

2022 Supplemental Budget Request Overview

Morgan Stinson, Chief Financial Officer

Tim Burns, Director of Capital and Asset Management Program (CAMP)

June 11, 2021



Budget Agenda



2021 Outcomes & 2022 Preview

2022 Supplemental Capital Budget Request

WDFW Operating Budget Overview

2022 Supplemental Operating Budget Request

- **Maintenance Level**
- **Policy Level**



Budget Agenda



Today, we're not seeking decisions

We want to

- **Walk you through our ideas**
- **Share some technical criteria**
- **Elicit your feedback and ideas**



2021 Legislative Session Outcomes

- **Agency request legislation passed unanimously**
- **No reductions**
- **Funded shortfalls** – some funded one-time, but all fully funded



2021 Legislative Session Outcomes

- Agency request legislation passed unanimously
- No reductions
- **Funded shortfalls** – some funded one-time, but all fully funded
- **Several enhancements** – AIS, HPA compliance, pinnipeds, fisheries monitoring
- **Significant new investments** – Shrub steppe, Tribal hatchery production, 10 capital hatchery projects at \$51.8M



2022 Session Preview

OFM guidance - emergencies, urgent needs vs. new initiatives

Receive budget instructions in late June/early July.

Short session, 60 days - less time to work complex policy issues



2022 Session Preview

2022 is an election year – More likely to adjourn on time

Revenue outlook – positive, economy continues to recover

Legislative interest in transportation funding package, federal infrastructure





2022 Draft Supplemental Capital Budget Requests

2022 Supplemental Capital Budget Summary

- Deschutes Watershed Center Hatchery...\$2.2M
- PSNERP State Match - Duckabush Estuary...\$59.5M
- Toutle River Collection Facility...\$0.0M...Proviso revision
- Hoffstadt Hills Habitat Acquisition...\$14.5M
- Beaver Creek Hatchery...\$0.1M
- Klickitat WLA – Simcoe Fencing...\$0.5M
- Taneum Creek - Brain Property...\$0.4M

Note: Budget estimates under development



Deschutes Watershed Center Hatchery

Scope

- Construct new hatchery in Deschutes River basin
- Potential location identified...evaluating for feasibility
- Annual production: 3.4M Chinook

FY22 Request

- **Budget \$2.2 million...design and permitting for new hatchery**

Previous Funding

- FY13-21...\$15.5 million
 - Construction Tumwater Falls Facility
 - Design...Pioneer Park Hatchery...environmental obstacles preventing use of P/P site

Future Funding

- FY23-27...\$34 million...construction



Duckabush Estuary Habitat Restoration

Scope

- Remove highway fill, elevate SR101 onto an estuary-spanning bridge
- Excavate historic channels (6) to reconnect floodplain and wetlands
- First of 3 PSNERP sites cost shared → 65% federal 35% state

Duckabush site skewed: 40% federal 60% state

- Total PSNERP budget estimate (3 projects): \$452 million

FY22 Request

- **Budget \$59.5 million...highway/bridge relocation, fish passage features, utility relocations, and project management**

Previous Funding

- FY17-21...\$3.5 million...Engineering studies/design for the Duckabush site, property acquisition and project management
 - Federal match...\$4.9 million

Future Funding

- FY23-31...\$141.7 million (state)...\$290.2 million (federal)
 - Design and construction of other 2 sites



Toutle River Fish Collection Facility Upgrade

Scope

- US Army COE planning to increase the height of the Sediment Control Structure on the Toutle River (Mt St Helens)
- Requires modifications to Toutle River Fish Collection Facility (FCF)...improves fish passage and safer operations
- Overall FCF cost is \$29 million...80% Federal and 20% State cost share

FY22 Request

- **Revise proviso language to read:** “The reappropriation in this section is provided solely for the department for:
 - Purchase easements as part of sediment abatement, fish release and collection sites.
 - Project obligations related to the state’s design cost share of the fish collection facility.”
- **Remove the land acquisition for elk habitat and submit as a separate project.**
- FY19-21...\$6.8 million...design (state share)...residence replacement...easement and land acquisition

