GFS and ACTA appropriations are not corrected, management activities on these trust lands will need to be reduced by about 21%, resulting in a reduction of projected revenue to the Agricultural College Trust Permanent Fund of approximately $1,800,000 in 09-11.

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

All costs are ongoing.

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Inflationary

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **II Technology Inflationary Increases**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

The use of information technology is an integral part of how the Department of Natural Resources (DNR) conducts its business and delivers services to the public. Equipment maintenance and software license fees are part of the cost of doing business and staying productive in the E-government environment. These costs have increased annually and are beyond the level of support available within our carryforward level budget. This decision package requests the necessary funds needed to cover the inflationary ongoing cost increases.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
001-1	General Fund - Basic Account-State	45,900	45,900	91,800
014-1	Forest Development Account-State	25,400	25,400	50,800
02A-1	Surveys and Maps Account-State	1,200	1,200	2,400
02R-1	Aquatic Lands Enhancement Account-State	4,100	4,100	8,200
041-1	Resource Management Cost Account-State	41,000	41,000	82,000
04H-1	Surface Mining Reclamation Account-State	1,500	1,500	3,000
139-1	Water Quality Account-State	1,700	1,700	3,400
190-6	Forest Fire Protection Assessment-Non-Appropriate	13,900	13,900	27,800
193-1	State Forest Nursery Revolving Acct-State	3,000	3,000	6,000
198-6	Access Road Revolving Account-Non-Appropriated	10,900	10,900	21,800
513-1	Derelict Vessel Removal Account-State	300	300	600
830-1	Agricultural College Trust Manage-State	1,100	1,100	2,200
	Total Cost	**150,000**	**150,000**	**300,000**

Package Description:

DNR staff rely heavily on a stable, reliable computing environment to conduct business and provide services to the public. As part of providing a reliable computing environment the department enters into ongoing contracts with our key technology vendors who provide critical expert support services for troubleshooting problems, software and hardware upgrades, and maintenance parts and service required to keep this complex environment performing properly.

The basic computing infrastructure that DNR has been building over the past few biennia has been in response to increasing technological, legislative and constituent demands. Since FY 2000, the Department has added a significant number of new or

enhanced applications with accompanying infrastructure capacity to support them. This resulted in a substantial increase in the volume of hardware and software we must place under contract. The agency is always researching and implementing ways to increase efficiencies and save costs in its software and hardware usage, but even after these savings the net increase in costs for the vendors of our commercial products for maintenance and support contracts are projected to increase by approximately 10% per year in the 09-11 biennium. DNR's budget for information technology is unable to keep pace with these increased costs.

Providing a stable, reliable and available computing environment is critical to the department and its ability to guide day-to-day operations, provide accurate, scientifically sound information used for making long-term decisions, and our ability to deliver our services to the public and operate in an E-government environment. Information technology is intertwined in every aspect of our business and is critical in our ability to provide timely and accurate information to our vast amount of stakeholders including; the general public, Boards and Committees that play a key decision making role, other state agencies, counties and the federal government. To continue to provide this environment we must enter into maintenance contracts with vendors in order to maintain and sustain all the technology systems and infrastructure the department relies on to conduct its business and provide our services.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Activity: A001 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 proposal supports the Department of Natural Resources' strategic plan as follows:

1) Goal: The public we serve widely and consistently holds DNR in high esteem.
Strategy:
-Provide accurate, useful, and timely information and assistance. The delivery of a reliable hardware and software infrastructure is key in assisting DNR with its ability to provide accurate data and information that it uses to accomplish its day-to-day operations.
It is also an important element in providing accurate data and information to our stakeholders and the public in general.

2) Goal: DNR's workforce is skilled, knowledgeable, motivated and effective.
Strategy:
-Use information technology to maximize investments, continue progress toward digital government, and support integrated business solutions. In order to make progress toward digital government and support integrated business solutions, DNR needs to maintain a reliable network infrastructure and operating environment.

3) Goal: Trust assets are continually enhanced and managed to generate substantial financial support for current and future trust beneficiaries.
Strategy:
-Use information technology to maximize investments and assist in ensuring our natural resources decisions are based on accurate scientifically sound information. One of the tools used by the department to assist in analyzing this information is ESRI GIS software. Over the past several years, this software tool has become easier to use thus resulting in our ability to put the tool in the hands of our field staff. This enables staff to easily collect and input information into the corporate databases, which is used to make decisions regarding management of the trust assets. Due to the ease of use of this software the Department's use of

this product has increased by 300% in the past 3 biennia resulting in a 100% increase in our license purchases and subsequent maintenance contracts with the vendor.

4) Goal: UPLAND RESOURCES provide substantial levels of trust revenue, conservation, and public benefits consistent with our fiduciary duty and legal commitments.
Strategy:

-Use information technology to assist the Department in staying in the business of land and natural resource management by providing a stable, reliable computing environment in which the Department can rely on to conduct its business. The Department relies heavily on the use of its information systems to gather, track and analyze information regarding these resources as well as management of trust revenues, fiduciary responsibilities, conservation strategies, legal commitments, and its ability to provide public access to the citizens of this state. Some examples are: SAP is used to manage our revenue systems; ESRI GIS assists in gathering, maintaining and analyzing data used in making management decisions; and Oracle provides the platform on which our financial information is stored. Because these applications are critical to conducting the business of the agency we enter into maintenance contracts with the vendors to ensure that we are able to provide a reliable computing platform on which the Department can use to make management decisions.

5) Goal: AQUATIC RESOURCES are managed to optimize the full range of public benefits:
Strategy:

-Information technology is used as a tool to assist the department in maintaining an inventory of aquatic resource assets by providing a computing platform on which the inventory databases can be stored, used and managed. Information technology tools make it possible for staff to gather, analyze and ultimately make scientifically sound decisions regarding these assets. With the advancement and development of easy to use tools and our ability to provide a stable infrastructure we are able to put these tools in the hands of the field staff that directly manage these resources. We can provide them with quick access to information so they can make decisions as well as provide timely information to our stakeholders. It also provides a platform on which we can work collaboratively with other public and private entities to ensure that we are making the best decisions possible on behalf of the public we serve.

6) Goal: Losses to life from fire are prevented and property loss minimized.
Strategy:

-Information technology is critical in assisting the department with its mission to lead the state in wildland fire prevention and protection as well as maintain a high level of readiness to fight major fires. Department staff and our partner agencies rely heavily on IT systems that allow them to gather, analyze and make quick decisions regarding prevention, detection and attack strategies. One example is the ESRI GIS software. Staff use this tool to gather, analyze and provide critical and timely information that is then used to produce maps. These maps are then used to assist the fire teams in making strategic decisions regarding fire attack strategies.

7) Goal: Forest systems enjoy equal or greater health and productivity.
Strategy:

-Information technology is used to assist the Department in its forest systems management responsibilities by providing a stable computing environment on which staff can collect, maintain and analyze critical information as it relates to these systems. With these tools staff is able to produce maps, perform complex analysis and use that information to make sound scientific decisions that assist the department in maintaining healthy and productive forest systems.

8) DNR is faithfully implementing its responsibilities as a regulator.
Strategy:

-Information technology is critical to the Department and its ability to meet and implement its responsibility as a regulator. Technology tools allow the department the ability to implement and provide key pieces of the process through the use of an E-government environment. Stakeholders are able to view, respond and complete Forest Practice Applications over the Internet, thus reducing the need to make a visit to headquarters or a region office. It also aids in reducing the time it takes staff to review and process the applications.

This proposal impacts all of DNR's activities.

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

This proposal supports the following Priorities of Government:

-Improve the safety of people and property
-Improve the quality of Washington's natural resources
-Improve cultural and recreational opportunities throughout the state
-Improve the ability of state government to achieve results efficiently and effectively

Department staff rely heavily on our computing environment to conduct its business, which plays a key role in supporting the above mentioned Priorities of Government.

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 significantly towards the Department's ability to make key contributions towards many of the Priorities of Government by providing staff with a reliable, sustainable computing environment and the tools in which they can use to accomplish the mission, vision and strategic goals of the agency.

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

The impact to the Department and the constituents it serves will be significant if we are unable to maintain a reliable, effective and up-to-date computing infrastructure.

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

One option explored is not to purchase maintenance and deal with problems as they occur. This alternative increases risk and has been determined to be more costly in the long term.

Another option would be to reduce funding for other activities in DNR in order to meet this increased cost. This would result in a reduction of services in the activities impacted.

What are the consequences of not funding this package?

Without critical support from our vendors, any event causing hardware or software failure, or our inability to provide current technology within the infrastructure, could quickly cause major downtime, disruption and lost productivity. Agency staff rely heavily on the computing environment to carry out their day-to-day activities such as relaying critical fire control information, processing of Forest Practice Applications, conducting timber sales activities, processing vendor payments and payroll, and a host of other critical activities.

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

$300,000 in Object E for hardware/software maintenance services from a variety of vendors. DNR currently has maintenance contracts with 25 vendors, the largest being Microsoft, Sun Micro Systems, ESRI and Oracle.

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

All costs are ongoing. Annual costs are expected to continue to increase by approximately 10% in future biennia.

Object Detail		FY 2010	FY 2011	Total
E	Goods And Services	150,000	150,000	300,000

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Fiedler, Eric (DNR)

From: BENTON, MICHELLE (DNR)
Sent: Wednesday, August 20, 2008 9:37 AM
To: Fiedler, Eric (DNR); LARGENT, LISA (DNR)
Subject: FW: Section 903 Decision Package Budgetary Request consultation for CRM 15323

FYI...this is the DIS 903 consult for the technology inflationary DP.

If you have any questions just let me know.

Thanks,
Michelle

From: Hattori, Todd (DIS)
Sent: Wednesday, August 20, 2008 9:24 AM
To: BENTON, MICHELLE (DNR)
Cc: Elrod, Zayne (DIS)
Subject: Section 903 Decision Package Budgetary Request consultation for CRM 15323

Dear Michelle,

Thank you for submitting your Section 903 Decision Package Budgetary Request, CRM 15323.

In your request you indicated that the Department of Natural Resources, will be purchasing hardware and software maintenance with multiple vendors. You have indicated that DNR will use the appropriate DIS master contracts.

DIS is committed to working collaboratively with you to meet your business requirements. DIS encourages you to use the enterprise services that we offer. As you prepare to purchase or if you have questions regarding this purchase, you may contact your agency's customer consultant, Mike Dombrowsky, at 360-725-4220 or miked@dis.wa.gov.

You will also find attached the Budgetary Estimate for this request. The estimate reflects only Microsoft and Adobe pricing based on the vendor data that has been made available to DIS. Although we don't have vendor data for all of the hardware and software maintenance purchases that you may make from DIS master contracts, we encourage DNR to continue using the appropriate DIS master contracts.

This e-mail confirms that, for this investment and budgetary purposes only, you have consulted with DIS according to the requirements set forth in Section 903. This confirmation and the budgetary estimate must accompany your Decision Package documentation, which you will be submitting to the Office of Financial Management.

If you have additional questions, please let me know. My contact information is below.

Sincerely,

TODD T. HATTORI, ABC*
Manager, Technology Acquisition Services
Department of Information Services
2411 Chandler Court SW
PO Box 42445
Olympia, WA 98502-2445
360.725.4201 (direct office)
360.280.7519 (cell)
toddh@dis.wa.gov

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)NR DP CRM 15323
estimate.pdf

Washington State Department of **Information Services**

Department of Information Services
1110 Jefferson St SE
Olympia, WA 98504-2445

Budget Estimate

Prepared for:	Michelle Benton
Agency/Org:	Natural Resources
Email / Fax:	michelle.benton@dnr.wa.gov
Business Requirement:	Equipment and Software maintenance.
Will this Estimate be used in a budget request to OFM?	Yes
Is this Estimate tied to a previous budget request?	No

Prepared by:	Mike Dombrowsky
CRM #:	**15323**
Creation Date:	8/6/2008

Annual Charges (see Requirements sheet)	**Total**
Adobe, FY 10	$500
Adobe, FY 11	$500
Microsoft Enterprise Agreement, FY 10	$250,000
Microsoft Enterprise Agreement, FY 11	$270,000
Microsoft Select Agreement, FY 10	$74,000
Microsoft Select Agreement, FY 11	$74,000

Budget estimates are for budgetary use only and are represented as an estimate of costs. Prior to purchase, a detailed quotation must be provided outlining all cost elements.

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http://techmall.dis.wa.gov/default.aspx

C28C

Washington State Department of **Information Services**

Department of Information Services
1110 Jefferson St SE
Olympia, WA 98504-2445

Requirements

Prepared for:	Michelle Benton
Agency/Org:	Natural Resources
Email / Fax:	michelle.benton@dnr.wa.gov
Prepared by:	Mike Dombrowsky
CRM #:	**15323**
Creation Date:	8/6/2008

Requirements for Budget Estimate:

DNR currently has maintenance contracts with 25 vendors, the largest being Microsoft, Sun Micro Systems, ESRI and Oracle. The activities associated with these cost are ongoing and will require varying levels of funding in all future biennia. Our history indicates an average increase of about 10% per year or 20% per biennium.

Budget estimates are for budgetary use only and are represented as an estimate of costs. Prior to purchase, a detailed quotation must be provided outlining all cost elements.

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C28D

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **8C Minimum Wage Adjustments**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

The Department of Natural Resources (DNR) and the Washington Department of Fish and Wildlife (WDFW) have successfully joined forces to operate a cooperative Washington Conservation Corps (WCC) Program that works on priority stewardship activities for both agencies.

This proposal will cover the estimated minimum wage increases during the 09-11 biennium mandated by RCW 49.46.020 (4) (b) necessary to maintain current service levels.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	4,800	14,600	19,400
Total Cost	**4,800**	**14,600**	**19,400**

Package Description:

RCW 49.46.020 (4) (b) directs the Department of Labor & Industries to annually calculate an adjusted minimum wage rate for inflation. The calculation is to be done on September 30th of each year using the consumer price index for urban wage earners and clerical workers for the prior year and take effect the following January 1st. The increase also affects benefit rates.

The DNR and WDFW Cooperative WCC Program has created a model program of land management cooperation & efficiency by establishing geographic working circles that are served by the combined WCC Program. These cooperatively funded crews work on the priority stewardship needs identified by both agencies within each working circle.

Our current base funding level provides a total of 31crew months (123 individual Corpsmember months) per fiscal year for a biennium total of 246 individual Corpsmember months.

The requested funds are necessary to maintain this current service level of the combined WCC Program.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The Cooperative WCC provides a critical, cost effective labor force that helps address the highest priority stewardship needs on department-managed lands. At the same time, the work experience is helping to develop our state's young adults (the next generation of leaders, public servants, and environmental stewards).

These WCC crews have become one of the primary labor forces for implementing on-the-ground stewardship activities for both DNR & WDFW.

RCW 49.46.020 (4) (b) directs the Department of Labor & Industries to annually calculate an adjusted minimum wage rate for inflation. The calculation is to be done on September 30th of each year using the consumer price index for urban wage earners and clerical workers for the prior year and take effect the following January 1st.

Performance Measure Detail

Activity: A043 **Washington Conservation Corps**

Incremental Changes

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 furthers DNR's strategic goals as follows:

-The public we serve widely and consistently holds DNR in high esteem.
-Upland Resources provide substantial levels of trust revenue, conservation, and public benefits consistent with our fiduciary duty and legal commitments
-Losses to life from fire are prevented and property loss is minimized.
-DNR's workforce is skilled, knowledgeable, motivated, and effective.

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

This proposal supports the following seven Priorities of Government:

-"Improve the quality of Washington's natural resources"
-"Improve cultural and recreational opportunities throughout the state"
-"Improve the value of a post secondary learning"
Each successful Member receives an AmeriCorps Education Award
-"Improve the economic vitality of businesses and individuals"
-"Improve the safety of people and property"
-"Improve the ability of state government to achieve its results efficiently and effectively"
-"Improve the health of Washingtonians"

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

Yes, this request contributes to the following statewide results:

Improve the quality of Washington's natural resources
-Establish safeguards and standards to protect natural resources
-Preserve, maintain and restore natural systems and landscapes
-Achieve sustainable use of public natural resources
-Provide good science and resource monitoring data to support decision-making
-Improve individual practices and choices about natural resources

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

Improve the value of a post secondary learning
-Increase access to high-quality post-secondary education programs
-Support career preparation beyond high school

Improve the economic vitality of businesses and individuals
-Return unemployed, underemployed or injured workers to work
-Improve workplace safety and fairness

Improve the safety of people and property
-Prevent accidents
-Prepare for and respond to emergencies

Improve the ability of state government to achieve results efficiently and effectively
-Improve decision support for government decision makers
-Provide logistical support for government agencies

Improve the security of Washington's vulnerable children and adults
-Prepare and support youth and adults for employment

Improve the health of Washingtonians
-Increase healthy behaviors

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

None.

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

The only alterative would be to cover the increased costs by reducing existing crew time.

What are the consequences of not funding this package?

Reduced crew time and on-the-ground activities.

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

Expenditure assumptions are $19,431 for Salaries and Benefits based upon the CPI-W per R.C.W. 49.46.020.

No Revenue Impacts.

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

All costs are ongoing.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	3,700	11,100	14,800
B	Employee Benefits	1,100	3,500	4,600
Total Objects		**4,800**	**14,600**	**19,400**

Self
Insurance

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **9X Self Insurance Premium**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

The premium for each agency's funding share of the Self-Insurance Liability Account (SILA) is reviewed and adjusted every biennium by the Office of Financial Management (OFM). The Department of Natural Resources (DNR) is assessed a rate at the beginning of each biennium. For the 2009-11 biennium DNR's premium share will be $2,900,357 which represents an increase of $299,377 or 11.5 percent.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
001-1	General Fund - Basic Account-State	45,788	45,789	91,577
014-1	Forest Development Account-State	25,300	25,300	50,600
02A-1	Surveys and Maps Account-State	1,200	1,200	2,400
02R-1	Aquatic Lands Enhancement Account-State	4,100	4,100	8,200
041-1	Resource Management Cost Account-State	40,900	40,900	81,800
04H-1	Surface Mining Reclamation Account-State	1,500	1,500	3,000
139-1	Water Quality Account-State	1,700	1,700	3,400
190-6	Forest Fire Protection Assessment-Non-Appropriate	13,900	13,900	27,800
193-6	State Forest Nursery Revolving Acct-Non-Appropriate	3,000	3,000	6,000
198-6	Access Road Revolving Account-Non-Appropriated	10,900	10,900	21,800
513-1	Derelict Vessel Removal Account-State	300	300	600
830-1	Agricultural College Trust Manage-State	1,100	1,100	2,200
	Total Cost	**149,688**	**149,689**	**299,377**

Package Description:

The premium for each agency's share of the Self-Insurance Liability Account (SILA) is assessed at the beginning of each biennium. DNR's share of the premium is summarized in the following table. This request provides the dollars necessary to cover DNR's share of the SILA premium.

2005-07 Biennium SILA Premium	$2,722,258
2007-09 Biennium SILA Premium	$2,600,980
2009-11 Projected SILA Premium	$2,900,357
Incremental Change from 07-09 to 09-11	$299,377

DNR's SILA premium history is displayed below. The data is provided by OFM's Risk Management Office.

Biennium	SILA Premium (indemnity)	Tort Defense (AGO)	Premium plus Tort Defense	Change	Percent Change
99-01	$1,006,606	$336,339	$1,342,945	$100,916	8.1%
01-03	894,598	475,004	1,369,602	26,657	2.0%
03-05	1,530,623	615,518	2,145,799	776,197	56.7%
05-07	2,348,183	374,075	2,722,258	576,459	26.9%
07-09	2,195,341	405,639	2,600,980	(121,278)	(4.5%)
09-11	2,269,554	603,803	2,900,357	299,377	11.5%

In 1996, DNR was one of the first, if not the first, state agency to implement a department-wide risk management policy. This policy directs that risk management is every employee's responsibility. The goals of DNR's risk management policy are to:

1. Provide a hazard free work environment
2. Preserve state assets
3. Maintain incoming streams of revenue
4. Reduce costs associated with risk management activities.

