

**CHEHALIS BASIN PARTNERSHIP
STEERING TECHNICAL COMMITTEE MEETING MINUTES
Washington Department of Fish and Wildlife Building
600 Capitol Way
Olympia, WA
April 5, 2007
9:30 AM**

Meeting Summary

MEMBERS PRESENT

Steve Craig, WA State Department of Ecology
Glen Connelly, Confederated Tribes of the Chehalis Reservation
Lee Napier, Grays Harbor County
Kernen Lien, Lewis County
Mark Swartout, Thurston County
Kahle Jennings, City of Centralia

OTHERS PRESENT

Bruce Jones, Quinault Indian Nation
Cheri Lindgren, Puget Sound Meeting Services
Jim Hill, Citizen, Lewis County
Petra Shenk, UCSB (12:00 p.m.)

Announcements and Introductions

Chair Mark Swartout called the Chehalis Basin Partnership (CBP) Steering Technical Committee (STC) meeting to order at 9:36 a.m.

Status of Legislative Budget and Discussions with Senator Fraser and Representative Alexander

Mr. Craig reported \$560,000 is provided solely for the Chehalis watershed as part of the Senate capital budget. He reviewed introductory language outlined in Section 3054, "Funding for the Department of Ecology." The appropriation is solely for grants and projects that improve water supply and help achieve instream flows by implementing watershed plans based on conditions and limitations. Up to \$1.2 million of the appropriation is provided for grants to lead local government entities for planning unit administration support to watershed planning units. Grants will be awarded only to those entities that have completed approved plans that are actively being implemented. Grants will range from \$30,000 to \$60,000 based on criteria developed by the department.

In response to a question from Ms. Napier, Mr. Craig clarified that \$30,000 to \$60,000 is available from grant funding in addition to the \$125,000 Phase 4 grant and the \$560,000 allocation to the Chehalis watershed. Ms. Napier added that the House budget allocates only a lump sum to the Department of Ecology (DOE). The Senate budget calls out the Chehalis Basin while the House budget does not. She described some of the lobbying efforts and budget conferences various CBP members are undertaking to ensure funds allocated for Chehalis Basin activities are retained.

During a watershed briefing with Senator Fraser, she asked why counties keep allowing exempt wells. Mr. Swartout suggested scheduling another meeting with Senator Fraser to discuss exempt wells following the 2007 legislative session.

Discussion ensued about issuing building permits, certificates of water availability, the ability to restrict exempt wells, the Skagit watershed, and not issuing building permits within critical aquifers if sewer is not available.

Chehalis Basin Partnership Steering Technical Committee

Meeting Minutes

April 5, 2007 Page 2 of 9

Mr. Swartout briefed the group about Thurston County's lawsuit with Futurewise, the Western Washington Growth Management Hearings Board (WWGMHB) decision, and the four major issues that were appealed. The article printed in *The Olympian* on April 4, 2007 was fairly accurate.

Ms. Napier briefed the STC about the meeting with Representative Alexander. Representative Alexander conveyed that there are other groups that are conducting fundraising efforts. The CBP might want to find someone experienced in grant writing rather than focusing on administrative capacity. Mr. Swartout added the CBP did not identify the resources it brings to the table. Representative Alexander was very interested in Geographic Information Systems (GIS) and recognized the college's contribution to the program. Ms. Napier conveyed that Representative Alexander expects the group to do more. The STC will need to highlight in-kind and private contributions for next year's legislative session. Mr. Swartout noted Commissioner Macleod expressed interest in having the CBP market itself more effectively.

Discussion followed about the need to identify sustainable funding sources and how other watershed organizations are structured.

Ms. Napier said she spoke to Bill Jarocki from Boise State University. Mr. Jarocki works for the Environmental Finance Center and encouraged the CBP to articulate rather than replicate expectations. Mr. Jarocki is available in May or June to facilitate a session with decision makers to diagnose the organization and help develop a distinct organizational structure to implement the Chehalis Watershed Plan. The STC can brief the CBP in May about a June session to discuss the organization's structure. Mr. Swartout said a governance or organizational structure can be developed once the expectations and needs are identified.

Mr. Craig commented on the significant investments offered by the various stakeholders at the table. The current governance structure seems to be working reasonably well. He suggested creating a nonprofit to apply for grants that could be a funding arm of the CBP. Mr. Swartout said the group should first assess its needs. Ms. Napier said there are some existing nonprofits, such as the City of Chehalis and Grays Harbor College that the CBP could utilize to sponsor a grant application.

