



**Puget Sound Acquisition and Restoration (PSAR)
Large Capital Projects
FINAL**

**Request for Proposals for
the 2023-2025 state biennium**

12.9.21

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Introduction

The Puget Sound Acquisition and Restoration program (PSAR) was created in 2007 to help implement the most regionally significant habitat protection and restoration priorities that advance salmon recovery efforts. Funding is appropriated by the Legislature through the Salmon Recovery Funding Board (SRFB). The Puget Sound Partnership works with local entities to identify and prioritize projects. This funding is critical to advancing projects with the greatest benefit to salmonid species throughout our region.

Funding for the PSAR Program is a biennial appropriation from the Washington State Legislature. The PSAR program is comprised of two different funding programs termed **Regular PSAR** and **PSAR Large Capital Program (or PSAR Large Cap)**. Both programs have their own unique set of criteria and operating procedures.

Regular PSAR – Historically, the first \$30M of PSAR funding appropriations is devoted to the Regular PSAR Program. The Regular PSAR program provides funding to the 15 [Puget Sound Lead Entities](#) based upon a percentage formula approved by the **Puget Sound Salmon Recovery Council (PSSRC) and Leadership Council**. This funding is then used to fund restoration and acquisition projects through the Lead Entity – Salmon Recovery Funding Board (SRFB) process.

PSAR Large Capital – A Large Capital Project is a high priority project in a watershed’s 4-year workplan with respect to its benefit to Endangered Species Act (ESA) listed or Treaty right priority salmon populations that, due to the complexity and cost of the project, cannot be easily accomplished by the lead entity with the funds allocated from the **Regular PSAR** funding round. Large Capital Project costs should exceed what a given watershed receives in a PSAR - SRFB round of \$30 million or be greater than \$1M.

The PSAR Large Capital program is aimed at funding projects that are regionally significant and provide the most benefit to salmon species in Puget Sound. **The PSSRC, Leadership Council and the Puget Sound Partnership are developing a ranked list of regionally significant, high priority capital projects to propose for funding as a regional package of habitat acquisition and restoration projects for the 2023-2025 biennium state budget.**

Proposed projects should be ready to advance as soon as funds are available after the passing of the 2023 state capital budget and cost more than what Puget Sound salmon recovery lead entities are *typically* able to support through the standard funding process. This ranked list will be an important component of the 2023 -2025 PSAR budget request. The state legislature has previously allocated between \$7M and \$40M for the PSAR large capital program.

Eligible project types

- Restoration

- Acquisition
- Planning projects (Assessments, Designs, Inventories, and Studies) – the results of this type of project must directly and clearly lead to preliminary or final project design
- Combination projects (Acquisition and restoration OR acquisition and planning)
- Phased projects
- Distinct, individual projects (bundling of projects within a watershed is not allowed for large capital applications).

NEW for 2023-25: Addressing SRC Priorities

Eligible projects types are welcome and encouraged for all listed and tribally important Puget Sound salmon species and stocks. However, following a series of conversations in the spring of 2021, the SRC voted to select priorities to direct PSAR Large Capital funds for the 2023-25 biennium. The selected prioritized stocks for 2023-25 are listed populations that are:

- at highest risk of extinction
- acutely limiting harvest
- closest to attaining recovery goals

Stocks that meet the first two priority criteria include Chinook in the Dungeness, Stillaguamish, Nooksack, and Mid-Hood Canal watersheds. Stocks that address the third criteria include Chinook in the Skagit and Hood Canal Summer Chum. Projects that address selected priorities will receive additional points in the ranking process but the PSAR large capital list will not be limited to only the projects that address those priorities. See below and also please read the supplemental questions document for a full explanation of this new criteria.

Eligibility Criteria

Each project must:

1. Address a high priority need identified in a watershed recovery plan chapter (Chinook, steelhead or multi-species), a regional recovery plan for Puget Sound Chinook salmon, Puget Sound steelhead, or Hood Canal Summer Chum salmon, or other strategy submitted as part of the 4-Year Work Plan (4YWP) project list that benefits Treaty rights populations.
2. Demonstrate significant benefit to one or more listed salmon populations and/or salmon populations that benefit Treaty rights.
3. Require only funding for implementation (i.e. no other barriers with respect to authorizing environment, land ownership or project implementation exist)
4. Begin implementation during the 2023-2025 biennium. Implementation is defined as beginning work on one of the eligible project types above.
5. Be evaluated by the Salmon Recovery Funding Board (SRFB) review panel (previously or in 2022).
6. Receive a letter of support through the lead entity SRFB/PSAR review process in 2022.

