


Voluntary Stewardship Program

Thurston County

Work Plan

Approved by the Washington State Conservation Commission

4/26/17

Acknowledgements

The Thurston County Voluntary Stewardship Work Plan could not have been completed without considerable contributions of time, data, and effort from the many people and organizations who volunteered and participated in various capacities. See Appendix N.

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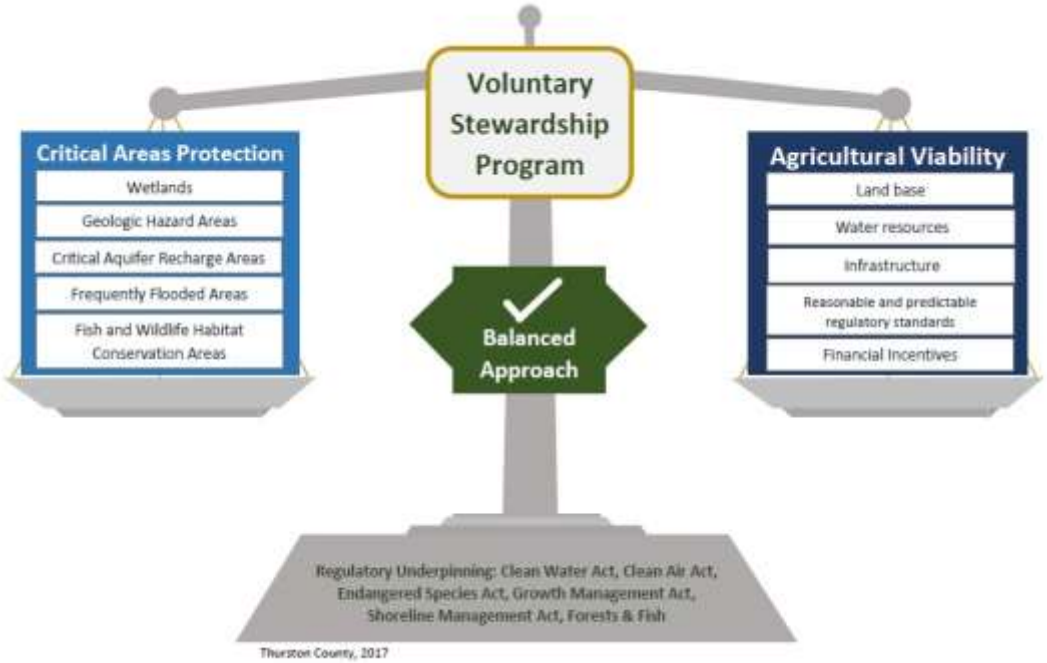
Work Plan Requirements and Where they are Addressed in the Plan

Statutory Requirements (RCW 36.70A.720(1))	Work Plan Section and Appendices
(a) Review and incorporate applicable water quality, watershed management, farmland protection, and species recovery data and plans	Appendix H (details on existing plans and information incorporated for each watershed starts on pg. 84); Appendix E, F, and G (maps)
(b) Seek input from tribes, agencies, and stakeholders	Work Plan Section 1 (pg. 3); Appendix N Outreach Section 1.1 and Section 1.2 (pg. 1-6)
(c) Develop goals for participation by agricultural operators	Work Plan Section 2.2 (pg. 15-16); Appendix N Section 1.3 (pg. 6); Appendix C Section 1.2 Participation Measurable Objectives (pg. 5)
(d) Ensure outreach and technical assistance is provided to agricultural operators	Work Plan Section 1.1.3 (pg. 4 and 5); Appendix N
(e) Create measurable benchmarks	Work Plan Section 2.1 (pg. 14); Appendix C
(f) Designate the entity or entities that will provide technical assistance	Work Plan Section 1.1.3 (pg. 4); Appendix N (pg. 7); Appendix O (pg. 5)
(g) Work with the entity providing technical assistance to ensure individual stewardship plans contribute to the goals and benchmarks	Appendix D (Stewardship Plan); Appendix J; Appendix N Section 2.1 (pg. 10); Appendix O Section 2.3 (pg. 8)
(h) Incorporate into the work plan any existing development regulations relied upon to achieve the goals and benchmarks for protection	Work Plan Section 1.1.3 (pg. 6) and Appendix I Section 2 starting on page 5
(i) Establish baseline monitoring	Work Plan Section 2 and 3; Appendices C, H Section 1.5 (pg. 25-30), E, F, G, & O Section 2.2

1 Introduction

Background. The Voluntary Stewardship Program (VSP) was enacted by the Washington State Legislature in 2011 to create a voluntary process to achieve Growth Management Act (GMA) critical area protection and agricultural viability goals (RCW 36.70A.700-760). In enacting the Voluntary Stewardship Program, the state legislature allowed counties to "opt into" an alternative to the regulatory approach of the past by designating local VSP Workgroups to "focus and maximize voluntary incentive programs to encourage good riparian and ecosystem stewardship as an alternative to historic approaches used to protect critical areas". The incentive-based VSP balances the protection and enhancement of critical areas on agricultural lands while promoting agricultural viability.

Figure 1. Balanced Approach of Critical Areas Protection and Agricultural Viability



VSP is a voluntary, non-regulatory and collaborative process to maintain and enhance agricultural viability while also protecting and enhancing the functions and values of critical areas, which are evaluated on a watershed basis. The VSP Workgroup works closely with the county, technical assistance providers, and participants to develop work plans that promote voluntary, site-specific stewardship. Significant progress has been made on this front in recent years, and many agricultural-based programs, activities, and efforts are already in place to promote agricultural viability. Several programs currently exist to protect and, in

many cases enhance, critical areas. However, the two efforts have largely been separate in the past (see Appendix H for further detail). Legislative intent in the VSP statutes further envisions that VSP work plans will:

"Encourage and foster a spirit of cooperation and partnership among county, tribal, environmental, and agricultural interests to better assure the program success" (RCW 36.70A.700).

This VSP Work Plan embraces the opportunity to bridge cultural differences and build cooperative partnerships to sustain both natural resource values and community values, like local food production capacity. To that end, implementation of this work plan will fit within and build upon the existing framework of established programs and organizations.

County Role. The Thurston Board of County Commissioners, opted into the Voluntary Stewardship Program on January 12, 2012, designating all five watersheds in the county as "participating watersheds," and nominating all five watersheds for consideration as "priority watersheds" pursuant to RCW 36.70A.210. (See Appendix Q for county resolution). VSP participating watersheds include:

- Chehalis Lower and Upper, Water Resource Inventory Areas 22 and 23
- Nisqually, Water Resource Inventory Area 11
- Deschutes, Water Resource Inventory Area 13
- Puget Sound (Kennedy-Goldsborough), Water Resource Inventory Area 14

In making these watershed designations, the VSP statutes required Thurston County to gather information and consider a number of factors for each watershed.[i] In 2013, Thurston County became one of two "pilot project" counties (along with Chelan County) selected and funded by the legislature to implement the VSP. Thurston County accepted funding and the contract was executed on January 14, 2014. Once this work plan has been approved, Thurston County agricultural operators will be encouraged to voluntarily participate in the program. If the VSP work plan is not approved by July 25, 2017 (as determined by the Washington State Conservation Commission (SCC)), or if plan goals and benchmarks are not met after adaptive management efforts, the county will be removed from the VSP program and will resume the responsibility of ensuring the protection of critical areas related to agricultural activities under RCW 36.70A.735 of the Growth Management Act.

Scope. VSP statute states that the "program shall be *designed to* protect and enhance critical areas on lands used for agricultural activities through voluntary actions by agricultural operators" (RCW 36.70A.705), and the program "applies to all unincorporated property upon which agricultural activities occur within a participating watershed" (RCW 36.70A.710). Since Thurston County designated all its watersheds as "participating watersheds," all producers farming or ranching on unincorporated property in the county are eligible to voluntarily participate in VSP.

Definitions. See Appendix B for key VSP definitions.

The Work Plan. This VSP work plan, developed by the Workgroup and consistent with all VSP statutory directives, provides the framework for voluntary actions by agricultural producers to protect critical areas and promote agriculture through VSP goals, benchmarks, and incentives. The work plan recognizes and incorporates the "backstop" protections of the existing regulatory baseline, while also encouraging regulatory reform as needed to protect local food production capacity and reduce conversion of farmland to other uses. This work plan also leverages and incorporates existing and applicable information and recommendations from other watershed plans and programs to help focus program priorities.

Program Process Management. This VSP watershed work plan is merely the framework for a dynamic and adaptive outreach and technical assistance process. Upon plan approval, the Workgroup will develop program process management timelines with assignments tailored to promote positive agricultural and critical area outcomes in each watershed. Regular program management reports will measure progress and provide opportunities to adaptively manage outreach efforts. These reports will also help non-regulatory technical assistance providers effectively connect with individual producers at the parcel level. Technical assistance work will be adaptively phased and focused based on the highest priority critical area and agricultural viability issues identified in each watershed, consistent with this work plan and the legislature's stated intent and purpose in enacting the VSP[ii].

1.1.1 Workgroup Structure, Roles and Assignments

Thurston County conferred with tribes and stakeholders before inviting willing and able representatives of agriculture, the environmental community, local tribal governments, and affected federal, state and local agencies to serve as members of the county's designated Workgroup. Of these members, those who have continued to actively participate in the work plan development process over the last 2½ years are noted as "Workgroup" voting members in Appendix N. In their work, they have enjoyed input provided by participating organizations, consulting agencies, and various members of the public.

The county retained the services of Washington State University's Division of Governmental Studies and Services to facilitate the Workgroup until June 30, 2015. The Thurston Regional Planning Council has also offered to assist the Workgroup and county as needed with local and regional statistics, trends, analyses, and mapping. The Thurston County VSP Workgroup conducted its first meeting on May 28, 2014 and has continued to meet on approximately a once to twice monthly basis since then, with the exception of a six-and-a-half-month unfunded period between July 1, 2015 and January 13, 2016.

Workgroup Membership. The Workgroup developed ground rules[iii] and defined active participation for the purpose of voting as consistent attendance – no more than one unexcused absence in the previous three scheduled meetings. See appendix N. The Workgroup has welcomed the participation of interested parties and has drawn a distinction

between voting members and others who may attend Workgroup meetings. These include the public agency representatives who attend the meetings as technical experts and members of the public who have been welcome to attend all Workgroup meetings. This is to clarify the decision-making process for developing a work plan, to encourage the public agencies to provide technical assistance to Workgroup members, and to maintain the neutrality of "technical panel" agencies within the VSP review and approval process. It also encouraged the public to attend VSP meetings to offer their input and learn about VSP.

Administration. The contract for the VSP work plan development is between the Washington State Conservation Commission ("commission") and Thurston County. The commission has provided funding to Thurston County for the VSP administration and to assist the Workgroup in the development and implementation of the VSP work plan, consistent with RCW 36.70A.700-760 and related statutes.