Members generally agreed they were comfortable with Mr. Jarocki attending the CBP meeting in June. Bruce Jones said it's important to engage with the CBP prior to the June meeting.

Members commented about recent discussions to hire an executive director or marketing person. Ms. Napier expressed support for a potential change in the organization's structure by hiring an executive director but offered that she would prefer not to be considered for the position.

Mr. Swartout asked members to consider waiting until the June meeting to initiate a governance discussion. A determination to bring on an executive director will require an extensive community decision process. He added that Representative Alexander is absolutely right that the CBP needs to establish a sustainable funding source that is not dependent upon the Legislature.

Agenda

Mr. Swartout reviewed the meeting agenda:

- April 24, 2007 Workshop on Detailed Implementation Plan (DIP) Strategy #18
- Review the template created to advance the five DIP strategies

Chehalis Basin Partnership Steering Technical Committee

Meeting Minutes

April 5, 2007 Page 3 of 9

- Discuss supplemental Phase 4 contract and SOW
- Develop the CBP agenda

April 24, 2007 Workshop – Detailed Implementation Plan (DIP) Strategy #18

Ms. Napier commented that the distribution list for the April 24, 2007 workshop is extensive. Very few agencies or individuals have confirmed attendance. The workshop letter was accompanied with background information.

Discussion followed about additional stakeholders to invite, such as, Hal Beecher, DOE water resources staff, individuals involved with the Skagit instream flow rule process, and Bob Fink. Ms. Napier reported John Kliem is facilitating the discussion. It is important to identify timelines and participation commitment to implement the work at the meeting. She indicated she will follow up with key stakeholders about their availability to attend.

Mr. Swartout said he's attending a negotiation and consensus building training session the week of the workshop. He asked Mr. Jennings to chair the meeting. Ms. Napier said Mr. Kliem will ask the chair to frame the issue for the group.

Mr. Jennings noted a statewide Disaster Preparedness Drill is also planned for April 24, 2007.

Ms. Napier said a goal of the workshop is to incorporate Strategy #18 in the DIP for adoption by the CBP at its May meeting. The workshop will be held at the Lacey Community Center.

Template to Advance the Five DIP Strategies

Ms Napier distributed and reviewed a 2007 work program matrix. Each lead is responsible to provide information to her for updating purposes.

Mr. Swartout said the work program serves two purposes. Project leads can provide an update on each of the DIPs at the monthly meetings and an end of the year implementation report

Mr. Jones suggested changing the "completed" and "next actions" rows to columns on the matrix so they correlate with the "to dos and action" section. Adding a column for start and end dates would be helpful to track accomplishments.

Ms. Napier said she is considering using the Plan 2 Fund database software. The information is entered once. A number of different reports to meet the needs of the committee can be generated based on one data set. The database was developed specific for watershed implementation.

Mr. Jennings said he likes the idea of using the software to enter and access information.

Mr. Swartout outlined steps the STC is taking to address DIP Strategy #2, such as briefing the CBP in May about the June meeting with Mr. Jarocki, informing the CBP about meetings with legislators, and providing the CBP with a budget update. Action items #2, 4, 5, 6, and 7 on page 4 of the matrix can be populated. Specific to action item #1, he asked about the potential to develop a small Chehalis Basin Community Salmon Fund Program similar to Pierce County. Ms. Napier said only a few sponsors apply each cycle for the Community Salmon Fund Program. The program is not easy to work with. Mr. Swartout added that the reporting requirements are particularly onerous.

Chehalis Basin Partnership Steering Technical Committee

Meeting Minutes

April 5, 2007 Page 4 of 9

Ms. Napier reported the US Corps of Engineers received \$100,000 to manage the Chehalis ecosystem project. She suggested purchasing EDT software and data for \$40,000 and having Grays Harbor College administer the program. Mr. Swartout said the CBP's list of assets should include \$100,000 from the Corps.

Mr. Jones said another action could be to solicit nonprofits to step up and act as a funding mechanism that could include grant writing. Members agreed to address the issue at the June meeting with Mr. Jarocki.

Members discussed Interim Milestone #2.2. Ms. Napier referred to the two brochures developed. One is a basic Chehalis Basin brochure and the other is a pamphlet created for the legislative session. The Chehalis Basin brochure should be updated.