Future Funding

- FY23-25...\$4.3 million...construction of FCF (state share)



Hoffstadt Hills Habitat Acquisition

Scope

- Hoffstadt Hills purchase...4,100 acres
 - First phase of 7,300 acres plan
- Improved conditions for Mount St Helens elk habitat
- Reduces threat of habitat loss due to development
- Enhances habitat connectivity in Mount St Helens
- Improves public access and recreational opportunities

FY22 Request

- **Budget \$14.5 million...land acquisition**



Beaver Creek Hatchery

Transition production from Grays River hatchery

Scope

- Complete renovation of 1950's era hatchery
- Grays River Hatchery has been closed
- Shift production to Beaver Creek Hatchery
- Annual production: 250K Chinook, 225K coho and 190K steelhead

FY21-23 Request

- **Budget \$120K...Pre-design**

Future Funding

- FY23-27...\$21 million...Design and Construction



Klickitat WLA – Simcoe Fencing

Scope

- Install seven mile of boundary fence between Klickitat Wildlife Area and Yakama Nation
- Unanticipated prevailing wage increase, and cultural resources requirement resulted in loss of Washington Wildlife and Recreation Coalition (WWRC) grant funding.
- Prevent livestock from tribal lands and wild horses off WDFW lands

FY22 Request

- **Budget \$450K**



Taneum Creek – Brain Property

Scope

- L.T. Murray Wildlife Area
- Post-closing incidentals not funded by RCO
- Demolition of structures
- Construct fencing, gates and signage
- Initial noxious weed control