VSP Workgroup Duties. The VSP Workgroup is a body established by Thurston County which is generally responsible for developing, submitting and implementing this work plan, designating technical assistance providers, identifying outreach and implementation approaches, setting goals and benchmarks, establishing a monitoring plan, and completing regular reporting and adaptive management duties to support achievement of plan goals and benchmarks. After plan approval, the Workgroup will also be responsible for ongoing implementation and monitoring.

1.1.2 Work Plan Requirements

The VSP legislation (RCW 36.70A.720) specifically outlines the requirements of this VSP work plan.[iv] How the Workgroup proposes to address each of these duties is reflected in pertinent plan sections below. More detail on many of these work plan elements can be found in the attached appendices.

Ensure Technical Assistance and Outreach is Provided to Producers

> *"Designate the entity or entities that will provide technical assistance;"* RCW 36.70A.720(1)(f)
>
> "*Ensure outreach and technical assistance is provided to agricultural operators in the watershed;"* RCW 36.70A.720(1)(d)

The Workgroup designated Thurston Conservation District (TCD) as the lead to provide VSP technical assistance to landowners. TCD has an established track record of reaching out to landowners and designing and implementing reasonable, science-based conservation plans. These plans help connect producers with grants and loans to deliver effective natural resource protections that can also increase production and profitability for producers. TCD is best able to align current voluntary programs and planning processes with VSP objectives because TCD is a non-regulatory local agency which already works closely with rural landowners and the federal Natural Resource and Conservation Service (NRCS). Subject to the availability of adequate funding, TCD has the operational, monitoring and adaptive

management structures and capabilities needed to promote VSP success through mobilization of professional technical assistance staff (RCW 36.70A.710).

On the Workgroup's behalf and at its direction, TCD and county staff will promote and facilitate cooperative working relationships between the Workgroup and potential VSP partner entities. Potential VSP partners include affected state agencies, tribal governments, Washington State University (WSU) Extension, conservation districts, watershed plan proponents and county programs. The objective is to identify and implement opportunities to expand VSP outreach and participation, and to improve public recognition of the voluntary stewardship program's success in delivering positive outcomes for both critical areas and agricultural viability.

Focus and Coordinate Work Plan Development and Implementation Efforts

> *"Focus and maximize voluntary incentive programs to encourage good riparian and ecosystem stewardship as an alternative to historic approaches used to protect critical areas;"* RCW 36.70A.700
>
> *"The commission, department, department of agriculture, department of fish and wildlife, department of ecology, and other state agencies as directed by the governor shall: (a) Cooperate and collaborate to implement the program; and (b) Develop materials to assist local watershed groups in development of work plans."* RCW 36.70A.705
>
> *"Seek input from tribes, agencies, and stakeholders;"* RCW 36.70A.720(1)(b)
>
> *"Work with the entity providing technical assistance to ensure that individual stewardship plans contribute to the goals and benchmarks of the work plan;"* RCW 36.70A.720(1)(g)

The approach to delivering conservation program services has traditionally been driven more by complaints, locally identified concerns, or responses to individual landowner needs and requests, than by agricultural or critical area protection priorities. Success in meeting VSP objectives depends on strategic mobilization of technical assistance resources and conservation incentives. This work plan is designed to complement TCD's current strategic vision for a more proactive conservation program delivery process to increase agricultural and environmental benefits from voluntary programs and focus individual stewardship plan (ISP) efforts on priority critical areas and issues of concern. While this work plan promotes a broad and inclusive approach to the protection and enhancement of critical areas, it will also seek to maintain continuation of the VSP in each participating watershed through adaptive management efforts on watersheds where biennial watershed-based reports indicate a trend in decline from baseline protection levels of critical area functions likely due to agricultural activities. See Appendix C for more detail on adaptive management.

For Workgroup consideration, TCD and county staff will continue to seek input from pertinent agency, tribal, producer, environmental and watershed plan representatives in order to compile and present, concise, prioritized and coordinated recommendations on high priority areas or project types and issues that would benefit from strategically focused technical assistance efforts and stewardship solutions. The Workgroup will receive regular progress reports from TCD and county staff (and other technical assistance providers as appropriate) to track progress of priority focus efforts and to ensure that development and implementation of individual stewardship plans is aligned with and contributing to timely achievement of work plan goals and benchmarks. See Appendix H for more detail on watershed current conditions and resource concerns.

Incorporate Applicable Plans and Data.

> *"Review and incorporate applicable water quality, watershed management, farmland protection, and species recovery data and plans;"* RCW 36.70A.720(1)(a)
>
> *"Leverage existing resources by relying upon existing work and plans in counties and local watersheds, as well as existing state and federal programs to the maximum extent practicable to achieve program goals;"* RCW 36.70A.700

There are thousands of pages in the many existing watershed management plans and data sets that are applicable to this work plan. In the past, the content of these plans relating to agricultural activities, and the stewardship actions already completed by agricultural producers to implement these plans, has not been focused or integrated in a systematic way.

By compiling and leveraging existing watershed management plans and data and by reaching out to potential VSP partner agencies, tribal governments, producer groups, and environmental organizations, the primary issues of focus for critical areas and agricultural viability have been identified for each watershed (see Appendix H), and will continue to be identified throughout implementation of the work plan.

Therefore, during implementation of the approved work plan, county staff and TCD will coordinate with partner organizations, tribal governments, producer groups, and others with watershed plan and data expertise and will provide concise, coordinated and prioritized recommendations for Workgroup consideration to focus technical assistance efforts on high priority critical areas and agricultural viability issues.

Direction for Plan Focus and Coordination. The Workgroup requests ongoing outreach by TCD and county staff to seek input from interested partners representing state agencies, tribal governments, producer groups, environmental groups and watershed plan advocates. The Workgroup has asked TCD and county staff to organize and integrate available watershed plans and data gathered into a baseline conditions report and provide concise, coordinated and prioritized recommendations for Workgroup consideration to focus initial technical

assistance efforts on high priority critical areas and agricultural viability issues (see Appendix H).

TCD and county staff will also, with the direction and consent of the Workgroup, pursue opportunities to bring the Workgroup together with interested parties to discuss potential win-win solutions that, consistent with the requirements of the VSP, will concurrently 1) protect and/or enhance critical areas while also 2) maintaining and/or enhancing agricultural viability. See Appendix H for more detail on applicable data and plans reviewed and incorporated into this work plan and Appendix O for methodology, partner input received, and adaptive management Workgroup decisions to help focus and maximize mutual benefits from VSP efforts.

Incorporate Applicable Regulations (Regulatory Backstops).

> *"Incorporate into the work plan any existing development regulations relied upon to achieve the goals and benchmarks for protection;"* RCW 36.70A.720(1)(h)
>
> *"Improve compliance with other laws designed to protect water quality and fish habitat;"* RCW 36.70A.700

In order to promote producer participation and productive discussion among VSP Workgroup members, the VSP statute discourages county adoption of new critical area regulations related to agricultural activities in VSP watersheds during the VSP process. The statute also states that during implementation "if a participating watershed is achieving benchmarks and goals for the protection of critical areas functions and values, the county is not required to update development regulations to protect critical areas as they specifically apply to agricultural activities in that watershed" (RCW 36.70A.130(8)(a)). Exceptions include, but are not limited to, the adoption or amendment of development regulations to protect critical areas after a work plan has been approved and if the Workgroup has requested it as a part of the work plan (RCW 36.70A.130(8)(b).

VSP statutes also do not grant counties or state agencies any additional regulatory authority to protect critical areas on lands used for agricultural activities (RCW 36.70A.702). That said, VSP does not "limit the authority of a state agency, local government, or landowner to carry out its obligations under any other federal, state, or local law" (RCW 36.70A.702). The existing backstop of overlapping regulatory authorities thus continues to regulate agricultural activities in Thurston County, providing protections against the degradation of baseline critical area functions and values related to agricultural activities. Some of the key regulatory backstop components are briefly summarized below for incorporation into this work plan.

Critical Area Ordinance and Adaptive Management Review Process.
This work plan is "an alternative to protecting critical areas in areas used for agricultural activities through development regulations adopted under RCW 36.70A.060…"[v] While the VSP statute calls for this work plan alternative to "(g) Rely upon voluntary stewardship practices

as the primary method of protecting critical areas and not require the cessation of agricultural activities,"[vi] VSP statute also allows the Workgroup to "(h) Incorporate into the work plan any existing development regulations relied upon to achieve the goals and benchmarks for protection."[vii]

To that end, the Workgroup and Thurston County have initiated an adaptive management process with the objective of reducing uncertainty through anticipatory adaptive management. In seeking an appropriate balance that supports the protection of critical areas while also maintaining and enhancing the viability of agriculture, the Workgroup will consult with designated county staff to fully consider portions of Chapter 17.15 TCC for recommended incorporation into this work plan. This dynamic approach is consistent with VSP structure[viii] and directive to conduct biennial evaluations and "institute adaptive management …"[ix] Starting this adaptive management process early will promote more likely achievement, at each five-year goal and benchmark reporting milestone, of the plan's goals and benchmarks for critical area protection and enhancement. Following plan adoption, and during implementation of the VSP, Thurston County can also "adopt or amend development regulations to protect critical areas as they specifically apply to agricultural activities…" (RCW 36.70A.130(8)) as needed. This plan's watershed-based critical area protection standards, and goals and benchmarks, will apply to agricultural activities intersecting with each of the five critical area types within each participating watershed. The county may adopt new regulations to supplement VSP or the plan may be amended through the Workgroup's adaptive management process to incorporate specified provisions from TCC 17.15.[x]

Key differences between the CAO and the VSP are highlighted in Table 1 below.

Table 1. Comparison of Critical Areas Ordinance and VSP Provisions

	Critical Areas Ordinance	Voluntary Stewardship Program
Approach	Protective regulatory provisions, such as buffers, and enforcement	Voluntary participation in individual stewardship plans
Protection Standard	Preserve the functions and values of the natural environment, or safeguard the public from hazards to health and safety (WAC 365-196-830)	Prevent the degradation of functions and values existing as of July 22, 2011 (RCW 36.70A.703(8))
Scale	Site-by-site basis	Collective, watershed basis
Monitoring	Watershed scale monitoring and site-by-site enforcement	Watershed scale monitoring required to demonstrate that objective benchmarks of critical area protection

		are met for functions and values of each of the five critical area types. Progress reports are submitted every five years to demonstrate progress.
Adaptive Management	Periodic updates to the critical area ordinance are required based on best available science	Adaptive management required if measurable benchmarks are not met. Work plan may incorporate regulations as needed to support program goals, benchmarks and requirements.
Responsible Party (Parties)	Thurston County	VSP Working Group and Washington Conservation Commission
Supporting Agencies	State Depts. of Commerce, Ecology, Fish and Wildlife, and Natural Resources	Thurston County, TCD, WSU Extension, State Depts. of Commerce, Ecology, Fish and Wildlife, Agriculture, Natural Resources, United States Department of Agriculture, Natural Resources Conservation Service
Other County, State, and Federal Regulations	Continue to apply	Continue to apply

See Appendix I for detailed summaries of relevant county, state, and federal regulations affecting agriculture, as well as summaries of existing voluntary conservation programs for agricultural operators, all of which are incorporated and relied upon to help achieve this plan's goals and benchmarks regarding the maintenance and voluntary enhancement of baseline critical area conditions.

