

July 1, 2022

Joan Lee and Gregg Farris, Co-Chairs
Snohomish-Stillaguamish Local Integrating Organization Executive Committee
Via electronic delivery

Dear Ms. Lee and Mr. Farris,

Thank you for your June 22 letter regarding our recent decision to retain National Estuary Program (NEP) funding provided under the Bipartisan Infrastructure Law (BIL) at the Puget Sound Partnership (Partnership). As you noted in your letter, the Snohomish-Stillaguamish Local Integrating Organization (LIO) has been an outstanding partner for the past decade in our joint effort to recover Puget Sound, and your letter continues that tradition. It is our hope that this response also continues to strengthen that partnership.

We identified the following key points and questions in your letter and address them below. If we missed an important point or question, however, we hope that you will please let us know.

Key points and questions:

- Use of LIO funding to hire additional Partnership staff
- Abruptness of the decision, outside of Forum process
- Role and purpose of the LIOs
- Request to revisit decision
- Why use LIO funds and not redirect current resources or ask the state for more funding?
- New structures and communication mechanisms to allow input and contribution from the LIOs

Use of LIO Funding

The funding in question is National Estuary Program funding. Because the Partnership is the National Estuary Program for Puget Sound, Congress' intent is for that funding to come to the Partnership. The funding that the EPA historically directed the Strategic Initiative Leads to set aside for LIOs to fund near-term actions came from the Puget Sound Geographic Program, not the National Estuary Program. As a recovery community we have not been careful to make that distinction in the past, so we recognize that this may be new information. We are happy to discuss this in more detail if desired.

Abruptness of the Decision

Regardless of the funding source, your point about the abruptness of the decision and the manner in which we made it is well taken. We agree that the decision was made outside of the Forum process, and that we broke your trust. We sincerely apologize for that and recognize that only time and our diligent attention to strengthening our relationship with you will heal that breach. We are committed to taking further concrete and direct steps toward rebuilding trust in the near future.

Role and Purpose of the LIOs

Your letter states that this decision makes the role and purpose of LIOs less clear. This point may benefit from further conversation, because we believe that the role and purpose of LIOs remains unchanged: to identify and implement local recovery priorities and to ensure that the regional recovery system includes and highlights local priorities.

Our intention is to use the National Estuary Program funds to provide resources to LIOs to help you implement local priorities for the Action Agenda and access the tremendous funding opportunities in the BIL to fund those local priorities. The funding opportunities include the Puget Sound Geographic Program funds that the Strategic Initiative Leads manage but go far beyond that as well – culvert funding, estuary restoration funding, transportation funding, drinking water and wastewater infrastructure funding, or other funding streams that align with your priorities. We sincerely believe that doing so will strengthen and amplify the role and purpose of the LIOs.

We agree with your point that decision-making authority over funding streams is an effective way to keep busy stakeholders engaged in the LIO process. We hope that LIOs will use these Partnership-provided resources to obtain funding far beyond what the Geographic Program has been able to provide in the past.

Revisit the Decision

Unfortunately, we cannot revisit this decision. We are responsible for providing EPA a work plan for these funds in the next two weeks, which doesn't provide the time and space we'd all need for such a path forward. However, we sincerely hope that all LIOs will help design the proposed team and tools so that they achieve the intended outcome: implementing local priorities from the Action Agenda by obtaining BIL funding for LIOs to implement high priority projects.

Why Not Redirect Partnership Resources or Ask the State for Additional Resources?

The Partnership is a small state agency with little redundancy. We currently are redirecting staff members' time to assist partners with BIL grant applications, but this solution isn't sustainable. New state resources would not become available until July 1, 2023, at the earliest and possibly not even then. Federal agencies are releasing grant opportunities now and given the urgency and scale of Puget Sound recovery needs, we can't afford to wait.

New Structures and Communication Mechanisms

We are always open to ideas for how to improve communication, so we look forward to hearing your ideas and brainstorming with you. In this case our communications and consultation process were abrupt and fell short of our values and standards. We agree that meaningful input from the LIOs on our collective work is imperative, and as noted above, very much hope that you will join us in designing this proposed new small team and tools.

There are a few additional benefits to this approach to using the National Estuary Program funds:

- It enhances our collective capacity to coordinate efforts and share resources across the LIO system.
- We will assume the burden of tracking and reporting on these National Estuary Program funds and finding any necessary match for them, which as we discussed with you at the Leadership Council meeting in June are real drains on LIO and other local partner capacity.
- We will respond to requests from Congress and Executive Branch agencies for additional information about our use of these funds. We anticipate a heightened level of scrutiny on BIL expenditures in coming years.
- It removes the task of developing an additional work plan and contract with us, further protecting LIO capacity to focus on project development rather than process.

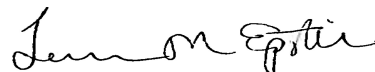
In closing, our goal is to support the LIOs in their efforts to obtain BIL and other funds to implement local Action Agenda priorities at a level that far outstrips what the Puget Sound Geographic Program has been able to provide thus far. We look forward to your guidance on how best to achieve that goal, and hope for your continued partnership.

Thank you again for reaching out. We are happy to continue this conversation as is convenient for you. Please do not hesitate to reach out to any one of us.

Sincerely,



Laura L. Blackmore, Executive Director



Larry Epstein, Deputy Director

C: Kathleen Pozarycki, Puget Sound Recovery Lead/LIO Coordinator
Dennis McLerran, Leadership Council Chair
Stephanie Suter, Planning Program Director
Dan Stonington, Planning Manager
Laura Rivas, Ecosystem Recovery Manager
Hannah Liss, Ecosystem Recovery Coordinator