

**CHEHALIS BASIN PARTNERSHIP  
STEERING TECHNICAL COMMITTEE  
Thurston Conservation District  
2918 Ferguson Street SW, Bldg 1, Suite A  
Tumwater, WA  
March 3, 2011  
9:30 AM**

**Meeting Summary**

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**MEMBERS, ALTERNATES, AND GUESTS PRESENT**

Kahle Jennings, City of Centralia  
Julie Balmelli-Powe, Lewis County Farm Bureau  
Janel Spaulding, CBP/Grays Harbor College  
Jim Hill, Citizen, Lewis County

Bob Burkle, Washington Department of Fish and  
Wildlife (WDFW)  
Chris Hempleman, Department of Ecology (DOE)  
Tom Gow, Puget Sound Meeting Services

**Welcome & Introductions**

Janel Spaulding called the meeting to order at 9:30 a.m. Ms. Spaulding reviewed the agenda.

**Update on Status of WaterSmart Washington Proposed Legislation**

Chris Hempleman provided a status report on pending WaterSmart Washington legislation. DOE staff continue to attend legislative hearings. Bill Zachman attended the previous day's session. At this point, there are many unknowns associated with the legislation and nothing has been eliminated at this point.

Jim Hill said he recently spent time at the Legislature and it's constantly changing. Ms. Hempleman said that based on the status of the budget, legislators are weighing in and negotiating on the bills.

Mr. Hill said the revenue forecast is scheduled for release on March 17. He recently attended a meeting on the budget forecast and the state is predicting that the recession will be approximately five years and that by 2013; the state should be experiencing some improvements. Joblessness is driving this recession and part of it is because of technology related to automation and outsourcing. Three positives for the state include Boeing, imports, and exports. The session is scheduled to end the latter half of April.

Ms. Hempleman said she will forward information concerning watershed planning funds when it becomes available.

**Discussion and Creation of Timeline for CBP Organizational Formation**

Ms. Spaulding asked members to consider establishing a timeline or developing some milestones for presentation to the Partnership. She reviewed last year's minutes from Partnership meetings and recorded various questions members have asked over the last year and suggested reviewing some of the RCWs to determine how to establish a watershed management partnership. She is meeting with the pro bono attorney to review options.

RCW 39.34.200 covers the formation of watershed management partnerships. The Walla Walla watershed group formed under House Bill 1520 as a pilot project. The group received \$400,000 from the Legislature in 2008.

Members discussed how a potential watershed management partnership might be formed. Kahle Jennings said it appears the organization would enable the Partnership to have access to funds without losing control of the organization, which was a concern to some members. This type of an organization ties in more closely to the members of the Partnership and eliminates that issue. Ms. Spaulding said one of the questions she's

reviewing with the attorney is whether the new entity can apply for private foundation and other sources of funding if it's formed under the RCW as a watershed management partnership. Under the RCW, the treasurer must be a county or city treasurer of one of the partners.

Julie Balmelli-Powe suggested having the attorney develop a pro and con for each of the organizational types, such as a non-profit versus a watershed management partnership. Mr. Hill recalled that there was some preliminary information on the pros and cons when the committee began discussing non-profit organizations. Mr. Jennings said another unknown is whether the current organization would need to be dissolved or whether the Partnership transitions to a watershed management partnership.

Ms. Spaulding commented that current funding expires June 30, 2011. If a new interlocal agreement is developed, it will take some time to process.

Ms. Hempleman mentioned that the RCW requires filing of the agreement with each county auditor of each county line within the geographical watershed area. She asked whether that would entail all eight counties that touch the entire Chehalis basin. Mr. Jennings suggested that the language pertains to the filing requirement rather than approval by each county.

Mr. Jennings suggested presenting the information to the Partnership beginning with the committee's review of RCW 39.34.200. It appears to satisfy all the objectives the Partnership wants to accomplish by enabling the Partnership to submit for funding from non-governmental sources. The discussion would then center on the process for establishing the new organization.

Ms. Spaulding advised that the Walla Walla Watershed Management Partnership has a six-member Board of Directors and several subcommittees. It doesn't appear the Partnership's existing structure would need to change. The standing committees of the STC, Habitat Work Group, and the Water Quality Committee could continue.