1.1.3 Work Plan Approval Tests

In determining whether or not to recommend VSP work plan approval to the SCC director, the VSP technical panel and statewide advisory committee must forecast ten years ahead and apply the following statutory "tests":

> ***"… at the end of ten years after receipt of funding, the work plan, in conjunction with other existing plans and regulations, will protect critical areas while maintaining and enhancing the viability of agriculture in the watershed."***
> RCW 36.70A.725

This VSP work plan must be approved (as determined through the work plan approval process) if the above test is met. Final approval is due by July 25, 2017[xi]

The Workgroup must also forecast ten years ahead and create measurable benchmarks designed to protect and enhance critical areas through voluntary measures:

> ***"Create measurable benchmarks that, within ten years after the receipt of funding, are designed to result in (i) the protection of critical area functions and values and (ii) the enhancement of critical area functions and values through voluntary, incentive-based measures."***
> RCW 36.70A.720(2)(b)

Together these voluntary incentive and watershed-based directives reflect the three core VSP "test" elements of an approvable ten-year work plan: 1) it will protect critical areas; 2) it will maintain and enhance agricultural viability; and 3) it is designed to result in voluntary enhancement of critical areas through promotion of incentive-based measures. See Section 2 for overarching critical area goals and benchmarks. See Appendix C for more detail on benchmarks and metrics used to monitor progress toward meeting the statutory "tests" for each critical area and agricultural viability, and Section 5 for more detail on the plan approval process.

1.1.3.1 Protect Critical Areas

What Does it Mean to *Protect Critical Areas*? The VSP statutes define the VSP's watershed-based standard relating to agricultural activities and critical area protection as follows: ""Protect" or "Protecting" means to prevent the degradation of functions and values existing as of July 22, 2011" (RCW 36.70A.703). In context of the watershed approach referenced in the plan approval test of RCW 36.70A.725 and the VSP's overarching ten-year work plan process, the VSP critical area protection standard is met so long as baseline conditions are maintained or enhanced at the watershed level for each type of critical area on lands used for agricultural activities in each participating watershed. The VSP work plan's success in meeting this critical area protection standard will initially be determined at the ten-year VSP milepost (with a midway progress check at the five-year mark) and every five year's thereafter.[xii] For specific information on measurable objectives and metrics to monitor progress towards the protection and enhancement benchmarks of this work plan see Appendix C.

This work plan promotes and encourages net watershed enhancements to baseline critical area conditions "existing as of July 22, 2011."[xiii] Though the VSP statutes do not require enhancement, this VSP work plan strongly promotes voluntary enhancements to improve upon the baseline of critical area conditions. The VSP process will take such enhancements into account in determining whether each type of critical area is maintained at baseline or better conditions in each participating watershed. This is consistent with the VSP directive that the "Program shall be *designed to* protect and enhance critical areas on lands used for agricultural activities through voluntary actions by agricultural operators" (RCW 36.70A.705(1)). Thus the watersed-based protection of each type of critical areas is the required floor, but not the ceiling, for work plan efforts. See Appendix O for more detail on this plan's implementation and priority focus.

This program must also be designed to promote actions that reduce the conversion of farmland to other uses.

> *… reduce the conversion of farmland to other uses*
> RCW 36.70A.700—objective

By enacting the VSP, the state legislature recognized that agriculture faces unprecedented economic challenges. Fiercely competitive international markets and increasing regulatory costs can threaten the viability of farms and ranches that operate on very thin profit margins, accelerating conversions to non-agricultural development. VSP statutes thus recognize the need to promote both viable agricultural activities and adequate critical area protections. Maintaining and enhancing agricultural viability, and reducing conversion, is no easy task however:

> *"Low profit margins have forced many farmers out of business and farmland is being converted to other uses at an alarming rate…Since 1950 we have lost more than half of the farmland in the Puget Sound region…The continued loss of farms in the region and conversion to non-farm uses is not only detrimental to individual farmers and to the regional farm economy; but is detrimental to the recovery of Puget Sound…Analyses indicate that 1 acre converted from agricultural to urban development produces 10 to 15 times the runoff and runoff-borne pollutants, including far higher concentrations of heavy metals, petroleum and other key pollutants…Farmland also provides habitat and food resources for migratory bird species, promotes aquifer recharge…*(and) *provides greater flood plain function than developed areas…*(thus) *Maintaining the vibrancy of agriculture is crucial to recovering Puget Sound and instrumental in providing a high quality of life in the region…*(which will) *involve tackling a complex set of interrelated issues including real work to ensure that agriculture continues to be a viable, and vibrant, industry…"*
> *Puget Sound Partnership Action Agenda, 3A: 18-19*

Maintaining and enhancing agricultural viability is thus generally an important component to protecting critical areas. Keeping farms and ranches (especially the many small margin operations at the tipping point of profitability) from converting to non-agricultural uses, like subdivisions and industrial developments, is crucial because conversions can dramatically reduce water quality outcomes and other critical area services, such as flood plain and aquifer recharge functions and food and habitat functions for a diversity of fish and wildlife species.

Given longstanding legal conflicts over agriculture and critical areas, and the interrelated community tensions, political realities and program costs, truly collaborative efforts are needed to rebuild trust and social capacity, which are both necessary prerequisites to effectively tackling these complex issues.[xiv] This work plan refuses the false choice between environmental/critical area values and agricultural/food security values and calls for a cooperative process that promotes enthusiastic voluntary participation by producers and supports both agricultural and environmental values. Because the standard grapevine of producer-to-producer communication will always be the most effective outreach tool (or barrier) to acceptance within the agricultural community, the best way to significantly

broaden VSP participation is through coordinated technical assistance that earnestly supports producers as they work day-to-day to make ends meet.

Adequately funded incentive programs and focused producer outreach will enhance the viability of working farms and ranches and increase their capacity to contribute to voluntary critical area protections and enhancements. The approach proposed in this VSP work plan is entirely consistent with the overarching VSP directive to: *"Encourage and foster a spirit of cooperation and partnership among county, tribal, environmental, and agricultural interests to better assure the program success*" RCW 36.70A.700.

1.1.3.1.1 Implementation of this Work Plan Will Protect Critical Areas

The Workgroup finds that by implementing this ten-year work plan, in conjunction with other existing plans and programs, critical area functions and values in Thurston County will be protected in relation to agricultural activities, consistent with all VSP statutes and work plan approval tests. This finding is supported by the following combined elements:

(i) The combination of existing local, state and federal "regulatory backstops" already in place to protect critical areas;

(ii) The many stewardship actions already installed by agricultural producers that have protected and/or enhanced critical areas since the VSP baseline date of July 22, 2011;

(iii) The focused and coordinated implementation of this VSP work plan's goals, benchmarks, monitoring and adaptive management provisions, which are designed to increase producer participation and stewardship through VSP efforts to concurrently maintain *and* enhance agricultural viability while also protecting *and* enhancing critical areas; and

(v) This plan's approach to protecting critical areas which is designed to foster a spirit of cooperation and partnership and rebuild trust and social capacity needed to tackle complex critical area protection challenges together.

1.1.3.2 Maintain and Enhance Agricultural Viability

> *"…at the end of ten years after receipt of funding, the work plan, in conjunction with other existing plans and regulations, will protect critical areas* ***while maintaining and enhancing the viability of agriculture in the watershed****." RCW 36.70A.725*

This VSP work plan must succeed in showing how the statutory requirement of "maintaining and enhancing the viability of agriculture" will be met at the end of ten years in order to receive approval (RCW 36.70A.725). In addition to the strong agricultural viability elements in the VSP statutes, the VSP Workgroup has identified potential activities to be implemented in the work plan that are designed to maintain and improve the long-term viability of agriculture. See Appendix C for more detail on suggested activities to maintain and enhance agricultural viability.

VSP Statutory Sideboards Also Protect Agricultural Viability. Efforts to promote a strong agricultural land base and stable local food production capacity depend first and foremost on maintaining the economic viability of local farm and ranch operations. The 2011 state

legislature included many sideboards in the VSP statutes to help promote agricultural viability, reduce conversions, and promote local food production and security. Objectives embedded in the state legislature's primary test for VSP plan approval give equal weight to the protection of critical areas and the maintenance and enhancement of agricultural viability, reflecting the legislature's original intent in enacting the Growth Management Act.[xv]

To promote broad producer participation, nothing in the VSP statutes requires participation from agricultural operators. Producer participation is completely voluntary (RCW 36.70A.705), and the VSP statutes do not grant counties or state agencies any additional authority to regulate critical areas on lands used for agricultural activities (RCW 36.70A.702). In fact, the county is not required to update critical area regulations related to agricultural activities during the VSP process if a participating watershed is achieving benchmarks and goals for the protection of critical areas functions and values with some exceptions.[xvi]

Further, the county and VSP work plan may not "require an agricultural operator to discontinue agricultural activities legally existing before July 22, 2011" (RCW 36.70A.702) and must rely on voluntary stewardship "as the primary method of protecting critical areas and not require cessation of agricultural activities" (RCW 36.70A.700). These and many other VSP provisions[xvii] provide a strong foundation for an effective program to maintain and enhance the viability of agriculture.

1.1.3.2.1 Implementation of this Work Plan Will Maintain and Enhance Agricultural Viability

The Workgroup finds that by implementing this ten-year work plan, in conjunction with other existing plans and programs, and as a GMA-based alternative to more stringent critical area regulations, the viability of agriculture in Thurston County will be maintained and enhanced. This finding is supported by the following combined elements:

(i) The many sideboards in the VSP statute that inherently promote agricultural viability;

(ii) The many actions implemented since the VSP baseline date of July 22, 2011 that have already helped to maintain and/or enhance agricultural viability, including actions related to ongoing implementation of the Thurston County Working Lands Strategy, the 2014 Farm Bill, NRCS practices, CD programs, and various other agricultural-friendly actions;

(iii) The creation of an Agricultural Viability Committee and/or an Agricultural Advocate/Liaison position that will better promote agricultural interests and agriculture-friendly reforms; and

(iv) Focused and coordinated implementation of this VSP work plan's goals, benchmarks, monitoring and adaptive management provisions;

(v) Appropriately funded technical assistance efforts designed to increase producer participation and broaden collective agricultural benefits from existing tax incentives, financial incentives, grants, loans, business planning, farm transition planning, marketing assistance, value-added product development, crop insurance premium

incentives, disaster assistance, regulatory risk reduction strategies, and other agriculture-enhancing programs; and
(vi) This plan's viability-centered approach, which is designed to foster a spirit of cooperation and partnership among county, tribal, environmental, and agricultural interests, and to rebuild the trust and social capacity needed to tackle complex agricultural viability challenges together.

1.1.4 Create and Meet Protection and Enhancement Benchmarks

"Create measurable benchmarks that, within ten years after the receipt of funding, are designed to result in (i) the protection of critical area functions and values and (ii) the enhancement of critical area functions and values through voluntary, incentive-based measures." RCW 36.70A.720(2)(b).