The department recognizes that risk management requires constant effort and diligence, and that DNR's liability exposure remains significant relative to the operations of other state agencies. To this end, the department maintains an active risk management program, providing assistance to other agency programs on their potential liability exposures, and developing recommendations for mitigating the risks associated with these liability exposures. DNR's current risk management program incorporates risk management considerations in all agency program activities and functions. This request, while reflecting a self-insurance premium as determined by OFM's Risk Management Division, will not drive a change in the risk management program itself. The current risk management program aligns with DNR's strategic goals and directions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The Department of Natural Resources' risk management program aligns with all agency goals and strategies, and incorporates enterprise risk management considerations in all agency activities and functions.

The program was recently rated near the very top of the enterprise risk management maturity model. DNR's designated risk manager coordinates risk management activities for the agency and interacts with OFM's Risk Management Division, AGO's Torts Division and/or appropriate agency staff on risk management issues. The risk manager briefs the executive management team on loss prevention activities, significant incidents or claims, as well as the status of pending tort claims and litigation.

Since the mid-1990's, the department has maintained a consistent ranking of between one to two percent of the state's tort liability exposure as measured by its share of the self-insurance liability account premium allocations and/or actual claims paid. This places the department in the top ten of all state agencies and institutions, but generally no higher than fifth.

The department is aware of and understands the actuarial process used by OFM's Risk Management Division in determining the premium allocation for each agency. The department does not anticipate any significant changes in tort claims filed or claim payouts that would change DNR's risk ranking relative to all other state agencies. This request, based on the self-insurance premium as determined by OFM's Risk Management Division, will not drive a change in DNR's risk management program itself.

Performance Measure Detail

No measures submitted for package

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

The current risk management program aligns with DNR's strategic goals and directions. DNR's current risk management program incorporates risk management considerations in all agency program activities and functions.

The goals of DNR's risk management policy are to:

Provide a hazard free work environment
Preserve state assets
Maintain incoming streams of revenue
Reduce costs associated with risk management activities.

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

Yes, this proposal supports the following Priorities of Government:

Improve the quality of Washington's natural resources
Improve the safety of people and property
Improve the health of Washington's citizens
Improve the ability of state government to achieve results efficiently and effectively

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

This proposal supports the following statewide results:

Improve the quality of Washington's natural resources
Establish safeguards and standards to prevent harm by human actions
Change individual practices and choices

Improve the safety of people and property
Maintain and apply safety standards through regulations, inspection and enforcement
Mitigate risks
Respond to emergencies, including fires
Involve citizens in accident, crime and fire prevention through education and mobilization
Apply lessons learned from events to improve prevention and preparedness

Improve the health of Washington's citizens
Mitigate environmental hazards

Improve the ability of state government to achieve its results efficiently and effectively
Effectively manage financial resources

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

DNR's share of the self-insurance liability account premium impacts the department's ability to carry out many of its programs and activities. The majority of funding (approximately 75 percent) is from agency administered funds, with the remainder coming from GF-S. The allocation of the 2009-11 biennium premium results in an $299,377 increase from the current biennium in the availability of agency administered funds for other DNR programs during the 2009-11 biennium.

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

The department has considered evaluating how much comparable commercial insurance policies would cost relative to the coverages and exclusions provided by the state's self-insurance liability program administered by OFM's Risk Management Division.

What are the consequences of not funding this package?

The Department's 2009-11 carryforward level includes $2,600,980 for the self-insurance premium; the projected premium is $2,900,357, resulting in an increase of $299,377. If this request is not funded, the Department will have to reduce other carryforward level activities in order to pay this increased premium.

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

This request is based on the self-insurance liability account premium allocation as provided by OFM's Risk Management Division. Expenditures are charged to Object E (goods and services).

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

The self-insurance liability account premium is an ongoing expense, but the amount is unique each biennium. The overall trend for all agencies is upward, regardless of whether individual agencies are contributing to or responsible for the need of more funding to pay tort claims. If the overall trend of increasing DNR's share of premium to support the state's self-insurance liability account continues, the department will face significant impacts to programs and activities due to the lack of availability of funds necessary to pay the premium. This will aggravate an already tight funding situation facing many DNR programs.

Object Detail		**FY 2010**	**FY 2011**	**Total**
E	Goods And Services	149,688	149,689	299,377

Enterprise Risk Management (ERM) Update – 2008

Track Agency Progress Toward Mature Enterprise Risk Management Practices					
Instructions: The ERM measures listed below are milestones of advancement for agencies as they continue to implement ERM. It can take several years for an agency to successfully implement all of these measures and agencies are not expected to have completed all of them at this time. Please indicate which measures have now been completed; if you plan to address a specific measure in the future, indicate the year, if possible. Please feel free to add notes and attach documents.					
Measures of a Mature Program	**Check if Complete**	**Planned for 2008**	**Planned for 2009**	**Planned for 2010**	**Notes**
Achieved Enterprise Risk Management (ERM) Maturity Model Level 4 or above	X				DNR surveyed in 2006
ERM responsibility assigned to a specific employee.	X				Full-time risk manager position since 1994.
ERM is on executive leadership team agenda at least quarterly		X	X	X	
Agency Enterprise Risk Management policy in place or in progress		X			Risk management policy adopted 1996. ERM policy development underway.
Agency loss incidents (i.e. death, serious bodily injury, property loss exceeding $100,000) reported centrally and reviewed periodically	X				DNR implemented new incident investigation database in FY08
Risks that can prevent achieving program goals are discussed and ranked by severity and frequency (i.e. Risk Mapping)					Risks are identified and mitigated appropriately as part of daily business, in a less formal way.
Mitigation plans are developed when needed for "red zone" risks	X				
Where risks are under control, "best practices" that provide control are gathered and shared throughout agency and with OFM	X				
Risk analysis is integrated into agency strategic and budget planning.	X				

Agency-Specific ERM Action Plan for FY2009

Instructions: The list below is compiled from selected agency ERM Action Plans. Agencies are not expected to be working on all of these potential risk areas at the same time; please check the 'Not Area of Focus' column if this is not a 2009 Action Plan item for your agency. If you check "Planned for 2009", please briefly describe what you will be doing and the expected outcome. Feel free to add any other Action Plan items important to your agency.

FY2009 ERM Action Plan	Not Area of Focus for 2009	Planned for 2009	What You Plan to Do	Expected Outcome/Notes
Driver Safety		X	Review existing training products, DNR requirements and ensure alignment with greatest risk – accidents/incidents	Focus on greatest risk factors; alignment with program processes and procedures
Worker Safety		X	Review existing processes and complete job hazard analysis for all DNR field job classifications	Focus on greatest risk factors; alignment with program processes and procedures
Employment Liability		X	Review processes, procedures and develop enhanced training products to lessen employment liability exposure. Areas of focus: supervisory training, selection, hiring, ethics and harassment prevention	Processes and required training aligned with risk exposure
Continuity of Operations		X	DNR has a comprehensive emergency management plan which is updated annually	
Tort Claims and Lawsuits		X	DNR implemented new incident investigation database. Claims and lawsuits investigated and reported promptly.	
Data Security		X	Standardized security of agency computing resources and programs	Controlled access, security lock-out
Emergency Management		X	DNR's comprehensive emergency management program provides coordinated response to wildfires and related events	Reduce number and size (acres) of wildfires on state-protected lands
Contract Policy and Procedure		X	Contract language for indemnity, insurance and performance security reviewed and updated on continual basis	
Public Records		X	Draft policy currently under review with implementation pending	
Records Requests □ **Electronic** □ **Discovery** □ **Other**		X	Draft policy currently under review with implementation pending	
Other:				

Large Derelict
Vessel

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **DV Large Derelict Vessel Removal**

Budget Period: **2009-11**

Budget Level: **M2 - Inflation and Other Rate Changes**

Recommendation Summary Text:

In the 07-09 biennium, the Department of Natural Resources (DNR) received additional funding to remove and dispose of large derelict vessels. $2 million of the General Fund State was provided solely for expenditure into the Derelict Vessel Removal Account (DVRA). Funds transferred from the General Fund into DVRA are directed by Engrossed Second Substitute Senate Bill 6044 (chapter 342, 2007) to be prioritized for the removal of large vessels and to reimburse one hundred percent of the costs of removal of large vessels.

This proposal requests the continuation of the $2 million additional appropriation to remove large derelict vessels. With this additional funding, the department is projecting to remove and dispose of three large vessels posing a public nuisance or safety hazard.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
513-1 Derelict Vessel Removal Account-State	1,000,000	1,000,000	2,000,000
Total Cost	**1,000,000**	**1,000,000**	**2,000,000**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	.6	.6	.6

Package Description:

The 2007 Legislature passed Engrossed Second Substitute Senate Bill 6044 allowing funds to be transferred to the Derelict Vessel Removal Account. This additional appropriation authority has been directed by the bill to be prioritized for removing and disposing of large vessels. In 2007, the Legislature transferred $2 million of General Fund State to the DVRA. This decision package assumes a continuation of the $2 million transfer by the Legislature in the 2009-11 biennium.

In maintaining it's removal effort, the department currently has custody of five large vessels/drydocks. Other authorized public entities have taken custody of two additional large derelict vessels. The department anticipates to have disposed of all five of the seven vessels by the end of the 07-09 biennium, as funds allow.

To date, there are approximately 180 vessels on the Derelict Vessel Inventory list of which 23 of these vessels are greater than 75 feet in length (this includes the vessels mentioned in the previous paragraph). This funding request to increase the appropriation would allow the department to remove three large vessels plus additional three vessels to be removed by other Authorized Public Entities. These vessels are considered public nuisances and safety hazards as they often pose hazards to navigation and threaten the environment with the potential release of hazardous materials.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Three large vessels removed by DNR and three large vessels removed by other Authorized Public Entities.

Performance Measure Detail

Activity: A044 Aquatic Lands Environmental Management

		Incremental Changes FY 2010	FY 2011
	Output Measures		
AQ02	Number of derelict vessels removed by DNR from Washington's navigable waterways.	1.00	2.00

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

Agency 2009-11 Strategic Priorities
-Protect, restore and enhance aquatic ecosystems through innovative stewardship; foster water-dependent uses, navigation and commerce; and, manage renewable aquatic resources such as shellfish and aquatic vegetation in collaboration with stakeholders to ensure sustainable harvests and ecosystem health.

Agency 2009-11 Strategic Goal: Aquatic Resources are managed to optimize the full range of public benefits.
Strategy:
-Reduce hazards to navigation, public safety and the environment through the derelict vessel removal and creosote piling and log removal programs.

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

POG:
-Improve the quality of Washington's natural resources.
By mitigating and preventing environmental hazards.

-Improve the safety of people and property
By removing derelict/abandoned vessels that pose threats to human health and safety and property.

-Improve the cultural and recreational opportunities throughout the state.
By removing deteriorating vessels from the water, thereby reducing hazards to navigation.

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

Improve the quality of Washington's natural resources.
- o Preserve, maintain and restore natural systems and landscapes

Improve the safety of people and property
- o Prepare for and respond to emergencies
- o Enforce the law

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

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

Yes. Likely 50%-75%, of the highest priority vessels anticipated for 09-11 include vessels in both Puget Sound and Southwest Washington (Grays Harbor and Wahkiakum Counties).

Removal of large derelict vessels will support progress towards several of the Puget Sound Partnership's Action Agenda's statutory objectives and strategic priorities. Supported PSP objectives include:

o Significantly reduce toxics entering Puget Sound fresh and marine waters -- derelict vessels are a source of pollution from petrochemical and toxic materials;
o Protect existing habitat and prevent further losses - large derelict vessels shade submerged aquatic vegetation;

The Partnership's Strategic Priorty supported:
o Prevent sources of pollution -- derelict vessels are a source of pollution from petrochemical and toxic materials.

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

At the current carry forward level, the Derelict Vessel Removal Program budget could not support removal of these large vessels while supporting removal of the many smaller vessels on the derelict vessel priority list. Shifting the current funding to large vessel removal would result in an increase in the number of smaller vessels that need to be removed and would decrease DNR's capacity to address high priority small vessels presenting an immediate navigational or environmental hazard.

What are the consequences of not funding this package?

If not funded, large derelict vessels will remain on aquatic lands longer until they become high priority and would continue to pose navigational, recreational and environmental hazards and create potential liability to the State and DNR.

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

Salaries and Benefits:
A .5 FTE of a Natural Resource Specialist 2 to coordinate the additional vessel removals. Salary and benefit cost is $17,600 for the 2009-11 biennium.

Personal Service Contracts:
$904,800 of personal service contracts will be used for payments for removals and disposals of vessels, and $1,000,000 of Purchased Services (object ER) will be used for recovery of expenses to other public entities.

Goods and services, rent, and travel are based on program averages.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .1FTE.

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

All costs are considered ongoing as long as the revenue source is available (December 31, 2012 per E2SSB 6044).

Object Detail		FY 2010	FY 2011	Total
A	Salaries And Wages	25,300	25,300	50,600
B	Employee Benefits	8,800	8,800	17,600
C	Personal Service Contracts	451,900	451,900	903,800
E	Goods And Services	502,500	502,500	1,005,000
G	Travel	1,400	1,400	2,800
T	Intra-Agency Reimbursements	10,100	10,100	20,200
Total Objects		**1,000,000**	**1,000,000**	**2,000,000**

Policy Level

Public
Access

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **EF Sustainable Public Access**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

Washington is known as a place where people are close to the outdoors. It is home to hikers, bikers, hunters, birders quad-riders, equestrians and others who enjoy the state lands and natural settings in a variety of ways. The Department of Natural Resources seeks to provide the public with as much opportunity to connect with the outdoors as possible without compromising good stewardship of the land or the beneficiaries' interests.

However, the number and type of recreational users is increasing yearly, placing additional stress on the environment and the departments capacity to protect the natural resources, the interests of the trust beneficiaries, and the opportunity for safe enjoyable experiences across the state. This proposal continues to build upon recent investments toward a goal of safe, environmentally, and financially sustainable recreational opportunities in support of public health, a strong economy, and our quality of life in Washington.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	657,200	585,200	1,242,400
Total Cost	**657,200**	**585,200**	**1,242,400**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	3.5	3.5	3.5

Package Description:

More specifically, this proposal supports site planning funded in 2007 and 2008 at Reiter-Foothills, Ahtanum State Forest, Yacolt Burn State Forest, and surrounding areas with an emphasis on the Puget Sound watershed upland areas with a trail steward to coordinate volunteer actions, to assess the physical needs of the sites for restoration and investment beyond our designated trails and facilities, lead a Washington Conservation Corps (WCC) ground crew, and to provide information, maintain signs and connect with trail users on the ground. By bringing users, volunteers, and land managers together to take care of the most loved recreation areas, we make it possible to improve access and safety for the public that is sustainable into the future.

Without adequate on-the-ground land manager presence and good on-site information, problems with overuse and inappropriate use frequently arise outside our designated trails and facilities, unfortunately at the expense of water quality, good habitat, and good stewardship of the lands and resources. This proposal will begin to reverse that trend by establishing on the ground youth crews through the Washington Conservation Corps to address non-point pollution sources in streams and wetlands and repair problem areas outside existing trail systems. Many of these problem sites are within the Puget Sound watershed, and will be given priority attention to control runoff from upland streams as noted in research conducted by the Puget Sound Partnership.

This strategy to link the public, volunteers, and DNR staff by pairing two trail stewards with a WCC crew will be piloted in the areas currently undergoing a public process and planning, and will serve to test the concept as a tool in other areas in the future.

Key to the strategy to improve recreational access on state lands managed by the Department are the partnerships and volunteer support of recreationists and user groups who annually devote thousands of hours voluntarily supporting the efforts of the department to maintain trails, pick up trash and repair damaged designated trails and facilities. This proposal in turn supports them by defraying part of their travel costs, and providing volunteer training in trail construction and maintenance, chainsaw safety, and off-road vehicle safety fairs.

Unfortunately accidents and inappropriate activities, while rare, do occur and can have a significant impact on the state in terms of liability, and the families who are affected by unsanitary or unsafe site conditions or life-changing accidents. In line with the other components of this long-term strategy, this proposal seeks to take steps to improve public safety, repair environmental damage outside of designated trails and greatly improve the quality of recreational experience in those areas hardest hit by vandalism, irresponsible behavior, and criminal activities. For those areas we will expand our law enforcement presence in targeted areas by contracting for off-duty help from other law enforcement providers.

Goal: Working together to improve public access by restoring water quality, fixing trail, networks, and enhancing safety, with an emphasis on controlling runoff and sediment from upland trails within the Puget Sound watershed outside of designated trails.

Strategies:

-Protect the Puget Sound watershed and other waters of the state by reducing non-point pollution from storm water runoff from trails and other recreational activities outside of designated trails.
-Provide an on the ground management presence and enhance law enforcement at target areas to address a growing problem with illegal and careless actions by a minority of individuals that jeopardize the opportunities and safety of responsible users.
-Bring on the ground resources to fix and restore damaged areas at the planning sites--Reiter Foothills, Ahtanum State Forest, and Yacolt Burn State Forest --funded last biennium, and expand the work as needed to priorities in surrounding areas.
-Coordinate, strengthen and support volunteers with help to defray travel costs, and training in trail building and trail maintenance and chainsaw and tool safety. Promote safety and reduce state liability by providing ORV safety fairs for youth and adults.

This request will provide funding for two Natural Resource Specialists 2 and two Washington Conservation Corps (WCC) crew leaders to work with volunteers and other organizations to address non-point sources of pollution from unauthorized activities occurring in Whatcom (Nooksack, Sumas and Lake Whatcom state forest lands), King, Pierce, Kitsap and Clallam (Port Angeles area) counties, and carrying out the Reiter and Ahtanum recreation plans commissioned by the Legislature last biennium as well as the Yacolt Recreation Plan.

The DNR staff and WCC crews will:

-Coordinate with the public, DNR's law enforcement personnel, DNR land management staff and local, state and federal entities to correct and prevent further environmental harm in the above areas;
-Identify sources of non-point pollution in water bodies that DOE has identified as impaired and are tributaries of Puget Sound;
-Work with other entities, organizations and volunteers to rectify the source of the pollution through restoration and education;
-Develop, maintain, educate and enforce efforts identified in the Reiter, Ahtanum and Yacolt recreation plans.

The WCC program engages Washington's young adults that serve as a very effective, on-the-ground, labor force who help provide solutions to Washington's environmental challenges. While working together on small teams, these 18 to 25 year olds will be building a variety of skills, a solid work ethic and may well become the next generation of Washington's leaders and environmental stewards.

In addition to a modest increase in staffing, funding is requested for law enforcement, volunteer support, and training.

The department is requesting $60,000 to contract with other law enforcement agencies to provide spot enforcement in areas of heightened concern about public safety or damage to the environment. The department has had a successful partnership with Skamania County and would like to broaden its ability to provide spot enforcement across the state when problems arise.

The department is asking for $60,000 to help defray some of the travel costs for its volunteers. The department depends on 150,000 hours each biennium of volunteer labor to keep DNR's existing trails and facilities open to the public. Volunteers contribute their time in many ways, such as maintaining trails and facilities, posting signs, removing litter and serving as site stewards and campground

hosts. This translates to a $1.9 million service to the state. Volunteers are critical to the success of DNR's recreation program. With the high cost of fuel, the department has seen a decline in volunteer hours-not from a lack of desire, but because some can no longer afford to participate.

The department is requesting $58,000 to provide at least eight all-day training sessions statewide for volunteers in trail construction, maintenance, and mapping; chainsaw safety; and ORV safety fairs. A safety fair is an event where community law enforcement, members of the ORVing community, and vendors gather for safety presentations, ORV safety checks and training, especially for younger riders. These sessions will help ensure the safety and productivity of volunteers and ORV riders.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Environmental Protection - Reduce by 10% the sources of non-point pollution resulting from unauthorized trails in the Reiter, Yacolt, Tahuya and Ahtanum recreation areas.

Improving Public Access - Form a diversified user support group with a goal of generating an additional 20,000 volunteer hours to help carry out the Yacolt, Reiter and Ahtanum recreation plans.

