

**CHEHALIS BASIN PARTNERSHIP
STEERING TECHNICAL COMMITTEE MEETING SUMMARY
Washington State Department of Fish and Wildlife
600 Capitol Way
Olympia, WA
October 1, 2009
9:30 AM**

Meeting Summary

MEMBERS PRESENT

Lee Napier, Grays Harbor County	Janel Spaulding, Grays Harbor College
Kahle Jennings, City of Centralia	Chanele Holbrook-Shaw, Citizen, Thurston County
Glen Connelly, Confederated Tribes of the Chehalis Reservation	Bob Burkle, Washington State Department of Fish & Wildlife (WDFW)
Mark Swartout, Thurston County	Julie Balmelli-Powe, Lewis County Farm Bureau
Christine Hempleman, Department of Ecology (DOE)	Cheri Lindgren, Puget Sound Meeting Services
John Donahue, Washington State Department of Transportation (WSDOT)	Miranda Plumb, US Fish & Wildlife Service (FWS)
Spencer Easton, ESA Adolfson	Bob Johnson, Lewis County
Jerry Louthain, HDR	Tony Briggs, TransAlta
Bruce Mackey, Facilitator, Flood Authority	Lara Fowler, Lewis County PUD

Welcome & Introductions

Chair Mark Swartout called the October 1, 2009 meeting of the Chehalis Basin Partnership (CBP) Steering Technical Committee (STC) to order at 9:42 a.m. He reviewed the meeting agenda.

Mr. Swartout suggested Glen Connelly should serve as Co-chair during his absence.

Sustainable Funding

Mr. Swartout reported that one aspect of the “Sustainable Funding for Nisqually Watershed Planning” paper is to provide information on special purpose districts. However, that might not necessarily apply to the Chehalis basin based on discussions for forming a flood district. It doesn’t appear likely that the flood district would assume a water resource management role in addition to flooding. He provided information on the Skagit River Flood District’s modeling effort.

Mr. Swartout advised that a policy decision is required to form a flood district. Fees include assessments or rates and charges. Rates and charges are based on who contributes to the flood, which is watershed-wide. Assessments have to pass a special benefit test restricting the boundaries to the floodplain or to individuals receiving special benefits from a flood district. Lewis County is currently mapping both floodplain and watershed boundaries.

Chanele Holbrook-Shaw arrived at the meeting.

Attendees discussed what’s involved in forming a special purpose district. Mr. Swartout said voter approval is required to establish flood and drainage, and aquifer protection districts. A county legislative authority may create a shellfish protection district without a public vote.

Jerry Louthain arrived at the meeting.

It's critical for voters to know exactly what benefits they'll receive for their assessment or charge. The Flood Authority is considering a general election in 2010. An assessment or rate is established at the time of voting. However, governance is authorized to adjust rates annually based on annual work programs.

Miranda Plumb asked whether a flood district replaces the Flood Authority. Mr. Swartout affirmed that is the process.

Lee Napier advised that the concept tends to be discussed in more detail at tri-county meetings but not all Flood Authority representatives attend the meetings.

Bob Burkle referred to Pierce County funding watershed councils, habitat restoration, acquisition of frequently flooded properties from willing sellers, and flood programs with stormwater fees. Mr. Swartout acknowledged the presence of stormwater utilities within the Chehalis basin. Property owners can't be assessed twice for the same function. Thurston County implemented a countywide stormwater utility. Some people living in the Chehalis basin are currently paying a stormwater fee. ESA Adolfson is researching and writing a chapter on options, such as establishing flood zones and stormwater utilities through interlocal agreements (ILAs) to fund flood related projects.

Discussion ensued on aquifer protection districts and Spokane's aquifer. Ms. Hempleman said she'll follow up with additional information. Mr. Swartout reported voters must approve the maximum fee to be charged. It's difficult to assign a dollar benefit unless there's a direct connection to protecting health and safety. Ms. Hempleman added that resources are needed to respond to people's needs during flood events.

Mr. Swartout said it's important that residents know every dollar contributed can be leveraged when applying for grant funds. Developing a list of projects would also help the public better understand how their tax dollars will be spent. He reviewed other characteristics of shellfish protection districts, governance structure, and programs and activities to improve shellfish growing areas. In the future, a flood district could be established. Stormwater utilities are in place. The CBP could evolve into a viable legal organization that could apply for grants and authorize contracts. All entities are working together on a watershed scale. The CBP has a strong role in water resource management.

In response to a question from Ms. Balmelli-Powe on whether fecal coliform is measured during or after flood events, Mr. Connelly said it's not possible to measure fecal coliform because the number of cultures typically goes off the chart. Ms. Hempleman commented that stormwater is the main polluter.

Mr. Swartout asked for feedback on the possibility of forming special districts and whether the discussion should be presented to the Partnership. Ms. Napier favored presenting and educating the CBP on special purpose districts. Ms. Holbrook-Shaw suggested that establishing special purpose districts is a small solution. She recommended researching and identifying big, medium, and small solutions and presenting the Partnership with the larger solution. She expressed interest in learning more about the Hood Canal Coordinating Council (HCCC) watershed-based council of government. Mr. Swartout said funding mechanism options include special purpose districts, nonprofit corporation, or ILA. He suggested inviting HCCC and Nisqually River Foundation (NRF) representatives to the Partnership meeting to provide additional information on the organizations.

