

Shellfish Grant Programmatic Guidelines July 2023

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Section 1: Introduction and Overview of Shellfish Grant Program

Program Overview

Ongoing closures of shellfish growing areas in Puget Sound and along the Pacific coast indicate continuing problems in water quality. Factors contributing to the degradation of water quality for safe, harvestable shellfish include non-point source pollution such as fecal coliform. Since 2013, funding has been provided to the State Conservation Commission (SCC) to provide grants that complete natural resource enhancement projects necessary to improve water quality in shellfish growing areas.

Every biennium, the Shellfish grant program funds projects to the shellfish-producing conservation districts to implement best management practices (BMPs) that protect or improve the quality of water draining into shellfish growing areas by reducing non-point (typically agricultural) pollution. Ideal projects identify the potential non-point pollution concern and its likely pathway into a shellfish growing area, and how the BMP will mitigate that concern. Strong projects also support local collaborations with Pollution Identification and Correction (PIC)

Programs, Pollution Control Action Teams (PCAT), Voluntary Stewardship Program (VSP), or result from a referral from the Washington State Department of Agriculture, Department of Ecology, county program, etc.

Background

In 2011, NOAA created a National Shellfish Initiative to increase the number of bivalves produced in the U.S. That same year, several states — including Washington — created their own Shellfish Initiatives. The Washington Shellfish Initiative (WSI) had three initial goals:

- 1) Create a public/private partnership for shellfish aquaculture;
- 2) Promote native shellfish restoration and recreational shellfish harvest; and
- 3) Ensure clean water to protect and enhance shellfish beds.

SCC received \$5M in funding for the 2013-2015 biennium to use to "complete natural resource enhancement projects necessary to improve water quality in shellfish growing areas," leading to the creation of the Shellfish Grant program.

The Shellfish Grant program supports the original goals of the WSI and the updated 2016 Phase II work plan, as well as the Puget Sound Partnership (PSP) Shellfish Strategic Initiative.

Section 2: General Policies

Eliqible Districts

The Shellfish Grant program is open to the fourteen conservation districts that contain Shellfish Growing Areas: Clallam, Jefferson, Mason, Grays Harbor, Pacific, Thurston, Pierce, Kitsap, King, Island, Snohomish, Skagit, Whatcom, San Juan Islands.

SCC Grants and Contracts Policies

Unless explicitly stated in these programmatic guidelines, recipients of Shellfish funding must follow policies and procedures established in the <u>Washington State Conservation</u> Commission (SCC) Grant and Contract Procedure Manual.

This includes following SCC Cultural Resources Review Process. Cultural resource costs are awarded on a case-by-case basis in addition to cost-share funding. If you have questions about how to apply this process to a particular project, please reach out to your regional manager or Cultural Resources coordinator Jean Fike (JFike@scc.wa.gov).

All proposed projects must be entered into the **SCC Conservation Practice Data System** (CPDS) consistent with these guidelines.

Based on the cost share award, an additional 25% will be awarded to include the costs of technical assistance, engineering, travel, and overhead.

Costs associated with goods and services and education and outreach are ineligible for Shellfish funding.

All best management practices (BMPs) must meet NRCS conservation practice standards and specifications or an SCC-approved practice per the <u>SCC Grant and Contract Policy and Procedure Manual</u>. Implemented BMPs must be maintained for the duration of its estimated NRCS design lifespan

The Shellfish Grant program is eligible for the District Implemented Project (DIP) approach Please refer to the DIP section of the Grants and Contracts Policy and Procedure Manual for more details.

Section 3: Criteria for Shellfish Grant Projects

Based on the intent and proviso language of the Shellfish grant program funding, successful projects:

- 1. Address water quality issues especially those caused by agricultural pollution, such as non-point fecal pollution and nutrient runoff *and*
- 2. Occur in watersheds draining into shellfish growing areas (SGAs)

The goal of this grant program is to find and correct nonpoint agricultural and/or fecal pollution sources that reduce marine water quality and cause closure of commercial and recreational shellfish beds. Ideal projects will help protect or improve water quality by implementing best management practices to address non-point agricultural pollutants, especially fecal coliform and nutrient runoff, on parcels in watersheds or subwatersheds that drain into shellfish growing areas.