Critical area enhancement is not included in the initial VSP work plan approval test, but the work plan must also include ten-year benchmarks designed to gauge success in meeting VSP requirements and goals for each type of critical area in each watershed: the "Program shall be *designed to* protect and enhance critical areas on lands used for agricultural activities through voluntary actions by agricultural operators" (RCW 36.70A.705(1)). Biennial and five-year "goal and benchmark" progress reporting is also required to gauge interim progress toward meeting ten-year VSP requirements, goals and benchmarks.

Failure to meet a critical area protection goal or benchmark set in the work plan will result in plan failure (unless adaptive management efforts are successful). Plan failure will trigger a forced return to a more regulatory approach to critical area protections.[xviii] See Section 3 for more detail on the reporting and adaptive management process. See Appendix C for specific benchmarks, objectives, and metrics for each critical area.

2 Agricultural and Critical Areas Context and Baseline Information

The effective date of the VSP legislation is July 22, 2011. This is the statutory date for identifying the applicable baseline for county requirements related to protecting a critical area, and for maintaining and enhancing agricultural viability. This baseline also delineates the assessment line between critical area protection and voluntary enhancement that will be promoted where needed, through incentive-based measures, to improve critical area functions and values above the July 22, 2011 protection baseline. (RCW 36.70A.703). See Appendix H for more detailed baseline conditions reports for each watershed.

2011 is also the date from which the County will measure progress towards the measurable benchmarks of the VSP work plan. VSP programmatic assessments shall occur at the watershed scale (not farm by farm or ranch by ranch), as all VSP participation by agricultural operators is voluntary. "Program shall be *designed to* protect and enhance critical areas *on lands used for agricultural activities through voluntary actions by agricultural operators*." (RCW 36.70A.705(1)

If voluntary critical area protection or enhancement projects, as well as agricultural viability efforts, have been implemented since July 22, 2011, the VSP Workgroup can include these as protection or enhancement measures in their monitoring of progress towards meeting the VSP protection and enhancement benchmarks and keeping the level of protection for each type of critical area in each participating watershed from degrading below the July 22, 2011 VSP protection baseline conditions. See Appendix H for the current status of voluntary critical areas protection and farmland protection efforts in Thurston County and for more detail on context and data for agricultural and critical areas in Thurston County.

2.1 Overarching Goals, Benchmarks and Measurable Objectives

The goals, objectives, benchmarks, and overarching critical area metrics (OCA M-a through c) presented here, as well as the goals, benchmarks and measurements presented in Appendix C and M, are designed to support the VSP goals and directives to employ incentive-based measures that, together with existing plans and regulations, will 1) protect baseline critical area functions and values on a watershed basis, 2) maintain and enhance the long-term viability of agriculture, and 3) promote the voluntary enhancement of critical area functions and values. Benchmarks described in this plan represent interim targets to demonstrate timely progress in the desired direction toward goal achievement. Metrics or measures described in this plan represent specific measurable criterion and indicators that would be monitored in accordance with VSP legislation. Metrics are measurements of the progress towards goals and benchmarks. Metrics are not used directly for VSP compliance purposes.

Protection is a VSP outcome requirement and protection goals and benchmarks must be met to continue under the VSP's voluntary, non-regulatory approach. Benchmarks will be focused on measuring and tracking the effects on critical area functions and values and the implementation of conservation practices identified as having a clear benefit to one or more critical area functions and values. Critical area enhancements are strongly encouraged by this work plan process to increase the likelihood that VSP protection requirements will be met so the VSP program can continue. Tracked enhancements protect the VSP by helping to offset unforeseen future degradations to baseline critical area functions in a watershed due to agricultural activities.

This section identifies the overarching goal, benchmark, and measurements applicable to critical areas. More specific measurable objectives and metrics for the areas of agriculture intersecting with each critical area can be found in Appendix C. Goals and measurements for participation and stewardship activities are also listed in Appendix C. Agricultural viability measurable objectives, measurements, indicators, and suggested activities are presented in Appendix C and M to encourage and measure progress toward meeting the combined goals of "protect[ing] critical areas while maintaining and enhancing the viability of agriculture in the watershed" (RCW 36.70A.725).

Formal measurable benchmarks for agricultural viability are not required by the VSP legislation and do not determine whether the program meets compliance. The purpose of

these suggested objectives and activities is to provide specific strategies to meet agricultural viability goals and to help improve the local agricultural economy. These should be considered throughout plan implementation, monitoring, and adaptive management, with the understanding that, like critical area functions, agricultural viability is influenced by many factors outside the scope of VSP.

Goal and benchmark phrasing used in this plan, and in goal and benchmark tables below and in appendices attached, is consistent with VSP definitions and scoping provisions, including RCW 36.70A.710: "program applies to *all unincorporated property upon which agricultural activities occur within a participating watershed*" and RCW 36.70A.705: "program shall be designed to protect and enhance critical areas *on lands used for agricultural activities* through voluntary actions by agricultural operators."

Table 2. Overarching Critical Area Goals, Benchmarks, and Measurements

Critical Area Protection (RCW 36.70A.720 (1)(e)(i) and (i)(iii))		
CA Goal-I.	Prevent the degradation of watershed-level critical area functions and values existing as of the July 22, 2011 baseline due to agricultural activities, for each watershed and each type of critical area[xix], including: • Geologically hazardous areas • Fish and wildlife habitat conservation areas • Wetlands • Frequently flooded areas • Critical aquifer recharge areas	
CA Goal-II.	Promote and account for the enhancement of conditions from the 2011 baseline of critical area functions and values through voluntary measures on lands used for agricultural activities.	
Benchmark	OCA B-1.	At each five-year benchmark reporting period, baseline critical area conditions (functions and values) are protected (no net loss at the watershed level) for each critical area type in each watershed through voluntary measures on lands used for agricultural activities.[1]

[1] Goal and benchmark phrasing used here reflects the VSP statutory sideboards and recognizes that monitoring of critical area conditions outside of "lands used for agricultural activities" could lead to errant cause and effect conclusions. Because critical areas can be effected by many agricultural and non-agricultural activities and factors, the VSP and this work plan focus monitoring on the effects on *critical area functions and values and agricultural viability relevant to the goals and benchmarks of this work plan (RCW 36.70A.720)*. Baseline

	OCA B-2.	At each five-year benchmark reporting period, enhancements of baseline critical area conditions (functions and values at the watershed level) are promoted and accounted for in each watershed on lands used for agricultural activities.
Critical Areas Measurement and Monitoring	OCA M-a.	Repeat critical area mapping and assessments, applying the metrics for each critical area type (see Appendix C), to identify significant agriculture-related changes from baseline conditions in the extent, amount, or quality of critical areas intersecting agriculture at the watershed-scale.
	OCA M-b.	Number (and/or percent) of farms and acreage (and/or percent of acreage) of land used for agricultural activities that have retained or implemented conservation practices for the protection of critical area functions and values.
	OCA M-c.	Number (and/or percent) of farms and acreage (and/or percent of acreage) of land used for agricultural activities that have retained or implemented conservation practices for the enhancement of critical area functions and values.

Measurable Objectives for Each Critical Area and Agriculture Intersection

The measurable objectives and metrics for each critical area can be found in Appendix C. Many of these objectives and metrics can apply to more than one critical area and implementation of conservation practices can impact the functions and values of multiple critical areas. For more information on implementation of conservation practices see Appendix D for the Individual Stewardship Plan checklist and Appendix N starting on page 11 for the role of the Thurston Conservation District in implementation.

conditions are established with available data and mapping of 2011 conditions or at the time of individual stewardship plan (ISP) development if 2011 data is not available. Installation and implementation of conservation practices and the ISP will be tracked by technical assistance providers through inspection and monitoring. Calculation of critical area and agriculture effects from the baseline derived from the implementation of conservation practices and the ISP will primarily be based on NRCS planning procedures and performance standards, or equivalent. Resource metrics are generally used as progress and trend indicators and are not used directly for VSP compliance purposes.

2.2 Participation and Stewardship Activities

Establish and Meet Producer Participation Goals

VSP producer participation goals and baseline monitoring are to be identified in the VSP work plan:

> *"Develop goals for participation by agricultural operators conducting commercial and noncommercial agricultural activities in the watershed necessary to meet the protection and enhancement benchmarks of the work plan;"* RCW 36.70A.720(1)(c)

VSP statute also requires the Workgroup to:

> *Work with the entity providing technical assistance to ensure that individual stewardship plans contribute to the goals and benchmarks of the work plan."* RCW 36.70A.720(1)(g)

Agricultural producers directly participate in VSP by continuing existing or implementing new conservation practices and projects on their properties, often with the help of participating technical assistance providers. Examples of such activities include the creation of individual stewardship plans and implementation of conservation practices, such as water, pest, habitat, and nutrient management plans. See Appendix D for a stewardship plan checklist with more detailed examples of conservation practices that could be implemented by producers. Indirect participation of agricultural producers in stewardship activities consists of many actions similar in nature and effect to standard conservation practices identified in Appendix J that improve critical area conditions and are implemented on the initiative of a producer without the use of a federal, state, county, or non-profit incentive program. Because many practices are installed without participation in a particular program, but they have the effect of protecting or enhancing critical areas, the presence of the practices should be tracked and monitored using the ISP or other processes wherever possible.

See Appendix H for baseline monitoring information for participation activities and implementation of conservation practices. On average, 12 contracts per year were implemented through the NRCS Environmental Quality Incentive Program (EQIP) over a ten-year period and the Thurston Conservation District developed and completed an average of nine conservation plans per year between 2012 and 2016, as well as six Dairy Nutrient Management Plans and three Conservation Reserve Enhancement Program (CREP) plans over that five-year period for a total of 54 plans and an average annual participation rate of approximately eleven plans per year.

<u>Strategies to Encourage and Broaden Producer Participation</u>.

Broad participation by agricultural operations that incorporate new practices (or document baseline protection) of critical areas into individual stewardship plans will increase the

likelihood of achieving VSP goals and maintaining the VSP as an alternative to more stringent critical area regulations. To promote broad participation, adequate funding is needed to ensure sufficient capacity for technical assistance, monitoring, and project implementation. Desired producer participation levels also depend on adequate protection of producer confidentiality, as well as protection from disclosure of information that might impair an operation's business position or increase an operation's regulatory risk. Producers need to know the confidentiality of their strategic trade and business practices will be adequately protected from public disclosure or they are much less likely to participate. See Section 4.1 and Appendix L for more information on this work plan's approach to confidentiality and disclosure under the VSP. See Appendix C for a table showing producer participation goals and benchmarks.

Suggested Activities to Maintain and Enhance Agricultural Viability

Baseline estimates of agricultural activities in Thurston County are mapped in Appendix F and the intersection of critical areas and agricultural activities for each watershed are described in Appendix H and mapped in Appendix G. The current economic impact and other information for baseline conditions of agricultural activities are also described in Appendix H. These values are indicative of agricultural viability, however other factors beyond the scope and jurisdiction of VSP, including market dynamics, commodity prices, input and equipment costs, economies of scale, changes in federal, state or local regulation, and land use changes, are also major contributing factors that can affect agricultural viability within the County.