Additional prerequisites for specific project types include the following:

1. **Restoration Construction projects (*projects seeking construction funding*):** conceptual and preliminary design must be complete, final design must be complete or anticipated to be complete within the first year of the award, and permit applications must be started (at a *minimum documented discussions with permit agencies*). Project construction must commence within one year of contract award or the next available fish window. Please refer to Manual 18 (Appendix D) for detailed deliverables.
2. **Engineering and design projects:** at a minimum, a conceptual design as described in SRFB Manual 18 (Appendix D) must be complete and meet all appropriate requirements as identified in the SRFB process. Anticipated design costs need to still meet the criteria of being more than a lead entity will receive in a \$30 million PSAR regular round allocation or at least \$1M, whichever is less).

Lead Entity Process

Each Puget Sound salmon recovery lead entity may submit up to **three projects** through the local and regional process outlined below. Final application materials must be submitted by the SRFB deadline for SRFB and PSAR project applications in June 2022. The Puget Sound Partnership Leadership Council will approve the final large capital list, likely in August 2022.

Projects that were submitted for funding as large capital projects during the 2021 – 2023 PSAR large capital review process, were approved by the SRFB, and have not changed in scope or cost may be resubmitted by the lead entity without undergoing additional local review process unless required by the lead entity¹. Any projects resubmitted will count towards the maximum of three projects per lead entity. If the project has changed in scope or cost since it was originally approved by the SRFB and the lead entity would like to resubmit it, the lead entity should check with its RCO grant manager and Partnership Ecosystem Recovery Coordinator to determine what level of additional review is required. All submitted projects will be re-ranked through the current approved regional ranking process for large capital projects.

Project sponsors must complete the SRFB application through PRISM and projects must be reviewed by and receive a letter of support from the sponsoring lead entity's local process. All policies for SRFB projects in Manual 18 apply to these project proposals except where there is a narrowing of what is eligible for the PSAR large capital proposal process. For final application materials, project sponsors must also submit answers to the supplemental proposal questions listed below as an attachment to their project proposal. Because of the project limit per lead entity, project sponsors must work with their lead entity and have approval as described below to apply.

¹ Projects from the 2020 PSAR large capital project list MUST RESUBMIT in the pre-proposal process to be considered for the 2023-2025 PSAR grant round. If you wish to resubmit your application, or portions of it, unchanged from the previous grant round, please contact your RCO grant manager to request that the application be copied in PRISM.

Proposal Elements

Projects must be approved through the local lead entity before being submitted for consideration within the PSAR large capital program. Each lead entity develops an individual grant round timeline, with most beginning in January. Please consult with your local lead entity coordinator to ensure you have the necessary information and deadlines to begin your application process.

Pre-Proposal Due Date: Please consult your local Lead Entity for initial proposal deadlines²:

Completed application includes:

- RCO PRISM Application - available online through PRISM system.
- Recovery Plan Strategy Connection - lead entity coordinators must draft a memo identifying a clear link to a recovery plan strategy or demonstrate a benefit to treaty rights populations to support the preliminary tiering process.
- Consult your LE about additional materials that may be required at the time of pre-proposal.

All materials must be submitted via PRISM as part of an online application or attached to the online application.

Supplemental PSAR Large Capital Material Due Date (from those invited to submit): Due June 3, 2022.

Completed Application includes all materials required for initial proposal as well as:

- Letter of Support from sponsoring Lead Entity Committee (technical, implementation, citizens, or executive body). Letters of support must verify the project sponsors or project managers' abilities to manage a project of this scope and scale, including when possible examples of successful project management to similar project(s)
- PSAR Large Capital Supplemental Questions available [here](#).

PSAR Large Capital Review Process and Timeline³

Final proposals must be completed in PRISM when all other SRFB and PSAR projects are due for the 2022 SRFB grant round⁴. The Partnership will facilitate a regional review process to develop a regionally ranked list of large capital projects using the following steps:

- Sponsors consult with local lead entities on local grant round process and local timelines (**Late 2021 - Early 2022**).

² Lead Entities must ensure that proposals are submitted in PRISM by April 15, 2022, in order to meet timeline for proposal screening for Large Capital Projects.

³ Timeline contingent on the passing of a capital budget and securing of review team.

⁴ For a more detailed SRFB timeline, consult Manual 18.