FY 22 Request

- **Budget \$300K**

RCO funding provided...\$1.7 million for acquisition

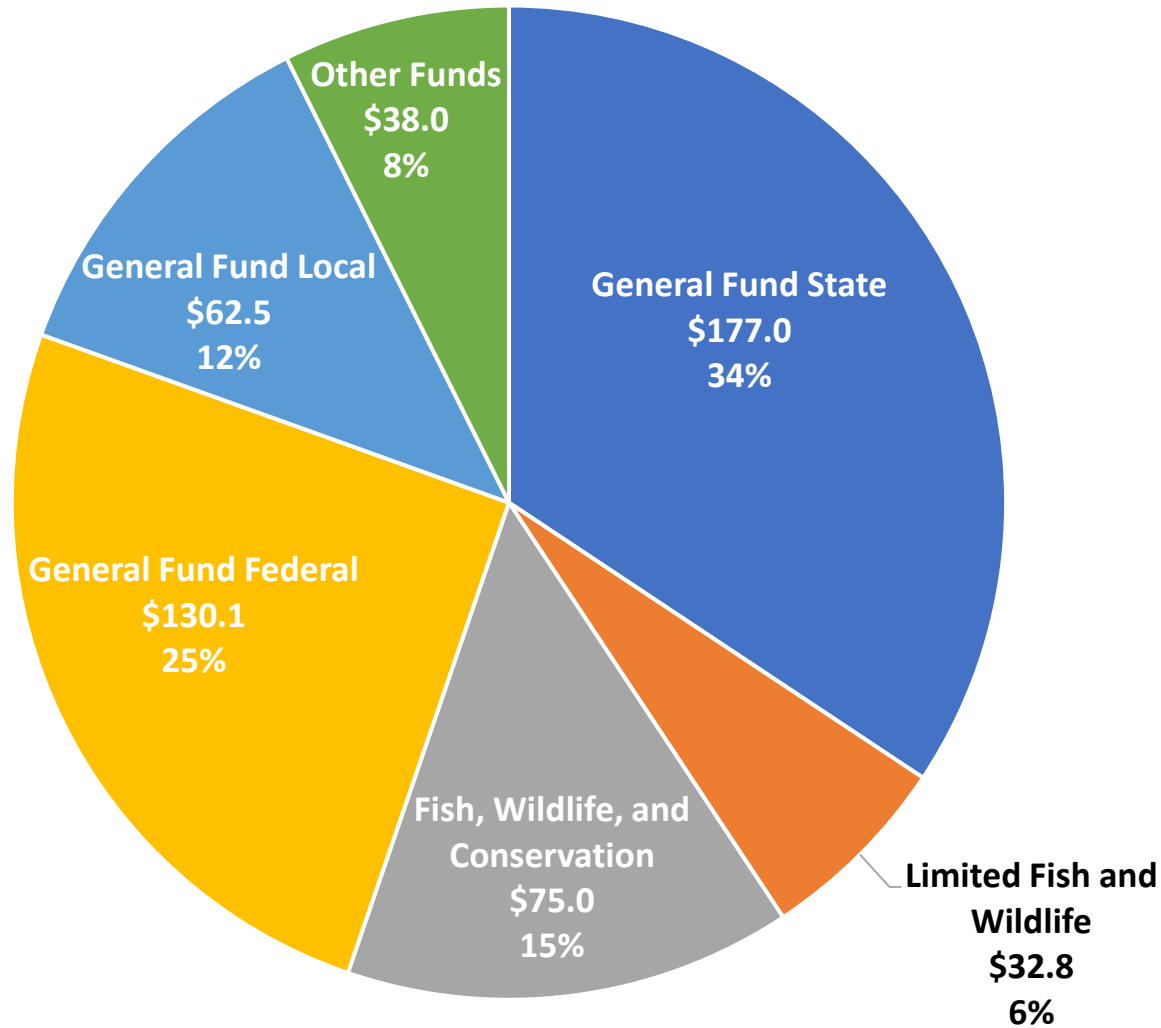




WDFW Operating Budget Overview