Suggested activities to improve agricultural viability are presented here to promote program goals of "maintaining and enhancing the viability of agriculture in the watershed" (RCW 36.70A.725) and also provide incentives to increase producer participation. Many of these recommendations came from workshops in which members of the agricultural community discussed the meaning of maintaining and improving the long-term viability of agriculture, what farmers need to run their operations successfully, and barriers to that goal. These recommendations were further discussed with the VSP Workgroup and both the technical and agricultural subcommittees. Several of the viability suggestions incorporated into this plan align with priority recommendations in Thurston County's Working Lands Strategic Plan to conserve working lands and support the people who work them (see Appendix H Section 1.3.1).[xx] For more information on the Thurston VSP definition of agricultural viability see Appendix M. Suggested agricultural viability objectives, measurements, activities and incentives are located in Appendix C.

3 Monitoring, Reporting, and Adaptive Management

Once this work plan is approved, the VSP Workgroup is responsible for ongoing plan implementation, project and baseline monitoring, reporting, and adaptive management. Because all VSP participation by agricultural operators is voluntary, VSP critical area baseline protection monitoring and adaptive management assessments will report cumulative effects programmatically at the watershed scale (not at the individual parcel-by-parcel site level). Aggregate information from parcel level monitoring such as acreage and numbers, including the number of stewardship plans and conservation practices implemented, will be reported in conjunction with watershed level monitoring data. [xxi]

Metrics will be monitored and tracked throughout implementation of the VSP work plan. The status of work plan progress and accomplishments will be reported on a biannual basis, while benchmarks will be reviewed and formally reported upon every five years after receipt of funding. The scope of some of the metrics for measuring progress towards goals and benchmarks are at the parcel implementation level and will be tracked in the aggregate from individual stewardship plans and indirect participation in stewardship activities identified[xxii], while others are designed to measure progress at the watershed level.

For monitoring purposes, changes in critical area baseline conditions due to agricultural activities will be assessed by comparing existing data as close to the July 22, 2011 baseline as possible with new data from monitoring changes in agricultural activities and related effects on critical area conditions. Metrics will be used to inform benchmarks and not for compliance purposes. Benchmarks, metrics, objectives, and other proposed strategies to meet the goals of the VSP work plan may be modified as appropriate in adaptive management to reflect evolving realities of funding, participation rates, scientific knowledge, and changes in local, state and federal regulations. See Appendix H for baseline data and Appendix O for methodology. When baseline data is not available it will be collected by the technical assistance provider at the time of the development of individual stewardship plans and reported in the aggregate on the watershed level. Once the baseline is established for a site, ongoing data collection with the metrics will be used for measuring progress towards the goals and benchmarks of this work plan.[xxiii]

3.1 Monitoring VSP Baselines

VSP statute requires the Workgroup to:

> *"Establish baseline monitoring for: (i) Participation activities and implementation of the voluntary stewardship plans and projects; (ii) stewardship activities; and (iii) the effects on critical areas and agriculture relevant to the protection and enhancement benchmarks developed for the watershed;"* RCW 36.70A.720(1)(i)
>
> *"Work with the entity providing technical assistance to ensure that individual stewardship plans contribute to the goals and benchmarks of the work plan;"* RCW 36.70A.720(1)(g)

VSP directives require an understanding of baseline conditions as of July 22, 2011 (see Appendix **H**), developing practical metrics for goals and benchmarks (see Section 2 and Appendix C), identifying who will be responsible for ongoing monitoring and biennial reporting, and establishing a process the Workgroup will use to oversee ongoing VSP monitoring, reporting, and adaptive management efforts. See Appendix N for outreach and implementation details and Appendix C for monitoring methods and reports, once they are completed. The VSP statute also directs state agencies to coordinate their monitoring efforts with VSP monitoring efforts to promote successful VSP implementation:

> *"State agencies conducting new monitoring to implement the program in a watershed must focus on the goals and benchmarks of the work plan" RCW 36.*70A.705

In return, the Workgroup must:

> *"Assist state agencies in their monitoring programs;"* RCW 36.70A.720(1)(k)

The majority of VSP monitoring at the site level will be conducted by the primary technical assistance provider, the Thurston Conservation District, through tracking participation in stewardship plans, implementation of conservation practices, and conditions of critical areas, consistent with this work plan and VSP statute and in coordination with Thurston County and the VSP Workgroup. VSP also directs state agencies to focus new watershed monitoring activities as needed to help the Workgroup implement the goals and benchmarks of this program in participating watershed areas.

3.2 Monitoring Baselines for Producer Participation, Stewardship and Implementation

When producers commit to implementing protection or restoration actions designed to promote achievement of VSP goals and benchmarks (see Appendix C), the implementation and effectiveness of those actions will be monitored and reported by the technical assistance provider consistent with NRCS practices and procedures, as tailored to meet VSP directives and reflect VSP definitions of critical area protection and enhancement. The Workgroup also needs to account for potential VSP participant withdrawals when monitoring progress toward achievement of goals and interim benchmarks[xxiv].

3.3 Monitoring VSP Effects on Critical Area Baselines

VSP critical area effects monitoring will be accomplished by comparing ongoing data collected on projects, practices, and conditions for a particular biennial and/or 5-year report against the baseline conditions to determine whether critical area baseline conditions are actually being protected in areas of intersect with agricultural activities in each watershed (meaning baseline critical area functions and values are maintained for each type of critical area in relation to agricultural activities on the watershed-level) and related goals and benchmarks are being met. The TCD and Thurston County (TC) staff, on the Workgroup's behalf and at its direction, will work with appropriate agencies to identify and map watershed-level baseline (using data from 2011 when available) conditions for critical area functions and values, and to

help the Workgroup monitor success in meeting this plan's critical area protection and enhancement goals and benchmarks for each type of critical area in each watershed.

Monitoring Potential Degradations. Monitoring incoming data against benchmark targets will also help TCD, TC, and the Workgroup detect and adaptively respond to potential or unforeseen new harms[xxv] related to agricultural activities and promote appropriate VSP actions to keep watershed-level critical area conditions at or above baseline protection levels for each critical area type in each watershed in relation to agricultural activities.

VSP implementation resources are limited, and no easy or affordable monitoring methods can reliably isolate effects of agricultural activities on critical area conditions at the watershed level. Further, because counties have not been provided state funding for extensive monitoring, and because counties are not responsible for unfunded mandates under the VSP statutes, this work plan will utilize watershed-based monitoring systems already in place at the county level and submissions of monitoring information from state agencies and others, including monitoring data collected by TCD on the implementation of Stewardship Plans, to identify potential degradations of critical area functions due to agricultural activities.

For VSP purposes, the question of whether critical area protection requirements and protection and enhancement benchmarks have been met will be determined based on the relationship between conditions at the time of VSP report assessment of critical area conditions and baseline critical area conditions and controls (critical area designations and lists in place and in effect on July 22, 2011). Ground-truthing by the technical assistance provider, consistent with the direction of the Workgroup, will be utilized to assess critical area conditions and any identified degradations and exclude any changes in critical area condition that are not caused by a change in agricultural activities. Any identified detrimental effects on baseline critical area functions, or declining resource trends in indicators of such functions, that are not caused by agricultural activities will be excluded to ensure that such effects are not inappropriately counted against agriculture for VSP critical area protection compliance purposes.[xxvi]

At each reporting period, the VSP Workgroup, assisted by designated report drafters and reviewers, must assess critical area protection status and program success in meeting critical area protection and enhancement goals and benchmarks. To be consistent with express VSP provisions and legislative intent, such assessments must, to the maximum extent practicable, focus backwards (to the fixed point in time of VSP enactment) to determine if the VSP work plan is achieving the protection of critical area conditions in relation to county critical area designations, conditions, and any related "controls" (critical area designations and lists in place and in effect on July 22, 2011)[xxvii]

Monitoring Conservation Benefits. Installation and implementation of conservation practices and ISPs will be tracked by the technical assistance provider through inspection and monitoring. The technical assistant provider will use NRCS or equivalent monitoring methods,

practice descriptions, and field office technical guides (FOTGs) tailored to VSP definitions, directives and purposes, to determine whether implementation of a conservation practice or project will meet critical area protection objectives, or implementation is on schedule in the case of planned enhancements to critical area functions and values.

Producers may also participate in VSP indirectly. Indirect participation in stewardship activities consists of many of the standard industry practices identified in the Stewardship Plan checklist (Appendix D) and common conservation practices including, but not limited to those identified in Appendix J that are implemented on the initiative of a producer without the use of a federal, state, or non-profit incentive program. Because many practices installed without direct participation in a particular program have the effect of protecting or enhancing critical areas, the presence of the practices and their effects should also be monitored for VSP aggregate baseline protection effects.

Calculation of positive or negative changes in baseline critical area conditions due to installation and implementation of conservation practices and ISPs will primarily be based on NRCS or equivalent procedures, tailored to VSP definitions, directives and purposes. As VSP protection and enhancement calculations are tied to July 22, 20ll baseline conditions, any action in an area of critical area intersection with agricultural activities that results in a positive change from conditions on that baseline date is considered an enhancement for VSP purposes. Monitoring reports will be incorporated into Appendix C, once complete. See Appendix H for the baseline condition reports on each watershed.

As per the VSP statute (RCW 36.70A.720), the baseline condition reports on each watershed include:

1. Water quality data and plans
2. Watershed management data and plans
3. Farmland protection data and plans, and
4. Species recovery data and plans[xxviii]

Post-Baseline Stewardship Actions. Importantly, Thurston County can account for conservation practices implemented by agricultural producers or others on lands used for agricultural activities since July 22, 2011 (see Appendix C). TCD and TC will continue to consult with VSP partners and compile a joint summary of direct and indirect conservation actions and enrollments that have protected or enhanced critical area functions and values and that have been installed on lands used for agricultural activities by agricultural producers or others since the baseline date of July 22, 2011.