Recreation Partnerships and Volunteer Support - Provide eight training sessions statewide for volunteers on trail construction and maintenance.

Performance Measure Detail

Activity: A025 Recreation

		Incremental Changes FY 2010	FY 2011
	Outcome Measures		
REC2	Dollar value of volunteer time and private dollars donated to maintain 143 recreation sites statewide.	$55,000.00	$75,000.00

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

This request supports several components of DNR's 09-11 strategic plan.

Upland resources provide substantial levels of trust revenues, conservation and public benefits consistent with the department's fiduciary duty and legal commitments.

-Manage socially sensitive lands in a manner that is respectful of the public's interests, consistent with trust principles

-Work with others to define and implement responsible, appropriate uses of public lands, to control damage and liability, and to provide beneficial public access

DNR's workforce is skilled, knowledgeable, motivated and effective.

-Transfer institutional knowledge to the DNR workforce of the future

Forest systems enjoy equal or greater health and productivity.

-Establish, restore, and maintain healthy urban forests

Trust assets are continually enhanced and managed to generate substantial financial support for current and future beneficiaries.

-Manage trust assets in the interest of each trust beneficiary for both the short and long term.

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

Yes, this package supports the following Priorities of Government:

-Improves the quality of Washington's natural resources
-Improves the ability of state government to achieve its results efficiently and effectively

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

Yes. This proposal reduces non-point sources of pollution caused by unauthorized trails, provides staffing to carry out three existing recreation plans, and supports volunteers through training and assisting with travel costs. It supports the following statewide results:

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

Improve the quality of Washington's natural resources
-Preserve, maintain and restore natural systems and landscapes

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

After the recreation plans have been completed in 2009 the Department, with the support of the users and legislature, will begin implementation of the Reiter, Ahtanum and Yacolt recreational plans.

Volunteers will get the support and training they need.

The "Environmental Protection" element of the package will be attractive to the environmental community and user groups because the crews will be addressing damage to streams associated with unauthorized, user trails. For the immediate future, the focus will be on streams within the Puget Sound watershed. The departments of Ecology and Fish & Wildlife will help identify and restore streams damaged by user-built trails.

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

The remaining GF-State carryforward level in the Recreation program is used to meet the basic costs of keeping our recreational sites open to the public. Utilizing any of those funds for this request would require shutting down other recreational sites, which would violate legislative intent. The remainder of the 09-11 carryforward level funding in Recreation is funded by the ORV account. The uses of this fund are specifically limited by statute, and its use would not be appropriate for any of this request.

Another alternative considered was to request a larger budget request, with more emphasis on DNR staff, but we elected instead for this package which incorporates greater collaboration with users, volunteers, and law enforcement to collectively own the problem and solve it for good.

What are the consequences of not funding this package?

The consequences of not funding this package are as follows:
-Continued loss of stream habitats and the species they support due to unauthorized user-built trails.
-Overcrowding of existing trails and facilities create health and safety issues.
-Currently, just six law enforcement officers serve nearly 5.5 million acres of DNR-managed land. They are unable to focus on spot problem areas. Other state and local resources are unable to provide support due to lack of funding. Contracting with local law enforcement entities could focus patrols in problem areas for short periods of time. Without new funding we would be unable to take advantage of this resource.
-Loss of critical volunteer base due to increased fuel costs and lack of training. The department depends on volunteers for general maintenance and construction projects-as well as for match purposes for grant funding.

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

None for the 09-11 biennium. As the recreational plans are implemented, DNR would develop a better inventory of any capital repair or improvement needs, which might result in an 11-13 capital budget request.

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 are calculated for Natural Resource Specialist 2 (2 FTEs) range 48, and Forest Crew Supervisor 2 (1.5 FTEs), range 37. All positions are at step L. Personal service contracts include $60,000 for local law enforcement support and $58,000 for volunteer training. Goods and services and travel for FTEs are based on program averages, plus $60,000 in travel for the volunteer mileage contribution. Equipment includes three vehicles and two computers. Grants include $350,000 for WCC crews. Administration is added at 27% of select objects and is reflected in object T. Estimated impact for Administrative FTE's is .9, which is included in the FTE total.

There are no revenue implications.

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

Most of these costs are ongoing.

One-time costs are $66,000 (object J) for three vehicles and two computers, and $14,000 (object E) for two workstations.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	159,000	159,000	318,000
B	Employee Benefits	57,000	57,000	114,000
C	Personal Service Contracts	55,000	63,000	118,000
E	Goods And Services	29,300	15,300	44,600
G	Travel	44,000	44,000	88,000
J	Capital Outlays	66,000		66,000
N	Grants, Benefits & Client Services	175,000	175,000	350,000
T	Intra-Agency Reimbursements	71,900	71,900	143,800
Total Objects		**657,200**	**585,200**	**1,242,400**

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State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **AH Aquatic Habitat Conservation Plan**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This proposal would provide funding for the first phase of implementation of the Aquatic Habitat Conservation Plan (HCP); full implementation would be phased-in over the 2009-11 and 2011-13 biennia. This program would ensure that the Department of Natural Resources (DNR) activities comply with the Federal Endangered Species Act (ESA) by: reducing DNR's liability under the act; assuring that DNR is not liable for the "taking" of endangered species; and providing a consistent, predictable and environmentally sound basis for managing state-owned aquatic lands (SOALs). For activities that are covered by DNR's Aquatic ESA compliance plan, users of state-owned aquatic land would be assured that their actions would be in compliance with the ESA as long as they meet their use authorization requirements. This will ensure predictability for users and will enable DNR to protect aquatic species and habitat on a landscape scale rather than on a site-by-site basis.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	1,398,000	1,304,600	2,702,600
02R-1 Aquatic Lands Enhancement Account-State	793,500	739,100	1,532,600
Total Cost	**2,191,500**	**2,043,700**	**4,235,200**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**20.3**	**25.4**	**22.9**

Package Description:

DNR manages 2.6 million acres of aquatic lands, both fresh and marine water. The agency's management activities have the potential to impact threatened and/or endangered species and may therefore result in an ESA liability for the state. The HCP would cover DNR's authorized activities that are not adequately covered under other agency regulations or existing federal ESA compliance requirements and that have been assessed by DNR to have the greatest potential to cause "take" to covered species. Three general categories of activities will be covered log booming and rafting; aquaculture; and, overwater structures Of the 87 species initially considered for inclusion in the Aquatic Lands HCP, 22 have been identified for coverage, including salmon, reptiles, amphibians, birds and the Orca whale. Species were selected after DNR assessed the potential "take" that resulted from the department's authorized activities.

DNR began development of the Aquatic HCP in 2003; funding for this effort was specifically provided by the Legislature in the 03-05, 05-07 and 07-09 biennia. Federal grant funds provided just less than 50% of the cost of developing the HCP. Implementation of the HCP is proposed to be phased, in part to offset the initial cost for full implementation.

The funding will enable the department to initiate implementation of the HCP and begin meeting the requirements of the Incidental

Take Permit (ITP). The department is currently in the latter stages of developing the HCP; final drafting is underway and negotiations with the federal services will take place in the fall of 2008/winter of 2009. The HCP will be reviewed under the National Environmental Policy Act (NEPA) in spring/summer of 2009. Release of the final HCP and issuance of the ITP is projected for early 2010.

There are a number of strategies and actions that will be conducted as a part of the HCP implementation process, including:
-The application of conservation measures (eg, best management practices) for specific activities authorized under DNR agreements, in order to avoid or minimize impacts on the 22 covered species;
-the development of aquatic landscape management plans for established priority habitat areas throughout the state that will guide DNR's restoration and conservation efforts to compensate for "unavoidable" impacts to covered species by our authorized activities. Landscape planning will serve to ensure the protection of undeveloped/highly sensitive areas and will build upon existing state-wide watershed/ecosystem conservation and restoration priorities including the action agenda of the Puget Sound Partnership;
-the application of specific stewardship measures to protect forage fish and aquatic vegetation (e.g., eelgrass) that will be applied to all authorized activities; these also directly support efforts of the Puget Sound Partnership; and,
-other activities, including adaptive management and compliance monitoring, will be fully realized with additional funding in the 2011-13 biennium.

DNR intends to begin phased hiring of HCP implementation staff in July, 2009. Initially, the program will hire field biologists to assist land managers in developing site specific conservation and stewardship measures which will be incorporated into lease agreements (new and renewing leases) and to collect data for compliance reporting requirements. Funds to develop and implement monitoring and sampling protocols and to implement the adaptive management program will be requested in the 2011-13 biennia. As time allows, field biologists will also serve as stewardship consultants as the work relates to HCP covered agreements. This proposal will fund partially filling positions needed to oversee implementation and monitoring of the HCP, as well as design and maintenance of the database. Additional funding to fully implement this aspect of the HCP will be pursued in 2011-13 biennium. This 2009-11 funding request reflects DNR's plan to phase-in hiring of staff over the biennia.

This proposal will also fund one lead scientist to design an adaptive management strategy and effectiveness monitoring plan that will be required for refinement of the HCP conservation strategies and 4.5 new land managers in the field to incorporate new HCP requirements into existing and new authorizations for ESA coverage defined in the HCP. In subsequent biennia, the new land managers shall process and monitor authorizations under the HCP. Field biologists and natural resource technicians will assist in the development of specific use conditions that meet DNR's management, reporting, and compliance monitoring commitments in the HCP.

In addition to an existing backlog of expired leases, the majority of DNR lease agreements that would be covered under the HCP will expire or are due to expire between 2008 and 2013 After that date it will be 10-30 years before these authorizations can be re-negotiated. DNR would lose the opportunity to get these authorizations into compliance with the ITP (issued for 50 years). If this was the case it is unlikely that the federal services would issue DNR an ITP. Therefore, the program has determined that new and expiring leases for activities covered under the HCP will be processed first and processing of other agreements will be delayed until adequate staffing resources are available. These new positions are critical to the timely application of the conditions required of our authorizations under the HCP that will apply to both renewed as well as new authorizations. Newly hired land managers will continue to have a high work load into future biennia. Beginning in 2011-13, staff will also monitor leases and report to the federal services that conditions of the HCP are being met and assist with gathering information and scientific data in support of the effectiveness monitoring and adaptive management plan; process new leases; and address expiring leases and lease renewals..

Existing and new region land management staff at the proposed level are needed to ensure the program is able to process lease activities covered under the HCP, address new use authorizations along with those that expire or are converted from unauthorized/ trespass to new use authorizations, conduct and report on compliance monitoring, and assist with data collection in support of effectiveness monitoring and adaptive management.

A major component of the HCP which is not included in the 09-11 budget request is the implementation strategy to authorize 23,000 no-fee private recreational docks located throughout the state into compliance with the HCP. The budget to meet this significant (required) element of the HCP will be developed for the 2011-13 biennium.

It is critical that the state makes the financial commitment to have these initial levels of HCP implementation staff in place before the final Incidental Take Permit is signed to ensure an orderly phase-in of the HCP, including development of all necessary implementation and reporting documentation, contract language, training and training materials, and implementation procedures. This budget package requests funding for start up staff for the first year of the biennium, and requests additional staff for implementation during the second year of the biennium. Staffing for full implementation will be requested in 2011-13.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Success will be measured by the number of use authorization agreements that are signed each year which include HCP conservation measures; the number of sites where field monitoring and compliance reports are generated; the number of monitoring and sampling reports created; and, the number of GIS mapping products and data layers developed. Specific performance measure target numbers to be established here will be developed as the final HCP implementation plan is produced. These activities will begin in the 2009-11 biennium and will be enhanced in the 2011-13 biennium as DNR implements phase two of the plan.

The ultimate success of this effort is support of endangered species recovery. DNR's management activities within the Puget Sound will play a large role in the Puget Sound Partnership's goal to recover the Puget Sound by 2020. DNR will be working with the Partnership to develop large-scale monitoring.

Additionally, a signed HCP will ensure DNR that its management actions, when consistent with the HCP, are protected from potential liability under the Endangered Species Act. Avoidance of litigation may be considered a success.

Performance Measure Detail

Activity: A044 Aquatic Lands Environmental Management

Incremental Changes

No measures submitted for package

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

Agency 2009-11 Strategic Priorities
-Protect, restore and enhance aquatic ecosystems through innovative stewardship; foster water-dependent uses, navigation and commerce; and, manage renewable aquatic resources such as shellfish and aquatic vegetation in collaboration with stakeholders to ensure sustainable harvests and ecosystem health.
-Implement a Habitat Conservation Plan in order to support the recovery of threatened and endangered fish and wildlife species with critical habitat on state-owned aquatic lands.
GOAL: Aquatic Resources are managed to optimize the full range of public benefits.
Agency 2009-11 Strategic Goal:
Applicable Strategies:
-Implement a Habitat Conservation Plan in order to support the recovery of threatened and endangered fish and wildlife species with critical habitat on state owned aquatic lands.
-Work with communities and governmental entities to improve the ecological health of aquatic resources by taking an assertive stewardship role in promoting the conservation, restoration, and enhancement of ecosystem processes, and services.
DNR will be working with local, state and federal government agencies to conduct land use planning and ecologic monitoring.
-Respond to all requests for use authorizations (leases, rights-of-way, Port Management Agreements, etc.) in a timely, consistent, and fair manner.
This request will provide additional field staff to process use authorization applications, incorporating conservation measures as appropriate for the use and local habitat.
-Authorize activities or placement or physical improvements only after ensuring public resources will not be significantly damaged or that potential damages will be adequately mitigated.
The HCP program will provide for increased scrutiny and analysis of potential effects that specific proposed uses may have on the environment, including habitat effects and potential to contaminate or cause recontamination.

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

POG:
-Improve the quality of Washington's natural resources.

Implementation of the Aquatic HCP is intended to identify, avoid and mitigate potential effects that DNR-managed activities may have on protected species and habitats.
-Strengthen government's ability to achieve results efficiently and effectively
This HCP will provide a consistent and predicable framework for DNR, other local, state and federal government entities and DNR's lessees to more efficiently and effectively plan for and implement conservation measures and land use plans.

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

Improve the quality of Washington's natural resources
-Establish safeguards and standards to protect natural resources
The HCP will include conservation measures to be implemented through use authorizations. These conservation measures will be identified, developed and applied based on each use and local species/habitat.
-Preserve, maintain and restore natural systems and landscapes
DNR plans to incorporate landscape planning as various scales to address single and cumulative effects of land uses on species and habitats of concern.
-Provide good science and resource monitoring data to support decision-making
The HCP is a science-based plan that includes environmental data collection in support of an adaptive management approach to aquatic land management
-Improve individual practices and choices about natural resources
The HCP staff will review current and proposed uses to identify appropriate conservation measures for that use and potential affected species and habitat.

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

Individuals who lease or plan to lease state-owned aquatic land may have to modify current or proposed uses to conform to the final conditions of the Incidental Take Permit of the HCP; the HCP may also result in some areas being withdrawn from future leasing activities in order to protect the habitat of the 22 covered species.

Yes, approximately 61% of the aquatic lands covered by the HCP are in the Puget Sound basin; about 66% of the Aquatics Region staff are dedicated to aquatic land within the Puget Sound.

Implementation of a Habitat Conservation Plan will support progress towards several of the Puget Sound Partnership's Action Agenda's statutory objectives and strategic priorities. Supported PSP objectives include:
o Protect existing habitat and prevent further losses - implementation of conservation measures on leases will prevent further negative impacts to existing habitat for covered species and stewardship measures will protect critical habitat.
o Restore habitat functions and values - DNR will commit to restoring degraded habitats;
o Protect ecosystem biodiversity and recover imperiled species - the goal of the HCP is to lead to the recovery of 22 listed and candidate species.

The Partnership's Strategic Priority supported:
o Implement restoration processes - identification restoration sites will begin.
o Protect intact ecosystem processes -- stewardship measures will protect critical habitat and their related processes.

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

This is a new program initiative which will allow DNR to incorporate uniform conservation measures into all lease activities covered by the HCP. This is not the case under the current leasing program. In addition, the program will incorporate landscape planning processes into land management decisions, again something the department is not consistently doing today. This alternative was chosen as it provides enough funding to begin implementation of the HCP and lays the ground work for full implementation in the following biennium. The department originally considered requesting funds for full implementation in 2009-11, but due to projected limitations in fund balances of Aquatic Lands Enhancement Account (ALEA), the department scaled the proposal back to the smallest level possible while still providing the basic funding to allow the first stages of HCP implementation.

This funding request is for new positions. The department will re-direct existing program FTE's, where appropriate, to fill HCP project needs, but there are very few existing positions which meet the needs identified by this project.

Other activities funded from ALEA include the Recreation and Conservation Office grant program, Washington Department of Fish and Wildlife enhancement programs, Department of Agriculture spartina removal, Department of Health shellfish sampling, Puget Sound Partnership tunicate removal, DNR's Natural Resource Conservation Areas, and Derelict Vessel Removal Program 10% match The HCP will incorporate the above listed DNR programs as each provides for elements of aquatic land enhancement and are included in the DNR's ALEA carry-forward level.

What are the consequences of not funding this package?

The department would not be able to implement the HCP and the federal services would not likely sign the Incidental Take Permit. Additionally, without funding for an aquatic habitat conservation plan, DNR would not be able to incorporate conservation measures in use authorizations and develop aquatic stewardship site plans.

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

The HCP staff, specifically the landscape planning and adaptive management scientists, will provide planning support to the program's Aquatic Restoration Land Managers who implement the Statewide Estuarine Restoration Capital Program. Restoration partners and site selection will be based on habitat and ecologic process needs. Without these conservation measures and stewardship site designations, DNR's ability to participate in activities to recover the Puget Sound by 2020 would be limited.

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

At this time, the program is not requesting specific changes to statute to implement this package. The program may decide to recommend a change to WACs in 2009 or 2010, but a final decision has not yet been made. Internal contracts and guidance will need modification in order to implement the HCP. Existing staff will conduct this work.

Expenditure and revenue calculations and assumptions

Salary and benefits:
-Staffing levels were defined based on comparisons of similar positions presently required to implement DNR's State Trust Land HCP (1997), work load calculations for field work and office support staff to process legal agreements in the Regions, estimates of the initial technical and science support for implementing the projected monitoring and reporting requirements for Aquatic Lands HCP, a phased approach to implement the Aquatics HCP, and limited experience with early implementation of the Aquatic Lands HCP.
-Science positions: 3 field biologists (NRS3) will conduct monitoring and sampling, and work with individual land managers to incorporate conservation measures on a site specific basis to new and expiring agreements. Based upon the number of expiring agreements and projected new applications, it was determined that a minimum of one biologist per district would be necessary. The lead field biologist (NRS4) will coordinate the implementation of the HCP as well as ensure consistent application of the HCP in each of the three districts.
-IT staff: these two new staff will develop the monitoring database and create a GIS layer, as well as multiple other products; the estimate of needed staff was based upon comparisons of time currently required to develop comparable IT products.
-Land Managers: based upon the number of projected expiring leases and the workload associated with processing current lease agreements without HCP measures, the program determined that 5.5 land managers would be needed.
-Outreach: the program originally determined that 4 outreach staff would be needed to conduct comprehensive statewide outreach; this is based upon the fact that aquatic lands are located throughout the state and issues vary considerable across the state. The number of interested and affected stakeholders, and the number of existing planning efforts and processes that would benefit from utilization of the products developed under the HCP, is vast. However, the program is proposing to establish one centrally based outreach staff in Olympia, with the plan to add outreach staff in future biennia.
-Technicians and Office Assistants: based upon the number of agreements and the range of information that must be collected for monitoring and compliance purposes, department estimated the need for 1.5 office assistants and 3 natural resource techs.
Salaries and benefit cost is $2,630,500 for 2009-11 biennium and $2,906,800 a biennium thereafter.

Personal Service Contracts:
Contract cost for monitoring database design and development at $150,000 (one-time cost)

Goods and services, rent, and travel are based on program averages.