- Sponsors submit proposals in PRISM in accordance with individual Lead Entity due dates.
- Proposal materials are due to the region from the Lead Entities by April 15, 2022 for preliminary tiering by April 29, 2022. A sub-group of local lead entity technical review committee members from various geographies score proposals as part of the preliminary review. The Salmon Science Advisory Group (SSAG, advisory body to the Puget Sound Salmon Recovery Council (SRC)) provides additional technical support.
- RCO and Partnership staff review final proposals for completeness and eligibility.
- Top-tiered projects invited to submit supplemental materials and unsuccessful projects notified on **April 29, 2022**.
- Regional review team scores final project proposals. The review team is comprised of members of the SSAG and other salmon experts as well as subject matter experts from across the region with knowledge of other criteria including the Action Agenda, climate change, and multiple benefits.
- Project presentations will take place in early May 2022. Reviewers will provide feedback to sponsors during the presentations and immediately thereafter for incorporation into final applications.
- Sponsors submit supplemental materials in PRISM by June 3, 2022.
- Final ranking occurs between June 3 and June 24, 2022.
- Final rankings will be announced on June 30, 2022 (tentative).
- Partnership staff submits draft ranked project list to RCO in June 2022. This list will be modified if the SRC and/or LC makes changes during the approval process.
- Project sponsors, working with their lead entities, revise proposals following SRFB Review Panel Technical Review in July 2022⁵.
- Partnership staff presents compiled scores and draft rankings to the SRC Executive Committee in July 2022. The Executive Committee recommends a ranked list for the full SRC. SRC Executive Committee approval of regional project list in **July 2022**.
- The SRC adopts a final ranked list recommendation in July 2022.
- Final SRC approval of regional ranked project list in **July 2022**.
- Final Leadership Council approval of project list in **August 2022**.
- Partnership staff submits final draft regional project list to RCO in **August 2022**.
- SRFB Funding Meeting to approve projects in **September 2022**.
- The PSAR ranked list is packaged for use by OFM, the Governor's office and the legislature as part of the full PSAR request. Budget requests are developed in September/October 2022.

⁵ Any large capital projects labeled a Project of Concern (POC) on the Puget Sound Partnership project list at this point are at the discretion of the Partnership to retain or remove from the list, with consultation from the Lead Entity. The Partnership retains the right to re-score the project if significant changes are made to the proposal following SRFB review panel comments prior to final lists being submitted.

- Project sponsors work with the Partnership and other state capital grant staff to conduct legislative outreach tours.
- Following the passage of the state capital budget in 2023, project sponsors are notified if funding received and contracts are initiated as applicable.

Sponsors should consult with Lead Entity coordinators on project next steps following the announcement of final rankings on June 30, 2022 (tentative).

PSAR Large Capital Pre-Proposal Tiering Criteria

Pre-proposals will be rated on a scale from low to high according to how well they fit the following criteria:

- Alignment to strategy
- Likelihood of success: technical
- Likelihood of success: human
- Contribution to recovery
- Readiness to proceed

Proposals that rank highly across most criteria will be invited to submit full proposals.

PSAR Large Capital Full Proposal Scoring Criteria

Final proposals will be evaluated using the following criteria for a total of 100 possible points:

BENEFIT TO SALMON AND PRIORITY WATERSHED POPULATIONS	DESCRIPTION	TOTAL 65
VIABLE SALMONID POPULATION (VSP) BENEFITS EXPECTED.	Link VSP parameters to salmonid population(s) and describe expected changes to the parameters specified. Provide estimated outcomes of KEAs, if possible.	25
PRIORITY STOCK - PRIMARY	Benefits a population in a watershed identified as a priority for the 2023-25 biennium.	10
PRIORITY STOCK - MULTIPLE	Benefits multiple priority watershed populations	5
HABITAT QUALITY	Explain how the restored or protected habitat will support functions that benefit salmon and promote salmon production through improved	10