Examples of nonpoint fecal pollution are failing on-site sewage systems, improper management of animal waste, or any fecal pollution that finds its way to a creek, river, or storm drain and eventually ends up in marine waters.

Parcels should be geographically close to an SGA or adjacent to a river or stream that drains into an SGA that is classified as **Approved or Conditionally Approved** by the Washington Department of Health.

Projects may be prioritized higher when they are also part of a Pollution Identification and Correction (PIC) Program, Pollution Control Action Team (PCAT), Voluntary Stewardship Program (VSP), or other collaborative referral from the Washington State Department of Agriculture, Department of Ecology, county program, etc.

Additionally, projects addressing water quality issues in SGAs that are threatened or are "of concern" with classification downgrades in <u>DOH's annual report</u> may be prioritized higher, depending on the cause of water quality degradation. This report will be provided to all districts at the start of each fiscal year.

Projects that mitigate nutrient runoff concerns in areas with 303(d) listings will also be prioritized higher.

Districts are encouraged to provide information in their CPDS submissions that clearly explain:

• The nature of the water quality concern. Projects funded through the Shellfish program typically implement BMPs that address water quality issues by reducing discharge of non-point agricultural pollutants such as fecal coliform, nutrients, pesticides, etc.

- The general size or scope of the water quality concern.
- When the water quality concern involves livestock, and when known, the kinds of animals involved and approximate herd/flock size.
- The Shellfish Growing Area (SGA) that this project will help to protect and/or restore, the
 proximity of the project to that SGA, and the impact the project/location is having on the
 water quality.
- If known, the current or potential pathway for the pollutant to reach the SGA, e.g., surface runoff or close proximity to stream or tributary draining into SGA.
- How the proposed project prevents or reduces the potential pollutant input.
- Whether the project is the result of collaboration with or referral from a PIC group, PCAT, or state or local agencies.
- Whether proposed projects occur in areas with identified pollution inputs with particular focus on areas with 303(d) listings for nutrients. Funded projects will include those implementing an Ecology TMDL implementation plan.

Section 4: SCC project review timeline and project selection process

SCC staff pull Shellfish projects that Districts have entered into CPDS and are Ready for Funding by the first of every month. Projects will be reviewed, prioritized based on how well they meet the criteria described under Section 5, and selected when funding is available.

Funding decisions are made by the 15th of each month. Districts will be notified when a project is funded, and they may also be notified when a project was not funded. In some cases, projects are not selected because they do not rank as high as others in that funding cycle or do not meet the criteria of the Shellfish program and might be more successful through other grant programs. If a district has questions why a project was not funded or how their project could be more competitive, their regional manager is happy to assist.

SCC staff will review the information provided in CPDS to prioritize projects to fund, along with tools such as:

- Arc GIS with layers showing proximity of projects to SGAs, drainage systems (rivers, streams, etc.), and previously funded projects (clusters of projects are desirable).
- USGS StreamStats to identify watersheds as well as the subwatersheds that drain directly into SGAs. Subwatersheds smaller drainage areas within a watershed basin, They are labeled Hydraulic Unit Code 12 (HUC12); each is assigned with a 12-digit number.
- NRCS BMP Conservation Practice Physical Effects (CPPE) matrix.
- Daily average fecal loads of different livestock animals.

In general, projects will be considered on a case-by-case basis and will be prioritized based on several factors, including:

- Proximity to SGAs.
- Presence of a surface water connection or other likely drainage pathway.
- Relative size/scope of pollutant source (e.g., animal type and herd/flock size, scale of nutrient loading, efficacy of proposed BMPS to address water quality concern, etc.)

- Coordination/collaboration with or if a referral from PIC, PCAT, or state or local agencies.
- Mitigation of a nutrient loading issue in a 303(d) area.

Staff will also work with the SCC Science Team to develop additional criteria based on available resources. This information and helpful resources will be shared with districts as they become available

Section 5: Following an award, project status and change requests

As with all SCC programs, do not incur expenses before receiving an email from fiscal staff making the award. The award will be on a BMP basis, not for the project as a whole. If you learn that costs will/would exceed the original estimate for a BMP, before exceeding the award amount on that BMP contact your regional manager to request additional funds be shifted or added to that BMP. If funds are simply shifted between BMPs the fiscal staff and regional manager can approve that change. If additional funds are requested to the project total, that request will be referred to the review committee. If additional funds are made available, do not incur additional expenses until informed by fiscal staff by email that those additional funds have been awarded or moved between BMPs.