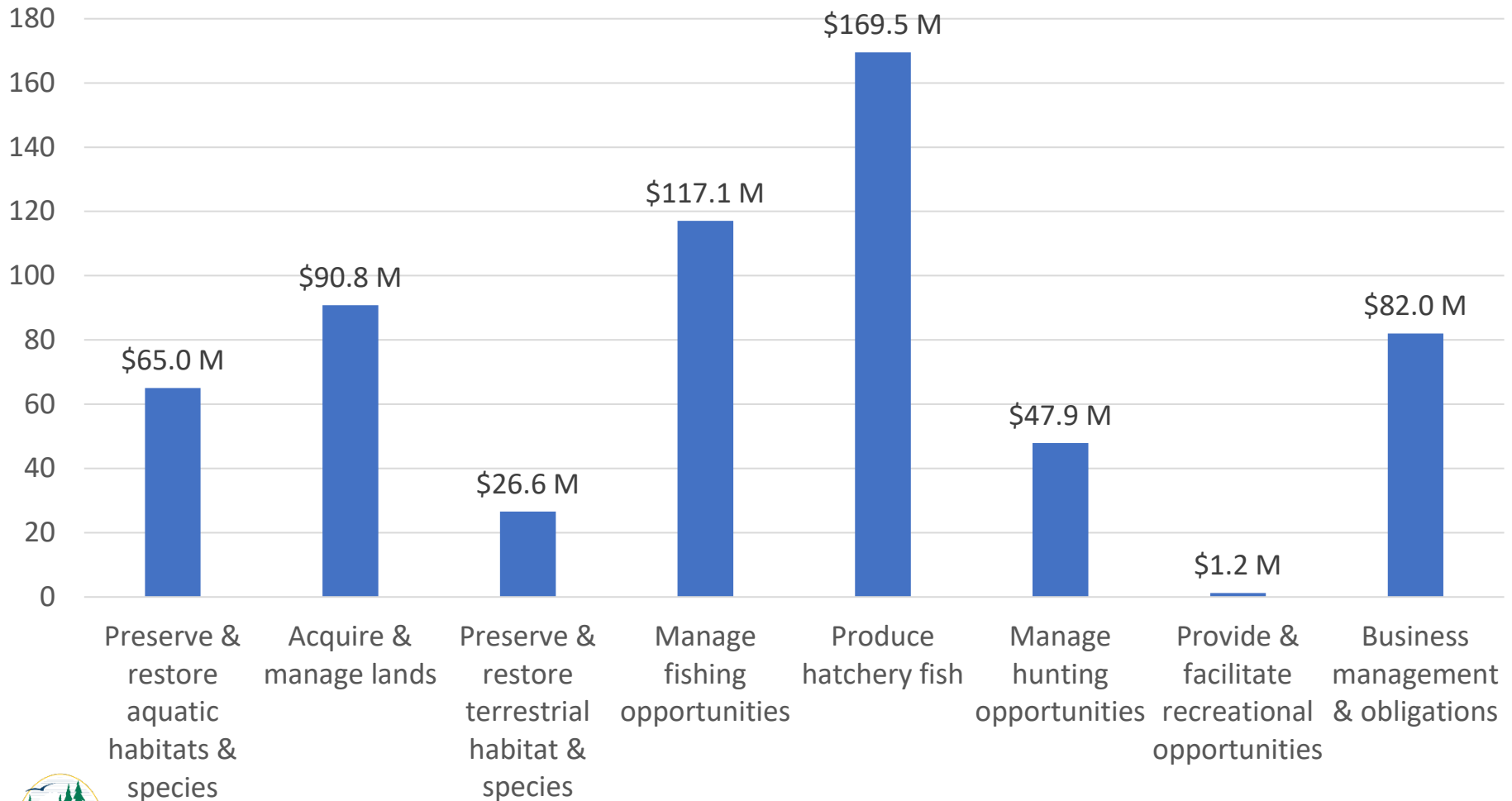
2021-23 Operating Budget - \$515M

(dollars in millions)



2017-19 Biennium Spending by Activity

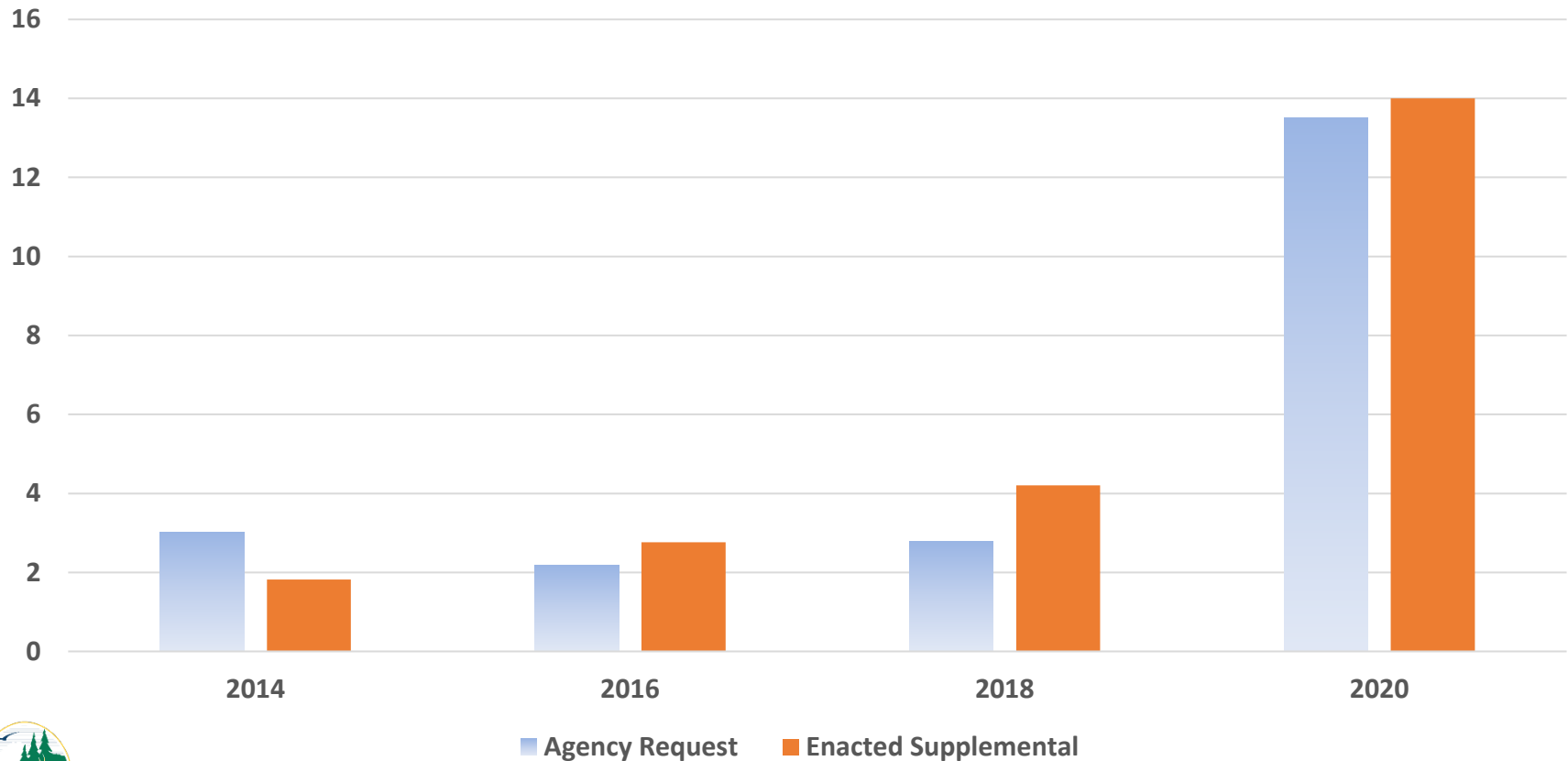
(dollars in millions)