	foraging, growth, and/or decreased mortality.	
PROBABILITY OF PROJECT SUCCESS	Describe the proposed actions, objectives, and success measures for the proposed project. Include detail on how ecosystem processes are being restored or protected and for what purpose.	15
ADDITIONAL CRITERION		TOTAL 5
CONNECTION TO THE ACTION AGENDA	Identify the most relevant Action Agenda desired outcome(s).	5
UNSCORED CRITERIA		
ACCESS AND CONNECTIVITY	Describe how the project will improve the capability of salmon to access and benefit from the restored or protected habitat.	Required, not scored
MULTIPLE BENEFITS	Briefly explain other benefits the project will provide to surrounding communities and industry.	Required, not scored
CLIMATE CHANGE	How will your project be climate resilient given predicted future conditions? How will your project increase habitat and species resiliency?	Required, not scored
PROJECT READINESS	What is the level of readiness for this project (design, permitting, appraisal and purchase, or level of readiness)?	Required, not scored
MATCH ⁶ /OTHER SOURCES OF FUNDING	List other funding sources.	Required, not scored
NTA STATUS	If this project is a 2018-2022 Action Agenda Near Term Action, note NTA number and title.	Required, not scored
VITAL SIGNS ⁷	List which Puget Sound Vital Signs this project contributes to and briefly describe the connections.	Required, not scored

⁶ Match is not required for large capital projects. Match will be defined using SRFB Manual 18 to include cash, bond funds, and grants (unless prohibited by the funding entity); labor, equipment, materials, staff time, and donations. See http://www.rco.wa.gov/documents/manuals&forms/Manual_18.pdf.

⁷ For more information and to access reference resources, please visit: <https://pspwa.box.com/VSPGuidance>

Project Scoring and Ranking

- Final scores will be represented as sum total of average points per criterion earned for review. Blind individual scores will be available for review by project sponsors upon request.
- Upon completion of project scoring by reviewers, Partnership staff will compile results and place projects into rank order.
- Partnership staff will present a draft ranked list to the Puget Sound Salmon Recovery Council Executive Committee. The Executive Committee will review the ranking and make a recommendation to the full Salmon Recovery Council to accept the list as ranked by the scoring or provide a recommended change to the order of the ranked list. The ranked list is the culmination of a significant amount of thorough scientific review and investigation of the merits of each project proposed.

The Executive Committee shall not “re-order” the ranked list unless there is a strong policy reason to do so. If changes to the ranked list are suggested by the SRC Executive Committee they will be done in a transparent fashion and will be accompanied by a detailed written explanation as to why the change was necessary. The Executive Committee will use the following criteria when considering whether re-ordering the list is necessary:

- Geographic distribution
 - Uncertainty of implementation
 - Project types – ensuring a balance of project types including those that provide multiple benefits and acquisition and restoration projects
 - Connection to Southern Resident Killer Whale recovery efforts – if evidence emerges that a particular project will contribute to prey availability for Southern Resident Killer Whales
- Partnership staff will present the Executive Committee’s approved list and the original ranked list (if different) to the full body of the PSSRC for discussion and a final recommendation at the July 2022 Puget Sound Salmon Recovery Council meeting.
 - The Puget Sound Partnership Leadership Council will approve the final list in August 2022.

Questions/Contact information

Project sponsors must coordinate with the appropriate [Lead Entity Coordinator](#) for submission.

Please contact the Salmon Recovery Manager or the appropriate [Ecosystem Recovery Coordinator](#) at the Puget Sound Partnership with any questions:

Amber Moore
Salmon Recovery Manager 360.742.7434 | amber.moore@psp.wa.gov

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PSAR Large Capital Project Glossary

Project Readiness – PSAR Large Capital funds are intended to be used for projects that have already completed their due diligence, i.e., they have completed feasibility studies; and landowners and project partners understand and agree with the project feasibility and conceptual design. This understanding and agreement is documented in writing and provided with the proposal. PSAR Large Capital funds are not intended for project development and feasibility analysis. Thus, restoration projects should be “Shovel Ready” as defined below.

Shovel Ready – Is a term for capital construction projects. A project is considered Shovel Ready if it meets conditions described below:

- Completed the **Salmon Recovery Funding Board (SRFB) grant round process** and approved by the SRFB for funding
- Preliminary design must be complete, final design must be >90% complete by the time of contract award. Project construction must be able to commence within 1 year of contract award or the next available fish window

Acquisition Ready – Is a term for Acquisition projects. A project is considered Acquisition Ready if it meets conditions described below:

- Completed the **SRFB grant round process** and approved by the SRFB for funding
- Obtained an appraisal and letter of interest, purchase and sale agreement, an option to purchase agreement, or have a signed waiver of retroactivity for reimbursement of a purchase
- Can demonstrate positive communication and willingness from the landowner (e.g., purchase and sale agreement, letter of support from the landowner)

Design Ready - Is a term for design/planning projects. A project is considered Design Ready if it meets the conditions described below:

- Completed the **SRFB grant round process** and approved by the SRFB for funding
- Has preliminary design (and project feasibility and conceptual design deliverables) by the time of contract award

Appraisal Ready - Is a term for Acquisition projects. A project is considered Appraisal Ready if it meets the conditions described below:

- Completed the **SRFB grant round process** and approved by the SRFB for funding
- Has already had positive discussions with landowners and has secured a signed Landowner Acknowledgement form uploaded to PRISM

* Project readiness will be evaluated throughout the contracting process, and projects that do not truly meet the Readiness Criteria described above may have their project deemed ineligible for funding.