One-time costs include workstations at $7,000 each for 13 positions, 7 midsize vehicles at $17,500 each and 13 computers at $1,400

each. Ongoing sampling/monitoring equipment at $154,000 per biennium.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at 4.3 FTE for FY10 and 5.4 FTE for FY11.

There are no anticipated revenue changes due to this proposal.

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

Costs related to this proposal are ongoing except as noted in expenditure calculation area above.
16 FTEs in FY 10, ramping up to 20 FTEs in FY 11. The request is for 20 FTE's ongoing.
Monitoring database design and development ($150,000) is expected to be half of the total cost of the system. DNR plan to request the second half of the needed funding for the 2011-13 biennium (phase 2 aquatics HCP implementation).

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	882,400	1,087,500	1,969,900
B	Employee Benefits	294,700	365,900	660,600
C	Personal Service Contracts	150,000		150,000
E	Goods And Services	204,000	138,200	342,200
G	Travel	24,000	30,000	54,000
J	Capital Outlays	294,800		294,800
T	Intra-Agency Reimbursements	341,600	422,100	763,700
Total Objects		**2,191,500**	**2,043,700**	**4,235,200**

Unstable
Landforms

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **EE Unstable Landforms**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This proposal strengthens the Forest Practices Program's ability to safeguard public resources, capital improvements of the State, and public safety by ensuring the best possible regulatory decisions are made on proposals from timber landowners to harvest timber and construct roads in areas with potentially unstable landforms. This proposal: 1) upgrades Forest Practices region office staff from clerical to para-professional positions, 2) continues Landslide Hazard Zonation (LHZ) for priority watersheds, 3) doubles support for the Forest Practices Adaptive Management Program (AMP), and 4) adds an additional consulting geologist to the Forest Practices Program.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	1,417,600	1,320,100	2,737,700
Total Cost	**1,417,600**	**1,320,100**	**2,737,700**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**5.0**	**5.0**	**5.0**

Package Description:

The December 2007 storm event in Southwest Washington has called into question DNR's ability to safeguard public resources, capital improvements of the State, and public safety when processing Forest Practices Applications (FPAs) that involve potentially unstable landforms. The Forest Practices Program needs to strengthen its ability to ensure the best possible regulatory decisions are made on such FPAs. Improvements are needed in 3 areas: 1) stronger staff capability, 2) better information, and 3) greater adaptive management investments to improve our understanding of interactions between forest practices and unstable landforms. This proposal has 4 elements, two that improve staff capability, one that provides better information with which to make decisions, and one that strengthens adaptive management.

Element 1. Forest Practices Region Office Staff $153,400
The Forest Practices Program's region office staff is its "first line of defense" in reviewing FPAs to determine whether they involve unstable landforms. These staff interact with applicants, evaluate diverse information, and make the initial, critical decisions that determine whether an application is reviewed in the field by Forest Practices foresters and geologists. DNR is completing in-depth reviews of the duties of the region office staff. These reviews indicate the need to transition positions below the Forest Practices Coordinator from clerical to para-professional positions. This proposal element offsets the increased cost of para-professional region office positions.

Element 2. Landslide Hazard Zonation $1,087,400
Landslide Hazard Zonation (LHZ) combines existing information with original fieldwork to identify all potentially unstable landforms in a watershed. Vastly improved maps are then created for use by the Forest Practices Program and forest land managers. The purpose is to eliminate any errors or omission in the identification of potentially unstable landforms during both timber harvest layout and FPA processing. It is important to identify potentially unstable landforms at these times so that forest practices are configured so they do not trigger landslides that may damage public resources or capital improvements of the state, or jeapordize public safety. This proposal element continues LHZ in priority watersheds. LHZ is an important element of Washington's landmark Forests & Fish Report (FFR).

Element 3. Adaptive Management $1,200,000
For the past 5 biennia, the Forest Practices Program's base budget has provided $600,000 per year to support scientific projects carried out by the Cooperative Monitoring, Evaluation & Research committee (CMER). Over this time, the Forest Practices Adaptive Management Program (AMP) was implemented following direction provided in FFR, and the volume of work underway has increased significantly. Due in large part to funding limitations, the AMP has not been able to deliver scientific work products according to the schedule ananticpated in FFR. In particular, monitoring data crucial to the Department of Ecology's (DOE) upcoming evaluation of the extent to which the Forest Practices Rules are fulfilling federal Clean Water Act (CWA) requirements have not yet been produced. Whether the State continues to receive federal CWA assurances depends on the AMP significantly increasing the pace at which these essential data are produced. Making an investment to accelerate the production of crucial scientific information--and thereby maintaining federal CWA assurances-- is extremely cost effective compared to the consequences of losing CWA assurances. This proposal element doubles state support for the AMP from $600,000 per year to $1,200,000 per year. This will expedite projects in CMER's Unstable Slopes Rules Group that are essential to understanding relationships among unstable landforms, forest practices, and water quality.

Element 4. Consulting Geologist $297,700
Forest Practices geologists consult with Forest Practices foresters as needed to evaluate FPAs involving potentially unstable landforms. If a geologist is not available within the application processing timeframe, a forester may be forced to independently interpret a difficult field situation and make critical regulatory decisions without the benefit of expert input. This proposal element adds an additional consulting geologist to the Program, to ensure that Forest Practices foresters always have ready access to the expertise they need to make the best regulatory decisions.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Element 1: There is a decreased likelihood that FPAs involving unstable slopes are incorrectly classified. There is a decreased likelihood that FPAs that need to be inspected in the field to assess landform stability are not identified or brought to the attention of Forest Practices field foresters. Applicants receive better guidance at the time FPAs are filed.

Elements 2: Forest Practices office and field staff have more complete, higher quality information with which to make regulatory decisions.

Element 3: Scientific studies needed to better understand relationships among forest practices activities, unstable landforms , and water quality are carried out.

Element 4: Forest Practices field foresters have improved access to an expert geologist to assist them in making regulatory decisions involving potentially unstable landforms.

Collectively, these outcomes reduce the risk that forest practices activities involving potentially unstable landforms are carried out in a manner that damages public resources or capital improvements of the state, or jeopardizes public safety.

Performance Measure Detail

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

Goal: DNR is faithfully implementing its responsibilities as a regulator.
Strategies: Make timely responses to permit applications.

Goal: The public we serve widely and consistently holds DNR in high esteem.
Strategies: Protect public safety.

Goal: DNR's workforce is skilled, knowledgeable, motivated, and effective.
Strategies: Use information technology to maximize investments, continue progress toward digital government, and support integrated business solutions.

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

Yes, this request provides essential support to several of the Priorities of Government:

-Improve the quality of Washington's natural resources
-Improve the ability of state government to achieve its results efficiently and effectively
-Improve the safety of people and property

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

Yes, this request contributes to the following statewide results:

Improve the quality of Washington's natural resources
-Establish safeguards and standards to protect natural resources
-Provide good science and resource monitoring data to support decision-making
-Improve individual practices and choices about natural resources

Improve the ability of state government to achieve its results efficiently and effectively
-Improve decision support for government decision makers

Improve the safety of people and property
-Prevent accidents

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

Other agencies that rely upon the Forest Practices Rules to safeguard public resources, capital improvements of the State, and public safety would be positively impacted if this proposal is funded. These include the Forest Practices Board; DOE; the departments of Fish and Wildlife and Transportation; the Governor's Salmon Recovery Office; and the Puget Sound Partnership. Approximately 20% of work to be carried out under this proposal is within the Puget Sound Basin.

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

Most of the Forest Practices Program's base budget supports core operations, i.e., duties that are directed by law. DNR considered eliminating all of the Program's Small Forest Landowner Office discretionary functions (e.g., stewardship forestry, planning assistance) and using base budget funds that currently support these functions to accomplish some of the work described in this proposal. However, DNR does not feel that such a shift in program emphasis would be consistent with the state's strong, current policy emphasis on providing assistance and support for small forest landowners. DNR also considered acquiring Light Detection

and Ranging (LIDAR) imagery for watersheds that have a high incidence of landslides and high risk that slides could deliver sediment to streams and rivers. LIDAR imagery "strips away" vegetation concealing geological features, thereby allowing foresters and geologists to readily discern unstable landforms that may not be apparent with other types of imagery or even through field inspection. DNR is not requesting resources needed to develop this imagery--even though LIDAR imagery would provide another powerful tool for resource protection--due to the State's projected, overall 09-11 Biennium budget deficit.

What are the consequences of not funding this package?

If elements 1, 2, and 4 are not funded, there is a higher likelihood that some forest practices activities involving unstable landforms will be carried out in a manner that damages public resources or capital improvements of the state, or jeopardizes public safety. If Element 3 is not funded, the AMP will not be able to accelerate production of monitoring data crucial to understanding relationships among forest practices, unstable landforms, and water quality, and maintaining federal CWA assurances.

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

Element 1: Five positions that are the lead FPA processing specialist in DNR region offices are reclassified to Natural Resource Technician 3. Nine positions that process FPAs under the guidance of the regional lead are reclassified to Natural Resource Technician 2. Estimated cost of these reclassification is $153,400 per biennium. This is an ongoing cost.

Element 2: Three Natural Resource Scientist 3s and 1 Natural Resource Scientist 2 continue LHZ. Cost of operating these positions is $1,087,400 per biennium. These are project positions that will continue until December 31, 2014, the estimated date at which LHZ is completed. There will be costs during the 11-13 and 13-15 biennia, but not thereafter.

Element 3: Adaptive management spending has increased by $1,200,000 per biennium. This is an ongoing cost.

Element 4: One Natural Resource Scientist 3 is hired at a cost of $297,700 per biennium. This is an ongoing cost.

Salary and benefits total $976,400.
Personal service contract total $1,200,000.
Good and services, rent, and travel are based on program averages for $166,400.
One-time items include 3 workstations for $21,000.
Equipment is based on one-time vehicle and laptop costs for $76,500.
Agency administrative cost is calculated at 27% and shown as object T for $297,400. FTE associated with agency admin is estimated at 5.0 FTE.

This proposal does not affect any form of revenue.

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

Costs of continuing LHZ (Element 2) are ongoing until December 31, 2014, the estimated date at which LHZ is completed. All other costs are ongoing.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	379,500	379,500	759,000
B	Employee Benefits	108,700	108,700	217,400

C	Personal Service Contracts	600,000	600,000	1,200,000
E	Goods And Services	60,000	39,000	99,000
G	Travel	44,200	44,200	88,400
J	Capital Outlays	76,500		76,500
T	Intra-Agency Reimbursements	148,700	148,700	297,400
Total Objects		**1,417,600**	**1,320,100**	**2,737,700**

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Forest Fire
Prev.

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **FP Improving Forest Fire Prevention**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

The increasing size, severity and cost of suppressing wildfires makes preventing human caused fires critical as a public and firefighter safety issue, and as a cost savings measure. This proposal provides partial maintenance of funding for fire prevention specialists to deliver fire prevention programs in collaboration with public and private organizations, implement a minimal program of public education and awareness of wildfire risks, and promote personal and community responsibility for actions to reduce the number of human caused fires.

This proposal will partially restore this important ongoing program by reinvigorating the Firewise Communities program, continue implementation of Community Wildfire Protection Plans and provide focused regional fire prevention efforts. Initial federal National Fire Plan seed money to begin these programs has provided strong benefits to the people of Washington by starting to create fire adapted communities. Carrying on the work accomplished so far will provide even greater benefits. Federal grant funding remains available for community projects indentified in Community Wildfire Protection Plans but the initial seed money to support state prevention specialists to provide leadership and coordination for these projects is no longer available.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
001-1	General Fund - Basic Account-State	148,100	148,100	296,200
190-6	Forest Fire Protection Assessment-Non-Appropriate	148,000	148,000	296,000
	Total Cost	**296,100**	**296,100**	**592,200**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**3.8**	**3.8**	**3.8**

Package Description:

What problems will the proposal address?

Wildfires are increasing in size, severity and suppression cost. People cause eighty five percent of wildfires. An aggressive fire prevention program can reduce the number of wildfires, saving lives, natural resources and money. Additionally, more people are choosing to live in areas where fire has historically been a part of the natural environment. These home and property owners need to understand their personal responsibilities to prevent fires and to reduce the risk that fires will damage their homes and property.

What will the proposal actually buy?

This proposal will increase public awareness of wildfire risks and the actions property owners need to take to protect their homes and

natural resources. We will implement a minimal program of public education and awareness of wildfire risks and Community Wildfire Protection Plans to reduce the number of human caused wildfires. We will collaborate with public and private organizations to deliver a fire prevention program that places a strong emphasis on personal and community responsibility for fire prevention and preparedness for emergencies in areas at high risk for wildfires.

What outcomes do we expect as a result?

In the highest wildfire risk areas of the State we will:
Work with communities at risk for wildfire with a goal of enrolling eighteen new communities each year in the Firewise Communities program (36 for the biennium).

Endeavor to maintain participation in the Firewise Communities program by encouraging continued enrollment of existing communities at a rate that meets or exceed the national retention rate of 90%.

We will encourage each community with a Community Wildfire Protection Plan to complete at least one action identified in their plan each year (there are currently 37 Community Wildfire Protection Plans, some covering multiple communities).

We will implement one fire prevention campaign in each DNR Region focused on the most important fire cause identified in each high fire risk area of the state.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Outcome:
Increased participation in the Firewise Communities program

Result (Target):
18 new communities per year (36 total)

Performance Outcome:
Continued participation of existing Firewise Communities

Result (Target):
90% retention of Firewise Communities in the program

Performance Outcome:
Community Wildfire Protection Plans are implemented
Result (Target):
1 action plan item is implemented in each plan each year (74 items)

Performance Outcome:
Regional fire prevention campaigns are implemented
Result (Target):
6 fire prevention campaigns completed (1 in each Region's highest risk area each year)

The Fire Regulation and Prevention Program, in the 2007-09 biennium, has the performance measure "Number of Community Wildfire Protection Plans with action items implemented by local communities with technical or financial assistance from DNR". Approval of this request will maintain this performance measure. If not approved the program will no longer have the resources to continue this work.

Performance Measure Detail

No measures submitted for package

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

This proposal supports our goal to assure that losses to life from fire are prevented and property loss is minimized by implementing our strategies to:

Maintain a balance of prevention, detection, initial attack, sustained attack, and large incident management capacity.

Lead the state in wildland fire prevention and protection.

Increase protection it homes and communities in the urban/rural interface.

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

As an essential element of our Fire Prevention and Control program, this proposal supports the Priorities of Government Public Safety key results area by implementing an aggressive program of public education and awareness of wildfire risks and Community Wildfire Protection Plans to reduce the number of human caused wildfires.

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

This proposal makes key contributions to the Improve the Safety of People and Property Statewide Result Area by:

1. Reducing the number of human caused wildfires (linked to the prevent accidents Statewide Results Strategy), and

2. Assisting communities and homeowners with taking personal responsibility for reducing the impacts of wildfires to their homes, families and communities (linked to the prepare for and respond to emergencies Statewide Results Strategy).

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

Local communities have responded favorably to fire prevention education and implementation of action plans for self responsibility. Maintaining and enhancing these community ties are an important part of this proposal.

The proposal may result in some work within the Puget Sound Basin that will reduce the potential negative impacts of wildfires within Puget Sound watersheds.

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

Alternatives explored were:

Alternative 1
Decrease fire prevention efforts

Expected outcome:
Two to four additional large wildfires per year, at a cost of $2 million per fire. Increased loss of homes due to wildfires, similar to the 2008 Spokane Valley Wildfire (thirteen homes destroyed).

Alternative 2
Seek state funds to implement Community Wildfire Protection Plan action items that were developed using federal funding.

Expected outcome:
Seeking state funds to reduce wildfire risks to communities is not financially practical. Reducing hazardous vegetation around urban interface homes costs approximately $1,000 per home. Reducing hazardous vegetation around 100 homes per year in each of 37

Community Wildfire Planning areas would cost $7.4 million.

Alternative 3
Increase collaborative fire prevention efforts (selected alternative)

Expected outcome:
Increased public awareness of wildfire risks and the actions home and property owners need to take to reduce their risks.
Communities have increased capacity to seek federal grants and other funding sources to reduce wildfire risks.

We chose alternative 3 because of its modest cost compared to other alternatives, and its emphasis on personal and community responsibility for wildland fire prevention.

What are the consequences of not funding this package?

Not funding this package can be expected to result in an increase in the number of large and damaging wildfires and the continued loss of homes and structures to wildfires.

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

This proposal does not impact the state's capital budget.

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

No changes in statutes, rules, or contracts are needed to implement this proposal.

Expenditure and revenue calculations and assumptions

Three FTE at the Natural Resource Specialist 2 level to encourage communities to enroll and maintain participation in the Firewise Communities program, promote implementation of Community Wildfire Protection Plans, and implement two regional fire prevention campaigns each per year focused on the most important fire cause identified in the highest fire risk areas of the state.

Goods and services, travel and equipment costs are based on program averages.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .8 of a position.

There are no revenue changes due to this proposal.

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

Costs related to this proposal are ongoing. The risks of wildfire are expected to continue and possible increase in the future as a result of climate change and continued forest health decline. Community action to mitigate fire risks will need to be sustained to have a long-term impact.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	151,800	151,800	303,600
B	Employee Benefits	53,100	53,100	106,200
E	Goods And Services	17,100	17,100	34,200
G	Travel	13,800	13,800	27,600
T	Intra-Agency Reimbursements	60,300	60,300	120,600
Total Objects		**296,100**	**296,100**	**592,200**

Landowner
Incentives

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **EB Landowner Incentives**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This proposal develops incentives for private and corporate landowners to maintain and create forest habitat for threatened and endangered species. Specifically, this proposal: 1) implements a settlement agreement among DNR, Seattle and Kittitas Audubon Societies, Washington Forest Protection Association (WFPA), and American Forest & Paper Association (AFPA) aimed at supporting recovery of Washington's northern spotted owl population through voluntary, incentive-driven actions of landowners; and 2) develop meaningful incentives for forest landowners to maintain and create habitat.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	291,200	123,000	414,200
Total Cost	**291,200**	**123,000**	**414,200**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.0**	**1.0**	**1.0**

Package Description:

Recent litigation and the continuing decline of Washington's northern spotted owl population illustrate the limited success that laws and regulations, by themselves, can achieve in conserving habitat for threatened and endangered species. Meaningful incentives are needed to motivate landowners to maintain habitat over time and to create habitat where it currently does not exist.

Element 1. Settlement Agreement ($160,000)
The settlement agreement among DNR, Seattle and Kittitas Audubon Societies, WFPA, and AFPA provides an excellent opportunity to explore the extent to which recovery of a threatened species can be supported through voluntary, incentive-driven actions of forest landowners, rather than increased regulation. This proposal element implements the State's 09-11 commitments, as expressed in the settlement agreement: to provide professional facilitation for a Policy Working Group on Northern Spotted Owl Conservation (Group) chartered by the Washington State Forest Practices Board (Board), and to fund the Audubon societies' participation in the Group's process.

Element 2. Incentives ($254,200)
Washington's non-federal forest lands have a huge potential for contributing habitat to support several of Washington's threatened and endangered species, such as the Northern Spotted Owl and Marbled Murrelet, State and federal regulations protect some of the most important habitat for these species. However, the regulatory mechanics of habitat protection often result in adverse outcomes or unintended consequences, and beyond regulation there is an enormous, unrealized potential to support threatened and endangered species through voluntary actions by landowners. This potential is particularly evident in terms of creating habitat where

it does not currently exist: no law or regulation can compel a landowner to create habitat where it is absent.

Landowners currently have no meaningful incentives to create habitat conditions that are inconsistent with their normal, economically driven management regimes. In fact, many regulations aimed at protecting habitat provide strong disincentives for landowners to create habitat, in terms of economic losses and diminished management flexibility This combination of no positive incentives and significant regulatory disincentives exerts pressure upon landowners to convert their forest lands to other land uses. Conversion of forest lands to other uses is the worst possible outcome, not only for wildlife habitat but also for broader concerns such as maintaining ecosystem functions provided by forests and mitigating the effects of climate change. This proposal element establishes a new project position in the Forest Practices Program to develop meaningful, practical incentives for landowners to maintain their forest lands and voluntarily provide habitat for threatened and endangered species. The position will work collaboratively with both landowners and conservation interests to develop incentives that make sense from both practical land management and species conservation perspectives.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Element 1: Recommendations are developed by the Group that result in a strategic contribution from non-federal forest lands in Washington to the broader goal of conservation of a viable population of the Northern Spotted Owl.