TCD will account for these protection and enhancement actions and projects in accordance with benefits delivered for the functions and values of each critical area type. The primary functions of critical areas include, water quality, hydrology, fish and wildlife habitat and soil health benefits. See Appendix J for more information on critical area functions and the effects of agricultural activities and conservation practices. This approach will help the county meet its critical area protection obligations by ensuring that conditions of each type of

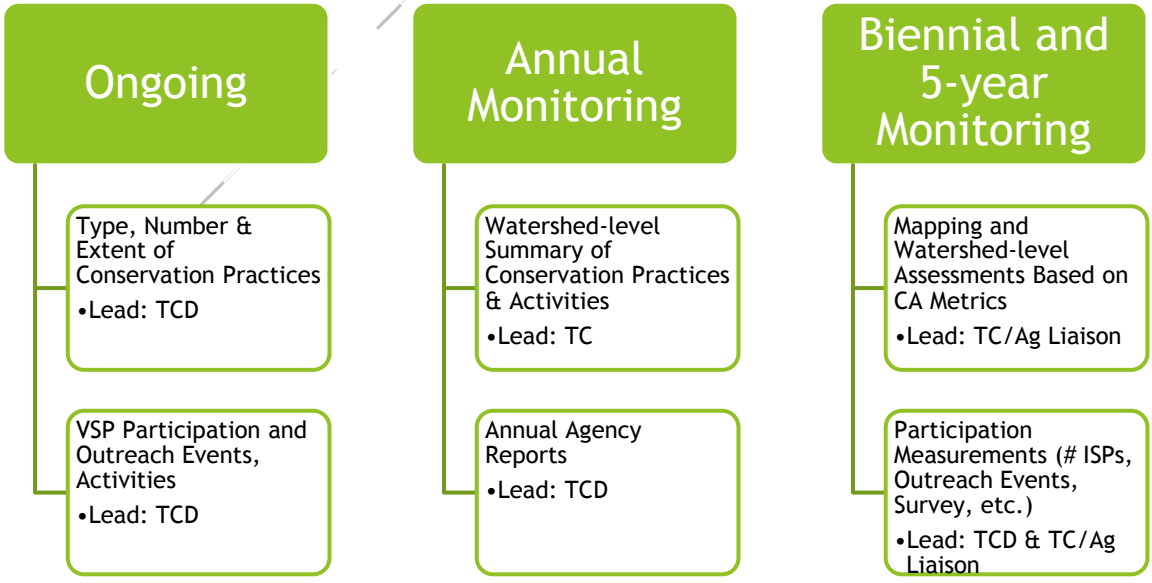
critical areas are maintained at or above the July 22, 2011 VSP baseline in each watershed as they relate to changes in baseline agricultural activities.[xxix] See Appendix C for a summary of post-baseline conservation practices implemented and Appendix H for background on farmland and critical areas protection and current programs promoting actions on agricultural lands that directly or indirectly protect or enhance the functions and values of critical areas in Thurston County.

3.4 Monitoring VSP Effects on Agricultural Viability Baselines

Monitoring VSP effects on agricultural viability baselines (for each significant agricultural area in each watershed) as they relate to this work plan's efforts to meet critical area protection and enhancement benchmarks will primarily be conducted by TCD (and potentially by an agricultural liaison, pending funding) in collaboration with other organizations that collect specific watershed and/or agricultural data. The county, TCD, SCC and WSDA will work with appropriate programs and agencies to identify and ground truth parcels in areas estimated to have agricultural activities that were mapped from existing data (Appendix F) and document pertinent information relevant to the agricultural viability baseline (July 22, 2011).

The County, TCD, SCC and WSDA will also help the Workgroup with: VSP process oversight consistent with the agricultural protection sideboards in VSP statute; monitoring progress in implementing this plan's suggested agricultural viability actions and targets; and monitoring VSP success (for each significant agricultural area in each watershed) in maintaining and enhancing the viability of agriculture. See Appendix H for baseline conditions of agriculture in each watershed and for the status of farmland protection efforts in Thurston County. See Appendix M for the VSP definition of agricultural viability, elements and indicators of viability, and the proposed approach to data collection and monitoring.

3.5 Reporting and Adaptive Management



As lead technical assistance provider, TCD will generally be responsible for assisting the county with report development, subject to Workgroup oversight and approval.

Biennial VSP Status Updates and Adaptive Management Reporting

Every two years the Workgroup must evaluate, adapt if needed, and report to the county and the SCC on the status of VSP plans and accomplishments.

> "*Conduct periodic evaluations, institute adaptive management, and provide a written report of the status of plans and accomplishments to the county and to the commission within sixty days after the end of each biennium*" RCW 36.70A.720(1)(j)

See Appendix C for monitoring and biennial status update reports when completed. Reports will be added to the appendix following submission to the county and commission.

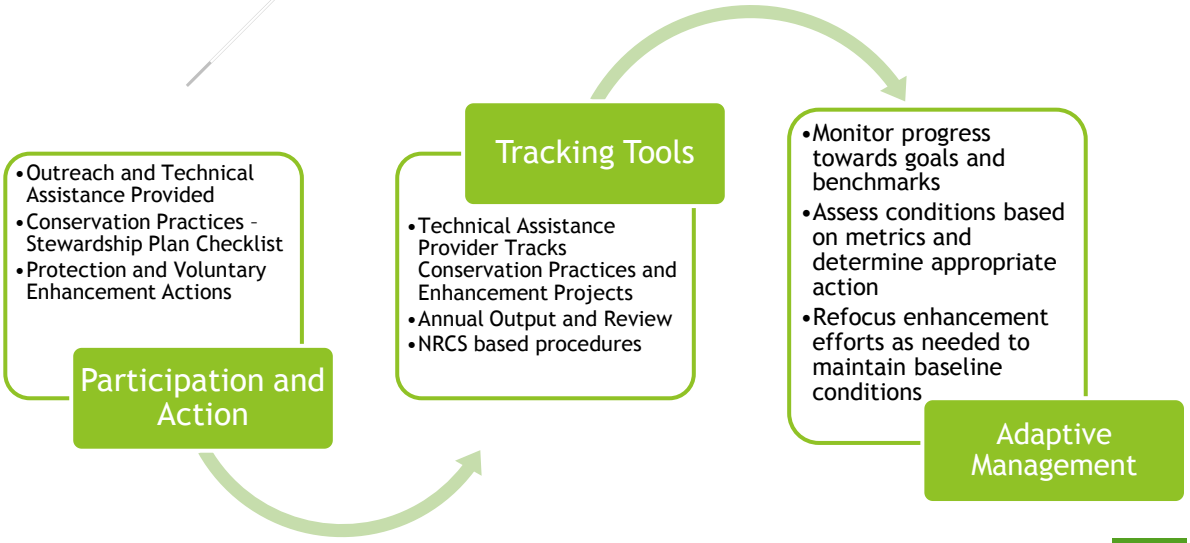
Five-year "Goal and Benchmark" Reporting

The first five-year goal and benchmark report is due by July 30, 2019 (according to the VSP timeline for Thurston County provided by the SCC). Every five years thereafter (by July 30, 2024, July 30, 2029, etc.) the Workgroup must also perform ongoing reporting on implementation, evaluation and, if necessary, adaptive management[xxx].

The Workgroup must also:

> *"Satisfy any other reporting requirements of the program."* RCW 36.70A.720(1)(l)

As a last resort to avoid plan failure, regulatory enforcement recommendations may be part of the VSP adaptive management process: "Following approval of a work plan, a county or watershed group may request a state or federal agency to focus existing enforcement authority in that participating watershed, if the action will facilitate progress toward achieving work plan protection goals and benchmarks" (RCW 36.70A.720). See Appendix C for



more details on monitoring and reporting and for the five-year goal and benchmark reports when completed.

4 VSP Implementation

Funding Support. VSP statutes require ongoing determinations of "adequate funding" needed for VSP efforts. The Workgroup therefore requests the SCC and state advisory committee to develop a core team of VSP partners to work with budget leaders in the state legislature and Congress to support funding levels needed for adequate technical assistance, monitoring capacity and incentives to support successful implementation of VSP projects and practices.

Producers have historically trusted their local conservation districts and science-based NRCS standards that can be flexibly administered to address complex agricultural needs, while also delivering good environmental benefits.[xxxi] By building VSP on the strong Farm Bill foundation of traditional NRCS and CD conservation program funding and delivery processes, and by making those efforts more focused and coordinated at the local watershed scale, VSP will support agricultural viability, help to preserve working agricultural landscapes and operations, prevent avoidable conversions and protect critical areas. The Thurston County VSP work plan primarily utilizes the NRCS conservation planning procedures and practices for implementation of this program. For more information on the NRCS conservation planning process see Appendix K.[xxxii]

Funding Conditions. Voluntary stewardship has worked well in many Washington watersheds for one reason: Trust. Producers generally trust local CD and NRCS programs and personnel. To broaden producer participation and critical area protections, VSP shall therefore rely on trusted CD and NRCS funding conditions, standards, guidelines, planning tools and monitoring methods to determine what is reasonable and needed in the context of agricultural activities and the protection or enhancement of critical area functions and values. It is simply not possible to generate enthusiastic participation, or the participation rates needed to ensure VSP success, where trust has not been carefully cultivated and established.

4.1 Individual Stewardship Plans

Under the VSP, an individual stewardship plan (ISP) is a site-specific plan for individual agricultural operations that identifies farming or ranching activities and practice options to support critical area protections. An ISP includes basic information about the agricultural activities on the farm or ranch, the operation's agricultural activities that relate to the functions and values of designated critical areas, and a checklist with examples of NRCS conservation practice options designed to promote good outcomes for producers and for critical areas (see Appendix D for the ISP checklist). Conservation practices or projects from the checklist (or elsewhere) a producer voluntarily chooses to implement to protect or

enhance identified critical areas will be discussed with the technical assistance provider and included in the plan.

The checklist approach also gives producers an opportunity to understand how conservation programs can support agricultural viability through operational efficiencies, higher yields, increased production and financial incentives. Because conservation practices can offer benefits not only for the environment, but also for farmers, their implementation can also help maintain and improve the aggregate viability of agriculture in the watershed over the long-term.[xxxiii]

VSP Statutory Protections for Producers Completing Individual Stewardship Plans. Nothing in the VSP statutes requires participation or ISP completion by any agricultural operator. Participation is voluntary only (RCW 36.70A.705). Individual stewardship plans exist within the same authorizing context of this VSP work plan, which is statutorily required to rely on voluntary stewardship "as the primary method of protecting critical areas and not require cessation of agricultural activities" (RCW 36.70A.700). The VSP statutes do however provide agricultural producers significant protections and incentives to complete a plan:

> *"Agricultural operators implementing an individual stewardship plan consistent with a work plan are presumed to be working toward the protection and enhancement of critical areas.* RCW 36.70A.750
>
> *"If the watershed group determines that additional or different practices are needed to achieve the work plan's goals and benchmarks, the agricultural operator may not be required to implement those practices but may choose to implement the revised practices on a voluntary basis and is eligible for funding to revise the practices."* RCW 36.70A.760

In addition, VSP is not to be administered in a manner that prevents agriculture operator eligibility for conservation or environmental incentives (RCW 36.70A.702), and operators volunteering to participate may withdraw from the program at any time without penalty (RCW 36.70A.702). Participating operators who voluntarily enter into conservation contracts to protect or enhance critical areas also can't be required to continue such voluntary measures after expiration of the applicable conservation contract and related incentives (RCW 36.70A.760).

See Appendix L for more detail on confidentiality and disclosure of ISPs.