Mr. Hill commented about the possibility of a video or an electronic presentation. He provided the group with an electronic slide show on his laptop using Mount St. Helens as an example. Ms. Napier said the CBP has a slide show with photographs created by Brian Walsh that has not been used. Mr. Hill indicated that the video or electronic brochure should tell a story about the Chehalis Basin either through pictures or with photos and a narrative. He volunteered to develop a presentation using Mr. Walsh's photographs and some of his own.

Discussion ensued about what the story should consist of, the idea of hiring a consultant to create a script, and developing a budget estimate to create an electronic brochure.

Mr. Connelly said the Confederated Tribes of Chehalis Reservation is working on a marketing video for the Great Wolf Lodge and indoor water park project. He volunteered to collect more information about who is developing the video and a budget estimate.

Members and/or staff identified and assigned completion of Interim Milestone #2.2 tasks as the STC, Citizen Advisory Committee (CAC), Mr. Hill, and Mr. Connelly.

Discussion ensued about the DVD created by the Nisqually Interpretive Foundation.

Members discussed Interim Milestone 2.3. Mr. Swartout noted item #3 was addressed. The STC previously discussed creating a spreadsheet listing available resources and funding sources. The document would be useful when assigning resources to complete the actions. Ms. Napier said there are many applications that could benefit from the Plan 2 Fund database. She offered to follow up with Mr. Jarocki.

Regarding Interim Milestone 2.4 on page 6, an action should include working with Plan 2 Fund or a similar tool.

Members referred to Interim Milestone 1.1 on page 2 of the matrix. Mr. Craig suggested expanding the matrix to include an estimated timeline and budget for the action statements. Many of the tasks occur on parallel paths. Discussion followed about revising the format that frees up space for additional columns that could include task assignment, budget, timeline, resources, completion, and follow up actions. Members agreed each member should review the Plan 2 Fund software before the next meeting and prior to modifying the matrix format.

Chehalis Basin Partnership Steering Technical Committee
Meeting Minutes
April 5, 2007 Page 5 of 9

Ms. Napier reviewed a list of potential reports that can be generated from a populated Access database. There are a variety of ways to track and manage the project.

Mr. Jennings said the committee should learn how to access the information. Leads could update (password protected) the database. Ms. Napier added that perhaps Boise State or Grays Harbor College might be willing to host the database.

Discussion ensued about whether webcast presentations are also possible.

Mr. Swartout suggested the STC present a financial report (revenues and expenditures) to the CBP at its April meeting. Mr. Jones suggested updating the CBP quarterly. He offered to e-mail Ms. Napier an example of the Quinault Tribe's budget status report.

Members discussed actions #3 and #4 under Interim Milestone 1.1. Some of the Phase 4 grant funds help pay for the workshops identified in action #3.

The STC discussed Interim Milestone 1.2. Members acknowledged a previous letter from Charles Pitz that identified questions that should be answered, completed tasks, and next steps (action item #2).

Mr. Jennings said item #5 should be identified as action #1 followed by #2, #3, #4, and #1.

Mr. Swartout said an important question is whether the instream flows evaluated are hydrologically achievable within the basin. Ms. Napier asked if the Instream Flow Incremental Methodology (IFIM) determines what is hydrologically achievable. Several members said no. Mr. Swartout said the IFIM is one element of the instream flow analysis.

Mr. Jones suggested advancing task #4 soon because it will take time. It will take the US Geological Survey (USGS) several years to incorporate the project in its budget. USGS was willing to fund 50% of the work. Mr. Jennings said HDR could complete the gaining/losing reach study in six to eight months, which is a fundamental piece that goes into the model. Mr. Swartout asked whether USGS representatives would review and comment on the HDR scope. The issues identified by the committee should be incorporated in the matrix document.

Mr. Jennings noted \$90,000 was identified in the legislative brochure for a gaining/losing reach study. Ms. Napier added that a July 1, 2007 start date was also acknowledged.

Members discussed DIP Strategy #3 and adjudication and partial adjudication (particularly for state-issued water rights) as an option. The language continues to evolve as discussions occur. Mr. Jennings asked the committee to focus on the structure and timelines. He indicated that after he has something he can track, he can start advancing tasks #5, #3 and #4 while adjudication discussions continue. Mr. Swartout conveyed that the Governor probably will not consider changing the law providing for partial adjudication until her second term.