Supplemental Operating Budget Funding Over Time

(dollars in millions)

Supplemental Policy Level General Fund-State
(Request v. Enacted)



Draft Supplemental Amounts

Policy Level	\$14M
• <i>General Fund State</i>	<i>\$10M</i>
• Restricted accounts	\$4M
Maintenance Level	\$8M
Total	\$22M





2022 Draft Supplemental Operating Budget Requests

Criteria

- Appropriateness for Supplemental
- Budget Level (Maint. Level vs. Policy Level)
- Funding type request



Appropriateness for Supplemental

The supplemental budget is an amendment to the biennial budget

- Limited to 2nd fiscal year
- Emergent

A good supplemental decision package answers the question,

“Why can’t this wait until the biennial budget?”



Funding type request

Most of our requests are for General Fund – State, but some of them are marked as “Restricted.”

“Restricted” denotes the statutory rules around how these funds may be spent.

These requests represent license revenue and other areas where the Department has a strong balance.

These decision packages request expenditure authority for those dollars, in line with those rules.



Three levels for budget

- ~~Carryforward level – technical only~~

(No requests; not applicable in Supplemental)

- Maintenance level – for increased costs
- Policy level – budget requests





Maintenance Level

Maintenance Level Requests

Maintenance level is for areas where costs are increasing in ways we don't control



2022 Maintenance Level Requests

2022 Supp Maintenance Level	FY 22	FY 23	21-23 Total
1) COVID Janitorial/Facilities Increases	86	84	170
2) Operating Costs from Capital Projects	98	98	196
3) Cultural Resources Capacity	552	1,082	1,634
5) Utility Rate Adjustments Hatcheries	110	111	221
6) WSP Communications Cost Increase	0	156	156
7) Regulations Pamphlets	60	60	120
8) Minimum Wage Adjustments	124	124	248
9) Reclassified IT Positions from Appeals	45	45	90
10) Wildfire Suppression	100	100	200
11) Post-Wildfire Habitat Recovery	50	50	100
12) Equipment Maintenance and Software	982	982	1,964
13) Radio Cost Increases from DNR	30	30	60
14) Equipment Replacement	0	1,200	1,200
15) Fish Program Auto Trailer Purchase	0	1,450	1,450
16) Diversity and Equity (DEI) Investments	0	520	520
Subtotal 2022 Supp PL	2,237	6,092	8,329