Throughout each biennium, Regional Managers will interact with each conservation district with allocated Shellfish funding to ascertain project progress. Work must be initiated, regardless of project type, within 120 days of funding award to the district. At the end of 120 days if progress has not been demonstrated, the district may forfeit the funding allocation.

If the project or a BMP is cancelled, please complete a returned funds form or contact your regional manager right away. Those funds will be returned to the pot available for future rounds of competitive awards – to your district or another. Keep your regional manager apprised of any delays or challenges encountered and make sure you return funds as soon as possible if a project does not appear to be feasible in the biennium awarded.

Section 6: Examples of Successful Shellfish Grant Projects

Example 1

Property Description:

...The property was acquired in 2018. The property is a former dairy operation that is now used for a small lamb farm. Currently, adult sheep and lambs are raised on the farm. It drains to the Samish River and has several tributaries flowing into the river on and adjacent to the property. The Samish River drains to Samish Bay, where more than 4000 acres of commercial shellfish beds grow.

Resource Concern Description:

Soil Erosion-Sheet and rill erosion. Detachment and transportation of soil particles caused by rain runoff, flooding or wind that degrades soil.

Sediments deposits in water bodies reduce the desired volume capacity.

The Samish River carries a high sediment load during rain events. This causes the sediment to decrease the conveyance of water near the old crossing to get to the east pasture.

Pathogens and chemicals from current manure storage practice have the potential to degrade water quality.

Plant structure and composition-Plant communities have insufficient composition and structure to achieve ecological functions and management objectives.

There is insufficient cover and shelter from degraded habitat for wildlife species. Large populations of reed canary grass, blackberry, and other invasive weeds reduce habitat and pasture quality. The property would benefit from a USDA energy audit.

Shellfish Questions:

This project will divert roof runoff from a sheep confinement area. Currently, roof water flows through the sheep confinement area, coming in contact with manure and pathogens before flowing to the adjacent Samish River. The Samish flows into Samish Bay, where more than 4000 acres of commercial shellfish beds are grown. Sheep manure has the highest density of fecal coliform colonies per unit of manure, so this project is important for reducing pathogen loading to the Samish River and Samish Bay.

This project is part of a PIC program, the Clean Samish initiative, and was also identified through the Samish River RCPP. The landowner is also voluntarily seeking assistance to address local natural resource concerns.

This project meets the stated goals of Skagit County Public Works, Skagit Conservation District, and the Clean Samish Initiative: keeping nutrients and sediments out of surface waters where they could be transported to shellfish growing areas. The Skagit Conservation District is part of local process of identifying priority projects and implementing best management practices. The landowner came to the District voluntarily. Shellfish beds are open for commercial harvest.

Example 2

Property Description:

ABC Dairy is a 60-acre certified organic dairy farm located in the Kamm Creek watershed of Whatcom County between the cities of Lynden and Everson. The herd currently consists of approximately 150 milk cows which graze seasonally on pasture land and are kept confined to the barn and loafing area during the wet season (October-April). The Nooksack River runs adjacent to the facility and cropland which is all used as pasture. Manure produced by the dairy herd is used as the farm's primary source of fertilizer for their crops and is applied to fields when appropriate, using guidance from their Dairy Nutrient Management Plan.

Resource Concern Description:

A constructed ditch currently runs adjacent to one of the main pasture fields for the dairy. Although the ditch is classified as non fish-bearing, it connects to other waterways that are fish-bearing including the Nooksack River. This ditch acts as a conduit for any nutrients or pathogens that leave the fields as runoff to be carried down the watershed and into Portage Bay, which is a commercial and tribal shellfish harvesting area. Though proper setbacks are utilized, occasional high counts of fecal coliform and E. coli are still observed in the area. This is perhaps due to the soil type which is poorly drained and classified with a higher risk of runoff than other soils. The ditch is also vulnerable to excess sediment during a flood event and was completely filled with loose sediment and other flood debris during the November 2021 flood event. The operation wishes to install an underground outlet and cover the ditch so that drainage can continue to function and water quality can be further protected. Installing the underground outlet and covering the ditch will serve to protect surface water and groundwater from any potential runoff from these fields.