Element 2: Meaningful incentives are developed that motivate forest landowners to maintain habitat over time and create habitat where it currently does not exist.

Performance Measure Detail

Activity: A027 **Small Forest Landowner and Stewardship Office**

Incremental Changes

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

Goal: DNR is faithfully implementing its responsibilities as a regulator
Goal: Forest systems enjoy equal or greater health and productivity
Goal: The public we serve widely and consistently holds DNR in high esteem

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

Yes, this request provides essential support to several of the Priorities of Government:

-Improve the quality of Washington's natural resources
-Improve the ability of state government to achieve its results efficiently and effectively

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

Yes, this request contributes to the following statewide results:

Improve the quality of Washington's natural resources
-Establish safeguards and standards to protect natural resources
-Preserve, maintain, and restore natural systems and landscapes
-Improve individual practices and choices about natural resources

Improve the ability of state government to achieve its results efficiently and effectively
-Improve decision support for government decision makers

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

Other agencies that rely upon voluntary landowner actions to accomplish their missions will be positively impacted. These include the departments of Ecology and Fish & Wildlife, the Governor's Salmon Recovery Office, and the Puget Sound Partnership. Approximately 20% of work to be carried out under this proposal is within the Puget Sound Basin.

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

Most of the Forest Practices Program's base budget supports core operations, i.e., duties that are directed by law. DNR considered eliminating the Program's Small Forest Landowner Office discretionary functions (e.g., stewardship forestry, planning assistance) and using base budget funds that currently support these functions to accomplish the work described in this proposal. However, that would be counterproductive to the purposes of this proposal. Further, the SFLO is an important and successful delivery system for a variety of landowner assistance programs and could serve as a similar delivery system for incentive programs developed through this proposal.

What are the consequences of not funding this package?

The state would be unable to fulfill commitments made as part of a legal settlement agreement; this would jeopardize the settlement and could lead to renewed litigation. Opportunities to improve habitat conditions on non-federal forest lands would be foregone at a critical time for conservation of the Northern Spotted Owl and other threatened or endangered species. Working relationships among the state, forest landowners, and conservation groups would be strained.

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

Element 1: A facilitator is contracted: $400 per hour x 40 hours per month x 5 months (July - November 2009). Audubon societies' participation in the Group is funded: 4 representatives x $100 per hour x 40 hours per month x 5 months (July - November 2009). These are one-time costs for $160,000.

Element 2: One Natural Resource Specialist 4 (step L range 56). This is a project position that ends on June 30, 2011.

Salaries and benefits are 162,200.
Goods and services, rent, and travel are based on program averages.
Equipment is based on agency average for a computer.
Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at 1.0 FTE.

This proposal does not affect any form of revenue.

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

All costs are one-time costs only.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	61,600	61,600	123,200
B	Employee Benefits	19,500	19,500	39,000

C	Personal Service Contracts	80,000		80,000
E	Goods And Services	94,800	7,800	102,600
G	Travel	8,800	8,800	17,600
J	Capital Outlays	1,200		1,200
T	Intra-Agency Reimbursements	25,300	25,300	50,600
Total Objects		**291,200**	**123,000**	**414,200**

State of Washington
Decision Package

FINAL

Agency: 490 Department of Natural Resources

Decision Package Code/Title: EG Access to Biodiversity Information

Budget Period: 2009-11

Budget Level: PL - Performance Level

Recommendation Summary Text:

The Biodiversity Conservation Strategy in Washington state focuses on bringing citizens and scientists together, using incentives and market approaches for landowners, and collaborating on priorities for conservation investments. Key to that approach are the new Conservation Opportunity Framework maps, which show conservation priority areas and their vulnerability level across the state. For the public, easy web access is needed to learn about the important plants and animals in their home area, and to connect to the agencies' databases from one source location. By linking to the National Geographic's Landscope America project, on trial already in our state, these maps can come alive for any level of interest.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	125,300	117,100	242,400
Total Cost	**125,300**	**117,100**	**242,400**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	1.0	1.0	1.0

Package Description:

This proposal leverages work already underway by DNR's Natural Heritage Program, in partnership with National Geographic, NatureServe, the Department of Fish and Wildlife, the Biodiversity Council, The Nature Conservancy and others to make biodiversity information broadly and easily available to the public via an Internet viewer. From the Landscope website, the public, local government planners, land trusts and decision-makers will be able to connect to conservation information now housed in separate agency databases, and learn about conservation needs and actions at the level of detail they need.

The primary product will be a web-based map viewer linked to and accessible within the Landscope America website, which will become the foundation for delivering the data behind the Biodiversity Council's new Conservation Opportunity Framework map. The primary outcomes will be better informed local land-use decisions, support for citizen science and environmental education, avoidance of inadvertent negative ecological impacts, and a common framework for priority setting and conservation actions that facilitates collaboration toward a common set of goals for the state. All of these results support the Biodiversity Conservation Strategy (Strategy 1.1.) to"...use the conservation opportunity framework to guide investments and other conservation actions."

The proposal will create the web-based viewer tool and deliver useful data products focusing first priority on the Columbia Plateau eco-region and the shrub and steppe ecosystems, and expand to other eco-regions across the state with the time available.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This project will provide land-use decision-makers with current information delivered in a timely and accessible way. This will result in more efficient and effective conservation actions.

Performance Measure Detail

Activity: A022 Natural Heritage

Incremental Changes

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

Strategic Priority: Protect, restore and enhance Washington's working landscapes (forests, farms and fishing) and biodiversity.
-Supporting the Washington Biodiversity Council's 30-year Biodiversity Conservation Strategy 1.1 to use the conservation opportunity framework to guide investments and other conservation actions.

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
-Work to restore and maintain natural resources health

Goal: The public we serve widely and consistently hold DNR in high esteem.
-Provide accurate, useful, and timely information and assistance

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

Yes, this request provides essential support to several of the Priorities of Government:
-Improve the quality of Washington's natural resources:
This project would provide a common framework for priority setting and conservation actions that facilitates collaboration toward a common set of goals for the shrub-steppe habitats in eastern Washington. It would result in improved access to information relevant for land-use decision-making.

-Improve the ability of state government to achieve results efficiently and effectively:
This project would make important information about biodiversity within shrub-steppe more widely available. As a result, not only would conservation actions be more effective, development decisions would less likely result in negative ecological impacts.

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

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
-Provide good science and resource monitoring data to support decision-making
-Improve individual practices and choices about natural resources

Improve the ability of state government to achieve results efficiently and effectively
-Improve decision support for government decision makers

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

This package will help the Washington Biodiversity Council explore the best ways to make use of the conservation opportunity maps contained in the Biodiversity Conservation Strategy. The work undertaken as part of this package will take advantage of similar work currently underway within north-central Washington to provide the public with the biodiversity data that underlies the conservation opportunity maps.

There is no direct connection between this package and Puget Sound. However, lessons learned from using the conservation opportunity maps will eventually be applied to Puget Sound, i.e., the biodiversity data behind the conservation opportunity maps for the Puget Sound region would be made available over the Internet.

There are no significant concerns regarding impacts to other agencies. Impacts will generally be positive, since the information gathered and analyzed will be available to all, including all ownerships, etc.

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

There is a clear need to consolidate various sources of information and to make more conservation-related information available and understandable. Delivering information over the Internet can reach the widest audience and can therefore have a significant impact on decision-making. This project also will leverage existing efforts to make biodiversity information available on an Internet map viewer.

What are the consequences of not funding this package?

Decisions will continue to be made regarding the future of the land-base without the benefit of solid information about the conservation values. As a result, there will likely be significant ecological impacts, more conflict over land-use issues, additional listings of species under the federal Endangered Species Act, and inefficient use of limited conservation dollars (both public and private funds).

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

There is no direct relationship to the capital budget. However, the outcomes of this project may be used to support conservation-related land acquisitions and restoration efforts in future biennia.

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

There are no changes required to existing statutes, rules or contracts to undertake this proposal.

Expenditure and revenue calculations and assumptions

Salary and benefit costs for 1.0 FTE (Information Technology Specialist 3) to help create and deliver useful data products, including designing and implementing a means of accessing biodiversity data via a web-based map viewer.

This person would work with staff from WDFW, the Biodiversity Council, TNC and others to develop a means of delivering over the Internet the biodiversity data that underlie the "Conservation Opportunity Framework" maps in the 30-year Biodiversity Conservation Strategy. This work would begin for shrub-steppe ecosystems (Columbia Plateau Ecoregion), but, depending on how quickly the work goes, could expand to other ecoregions.

This effort would build upon current LandScope America efforts underway within the Natural Heritage Program. That project, a partnership with NatureServe and National Geographic, includes a component to develop a web-based map viewer. The user will be able to display various conservation priority layers and to access data related to those priorities. This approach would allow us to take advantage of the design work for LandScope for delivery of the Conservation Opportunity Framework data, rather than having to start from scratch. The development of this web-based tool could become the foundation for delivering the data behind the Conservation Opportunity Maps.

Goods and services and travel are based on program averages. Equipment includes $1,200 for one computer.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .3 of a position.

There are no revenue changes due to this proposal.

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

Most costs are ongoing. The ITAS3 position would be responsible for creating data products, in particular those related to delivering conservation information via the Internet. This work will be on-going, as new data are gathered and as new conservation assessments are completed. Also, this package focuses on delivering biodiversity data for shrub-steppe using the Biodiversity Council's conservation opportunity maps. This ITS3 position will be responsible for eventual delivery of similar information for the remainder of the state for a future ongoing cost of $233,200.

One-time costs consist of $1,200 for one computer and $7,000 for one workstation.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	64,700	64,700	129,400
B	Employee Benefits	19,300	19,300	38,600
E	Goods And Services	12,700	5,700	18,400
G	Travel	3,400	3,400	6,800
J	Capital Outlays	1,200		1,200
T	Intra-Agency Reimbursements	24,000	24,000	48,000
Total Objects		**125,300**	**117,100**	**242,400**

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **EA Expert Forestry Assistance**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This proposal ensures that DNR's Forest Practices Program can continue to deliver technical assistance to small forest landowners, to assist them in protecting public resources while maintaining healthy, productive forests. It also ensures that the program continues to have access to expert technical support needed to implement the Forest Practices Act and Rules. Specifically, this proposal: 1) transitions core stewardship forestry functions within DNR's Small Forest Landowner Office (SFLO) from federal to state funding, and 2) maintains current levels of expert technical support from the departments of Ecology (DOE) and Fish & Wildlife (DFW).

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	398,900	398,900	797,800
Total Cost	**398,900**	**398,900**	**797,800**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**2.0**	**2.0**	**2.0**

Package Description:

Element 1. Stewardship Forestry ($474,800)

The Small Forest Landowner Office's (SFLO) stewardship forestry functions are a proven system for communicating information about sound forest management approaches and assistance programs to small forest landowners. Small forest landowners own and manage over 3 million acres of Washington's forest lands and exert a tremendous influence on public resources, particularly in low elevation areas that contain major streams and rivers, and important fish and wildlife habitat. Stewardship forestry offers advice and assistance to these landowners to help them protect water quality, provide fish and wildlife habitat, improve forest health, and reduce the risk of wildfire. Advice is customized to meet the landowner's objectives. Further, stewardship forestry's capabilities represent a form of incentive and encouragement for small forest landowners to maintain well-managed forest lands rather than creating unhealthy forest conditions or converting their forest lands to other uses. Historically, funding for stewardship forestry has been provided by the federal government. However, State and Private Forestry has recently been de-prioritized by the U.S. Department of Agriculture, and efforts by state and local officials to restore federal funding have had limited success. This proposal transitions 2 senior stewardship forestry staff from "soft" federal funding to state funding, thereby ensuring that the crucial, operational nexus between assistance programs and those whom the programs must reach remains intact.

Element 2. Expert Technical Support ($323,000)

DNR relies upon expert technical support from DOE and DFW to implement the Forest Practices Act and Rules. Since 2000, federal funding has been provided to DOE and DFW for this purpose. From FY 00 through FY 06, funding was provided through a series congressional earmarks supporting implementation of Washington's landmark Forests & Fish Report. Federal funding ceased at the end of FY 06, and starting in FY 07, state funding was added to the Forest Practices Program's carry forward level for expert technical support provided by DOE and DFW, at the same level as FY 00. However, costs incurred by DOE and DFW to provide this support have substantially increased since FY 00, due to the point that DOE and DFW cannot continue to provide the same levels of support unless funding is increased. This proposal maintains current levels of expert technical support available to the Forest Practices Program by increasing funding to DOE and DFW.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Element 1: Technical assistance to small forest landowners is maintained. More small forest landowners manage their lands to provide optimal protection for public resources while maintaining healthy, productive forests.

Element 2: Water quality and fish and wildlife habitat considerations are well represented during Forest Practices Application (FPA) processing. Regulatory decisions affecting water quality or fish and wildlife habitat are well informed by expert technical input provided by DOE and DFW.

Potential performance measures include:
Element 1
-Numbers of contacts with small forest landowners.
-Acres of forest land managed under approved stewardship plans.
-Rates of conversion of small forest landowner properties to other land uses.

Element 2 is reflected in existing Forest Practices Program's performance measures. Because Element 1 represents a funding transition and Element 2 maintains current support levels, no incremental changes are expected.

Performance Measure Detail

Activity: A016 Forest Practices Act and Rules

Incremental Changes

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

Goal: The public we serve widely and consistently holds DNR in high esteem
Goal: Forest systems enjoy equal or greater health and productivity
Goal: DNR is faithfully implementing its responsibilities as a regulator
Goal: DNR's workforce is skilled, knowledgeable, motivated, and effective

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

Yes, this request provides essential support to several of the Priorities of Government:

Improve the quality of Washington's natural resources
Improve the ability of state government to achieve its results efficiently and effectively

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

Yes, this request contributes to the following statewide results:

Improve the quality of Washington's natural resources
Improve individual practices and choices about natural resources
Provide good science and resource monitoring date to support decision-making

Improve the ability of state government to achieve its results efficiently and effectively
Improve decision support for government decision makers

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

Other agencies that rely upon small forest landowner's voluntary forest-management actions and count upon well-informed regulatory decision-making by DNR to help accomplish their missions are positively impacted. These include the departments of Ecology and Fish & Wildlife, the Governor's Salmon Recovery Office, and the Puget Sound Partnership. Approximately 20% of work to be carried out under this proposal is within the Puget Sound Basin.

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

For Element 1, DNR considered continuing to rely upon "soft" federal funding to support core stewardship forestry functions. DNR rejected this alternative because federal funding for state and private forestry programs is declining and uncertain. For Element 2, DNR considered working with reduced levels of expert technical support from DOE and DFW. DNR rejected this alternative because maintaining current levels of support from DOE and DFW is essential to ensuring that DNR's Forest Practices foresters are well informed, thereby allowing them to make the best possible regulatory decisions for forest practices activities involving water quality or fish and wildlife habitat.

What are the consequences of not funding this package?

For Element 1, core stewardship functions would be subject to availability of federal funding; this funding is declining and uncertain. For Element 2, reduced levels of expert technical support would be available to inform DNR's regulatory decision-making. There would be a higher likelihood that water quality or fish and wildlife habitat considerations could be overlooked during FPA processing.

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

Element 1: One Natural Resource Specialist 4 and 1 Natural Resource Specialist 3 are shifted from "soft" federal funding to state funding. These are permanent positions; costs are ongoing.

Salaries and benefits are $310,800.
Goods and services, rent, travel are based on program averages.
Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at 2.0 FTE.

Element 2: FY 00-level funding provided to DOE ($197,000 per year) and DFW ($388,000 per year) was inflated using actual (2001 - 2007) and estimated (2008 - 2010) Implicit Price Deflators supplied by DOE budget staff. This resulted in a cumulative 27.6% increase from 2000 to 2010. This amount of additional funding is requested (DOE = 27.6% x $197,000 per year = $54,400 per year; DFW = 27.6% x $388,000 per year = $107,100 per year). These are ongoing costs.

This proposal does not affect any form of revenue.

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

All costs are ongoing.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	117,400	117,400	234,800
B	Employee Benefits	38,000	38,000	76,000
E	Goods And Services	177,100	177,100	354,200
G	Travel	17,700	17,700	35,400
T	Intra-Agency Reimbursements	48,700	48,700	97,400
Total Objects		**398,900**	**398,900**	**797,800**

Initial Attack

State of Washington
Decision Package

FINAL

Agency: 490 Department of Natural Resources

Decision Package Code/Title: IA Initial Attack Fire Engine Crews

Budget Period: 2009-11

Budget Level: PL - Performance Level

Recommendation Summary Text:

In a climate of drought that is parching vegetation and increased housing development in high fire prone areas, this request seeks to maintain two 3-person fire engine crews. The Department of Natural Resources (DNR) Fire Control Program no longer can support these initial attack firefighting crews. Loss of the these resources increase the risk of wildfires growing larger before being contained thereby increasing suppression cost and the threat to the public.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	93,500	93,500	187,000
190-6 Forest Fire Protection Assessment-Non-Appropriate	93,400	93,400	186,800
Total Cost	**186,900**	**186,900**	**373,800**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	2.9	2.9	2.9

Package Description:

What problem is the agency trying to address?

The Fire Control Program no longer can support a 20-person initial attack firefighter handcrew and two 3-person fire engine crews. Loss of the these resources increase the risk of wildfires growing larger before being contained thereby increasing suppression cost and the threat to the public.

If these firefighter crews are eliminated it is reasonable to expect that an additional six wildfires per year would grow larger as a consequence of reduced initial attack capability. Using historical data from the Program's Fire Statistics database, five year average estimated costs for the six fires that grow beyond 10 acres are as follows;

3 fires contained between 10 and 100 acres (3 x $53,500 = $160,500)
2 fires contained when exceeding 100 acres (2 x $900,000 = $1,800,000)
1 fire that grows to become a project fire ($2,000,000)

The expected fiscal consequence from the additional six fires would be an increase of approximately $4 million per year in suppression expenses.

Loss of the firefighter crews would reduce DNR's expected initial attack success rate from 93% to 92%. This means DNR's

performance measure "percentage of total wildfires contained at or below 10 acres" would be adjusted downward to reflect the higher assumed risk to public and firefighter safety, higher natural resource damages, loss of residences and other improved property, and greater direct fire suppression expenses associated with larger wildfires given the reduced firefighter crews.

What would this request actually buy?

This request funds two 3-person fire engine crews that would be deployed where needed to most effectively contribute to DNR's initial attack success. It would also fund critical training to develop DNR's current and future firefighter leaders.

Left unfunded would be a 20-person initial attack handcrew. The Ahtanum handcrew has for many years been based west of Yakima in Southeast Region and used primarily east of the Cascade Mountains to dig fireline to check the spread of wildfire. Without this crew, DNR would rely more on private handcrews that are about twice as expensive and not guaranteed to be available when needed.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The principle performance outcome is maintaining DNR's current objective to control 93% of wildfires on lands protected from fire by DNR at less than 10 acres in size. Assuming roughly 900 such wildfires per year, current expectation is that 837 don't exceed 10 acres, while up to 63 grow larger. Without the requested funding, the initial attack resource reduction is expected to result in 6 more fires/year growing larger than 10 acres (for a total of 69). This would reduce the expected initial attack success to 92% ([900-69]/900 = 92.3%). If funded, only an additional 2 fires/year would be expected to grow larger than 10 acres, for a total of 65. This would maintain the initial attack success rate roughly at 93% (92.8%).

The program's performance measure target is "percentage of total wildfires contained at or below 10 acres on DNR protected land" would stay at its current level of 93%. Not funding this package would decrease this target to 92%.