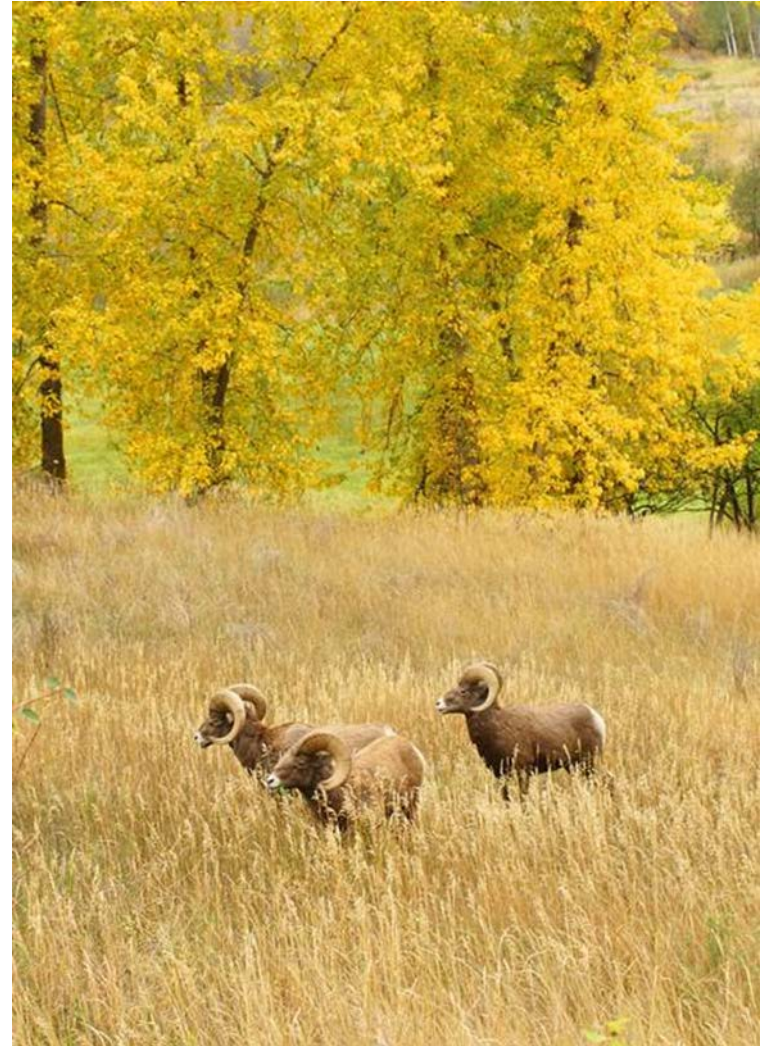




Policy Level

Policy Level Requests: Overview

- What is a supplemental budget?
 - Emergent needs, clean-up, & following through on commitments
- Almost all requests are for General Fund - State



2022 Policy Level Requests

2022 Supp Policy Level	FY 22	FY 23	21-23 Total
1) Freshwater Monitoring	0	2,490	2,490
2) Forage Fish Spawning Monitoring	0	499	499
3) Increased Recreation Pressure on WDFW Lands	0	2,927	2,927
4) Building Salmon Team Capacity	0	736	736
5) Columbia River Gillnet License Buyback	0	1,553	1,553
6) Columbia River Alternative Gear Work	0	253	253
7) Solar support	0	286	286
8) Fish Passage Rulemaking	0	587	587
9) Land use support - <i>Environmental Baseline NW Washington</i>	0	1,297	1,297
Subtotal 2022 Supp ML	0	10,628	10,628



2022 Policy Level Requests

2022 Supp Policy Level	FY 22	FY 23	21-23 Total
<i>Restricted funding</i>			
10) Hatchery Production and Compliance	0	574	574
11) Puget Sound Recreational Shellfish Harvest Assessment	0	329	329
12) Improved recreation management on WDFW-managed lands	0	500	500
13) Improving turkey habitat and turkey hunting opportunities	0	850	850
14) Improving upland bird habitat and related hunting opportunities	0	740	740
15) Improved Deer Monitoring	0	450	450
16) Improved Bighorn Sheep Management	0	400	400
17) Improved Mountain Goat Management	0	140	140
Subtotal 2022 Supp ML	0	3,983	3,983



2022 Policy Level Requests

- Freshwater Monitoring, \$2.5M
- Forage Fish Spawning Monitoring, \$0.5M
- Building Salmon Team Capacity, \$0.7M