VSP "Good Steward" Verification Approach. Some voluntarily participating operations may simply want to implement individual practices as part of the ISP process. Others may want to pursue VSP verification. After becoming VSP verified, a farm or ranch can display a VSP "Good Steward" sign to show peers and neighbors that being a good steward of the land is important to their operation. VSP "Good Steward" branding could also provide added value to agricultural products and market-based incentives for participation by agricultural producers

(see Appendix C for more information on incentives and suggested activities to maintain and improve agricultural viability). VSP verification signifies that an operation has completed an individual stewardship plan and has been verified by a NRCS approved technical service provider as meeting VSP and GMA critical area protection standards. An agricultural operator implementing a Stewardship Plan is presumed to be working towards the protection or enhancement of critical area functions and values, existing as of the July 22, 2011 baseline, as they relate to agricultural activities occurring on the operation's properties. RCW 36.70A.750[xxxiv]

5 VSP Work Plan Approval

The Workgroup submitted the VSP work plan to the SCC director on March 8, 2017, who gave it to the technical panel for review. The technical panel had 45 days to make a recommendation of approval if:

> ***"… at the end of ten years after receipt of funding, the work plan, in conjunction with other existing plans and regulations, will protect critical areas while maintaining and enhancing the viability of agriculture in the watershed."*** RCW 36.70A.725

On April 20, 2017 the technical panel determined the proposed work plan will meet the above test and recommended approval to the SCC director, who then approved the work plan on April 26, 2017.

6 Conclusion

This work plan encourages a spirit of cooperation and partnership among county, tribal, environmental, and agricultural interests. Implementing conservation practices and stewardship activities benefits agricultural operators as well as the environment. The well-being of farms in Thurston County depends on good quality soil, water, air and other natural resources. Likewise, the well-being of critical areas in Thurston County depends on the good stewardship of agricultural lands and the viability of the agricultural operations working them.

Factors, which include insufficient profit margins and the cumulative effect of regulatory burdens created by multiple jurisdictions, have forced many Thurston County agricultural operations out of business. More than 75 percent of the actively working agricultural lands in Thurston County have been converted to non-agricultural uses – since the mid-1950s, when the County was primarily farmland. Though the land area in agricultural activities has been steadily decreasing, agricultural production is still a significant part of the County's economy. The continued loss of working agricultural land also harms critical areas because farm and ranch lands deliver environmental outcomes that are superior to converted lands, in terms of

water quality functions, flood plain and aquifer recharge functions, and food and habitat functions for a diversity of fish and wildlife species.[xxxv]

Consistent with the primary Workgroup findings above, implementation of this work plan will satisfy the three core "test" elements of an approvable ten-year VSP work plan: 1) it will protect critical areas; 2) it will maintain and enhance agricultural viability; and 3) it is designed to result in voluntary enhancement of critical areas through promotion of incentive-based measures.

More specifically, this plan meets all VSP requirements. The plan creates measurable ten-year benchmarks (Section 2.1 and Appendix C) designed to promote voluntary, incentive-based measures to protect and enhance critical areas:

> *"Create measurable benchmarks that, within ten years after the receipt of funding, are designed to result in (i) the protection of critical area functions and values and (ii) the enhancement of critical area functions and values through voluntary, incentive-based measures."*
> RCW 36.70A.720(2)(b)

And most importantly, this plan also meets all applicable statutory VSP work plan approval tests.

Implementation of this VSP work plan will benefit Thurston County and Washington by:

1. Protecting critical areas;
2. Recognizing producers who take care of the land while making a living from the land;
3. Using scientifically sound standards and practices that protect our air, water and soil;
4. Ensuring the safe storage, use and application of fuels, fertilizers and chemicals; and
5. Improving the viability of the local farms and ranches that our local food security depends upon.

ENDNOTES

[i] **Designating Participating Watersheds.** In identifying watersheds to participate in the program, a county must consider:
(a) The role of farming within the watershed, including the number and acreage of farms, the economic value of crops and livestock, and the risk of the conversion of farmland;
(b) The overall likelihood of completing a successful program in the watershed; and
(c) Existing watershed programs, including those of other jurisdictions in which the watershed has territory.
Designating Priority Watersheds. In identifying priority watersheds, a county must consider the following:
(a) The role of farming within the watershed, including the number and acreage of farms, the economic value of crops and livestock, and the risk of the conversion of farmland;
(b) The importance of salmonid resources in the watershed;
(c) An evaluation of the biological diversity of wildlife species and their habitats in the geographic region including their significance and vulnerability;
(d) The presence of leadership within the watershed that is representative and inclusive of the interests in the watershed;
(e) Integration of regional watershed strategies, including the availability of a data and scientific review structure related to all types of critical areas;
(f) The presence of a local watershed group that is willing and capable of overseeing a successful program, and that has the operational structures to administer the program effectively, including professional technical assistance staff, and monitoring and adaptive management structures; and
(g) The overall likelihood of completing a successful program in the watershed.

[ii] According to RCW 36.70A.700, the state legislature's intents and purposes in enacting the VSP are to:

(a) Promote plans to protect and enhance critical areas within the area where agricultural activities are conducted, while maintaining and improving the long-term viability of agriculture in the state of Washington and reducing the conversion of farmland to other uses and;

(b) Focus and maximize voluntary incentive programs to encourage good riparian and ecosystem stewardship as an alternative to historic approaches used to protect critical areas

(c) Rely upon RCW 36.70A.060 for the protection of critical areas for those counties that do not choose to participate in this program;

(d) Leverage existing resources by relying upon existing work and plans in counties and local watersheds, as well as existing state and federal programs to the maximum extent practicable to achieve program goals;

(e) Encourage and foster a spirit of cooperation and partnership among county, tribal, environmental, and agricultural interests to better assure the program success;

(f) Improve compliance with other laws designed to protect water quality and fish habitat; and

(g) Rely upon voluntary stewardship practices as the primary method of protecting critical areas and not require the cessation of agricultural activities.

[iii] This list shows those who participated significantly (more than once) in Workgroup efforts. Voting member stakeholders who participated actively, consistent with the Workgroup's adopted ground rules, are listed in Appendix N. The Workgroup also established that non-stakeholder participants, including government agency representatives that compose VSP technical panel members and statewide advisory committee members, are generally not voting members.

[iv] (1) A watershed group designated by a county under RCW 36.70A.715 must develop a work plan to protect critical areas while maintaining the viability of agriculture in the watershed. The work plan must include goals and benchmarks for the protection and enhancement of critical areas. In developing and implementing the work plan, the watershed group must:

(a) Review and incorporate applicable water quality, watershed management, farmland protection, and species recovery data and plans;
(b) Seek input from tribes, agencies, and stakeholders;
(c) Develop goals for participation by agricultural operators conducting commercial and noncommercial agricultural activities in the watershed necessary to meet the protection and enhancement benchmarks of the work plan;
(d) Ensure outreach and technical assistance is provided to agricultural operators in the watershed;
(e) Create measurable benchmarks that, within ten years after the receipt of funding, are designed to result in (i) the protection of critical area functions and values and (ii) the enhancement of critical area functions and values through the voluntary, incentive-based measures;
(f) Designate the entity or entities that will provide technical assistance;
(g) Work with the entity providing technical assistance to ensure that individual stewardship plans contribute to the goals and benchmarks for protection;
(h) Incorporate into the work plan any existing developmental regulations relied upon to achieve the goals and benchmarks for protection;
(i) Establish baseline monitoring for: (i) Participation activities and implementation of the voluntary stewardship plans and projects; (ii) stewardship activities; and (iii) the effects on critical areas and agriculture relevant to the protection and enhancement benchmarks developed for the watershed;
(j) Conduct periodic evaluations, institute adaptive management, and provide a written report of the status of plans and accomplishments to the county and to the commission within sixty days after the end of each biennium;
(k) Assist state agencies in their monitoring programs; and
(l) Satisfy any other reporting requirements of the program. RCW 36.70A.720

[v] According to the Washington State Conservation Commission, which is the agency given authority over VSP administration and policy guidance (RCW 36.70A.705), this VSP work plan and process will replace the provisions of TCC 17.15 for agricultural activities in watersheds participating in the VSP. Title 24 applies to all other uses. The Thurston County Critical Areas Ordinance (TCC Title 24) was updated in 2012 and further amended in 2013. Because the county had already designated all county watersheds as participating VSP watersheds, the provisions of TCC Title 24 were not applied to agricultural activities. 2012 amendments narrowed application of TCC Title 17.15 to agricultural activities only. Prior to adoption of the VSP, critical area protection provisions included Critical Areas Ordinance Ch. 17.15 and associated development regulations, review standards and allowable use provisions for all activities, including agricultural activities, occurring within Thurston County, including that:

A) No action to be taken by a person that alters a critical area except in compliance with chapter.

B) Ag use or activity can occur in a critical area or buffer if it's in compliance with Tables 2 and 5 and is in compliance with all other applicable provisions in the Thurston County Code. TCC 17.15.305

[vi] RCW 36.70A.700.

[vii] RCW 36.70A.720(h).

[viii] The existence of an adequate operational and administrative structure to implement adaptive management is one of the elements the county was required to affirm in opting into the VSP: "*The presence of a local watershed group that is willing and capable of overseeing a successful program, and that has the operational structures to administer the program effectively, including professional technical assistance staff, and monitoring and adaptive management structures …*" RCW 36.70A.710(3)(f).

[ix] RCW 36.70A.720(j).

[x] RCW 36.70A.720(2)(a); RCW 36.70A.730.

[xi] According to the timeline provided to Thurston County by the SCC: http://scc.wa.gov/wp-content/uploads/2017/02/VSP-WP-Timeline-FINAL.Feb-2017.pdf

[xii] The VSP's statutory "no new harm/no further degradation" standard tracks well with the Washington State Supreme Court's decision in *Swinomish Indian Tribal Community v. Western Washington Growth Management*

Hearing Board, 161 Wn.2d 415 (2007)) and a recent Washington Court of Appeals decision which summarized the Supreme Court's *Swinomish* holding as follows: "The requirement under the GMA to "protect" critical areas is met when local governments prevent new harm to critical areas; the 'no harm' standard protects critical areas by maintaining existing conditions."*Whatcom County v. Western Washington Growth Management Hearing Board* (2015). This approach is codified on an aggregated watershed basis under the VSP's statutory definitions and framework.

[xiii] According to the Washington Supreme Court, nothing in the GMA requires farmers to convert lawfully established farmlands into conservation areas: "A requirement to develop [critical area] buffers would impose an obligation on farmers to replant areas that were lawfully cleared in the past, which is the equivalent of enhancement. Without a duty to enhance being imposed by the GMA, however, we cannot require farmers … to replant what was long ago plucked up." *Swinomish* at 15. Likewise, nothing in the VSP requires enhancement. This approach is codified on an aggregated watershed basis under the VSP's statutory definitions and framework. Enhancement is however strongly encouraged and promoted through the design and implementation of this work plan.

[xiv] Charissa Waters, *Payments for Ecosystem Services in Washington State: Understanding Stakeholder Values and Potential Coalitions in the Nisqually Watershed Services Transaction Pilot Project*, Master of Environmental Studies Thesis, Evergreen State College, 2014.