Performance Measure Detail

Activity: A011 **Fire Control - Preparedness, Training and Forest Fire Protection Assessment**

Incremental Changes

No measures submitted for package

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

This proposal supports DNRs strategic goal to assure that losses to life from fire are prevented and property loss is minimized by implementing strategies to:

Maintain a high level of readiness to fight major fires

This proposal supports DNRs strategic goal to assure that the public we serve widely and consistently hold DNR in high esteem by implementing strategies to:

Protect public safety
Be fiscally responsible

This proposal supports DNRs strategic goal to assure that DNR's workforce is skilled, knowledgeable, motivated, and effective by implementing strategies to:

Transfer institutional knowledge to the DNR workforce of the future
Develop employee leadership skills to anticipate emerging management challenges
Maintain high professional standards in all programs
Protect employee safety

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

This proposal supports the Priorities of Government improve the safety of people and property by

Preparing for and responding to emergencies

This proposal supports the Priorities of Government improve the quality of Washington's natural resources by

Establishing safeguards and standards to protect natural resources

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

Yes. It importantly contributes to the Priorities of Government improve the safety of people and property. DNR's ability to meet current expectations for controlling wildfires thru:

providing for public and firefighter safety;
protecting forest and other natural resources;
minimizing risk of loss of residences and other improved properties protected by municipal fire departments and fire protection districts; and,
avoiding substantial added fire suppression expenses.

This proposal also contributes to efficient and effective results: the ratio between expected fire suppression cost avoidance and the cost of this proposal is approximately 4:1 (e.g., each dollar spent will help avoid four dollars of expenditures).

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

As described in the 2020 Strategic Plan for Wildland Fire Protection, DNR accomplishes its fire protection mission in cooperation with local, state, federal, tribal and international fiefighting agencies (and relies heavily on private sector resources as well). A reduction in DNR's firefighting response capabilities impacts the others, because DNR has fewer resources to send to their assistance when requested.

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

A number of alternatives were considered. Each was compared to the requested initial attack fire engine crews and determined to present a higher risk/reward ratio (e.g., judged to have a greater risk of contributing to a higher number of large wildfires at the same level of cost avoidance and/or as having a higher impact on the sustainability of DNR's fire protection program).

Alternatives explored included:
1. Reduce expenditures for annual incident management team/organization training and make deeper funding reductions in initial attack leadership and mid-level leadership training.
2. Eliminate the three initial attack helitack firefighting crews.
3. Reduce the number of DNR initial attack firefighting helicopters.
4. Continue to fund the Ahtanum crew but do not fund a higher number of engine crews.
5. Continue to fund the Ahtanum crew but do not fund the Highlands crew, or do not fund the North Columbia 10-person crew and a greater number of fire engine crews.
6. Instead of not funding the entire Ahtanum 20-person crew, reduce funding for both the Ahtanum and Highland crews to support 10-person (rather than 20-person) crews.
7. Change agency policy and reduce expenditures by staffing fire engines with two, not three, firefighters.
8. Permanently restructure the Westside fire protection program through merging two or more regional fire organizations. Options include: a single Westside organization; combining SPS and NW; and combining OLY, SPS and NW. None were considered potentially viable cost-reduction approaches for the 09-11 biennium based on the potential cost savings balanced against the lessons learned from the merger of Southwest and Central Regions and the need to have decentralized initial attack resources linked through effective dispatch offices.
9. SELECTED - request funding for only two initial attack engine crews and training, seeking to maintain crucial initial attack capability in an environment of limited resources.

What are the consequences of not funding this package?

Not funding this proposal will result in increased risk that fires that now are contained when small on peak fire days (e.g., during and immediately after a lightning event) won't be contained during the first 12 hours and will therefore grow large.

DNR accomplishes its fire protection mission in close cooperation with local, state, federal and international firefighting agencies (and relies heavily on private sector resources as well). Any reduction in DNR's firefighting response capabilities impacts the others, because it means that DNR will have fewer resources to send to their assistance when requested.

Regardless of the decision, loss of the Ahtanum firefighting crew will result in greater reliance by DNR on private handcrews. Private handcrews are roughly twice as expensive compared to DNR crews.

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

This request funds two 3-person fire engine crews. These fire engine crews would continue to be deployed where needed to most effectively contribute to DNR's initial attack success. Engine crews carry out a variety of initial attack firefighting functions that usually involve effective delivery of water to slow or check the spread of wildfire.

The two 3-person fire engine crews requires 1.5 FTE and costs $218,200
The engine crew staffing is composed of the following members: .5 FTE NR Worker 2 and 1.0 FTE Forest Fire Fighter

All fire crews undergo mandatory training. This critical training maintain's DNR capacity to develop future firefighter leaders.

The training component built into these crews requires .75 FTE and costs $155,300
The staff training is composed of a .5 FTE NR Specialist 2 and a .25 FTE NR Worker 2

Goods and services and travel costs are based on program averages.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .6 of a position.

There are no anticipated revenue changes due to this proposal.

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

All are on-going expenses.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	69,800	69,800	139,600
B	Employee Benefits	32,800	32,800	65,600
E	Goods And Services	28,400	28,400	56,800
G	Travel	16,200	16,200	32,400
T	Intra-Agency Reimbursements	39,700	39,700	79,400
Total Objects		**186,900**	**186,900**	**373,800**

Evergreen
Comm.

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **EC Evergreen Community Implementation**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

In recognition of the status of the State's general fund, this proposal will provide for a slower implementation of the Department of Natural Resources (DNR) Urban and Community Forestry Program responsibilities under the Evergreen Communities Act (SHB 2844) passed in the 2008 legislature. DNR is requesting funding at a reduced level than that estimated in the fiscal note for the passed legislation. The fiscal note estimated the cost of the program at $1,204, 000 for the 2009-11 biennium. In contrast, the implementation cost of this proposal is $556,000. This amount plus the adjusted carry forward level for the program of $428,000 totals only $984,000 for the 2009-11 biennium.

The program will delay completing a comprehensive urban forest inventory in two counties until the end of the 2009-11 biennium, provide urban forestry technical assistance, and recognition to communities achieving Evergreen Communities status.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	212,600	343,400	556,000
Total Cost	**212,600**	**343,400**	**556,000**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.3**	**2.9**	**2.1**

Package Description:

Urban and community forests provide energy savings, cleaner air, carbon storage, storm water retention, wildlife habitat and economic benefits to local communities.

The Evergreen Communities Act authorizes DNR to conduct an urban forest inventory and assessment that will establish statewide priorities for urban forest management and restoration, and keep the state competitive for limited federal grant funds.

SHB 2844 directs DNR to assist the Department of Community, Trade and Economic Development (CTED) in establishing model urban forest management plans and ordinances for use by Washington communities in the development of their urban forestry programs.

SHB 2844 will help local communities shape their urban forestry programs as our state population continues to grow.

The Evergreen Communities Act authorizes DNR to conduct a statewide urban forest inventory and assessment. This proposal will move DNR to the point where we can begin implementing the Evergreen Communities Act when funding to complete the statewide inventory and assessment become available. The program will conduct the pilot inventory and assessment in two counties. This will

prepare both Agencies to administer the Evergreen Communities recognition program established by CTED. DNR will be responsible for reviewing urban forest management plans and ordinances with CTED.

Under the Evergreen Communities Act DNR will ultimately:

1. Conduct a prioritized statewide inventory and assessment of community and urban forests.

2. SHB 2844 directed an initial urban forest inventory and assessment of one county east of the crest of the Cascade Mountains and one county west of the crest of the Cascade Mountains by June 30, 2010. With the funding requested in this package, DNR can complete the initial two county inventory by June 30, 2011.

3. Maintain and update the statewide urban forest inventory.

4. Provide technical expertise and outreach to communities regarding model urban forestry management plans and ordinances.

5. Review urban forestry management plans and ordinances submitted by communities.

6. Manage the application and evaluation of candidates for Evergreen Community designation.

Due to a slower rollout of the program resulting from the 2009 hiring freeze, the two county inventory and assessment will be completed in FY 2011. This delays the need for increased technical assistance to communities until FY 2011. This proposal will bring us to the point where we can begin the statewide inventory in the 2011-13 biennium, and provide the technical assistance called for in the Evergreen Communities Act.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DNR will complete the two county pilot inventory and assessment by June 30, 2011, as well as provide the technical assistance to CTED to develop the model codes and guidelines for the program.

Performance Measure Detail

Activity: A046 Resource Protection

Incremental Changes

No measures submitted for package

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

This proposal supports our goal to assure that forest systems enjoy equal or greater health and productivity by implementing our strategy to establish, restore, and maintain healthy urban forests.

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

As an essential element of our Urban Forestry program, this proposal supports the Priorities of Government Natural Resources key results area by implementing the Evergreen Communities Act.

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

This proposal makes key contributions to the Improve the Quality of Washington's natural resources Statewide Result Area by

1. conducting a comprehensive inventory of urban forest resources (linked to the provide good science and resource monitoring data to support decision-making Statewide Results Strategy), and

2. providing urban forestry technical assistance to communities (linked to the achieve sustainable use of public natural resources Statewide Results Strategy).

3. providing recognition to communities that model exemplary urban forestry practices through the Evergreen Communities recognition program (linked to the improve individual practices and choices about natural resources Statewide Results Strategy).

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

A broad stakeholder group supported the passage of the Evergreen Communities Act. This proposal honors the intent of this legislation.

We will conduct urban forest inventories within the Puget Sound Basin. Approximately sixty percent of the state's urban area is within the Puget Sound Basin.

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

Alternative 1
Continue work with carry forward level funding.

Outcome
We cannot complete pilot inventory and support technical assistance to communities and CTED at this level.

Alternative 2
Seek funding at the level specified in the fiscal note for SHB 2844. Full funding of the fiscal note is $776,000.

Outcome
This level of funding is assumed to be unavailable, given the current state revenue projections.

Alternative 3
Complete the pilot inventory by June 30, 2011, and support technical assistance to CTED and communities.

Outcome
This is the preferred alternative, it is achievable within the biennium with the requested funding.

The third alternative brings the Evergreen Communities Act to the point where it will be ready to be implemented as soon as the follow-on funding is acquired.

What are the consequences of not funding this package?

The urban forest inventory design to be completed in FY 2009 will have little value if we do not follow up with a two county pilot project in 2009-11 followed by a comprehensive statewide inventory in future biennia. The Urban and Community Forestry Program would fall short of the legislative intent for the Evergreen Communities Act if we do not seek funding for implementation.

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

This proposal has no effect on the state's capital budget.

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

We do not need to change any statutes, rules, or contracts to implement this proposal.

Expenditure and revenue calculations and assumptions

This proposal implements the Evergreen Communities Act. Expenditures necessary to implement SHB 2844 are described below.

Section 4 requires DNR to complete an initial inventory and assessment of one county east of the crest of the Cascade Mountains and one county west of the crest of the Cascade Mountains by June 1, 2010. This package has been scaled back to accomplish the items critical for completing this initial inventory by June 30, 2011. Staff needed for initial inventory is partially funded in our carry forward level with one FTE NR Specialist 3. The inventory and assessment must be designed to facilitate the adoption and implementation of evergreen community management plans and ordinances, and to facilitate the planning needs of local government. This requires that the inventory be based on an on-the-ground sample of urban forest conditions in each community. Additional staffing is required to complete the urban forest inventory beyond the two initial counties. One FTE NR Scientist 2 is required to set the parameters of the inventory, train and supervise other personnel and contractors in survey, sample plot installation, field evaluation and reporting work, and to evaluate the sample data.

The contractual work to conduct the inventory will be completed as follows: $100,000 in FY10, $100,000 in FY11, and $100,000 per year thereafter. The initial statewide inventory given this time line would be completed in FY18. An estimated $100,000 per year in future years after FY18 is needed to maintain and update inventories.

Section 6 - requires CTED to utilize DNR's technical expertise regarding the development of management plans and ordinances. Based on DNR experience providing technical assistance to communities, a .75 FTE NR Specialist 4 is included in our carry forward level to provide this service.

Section 8 - requires DNR to manage the application and evaluation of the evergreen community recognition program. A .5 FTE NR Specialist 3 beginning in FY11 will be needed to manage the applications and evaluate the candidates for evergreen city status.

Section 10 - requires DNR to provide outreach regarding evergreen community management plans and ordinances and best management practices to aid communities in obtaining evergreen community recognition. A .25 FTE NR Specialist 3 will be needed beginning in FY11 to distribute and provide outreach regarding model plans, ordinances and best management practices to local jurisdictions.

Section 16 - requires DNR to review evergreen cities ordinances and management plans and offer technical assistance. A .5 FTE NR Specialist 3 beginning in FY11 will be needed to review management plans and ordinances submitted by cities, and to provide technical assistance to cities.

Salary and benefit costs for the 2009-11 biennium are $241,700. Thereafter, biennia cost is $334,600.

Contractual work under section 4 above is $200,000 per biennium.

Goods and services and travel are based on program averages.

One-time items include workstations at $7,000 each for two positions, and three computers for $3,600.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .5 of a position.

There are no revenue changes due to this proposal.

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

All costs are ongoing expect for one-time equipment noted above in the expenditure calculation section.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	55,800	125,600	181,400
B	Employee Benefits	18,600	41,700	60,300

C	Personal Service Contracts	100,000	100,000	200,000
E	Goods And Services	12,200	17,800	30,000
G	Travel	3,500	7,900	11,400
J	Capital Outlays	1,200	2,400	3,600
T	Intra-Agency Reimbursements	21,300	48,000	69,300
Total Objects		**212,600**	**343,400**	**556,000**

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Forest
Health

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **FH Forest Health Implementation**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

Authority to modernize of the Forest Health Authorities (RCW 76.06) occurred with passage of ESSB 6141 in 2007. Obtaining spatially explicit forest inventory data, performing risk assessments, and identifying insect and disease risk thresholds were not funded in 2007 but continue to be a critical program need. This was identified by the multi-stakeholder agreement regarding the bill. The skills of an Analyst (Environmental Planner 3) to conduct spatial analysis, reporting, and creating Geographic Information Systems (GIS) communication products are needed. The program must have the capacity to assess forest condition, develop suitable forest health prescription recommendations, evaluate landowner forest management plans, and track land condition and accomplishment is needed for implementation of Tier 1 and Tier 2 services to landowners.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	437,600	411,800	849,400
Total Cost	**437,600**	**411,800**	**849,400**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.9**	**2.5**	**2.2**

Package Description:

This request continues the phased in implementation of the legislatively mandated Forest Health Program at a slower pace than indicated in the original fiscal note for SB 6141 due to the status of the State's general fund. The proposal includes the additional staff necessary for expanding Tier 1 activities in eastern Washington and initiating Tier 2 activities on one site in FY10. This will result in improved forest health in Eastern Washington, a reduction in the number and intensity of wildfires and the cost of suppressing them, and increased landowner commitment to sustainable stewardship. It will contribute to developing methods for identifying, prioritizing, and treating forest areas at risk to insects, disease, wildfire, and climate change.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

In order to fulfill the goals of RCW 76.06, the Forest Health Program must continue to increase its capacity to identify high priority areas for landowner outreach and prevention activities and provide meaningful site specific consultation and management recommendations to landowners. This would be accomplished by seeking spatially explicit forest inventory data and analysis

support ($325,000 per biennium); employing an Environmental Planner 3 (to prepare forest risk analysis, GIS products, and reports), a NR Research Technician (to assist in conducting site specific forest and risk evaluations and in tracking program activities and land condition), and an Administrative Assistant 2 for support of the increased administrative workload. Small amounts are requested to fund communication products and to assist landowners in organizing cooperative projects.

Performance Measure Detail:

Expected result:	Incremental Changes	
Acres with site specific inventory assessments	1 million per year	2 million for biennium
Site specific landowner contacts and consultation	50 per year	100 for biennium
New forest management plans generated	10 per year	20 for biennium
Projects facilitated with state seed money	1 per year	2 for biennium

The Resource Protection Forest Health Program performance measure "Number of strategies implemented as a result of evaluations for current or potential forest insect, disease, fire or wind problems" is not specifically impacted by this request. Expanding Tier 1 activities and initiating Tier 2 for FY10 will provide the more robust results indicated above.

Performance Measure Detail

Activity: A046 Resource Protection

Incremental Changes

No measures submitted for package

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

This proposal supports our goal to assure that "forest systems enjoy equal or greater health and productivity" by implementing our strategies to:

Establish, restore, and maintain healthy forests.
Maintain a vigilant insect and disease monitoring system.
Effectively pursue partnerships with small forest landowners, and provide leadership in dealing with their unique issues.
Promote the establishment, maintenance, or restoration of forest stands so they can resist serious damage from fire, insects, and diseases.

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

As an essential element of the Resource Protection Forest Health Program, this proposal supports the following Priorities of Government:

"Improve the quality of Washington's natural resources", through;

Establishing safeguards and standards to protect natural resources,
Preserve, maintain and restore natural systems and landscapes,
Providing good science and resource monitoring data to support decision making, and
Improving individual practices and choices about natural resources

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

This proposal makes key contributions to the "Improve the quality of Washington's natural resources" statewide result by:

Establishing safeguards and standards to protect natural resources
Preserving, maintaining and restoring natural systems and landscapes
Providing good science and resource monitoring data to support decision-making
Improving individual practices and choices about natural resources.

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

The Forest health program is currently investigating methods of evaluating success (such as forest landowner surveys) in a pilot demonstration area (Stevens County). This will likely generate potential success measures.

Spatially explicit inventory data might also allow quantitative success measurements in terms of reduced insect/disease/fire risk forest conditions across an area of interest.

Improving forest health has a relationship to reducing the potential impacts of climate change. When forest health is improved, then the individual trees become more resistant and resilient to drought and adverse climate in addition to insects, disease, and wildfire. When overcrowded trees are harvested and converted to wood products, they do not rot or burn to release carbon into the atmosphere. If they are used for energy production then they potentially replace fossil fuels that would have been used similarly. "Leading the Way on Climate Change: The Challenge of Our Time Interim Report, February 2008" recommended a forestry strategy (F-1) of Improving Forest Health. It describes implementing fuel reduction treatments on 25% of forest acres identified as being at high-risk of catastrophic wildfires by 2020. Site specific inventory and analysis activities and techniques as described in this proposal could be used to identify acres at high risk of wildfire. Employing forest health improving treatments will also reduce risk of wildfire and enhance the sustainability of the forest.

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

The current proposal was developed anticipating ramping up of program capacity and services over future years. This proposal is the next iteration of ramping up, albeit at a reduced rate than originally envisioned in 2007

What are the consequences of not funding this package?

The implementation of the legislatively mandated Forest Health Program would not be funded. This will reduce the ability of the Forest Health Program to provide preventative forest health advice and treatments, rather than reactive treatments to state and private forest landowners. It will reduce the Program's capacity to provide high quality information to forest landowners throughout the state and to affect forests on a landscape basis. It will not contribute to reducing the number and intensity of forest fires and reducing the cost of suppressing them. It will not contribute to our capacity to increase the resistance and resiliency of forests to the potential effects of climate change nor will it contribute to enhancing our capacity to locate and treat forests at high risk of climate change and wildfire when/if we decide to take action.

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

A .5 FTE Environmental Planner 3 will prepare forest risk analysis, GIS products, and reports (this position would expand to full time in the 2011-13 biennium). A full time NR Research Technician 3 position would assist in conducting site specific forest and risk evaluations, tracking program activities, and land conditions. Starting in 2011 a .5 FTE Administrative Assistant 2 would provide support for administrative services in eastern Washington offices. Salary and benefit cost is $267,900 for the 2009-11 biennium and $361,600 a biennium thereafter.

Personal Service Contracts:
Contractual work to perform a site specific spatially explicit forest inventory and analysis and risk/needs assessment of the current condition of Washington's forests and locations of highest priority hazards. This involves an efficient forest inventory to identify the areas at greatest risk from specific insects or diseases and also requires determining site-specific prescriptive actions that will effectively reduce the risk on those sites. Cost for this work is $325,000 for the 2009-11 biennium, $500,000 for the 2011-13 biennium and $2,000,000 for the 2013-15 biennium.