Ms. Spaulding referred to RCW 39.34.190, which speaks to watershed management plan projects using water-related revenues. It is an option the Partnership could also consider. Mr. Jennings noted the Hood Canal Coordinating Council began by individual members contributing funds to the organization annually. However, since then, individual members have backed away from that approach. It's important for the Partnership to discuss whether there should be a membership fee. It could be a graduated fee or a percentage of stormwater fees jurisdictions collect.

Members reviewed the provisions of RCW 39.34.190 and how many of the provisions could apply to the new organization. Members discussed reviewing the RCW with the membership. Mr. Jennings recommended developing a Q&A after meeting with the attorney and questions the Partnership should consider in terms of moving forward and forwarding that information as well as copy of the RCWs to the full membership prior to the next CBP meeting. Members agreed to review the material prior to forwarding it to the full membership.

Ms. Spaulding reviewed questions she plans to ask the attorney:

1. Can the Partnership use its existing interlocal agreement to form the watershed management partnership? If not, how much time will it entail to establish the new organization?
2. Does the watershed management partnership qualify for non-federal state funding, can the organization apply for private foundational funds, and can the partnership receive cash donations?
3. How much will it cost to establish the partnership?

Mr. Jennings suggested asking the attorney whether the current partnership must be disbanded if some current members do not want to move forward with a new organization. The issue is whether some members do not want to move forward to form a watershed management partnership. Ms. Spaulding advised that the attorney could answer legal questions but not likely address some 'what if' scenarios. Mr. Jennings suggested addressing whether the new organization could add new members after it's been initiated. Members discussed whether it's permissible to use the current interlocal agreement while excluding some members. Mr. Jennings said it likely entails a separate process to form a watershed management partnership. The issue is whether the current Chehalis Basin Partnership must be disbanded as well. There are several scenarios the attorney could help address. Bill Schulte's initial concern is establishing a non-profit that includes members from the Partnership and over time other members could join that eventually could lead the non-profit moving in a different direction with different goals than originally envisioned. The issue is whether the watershed management partnership can serve as the funding arm that is closely linked to the Partnership as the members would be public agencies.

Mr. Hill said the Partnership discussed forming a foundation at one point that would strictly be tied to implementing watershed projects. Ms. Spaulding said the Nisqually River Foundation serves that purpose. Mr. Jennings said RCW 39.34.200 is specifically limited to public agencies, which leads to another question of whether the agreement can allow for non-public agencies to join as members. Ms. Spaulding said the Walla Walla organization has non-public agency members. However, it did not form under RCW 39.34.200. Mr. Jennings said information he obtained previously indicated that while governments are able to accept donations, governments often don't meet the criteria established by foundations for receiving funds. The watershed management partnership is somewhat of a persona in that public agencies form the entity that does not appear to be considered a public agency or government entity. It could address many of Mr. Schulte's concerns.

Mr. Jennings suggested posing the question to the attorney of whether the Partnership has to dissolve and could it continue to exist in addition to establishing the watershed management partnership as more of a planned implementation approach with the ability to apply for grants.

Mr. Jennings noted that RCW 39.34.200 focuses more on the implementation aspect whereas the CBP focused on plan development, coordination between local bodies, and collaboration. He suggested there is room for both organizations. There will be ongoing planning, coordination, and adjusting to changes in laws while the watershed management partnership specifically focuses on implementing elements of those plans. Both organizations could exist. Ms. Balmelli-Powe pointed out that the CBP would not have any funding. Mr. Jennings replied that another question could entail whether funds raised by the watershed management partnership could be funneled to the existing watershed planning unit for future plan updates. It is likely it may not be possible as the RCW refers to "implementing." Several members noted that there must be a plan to implement and that the plan will change through updating.

Mr. Hill suggested the basic question is whether the Partnership must approve the formation of the watershed management partnership. Ms. Spaulding offered that technically, it wouldn't require the blessing of the CBP, but that she would want the current members to form the organization. Mr. Jennings commented that his frustration is having one member hold the group hostage.

Ms. Spaulding said based on the discussion, she has a series of questions to review with the attorney. The attorney has indicated he is also willing to attend a CBP meeting. She confirmed she will draft the Q&A and forward to STC members as well as a copy of the RCWs.