Members discussed activities the CBP can do now within the current legal framework (an in-depth evaluation of the 8,000 claims) to help establish a foundation for partial adjudication and commitments and funding sources to complete the work.

**Chehalis Basin Partnership Steering Technical Committee
Meeting Minutes
April 5, 2007 Page 6 of 9**

Mr. Swartout said each lead will go back and look at the tasks and develop a work plan for implementation using Plan 2 Fund software or another tool.

Discussion ensued about mapping state water rights by section, introducing legislation that addresses streamline or partial adjudication, and what partial adjudication entails.

Members reviewed Interim Milestone 3.2 (specifically tasks #1 and #3), and Interim Milestone 3.3. Mr. Swartout said “resolving issues related to exempt wells” cannot be resolved at the CBP level. Resolution is required at the state level and perhaps DOE could take the lead on the issue.

Chair Swartout recessed meeting from 12:05 p.m. to 12:45 p.m. for lunch.

Supplemental Phase 4 Contract and Scope of Work (SOW)

Ms. Napier reported the CBP has been operating on a one-year, \$125,000 grant for the last year and a half. The grant expired at the end of March 2007 and an extension is necessary. An extension of Phase 2 for the next installment of the Phase 4 grant is also needed. The committee should define its next scope of work and how it plans to use the funds by the end of the fiscal year (June 30, 2007). She indicated that cumulative budget data for her time is not available. She estimates approximately \$10,000 to \$16,000 remains that can be carried forward into the next phase. Following this fiscal year, contracts will be awarded annually (July 1 – June 30).

Discussion followed about the difficulty of carrying funds over a biennium. Mr. Craig suggested expending the remaining funds and closing out the grant.

Members discussed the amount of funding needed through the end of June. It is likely not much more than \$16,000 is required. Ms. Napier asked that the committee draft a scope of work (April through June 2007 and July 2007 through June 2008). She said she will develop a budget component.

In response to a question from Mr. Jennings, Ms. Napier outlined the four tasks within the current contract (Phase 4) that has expenditures to include administration (includes quarterly reports and project coordination), contacting Group A water system, preparing the DIP, and DIP implementation. She suggested modifying the tasks to develop a draft scope of work that includes administration and completion of task #3 - refining the DIP, positioning for implementation, and hosting workshops. Mr. Craig suggested emphasizing the implementation component rather than indicating the STC is still working on the DIP.

Mr. Jones indicated that the committee is using adaptive management to advance the DIP.

Discussion ensued about other tasks to include in a draft scope of work.

Regarding DIP Strategy 3.1, clarifying water rights and uses, the committee could entertain the idea of hiring a consultant to complete task #5, detailed assessment of water claims and tie it to the GIS Clearinghouse.

Members discussed partial adjudication, assessing the claims, and reviewing initial studies. The Clearinghouse should be engaged when designing the product and deliverables. The CBP could start

Chehalis Basin Partnership Steering Technical Committee

Meeting Minutes

April 5, 2007 Page 7 of 9

building partnerships and involving students in projects, such as the wall map of the Chehalis watershed. Mapping claims, including the Office of Financial Management (OFM) growth projections and salmon analyses will help when refining a piece of the larger model. Ms. Napier reported Grays Harbor College needs \$60,000 annually to fund part-time capacity, which is provided in the proposed legislative budget. Mr. Swartout said the CBP will be required to compete for \$60,000 in funding from DOE. Mr. Craig said the Clearinghouse plans to cover a second year at Grays Harbor. Key stakeholders could also step forward and make a long-term commitment. Ms. Napier said funding the GIS Clearinghouse with the \$75,000 allocation eliminates the STC's ability to work on other tasks if legislative funding doesn't materialize.

Members agreed to draft a scope of work for Phase 4 for 2007-2008. If legislative funding does not materialize, the committee can revise the Statement of Work (SOW) to fund the GIS Clearinghouse out of Phase 4 funds. Ms. Napier said that a portion of the \$75,000 was budgeted for meeting management (\$1,200/month) and the festival (\$10,000). Approximately \$45,000 can be rolled over and is tied to the capital budget.

Members discussed whether water quality activities qualify for mitigation fees. Ms. Napier replied that mitigation funds are earmarked for water quality programs.

Mr. Swartout suggested using the \$75,000 for the GIS Clearinghouse and shifting meeting management support costs to the Phase 4 grant.