Contractual work for communication products. This work will assist landowners in organizing cooperative projects and support the general forest health strategic plan, the fire strategic plan, and the specific forest health hazard warning and order areas. Cost for this work is $40,000 for the 2009-11 biennium, $80,000 for the 2011-13 biennium and $100,000 for the 2013-15 biennium.

Goods and services, rent, and travel are based on program averages.

One-time items include workstations at $7,000 each for three positions, one pick-up for $24,000 and three computers for $3,900.

Grants: $30,000 in the 2009-11 biennium for cost share agreements with landowners. This will allow the program to offer site-specific information, technical assistance and project coordination services. This includes landowner financial assistance to implement forest health treatments that do not pay for themselves through the sale of forest products. Cost for this work in outlying years is estimated to be $200,000 a biennium.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .5 of a position.

There are no anticipated revenue changes due to this proposal.

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

Costs related to this proposal are ongoing except as noted in expenditure calculation area above.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	100,900	102,800	203,700
B	Employee Benefits	28,500	35,700	64,200
C	Personal Service Contracts	195,000	170,000	365,000
E	Goods And Services	24,600	22,200	46,800
G	Travel	12,800	17,000	29,800
J	Capital Outlays	26,700	1,200	27,900
N	Grants, Benefits & Client Services	10,000	20,000	30,000
T	Intra-Agency Reimbursements	39,100	42,900	82,000
Total Objects		**437,600**	**411,800**	**849,400**

Subsurface
Geology

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **SG Eastern WA Subsurface Geology**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

Eastern Washington is experiencing an increase in population growth and the accompanying economic development pressures. Much of Eastern Washington relies on groundwater in areas where the subsurface geology is not well understood. Eastern Washington communities lack the high-resolution seismic hazard analyses available for the urban areas of western Washington due to a lack of subsurface information. Detailed surface and subsurface geology are needed to provide the data to make proper use of hydrogeological models to make water resource decisions, prepare adequate seismic hazard and land slide hazard analyses, and make informed infrastructure planning decisions.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	183,800	156,100	339,900
Total Cost	**183,800**	**156,100**	**339,900**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.6**	**1.6**	**1.6**

Package Description:

Surface and subsurface geological mapping provides answers to many questions, but the most important in the case of Eastern Washington is 3-D aquifer mapping that allows for proper understanding of the shape, sizes, and barriers of aquifers. The subsurface data is also critically needed to prepare detailed seismic hazard assessments for communities in Eastern Washington. If there is carbon dioxide sequestration proposals in Eastern Washington subsurface geological data is needed to evaluate the suitability of a site.

This proposal would fund one geologist and one-quarter of an FTE of geographic information system and data management support to initiate the compilation of existing subsurface and surface geological data from both published and unpublished sources. The outcomes are improved availability of geological data in user-friendly formats and improved communications with all stakeholders on earth science issues. This allows for robust numerical models of the subsurface geology to be utilized by the department, other agencies and the private sector to support critical informed decisions on water, hazards, and CO2 sequestration.

As the compilation of existing data matures, an additional geologist would be added in future biennia to support the development of new data in areas identified as critical for subsurface aquifer characterization and geological hazard assessments.

The Legislature passed, and the Governor signed, ESSB 6874 (Regarding Columbia River Water Delivery) in the 2008 session. The

result will be the largest delivery of new water to towns and farms in the Columbia Basin, and for endangered salmon, in three decades. The new law will allow up to 82,500 acre feet of water to be withdrawn from Lake Roosevelt behind Grand Coulee Dam beginning this year and up to 132,000 acre feet of water in drought years. Under the agreement, the Confederated Tribes of the Colville Reservation and the Spokane Tribe of Indians will receive an annual payment of approximately $3.75 million and $2.25 million respectively, adjusted for inflation. Local governments around Lake Roosevelt will receive $2 million to address impacts from the release of the new water. The additional water will bring stability to areas affected by the dwindling Odessa aquifer, which has been dropping at an average rate of 7 feet per year. Had this legislation not been enacted, loss of irrigation water in the area could have cost the agricultural region $600 million a year in lost revenue and the elimination of 7,500 jobs. Opportunities to pursue further reallocations of surface water to replace groundwater will be difficult and more costly.

The largest earthquake in Washington's Cascade Mountains (perhaps the largest in the state) occurred on Dec. 14, 1872, in the northern Cascade Mountains and was followed by many aftershocks. The magnitude is estimated to be greater than 7.0. The numerous aftershocks following this event have been interpreted as evidence that the source for the 1872 earthquake was shallow. The 1872 earthquake is a reminder that Puget Sound is not the only site of large, damaging earthquakes in Washington. The 1936 earthquake (M 6.4) near Walla Walla caused extensive damage to chimneys and walls, ground cracking, and water level and well flow changes. Numerous aftershocks were reported. Since 1936, several earthquakes around magnitude 4.0 have been located in the same area. Large earthquakes at some distance from eastern Washington are sometimes felt and can even be damaging. For example, the 1959 M 7.5 Hebgen Lake earthquake in Montana was felt as far as Seattle, and caused minor damage in Spokane, as did the 1983 M 7.2 Borah Peak, Idaho earthquake.

Although Washington State has an active surface geologic mapping program that relies on Federal grant funding, collecting and analyzing subsurface geological information will give the Department of Natural Resources (DNR) Geology Program the ability to provide a three-dimensional, interactive electronic database with internet access to support critical decision-making processes related to water resources, geological hazards, mineral resources, and infrastructure planning. Water resource planning in particular in eastern Washington is currently hampered by a lack of information on the three-dimensional shape and behavior of aquifers. This information is needed in order to calibrate the ground water models on which most groundwater resource and surface water/groundwater interaction information is based. Subsurface geological data is needed to make revised seismic hazard assessments which are lacking in many communities of Eastern Washington.

The proposed work would begin in the 09-11 Biennium with the collection and compilation of existing subsurface information from water wells, geotechnical drilling, and similar sources. The data will be collected, compiled, interpreted, and loaded into the subsurface portion of the database. As many of the existing wells as possible will be geophysically logged to provide a standardized stratigraphic column for the area. Geochemical analyses of the basalt flows will be done to assist with standardization of the subsurface geology. A 3-dimensional interactive interface will be explored for use in viewing the database over the internet.

This initial phase of the project requires one new full-time position and a portion of an existing GIS/database FTE.

Subsequent work in future biennia will require the addition of a second full time position to support surface geological mapping and other field data collection efforts. This phase of the work is field intensive and requires two people in most instances for safety and efficiency.

While the package primarily addresses specific needs in eastern Washington, it would allow us to both benefit from, and add to, a statewide subsurface geologic database. The surface and subsurface geologic data developed to characterize the aquifers in Eastern Washington would also be useful in land use planning done by local jurisdictions and hazard assessments, geotechnical investigations, resource evaluations that DNR routinely provides in Western Washington. Currently, Program geologists are working on Hood Canal and the Seattle fault. The project work will be focused on areas of the Columbia Basin that rely heavily on groundwater for agricultural and development purposes, and in Eastern Washington communities where seismic and other natural hazards pose a threat to the populations.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

For the 09-11 biennium, existing subsurface and surface data for at least two counties will be acquired and entered into the database. The information will be communicated to stakeholders as products are finished.

Performance Measure Detail

Activity: A045 Geology

Incremental Changes

No measures submitted for package

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

This proposal supports DNR's strategic plan as follows:

Agency Goal: The public we serve widely and consistently holds' DNR in high esteem.

Strategy: Provide accurate, useful, and timely information and assistance.

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

This proposal supports the following Priorities of Government:

Improve the economic vitality of business and individuals.
Improve the safety of people and property.
Improve the quality of Washington's natural resources.
Improve the ability of state government to achieve results efficiently and effectively.

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

This proposal makes the following key contributions to statewide results:

1) Improve the economic vitality of business and individuals.
2) Improve the safety of people and property.
3) Improve the quality of Washington's natural resources.
4) Improve the ability of state government to achieve results efficiently and effectively.

Due to population growth and the resultant economic development, providing local officials with timely subsurface geology information will assist them in making well-informed water decisions that will benefit local communities as well as support the need to provide adequate water resources for agricultural needs of the Columbia Basin.

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

Eastern Washington communities support this decision package and would like to see a greater geological presence by DNR-Division of Geology and Earth Resources in eastern Washington. Due to funding restraints, the only non-regulatory presence that the Washington geological survey has had in eastern Washington for the past decade has been one position funded entirely by Federal grants. This grant funding has been moved to western Washington to provide geological data and support to both state and Federal agencies working on the Hood Canal dissolved oxygen issues.

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

Continuing with limited to no geological presence in eastern Washington ignores the important issues on aquifer mapping, hazard assessments, geotechnical investigations, resource evaluations, and local land use planning.

What are the consequences of not funding this package?

No or limited work will be done in Eastern Washington if this is not funded.

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

This proposal would fund one geologist and one-quarter of an FTE of geographic information system and data management support to initiate the compilation of existing subsurface and surface geological data from both published and unpublished sources.

Goods and services and travel are based on program averages.

A workstation for $7,000; a desktop computer for $1,200; and a compact pickup truck for $19,500 are one-time costs.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .3 of a position.

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

There is a one time cost of a workstation, computer and a vehicle.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	85,900	85,900	171,800
B	Employee Benefits	25,800	25,800	51,600
E	Goods And Services	15,500	8,500	24,000
G	Travel	3,600	3,600	7,200
J	Capital Outlays	20,700		20,700
T	Intra-Agency Reimbursements	32,300	32,300	64,600
Total Objects		**183,800**	**156,100**	**339,900**

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **ED Landscape-Level Wildlife Assessment**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This proposal provides half of the funding needed to complete the Forest Practices Board's Landscape-Level Wildlife Assessment Project (LLWA); the other half of needed funding will be obtained from federal grants and other sources . LLWA is a scientific analysis led by Department of Fish and Wildlife (DFW) that evaluates current and future wildlife habitat conditions on lands under the Forest Practices Board's (FPB) jurisdiction. LLWA is the cornerstone of FPB's Wildlife Work Plan. Results will be used to assess effectiveness of the Forest Practices Rules in providing habitat for upland wildlife species on Washington's non-federal forest lands. The project has been developed and implemented in a collaborative manner and is supported by all participants in Washington's Timber-Fish-Wildlife agreement.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
001-1 General Fund - Basic Account-State	206,200	168,800	375,000
Total Cost	**206,200**	**168,800**	**375,000**

Package Description:

LLWA is a comprehensive scientific landscape analysis to determine the extent to which the Forest Practices Rules, combined with voluntary landowner measures and federal forest management, contribute to wildlife habitats in Washington. The project also is assessing effects of urbanization on wildlife habitats. It is not only assessing current habitat conditions, but also will enable predictions of future wildlife habitat conditions, as forests change over time.

LLWA will:
-Assist FPB in assessing how the Forest Practices Rules are protecting wildlife.
-Help quantify the effects and contributions of the Forest Practices Rules and other forest management actions on habitats of upland wildlife species. Baseline habitat conditions are changing, and will continue to change (improve) as stream protection buffers and other forested areas grow through time.
-Provide information and assessment tools for landscape planning for wildlife habitats on state and private forestlands.
-Serve as the scientific foundation for policy dialogue on possible approaches for upland forest wildlife habitat conservation, including forest landowner incentives.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

LLWA is developing modeling tools to predict responses of wildlife species to habitat changes associated with forest management, the Forest Practices Rules, habitat conservation plan strategies, etc. The project has two objectives:

1) To understand how privately owned lands, in combination with other land ownership (e.g., public lands, tribal lands), contribute to wildlife habitat. This objective is conceived as a coarse filter analysis. A coarse filter analysis is a forest community-based approach that relies on relatively generalized relationships between wildlife and their habitat.
2) To understand how commercial forest, forestlands on the urban fringe, and small privately owned forest lands that are managed according to Forests Practices Rules, in combination with other forest management activities (both regulatory and voluntary), function as wildlife habitat now and into the future. This is conceived as a fine filter analysis. A fine filter analysis is a detailed assessment including the use of species or guild habitat models, forest inventory data, and use of the University of Washington's Landscape Management System. Data collected and analyses conducted as part of the coarse filter analysis in Objective 1) will support the fine filter analyses to facilitate developing a landscape level perspective on wildlife habitat across the state. Participation grants are included to provide partial funding to ensure consistent collaborative participation by caucuses otherwise unable to participate (e.g., Indian Tribes, small forest landowners, the Forests & Fish Conservation Caucus).

Performance Measure Detail

Activity: A016 Forest Practices Act and Rules

Incremental Changes

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

Goal: DNR is faithfully implementing its responsibilities as a regulator.
Strategy: Be fair, impartial, and consistent.

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

Yes, this request provides essential support to several of the Priorities of Government:

-Improve the quality of Washington's natural resources
-Improve the ability of state government to achieve its results efficiently and effectively

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

Yes, this request contributes to the following statewide results:

Improve the quality of Washington's natural resources
-Establish safeguards and standards to protect natural resources
-Provide good science and resource monitoring date to support decision-making.

Improve the ability of state government to achieve its results efficiently and effectively
-Improve decision support for government decision makers

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

Beyond regulatory applications, project results will inform forest landowners on how to voluntarily adjust their management programs to provide favorable wildlife habitat conditions while accomplishing other management objectives. Results will be useful for large and small private landowners, state and local government land managers, and Indian Tribes.

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

DNR considered 2 alternatives. First, DNR considered seeking grants from federal and private sector sources for the entire amount needed to complete LLWA. However, it is uncertain whether full funding can be obtained; completely relying upon other funding sources would be overly optimistic and jeopardize completion of LLWA. Second, DNR considered requesting full funding from the State, in this proposal. DNR rejected that alternative due to the State's overall, projected 09-11 Biennium budget deficit and because it is likely that some funds can be obtained from other sources. This proposal was chosen because it combines a core of State funding with an amount that is reasonable to expect can be obtained from federal and other sources.

What are the consequences of not funding this package?

Unless funding is obtained from other sources, LLWA will be terminated. Research objectives will be only partially met, and comprehensive analysis products anticipated by FPB for use in rule assessment will not be forthcoming. FPB will have to evaluate effectiveness of the Forest Practices Rules in providing habitat for upland wildlife species without the benefit of a rigorous, comprehensive analysis.

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

All funds will be passed through to Department of Fish and Wildlife, the University of Washington and other organizations for $375,000.

This proposal does not affect any form of revenue.

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

Cost are as follows: Object E $375,000.

All costs are one-time.

Object Detail		**FY 2010**	**FY 2011**	**Total**
E	Goods And Services	206,200	168,800	375,000

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State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **AD Increased Derelict Vessel Removal**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This proposal requests an ongoing increase to the appropriation for the Derelict Vessel Removal Account (DVRA) which would be used to remove additional derelict and abandoned vessels that pose a public nuisance and/or safety hazard.

In 2007, the Legislature added a $1 Derelict Vessel Fee to vessel registration (RCW 88.02.270), to be used to address the backlog of small (<75') abandoned & derelict vessels that need to be removed from the waters of Washington state. This fee results in an additional $280,000 being added to the DVRA every year. The Department of Natural Resources (DNR) requests an increased DVRA appropriation in order to accomplish these small vessel removals.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
513-1 Derelict Vessel Removal Account-State	302,900	297,300	600,200
Total Cost	**302,900**	**297,300**	**600,200**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.3**	**1.3**	**1.3**

Package Description:

There is a growing backlog of small abandoned and derelict vessels in the waters of Washington state.

Each derelict or abandoned vessel removal has unique conditions. Size, location, environment conditions, condition of the vessel, etc, all affect the cost of removal. DNR have committed to removing six vessels in FY 08 and six vessels in FY 09. The addition of a part time staff member in January 2008 and economies of scale that allowed DNR to efficiently remove four vessels from adjacent embayments allowed DNR to remove 17 vessels in FY08. The total vessel removals are actually higher for the FY and biennium as a result of removals conducted by other authorized public entities. The additional funding and staff person that are part of this appropriation request would be focused on small vessels removals and would allow a proportionate increase in the number of removals conducted by DNR. This will significantly reduce the recreational, navigational, environmental and aesthetic affects caused by derelict vessels.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The 2002 Legislature passed Engrossed Substitute House Bill 2376 which provides the authority for state and local government to address problems associated with derelict and abandoned vessels. It gives the Authorized Public Entities (APEs) the legal authority to seize, remove and dispose of derelict and abandoned vessels and provides a funding mechanism to use when taking these actions. In addition to managing the fund and reimbursing local entities for the removals they've conducted, DNR also acts as an Authorized Public Entity to remove vessels. The funding structure initially described for the program has been adequate to address the continuous stream of newly reported vessels but not the backlog of previously existing vessels. The 2007 Legislature added a funding source to increase the revenue to the account to support the reduction of the backlog.

There are approximately 180 vessels on the Derelict Vessel Inventory list and, even though the number of abandoned and derelict vessels being reported to the program has continued to increase over time, an increased removal rate has mostly kept pace, thereby preventing the backlog from increasing significantly. The backlog, however, still exists. This was one of the reasons that DNR supported the legislative changes that were passed in 2006 to increase reimbursement to authorized public entities (from the DVRA) to 90%. Participation from non-DNR public entities has increased due to that legislative change. Currently, several cities, counties and port authorities have identified and begun custody proceedings on vessels that will later qualify for reimbursement. This fact, in combination with DNR's recent actions on four large derelict vessels, will encumber the DVRA to nearly its full allotment by the end of the 07-09 biennium.

This is an ongoing funding request to increase the appropriation for the Derelict Vessel Removal Account to access available funds from the 2007 Engrossed Second Substitute House Bill 6044.

The DVRA funds can only be used for the purpose of removing derelict vessels and administration of the program. This $1 fee revenue source has the additional caveat that it can only be used for vessels less than 75 feet in length. This item is fully funded within the DVRA and does not require additional legislative action.

Performance Measure Detail

Activity: A044 Aquatic Lands Environmental Management

		Incremental Changes FY 2010	FY 2011
	Output Measures		
AQ02	Number of derelict vessels removed by DNR from Washington's navigable waterways.	9.00	9.00

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

Agency 2009-11 Strategic Priorities
-Protect, restore and enhance aquatic ecosystems through innovative stewardship; foster water-dependent uses, navigation and commerce; and, manage renewable aquatic resources such as shellfish and aquatic vegetation in collaboration with stakeholders to ensure sustainable harvests and ecosystem health.

Agency 2009-11 Strategic Goal: Aquatic Resources are managed to optimize the full range of public benefits.
Strategy: Work with communities and governmental entities to improve the ecological health of aquatic resources by taking an assertive stewardship role in promoting the conservation, restoration, and enhancement of ecosystem processes and services.

-Reduce hazards to navigation, public safety and the environment through the derelict vessel removal and creosote piling and log removal programs.
The Derelict Vessel removal Program (DVRP) staff will work with local entities to coordinate vessel removal and cost reimbursement.

Strategy: Work with communities to enhance commerce, navigation, and economic development.
The Derelict Vessel Removal Program's coordination with local, state, and Federal government entities to mark and remove derelict vessels that pose imminent risk to navigation and commerce. Derelict vessels that do not pose an imminent risk are prioritized for removal based on environmental and navigational factors.

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

POG:
Improve quality of Washington's natural resources:
-Preserve, maintain and restore natural systems and landscapes
-Establish safeguards and standards to protect natural resources

Improve cultural and recreational opportunities throughout the state:
-Ensure access to cultural and recreational opportunities

Improve the ability of state government to achieve results efficiently and effectively:
-Provide state financial resources and services

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

Improve quality of Washington's natural resources:
-Preserve, maintain and restore natural systems and landscapes
-Establish safeguards and standards to protect natural resources

The DVRP and this proposal will improve quality of natural resources in Washington State through increased derelict vessel removals and disposals. As noted , derelict vessels are public nuisances and safety hazards as they often pose hazards to navigation, detract from the aesthetics of Washington's waterways, and threaten the environment with the potential release of hazardous materials.