#### **Discussion of EPA CARE Grant Application**

Ms. Spaulding reported Grays Harbor College has requested the Outreach Specialist at the college who coordinates the Coastal Resources Learning Center, to apply for an EPA CARE grant with assistance from Ms. Spaulding. She asked members for feedback on spending time with the Specialist working on the grant submission. The EPA Community Action for Renewed Environment (CARE) grant focuses on forming community-based partnerships and identifying and understanding sources of risks from toxic pollutants and environmental concerns. One project is the water quality monitoring work completed by the CBP. It may entail working with the Tribe and DOE to refine some of the information and determine some of the sources followed by initiating some education and outreach, which all ties in with the Water Quality Committee's focus this year.

Ms. Hempleman suggested checking with DOE's Toxic Pollutant section to determine if it is also pursuing the same grant. Ms. Spaulding said the grant covers a wide range of environments from air to surface water. Ms. Hempleman said it could entail priority metals and chemicals rather than fecal coliform and temperature. She suggested reconfirming the focus of the grant.

Ms. Spaulding reviewed the focus of the grant, which is on building community-based partnerships, identifying and developing an understanding of the sources of risk from toxic pollutants and environmental concerns, and setting priorities for the reduction of the identified risk and concerns of the community. Mr. Jennings said it appears to be more of a planning exercise rather than an implementation project. Ms. Spaulding said there are two levels of the grant. Level 2 cannot be awarded until completion of level 1. The grant is very competitive of approximately \$75,000 to \$100,000 with three grants awarded nationwide.

Mr. Hill suggested undertaking the process even if it means no award of the grant as the process would be educational for future grant submissions. Ms. Spaulding said her work plan includes time to work and write grants. She said she is comfortable assisting the Outreach Specialist on the grant application. Mr. Jennings suggested discussing how the grant may be divided. Ms. Hempleman asked if the project concept has been developed. Ms. Jennings said the Outreach Specialist is very interested in pursuing the grant because of her work with the schools.

Ms. Spaulding reviewed the grant deliverables of building effective partnerships that include community organizations, residents, businesses, and governments, provide information tools and technical assistance to help communities understand potential sources of exposure, establish consensus and communicate priorities and effective actions to reduce risks, focus on action, mobilize local resources, and utilize EPA programs to implement risk reduction activities, facilitate networking among care communities to share experiences and lessons learned, and build long-term building capacity to continue improving the local environment.

Mr. Hill said it appears the goals mesh well with the Partnership's goals. Members agreed to present the proposal to the Partnership recognizing that it will not detract from other work program items.

#### **Review List of Organizations to Present Presentations to the CBP**

Ms. Spaulding reported Ms. Holbrook-Shaw forwarded a list of organizations and contacts to invite to provide an update to the CBP. She asked members to review the list to ensure the list includes all organizations. Mr. Hill suggested including a date on the list as it will be updated.

The addition of Surfrider Foundation was suggested for inclusion as well as the Department of Fish and Wildlife Services. Ms. Spaulding suggested adding all CBP members to the list as well. Jay Gordon with the Washington Dairy Federation was added to the list.

#### **CBP Agenda for March**

The CBP March agenda includes:

- Presentation by Erik Borgen, Washington Water Trust (WWT)
- Presentation on Climate Changing Hydrologic Extremes in the Chehalis Basin – Dr. Alan Hamlet, UW Climate Impacts Group
- Nadine Romero Scatter Creek Model presentation
- Watershed Management Partnership Discussion
- Budget Update
- Discuss possible meeting date change for April meeting

John Penberth has requested 10 minutes on the agenda to discuss flood control authority proposed legislation. Members expressed a preference not to include the discussion as it doesn't directly pertain to the CBP.

Mr. Burkle said he is unable to attend the next STC meeting. The first week in April is spring break for the Elma School District as well as for most of the other school districts in Gray Harbor. Ms. Balmelli-Powe said she is also unavailable to attend the April STC meeting.

**Adjournment**

With there being no further business, the meeting was adjourned at 11:18 a.m.

Prepared by Valerie Gow, Recording Secretary/President  
Puget Sound Meeting Services