Ms. Napier said \$10,000 budgeted for the festival does provide for limited marketing and outreach. The City of Aberdeen is paying for the Rotary Pavilion.

Members commented about implementing the DIP that includes developing a detailed annual work plan for each of the DIP strategies. Mr. Swartout suggested allocating funds so the CBP can begin to assess water claims and move forward on mapping water rights.

Further discussion ensued about approaching the Legislature concerning partial adjudication. Mr. Jones said junior water rights are already mapped.

Ms. Napier conveyed that the scope of work should include working with DOE and a consultant to begin implementing Interim Milestone 3.1 and initiating a detailed assessment of water claims. Mr. Jennings said DOE might be responsible for task #3 (mapping water rights) and #4 (mapping will include water use, location of exempt wells, characterizations of the use/withdrawal, and accounting of return flows). Mr. Jones said the CBP might be able to contract the work.

Mr. Connelly said the committee talked about revisiting the brochure and an overall marketing strategy earlier in the meeting (Interim Milestone 2.2). It was noted a budget figure and a script is needed for a five-minute video. Mr. Jennings suggested including a \$15,000 placeholder for outreach that could include printing brochures and similar activities. Mr. Hill said the festival is also an outreach program.

Ms. Napier said she could include all CBP administration under the Phase 4 grant. The action frees up \$5,000 that could be added to the \$75,000 funding source. Funds totaling \$125,000 plus the carryover funding could be used for project administration (\$87,000) and DIP implementation (\$48,000) to include the workshop on Interim Milestone 3.5, exploring implementation of Interim Milestone 3.1 (related to the

Chehalis Basin Partnership Steering Technical Committee

Meeting Minutes

April 5, 2007 Page 8 of 9

water claims), an outreach component, continuing to enter and modify the work plan using Plan 2 Fund, and developing a work plan using the Plan 2 Fund software. The April workshop costs approximately \$1,600 for the room and facilitation. The CBP monthly meetings at the Lucky Eagle Casino cost \$220 to include refreshments. The cost for the meeting room only is \$100 a month. The facility is nice and the room is always set up.

Discussion ensued about sequencing the tasks in short (next 24 months), medium (two to four years), and long-term (four to six years) categories and reformatting the matrix to include timeframes and milestones. Ms. Napier said entering the data into the Plan 2 Fund program and using the reporting feature will reveal gaps.

Mr. Jennings asked Mr. Craig to coordinate a meeting with Mr. Loranger to discuss water resources activities. He said he will brief the STC at the next meeting.

Conversation followed about whether the adaptive management aspect covers strategies 6 through 10 and reserving some funds to update DIP strategies.

CBP Agenda

Members reviewed a draft agenda for the CBP April meeting:

- Budget reporting of the different programs (15 minutes)
- Discuss amending Puget Sound Meeting Services contract (15 minutes)
- Phase 4 grant application (15 minutes)
- Legislative update (15 minutes)
- Brief the CBP about the GIS summit (15 minutes)
- Report out on the April 24, 2007 workshop (15 minutes)
- Update on the status of the Festival (15 minutes)
- Natural gas exploration in the Chehalis Watershed – project representatives, Department of Natural Resources (DNR) staff, and DOE staff could attend and provide an overview of the project and actions (30 – 45 minutes)

Ms. Napier suggested promoting special topics (such as the natural gas exploration project) prior to the CBP meeting to help generate attendance and participation.

GIS Summit Meeting Report

Mr. Craig briefed the STC about the GIS summit meeting. Representatives from Department of Health (DOH) and DOE, and others attended. Discussion points included reconciling protocols, how to manage data, and avoiding redundancy among state agencies. A state entity is working to reconcile all GIS data at the state level. It is the first effort in the state that will have expanded watershed stakeholder involvement with state and federal agencies connected to the work. The group will report monthly. Quarterly meetings are anticipated.

Members discussed National Oceanographic Atmospheric Administration's (NOAA) involvement and an opportunity for local level input.

**Chehalis Basin Partnership Steering Technical Committee
Meeting Minutes
April 5, 2007 Page 9 of 9**

STC Agenda

The STC's May 3, 2007 meeting agenda topics include further discussion about Plan 2 Fund, a review of the April 24, 2007 workshop, and the annual work plan.

Adjournment

With no further business, Chair Swartout adjourned the meeting at 1:47 p.m.

Prepared by Cheri Lindgren, Recording Secretary
Puget Sound Meeting Services