Shellfish Questions:

The dairy is located in the Kamm Creek Watershed, which is a tributary to the Nooksack River which drains to commercial shellfish harvest beds in Portage Bay. The Underground Outlet will prevent the flow of potential runoff from adjacent pasture and crop fields into the ditch, which connects to fish-bearing waterways and drains to shellfish harvesting areas in Portage Bay. This will reduce the risk of surface water and ground water contamination and protect water quality.

This project was identified as part of WCD's routine and voluntary technical assistance provided to dairies inspected by the WSDA.

In Whatcom County, the Whatcom Clean Water Program and the Pollution Identification Program work together to identify both dairy and non-dairy properties that are water quality concerns. These programs include local and state agencies and tribal representation. The District's role in these programs is to assist facilities with identifying and designing practices that will address water quality runoff concerns. Currently the commercial shellfish harvest beds in Portage Bay are seasonally closed to harvest due to poor water quality.

Example 3

Property Description:

...The farm size is approximately 18.18 acres with nearly 2,600 feet of creeks, streams, and agricultural ditches. The farm has a long history of pastoral usage, with cattle and sheep currently rotated on and off a single large pasture. Livestock have had unrestricted access to surface waters which has led to nutrient and sediment pollution of Coffee Creek. Coffee Creek has been identified by WDFW and MCD staff as containing a multitude of salmon species. Coffee Creek also is a major part of the Kennedy-Goldsborough system that outlets into Oakland Bay. Oakland Bay is an important shellfish growing area for Mason County,

experiencing a temporary closure of over 400 acres of shellfish growing areas in 2021-2022 due to fecal pollution from agricultural runoff.

The Kennedy-Goldsborough Basin (WRIA 14) Lead Entity's Salmon Recovery Strategy Geoportal recognizes the Lower Coffee Creek as the highest restoration priority and high conservation priority. High priority actions pertaining to this landowner that are recommended by WRIA 14 Lead entity include reducing priority major fine sediment inputs and riparian livestock management. This landowner is willing to implement exclusion fencing and allow Mason Conservation District staff to utilize SRF and other riparian funding sources to plant and possibly maintain riparian buffers on Coffee Creek and the associated water ways on the landowner's property. This project would also be clustered with BMP and SRF implementation on the neighboring property, which would maximize the conservation benefits to the Coffee Creek and Oakland Bay watersheds.

Resource Concern Description:

Due to lack of exclusion/cross fencing or conservation planning livestock have had unrestricted pasture and stream access.

Soils have noticeably contributed to sediment pollution of Coffee Creek as evident by bank erosion observed by MCD staff.

A lack of shade providing native species has contributed to elevated water temperatures of a salmon stream. Livestock have overgrazed the bufferzone, exclusion fence would help mitigate concerns.

Shellfish Questions:

This project will implement practices to reduce input of pathogens and nutrients into waters flowing to an identified shellfish growing area, exclusion fencing will protect the riparian buffer planting and establish a buffer to provide surface water filtration, provide shade and exclude livestock from surface water. Coffee Creek outlets into Goldsborough Creek which shortly outlets into Oakland Bay. Oakland Bay is an important shellfish growing area in Mason County that was subject to an emergency closure for shellfish harvest in 2021 caused by fecal pollution from agricultural inputs.

Excluding livestock from surface waters will limit and reduce sediment, nutrient & fecal pollution into shellfish growing areas and will allow for the usage of SRF and other funding sources to establish a riparian buffer, further mitigating the resource concerns attributed to livestock.

This project is located within the geographic boundaries of the Mason County PIC program. The Mason CD contributes to the planning efforts of the PIC program. A priority of the Mason PIC and Mason County Clean Water District is to reduce livestock access to surface waters of the state to protect culturally relevant food sources such as salmon, clams, and oysters. Although this landowner was not referred to the District by regulatory agencies, the landowner approached the District asking for assistance. This landowner was referred to the district by the neighboring farm, who is implementing several BMPs including a riparian buffer.

This project aligns with the Voluntary Stewardship Project by protecting several critical areas that include wetlands, critical aquifer recharge areas, frequently flooded areas, and fish & wildlife habitat. The neighboring farm is implementing several BMPs through the shellfish program, VSP, and SRF. If funding is awarded this project will be clustered with other BMPs and extend downstream an effective riparian buffer.