2022 Policy Level Requests

- Columbia River Gillnet License Buyback, \$1.5M
- Columbia River Alternative Gear Work, \$0.3M



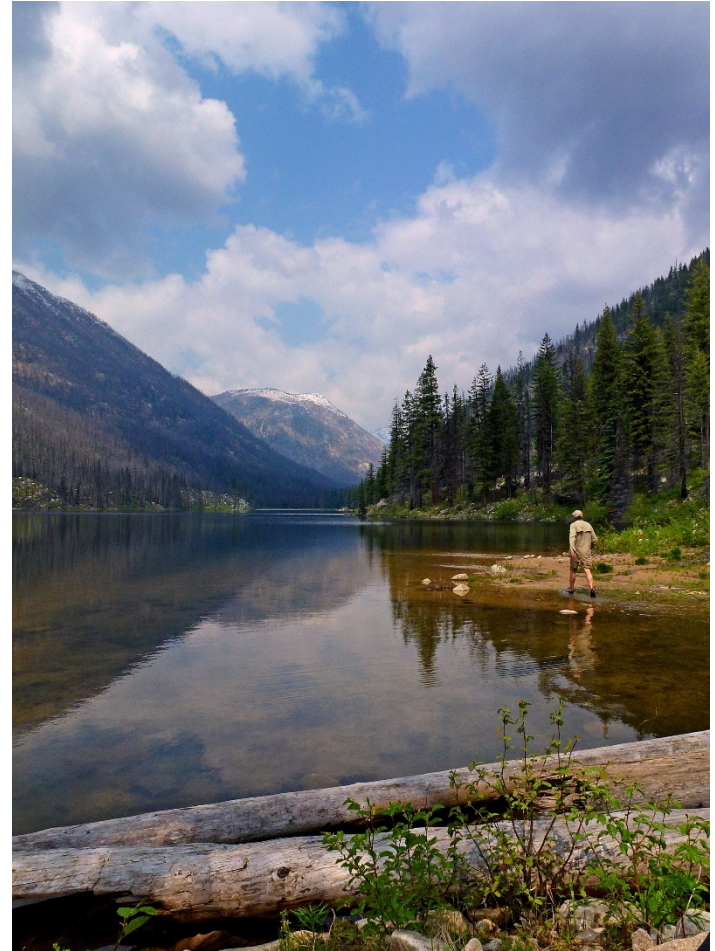
2022 Policy Level Requests

- Solar Support, \$0.3M
- Fish Passage Rulemaking, \$0.6M
- Land use support – *Environmental Baseline NW Washington*, \$1.3M



2022 Policy Level Requests

- Increased Recreation Pressure on WDFW Lands, \$2.9M



2022 Policy Level Requests

2022 Supp Policy Level	FY 22	FY 23	21-23 Total
<i>Restricted funding</i>			
10) Hatchery Production and Compliance	0	574	574
11) Puget Sound Recreational Shellfish Harvest Assessment	0	329	329
12) Improved recreation management on WDFW-managed lands	0	500	500
13) Improving turkey habitat and turkey hunting opportunities	0	850	850
14) Improving upland bird habitat and related hunting opportunities	0	740	740
15) Improved Deer Monitoring	0	450	450
16) Improved Bighorn Sheep Management	0	400	400
17) Improved Mountain Goat Management	0	140	140
Subtotal 2022 Supp ML	0	3,983	3,983



2022 Policy Level Requests

(Restricted funding)



- Hatchery Production and Compliance, \$0.5M
- Puget Sound Recreational Shellfish Harvest Assessment, \$0.3M



2022 Policy Level Requests

(Restricted funding)



- Improved recreation management on WDFW-managed lands, \$0.5M
- Improving turkey habitat and turkey hunting opportunities, \$0.9M
- Improving upland bird habitat and related hunting opportunities, \$0.7M



2022 Policy Level Requests

(Restricted funding)



- Improved Deer Monitoring, \$0.5M
- Improved Bighorn Sheep Management, \$0.4M
- Improved Mountain Goat Management, \$0.1M



Next Steps



Questions?