PSAR Large Capital Funding Sequencing - The ranked 2023-25 PSAR Large Capital projects will receive funding in rank order in accordance with policy. Projects receiving other funds for the same project scope will receive a commensurate reduced amount in their contracting. Funding carries down the existing approved list until all projects are fully funded. Any returned dollars

are first applied to PSAR Large Capital projects of the same biennium, and then to the immediate previous biennium's approved project list in ranked order.

PSAR Biennial Funding – Funding is provided by the WA State Legislature through its biennial budget.

Obligated Funds – Funds are considered **Obligated** when a project contract has been signed between the project sponsor and RCO.

PSAR – Eligibility - Puget Sound Acquisition and Restoration projects must meet the same eligibility requirements as SRFB projects described in Manual 18, Salmon Recovery Grants. Puget Sound Acquisition and Restoration funding must be directly in support of implementing capital projects. Eligible project types include:

- Restoration
- Acquisition
- Planning projects (Assessments, Designs, Inventories, and Studies) – the results of this type of project must directly and clearly lead to a conceptual, preliminary or final project design.
- Combination Projects (Acquisition and restoration OR acquisition and planning)
- Phased projects

Bundled projects – Project proposals are considered “bundled” if they contain more phases than would be attainable within the spending timeframe of the funding (Grant recipients must complete projects within 2 to 3 years), or propose multiple projects under one application that do not clearly demonstrate interconnectedness (separated hydrologically, geographically, sequentially).

Return Funds – If an approved Puget Sound Acquisition and Restoration Large Capital project cannot be implemented due to a change in circumstances or is completed under budget within the allowable timeframe, return funds will return to Puget Sound Partnership for reallocation. Partnership Large Capital Project Return Funds Reallocation Priority:

- Funds will be used to fund the highest ranked PSAR Large Capital project that has cost overruns/funding gaps due to unforeseen circumstances. Cost overruns must be approved and are subject to criteria outlined in Manual 18 Appendix B.
- If no higher ranked large capital projects are in need of additional funding, funds may be used to fund further down the PSAR Large Capital list.

Salmon Recovery Funding Board (SRFB) - The Washington State Legislature established the SRFB in 1999 to administer state and federal funding and to assist with a broad range of salmon-related activities. Its primary goal is to recover salmonids (salmon, trout, and steelhead) by providing grants.

The SRFB funds riparian, freshwater, estuarine, near-shore, saltwater, and upland projects that protect existing, high quality habitats for salmon. It also funds projects to restore degraded habitat to increase overall habitat health and biological productivity of the fish. Projects may include the actual habitat used by salmon and the land and water that support ecosystem functions and processes important to salmon.

The SRFB is composed of five voting members who are appointed by the governor, and five non-voting, state agency directors. The SRFB believes that projects must be developed using scientific information and local citizen review. Projects must demonstrate, through an evaluation and a monitoring process, that they can be effectively implemented and that they provide a sustained benefit to fish.

The SRFB administers both SRFB funding (Pacific Coastal Salmon Recovery Funds (PCSRF) and state SRFB) as well as PSAR funding (state capital funds). Although both grants are administered through the same Board, they are two separate programs with separate authorities, advisory and technical groups, and guiding policies. SRFB is managed exclusively through RCO, while PSAR is co-managed by the Puget Sound Partnership and RCO.

The complete text of the SRFB's statement of its mission, scope, and funding strategy is available on its website at www.rco.wa.gov/boards/srfb_mission.shtml.

Lead Entity - [Lead entities](#) use their strategies and the regional salmon recovery plans to identify a sequence of habitat restoration and protection projects. Those projects are reviewed by lead entity technical advisory groups to ensure they are scientifically valid. Using information from the technical advisory groups as well as social, economic, and cultural values, the citizen committees, composed of people with diverse community interests, adopt ranked lists of projects and submit them to the SRFB for funding consideration. Contact information for both lead entities and RCO staff can be found in RCO Manual 18 in Appendix A.