Ms. Plumb suggested the main solution appears to be a nonprofit.

Ms. Holbrook-Shaw said the Heernet Foundation spends most of its time pursuing funding and promoting its product.

Attendees discussed the Nisqually River Council's (NRC) current structure as well as potential governance structures. Mr. Swartout noted the NRC is not a legal organization. The NRF was formed as the nonprofit providing administrative support to the NRC. He provided additional information on the role of the NRC. Thurston County is under contract for a feasibility study on water banking, which will be presented to the NRC.

Ms. Napier advised that the Chehalis River Council (CRC) is involved with implementation tasks, such as outreach and water quality monitoring. The Chehalis River Basin Land Trust works on acquisition and restoration projects. The Chehalis Basin Fisheries Task Force also acts as a project sponsor. Those agencies have a role in implementing watershed plans through projects and sponsorships, and are primarily staffed by volunteers.

Mr. Swartout reviewed possible organizational structures for the Partnership's consideration involving special purpose districts, ILAs without watershed dollars but with lead entity dollars, ILAs with funding from members, or formation of a nonprofit. The ILA statute authorizes jurisdictions with water related revenues to contribute up to 10% of those revenues for watershed planning purposes. A nonprofit would write grants to help implement the watershed plan and provide administrative support to the Partnership. A possibility is that CBP members would function as the board of a nonprofit, which is another decision for the Partnership. Prior to watershed planning, the Partnership was supported by DOE.

Discussion ensued on the lead entity's relationship with other organizations.

Ms. Napier advised that at the June meeting, the Partnership was interested in discussing nonprofits. However, that discussion depends on Justin Hall's availability.

The STC agreed to schedule a discussion of ILAS for the CBP's October agenda followed by nonprofits at its November 20 meeting and special purpose districts at the December 18 meeting.

Ms. Napier reported at the \$125,000 funding level grant funding covers a portion of her time and occasionally Ms. Spaulding's time, meeting summaries, updating implementation plans, and outreach including some funds to produce "Drops of Water." The current \$62,500 funding level is the minimum required that covers part of her time, an edition of "Drops of Water," and meeting summaries.

Mr. Swartout said determining the funding level to retain Ms. Spaulding, cover a portion of Ms. Napier's time, paying for services to produce meeting summaries, and meeting space costs would help inform discussions. Ms. Napier offered to develop a funding estimate.

Mr. Swartout commented that under an ILA, Grays Harbor County could continue its lead agency and fiscal agent roles if desired.

It was suggested that Ms. Napier also include in-kind contributions in the funding estimate.

Discussion ensued on advantages associated with the Lucky Eagle Casino meeting space for Partnership meetings.

Mr. Swartout said the Partnership has the ability to approach the Legislature for proviso funding for specific projects. Ms. Hempleman said the Partnership can also apply for project funds through the watershed program.

CBP October Agenda

- Discuss ILAs (invite HCCC representative to attend. Ms. Napier will develop a one page funding/goal summary)
- Presentation by Earth Economics (tentative)
- DOE workshop discussion
- Provide DOE with direction on the status of the Watershed Council Grant

STC November Agenda

- Discuss nonprofit governance
- Project Management Plan (PMP) discussion

Chair Swartout recessed the meeting from 10:59 a.m. to 11:09 a.m.

Kahle Jennings arrived at the meeting.

Project Management Plan – US Army Corps of Engineers

Everyone present provided self-introductions.

Supplemental materials were distributed. Ms. Napier reported the joint meeting between the STC and Board Advisory Committee (BAC) is for discussion on the Project Management Plan (PMP) and to provide feedback to Bill Goss, Project Manager, US Army Corps of Engineers (Corps).

Discussion ensued on the two General Investigation (GI) Studies, Basin-wide Ecosystem Restoration and Flood Risk Management, and the Centralia flood damage reduction or the Twin Cities project.

Mr. Swartout asked whether changes to the Skookumchuck Dam modifications can be incorporated within the Twin Cities GI and/or the Corps GI. John Donahue added that those discussions are currently underway. If a placeholder is needed, it would be appropriate to include modifications in the PMP. Ms. Napier said the Corps has a certain focus for projects related to funding. She encouraged everyone to think about a comprehensive approach and a suite of solutions to restore the watershed and address ecosystem and flooding.

Mr. Jennings said the rubber bladder and modifications to draw the reservoir down were part of the Corps initial study for the Skookumchuck Reservoir.

Discussions ensued on other modifications to the Skookumchuck Dam that could be included as a placeholder in the PMP, as well as local match requirements. Ms. Napier said it's critical to articulate projects, including conceptual items in the PMP and partnership agreements to match eligibility. It's likely the PMP will need to be updated again in the future.

Bob Johnson agreed it's critical to consider and include all projects in the PMP even if it appears they are not feasible.