[xv] Legislative intent in enacting the Growth Management Act clearly recognizes local food production capacity and food security as essential to promote "quality of life" and public welfare: *"The legislature finds that it is in the public interest to identify and provide long-term conservation of those productive natural resource lands that are critical to and can be managed economically and practically for long-term commercial production of food … (which) requires the conservation of a land base sufficient in size and quality to* ***maintain and enhance*** *those industries …"* See Legislative Intent to RCW 36.70A.030.

[xvi] RCW 36.70A.130 (8): "(a) Except as otherwise provided in (c) of this subsection, if a participating watershed is achieving benchmarks and goals for the protection of critical areas functions and values, the county is **not required** to update development regulations to protect critical areas as they specifically apply to agricultural activities in that watershed. (b) A county that has made the election under RCW **36.70A.710**(1) may only adopt or amend development regulations to protect critical areas as they specifically apply to agricultural activities in a participating watershed if: (i) A work plan has been approved for that watershed in accordance with RCW **36.70A.725**; (ii) The local watershed group for that watershed has requested the county to adopt or amend development regulations as part of a work plan developed under RCW **36.70A.720**; (iii) The adoption or amendment of the development regulations is necessary to enable the county to respond to an order of the growth management hearings board or court; (iv) The adoption or amendment of development regulations is necessary to address a threat to human health or safety; or (v) Three or more years have elapsed since the receipt of funding."

[xvii] In addition, VSP is not to be administered in a manner that prevents agricultural operator eligibility for conservation or environmental incentives (RCW 36.70A.702), and operators volunteering to participate may withdraw from the program at any time without penalty (RCW 36.70A.702). Participating operators who voluntarily enter into conservation contracts to protect or enhance critical areas also can't be required to continue such voluntary measures after expiration of the applicable conservation contract and related incentives (RCW 36.70A.760).

[xviii] See RCW 36.70A.720(2); RCW 36.70A.735; RCW 36.70A.130(8)

[xix] Goal, benchmark, and agricultural activity terms and phrasing used here reflect VSP definitions and scoping provisions, including RCW 36.70A.710: "program applies to ***all unincorporated property upon which agricultural activities occur within a participating watershed***" and RCW 36.70A.705: "program shall be designed to protect and enhance critical areas ***on lands used for agricultural activities*** through voluntary actions by agricultural operators." At a minimum, VSP requires ongoing watershed-level protection of critical area conditions, meaning agricultural activities under county jurisdiction are not causing a net loss of baseline functions and values for each type of critical area in the watershed. The VSP's statutory scope and jurisdiction limits inherently exclude non-agricultural actors and factors that do not fit within the intersection of agricultural activities and critical area conditions. Critical area enhancements are strongly encouraged, and this plan is designed to promote such enhancements.

[xx] The draft Working Lands Strategic Plan is available at: http://www.co.thurston.wa.us/permitting/agriculture/docs/Working-Lands-Strategic-Plan-2-11-10.pdf.

[xxi] The status of work plan progress and accomplishments will be reported on a biannual basis, while benchmarks will be reviewed and formally reported upon every five years after receipt of funding. At the five year mark the Workgroup will determine whether or not the protection goals and benchmarks have been met and report to the director of the Washington State Conservation Commission (SCC). If the Workgroup determines the goals and benchmarks are not being met, it must propose and submit to the director an adaptive management plan to achieve the goals and benchmarks that were not met (RCW 36.70A.7022(b)(iii)).

[xxii] When baseline data is not available it will be collected by the technical assistance provider at the time of the development of Individual Stewardship Plans and reported in the aggregate on the watershed level. Once the baseline is established for a site, ongoing data collection with the proposed metrics will be used for measuring progress towards the goals and benchmarks of this work plan.

[xxiv] "An agricultural operator participating in the program may withdraw from the program and is not required to continue voluntary measures after the expiration of an applicable contract. The watershed group must account for any loss of protection resulting from withdrawals when establishing goals and benchmarks for protection and a work plan under RCW 36.70A.720." RCW 36.70A.760.

[xxv] The watershed monitoring approach codified in VSP statute was influenced by the Supreme Court's *Swinomish* decision, which called for adequate monitoring of benchmarks set "to recognize and respond effectively to any unforeseen harm that arises. In this respect, adaptive management is the second part of the process initiated by adequate monitoring" (*Swinomish* at 9).

[xxvi] VSP implementation resources are limited, and there are no easy or affordable monitoring methods or metrics that reliably isolate and capture the aggregate effect of agricultural activities on particular critical area functions and values at the watershed level. Therefore, this VSP work plan's monitoring and tracking of VSP effects will utilize NRCS conservation planning procedures, tools, and indicators that can be reasonably and affordably gathered. NRCS monitoring tools and indicators reliably model and reflect net changes in critical area functions related to agricultural practices (such as science-based outcomes related to soil erosion quantities, or other beneficial effect ratings related to water, water quality, soil health and habitat functions and values of designated critical area wetlands, flood plains, fish and wildlife habitats, and aquifers). These monitoring efforts and tools will provide the Workgroup with agricultural and critical area effects information related to implementation of protections or enhancements associated with particular programs or practices. See appendix C and section 3 in the plan for more detail.

[xxvii] VSP statute establishes the VSP as "an alternative to protecting critical areas in areas used for agricultural activities through development regulations adopted under RCW 36.70A.060…" SCC is the administering and deciding agency here and SCC has determined that "alternative" as used in the VSP means only one approach, VSP or CAO, controls agricultural activities at a given moment in time. Not both. Counties not in VSP are to "(c) Rely upon RCW 36.70A.060 for the protection of critical areas for those counties that do not choose to participate in this program." Counties opted into the VSP are to "(g) Rely upon voluntary stewardship practices as the primary method of protecting critical areas and not require the cessation of agricultural activities."

The GMA defines "Development Regulations" as follows: "(7) Development regulations" or "regulation" means the **controls placed on development or land use activities** by a county or city, **including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls,** planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto." Note that the VSP only replaces controls placed on agricultural activities, land uses or development "adopted under RCW 36.70A.060" (meaning critical area ordinances and any GMA-related "control" of agricultural activities and developments).

For VSP purposes, such "controls" therefore include anything that controls how critical areas are designated. Because all of those things can be used to "control" agricultural development or land use activities, VSP critical area designations need to be the same as in 2011. Methodologies used should not effectively "control" some aspect of agricultural activities in a manner that is more stringent than 2011 methods. In a nutshell, the July 22, 2011 baseline is used for VSP purposes, unless the county adopts new development regulations/controls following VSP plan adoption or the Workgroup incorporates particular critical area or development regulation controls from 17.15 TCC into this work plan. RCW 36.70A.702 further establishes that "Nothing in RCW 36.70A.700 through

36.70A.760 may be construed to: … (2) Require an agricultural operator to discontinue agricultural activities legally existing before July 22, 2011;" … or "(4) Grant counties or state agencies additional authority to regulate critical areas on lands used for agricultural activities…"

[xxviii] In recent decades, billions of dollars have been invested statewide and on lands used for agricultural activities, in direct and ongoing efforts to implement local Watershed Plans, Salmon Recovery Plans, the PSP Action Agenda, Farm Bill Conservation Compliance Programs, and other conservation programs administered by NRCS, the Conservation Commission, County Natural Resource departments, Conservation Districts, the Department of Agriculture, WSU Extension, as well as any other conservation action implemented indirectly by individual landowners without program assistance. The baseline condition reports (Appendix H) document, and incorporate into this plan's critical area protection accounting system, many of these baseline-enhancing efforts, and provide useful data on the status of farmland and critical areas protection in Thurston County.

[xxix] The Workgroup has requested that TC, TCD and the CC to report back with recommendations, options and issues related to exchanging banked agricultural practice credits (if surplus to VSP needs) to help other non-agricultural projects or parties meet "no net loss" requirements to maintain net critical area functions and values. Ecological offset or mitigation credit payments could potentially be used to fund targeted VSP projects and/or provide a revenue source for producers to improve agricultural viability.

[xxx] *(b)(i) Not later than five years after the receipt of funding for a participating watershed, the watershed group must report to the director and the county on whether it has met the work plan's protection and enhancement goals and benchmarks.*

(ii) If the watershed group determines the protection goals and benchmarks have been met, and the director concurs under RCW 36.70A.730, the watershed group shall continue to implement the work plan.

(iii) If the watershed group determines the protection goals and benchmarks have not been met, it must propose and submit to the director an adaptive management plan to achieve the goals and benchmarks that were not met. If the director does not approve the adaptive management plan under RCW 36.70A.730, the watershed is subject to RCW 36.70A.735.

(iv) If the watershed group determines the enhancement goals and benchmarks have not been met, the watershed group must determine what additional voluntary actions are needed to meet the benchmarks, identify the funding necessary to implement these actions, and implement these actions when funding is provided. RCW 36.70A.720

[xxxi] More information on NRCS conservation planning process is available at: https://aglearn.usda.gov/customcontent/NRCS/Consplan/module3/3phase9step.html
More information on Thurston Conservation District's conservation planning process is available at: http://www.thurstoncd.com/conservation-planning

[xxxii] NRCS, with support from CDs, offers many voluntary programs and financial incentives, including but not limited to: the Conservation Stewardship Program (CSP) where participants earn increasing levels of CSP payment for increasing levels of conservation performance; the Environmental Quality Incentives Program (EQIP) which helps eligible producers implement conservation practices that address natural resource concerns or provide opportunities to save energy and improve farm productivity; and the Regional Conservation Partnership Program (RCPP) which encourages partners to join in efforts with producers to increase the restoration and sustainable use of soil, water, wildlife and related natural resources on a regional or watershed scale. For more information on available voluntary incentive programs see Appendix I.

[xxxiii] Individual stewardship plans may promote, but need not directly address, compliance with already regulated agricultural activities, including but not limited to activities carried out in accordance with the following regulations: United States Code (USC) Section 136 et seq. (Federal Insecticide, Fungicide, and Rodenticide Act), Chapter 15.58 RCW (Pesticide Control Act), Chapter 17.21 RCW (Pesticide Application Act), 40 CFR 122.23 and 40 CFR Part 412 (Federal Clean Water Act), Chapter 90.48 RCW (State Water Pollution Control Act), Chapter 90.64 (State Dairy Nutrient Management Act), Chapters 90.03 and 90.44 RCW (State Surface and Ground Water Codes) and Chapter 90.58 RCW (State Shoreline Management Act).

[xxxiv] This can include practices such as precision farming, water supply, water quality, integrated pest management, habitat and nutrient management, gutter and downspout installation, cross fencing, pasture renovation, stream fencing, streamside and wetland planting for erosion control and fish and wildlife habitat, etc. Due to the tremendous variability in the types of livestock raised and/or crops grown, and the type, location, intensity and regulatory context of the operation, it is not useful to make generalizations about specific critical area concerns or

stewardship options that may apply in the context of an individual plan. A VSP technical assistance provider such as the Thurston Conservation District can however provide useful information and help producers with developing tailored individual stewardship plans, or with implementing individual conservation practices.

[xxxv] *Puget Sound Partnership Action Agenda, 3A: 18-19*