The Derelict Vessel Removal Program represents an active function of DNR's management of state-owned aquatic lands. The DNR has created an inventory of the derelict vessels in the waters of Washington state. In addition, criteria have been developed to prioritize these vessels for removal. Because the funding of the derelict vessel removal account is limited each year, these criteria include consideration of environmental protection, threats to human health and safety, as well as threats to navigation, so the most damaging vessels can be removed first. To date, the DVRP has removed or facilitated the removal of 183 vessels. This proposal will support that effort by making available funding that is intended but currently unavailable to remove derelict and abandoned vessels.

Improve cultural and recreational opportunities throughout the state:
-Ensure access to cultural and recreational opportunities
The removal of these vessels from waters of the state reduces threats to public health and safety, enhancing boating and recreational opportunities.

Improve the ability of state government to achieve results efficiently and effectively:
-Provide state financial resources and services
This proposal satisfies the priority of efficient and effective government. The proposal simply seeks to access existing funds that were earmarked for the program and remained in the account after the first biennium. This proposal also prevents the account from building unused revenue.

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

It is unlikely that any stakeholders will have concerns about the changes related to this proposed investment. Many stakeholders would like to see DNR remove more of the public nuisances and hazards. Most of the work would likely be conducted in the Puget Sound Basin as a majority of the reported vessels are located in that area. There are positive impacts to other authorized public entities as it would take some of the pressure off of them if DNR takes a more active role. It would also potentially decrease the workload of spill response agencies such as the Washington Department of Ecology and US Coast Guard but it may increase the workload of investigative and legal agencies such as the Environment Protection Agency Criminal Investigation unit and Attorney General's Office. As DNR removes more vessels it will require additional legal support from the AGO when/if vessel owners attempt to appeal being named as the owner (and thereby appealing their liable for the costs of removal).

Removal of derelict vessels will support progress towards several of the Puget Sound Partnership's (PSP) Action Agenda's statutory objectives and strategic priorities. Supported PSP objectives include:

-Significantly reduce toxics entering Puget Sound fresh and marine waters -- derelict vessels are a source of pollution from petrochemical and toxic materials;
-Build and sustain the capacity for action - increased funding will encourage other public entities to partner with DNR and sustain their ability to work cooperatively to remove derelict vessels before they impact the Puget Sound environment.

The Partnership's Strategic Priority supported:
-Prevent sources of pollution -- derelict vessels are a source of pollution from petrochemical and toxic materials.

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

The DVRA funds can only be used for the purpose of removing derelict vessels and administration of the program. This item is fully funded within the DVRA and would not require additional legislative action.

What are the consequences of not funding this package?

Without this ongoing increased appropriation authority, derelict vessels will remain on aquatic lands longer and until they become a high enough priority and will continue to pose navigational, recreational and environmental hazards and create potential liability.

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

Salary and Benefits:
1 FTE of a Natural Resource Specialist 2 will conduct the vessel removals from initial site visits through contract management and vessel disposition in an independent capacity. Salary and benefit cost is $135,600 for the 2009-11 biennium and $136,600 a biennium thereafter.

Personal Service Contracts:
Contractual work to remove and dispose of vessels is $395,700 for 2009-11 biennium and $399,200 a biennium thereafter.

Goods and services, rent, and travel are based on program averages.

One-time items include one workstation at $7,000.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .3 FTE.

There are no anticipated revenue changes due to this proposal.

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

The costs and functions are ongoing as long as the revenue source is available-currently through December 2013.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	50,600	50,600	101,200
B	Employee Benefits	16,700	17,700	34,400
C	Personal Service Contracts	197,800	197,900	395,700
E	Goods And Services	15,100	8,100	23,200
G	Travel	2,700	2,700	5,400

T	Intra-Agency Reimbursements	20,000	20,300	40,300
Total Objects		**302,900**	**297,300**	**600,200**

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Aq. Land
Investigation

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **AC Aquatic Land Investigation/Cleanup**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

This request would cover the state's share of costs associated with contaminated sediment investigation and cleanup on the state's aquatic lands. The Department of Natural Resources (DNR) is working with the Department of Ecology and others to investigate sites at Fidalgo Bay, Whitmarsh Landfill near Anacortes, Asarco in Tacoma, Port Angeles harbor, Port Gardner Bay, and the Port Gamble mill site. One specific site is a location that was historically shorelands adjacent to Lake Union in the Eastlake neighborhood that found elevated levels of lead, Total Petroleum Hydrocarbons (TPH), and other contaminants.

The lessee (Washington Real Estate Holdings) and DNR will share the costs of removing the contaminated soils. DNR will contribute 50% of the initial removal estimate of $1 million.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
173-1 State Toxics Control Account-State	800,000		800,000
Total Cost	**800,000**		**800,000**

Package Description:

DNR is working with others to investigate contamination at the historic Whitmarsh landfill. DNR continues to work with the Department of Ecology to further characterize and clean up the Port Gamble site and Fidalgo Bay, and to work with local groups in Port Angeles to develop sampling plans to further characterize sediment contamination in the harbor in support of cleanup. At Port Gardner, DNR staff will be called upon to further characterize and clean up aquatic lands, in addition to identifying land ownership.

The DNR Aquatic District is requesting $500,000 to share in the cost of cleaning up a site on state-owned aquatic lands. A site, originally shorelands and adjacent to Lake Union in the Eastlake neighborhood, is being considered for re-development by a lessee (Washington Real Estate Holdings). The historical uses at the site were for associated industrial uses (storage buildings, offices, etc.) although the suspected source of the contamination is the fill that was placed rather than the previous uses. These uses occurred prior to the current tenant. Currently, there is a restaurant and parking lot.

In looking at re-developing the property, the lessee commissioned a study to look at potential contaminants. The study found that several sampling points had elevated levels of lead and TPH. There were other contaminants associated with the samples with the elevated lead samples. In 2006, removal of the contaminated soils was estimated to cost between $546,000 and $1,040,000. DNR and the lessee will share the estimated cost of removal, with each party contributing 50% of the initial $1 million in clean-up costs. If the

total cost exceeds $1 million, DNR would need to request additional funds in future budget requests to pay for any costs above $1 million. The clean-up of this property is necessary for the redevelopment of this site. Cleaning up the contaminated soil will result in increased safety to the public. It will also allow for the maximum use of the property (for commercial and business uses) and generate increased funds to manage other aquatic programs.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Removal and disposal of contaminated soil at the Eastlake site.
Remedial investigation and feasibility study at the Whitmarsh Landfill site.
Further site characterization at the Port Angeles, Port Gardner site and Fidalgo Bay sites and the Asarco site to allow pier removal.
Further site characterization and cleanup of the Port Gamble Mill Site.

Performance Measure Detail

Activity: A003 Aquatic Lands Business Management

Incremental Changes

No measures submitted for package

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

DNR GOAL: Aquatic Resources are managed to optimize the full range of public benefits.
Strategies:
-Work with communities and governmental entities to improve the ecological health of aquatic resources by taking an assertive stewardship role in promoting the conservation, restoration, and enhancement of ecosystem processes and services.
-Ensure that contaminated lands are cleaned and restored to an environmentally acceptable condition by responsible parties in a timely manner and at minimum expense to the State.
-Authorize activities or placement of physical improvements only after ensuring public resources will not be significantly damaged or that potential damages will be adequately mitigated.

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

POG:
-Improve the economic viability of businesses and individuals.
-Improve the safety of people and property

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

Statewide Result:
-Improve the economic viability of businesses and individuals.
Strategies:
-Remove economic development barriers through targeted infrastructure and assistance.
-Coordinate government efforts to improve the effectiveness of economic investments.
The clean-up of state-owned aquatic lands will maximize the use of that property, which will generate a higher rent than its existing use.
Statewide Result:
-Improve the health of Washingtonians
-Mitigate environmental hazards
The removal of contaminated soils will remove the potential for human exposure to contaminants, improving the safety of the public and helping to recover the Puget Sound by 2020.

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

Yes, 100% of this request applies to sites within the Puget Sound Basin. The Port Angeles, Port Gamble, Port Gardner, Fidalgo Bay and Whitmarsh Landfill sites are all within the Puget Sound, and the Eastlake site is located within a Puget Sound watershed.

DNR and the current Lake Union lessee (WA Holdings) will split the estimated cost of contaminant removal, with each party contributing 50% of the initial $1 million in clean-up costs.

Aquatic Land Cleanup and Investigation will support progress towards several of the Puget Sound Partnership's Action Agenda's statutory objectives and strategic priorities. Supported PSP objectives include:

Significantly reduce toxics entering Puget Sound fresh and marine waters - Cleanup will prevent toxics substances from entering Puget Sound;

The Partnership's Strategic Priority supported:
Prevent sources of pollution - Cleanup will prevent hazardous substance from entering Puget Sound water.

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

This activity provides for early coordination of investigation and cleanup efforts that would eventually be legally required and more expensive over time. DNR must comply with the state and federal cleanup laws. As a potential responsible party, DNR is obligated to participate in remedial costs.

What are the consequences of not funding this package?

DNR and the state would lose potential revenue from the Eastlake site and would have to be legally identified and required by the Department of Ecology to participate in the characterization and cleanup of the Whitmarsh Landfill, Port Angeles, Port Gardner, Fidalgo Bay and Port Gamble sites. DNR would be at risk of a law suit initiated by other potential responsible parties, and would have to cover legal costs in addition to cleanup costs. DNR would not be able to remove the ASARCO pier without further characterization of the sediments under and adjacent to the pier.

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

Purchased Service Contract:
$500,000 contract for Eastlake Union. This request is based upon estimates developed by a consultant and reviewed by the Aquatics Program Engineer.

The state has already been named as a Potential Liable Party at Whitmarsh, Port Gamble, and Port Angeles and DNR will need resources to contribute resources toward site characterization studies; liability has not yet been determined in Fidalgo Bay or Port Gardner but DNR may need resources for those sites as well. The request for $300,000 of Purchased Services (object ER) to fund a nominal level of participation at those sites will allow DNR to continue to work with Ecology and other partners toward characterization and long term clean up of aquatic lands.

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

All funding is one-time.

Object Detail		FY 2010	FY 2011	Total
C	Personal Service Contracts	500,000		500,000
E	Goods And Services	300,000		300,000
Total Objects		**800,000**		**800,000**

Surface Mine
Recl.

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **SM Surface Mine Reclamation**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

Enactment of the 2006 legislation (E2SSB 6175) resulted in the Department of Natural Resources (DNR) Surface Mining Program receiving additional revenue as a result of a raise in permit fees. The fiscal note for SSB 6175 added staff which would allow for more effective regulatory coverage of 1,113 mine sites statewide. During the last two years the Program has expanded its operations shy one inspector as identified in this plan. Current calculations have revealed the need to increase the original cost estimate of this plan to provide for hiring this last inspector. Revenue generation due to the permit fee increase noted above is being collected as originally estimated. This request will provide the necessary appropriation authority to accomplish Surface Mining Program inspection, enforcement and training functions.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
04H-1 Surface Mining Reclamation Account-State	109,100	100,900	210,000
Total Cost	**109,100**	**100,900**	**210,000**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.3**	**1.3**	**1.3**

Package Description:

This request will add a final mine inspector who was part of the plan mentioned in SSB 6175. The inspector will perform required program inspections, enforcement and training. The additional inspector will allow the Surface Mining Program to have more frequent inspections which improves reclamation, helps public safety and the environment. The field inspector will perform approximately 200 inspections per year.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Approximately 200 additional inspections will be done per year. Reclamation enforcement will increase as a result of the inspections. The inspector will generate approximately 100 compliance and/or enforcement actions per year.

Performance Measure Detail

Activity: A041 Surface Mining

Incremental Changes

No measures submitted for package

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

This proposal supports the Department of Natural Resources' strategic plan as follows:

Agency Goal: The public we serve widely and consistently holds DNR in high esteem.

Strategy: Provide accurate, useful, and timely information and assistance.

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

This proposal supports the following Priorities of Government:

1) Improve the safety of people and property.
2) Improve the quality of Washington's natural resources.
3) Improve the ability of state governmental to achieve results efficiently and effectively.

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

This proposal supports the following Priorities of Government:

1) Improve the safety of people and property.
2) Improve the quality of Washington's natural resources.
3) Improve the ability of state governmental to achieve results efficiently and effectively.

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

None

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

There is no substitute to having an inspector that actually goes to the mine site to look at the reclamation and operation. We use air photos but they are not a complete substitute for actual on-the-ground inspections.

What are the consequences of not funding this package?

By not having the proper number of inspectors in the field there will be an increase in illegal mining, unpermitted mines, poorer reclamation and resultant poorer water quality.

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 Surface Mining Program requires one field inspector (Environmental Specialist 3) to fulfill its plan to adequately staff and regulate the surface mining program. The field inspector will perform approximately 200 inspections per year.

Goods and services and travel are based on program averages.

A workstation for $7,000 and a desktop computer for $1,200 are one-time equipment costs.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .3 of a position.

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

Workstation and computer cost are one time.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	51,900	51,900	103,800
B	Employee Benefits	18,000	18,000	36,000
E	Goods And Services	14,500	7,500	22,000
G	Travel	2,900	2,900	5,800
J	Capital Outlays	1,200		1,200
T	Intra-Agency Reimbursements	20,600	20,600	41,200
Total Objects		**109,100**	**100,900**	**210,000**

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Digitizing
Survey Books

State of Washington
Decision Package

FINAL

Agency: **490 Department of Natural Resources**

Decision Package Code/Title: **DH Digitizing Historical Survey Books**

Budget Period: **2009-11**

Budget Level: **PL - Performance Level**

Recommendation Summary Text:

The Public Land Survey Office (PLSO) is scanning survey field books to preserve the historical information they contain. This information is often invaluable for survey research. The current equipment and staffing level are inadequate to efficiently scan books. The new equipment and staff would allow this work to proceed efficiently. We expect to be able to provide on-line access to over 6000 field survey books to the survey industry.

Fiscal Detail

Operating Expenditures	FY 2010	FY 2011	Total
02A-1 Surveys and Maps Account-State	225,600	93,600	319,200
Total Cost	**225,600**	**93,600**	**319,200**

Staffing	FY 2010	FY 2011	Annual Average
FTEs	**1.0**	**1.0**	**1.0**

Package Description:

To assist in the responsibilities outlined in R.C.W. 58.24.010, the PLSO is scanning survey books as a way of preserving the historical information they contain and make it available to the people of the State. This information is often invaluable for survey research. The current equipment and use of existing personnel to accomplish this work now makes it inefficient to scan these survey books in a timely manner. Purchasing a new Kirtas Book Scanner and creating a new position responsible for scanning the documents will expand the abilities and services of the PLSO. We expect to be able to provide on-line access to over 6000 field survey books to the survey industry. The PLSO can purchase the book scanner within current revenue with an increase in appropriation from the Surveys and Maps Account. In addition to scanning the PLSO's books there are many cities, counties, and private firms that have shown interest in this service. This would be an additional source of revenue.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request allows DNR to replace our existing Minolta PS 7000 Book Pro book scanner with the Kirtas Robotic 1212 Book Scanner. The Minolta is obsolete and not capable of producing quality images from the field books. The PLSO currently has over 3000 survey field books just in the larger historic survey collections. There are numerous smaller collections in the PLSO's possession that also contain field books. The PLSO is mandated to collect and preserve land survey data statewide and continues to receive many private

records collections that contain large numbers of field books. The State Land Survey Unit has over 2800 survey field books and over 450 of the historic field books of the State Forest Board. These field books contain invaluable information, but are difficult to research and take up valuable and costly space.

By imaging these books they can be made digitally accessible on the internet to anyone needing them for research or historic purposes and the scanned books can then be sent to archives making much needed space available in the Natural Resources Building and the State Records Center. This not only frees up storage space it will also free up FTE hours that have been spent on researching, recalling from the State Records Center, copying and then mailing the information from these records. Currently when there is a request for the survey field books that are stored at the Record Center the process is to recall the applicable boxes, schedule a time for the books to be viewed, copy the needed information and then return the books to the Records Center. Imaging the current and future books will also reduce trips to this office by the public.

The Kirtas Robotic 1212 Book Scanner has the ability to scan books of various binding types. There are other programs within DNR that can benefit from this purchase and offset costs. Additionally there are outside interests that have expressed a desire in the PLSO offering this type of scanning service for a fee. These include several Counties and City Engineers Office's and WSDOT. This potential revenue could partially offset the scanner purchase.

The addition of this scanner will require a new Engineering Aide 1 position. The scanning of survey documents requires a high level of care and is often a delicate process. Special care is needed to ensure the documents are scanned in their entirety, oriented correctly and in focus. Many of the survey books are very old and need special care to see they are not adversely impacted by the scanning process. Currently any scanning done on the old machine is done by existing staff pulled off existing projects. This has become inefficient. This new FTE, dedicated to the scanning project and trained in the handling of these documents, in conjunction with the new equipment will result in increased efficiency and accuracy.

In addition to managing the book scanning, the Engineering Aide 1 will also assist the PLSO manager with other duties including technical aspects and support of the PLSO. The funding for this purchase and new FTE will be from a portion of the survey recording fee in the survey and maps account which is a dedicated account to be used only for the purposes and provisions of chapter RCW 58.24. There are adequate funds in this account for this purchase.

Performance Measure Detail

Activity: A048 State Lands Management - Mapping and Survey

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 will help achieve the agencies strategic goal of:

The public we serve widely and consistently hold DNR in high esteem, by enhancing the agency strategy of:

"Providing accurate, useful, and timely information and assistance."

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

Yes, it:

-Improves the economic vitality of business and individuals
-Improves statewide mobility of people, goods, and services
-Strengthens government's ability to achieve results efficiently and effectively

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

Yes, it would contribute to the POG process of:

Improves the economic vitality of business and individuals by;
"Coordinating government efforts to improve the effectiveness of economic investments."

Improves statewide mobility of people, goods, and services by;
"Improving mobility system quality and services", when using scanned documents to assist in transportation projects.

Strengthens government's ability to achieve results efficiently and effectively by;
"Improving decision support for government decision makers."

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

None.

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

The PSLO looked at contracting out the scanning services. After talking to several other governmental agencies that have done this, it was apparent that the resources and expertise are, at this time, generally lacking. The scanners needed for this type of work are not numerous in the State, in addition many documents were scanned incorrectly and many old documents were handled improperly by the contractors. It was determine that the added contract compliance time needed to ensure satisfactory performance made this alternative less desirable than purchasing the equipment and doing the work "in house".

What are the consequences of not funding this package?

If this is not funded then the storage issues of the field books and other records continue to grow not only for DNR but also for other Agencies with similar needs. The field books would continue to be time consuming to research and would not be accessible statewide.

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

None.

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

None.

Expenditure and revenue calculations and assumptions

Salaries & Benefits
A 1 FTE increase for an Engineering Aide 1 at a salary range of 42 Step L using the July 1, 2008 DOP salary schedule was used starting in FY10. The same salary amount was used for each fiscal year. Benefits are calculated for insurances, FICA and retirement at the current rates.

Goods & Services, Travel and Equipment
Goods and services, rent, and travel are based on program averages.

An on-going $500 amount per fiscal year was included in Goods & Services to cover IT infrastructure costs.

One-time items include the equipment purchase of the book scanner for $135,000 in fiacal year 2010. On going equipment costs are for the maintenance contracts associated with the book scanner.

Agency administrative cost is calculated at 27% and shown as object T. FTE's associated with agency administration are estimated at .3 of a position.

There are no included revenue changes due to this proposal, however, the book scanner could increase the revenue potential for the PLSO as an enhancement to the current services. Governmental and private business may want to pay a fee for this enhanced service, but it's too soon to make an estimate.

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

All costs are ongoing with the exception of the initial purchase of scanner.

Object Detail		**FY 2010**	**FY 2011**	**Total**
A	Salaries And Wages	43,600	43,600	87,200
B	Employee Benefits	16,600	16,600	33,200
E	Goods And Services	8,500	8,500	17,000
G	Travel	3,500	3,500	7,000
J	Capital Outlays	135,000	3,000	138,000
T	Intra-Agency Reimbursements	18,400	18,400	36,800
Total Objects		**225,600**	**93,600**	**319,200**

D