Ms. Hempleman asked about flood easements. Ms. Napier encouraged everyone to consider all potential projects.

In response to an inquiry from Ms. Balmelli-Powe about specificity, Ms. Napier replied that it makes sense to include conceptual projects and to describe them as thoroughly as possible.

Bruce Mackey suggested it would be helpful if a Corps representative could answer the questions raised. It's important to know what to include in the PMP and the level of detail required. He said he understands that after projects are identified in the PMP and financial agreements are signed, individuals can be considered as part of the match requirements. Time is of the essence. He recommended establishing a meeting schedule and obtaining technical support on a consistent basis.

Mr. Johnson referred to the BAC recommending against contracting and obligating money that could potentially be used as local match later. It's possible that local jurisdictions would be required to contribute a \$1 million match.

Mr. Jennings added that jurisdictions might also have projects that could qualify as a local match.

Ms. Napier suggested having the STC and BAC meet twice monthly to expedite the update process. She proposed the following dates:

- October 16, 2009 (regular BAC meeting date)
- November 5, 2009 (regular STC meeting date)
- November 20, 2009 (regular BAC meeting date)

Mr. Jennings suggested allocating the majority of a day to update the PMP. John Kliem with Creative Community Solutions could facilitate the discussion.

Mr. Johnson advised that he's scheduled to attend a Growth Management Act (GMA) public hearing on October 16.

STC and BAC members agreed to meet from 9:00 a.m. to 4:00 p.m. on October 16 at WDFW.

Ms. Hempleman said she is unavailable to attend but will send a DOE representative.

Mr. Mackey reported Mona Thomason, Chief of Planning, previously stated nothing counts as match until Feasibility Cost Sharing Agreements (FCSA) are signed and all projects are identified in the PMP. However, later in the week other Corps staff indicated previously a FCSA had been signed. Once the PMP is updated, projects are eligible for match. He suggested that he and Ms. Napier follow up with the Corps to clarify requirements.

The CBP is scheduled to meet on November 20, 2009. Mr. Mackey reported he and Ms. Napier will finalize and forward a meeting schedule. He suggested drafting a memorandum addressed to the Corps and Mr. Goss concerning STC and BAC's assumption that projects identified in the PMP are eligible for match provided projects meet Corps standards.

Discussion ensued on the definition of "project." Lara Fowler suggested that it's advantageous to define "project" as broadly as possible. Ms. Napier said the STC and BAC have an opportunity to explore the

dynamics of the watershed and how actions impact the watershed. The number of ecosystem and flood restoration projects does not have to be equal. A number of ecosystem projects also address flood damage. However, flood damage projects will not have ecosystem benefits.

Mr. Mackey said additional information or technical advice is likely needed from the Corps on what constitutes a project and how “project” is defined, what meets the requirements of a PMP once a project has been defined, and what kind of detail is needed for a project to count as match and/or to be used by the Corps.

STC and BAC members offered the following questions needing an answer:

- What’s the process?
- What’s the timeframe?
- If projects are phased, what’s done first? How are elements matched up?

Ms. Napier suggested revisiting “blending” on the ecosystem side for highlighting the educational component of the project.

Mr. Burkle shared that the Corps’ lead biologist is interested in project ideas on restoration.

Ms. Napier encouraged members to identify all potential projects in the PMP. The Partnership is responsible for the ecosystem and should engage in a discussion on what others are doing that could be considered as a match.

Ms. Fowler said she’d be interested in receiving a copy of a FCSEA. She asked whether there are examples where the Corps has completed a basin-wide GI that includes both ecosystem and flood reduction.

Mr. Jennings suggested researching projects in the GI for the Twin Cities flood damage reduction project to avoid duplication. He inquired about a convenient place to access additional information.

Ms. Spaulding left the meeting.

Ms. Napier reported a potential solution is creating a page on the CBP’s website describing the project.

Discussion ensued on the Flood Authority’s “share point,” which is a collaborative document-sharing web page, the Corps’ website as a resource, and an end date for construction projects.

Mr. Jennings reported Laura Orr previously referred to the Corps pursuing mitigation first beginning in 2013. The reason the Twin Cities flood damage reduction project stalled was not necessarily because of the Corps. Local sponsors had issues and the Corps couldn’t proceed until those matters were resolved.

Mr. Donahue commented that the Corps is fully funded for all activities in the program. The schedule has been defined.

Ms. Napier emphasized that other projects and programs can promote local solutions and count as match.

Mr. Mackey said the Flood Authority is also reviewing projects to include in its Flood Hazard Management Plan. If the Flood Authority evolves into a flood district with capital resources it's another entity that can help develop and fund local projects.

Attendees discussed identifying environmental services and/or benefits associated with projects identified in the PMP.

Members agreed on the importance of mutual collaboration and support.

STC members were asked to forward email addresses to Mr. Easton. Mr. Easton will create and forward an email contact list to STC and BAC members.

Adjournment

With there being no further business, Chair Swartout adjourned the meeting at 12:10 p.m.

Prepared by Cheri Lindgren, Recording Secretary
Puget Sound Meeting Services